

NWX-DEPT OF COMM-ITA (US)

Moderator: Brian Beall
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1:00 pm EDT

Coordinator: Welcome and thank you for standing by. At this time, all participants are on a listen only mode until the question and answer session of today's conference. At that time, if you would like to make a question over the phone lines, please press star 1 and record your name when prompted.

This call is being recorded. If you have any objections, please disconnect at this time. I would now like to turn the call over to your host, Brian Beall.
Thank you, sir, you may begin.

Brian Beall: Great. Good afternoon, everyone, members of the board joining us this afternoon and also members of the public who may be joining us on the call. Great to have you. Before we get started here and I turn the agenda over to John Sprouls, our chair, I want to quickly walk through roll call to see which TTAB members we have joining us on the line.

Here with us on the leader line, I have John Sprouls, our chair. Margaret McKeough, Greg Stubblefield.

And now, if I could go down the list and if you are here on the line if you could indicate, that would be great.

George Aguel?

George Aguel: Here.

Brian Beall: Ted Balestreri?

Ted Balestreri: Here.

Brian Beall: Helane Becker?

Conor Cunningham: It's actually Conor Cunningham in for Helane.

Brian Beall: Bruce Charendoff. He's unable to join. Henry Cruz? Todd Davidson?

Todd Davidson: I'm here.

Brian Beall: Brad Dean?

Brad Dean: Yes. I'm on the call.

Brian Beall: Fred Dixon?

Donna Keren: Donna Keren in for Fred Dixon.

Brian Beall: Kurt Ekert? I believe he is not able to join. Elliott Ferguson?

Elliott Ferguson: I'm here.

Brian Beall: Mike Gallagher?

Mike Gallagher: Hi. I'm here. I'm at the Cal Travel Conference and Roger is speaking so I need to jump away pretty quick. So if I could just say one thing, John, I'm sorry. Brand USA has got to be our top priority. And obviously you guys can deliberate on that.

But that's what Roger is talking about right now. We have to defend that. And I know you all know that. And I suggest that become our first thing to do. So sorry I got to jump off. I hope you understand.

Brian Beall: Okay. Adam Goldstein?

Adam Goldstein: Here.

Brian Beall: James Hagen?

James Hagen: I'm here.

Brian Beall: Nick Hentschel?

Nick Hentschel: Here.

Brian Beall: Taylor Hoang? Adam Medros? Steve Morrissey?

Steve Morrissey: I'm here. Thank you.

Brian Beall: Oh, great. Thanks. Mary Motsenbocker?

Mary Motsenbocker: I'm here.

Brian Beall: Susan Presby?

Susan Presby: Here.

Brian Beall: Tricia Primrose?

Tricia Primrose: I'm here.

Brian Beall: Olga Ramudo?

Olga Ramudo: Here.

Brian Beall: Sherry Rupert? Adam Sacks? Gary Schluter?

Gary Schluter: I'm here.

Brian Beall: Marty St. George?

(Jeff Guddow): Hi. It's (Jeff Guddow) for Marty.

Brian Beall: Bill Talbert?

Bill Talbert: Bill Talbert is here.

Brian Beall: Denise Thevenot? And Ernie Wooden? Great, thank you, everyone. At this time, we'll have the operator close the lines and then we'll turn it back over to John Sprouls to lead us down the agenda.

John Sprouls: Thank you, Brian. I hope everybody has had an opportunity -- it took us a little while for us to get the letter out -- but hopefully everyone's had an opportunity to take a look at it.

As I noted in the cover memo, what we tried to do was take all the work of all the subcommittees and bake it into one letter that was responsive to the specific point that the Secretary had raised to us when we were at our meeting in DC in March. And hopefully we've captured everything out of all of the subcommittees and put it in a format that hopefully will be both digestible for the Secretary as well as actionable.

Before we dive into the letter, I know Elliott is on the line. I just wanted to say thank you and congratulations. What a great IPW. I think everyone had a wonderful time. And speaking, you know, solely from the point of Universal, we had a great IPW. So I hope everybody else did as well.

With respect to the letter, what I'd like to do is take any comments that anyone might have. The one thing I would point out, and not necessarily on this call, but if you would please, anyone who would be interested in being a part of that task force with respect to establishing the numerical goal for the national tourism and travel strategy, if you could let either myself or Margaret or Greg or Brian know so that we can come up with a list of potential names, assuming that the Secretary agrees with the recommendation and wants to move forward, which I'm hopeful that he will.

And with that comment, I would ask if anyone has any comments on the letter, I would point out that we did get some stylistic comments more so than anything else from - now the name escapes me.

Ted Balestreri: Bruce Charendoff.

John Sprouls: From Bruce, sorry. It went right out of my head. From Bruce, who couldn't be with us. And as we - you know, I can walk through those for everyone.

There are things, for example, that you capture in the first paragraph under national travel and tourism goal, we talk about \$250 billion in spend by 2021. He rightly points out that that spend is an annual spend. So we would add the word annually. There are a few other grammatical things.

There is nothing of substance that I could see as I went through them quickly because we only got them a few minutes ago. So we will attempt to incorporate those. What I would ask now is if anyone has any comments they want to make with respect to the letter, if we could air those now so that we could get to the point where we could make a recommendation for approval.

So, operator, if you would check to see if anyone has any comments that they want to bring forward.

Coordinator: Absolutely, if you would like to ask any questions or comments from the phone lines, please press star 1, make sure your phone is unmuted and record your name at the prompt. If you would like to withdraw your comment, please press star 2. One moment, please, for any incoming comments.

John Sprouls: Thank you.

Brian Beall: And this is Brian with just one point of clarification. So at this point, we'll take comments from the members of the board. And there will be an opportunity for public comment later in the agenda.

John Sprouls: Yes. Thank you, Brian. I'm sorry. I forgot to say that.

Coordinator: We do have a few comments in queue. It will just be a moment. Our first comment comes from Olga Ramudo. Your line is open.

Olga Ramudo: Hi. Good afternoon. Good afternoon, John. Great letter. Just a couple of quick comments. One, I assume we are only, from what I've seen in the letter, we're only concentrating on international travel and we're not including domestic travel, though, correct?

John Sprouls: That is correct at this point in time. We're trying to be responsive to what the Secretary had raised. And then we will move on to other issues, such as domestic travel, more input on infrastructure, et cetera, as we move through the rest of the year.

Olga Ramudo: Okay. Thank you. And my other comment is in the paragraph, second page, establishing a task force, you recommend a numerical goal where we are seeing a recommendation and numerical goal of total visitors. Should we put a date or sort of a deadline in the next 30 days, 60, 90, whatever we think, rather than leaving it open ended?

John Sprouls: Yes. We didn't put it in the letter, but our intent would be to put this task force together and in the next 30 days come up with a recommendation. So we intend to move very, very quickly. We didn't put a date in the letter. But we will absolutely move with all deliberate speed.

Olga Ramudo: Okay. Those were my two comments. Thank you.

John Sprouls: Great. Thank you, Olga.

Coordinator: Just a moment for the next comment. Our next comment comes from Adam.
Your line is open.

Adam Goldstein: Thanks. John, just a real quick question. I know in the draft and in the initial proposal from our team in regards to the secured travel partnership, we had specifically called out the idea of, or flirted the idea of, renaming the initiatives around the Visa Waiver Program so as to, you know, sort of make it clear that security was obviously still the priority.

And I did see in this letter that we're still proposing the Secure Travel Partnership. But I didn't see any mention of sort of assuming the Visa Waiver Program or renaming it there. And I was wondering what sort of discussion led to that decision.

John Sprouls: No. It it is actually if you look up above in the subparagraph entitled engaged foreign governments in support of bilateral security agreements, the second paragraph says a Visa Waiver Program, data sharing requirements, the opportune is to change the name to better reflect enhanced security coordination, that is its purpose should be explored.

And we positioned it that way because the Commerce Department, in and of itself, really can't do that. It is legislative. So we will have to pursue changing the name of the program through Congress.

So we wanted to position it as we need opportunity to do that. And then we're going to have to probably, through our own individual efforts and also U.S. Travel, et cetera, petition to get that to be changed. But it would be helpful to have the Commerce Department in support of making that change.

Adam Goldstein: Got you. Okay. So it's just being treated in a separate section not under the Secure Travel Partnership?

John Sprouls: Correct. Yes. But we absolutely agree that we need to make that change.

Adam Goldstein: All right. Thanks.

John Sprouls: Okay.

Coordinator: Our next comment comes from Ted Balestreri. Your line is open.

Ted Balestreri: Yes. Hi. Thank you. One of the concerns, and I'm not quite sure. You say it here, the economy, about we're looking for spend in America rather than head count coming to America or both.

I really always like that goal of 100 million by 2021. And I don't think we should deviate. That's a solid number. It's very quantifiable and measurable to where we can measure our success.

Spending in the country can come from various different ways and that's important, just as important, if not more important. But I think head count is still extremely important.

And the second part was the name change. I think you have it over here. The Secure Travel Partnership with Secure Travel Tourism would be a good name change for the Visa Waiver Program. So that's two parts.

But I don't want to deviate from that head count because head count is very quantifiable and measurable.

John Sprouls: Yes. Ted, I agree with you. I think what we're saying is not to abandon the 100 million visitor objective but to reset the goal because having achieved one but not the other we think means that we need to set a new goal.

And that goal, I don't think we would set the 100 million higher. But we would clearly set the revenue goal, which is what everybody spends in our country.

So we're not saying get rid of it, but we're saying we need to take a look at the 250 billion goal because we think it's inadequate in terms of what we ought to be shooting for.

Ted Balestreri: Right. But you never know what CPI is. It shrinks every year. So you go for the next five years, 250 is not 250 anymore. But head count is head count.

John Sprouls: Absolutely. And we're not suggesting abandoning the head count as a goal. What we're suggesting is relooking at the revenue goal because we think it needs to be higher and more aggressive.

Ted Balestreri: Absolutely. I agree with you.

John Sprouls: Okay. And your second point, the name Secure Travel Partnership Program, at least what we're thinking about it is, that that is more broad in terms of encompassing global entry. All of the trusted traveler programs, all of the things that Homeland Security and Brand USA are all doing to try to come up with how do we communicate and deliver on a secure border that still welcomes visitors?

The Visa Waiver Program is sort of one piece of that so using the Secure Travel Partnership nomenclature for that as well may confuse people. We

need to come up with something that makes sense. And whatever we come up, that has to be part of this bigger Secure Travel Partnership Program.

Ted Balestreri: I think that word Secure Travel Visa Secure is a little more positive and acceptable.

John Sprouls: Yes, something like that. Yes. I don't disagree with you. And, I mean, and that's how we'll pitch it when we start going up to the Hill. And, you know, we're going to have to find some of the senators and congressmen who have carried the water for us on a lot of these issues, what makes sense for them.

Unfortunately, TTAB in and of itself, because we're an advisory board to the Commerce Department, can't lobby as the TTAB. We're going to have to go as individuals or through U.S. Travel to go ask specifically to get this changed in legislation.

Ted Balestreri: Thank you.

John Sprouls: Okay.

Coordinator: Our next comment comes from Donna Keren. Your line is open.

Donna Keren: Hi. Just two thoughts. One is to second what Mike Gallagher said about Brand USA. You need the meeting. And two, is if it's possible to strengthen our support of the survey of international air travelers by mentioning it in that establish a task force to recommend the goals. Recommending those goals needs to be based on data. And the data comes from the SIAT.

So if we could net the survey of international air traveler to the way we're recommending the goal, I think it would go a long way towards planning out the importance and the critical value of that research.

That was it.

John Sprouls: Yes. I agree with you. And that's why we picked up, you know, as a specific bullet point the support of the SIAT. I think when the task force gets formed and actually does its work is when we'll be able to hit that point hard with respect to in to order to figure out whether we've achieved whatever goal we've set, we've got to have SIAT to be able to tell you whether you got there or not.

But I think when we come up with the task force recommendation on the goal is when we can pick up specifically how important that is to being able to measure the goal.

Donna Keren: Great. Thank you.

John Sprouls: Okay.

Coordinator: Once again, for any additional comments, please press star 1 on your phone and record your name at the prompt. And at this time, we have no comments.

John Sprouls: Okay. Great. Thank you so much, operator. Brian, if you want to call for any public comments.

Brian Beall: Sure. At this point if members of the public joining us today would like to make comments, if you could please, operator, instruct them how to do so.

Coordinator: Sure. Now for any questions over the phone lines, it will be the same process. Please press star 1 and record your name when prompted.

I think we have one person in queue. It will just be a moment. Our next comment comes from (Patricia). Your line is open.

(Patricia): Hi, everyone. This is (Patricia) with U.S. Travel. Thank you for doing such robust work on these recommendations. I think they are right on target. My question is with regards to the public/private partnership recommendation.

John, could you speak to a little bit about what you would try to get out of the secured public partnership, the public private initiative. You're saying that the Secretary should put it together? And then what would be the role of the private sector?

John Sprouls: Well, I think it's going - it depends upon which prong of it you would be talking about.

What we're hoping to do is get all of the interested parties, U.S. Travel, Brand USA, TTAB, DHS, et cetera, to say there is a unified message from all of us with respect to that our borders are secure. But those people that we want and should be coming in here should be able to come in and have a welcoming message.

And I think once we put it together we need to figure out who are the - which pieces can be done best by which parties. To the extent it's about communication, clearly, I think that's Brand USA.

To the extent there is heavy lifting, it's got to be done on the Hill. I think it's, you know, it's going to be incumbent upon you and Roger and then us as

individual companies to do that work to, for example, get the Visa Waiver Program name changed.

What we're talking about is trying to make sure everybody is on the same page and going in the same direction so that we can get the Administration on board with saying the right things about legitimate travel. And that's what we're trying to do there and frankly using the word secure so that we are in step with where this Administration is going in terms of visitation to the country.

Yes. It's sort of - we've had a lot of pieces. And most of the time we were all rowing in the same direction. Because of what's going on with respect to security, I think we want to sort of formalize that more so that we all know that we're all pushing in the same way.

And we all know that Brand USA is now going to try to deliver these kinds of messages that are in sync with what DHS is thinking about, better in sync with what the Secretary of Commerce wants, et cetera.

It's sort of formalizing the things we've been doing informally over the last several years with all these different constituent parts and making sure we're all on the same page so that the Administration feels comfortable in they, too, delivering the right messages out there.

Donna Keren: Thank you.

John Sprouls: Okay.

Coordinator: Once again, for any other public comments, please press star 1 and record your name when prompted.

John Sprouls: Okay.

Coordinator: At this time, we have no comments.

John Sprouls: Great. Thank you very much. Well, then at this time, what I would like to do is call for a vote of the board with respect to approving this letter so that we may send it to the Secretary. And also that - I'm sorry?

Brian Beall: John, this is Brian. I'm sorry to interrupt you. It's just been brought to my attention, our member, Kurt Ekert, actually had a few additional thoughts and I can send them to you after the call on the letter. They are similar to the edits that Bruce shared.

Isabel Hill: They're not substantive in the sense that they would change the letter in any way that would not be reflected in this vote.

Brian Beall: We wanted to make sure we had a chance to share those with you so I'll send them to you after.

John Sprouls: Okay. Yes. And to the extent they're grammatical, we'll make the grammatical changes. If there's anything that we think, we'll get the letter back out to everyone. But I don't anticipate that happening.

So at this point, Brian, how do you want to do the vote of the board? By acclimation or do you need to call the roll?

Brian Beall: I think acclimation will work. If the operator could open up the lines so that the TTAB members can vote yay or nay at your prompt.

John Sprouls: Great. Operator, if you would open the lines so we could have the vote.

Coordinator: Absolutely, sir. It will just be a moment.

John Sprouls: Thank you.

Coordinator: All lines are currently open. If you are not speaking, please press star and unmute your lines.

John Sprouls: Great. Okay. Then I would ask everyone, anyone who is an actual member of the board -- we can't have staff vote -- all in favor of adopting this letter.

(Group): Aye.

John Sprouls: All opposed? The letter is adopted unanimously. Thank you all very much. At this point, Isabel, did you have any comments about next steps, et cetera?

Isabel Hill: I do. Thank you, John. And I want to thank everybody on the board for this extraordinary effort. We were very pleased that the Secretary of Commerce met with you within the first 30 days of his joining the Department and requested this advice.

Within 30 days, you all turned around a letter advising him and the Administration on messaging and communication. And I think that that advice was well reflected in the comments, the remarks that he made at IPW. So we really appreciate the timeliness of that input.

I think you will also see that those thoughts are reflected in some of DHS' communications about traveling to the United States and entry policy. So I

think you can feel very good about the fact that those communications have been received and acted on.

Within another 60 days, you've developed this really comprehensive response to his charge on the different aspects of travel to the United States that he is interested in at this time. And I think that you have done a spectacular job of doing a deep dive into each one of the subject areas and then very concisely and actionably putting it into this letter.

We will also retain the work product for future information and also to inform him if there are any questions about the recommendations themselves. So we will use that material for reference.

So we will go ahead and forward this to the Secretary and his team for review and response. And we will get back to you as quickly as we can.

Again, I want to thank everybody. The Travel and Tourism Advisory Board remains one of the most dynamic, thoughtful and responsible advisory boards that I think I've ever experienced. And many of the people here at Commerce recognize that as well.

So thank you very much for your help. And we look forward to continuing the conversation.

John Sprouls: Thank you, Isabel, thank you. And I would just point out for everybody on the board, we will, as we have, move very quickly. As soon as we've got sign off from the Secretary that moving ahead to set up the task force on the numerical goal, we will put together our task force. And we will task them with coming back with something in about 30 days.

So I would anticipate we, as a group, depending upon that time frame, either meeting by phone to discuss that recommendation of the task force or, depending on when it happens, meeting in our next meeting and coming forward to approve to push that forward.

So I thank you all. Everyone has done an incredible amount of work. I thank all the work in the subcommittees. That's where all the heavy lifting has gotten done. And you've done a tremendous job.

And once again, it is a tribute to everyone who is on this committee at how fast we can turn around such a quality work product to be able to discharge our duties as members of this Travel and Tourism Advisory Board.

So I thank you all for all the hard work and we're going to keep pushing forward. I think we play a vital role in representing our industry with the Administration. And we want them to know that we're serious and we're partners and we want to be part of the solution.

So, Brian, or anyone else, if there's any other comments. Greg or Margaret?

Greg Stubblefield: No, John. Thanks for all your leadership.

Man 1: No, thank you so much.

John Sprouls: Great. Well, in that case...

Brian Beall: If there's no additional discussion, I'd like to thank everybody, members of the board, members of the public who participated in our call today. Thank you very much. And the meeting is adjourned.

John Sprouls: Yes. Thank you, everybody. We are adjourned. Thank you so much.

Ted Balestreri: Thanks.

John Sprouls: Bye.

Coordinator: Thank you for your participation in today's conference. You may now disconnect.

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