



UNITED STATES OF AMERICA
FEDERAL TRADE COMMISSION
WASHINGTON, D.C. 20580

Division of Advertising Practices

Mary Koelbel Engle
Associate Director

April 8, 2003

Charles Buffon, Esq.
Covington & Burling
1201 Pennsylvania Avenue, NW
Washington, DC 20004-2401

Dear Mr. Buffon:

The Commission has conducted an investigation of Expedia, Inc.'s www.expedia.com travel Web site. The Commission staff investigated to determine whether statements on Expedia's Web site were false or misleading in violation of the Federal Trade Commission Act.

The FTC staff was concerned that Expedia's travel website may have misled consumers about the nature of the results produced by its airline flight and car rental search engines. Not long after it was contacted by staff, Expedia made significant revisions to its travel Web site.

After careful review, the staff has decided to not to recommend enforcement action at this time. Accordingly, the investigation has been closed. This action is not to be construed as a determination that a violation may not have occurred, just as the pendency of an investigation should not be construed as a determination that a violation has occurred. The Commission reserves the right to take further action as the public interest may require.

Very truly yours,

Mary Koelbel Engle