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American Airlines, Sabre put dispute on hold

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SAN FRANCISCO, Jan 24 (Reuters Legal) - American Airlines Inc and Sabre Holdings Corp put litigation on hold and said they will try to reach a deal to end a dispute over how the carrier's fares are displayed to travel agents and customers.

Earlier this month, American Airlines Inc won a court order temporarily blocking Sabre Holdings Corp from presenting its fares in a manner the carrier fears might steer customers to other airlines.

Sabre is one of several global distribution systems, such as Amadeus and Galileo, that act as pipelines to provide fare and flight information to travel agents.

Both companies said in a statement they will return to operating as they had prior to Jan. 5, when Sabre said it would change how it displays the carrier's fares to ticket buyers.

American, a unit of AMR Corp, had accused Sabre of violating its contract by pushing the carrier's fares lower in displays, making them harder for ticket buyers to find.

AMR has developed technology that informs ticket buyers of various services it offers for a fee, such as extra legroom or priority seating, rather than steering them toward tickets on the basis of price or schedule.

But this could disrupt the ticket selling model now favored by Sabre and online agencies such as Expedia Inc and Orbitz Worldwide Inc.

The showdown between American and third-party sellers followed a December court decision in another case allowing the airline to pull its flights from Orbitz, which had refused to adopt the carrier's "direct connect" technology for ticket sales.

Expedia also objected to the technology and dropped American's fares at the start of the year.

The Sabre case is American Airlines Inc v. Travelport Inc et al, Judicial District of Tarrant County, Texas, 67th Judicial District, No. 067-249214-10.

For American Airlines: Bill Bogle and Roland Johnson of Harris, Finley & Bogle; R. Paul Yetter, Marc Tabolsky and Anna Rotman of Yetter Coleman.

For Sabre: Not immediately available.

The case between American and Orbitz is Travelport LP v. American Airlines, Circuit Court of Cook County, Illinois, County Department, Chancery Division, No. 10-CH 48028.

(Reporting by Noel Randewich of Reuters; Additional reporting by Terry Baynes of Reuters Legal)

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