

EXHIBITIONS DAY

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Exhibitions Day: Backgrounder JOLT Act

Issue Overview

The Jobs Originated through Launching Travel (JOLT) Act of 2013 is a bipartisan issue that would leverage the benefits of inbound international travel to the United States to increase economic growth, create more jobs, generate additional tax revenue and boost U.S. exports.

- **Modernizing Visa Waiver Program (VWP)** – One of the JOLT Act’s major achievements is expanding VWP beyond the current 38 countries by updating eligibility requirements to allow more travelers from countries closely allied to the United States to travel into the country without a visa for stays of 90 days or less.
- **Easing and Expediting Visa Processing** – The JOLT Act would facilitate the use of secure remote videoconferencing technology for visa interviews and reduce visa wait times by implementing a fee-based premium processing service for interview appointments and aim to interview applicants within 10 days of application receipt.
- **Expanding Global Entry Program** – The JOLT Act would expand the Global Entry program that expedites entry for preapproved, low-risk international travelers.

History of the JOLT Act

House of Representatives (HR. 1354) – Introduced by Rep. Joseph J. Heck (R-NV-3) in March 2013 and has gained more than 150 cosponsors.

Senate (S. 744) – Passed by the Senate (not under the name JOLT) in April 2013 as part of comprehensive immigration reform.

Key Talking Points

The economic contributions of the events and exhibitions industry, and in turn, the country's competitiveness in this space, are at risk if government restrictions on travel into the U.S. are not reduced.

- There are **more than 11,000 exhibitions conducted in the U.S. every year**, attracting nearly **2 million** exhibiting companies. (CEIR)
 - Exhibitions help companies gain access to potential customers and bring buyers and sellers together to create commerce
 - Companies of all sizes rely on exhibitions for sales/contracts that keep them in operation
 - Exhibitions create the revenue needed for companies to hire more employees, invest in new infrastructure and reinvest in their own communities

- Attendees **spend an estimated \$44.8 billion at U.S. events** while exhibitors spend an estimated **\$24.5 billion each year**. (CEIR)
 - Exhibitor and attendee spending helps pay for full- and part-time employment positions in the cities that host them, including room monitors, registration attendants, security and housekeeping
 - Exhibitions also create employment opportunities for audiences outside of the traditional local workforce demographic, such as seniors, students and secondary income seekers

- Direct spending on **business travel by domestic and international travelers totaled \$259 billion** in 2012, including **\$103 billion on expenditures on meetings, events and incentive programs**. (Oxford Economics)
 - Direct spend goes beyond the event itself as all exhibitors and attendees frequent local businesses, dine at local restaurants, rely on local business and services, and use local travel and hospitality providers

Current policies are driving foreign and domestic audiences to shift investments to events in more “traveler-friendly” markets overseas. Simultaneously, international companies are reducing how many representatives they send to the U.S. for exhibitions due to current visa restrictions and regulations.

- Visitor visa issues impede participation in trade shows, acting as a barrier to foreign trade as U.S. companies fail to meet with current or potential prospects. Additional export losses are experienced in the form of lost international visitor spending in the hospitality and meetings industries.
 - **Visa issues precluded 116,000 international participants** from attending U.S. exhibitions. This includes **78,400 international attendees and 37,900 international exhibitors** who were hindered from participating. (Oxford Economics)
 - **44 percent of business travelers say that they would not visit the U.S.** in the next five years due to the difficult entry process. (Consensus Research)

EXHIBITIONS & EVENTS FACTS

Economic Impact: The U.S. exhibitions industry contributes more than **\$79.3 billion directly to the GDP in attendee and exhibitor spending.** (CEIR)

Job Creation: Events and exhibitions support **1.8 million jobs** across the country. (CIC)

Tax Revenue: Meetings as a whole generate **\$88 billion in federal, state and local taxes** each year which funds and supports our communities. (CIC)

Exports: International buyers and attendees **spend an average of \$13,600** when they visit a U.S. trade show, and international exhibitors **spend an average of \$36,100.** (Oxford Economics)

2013 ECONOMIC IMPACT OF EXHIBITIONS IN TOP TEN MAJOR MARKETS

Boston

- **Economic Impact: \$620 Million**
- **Attendees: 770,000**
- **Events: 254 events**

Las Vegas

- **Economic Impact: \$7.4 billion**
- **Jobs: 61,200 jobs**
- **Salaries Supported: \$2.3 billion in salary**

Houston, TX

- **Attendees: 581,980 attendees**
- **Economic Impact: \$462 million**
- **Jobs Supported: 120,600 jobs**

Declining participation in and hosting of exhibitions in the U.S. is a direct hit to the overall economy and local communities.

- Exhibitions provide one of the broadest range of benefits – from educational to professional to commercial – compared to other “business tools” available today
- In 2013, **68 million business professionals attended business-to-business exhibitions.**
 - **69 percent** of attendees visited exhibitions to “shop” (CEIR)
 - Research, networking and business education ranked among the most important reasons for attendance (CEIR)

Reason	Average Importance (7 = Highest)
See New Technology	5.54
Ability to Talk to Experts	5.51
New Product Introduction	5.33
Interact with New Products	5.31
Have Questions Answered on the Spot	5.26
Idea Generation / Planning	5.24
Compare Brands	5.14
Competitive Intelligence	5.12
Solution for Existing Problem	5.12
Gather Info for Upcoming Purchase	5.07

- **66 percent** of professionals attending business-to-business exhibitions know the value these events add to the advancement of their organization and career. (CEIR)

Reason	Average Importance (7 = Highest)
Industry Trend Insight	5.51
Professional Networking	5.3
To Better Job Performance	5.3
Personal Development	5.18
Seminars/Speakers	5.04

- In 2013, more than **2 million organizations exhibited at business-to-business exhibitions.**
- Exhibitions are highly valued to address priority marketing objectives that mean business: (CEIR)
 - Build or expand brand awareness (82 percent)
 - New product or service promotions and launches (80 percent)
 - Brand awareness reinforcement (86 percent)
 - Promotions targeting specific business sectors (73 percent)
 - Existing product or service promotions (72 percent)
- Exhibitions are highly **valued to address top priority sales objectives** that mean business such as relationships management and engagement support with: (CEIR)
 - Existing customers (77 percent)
 - Prospective customers (80 percent)
 - Key accounts (78 percent)
 - Generating new sales leads (77 percent)

Restrictions on government attendees prevent them from being able to do their jobs effectively and has a major impact on the exhibition and events industry as well.

- In May of 2012 the Office of Management and Budget issued regulations requiring federal agencies to reduce travel spend by at least 30 percent by 2016.
 - Much of the savings will come from cancellation of attendance at conferences and events.
- A new bill, H.R. 313, would cap agency travel expenses for the next five years to 70 percent of what it was in 2010.
- The reduction in government agency attendance at events has been found to impact a number of audiences:
 - Nearly three quarters of private sector executives said having government employees present at meetings and events added value to their firms via knowledge transfer.
 - 89 percent of government supervisors believe that government meetings and events benefit citizens.
 - 85 percent of government respondents agreed that meetings and events added value to employee development and training.
 - The savings and efficiencies of bringing the public and private sector together are lost when conference attendance is cancelled, necessitating numerous duplicate meetings at greater net cost.
- Government employees spend almost 20 percent less per day on average at meetings and events than other attendees.
- Strong and effective regulations governing government attendance already exist.

By increasing the number of international travelers participating in U.S. events and exhibitions, the JOLT Act would help reinforce the country's position as a top event market, increase domestic economic growth, create more jobs, generate additional tax revenue and boost U.S. exports.

- Without visa barriers in place, the U.S. economy would realize **increases in business sales tallying \$2.4 billion (\$2.6 billion** including sales to foreign exhibitors).
 - These gains include \$1.5 billion in business-to-business trade, \$540 million in registration fees and exhibition space spending, and a \$295 million boost to visitor spending. (Oxford Economics)
- Removing the barriers to international attendance at U.S. trade events would **boost foreign trade associated with exhibitions by 14 percent.** (Oxford Economics)

Ask Your Member of Congress

Ask your representative to include JOLT in immigration reform and cosponsor the bill.

Ask your senator to ensure JOLT remains in any immigration compromise with the House.