

IATA Changes

Product Advisory Number:	621						
Version:	2.0						
	15 Oct 08:						
Effective Date:	Apollo/Galileo: 0100 EST						
	Worldspan: 0530 EST						
	Certain minimum checks have been eliminated by IATA and will no longer be processed by Galileo 360° Fares and Worldspan Pricing.						
High Level Description:	2) The IATA definition of a Normal Fare Open Jaw has been amended to include the provision that "except for pricing units wholly within Europe, Europe shall be considered as one country."						
	NOTE – In the event the implementation of this feature requires a product outage, advance notification pertaining to the outage will be sent by the TTO Service Desk.						
Impact Summary:	Information Only						
	Second Notification:						
Reason For Issue:	 Addition of Normal Open Jaw change 						
	Addition of Load date/times						
Customer Impact	N Internal Only						
	Y Subscribers						
	N Developers*						
	N Air Suppliers						
	N Surface Suppliers						
System:	Y Galileo Y Apollo Y Worldspan						
	Y Galileo Y Apollo Y Worldspan						
Product Area:	N Host Function						
	N Desktop						
	Y Fares						
	N Web Services (API and Messaging) *						
	N Galileo Fares Interface (ATO/CTO)						
	N Hosting						
Load to Production:	15 Oct 08						
Load to Copy:	13 Oct 08						



* Additional Information

Web Services (API and Messaging)

This new information will be included in existing Web Services message responses, no new Web Services requests or formats are required and Web Service customers will receive these on the same load dates.



Overview

An agenda item to eliminate the following minimum checks was approved at the October 2007 IATA RAP meeting in Montreal:

- Country of Payment (COP)
- Common Point Minimum (CPM)
- Directional Minimum Check (DMC)
- Normal fare Check (OSC)
- Return Subjourney Check (RSC)

In addition, IATA has amended the definition of a Normal Open Jaw to include the provision: "except for pricing units wholly within Europe, Europe shall be considered as one country".

This change applies to <u>Origin</u> Normal Fare Open Jaws. For <u>Turnaround</u> Normal Fare Open Jaws, this logic already applies.

Customer Benefit

- Simplified fare calculation
- Increased pricing solution options

Detail and Customer Examples

The <u>date of ticket issue or sale</u> and not the date of commencement of travel should be used to determine whether or not the minimum checks apply.

The minimum checks applicable to the type of journey/subjourneys will continue to be assessed for the reissue of a ticket where the first flight coupon has already been used before the approval date for this change.

The examples shown in this document are based on current/enhanced responses displayed in Apollo®, Galileo®, and Worldspan terminal emulation. Equivalent Apollo® and Galileo® Viewpoint™ displays will also show these changes when applicable.



Country of Payment (COP)

The COP is a pricing unit check which applies to normal and special fare round and circle trip pricing units. The IATA Reso mentions normal fares only, however in some cases, government mandates have applied it to both normal and special fares. The check requires that the fare for a round trip or circle trip pricing unit paid in the country of the check for travel to the country, or via the country cannot be less than the direct route fare from pricing unit origin to any ticketed point in the country of payment.

Example

Itinerary: BKK-TYO-BKK

			1		2		3	4		5	6
	123	3456	78901	L23456	7890123	45678	39012345	678901	2345	56789012345678	3901234
01	1	XX	772Y	10JUN	BKKNRT	HK1	735A	345P		TU	
02	2	ZZ	703Y	15JUN	NRTBKK	HK1	400P	855P	*	SU	
03	>										

This is a round trip from BKK to TYO. COP applies to sales made in TYO.

Round trip fares:

City Pair	Fare	Fare type
TYO- BKK	1923.01	ER
TYO- BKK	2160.74	EU

Pricing response:

(enhanced - COP not applied)

1 2 3 4 5 6 1234567890123456789012345678901234567890123456789012345 01 BKK XX TYO M612.42YRT ZZ BKK M612.42Y NUC 1224.84 END



Common Point Minimum (CPM)

The Common Point Minimum applies when the surface sector at either origin, destination or both origin and destination of a normal fare open jaw is within one country, and each fare component contains a common ticketed point or points within that country.

The Common Point Minimum also applies when the surface sector is between different countries, and there is a common ticketed point or points in the country of the fare break point of one of the open jaw fare components. In the case where there is a common ticketed point(s), the fare charged for the normal open jaw pricing unit cannot undercut the applicable fare to/and or from the common point(s). If there is more than one common point, the fare charged for the open jaw pricing unit cannot undercut the fare to and/or from the higher/highest common point.

Example

Itinerary: MAN-LX-ZRH-BA-X/MAN-BHX

			1		2		3	4	5	6
	123	3456	78901	L23456	78901234	156789	012345	678901234	567890123456	78901234
01	1	XX	387J	10MAY	MANZRH	HK1	610A	910A	SA	
02	2	ZZ1	1693C	18MAY	ZRHMAN	HK1	700P	755P	SU	
03			OPERA	TED BY	BRITIS	H AIRV	WAYS C	ITIEXPRES	S	
04	3	Х1	10C	18MAY	MANBHX	HK1	930P	1030P	SU	
05	>									

This example is a normal fare origin open jaw comprised of fare components MAN-ZRH and BHX-ZRH (showing the fare components in the direction that fares are assessed). The country of origin of the open jaw pricing unit is Great Britain. There is a common point of MAN on each fare component within Great Britain. The fare for the open jaw cannot be less than the fare would have been if priced MAN-ZRH-MAN.

Round trip fare:

City Pair	Fare	Fare type
MAN- ZRH	1187.54	EU

Pricing response:

(current - CPM applied; i.e. raised to MAN-ZRH round trip fare)

```
1 2 3 4 5 6
123456789012345678901234567890123456789012345678901234
01 MAN XX ZRH M593.77Y ZZ X/MAN X1 BHX 5M555.46Y P R/MAN 38.31 NUC
1187.54 END
```



(enhanced - CPM not applied)

1 2 3 4 5 6 123456789012345678901234567890123456789012345678901234 01 MAN XX ZRH M593.77Y ZZ X/MAN X1 BHX 5M555.46Y NUC 1149.23 END

Directional Minimum Check (DMC)

The DMC requires that the fare charged cannot be less that the fare for the highest rated pair of points in either direction between any ticketed points within the fare component. It applies to tickets sold or ticketed outside the country of origin. It applies to international normal and special one way pricing units and normal open jaw pricing units.

The minimum fare is compared to the fare charged for the component, including mileage surcharges, Higher Intermediate Points (HIPs), and One Way Backhauls (BHCs).

Example

Itinerary: BKK-C-SIN-C-ATH

			1		2		3	4	5	6
	123	3456	578901	123456	7890123	45678	9012345	678901	234567890123456	78901234
01	1	XX	401C	10JUN	BKKSIN	HK1	715P	1035P	TU	
02	2	ZZ	348C	11JUN	SINATH	HK1	105A	710A	WE	
03	>									

Fares

City Pair	Fare class	Amount	Fare Type	Controlling Carrier	Fare (carrier/ IATA)
BKK-ATH	С	1453.32	BU	XX	YY
BKK-SIN	COW	270.47	BU	ZZ	ZZ
	С	270.47	BU		YY
SIN-BKK	С	410.98	BU	ZZ	YY
SIN-ATH	C2	1631.36	BR	XX	XX
	С	2057.81	BU		YY
ATH-SIN	С	2087.56	BU	XX	YY
ATH-BKK	С	1899.40	BU	XX	YY

In this example a through fare is charged BKK-ATH. SQ is the controlling carrier, and a YY fare is used. The DMC check applies BKK-SIN, SIN-BKK, SIN-ATH, ATH-SIN, ATH BKK. The fare charged for the component can not undercut the highest fare between any ticketed points. The minimum fare for this example is 2087.56.

Pricing response:

(current response – DMC applied; i.e. fare is raised to the ATH-SIN fare)



(enhanced response – DMC <u>not</u> applied)

Normal Fare Check (OSC)

The OSC requires that a specified through fare is not undercut by a combination of fares. It applies between consecutive normal one way subjourneys (pricing units). It applies between domestic one way pricing units and consecutive international pricing units.

Example:

Itinerary: TYO-BKK-CMB

			1		2		3	4	5	6
	123	3456	578901	L23456	7890123	456789	012345	5678901	2345678901234	15678901234
01	1	XX8	3265Y	10JUN	NRTBKK	HK1	600P	1015P	TU	
02	2	ZZ	423Q	12JUN	BKKCMB	HK1	900P	1120P	TH	
03	>									

Fares

City pair	Fare class	Amount	Fare type	Rules
TYO-BKK	Y4	1228.42	ER	CAT 8=No stops
	Υ	1366.32	EU	
BKK-CMB	QOW	351.76	EU	
TYO-CMB	Υ	2131.13	EU	
	Y2	1727.58	ER	CAT 8=No stops

In this example, the through Y fare cannot be applied because segment 2 fails booking class. The fare quote is point to point. Segment 1 is fare type ER. Segment 2 is fare type EU. Both are economy class. The combination of fares undercuts the through fare TYO-CMB. The OSC applies. There are two fares for the carrier and class of service between TYO and BKK. The lower cannot be used because it fails stopovers. The fare must be raised to the Y fare TYO-CMB.



Pricing response:

```
(current response - OSC applied; i.e. the fare is raised to Y fare TYO-CMB)

1 2 3 4 5 5 6

12345678901234567890123456789012345678901234567890123456789012345

01 TYO XX BKK Q5.00 M1228.42Y4 ZZ CMB M351.76QOW H TYOCMB550.95 NUC 2136.13 END
```

```
(enhanced response – OSC <u>not</u> applied)

1 2 3 4 5 6 6

12345678901234567890123456789012345678901234567890123456789012345

01 TYO XX BKK Q5.00 M1228.42Y4 ZZ CMB M351.76QOW NUC 1580.18 END
```

Return Subjourney Check (RSC)

The RSC is a journey check which applies to normal fare pricing units consisting of return subjourneys/pricing units. The check requires that the total fare for the consecutive normal fare return pricing units cannot be less than the highest direct route fare from the origin of the first return pricing unit to any stopover point on any of the subsequent return pricing units.

Example:

Itinerary: TYO-X/BKK-KHI-MCT-KHI-X/KUL-TYO

			1		2		3	4	5	6
_	123	3456	578901	L23456	7890123	45678	9012345	678901	2345678901234	5678901234
01	1	XX	73J	10JAN	NRTBKK	HK1	1120A	405P	FR	
02	2	ZZ	701J	10JAN	BKKKHI	HK1	655P	1020P	FR	
03	3	Х1	507C	12JAN	KHIMCT	HK1	1005P	1055P	SU	
04	4	Х1	508C	11FEB	MCTKHI	HK1	1159P	235A	TU/WE	
05	5	Z1	161C	15FEB	KHIKUL	HK1	1140P	810A	SA/SU	
06	6	Z1	70C	16FEB	KULNRT	HK1	1105A	635P	SU	
07	>									

This itinerary can be priced as two pricing units:

TYO-KHI circle trip

KHI-MCT round trip

Stopovers occur at KHI and MCT. The combination of return pricing units cannot be less than the direct route round trip fare TYO-KHI or TYO-MCT, whichever is higher.

Round trip fares

City Pair	Fare
TYO-KHI	4226.73
TYO-MCT	4772.41



Pricing response:

```
(current – RSC applied; i.e. the fare is raised to the TYO-MCT round trip fare.)
                              2
                                         3
                   1
         1234567890123456789012345678901234567890123456789012345678901234
    01
         TYO XX BKK M1281.30C ZZ KHI M515.28J X1 MCT M260.50C X1 KHI
    02
         M260.50C Z1 KUL M607.45C Z1 TYO M1378.59C P TYOKHI444.09 U
    03
         TYOMCT24.70 NUC 4772.38 END
```

```
(enhanced – RSC not applied.)
                                                                       6
        1234567890123456789012345678901234567890123456789012345678901234
        TYO XX BKK M1281.30C ZZ KHI M515.28J X1 MCT M260.50C X1 KHI
    01
    02
        M260.50C Z1 KUL M607.45C Z1 TYO M1378.59C P TYOKHI444.09 NUC
    03
        4747.68 END
```

Normal Open Jaw – Europe as one country

Currently, the normal open jaw definition requires that any surface sector at origin must be within the same country, with exceptions as follows:

- Canada/USA are considered one country
- except for pricing units wholly within Scandinavia, Scandinavia is considered one country
- Aruba/Netherlands Antilles is considered one country

The definition of a normal fare open jaw has changed and Europe has been added to this list of exceptions. Per IATA:

Except for fares wholly within Europe, Europe is considered one country for the purpose of normal open jaw.

This impacts pricing unit creation. Currently, when a pricing unit originates in Europe, has a point of turnaround outside of Europe, and returns to a different country in Europe, the pricing solution is composed of fare components assessed in the direction of travel.

With this change, the pricing unit meets the definition of a normal open jaw, therefore both fare components will be assesed from the pricing unit origin.

Example:

Itinerary: LON-JNB-FRA

```
2
                                    3
    1234567890123456789012345678901234567890123456789012345678901234
01
             235 D
                     30JAN LHRJNB AK1
                                        1800
                                               +0725
                                                                  FR
02
     2. XX
             260 D
                    15FEB JNBFRA AK1
                                        2020
                                              +0615
                                                                  SU
0.3
```



Round trip fares

City Pair	1/2 round trip
LON-JNB	2358.80
FRA-JNB	1769.03
JNB-FRA	1852.08

Pricing response:

(current – Europe is not considered one country. Pricing solution is two fares combined half round trip, assesed in the direction of travel.)

(enhanced – Europe is considered one country. Pricing solution is two fares combined half round trip, assessed from the pricing unit origin.)

Historical Fare Quote

Historical fare quote will continue to apply the minimum checks that were in effect on the date specified in the historical fare quote request.

Example

Itinerary: MAN-LX-ZRH-BA-X/MAN-BHX

	1	2	3	4	5	6
	1234567890123456	78901234567	39012345	67890123	456789012345678	901234
01	1 XX 387J 10MAY	MANZRH HK1	610A	910A	SA	
02	2 ZZ1693C 18MAY	ZRHMAN HK1	700P	755P	SU	
03	OPERATE	D BY BRITIS	H AIRWAY	S CITIEXE	PRESS	
04	3 X1 10C 18MAY	MANBHX HK1	930P	1030P	SU	
05	>					

Pricing response for a historical fare quote made <u>after</u> the minimum checks have been eliminated:

1 2 3 4 5 6 6 1234567890123456789012345678901234567890123456789012345



01 MAN XX ZRH M593.77Y ZZ X/MAN X1 BHX 5M555.46Y P R/MAN 38.31 NUC 02 1187.54 END

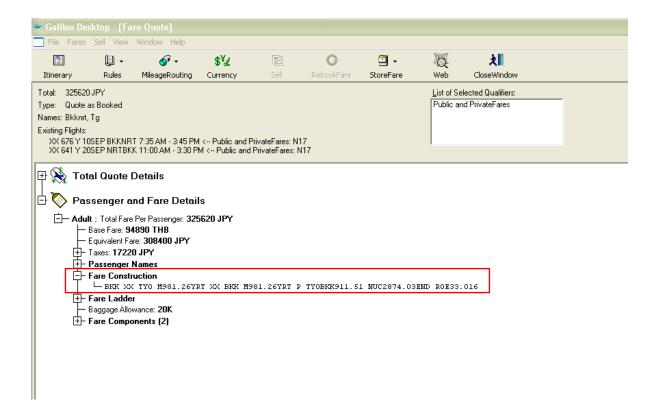
The Common Point Minimum is still applied.

Viewpoint™

Fare construction displays in Viewpoint will also reflect these changes.

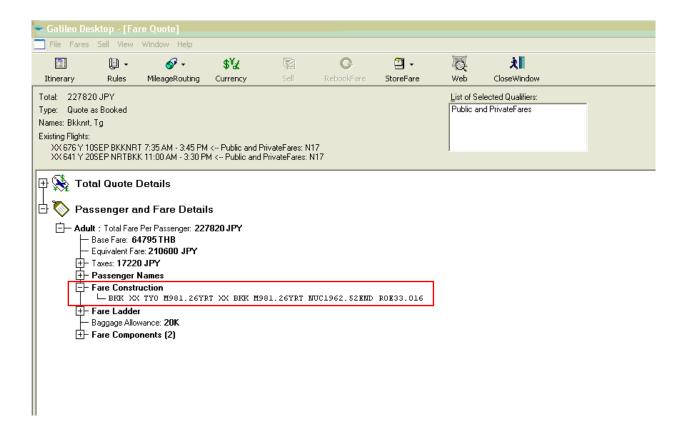
Example

(current - COP applied; i.e. fare is raised to the TYO-BKK fare)





(enhanced - COP not applied)





Glossary

Term	Definition			
Country of Payment (COP)	A minimum check that requires that the fare for a round trip or circle trip			
Country of Caymont (Col.)	pricing unit paid in the country of the check for travel to the country, or via the country cannot be less than the direct route fare from pricing unit origin to any ticketed point in the country of payment.			
Common Point Minimum (CPM)	A minimum check that requires that the fare charged for the normal open jaw pricing unit cannot undercut the applicable fare to/and or from the common point(s) in an itinerary.			
Directional Minimum Check (DMC)	A minimum check that requires that the fare charged cannot be less that the fare for the highest rated pair of points in either direction between any ticketed points within the fare component.			
Normal fare Check (OSC)	A minimum check that requires that a specified through fare is not undercut by a combination of fares.			
Return Subjourney Check (RSC)	A minimum check that requires that the total fare for the consecutive normal fare return pricing units cannot be less than the highest direct route fare from the origin of the first return pricing unit to any stopover point on any of the subsequent return pricing units.			

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