

United States Senate

WASHINGTON, DC 20510

August 6, 2018

The Honorable Joseph J. Simons
Chairman
Federal Trade Commission
600 Pennsylvania Avenue, NW
Washington, DC 20580

Dear Chairman Simons:

I write seeking an update on my November 2, 2017 request that the Federal Trade Commission (FTC) investigate potentially unlawful business practices by TripAdvisor, or any similar travel rating websites. In a November 17 response, then-Chairwoman Ohlhausen wrote that the FTC would carefully consider my request to determine whether enforcement or other action was appropriate. During the Commerce Committee's February 2018 nominations hearing, I followed up on this issue and asked you, as well as Commissioners Phillips and Chopra, to commit to looking into it. All agreed. Nearly six months have passed since that hearing and I ask that you provide me an update on those efforts as soon as possible.

I remain concerned that these entities, upon which Americans increasingly rely for accurate and unbiased reports regarding the safety and quality of destinations, accommodations and activities, could be engaged in practices that instead provide incomplete, inaccurate or misleading information. It is urgent that the Commission investigate any violations of federal consumer protection laws, as well as provide guidance on addressing potential consumer deception to travel and other websites that aggregate consumer reviews of products and services.

My original inquiry was prompted by reports that TripAdvisor had censored information critical of Mexican resorts where individuals may have consumed tainted alcohol and suffered injury, sexual assault and even death as a result. These tragic events have affected a number of my constituents, as well as individuals from across the country, and continue to be reported.

In recognition of the seriousness of these incidents and the need for greater oversight by all relevant government agencies, the Senate Appropriations Committee included the following language I authored in its report to accompany the Fiscal Year 2019 State Department and Foreign Operations Appropriations Act:

The Committee is aware of an alarming number of incidents, including injury and death, involving U.S. citizens and potentially tainted alcohol at tourist destinations in Mexico, and the lack of transparency and accountability exhibited by local Mexican law enforcement authorities and businesses. Not later than 90 days after enactment of the act, the Secretary of State shall submit a report to the Committee detailing: (1) the factors contributing to these incidents; (2) the scope and quality of assistance and security provided to U.S. citizens by Mexican authorities; and (3) options for strengthening the Department of State's traveler

awareness programs and for improving consular operations to more proactively support U.S. citizens in Mexico.

I will continue to address the dangers facing American travelers in Mexico and to improve the support services provided to those U.S. citizens who tragically fall victim to criminal activity. In the meantime, it is imperative that the Commission review—and take appropriate action to stop, if necessary—any deceptive or unscrupulous business practices that direct, without disclosure of possible dangers, American travelers to destinations that may put them at risk.

While TripAdvisor has taken some steps to address these reports, including creating a “badge notification” to alert consumers of health, safety or discrimination issues at particular businesses, I remain concerned that its underlying business model may facilitate practices that run afoul of federal consumer protection laws. As I noted in my November letter, a significant source of the company’s revenue is derived from click-based advertising and transactions for hotels booked through its website, and thus it has a financial incentive to maximize positive reviews and minimize accounts of problematic experiences.

I ask that you provide a detailed response regarding the steps the FTC has taken on this issue to date, including whether the agency has been in contact with TripAdvisor, as well as any similar travel rating websites.

Thank you for your continued attention to this urgent matter for American consumers.

Sincerely,



Tammy Baldwin
United States Senator