

turn get the approval for their various agreements from the CAB. It is not a governmental organization but it requires the approval of the CAB for any of the agreements which it sets forth.

Included in the agreements are the terms of payments which are necessary in order to obtain the higher 10-percent commission.

Mr. ULLMAN. Is the Air Transport Association dominated by the airlines?

Mr. LoFRISCO. The only members of it are the airlines. It is the airlines' association.

Mr. ULLMAN. The tours are not competitive, they would include regular airline travel. I can't understand why the Air Transport Association might not be interested in what you are proposing.

Mr. LoFRISCO. Well, the travel agents for many, many years have been unable to understand many of the proposals that have been arrived at, you might add, by the airlines without even prior consultation with tour operators or retail travel agents. They sit down and decide what is best for the travel agents, incorporate that into the agreement and the only place where the travel agent can set forth his views possibly are to the CAB when it comes up for approval. But this requires a tremendous effort by the various associations to act as watchdogs. Once you are faced with an accomplished fact before the Civil Aeronautics Board, it is sometimes difficult to upset that accomplished fact.

Mr. ULLMAN. Are you saying this would require initiative on the part of the Air Transport Association and then approval by CAB?

Mr. LoFRISCO. Yes.

Mr. ULLMAN. But it is your judgment, and you are saying that here, that if this were done you could greatly expand your sales of domestic tours, is that right?

Mr. LoFRISCO. It would be one of the significant factors that would help. I don't think it would be a cure-all but it would certainly help.

Mr. ULLMAN. What else would you recommend?

Mr. GRIMES. We would love to promote the State of Oregon, Congressman.

Mr. ULLMAN. This is what I am getting at.

Mr. GRIMES. But under the present system of course there is not enough promotional money available for our purpose to do so. But I think if we can convince—this is just one little problem, but I think it is important—if we can convince the ATC to change some of the rulings on tours, I think you will find that we will push Oregon like crazy and it will solve many of our problems without going through all the big legislation.

Mr. ULLMAN. I wish you would drop me a memo on exactly what needs to be done because I think this is something, even though it may not come under the jurisdiction of this committee that has a great potential for doing what we are trying to do here.

Now one more question: Switching to the European tour program that you are working on along with others, I am assuming that Europeans will get a totally different tour package than our people would get, possibly a much more desirable and less expensive tour package than Americans, is that right?

Mr. GRIMES. That is right, because of the currency difference.