

From the Strip to SCOTUS: What a Las Vegas Hotel Pricing Lawsuit Could Mean for Use of Automated Pricing Tools

Many companies have begun to use algorithmic pricing to help them set prices. “Algorithmic pricing” typically involves the use of automated software to analyze data—such as demand, trends, and market activity—and recommend or set prices automatically or near automatically. While businesses often make their own final pricing decisions, these systems can play a significant role in shaping how prices are set across an industry. This is especially true when many players in an industry contribute to and use the same programs to set prices.

As algorithmic pricing takes center stage in the business world, it is also attracting scrutiny from antitrust enforcers and private antitrust plaintiffs. For example, the Department of Justice (DOJ) recently [pursued a case](#) against software company RealPage where it alleged price coordination in the rental housing market via use of AI-driven software that recommended rental pricing for landlords. Other similar cases involving RealPage remain pending.

Recently, a class action lawsuit involving hotel room pricing brings similar issues into the spotlight—this time at the U.S. Supreme Court. The case, *Gibson v. Cendyn Group, LLC*, No. 25-1109 (U.S. filed Mar. 11, 2026), asks whether companies face antitrust liability for using algorithmic pricing software when they remain free to set their own prices.

In *Gibson*, Las Vegas Strip casino hotel guests alleged that competing hotels contributed information to and used the same revenue management software licensed from Cendyn Group to help set room rates, and that this pushed prices higher across the market. According to the plaintiffs, the software effectively replaced independent pricing decisions with a common pricing framework, even if hotels sometimes elected not to follow the software’s recommendations.

Both the trial court and the Ninth Circuit rejected those claims. The courts focused on the fact that the hotels were not required to accept the software’s pricing suggestions and could override them at any time. Because the hotels retained that discretion, the courts concluded that the practice did not amount to an illegal agreement under Section 1 of the Sherman Antitrust Act.

POSTED:

Apr 6, 2026

RELATED PRACTICES:

[Litigation](#)

<https://www.reinhartlaw.com/practices/litigation>

[Corporate Law](#)

<https://www.reinhartlaw.com/practices/corporate-law>

[Intellectual Property](#)

<https://www.reinhartlaw.com/practices/intellectual-property>

RELATED SERVICES:

[Commercial and Competition Law](#)

<https://www.reinhartlaw.com/services/commercial-and-competition-law>

RELATED PEOPLE:

[Laura A. Brenner](#)

<https://www.reinhartlaw.com/people/laura-brenner>

Why the Plaintiffs Are Asking the Supreme Court to Step In

The hotel guests have now [asked the Supreme Court to review that decision](#). They argue that the lower courts took too narrow a view of how modern pricing tools work. In their view, algorithmic pricing systems can influence pricing behavior even without explicit mandates—through automation, default settings, and built-in incentives. The petition warns that focusing only on whether pricing recommendations are technically “optional” could allow companies to sidestep antitrust scrutiny while still achieving coordinated outcomes.

The Broader Debate Over Algorithmic Pricing

The case highlights a growing divide in how courts and regulators think about shared analytics and automated decision-making. Plaintiffs and enforcement agencies argue that common pricing tools can blur the line between independent decision-making and coordination, especially when many competitors contribute information to or rely on the same system. Software providers and their customers argue that these pricing tools are no different from, and are just faster and better than, typical market research tools, and that use of them should not trigger antitrust liability when companies who use them remain free to set their own prices.

This divide is at the forefront of regulators’ minds. Late last month, the Federal Trade Commission (FTC) and DOJ’s Antitrust Division launched [a joint public inquiry](#) seeking input on the value and potential content of additional guidance on collaborations among competitors. One specific area of inquiry: algorithmic pricing.

What Comes Next

If the Supreme Court agrees to hear the case, it could offer important guidance on when—and how—antitrust law applies to algorithmic pricing arrangements. Any decision is likely to matter well beyond the hotel industry, particularly for businesses that use automated pricing tools, revenue management software, or shared analytics platforms. For businesses that offer or use these tools, the chips are on the table—and how the Supreme Court plays this hand could change the game well beyond the Strip.



If you would like to discuss antitrust risk considerations related to algorithmic pricing or similar tools, please contact Laura Brenner or any member of Reinhart's Commercial and Competition Law Team.

These materials provide general information which does not constitute legal or tax advice and should not be relied upon as such. Particular facts or future developments in the law may affect the topic(s) addressed within these materials. Always consult with a lawyer about your particular circumstances before acting on any information presented in these materials because it may not be applicable to you or your situation. Providing these materials to you does not create an attorney/client relationship. You should not provide confidential information to us until Reinhart agrees to represent you.