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## **Sabre Airline Solutions helps airlines switch to e-ticketing**

*World's first solution to help airlines manage payments in non-BSP markets*

Sabre Airline Solutions, the world's largest provider of smart, proven and bankable airline solutions, today launched 'Agency Activity', an innovative product to help airlines switch to e-ticketing beyond the markets covered by IATA's financial billing system Billing and Settlement Plans (BSP).

The 'Agency Activity' system, part of Sabre Airline Solutions' 'SabreSonic' passenger solutions suite, enables airlines to move closer to the target of 100 percent e-ticketing in all markets, rather than being forced to operate a dual electronic/paper ticket regime.

The International Air Transport Association (IATA) has set a deadline of May 2008 for the elimination of paper tickets issued under BSPs, and most airlines have switched, or are switching, to e-ticketing in BSP markets. But until now airlines have had to maintain paper ticketing in nearly 40 markets that do not have a BSP.

According to IATA, a 100 percent transfer to e-ticketing will help airlines collectively save at least US\$3 billion annually, based on a per-ticket cost of US\$1 for an e-ticket and US\$10 for a paper one.

Italian carrier Air Italy immediately saw the value with Sabre's 'Agency Activity' system.

"Thanks to Sabre's 'Agency Activity' system Air Italy is not only more ready to meet IATA's zero paper-ticketing requirements, but we will benefit from increased operational savings," said Air Italy's Chief Financial & Commercial Officer Alessandro Notari.

'Agency Activity' will allow airlines operating in these non-BSP countries, or those that do not participate in BSPs, to sell and receive payment for e-tickets. It also enables carriers to sell through non-IATA travel agents in BSP markets, widening their distribution and capturing greater revenue.

'Agency Activity' also manages the agency credit and settlement process in much the same way as BSPs do, providing standard and promotional commission calculation in a non-BSP environment.

The Web-enabled product is designed to track e-tickets issued by non-BSP agencies, automate the sales reporting and settlement processes, and allow airlines to manage the credit they extend to individual travel agencies. For their part, travel agencies have round-the-clock, real-time, online access to their current invoices and available credit levels.

“By automating sales reporting, online invoicing and credit control in this way, we have given airlines a powerful tool to improve productivity, reduce financial risk and assist in reducing the payment collection cycle,” said Sabre Airline Solutions Vice President for EMEA Murray Smyth. “This is on top of being able to phase out paper ticketing completely – not just in markets that have BSPs.”

Now non-IATA agencies can get the credit for their sales and distribution activity. In the past these agencies tended to have no direct relationship with airlines. Now, sales revenue generated by specific agencies or agency groups is easily visible for airline sales teams. ‘Agency Activity’ allows an airline to set targets to be attained for year-on-year revenue growth by an agency, and to give incentives against the required growth targets.

‘Agency Activity’ comprises two main modules. The ‘customer access’ module provides access to account information and invoices by agencies. The ‘airline administration’ part provides access to customer data and programme rules used by customer service agents, marketing analysts and revenue accounting.

Airlines can use *Agency Activity* to:

- Track extended credit to an agency where there is no domestic Billing and Settlement Plan (BSP)
- Track extended credit to an agency where there is domestic BSP, but the agency is not participating
- Prevent agencies from exceeding their credit limit when booking using an online portal (both BSP and non-BSP), thereby limiting the airlines credit exposure
- Track credit limits for agencies booking and e-ticketing directly with the airline via GDS, and alert the airline and agency when an agency reaches its credit limit
- Calculate tax on commission for domestic agency bookings in both non-BSP and BSP markets
- Calculate commission on sales in non-BSP markets
- Create invoices for non-BSP agencies to settle with the airline
- Automate reporting of agency sales from multiple distribution channels, including online through an agency portal or GDS

The product integrates with an airline’s revenue accounting system to provide sales data. It is an ASP offering, so overall costs are reduced through improved business efficiencies – resulting in a low total cost of ownership. It also allows the carrier to sell more tickets, offering an opportunity to increase revenue.

The 'Agency Activity' system also allows an airline to enrol new agencies, store profile information, track booking activity, issue reporting period invoices, calculate both commission and tax on commission (if applicable), and post agency payments to their account. In addition commission can be varied by individual agency, allowing the airline to operate individual productivity agreements.

ENDS

### **About Sabre Airline Solutions**

Sabre Airline Solutions, a Sabre Holdings company, is the world's largest provider of smart, proven, bankable solutions to help airlines market, sell, serve and operate from planning to execution. The company provides unmatched breadth and depth of integrated, dynamic business solutions delivered by experts to reduce airlines' costs, increase revenue and optimise the customer experience.

More than 250 airlines use its broad portfolio of 112 decision-support tools to increase revenues and improve operations. More than 100 airlines rely on Sabre Airline Solutions for passenger management solutions, while a similar number have turned to the company's consulting group for strategic, commercial and operational advice. More than 650 contracts worldwide were signed in 2006 for Sabre Airline Solutions' leading technology solutions.

Sabre Holdings connects people with the world's greatest travel possibilities by retailing travel products and providing distribution and technology solutions for the travel industry. More information about Sabre Holdings is available at <http://www.sabre-holdings.com>

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