



American Hotel & Lodging Association

1201 New York Avenue, NW, #600 • Washington, DC 20005-3931
Tel. (202) 289-3120 • Fax. (202) 289-3185 • www.ahla.com

CELEBRATING 100 YEARS OF HOSPITALITY
CONTINUING THE LEGACY

February 3, 2010

President Barack H. Obama
The White House
1600 Pennsylvania Ave., N.W.
Washington, D.C. 20500

Dear President Obama:

Last year, the U.S. lodging and travel industries experienced one of their worst economic declines in decades. While lodging in all areas of the nation suffered losses, certain states and cities were hit harder than others. These areas—including Las Vegas, Nevada—have yet to show sustainable job growth or economic recovery.

As representatives of America's large and small lodging properties we are eager to help your Administration find the best solutions to our nation's economic woes.

Once again I find myself writing in response to negative comments made at your February 2, 2010, town hall meeting in Nashua, New Hampshire, that disparage travel and the American lodging industry. In early March 2009, I sent you a letter asking you and other Washington policymakers to redirect the blame for corporate America's poor financial decisions away from America's 48,000 lodging business owners and their 1.8 million employees.

However, the damage to America's hotels was already done. The public backlash that accompanied this unfair negative perception of America's hospitality industries displayed itself in many forms: companies delayed or cancelled their programs and meetings held in our conference facilities, convention attendance was down, and companies who still held events were second-guessing their decisions to use our facilities. In the first half of 2009, U.S. hotels lost an estimated \$1 billion in revenue from cancelled meetings alone, according to industry statistical information.

Las Vegas, Nevada, continues to suffer from this decline in tourism and events. The city has one of the highest unemployment rates in the country. The state of Nevada heavily depends on tourism and travelers for its economic base, and because Las Vegas' economy continues to remain heavily depressed, the entire state has yet to show any job growth or increased public or private revenue. For the first eleven months of 2009, convention attendance in Las Vegas was down around 25 percent from the same period in 2008, according to the Las Vegas Convention and Visitors Authority.

As you know, your words are extremely powerful and are helping guide our nation through an economic crisis that is affecting our nation at a level we have not seen since the 1930s Great Depression. Last March 11, you said in a White House meeting of hotel and travel

executives that you will be a strong advocate for our industry and for business travel. We still continue to believe that you are America's number one advocate for a strong economy, supporting all its sectors—including that of the travel and lodging industry—creating jobs, making investments, and helping the United States grow stronger once again.

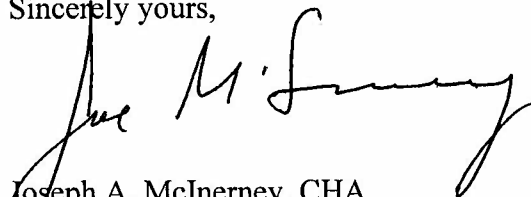
In 2008, hotel guests spent \$536 billion on rooms and hotel goods and services related to events, conferences, and meetings. This sizeable figure also includes the revenue generated by sponsors and attendees attending conventions or meetings at hotels: food purchases, equipment rental, exhibit space and meeting room usage, conference transportation, and hospitality suites.

Our industry's economic multiplier across the nation's economy is vast. The spending last year by guests supported 15.1 million full- and part-time jobs, whose presence ripples throughout local economies as hotels purchase services from area suppliers and their employees use their salaries and wages for housing, food, and clothing. Overall, the guests in our industry in 2008 helped generate in some way about \$1.5 trillion in sales for firms in every industry in every region of the United States. And in 2008 alone, the hotel industry generated nearly \$116 billion in tax revenue for federal, state, and local governments.

America's lodging industry stands with you as you work to rescue our faltering economy and provide incentives for companies to create new jobs. America's hard-working lodging industry owners and employees—and the millions of Americans working in travel-related industries—provide the new jobs and increased revenues that your economic stimulus programs seek to create.

We need to hear from you words that encourage Americans to visit all parts of this vast country, including Las Vegas, Nevada, and support the local economies with their individual economic decisions. But the more you discourage travel through your own statements, the harder the economic recovery will be for our industry and our nation.

Sincerely yours,



Joseph A. McInerney, CHA
President and CEO

Cc: Sen. Harry Reid, Senate Majority Leader (D-NV)
Sen. John Ensign (R-NV)
Rep. Shelly Berkley (D-NV)
Rep. Dean Heller (R-NV)
Rep. Dina Titus (D-NV)
Ms. Elizabeth Vale, Executive Director, White House Business Council