Recovery evident as U.S. residents hit the road



Tahoe was a definite destination Fourth of July weekend. Photo/Bill Kingman

By Steve Matthews, Nina Glinski and Nadja Brandt, Bloomberg

Traci Butler and her husband cut out vacations after the U.S. recession five years ago. This week, the couple is taking their two boys on a weeklong trip that includes a July 4th visit to the nation's capital, just a few weeks after touring Italy on their own.

In the aftermath of the recession, "things were much tighter," said Butler, a special education teacher from Washington, Illinois, whose husband works for construction machinery maker Caterpillar Inc. "We didn't have bonuses for a while. The last two years have been better."

About 34.8 million people planned to drive 50 miles or more from home during the five days ending July 6, up from 34.1 million last year and the most since 2007, AAA, the biggest U.S. motoring organization, said. The travel recovery is boosting sales for hotels and attractions, a sign that consumer confidence and consumer spending are on the mend, said Mark Zandi, chief economist at Moody's Analytics Inc. in West Chester, Pa.

Hotel occupancies across the U.S. averaged 62 percent during the first five months of this year, up from 60 percent during the same period last year and the highest average for that time frame since 1996, according to data provided by Hendersonville, Tenn.-based research firm STR Inc. Average room rates climbed 4.1 percent to $113.58.

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