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**Statement
of
Stevan Porter, President, The Americas
InterContinental Hotels Group
before the
Committee on Commerce, Science and Transportation
United States Senate
January 31, 2007**

Chairman Inouye, Members of the Committee, good afternoon. My name is Stevan Porter and I am President, The Americas, of InterContinental Hotels Group (IHG). IHG is the world's most global hotel company with more than 3,600 owned, leased, managed and franchised hotels across nearly 100 countries and territories. IHG owns a portfolio of well-recognized and respected brands including InterContinental Hotels and Resorts, Crowne Plaza, Hotel Indigo, Holiday Inn, Holiday Inn Express, Staybridge Suites and Candlewood Suites. IHG's Americas region is managed from our headquarters in Atlanta, Georgia.

I am here today not only as a hotelier, but also as Chairman of the Discover America Partnership. My colleagues Jonathan Tisch, Jay Rasulo and many others started the Partnership last year to highlight the unique role that travel can play in America's public diplomacy efforts and to respond to a travel crisis that has resulted in a 17 percent decline in overseas travelers to the U.S. since 9/11. According to the Travel Industry Association, this decline has resulted in a loss of nearly 200,000 jobs, \$90 billion in spending and \$15 billion in federal, state and local taxes.

The Discover America Partnership believes that travel is a critical component of America's economic security and public diplomacy efforts. It's time to address this growing crisis and to see international travel for what it is: an opportunity.

To help the U.S. welcome millions of more visitors annually, we have developed a three-step plan that can repair America's visa policy, entry procedures and perceptions about the travel process. This plan is based on months of research, including analyses of how other countries address these important issues and in-depth conversations with officials in the Departments of Homeland Security, State, Commerce and Transportation. We also spoke with more than 2,000 international travelers to gain their perspective on obstacles to travel and what the U.S. might do to re-gain their business.

There are several key characteristics of this plan that I would like to bring to your attention:

1. Our plan enhances the security of our visa and entry process in significant ways by making needed investments in personnel and technology and by focusing human resources on travelers that pose the greatest threat;



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2. Our plan outlines a holistic and user-focused approach to travel policy.
3. Our plan calls for relatively modest investments and changes to achieve revolutionary results. An annual investment of approximately \$300 million would cover the bulk of these proposals. Many of these proposals will actually achieve savings in other areas, by allowing government agencies to re-deploy resources elsewhere. The potential return on this investment is tens of billions for the economy, billions in added tax revenues and hundreds of thousands of new jobs.

Please allow me to focus on one step in this plan: entry procedures. My colleagues will discuss visa policy and the need to change perceptions.

For many international travelers to the United States, a long flight is followed by a daunting experience: navigating the scrutiny of the U.S. Customs and Border Protection process. Policies implemented over the past five years appear to have strengthened America's border security. Lost, however, have been efficiencies and a semblance of customer service.

I am here today to offer our commitment to work with Congress and the Administration to assure international travelers a speedy and hassle-free entry process; to turn our top inbound airports into world models; to bring the considerable expertise of the travel and hospitality industry to providing foreign travelers with a positive first impression of the United States; and to develop an effective international registered-traveler program. The specifics of how we propose to implement these steps are included in the "Blueprint to Discover America" which I have submitted to the Committee along with my statement. I ask that it be made part of the hearing record.

The hotel industry has a track record of stepping up to lend its expertise to managing the challenges facing our nation. During the gasoline shortage of 1973-74, Holiday Inn drew on the local knowledge of its hotel managers across the country coupled with its then-unique HOLIDEX national reservation system, to compile information on the availability of gasoline and to serve as a central data collection point for the federal government. Likewise, when Hurricane Katrina hit the Gulf coast, IHG and other hotel companies were quick to respond, providing housing and meals for rescue workers, refugees, and those working to restore critical infrastructure to the area.

The Discover America Partnership seeks to continue that record of service by lending the travel industry's expertise to assuring that foreign visitors to this country find their initial entry experience as welcoming and positive as the rest of their stay. We hope that Congress will join with us in making this a priority issue.

Thank you for the opportunity to testify before this Committee today. I would be happy to answer any questions you may have.