



Department of Justice

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**JUSTICE DEPARTMENT REQUIRES GOOGLE INC. TO
DEVELOP AND LICENSE TRAVEL SOFTWARE IN ORDER TO
PROCEED WITH ITS ACQUISITION OF ITA SOFTWARE INC.**

***Mandatory Licensing, Research and Development Commitments and Firewall Requirements
Will Preserve Competition in Online Airfare Search in the United States***

WASHINGTON – The Department of Justice announced today that in order for Google Inc. to proceed with its proposed acquisition of ITA Software Inc., the department will require Google to develop and license travel software, to establish internal firewall procedures and to continue software research and development. The department said that the proposed settlement will protect competition for airfare comparison and booking websites and ensure those websites using ITA’s software will be able to power their websites to compete against any airfare website Google may introduce. The department said that the acquisition, as originally proposed, would have substantially lessened competition among providers of comparative flight search websites in the United States, resulting in reduced choice and less innovation for consumers.

The department said that Google will also be required to provide mandatory arbitration under certain circumstances and provide for a formal reporting mechanism for complainants if Google acts in an unfair manner.

The Department of Justice’s Antitrust Division filed a civil antitrust lawsuit today in U.S. District Court in Washington, D.C., to block the proposed acquisition. At the same time, the department filed a proposed settlement that, if approved by the court, would resolve the competitive concerns of the lawsuit.

“The Department of Justice’s proposed remedy promotes robust competition for airfare websites by ensuring those websites will continue to have access to ITA’s pricing and shopping software,” said Joseph Wayland, Deputy Assistant Attorney General of the Department of Justice’s Antitrust Division. “The proposed settlement assures that airfare comparison and booking websites will be able to compete effectively, providing benefits to consumers.”

Under the proposed settlement, Google will be required to continue to license ITA’s QPX software to airfare websites on commercially reasonable terms. QPX conducts searches for air travel fares, schedules and availability. Google will also be required to continue to fund research and development of that product at least at similar levels to what ITA has invested in recent

years. Google will also be required to further develop and offer ITA's next generation InstaSearch product to travel websites, which will provide near instantaneous results to certain types of flexible airfare search queries. InstaSearch is currently not commercially available, but is in development by ITA.

To prevent abuse of commercially sensitive information, Google will be required to implement firewall restrictions within the company that prevent unauthorized use of competitively sensitive information and data gathered from ITA's customers. The proposed settlement delineates when and for what purpose that data may be used by Google. Google is also prohibited from entering into agreements with airlines that would inappropriately restrict the airlines' right to share seat and booking class information with Google's competitors. Finally, the proposed settlement provides for a formal reporting mechanism for complainants if Google acts in an unfair manner.

Google Inc. is the largest search engine in the United States. Google is a Delaware corporation with its principal place of business in Mountain View, Calif., and with 2009 revenues of more than \$23 billion.

ITA Software Inc. is a leading producer of airfare pricing and shopping systems in the United States. ITA is headquartered in Cambridge, Mass.

As required by the Tunney Act, the proposed five-year settlement, along with the department's competitive impact statement, will be published in the Federal Register. Any person may submit written comments concerning the proposed settlement during a 60-day comment period to James J. Tierney, Chief, Networks and Technology Enforcement Section, 450 Fifth Street, N.W., Suite 7100, Washington, D.C. 20530. At the conclusion of the 60-day comment period, the U.S. District Court for the District of Columbia may enter the proposed settlement upon finding that it is in the public interest.

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