

Receptive Services Association of America

2365 Harrodsburg Road, Suite A 325 • Lexington, KY 40504 T: 866.939.0934 • F: 859.219.3514

headquarters@rsana.com

November 17, 2011 United States Senate Committee on Commerce, Science and Transportation hearing.

Testimony by Jonathan Zuk – President, Amadeo Travel Solutions/Vice Chairman Receptive Services Association of America

Chairwoman Klobuchar, Senator Blunt and members of the committee, it is indeed an honor to appear before you today. My name is Jonathan Zuk, and I am the Vice Chairman of the Receptive Services Association of America.

The Receptive Services Association of America (RSAA) is a national non profit trade association whose primary mission is to facilitate international travel to and within the United States.

The Association's members include resident United States inbound tour operators and destination management companies, tour service suppliers such as hotels, transportation companies, attractions, destinations as well as a host of other US tourism product suppliers. A significant portion of our members would be classified as "Small Businesses".

Acting as facilitator's receptive tour operators provide a commercially viable opportunity for small, and often financially challenged destinations, attractions, and other tourism suppliers to market themselves on a worldwide basis through our direct pipeline to the international traveler. This enables these small businesses to expand their global reach and to benefit from our extensive expertise and partnerships. Our member's main function is as a "bridge" between the international traveler and the tourism service provider in the United States. We achieve this goal by working closely with tour companies around the world who specialize in selling the United States as a travel destination. These overseas colleagues will call on our members to organize many, if not all the components of a guests visit. We provide one stop shopping.

To facilitate these services our member's contract with and purchase tourism products from providers throughout the 50 states and Puerto Rico. These products cover a comprehensive range, from popular destinations, and attractions to the rural, extraordinary and off the beaten path, areas.

RSAA members specialize in providing memorable experiences for international travelers, including hotels, tours, excursions, dude ranches, sailing adventures, bike tours, off road vehicles, back country visits, helicopter rides, restaurant reservations, tickets to attractions and theater and many more.

These products are marketed and sold internationally through our tour company clients.



Receptive Services Association of America

2365 Harrodsburg Road, Suite A 325 • Lexington, KY 40504 T: 866.939.0934 • F: 859.219.3514 headquarters@rsana.com

Foreign tour companies that sell the USA, as a tourist destination generally belong to a marketing organization called Visit USA. Visit USA committees are non-profit organizations that have been established in most of the countries which comprise the main source of visitors to the United States (typically the visa waiver countries) and whose sole purpose is to promote travel to the USA. These tour companies are specialists in selling and promoting tourism in various destinations around the world, including, but not limited to, the United States.

In the absence of any "national or federally funded program", RSAA members together with Visit USA members have traditionally shouldered the burden of marketing, promoting and selling the United States as a tourist destination worldwide. For Example, Visit USA Europe represents more than 13 countries within Europe and include most of the top 10 source markets for the USA, such as the United Kingdom, Germany, France, Italy, Spain while also representing important growth markets such as Russia.

RSAA and VISIT USA Europe work in a strategic partnership whose purpose is to facilitate and increase travel to the United States.

RSAA members are the only link in the entire tourism chain that depends solely on the international traveler for their livelihood and are acutely and instantly aware of any changes or trends in their source markets. This unique role has resulted in a wealth of knowledge and expertise unparalleled in any sector of the travel industry. This knowledge serves as the foundation for the world traveler visiting the United States and its influence is substantial, especially in the perennial top ten visitor countries for the USA.

RSAA members are responsible for driving approximately 6 Billion export dollars in annual spending by overseas visitors in the United States, and hundreds of thousands of jobs nationwide that benefit from this expenditure. The Department of Commerce estimates the total number of leisure visitors to the United States per year at 14.6 million visitors, of which 8 million arrive from our partners in Europe. Our members are intimately involved in facilitating and organizing over 30 % of that total, and are a major factor in other sectors such as business travel, meeting and conventions, education programs summer camps and many more. If they come here we will facilitate it.

Increased travel to the United States immediately results in new jobs and economic growth, on the other hand we must also recognize that reduced travel to the United States costs our country jobs and leads to the loss of many small tourism oriented businesses across the country. It is therefore paramount that our nation's efforts are correctly focused and create a collaborative atmosphere with our tourism partners around the world.



Receptive Services Association of America

2365 Harrodsburg Road, Suite A 325 • Lexington, KY 40504 T: 866.939.0934 • F: 859.219.3514 headquarters@rsana.com

RSAA cautions that an international marketing approach must involve our foreign partners who already have the knowledge and expertise to send tourists to the United States. Failure to utilize existing partners may cause a backlash that would create the opposite effect on our overall numbers as a country.

Since the Travel Promotion Act was first proposed we have enthusiastically supported any and all efforts to promote visits to the United States. We fully support the creation of the CTP, now Brand USA Inc, and look forward to participating in any and all of their marketing efforts.

We stand ready to lend our expertise and unique knowledge to the Brand USA Inc management team and will be delighted to contribute our unsurpassed "local" knowledge. Brand USA Inc has a huge task ahead of it and many different segments of the market are poised to participate in the effort and programs. Satisfying everyone is not an enviable task. However as I have indicated our segment of the industry is the only sector that encompasses all of the other sectors and offers unparalleled expertise.

The competition to attract the International "Long Haul" Traveler is fierce and the budgets that are spent by rival countries such as Australia, the United Kingdom, Turkey and others are always significant, even though we have not had a national or federal program, international demand for travel to the United States has maintained very strong levels. Competing destinations have suffered from political economic turmoil and natural disasters which have an immediate effect on travel. Within this context the United States is seen as a safe destination with world class services, facilities, attractions and activities. The cloud on the horizon is the international economic situation and the loss of disposable income to the middle class around the world. These are the people who make up the bulk of our international visitors. We feel that in turbulent times, the world seeks out the stability and comfort of the United States and its strong currency.

In the arena of international competition for the world traveler, the United States does suffer from a disadvantage due to the Visa rules, the processing cost and time.

While we understand and support any and all efforts to maintain a high level of security, throughout the country, we urge you to explore the option of adding to the visa Waiver countries. To seek a faster cheaper and less cumbersome way to process visa applications. We are confident that this will help grow the number of visitors to the United States.

Through all of this, the demand for travel to the United States is still growing and there is an opportunity for Brand USA and the industry to capitalize on this momentum. It is our belief that by working together to use all our advantages and capabilities, we will be able to succeed and thrive to make the United States the destination of choice for tourists worldwide.

Thank You.