



31st Annual New York University
**INTERNATIONAL HOSPITALITY INDUSTRY
 INVESTMENT CONFERENCE**

May 31 – June 2, 2009 | THE WALDORF=ASTORIA | NEW YORK CITY



Welcome to the 31st Annual NYU International Hospitality Industry Investment Conference. We gather this year in times of both extraordinary challenge and opportunity. The struggling economy in the United States and around the world has taken a serious toll on the travel industry as it has on most other business sectors. However, travel and tourism has been impacted even further by negative rhetoric out of Washington, DC about business travel for meetings, events and performance incentives and due to new fears of traveling created by the H1N1 virus, or swine flu. This is a reminder that we need to be united and vocal in order to support and protect our industry which is vital to the economic health of the global economy. The World Travel and Tourism Council (W TTC) reports that the travel and tourism industry generates 9% of global GDP and employs as many as 220 million people worldwide. In addition, W TTC anticipates that travel and tourism will grow at a rate of 4% per year over the next decade.

This year, in the United States, the Travel Business Roundtable and Travel Industry Association joined forces as the new U.S. Travel Association, which is now the preeminent voice of the industry in Washington, DC. Domestically, our industry unity has strengthened, and we have made great progress. When recent criticism by the media and some government leaders in Washington froze business meetings and events travel, the industry quickly responded with the Meetings Mean Business campaign (meetingsmeanbusiness.com), which has shown policymakers that the unintended victim of the cancellation of legitimate business travel is not the corporate CEO, but the local worker, who depends on his or her job to feed their family. Twelve of my travel industry colleagues and I sat with President Obama in March to discuss this very issue. The next day, the White House issued a statement that the President supports business travel as a generator for economic prosperity. But more needs to be done to unleash the power of travel.

Newly released Department of Commerce data shows that overseas arrivals to the United States plummeted nearly eight percent in January. In 2008, 633,000 fewer overseas travelers visited the United States than in 2000, despite the fact that 48 million more international travelers took long-haul trips in 2008 than in 2000. If U.S. overseas arrivals had kept pace with international long-haul travel trends from 2001-2008, America would have welcomed a cumulative total of 58 million more visitors, resulting in \$182 billion in new spending and \$27 billion in new tax revenue. These visitors also would have supported an additional 245,000 American jobs each year.

So what can we do? We must continue to encourage Congress to strengthen and expand the Visa Waiver Program, use more advanced technology to streamline visa interviews and the entry process, and improve customer service at air, land and sea ports of entry. And we must double our efforts to pass the Travel Promotion Act. Passed by the House of Representatives last year but not voted on the Senate despite a majority of Senate support, this legislation would create a nationally coordinated promotion campaign at no cost to U.S. taxpayers. Studies show that such a campaign would attract millions of additional overseas visitors, resulting in billions of dollars of new visitor spending. The Travel Promotion Act is expected to be reintroduced in the 111th Congress in the coming weeks and I urge all of you to reach out to members of Congress and let them know this is important to you, your family and your business.

At this critical time, travel and tourism must be part of the solution to the world's economic troubles. When travel declines, we lose an opportunity to create jobs and economic growth in cities and communities across the globe, and today, that is something none of us can afford.

As we confront challenging issues and look to recovery, over the next two days attendees will hear eight leading hotel CEOs discuss change and strategy with Dr. Lalia Rach, Divisional Dean and HVS International Chair of the NYU Preston Robert Tisch Center for Hospitality, Tourism, and Sports Management, in her series of *Leadership Lessons* interviews. Jamie Dimon, Chairman of the Board and CEO of JPMorgan Chase, will provide insight at Monday lunch into the current economic challenges. And I look forward to reversing roles with Brian Williams, Anchor and Managing Editor of *NBC Nightly News*, in my *Beyond the Boardroom* interview on Tuesday. As always, the Executive Planning Committee has organized outstanding general sessions and workshop panels, and networking opportunities abound to provide value and intelligence for your hospitality enterprise in these trying times – and beyond.

Enjoy the Conference.

Sincerely,

Jonathan M. Tisch
 Conference Chair

CONFERENCE CHAIR

Jonathan M. Tisch
 Chairman and Chief Executive Officer
Loews Hotels
 Co-Chairman of the Board and
 Office of the President
Loews Corporation

CONFERENCE HOST

Dr. Lalia Rach
 Divisional Dean
 HVS International Chair
New York University
Preston Robert Tisch Center
for Hospitality, Tourism, and Sports Management

CONFERENCE COORDINATOR

Dorothy A. Jennings
 Executive Vice President
HVS
 (516) 248-8828 ext. 225



**Preston Robert
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 for Hospitality, Tourism,
 and Sports Management