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A passenger waiting to check in at C&T Charters, one of seven or eight companies that fly from Miami International Airport to Cuba. Round trips cost about \$500.

## Charter Companies Flying to Cuba Thrive

By **DAMIEN CAVE**

MIAMI — The crowd of Cuban-Americans pressing against the airport ticket counter scorned those on the other side. Only a handful of American charter companies have landing rights in **Cuba**, and with the new White House policy letting Cuban-Americans visit relatives there as often as they want, ticket prices have become political.

“I paid \$600 for a 45-minute flight,” said Carelis Sabatela, in loud Spanish, before checking in with a cart of heavy luggage. “It’s very high, super excessive.”

Like many in line, she called for more competition, but as the current boom in reservations shows, this is not a normal business. Who flies and how much they charge is intimately tied to the 50-year feud between Cuba and the United States. Experts describe these charter companies as byproducts of a dysfunctional back-and-forth that has not ended — and that now promises to provide millions of dollars in profit to a politically savvy few.

“The system exists solely because the relationship between Cuba and the United States doesn’t exist in its normal form,” said John S. Kavulich II, a senior policy adviser for the U.S.-Cuba Trade and Economic Council, a nonpartisan group that tracks trade activity in Cuba. “You have an abnormal service environment directly because of abnormal relations.”

Today’s charter companies began in the late 1970s during a period of warming relations, and most owners figured that their role would be temporary. The companies survived not just because Fidel Castro and the American embargo kept larger carriers out; many of the owners have also played both sides, deploying money and favors under the cover of dual identities that let them connect with Cuban leaders one minute, Americans the next.

John Cabanas, of C&T Charters, is perhaps the least known but the most powerful owner in a group that includes Vivian Mannerud, who followed her father into the business after he was convicted in the 1980s of “trading with the enemy,” in part for taking four Pepsi machines to Cuba; and Francisco Aruca, owner of Marazul Charters, who sneaked out of a Castro-run prison dressed as a child, but now praises Cuba on his Miami radio show.

A large man, quick to laugh and partial to linen Guayaberas with a gold plane pinned to the collar, Mr. Cabanas, 66, grew up in Key West, Fla., but spent 28 years in Cuba. He says his company is the largest of the seven or eight that fly there regularly.

Certainly since the new White House policy was announced last month, business is booming. “We used to send 15,000, 16,000 people a year,” Mr. Cabanas said. “Now I’ll probably handle 40,000 or 50,000.”

He insists that his prices — though at least double the cost of flying to the Bahamas — are fair when seen in context. In his view, customers like Ms. Sabatela, who was traveling on a C&T flight to Camagüey, fail to appreciate the industry’s challenges.

The past decade has been especially tough. The cost of fuel and jet rentals have increased while the Bush administration’s tighter travel restrictions in 2004 halved the number of legal American visitors from a peak of 135,000 in 2000, according to the U.S.-Cuba Trade and Economic Council. The government has also demanded reams of paperwork from the charter operators, proving that they have complied with various rules — which led in part to a \$125,000 penalty settlement that C&T paid in 1999.

The Cuban government has demands as well: it prohibits the charters from hiring in Cuba, and charges \$100 to \$133 per passenger for landing rights, baggage claim and other services.

Mr. Cabanas admits that the industry is “very controlled.”

“My business is business,” he said. “But it depends on politics.”

His office illustrates the point. In a back conference room, photographs on the walls show him with four very different leaders: Barack Obama, George W. Bush, Fidel Castro and Alvaro Uribe, the president of Colombia.

Since returning to Florida in the late ’90s, Mr. Cabanas has also spread more than \$145,000 in campaign donations across the political spectrum. “Right now, I support Barack Obama,” he said, “even though I’m a Republican.”

Mr. Cabanas had just come from a Cinco de Mayo party at the White House, but his connections and charm have done nothing to alter the controversial basics of his business.

The industry “is in essence a protected monopoly,” Mr. Kavulich said. “There are a finite number of people in the marketplace, and you have to have the Cuban government’s authorization.”

Cuban officials, he said, want as few companies as possible, and “if they can’t Google you and find you’ve opposed the commercial, economic or political position of the United States, you’re not likely to do any business.”

That means approved operators earn a lot during open moments. A recent poll by Bendixen and Associates found that about 240,000 Cuban-Americans plan to travel to Cuba by the end of 2010.

If round-trip tickets continue to hover around \$500, with a 10 percent markup, that would be around \$12 million in profit.

In interviews, several charter operators described their flights as humanitarian and insisted that politics did not enter into conversations with Cuban officials.

They all oppose the embargo, which puts them squarely in line with the stated desire of Cuban officials, but also with a growing swath of the 1.2 million Cuban-Americans in the United States.

And yet, many here see the companies' owners as relics of a past they would like to get beyond. For Cubans, the charters' prices and profits are pinpricks in a wound that has not healed.

Conservatives still accuse the charters of being collaborators.

"They are a virtual cartel that control the travel sector from the U.S. to Cuba, charging egregious fees in collusion with Cuban authorities," said Mauricio Claver Carone, director of the U.S.-Cuba Democracy PAC in Washington.

More moderate Cuban-Americans are only slightly kinder.

"Do they charge more than they should? They do," said Andy S. Gomez, a senior fellow at the Institute for Cuban and Cuban-American Studies at the University of Miami. "Are there any other alternatives? None."

Well, not yet, but momentum for broader changes in Cuba policy has been building. Last week, Orbitz, the online travel company, began offering a \$100 coupon for a vacation in Cuba to everyone who signed an online petition urging leaders in the United States to give all Americans the freedom to visit.

Jose Fernandez, one of the dozens waiting here to board a C&T flight to Cuba, said he would welcome new alternatives. "The prices," Mr. Fernandez said, "are out of balance with the moment."

## St. Paul Legal Ledger

St. Paul, Minnesota

14 May 2009

Saint Paul Legal Ledger

Capitol Report



### From Minnesota to Cuba

By Betsy Sundquist

May 14, 2009

Jesse Ventura's not the only Minnesotan who's got his eye on Cuba.

The former governor, who lobbied this week on "Larry King Live" to be appointed ambassador to Cuba if and when the two countries resume trade relations, might want to prepare himself by checking out an upcoming seminar hosted by the Minnesota Trade Office: "Cuba: Opportunities, Cautions, Myths and the Political Landscape."

The June 22 seminar is aimed at companies and their employees who want to learn about the

commercial, economic and political landscape between the U.S. and Cuba.

John S. Kavulich II, who from 1994 to 2005 served as president of the U.S.-Cuba Trade and Economic Council, a private, nonprofit U.S.-based organization that focuses on economic relations with Cuba, will be one of two speakers at the seminar. Kavulich has been a senior policy adviser to the group since 2005 and is editor in chief of its publication, Economic Eye on Cuba.

The other speaker will be Robert S. Muse, a Washington, D.C.-based attorney with substantial experience in U.S. law as it relates to Cuba. He has testified on legal issues involving Cuba before U.S. Senate and House committees, the Foreign Affairs and International Trade Standing Committee of the Canadian House of Commons and the External Economic Relations Committee of the European Parliament. He has delivered papers on the Helms-Burton Act and other U.S. embargo laws pertaining to Cuba at a number of conferences.

Last month, President Obama announced changes to existing regulations focusing on travel for Americans of Cuban descent, family remittances and development of the telecommunications sector. The president said he believes the changes will promote the free flow of communication and humanitarian aid to the Cuban people, and allow Cuban-Americans to travel freely to Cuba to visit family members and send unlimited money to relatives there.

The seminar is scheduled from 1 to 3:30 p.m. June 22 in Suite E200 of the Minnesota Department of Employment and Economic Development, located on the skyway level of the First National Bank Building, 332 Minnesota St. in St. Paul.

The fee is \$25 for pre-registrations and \$35 for registration at the door, though advance registration is recommended. For more information, contact Rachel Limon at (651) 259-7492 or (800) 657-3858, or via e-mail at [rachel.limon@state.mn.us](mailto:rachel.limon@state.mn.us).

# **El Nuevo Herald**

## **Miami, Florida**

### **9 May 2009**

#### **Campaña en internet para que los estadounidenses puedan viajar a Cuba**

JULIE JOHNSON / The Chicago Tribune

En una mezcla de comercio con política, Orbitz Worldwide ha lanzado una campaña dirigida a conseguir que el Congreso revoque la ley que prohíbe a la mayoría de los estadounidenses viajar a Cuba.

A partir del domingo, en la página electrónica [www.opencuba.org](http://www.opencuba.org), los visitantes de Orbitz podrán pedir a la Casa Blanca, a la secretaria de Estado Hillary Clinton y a los legisladores que eliminen las viejas restricciones al comercio y los viajes a la isla.

Las aerolíneas, líneas de crucero y los operadores de turismo están ansiosos de comenzar a operar en la mayor de las Antillas.

El presidente Barack Obama reanimó sus esperanzas al alentar un diálogo con el gobierno cubano y eliminar restricciones a las visitas familiares de los cubanoamericanos, establecidas por George Bush.

Pero no es en absoluto seguro que el Congreso revoque la prohibición de viajar, que se remonta al gobierno de John F. Kennedy y que sigue siendo un tema sumamente espinoso. El gobierno de Obama no ha presionado al Congreso sobre este tema y sus opositores dicen que sería una locura hacerlo sin que Cuba realice reformas significativas.

Aprovechando lecciones de la campaña presidencial de Obama, Orbitz trata de conseguir una base de apoyo para abrir los viajes a la isla apelando directamente a los 14 millones que visitan mensualmente su página de internet.

"Queremos organizar a nuestros clientes y a otras partes interesadas para llegar a Obama y a otros funcionarios", dijo Barney Harford, de 37 años, el enérgico presidente y director general de Orbitz.

Harford, ciudadano británico, se enamoró de la cultura y la música cubanas durante un viaje a La Habana y sus zonas aledañas en 1997.

"Es un país mágico", dijo.

Orbitz ha creado una campaña en internet. Estimulado por una visita a la Casa Blanca en marzo, Harford decidió movilizar su compañía tras una causa social y escogió a Cuba. Sus ingenieros crearon el sitio en sólo dos semanas.

En su apresuramiento, Orbitz no ha solicitado el apoyo de los líderes cubanoamericanos, aunque Harford dijo que sería su próximo paso.

Por supuesto, corre el riesgo de que la gente piense que, en realidad, sólo le interesa lucrar. Como no puede vender viajes a Cuba, Orbitz ganaría mucho si se levantara la prohibición. Los que cabildan a través del nuevo sitio recibirán un cupón de \$100 para unas vacaciones en Cuba, redimible si se levanta la prohibición y Orbitz puede vender legalmente viajes y paquetes de giras a la isla. Orbitz es la segunda agencia de viajes en Internet.

"Ciertamente, algunos pensarán que Orbitz es un craso ejemplo de mercadotecnia empresarial a costa de los que están en Cuba y no tienen la libertad de viajar, no tienen acceso a internet ni pueden expresar sus opiniones", dijo John Kavulich, asesor político del Consejo Económico y Comercial Estados Unidos-Cuba, que brinda información comercial sobre la isla.

"Existe el riesgo de una reacción negativa de ciertos grupos de intereses", reconoció Harford. "Pero los dirigentes dirigen. Si recibimos algunas críticas por eso, es parte de ser líder".

Sin embargo, Orbitz enfrenta muchos obstáculos. Dado su carga de trabajo en este período de sesiones, es probable que los líderes legislativos no aborden el tema de los viajes a Cuba.

Además, los hermanos Castro tienen un historial de socavar las aperturas de Estados Unidos con acciones deliberadamente provocadoras, que pudieran debilitar aun más la voluntad de los legisladores. Aunque, según una encuesta encargada por Orbitz, dos terceras partes de los estadounidenses apoyan el fin de la prohibición de los viajes a Cuba, sus opositores son poderosos y están bien organizados.

La Fundación Nacional Cubano Americana, una destacada organización radicada en Miami y dedicada a mejorar los derechos humanos en Cuba, está contenta de que Obama haya levantado las restricciones a las visitas familiares de los cubanoamericanos. Pero se opone a permitir la entrada de turistas estadounidenses hasta que el régimen cubano conceda a los cubanos las libertades de las que gozan los demás países del continente.

"Creemos que esto no ayuda en lo más mínimo al pueblo cubano", dijo el Francisco "Pepe" Hernández, presidente de la Fundación. "Sólo va a ayudar al gobierno cubano".

Con todo, los observadores piensan que la libertad de viajar entre ambos países es sólo cuestión de tiempo.

"Estamos en el 2009", dijo Delvis Fernández Levy, presidente del Cuban American Alliance Education Fund, que apoya el levantamiento de las prohibiciones comerciales y de viajes. "Es hora de iniciar una nueva era".

Pero aunque se revoque la prohibición, es probable que Cuba restrinja los viajes en el futuro inmediato, dijeron los expertos. Es probable que el gobierno cubano restrinja las visas con la esperanza de impedir que los turistas puedan fomentar el descontento.

Otro gran reto para Cuba es que tiene pocos hoteles de lujo y que, en el apogeo de la temporada, se llenan con turistas de otros países.

"Sí, pueden comenzar los vuelos, pero ¿qué va a hacer la gente cuando llegue?", preguntó Kavulich. "Habrá un abismo entre las expectativas y la realidad. Desafortunadamente, Cuba va a salir perjudicada por eso".

# Chicago Tribune

## Chicago, Illinois

### 9 May 2009

## **Cuba: Fantasy island for Orbitz?**

**Chicago-based travel site launches Web campaign seeking to overturn the U.S. government's longtime travel restrictions to Cuba**

By Julie Johnsson  
Tribune reporter

Blending commerce with politics, Chicago's Orbitz Worldwide is launching a campaign this week aimed at getting Congress to reverse a law that prohibits travel to Cuba for most U.S. citizens and green-card holders.

Starting Sunday through a Web site at [www.opencuba.org](http://www.opencuba.org), Orbitz visitors can petition the White House, Secretary of State Hillary Clinton and members of Congress to eliminate the decades-old trade and travel restrictions.

American airlines, cruise and tour operators are eager to launch travel to the Caribbean's largest island, known for distinctive architecture, friendly people and stunning beaches.

President Barack Obama raised their hopes by encouraging a dialogue with Cuba's communist regime and by removing restrictions on family visits by Cuban-Americans enacted by his predecessor.

But it is by no means assured that Congress will take the next step and repeal the Kennedy-era ban on travel, which remains a prickly political issue. The Obama administration isn't pushing Congress to act on the measure, and opponents say it would be folly to do so without significant reforms by Cuba.

Borrowing a page from the Obama presidential campaign, Orbitz is trying to build grass-roots support for opening travel to the island by appealing directly to the 14 million monthly visitors to its Web site.

"We want to organize our customers and other interested parties to reach out to Obama and other government officials," said Barney Harford, 37, the energetic president and chief executive of Orbitz. A British national, Harford became enamored with Cuban culture and music during a 1997 trip to Havana and surrounding areas. "This is a magical country," he said.

Orbitz created its Cuba campaign in Internet speed. Energized by a White House visit with the president in March, Harford decided to rally his company behind a social cause and selected Cuba. His engineers built the Web site in just two weeks.

In its haste, Orbitz hasn't solicited support from Cuban-American leaders, although Harford says that is next on its agenda.

And it risks being seen as exploitative, since Orbitz is prohibited from selling travel to Cuba and stands to profit should the ban be lifted. Those who lobby via the new site will receive a \$100 coupon toward a Cuba vacation. It would be redeemable if the travel ban is lifted and flights and tour packages can be sold legally by Orbitz, the second-largest online travel agency.

"There certainly will be some who position what Orbitz is doing as a crass example of corporate marketing at the expense of those in Cuba who are not free to travel, not free to have access to the Internet to voice their opinion," said John Kavulich, senior policy adviser for the U.S.-Cuba Trade and Economic Council, which provides commercial information about Cuba.

"There's a risk that there may be backlash from narrow interest groups," Harford acknowledged. "But leaders lead. If we take a few bullets for this, that's part of being a leader."

Orbitz faces many hurdles, however. Given their heavy workload this session, congressional leaders may not get to legislation involving travel to Cuba.

Moreover, the Castro brothers have a history of undermining U.S. overtures with exquisitely timed acts of provocation, which could further weaken lawmakers' resolve, observers noted. Although two-thirds of Americans support ending the travel ban, according to a poll commissioned by Orbitz, opponents are powerful and well-organized.

The Cuban American National Foundation, a prominent Miami-based organization intent on improving human rights in Cuba, is glad Obama lifted restrictions on family visits to the island by Cuban-Americans. But it opposes allowing other tourists into the country until the Castro regime grants Cuban citizens freedoms taken for granted elsewhere in the Americas. "We believe this is not going to help the Cuban people, whatsoever," said Dr. Francisco "Pepe" Hernandez, foundation president. "It's only going to help the Cuban government."

Still, observers think it is only a matter of time before travel is fully opened between the two countries. "This is the year 2009," said Delvis Fernandez Levy, president of the Cuban American Alliance Education Fund, who supports easing trade and travel bans. "It's time to start a new era."

But even if the ban is abolished, Cuba is likely to constrict travel for the near term, experts said. Cuba's leadership is likely to restrict travel visas in the hope of thwarting visitors who might foment discontent.

Another major challenge for Cuba is that it has few hotels with luxurious accommodations, and those fill up during peak seasons with tourists from other parts of the world.

"Yes, you can put people on the planes, but what's going to happen when they get there?" asked Kavulich. "There's going to be a massive distance between expectations and reality. Unfortunately, Cuba's going to be harmed because of that."

Waiting in the wings for Cuba to open up are companies such as United Airlines, which holds far more international travel rights to the island nation than any other American carrier. It inherited those rights when it purchased Pan Am's Latin American routes in the early 1990s.

If the ban is lifted, United could fly, or sell, 31 routes that it controls between the U.S. and Cuba, including the potentially lucrative New York-Havana and Miami-Havana routes, according to the Department of Transportation.

Chicago-based United won't disclose its plans for serving the island.

"Right now, we are monitoring the dialogue," said spokeswoman Robin Urbanski.

Atlanta-based Delta Air Lines holds rights to five routes between the two countries; Houston's Continental owns rights to two routes.

Filling up flights shouldn't be an issue. Online guides to Havana and other parts of Cuba remain one of the most popular features offered by iExplore, a Chicago-based adventure travel site, even though Americans aren't allowed to travel to Cuba unless they fit the narrow commercial or humanitarian criteria set by the Treasury Department's Office of Foreign Asset Control.

Travel agents face fines for booking trips to Cuba, even if bookings are handled by overseas subsidiaries.

"They can currently learn about Cuba and fantasize and dream about the travel to Cuba," said Todd McClamroch, iExplore's CEO. "But we're waiting for them to open up the door so we can start selling Cuba."

# **The Washington Post**

## **Washington, DC**

### **4 May 2009**

## **Virginia, Maryland Prepare for Cuban Detente**

By Fredrick Kunkle  
Washington Post Staff Writer

Virginia and Maryland trade officials, sensing winds of change in the tempestuous relationship between the United States and Cuba, are hustling to build markets for their goods in the event two countries normalize relations further.

Virginia agriculture has already benefited from the relaxation of the 47-year-old trade embargo with Cuba, increasing exports from less than \$1 million to \$40 million in five years. Maryland has been developing farm trade in Cuba, though so far on a more modest scale. Last year, Maryland spent \$6,000 on a trade mission that sewed up a \$12.8-million deal on soybeans.

"There's just a lot of excitement," said Todd P. Haymore, commissioner of the Virginia Department of Agriculture and Consumer Services. "We feel certain that things are going to happen based on what the Obama administration has already done -- just the fact that we're talking about changing policies in place for 40 years or more."

Even the Cuban American National Foundation, a Miami-based organization that applied its political clout to keeping the door shut to Cuba, has reconsidered the embargo.

"If you look at the last few years, I think the door has already been about wide open," said Francisco "Pepe" Hernandez, the group's president.

Virginia made its first deals with Cuba under former governor Mark R. Warner and now ranks sixth among U.S. states exporting to Cuba, Haymore said. In 2003, the commonwealth shipped \$838,009 worth of soybeans and apples to Cuba. That marked the first such export from Virginia to the island since the U.S. embargo was imposed in 1962. Last year, Virginia tallied \$40.7 million in exports to Cuba, including pork, apples and soybeans.

The commonwealth's deep-water port in Chesapeake is also a conduit for the region. Maryland, which no longer has the capability to ship soybeans from Baltimore, also sends shipments to Cuba through Virginia. Dulles International Airport is an important hub too, moving nearly \$1 million worth of goods to Cuba in 2008.

Haymore, who traveled to Cuba twice in 2007 and 2008, said in an interview that he anticipates greater trade in poultry, wood products and livestock. Virginia's wineries also hope to crack the Cuban market, Haymore said. The new markets are vital to an industry that remains Virginia's largest, pumping \$55 billion a year into the economy while also preserving open land.

"If we could open a new line of trade with Cuba, that would be good for everybody," said Cameron Gibson, a soybean farmer in Orange County, Va., who sells to the Perdue processing plant in Chesapeake.

President Obama signaled an interest in warmer relations with a modest step on easing travel restrictions for Cuban Americans and allowing U.S. telecommunications firms to invest in Cuba. Cuban President Raul Castro seemed to reciprocate the goodwill when he said that everything was on the table for discussions, including human rights.

Late last month, however, former president Fidel Castro, who still wields enormous influence, accused Obama of misinterpreting his brother's remarks and bristled at calls for a wide-ranging debate or the release of political prisoners, casting doubt on the leadership's intentions for detente.

Some Americans, too, are uneasy about dealing with Cuba's repressive leadership.

"That's always been one of the issues -- whether we should be trading with a regime like the one that currently exists in Cuba," said Dick Atkinson, executive director of the Virginia Soybean Association. "It's something for strong debate."

President John F. Kennedy imposed the comprehensive trade embargo in February 1962 in retaliation for the seizure of U.S. property by Fidel Castro's new government. Thanks to lobbying from farm lobbyists, the Trade Sanctions Reform and Export Enhancement Act of 2000 allowed a narrow trade of food products and medical goods. The first shipment to Cuba contained corn sold by Archer Daniels Midland, the Decatur, Ill.-based agricultural conglomerate. By 2004, the United States had supplanted Europe as the top exporter to Cuba.

In 2005, the Bush administration again tightened restrictions. These required cash payments for U.S. exports to Cuba before the goods left port or financing through letters of credit guaranteed by financial institutions in a third nation, usually in Europe.

Attitudes are shifting. Hernandez said his group changed its position because Fidel Castro has shown signs of exiting his unrivaled position of power and because the standard of living has plummeted in Cuba in recent years. The Cuban American community's support for sanctions against Cuba also has waned.

But John S. Kavulich II, senior policy adviser for the U.S.-Cuba Trade and Economic Council, said state officials and private businesspeople should be wary about rosy predictions of Cuban trade. He argued that a significant reason U.S. exporters have been pleased about the trade is because of the existing financial restrictions that ensure they receive payment for their goods.

"This is still a bankrupt country," Kavulich said.

# The Miami Herald

Miami, Florida

3 May 2009

## Selling trips to Cuba once was deadly

U.S.-CUBA TRAVEL

Selling trips to Cuba once was deadly

Cuba travel agencies appear to have put their troubled past behind -- and business is booming thanks to the new relaxation of travel restrictions to Cuba. But it all began with a murder 30 years ago.

BY LUISA YANEZ, DOUGLAS HANKS AND LAURA FIGUEROA

There was a time when advertising Viajes a Cuba on a storefront was an invitation to a pipe bombing.

In the politically charged Miami of the late 1970s and '80s, the FBI investigated more than a dozen blasts at Cuba travel agencies -- considered nests of Communist agents by staunch anti-Castro exiles.

Selling tickets to Havana could even get you killed. That's what happened to Carlos Muñiz Varela, a 26-year-old exile living in Puerto Rico who opened the first Cuba-approved travel agency. Thirty years ago this week, he was gunned down in San Juan. But times have changed, and the travel agencies today worry little about political retribution.

"They want to call me a communist -- thank you very much," said a strident Francisco Aruca, the owner of Marazul Charters. Aruca, also a Miami radio host, is one of the more outspoken of the seven agency owners who book charters to Cuba. They all have permission from Cuba and the U.S. Treasury Department.

The long-standing and sometimes violent clashes between exiles who oppose anyone doing business with the island have disappeared -- welcome news to the agencies, where business has been booming since last month, when President Barack Obama lifted restrictions on Cuban Americans wanting to travel or send money to relatives on the island.

Armando Garcia, president of Marazul Charters, points no further than the windows of his Westchester storefront as indication that the climate for trips to Cuba has changed. More than a decade ago, he had to install bullet-proof glass following a 1996 bombing that nearly gutted the store, which is across the street from The Falls on South Dixie Highway.

It was one of several bombing attempts against the company's three South Florida stores. "People were scared for their lives," Garcia said. "None of the employees wanted to tell relatives where they worked for fear of retribution."

## OUT OF THE SHADOWS

Now customers sit in a row of chairs edged up against the window. Perception of those who travel to Cuba has also changed; it's no longer a dirty little secret.

"A lot of people were scared of telling their neighbors and friends -- they would lie about where they were going on vacation," Garcia said.

Miguel Saavedra, head of Vigilia Mambisa, a group that continues to picket those who do business with Cuba, said the travel agencies feed off Miami's poor exile community. "Cuban exiles are victims of these agencies who prey off people traveling to see relatives by charging them exorbitant amounts of money that goes to the Cuba government," Saavedra said. "These agencies make a pact with the devil."

Bad blood between exiles and the Cuba travel agencies erupted in earnest in 1978 after a group of Miami Cubans, who became known as the Comité de 75, visited the island and negotiated with Fidel Castro for the release of 3,600 Cuban political prisoners.

## NEW DEAL

More significantly, they also negotiated for travel to the island on what were called viajes de la comunidad -- for the first time, trips by exiles to visit Cuba.

The deal created a need for agencies to open for business in Miami, New Jersey and Puerto Rico. Cuba jumped in, creating Havanatur, a government agency charged with overseeing the venture with the U.S. travel agencies. But Aruca said Cuba originally had bigger plans. Cuban officials thought large American companies would jump in to book passage to the island -- much like they did before the 1958 Cuban revolution.

"They were ignoring the public relations aspect that many of these bigger companies would not want to get in the middle of U.S. and Cuban affairs," Aruca said. "Once Cuba realized that no big travel outfits were signing on to coordinate trips, they realized they should work with the smaller Cuban-American businesses."

The down side: The small agencies became a magnet for anti-Castro anger.

George Kiszynski, a special agent for the FBI in Miami during the late 1970s and '80s, was caught in the middle, assigned with stopping the rash of bombings. The bombings soon spread from the travel and packages-to-Cuba agencies to consulates of countries that did business with Cuba, and to persons believed to support the Cuban government and even the FBI and state attorney's offices in Miami.

"The interesting thing is that there were many bombers, not just one. That made it more difficult," said Kiszynski, now director of investigations for the Ackerman Group. It became so

hectic, he created an ad hoc task force with other local law enforcement agents. ``We were pretty successful in arresting many of the bombers."

Most of the bombs were set to go off in the early morning. "If one had gone off during the day, it could have killed someone," he said. In Miami, no one was killed.

## SHOOTING DEATH

In Puerto Rico, Muñiz was not as fortunate. With the blessing of Cuba, he had wasted no time scheduling the first flight through Viajes Varadero in December 1978.

Although he was only in his 20s, Muñiz was a dedicated political activist who supported Puerto Rican independence. He was a member of the leftist Antonio Maceo Brigade, said his best friend, Raúl Alzaga Manresa, current owner of the company.

Viajes Varadero made its inaugural flight with about 90 people aboard; Muñiz was among the passengers.

Four months later, he was shot in the head as he drove to his mother's house in San Juan. No arrests have ever been made. "There had been threats, and our office had been bombed, but I guess we were too young to take the danger seriously; it was a mistake," Alzaga said.

The anniversary of Muñiz's death is being marked this week by Cuban government news sites.

"I don't like to use the word martyr, but I guess you can call Muñiz our martyr in the Cuba travel industry. He was the first and the only one directly killed over it," Aruca said.

For those agencies in business with Cuba, there are rules to follow. Initially, the travel companies had to follow conditions set by Havanatur -- among them, all flights had to be purchased with a seven-day stay in one of the state-run hotels.

Eventually agency owners were able to bargain to only require one night's stay in a hotel, and by the 1990s the hotel requirement was lifted.

Aruca said Marazul charged customers the cost of the flight and hotel stay, but barely broke even.

In the 1990s, travel agencies diversified by seeking out organizations, sports teams and schools that wanted to travel to Cuba for humanitarian and educational reasons, Aruca said.

Despite the domestic political controversy, winning permission from Washington for the flights is considered the easy part of the equation, said John Kavulich II, president of the U.S.-Cuba Trade and Economic Council. "From the U.S. side, if you meet the criteria, you cannot be denied. There isn't a quota," Kavulich said.

On the Cuba side, it's another story.

"The Cuban government is going to favor those operators who have stated publicly that they oppose certain U.S. policies" -- like Washington's trade embargo against the island, Kavulich said.

"They'll Google you," he added. ``Have you written letters, have you given testimony, have you been in the media opposing what the Cuban government feels are policies doing [Cuba] a disservice?"

# Atlanta Journal-Constitution

Atlanta, Georgia

23 April 2009

Business

## Flights to Cuba on airline's radar

By [Kelly Yamanouchi](#)

AirTran Airways wants to be one of the first airlines to operate scheduled flights into Cuba if restrictions on tourism to the country are eased, chief executive Bob Fornaro says.

"It's a very pretty country, and the curiosity level as well as the ethnic flying back and forth is going to be substantial," Fornaro said Wednesday. AirTran is based in Orlando and has its largest hub in Atlanta.

President Barack Obama earlier this month lifted restrictions on Cuban-Americans' visits to Cuba. If broader travel is also eventually allowed, "We'd like to be one of the first ones for scheduled flights, and certainly that would include Atlanta and probably other points in Florida as well," Fornaro said. "I think a lot of airlines are going to have a lot of interest."

Atlanta-based Delta Air Lines considers it premature to say if it would serve Cuba, "based on the fact that we don't know how any changes would be structured in the future" for tourism, spokesman Kent Landers said.

AirTran has operated charter flights from Miami to Havana with tour operators in past years.

John Kavulich, senior policy advisor of the U.S.-Cuba Trade and Economic Council, warned that the opening of the Cuba market for U.S. tourism "is quite likely to be some time off."

"It isn't all about U.S. policy toward Cuba, it's also about Cuba policy toward the United States," he said.

If restrictions are lifted, being among the first carriers with scheduled flights into Cuba may not be easy.

"There's a couple of things to consider with Cuba," Fornaro said. "What's the quality of facilities and the hotels? How much tourism can it take?"

He added, "a lot of development needs to occur."

**Reuters Americas**  
London, United Kingdom

**15 April 2009**

- \* Obama move opens door a crack but not all the way**
- \* Port in Cuba seen as boon to US-based cruise lines**
- \* Pent-up demand after 50 years of US embargo**
- \* But where would hordes of tourists eat lunch?**

Cuba on horizon but U.S. travel industry cautious

By Deepa Seetharaman and Kyle Peterson

NEW YORK/CHICAGO (Reuters) - The U.S. leisure industry could reap rich rewards if lawmakers relax Cuban travel bans, but industry experts warn that several hurdles still block a potentially huge payday for cruise companies, hotels and airlines.

Earlier this week, President Barack Obama opened a crack in the decades-old U.S. embargo against Cuba, allowing American telecommunications firms to start providing service for Cubans and lifting restrictions on family ties to the island.

The move marked a major shift from the prior approach to Havana, as Obama ended limits on family travel and money transfers by Cubans in the United States to their homeland and spurred hopes that loosened travel restrictions could be next.

But experts warn there is little clarity on if and when limits on commercial trade will be lifted. Some expressed doubts about Cuba's ability to handle the potential deluge of thousands of U.S. tourists.

"The hype about U.S. tourism in Cuba far exceeds the existing infrastructure," said John Kavulich, senior policy adviser for the U.S.-Cuba Trade and Economic Council.

The travel industry has long eyed Cuba as a desirable destination for American tourists. The country's capital city, Havana, is little more than 200 miles from Miami, the home base of two of the world's largest cruise ship operators: Royal Caribbean and Carnival Corp.

A port in Cuba would be a boon for these companies as they can offer new trips at minimal fuel costs and jump-start demand for more cruises to the Caribbean, a key market.

Americans "have not seen Cuba in 50 years," said Jay Lewis, president of the Miami-based cruise consultancy Passenger & Shipping Institute. "There is a great allure of the unknown."

European cruise operators have offered trips to Cuba for years and Kavulich said 2 million tourists journey to the island nation each year.

In the past decade, both Royal Caribbean and Carnival have bought European companies that have at one point offered routes to Cuba. In 2000, Carnival bought Italian company Costa Cruises, and Royal Caribbean acquired Spanish cruise ship operator Pullmantur in 2006. Both businesses stopped offering Cuban trips when they were bought.

"We have a pretty good idea about the infrastructure there because of the European lines that we acquired previously," said Tim Gallagher, Carnival spokesman.

Cruise lines will likely benefit first, some experts said, because it can take years to build up resort-style hotels on shore. Even so, capacity questions remain.

"If you have a 2,000-passenger cruise vessel at the port of Havana, at some point they're going to want to have lunch," Kavulich said.

"There are three restaurants -- how are you going to feed 2,000 people at one time?"

#### AIRLINES STAND TO BENEFIT

Obama directed the U.S. government to look at sending regularly scheduled commercial flights to Cuba. Air travel between the two countries is now limited to charter flights.

Demand for air travel between the United States and Cuba is unclear, experts said. But they generally agree that airlines with operations in Miami and up the East Coast are best-positioned to win customers.

"There's huge pent-up demand," said Joe Schweiterman, travel expert at DePaul University in Chicago.

"The hubs in the South will be attractive gateways to Cuba," he said. "Miami could support a full-blown shuttle operation."

At Miami International Airport, AMR Corp's American Airlines carries the largest percentage of traffic by far. JetBlue Airways and Spirit Airlines have large operations in Fort Lauderdale, Florida.

"We have been flying some charter flights to Cuba," AMR spokesman Tim Smith said. "For the present, we will continue those charters based on demand for them. (But it's) too early to talk about the future beyond that."

Experts say Delta Air Lines and Continental Airlines with hubs in the New York area, which also has a large Cuban population, stand to benefit as well.

Cuban air travel has increased lately. Data from the International Air Transport Association (IATA) showed a 7.3 percent increase in travel to and from the nation in 2008. Travel between Mexico and Cuba surged 10.9 percent in 2008, while travel between Canada and Cuba fell 20.8 percent.

"We could see a significant increase in traffic with the changes announced this week," IATA spokesman Steven Lott said. "We see significant demand for expanded air service."

"It opens the door a little bit but not all the way," he said. "This is certainly a hint of greater liberalization to come."

# South Florida Sun-Sentinel.com

## U.S. companies hope that Obama's olive branch to Cuba yields new business

**A lot depends on how Cuba's communist government reacts to Obama's overtures and how much it opens to Cuban-American visitors and to U.S. travel and telecom companies, business leaders and analysts said.**

By Doreen Hemlock

President Barack Obama's newly unveiled plans to ease U.S. travel and telecom links with Cuba drew widespread attention, but how much that translates into real business remains a question.

A lot depends on how Cuba's communist government reacts to Obama's overtures and how much it opens to Cuban-American visitors and to U.S. travel and telecom companies, business leaders and analysts said.

Companies also want to see the fine print from U.S. agencies on how the new programs will be implemented, since red tape has snarled their Cuba plans before, analysts add.

"Potentially, the news is important for business, but right now, it's abstract," said Jake Colvin, vice president at the National Foreign Trade Council in Washington, D.C., a pro-trade group. "U.S. companies are generally taking a wait-and-see approach."

Changes to rules for U.S. residents visiting family in Cuba illustrate the potential for business and the challenges.

While Obama's plan lets Cuban-Americans visit the island whenever they want and stay as long as they want, many still need to obtain Cuban visas to enter, a process that can take months or longer.

Also, flights to the island are limited, either to direct charters approved from several U.S. cities or commercial flights from other nations. American Airlines and other carriers can't start scheduled U.S.-Cuba service without bilateral aviation agreements with the Cuban government -- a move not yet authorized, executives said.

"It is premature to comment on any future service opportunities to Cuba, given that there appear to be no changes to scheduled service rights at this time," Delta Air Lines said in a statement.

If Cuba eases visa approvals and if air service to Cuba increases, Tico Travel of Fort Lauderdale figures it can "easily" expand its authorized U.S. business with Cuba from less than 3,000 clients a year to more than 30,000 yearly. But that requires lots of conditions be met, far beyond White House approval, said co-owner Rob Hodel. "Just because you can do it, doesn't mean you can do it," Hodel said.

New telecom rules also may prove tough for U.S. business, requiring approvals from Cuban telecom authorities and agreements with Cuban telecom agencies, analysts said.

Cuba now restricts satellite TV and Internet services, so many hookups at homes are illegal and signals pirated. The country lags in cell-phone use, partly because of high charges, often more than 60 cents a minute for local calls.

Cuban authorities may want to expand some services with U.S. telecom companies to generate cash, but they also will want to keep political control, limiting others and complicating business, said Enrique Lopez, head of AKL Group in Coral Gables.

In addition, many services may be out of the financial reach of Cubans, who earn salaries averaging less than \$20 a month.

"Even if Cuban families could pay \$30 a month for satellite TV, how would the government control what they have access to?" Lopez asked.

So many questions have U.S. telecom companies cautious about Obama's plan, which still leaves the 47-year-old U.S. embargo against Cuba in place.

"We will look at any change in U.S. policy very closely, and should a new market opportunity arise in Cuba, carefully consider our options," DirecTV said in a statement.

John Kavulich, an adviser with the U.S.-Cuba Trade and Economic Council in New York, said Cuba doesn't need U.S. business to survive.

The Caribbean nation of 11.5 million people already does business with many other countries and receives financial help from Venezuela, China and other allies. When Washington connects travel, telecom and other business links to promoting "change" on the island or bypassing the Cuban government, Havana becomes circumspect, often wary of approvals for U.S. business, he said.

"Any change in U.S. policy toward Cuba," Kavulich said, "always results in far more questions than people want to admit."

## **The News-Press**

### **Fort Myers, Florida**

**14 April 2009**

**SW Fla. Cuban residents say they're ready to go**

## **Obama removes restrictions on families**

*By Chris Umpierre*

Fort Myers resident Juan Castillo, who has 19 relatives living in Santiago, Cuba, had trouble containing his excitement Monday after learning that President Barack Obama lifted travel and gift restrictions for Cuban Americans.

"About time," Castillo, 49, said about being able to make unlimited trips and money transfers to his family in Cuba. "This is long, long overdue."

Castillo, who hasn't visited his Cuban relatives in three years largely because of tighter U.S. travel restrictions installed by former President George W. Bush, said that he plans on visiting the Communist island soon.

Travelers going to Cuba should pack loads of cash. That's just one tip the U.S. -Cuba Trade and Economic Council, a New York-based group that tracks the Cuban economy, told The News-Press on Monday.

U.S. credit cards and debit cards won't work on the Communist island. U.S. traveler's checks won't work, either, said John Kavulich, a senior policy adviser to the U.S.-Cuba Trade and Economic Council.

"For U.S. nationals visiting Cuba, Cuba has become far more expensive than you think," said Kavulich, who has been tracking the Cuban economy since 1994. "You either have to change dollars into euros before you leave (the U.S.) or you change the dollars in Cuba and pay a double exchange rate."

In addition to having a low exchange rate, the Cuban government imposes a 10 percent surcharge to exchange dollars. Most people use Canadian dollars or euros in Cuba, Kavulich said.

Kavulich said travelers going to Cuba should bring double of what they're budgeting.

"More than likely they'll leave money with relatives or buy them something and it's going to take a lot of cash to do that," Kavulich said. "There are legions of stories of U.S. nationals going to Cuba, spending all their money, getting to the airport and barely having enough money to pay the airline departure tax."

Kavulich said Cuban hotels are expensive and don't have the amenities most Americans would expect.

"A Cuban five-star hotel is a two- or three-star hotel in the U.S. because Cuba is generous with its rating system," he said.

"I have an aunt over there that's not doing well right now. She's sick so it's very good to know that I can go see my aunt whenever I want," Castillo said.

Castillo is one of about 27,000 people of Cuban descent who live in Lee and Collier counties, according to the latest figures from the U.S. Census Bureau.

Cuban Americans residing in Southwest Florida remained divided on the controversial subject.

Some older Cubans such as Naples resident Felix Roque, 60, disagree with the move because it will lead to more Americans spending money in Cuba, which will eventually land in Communist pockets.

The island nation has been ruled by Communists for 50 years. Obama is keeping the decades-old U.S. trade embargo - for now, at least.

"I want them to make stricter and tighter (travel) restrictions to see if the regime falls," said Roque, 60, who was a political prisoner under former Cuban dictator Fidel Castro's regime before immigrating to the U.S. in 1990.

Cape Coral resident Mirardo Corrales, 39, was also a political prisoner in Cuba before he left the nation on a raft in 1993. His 12-person raft took four days to reach Key West.

"What Obama did is good if it can stop the suffering of people in Cuba," Corrales said. "That's all I care about because so many people are suffering in Cuba. I go to the supermarkets here and I cry because I see all this food and say, 'Why can't my people have this?'"

Corrales doesn't have any relatives remaining in Cuba so he won't be sending money or traveling there. But other local Cuban-Americans are considering making the trek to the island nation for the first time.

"Yeah, I would think about going to Cuba now," said Charlie Flores, vice president of membership for the Southwest Florida Hispanic Chamber of Commerce. Flores was born in the U.S. but his parents grew up in Cuba.

"But the structure of the Cuban hotels is just not there right now," Flores said. "It's got a long way to go. And I still don't think the political stability of the country is there to make it a totally safe place."

Still, Fort Myers travel agencies applauded Obama's decision. They see the change as a potential boon to business.

"We have a lot of Cuban Americans in the area and I'm sure they would be interested in going, but most people would fly out of Miami because it's cheaper to fly to the Caribbean from there," said Fred Greene, a travel consultant at Geraci Travel in Fort Myers.

Castillo said he will likely hop on a plane from Miami to Cuba sometime during the next three months.

"Lifting travel restrictions is a very good thing because the embargo did nothing for nobody," Castillo said. "It's time the political differences get put on the side. I think the increased revenue would only bolster the Cuban economy."

## Additional Facts

### CUBAN TRAVEL TIPS

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— Chris Umpierre

# The Miami Herald

## Miami, Florida

### 14 April 2009

## Going to Cuba? Take plenty of cash

BY MARTHA BRANNIGAN

Travelers heading to Cuba will need cash -- and a good bit of it.

Visitors suffer sticker shock at the island's lofty prices almost as fast as they notice Havana's colonial architecture.

Most of the basic needs of travelers -- hotels, rental cars and restaurants -- are expensive compared to other Latin American countries. However, there are alternatives for traveling on the cheap, such as *casas particulares*, private homes whose owners have received permission from the government to rent rooms to visitors.

Cuba is just across the Florida Straits, but it's a world away: U.S. credit cards and debit cards won't work on the Communist island; neither will U.S. travelers' checks, so take plenty of cash.

Cuba has two currencies: the Cuban peso, known as *moneda nacional*, which Cubans typically get as salaries and use in routine purchases, and the Cuban convertible peso, which is called the *CUC* (pronounced kook), and which Cubans on the island informally call *chavitos*.

A Cuban convertible peso is worth 24 Cuban pesos, though most travelers have little use for the latter.

Cuba officially sets the value of the *CUC* at \$1.08, but the currency exchanges typically charge a rate of \$1.12 for one *CUC*.

On top of that, the Cuban government imposes a 10 percent surcharge to exchange dollars, which in effect makes one dollar worth 0.804 *CUCs* at the currency exchanges or *cambios*. Conversely, it costs about \$1.24 to get a *CUC* after all is said and done.

The surcharge means travelers are better off switching dollars for euros, Canadian dollars or Swiss francs before leaving the United States. Those currencies don't get hit with the extra 10 percent fee.

"If you take dollars down, they get you in essence twice," says John S. Kavulich, senior policy advisor to the U.S.-Cuba Trade and Economic Council, a New York-based group that tracks the Cuban economy. "Most people use Canadian dollars or euros."

CADECA, the government-run currency exchange, has locations throughout Cuban cities and towns for converting foreign money to pesos. Hotels and other tourist haunts will also change money, but they give even worse exchange rates.

For a decade, from 1994 to 2004, the U.S. dollar circulated on the island as an uber currency that could be used in so-called dollar shops that sold consumer goods such as electronics, clothes, toys and food items not available elsewhere.

But in 2004, the Cuban government banned the use of U.S. dollars for most transactions in response to a Bush administration move tightening remittances to Cuba.

That was when the Cuban government, as part of a "de-dollarization," instituted the 10-percent surcharge on converting U.S. dollars to Cuban convertible pesos.

Most people visit Cuba because of family ties, curiosity, business or cut-rate prices at seaside resorts, so the island isn't trying very hard to compete with other spots in the Caribbean.

"Business travelers are the proverbial bread and butter of revenue streams," says Kavulich. "I tell people if you think you're going to spend \$200 a day, take \$400, because it's expensive, and generally you're going to want to do something for someone."

**CBC News**  
**Toronto, Canada**  
**10 April 2009**

# **U.S. tourists could flood Cuba if law changes**

The Associated Press

A push in Congress to do away with U.S. travel bans on Cuba could set off a flood of American visitors to the long-forbidden island.

But many wonder if a communist country where foreigners have long complained about lousy food, sluggish service and iffy infrastructure is ready for an onslaught of Americans unseen since the days of gangster Meyer Lansky.

Cuba has about as many hotel rooms as Detroit and most are already full of Canadians and Europeans. Experts say droves of Americans could drive up prices, unleash calls for more flights and cruises than Cuba can handle and force the government to tighten visa restrictions to regulate the stampede.

The U.S. travel ban and trade embargo survive 50 years after the revolution led by Fidel Castro overthrew an oppressive, gambling-oriented government and nationalized many U.S. businesses.

"There is great pent-up demand," said Bob Whitley, president of the United States Tour Operators Association, which opposes the travel ban. "It will have to be controlled by officials in Cuba, but also by U.S. tour operators to make sure the infrastructure is up to it."

Bills in the U.S. House of Representatives and the Senate would effectively allow all Americans to visit. Trips for U.S. citizens with relatives in Cuba already got easier last month: Cuban-Americans can now come annually instead of every three years.

Cuba began encouraging international tourism after the fall of the Soviet Union, and its top feeder countries are Canada, Britain, Italy, Spain and France. Foreign tourist visits jumped 9.3 per cent last year to a record 2.35 million, generating \$2.7 billion US, or 11 per cent more than 2007, the government says.

Despite the global economic downturn, international visitor rates have increased 4.5 per cent through February, compared with the first two months of 2008.

An influx of Americans could create a lodging crunch. The communist state has partnered with foreign companies such as Spanish chain Sol Melia to offer about 46,000 hotel rooms across an island about the size of Pennsylvania.

Some 17,300 of those rooms are concentrated in the beach resort of Varadero, 140 kilometres east of Havana.

Cuba plans to build 30 new hotels across the country to tap into the market for boutique accommodations. Some of those have been completed, but many aging properties have been shut down for remodelling, leaving the total number of rooms flat since 2006.

According to Smith Travel Research, the 349 hotels in Miami and Hialeah, Fla., alone have about as many rooms as all of Cuba. The city of Detroit, with 42,000-plus hotel rooms, is not far behind.

Not up to U.S. standards

Even at top Cuban resorts, it is often hard to get amenities as basic as an extra roll of toilet paper. Comforts including apples, french fries and bottled beer are sometimes scarce — as are perks like in-room coffee-makers or wireless Internet access.

And, as in Eastern Europe in the 1970s, international tourists complain about sub-par food and service.

"You have maybe five hotels [in Havana] that you could consider decent enough for Americans and their standards, but if they are already running at 60 to 70 per cent occupancy during high season, where are all these new people going to stay?" asked John Kavulich, senior policy adviser for the U.S.-Cuba Trade and Economic Council in New York.

Many travellers bypass hotels for rented rooms in Cuban homes. But the government does not allow those offering home-stays to rent more than two rooms, and few are hopeful those rules will be eased, no matter what happens to the U.S. travel ban.

"More demand won't mean anything unless the government changes things," said Concha Perez, who offers rooms in her home in Havana's Plaza de la Revolution district.

U.S. travel to Cuba is not illegal, but spending money in the country is — except with special authorization like that for journalists and some businesses. In 2007, the latest figures available, about 40,500 Americans visited the island, most presumably on the sly.

Tracking U.S. family visits is difficult since authorities count Cuban-Americans as Cubans.

Just how many U.S. travellers would come if Cuba weren't off-limits is a guess. The American Society of Travel Agents estimated in 2007 that nearly 1.8 million Americans could visit in the first three years after travel rules were loosened.

Cuba has only 2 golf courses

To control the flow, the government might tighten rules on visas. Currently, tourist cards can be purchased at airports outside the U.S. or through travel agents.

"The Cuban government may go, 'Just because you say your people can come doesn't mean we have to let everyone in,'" Kavulich said. "People forget the United States is not the only one with a say."

Cuba has long welcomed U.S. tourists with few questions asked and officials say they have taken no special precautions to prepare for more Americans. Deputy Tourism Minister Maria Elena Lopez said Cuba understands that aspects of its tourism industry need to improve.

She singled out beach hotels overdue for renovations and a lack of golf courses: a nine-hole course in Havana and Varadero's 18-hole club are the only ones on the island.

But instead of the beach or the links, many U.S. tourists will hit Havana for its classic, if crumbling, architecture and streets choked with 1950s American behemoth automobiles.

Americans "are all going to want to go to El Floridita and La Bodeguita del Medio at the same time and there won't be space," Kavulich said, referring to two ever-crowded watering holes made famous by writer Ernest Hemingway.

Whitley said the first wave of Americans could arrive by cruise ship and visit Havana only for a few hours, thus alleviating strains on hotels, restaurants and already hard-to-find taxis and rental cars.

"There's going to be such a desire to see the country that people won't care if they are in a five-star hotel," he said.

Whitley said U.S. airlines and charter companies could restore commercial service to Cuba in six months if the travel ban is lifted. Other industry watchers say U.S. carriers could shift flights to different airports around the island to ensure Havana isn't overwhelmed, at least until extra tourism generates enough revenue to improve infrastructure.

Added demand for limited tourist accommodations could drive up prices that already have been high since 2004, when the Cuban government banned the U.S. dollar in official transactions and imposed a 20 per cent tax on exchanging it.

But Elliot Feldman, head of the international trade practice at Baker Hostetler LLP in Washington, said Cuba's command economy may cap prices and supply to create buzz.

"They'd rather just have everything fully booked and make people wait a year or two to get a room than raise prices and hurt interest," said Feldman, who has travelled to Cuba and litigates international trade disputes. "Having to wait to go only adds to the mystique."

# **El Nuevo Herald**

**Miami, Florida**

**28 March 2009**

## **Presentan legislación para facilitar las ventas agrícolas a Cuba**

### **WILFREDO CANCIO ISLA**

Un proyecto legislativo que busca eliminar los obstáculos existentes para la venta de productos agrícolas y permitir las transacciones financieras directas con Cuba se sumó a la creciente ola de iniciativas contra el embargo que avanza en el Congreso.

La propuesta titulada Ley para Facilitar la Exportación Agrícola fue presentada el jueves en la Cámara de Representantes por el legislador republicano Jerry Moran (Kansas), y cuenta con el apoyo bipartidista de una veintena de congresistas.

La legislación suspendería la regulación que obliga al gobierno cubano a realizar pagos en efectivo y por adelantado a los exportadores estadounidenses, permitiendo que la operación financiera se complete una vez que los productos arriben a la isla.

"Con las dificultades que impone a nuestros productores la actual situación económica, este es el momento oportuno para impulsar a Estados Unidos a hacer cambios en su política comercial hacia Cuba", dijo Moran. "Cuba es un importante mercado para la producción agrícola estadounidense, así como para los productos manufacturados y los distribuidores de alimentos".

Además, la iniciativa liberalizaría el otorgamiento de licencias para que los empresarios estadounidenses puedan viajar a Cuba sin los controles impuestos por el Departamento del Tesoro, a la vez que haría más flexible la concesión de visados para que funcionarios e inspectores cubanos puedan venir a Estados Unidos en ocasión de eventos comerciales o para la supervisión de cargamentos.

Una cláusula esencial de la propuesta está en permitir transacciones directas entre instituciones financieras de Estados Unidos y Cuba, con el fin de reducir las demoras en el pago a los exportadores.

La legislación podría ir a votación en la Cámara a fines de abril.

De todos los componentes de la propuesta de Moran, el punto más controversial es el de las transacciones bancarias directas, según opina John S. Kavulich, principal analista del Consejo Económico y Comercial EEUU-Cuba.

"Es importante observar que aunque las transferencias bancarias directas sean autorizadas, eso no significaría que los bancos de Estados Unidos harán uso de esa provisión, pues el establecimiento de semejante vínculo financiero requeriría que tanto el gobierno como los bancos estadounidenses certificaran que el gobierno cubano opera sus instituciones financieras de acuerdo con los parámetros de transparencia requeridos por las leyes de este país", consideró Kavulich.

La batalla entre partidarios y opositores del embargo está cobrando una intensidad sin precedentes en el Congreso. A la propuesta sobre ventas agrícolas en la Cámara seguirá la semana entrante un proyecto legislativo en el Senado para suprimir las barreras vigentes desde 1962 a los viajes turísticos de ciudadanos estadounidenses a la isla.

La legislación para liberar totalmente las restricciones de viajes a Cuba será presentada el próximo martes por los senadores Byron Dorgan (demócrata por Dakota del Norte) y Michael Enzi (republicano por Wyoming), y es equivalente a un proyecto que promueve en la Cámara el representante demócrata William Delahunt (Massachusetts), también con apoyo bipartidista.

Mientras, la maniobra legislativa de Moran constituye una respuesta a la postura adoptada por el Secretario del Tesoro, Timothy Geithner, a raíz de la aprobación de la ley presupuestaria con enmiendas favorables a los viajes familiares y al comercio con Cuba.

Geithner envió una carta a los senadores demócratas Bill Nelson (Florida) y Bob Menéndez (Nueva Jersey) asegurándoles que las cláusulas relacionadas con Cuba no marcarían ningún cambio significativo en la política de Washington hacia el régimen castrista.

En una guía posterior para la implementación de las nuevas medidas sobre las visitas familiares y las operaciones comerciales con Cuba, la Oficina de Control de Bienes Extranjeros (OFAC) enfatizó que los pagos a las exportaciones agrícolas estadounidenses debían ser "en efectivo y por adelantado" o financiadas mediante bancos de un tercer país.

La obligatoriedad del pago por adelantado --antes de que los cargamentos salgan de los puertos estadounidenses-- fue decretada por la OFAC en el 2005, como parte del recrudescimiento de las sanciones contra el régimen cubano por la administración de George W. Bush.

Las aclaraciones de la OFAC enfurecieron a numerosos congresistas partidarios de suavizar el embargo, quienes consideraron que Geithner había empleado "estrategias mañosas" para desbloquear el debate acerca de Cuba y pavimentar la aprobación del presupuesto en el Senado sin contratiempos adicionales.

Las reacciones no se hicieron esperar. Un grupo de influyentes senadores encabezados por el presidente de la Comisión de Finanzas, Max Baucus, demócrata por Montana, envió la pasada semana una carta al Departamento del Tesoro exigiéndole a Geithner que aplique las medidas aprobadas por el Congreso y facilite las operaciones comerciales con la isla.

Moran, un veterano integrante del Comité Agrícola de la Cámara, estuvo entre los legisladores que se sintieron defraudados con la actitud de Geithner y emplazaron de inmediato al Departamento del Tesoro.

"Yo esperaba que esta administración abandonara las políticas fallidas de administraciones anteriores respecto al comercio con Cuba", expresó Moran. "Me queda claro que para que se logre un cambio de política, el Congreso tiene que pronunciarse directamente sobre el asunto".

Moran suscribió este mes una carta de los legisladores del Grupo de Trabajo sobre Cuba, quienes solicitaron a Geithner una reunión urgente para discutir las regulaciones del comercio con la isla.

Durante el pasado año, la estatal cubana Alimport compró \$710 millones de productos alimenticios a las empresas estadounidenses, la cifra más alta desde que el Congreso autorizó las ventas agrícolas por razones humanitarias en el 2000.

Mientras, ocho congresistas del sur de la Florida y Nueva Jersey enviaron esta semana una carta al presidente Barack Obama solicitándole que no haga concesiones unilaterales en la política hacia Cuba.

La misiva, firmada por el llamado Comité Parlamentario Pro Democracia en Cuba, respalda las restricciones de licencia para los viajes de empresarios agrícolas a la isla, y enfatiza en la necesidad de mantener el requisito de "pago en efectivo" previo a los envíos de cargamentos desde puertos estadounidenses.

## **Reuters Americas**

### **London, United Kingdom**

#### **25 February 2009**

### **Marcas EEUU esperan pacientemente su desembarco en Cuba**

Por Esteban Israel

LA HABANA (Reuters) - La apertura de un McDonald's en Cuba parece remota incluso con Barack Obama en la Casa Blanca.

Pero los Big Mac y otros 5.000 productos estadounidenses están registrados en Cuba, esperando pacientemente el día de su desembarco en uno de los últimos países socialistas del planeta.

La lista incluye otros símbolos del capitalismo como Nike, Visa o Starbucks. La Oficina Cubana de Propiedad Intelectual registró en diciembre pasado nuevos productos de Coca-Cola, Google y Ford Motor.

"Desde la elección del presidente Obama hubo un marcado aumento en el interés de las grandes compañías estadounidenses en el comercio y clima de inversiones en Cuba", dijo Jake Colvin, vicepresidente del National Foreign Trade Council, un grupo con sede en Washington cuyos miembros incluyen a Boeing, Caterpillar y Microsoft.

Obama es el primer presidente de Estados Unidos en medio siglo dispuesto a hablar con el Gobierno comunista de Cuba.

Y el registro de marcas extranjeras en Cuba es sensible al clima político en el Estrecho de Florida.

Según cifras cubanas, las solicitudes cayeron un 36 por ciento al radicalizarse el conflicto durante el Gobierno del presidente George W. Bush.

Aunque hoy la crisis financiera está frenando el ritmo de solicitudes, expertos en propiedad intelectual en La Habana y Miami creen que las empresas estadounidenses que registraron productos en Cuba renovarían sus licencias.

El objetivo es un mercado virgen de 11 millones de habitantes a sólo 145 kilómetros de sus costas.

Por registrar sus productos en Cuba pagan entre 1.000 y 1.500 dólares, incluyendo gastos de representación.

La mayoría de esos productos registrados no está a la venta en la isla. El mayor obstáculo es el embargo estadounidense, que limita las ventas a Cuba a unos 710 millones de dólares anuales en alimentos.

Cuba es una de las últimas sociedades libres de publicidad. La Coca-Cola importada de México, por ejemplo, se vende aunque los únicos anuncios sean oxidados carteles de chapa de la década de 1950 colgados en casas de coleccionistas.

## MANTENER STATU QUO

Una de las razones para mantener actualizados los registros en la isla es la piratería, dice el abogado Jesus Sanchelima, cuyo bufete en Miami inscribió numerosas de marcas en Cuba.

"Continuamos registrando y renovando registros. Nadie quiere crear otro Taiwán a 90 millas de Estados Unidos (...) Pero el terreno es muy inestable y se trata principalmente de mantener el 'statu quo'", explicó.

John Kavulich, del U.S.-Cuba Trade and Economic Council, una organización que sigue de cerca el comercio entre ambos países, dice que los empresarios no ven señales de apertura de la economía cubana, controlada en un 90 por ciento por el Estado.

"Los gerentes de las grandes empresas estadounidenses no tienen expectativas de un inminente regreso a Cuba (...) No hay razones para hacer nada más que lo legalmente posible por mantener las marcas protegidas", comentó.

El National Foreign Trade Council suele poner el ejemplo de Sudáfrica, donde tras el fin del apartheid algunas empresas estadounidenses como Burger King descubrieron que sus marcas habían sido usurpadas. Recuperarlas costó mucho tiempo y dinero.

"Proteger marcas en ausencia de comercio es importante para asegurar que una compañía como Starbucks podrá establecer un negocio y mantener el control de su reputación en Cuba en el futuro", dijo Colvin.

Muchas de las marcas estadounidenses corrieron a registrarse en Cuba en la década de 1990, cuando el Estado aflojó un poco las riendas de la economía en respuesta a una crisis que muchos creían que no sobreviviría.

## RUINAS DEL CAPITALISMO

Los memoriosos aseguran que antes de la revolución de 1959, Chevrolet lanzaba sus nuevos modelos simultáneamente en Detroit y La Habana, la primera ciudad de América Latina en ver la televisión a color o tener un refrigerador de dos puertas.

Tras la llegada de Fidel Castro al poder, el hotel Havana Hilton fue estatizado y bautizado Habana Libre. Woolworth, General Motors y RCA cerraron para transformarse en ruinas del pasado capitalista.

Otras fueron reconvertidas. Una tienda por departamentos de SEARS, que fue la primera fuera de Estados Unidos, es hoy el Palacio de Computación de la Unión de Jóvenes Comunistas.

Pero Cuba ha respetado las marcas de Estados Unidos, incluso revocando y devolviendo a sus legítimos dueños algunas que habían sido usurpadas.

La mayor disputa sobre derechos de propiedad ha tenido como protagonista a Bacardi, un fabricante de ron que dejó Cuba tras la revolución y décadas más tarde reclamó Havana Club, el ron más famoso de la isla.

La batalla legal, y política, entre Bacardi y el Gobierno cubano y su socio, el gigante francés de los licores Pernod Ricard, está aún irresuelta.

Las autoridades cubanas acusan sin embargo a Estados Unidos de violar sus derechos de propiedad al permitir que Bacardi comercialice desde el 2006 su versión del ron Havana Club.

La pelea llegó hasta la Organización Mundial de Comercio y más de una década después continua sin resolverse.

Fidel Castro amenazó con vengarse fabricando una versión cubana de Coca-Cola, pero nunca lo hizo.

Jorge Espinosa, un abogado especializado en propiedad intelectual en Miami, cree que el interés crecería si, por ejemplo, Obama libera los viajes a Cuba y los empresarios estadounidenses pudieran valorar personalmente el potencial de negocios en la isla.

"Pero no creo que veamos la apertura de un McDonald's en Cuba por varios años. Con o sin Obama", dijo.

# **Reuters Americas**

## **London, United Kingdom**

### **25 February 2009**

By Esteban Israel

HAVANA, Feb 25 (Reuters) - The opening of a McDonald's in Communist Cuba seems unlikely any time soon, even with U.S. President Barack Obama in the White House and the prospect of better U.S.-Cuba relations on the horizon.

But the fast food giant is one of many U.S. companies that have an estimated 5,000 products trademarked in Cuba, waiting for the day they might finally land on the island separated from the United States by the Florida Straits and a vast ideological gulf.

The list includes ubiquitous symbols of capitalism such as Nike, Visa, and Starbucks and some that might surprise, including former basketball stars Magic Johnson and Patrick Ewing and the caped crime-fighter Batman.

As recently as December the Cuban Office of Intellectual Property registered trademarks for new products for Coca-Cola, Google and Ford Motor Co.

Many U.S. trademarks date back to before the Jan. 1, 1959 revolution that put Fidel Castro in power and transformed the island from a capitalist U.S. ally into a communist foe.

Their names -- among them Aunt Jemima, Timex, Quaker Oats, M&M's, Polaroid, Kodak, General Motors, Texaco -- invoke a time when Cuba was a consumer society with an affinity for U.S. goods, most of them unavailable since the U.S. imposed a trade embargo against the island in 1962.

The biggest wave of registrations came in the early 1990s when the Soviet Union, which subsidized Cuba's economy to the tune of \$4 billion a year, collapsed and Castro's communist system seemed in trouble.

Cuban communism survived and since then the registration of U.S. trademarks has ebbed and flowed with the state of U.S.-Cuba relations, rising when they improved and falling when they worsened.

## TENSIONS DURING BUSH ERA

The number of applications fell by 36 percent during the George W. Bush administration. His hard-line policies toward Cuba increased tensions between the two countries.

The advent of Obama is expected to bring a fresh look at Cuba from U.S. companies interested in opening new markets.

He is the first U.S. president in half a century who has said he is willing to talk with Cuba's leaders, and he has promised to ease the trade embargo.

There has been a "marked increase in interest among major U.S. companies in the trade and investment climate in Cuba since the election of President Obama," said Jake Colvin, Vice President for Global Trade Issues at the National Foreign Trade Council, which promotes rule-based trade.

If history is a guide, that interest will translate into another wave of new U.S. registrations in Cuba, but not until the global financial crisis has passed, industrial property experts in both countries said.

To a certain extent, U.S. companies which seek a Cuban trademark are betting on the future. Even with Obama in office, they do not expect the Cuban market, that has been mostly off-limits for 47 years, to open up overnight.

"There is no expectation by senior management of large United States corporations that a return to Cuba is imminent," said John Kavulich, senior policy advisor for the U.S.-Cuba Trade and Economic Council, which monitors trade between the two countries.

But companies that already have trademarks are expected to keep renewing them every 10 years as required, both to keep their foot in the door and to protect against piracy.

Registering a trademark cost only about \$1,500.

"They have to protect their rights. They don't want to create another Taiwan 90 miles (144 km) from the United States -- you don't want people manufacturing (fake) Nike shoes there," said Jesus Sanchelima, a Cuban-American lawyer in Miami who has registered numerous trademarks on the island.

## BURGER KING AND BACARDI

The National Foreign Trade Council often cites the example of South Africa, where after the end of apartheid rule some U.S. companies such as Burger King found their trademarks had been registered by someone else. Regaining control over the brands took a lot of time and money.

"Protecting trademarks in the absence of trade is important to ensure that a company like Starbucks will be able to establish a business and maintain control of its reputation in Cuba in the future," Colvin said.

Experts say the Cuban authorities have honored trademarks. When they found that some brands had been registered by people with no legal claims to them, they awarded the rights to the legitimate owners.

The biggest trademark dispute involved Bacardi, the rum maker which fled Cuba after the revolution and then years later laid claim to Cuba's best-known rum brand, Havana Club.

The claim touched off a politically-charged legal battle between Bacardi and the Cuban government and its joint venture partner, French liquor giant Pernod Ricard, that is not yet fully resolved.

In response to this controversy, an angry Fidel Castro, before illness forced him from office a year ago, vowed to start producing Coca-Cola in Cuba to retaliate against what he viewed as U.S. maliciousness.

So far, with Fidel's brother Raul Castro now Cuba's president, that vow remains only a threat.

# Diario Publico

Madrid, Spain

14 February 2009

**Estados Unidos ya es el quinto socio comercial de la isla**

**La exportación de alimentos de EEUU hacia Cuba creció un 61% en 2008**



Una cosechadora, en Bearly, Sant Louis. - jupiter images L.B. - 14/02/2009 23:10

El valor de las importaciones cubanas de alimentos desde Estados Unidos aumentó un 61% en 2008, hasta alcanzar un récord de 710 millones de dólares. A pesar del bloqueo, la economía estadounidense ya influye en la isla. Hasta el punto de que es el quinto socio comercial de Cuba.

La enmienda del embargo aprobada por Bill Clinton en el año 2000 que consiente a Cuba comprar alimentos siempre que sea en efectivo ha permitido al país importar más de 2.700 millones de dólares en comida de EEUU desde entonces. Y la cifra no deja de aumentar.

Los intereses económicos son, sin duda, uno de los principales motivos de presión para el derribo del bloqueo. La toma de posesión en enero del presidente Obama avivó las demandas para que Washington elimine su embargo comercial de casi medio siglo contra Cuba, un mercado natural a escasos kilómetros de sus costas.

Las ventas de alimentos situaron a la isla en el puesto 29 de los mercados de las exportaciones agrícolas estadounidenses en 2008. El país de Obama, por su parte, fue el quinto socio comercial de Cuba en el 2007.

Wayne Smith, un ex diplomático norteamericano en La Habana, afirmó recientemente que el embargo "no funcionó durante casi 50 años; es estúpido, contraproducente y tiene un gran rechazo en el ámbito internacional".

Un "golpe de bolígrafo"

Smith puntualizó que "las ventas se podrían triplicar si se cambia el sistema de pagos". Y estas limitaciones se eliminarían "con un solo golpe de bolígrafo del presidente". Los proveedores estadounidenses y los clientes cubanos piensan que esta supresión "debe hacerse lo antes posible".

"Si Cuba continúa aumentando sus compras de alimentos y productos agrícolas en el 2009 y la economía de EEUU continúa teniendo problemas, Obama será objeto de presiones para ofrecer mayores oportunidades a los exportadores", afirma John Kavulich, asesor del Consejo Económico y Comercial Cuba-EEUU.

Por otro lado, las perforaciones de empresas internacionales en aguas profundas de Cuba comienzan este año. El Departamento del Tesoro ha sancionado por violación del embargo a firmas como PSL Energy Services y Dresser-Rand Group por facilitar información de explotación petrolera. Pero todo podría cambiar con Obama.

## **Virgilio Notizie**

**Rome, Italy**

**13 February 2009**

### **Cuba/ A livello record nel 2008 le importazioni di cibo dagli Usa**

Importati soprattutto mais, frumento, pollo congelato

Roma, 13 feb. (Apcom) - Le importazioni di generi alimentari dagli Stati Uniti verso Cuba hanno raggiunto nel 2008 il valore di 710 milioni di dollari, una cifra senza precedenti, da quando il Congresso americano autorizzò nel 2000 le transazioni commerciali di prodotti agricoli, cibo e medicine con l'isola dopo i danni arrecati dall'uragano Michelle. Secondo un resoconto del Consiglio economico e commerciale Usa-Cuba (US-Cuba Trade and Economic Council-Ustec), riferisce l'agenzia Misna, il denaro investito dal governo dell'Avana è pari al 61% in più di quello speso nel 2007, quando l'azienda statale Alimport stabilì un record di acquisti dalle aziende statunitensi pari a 437,5 milioni di dollari.

Sebbene l'aumento del valore delle importazioni sia attribuito anche a quello dei prezzi dei generi alimentari sui mercati internazionali, le cifre dell'Ustec confermano anche un picco del volume di acquisti dovuto ai gravi danni subiti da Cuba dopo il passaggio, la scorsa estate, di quattro uragani che hanno distrutto buona parte dei raccolti e danneggiato le riserve alimentari.

I principali prodotti americani importati sono mais (il 27% del totale), frumento, pollo congelato, soia, aceto di soia e dolci di soia. A dispetto dell'embargo in vigore dal 1962, gli Stati Uniti continuano di fatto a essere i primi fornitori di cibo per Cuba, un commercio che molti avrebbero interesse a espandere, primo tra tutti lo stato del Texas: il commissario all'Agricoltura texano, Todd Staples, ha guidato nel dicembre scorso una folta delegazione di imprenditori in una visita a Cuba, diventando il primo funzionario statale americano eletto a recarsi sull'isola negli ultimi 45 anni. A gennaio, Staples ha scritto una lettera al nuovo inquilino della Casa Bianca, Barack Obama, invitandolo "a ristabilire forti rapporti diplomatici e a consentire accordi per commerciare liberamente con i nostri vicini cubani".

**Reuters Americas**

**London, United Kingdom**

**11 February 2009**

# U.S. Food Sales To Cuba Soar 61 Percent In 2008

By Marc Frank

HAVANA (Reuters) - The value of U.S. agricultural sales to Cuba soared 61 percent in 2008 to \$710 million, a record amount since American producers began exporting to Cuba under a 2001 amendment to the U.S. trade embargo against the communist-run island, a U.S. trade council said on Wednesday.

The booming sales, up from \$437.5 million in 2007, made Cuba the United States' 29th largest agricultural export market.

It was the 37th largest market in 2007, said the U.S.-Cuba Trade and Economic Council, which monitors trade with Cuba.

The group said in a statement that the increased sales were due mainly to higher food prices, with increased volume in some products. U.S. policy requires that the goods be purchased in cash.

Cuba has said it imported more food in 2008 due to crop damage from three hurricanes that battered the island last year and paid more for what it bought due to rising fuel and commodity prices worldwide.

Its primary U.S. purchases included corn, wheat, chicken and soybean products, the council said.

The United States was Cuba's 5th largest trading partner in 2007, the last year for which Cuban data are available.

Congressional lobbyists working to further open trade with Cuba point to the food sales as an indicator of broader potential at a time when the U.S. economy is struggling.

The 47-year-old trade embargo was tightened under President George W. Bush, but his successor, President [Barack Obama](#), has said he would ease it by lifting restrictions on Cuban-Americans traveling to Cuba and the amount of money they can send to Cuban relatives.

Obama has said he would maintain the embargo unless Cuba changes its political and human rights policies.

Trade Council senior policy advisor John Kavulich told Reuters that pressure to ease the embargo could increase if Cuba sales continue to be strong.

"If Cuba continues to increase its purchases of food and agricultural products in 2009, and the U.S. economy continues to be problematic, President Obama will receive bipartisan pressures from members of Congress and from state governors to use executive orders as a means of providing greater export opportunities," he said.

A bill lifting all travel restrictions to the communist-run island was introduced this week, and another allowing Cuba to access U.S. banks to buy U.S. food will be introduced soon, congressional sources said.

Kavulich said the fate of any legislation to put more holes in the embargo will depend in part on how Cuba "relates to its citizens and how it relates to other countries, particularly Venezuela, China, Russia and Iran."

Cuban President Raul Castro has on several occasions indicated his interest in talks with the United States, but said they must held with no pre-conditions on Cuba.

**Associated Press**  
**New York, New York**  
**11 February 2009**

## **U.S. farm sales to Cuba rise 61 pct, group says**

HAVANA -- Cuba spent a record \$710 million on U.S. farm imports last year, a 61 percent increase over 2007, as hurricanes destroyed much of the country's farms, a leading trade research group said Wednesday.

Spending on imports jumped with rising food prices during the first part of the year, said the New York-based U.S.-Cuba Trade and Economic Council. It climbed increased more after three hurricanes hit the island, crippling food production in many parts of the countryside.

Cuban food and farm imports from the United States have climbed annually since 2001, a year after Washington modified its trade embargo to allow the direct, cash-only sale of farm goods to the island. The U.S. is Cuba's top foreign source of food.

Hurricanes Gustav, Ike and Paloma hit Cuba in 2008, causing more than \$10 billion in damage and forcing a sharp increase in food imports.

The Cuban government has not released a breakdown of import or export figures for the year.

## **El Nuevo Herald**

**Miami, Florida**

**12 February 2009**

### **Récord histórico en las ventas de EEUU a Cuba**

WILFREDO CANCIO ISLA



Bloomberg

Estibadores cargan sacos de frijoles destinados a Cuba en un almacén de Westar Co., en Corpus Christi, Texas.

Las ventas de alimentos de Estados Unidos a Cuba alcanzaron \$710 millones durante el 2008, una cifra sin precedentes desde que el Congreso autorizó las transacciones comerciales con la isla hace ocho años.

El monto invertido por el gobierno cubano representa un incremento de 61 por ciento en comparación con el 2007, cuando la firma estatal Alimport estableció un récord de compras a las empresas estadounidenses de \$437.5 millones.

Las estadísticas reveladas el miércoles por el Consejo Económico y Comercial EEUU-Cuba (USTEC), con sede en Nueva York, muestran que sólo en el último trimestre del año pasado Cuba desembolsó \$173.5 millones para adquirir productos agrícolas en el mercado

estadounidense. Entre enero y septiembre, el balance de las operaciones registradas ya había hecho historia, superando los \$536 millones.

Aunque el espectacular salto en valor de exportaciones estadounidenses parece determinado por el alza del precio de los productos en el mercado internacional y el encarecimiento de los fletes marítimos, las cifras del USTEC apuntan también a un incremento notable en el volumen de compras en medio de dificultades agravadas por el paso de tres devastadores huracanes, que arrasaron con buena parte de las cosechas y las reservas alimentarias del país.

El 85 por ciento de la canasta familiar cubana proviene de las importaciones.

"El incremento mayor ha sido en los precios, pero también aumentó la cantidad de productos adquiridos", explicó John S. Kavulich, consejero principal del USTEC. "Definitivamente sí, Cuba gastó más, pero también recibió más alimentos".

Los principales productos adquiridos fueron maíz --que representó el 27 por ciento de las compras--, trigo, cuartos de pollo congelados, soya, pasteles de soya y aceite de soya.

El informe anual del USTEC --entidad independiente-- se basa en los reportes oficiales de los departamentos de Agricultura y Comercio, así como en los registros de compañías exportadoras, pero no incluye los costos añadidos de transporte, recargos bancarios y otros gastos derivados de los envíos mercantiles a la isla. Cuba dice que sus estadísticas abarcan los cargos asociados con el traslado de los cargamentos, pero no entrega documentos verificables para sustentarlo.

Alimport pronosticó que en el 2008 gastaría unos \$2,500 millones en la compra de productos agroalimentarios, casi un tercio más de lo previsto, para asegurar las mismas provisiones que en el período precedente. Estados Unidos es el principal proveedor de alimentos a la isla.

En un discurso ante la Asamblea Nacional (Parlamento) en diciembre pasado, el gobernante Raúl Castro dijo que en el 2008 Cuba tuvo que pagar en alimentos \$907 millones más que en el 2007 y mencionó que de esa cifra unos \$840 millones se debieron al aumento de precios.

"Nuestro elemental deber es ajustar los gastos en divisas a los volúmenes que estamos en condiciones de ingresar", dijo entonces Raúl Castro, quien exhortó al sector productivo a ganar la batalla de la sustitución de importaciones.

De cualquier manera, las estadísticas divulgadas por el USTEC colocan a Cuba en el lugar 29 de la lista de países con mayor volumen de importaciones de productos agrícolas de Estados Unidos.

Y el año en curso pudiera ser determinante para potenciar un alza del comercio hacia la isla, al calor de las expectativas de flexibilización de la política de embargo tras la llegada de Barack Obama a la Casa Blanca, apoyado por un Congreso de mayoría demócrata.

Por lo pronto, el primer cargamento rumbo a la isla, con 5,000 toneladas de frijoles bayos, ya arribó a Santiago de Cuba a finales de enero. Salió del puerto de Corpus Christi, Texas, y correspondió a la firma West Star Foods, que tiene previsto entregar a Alimport otras 15,000 toneladas de frijoles durante el presente año.

Texas se ha convertido en un enclave primordial para los negocios con Cuba. Las autoridades texanas están promoviendo activamente la expansión del comercio con el país vecino, luego de que el año pasado una delegación estatal viajara a la isla.

El comisionado de Agricultura de Texas, Todd Staples, presidió la delegación integrada por empresarios agrícolas, ganaderos y autoridades portuarias, convirtiéndose en el primer funcionario estatal electo que visitó Cuba en los últimos 45 años. Staples escribió en enero una carta a Obama solicitándole que permita la restauración del comercio con Cuba para beneficiar tanto a Texas como las necesidades alimentarias de la población de la isla.

"Sé que la política hacia Cuba encara retos enormes y por eso le pedimos a usted que actúe con determinación para restablecer fuertes lazos diplomáticos y permitir acuerdos para comerciar libremente con nuestros vecinos cubanos", escribió Staples en la misiva enviada al Presidente.

Entre el 29 y 30 de enero la Universidad de Texas en Austin auspició un simposio dedicado a explorar las posibilidades económicas, comerciales y financieras de las relaciones entre Estados Unidos y Cuba en un futuro cercano.

Pero no sólo de Texas proviene la avalancha de peticiones a Obama para flexibilizar el comercio con Cuba y levantar las restricciones del Departamento del Tesoro para los pagos cubanos por cargamentos, decretadas en febrero del 2005.

Empresarios, agricultores y entidades gremiales de otros estados creen que Obama representa la oportunidad dorada para debilitar el embargo, que impide la comercialización libre de productos y el otorgamiento de créditos a Cuba desde 1962.

Entre las iniciativas más recientes figuran:

\* La Asociación Nacional de Productores de Maíz, con el respaldo de otros productores agrícolas, procesadores de alimentos y exportadores, envió en enero a Obama una petición exhortándolo a reanudar las relaciones económicas y comerciales con Cuba, así como a levantar la prohibición de los viajes turísticos a la isla.

\* La Federación de Productores de Arroz de Estados Unidos pidió a Obama a comienzos de este mes que restaure completamente el comercio con Cuba. "Las estrellas están finalmente alineadas en favor de Cuba", dijo Betsy Ward, presidenta de esa asociación.

\* Esta semana el Departamento de Agricultura de Dakota del Sur anunció que enviará una delegación oficial a la Feria Internacional de La Habana el próximo noviembre, y pidió a Washington el levantamiento de las restricciones que impiden un flujo comercial más directo con la isla.

El 19 de marzo el Hotel Intercontinental de Miami será sede de la Conferencia y Exposición de Comercio con Cuba, en la cual empresarios, académicos y expertos discutirán las alternativas futuras de comercio, turismo e inversiones en la isla.

## **Exportaciones EEUU a Cuba alcanzan récord 710 mlns dlrs en 2008**

LA HABANA (Reuters) - El valor de las importaciones cubanas de alimentos desde Estados Unidos aumentó un 61 por ciento en el 2008 hasta un récord de 710 millones de dólares, debido al alza de los precios, dijo el miércoles un grupo que vigila el comercio entre ambos enemigos.

Según las cifras del U.S.-Cuba Trade and Economic Council, un grupo independiente con sede en Nueva York, Estados Unidos es el mayor proveedor de un tercio de los alimentos que Cuba importa.

"Una de las principales razones del aumento en el valor (...) continúa siendo el aumento de los precios de las materias primas compradas a Estados Unidos", dijo el grupo en un comunicado.

Pero el informe habla también de un "significativo aumento" en la cantidad de algunos de los productos importados.

Una enmienda del embargo estadounidense ha permitido a Cuba importar más de 2.700 millones de dólares en comida de Estados Unidos desde el 2001.

Las ventas de alimentos situaron en el 2008 a la isla de Gobierno comunista como el mercado número 29 para las exportaciones agrícolas de Estados Unidos.

Estados Unidos, por su parte, fue el quinto socio comercial en importancia de Cuba en el 2007.

La asunción en enero del presidente Barack Obama avivó las demandas para que Estados Unidos elimine su embargo comercial de casi medio siglo contra Cuba, un mercado natural a 145 kilómetros de sus costas.

El nuevo presidente ha dicho estar dispuesto a suavizar las restricciones para los viajes y envíos de remesas de los cubano estadounidenses a la isla, aunque no a levantar el embargo.

Cuba intenta reducir su fuerte dependencia de las importaciones de alimentos.

Pero en el 2008 tenía previsto importar 3.423 toneladas métricas de alimentos por 2.554 millones de dólares.

"Usando el valor actual en dólares de las exportaciones de comida y productos agrícolas a Cuba, Estados Unidos fue la fuente del 27 por ciento de las importaciones de alimentos y productos agrícolas en el 2008", dijo el U.S.-Cuba Trade and Economic Council.

El maíz fue el producto estadounidense más importado por Cuba en el 2008, seguido por el trigo, el pollo y la soya.

**International Herald Tribune**

**Paris, France**

**11 February 2009**

## **US farm sales to Cuba rise 61 pct, group says**

The Associated Press

HAVANA: Cuba spent a record \$710 million on U.S. farm imports last year, a 61 percent increase over 2007, as hurricanes destroyed much of the country's farms, a leading trade research group said Wednesday.

Spending on imports jumped with rising food prices during the first part of the year, said the New York-based U.S.-Cuba Trade and Economic Council. It climbed increased more after three hurricanes hit the island, crippling food production in many parts of the countryside.

Cuban food and farm imports from the U.S. have climbed annually since 2001, a year after the U.S. modified its trade embargo to allow the direct, cash-only sale of farm goods to the island. The U.S. is Cuba's top foreign source of food.

Hurricanes Gustav, Ike and Paloma hit Cuba in 2008, causing more than \$10 billion in damage and forcing a sharp increase in food imports.

The Cuban government has not released a breakdown of import or export figures for the year.

# **Cubaencuentro.com**

**Madrid, Spain**

**12 February 2009**

Comercio bilateral

## **Las exportaciones desde Estados Unidos alcanzaron los 710 millones de dólares en 2008**

Las ventas de alimentos situaron a Cuba como el mercado número 29 para las exportaciones agrícolas de EE UU, según un informe del U.S.-Cuba Trade and Economic Council.

Agencias | 12/02/2009

Las exportaciones de alimentos de Estados Unidos hacia la Isla alcanzaron el récord de 710 millones de dólares en 2008, lo que significa un crecimiento del 61 por ciento con respecto a 2007, informó Reuters.

"Una de las principales razones del aumento en el valor (...) continúa siendo el aumento de los precios de las materias primas compradas a Estados Unidos", dijo un comunicado del U.S.-Cuba Trade and Economic Council, un grupo independiente con sede en Nueva York.

Según el informe de esta entidad, ha habido también un "significativo aumento" en la cantidad de algunos de los productos importados.

"Si Cuba continúa aumentando sus compras de alimentos y productos agrícolas en el 2009 y la economía de Estados Unidos continúa en problemas, el presidente Obama recibirá presiones de ambos partidos en el Congreso y gobernadores para usar órdenes ejecutivas como forma de ofrecer mayores oportunidades a los exportadores", dijo John Kavulich, asesor del U.S.-Cuba Trade and Economic Council.

En 2008, las ventas de alimentos situaron a Cuba como el mercado número 29 para las exportaciones agrícolas de Estados Unidos.

De acuerdo con Kavulich, "usando el valor actual en dólares de las exportaciones de comida y productos agrícolas a Cuba, Estados Unidos fue la fuente del 27 por ciento de las importaciones de alimentos y productos agrícolas en el 2008".

El maíz fue el producto estadounidense más importado por el gobierno cubano en 2008, seguido por el trigo, el pollo y la soya. Desde 2001, La Habana ha importado más de 2.700 millones de dólares en comida de Estados Unidos, que en 2007 se convirtió en su quinto socio comercial.