

Lawsuit Against Airline Over Misleading Fees

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Companies often charge additional fees that increase the final cost of a product or service. In some industries, such as telecommunications and airlines, fees imposed by the government may be passed on to consumers.

In other cases, added fees are not the result of government action. Rather, they represent a price for additional services not included in the base charge. Breaking out separate fees for additional services or products will make the base price less expensive, and has the potential of making the product or service appear more competitive for comparison shopping purposes.

Of course, pricing schemes that mislead consumers may run afoul of the law.

A class action lawsuit filed recently in US District Court claims that the low cost air carrier Spirit Airlines purposely misrepresented a “passenger usage fee” as a government charge. According to a Los Angeles Times [report](#), the suit claims the passenger usage fee was not imposed by the government and was merely a way to get more money from passengers, increasing the cost of a ticket beyond the low base fare stated in its advertisements.

Ancillary revenue has become an increasingly important factor for airlines in recent years, as the industry struggles with increased energy costs, tough economic conditions and other factors.

The airline industry is by no means the only one that charges clients additional fees beyond a base charge for its products or services. And it remains unclear if Spirit Airlines violated any laws in the current matter.

But any business that lists additional fees, in advertisements or otherwise, should strive to properly describe such fees in order to avoid misleading customers or misrepresenting facts, circumstances which could invite customer complaints that damage the brand, not to mention subjecting the company to future lawsuits.

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