June 11, 2015

The Honorable Anthony R. Foxx
Secretary of Transportation
U.S. Department of Transportation
1200 New Jersey Avenue, SE
Washington, DC 20590

The Honorable John Kerry
Secretary of State
United States Department of State
2201 C Street, NW, Room 7226
Washington, D.C. 20520

The Honorable Penny Pritzker
Secretary of Commerce
U.S. Department of Commerce
1401 Constitution Ave., NW
Washington, D.C. 20230

Dear Secretary Foxx, Secretary Kerry and Secretary Pritzker:

We write to you to express our strong and unwavering support for the U.S. government’s Open Skies policy and the 114 existing bilateral agreements. For 20 years, the United States has maintained a strong and steadfast bipartisan commitment to liberalizing international aviation for the benefit of U.S. businesses, international trade and travelers both here and abroad.

The foundation of the explosive growth in international aviation and travel has been the negotiation of Open Skies agreements with 114 countries around the world, including our most important aviation partners in Europe, East Asia and the Middle East. We support this policy of Open Skies that has brought tremendous increases in international air service, reductions in fares and millions of new international visitors to our shores. Open Skies not only benefits the entire travel and hospitality industry, it supports other economic sectors that fuel and facilitate global trade. That includes air cargo, which represents more than 30 percent of the total value of global international trade. In short, Open Skies agreements are essential to the U.S. economy and the 21st century global economy.

In recent years, two of those agreements, those with Qatar and the United Arab Emirates (UAE), have led to a dramatic boost in travel demand and trade by enabling new air service and enhanced competition on international routes to the United States from the Middle East, Europe, South and Southeast Asia and Australia.

At present, Delta, United and American Airlines and their global alliance partners control three of every four transatlantic flights to and from the U.S. In several gateway cities, all three Gulf carriers – Emirates, Etihad and Qatar Airlines – already compete against each other as well as against U.S. carriers and their European partners. Rather than taking away flights from legacy U.S. carriers,
they have added competition. Already the Gulf carriers are developing code-sharing and marketing relationships with U.S. carriers to bring visitors not just to gateway cities but to ancillary markets around the country.

The economic benefits from the Gulf carriers’ participation in our aviation market are large. In 2014, the Gulf carriers brought 140,000 international visitors to the United States, who spent nearly $1 billion here, generating over $2 billion in economic output. Each visitor spends, on average, about $6,600 in the U.S. Spending from every 18 international visitors on just one route (Orlando) will directly support one American job.

Similarly, the Gulf carriers’ expansion has been extremely positive for the revival of U.S. manufacturing. The Gulf carriers collectively have more than 350 planes on order with Boeing, including almost 70 Dreamliners. The orders of one carrier alone have supported over 200,000 jobs over the past decade.

The U.S. Open Skies policy is also essential to our nation’s cargo carriers, which lead the world. All-cargo carriers have greatly benefited from Open Skies agreements, helping to increase American exports of goods and services by developing powerful global route networks. Those networks depend on the favorable rights, including fifth and seventh freedoms, which U.S. negotiators have achieved through Open Skies. U.S. legacy carriers are now challenging those very freedoms, and by implication, the success and connectivity of U.S. all-cargo carriers, by calling for renegotiation of the agreements with the UAE and Qatar.

Despite these impressive economic gains, some U.S. legacy carriers are now calling on the Administration to fundamentally reorder our aviation relationship with Qatar and the UAE by restricting competition, undermining the fundamental purpose of Open Skies. We are gravely concerned that these actions would undermine the Administration’s National Travel and Tourism Strategy and the National Export Initiative. Government ownership of aviation, airports and other transportation sectors is quite common around the world, including with many of our closest allies. Thus, seeking to undermine the agreements we have with Qatar and the UAE needlessly jeopardizes Open Skies agreements with other countries and could deter the signing of future Open Skies agreements with important bilateral transportation partners, such as Mexico and South Africa.

The legacy carriers’ concerns are, in fact, but one piece of a larger puzzle, which has significant implications beyond the six carriers directly involved in the dispute. We believe that decisions regarding the future of Open Skies agreements should be made reflecting the impact on the entire travel, hospitality, manufacturing and transportation industries. We urge you to consider the full impact on the U.S. economy before adopting a policy that would restrict competition and reduce flights to and from the United States.

We also note that the U.S. maintains broad and multifaceted relationships with the UAE and Qatar, including trade, energy, counterterrorism and national security. Those relationships with these emerging powers are too broad and deep to be jeopardized by the interests of just three legacy carriers.

Liberalizing international aviation is good for its own sake. As international travelers ourselves and as concerned business executives interested in lowering barriers to travel and trade, we do not wish to return to an era of regulation or to insert new hurdles into international aviation agreements. We urge you to resist the efforts to reopen the Open Skies agreements with Qatar and
the UAE and instead to reaffirm Open Skies as the foundation of U.S. policy in international aviation.

Respectfully,

Roger J. Dow  
President & CEO  
U.S. Travel Association

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CEO  
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William J. Flynn  
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