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THREE-YEAR PLAN TO INCREASE TRAVEL BETWEEN JAPAN AND THE U.S. DISCUSSED

HONOLULU, Aug. 27, 2002 – The development and implementation of a three-year plan to increase travel between Japan and the U.S. was the topic of a "Working Group" between a delegation of 55 U.S. and Japanese tourism leaders from public and private sectors that concluded here today.

Led by U.S. Deputy Assistant Secretary of Commerce Doug Baker and Satoru Kanazawa, Director-General of the Tourism Department, Policy Bureau of the Japan Ministry of Land, Infrastructure and Transport, the meeting was the first of the group following the April 19 signing of a historic Memorandum of Understanding (MOU) between the two governmental agencies. The MOU contemplates the creation of a five-year plan, which will be developed in similar meetings over the next two years.

"This is a first step to improving the balance of trade for each country by increasing visitation levels," said Mr. Baker. "Reciprocal travel between Japan and the U.S. is big business and has tremendous impact on both economies. Since last year, we have seen travel between our two countries decrease considerably. Our goal is to leverage the resources of the travel industry and private sector in both countries to renew interest and curiosity among travelers and ensure that the traffic flow between both countries is more balanced."

Mr. Kanazawa stated, "Meetings for the cooperation of tourism exchange between the two countries have been discontinued since 1995. From the resumption of a meeting where tourism leaders from both countries gather, I expect that a variety of significant success would come out. The first aim is to recover the travel demand that had dropped since the 9.11 terrorist attacks. The number of travelers from Japan to the U.S. still remains at a low level, and we should work together towards early recovery. Another issue of a serious interest for Japan is the expansion of inbound travel to Japan from the U.S. In order for the people in the U.S. to have a better understanding of the charms of Japan by visiting our country, I sincerely hope for the active discussion and cooperation by the participants on this matter."

Today's meeting addressed in-bound tourism for Japan and the U.S. from each other's markets. Two working groups were organized, one focusing on in-bound U.S. travel and the other on in-bound Japanese travel. Attention was placed in six topical areas: marketing promotion, product development, public and media relations, research and information, education and training and safety and security. The next steps will be to identify and implement grass roots programs, advertising campaigns, and targeted promotions with special offers. It is expected the final plan will be reviewed annually, and adjusted to reflect existing conditions at the time.

According to the U.S. Department of Commerce, in 2000 alone, Japanese travelers spent nearly \$14 billion in the U.S.—the most of any international travelers. Last year, spending fell by more than 20 percent. Equally important is U.S. travel to Japan. Typically, Japan ranks among the top 10 international destinations for American travelers. In 2000, U.S. residents spent approximately \$9 billion in Japan. In 2001, total spending fell to \$3.4 billion.

The Memorandum of Understanding is the first time the U.S. and Japan signed an official agreement to promote travel between the two countries. The initiative is supported at the highest levels in both the U.S. and Japanese governments, including the offices of President George W. Bush and Prime Minister Junichiro Koizumi, and stems from the efforts of many leaders within the travel industry.

U.S. Japan Tourism Initiative Timeline:

- December 26, 2001 U.S. Secretary of Commerce Donald L. Evans sent a letter to Japan's Minister of Land, Infrastructure and Transport Chikage Oogi saying, "It is important to our economies and our citizens that we work together to reestablish business and leisure travel between Japan and the United States. I am writing to welcome you to the United States."
- February 18, 2002 U.S. President George Bush and Japanese Prime Minister Junichiro Koizumi agreed at a meeting in Japan that the two countries should work together to promote tourism exchange between the U.S. and Japan by dispatching high level missions from Japan consisting of tourism leaders from public and private sectors and by holding large scale events at locations in the U.S. where the Japanese visitation level had heavily declined.
- March 3-6, 2002 U.S. Department of Commerce invited Japanese tourism delegation to the United States. NYC & Company hosted the delegation in New York City and Marriott hosted the delegation at a public-private sector meeting in Washington, D.C. This meeting laid the groundwork for the U.S. Japan Tourism Export Expansion Initiative.
- March 9, 2002 Japan dispatched a mission called "Visit Hawaii 1000" which consisted of 1,000 people including tourism leaders from public and private sectors. Friendship exchange events including performance of traditional arts were held.
- April 19, 2002 Official signing of the U.S. Japan Tourism Export Expansion initiative. U.S. Secretary of Commerce Donald Evans, and Chikage Oogi, Japan's Minister of Land, Infrastructure and Transport, signed the bilateral agreement in Tokyo.
- May 24, 2002 Japan dispatched a mission called "Visit New York 1000" consisted of 1,000 people including tourism leaders from public and private sectors. Friendship exchange events were held in The Metropolitan Museum of Art.
- May 29, 2002 Japanese travel private sector tourism leaders and press delegates attend the See America International Pow Wow conference in New Orleans. U.S. Department of Commerce, Marriott International and Travel Industry Association of America (TIA) hosted briefing on the Tourism Export Expansion initiative.
- August 26 27, 2002 Working groups representing U.S. and Japan travel industry officials meet in Hawaii to draft three-year plan to recapture the loss in travel-related business both countries suffered over the past two years.