

For Immediate Release
March 28, 2008

EXPERTS OPTIMISTIC ABOUT FUTURE TRAVEL

Global dynamics and the impact on travel insurance examined at fourth annual UStiA Conference

The U.S. will remain the largest travel and tourism industry in the world, despite a downturn in the economy, Jean Claude Baumgarten, President, World Travel & Tourism Conference, told an audience of 135 key travel insurance executives at the fourth annual US Travel Insurance Association Conference held recently at Sanibel, Florida . The conference examined today's changing world and its impact on the travel insurance industry.

Other speakers and panelists including Mark Bergsrud, Vice President, Marketing Programs & Distribution, Continental Airlines; and Bob Sharak, Executive Vice President, Marketing and Distribution, Cruise Lines International Association, were optimistic about the future growth of worldwide travel and the resulting opportunities for travel insurance.

“People are resistant and resilient to economic change. They may put off driving a car, but they will go to Disneyworld,” said Baumgarten, who noted that new parts of the world – especially China and India-- have become major global players. Bergsrud said that airlines such as Continental are answering the call for greater globalization by opening up more direct service to these countries , while Sharak reported that cruise lines are responding by offering new ports of call.

Baumgarten called for a new frame of mind in an increasingly globalized travel industry , and urged corporations to embrace international stakeholders, adding that the US will continue to remain the largest tourism economy in the world, with China second.

Airline & Cruise Industry Changes and Challenges

Responding to the trend toward globalization, Bergsrud remarked that airlines are extending their global reach through alliances with other airlines. Other trends Bergsrud highlighted are the rise of regional jets which are altering the traditional hub and spoke system, the challenge of high fuel expenses, which have surpassed labor costs; and the utilization of design innovations on aircraft to maximize fuel efficiency..

Innovation has been driving the cruise industry, with the largest growth area being family and multi-generational travel, said Sharak. Looking at the changing world of the cruise industry Sharak predicted tight demand due to limited growth and capacity in the near term, saying that the cruise industry expects nearly 13 million passengers in 2008.

Travel Insurance Will Play Important Role

Panelists concurred that travel insurance – from addressing health concerns to security issues – will play an important role for travelers in an increasingly-globalized world, and that education about travel insurance is crucial. Travel agents in particular are interested not only in selling the right product, but in commissions, and it is critical to provide the knowledge and training to enable agents to match the right product to an individual's situation, Vivian Ewart, Senior Vice President and General Manager, World Travel Holdings, told attendees. “Travel agents can be an important partner in the travel insurance industry, but understanding the product and all its complexities are key to a successful partnership,” she said.

Security, Green, and Air Ambulance Service

Charlie LeBlanc, President, ASI Group, an expert on security, told the audience that, although terrorism is not the deterrent it once was, security needs to be factored into the travel experience, and relative risks weighed. Other conference topics highlighted the importance of going green and factoring in environmental considerations and conservation as part of today's business practices. A panel of air ambulance executives presented case studies of rescues that helped save travelers' lives in foreign countries .

About the U.S. Travel Insurance Industry

The U.S. travel insurance industry, which is responsible for \$1.3 billion in annual revenues, protects tens of millions of Americans who travel at home and abroad every year. Unique within the insurance industry, travel insurance offers an unusually broad range of benefits and services bundled together to meet travelers' distinctive needs. Travel insurance can include such assistance services as worldwide emergency hotline services and medical evacuation, along with insurance benefits for cancelled or interrupted trips, medical and dental emergencies, lost or damaged baggage and rental cars, travel supplier bankruptcies and more. Travel insurance is distributed by travel agents, airlines, cruise lines, tour operators, credit card companies, insurance brokers and over the Internet.

About UStiA

Formed in 2003, UStiA's mission is to foster ethical and professional standards of industry conduct, cultivate effective state and federal government relations, inform and assist members and educate consumers. Today the association numbers 63 corporate member companies, among them the leaders in the travel insurance industry.

To become a member, or for more information about UStiA, contact information@ustia.org.

Contact:

Linda Kundell

Kundell Communications

(212) 877-2798

LRKPR@aol.com – or –

Kundellcom@nyc.rr.com