CMA launches investigation into Teletext Holidays over refunds

Press release

The CMA is launching an investigation into Teletext Holidays in relation to refunds for holidays cancelled due to coronavirus.



The Competition and Markets Authority (CMA) has launched its investigation under consumer protection law after receiving hundreds of complaints that people were not receiving refunds for package holidays cancelled due to the coronavirus (COVID-19) pandemic.

In some instances, Teletext customers reported that they were promised refunds by a certain date, only to have that date pushed back.

The CMA will now engage with Teletext to gather further evidence on whether the company has broken consumer protection law.

Andrea Coscelli, CEO of the CMA, said:

We understand that the pandemic is presenting challenges for travel businesses, but it is important that the interests of consumers are properly protected and that businesses comply with the law.

We'll be engaging with Teletext to establish whether the law has been broken and will take further action if necessary.

Today's announcement follows significant action by the CMA in relation to holiday cancellations. The CMA has <u>written to over 100 package holiday firms to remind them of their obligations to comply with consumer protection law, and has secured refund commitments from a number of holiday firms, including Love Holidays, <u>Lastminute.com</u>, <u>Virgin Holidays</u>, <u>TUI UK</u>, <u>Sykes Cottages</u> and <u>Vacation Rentals</u>.</u>

The CMA is also investigating whether airlines have breached consumers' legal

<u>rights</u> by failing to offer cash refunds for flights they could not lawfully take due to the pandemic.

For more information, visit the <u>COVID-19 cancellations: package holidays web page</u>.

Notes to editors

- 1. The CMA is at the initial stage of its investigation. Accordingly, it should not be assumed that any business under investigation has broken consumer protection law.
- 2. Teletext Holidays is the trading name of Truly Travel Limited, which is a subsidiary of Truly Holdings Limited.
- 3. How the case will progress depends on the evidence this could include the CMA closing the investigation if it believes that consumer protection law hasn't been breached, securing commitments from the company to address any identified concerns, or taking court action.
- 4. As an enforcer under Part 8 of the Enterprise Act 2002, the CMA cannot levy administrative fines but it can enforce the consumer law through the courts, and where appropriate, obtain additional measures to improve consumer choice, drive better compliance with the law, or obtain redress for consumers.
- 5. For further information please contact the CMA press office via press@cma.gov.uk or on 020 3738 6460.

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