

NWX-DEPT OF COMM-ITA

**Moderator: Niara Phillips
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11:00 am CT**

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Niara Phillips: Hi everyone. We'll get started in just a minute. If you could mute your phones until you're ready to speak. Thank you.

Kathleen Matthews: Hi, this is Kathleen Matthews joining just for the beginning of the call but Melissa will be covering for me for the rest.

Niara Phillips: Hi everyone. A reminder to please keep your phone on mute. Thank you.

Sherry Rupert: This is Sherry Rupert just joining the call from Myanta.

Mike Gallagher: Hi Mike Gallagher from CityPASS.

Man: (Unintelligible).

Donna Karen: Donna Karen from Frederickson and Resee and Company.

Trudy Rautio: Trudy Rautio from Carlton.

Don Freeman: Don Freeman with Freeman.

Carol Wallace: Carol Wallace, San Diego.

Kirk Hoessle: Kirk Hoessle, Alaska Wildland Adventures.

Christopher Gordon: Christopher Gordon representing Elliot Ferguson for Destination DC.

Chris Chimes: Hi, this is Chris Chimes representing Orbits Worldwide.

Valarie Segarra: Hi this is Valarie Segarra from the Las Vegas Convention and Visitor
Authority for Rossi Ralenkotter.

Tammy Lee Sanick: Tammy Lee Sanick for Carlson.

Devon Roserie: Devon Roserie for Enterprise Holdings.

Jonathan Zuk: Amadeo Travel Solutions.

Sam Gilliland: Sam Gilliland, Sabre.

Danielle Landau: Danielle Landau for Della McNorth.

Debbie Lipman: Debbie Lipman, Metropolitan Washington Airport Authority.

Todd Davidson: This is Todd Davidson, with Travel Oregon.

Niara Phillips: Okay, great. Thanks everyone for dialing in. Again, this is Niara Phillips over at the Department of Commerce. I'm going to turn it over to Sam, to get the call started.

Sam Gilliland: All right, well good morning and good afternoon everybody. I appreciate your joining and appreciate feedback that we received from so many of you over the course of the last week or two.

I thought what I'd do here to start, and you've seen the agenda that we've laid out and sent out, or Niara sent out over the last couple of days. I'll run very quickly through an overview of the draft letter but I think most of you have seen it. So I'm not going to spent much time on that.

And then what I thought we'd do is clear the notes that we received from a number of you. And then we can do a page turn and see if there's anything in addition to those suggestions that have been made over the last week or two.

The one note I would make is that if you haven't seen it already, I'd ask you to pull up the latest version of the draft letter that went out this morning, I think. Just a little after 10 -- 10:00 a.m. Eastern Time.

Niara sent that out and it's reflective of the fact that we're going to pull some of the Brand U.S.A. recommendations that Todd and the team had added over the last week. We'd like to deliberate on those separately and consider those in a future, either call or meeting.

So those specific recommendations around Brand U.S.A. have been pulled from the letter for consideration later, and I appreciate the Brand U.S.A. team and its willingness to set those forth at a future call or at a future meeting.

So let me just cover very quickly as you know we went through a polling process, now probably what - about a month or so ago Niara, maybe a little less.

Where we were asking for your specific views and prioritization of the recommendations that have been set forth. There were really five that rose to the top and a theme around customer service that as you saw in the letter we highlighted.

The first one was to implement and refine airport specific plans related to entry. The second being expanding the trusted traveler program to more partner countries.

The third being integrating travel and tourism into infrastructure planning and more specific (unintelligible) inclusion of travel and tourism into the U.S. Department of Transportation 30-year framework. The fourth being maintaining world class visa processing.

And the last to expand and protect the visa waiver program. So those were the items - not in any particular order that rose to the top in the polling that we did of each of you and again I appreciate your participating in that.

Now it was important to us as we were putting this paper together to ensure that the full set of recommendations also be laid - set forth for the Secretary and you see that in the addendum. The top 15 priorities in the U.S. Travel and

Tourism Advisory Board that are laid out in more specifically within that addendum.

At the June 1 meeting I will certainly, as we go through the priorities that we've laid out in this letter I will also lay out for the Secretary the importance of the 15 that we have in the addendum as well.

So it's not just about the five but certainly we hope that as time and bandwidth provides for the Secretary and the Department of Commerce to address those other items that they take that opportunity to do so.

The other thing I forgot to mention at the top of the call is that because we're deliberating on an will potentially approve this letter, this is a public call and we'll ask for any public comment from anybody on the call after we get through the deliberation of the draft letter.

So that's the summary view. Niara, anything that I missed in terms of talking about the summary or any other process before we jump into some of the specific recommendations that we received and feedback we received?

Niara Phillips: No, I think you've covered it.

Sam Gilliland: Okay. So what I'd thought we'd do just to move through this as expeditiously as possible is to clear a few of the notes that we received from - well clear all the notes that we received in terms of feedback from the TTAB members.

The first one as I've gone through the notes and you've received - all of you should have received these as well and a note from Niara here over the past couple of days. There was the question about the missing percentage in the number of arrivals through the visa waiver program.

We will - does anybody have that number? Do we have that Niara or do we need to still hunt that up before finalize the letter?

Man: This is (unintelligible). I found a 2000 - a report in 2013 that had a 40% number of 2011. It was a State Department document but maybe there's something more recent than 2011. That's the last one I found.

Sam Gilliland: Okay. All right. Anybody else? Anybody else have anything more recent?

Man: Sam, we can pull that because we have the arrivals data to the U.S.A. for each year and we have accounts for each country. We can get that percent for you.

Niara Phillips: Who's speaking?

(Ron): This is (Ron) from the National Tourism Office.

Niara Phillips: Thanks.

Sam Gilliland: Thanks (Ron). Okay, that would be really helpful. The next bit of feedback was the comment from Valarie around the importance of the SIAD, and I agree. I agreed that there should be some comment within the letter. Bruce, I'd asked you to consider where we might insert that into the letter.

Do you have some ideas on that?

Bruce Charendoff: I think it will be probably toward the end of the letter.

Sam Gilliland: Okay.

Bruce Charendoff: Where we - at the very end we ask the Secretary to please consider all of the recommendations that we've made and I thought at that moment we could also highlight the importance of the survey.

Sam Gilliland: Okay.

Bruce Charendoff: Yes, but's where I thought I'd include it.

Niara Phillips: Thank you.

Sam Gilliland: Okay. So we'll have a nod in there for the SIAD toward the end of the letter.

Niara Phillips: Thank you.

Sam Gilliland: And then Dave Berg had made the comment around a correction on the - some corrections he made in the addendum. He was also asking the question if 17 is the right number of airports. I think we need to confirm that if we haven't already. If we have - do we have confirmation of that?

Woman: Yes.

Woman: Yes, that's correct.

Sam Gilliland: Okay. All right. So we're good to go on that. Next on the list is the comment from Ryan Long at State Department, commenting that adding five additional countries might be challenging. I would like to suggest that we modify the letter, and this is under Item 2, which is on Page 3 of the documents.

I'd like to suggest that we modify the language just slightly. We have a sentence in there that says, we recommend to DHS over the next 18 months to establish five additional reciprocal agreements with foreign governments.

And I'd like to suggest in the language along the following lines as a modification. Something like this - while we recognize the challenge to DHS it's carrying additional reciprocal agreements most notably the receptivity of target countries we recommend an aspiration goal of five additional reciprocal agreements with foreign governments.

So I'm wondering if there are - does - do we think that, that will capture - I'm not sure if we have anybody on from State. And I wasn't on at the very beginning.

But I'm wondering if that will capture the concern, allow us to set an aspiration goal, but acknowledge the challenges that DHS has, particularly with, you know, foreign governments and their willingness to participate and apply with the data requirements that we have for global entry.

Ryan Long: This is Ryan Long from State. Yes, I think that's a good modification of the language but I differ to my CBP or DHS colleagues if anyone else is on the line since this is actually a CBP program, they may have some additional input on that.

Sam Gilliland: All right. Okay. Do we have anybody in from CBP on?

(Steve Rutledge): This is (Steve Rutledge) from DHS. You know, I think obviously aspirational and recognizing the difficulty in negotiating the agreements and the need to have the other parties engaged and meet certain requirements, you know, noting all that I think we're good with it.

What was the time horizon though on the five year ones?

Sam Gilliland: It was over the next 18 months.

(Steve Rutledge): Okay. I mean certainly aspirational but we're working hard.

Sam Gilliland: Yes. Yes. I know. Well I would like to keep it at five and set an aspirational goal. So unless there are any other views offered here that's would be the recommended language to accommodate that.

So those are I think - Niara were there any other specific comments called out before we just walk through a page turn here fairly quickly and see if there's any other - anything else?

Niara Phillips: I think there was a language edit on point number 5.

Sam Gilliland: Point number...

Niara Phillips: Point number four as well.

Sam Gilliland: Yes. Well, yes and I was going to do a page turn here. So why don't we just do that right now. So I think the first page we didn't see any specific edits at least in the (unintelligible).

Man: Sam, how many - this is probably this (unintelligible). How many members of TTAB have? Is it 32? This is the last paragraph on that page.

Niara Phillips: There are 30 current members of the TTAB.

Man: So, 30. Okay, thanks.

Sam Gilliland: Okay, 30. We'll make that change. Okay. I'm looking at now Page 2. There were a few adds here. The substantive one is - I think this came from Todd around there being abundant resources that airports can rely upon in particular partnerships with local, state and city tourism boards.

As well as Brand U.S.A. to market, to welcome to arriving (unintelligible). I think that's a really good add. Any other comments on that? Okay. As we move on to recommendation number 2. I think we've already talked about the aspirational goal of five additional reciprocal agreements.

There was a slight edit to Item 3, which looks good to me. And then Item 4, there as the deletion of some elaboration about waiting months for visa appointments and making that a thing of the past. I'm curious - I think that was an edit from Todd. Is that right?

Ed Ramatowski: No. Sam, this is Ed Ramatowski. That actually came from us at State, just...

Sam Gilliland: Oh it did? Okay.

Ed Ramatowski: ...on the rationale that, that's really a pass looking statement rather than a forward looking one given the progress that's been made.

Sam Gilliland: Okay. All right. I think that's fair. Any other comments on that? I'm fine with deleting that.

Niara Phillips: Okay, what are we deleting.

Sam Gilliland: It's already deleted at the red line Niara.

Niara Phillips: Oh, got it. Okay.

Sam Gilliland: Item 4, it's the commentary about the past versus the future.

Niara Phillips: Okay.

Sam Gilliland: And then there are a few more edits in there that looked fine to me although we have at the end of that, the last sentence. The red lined edits. It says, it will also realize far greater efficiency than would video interviewing and can make visa processing - and it's kind of dangling there at the end.

I'm not sure what the intent was there. I don't know if that was to make visa processing simpler. Ed, was that again your...

Ed Ramatowski: I think it is.

Niara Phillips: Should it be faster and more friendly?

Ed Ramatowski: That's what it should read, yes. There may have been a technical glitch and that last part was dropped.

Sam Gilliland: Yes. Okay. More customer friendly. Okay. Well, and I may be looking at an old version here or something. On Item 5 there were - there - while the substance - let's see. The substance of the recommendation is the same.

The elaboration has been deleted. Who did that come from? Who did that delete come from. Niara, can you help me with that? The misunderstandings (unintelligible)

Niara Phillips: Item 5, I think that came from State folks.

Sam Gilliland: Okay. Okay. Are there - I didn't see anything that was particularly controversial here. Do we have someone from State that made the deletes? Was that - Ed, did you make that recommended deletes?

Ed Ramatowski: Sam, I think that - that was made by a member of the team but I think we can live with the language that's already in there. So we'll (unintelligible) with that one.

Sam Gilliland: Okay. Okay. All right. And then we will insert a new number there for the percentage of overseas visitors arriving using the program and (Ron) will help us with that. I don't think there were any other substantive changes in the latter part of the letter.

And then I think a few little changes were made in the addendum but nothing that seemed controversial to me. Is there anything that anybody wants to call out in the addendum that we need to talk about? Okay. So I just wanted to offer up again.

Are there any other suggestions we should consider here for this letter before we offer it up for a vote by the board with those modifications. Anything? Any other modifications suggested? Okay. Niara, anything else process wise before we put this to a vote?

Niara Phillips: No I don't think so.

Sam Gilliland: Okay.

Niara Phillips: As long as there are no other comments for discussion.

Sam Gilliland: Okay. Do I need to - do we need to formalize this with a motion and second and all that good stuff, Niara?

Niara Phillips: I can do a roll call and you can just say, yay or nay if you approve.

Sam Gilliland: Okay. Okay. So why don't we do the roll call then.

Niara Phillips: All right. Sam Gilliland how do you vote?

Sam Gilliland: Yes. Yay.

Niara Phillips: Kathleen are you on the call still?

(Melissa): Kathleen is not on the call. This is Melissa (unintelligible) provided. I'll vote yay on her proxy and if that's not good enough you can send - I can ask her to send you an email.

Niara Phillips: Darrell Bryan, are you on the phone? Holly Agra? Brian Mullis? Don Freeman?

Don Freeman: Yay.

Niara Phillips: Greg Stubblefield?

Greg Stubblefield: Yay.

Niara Phillips: John Sprouls?

John Sprouls: Yay.

Niara Phillips: Jonathan Zuk?

Jonathan Zuk: Yay.

Niara Phillips: Trudy Rautio?

Trudy Rautio: Yay.

Niara Phillips: Mike McCormick?

(Shane): This is (Shane). Mike is just gone. He just popped off. He had to go to a White House briefing. He and Dean Runyan were both fine with the document.

Niara Phillips: Okay. Thank you. Brad Dean?

Brad Dean: Yes, I vote yay in favor of the letter.

Niara Phillips: Margaret McKeough.

Margaret McKeough: Yay, in favor.

Niara Phillips: Maryann Ferenc?

Maryann Ferenc: Maryann voting yay, in favor.

Niara Phillips: Olga Ramudo? Sherry Rupert?

Sherry Rupert: Yay.

Niara Phillips: Dave Berg?

Dave Berg: Yes.

Niara Phillips: Robert Lynch?

(Narick): This is (Narick) for (Bob). He would approve the letter.

Niara Phillips: Barney Harford?

Chris Chimes: This is Chris Chimes for Barney. Yes.

Niara Phillips: Mike Gallagher?

Mike Gallagher: Yay.

Niara Phillips: Carol Wallace?

Carol Wallace: Carol Wallace, yes. Yay.

Niara Phillips: Fred Dixon?

Donna Karin: Donna Karin for Fred Dixon. He would vote yes.

Niara Phillips: Henry Cruz?

Henry Cruz: Yay.

Niara Phillips: Jeremy Jacobs?

Jeremy Jacobs: Yay.

Niara Phillips: Kirk Hoessle?

Kirk Hoessle: Yay.

Niara Phillips: Rossi Ralenkotter?

Rossi Ralenkotter: This is Valarie Segarra for Rossi Ralenkotter. He would vote yay, otherwise we can have him send you an email.

Niara Phillips: Okay. Thank you. Todd Davidson?

Todd Davidson: Yay.

Niara Phillips: Dean Runyan? Okay, did I miss anyone?

Christopher Gordo: Elliott Ferguson. This is Christopher Gordo on his behalf. He would vote yes.

Niara Phillips: Okay. We have a majority.

Sam Gilliland: Okay. Okay. We have a majority so the letter stands approved. Thank you everyone. And again I appreciate the feedback on the letter. More specifically all the work that was done on the recommendations that we had on the addendum.

And then also my appreciation for Bruce Charendoff who drafted the letter that we have in front of us so thank you Bruce for that. And with that then I want to move to the public comment portion of this call.

If there's anybody that is on this call that is not on the board or isn't a past or Ex Officio member, someone from the public that would like to comment, you're welcome to do so now. If you can advance your name and any representation and any comment you might have.

Brandon Buchanan: I would like to make a comment. My name is Brandon Buchanan. I'm with the American Bus Association.

Sam Gilliland: Okay.

Brandon Buchanan: I'm a little bit concerned about the complete focus on only air passengers and kind of a lack of focus on land passengers and their experience as well.

Sam Gilliland: Okay. Well I think - I think and this is called out and I'm not sure how familiar you are with the framework that the DoT has been working through. I think that you would find that the DoT, the Department of Transportation 30-year framework has a very large body of work.

That is focused on many modes of transportation but in particular the, you know, highways, byways, our road system and improving our road system for bus transportation, for any kind of motor transportation...

Brandon Buchanan: No, absolutely. Very familiar with that. I'm specifically focused on the ports of entry.

Sam Gilliland: Right. Right.

Brandon Buchanan: And so we'd definitely like to see the model airport program also adopted or at least advocated for land ports.

Sam Gilliland: Okay. Okay. All right. That's a fair comment and we will take that in consideration and appreciate that feedback. We'll take that in consideration as we set forth future recommendations.

Brandon Buchanan: Thank you very much.

Sam Gilliland: All right. Thank you. Is there anybody else participating on the call that would love to make a comment?

Valarie Segarra: Hey Sam, this is Valarie Segarra calling. In regards to that last comment regarding the land ports, he might want to connect with DHS because they just announced their new loaned executive program to work with their ICE department in regards to the ports in the transportation arena at the borders.

So that might be something for him to look into.

Sam Gilliland: Okay. All right. Thanks for that Valarie. All right. Any other public comments. Okay. Not hearing any then we will continue on with the agenda the that we have for today, which is go get into subcommittees updates and also some Ex Officio updates.

And I believe Ed Ramatowski, you were going to provide an update from State?

Ed Ramatowski: Yes, thanks Sam. I can give you a couple of points. First of all I'd like to introduce at least by phone, Claire Kelly, who is replacing Greg Rankin as the head of our travel and tourism portfolio in my office. You will all get to meet her in person in Orlando next month.

But she's filling Greg's shoes on this very important portfolio.

Sam Gilliland: Excellent. Welcome.

Ed Ramatowski: Couple of other key points. You know, as we've all been watching China as since the President announcement of ten-year visa. Since that announcement in November we've processed more than 1.1 million visa cases in China, which is more than 400,000 higher than the same period last year.

So that's a - that's more than most of our consular sections around the world do in an entire year. And a tremendous credit to all the folks working so hard in China to bring this about. And the wait times are still an average of seven days or less at our China post. So, good customer service metrics.

Sam Gilliland: Terrific. Terrific.

Ed Ramatowski: And then just one final point is with respect to the President's Executive Order, 93% of applicants currently can get an appointment in 21 days or less. So we're more than meeting the Presidential standard there during the peak application season.

Sam Gilliland: Excellent. Excellent.

((Crosstalk))

Sam Gilliland: I'm sorry Ed, go ahead.

Ed Ramatowski: I'm happy to address any questions. I will be in Orlando as well with much more details than this.

Sam Gilliland: Okay, thank you Ed. Any questions for Ed? Okay then we'll move on to Department of Homeland Security and TSA for an update there. (Steve), I think you were - (Steve) and I think John Sammon's also on. We're going to provide some updates from DHS and TSA.

(Steve Rutledge): Hey Sam, it's (Steve Rutledge). Mr. Sammon's going to be dialing in shortly so if you don't mind, we might do a quick TSA update at the end, if that's all right.

Sam Gilliland: Okay. Okay.

(Steve Rutledge): I can take a quick minute though and kind of update from DHS as a whole. Just want to let you know that this is report that we continue to work very hard on.

We continue to work with our colleagues in Department of Commerce on a subcommittee that's being shared by Deputy Secretary Andrews on Commerce and our Deputy Secretary Mayorkas on looking at metrics to, you know, quantify the national goal of providing the best in class customer service experience for international arriving passengers.

I think we'll have an update for you guys at TTAB and certainly the TTAB subcommittee will have hopefully a recommendation shortly as well. So that work continues. A little bit of news on global entry.

We - in the first several months of this year we have signed memorandums of understanding with the government of Peru and with the government of Columbia. So these are not operational programs at this point.

These are simply MOUs between the two governments sharing their shared desires to work towards global entry agreements to create reciprocal programs between the two countries.

So we'll work over the next several months and hopefully, you know, over the not too distant time horizon we'll have some news on actually programs being started. This is in addition to the pilot program that we launched last year with Panama.

So we're really kind of getting into that South American and Central American market with global entry and hopefully you'll see a lot of that - lot more to come in the future.

Also having some conversation with the government of Chile, which of course you all will remember was the last country to be accepted in the visa labor program. So good movement in Latin America and more to come.

And I'll hold there and I'll let you know when Mr. Sammon's on the line and we'll just hold until the end.

Sam Gilliland: Okay, excellent. Thanks for that update (Steve). Any questions for (Steve)?

(Shane): Hey, yes, this is (Shane) from GBT. (Steve) could you send over some of the information on that. We would love to, you know, get that information out to our chapters in Latin America.

We have a pretty big Latin America and I'm pretty sure we could, you know, help move things along in different areas to help these MOUs move forward. So it will be great for everybody.

(Steve Rutledge): No, absolutely. (Shane), actually I'll just call you this afternoon and we'll catch up. I should also have mentioned that the Assistant Secretary for (unintelligible) will actually be flying to the region next week.

He'll be doing meetings with the private sector in both Panama and Peru talking about obviously different types of programs but also some of our trade facilitation programs.

And then we'll also be spending the last - latter half of next week with his counterparts in Brazil talking about all the great things that hopefully we can do in the future.

(Shane): That's great. I'm actually travelling. I'm in San Jose and meetings all afternoon. So maybe touch base on Monday?

(Steve Rutledge): I will be with him on the trip but I'll drop you an email and we'll connect one way or another.

(Shane): Thank you very much.

Sam Gilliland: All right. Any other questions for (Steve). Okay, we will skip over John Sammon and hopefully he'll join us here in a little bit and move onto Department of Interior update. John, are you on? John Blair are you on?

John Blair: Yes. Yes, hi Sam. Thanks. I'm here with Vicky and we're actually joined in my office with special guest Todd Davidson. We're happy to have (unintelligible) from my office.

Sam Gilliland: Excellent.

John Blair: Quick update because we're going to see everybody in a few weeks. First is that I hope everyone saw a few weeks ago on earth day, President Obama made his first official visit to a National Park during his administration when he spent some time down at the National Everglades.

He had a great day there. Met with a bunch of fourth graders. Had a baby alligator that made its way across the park just to say hello to the President. So all in all it was a successful day for him.

In middle of April, I think I sent out information to the board about a hackathon that the Assistant Secretary for Policy Management and Budget held here in the building.

Over a long weekend we had tens of people that came together to look at different ways to utilize the data with regard to outdoor recreation that we've been compiling in a ways that these could walk away with ideas for apps, Websites and other ways for them to utilize this data.

The goal was to try and get hopefully three ideas that they felt were really marketable and something that people could pursue and I believe they found about ten as a result of the work that these folks put together over a long weekend.

So we're very proud about that and we're going to figure out ways that we can share that information and share that data with a broader tourism community as these projects go forward.

And then finally one of the recommendations that I know that we are working from the cultural and heritage subcommittee that Kirk and others have worked on is the idea of a national centennial gathering of travel and tourism related

folks around the centennial to talk about sort of utilizing and promoting the parks over the next 100 years.

We have had a really productive first meeting with the National Park Service folks who are actually very excited about the idea. They thought it was great. They have some ideas I think they'd like to see.

The White House Council on Environmental Quality is actually engaged with us as well because they had caught wind of it and thought it was a great idea. So in the next week we're going to try to set a meeting, Kirk, Todd and some other folks with the Park Service.

And others to talk about how to move forward with that idea. So we'll hopefully have some more information for everybody in June at TTAB.

Sam Gilliland: All right. Questions for John? Okay. Well that was an excellent update and we look forward to see you in First. So now I think what we might do, I'm presuming John Sammon isn't on as yet. John are you on? Okay.

(Steve Rutledge): He was on - he is just about to dial in. I just talked to him.

Sam Gilliland: Okay. All right. Maybe while we wait for John to join we can go through any other next steps or logistics. Niara, is there anything you'd like to cover. I know you'd sent out the full agenda for the May 31 - June 1 set of meetings. Is there anything in particular you'd like to cover?

Niara Phillips: So I'm trying to think of a couple of things to flag if you hope to attend on Sunday evening, the evening event at Magic Kingdom Park then you should plan to pick up your credentials beforehand at the Convention Center.

The registration desk will close at 5:30 so hopefully you can get to the Convention Center before 5:30 on that Sunday if you plan to attend the Magic Kingdom event.

Hopefully you will also come to dinner, which is so wonderfully being hosted by our friends at Universal. I don't know if anyone is on Universal is on the line and wants to talk a little bit more about dinner?

Man: All I'll say is it will be memorable. Don't miss it.

John McCarl: And John, this is John McCarl. I can probably talk a little bit more about it. It's going to go that night. You know, I know you've got a 6:00 to 8:00 on the schedule. We'll be ready even a little bit earlier than that if people want to get there. It's going to be in our Red Coconut Club.

It's going to be multiple stations. We've kept it more rather than having sit down, more social in nature but it will be dinner and then if you're coming and driving yourselves, please feel free to use the valet drop off because we will be comping the valet parking that night as well.

So come and enjoy and it will be a good evening and then get people out of there on time if they want to go down to the IPW event.

Niara Phillips: Oh great.

Sam Gilliland: Sounds fantastic. And we, John and John, we really appreciate your hosting us that evening. So thanks again.

Niara Phillips: Yes. And the only other thing that I'll flag is that we do - IPW, our friends at U.S. Travel have set aside tables for TTAB members for the lunch on Monday.

There are three tables that are reserved for TTAB members so please keep that in mind and let me know if you do - do or do not plan to sit at the table - at one of those tables in which case they'll release it to others.

Sam Gilliland: Okay. So all right. Anything else, any other - anything else Niara? Any other business before we go back and see if John Sammon has joined us yet. Anything else? Okay. John Sammon who is the Chief Marketing Officer at TSA, have you joined us as of yet.

John Sammon: Yes.

Sam Gilliland: Excellent. We are running well ahead of schedule so apologies for requiring you to jump on earlier than you probably had planned but please update us on how things are going with TSA.

John Sammon: Okay, well good afternoon everyone. What I'd like to do is go through a couple of things. One is to - (Steve) - I was asked to address manage inclusion and where that stands. So I'd like to talk a little bit about that and with some background information to put that in context.

And then talk a little bit about where TSA pre-check is headed and then how you can help in the process where we're trying to go. I think as you all know, TSA initiated pre check is a way to differentiate travelers and apply less physically intrusive security procedures to travelers who are willing to make themselves known.

And the challenge of TSA pre-check was to roll it out in enough locations to justify the added pre-check lanes and to make the product attractive. So we had to have broad availability but then the challenge was how do you get sufficient passenger volume in those lanes to justify the lane over some long period of time.

So initially we relied on CBP, global entry and some very high mileage frequent flyers. Then we added certain trusted groups such as security clearance holders, members of Congress, members of the military.

And so on and then we also to get with the volume - to maintain the volume added low risk individuals that were deemed to be low risk on a flight specific basis and then also following its use, roll out at the New Orleans Super Bowl. We started using managed inclusion more and more.

Now managed inclusion is not something that we want to rely upon long term. It's long term role is events like post Super Bowl to get large volumes of people through quickly. We're going to have large crowd. But we don't see it as the exception to the rule.

What we do see is that we want to have - is to fill the TSA pre-check lanes will enrolled vetted travelers. Those who basically if you think what pre-check stands for, previously checked. So we want to trade the ability to make themselves known and then to have the ability of TSA pre-check.

Given recent and out year TSA budget cuts however, if you eliminate managed inclusion tomorrow you'd get the unintended consequence of longer passenger lines. And I don't think that's anything we want to see or you want to see.

And while we believe that TSA pre-check, that it offers the promise of better security, better productivity and better travel experience, we need, we believe 20 million to 25 million enrolled travelers. And 20 million to 25 million seem to generate about half the trips.

So we had - assumed that half the folks going through an airport were going through pre-check, if we could get them enrolled, that's the kind of target market size we're looking at is people who travel probably three to four times or more a year.

That we believe is about 20 million to 25 million based upon data we've gotten from various surveys and various travel companies and so on. What we have to do however - the problem is in terms of getting enrolled travelers, we have probably about 5 million enrolled travelers between global entry and TSA pre-check.

And we're on the (unintelligible) of increasing that by about 1 million to 2 million travelers per year. So that's a 10 to 20 year problem absent any other change in what we're doing.

So what we want to do is pursue expanded enrollment services by adding additional contractors, vendors to maximize potential for private sector, advanced technology solutions to provide secure and easy to buy enrollment solutions then we are currently offering.

Now we think there are a number of advantages to expanding the program enrollment. Right now we have an RFP that's up at the Department. They're just finalizing their looking at that RFP for privacy concerns to make that we are not - what we're trying to do would not have privacy issues.

But we think that we can create - by going this way is a more secure enrollment process than we currently have. We can adopt more advanced technologies than we're - in terms of enrollment than we're using today. And we can also simplify the enrollment process.

Done today it's about almost 30 items someone has to enter. Global entry is even more complicated. We can probably get that down to under ten, make it a much simpler process.

We can also allow the vendors to combine not only the enrollment but also combine the enrollment with other travel related incentives and offerings. And also that we dramatically expand insight portion of the enrollment by allowing innovative partnerships with a number of organizations including.

We've spoken to people like the Post Office, UPS Stores, major hotel chains, airlines and so on and so forth. And we can expand that dramatically from what we're doing today. The issue of how you can help.

One of the things we've specifically written into the RFP is a requirement that proposals come back to us, that they have agreements with travel industry providers.

And we see the opportunity for private sector enrollment service providers to create partnerships, incentives with the travel industry to better identify and promote travelers in our target market to have them apply for participation in the program. Travel companies know who travels.

They know how often they travel. They know when they're traveling and they have contact information for the specific travelers and the kind of target

market we need. Again the marketing challenge here is really three fold. One is to make it easy to buy. Two we need to stop giving it away.

And then three we need to involve the travel industry in the enrollment process. If we can do those three things sequentially we believe that we get - make a significant dent in that 20 million to 25 million person challenge.

In addition to that what we've done is also is engage an advertising agency to create a campaign. The online version of that will be rolled out next week in seven major markets, New York, DC, Atlanta, Chicago, Dallas, LA and San Francisco. It's online and will be rolled out - it's a digital campaign.

The objective is to drive enrollments and complement the communication efforts of the many partners like you. The media properties we intend to roll it out on are including the newyorktimes.com, usa.com, bloombergbusiness.com, forbes.com, cntravel.com, Orbit and Google.

And if you find a way to leverage the creative fixed image assets we have through any of the channels you have to raise awareness and increase enrollments please contact (Steve Rutledge) and he can work with us and we'll get back to you with that.

But we've have, we think pretty good content and it focuses on the travel experiences as opposed to saying, you know, you save five minutes and take your shoes off. It's really focusing on how TSA pre-check enhances the overall travel experience.

We'll also this summer - we're shooting - just began shooting right now a 15 to 30 second video spot that we want to share with you also. That we think will

be again based up on the travel experience using TSA pre-check versus going through the standard security.

So inclusion our marketing strategy is simple. We want to make TSA pre-check easier to buy, stop giving it away. Involve the travel industry in the enrollment process.

And the faster we can increase enrollment, the faster we can reduce the reliance upon risk rules and managed inclusion and you can help increase enrollments by partnering with potential vendors and leveraging our creative advertising assets. So that's pretty much what I have.

I'd be happy to answer any questions from anybody on the line.

Sam Gilliland: John, this is Sam. I have a few but before I jump in, anybody have questions or comments for John? Okay, so I guess the first question would be at what point, or at what number, I really appreciate the aspirational goal and understand that getting 20 million to 25 million pre-check members.

At what point does managed conclusion go away in that trajectory? When do you make the decision that says managed inclusion won't be a part of your process anymore? Is it 20 million? Is it 25 million?

John Sammons: No, no, no. I think we should start winding it down sooner but right now if we're at 5 million and we need 20 million to 25 million, you're at a small number of enrolled relative to the overall population.

So I think to the extent that we can get the enrollments up significantly, you wouldn't wait until the end but you can start dialing it back down as long as the - as well as the rule based inclusion people in the process.

Sam Gilliland: Yes. And I guess the - I think the - it's just a comment for your consideration and that I think the marketing challenge will be one of kind of chicken and egg problem you have which is am I willing to spend money to be a part of the program, when managed inclusion is still in place.

Given that it's - it drives kind of a - it's an unpredictable experience from certainly how much time I spend in line to education of the people that are in line around what the process is in pre-check. So am I going to be willing to pay for that while managed inclusion is still in place?

John Sammons: So what you have to carefully do here is go back to the three things we talked about. Easier to buy stuff, giving it away and involve the travel industry in the enrollment process and that's really part of the stop giving it away. I mean managed inclusion is giving it away.

And it can't be - and what have to do is careful fine tune it. I don't think you say tomorrow, shut it off everywhere but I think what you have to do - where can you tune it down because I think the other issue will be if people are not getting it as often also as well as the people who are getting it free.

Today through rules they inclusion they're become more incentive to enroll in TSA pre-check particularly for the travelers, the more frequent travelers.

Sam Gilliland: Yes. Yes. Okay. And I do think you're going to - go ahead John.

John Sammons: No, no, it's a careful balancing. You know, you don't want - the longer you leave it in it just degrades the product quality but if you turn it off tomorrow you're going to have I think some unintended consequences for pre-check people who are not going to be happy with either.

Sam Gilliland: Okay. And then the comment is I think you'll find that the travel industry to be very receptive to helping with promotion with the TSA pre-check program and I in fact, I think there are a number of companies represented on this call who have promoted the program, promoted global entry over the years to get more folks involved.

So I think you're going to find a lot receptivity there.

John Sammons: Great. Great. Now we have great cooperation and assistance from all the folks on the line here and we look forward to continuing that. So I think again if we can improve the travel experience in one small part we're responsible it improves the travel experiences for all. It's good for everybody.

Sam Gilliland: Absolutely. Well thanks John. Any other questions for John? Okay. Well then I think that unless there's anything else we need to cover off I think we've reached the conclusion of the agenda and we can adjourn. Anything else Niara?

Mike Gallagher: Sam, this is Mike Gallagher, can I make a comment?

Sam Gilliland: Yes, sure.

Mike Gallagher: So on the - I think the Brand U.S.A subcommittee is ready to submit its letter and in respect to the process can we talk about what the process is going forward with the full board meeting again on June 1.

Sam Gilliland: Sure. Niara, do you want talk a little bit about how we might go about the recommendations from Brand U.S.A.?

Niara Phillips: Yes, sure. So we're having some discussions about that now. We, you know, to give any new letter the full amount of time and consideration it deserves we definitely don't want to rush the process. June 1 right now is - it will be a pretty short meeting, two hours.

You know, with any letter that comes forward we need to - it's good practice to give the board at least two weeks to take a look at the letter and make any comments and then vet some time for deliberation.

And then depending on the length of that deliberation there may need to be another meeting to, you know, to adopt any additional edits to letter and then, you know, vote on the letter for full adoption.

With that being said and keeping that in mind, I'm not sure that there will be enough time on June 1 for Brand U.S.A. letter to go forward. But I definitely think it is a discussion that we should have outside of this call.

So if we could follow up, you know, this afternoon or tomorrow and make sure that we get some consensus on the right timeline, that's be good.

Sam Gilliland: Yes. And Mike, just - I mean a couple of the ideas. Obviously we can deliberate on it within a meeting although June 1 is going to be difficult but that then puts it off until later in the year.

So we've been talking about should we have a board call to discuss this here at some point between now and meeting after June 1. So we're looking at options for how we get those recommendations considered, deliberated and approved for recommendation to the Secretary.

Mike Gallagher: Okay, from a - if I could in appeal, I think everybody knows that IPW coming up is really when the planning, buying and selling of 2016 occurs. So in that three or four day period 2016 happens.

And Brand U.S.A. this is their major event and many of our partners are there and a lot of those negotiations can happen so the (unintelligible) subcommittee letter will help in all of that if there's a way we could at least talk about it.

O see the rest of the committee see it - it'd be good to know if there's things that look good that we can do to share with our partners at IPW, realizing they're pending final approval.

But there - the things in the recommendations will really help a lot of our partners going forward for 2016 and if we don't do it at IPW, I mean that's an opportunity we've lost as far as I can see.

Sam Gilliland: Okay. All right. Well, fair points and I think to Niara's point we ought to try to get together via phone here over this next 24 hours or so and see if there's a - see what we can do about that particular challenge and then more specifically.

Or more broadly maybe think about how we get these recommendations approved over the next, you know, month or two. So we'll work that and with your comment and challenge in mind there. Thanks Mike.

Mike Gallagher: Just one last try here. Is that a motion or something we could do while we have the full board together that helps expedite this today?

Sam Gilliland: No. Unfortunately not. We've not deliberated it and so we'd need to do that separately and we don't have - so now, the short answer, no, unfortunately.

Mike Gallagher: Okay, we'll just do the best we can going forward.

Sam Gilliland: Yes. Yes. Absolutely. And so we'll try to get that worked here and understand what our options here over this next 24 hours or so. And Niara, I just as that you kind of lead the charge on that.

Niara Phillips: Absolutely.

Mike Gallagher: Well the good news is there's nothing controversial in it. It's all stuff that's going to make us all better. Todd are you still on the line?

Todd Davidson: Yes, I was just going to say real quick, I had an opportunity to meet with some of our colleagues from Commerce this morning and talk about alternatives for some pass forward for what is recommendations.

So, you know, appreciate the conversation this morning but with the results of that meeting I was going to get back out to our subcommittee members. So I don't think there's anything specifically Sam that the full board needs to do.

I will certainly keep you apprised on what we're looking at in terms of the pass forward and Niara, I'll brief you as well. But I'm happy to own this communication obviously with our subcommittee and, you know, keep the recommendations moving forward.

But I think we've got a couple pretty good alternatives in front of us that we're going to be taking a look at.

Sam Gilliland: Okay. Okay.

Niara Phillips: Okay. Good. Thanks, Todd.

Sam Gilliland: All right. Thanks Todd. I appreciate that. Okay, any other business or comments before we close out this call and this meeting? Okay, thanks again everybody for your time today and for the time you put into the review and deliberation here.

And we will look forward to seeing all of you on May 31 and June 1. Thanks everybody.

Niara Phillips: Thank you.

Woman: Thank you.

Man: Thank you.

Sam Gilliland: All right. Goodbye.

Man: Thanks all.

END