LOS ANGELES, CALIFORNIA
MONDAY, APRIL 23, 2012

THE TRAVEL AND TOURISM ADVISORY BOARD
9:30 A.M. - 11:30 A.M.
LOS ANGELES CONVENTION CENTER
ROOM 502A

REPORTED BY:
DARLENE LEWIS
CSR No. 13534

ATTENDEES
JOHN BRYSON, U.S. SECRETARY OF COMMERCE

TODD DAVIDSON, BOARD CHAIR, CHIEF EXECUTIVE OFFICER, TRAVEL OREGON

SAM GILLILAND, BOARD VICE-CHAIR, CHAIRMAN AND CHIEF EXECUTIVE OFFICER, SABRE HOLDINGS

JENNIFER PILAT, ACTING DIRECTOR, OFFICE OF ADVISORY COMMITTEES

FRANCISCO SANCHEZ, UNDERSECRETARY FOR INTERNATIONAL TRADE

NICOLE LAMB-HALE, ASSISTANT SECRETARY FOR MANUFACTURING AND SERVICES

JULIE HEIZER, ACTING DIRECTOR OFFICE OF TRAVEL AND TOURISM INDUSTRIES

SUSAN KURLAND, ASSISTANT SECRETARY FOR POLICY, DEPARTMENT OF TRANSPORTATION

DOUGLAS SMITH, ASSISTANT SECRETARY FOR THE PRIVATE SECTOR, DEPARTMENT OF HOMELAND SECURITY

DAVID DONAHUE, DEPUTY ASSISTANT SECRETARY FOR VISA SERVICES, DEPARTMENT OF STATE

ANTONIO VILLARAIGOSA, MAYOR OF LOS ANGELES

HOLLY AGRA, PRESIDENT, CHICAGO'S FIRST LADY CRUISES

ROSEMARIE ANDOLINO, COMMISSIONER, CHICAGO AIRPORT AUTHORITY

MAUREEN BAUSCH, EXECUTIVE VICE PRESIDENT OF BUSINESS DEVELOPMENT, MALL OF AMERICA

LINDA CARLISLE, SECRETARY, NORTH CAROLINA DEPARTMENT OF CULTURAL RESOURCES

MARYANN FERENC, FOUNDER, PRESIDENT AND CHIEF EXECUTIVE OFFICER, MISE EN PLACE, INC.

ELLIOTT FERGUSON, PRESIDENT AND CHIEF EXECUTIVE OFFICER, DESTINATION DC

MICHAEL GIBBONS, PRESIDENT, MAINSTREET VENTURES
MARIO GONZALEZ-LAFUENTE, EXECUTIVE DIRECTOR, ROOSEVELT ROADS LOCAL REDEVELOPMENT AUTHORITY

ROBIN HAYES, EXECUTIVE VICE PRESIDENT AND CHIEF COMMERCIAL OFFICER, JETBLUE AIRWAYS

KIRK HOESSLE, PRESIDENT, ALASKA WILDLAND ADVENTURES

HOLLY ARNOLD KINNEY, EXECUTIVE DIRECTOR, THE FORT, LLC

ROBERT LYNCH, PRESIDENT, AMERICANS FOR THE ARTS

LAURA MANDALA, MANAGING DIRECTOR, MANDALA RESEARCH, LLC

KATHLEEN MATTHEWS, EXECUTIVE VICE PRESIDENT, MARRIOTT INTERNATIONAL, INC.

CHANDRAKANT "C.K." PATEL, PRESIDENT, BVM HOLDINGS, INC.

J. STEPHEN PERRY, PRESIDENT AND CHIEF EXECUTIVE OFFICER, NEW ORLEANS CONVENTION AND VISITORS BUREAU

ROSSI RALENKOTTER, PRESIDENT AND CHIEF EXECUTIVE OFFICER, LAS VEGAS CONVENTION AND VISITORS AUTHORITY

OLGA RAMUDO, PRESIDENT AND CHIEF EXECUTIVE OFFICER, EXPRESS TRAVEL OF MIAMI, INC.

RONALD SOLIMON, PRESIDENT AND CHIEF EXECUTIVE OFFICER, INDIAN PUEBLO CULTURAL CENTER, INC., AND INDIAN PUEBLOS MARKETING, INC.

JOHN SPROULS, CHIEF EXECUTIVE OFFICER, UNIVERSAL ORLANDO RESORT AND EXECUTIVE VICE PRESIDENT, UNIVERSAL PARKS AND RESORTS

CHRISTOPHER THOMPSON, PRESIDENT AND CHIEF EXECUTIVE OFFICER, VISIT FLORIDA

STEVEN THOMPSON, CHIEF EXECUTIVE OFFICER, JOHNS HOPKINS MEDICINE INTERNATIONAL

CAROL WALLACE, PRESIDENT AND CHIEF EXECUTIVE OFFICER, SAN DIEGO CONVENTION CENTER CORPORATION

ATTENDEES (CONTINUED)

JONATHAN ZUK, FOUNDER, CHIEF EXECUTIVE OFFICER AND
PRESIDENT, AMADEO TRAVEL SOLUTIONS

LOS ANGELES, CALIFORNIA; MONDAY, APRIL 23, 2012

9:30 A.M.
BOARD-CHAIR DAVIDSON: We'll get started.

What a great time and place for us to be part of the major international trade show that happens in the United States every year. It's estimated there will be somewhere between $3.5 and $4 billion worth of business transacted on the showroom floor over the next 72 hours.

This is going to be a significant event for our country, but we are at a point where we're able to recognize the momentum and these are truly historic and unprecedented times for our country. As we're getting to know each other at the Travel and Tourism Advisory Board, I do want to take a moment and just reintroduce myself to you, and we'll also go around and do some very quick self-introductions.

Also, we have some of our very special guests that are also on very tight time lines that are connected to the work with the travel and tourism industry and the commerce of the United States, and I want to make sure that we do our level best to honor their schedules as well.

My name is Todd Davidson and my day job is serving as the CEO of Travel Oregon, the official state tourism office for the state of Oregon, and I have the privilege and pleasure of also serving as the Chair of the Travel and Tourism Advisory Board next to Secretary
Mr. Secretary, I appreciate your confidence.
And I would like to, if we could, I would like to start
with Sam and go around and just introduce ourselves
quickly, your name and who you're with.

VICE-CHAIR GILLILAND: I'm Sam Gilliland,
Vice Chair of Travel and Tourism Board Advisory Board
and CEO of Sabre Holdings.

ROSSI RALENKOTTER: Rossi Ralenkotter,
President and CEO of the Las Vegas Convention and
Business Authority and the current Chair of the United
States Travel Association.

MAUREEN BAUSCH: Good morning. I'm Maureen
Bausch, Executive Vice President of Business
Development, Mall of America.

KIRK HOESSLE: Good morning. I'm Kirk
Hoessle, President of Alaska Wildland Adventures.

MIKE GIBBONS: Good morning. Mike Gibbons,
President of Mainstreet Ventures, a restaurant company
located in Ann Arbor, Michigan.

HOLLY AGRA: My name is Holly Agra. I'm the

owner of Chicago's First Lady Cruises. We operate in
downtown Chicago.

STEPHEN PERRY: Stephen Perry, President and
CEO of the New Orleans Convention and Visitors Bureau.
MARIO GONZALEZ-LAFUENTE: Good morning. I'm Mario Gonzalez. I'm the Executive Director, Roosevelt Roads Local Redevelopment Authority.

HOLLY ARNOLD KINNEY: I'm Holly Arnold Kinney. I'm the owner of The Fort Restaurant, an historic replica of an 1830's fur trade fort, and the Executive Director of the Tesoro Cultural Center.

ROBERT LYNCH: I'm Bob Lynch, President and CEO of Americans For the Arts, which is a national membership organization for all of the city arts councils.

LAURA MANDALA: Laura Mandala, Managing Director, Mandala Research, LLC, in Washington, D.C.

RONALD SOLIMON: Good morning. I'm Ron Solimon. I'm the Executive Director for the Indian Pueblo Cultural Center in Albuquerque, New Mexico and the Vice President of the Board for the American Indian Alaska Native.

JULIE HEIZER: Good morning, everyone.

JENNIFER PILAT: Good morning. Jennifer Pilat, Acting Director, Office of Advisory Committees.

BRUCE ANDREWS: Bruce Andrews, Department of Commerce.

NICOLE LAMB-HALE: Nicole Lamb-Hale, Assistant Secretary for Industry & Analysis,
SECRETARY BRYSON: I'll pass.

FRANCISCO SANCHEZ: Francisco Sanchez, Undersecretary of Commerce for International Trade.

SUSAN KURLAND: Susan Kurland, Assistant Secretary of Aviation and International Affairs, Department of Transportation.

DAVID DONAHUE: I'm David Donahue. I'm with the Department of State, Office of Visa Services.

DOUGLAS SMITH: Douglas Smith, Secretary, Department of Homeland Security.

JOHN SPOURLS: John Spourls, Executive Vice President, Universal Parks and Resorts.

CAROL WALLACE: Carol Wallace, President and CEO, San Diego Convention Center Corporation.

STEVEN THOMPSON: Steve Thompson. I lead the international activities for Johns Hopkins University in about 75 countries.

CHRISTOPHER THOMPSON: Good morning, everybody. Chris Thompson, President and CEO of Visit Florida.

KATHLEEN MATTHEWS: Kathleen Matthews, Executive Vice President, Global Communications and Public Affairs for Marriott International.

LINDA CARLISLE: Linda Carlisle, Secretary,
North Carolina Department of Cultural Resources, and we have a focus on cultural and heritage tourism.

CHANDRAKANT PATEL: Good morning. C.K. Patel. My real name is Chandrakant and it's pretty long. I'm president of BVM Holdings, Inc.

JONATHAN ZUK: Good morning. I'm Jonathan Zuk. I'm the President and CEO of Amadeo Travel Solutions, and the chairman of the association of the Receptive Services Association of America, RSAA.

OLGA RAMUDO: Good morning. Olga Ramudo, Express Travel, Miami, Florida.

ROBIN HAYES: Good morning. Robin Hayes, Chief Commercial Officer, JetBlue Airways.

ROSEMARIE ANDOLINO: Good morning. Rosemarie Andolino. I'm the commissioner of the Chicago Department of Aviation.

ELLIOTT FERGUSON: Good morning. Elliott Ferguson. I'm the CEO of Destination D.C., the Convention Bureau in Washington.

MARYANN FERENC: Good morning. Maryann Ferenc, CEO of Mise en Place, a restaurant and event company in Tampa, Florida.

BOARD-CHAIR DAVIDSON: Thank you, everyone. When we met in Orlando on January 19, a rather auspicious day, we talked about how this board had a legacy, had a legacy of being a real action-oriented,
task-oriented, policy-generating board.

Now, folks weren't saying, yes, I would like to be on the Travel and Tourism Advisory Board because it looked great on their resume; they were saying they wanted to serve on the Travel and Tourism Advisory Board because they wanted to serve and they believed in the power of the travel and tourism industry to help transform this nation's economy.

And you responded. I mean, since our last meeting, the way that you have stepped up as a group to participate in conference calls as the national strategy was being developed, when we reached out to Maryann and to Greg and to Chris and to Brian and asked if, "By the way, could you draft our letter of recommendation?" and "By the way, you have about 24 hours to pull it together, and we're going to be shoveling feedback on you as you go," you still said "yes."

To Laura, who made a very, you know, just as one example, you've made a tremendous effort, I know in reaching out through her e-mail lists to encourage people to submit their comments. And I'm sure many of you did the same, I just happen to be on Laura's e-mail list so I know how often she was letting people know about the opportunity to submit comments to be part of this strategy.
To Holly, who made the effort to let folks
know in her corporate newsletter going out to consumers
how they could become part of the "Global Entry"
program.

You folks were recognizing that we're not
here to listen to reports from our federal partners, but
rather we're here to engage in the mutual work of making
tavel matter to the United States, and that there's a
give-and-take, but there's obviously a tremendous amount
of synergy and collaboration.

As I said at the beginning, we know that
we're living in what are currently historic and
unprecedented times. Two examples for me, in the
President's executive order, he talked about exploring
Visa Waiver for Taiwan, and yet he did not miss the
opportunity when he met with the president of Brazil to
raise the same topic with him.

And we know the importance of Brazil as well
to this nation's tourism industry. Looking to the
not-too-distant future, my second example would be the
efforts around Global Entry reciprocity. As we look at,
as a board, the successes that have been experienced in
visa processing so we're able to better facilitate folks
traveling to this country from Non-Visa Waiver
countries, and we see the global economy starting to
recover, we know Brand USA is going to be launching
their $100 million-plus advertising campaign; we know we're going to be creating more demand on customs and border protection.

Global Entry reciprocity has the ability to help us address that. We've already entered into agreement for reciprocity, to my understanding, with Canada, Mexico, and the Netherlands. We have joint statements of cooperation with the UK, Germany, and Korea to move forward with these conversations.

I was over in Japan last week and had the opportunity to speak to some folks about Global Entry reciprocity. I mean, they are still, even with some of the decline in outbound visitation from Japan, they continue to be Oregon's number one overseas market. I believe that's true for many of you. And for the United States, I believe they are number two in overseas markets.

So knowing that they're sending nearly three million folks a year, being able to enter into a Global Entry reciprocity agreement with Japan could be significant. I think there are four different agencies that are working with our folks at Homeland Security. So we have one agency working on it, and they have four agencies that are currently working on it.

And it seems to me that we have an
interesting opportunity coming up where on April 30th President Obama will be meeting with Prime Minister Noda. And in the same way, the President spoke to the President of Brazil about Visa Waiver, there might be an opportunity to share some interests in -- from those two about their interests in the two countries entering into a Global Entry reciprocity agreement.

So as we move forward today, we're going to have the opportunity to hear from Secretary Bryson and his vision and his priorities. We'll receive an update on the National Export Initiative. We're going to hear progress from our federal partners, and we're going to begin that process of channeling your interests and your energy as we begin to form the subcommittees, the real heart of the work of this board.

It has proven to be a successful model for us in the past, and I believe it will be as we move forward as well.

The identification of the various subcommittees was driven by coalescing the ideas around the issues that you submitted from the onset when we first asked you what do you think are some of the top issues that are currently facing this nation's tourism industry. And we're putting those together with some of the concepts that have formed within the national travel and tourism strategy and other federal initiatives that
are occurring. And we're going to hear more on that later when we have our discussion with Nicole.

Let's suffice it to say that with Brand USA launching in Japan, Canada, and the UK on May 1st, that our focus on advising Secretary Bryson of policy issues that affect travel and tourism to and within the United States will certainly assist in helping the Brand USA's and this nation's tourism industry's ambitions towards accomplishment.

I'm very excited to be at this point in time with each and every one of you. It's been a little hectic as we've all been queuing up not only for this meeting, but also for "Pow Wow." There have been some changes. I think you've all been made aware of some of the changes that have occurred within the office with Michael taking a new assignment within the Department of Commerce.

And I want to recognize Jenna for coming into this role as our acting director and still serving as our secretariat and still holding it all together, getting the information out as quickly and as succinctly as we can with all the frenetic energy around this group, around the tourism industry, and certainly I know right now within the Department of Commerce.

Jenna, thank you so much.
Mr. Secretary, we are so honored to have you here with us this morning. We appreciate your time and we appreciate your energy and your passion for the nation's tourism industry. And it's my pleasure to welcome you to your Travel and Tourism Advisory Board meeting.

Thank you, sir, for being here today.

SECRETARY BRYSON: Well, it's a great, great pleasure to be here. It's a great pleasure to see so many of you who I became acquainted with at our meeting in January. That was a spectacular meeting launched, of course, by the President himself.

And most of us that day were at Walt Disney World as the President set out both the vision, a set of the commitments on visas, a full series of steps that I thought he presented powerfully and effectively that day. And we knew our work was cut out for us to follow up on what he set out.

And we have a national strategy. A national tourism and travel strategy is now over in The White House. We presented it. We grew very strongly. And I went again this morning over the recommendations that you made in each of your committees. And by the way, I especially thank you for the clarity and the strength of those recommendations.

And I'll tell you what I really want to do.
It's true, I'll touch on a very few things, but not a lot this morning. What I want to do is capture the time. I can be here until 10:30. At that point, with apologies, I will have to leave.

Ah-ha, the mayor is with us, so I'm going to stop. I'll tell you what I will do. I'll resume after the mayor has given brief remarks.

This is Antonio Villaraigosa. Perhaps most of you know him already, now the quite long-term mayor of Los Angeles, an extraordinary mayor. A presence across the country. Still the head of the Mayor's Association across the entire United States, he's in Washington, he's here.

He's vividly involved and deeply cares about bringing people here to Los Angeles, and we all care a lot about that. When he's done with his brief remarks, what we're going to do is I'm going to ask that we go around the room. It doesn't have to be in order, but I want to capture as much as I can of the ideas and points that you would like to make.

Then I leave at 10:30. You go to 11:30, and I know you're going to have your committee meetings. I'm going to turn to Sam after Mayor Villaraigosa, and we'll move quickly around after that.

Mr. Mayor, please introduce us and provide
your remarks.

MAYOR VILLARAIGOSA: Thank you, Secretary Bryson. John and I have been friends for almost 20 years.

SECRETARY BRYSON: A very long time.

MAYOR VILLARAIGOSA: A very long time. From the present CEO of Southern California Edison, and now secretary. And we're very proud to have you here in L.A. It seems that you're here every other week. And along with Assistant Secretary Francisco Sanchez.

We were at an event at the City's initiative just talking about exports and the need to be export-ready in a world where 95 percent of the markets are outside of the country. Welcome to L.A., and, Mr. Secretary, I feel compelled. I am president of the Conference of Mayors, but most importantly, the mayor of L.A.

I've noticed there isn't anybody from Los Angeles on that advisory board, and we're going to have to do something about that because L.A. is the number two destination for international visitors, as you all know. Every year but one in the middle of this recession, tourism is up in L.A.

About 350,000 jobs were generated. We opened up a tourism office in Beijing just in the last year. We had a 151 percent increase in tourism from
that country, 72 percent since last year. I think they provide 338,000 -- I'm not reading, so 338,000 visitors. International visitors, almost six million from around the world.

So tourism is very important to us, and I was noticing that you all have put together a series of recommendations. And what I'm going to do is I'm going to take that to the U.S. Conference of Mayors so that there's another entity that is getting behind this notion that tourism is important to jobs, it's important to our economy, and it's important to developing the friendship in a world that needs much more friendship. It's important for so many reasons, and we're going to be in Orlando for the Mayors Annual Meeting, and I'm going to put that on the agenda so that they adopt -- I was reading some of your recommendations -- so that they adopt them.

We got behind, as an example, early on, I think five years ago when I visited Korea for the first time, the Korean "Visa Waiver Program." We got behind the effort to streamline visas for the Chinese and now the Brazilians. This city is focused on this issue in a big way and we're real excited to have you all.

As the Secretary said, my comments would be brief, and so they will be, and at his invitation. The
only thing I would say again is L.A. needs to see a
member from L.A. on this board. I mean, we are the
second largest city in the United States of America.
So it's just great to welcome you all. Let
me just say, I know that you're here first meeting for
the Pow Wow conference. Let everybody know that given
our financial situation, we want you to spend. You're
all on per diems, so go out to the restaurants, shop as
much as you can. We need the revenue. Thank you.
SECRETARY BRYSON: Mayor, we would be more
than delighted to have before us an absolutely fantastic
representative of the Greater Los Angeles area on this
board. That would be a big plus. So if you'll come
back in your mayoral --

MAYOR VILLARAIGOSA: All right. I thought

you were saying --

SECRETARY BRYSON: These are two-year terms.
What we did in Orlando, as perhaps you've heard, we had
quite a number of people. This advisory board has been
a very strong advisory board going well into the past.
But we wanted to expand, for example, to the airlines,
and that was entirely new at that time, and there are a
whole series of things.

Because we can make this yet more vital,
providing more jobs, bringing more people to the United
States. And since it's literally one week ago that the
ninety days on the President's charter to us for this

task force report, which we've now put before him, and

that will be announced before very long.

I'll say a little more about it this

afternoon when I make brief remarks. But the big launch

will be with the President and a whole series of steps.

So I think people greatly underestimate the extent to

which the tourism world provides incredible jobs and

incredible revenues and export revenues and jobs, and

all that just means we become a healthier, more

competitive country when we do that. And I'm delighted

to know Los Angeles is second. That is terrific.

With that, I'm going to make these brief

remarks and I really am going to be quite concise. And

then on to Sam, and then we'll work our way quickly

around the room.

Mr. Mayor, we would love to have you stay

with us as long as your schedule permits, but I tend to

know his schedule pretty well. My guess is he's got

something -- if it's now a little before 10:00, he has

something on the schedule for 10:00 or 10:15.

MAYOR VILLARAIGOSA: Very true and I'll be

getting on a plane to Sacramento, but I do want to

welcome you all to L.A.

Thank you, Mr. Secretary.
SECRETARY BRYSON: So I've touched on our previous meeting and I would say it's been a wild and intense world since that time, and I think in substantially all positive respects. I'll touch on just a view things that I've done and go quickly beyond that. But what was it, about two weeks ago, I took a trade mission to India. This was sixteen U.S. businesses, and there were a very large number that traveled with us and various federal governments joined our great mission. And they're federal government arms and these tend to be the ones that make financial investments or encourage and provide financial support. And we went from early to late every day. I found it enormously exciting and there were just a few facts about that. One of the things we did in India was we kicked off an effort called "Visit USA."

Visit USA was for the travel industry leaders in India, and there had never been such a thing previously created, and it was a moving event. It was people from all over the cities of India. In all kinds of capacities they reach out to tourism. And the stunning effects of that now, we believe, going forward are just representative of things that we can continue to do.

So let me give you just a few facts. Last year, America welcomed over 660,000 visitors from India
coming our way. As we know, there are a lot of Indian-Americans that live here in the United States. They have been particularly strong in many, many fields. Silicon Valley is substantially driven by the Indian-American delegation of people that are there.

So there are that number of visitors, but this is increasingly a situation in which the Indian people, Indian-heritage people or Indian-Americans, they want to go home. They want to see their families. And because India is becoming a middle class, substantially more affluent, they want to come and visit here, so it's more a huge opportunity.

It's representative of many around the world, and in your various ways, you know about that. Total spending by Indians traveling to the U.S. was $4.6 billion. That's up 15 percent from the previous. As you know, this has happened in many other countries around the world.

A few more facts. Last year, international visitors to our country spent a record $153 billion on hotels, cars, food, entertainment, and more. That's big. We're an affluent country and that is a big slice of business, $153 billion.

America had its largest trade surplus on record for travel and tourism last year, nearly $43
billion. That's the trade surplus. Obviously, what our people going outside the United States provide elsewhere and what people coming here provide, and it's a huge surplus.

In addition, just last week our Department of Commerce announced that international visitors spent $13.3 billion, 13.3. So that was just last week on travel and tourism in the United States in February. So you know, we do these monthly reports, and they keep getting stronger.

That number, the 13.3, was up 14 percent from one year ago. So our economy is showing signs of life, and tourism is a big part of it. Lance, at lunch today, will announce at Pow Wow the new forecast that will show continued growth through 2016. So clearly the work we're doing here today has never been more important.

I want to thank all of you for your input into this National Travel and Tourism strategy, as I've indicated, we've submitted to the President. I went over your reports, and the clarity and the conciseness and the simplicity and the strength, you will see and you will be proud to see in the strategy that the President ultimately says, "Yes, that's it."

Know that your priorities help us focus the strategy on areas that have the greatest potential. I
believe this will help us build America's unique
strength in the industry, and that will mean more jobs
here at home.

So just a few things. We're proposing both
short- and long-term actions in a number of areas. We
have a one-year plan and we have a five-year plan, and
you'll see that as we set it out. Some of the areas of
continued improvement: Visa processing, helping small
business get tools and financing to tap further into
this market.

So we talked about that some in Orlando.

And the financing, particularly the smaller businesses
in this field, small businesses across our country, we
have to find ways for them to have readily, properly
available financing. So the Small Business
Administration and other arms of the federal government
are focused on that.

Making our airports easier to navigate. We
talked a lot about that in Orlando. We have a long way
to go there.

Getting the word out about America's great
national parks, public lands, waters, and so on. It's
not that we don't know of these, but the opportunity is
so great to do so much more there. And so the
Department of Interior, Secretary Salazar has been
working a lot on that. It's really the Department of Interior, I think, that is doing a great job. And we'll intensify that a lot for this summer's and this fall's tourism.

The challenge now is to actually implement these strategy ideas and to develop specific metrics-based ways to track our success through your subcommittees. I want to thank you all in advance for your continued partnership to help achieve these goals. And what we'll do, my colleagues, Undersecretary Sanchez, Assistant Secretary Lamb-Hale will discuss that, but after I depart.

And now, Sam, I would like to turn the floor over to you to discuss "Brand USA." Okay.

VICE-CHAIR GILLILAND: Well, thank you Secretary Bryson for those remarks. And maybe just as a reminder from the crew here, you may recall from the January meeting that I was asked to act as the liaison between the Travel and Tourism Advisory Board and Brand USA.

So I want to provide an update on where we are with Brand USA. I'll try to keep this concise given a tight agenda. Secretary Bryson just commented on the realities and also the opportunities to track international visitors, and certainly that, as you know, is what Brand USA is all about.
This is a very exciting day for Brand USA. They will unveil their inaugural marketing campaign and target markets. And Todd alluded to a few of those here earlier in his remarks. But let me give you a little bit of the details about what's been going on in the fund-raising activities.

So as many of you will recall, the fund raising goal for the fiscal year 2012 is to raise $50 million from the private sector, $10 million of that in cash and $40 million of that in in-kind contributions. And in doing so, we qualify, or Brand USA would qualify for $100 million in federal matching funds.

This would effectively then, if you do the simple math, give us an operating budget of a $150 million this year and based upon the two-for-one match that remains in effect through October 1, 2012.

So the good news is that Brand USA has already exceeded the cash fund-raising goals, so they're a little over the $10 million mark, and they estimate that they have reached about halfway toward the $40 million in-kind goal. And keep in mind that in-kind investments from the private sector need to be developed and executed before they can be submitted for the matching ESTA funds.

So the Brand USA marketing campaign launches
in-market May 1st, as Todd had mentioned, in the United Kingdom and Canada, and then May 7th in Japan, and that will entail spending about $12 million overall in those markets for the first three months of the campaign.

And then they're looking to launch in a few additional markets in the June-July time frame, so Brazil and South Korea follow soon after by other markets that are under consideration -- China, India, Germany, Mexico, and Australia.

So, again, a very exciting day for Brand USA and for the entire travel industry, and a huge opportunity to bring more of those international visitors to the U.S. here in the coming years.

BOARD-CHAIR DAVIDSON: Thank you, Sam.

Francisco, it's great to see you again.

Thank you for joining us here today. I would like to provide you an opportunity to share some remarks and update us as well.

MR. SANCHEZ: Thank you very, very much. It's great to see everyone. Let me first respond to Mayor Villaraigosa's wanting to have a representative on this board. I have to believe he knows that he has one of the higher list advocates for this industry in the Department of Commerce, and that's my new boss Secretary John Bryson.

In the brief tenure that he has been here,
he has made a champion of this industry and he has made
it an absolute priority. So I know you know that, but I
needed to recognize it, and I will let the mayor know
he's got an ex-officio member of this board who has
pretty good connections into the federal government.

Let me also take a minute to thank the
entire board and particularly Todd and Sam for your
leadership. It has been a true honor to work with a
group of folks that take their role so responsibly. And
really, as the Secretary said, deliver valuable,

valuable advice that we are taking to heart and that
we're going to work with.

And for those of you who are new to the
board, I look forward to working with you. This board
has done a lot, but there's more work to be done. As
Secretary Bryson mentioned, last week the Department of
Commerce announced some very encouraging data. In
February, international visitors spent roughly $13.3
billion on travel and tourism activities in the United
States.

That is an increase of 14 percent from the
previous year, and this builds on the progress that we
made in 2010, when tourism spending increased by 8.1
percent. Today, we're releasing a report that breaks
down this 2011 data even further by highlighting the top
10 international markets in terms of visitors, where
they come from, and visitor spending.

And it provides further insight into this
industry, an industry that is supporting American jobs
and spurring growth throughout our economy. So this is
really a tribute to the work that you're doing, both on
this board and as an industry. It reaffirms the fact,
quite simply, that there is no place like the United
States with its unique sites, its culture, and its
history.

And as my former boss President Clinton once
said, we even offer visitors the chance to leave the
planet because going to Washington, D.C. is like
visiting outer space, with all due respect.

MR. FERGUSON: No arguments from me.

MR. SANCHEZ: I should maybe limit it, not
Washington, D.C., but those federal government buildings
that represent the federal government. The Obama
administration is absolutely committed to continuing the
trend that we see. The Secretary briefly touched upon
the National Travel and Tourism strategy.

And I want to focus just for a little while
on efforts that we're doing at the local level. As we
look ahead to achieve the President's "National Export
Initiative," which calls for doubling exports by the end
of 2014, we recognize that Washington cannot do this
There are things happening that we don't see with the nation's capital. And the truth is that America is made up of communities with their own character, their own unique set of assets, their own, quite frankly, unique set of challenges but also opportunities.

And regional leaders really have an opportunity to address these issues, to take advantage of these opportunities in unique ways. So we have partnered with the Brookings Institution in an effort called the "Metropolitan Export Initiative." It's a ground-up collaborative effort to help regional civic business and political leaders create and implement export promotion plans.

And basically, we want to be able to use federal resources to help local leaders develop their own export promotion strategies, and thus far we have collaborated with Brookings to develop plans with Minneapolis, Syracuse, Portland, and right here in Los Angeles.

And I just want to call out to Mayor Villaraigosa who has been a terrific partner in this initiative and is taking it nationally to his leadership role now with the Conference of Mayors. The travel and
tourism industry is going to be absolutely key to this initiative.

You just have to take Los Angeles, which released the "Los Angeles Regional Export Promotion Plan" last month. And this city clearly has a lot of desirable attractions. The mayor made a good point of saying it's the number two most popular city visited by overseas tourists.

But in addition to what we've done with Los Angeles and others, there's potential to do a lot more. So we're going to be working with a number of cities this year, along with Brookings. We look forward to getting your input and seeing how we can work together.

I am very confident that the partnership between the Department of Commerce and this board will also continue to pay big dividends. Together, we can continue to boost U.S. exports, support jobs, strengthen businesses, and help fuel economic growth.

This is very, very important work, as the Secretary said, at a very important time in our nation's history. Again, it has been an honor to work with you thus far. I look forward to working with you throughout this year to do many, many more good things. Thank you.

Thank you for letting me be with you here this morning.
BOARD-CHAIR DAVIDSON: Thank you very much for being here. I appreciate it. Mr. Secretary, we're very sensitive to your schedule as well, sir. So we will continue on with our updates.

SECRETARY BRYSON: Clearly, with regrets, I will need to step away, but let's just keep right on the program.

BOARD-CHAIR DAVIDSON: I wanted to give you an opportunity.

Next up on our agenda, I would like to ask our federal partners to provide us with updates and progress reports. David, we'll begin with, sir, from the Department of State.

MR. DONAHUE: Thanks very much. It's really good to be back with the TTAB today. I think everybody knows we have some pretty good news to report on our work we're doing on the executive order. So I would like to very quickly go through where we are.

A lot of you were in Orlando and were there when the President made his statement about visas. And I think this is a very important statement because it does point out that the reason we have visas is a national security issue, and we're trying to do both. And the President said we can do both, and we believe that very strongly.
And we've gone a long way down the road.
We've added eight countries to Visa Waiver countries.
The Secretary of State nominated Taiwan this year or last year, and the President and President Rousseff last week also talked about visa waivers for Brazil. So things are moving in that direction.

Remember that 65 percent of our visitors come from visa waiver countries and that's a good place to market to. These are people who can come anytime they want. There's another 30 percent that have visas in their passport and they can come anytime they want, and that's another group. I think we should call that a loyalty program like you have at your hotels: You have the visa, you can go anytime you want. And I think that's what we're seeing from Brazil.

We had about 50 percent more visitors from Brazil that didn't get new visas. These are people who already had visas in their passport, so that's a good market, but we will look at the visa issues. But the newcomers, the people we want to bring into our fold, we want them to come that first time so they'll keep coming every year for their vacations.

So you'll see here that two of the things that we agreed on in the President's executive order is that we would increase our capacity for processing. We can't make people come, but we can certainly increase
our capacity. And we increased it. We said we would do it in Brazil and China by 40 percent and we would ensure that 80 percent of the applicants are interviewed within three weeks, and we're working very well to achieve these goals.

You'll see in the next slide that this is the wait times, and you can see it's not where you want your portfolio to go, but it's where we want wait times to go. So they're all going down, and the good news, I suppose, I always like to say this is good news, Sao Paulo is still hanging in there at 35 days, and that just means that lots of Brazilians in the Sao Paulo area want to come here.

The rest of the places in Brazil are down around seven days, and China is under three days throughout China. So we'll talk a little bit about space to do more visas in the future. The other part is if we're going to get over 40 percent for the first half of this year. We're 44 percent up in China. We've processed cases.

And then in Brazil, we are hacking away at what was a backlog, and we are up 59 percent for the first six months of this fiscal year in Brazil. And I know people who are in the industry are seeing lots of Brazilians at their theme parks and their hotels.
What we're doing to accomplish this is we are making huge expansions, putting a lot of cash, about 90 million, I think, total so far that we're pouring into Brazil and China. We've brought in new consular positions, more than a hundred. We're moving people into China and Brazil. And we have a new program I think that was suggested by this board to bring in people who have language skills. Because of the ramp-up time, we started hiring in about October, and many of those people are already out in the field using their Portuguese or Mandarin on the visa applications, so we're very excited about that.

Nineteen have gone out, and we have some in class now that will be going out very soon. We're also adding a lot of windows in China, 48 windows in China, and we're adding a bunch more in Brazil. We are also looking at new facilities. We want to be sure that our program is safe. One of the other suggestions is that people who we've already had come into our embassies, we've already taken their biometrics, they've already traveled to the United States, they know our country, and we want to hit that market.

So what we've said is up to four years after their visa expires, and we've worked closely with Homeland Security on this, they can just send in their passport. They don't need to come again. And the idea
is that you apply once, maybe, hopefully, in your whole
life you have to come down to the embassy and apply if
you're in a visa country, and then we'll keep that
record. As long as you don't misuse that visa, you can
do the rest of your applications through courier or the
mail, so that's a big goal for us.

We think this program will free up about
100,000 interviews for first-timers, and that's a big
goal for us. The Visa Waiver Program, as I mentioned,
we've nominated Taiwan, and we want to work together.
We want to make sure this works. We're looking for new
ideas. We want to give everybody a positive impression
of the United States. And our officers in the field are
just having a great time, and I think Secretary Bryson
met some of those folks. They really feel the mission
of making jobs for Americans in everything they do every
day.

SECRETARY BRYSON: It was stunning. Each of
the cities we went in, people from the State Department
came to talk to us about those and they presented to
groups there. It makes a great deal of pride in moving
us along.

MR. DONAHUE: So what we ask of the board is
this is the time to go out and dispel a lot of those
myths. All it takes is one person who's had a rough
time and they remember it for life and they spread it.

You know, every bad story goes around a hundred times.

Our job is to say, "No, it's not that hard." People are coming in large numbers and they're having a great time in the United States, and you can help us communicate that. We're here to help people get here.

We want to debunk all the myths. We want to work together with coordinating with Brand USA and with the TTAB on our messaging. Our consular sections are open to being platforms to reach out to people who are coming by, and we're working with our embassies to see how we can make those marketing platforms to bring people to the United States.

Again, just a reminder that we do have to continue to do security and that's why we're sending more people out to places where we need to make sure that we have the right applicants. We don't want anything that will set us back as 9/11 did. So China, big challenge. Anybody who knows how to get to the Chinese government, I know the ambassador is working very hard.

So we really need to get longer validity there. That's holding us back. This four-year thing will help quite a bit in China, but it would be great, like the Brazilians, to be able to give the Chinese much longer validity.
So we encourage people to go out when they're traveling, visit our consular sections, get the same experience that the Secretary had. We're trying to use some of the business concepts that you've used. We're always looking for ideas. I know that Disney has helped us on some of that, and we're looking for other areas where we can go where people don't need to physically come in.

Some of the other ideas that we've talked about here, we don't feel they'll work, we don't feel that it works into our model. We would rather find a way not to have someone come in rather than try to guess that we really have the person we have out there. We have to collect the biometrics so we're not into video interviewing. We don't think that will work.

Mobile interview units, our embassies, the security situation overseas will not allow for that. Wait time caps, my cap is the shortest possible, and that's why we're at three days in China. We would like to use the shortest possible wait time that you can have rather than have some kind of artificial cap.

And premium processing, we want everybody to get a short visa. We don't want to have people in different queues, and we want every visitor we think spends here, every visitor's money is just as good as
the other person's. We want everybody to have a short
wait time. We want to have a great partnership.
Continue the partnership. Come up with a lot of good
ideas, as we did last year, and we're ready to be your
partner.

BOARD-CHAIR DAVIDSON: Sam just leaned over
and was whispering kind of what I was thinking, but it
was like, that is fantastic progress, David. Thank you
so much. I just want you to know how much I appreciate
the fact how obvious it is to me and to all the members
of this board how seriously you take the
recommendations, the way that you and your team go
through them and vet them and implement them as
appropriate and come back with, perhaps, counter
recommendations, if they don't.

So again, thank you very much for that and
for that spirit of collaboration. It means a lot.
Next up I would like to invite Susan Kurland
to provide us with an update from the Department of
Transportation. Susan.

MS. KURLAND: Thank you, Todd. Thank you
Secretary Bryson. I'm delighted to be here on behalf of
the Department of Transportation. We have had a long
relationship working with Secretary Bryson and Francisco,
and we just are delighted to be here.
Secretary Bryson has mentioned some very
important statistics and facts regarding the growth of
ternational and domestic travel within the United
States. And we would like to say at the Department of
Transportation, without transportation, you're not going
to have any of this. So whether it's roads, rail, air,
or water, we need transportation. We need the
infrastructure to get folks to and from their
destination to where they want to go, to meet with
family, to do business, so on and so forth.

So what I would like to do this morning is
just to mention a few of our priorities and initiatives
and things that we've been working on with Secretary
Bryson, the Commerce Department as it relates to travel
and tourism, and then I'm going to be very interested in
hearing from you all on what we can be doing better and
how we can be more helpful to you as we move forward.

You know, safety, of course, is our top
priority. It's job one. Our transportation system is
the safest it's ever been, but we know that we cannot
rest. We have to keep working on it, so it will always
be our top priority. Moving on to -- just go through
some of our modes of transportation. In the area of
aviation, the administration, President Obama, Secretary
Hood, are very committed to our next generation security
control system which will increase flight safety and
improve the efficiency of air travel.

And by converting to a GPS-based air travel system, sometimes it's a little bit hard. And we need your help getting the word out to the public what this all means on a practical level. What it means is by switching to this kind of system, we're going to have more frequent takeoffs and landings, and we're going to be further reducing fuel consumption, and it will be helpful to the environment.

So with you as our partners in getting the word out on why there's a good business case for it, why it means something to you, our traveling public, to our business folks, that would be very helpful. One of our mainstay programs is our "Airport Improvement Grants Program." We are continuing to fund major projects, infrastructure at our major airports throughout the country.

Rosie, from Chicago, the "O'Hare Modernization Program" is one of the major funding programs. So this makes a huge difference to our communities because we help provide the seed money for these communities to show that these are projects of significance to the federal government, and it helps them with the capital markets, it helps them raise other types of funding as well.

In my area I focus a lot on international
travel and aviation, and we work very closely with the State Department on our "Open Skies" program. Now, many of you may not know this, but in 1992, we did not have any Open Skies programs. In 2012 -- and actually, Francisco had my job during the Clinton administration so he's very familiar with it as well.

But now we have 105 Open Skies partners. And what this has done is it's liberalized air service throughout the world and the United States. So it gives our carriers the decision -- they can make the decision on where does it make sense for them to fly. So it's been a huge boom to our consumers, our travelers, our shippers, and it's made a very big difference.

And we also, where it is appropriate, approve antitrust community for our global alliances. And what this has done is this provides then more seamless transportation. We also see some of our secondary hubs and secondary markets also benefiting from this program. And also, then moving on to the service side, we're making historic investments in America's roads, bridges, buses, streetcar and light rail systems and high-speed rail.

President Obama has set the goal of connecting 80 percent of Americans with high-speed rail within 25 years, and we're well on our way, and
California has been a major recipient of funds in this arena, and they are moving forward. And just to give you a couple of other examples. For example, our FTA, Federal Transit Administration, recently provided $38 million to build a bus, ramp, and transit system in Austin, Texas.

And what this is going to do is it's going to make for easier access to downtown and connect all sorts of other arenas, the State Capital, the University of Texas at Austin, and by 2014, we are projecting that there will be more than 20,000 daily riders through our "TIGER" program which I'm sure many of you are familiar with, the Transportation Investment Generating Economic Recovery program.

This has provided us a unique investment opportunity program whether it's to fund multi-level projects or, for example, a modern streetcar line in Tucson that's going to connect downtown employers, major health facilities systems, and regional attractions.

I just want to mention one -- I know the time is short, but I want to mention one project you might not generally associate with the Department of Transportation. Most of you are familiar with some of our big grant programs, but we also do support and we work very closely with the Department of Commerce, with the Interior Department on the "America's Scenic Byways
the Yurok Tribe is developing, a Scenic Byways program that will connect the history and culture of their people and augment the traveler's experience at the adjacent Redwood National and State Parks, which is a world heritage site. Now, this cooperative and regional effort includes partnerships with the National Parks Service, the Forest Service, and the state of California, and it's promoting sustainable, economic growth and development not only for the tribe, but for adjacent and smaller communities, Humboldt and Del Norte counties in Northern California.

So I would like to close by saying I'm delighted to be here today and look forward to working with you all in the coming year.

BOARD-CHAIR DAVIDSON: Thank you very much. I appreciate your report. I've been asked to let everyone know that the mics are for the transcriber who's capturing the notes, they're not for amplification, so that's why you don't hear yourself coming through the ceiling. But I just want to let you know. So be sure to speak up or have a mic in front of you as our conversation progresses.

Mr. Secretary, I know we've reached that
time. I just want to thank you again for being here with us and for your ongoing vision and your passion for the travel and tourism industry here in the United States. I wish you well. Safe travels.

SECRETARY BRYSON: So what I do now is I walk around Pow Wow, which will be a great treat, then I'll give brief remarks later on and I'll say a little more about the national tourism strategy. These presentations is what Susan and I, what all of us ought to say is for the national tourism strategy. We've been meeting once every two weeks in Washington, and the participation has been stunning.

I mean, there are very few members of the federal government that haven't been in at every one of those meetings. And then between meetings, there's lots of dialogue across all the federal departments because we have to bring the whole together to be as effective as we can. Anyway, I feel enormously optimistic about our ability to take this.

You're the ones who are really doing it in the field. We learn from you, but we're going to do everything we can on the federal government side to help take this substantially further. So many, many thanks, and perhaps I'll see you as I'm doing my wandering around the Pow Wow.

Then at 12:30, and the good thing about this
is my remarks are going to be six or seven minutes

there, and then everybody gets to do what they really
want to do, which is talk with their counterparts in all
these fields in tourism. So thanks very much.

BOARD-CHAIR DAVIDSON: Well, now we need to
turn to one of the more shined retiring members of the
Travel and Tourism Advisory Board who doesn't need a mic
for amplification whatsoever. He asked me not to make
any jokes today, so I've refrained.

Douglas, I'll turn it over to you, sir.

MR. SMITH: Well, I am going to put
Secretary Bryson on the no-fly list for skipping my
presentation. Sorry about that, sir. I hope you used
Global Entry when you came out here.

First of all, Todd, thank you. These
meetings, it is amazing after looking back. I'm going
to rephrase that. I looked back at Adrian's amazing
notes from the last couple of years and all that we've
talked about since we've started -- Sam's kickoff a
couple years ago and now with you.

And really, it kind of brings it home that
things can change. The process of speed is continuing
to pick up. I didn't think two years ago that we would
be as far along as we are in terms of the waiver issues.
We will perhaps even now at Pow Wow -- I don't know if
you all went down and saw the great CBP booth, the

Global Entry enrollment on-site right here.

With enough traffic, I think we could potentially break a million people with Global Entry benefits during Pow Wow. That started off -- as you remember, Sam, when we first started talking, we were around the 75,000 or 80,000 number. In the last two years we've seen tremendous growth in that with the passage of our appropriations, and with support we're now at 24 airports with Global Entry. That captures about 98 percent of all international travelers.

Yes, we're working on Portland. We'll get there, but we do have 98 percent of all international travelers, which I think is a big deal. I know at LAX and at O'Hare and at Miami and some of our other key airports, JFK, we do continue at certain times -- and I will say certain times -- to have issues with getting people through, but it's a good new story so far.

I mean, right now we are looking at our latest numbers and we now have a dashboard internally that we track on a constant basis, and I just wrote them down so I don't get them wrong because the men and woman of CBP deserve the credit on this: 88 percent of all international, not just U.S. citizens, but 88 percent, we're processing in 45 minutes or less.

Is it perfect; no. Can we improve;
absolutely. But compared to where we were two years ago, it's a staggering improvement. Seventy-two percent are in under 30 minutes. The name of the game on this and, Todd, thank you for your comments on Japan. Deputy Commissioner Wachowski (phonetic) is actually covering a meeting for me in Tokyo, I guess Monday Tokyo time, on Global Entry. We're really trying to get them on board.

In South Korea, we're hoping it goes live May 1st. I think that's going to help push the Japanese to pick up the pace. I think once they see the benefits that South Korean travelers get, it's going to inspire them to pick up the pace. As you were talking, I did shoot an e-mail to Prad (phonetic), my colleague on the National Security staff, about making sure this is in the President's one-on-one meetings with the prime minister of Japan.

It is the name of the game, though, these "Trusted Traveler Programs" is the only way we're going to keep up. It's the only way we're going to keep up with the growing traffic at O'Hare, at LAX, all of our key ports. We now have, as you know, TSA PreCheck online at O'Hare. We'll open 36 airports by the end of this calendar year, and it's really helping, but we need people in it.

We need you every time you e-mail out to the
Marriott frequent traveler or the Sabre list, all of your lists, we have got to push people into these programs, because it doesn't do us any good if you walk through the terminal at O'Hare and there's no one in that line. I need people in those PreCheck lines because that takes people out of the main line, and it's easy to get done. I just brought Susan downstairs. We got Susan enrolled in Global Entry in about four and a half minutes.

But whatever you can do to continue to push on the board and you're amazing lists to encourage people to get into Global Entry so that they can take advantage of this benefit, it's really going to help what we need to do.

For the corporate guys here, we always like to talk about money, so I will say that to date through the ESTA fees collection we have brought in $232 million for the corporation, so we are $32 million ahead of schedule. Actually, we're more than that because we're only halfway through the fiscal year, so it is working really, really well.

I know that the Brand USA folks are going to brief later, but they have been wonderful in helping us to provide experts on Web site redesign, so they are working behind the scenes to help us. Let me rephrase
that, to spruce up our ESTA sites. I think the ESTA site has come a million miles from where it was, but we're sensitive that it could be better. And they have been incredibly generous in working with us to lend their experts on technology developments that we just don't have in-house.

We're making huge progress. The challenges that we will continue to need help with -- and that is why I think a lot of your airports that were on with me last week when I had a conference call with 22 airports on our "Ambassador's Program," is how do we continue to close that gap on the wait times.

I flew in yesterday from Delhi because I really wanted to get the experience of traveling. So I decided I should fly for 24 hours, landed at LAX at 12:30 to make a 1:30 meeting here. But we're sensitive to that. We're sensitive, but we need help. Our staffing, unfortunately right now, it is where it is.

And we are working with Congress and our appropriators to try to figure out ways to grow that. As you all know, and for those taking very careful notes, I'll be quick to say that we are not allowed to lobby. We are not allowed to go to the Hill and lobby people to do things, but you all are.

And if there was one area that I said we
need help on is the way you were so vocal in helping to
gain greater support for David's field operations, we
need that for CBP's field operations. The work you're
doing is fantastic. That's the great news. The bad
news is, the better you do, the more angry calls I'm
going to be getting from Rosie and all sorts of other
people at their airports when they look at wait times
peaking up again.

The staffing that we have in place right now
is where we're going to be for the foreseeable future
without help. So unless we can make relief through
increased participation in our Trusted Traveler Programs
and unless we can get more bodies, it is where it is.
Are we happy; no, we're not.

You have in Cal Wakowski our deputy
commissioner, a 37-year veteran of doing this. This guy
is amazing. He is a machine. He's probably the only
person who sleeps less than I do. We were just in India
negotiating with our Indian counterparts on a variety of
issues. He and I spent the ten-hour or so flight over
with the deputy going through the work staffing model.

And they are tweaking it, they are pushing
it, they are finding every efficiency they possibly can,
but it's going to come down to bodies. And while I
promise you we will do everything we can and we will
continue to push our Trusted Traveler Programs, and you know the numbers, so we need that.

And I'll close on that topic. Not for today, but for you, Todd, and for your team, I would like to schedule in the very near future a private briefing on that work staffing model. I think particularly I would like to lean on Sam's guy's expertise at Sabre, who are so great at crunching numbers, to check our work and see if we're doing it the best we can. I think we are.

We have put a tremendous amount of methodology behind it, but we're hurting and we're going to need the collective good to help us pull us on our way.

With that, so I don't go over my time and not make too many jokes today, I will stop, but I do look forward to any questions or thoughts you have. I think many of you are joining us on the port tour over at CBP following lunch. Any questions that you have, I'll be delighted to answer.

BOARD-CHAIR DAVIDSON: Douglas, thank you very much. And seriously, all you need to do is ask. You've been great to work with. When I was headed to Japan and we were talking about this particular issue, about global entry reciprocity, Douglas was able to get
me to the folks that I needed to be able to speak with
while I was over there to make sure I was getting
connected to the right folks to convey this message
about the importance to both countries that we enter
into a mutual Trusted Traveler Program.

And your success is certainly our success,
and I could almost audibly hear you as David was going
through his report and every one of his successes became
a choke point for you. So it's like, "Oh, dang it." So
we know what you're up against, and we realize that it's
all part of that visitor experience. So anything that
any of us can do to support you in that as you go
through that model, we want to help you do it.

VICE-CHAIR GILLILAND: There's one thing I
might add and that is that in the last Travel and
Tourism Advisory Board there was certainly, as David
knows well, a lot of focus on visa processing, the Visa
Waiver Program, but also recognition of the CBP, that
that was an area that travel facilitation really wanted
to spend more time on and really just started
understanding where the opportunities were.

So I think you'll see a lot of engagement on
that with this Travel and Tourism Advisory Board.
Certainly I know Hugh Bergerolie (phonetic), who wasn't
able to join us here today, recognized, as did that
whole subcommittee, that we could be helpful there and
we certainly want to be. So I think that briefing will
be helpful.

MR. SMITH: One thing on that, one of the
areas where we pushed, thanks to your help, is that at
our top 20 ports we have designated full-time customer
service representatives from CBP, the uniformed officers
that have enhanced training on problem solving and in a
variety of other areas to do it.

Todd, I would be remiss -- and just once
again much how David said, getting the right facts out
is always so important. And are there issues that came
up? Yeah, every single day there are issues that come
up, but I can't tell you how proud I am of those
officers that go to work every single day, whether it's
CBP, with Homeland Security investigations.

These guys have really, really hard jobs and
they have to make really, really tough calls every
single day, dozens and dozens of times a day. And I
think in working so well with your group and with our
communication strike team, I think we're ahead of the
curve now. We're getting that right story out. But
tamping down through the false reports when -- "I was
stuck in secondary for three hours."

Those are rare. They're very, very rare,
and I can tell you because I get the reports every day
and I read through them what happens. Ninety-nine point
nine percent of the time, that front line officer did
make the right call. There was something that wasn't
quite right, and rather than slow the whole line down,
we put them in secondary. So when I'm asking David
additional questions on why he didn't declare his Cuban
cigars, I'm not embarrassing him in front of everybody.
Just kidding.

It's important that we all work together to
get on top of it and get ahead of it and not to wait.
I'm going to be out at O'Hare next week doing a meeting
with all of the O'Hare folks and what we can do there.
But obviously also the upcoming NATO Summit. As our
secretary likes to say, "If you see something, say
something." Don't wait.

John McReynolds and the guys at Orlando were
not shy about picking up the phone and calling real
quick, "Hey, we're having issues with flights coming
from TAM, what can we do to fix it?" And we were able
to fix. Either Susan's team at DOT or David's team or
our team at DHS, we can only fix what we know. So by
the time it has spread across falsely in newspapers,
it's too late.

I encourage you, and as you all know in
dealing with me over the last few years, we're anxious
to help. But we need, you know, the input and the thoughts. And when John's team came to us and said here are the numbers for adding the TAM flight to Orlando, we made it happen, but we wouldn't have known if they hadn't picked up the phone and called us. We would have just looked at increased wait times, but with the great work they did in working with the folks in Orlando, we were able to make it happen.

But I know at times we don't always give you the answers you want, but we're anxious to try to get as close as we possibly can.

BOARD-CHAIR DAVIDSON: Thank you, Douglas, very, very much.

Next for those of you on the board that have not had a chance to be here, I'm going to take a quick second to introduce Nicole to you. She is the Assistant Secretary of Commerce for Industry & Analysis. And tourism in our nation's economy is seen as a service.

We are the largest services export, and we all heard about the amazing trade surplus that we reached last year, the record surplus, $43 billion record surplus that the Secretary shared with us earlier today. So for everything she manages, we know tourism is her favorite, though, and that's why she's here with
Nicole, it's great to see you again. Thank you for joining us today. Nicole is going to lead us in discussion on our priority issues and our subcommittees.

Nicole, thank you.

VICE-CHAIR GILLILAND: Thank you, Todd, and thank you, Sam, Mr. Vice-Chair, we appreciate you as well. And I want to thank my colleagues from State Transportation and Homeland Security for being here and sharing their updates on the progress of the agencies that they work in are making in support of expanding travel and tourism.

The favorite part of my job is to collaborate with the 24 private sector committees that are in my portfolio covering substantially all of U.S. industry, but, of course, the TTAB is the most special one, it's one of my favorites. And it's so good to see the returning members of the board. I was not able to be in Orlando with you in January.

So this is my first time seeing the returning members and the new members. It's great to put faces with names. Our office puts in a great deal of work to make sure that we have the right mix of people on the board. Of course, Jenna has the laboring oar on this, so thank you so much.

We really want to make sure that we have the
right mix of professionals that will help us to drive
tourism to our country. So thank you so much for your
service, and I look forward to getting to know everyone.
My job, like the Secretary's and the Undersecretary's
and I bet many of yours, keeps me on the road quite a
bit.

Last week I was in Saudi Arabia leading a
"Clean Energy and Energy Efficiency Trade Mission," and
I also had a women's entrepreneurship event, which was
fascinating. I would like to tell you guys about that
trip at another point.

It was a successful and rewarding trip, but
there's nothing like coming home, especially when you've
been in Saudi Arabia for an extended period, and I know
that it's a sentiment that you all share, and it's
really the source of tremendous energy and commitment
that you guys bring to the efforts that really makes it
worthwhile.

It's been an exciting few months for the
travel and tourism industry and for your partners in
government. For those of you that were members during
the board's last term and for those of you that were in
Orlando for the President's announcement, you know that

the work of this board can really drive administration
policy and programs in a way that makes a real
difference to industry and creates jobs and to do it in a way that focuses the collective energies of the private and public sector stakeholders on a common goal.

So thank you so much. Thank you for all the work and input on the strategy that we've been working on pretty hard. I know I've talked to a few of you individually about that. So thank you so much for all of that. The President set a very aggressive timetable appropriate to the urgent need to capture the many opportunities that this industry offers for our economy and our workers.

It was a tight time frame and intensive process, and your involvement in bringing us input on what the work of the task force should be is greatly appreciated. The enthusiasm and eagerness by all parties involved, both public and private, has helped to shed light on the many opportunities that exist to make meaningful progress for the industry and for our economy.

From your earlier conversations with Secretary Bryson in January and your input to the strategy, we have a really good sense of your priorities which include continued progress in travel facilitation, support of "next gen" investments and infrastructure and work force, and expansion of Trusted Traveler Programs.

On the government side, we have identified
several areas where we believe our involvement can really make a difference, and that would be in work force development, bringing our data into the digital age, USG coordination with Brand USA, and public-private partnerships. It is clear that there are tremendous synergies between the two lists that we have and the one that you have, and we would like the board to consider how we can work most efficiently to achieve these common goals.

As you know, since day one, the Obama Administration has been steadfast in its focus on the jobs and the economy. Your industry has a major role to play in both of these areas, and this board is a critical link to the partnerships that we have that can yield results. So I would like to open up a discussion on some of these issues.

I would like to start with Work Force Development. I know Carol Wallace is working this issue. There's Carol. I know this is an issue that you've worked on, and I would like you to share some thoughts for us on workforce development.

MS. WALLACE: Thank you very much. As we had our conference call, I looked around at what the government was already doing and looking at how we could capture what is already -- I'll speak into the
microphone.

As I mentioned, the government already spends $10 billion annually in workforce development programming. And already existing throughout the United States in every state and most cities and counties, there are already workforce development Programs.

And I know from my own county, San Diego, in my own city there's a partnership of the City League and the county to receive these federal dollars for job training and retraining. Again, knowing in my own city that the county and city have partnered to contract with an agency that already does training. They have training centers located throughout the county, five or six throughout the county.

So knowing that this model exists throughout the United States, I suggested we look at how we can use that infrastructure already in place to work with this board to develop a model training program for people who are -- who are either unemployed, underemployed or need to be reemployed, who have been laid off, or whatever, to train them for our industry.

Again, use the infrastructure. If you look
various entities, whether it's a convention center or a
convention bureau, theme parks, whatever, can we not
create some kind of overall basic training program that
could be worked through the "Workforce Partnership
Program," that they would contract with an agency to
train, use our system to train people, and then those
same people would be available to be employed by the
various entities.

Our hotels exist throughout the United
States. We have convention centers. We have visitors
bureaus. We have theme parks. So who better to work
with our local entities already in place to develop a
program so they can train the people that we need in our
industry, so that as you have the increase in tourism
and increased sales in travel and you need employees,
where best to look but where the people you have trained
the way you need them to be trained.

So I haven't put anything in writing yet,
but I would be glad to do so and look through some more
research on that. But again, it's using what's already
in place. Another idea I had is that coming to the U.S.

Travel Association meeting today, this is only my second
time at Pow Wow. I was here many years ago when I ran
the Denver, Colorado, Convention Center.

But looking at what the Travel Association
does, wouldn't this be an ideal place to create a train
the trainer program where, again, if we have a model
program that could be used throughout the country, could
not the CBPs who are in every country bring their staff
reps here to learn how to apply for the program
implemented through their local agencies so you have a
model that you can just replicate from city to city to
city, from agency to agency to agency.

You have some of this consistent throughout
the United States, but again, it's funded and driven
from a top level. So I think that looking at the
one-year program and the five-year program, maybe the
goal for this first year would be to develop an outline
for the program and how it would be implemented, and
then look at five years, how it could be implemented.

MS. LAMB-HALE: Are there any other comments
on the topic from other members of the board?

MS. MATTHEWS: Can you give me a sense of
the types of training in particular you see the greatest
need for?

MS. WALLACE: I know here in my own

industry, customer service is the biggest one we need,
how to treat our customers, how to handle our customers.
And for the convention center, we have a whole training
department that does everything from customer service to
training how to handle our systems, computer training,
working with our bureau. We train also on how to get
throughout the city. There are all sorts of things that
we do, but primarily customer service and computer
training and that type of thing and using our systems.

MS. MATTHEWS: And, Douglas, are we doing
anything across the industry in terms of customer
service training, because this has been talked about for
years with your Customs and Border Patrol or your TSA
agents right now?

MR. SMITH: Could you repeat that.

MS. MATTHEWS: My question is whether we are
doing any partnerships with the industry right now, in
particular with customer service, for example, training
with TSA or Customs and Border Patrol?

MR. SMITH: A lot of the training that's
going on is based on what you guys have developed for
us. I don't think we brought anything new out, but the
curriculum that we're doing at the academy and
post-education is all from what was originally created
by Disney and by Marriott and the other partners.

I'm delighted for us to continue to look at
it and tweak it. We now have 20 customer service reps
at each of the airports to do the same thing for TSA.
Do we think we need a refresher; absolutely, but the
curriculum that they're using, they were using down at
"FLEXI" (phonetic) was based off of all of that original stuff.

MS. MATTHEWS: Which was ten years ago, so there might be an opportunity there, right?

UNIDENTIFIED SPEAKER: We just did a refresher to all the folks to remind them to say, "Welcome home" and "Welcome to the USA," and to remind them how much of an impact they have on the travel and tourism, that they're the first person that they see when they come to the United States. I just went back out last week as a reminder.

MS. MATTHEWS: And how about with Consular Affairs officers as you're expanding those? I know we've had conversations about that customer service training as well.

MR. DONAHUE: Certainly it's a big issue. It's part of our training from the very beginning, and I think it's been enhanced with the push. I think there is this sense that the officers, as Secretary Bryson was saying, a sense that the officers feel that they're playing a major role. Like I said, they have brothers and sisters who are unemployed and are looking for jobs. They understand the situation in the United States and they all want to contribute to that.

I've heard good stories from the field on that. We are starting to do a lot of surveys and find
out how people are feeling. The key thing we're trying
to do, and a lot of polls -- I know India is a leader in
getting people in and out very quickly. I think they're
well under an hour. We're doing an off-site preservice
that will mean that when they come in, all they have to
do is meet with the officer and everything else has
already been done.

Taking the biometrics off-site, so that when
they come in, it's a very quick interview and they can
be on their way. Of course, not having people come in
at all is the best way you can do it. So everything is
based on the idea that these are real people that have
real lives and this is an inconvenience, but a necessary
one so we try to make it as pleasant as possible.

MS. WALLACE: It goes beyond customer
service. I'll just give you an example over my career.
For example, when I was in Dallas -- this is now over
twenty years ago -- there was a lady who was a homeless
person who would come as a day laborer to work at our

1 convention center. She was very loyal, very energetic,
2 so we tapped her to come in as an entry-level employee
to teach her our industry. I will tell you today that
3 lady is one of the assistant directors at the Fort Worth
4 Convention Center who came in at that level.
5
6 When I worked in Denver, Colorado, they were
laying off a person who had been in charge of negotiating contracts for that city. Again, a good person who didn't understand our industry. We brought that person into the industry who went to be the Assistant Director of the Colorado Convention Center and even moved to San Diego to head our expansion project on projects.

We brought in a person who was a geologist who, again, had an interest in finance, who today serves as the VP of finance at a major convention center.

We tapped a telephone operator who was being laid off who had an interest in events and taught her our industry. She today serves as the Director of Event Services at the Washington, D.C. Convention Center.

So I'm talking about people who have great skills, who can be retrained for our industry if they're identified. They're going to these career centers and you can tap those skills and abilities and retrain those people for our industry and then bring them into our industry, and I think there's an ability to do that and they're already reaching out to these work force training centers because they are unemployed or underemployed or laid off. And you can grab people, identify those skills, and then transition them into our industry at various levels.

So we're not talking about just the lowest
levels, but people who are underemployed or unemployed who have been laid off that we're trying to capture and get into our industry. And there's customer service and all sorts of industries that we can use those people in.

MS. ANDOLINO: There's one thing I would like to ask Kathleen. You mentioned about that you developed this product and -- Doug, you said maybe it was ten years ago -- if that could be refreshed, I think that would be a great thing especially because there is more and more of a focus on international markets.

So that would be a great opportunity to enhance that product. And then, if there is also an opportunity, as when you talked about refreshing and bringing in for our purpose, because our teams work collaboratively at our airport environment, but bring in our airport personnel as well so we can train our entire community -- kind of the same best practices.

That is something I think would be a great way to best utilize resources and have them all kind of singing from the same piece of music from the same music sheet. So that would be a great thing, and we would like to partner with that and roll that out collaboratively with you.

In addition, in terms of job training, I think another way to partner for Chicago would be Mayor
Emanuel is retooling our Chicago city colleges because not everyone is going to go to a four-year university. And he's working with the city colleges to give people a skill set, and then working with our business groups. So in the manufacturing end, getting people trained and bringing in our stakeholders to help train them, in a sense, to your point, train the trainer.

So we're developing curriculums that best serve the end user for that employment so they can then tap those individuals and put them right to work. And we have both on the logistics side, which again is one of the new programs, but there's also the hospitality side which also deals with hotel service, catering, et cetera.

So we've got some infrastructure there that, to Carol's point, would be great to tap into and then expand and build and use those resources there. So we in Chicago would love to continue that effort and try to, because there are a lot of people unemployed or with the wrong skill set or not enough. Then if we can get them and match them with the proper skill set with the proper job, that would be a great opportunity. So I think there's a great opportunity.

MR. SMITH: I don't know if it's too late -- when I'm out there next week, TSA, we started in Orlando. We have a phenomenal program where we go to
community colleges on creating a career path. Adrian is going to stick a knife in my back because I don't know how crazy my schedule is already. But if there's someone you know, I could swing by City Hall real quick next week and chat with real briefly.

The community college push for the administration as a whole is a massive priority. I didn't realize he was doing that. So if there's an opportunity there, maybe we do need to bring the small core team together, compare notes on where we are with the latest on training and all of that, and figure out do we need a refresher here or opportunities.

If somebody gets me on the books, even if it's a conference call or a video, that would be helpful.

MS. ANDOLINO: It's just a constant reminder. Even if you do for our purposes -- like I said, I would love to partake with doing that and getting all of our -- as many of our stakeholders involved as possible. We have 45,000 badged employees at our airport and most likely at least probably half of them are making contact with people. So if even the custodians or whomever it is, the electrician walking through the airport, has that focus on greeting and saying hello. So as much as we can do to utilize
basically a program that has been built on by some of
the best organizations in the country that provide
customer service, that would be great for us.

MS. LAMB-HALE: At this time, we're going to
take Elliott's comments and move on to the next topic.

MR. FERGUSON: Thank you. To the points
that are made, we in Washington, just out of necessity,
we had a meeting with the National Parks Service and
U.S. Park Police. As you can imagine, in a city like
Washington, D.C., most of all of the attractions we
have, for the most part, or at least the green space, is
under their purview.

And there was a lot of concern in terms of
them focusing on them doing the job in which they are
trained to do, but also on the importance of the
visitors coming to our parks and their experience. So
instead of, you know, talking amongst ourselves, we
brought them all together and had some conversations
about understanding the importance of their job and also
allowing us to develop some curriculum with them that is
specific to the visitor.

Because there's nothing worse than the bus
operators that come to us and say, "We don't like coming
to Washington, D.C. because we get $500 tickets every
time." Again, we realize they have to do their jobs,
but there are some other things in which we also focus
To the point of work force development, we also just had a meeting with United Way, with our colleges, and with members of the hospitality industry specifically because of employment numbers in Washington, D.C., and the fact that the hospitality industry continues to be the strongest growing industry in Washington, D.C., and there are a lot of opportunities.

But more importantly, getting people to understand beyond, with all due respect to restaurants and working in hotels, what the hospitality industry entails and how can we make sure that there is a curriculum developed to expand people's knowledge of hospitality. Because usually when you think of it, the first thing people think of is, "I don't want to work as a waiter in a restaurant." And there's nothing wrong with that, but there are so many other opportunities.

So we started that dialogue with United Way, with the mayor, and with a lot of your community colleges to start that curriculum simply because it's so important and there are so many opportunities that are coming online within our industry.

MS. LAMB-HALE: Why don't we turn to travel facilitation. I know there are a number of you that are
working that issue. We've heard from Deputy Assistant Secretary Donahue. What are your thoughts in terms of supporting their efforts. I know, Holly, you've worked on that, Sam, and others. Let's talk about that a little bit.

MS. ANDOLINO: I will say that I just came back from China and talking with the head of the Chinese Captain Holding Company which manages like 40 airports, and then as well as the Chairman of Beijing Airport itself, they said the process is getting better for visas. However, there is still probably going to be some tweaks to be made, from their point. I'm asking them to put that in writing for us.

Part of their question or concern was location. It's very small. Having to stand in multiple lines, potentially three hours, in terms of time. And especially people who had visas or work in this industry. So I'm glad to see that you're looking for or working with the government to get a longer time frame, or if they've been approved, to see that you don't have to come back and go through that process again.

MR. DONAHUE: It's about 30 or 40 percent. About 30 percent are being done without people coming in. In Beijing, it's hard to believe, it has a very tiny consular section, and we're going to -- we're opening up the old consular section, so we'll have two
locations in Beijing and build a new building in Wenzhou (phonetic) which opens next year, two thousand -- that's this year.

We are doubling our space in Shanghai, and we're looking to open in Weihai (phonetic), so that will be our first to the West. And China is going to be challenging. There are so many cities with over a million people, and trying to get in all those markets.

MS. ANDOLINO: Well, I think trying to expedite the process for those who A), already had visas; and B), have traveled here before.

MR. DONAHUE: That's the point of them not having to travel. They can send it in, get processing quickly, and their wait times are three days.

MS. ANDOLINO: So we can help try to communicate that as well, and how that starts to be implemented, we would be happy to do that with our partners. We have partnerships with Beijing and Shanghai. And so we would be happy to assist. Because getting rid of that stigma will help actually get more passengers, more travelers.

MR. DONAHUE: They did a big press release on the "Interview Waiver Program," and we can get you a copy of that which gives a lot of details.

MS. MATTHEWS: I've talked to Secretary Locke
(phonetic) about this. It seems like Universal or Disney could give maybe some consulting advice on line management. Again, that was done maybe ten years ago, but it was really done more vis-a-vis the entry experience rather than the consular affairs experience, but that's a good case.

And I know that Marriott has done that in India with some advice on how to manage the consular affairs experience in India. I think we're doing it in Bangalore. You'll be able to maybe deflect some of the people, but you're still going to have -- you have a picture in your presentation here of that lobby in Beijing.

MR. DONAHUE: It's the craziest thing.

MS. MATTHEWS: So how do you manage those three-hour wait times in maybe some of the theme parks that do this all the time.

MR. DONAHUE: I know they had people from Disneyland come over to the conference and meet with our people both on the customer service type of things but also on the partnership.

MR. SMITH: That's another great example where your in-country people can be helpful. Because ultimately, the problem is real estate. And our hosts in China have not always been so great in allowing us to expand in the areas that we want to go and such like
that, and that creates this bottleneck. That's the same situation in Brazil for those of you who have been to our consulate in Rio. That was supposed to be closed after the Kenyan bombings ten years ago, but it's still there.

That's where I think those companies with significant presence in those host countries could weigh in and just sort of say, "Whatever you can do to help." Because when our team goes over there to try to get space, they continually get pushed back and blocked and they're not able to acquire the work space that they need to make it a better facility.

VICE-CHAIR GILLILAND: As I think about travel facilitation, it seems to touch -- and we've had some discussion about this, that we have subcommittees that are now reasonably well-structured and I'm sure there will still be more work that will be done there.

But as I look across and listen to the updates here today, travel facilitation seems to touch even across subcommittees, and clearly, it's across the departments that have provided reports today.

So think about Douglas and the opportunities to continue to improve and streamline the airport security process, CBP, and entry into the U.S., exit through airports as you look then to State and the work
that they're doing on visa and visa processing, Visa Waiver programs, and all of the progress and the stunning graphs that we saw earlier, and yet the continued emphasis and advocacy and support we can provide for those efforts.

And then Brand USA and State, and how can Brand USA and State work together to promote and target the right travel audiences within a country that we're marketing, that we're spending our marketing, our Brand USA dollars in.

And then, and again, this doesn't specifically fall within travel facilitation, but I still think travel facilitation touches "next gen" air traffic control and, you know, shorter hold times, more frequency between airports, more fuel efficiency, and therefore, theoretically more affordability in air fares and such.

So I think there's a lot of opportunity that travel facilitation touches, and it really spans a lot of the subcommittees, so I think we have a lot of opportunity there.

MS. KURLAND: And one more important point on that too, aside from the issues with visas and the CBP issues, many of us, we do travel across the board to other countries. And to the extent that you all are having other facilitation issues in doing business in
other countries, let us know. Many of our stakeholders let us know, but there are ways we can be helpful, and we are having meetings with some of our colleagues abroad, and that's important for us to know.

MS. MATTHEWS: I think one of the points you made David was that you can't lobby foreign governments, but perhaps we can. And your point that we should urge Chinese officials to increase the validity of visas, we really haven't talked about what that strategy looks like because we've been so focused on the U.S. piece of it.

But you have the World Travel Tourism Conference, you've got the World Economic Forum. They are all very focused on this issue in some of their subcommittees. I think we could be very helpful telling them what they could do on behalf of the U.S. travel industry right now. Because there is conversation around on mobility of travel. How do you take it from a U.S. conversation, where we've had a lot of progress in the last year, to a global conversation so that the right conversations are happening in China, in India, in Brazil, where there may be even less appetite because they're sending more people here than we're sending over there at this point?

MS. LAMB-HALE: We have about seven minutes
before the next part of the meeting, I think, according to the schedule. I did want to raise one more point that I really would love your input on. And I know I have talked to some of you individually about it, and it's the government's interaction and coordination with Brand USA.

I know that, Sam, that it's great that you are the link between the TTAB and the CBP. I would love your thoughts on just with this kind of novel, new, public-private partnership, ideas you have for us on how the USG should interact with Brand USA. I think we've been figuring it out as we've gone along. I think that we've made a lot of progress, but with anything new, it can be challenging sometimes.

So I would love your thoughts, your perspectives on how you think we can get the most out of that relationship. And then there are a number of other topics as well that I know that will be spoken about in the subcommittees that will follow. But I didn't want to lose this opportunity to have you all together to talk about Brand USA and how we can most effectively work with them. I'll just open it up generally.

MS. AGRA: I have a comment on that. I think if you can work with Brand USA, giving them advance notice of new visa waiver country agreements that are about to come online before they are made
public, that way Brand USA can have the time necessary
to plan advertising and marketing in that specific
country and let them know it's now easier to get to the
United States, and the United States has so much to
offer, we welcome you.

But that all takes time and planning, so any
advance notice you can offer, I think would be helpful.

MS. LAMB-HALE: Great.

MS. MATTHEWS: And to that point, I think
one of the best advertising campaigns is: "Visa wait
times, visa interview times are down," as opposed to,
"Come to the USA." They already want to come to the
USA, but if they know that it's not 100 days in Sao
Paulo, but it's 30 days. Unfortunately, that's going to
put more pressure, that kind of a campaign will put more
pressure on all of you.

MS. LAMB-HALE: We want that kind of
pressure.

MS. MATTHEWS: But it is the way to let
people know and demystify all those urban myths that you
say are out there about the process. So they need that
material, but they also need to know what the impact of
that would be on you.

MR. DONAHUE: Secretary Lock reminds most
people, 90 percent of Chinese get visas, which the myth
is ten years ago and maybe fifty percent got visas.

MS. MATTHEWS: That's an important marketing message.

MR. DONAHUE: Ninety percent of Brazilians get.

MS. LAMB-HALE: Rossi, did you want to say something?

MR. RALENKOTTER: Just three quick comments.

One, I think it's a great opportunity because of what's happened, and with Brand USA launching today that we could clearly define the roles of TTAB, U.S. Travel, and Brand USA. So that's a communication function. TTAB, we're a policy, U.S. Travel is advocacy and domestic infrastructure and travel issues, and then Brand USA is our brand marketer internationally. So I think that's probably the key thing, that we all carry that same message so that we don't cross over into the other areas so it's more effective that way.

The second is the research information. Because when Brand USA had their press conference this morning, one of the parameters of what they're going to do for their success is determining the metrics. We've always talked about -- I'll bring up my issue again of the in-flight survey and how we're going to determine the impact and the effectiveness of the campaigns that they are launching. So we need to make sure that we
address that collectively because all three of the organizations have a vested interest in that. So whether it's on the funding side or how we obtain the information, maybe we redesign the survey, the data acquisition points; so that needs to come down. And I think the discussion about how we can partner in with some things, because this is the first time I've ever actually heard a request for us to provide the offices that represent us as destinations and states, as well as Brand USA, to be more effective within the country.

Because I can give directions to the representatives that Las Vegas has across the world to do the different things in the consulates or in those countries, but maybe collectively this is an issue for Commerce to pull all of us together and get our representation offices in those countries to deliver the message or to say, "What can we do to help?" Brand USA is going to be doing the same thing. So if we have one voice in-market talking about that, it can be very effective, but I think it's really more of the communication between all three groups.

MS. MATTHEWS: Make sure that if we do do that, that we're all saying the same thing, the same numbers, and asking for the same thing as opposed to
acting independently.

MR. THOMPSON: And coming from a public-private sector environment that we've been working in for 15 years and a great report from Douglas as it relates to the funding source performing so well and a lot of the resources being there, I know that there is a real strong initiative right now on the public side of the equation being good fiduciaries for the funding.

But I think we need to try to balance that concern to be good stewards and fiduciaries and do it in a way so that everybody is comfortable, but also make sure that they have access to those funds. Because the only way that they're going to be able to do what we all want them to do is to be able to have access to those resources. So the ability for them to generate the match, what counts as a match, and all those kinds of things are very important to allow them to be able to do what they need to do.

MS. LAMB-HALE: Right. And we've worked really hard on that. Again, as we've started, of course, we've figured out some things along the way, right, that work, that don't work. So I think we're in a better place as it relates to that.

VICE-CHAIR GILLILAND: I would just second that. I think there's been a lot of progress in just
the last couple of weeks in that regard and a lot of collaboration between Commerce and Brand USA.

MS. LAMB-HALE: I think there was a comment from Laura.

MS. MANDALA: In several of our subcommittees, the topics have been raised where there are ideal opportunities for public and private partnerships, and research and metrics is clearly one of those. The in-flight survey, quite controversial. It has been slated for elimination under the budget, excluding thirteen. And so we really need to pay attention to that.

And it does make a lot of sense to have a public-private partnership to make this the best tool that it can be. And Brand USA seems like a logical place for that to reside. I agree with that, but the point I want to make here is that with uncertain funding moving forward, we have to be careful about where we put this critical tool. So on one hand I'm saying it sounds like a great place for it. And secondly, we don't have guaranteed funding in this partnership, so I don't know how we would approach that.

MS. LAMB-HALE: Are you talking about the in-flight survey or are you talking about just random?

MS. MANDALA: In-flight survey and other
metrics that can be established in order to determine the success of Brand USA's efforts. Because the entire industry is going to come to rely on this as they rely now on the in-flight survey. So we have to make sure that we have a solid -- you know, institutional structure to support that.

MS. LAMB-HALE: I think we're right on time, Mr. Chair. It's 11:20.

BOARD-CHAIR DAVIDSON: Thank you, Nicole.

But most importantly, thank you to all of you. That was great. That was just the kind of conversation that I think is going to serve to grease the skids now as we go into our subcommittee work from this meeting. And we'll spend the next hour together in our various subcommittees before we head down to lunch. I say, "Head down to the lunch," it's literally just right below us here. You probably saw it as you were coming over to the West Hall here.

So it's very close, just so you know. But I would like to ask Jenna if she would just walk us through the subcommittee rooms and the room assignments and the subcommittee agendas, if you would, please.

MS. PILAT: Thanks, Todd. I just want to remind you of where you're going, and if you don't know what subcommittee you're on, I have a list. If you want to talk about your subcommittee assignment, I'm here.
You will have a member of the Commerce team in your subcommittee room to help facilitate discussions. The most important things we want to focus on and there are two things: First, is that this board produces in the past, and we would like them to continue to produce specific, actionable, and measurable recommendations. So as you're thinking about the areas you want to attack, it's very important to think about how to do that, and then what would a success be for that issue and how would we measure it.

Beyond that, just keep in mind our time frame for our next meetings. Our next meeting is on July 13, the location to be disclosed very shortly. And the meeting following that on October 2, in Washington, D.C., so we'll have additional meetings in 2013; however, with those two meetings that we know of that are scheduled, think about what can be ready in these areas both for July and October to make sure we're carrying on our momentum.


BOARD-CHAIR DAVIDSON: There you go, specific, actionable, and measurable. And those are the side boards that we're asking you to really work within.
Aside from that, within your respective subcommittee work, it is about identifying what those priority issues are that you want to address and what recommendations you want to put against them that are specific, actionable, and measurable.

And I know every time I say "measurable," Laura gets excited because that means research. But seriously, folks, I'm excited for this work and plan to visit each of you as you're going about your

subcommittee work from here. So if there are no questions or anything at this point. If you have a specific question you want to ask Jenna. Jenna, do you have question.

MS. PILAT: I have a point of order, a reminder from Douglas. For those of you that are going to the port tour, the bus will pick us up. There are two buses; one is the boat travel bus that we are -- we will be using, and twelve people can fit on that; and we have another bus to go to the airport for the DHS briefing and tour.

We will meet at 1:45 at the West Hall entrance which is just right down the escalators in front, and we will be returning here on just the one school bus after the tour. So if you are leaving us and staying at LAX after the tour, let me know so I'm not running around the airport looking for you and getting
chased by Douglas' team.

If you have any other questions on that, let me know.

BOARD-CHAIR DAVIDSON: And when we board the bus here, and even if you're not able to, if your schedule permits, we would like to do a quick photo op in front of the boat travel bus. So even if you can't go on the tour, if your schedule won't permit that, we would like to get a photo with everybody in front of the boat travel bus and then we will depart from there at 1:45.

MS. PILAT: One last final point. The luncheon, there are reserved tables at the front for the board members of the TTAB. So if you're going to the luncheon, go to the front, there will be tables for you there.

BOARD-CHAIR DAVIDSON: Thank you, everybody.

(Meeting concluded at 11:30 a.m.)
CERTIFICATION OF REPORTER

I, Darlene Lewis, CSR No. 13534, a Certified Shorthand Reporter in the State of California, do hereby certify:

That said proceedings were taken at the time and place therein stated; that said proceedings were reported by me, a Certified Shorthand Reporter and disinterested person, and thereafter transcribed into typewriting under my direction.

IN WITNESS WHEREOF, I have hereunto set my hand this 2nd day of May, 2012.
DARLENE LEWIS
CSR No. 13534