<u>Court finds that Teletext Holidays</u> broke consumer law

• CMA chief executive: "we hope the decision will make it easier for people to get their money back for a cancelled holiday in the future"

The High Court agreed with the Competition and Markets Authority (CMA) that Truly Travel Ltd and Alpha Holidays Ltd — which traded as Teletext Holidays and Alpharooms respectively — breached the Package Travel and Linked Travel Arrangements Regulations (PTRs). These required them to refund customers for package holidays that were cancelled due to the COVID-19 pandemic within 14 days.

The CMA sought a declaration from the High Court in this case to highlight the importance of travel firms respecting consumers' refund rights. The CMA wants to ensure that people can book package holidays with confidence, knowing that their legal rights will be respected if their holiday is cancelled due to unavoidable circumstances outside their control.

This court action follows a significant programme of consumer protection law enforcement work by the CMA in the package travel sector, which has secured hundreds of millions of pounds in refunds for people whose holidays were cancelled due to the COVID-19 pandemic.

Because Truly Travel and Alpha Holidays have been placed into liquidation, Teletext Holidays or Alpharooms package travel customers with outstanding refunds are encouraged to submit a claim to the Travel Trust Association (TTA), which is now responsible for these. Today's court decision does not affect this.

Andrea Coscelli, Chief Executive of the CMA, said:

This should be a wake-up call to any business that thinks that it doesn't need to honour customers' refund rights. Today's ruling confirms the CMA's view that Teletext Holidays and Alpharooms broke the law by not providing the refunds customers were due within 14 days for cancelled package holidays.

While this ruling comes after these firms have been placed in liquidation, we hope the decision will make it easier for people to get their money back for a cancelled holiday in the future. Customers of Teletext Holidays and Alpharooms with outstanding refunds should get in touch with the Travel Trust Association.

The CMA launched court action against Truly Holdings, and its subsidiaries Truly Travel Ltd and Alpha Holidays Ltd, last year, over outstanding refunds owed to customers. Truly Holdings had previously signed formal commitments, known as undertakings, requiring them to use all reasonable endeavours to pay outstanding refunds to passengers in an agreed schedule, and to ensure that all refunds due for cancelled package holidays going forward were paid within 14 days. When the CMA found that Truly Holdings was not fully abiding by these undertakings, the CMA took the company to court.

The court claim for refunds was stayed — paused indefinitely — after the firms entered liquidation, but the CMA continued to seek a declaration from the court that these companies broke the law. This has resulted in the ruling made today.

For more information, visit the CMA's case page on COVID-19 package holiday cancellations.

- 1. Teletext Holidays is the trading name of Truly Travel Limited, which is a subsidiary of Truly Holdings Limited. Truly Travel Limited and Alpha Holidays Limited (which trades as Alpharooms.com) are both subsidiaries of Truly Holdings Limited.
- 2. The CMA's investigation relates to package travel holidays booked with Teletext Holidays and Alpharooms.com, not flights or accommodation booked on a standalone basis.
- 3. The CMA is encouraging package travel customers of Truly Travel and Alpha Holidays with outstanding refunds to submit a claim via an online form to the Travel Trust Association (TTA). The online form differs for Truly Travel customers and Alpha Holiday customers.
- 4. The declaration from the High Court today follows an uncontested hearing on the papers which took place on 22 February 2022.