

TravelWatch- **ISLE OF MAN**

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Representing and promoting the interests of Isle of Man Passengers

MEDIA RELEASE

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Dear Media

TravelWatch IOM backs campaign against Credit Card "Rip-Offs".

One of the recurring causes of complaint from IOM passengers is the charge for using a Credit Card to buy airline tickets. Passengers who have to change planes to reach their destination often face double charges - even if flying on with the same airline. These charges have increased significantly since the Isle of Man Office of Fair Trading published a report in March 2008.

Most of the airlines serving the IOM are following what has become UK custom and practice. Over 75% of our air passengers travel on UK based airlines, with the balance being evenly shared between Manx2.com and Aer Arann. With the exception of Manx2.com, the Isle of Man routes only provide a minority of the business of these airlines, so any progress on the issue of these charges needs to be on a much wider basis than IOM routes alone.

Which? (the Consumer Association) in UK has now decided to take this issue up and will be lodging a "Super Complaint" requiring the (UK) Office of Fair Trading to investigate these charges. A copy of their press release dated 11th February is attached for your information. This campaign requires public support and TravelWatch-Isle of Man would urge as many Manx passengers as possible to sign-up and support this campaign. This can be done by following the link from the TravelWatch website www.travelwatch-isleofman.org

TravelWatch chairman Brendan O'Friel comments that "For those of us living on the Island this is an important issue. Backing the **Which?** campaign seems to be the best chance of making some progress. We hope as many people as possible both on and off the Island will sign up via our website www.travelwatch-isleofman.org".

The TravelWatch ISLE OF MAN website www.travelwatch-isleofman.org has recently been improved to provide easier access to information for passengers travelling on and off the Island - to provide a feed-back facility for passengers to contact us - and to provide up to date information on current issues such as the **Which?** campaign.

We would appreciate your support in drawing this information to the attention of your readers, listeners, viewers and website visitors

Chairman Brendan O'Friel can be contacted on 01624 833636
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Issued on behalf of TravelWatch ISLE OF MAN
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Which? to launch super-complaint against 'rip-off' card surcharge

Strictly embargoed until Friday 11 February 2011 at 00:01 hrs
Contact Adam Williams on 0207 7707563 / adam.williams@which.co.uk

Which? has today announced plans to launch a super-complaint against the surcharges that many companies impose when customers pay with a debit or credit card. The consumer champion will use its powers* to ask the Office of Fair Trading (OFT) to investigate card surcharges, which are often sprung on the customer at the point of payment and can be far in excess of what it costs the retailer to process the transaction**.

Low-cost airlines are among the worst offenders, with some charging a fee per passenger, per leg of the journey, in spite of the fact that they only have to process one transaction.

For example, a family of four booking a return flight with Ryanair would be charged £40 to pay by card when the cost to the airline would be around 20 pence to process a debit card payment and no more than 2% of the transaction value for a credit card. The same family would be charged £36 by Flybe and £5.50 by Easyjet for paying for return flights by debit card.

Which? also has found that local authorities, estate agents, cinemas and even the DVLA*** are now beginning to levy excessive charges for paying by card. The super-complaint is Which?'s first since 2007 and kicks off the consumer champion's new campaign against rip-off charges, which consumers can support the campaign www.which.co.uk/ripoff. This will be submitted along with the super-complaint to the OFT at the end of March.

Which? chief executive, Peter Vicary-Smith, says:

"There's simply no justification for excessive card charges - paying by card should cost the consumer the same amount that it costs the retailer. Companies shouldn't be using card processing costs as an excuse for boosting their profits."

"Low-cost airlines are some of the worst offenders when it comes to excessive card surcharges but this murky practice is becoming ever more widespread, from cinemas to hotels and even some local authorities."

Ends

Notes to editors

*Which?, as a registered consumer charity, has legal powers under the Enterprise Act 2002 enabling it to file super-complaints with the Office of Fair Trading (OFT). A super-complaint allows designated consumer bodies to complain to the OFT and specific sectoral regulators about market features that may be significantly harming consumers' interests. Once Which? has submitted its super-complaint to the OFT, the regulator has 90 days to respond. Which? last issued a super-complaint in May 2007, when it asked the OFT to investigate the Scottish Legal Services market.

**Which? has found that the charges consumers pay can be significantly higher than the actual cost to the retailer which we believe is no more than 20 pence for debit cards. When using a credit card, the cost to the retailer is a percentage of the transaction value, we think no more than two per cent. However, charges to the consumer are often a fixed amount or can increase because of the number of people purchasing tickets.

***A Which? Money investigation in October 2010 found that card surcharges are used by a wide range of organisations. To see the full report, contact Adam Williams on 0207 7707563 / adam.williams@which.co.uk.

Which? wants:

Which? wants its super-complaint to result in:

- Retailers to tell consumers upfront if they have surcharges and how much they are - this needs to be in plain language in their advertising and promotions;
- Fair charges - the costs to the consumer should be the same as the cost to the retailer - this shouldn't be a hidden way of making money;
- For debit cards, as the cost to the retailer is so small, we think it's more reasonable for the retailer to absorb the cost and not pass it on to their customers.

Which? is a consumer champion. We work to make things better for consumers. Our advice helps them make informed decisions. Our campaigns make people's lives fairer, simpler and safer. Our services and products put consumers' needs first to bring them better value.