UNITED STATES OF AMERICA
DEPARTMENT OF COMMERCE

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U.S. TRAVEL AND TOURISM ADVISORY BOARD

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MEETING

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TUESDAY,
OCTOBER 6, 2015
3:00 P.M. CT

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Moderator: Archana Sahgal

Coordinator: Thank you. At this time today’s conference is being recorded. If you have any objections, please disconnect. I would now like to turn it over to your host. You may begin. Thank you.

Archana Sahgal: Thank you (Lisa). I’m going to turn it over to our chair (Sam Gillman).

(Sam Gillman): Alright well thank you, Archana. And can you hear me okay, Archana? I had to change phones because I got disconnected.
Archana Sahgal: The Department of Commerce folks can hear you loud and clear.

(Sam Gillman): Okay. Alright, perfect. Well good afternoon everybody and welcome to today’s call. I guess before we get started, Archana we ought to do a roll call. Can you manage that for us?

Archana Sahgal: I will. Thank you so much. So with roll call I’ll call the member’s name and if there’s a staff representative that’s standing in for them, please let me know your name as well.

(Polly Aga)? (David Berg)?

(David Berg): I’m here.

Archana Sahgal: Thank you. Good afternoon. (Darrell Bryan)? (Henry Cruz)? I heard (Henry) earlier. We’ll wait for him to hang on. (Todd Davidson)?

(Todd Davidson): Here. Hello?

Archana Sahgal: Hello. Thank you. (Brad Dean)?

(Brad Dean): Yes, (Brad Dean) is present.

Archana Sahgal: Thank you. (Fred Dickson)?

(Fred Dickson): Yes, hi. (Fred) is here.

Archana Sahgal: Thanks (Fred). (Mary-Anne Ferenic)? (Elliot Ferguson)? (Don Freeman)?

(Don Freeman): (Don Freeman) is here.
Archana Sahgal: (Mike Gallagher)?
(Mike Gallagher): Hi, I’m here.

Archana Sahgal: (Sam Gillman)?
(Sam Gillman): Here.

Archana Sahgal: (Steve Hagan)?
(Steve Hagan): I am here.

Archana Sahgal: (Barney Hartford)?
(Barny Hartford): Hi, I’m here.

Archana Sahgal: (Kurt Hussel)? (Jeremy Jacobs)?
(Jeremy Jacobs): Here and I have (Katie Gorman) with me.

Archana Sahgal: Thank you. Hi (Katie). (Robert Lynch)? (Michael McCormick)?
(Michael McCormick): (Michael) is here as well as (Shane Downing).

Archana Sahgal: Thank you (Michael). Thank you (Shane). (Margaret McHeo)?
(Margaret McHeo): I’m here along with (Debbie Lipman).
Archana Sahgal: Wonderful. Thank you (Margaret). Thank you (Debbie). (Brian Mullis)?

(Rossie Relencotter)?

(Valerie Sigero): (Rossie Relencotter) is not here but this is (Valerie Sigero) on his behalf.

Archana Sahgal: Thank you (Valerie). (Olga Ramudo)?

(Olga Ramudo): Here.

Archana Sahgal: (Trudy Rosio)?

(Trudy Rosio): Here.

Archana Sahgal: (Steve Runyon)?

(Steve Runyon): (Steve) is here.

Archana Sahgal: (Terri Rupert)? (Don Sprawls)?

(Don Sprawls): I am here.

Archana Sahgal: Thank you. (Greg Stubblefield)?

(Greg Stubblefield): I’m here along with (Brian Rotheri).

Archana Sahgal: Wonderful, thank you. (Carol Wallace)?

(Carol Wallace): (Carol Wallace) is here.

Archana Sahgal: Thank you. And finally (Jonathon Zack)?
(Sam Gillman): I think (Jonathon) sent a note and said he couldn’t be on the call. I think he’s on a flight.

Archana Sahgal: Yes, he did. Thanks so much (Sam) and with that, I turn it back to you Chairman (Gillman).

(Sam Gillman): Alright well thank you and again good afternoon everybody. I am - I’m sure you had an opportunity to take a look at the agenda but I’ll run through that fairly quickly. We’ll hear from (Kelly Craighead) first to give us an update on the NTTO - the National Travel and Tourism Office - and then the main event for the call today will be the presentation of the draft infrastructure recommendations.

We’ll have the opportunity to deliberate on that draft letter, also offer the opportunity for public comment and then we’ll - we’ll take that to a vote and then we’ll have the opportunity to hear from some representatives from the TSA on the TSA Tiger Team findings and then I’ll close things out with a preview of the November 20th TTAB meeting.

Before I turn it over to (Kelly Craighead) I wanted to make - I wanted to make an announcement - an important announcement. I am pleased to announce that Secretary (Prisger) has designated a new vice chair for the TTAB and that would be (John Sprawls) and so I want to welcome him into the vice chair role.

I know many of you know (John) very well but I should just say as an introduction of him into the new role, I think most of you know that at nearly every inflection point on key prioritized issues (John) has been instrumental in really driving the work and the mission of the TTAB forward.
He and (John McReynolds) and really the resources of universal have been made available to us to support a lot of the initiatives that we’ve had underway that, you know, that goes to all the way from things like line management which universal is so very good at and using some of their practices and improving the experience in our ports of entry.

You’ll recall a lot of the early work on visa wait times. (John Sprawls) had his fingerprints on a lot of that very good work and success and more recently the executive order around the airport entry process and improving the arrival experience for international travelers - as you’ll recall - (John) led the working group that set forth recommendations for as a part of the executive order.

And I think (Kelly) will have the opportunity to update us on many actions already underway as a result of those recommendations when we get together in November but I know all of you will join me in congratulating (John) and I know we all have huge appreciation for his contributions to date and what I’m sure will be his contributions going forward. So welcome to the new role (John) and with that anything - (John) any comments that you have before we move on in the agenda?

(John Sprawls): Thanks. I just wanted to say thanks - thank you to you and to (Kelly) and to the secretary. I’m honored for the appointment even though it will be fairly short term but we’ve spent a lot of time on this committee with fairly short terms and gotten a lot of things done so I’m looking forward to it and thank you for the confidence that everyone has in me.

(Sam Gillman): Alright well excellent (John). We’re really pleased. Okay well with that, I will turn it over to (Kelly Craighead) to provide an update on the National Travel and Tourism Office. (Kelly)?
(Mary-Anne Ferenic): (Sam) this is (Mary-Anne). May I just say that I have joined the call? Thank you.

(Sam Gillman): Oh, okay. Thanks (Mary-Anne).

(Mary-Anne Ferenic): And welcome (John).

(John Sprawls): Thank you.

(Kelly Craighead): And I also want to thank you (John) for accepting this assignment. You know, the TTAB has been such a critical input to Secretary (Prisger)’s tenure and our ability to execute against the national strategy and I agree whole heartedly. We have only a little bit of time left for this board and I know that it will be a very productive period of time and we’re grateful for your support. So just remember no good deed goes unpunished so thanks for what you’ve already done and thanks for what I know you will do.

And as (Sam) said, I’ll provide a much more kind of robust update of all the many, many things that we’ve been doing at the national travel and tourism office as well as a great deal of feedback from our June 1st meeting but I didn’t want to let this opportunity pass without flagging a very important announcement that was made two weeks ago as a result of President Obama’s meeting with President (Gee).

If you had a chance to take a look at your email, we did announce that 2016 will be a year of tourism between the US and China. We see this as an exciting opportunity to promote and further open travel between the two countries, expand market access, advance initiatives to insure a quality visitor
experience and otherwise drive that cooperative relationship with China that we’ve enjoyed through travel and tourism.

And what I’m excited about in part is that so much of this has come about through the dynamic discussion we had last December in Chicago around the JCCT. So the JCCT - as you know - is the Joint Commission on Commerce and Trade and at the beginning of September we were able to sign a two year work plan with the Chinese and part of that work plan is this gear-up towards it.

So there isn’t a lot to say about it yet. There will be a very large component for the private sector - the US private sector to play in it. I don’t at this moment see a role for the TTAB as a formal body but each of you in your individual capacity representing your individual companies I think will play a really important role in it. So as soon as we have more information about that, I look forward to sharing that with you.

But given - given what we know about the market potential for cooperation with China, we’re very excited about this announcement. And that’s all I got. Back to you.

(Sam Gillman): Okay, alright. Well thank you (Kelly) and that is - its cooperation with China on tourism is obviously very exciting to the TTAB and the broader travel industry so we really appreciate the work there and the continued progress.

Alright so moving onto the next agenda item - that is the presentation of the draft infrastructure recommendations and to lead us through that - (Margaret McHeo) will you take the - take the helm of the meeting now?
(Margaret McHeo): I will. Thank you (Sam). On behalf of the entire infrastructure committee that included myself and my very assisting co-chair (Greg Stubblefield) along with (Mary-Anne) (David) and (Jonathon) and (Brad) we’re pleased to be at this juncture today to be making this recommendation to the full TTAB board for consideration on today’s agenda.

The full TTAB may recall that back in November when the TTAB submitted their letter - our letter to Secretary (Prisger) we identified some priorities on behalf of the infrastructure committee and at that time the feedback we received from the secretary expressed some interest in us pursuing a particular recommendation that we had made sooner versus later.

And so today as a committee recommending to the full TTAB board that we send a letter to Secretary (Prisger) advising her on how travel and tourism should be integrated into a US Department of Transportation draft 30 year framework report that they’ve been working on for several months now and that report is entitled beyond traffic 2045.

I think importantly as background for today’s deliberations I want to remind our fellow TTAB members of what that US Department of Transportation plan is attempting to address. It’s actually not a plan per say in terms of recommending specific actions with specific policy decisions but rather this report that is out in the community for public comment is a report that defines a framework on issues that are impacting transportation in the United States and it identifies critical issues that need to be addressed through further transportation policy discussions.

So today in this letter that we’re recommending we are asking the secretary to consider submitting formal comments that would incorporate into this draft
plan the important provisions on how travel and tourism need to be addressed in this draft to the US transportation plan.

The TTAB and the Department of Commerce are uniquely qualified to offer perspectives on how critical our nation’s infrastructure is through growing travel and tourism and to influence that need to be recognized in the report that I referenced.

The United States must make needed infrastructure investments if we together as the tourism industry are going to compete for international travelers for other nations. We must make significant investments in the travel infrastructure.

As currently drafted, the US Department of Transportation report does not identify issues, challenges or strategies for insuring that our nation’s transportation infrastructure will be able to help achieve the 2021 goal of accommodating 100 million international visitors to the United States.

The letter that we’re recommending today for the board’s consideration clearly states a TTAB view that we cannot afford to neglect our travel infrastructure especially in light of the significant contribution international travel makes to the nation’s GDP -- $220 billion alone in 2014.

Let me progress into the substance of the content that’s recommended in today’s letter. First and foremost the letter recommends that the goal of attracting 100 million international visitors by 2021 formerly need recognized in the Department of Transportation 2045 report and identifying trends that drive transportation decision making. We’re recommending that a section of the report actually be inserted entitled how we move international visitors.
This section would describe key land, sea and airport ports of entry for US international visitors, the need to move international visitors beyond entry gateways to national parks, rural and tribal land and also recognize Amtrak, high speed rail, transit, cruise and commercial aviation all will need to grow along with highway improvements to accommodate our tourism growth.

Another recommendation being made in today’s letter is to recognize that our nation’s aviation system needs include not only updating our air traffic control system but also airport facilities.

As the board may recall, when we met with Secretary (Prisger) back in June we discussed with her the fact that no US airport makes the Sky Track list of world’s best 24 airports. US airport facilities need to be upgraded to accommodate the expected influx of international visitors.

Also included as a recommendation in the letter is the need to emphasize that surface transportation access to airports from passengers needs to be improved. We need to add a focus on the importance also of intermodal connections for international travelers.

Also included in the report is a discussion about shaping our future for transportation by adding more about the challenges that face passengers - facing passenger air travel including the needs of small and medium sized communities and the role of second and third tier airports and the role that they play in addressing tourism needs in addition to the next shared cost of equipment operators and the ability of the air traffic control system to accommodate projected traffic growth.

Let me spend a few moments summarizing how our recommendations came together. Our committee had a number of meetings and discussions and
diverse points of view introduced and all of those are reflected in the
comment. I want to also thank our fellow board members for the time that
they have taken to review the draft letter and provide comments. We endeavor
to include all of them.

Where there were policy differences we were able to develop consensus
language. We also greatly appreciate the contributions from the Department of
Commerce in assisting us by providing relevant source data that we could
incorporate through our references to further support the recommendations
that we are making.

We received a lot of comments that were aimed at strengthening the message
that adequate infrastructure investment is critical to travel and tourism and we
appreciate all the support that we did receive in developing this letter.

We added into the letter source data and references as I mentioned that could
help strengthen the particular arguments and justifications that we were
making. We added a very important reference as I also mentioned about the
role of second and third tier airports in serving international air service and
connecting air service.

Always in developing recommendations like this, there are a few
presented that don’t always receive consensus and we do have that experience.
We had a robust discussion about how to address needed investments in the
aviation system - a subject that’s currently being debated in congress right
now.

We chose as a committee to further acknowledge that the aviation system
including airports need to be upgraded but we felt it was most appropriate as
to align not only with the purpose of what this transportation study is but
different points of view that exist about what’s the right funding to not necessarily engage in specific recommendations about funding.

The US Department of Transportation’s report does discuss the airport and airway trust fund but it doesn’t address the funding needs of the aviation system. There were a lot of different points of view on that as well in our committee and so we decided that the best thing we could do was to leave - at this point in time - was to leave the level of needed investment and had to pay for those investments for further deliberation consistent with what the fundamental objective of the framework study is.

We advocate for a discussion of those financial challenges facing the aviation sector in further - in future meetings - in order to best inform the public discussion. And with that, I’d be happy to address along with my committee members any questions that the TTAB may have.

(Sam Gillman): (Margaret) maybe I could just start it off just as a point of clarification. I think one of the reasons that - certainly one of the reasons that we’re having this call in advance of the next meeting is because of a time requirement in terms of the comment period, correct? Is that...

(Margaret McHeo): Yes, the Department of Transportation is interested in concluding the public comment period and deliberating and revising the plan for formal publication.

(Sam Gillman): Okay, okay. So we’ll - we will - presuming this receives approval today - we’ll submit this here fairly quickly to insure that it makes it into - makes it into the record as a part of the public comment period. Is that correct?

(Margaret McHeo): Yes.
(Sam Gillman): Okay, alright. Other questions for (Margaret) around the contents of the letter?

(David Berg): (Sam) this is (David Berg) at A4A. I just wanted to say I think the letter turned out very well and I’m very comfortable with it and I think (Margaret) and her team did a great job separating this through.

(Sam Gillman): Okay, great. Thanks (Dave).

(Greg): Yes (Sam) this is (Greg). I’ll second what (Dave) just said. I think - as you know - working through these subcommittees sometimes there’s a lot of different views and a lot of different points all relevant but trying to narrow it down to a good tight recommendation - especially with Secretary (Prisger) - becomes challenging sometimes and I want to thank (Dave) and (Brad) and (Mary-Anne) and (Debbie) and (Brian) and (Margaret) on the leadership to get us to this spot.

(Sam Gillman): Alright, thanks (Greg) and any other comments or specific questions or even potential edits for the letter?

(Brad Dean): Hey (Sam) this is (Brad Dean) and I’m on the committee that support the leadership. I think it’s a good letter. But one thing I would add just to add the emphasis and importance to this and I’m not alone on this but I know when I speak to a lot of my peers, I represent a destination where my single biggest competitor is my infrastructure system. It doesn’t work for us. We work for it and our needs are somewhat unique in Myrtle Beach but I hear this more and more and I think it’s becoming an even greater impediment.

I think, you know, the comments earlier allude to that. So I just - I can’t add enough emphasis to the importance of this I think as we look to the future of
growing travel and tourism and this is important for domestic visitors as well as international visitors.

(Sam Gillman): Yes, absolutely. Thanks (Brad).

(Trudy): (Sam) this is (Trudy). I thought the letter also was very good and I wanted to complement the team on the process that they used for editing this time. From my perspective that worked really well and you could see all of the changes as you went through it so I thought it was really helpful.

(Sam Gillman): Yes, I think that is a process - as we talk a little bit towards the end about the agenda topics for next meeting - I think it’s one that we’ll employ here going forward certainly for the remainder of the term. I think Archana, this was your idea to manage this this way. Am I right on that?

Archana Sahgal: We are very excited to pilot this - this new way of a FOCA compliance process that allows folks to see other peoples’ recommendations and edits and so yes, we’re so pleased and delighted that the system is working for everybody. Thank you.

(Sam Gillman): Okay, any other - any other comments on the draft letter?

(Bruce): (Sam) it’s (Bruce). Can I ask a quick question...

Sure.

(Bruce): Just on the process of this? So if the board approves this letter today, the request in the letter is for the Department of Commerce to forward this letter to the Department of Transportation onto their docket. I guess the question is
to the Department of Commerce folks. Are you prepared to move the letter forward pending today’s approval?

Archana Sahgal: Hi, this is Archana. In fact we are. So we are so grateful as many of you know. We are - this is a deadline oriented piece and so we are working very - the moment this letter is deliberated and hopefully approved by the full TTAB, we’ll be able to move this and transmit it to the secretary and with that we’ll be able to share it with the Department of Transportation colleagues.

(Bruce): Excellent.

(Sam Gillman): Okay, unless there are any other comments from the board then I’d like to open the call up for any public comment. So any public comment as it relates to this draft recommendation letter?

Woman: Mr. Chair, there are no public comments.

(Sam Gillman): Okay, alright. Well then why don’t we move onto the vote and perhaps the easiest way to do this is to seek any objections from any of the board members. So are there any objections to adopting these new recommendations? Any objections from the board? Okay well hearing none then I will proclaim the recommendation adopted by the TTAB and again appreciate all the great work that the infrastructure subcommittee put into this and also the comments that were made by the larger board through this process over the last week or two.

So thank you for that and again thank you to the infrastructure subcommittee on all the great work here.
Alright well with that, I’d like to turn the call over to (Allen Metzler) and (Kenneth Fletcher) who have joined the call from the Transportation Security Administration. You may have seen the materials that were sent out by Archana earlier - the bio on (Allen Metzler) and on (Kenneth Fletcher) - and you would have seen that (Allen Metzler) is a senior counselor to the administrator for the Transportation Security Administration and (Kenneth Fletcher) is the chief risk officer for the Transportation Security Administration.

And they are going to provide us with an update - with a briefing on the work they’ve been doing and on the findings from the TSA Tiger Team. So I’ll turn it over to (Allen) and (Kenneth).

(Allen Metzler): Well good afternoon everyone and (Sam) thank you very much. We sincerely appreciate the opportunity to talk with this group. Again I’ve looked at the list here and there’s a lot of very impressive folks on it and it’s talking to the right audience that we really wanted to have the opportunity to talk to today. So thank you very much for carving out this time for us.

You know, I think I’ll go into a little bit of the background about what happened and what we found and what we’re doing about it and then hopefully answer the question why are we talking to this group and what are we asking for. And I’ll end with that and we can hopefully go to some questions.

(Sam) I know we had about 15 minutes so I will try and hit the high points and then turn it over to (Ken) to talk a little bit about our ideal future state for our trusted traveler programs and then open it up to your questions.

(Sam Gillman): Okay, great.
(Allen Metzler): Very quickly the department TSA - the inspector general frequently does covert testing and covert testing is a way for us to look at the intelligence, to look at the threat vectors that we face to try and replicate those types of threat vectors and then to test ourselves and we test ourselves in two ways - to assess the procedures that we have in place to make sure they actually are adequate and can defeat or disrupt the threats that we anticipate to protect the traveling public. And also to find out if there are threat vectors that can beat us.

And so we’ve done this for many years. Our intelligence and our testing has allowed us to field a lot of capabilities that allowed us to improve for many years so covert testing is not something that’s surprising. And again we do it to confirm and to check ourselves.

The inspector general in April of this year did covert testing at eight airports and their intent was to do exactly as I just described. Those results were reported to the secretary and the secretary gathered a team of leaders from TSA and said here are the results from these tests and we need to insure that we’ve got the right system in place so we can fulfill our mission of providing protection for the traveling public particularly in the aviation sector where there is a very persistent threat from enemies who are targeting transportation and aviation in particular.

The challenge that many of you may know is that those test results were leaked and they were reported on ABC News and they were picked up widely and reported across the country. That’s unfortunate not because necessarily what they said but the effect that that has on the enemy and we think that potentially could have caused our enemies maybe to be a little more confident that they could beat our system.
We want to tell you right up front that it is safe to travel. We’ve been asked that question many times. This - the tests really only tested a discrete part of the system and there are a lot of capabilities that we have in place to detect threats, to disrupt threats, to detour threats long before they ever get to the checkpoint and actually walk through one of our machines.

So the testers weren’t exposed to a lot of those other capabilities and I’m happy to talk about that a little bit later but we want you to know we have high confidence that it’s safe to travel and we have many capabilities in place to provide protection but we also know that these tests show that we have weaknesses that we need to solve and we take it very seriously.

One of the things that the secretary did - he established a ten point plan and in establishing that ten point plan working with TSA and the department, he appointed a team of leaders to oversee the implementation of that plan and I was appointed as the leader to oversee the root cause analysis and the implementation of that plan.

And so we’ve drilled into root causes and not surprisingly some of the things we knew that were vulnerabilities that we needed to fix. But what we really discovered is that this wasn’t an officer problem. Our officers have the knowledge and the skill to do the job. This was not a failure of the technology as its unfortunately been widely reported.

The AIT or advanced imaging technology has greatly enhanced our ability to disrupt threats, particularly nonmetallic explosive threats. So the systems work but as with any technologies there’s limitations to those systems and we have to understand what those are and then most importantly we have to tell our officers what those limits are.
When we really dig into the root causes, what we find is that it’s a range of things that led to the outcome that the inspector general found. It’s, you know, did leadership focus on the right things? Had we trained our people on the limits of their technology? Had we properly motivated them to follow through on the types of resolutions of alarms or were we really sending the wrong message that it’s really about speed and wait times? It’s not about being as effective as we can in performing our security duties.

And then I will tell you that we have layered on capability after capability and procedure after procedure because of those threats for many years. It’s become quite a complex system. Our officers have a significant cognitive load to deal with a range of procedures to make sure we address the needs of every member of the traveling public almost two million times a day and we’ve got to get it right two million times a day.

So I think part of the bottom line that I’ve shared with a lot of folks - what we’ve focused on and what we measured is the outcome that we achieve. We’ve focused very much on efficiency and effectiveness - on efficiency and speed - and reducing wait times and improving the customer experience and we think that we have significantly improved in all of those areas.

We didn’t focus as much on security effectiveness and so now we’re working on striking the right balance and making sure that we do both exceptionally well.

I will tell you that the department is absolutely committed to a risk based approach. It was the right thing to do years ago when we went to our trusted traveler programs to provide the kind of vetting that we’re doing. We absolutely believe that 99% of the traveling public, you know - see the
decimal points - are trusted and are legitimate travelers who just want to move quickly through the system to get where they’re trying to go.

And so by identifying trusted parts of the population, the unknown members of the traveling public that we need to provide screening for and those small numbers of known threats that travel every day who require additional screening and require the support of federal air marshals and others. We need to provide the right kind of screening for them as well.

So we’ve got to get the balance right. We’ve got to get our focus right. We need our officers to believe that we want them to follow through to resolution of alarms and when they do it, we want them to know that we’re going to support them in doing so and building the right kind of system that can make sure that trusted travelers get through with competence and professionalism and curiousness from our officers and the same for the unknown - those unknown threats as well as those known threats.

We need to get it right two million times a day with competence and discipline and professionalism in every interaction. So we’re doing a lot of things within TSA to make sure that we strike that right balance that we field the right procedures that we close the technology gaps and to make sure our officers know that we want them to perform that security mission very well.

We’re also working very closely with the congress to make sure that we right size and resource TSA appropriately. This is something that we’re doing within the department within the administration and working with congress. I’m not sure if you saw the administrator’s testimony last week but he appeared before the appropriations committee and talked about the things that we needed to do to stop and halt the production of the size of our workforce to invest in training, to invest in our technology, to expand our intelligence
capabilities so we can be more effective while being as efficient as we possibly can.

One of the, you know, and then this really gets to the, you know, why are we talking. You know, one of the things that we think we absolutely have to do is reduce the stress at the checkpoint. We need to reduce the bags that go through. We need to reduce the contents of those bags. We would like to reduce the stress at the checkpoint again by getting more trusted travelers through that expedited screening process where they don’t have to divest. They don’t have to take coats and shoes off and we can move them through the process much quicker.

So we have a strategy to expand our trusted traveler population and we think that is one of the most critical things that we can do. We would like to see 50% of our daily travelers that move through the system vetted by TSA and we’d like to see, you know, 25 million travelers enrolled in a DHS trusted traveler program. That’s where we’d like to get to and (unintelligible) global entry - Nexus or Sentry or TSA pre-check - but that’s the direction we’re moving towards.

We want to make it easier to use. We know there - that you have expertise in branding and marketing across the travel and tourism industry, that you have multiple places where you can receive applications - that there are multiple locations where we should be receiving applications so we make it easier to use. We want to simplify the application process. We want to make it a better value to our travelers so we’re looking at our price points.

We want to make it more secure so we think there’s a lot of things that we can do to improve our trusted traveler program to entice more people to enroll in it. We think that helps the traveling experience but it clearly is an important
element of how we provide a more comprehensive and effective security system.

There’s probably a few things that I got wrong in saying everything there. I may not have done it quite right exactly the first time through. I’m happy to take any questions but I would offer an opportunity for (Ken Fletcher) to briefly cover also what we’re doing with our known traveler programs. And again (Sam) thanks for the opportunity to have this conversation. I know it’s tough in a short period of time to cover what’s a big and complex topic.

(Sam Gillman): We’re pleased to have you on. So (Allen) should we go to (Ken) first and then take questions for both of you or...

(Allen Metzler): How much time do we have?

(Sam Gillman): Let’s see here. We’ve still got some time here so...

(Allen Metzler): Well why don’t we take questions and I’m sure we’ll be able to address those things as we go through the questions.

(Sam Gillman): Okay. So questions for - questions for (Allen)?

(Holly Agra): This is (Holly Agra). I have a question, please. Have you had any conversations about reducing the size of carry-on bags by the various airlines so therefore to reduce the contents?

(Allen Metzler): So we have - this is (Allen). We have met extensively with our partners in aviation and in the industry both from the terminal side and from the operators and the associations and we have asked for their help in identifying solutions and we think it’s really important that we have that whole of government
approach, that whole of industry approach and we have talked to them about those ideas.

There are bag sizers that are at every airport. Those are enforced by the airlines themselves. We’ve talked about whether or not that is a means of reducing the contents and the number of bags. There is already the one plus one standard that’s out there that’s the, you know, one roller bag and one additional carryon.

We have authority to regulate and to enforce that now. That is something that we’ve asked the airlines to consider. So, you know, there is other things that we can do at the checkpoint. We believe that one of the most important things we can do is have a good communication with the passengers as they’re coming through.

One of the things that we’ve discovered in our root cause analysis is, you know, a lot of folks want to figure out how to open more lanes. We’ve learned that a more fully staffed lane with a really good officer out front that are working with people to divest their property leads to a much better screening process, a more efficient and a more effective screening process.

So there are a range of things we can do but at this point we’re asking for their ideas, their solutions and how we can cooperate in creating the conditions that would reduce stress at the checkpoint.

(Holly Agra): Thank you.

(Sam Gillman): Are there other questions?
(Greg): Yes (Sam) I’ve got a question for (Allen). If I understood correctly that you believe we’ve made some speed advancements and also some courtesy in the friendly nature of going through that. We’ve made some great strides there but we’ve got some training and some things to do on the safety and security side.

But the biggest thing that we can do to help you is to help get people into the trusted traveler program - whichever one it may be. Have we thought about - and I know (John Sprawls) and (Sam) - I know we did - and (Kathleen) and (Marion) - so we did a lot of work on, you know, whether it was a customer service piece or whether it was the queuing in the lines and moving people through.

Should we commence some sort of, you know, subcommittee to work on how the public, you know, the private companies like ourselves can work in conjunction with TSA to market that to move it along because we all have facilities in and around the airports plus other places and but I don’t know if we’ve ever done that. Have we (Sam)?

(Sam Gillman): Well it sure seems like at some point in the last six or eight years that we’ve certainly had the discussions around how we could be helpful but I don’t know if we’ve had a specific subcommittee that focused on how can we do a better job or work as a public private sector with TSA and really driving the enrollment.

I know there are a number of companies that had programs underway from time to time to drive enrollment particularly in global entry and so I know we’ve done some work on it but I think some further emphasis there and renewed emphasis there would be a really good thing. So I think it’s a great suggestion (Greg).
(Greg): Yes. I think when (Douglas) was working with us, that was when he was launching global entry. I know a lot of us did programs but I think we need a little more formalized subcommittee to help focus on that.

(Sam Gillman): Yes, I agree. I agree. Good idea.

(Mary-Anne Ferenic): This is (Mary-Anne) from Nissan Plus. An idea like that could also be public relations as well as enrollment and getting folks to understand some things about the process at the same time that they’re engaging and enrolling and going through the process.

(Sam Gillman): Yes, I also think (Allen) as we - as we contemplate taking this on - having a subcommittee focus on this and it may - it may end up being that we need to have this continue on into the next term of the TTAB but I do think it’s going to be very helpful particularly as you’ve rolled out the TSA pre-check program.

It’s going to be particularly helpful that I’ve seen the announcement of - I guess the conclusion or bringing to an end the managed inclusion program which I know - I know was a frustration point for people that pay to be a part of these programs and I think could have been an inhibitor even for those that might choose to pay for TSA pre-check.

So I see that as a really helpful improvement that will, you know, I’m sure we’re already seeing because managed inclusion could often times make the lines very long. It had confused, you know, it had travelers in the line that didn’t really know how it worked and so it added some confusion to the process as well.
So I think that’s a really positive development and I think it’s something that we can use as we think about how we can work with you to market both TSA Pre-check and global entry and the other trusted traveler programs.

(Allen Metzler): Yes well thank you for both comments or all three. Those - we really are looking for that type of partnership. If there’s something that the board can help us work and then you want to form a subcommittee or an approach to really digging in on this, we think that would be great.

I appreciate your comments about managed inclusion. While some folks were pleased that they didn’t have to pay for it, many folks were confused and it did lead to challenges at the checkpoint. Things actually slowed down sometimes because people didn’t know the rules because they were expecting to, you know, be exposed to standard screening and then they went through an expedited screening where no, you can keep your coat on, no you don’t need to take your shoes off and it did create confusion at the checkpoint.

This also really allows us to make sure that people know we do want to go to this fully vetted population.

(Sam Gillman): Yes, yes.

(Allen Metzler): And, you know, giving it away for free is a disincentive for people to actually pay for it.

(Kenneth Fletcher): Yes and you make a good point. (Sam) this is (Ken Fletcher). You know, we’ve dialed back by about 20% of folks that are getting into the pre-check lane as a result of something other than being enrolled in a DHS trusted traveler program and the corresponding impact of that is we’ve seen about a 20% increase in the average daily enrollment.
So folks that have experienced the less stress of getting expedited screening, now that there are less opportunities to do that, we’re seeing them enroll in the program. United has really stepped up in communicating with their loyalty program customers. We’re seeing more than a 15% click through rate from those that are not already enrolled into learn more and enroll now into the program.

So it is education and awareness and I’m very comfortable, you know, we’ve done a good job with - with our airline partners and some others in the travel space on promoting pre-check but the more we can educate the traveling public about the value to them and the security value to us of them moving from the standard screening lane into the low risk trusted traveler lane, the more the American public will want to spend their dollars - 85 or 100 - depending upon the program that they enroll in.

So any opportunities that we can work with you and a subcommittee to educate you on our current thinking about reaching that sweet spot of travelers - those that are taking three or more trips a year - and help leverage our efforts. I more than welcome that so thank you for that.

(Sam Gillman): Okay, thanks (Ken). And (Ken) do you have - I just want to make sure we leave enough time. Do you have some prepared remarks you wanted to cover as well?

(Kenneth Fletcher): No. (Allen) really covered really where we want to go so...

(Sam Gillman): Okay, okay. Okay, other comments for (Allen) and (Ken) - questions?
(Shane Downing): Yes, this is (Shane Downing). I was curious about the technological issues and how much you can share on that on what was successful and what wasn’t that you - again I know it’s a sensitive area but if there are items that you’re looking at for improving the technological piece of the machines.

(Allen Metzler): So I can’t really go into too much specific about, you know, what we can’t find and some of the detection challenges with the equipment. What I will tell you is, you know, every piece of equipment has a limitation.

There are two things I can share completely. One, we weren’t training our officers the way we needed to on the limitations of their equipment and the officers became very dependent on the machine and, you know, my prior experience as a military police officer - it’d be like handing, you know, a rifle to one of my officers, you know, especially in a combat zone and say well shoot that 500 meter target but it’s only a gun that shoots 300 meters.

You know, in effect that’s what we did by not telling our officers exactly the limitations of the equipment. What does that mean? Well getting people in the right stance is really important and so the machine works really well when you have somebody in the proper stance so making sure that - and those are human failures. Those aren’t machine failures. And so those are some of the things that we’re looking at to make sure that when we get somebody into the machine that we optimize its performance through the optimal performance of the officer that’s using the machine.

And so the technology actually works very well and it’s been very effective at identifying the nonmetallic threats that the underwear bomber, you know, presented to us several years ago.
(Kenneth Fletcher): (Sam) I would just add that, you know, what we’ve - what we’ve learned is that the system is at its most effective when there is better alignment between technology, the human and the officer at the checkpoint and the procedures we give them to follow as they’re screening travelers. And our emphasis over the last several months has been achieving a better alignment between those three components of checkpoint operations.

(Allen Metzler): And then to the second part of your question, you know, how are we working to fix it, you know, apart from those things - we’re working very closely with private industry on making sure that we field the best capability that we can. The secretary met with the CEO of L3 who produces that equipment. We’ve met with them extensively. There are - there are ongoing capability improvements that are in work right now so we’re very confident that we’ve got an effective tool on - as (Ken) said - you know, making sure that the procedures, the human and the tools align are critical.

(Sam Gillman): Okay well (Allen) and (Ken) we really appreciate your joining us for the call and briefing us on your progress here. I will say that all of us that are on the travel and tourism advisory board certainly appreciate and understand that security effectiveness is the number one priority for you all but we also very much appreciate the attention that’s been given to efficiency to speed to improving the customer experience.

I will say for one and while it’s simply anecdotal feedback, I have - but I do travel a lot. I have found agents to be - I’ve really found them to be stepping up their game in terms of friendliness and courtesy as I’ve been going through the process and the screening process.

So we’re all very appreciative of the improvements you’re making really across the board and again very much acknowledge that security is the number
one priority. So thank you again for all the work you’re doing and all the improvements you’re making across the board.

(Allen Metzler):  (Sam) thank you. We really appreciate it.

(Sam Gillman): Alright well excellent. We are moving to the last item then here on our agenda and that is just a preview of the November 20th TTAB meeting. I hope all of you can participate in that.

This is the final in person meeting for this term of the TTAB and I just wanted to let you know that at that meeting the TTAB will be deliberating on two letters from the cultural and natural heritage subcommittee and also on one letter from Brand USA subcommittee.

Our intent between now and then is to follow a process very similar to the one that we just followed with the infrastructure subcommittee recommendations. That is using the shared Google Docs capability that Archana introduced us all to as a part of this process and give everybody the opportunity from the board to comment on those letters well in advance of the actual board meeting.

And I would just provide every encouragement to you that if you’d like to weigh in on these letters that that is the absolute best way to do it so that we can be prepared to hopefully - to through our deliberation at the actual meeting to then vote on and hopefully approve those letters at our last meeting. So again I would just encourage and emphasize the importance of your editing, your comments, your proposed modifications to those letters here between now and the meeting as opposed to at the meeting which it makes it a lot more difficult at the meeting to make those types of changes on the fly.
So again I appreciate the approach and your edits to the infrastructure letter and would encourage very much the same thing as we head into and prepare for the last meeting on November 20th.

One other thing about that meeting - there will also be an education session about Open Skies at that meeting and Archana will be sharing information about all those things meaning the room block and the agenda here fairly shortly and so very much look forward to seeing you there on November 20th and to making good progress on our letters between now and then.

And with that Archana or (John Sprawls) any other closing comments or remarks before we adjourn?

(John Sprawls): No, just can’t wait to see everybody in November.

(Sam Gillman): Alright, good. Thanks (John) and Archana anything - anything else we ought to cover before we adjourn?

Archana Sahgal: No, nothing to add other than I look forward to seeing everyone on November 20th in Washington, DC.

(Sam Gillman): Okay.

(Valerie Sigero): (Sam)?

(Sam Gillman): Yes.

(Valerie Sigero): (Sam) it’s (Valerie) from Vegas. Do we have an estimated time for the start of that meeting because we’ve got a lot of other industry meetings that week so I just want to schedule everybody?
Archana Sahgal: We do. Hi, it’s Archana. Tentatively scheduled for 10:00 AM. It’s at the Department of Commerce in Washington, DC and you should have received an Outlook hold holding that time in your calendar and I can resend it out as well.

(Valerie Sigero): Yes, if you can resend it that would be great.

Archana Sahgal: Wonderful. Thank you.

(Valerie Sigero): Thank you.

Man: Would it be important also (unintelligible) or is that not part of the schedule at this time?

Archana Sahgal: Hi, this is Archana. I think - whoever sounds like Snoopy - I think you asked a question about subcommittee meetings and yes, I will be connecting with that team to have leadership in the next week or so to deliver a more detailed agenda that includes opportunity for the subcommittees to meet if they are interested in addition to that education session that Mr. Chairman had identified about Open Skies as well. So more detailed information in the next week or so.

Man: Thank you.

(Sam Gillman): Alright, with that we will adjourn this meeting. Thanks everybody and have a great rest of your afternoon.

Group: Thank you.
Woman: Have a great afternoon.

END