

# **U.S. Travel Association IPW Press Conference**

## **Tuesday, June 7, 2022**

### **Roger Dow, President and CEO of U.S. Travel Association**

Welcome to the 53rd IPW.

It is so great to bring IPW to Orlando for the eighth time.

How wonderful is it for so many of us to be back together again under one roof? When we last met in Las Vegas in September, we had just heard the good news that the U.S. would soon reopen its borders to vaccinated international air travelers.

The timing could not have been more perfect. No one will forget the energy on the show floor that morning.

After more than a year and a half of lockdowns and restrictions, it was such a special moment to share with our friends across the global travel community. From November 8th onward, the U.S. began welcoming back vaccinated international visitors in increasing numbers. This followed months of intense advocacy for the safe reopening of our borders.

It was a huge effort between our industry and the federal government.

In airports across the country—including right here in Orlando—friends and family were finally reunited...and visitors from abroad were able to return to their favorite sites.

I'd like to share a brief video from that special day.

Wow, such a phenomenal day. This is proof of the power of travel, and how critical this industry is to creating bonds and connecting people.

It is also a reminder of how fortunate we all are. Our thoughts are with the people of Ukraine, as well as those suffering here in the U.S. and elsewhere around the world. The last few years have been extraordinarily difficult for a number of reasons. To have our health and the ability to travel...it is truly a gift.

Now more than ever, we need to engage across borders to reestablish our ties to one another.

We are taking a huge step forward today. I am so proud to say that this year, we welcomed more than 4,600 attendees, including more than 1,200 international delegates and nearly 500 members of the media from more than 60 countries. These are big and positive numbers that demonstrate how eager the world is to visit the United States once again.

So, thank you for being here, and for all of the work you do to send visitors to the U.S.

The business that we do here this week will have a lasting impact on Orlando's economy, across Florida, and throughout this tremendous country.

Still, we have a long way to go and we're not fully back to where we should be. While domestic leisure travel has rebounded strongly, international travel and business travel remain down from 2019 levels.

Before the borders reopened, overseas visitation to the U.S. was nearly 80% below pre-pandemic levels. We have since improved to be only 43% down by April of this year.

U.S. Travel's latest international travel forecast shows us just how far we still have to go to regain what was lost to the pandemic. At the current rate, we project that international visitation will not fully recover until 2025. And even in 2025, international visitation will still be 11% below where it should have been in 2025, if not for the pandemic.

In an upside scenario, we could gain 5.4 million visitors and \$9 billion in spending by the end of 2022 if the pre-departure testing requirement were removed.

Our forecast also shows that the pandemic had an impact on our top source markets. In 2019, the top source markets for travel to the U.S. were Canada, Mexico, the United Kingdom, Japan, China, South Korea, Brazil, Germany, France, and India. Things are a little different now.

Restrictions both here and abroad have shaken up that top 10 list. We see that Japan, China and South Korea have dropped out of the top 10 for now. Strict re-entry policies in some Asian countries have made it difficult for outbound travel to resume. We hope that these countries can soon lift their travel restrictions. We're eager to welcome back visitors from these markets.

Now, the U.S. still has a lot of work to do to normalize travel conditions, especially to ease the entry process. As you all know, our federal government still has a pre-departure testing requirement for all inbound vaccinated air travelers. We view this as an unnecessary hurdle—one that many other countries have now eliminated.

A recent survey U.S. Travel commissioned of vaccinated international travelers in France, Germany, the United Kingdom, South Korea, Japan and India found that pre-departure testing is a major deterrent to traveling to the U.S. More than half of international travelers said the added uncertainty of potentially having to cancel a trip due to pre-departure testing requirements would have a negative impact on their likelihood to visit the U.S. And 71% of adults surveyed said they prioritize traveling to destinations without cumbersome entry requirements.

We are missing out on a major opportunity to rebuild the U.S. travel economy. This arcane pre-departure testing requirement is making our country less competitive. U.S. Travel is working diligently to get this testing requirement lifted.

Last month, more than 260 travel industry and business organizations sent a letter to the White House calling for an urgent repeal of the pre-departure testing requirement for vaccinated international air travelers. Stronger immunity provided by vaccinations, boosters and prior infections, as well as effective treatments, have enabled Americans to safely return to work, school and normal activities—all without

the requirement of masking, testing and physical distancing. We will continue to work with our government to get this requirement lifted as soon as possible.

Another obstacle to robust inbound visitation is that many of our visitors are still unable to come here because they can't get a visa. U.S. consulates around the world are facing unprecedented backlogs in scheduling visitor visa interviews. This is a huge challenge as we try to regain our share of the global travel market.

A significant number of global visitors must have a tourist visa to visit the U.S. In 2019, 43% of our 79 million international visitors required a tourist visa. Many of our top markets now face sky-high wait times for an interview.

As of last month:

- It's 268 days for Israel.
- 529 days for Argentina.
- 538 days for Mexico.
- 693 days for Colombia.
- And more than two years for the Dominican Republic.

As of early May, the average wait time for a visa interview for non-Visa Waiver Program countries was 419 days. This is unacceptable. We cannot restore our inbound travel sector unless this issue gets resolved. U.S. Travel is working with the federal government on several policies that can help shorten visa interview wait times and bring back visitors more quickly.

We're encouraging the government to develop a pilot program for the use of videoconferencing technology in visa interviews with low risk, returning applicants... and applicants with urgent travel needs. We're also calling for more resources for embassies and consulates with high demand. Our international visitors are so important. But now, I'd like to reflect for a moment on one of our industry's biggest wins in the past year.

To do that, I'll turn it over to U.S. Travel's National Chair and the President of Carnival Cruise Line, Christine Duffy.

**Christine Duffy, U.S. Travel National Chair and President of Carnival Cruise Line**

Thank you, Roger.

It's great to be back here at IPW. International visitors are so critical to the success of our industry and our businesses. We cannot fully recover without inbound tourism. And thanks to the work of our collective industry, Brand USA will continue to play an important role in growing America's inbound travel sector.

In March, Congress passed the Restoring Brand USA Act, which provided \$250 million in emergency funding for Brand USA. This investment will help the United States position itself abroad as a premier destination for global travelers.

And prior to the pandemic, Congress took the critical step of renewing Brand USA for seven years, ensuring it will continue its great work for years to come. These were huge wins for the industry. U.S. Travel and our partners worked tirelessly to urge Congress to pass these two important pieces of legislation. It ensures that Brand USA has the funding to continue promoting the U.S. around the world.

Since 2013, Brand USA's marketing efforts have generated 7.7 million visitors and \$56 billion in total economic impact. This supports over 45,000 incremental jobs each year. Brand USA is essential to restoring the inbound travel sector.

But this is just one part of our industry's recovery.

We are also focusing on how we can rebuild the entire U.S. travel industry to be better than it was before the pandemic. We want to reimagine the travel industry to be more diverse, more sustainable, and more innovative. An industry that improves the traveler experience and makes it easier to move around our country.

To talk about our bold vision for the future, I'd like to introduce someone who has played a big role in shaping that vision: Tori Emerson Barnes, U.S. Travel's Executive Vice President of Public Affairs and Policy.

**Tori Emerson Barnes, Executive Vice President of Public Affairs and Policy, U.S. Travel Association**

Thanks, Christine.

It's so great to be here and to see all of you again in person. We are so excited about the future of travel, and to share with you our plans for this amazing industry and the economic engine that it is. We are laying the groundwork today so we not only recover—but grow—over the coming years.

In October, we held our first-ever Future of Travel Mobility event in Washington, DC.

This event brought together global leaders in travel, transportation, and technology—with policy makers and the media—to engage on central issues impacting the future of travel mobility and the traveler experience. We had meaningful discussions on key policies related to sustainability, seamless and secure travel, and innovative and emerging technologies and trends.

I'd like to play a brief recap video of the event. It was great to see all of these different sectors come together.

We are already looking forward to our second Future of Travel Mobility event this fall at Union Station in Washington on September 20th. These discussions are so important and it is imperative that the travel industry is engaged, involved...and leading the path forward.

At the event, Ed Bastian, President & CEO of Delta Air Lines, had an insightful comment: We don't have to choose between seeing the world and saving the world: we can do both. And that is absolutely true.

But we need to make sure that sustainability issues are a focus within our industry and that we are working with elected officials and decision makers on the policies that will impact the travel industry. The only way to ensure that travel can continue to grow over the next several decades is by making the entire travel ecosystem sustainable from end to end. U.S. Travel is active on several critical sustainability issues, including expanding electric vehicle infrastructure and increasing the availability of sustainable aviation fuels...in addition to making it more affordable.

These priorities also have the support of the White House.

Earlier this year, the Biden administration announced that nearly \$5 billion would be made available under a new program—born out of the bipartisan infrastructure package—to help states create a network of EV charging stations.

And in April, the president also called for new tax credits for sustainable aviation fuels, which we support. These issues, along with many others in this space, are opportunities that are critical to growing our industry...and our industry's thought leadership...while protecting our planet.

We are also looking at how our industry can leverage programs to hire and retain a more diverse workforce. There are currently 1.5 million open jobs in leisure and hospitality. This lag in workforce recovery bears on the performance of our industry. After all, not having employees is just as damaging as not having customers.

Through our partnership with the organization Tourism Diversity Matters, we are supporting initiatives to expand diversity within our industry, especially at higher levels within organizations.

We are also looking to expand access to the H-2B visa program for international workers, as well as looking at targeted immigration reforms to help fulfill our significant workforce needs. For every 100 job openings across all industries, there are only 65 Americans looking for jobs.

We are at a pivotal time for our industry. There are many headwinds. But there are far more opportunities. Now is the time for us to accelerate our work and to take the industry to the next level. The world, and our elected leaders, have seen what happens when travel stops.

The chaos and economic hardship it creates across communities across the country...and the world. We must continue to engage. We must keep up the momentum. And with this energy, we are optimistic that the best days for the U.S. travel industry are ahead of us.

And to everyone here today, thank you for all that you do for this industry. We are excited to share the future with you.

I'll now turn it back over to Roger.

**Roger Dow, President and CEO, U.S. Travel Association**

Thank you, Tori.

Well, as some of you know, I am retiring in July, and this is my last IPW as president and CEO of U.S. Travel.

I joined U.S. Travel in 2005, and right after that I led my first IPW in New York City. That was 17 years ago. Thanks to the incredible work of the teams involved with IPW over the years, we have not only seen this event grow. Inbound travel to the United States has also grown 61% since then. In 2019, we welcomed 30 million more international visitors than in 2005.

I want to thank the people who made this year's IPW such a success: Casandra Matej and all of the folks at Visit Orlando

And Dana Young and the team at Visit Florida, together with so many local partners. Such wonderful organizations—these teams really know how to put on a show.

We could not have done this without you. I would also like to thank our premier sponsors, Brand USA and American Express, and all of our platinum, gold, silver and bronze sponsors.

We are so grateful for your support. I'd also like to recognize the leadership from Visit San Antonio who are here with us today.

They'll be hosting IPW for the first time next May.

You won't want to miss it.

Of course, I have to thank the entire U.S. Travel team for once again pulling off an incredible show. These folks worked around the clock to deliver another phenomenal IPW and they have hit it out of the park.

And finally, I have to thank you: the members of the media and international travel buyers who traveled from more than 60 countries to be here. I know it is still not easy to travel internationally right now, especially with this pre-departure testing requirement.

Thank you so much for joining us again. I can't tell you how great it has been to have all of you together again under one roof.

Thank you for all that you do, and for your role in helping to restore our industry. The U.S. Travel team looks forward to seeing you next year at IPW in San Antonio.