

FTC looking into the “Sharing Economy.”

The Federal Trade Commission (FTC) held a workshop on June 9, to explore issues relating to emerging internet peer-to-peer platforms—often called the “sharing economy”—and the rapidly growing economic activity these platforms facilitate. The workshop examined competition, consumer protection, taxation and economic issues arising in the sharing economy to promote more informed analysis of its competitive dynamics as well as benefits and risks to consumers.

Rick Wolf, Vice Chair of AIHP, monitored the proceedings on AIHP's behalf. The 28 panelists gathered by the FTC represented a broad spectrum of individuals ranging from attorneys with the Federal Trade Commission, representatives from Uber, Airbnb, and professors from Stanford, Boston University & other prestigious universities. Also included were representative from the Council of Better Business Bureaus, American Hotel & Lodging Association, as well as several local and state regulatory agencies.

During the four main panel discussions, while structure of this “new” market and mechanisms for trust within the “sharing economy” were discussed, the more lively discussions continued to revolve around issues of taxation, licensing and safety. On the Airbnb topic, issues of housing availability and 'rogue' hotels added to the other regulatory issues. While the FTC established the premise to discuss whether more or less regulation across the board would level the playing field, “more” came up than “less”.

AIHP has held face-to-face meetings; has an ongoing, open discussion with Airbnb and will continue to provide input to Airbnb's leadership directly about leveling the playing field while embracing the changes that are upon our industry related to the ever expanding popularity of these types of business.

What is driving this expansion? That's easy - Consumers. Imagine waiting 30 minutes for a taxi that never shows, only to have an Uber car show up within 5 minutes after it was summoned.

“It doesn't take much to look back and think highly of this Uber experience,” Wolf said. “One of the buzz phrases from the workshop was ‘live, stay, eat like a local.’ Who should better be in a position to truly provide that experience better than a local B&B, Inn or Boutique property? Our professional, legal, licensed, tax paying and inspected B&B's, that's who! Perhaps we as an industry can accept and embrace change creating an equitable environment for all by working together... and, always with the guest in mind first.”

More information can be found on the FTC website along with video of the proceedings. A transcript is now available as well. The FTC will be accepting public comments through August 4, 2015. Members can rest assured that AIHP is monitoring these developments and will provide input on your behalf. Look for more on this important matter in the coming weeks.