

Dear Valued Partner

This morning British Airways (BA) and Iberia (IB) are announcing a change in approach to distribution and I wanted to let you know the details.

Over the last few years BA and IB have been playing a leading role in innovations involving New Distribution Capability (NDC). This technology brings customers, agents and airlines benefits in merchandising flexibility and richer content.

Our distribution strategy is focused on providing an enhanced range of booking options to our partners. We will continue to work with the GDS providers to distribute our content to our valued agency partners via existing solutions, however these systems and their traditional technology solutions currently carry significantly greater costs to BA and IB. We are also continuing to work with the GDSs on potential NDC connectivity.

Therefore from 1 November 2017, British Airways and Iberia will apply a charge of £8/€9.50 per fare component to any bookings which are not made using an NDC based connection, or through other low-cost channels, such as our websites, airline sales offices and call-centres. The charge recovers the additional costs applied through these channels. To support the transition we have developed a wide range of NDC based connections including direct NDC connections, aggregators or self booking tools connected via NDC and an IAG booking portal.

We appreciate this represents significant change for your business and therefore, in order to give you time to adapt and consider the range of options available to you, we will not be implementing the charge until 1 November, 2017. I have attached some answers to the initial questions you might have, and we will be in touch in the coming days to set up a discussion.

In the meantime, nothing changes in our distribution arrangements with you and we look forward to further developing our business relationship for mutual advantage in the future.

Best Regards

Stephen Humphreys
Head of Global Sales

