

Foreign travelers flocking to U.S.

By Alex Kowalski, Bloomberg

For Leon Goldberg, the used clothes piling up at the lost-and-found at the New York Marriott Marquis hotel on Times Square are the latest sign tourists are spending.

“People come over with empty suitcases, and we see them leave with full suitcases,” while abandoning their older garments, said Goldberg, the director of sales and marketing at the 1,957-room hotel.

Spending by overseas visitors on everything from airfares to hotel stays climbed 8.1 percent over the 12 months ended in May to \$13.9 billion, figures from the U.S. Commerce Department show. The increase was almost double the 4.2 percent gain in total exports. Purchases by foreign tourists count as exports, which have been among the mainstays of the three-year economic expansion.

More Latin American and Asian visitors are offsetting a slowdown in trips from Europe, where a weaker euro is making travel to the U.S. more expensive. The pickup in tourism, which Federal Reserve Chairman Ben S. Bernanke called a “bright spot” in the economy, is benefiting companies such as Marriott International Inc. (MAR), City Pass and San Francisco Shuttle Tours and bolstering the labor market.

“Tourism has been an over-performer,” said Chris Lafakis, a senior economist at Moody’s Analytics Inc. in West Chester, Pennsylvania. “This is an industry that’s fully recovered from recession.”

Victoria Varraza, who is visiting Washington from Culiacan, Mexico, said yesterday her family comes to the U.S. to shop.

The 22-year-old said her parents book their hotel, airfare and activities with Expedia Inc. or Travelocity Holdings Inc.

Read the whole story