

EXHIBIT No. 3

AMERICAN SOCIETY OF TRAVEL AGENTS, INC.,
New York, N.Y., January 10, 1968.

Ambassador ROBERT M. MCKINNEY,
Chairman, Industry-Government Special Task Force on Tourism, U.S. Treasury
Department, Washington, D.C.

DEAR AMBASSADOR MCKINNEY: The American Society of Travel Agents, Inc. (ASTA) is very pleased to have the opportunity to respond to your invitation to suggest constructive steps for increasing travel and tourism to and within the United States, as an alternative to restrictions on the right of U.S. citizens to travel freely abroad. It is ASTA's view that some of the suggestions which are included in this letter will provide the basis for initiating a more vigorous program by the industry of travel and tourism, thus substantially reducing the so-called "travel gap" portion of our nation's balance of payments deficit.

The recommendations which we submit herewith are based upon an industry-wide conference at which I presided, held in New York City on Tuesday, January 9, 1968, which included officials of air carriers, steamship lines, hotels, tour operators, travel agents and the travel press, among others, all United States corporations.

The meeting was called to seek practical solutions through which we could assist the Administration in correcting the existing travel deficit without resorting to restrictive, discriminatory or punitive measures.

On the basis of the meeting convened by ASTA on January 9, 1968, and other discussions held by ASTA officials, we would like to outline the following specific proposals as effective measures to accomplish our common objective:

1. In order to provide a more effective promotional campaign to induce overseas visitors to the United States, the industry representatives unanimously urged that sufficient funds be appropriated to enable the U.S. Travel Service to function productively. The present appropriation of \$3,000,000 is altogether inadequate in relation to the job that is urgently needed to be done and the amounts appropriated by other countries in promoting travel and tourism from the United States.

2. We urge that the airlines and the International Air Transport Association together with the proper government agencies establish a substantially expanded concept of reduced directional fares which will encourage overseas travel to the United States.

3. We strongly urge that the Administration and the Congress give prompt and positive consideration to the proposal of Congressman Henry Reuss to establish a system of incentive travel stamps to reduce the cost of visits to the United States from our friends overseas and to encourage such visits through the cooperation of the Federal Government and the travel industry. This proposal which was initially made to your committee by a memorandum of December 22, 1967, has been refined somewhat to assure that it is designed to attract first-time visitors to the United States and that it obtains the necessary government/private cooperation to make the program feasible and successful. We urge that this proposal, if proved administratively feasible, be adopted and implemented.

4. The industry conference urgently recommends that the U.S. government explore and establish machinery to assure the utilization of its counterpart fund reserves, now exceeding \$3 billion so that such inert funds may be converted for use by travelers, tourists and industry to offset the dollar outflow. In order to become most effective in conserving dollars, we recommend that a method be established so that these counterpart funds may be exchanged for the purpose of their conversion to the currency of other countries.

5. The industry pledges its support, and, where necessary, solicits the cooperation of government to bring about a greatly intensified program of familiarization trips to the United States by foreign travel agents who are the prime generators of travel and tourism.

In addition to the foregoing recommendations which were agreed upon by the participants in the conference, ASTA advised those present that it was undertaking the following programs in order to promote travel to and within the United States.

1. Mobilization of its more than 800 overseas travel agency members in a concerted campaign to promote travel to the United States from their countries.

2. Utilization of the travel-generating energy of the thousands of overseas travel agencies represented in the Universal Federation of Travel Agents Association of which ASTA is a founding member to promote travel to the United States.