

TRAVEL BUSINESS ROUNDTABLE



August 5, 2004

Mr. Timothy D. Adams
Policy Director
Bush-Cheney 2004 Campaign
P.O. Box 10648
Arlington, VA 22210

Dear Tim:

The **Travel Business Roundtable (TBR)** is the preeminent voice for the travel and tourism industry in Washington, DC, focusing on elevating policy discussions and legislative actions to enhance this vibrant industry. Comprised of more than 85 CEOs and senior executives from leading travel-related corporations, associations and labor unions, TBR truly represents the broad diversity of America's travel and tourism sector.

The 1950s manufacturing economy has given way to the 21st Century service economy. Travel and tourism defines that service economy around the world. We create jobs and careers; we fulfill important social policy goals, such as moving people from welfare to work; we contribute more than \$93 billion in tax revenue for federal, state and local governments to drive our economy; and we create an enormous travel trade surplus to offset even the worst national balance of payments deficit. The travel and tourism industry employs some 17 million Americans; one out of every eight people in the U.S. civilian labor force is directly or indirectly employed in travel and tourism. Our industry is part of what makes this country so special, yet we have long been ignored by policymakers in Washington, DC.

As chairman of TBR, I respectfully request that you, on behalf of the President, share with us his vision of how the second-term of the Bush Administration would address the myriad federal legislative issues that challenge our industry. To cite but a few:

- Perhaps no industry is more directly affected by homeland security issues than ours. From the extension of the looming biometric passports deadline for Visa Waiver Program (VWP) countries to a plethora of airline security concerns, TBR recognizes the challenges inherent between facilitating free and open travel and commerce and protecting our borders from those who would do us harm.
- A weak economy, followed by 9/11, anthrax, SARS, the perceived "hassle factor" associated with travel, the wars in Iraq and Afghanistan, and continued fears of terrorist threats at home brought the travel and tourism industry to its knees. As a result, hundreds of thousands of travel and tourism industry workers were laid off or had their hours reduced, travel and tourism companies faced steep revenue shortfalls and state and local governments saw a rapid decline in tax revenue upon which they were particularly reliant in the recessionary economy. While the industry has started to recover, there is still much more to be done. Yet federal policymakers still seem preoccupied with initiatives better suited to a yesteryear economy dominated by a manufacturing

or industrial base. Fundamental federal policies attendant to everything from workforce concerns to tax policy initiatives seem to receive short shrift as a result.

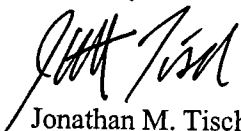
- We live in a market-driven age. Advertising affects consumer decisions about everything from durable goods purchases to vacation destinations; the same is true for citizens around the world. The U.S. does not presently have a coherent policy focus to promote inbound travel to our country. Cabinet-level ministers abroad use significant marketing budgets to promote their "brand" to an exploding worldwide travel market. We know that overseas business and leisure travelers stay four times longer and spend eight times as much money as their domestic U.S. counterparts. Promoting America abroad improves international goodwill, creates new jobs, raises enormous federal, state and local tax revenues and makes much of inherent natural resources that can never be off-shored. Yet without an effort in place in the competitive global marketplace, we've seen our international standing drop to the third most visited destination in the world behind Spain and France, and our international arrivals have declined from 50.9 million in 2000 to 40.4 million last year.

Our industry's 17 million employees live in all 50 states and 435 congressional districts. Republicans and Democrats alike, their energy, diversity and creativity are helping to chart a strong path for America's future. They need to know how your vision of the future will affect them.

The President's ideas will be shared in their entirety with TBR's member CEOs and, given your permission, widely disseminated in the industry's trade press. We are affording this opportunity to Senator Kerry's campaign as well.

On behalf of this wonderful industry, we thank you in advance for your consideration of this request, and we look forward to your response.

Sincerely,



Jonathan M. Tisch
Chairman, Travel Business Roundtable
Chairman and CEO, Loews Hotels

