



USA

DiscoverAmerica.com

Brand USA

Brand USA Fiscal Year 2014 Annual Report

October 1, 2013 to September 30, 2014



Brand USA was established by the Travel Promotion Act as the nation's first public-private partnership to spearhead a globally coordinated marketing effort to promote the United States as a premier travel destination and communicate U.S. entry policies.

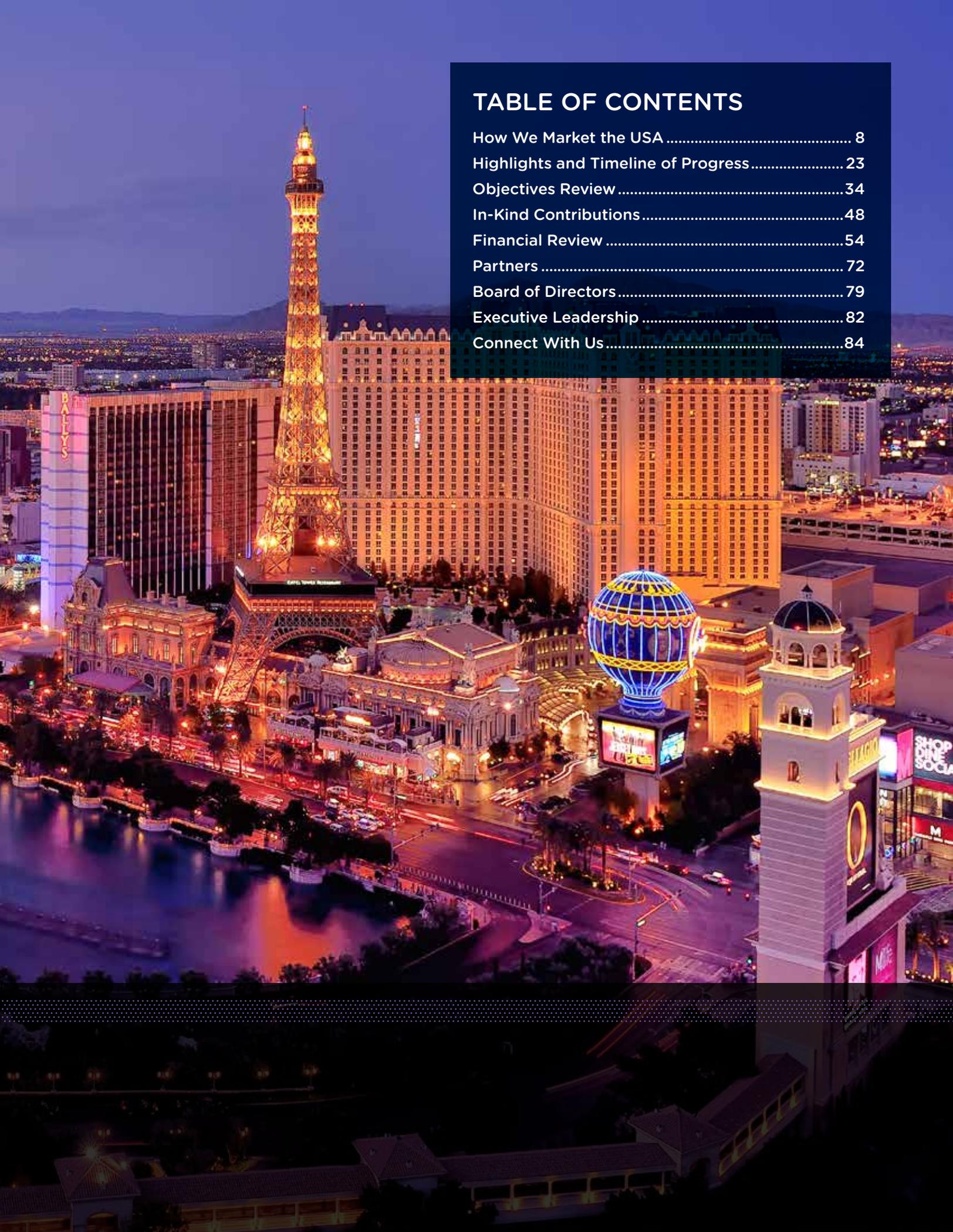


TABLE OF CONTENTS

How We Market the USA	8
Highlights and Timeline of Progress	23
Objectives Review	34
In-Kind Contributions	48
Financial Review	54
Partners	72
Board of Directors	79
Executive Leadership	82
Connect With Us	84

ABOUT BRAND USA

Brand USA is the destination marketing organization for the United States with the mission of increasing incremental international visitation, spend and market share to fuel the nation's economy and enhance the image of the USA worldwide.

Established by the Travel Promotion Act as the nation's first public-private partnership to spearhead a globally coordinated marketing effort to promote the United States as a premier travel destination and communicate U.S. entry policies, Brand USA began operations in May 2011.

As one of the best levers for driving economic growth, international travel to the United States currently supports 1.8 million American jobs (directly and indirectly) and benefits virtually every sector of the U.S. economy. Brand USA works in close partnership with nearly 500 partner organizations to invite the world to explore the exceptional, diverse, and virtually limitless travel experiences and destinations available in the United States of America.

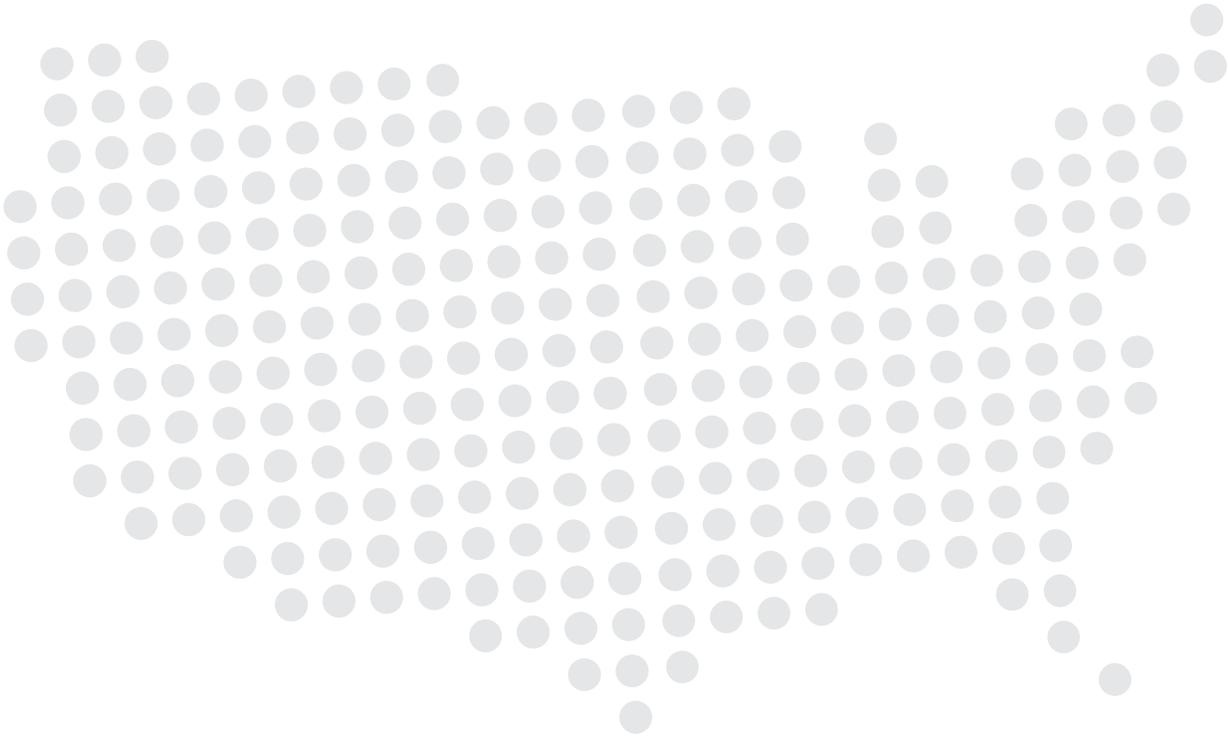
In May 2012, Brand USA launched its first national tourism campaign that sends the message "Discover This Land, Like Never Before." The inaugural campaign, which premiered in Canada, Japan, and the United Kingdom, demonstrated significant increases in intent to visit the United States: up 14% in Japan and the United Kingdom and up 22% in Canada. Since then, Brand USA has expanded its marketing effort to reach international travelers in more than 30 markets.

According to studies by Oxford Economics, in the past two years Brand USA's marketing initiatives have helped welcome more than 2 million incremental visitors to the USA, benefiting the U.S. economy with nearly \$15 billion in business sales, and supporting, on average, 50,000 new jobs a year.

Brand USA's operations are supported by a combination of non-Federal contributions from destinations, travel brands and private-sector organizations plus matching funds collected by the U.S. government from international visitors who visit the United States under the Visa Waiver Program.

For industry or partner information about Brand USA, please visit www.TheBrandUSA.com.

For information about exceptional and unexpected travel experiences in the United States, please visit Brand USA's consumer website at www.DiscoverAmerica.com.



ABOUT THIS REPORT

May 15, 2014

In compliance with the Travel Promotion Act, Brand USA submits this report for fiscal year 2014 to the Secretary of Commerce to transmit to Congress as an update on the organization's progress, activities, financial condition, and accomplishments for the period October 1, 2013 to September 30, 2014.

STATEMENT OF PURPOSE

Our vision is to be the best in class national destination marketing organization - earning the USA the largest share of the global travel market and significantly contributing to job creation, GDP, export growth and tax revenues.

Our mission is to increase incremental international visitation, spend and market share to fuel our nation's economy and enhance the image of the USA worldwide.

We will realize our vision and accomplish our mission by staying true to these foundational elements:

Create Innovative Marketing

Promote the entirety of the USA with innovative marketing that supports all 50 states, the District of Columbia and five territories to, through and beyond the gateways.

Market the Welcome

Inspire, welcome and thank travelers while accurately communicating vital and compelling information about visa and entry policies.

Build & Maintain Trust

Build and maintain trusted relationships with stakeholders worldwide through inclusive, proactive and transparent outreach with a commitment to compliance and integrity through words, actions and results.

Add & Create Value

Add and create value by pioneering cooperative marketing platforms and programs that leverage and grow the USA brand in ways our partners would be challenged or unable to do on their own.

Drive Results

Maximize and optimize the return on investment of Brand USA's resources by deploying the right messages, through the right channels, in the right markets, at the right times and at the right levels of investment.

While specific objectives, goals, strategies and measures will be developed on an annual basis to successfully realize our purpose, these elements establish the foundation for all we do. As we track our progress in pursuit of this purpose, the true measure of our success will be the degree by which we create sustainable funding sources and meet our responsibility to drive significant, year-over-year increases in incremental international visitation, spend and market share and our country benefits in economic prosperity and growth as a result of our efforts. We will build upon the effectiveness of our overall destination marketing strategies by leveraging the strength of Federal resources, including embassies and consulates, worldwide.

LETTER FROM THE PRESIDENT & CEO



Brand USA's Annual Report to Congress covering fiscal year 2014 finds the United States travel and tourism industry at an unprecedented high. Department of Commerce numbers show that in 2014 we welcomed 75 million international guests who injected \$222 billion into the U.S. economy. Air service has continued to expand, and more and more communities are attracting international visitors.

There has been a concerted and sustained focus from leadership in the Executive and Legislative branches to promote and facilitate inbound international travel. Efforts such as the National Travel & Tourism

Strategy and the Presidential Memorandum on Entry have empowered

the Departments of State and Homeland Security to employ innovative practices and technologies to enhance service and security. And, of course, Congress voted to reauthorize federal funding for Brand USA through fiscal year 2020—ensuring that communities of all shapes and sizes will continue to benefit from a globally coordinated international marketing program.

At Brand USA we hold ourselves accountable to our mission of increasing incremental visitation, spend, and market share for the United States. A new study by Oxford Economics demonstrates that for the second straight year, we are accomplishing our mission in collaboration with our nearly 500 partners. The study reveals that over the past two years, Brand USA generated:

- More than 2 million incremental visitors
- \$6.5 billion in incremental spend
- Nearly \$15 billion in total economic impact
- Nearly \$2 billion in Federal, state, and local taxes
- An average of 50,000 incremental jobs supported each year

Our direct-to-consumer marketing is expanding to new markets—and playing globally through various media partnerships. Our cooperative marketing opportunities are adding value and creating all-new platforms to showcase U.S. destinations and experiences to the world. Our travel trade outreach is forging new and exciting relationships with the travel trade around the world. And we are collaborating as never before with our federal partners to tell the stories of our national treasures and deliver the tourism message to the world.

As we continue to pursue our vision to be the best in class national destination marketing organization, we are focused on creating innovative marketing that promotes the entirety of the USA; marketing the welcome to travelers as they navigate the travel process; building powerful and trust-based partnerships; adding and creating value by pioneering cooperative marketing platforms and programs; and driving results by optimizing our messaging, media mix, and timing in international markets.

We've accomplished a lot since our first year in operation, and we are energized by how much more we can achieve together. Powered by the strength of our public-private partnership and guided by the National Travel & Tourism Strategy to grow our nation's #1 service export, Brand USA is honored and privileged to work with its many partners to fuel our nation's economy by welcoming millions of new international visitors to the USA. We look forward to sharing many more successes with you in the years to come, and we thank you for your support as we enter the next phase of our development as the nation's destination marketing organization.

Together we are marketing the USA!

Christopher L. Thompson
President and CEO, Brand USA



How We Market the USA



PROMOTIONAL ACTIVITIES

Brand USA utilizes a number of marketing-driven cooperative programs to increase inbound visitor travel to the United States and drive tourism dollars to communities in all 50 states, the District of Columbia and the five territories. Our programs include consumer marketing, media and public relations outreach, trade outreach, and co-op opportunities that add and create value for our partners.

CONSUMER MARKETING

“Land of Dreams” Advertising Campaign

The “Land of Dreams” campaign has been fundamental to Brand USA's aim to create awareness and inspire travel to the United States. The creative featured in our campaign advertisements was informed by consumer research and will continue to be enhanced by learnings from consumer testing in target markets. In addition to the tangible results these campaigns deliver, they also provide opportunities for our partners to reach international travelers through a combination of any or all of the following: broadcast, out-of-home, print, and digital advertising, as well as event marketing.

Global Digital Marketing and Social Campaigns

Digital and social media strategies are an important method to inspire, engage and motivate international travelers to visit the United States and communicate with key stakeholders. To that end, Brand USA has two online identities in the marketplace: Brand USA (www.thebrandusa.com) and Discover America (www.DiscoverAmerica.com). Brand USA is our industry- and stakeholder-facing name. The name, website and relevant accounts are used to share information with business-related stakeholders, such as partners, tour operators, travel agents, Federal agency partners, the media and others.

Discover America is the consumer-facing brand that international travelers associate with travel to the United States. The Discover America website and related social media accounts are used in consumer-facing content and communications. Each market has a dedicated, in-language website and social channels, which Brand USA uses to reach consumers in its target markets.

Discover America Global Social Media Channels

The following handles are used for global, consumer-facing promotions in English.

- Website: discoveramerica.com
- Twitter: [@DiscoverAmerica](https://twitter.com/DiscoverAmerica)
- Facebook: [Facebook.com/DiscoverAmerica](https://www.facebook.com/DiscoverAmerica)
- YouTube: [youtube.com/DiscoverAmerica](https://www.youtube.com/DiscoverAmerica)
- Instagram: [DiscoverAmerica](https://www.instagram.com/DiscoverAmerica)
- Google+: [google.com/+discoveramerica](https://www.google.com/+discoveramerica)

DISCOVER AMERICA

Current Global Footprint for Social Media Activity

In addition to its global channels, Brand USA, through its Discover America brand, currently has localized social media efforts in the following markets via the channels shown below:

MARKET	IN-LANGUAGE WEBSITE	FACEBOOK PAGE LINK (OR OTHER CHANNELS)	TWITTER HANDLE (OR EQUIVALENT)
Canada (English) Canada (French)	discoveramerica.ca discoveramerica.ca/fr	Facebook.com/DiscoverAmericaCA	@DiscoverUSAc @DiscoverUSAqc
United Kingdom	discoveramerica.co.uk	Facebook.com/DiscoverAmericaUK	@DiscoverUSAuk
Japan	discoveramerica.jp	Facebook.com/DiscoverAmericaJP	@DiscoverUSAjp
Brazil	discoveramerica.br	Facebook.com/DescubraEUA	@DescubraEUA
South Korea	discoveramerica.kr	Facebook.com/DiscoverAmericaKR	@DiscoverUSAkr
Mexico	discoveramerica.mx	Facebook.com/DescubreeuaMX	@DescubreeuaMX
Australia	au.discoveramerica.com	Facebook.com/EntdeckeAmerika	n/a (not locally relevant)
China	GoUSA.cn	Sina Weibo (Chinese microblogging site/ hybrid of Twitter and Facebook): http://e.weibo.com/u/3606551013	Tencent Weibo (Chinese microblogging site): http://t.qq.com/DiscoverGoUSA : RenRen: http://page.renren.com/601784091 Youku (YouTube equivalent): http://u.youku.com/GoUSA
Hong Kong	GoUSA.cn	Facebook.com/gousa.official	Tencent Weibo (Chinese microblogging site): http://t.qq.com/DiscoverGoUSA : RenRen: http://page.renren.com/601784091 Youku (YouTube equivalent): http://u.youku.com/GoUSA
Taiwan	GoUSA.tw	facebook.com/gousa.official	Tencent Weibo (Chinese microblogging site): http://t.qq.com/DiscoverGoUSA : RenRen: http://page.renren.com/601784091 Youku (YouTube equivalent): http://u.youku.com/GoUSA
India	discoveramerica.in	Facebook.com/DiscoverAmericaIndia	@DiscoverusaIN
Chile	discoveramerica.cl	Facebook.com/descubreusaCL	@DescubreusaCL



SOCIAL CAMPAIGNS

Throughout the year, the Brand USA digital team partners with local experts in each market to apply their global marketing insights to create culturally-relevant social media content and campaigns.

The custom social campaigns provide localized digital and social presence in nine international markets, with one global presence in English.

In addition to engaging international travelers through ongoing conversations via social media channels, Brand USA also develops a variety of custom programming, including a series of road trips that showcase the United States and offer travelers ideas on how to plan their own journeys. As Brand USA's social media influencers drive across the United States, they share their experiences blogging and posting photos and videos of their travels, with Brand USA further supporting their communication efforts with a comprehensive digital content and promotion plan, as well as functionality on Brand USA's DiscoverAmerica platforms that enable travelers to plan their own road trips, access curated playlists inspired by iconic routes, and share their experiences once they embark on their trips.

MEDIA & PUBLIC RELATIONS OUTREACH

Brand USA works with media outlets to promote the entirety of the United States and offers a number of programs that provide partners opportunities to increase awareness and inspire travel to their destinations through the power and credibility of earned media coverage.

Leveraging its access to and relationships with journalists plus its online newsroom platform and ongoing scheduling of journalist familiarization tours, Brand USA promotes destinations and travel experiences in every state, the District of Columbia and the five territories with extensive media coverage in both travel trade and consumer media, including broadcast, print and online.



CO-OP MARKETING PROGRAMS

Co-op marketing programs make up the majority of our marketing efforts and deliver an array of marketing options to increase awareness, visitation and spend. They also provide opportunities for partners of all shapes and sizes to participate and are an important way we promote travel experiences in the United States to, through and beyond the gateways.

BRAND USA ORIGINALS

Brand USA Originals are marketing programs developed and offered exclusively by Brand USA. They include proprietary programs developed by Brand USA and those created in partnership with influential travel media and major travel and lifestyle brands.

BRAND USA AFFINITY PROGRAMS

Affinity programs are programs that Brand USA has developed with media, online travel agencies (OTAs) or other travel-related publishers to advertise and promote U.S. destinations, experiences, attractions and other travel opportunities. They are a particularly valuable way to highlight partner offers and inspire USA travel experiences.

MARKET SPECIFIC PROGRAMS

Through market specific programs, Brand USA connects partners with its in-country experts to ensure co-op marketing efforts are deployed in the right markets. Programs are designed for either partner launch or expansion in established or emerging markets. These programs are ideal for cities and states that are focusing on specific markets or entering a market for the first time.

TRADE OUTREACH

Brand USA currently works with its expanding network of international representatives, Visit USA committees, travel and tourism advisory boards, U.S. embassy personnel and U.S. Commercial Service teams to support participation in numerous trade activities, including:

- Trade Shows
- Sales Missions
- Road Shows
- Themed Events
- Training Initiatives
- MegaFams
- Trade Shows

Throughout the year, Brand USA hosts a series of USA-branded pavilions at influential travel and trade shows—providing participating U.S. exhibitors the opportunity to reach 1.6 million international travel buyers and inspire future travel to the United States.

Brand USA serves as the unifying element at these shows, representing U.S. travel and tourism interests on a global scale, with destinations, travel brands and other organizations of all shapes and sizes participating as exhibitors. Participating organizations retain their own identity yet benefit from being part of a more visible, collaborative United States effort. To further amplify the USA's and participating partners' presence, Brand USA also organizes related events before, during and after many of these shows.

Unified Brand USA pavilions provide exhibitors:

- Market analytics and insights
- Marketing, advertising, public relations activities and media exposure
- Increased global exposure
- Customer engagement and entertainment opportunities

SALES MISSIONS

Another essential component of Brand USA's trade outreach includes sales missions. These Brand USA-hosted events invite travel industry professionals in key markets to meet with U.S. organizations at a designated international location. Through a series of planned events, Brand USA and sponsor partners are able to connect directly with international travel buyers, including tour operators, airlines, travel agents, incentive and meeting planners and media, and provide a more in-depth look at U.S. destinations and experiences in order to increase travel bookings to the United States.

ROAD SHOWS

Our outreach also includes taking participants directly to the travel trade in international markets via Road Show events. Brand USA and partner organizations are able to connect directly with tour operators, travel agents and other travel buyers through a series of seminars, receptions and events where participating partners acquire the knowledge and information needed to better promote the United States as a travel destination.

THEMED EVENTS

Based on market need and opportunity, Brand USA also organizes custom themed events in key international markets that position and promote the United States as the go-to travel destination. These events are generally celebratory programs, themed around specific holidays and experiences to help promote destinations, travel brands and other organizations.

TRAINING INITIATIVES

Two distinct Brand USA travel trade training initiatives provide the tools and information our international travel buyers need in order to sell, up-sell and cross-sell U.S. travel destinations and experiences.

USA Discovery Online Training Platform

This experience-based, hands-on training platform features a variety of destination modules to inspire and motivate the travel industry to sell “this land like never before.” Modules focus on certain states or areas, and travel agents and tour operators can earn specialist badges as they complete each section..

Training Seminars

Brand USA also presents in-market training seminars that focus on a specific experience or region in the United States—providing a targeted approach to promoting U.S. travel destinations.

MEGAFAMS

Familiarization tours, or “fams,” with the travel trade are an integral part of the organization’s marketing strategies to create awareness of the diverse destinations and travel experiences available throughout the United States. The Brand USA fam tours are called “MegaFams” because they are the largest multi-itinerary simultaneous familiarization tours conducted in the United States.

Brand USA organizes and coordinates these diverse U.S. travel experiences in order to more fully promote multiple destinations. They are especially effective in motivating the travel trade to sell beyond-the-gateway experiences to their clients, because the itineraries include a broad range of travel experiences, attractions and brands from the popular gateway cities to off-the beaten-path encounters.

Through Brand USA MegaFam experiences, travel agents and tour operators become better informed, empowered and inspired to sell a multitude of U.S. destinations to, through and beyond the gateways.

ADVISORY BOARDS AND COLLABORATION WITH FEDERAL PARTNERS

In each market where Brand USA has international offices we establish advisory boards. These advisory boards are comprised of influential tour operators, travel agents and other in-market travel professionals. Through collaboration and ongoing discussion with these boards, either directly with the travel industry or in collaboration with Visit USA committees, Brand USA gains important feedback and recommendations as new marketing programs and promotional campaigns are developed and launched.

Additionally, as part of Brand USA’s support of the National Travel & Tourism Strategy goal of

welcoming 100 million international travelers to the United States by the end of 2021, we work with our Federal partners, led by the Commerce Department's Tourism Policy Council (TPC). As the interagency, policy coordinating committee comprised of the leaders of nine Federal agencies, the TPC, including its Ease of Travel and Marketing and Promotion Working Groups, is at the center of our Federal partner collaboration. Through this collaboration, Brand USA conducts joint activities and leverages Federal assets to support our international marketing efforts and policy communications.

MARKETING THE ENTIRETY OF THE USA AND PROMOTING TOURISM TO RURAL AND URBAN AREAS

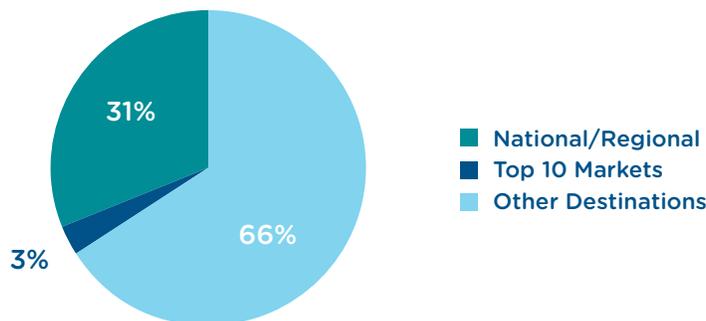
Brand USA deploys a majority of its marketing against national or regional messaging. Advertisements placed in market generally feature Brand USA's websites as the primary call to action. Website page views therefore offer a platform for understanding the areas where Brand USA has been successful in engaging consumers to explore.

As Chart 1 depicts, two thirds (66%) of website page views in fiscal year 2014 featured national or regional content. Examples of such pages include the home page, maps, road trips and travel information. Three percent of page views featured content on the top 10 inbound destination cities and their attractions. The remainder of website page views is focused on other areas, most commonly state pages. While states such as California include major gateways, the content of the web page focuses on a broader range of experiences that represent the state as a whole.

Chart 1

Top 10 Markets: New York City, Los Angeles, San Francisco, Miami, Orlando, Las Vegas, Honolulu, Washington D.C., Chicago, Boston

**Does not include gousa.cn or pages with one view*



In addition, through co-op marketing programs and in coordination with its marketing partners, Brand USA is able to specifically promote tourism to either rural or urban areas—or both. During 2014, 68% of these programs promoted both rural and urban U.S. markets, 27% promoted urban U.S. markets, and 5% promoted rural U.S. markets. Chart 2 provides a summary of these programs.

Chart 2

Summary of FY2014 Brand USA Programs Promoting Urban and/or Rural U.S. Markets

MARKET	PARTNER	RURAL AND/OR URBAN
United Kingdom Marketing Partner Programs	Travel Weekly Group	Urban and Rural
	Telegraph Media	Urban and Rural
	Thomas Cook	Urban and Rural
	STA Travel (Phases 1 and 2)	Urban and Rural
	British Airways	Urban
	TTG Media	Rural
	Conde Nast	Urban and Rural
	BBC	Urban
	ESPN (Phases 1 and 2)	Urban and Rural
	Travel Channel	Urban and Rural
	The Guardian - City Guides	Urban
Germany Marketing Partner Programs	Air Berlin	Urban and Rural
	TransAmerika	Rural
	RTL Radiovermarktung GmbH	Urban
	Meiers Weltreisen	Urban
	Dertour GmbH & Co. KG	Urban and Rural
	America Journal	Urban and Rural
Taiwan & Hong Kong Marketing Programs	Reader's Digest	Urban and Rural
	TTG Asia	Urban and Rural
	TTG China	Urban and Rural
	United Airlines (Market: China/Hong Kong/Taiwan)	Urban and Rural
Taiwan Marketing Partner Programs	Business Weekly	Urban
	Travel Rich	Urban
	Phoenix Delta Pak	Urban and Rural
Hong Kong Marketing Partner Programs	Weekend Weekly	Urban and Rural

MARKET	PARTNER	RURAL AND/OR URBAN
Japan Marketing Partner Programs	Turner Japan	Urban and Rural
	BS Fuji	Urban and Rural
	Hankyu International	Urban and Rural
	All Nippon Airways (ANA)	Urban and Rural
	TV Asahi	Urban and Rural
	Globe Trotter	Urban and Rural
	MTV Networks	Urban
	MLB Japan	Urban
	Sankei Express	Rural
	Mainichi Newspaper	Urban and Rural
South Korea Marketing Partner Programs	Triad IBS (Asiana Airlines Inflight Broadcasting System)	Urban and Rural
	Singapore Airlines	Urban and Rural
	Delta Air Lines	Urban and Rural
	Mode Tour	Urban and Rural
	Lonely Planet	Urban and Rural
	Chosun Ilbo Newspaper	Urban and Rural
	JoongAng Ilbo Newspaper	Urban and Rural
	Cosmopolitan	Urban
Brazil Marketing Partner Programs	Grupo Companhia	Urban and Rural
	Mercado & Eventos	Urban and Rural
	Outdoor Revolution	Urban and Rural
	Balfour	Urban and Rural
	Grupo Travel News	Urban and Rural
Mexico Marketing Partner Programs	Grupo BT USA	Urban and Rural
	Turistampa	Urban and Rural
Australia Marketing Partner Programs	Flight Centre	Urban and Rural
	Escape Travel Brand	Urban and Rural
	Student Travel Brand	Urban and Rural
	Travel Associates Brand	Urban and Rural
	Infinity Travel Brand	Urban and Rural
	Major League Baseball International	Urban
	Sunrise (Seven Network)	Urban and Rural

MARKET	PARTNER	RURAL AND/OR URBAN
New Zealand Marketing Partner Programs	APN NZ Media	Urban and Rural
China Marketing Partner Programs	Let's Travel Magazine	Urban and Rural
	CITIC Bank	Urban and Rural
	CYTS Experience Hall	Urban and Rural
	Global Times	Urban and Rural
	Global Entrepreneur	Urban
	Travel + Leisure	Urban and Rural
Global Marketing Partner Programs	CNN International	Rural
Brand USA Co-op Programs: Originals	Inspiration Guides	Urban and Rural
	Multi-Channel	Urban and Rural
	USA Discovery Program	Urban and Rural
	Social Campaigns	Urban and Rural
	Road Trips	Urban and Rural
	DiscoverAmerica and GoUSA global websites	Urban and Rural
	In-Language Videos	Urban and Rural
	TripTuner	Urban and Rural
	Brand USA Media Network Powered by TravMedia	Urban and Rural
Brand USA Co-op Programs: Affinity Programs	Expedia	Urban
	Orbitz	Urban
	TripAdvisor	Urban
	BestDay	Urban
	Despegar	Urban
	Rakuten	Urban
	Interpark Tour	Urban
	HanaTour	Urban
	Ctrip	Urban
	Travelzoo	Urban
	MyWedding.com	Urban
	Essentially America	Urban and Rural

Identifying and Prioritizing Key International Markets

Brand USA utilizes a market selection model that incorporates 10 factors, detailed in Chart 3.

The objective of the market selection model is to identify the markets that offer the most incremental growth potential. The objective of defending market share that was otherwise poised for decline is considered equally to the objective of growing market share. The model considers international travel behaviors and macroeconomic factors most heavily, but includes additional important factors such as civil liberty and ease of doing business. While the model often aligns with the largest source markets for U.S. arrivals, it does not utilize U.S. arrivals as an input.

Chart 3

FACTOR	SOURCE
GDP (PPP)	IMF
GDP (PPP) GROWTH (2016/2014)	IMF
International Expenditure	Oxford Economics
Long Haul Departures (excludes Canada and Mexico)	Oxford Economics
Unemployment Index	CIA World Factbook
Civil Liberty	Freedom House
Population	CIA World Factbook
Ease of Doing Business	World Bank
GINI (Wealth distribution)	CIA World Factbook
Special Circumstances e.g., new visa waiver, war/conflicts	Various Sources

In 2014, the following primary markets were targeted for consumer marketing activity:

- Australia
- Brazil
- Canada
- China
- France
- Germany
- India
- Japan
- South Korea
- Mexico
- United Kingdom

Determining the Most Effective Marketing Mix to Maximize International Marketing Efforts

Brand USA utilizes a range of media for its marketing and promotional activities. The total expenditure and ratio of media channels for each market are detailed in Chart 4 and Chart 5, respectively.

The multimedia/infrastructure category includes multimedia partnerships as well as all non-media marketing-related expenses, such as content (photography, video and copy) development, agency fees, translation costs and website development and maintenance. Digital channels are the largest single media type used for advertising activities and encompass a variety of executions including search, display, social media, online video and email. Both Brand USA proprietary research and industry studies indicate that digital channels are the largest information source for consumer travel decision-making.

Chart 4

Media Optimization FY14 expenditures by market and media type

MARKET	DIGITAL	TV	OOH	PRINT	RADIO	TRADE SHOW	MULTI-MEDIA*	TOTAL
Global	6,222,724	1,918,875	42,321	1,198,074	30,000	519,920	41,470,771	51,402,686
Australia	2,204,198	2,007,172	5,871	474,630	-	-	2,617,248	7,379,119
Brazil	4,392,786	2,119,172	633,027	1,880,032	-	220,190	1,214,511	10,460,412
Canada	9,175,462	5,965,350	1,185,332	1,746,924	560,902	-	488,538	19,122,507
China	2,929,512	896,431	1,189,148	1,231,960	10,920	71,086	1,833,378	8,162,436
Germany	3,906,515	2,764,319	913,699	1,371,504	215,542	417,133	1,176,661	10,765,373
India	636,698	-	-	32,230	-	81,007	828,158	1,578,093
Japan	2,630,032	2,218,816	372,697	580,011	-	96,586	2,064,686	7,962,828
South Korea	1,231,839	864,181	247,133	308,329	-	34,705	830,225	3,516,412
Mexico	3,172,024	967,568	716,580	240,822	-	25,750	184,912	5,307,655
United Kingdom	8,970,557	1,861,546	1,102,997	3,014,772	44,210	253,481	6,470,005	21,717,568
Other Markets	1,465,757	1,117,631	33,605	679,306	-	274,249	4,168,813	7,739,360
Total Marketing	46,938,104	22,771,754	6,442,410	12,758,594	861,574	1,994,108	63,347,907	155,114,450
Communications & Research								5,590,417
Overhead								12,322,995
Total Operating								173,027,862

**Multimedia/infrastructure includes all non-media marketing expenses such as content and advertising creative production, agency fees, translation costs, and website maintenance as well as multimedia partnerships.*

Chart 5

Media Optimization FY14 ratio of media channels by market and media type

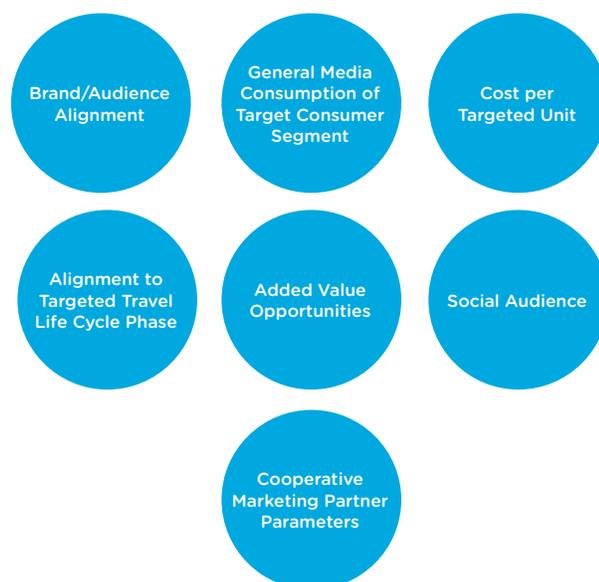
MARKET	DIGITAL	TV	OOH	PRINT	RADIO	TRADE SHOW	MULTI-MEDIA*	TOTAL
Global	4.0%	1.2%	0.0%	0.8%	0.0%	0.3%	26.7%	33%
Australia	1.4%	1.3%	0.0%	0.3%	0.0%	0.0%	1.7%	5%
Brazil	2.8%	1.4%	0.4%	1.2%	0.0%	0.0%	0.8%	7%
Canada	3.8%	3.8%	0.8%	1.1%	0.4%	0.0%	0.3%	12%
China	1.8%	0.5%	0.8%	0.8%	0.0%	0.0%	1.2%	5%
Germany	2.5%	1.8%	0.8%	0.8%	0.1%	0.3%	0.8%	7%
India	0.4%	0.0%	0.0%	0.0%	0.0%	0.1%	0.5%	1%
Japan	1.7%	0.4%	0.2%	0.4%	0.0%	0.1%	1.5%	5%
Mexico	2.0%	0.5%	0.5%	0.2%	0.0%	0.0%	0.1%	3%
South Korea	0.8%	0.5%	0.2%	0.2%	0.0%	0.0%	0.5%	2%
United Kingdom	3.8%	1.2%	0.7%	1.8%	0.0%	0.2%	4.2%	14%
Other Markets	0.8%	0.7%	0.0%	0.4%	0.0%	0.2%	2.7%	5%
Total	30%	15%	8%	8%	1%	1%	41%	100%

Brand USA references seven factors when determining media allocation, as shown on Chart 6. The foundation of all consumer marketing activity is alignment with the target consumer segment. Brand USA anchors its segmentation on the travel lifecycle by market, designating each market with one of the first three phases in the travel lifecycle: Dream-Consider-Activate-Travel-Share.

Based on this primary target lifecycle phase, Brand USA focuses execution around appropriate media. Television and out of home, for example, are generally used for the "dream" phase while digital marketing is primarily used for the "consider" and "activate" phases. Although markets are designated one primary target phase, execution is not limited to just that phase or media type.

Chart 6

Media allocation criteria



DREAM PHASE LIFECYCLE EXAMPLE



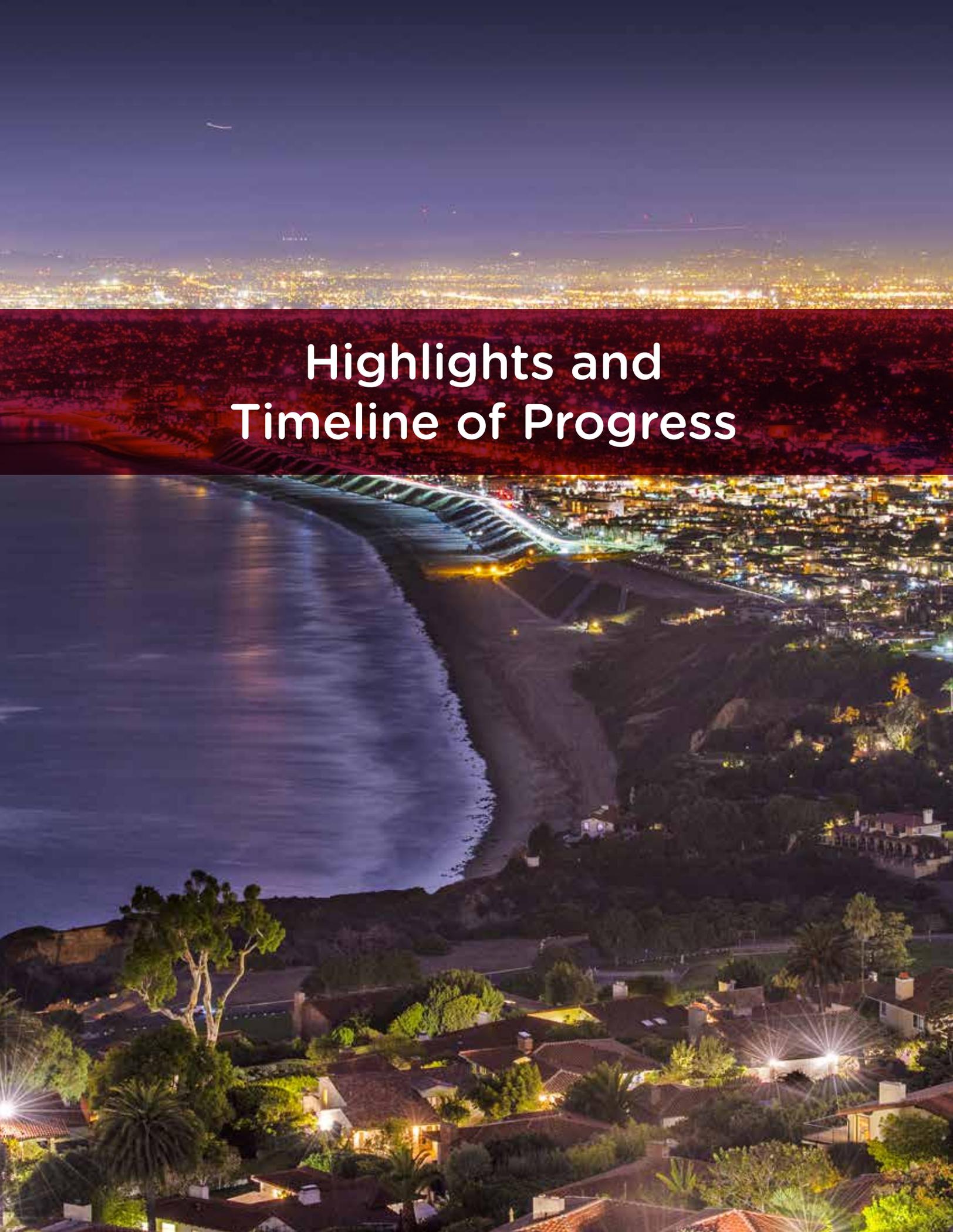
Dynamic out-of-home video executions like this one in the Shanghai metro station in China help Brand USA engage travelers during the “Dream” phase of the travel lifecycle.

ACTIVATION PHASE LIFECYCLE EXAMPLE



Digital display ads are one method of reaching travelers during the “Activation” phase of the travel lifecycle. This example ran on Expedia.de in Germany and provided travelers with an important booking path to finalize their travel plans.

In addition to segmentation alignment, Brand USA’s media allocation focuses on general media consumption of target audiences and the cost efficiency of ad units. Cooperative partner parameters are a significant factor for joint media campaigns. Secondary factors, such as added value opportunities and social audience are applied after the general allocation structure is outlined and are used to allocate among specific providers.

An aerial night photograph of a coastal city. The top portion shows a dense urban area with numerous lights. Below this, a dark red horizontal band contains the title text. The bottom portion shows a coastline with a beach, a dam-like structure illuminated with lights, and a residential area with houses and trees in the foreground.

Highlights and Timeline of Progress

RESULTS

FISCAL YEAR 2014 HIGHLIGHTS

- During 2014, Brand USA made continued progress toward its mission of increasing international visitation to the United States. Highlights over the past fiscal year include:

Visitation, Spend, Market Share

- Generating 903,440 incremental visitors to the United States, who spent \$3.1 billion on travel and fare receipts with U.S. carriers, resulting in \$7.1 billion in total sales, which supported more than 47,000 new jobs. Combined with Brand USA's results in fiscal year 2013, over the past two years Brand USA's marketing initiatives have helped welcome more than 2 million incremental visitors to the USA, benefiting the U.S. economy with nearly \$15 billion in total economic impact, which has supported, on average, 50,000 new jobs a year.
- An increase in the United States' share of total international travel from 6.4% in 2013 to 6.6% in 2014 (Source: The World Tourism Organization/UNWTO).

Marketing Effectiveness

- A 3.8% increase in the number of “net promoters” of the USA across Brand USA's primary target markets (Australia, Brazil, Canada, China, France, Germany, India, Japan, South Korea, Mexico, and the United Kingdom)—from 45.8% in 2013 to 47.6% in 2014. Net promoters are defined as those who selected “I would bring [the USA] up to recommend as a destination” in a quantitative survey conducted by PhoCusWright.
- A 6% increase in the percentage of campaign recognizers who indicated they will “definitely” or “probably” visit the United States in the next six to 12 months—from 60% in 2013 to 64% in 2014.
- Continued strong and positive social sentiment of 89% across all of Brand USA's digital channels based on informal monitoring. Visible was selected in the RFP process for an advanced social monitoring tool and is currently being configured.

Partnership and Contributions Growth

- Cash contributions totaling \$34 million, comprising 31% of total contributions.
- In-kind contributions totaling \$75 million, comprising 69% of total contributions.
- A 40% increase in Brand USA's partnership network—from 339 partners in fiscal year 2013 to 475 through fiscal year 2014.

Marketing Reach

- Expanded the consumer campaign to 10 key markets that generate 80% of all international visitation to the United States
- Expanded of Brand USA's international representation from 18 markets to 20 with the opening of offices in Canada and India. By the end of fiscal year 2014, Brand USA's representation network included 12 offices representing the following markets: Australia, Austria, Brazil, Canada, China, Costa Rica, Guatemala, Germany, Hong Kong, India, Ireland, Japan, Mexico, Nicaragua, New Zealand, Panama, South Korea, Switzerland, Taiwan, and the United Kingdom.
- Increased the number of markets where Brand USA is fully deployed (with its consumer brand campaign, co-op marketing initiatives, and trade outreach) from eight markets in fiscal year 2013 (Australia, Brazil, Canada, Germany, Japan, Mexico, South Korea, and the United Kingdom) to 11 markets in fiscal year 2014 (with the addition of China, India and Taiwan). These markets generate nearly 80% of inbound visitation and spend in the United States.
- Increased partner program offerings from 30 in fiscal year 2013 to more than 100 programs with 200 opportunities in fiscal year 2014 — which helped drive a 94% partner program retention rate as measured by the number of partners participating in Brand USA co-op programs during both fiscal years 2013 and 2014. During fiscal year 2014, 140 partners participated in Brand USA co-op programs for a total of \$11.4 million in co-op related contributions—a 169% and 34% increase, respectively, from the 52 partners who participated in co-op programs for a total of \$8.5 million in co-op related contributions in fiscal year 2013.



TIMELINE OF PROGRESS

The following provides monthly highlights of Brand USA marketing activities and milestones from October 2013 through September 2014.

► October 2013

Brand USA begins its third full year in operation.

The Brand USA consumer campaign runs in Hong Kong, Taiwan, South Korea and China.

Brand USA welcomes nearly 1,000 Chinese travelers to the United States through a joint effort sponsored by Brand USA, the China National Tourism Administration (CNTA) and NYC & Company. The event is promoted as Welcome China, and includes participation by 10 city/provincial tourism offices and 14 key travel agencies from China who developed a variety of U.S. itineraries that include stops in major U.S. cities plus one stop in New York City on October 8 where all participants attend a special evening event at the Metropolitan Museum of Art. Contributing partners include Macy's, the Metropolitan Museum of Art, Veolia Transportation, The Juilliard School, Hainan Airlines and Sina.com. Following the event, Brand USA participates in the China-U.S. Tourism Leadership Summit in Chicago organized by the U.S. Travel Association.

Brand USA hosts USA Pavilions at ILTM Americas in Mexico; the China International Travel Mart (CITM) in Shanghai; TTG Incontri in Rimini, Italy; the Taipei International Travel Fair (ITF); and ITB Asia (Singapore). In addition, Brand USA is the official tourism partner for the World Routes Development Forum, the world's largest airline conference, which takes place in Las Vegas—the first time any Routes event has been held in the USA. The 19th annual event is the largest Routes show to date, attracting 3,000 high-profile delegates from more than 125 countries worldwide and is co-hosted by the Las Vegas Convention & Visitors Authority and Las Vegas McCarran International Airport. The partnership is part of Brand USA's strategy to develop programs and platforms that will increase airlift from international markets to the United States.

► November 2013

The Brand USA consumer campaign comprised of broadcast, print, and out-of-home advertising begins running in Brazil.

Brand USA hosts its first MegaFam from Australia to the United States in partnership with Qantas Airlines. Destinations included New York and Boston; Orlando and Miami, Florida; Phoenix, Scottsdale, Mesa and Flagstaff, Arizona; Dallas and Fort Worth, Texas; Baton Rouge and New Orleans, Louisiana and their surrounding areas.

Brand USA's in-flight media partnership with Asiana Airlines begins in South Korea.

Brand USA opens an international representation office covering Mexico and Central America.

English TV personality, travel writer, actor and adventurer, Charley Boorman embarks on a seven-week expedition traveling over 8,000 miles across 22 states to showcase the eclectic cultures, history, landscapes, locals and adventure that the USA has to offer. The series is

promoted and broadcast as part of Charley Boorman's Extreme Frontiers online and on Channel 5 in the United Kingdom in four one-hour episodes.

Brand USA hosts a sales mission to Taiwan. Brand USA hosts Thanksgiving-themed dinners for the travel media in India, and USA Pavilions at World Travel Market in London and EIBTM in Spain.

Brand USA's international marketing partnership with the National Football League is announced as part of Brand USA's live entertainment platform, leveraging the NFL's International Series games played in Canada and the United Kingdom during the season. The platform provides opportunities for Brand USA's partners to promote increased visitation and spend in the United States by showcasing the range of live entertainment offerings in the USA.

Brand USA teams up with ESPN to produce a suite of 51 new sport tourism and destination feature videos, as well as a fun new game to help United Kingdom residents find their perfect match when it comes to sports teams in the USA. Housed on DiscoverAmerica.com, the 2-3 minute videos promote spectator, competitive and recreational travel across the 50 states and the District of Columbia.

Brand USA launches a new module, USA Fly-Drive Specialist, on its USA Discovery training platform to educate the travel trade on fly-drive experiences available in the United States. The module features information on classic American road trips, as well as the roads less traveled across the United States in order to truly travel like a local. The USA Fly-Drive Specialist module joins five existing modules on the platform – Big City Buzz, Great Outdoors, Culture & Heritage, Winter Sports, and Coastal Escapes; plus the Regional Expert badge users must complete initially.

▶ December 2013

U.S. Secretary of Commerce Penny Pritzker appoints two new board members and re-appoints two board members to Brand USA's board of directors. The newly appointed and reappointed board members include:

- Randy Garfield, Executive Vice President, Worldwide Sales and Travel Operations, Disney Destinations and President, Walt Disney Travel Company (reappointment)
- Andrew Greenfield, Partner, Fragomen, Del Rey, Bersen and Loewy, LLP (new appointment)
- Barbara Richardson, Chief of Staff, Washington Metropolitan Area Transit Authority (new appointment)
- Mark Schwab, Chief Executive Officer, Star Alliance Services (reappointment)

The Brand USA consumer campaign begins running in Germany featuring Lufthansa and tour operators such as Canusa, Dertour, Explorer and Meiers.

Brand USA opens its international representation office in Brazil.

Hawaiian Airlines/Asiana Airlines marketing partnership with Brand USA launches in South Korea.



➤ January 2014

Thomas Cook and Brand USA partner to launch the Discover America United Stories of America competition, a pan-European social media competition that offers participants the chance to win a holiday to the USA every month. The United Stories of America promotion runs simultaneously across the United Kingdom, Germany, Belgium and the Netherlands through April 2014.

USA Pavilions are hosted at Vakantiebeurs (Utrecht, The Netherlands); FITUR Madrid; and SATTE in New Delhi, India.

➤ February 2014

The Brand USA consumer campaign begins running in Australia through March.

The Hospitality Sales and Marketing Association International (HSMAI) recognizes Brand USA with three 2013 Adrian Awards, including:

- Gold in Advertising (Travel Trade Brochure) for the Discover America Inspiration Guide
- Silver in Advertising (DVD/CD/VIDEO Consumer/Group Sales/Travel Trade) for the organization's In-Language Content Program
- Gold in Digital Marketing (Web Ad) for the Google Engagement Ads that create a beautiful interactive travel guide.

Brand USA announces a culinary initiative at the Destination & Travel Foundation Dinner, which this year honors the James Beard Foundation with the annual Spirit of Hospitality Award. The new initiative will kick off in July 2014 with the launch of a culinary guide to the United States featuring some of the best-known American chefs and the destinations they represent. The guide is being put together with the State Department's Diplomatic Culinary Partnership, which is an exciting collaboration with James Beard-recognized chefs and others.

Brand USA hosts USA Pavilions at BIT in Milan, Italy and AIME in Melbourne, Australia.

As part of its NFL partnership, Brand USA creates a video covering the weeklong Super Bowl experience from the vantage point of a tourist visiting New York City during Super Bowl week. Brand USA currently has seven partners in the sports and entertainment segment—ranging from major broadcasters such as ESPN to major league sports such as football and baseball to entertainment providers such as Cirque du Soleil to filmmakers like MacGillivray Freeman Films (a major producer of giant screen format films).

Brand USA launches the Great American Road Trip digital campaign, which features 10 road trips covering 39 states and countless destinations through July via Brand USA's Discover America digital channels. The campaign is designed to inspire travelers to discover the USA from the open road and highlights well-known and less-discovered road trips by topic and geography. The featured road trips and markets include:

- February: Cruise the Pacific Coast Highway (Japan)
- March: Texas BBQ Trail (South Korea)
- April: Hawaii & the Hana Highway (China)
- April: Route 66: Chicago to Los Angeles (Global)
- April: Great River Road (Australia)
- May: Craft Beer Trail (Germany)
- May: The Oregon Trail (United Kingdom)
- June: The New England Coast (Canada)
- June & July: Atlantic Coast (Mexico and Brazil)

As part of the social media campaign, Brand USA unveils a new Google Maps feature on its Discover America platforms where travelers can explore these 10 road trips. Visitors can save and plan their own journeys, share their road trip experiences with others and access curated playlists inspired by iconic routes and road trips.

➤ March 2014

Brand USA hosts a road show to Nanjing (Jiangsu Province) and Hangzhou (Zhejiang Province). Participants include the major travel agents and media in Hangzhou and Nanjing and key U.S. partners with offices in China.

Brand USA hosts USA Pavilions at ITB Berlin; Expoviajes in Costa Rica; and TUR in Gothenburg, Sweden. In addition, Brand USA attends MITT in Moscow, supporting Visit USA Russia at its pavilion.

The redesign of the consular area at the U.S. Embassy in London is completed. The new design provides for a more welcoming environment and includes a variety of information for waiting visa applicants on travel to the United States.

➤ April 2014

The Brand USA consumer campaign begins running in Mexico through June.

For the third year in a row, Brand USA is the premier sponsor of IPW, which is held in Chicago. During the event, Brand USA holds meetings with more than 500 international travel buyers and supplier partners and unveils more than 100 new programs and platforms.

Brand USA also partners with Choose Chicago and Discover Illinois throughout the event to promote experiences at the state and local level for international travelers.

Brand USA announces that it has begun pre-production of a film for giant screen theaters. The film, which is being produced by MacGillivray Freeman Films and scheduled to be released in the fall of 2015, will honor the centennial of the National Park Service and its 401 national sites.

National Geographic Travel's Digital Nomad embarks on five awe-inspiring road trips in partnership with Brand USA to showcase unique travel experiences on the American open road. The journey, which includes adventures to 23 destinations, is documented in real-time using various social media channels.

In addition, Brand USA begins its Hana Highway and Great River Road trips, two of 10 iconic road trips across the USA for the year on which Brand USA sends an international social media manager and influencer. Along the way, they share the sights, sounds, and tastes of the USA via Facebook, Twitter, Instagram and the DiscoverAmerica.com blog.

Brand USA and CBS travel editor and producer Peter Greenberg announce a new series featuring U.S. destinations and the impact international tourism has on local economies and the nation.

Brand USA hosts the second annual USA Pavilion at WTM Latin America in Sao Paulo, Brazil.

► May 2014

The Brand USA consumer campaign begins running in Brazil, South Korea and Japan.

The Brand USA social campaign featuring destinations and experiences that explore "The Great Outdoors" begins running through July.

Brand USA hosts its first MegaFam from Germany in partnership with Lufthansa Airlines. Eight groups of ten agents each depart from Frankfurt to discover and explore the USA on eight different simultaneous itineraries that take them to the gateways and surrounding regions beyond the gateways, including New York, Washington D.C., Miami, Chicago, Dallas, Denver, Los Angeles and Seattle.

Brand USA hosts its second annual MegaFam from the United Kingdom in partnership with British Airways and American Airlines. The tour includes seven itineraries covering 21 states and the District of Columbia, providing opportunities for the 100 participating travel agents to explore many experiences and destinations to, through, and beyond the gateways.

Brand USA opens its international representation office in Canada.

► June 2014

Brand USA works with Network 18, one of India's leading media organizations, to organize a media trip along Route 66. Participating partners include Arizona, New Mexico, Texas, Oklahoma, Missouri and Illinois.

Brand USA's National Geographic Road Trips series continues with the "Rhythms of the South" trip through Nashville, New Orleans and Atlanta.

Brand USA hosts a USA Pavilion at the International Travel Expo in Hong Kong.

Brand USA hosts a number of press and travel trade events to celebrate the opening of its offices in Canada.

Brand USA begins its New England Coast road trip and part 1 of its Atlantic Coast road trip, two of 10 iconic road trips across the USA for the year on which Brand USA sends an international social media manager and influencer. Along the way, they share the sights, sounds, and tastes of the USA by highway via Facebook, Twitter, Instagram and the DiscoverAmerica.com blog.

► July 2014

Brand USA produces its inaugural culinary guide featuring 31 chefs from the American Chef Corps, a network of more than 100 of the USA's most renowned chefs who participate in programs both in the United States and abroad to foster cross-cultural exchange and highlight American cuisine through the shared experience of food. Seven of the featured chefs travel to international markets, including Australia, Canada, China, Japan, South Korea and Taiwan, for major public relations tours coordinated by Brand USA and the U.S. embassies to promote the guide and to celebrate the American culinary landscape at Independence Day celebrations.

Brand USA and Japan Association of Travel Agents (JATA) conduct a Discover America Orlando and New York fam tour with the support of United Airlines. The fam itinerary includes both iconic and small business stops including Universal Studios Orlando, Disney's Animal Kingdom, the Mall at Millennia Shopping Mall, Sheraton New York, Empire State Building, 911 Memorial Museum, Water Taxi, Delmonico's Restaurant, Heartland Brewery, Hilton New York, Ice Bar, and the Red Rooster Restaurant.

Brand USA, the U.S. Commercial Service in Munich, Germany and Visit USA Germany host the travel and tourism consumer fair "Through Bavarian Eyes: Your America Experience."

Brand USA in Germany, together with Visit USA Switzerland, host a fam trip to Nevada with Edelweiss Air to promote new non-stop service from Zurich to Las Vegas.

Brand USA begins part 2 of its Atlantic Coast road trip, one of 10 iconic road trips across the USA for the year on which Brand USA sends an international social media manager and influencer. Along the way, they share the sights, sounds, and tastes of the USA by highway via Facebook, Twitter, Instagram and the DiscoverAmerica.com blog.



▶ August 2014

Brand USA is honored as the runner up in the best destination category at the Condé Nast Traveller Readers' Awards in the United Kingdom.

In Hong Kong and Taiwan, Brand USA holds its "My Dream Vacation" media event in partnership with AIT and the Discover America Committee in Taiwan. The event, now in its fourth year, promotes a variety of destinations as great places to honeymoon in the United States—providing participating partners the opportunity to introduce their destinations and tour products to over 60 media and trade partners.

GoUSA.cn, the Brand USA Discover America platform in China, launches. A variety of press events are held, including a media event in Beijing at the U.S. Embassy, attended by approximately 120 participants from local travel agencies, travel and lifestyle online and offline media, and U.S. partners.

Brand USA hosts more than 80 key travel agencies, corporate clients, U.S. receptive tour operators and key trade media from Beijing, Shanghai, Hangzhou, Shenzhen and Guangzhou at Cirque du Soleil's Michael Jackson: The Immortal World Tour as part of a series of one-on-one meetings with key travel agencies and MICE organizations.

Brand USA participates in the China International Tourism Industry Expo (CITIE) in Guangzhou, China. During the event, meetings are held on site with key travel agencies, along with media interviews (print, online and TV). A training seminar is held in collaboration with the American Consulate General Guangzhou focusing on updated U.S. visa details.

As part of its partnership with Flight Centre, Brand USA holds a training seminar for 80 travel agents who are new to the travel and tourism industry. The event is the first time a tourism board has been invited to train agents during the Flight Centre expo.

▶ September 2014

Sunrise, the Australian morning show that airs on Channel 7, broadcasts the show live from the USA the first week in September. The week-long broadcast is the first time Sunrise has rolled out a trip of this scale with its full line-up of hosts and crew. Each broadcast day, Sunrise covered a different location, including Los Angeles, Las Vegas, Fort Worth and Austin; Miami and Orlando; and New York. The broadcast is further supported with Flight Centre joining the partnership to provide packages for each of the destinations where the Sunrise team travels. Following the broadcast, Flight Centre reports higher than expected inquiries for bookings to the USA.

Brand USA hosts a USA Pavilion at the JATA tourism Expo in Japan—it is by far the biggest pavilion of all international markets. Brand USA works closely with JATA and the Visit USA Japan Committee to finalize special stage events for the consumer days of the show.

Brasil Travel News honors the USA with the award for the "Best International Tourism Organization" at its "Best of" Awards Show.

Brand USA hosts the Welcome Reception at the ABAV Sao Paulo travel trade show.

Australia and New Zealand welcome the launch of the USA Discovery online training program, supported by an extensive trade advertising campaign.

The USA Discovery Training Program also launches in India, and Brand USA hosts its third India mission—meeting with more than 800 travel agents in one week.

Brand USA hosts a media fam tour with journalists from Austria, Germany and Switzerland to tour the “Undiscovered Midwest,” which takes the media team to destinations in Minneapolis, North Dakota and South Dakota on flights organized by Condor. Featured stops include Fargo, Bismarck / Mandan, Medora, Deadwood, Custer State Park, Badlands National Park, Rapid City, Sioux Falls, Minneapolis / St. Paul and the Mall of America. The highlights for the journalists are the Native Americans and the German-Russian heritage of residents of the Dakotas.

Brand USA participates with Visit USA Germany in the Visit USA roadshow to Nürnberg, Munich, Stuttgart and Düsseldorf.

Road shows are also conducted in Shenyang—connecting destinations and travel brands with travel agents in Shenyang, Harbin, Dalian, and Changchun—and in Jinan to promote U.S. tourism in the Shandong province. Major media cover the training seminars held during the Shenyang show—extending the exposure of participating partners well beyond Shenyang through Northern China. At the Jinan show, officials from the U.S. Commercial Service and U.S. Embassy in Beijing, as well as a representative of the Jinan Tourism Bureau, attend and participate in the program.

Brand USA participates in the China Incentives, Business Travel & Meetings Expo (CIBTM); the booth is arranged by the U.S. Embassy for U.S. partners.

Brand USA completes its fourth full year in operation with a record level of partner contributions and its partnership base increasing 40 percent from 339 partners in fiscal year 2013 to 475 through fiscal year 2014.



Objectives Review

OBJECTIVES REVIEW

#1 *Continue to drive positive awareness and perceptions of the United States as a travel destination in order to increase visitation to and spend in the United States.*

- Support all states and territories with a mix of trade and consumer focused initiatives
- Time the launch of consumer and trade outreach to maximize the opportunities that exist during peak travel planning periods
- Encourage return visits by previous travelers who are already holding multi-year validity visa

FY2014 Results:

Brand USA successfully achieved this objective by generating:

- 903,400 incremental visitors to the United States, who spent
- \$3.1 billion on travel and fare receipts with U.S. carriers, resulting in
- \$7.1 billion in total sales, which supported
- More than 46,000 incremental jobs:

The results are documented by Oxford Economics, the worldwide leader in economic impact studies, which is used by destinations worldwide.

Key to achieving this objective was Brand USA's successful utilization of an effective marketing mix of consumer, co-op and trade initiatives during fiscal year 2014, and established partnerships with organizations from every state and the District of Columbia.

During fiscal year 2014, to ensure the foundational consumer campaign comprised of broadcast, print, out-of-home advertising, and digital marketing strategies was the most effective, we timed the campaign to run during peak travel planning times and organized a number of supporting trade outreach, campaigns, and activities accordingly.

In addition, to encourage return visits by previous travelers who are already holding multi-year validity visas, Brand USA refined its marketing approach in accordance with the positioning defined in its FY2014 business plan with messaging most relevant to each market. For example, in those markets where travel to the United States is less aspirational and more attainable—namely, established markets where a high proportion of visitors are repeat visitors—the Brand USA marketing message shifted to be less about inspiring travel to the United States and more about promoting specific experiences. This approach is more relevant to this audience and is more likely to encourage repeat visitation to new destinations within the United States. In 2014, the percentage of travelers holding multi-year validity visas increased to 66% compared to 60% in 2013 (Source: Brand USA proprietary data via Ipsos).

#2 Focus FY2013 campaign activity on the following objectives:

- Achieve campaign awareness levels of +15% in consumer media target markets as measured by pre- and post-wave campaign research
- Improve the image and perceptions of the United States as a destination by statistically relevant increases (+3 points or more) as measured by pre- and post-wave campaign research
- Increase intent to travel to the United States as measured by pre- and post-wave campaign research with target increases of 5%

FY2014 Results:

Brand USA surpassed this objective as follows:

- Overall television ad recall increased 40%—from 20% in 2013 to 28% in 2014.
- Benchmark results for overall magazine ad recall were 64%. The magazine ads were very well liked by the vast majority of the target market, with respondents saying the ads convey the USA as a destination they “want to visit” and make lasting memories in,” as well as a destination “that has a broad variety of activities/always has something new,” and the ads “make me think about the USA in a new way.”
- In total, 64% of campaign recognizers indicated they will “definitely” or “probably” visit the United States in the next six to 12 months, versus 60% in 2013 (a 6% increase).
- The strongest results by market for “intent to visit in the next 12 months” were in Australia (up 33%), the United Kingdom (up 30%), France (up 25%), Japan (up 17%), Germany (up 11%), Canada (up 8%), and Mexico (up 6%). Results for Brazil and South Korea remained steady (at 53% and 26%, respectively). China was the only market that showed a drop in intent to visit—from 59 percent in 2013 to 55% in 2014.

Intent to Visit the USA in next 12 months			
	2013	2014	Change
Australia	18%	24%	33.3%
Brazil	53%	53%	0
Canada	66%	71%	7.6%
China	59%	55%	-7.2%
France	16%	20%	25%
Germany	19%	21%	10.5%
India	29%	31%	6.9%
Japan	36%	42%	16.7%
South Korea	26%	26%	0
Mexico	73%	77%	5.5%
United Kingdom	27%	35%	29.6%

Across target markets (Australia, Brazil, Canada, China, France, Germany, India, Japan, South Korea, Mexico, and the United Kingdom), the percentage of “net promoters” of the USA increased 3.8 % —from 45.8% in 2013 to 47.6% in 2014.

Net Promoter Score: "I would recommend the USA as a destination"			
	2013	2014	Change
Australia	38%	38%	--
Brazil	57%	61%	+7.0%
Canada	42%	43%	+2.4%
China	53%	57%	+7.5%
France	41%	45%	+9.8%
Germany	45%	48%	+6.7%
India	56%	50%	-12.0%
Japan	36%	39%	+8.3%
South Korea	42%	43%	+2.4%
Mexico	53%	54%	+1.9%
United Kingdom	41%	45%	+9.8%

#3 *Activate the consumer campaign in international markets that generate more than 78% of inbound travel to the United States.*

FY2014 Results:

Brand USA achieved this objective by activating the consumer campaign in the following international markets:

- Australia (January - February 2014)
- Brazil (June 2014 and September 2014)
- Canada (January - February 2014 and May - June 2014)
- China (October - November 2013, March - April 2014)
- Germany (January - February 2014)
- Japan (March to April 2014 and September - October 2014)
- South Korea (May - June 2014)
- Mexico (January 2014, March - April 2014, June 2014)
- Taiwan (March - April 2014)
- United Kingdom (January - February 2014, May 2014, September - October 2014)

During the above campaign runs, Brand USA utilized varying degrees of television, out-of-home, print and/or digital marketing tactics most appropriate for each market.

#4 Track results with a fully integrated metrics plan to measure performance of all marketing activities.

Brand USA achieved this objective by executing 100 percent of the research and analytics plan it established in 2013 to track the performance of the overall marketing strategy across the travel lifecycle. Performance metrics are key for us to not only report on our progress to stakeholders, but also for internal day-to-day activities. We utilize a broad range of performance metrics for continual improvement and optimization of media buys and messaging. Market and media prioritization drives the budget allocation to ensure we place investments in the right places at the right times for maximum global impact. We strive to create balance between established and emerging markets, utilizing our cultural and commercial insights to drive media choices. The plan is repeated annually—with key metrics reported at the frequency noted in the chart below—to track the progress of Brand USA’s marketing strategies in its core target markets.

In addition, a market intelligence study is conducted annually, focusing on travelers’ general destination preferences, past trips and future trip intentions, the next international holiday destination selection criteria and booking methods, U.S. destination interests and media habits. In 2014, marketing intelligence research was conducted in Australia, Brazil (added in 2014), Canada, China, France, Germany, India, Japan, South Korea, Mexico (added in 2014), Russia, and the United Kingdom.

Research Analytics Plan

TRAVEL LIFECYCLE PHASE	METRICS	METHODOLOGY	SOURCES	REPORTING FREQUENCY
Dream (i.e., Awareness)	Total brand impressions	Actual values	Brand USA internal data plus reporting from media vendors	Monthly
	Consumer destination familiarity	Online survey (1,000 completes per campaign market)	ORC International	Quarterly
	Earned media impressions	Actual values	Brand USA internal data plus data provided by individual media outlets	Quarterly
Consider (i.e., Engagement)	Clicks on digital ads	Actual values	Brand USA internal data plus reporting from media vendors	Monthly
	Website visitation	Actual values	Brand USA internal data	Monthly
	Search volume	Actual values	Brand USA internal data	Monthly
	Consumer intent to visit	Online survey (1,000 completes per campaign market)	ORC International	Monthly

TRAVEL LIFECYCLE PHASE	METRICS	METHODOLOGY	SOURCES	REPORTING FREQUENCY	
Travel	Activate (i.e., Book)	Booking trends	Booking data for airline tickets and hotels	Multiple data vendors	Monthly
		Total inbound visitation and spend by market	I-94 data and paper survey sampling 0.2% of all international travelers	Department of Commerce (NTTO) data	Annually
		Attributable increase in visitation and spend	Econometric analysis incorporating: - advertising impressions delivered - website and social engagements - consumer responses to advertising, and - U.S. market share	Oxford Economics and the Department of Commerce (NTTO)	Annually
		Attributable increase in economic impact (business sales, GDP, personal income, and number incremental jobs supported)	Calculation based on attributable visitation and expenditure metrics	Oxford Economics	Annually
		Market share (total and long haul)	Actual values	NTTO and UNWTO	Annually
		Consumer net promoter score	Online survey (1,000 completes per campaign market)	ORC International	Quarterly
Share	Consumer sentiment index	Volume and semantic analysis of consumer generated content on social networks and travel websites	Visible	Monthly	

#5 *Create and add value for partners by developing and executing programs and campaigns that support the objectives of the Travel Promotion Act and the National Travel and Tourism Strategy.*

FY2014 Results:

In addition to expanding its consumer, co-op and trade marketing initiatives to support the objectives of the National Travel and Tourism Strategy, Brand USA achieved this objective in FY2013 by collaborating with the Department of Commerce Tourism Policy Council.

Initiatives included:

- Culinary guide: Developed and executed a program with the Tourism Policy Council Marketing and Promotion Working Group to showcase the culinary travel experiences in the United States. The culinary initiative is a collaboration primarily with the Department of State, with the departments of Agriculture and Commerce playing supportive roles, which invites the world to discover our land through the lens of food stories. The centerpiece of the culinary initiative in FY14 was a culinary guide produced in six languages that featured inspiring information about different regions of the country and recipes from 31 renowned American chefs from the State Department's Diplomatic Culinary Partnership. In total, the print guide was circulated through embassy and Brand USA channels and drove to a single call-to-action: DiscoverAmerica.com/foodstories, which featured enhanced content from the guide. Primary distribution of the guide occurred during Independence Day celebrations, with additional distribution of the print guide planned throughout the year. Large quantities of the guide were shipped to markets with more focused programming, determined with input from the U.S. Commercial Service (total distribution: 111,930 to 14 markets).
 - » Guide launch: The guide launched around Independence Day celebrations at U.S. embassies and consulates in Australia, Canada, China, the Dominican Republic, Japan, South Korea, New Zealand and Taiwan. Chefs from the American Chef Corps traveled to seven of these markets for promotional and public diplomacy efforts that launched the initiative. Launch activities generated over 70 known articles and reports, with additional articles, TV, and radio broadcasts scheduled to premier throughout the remainder of the year. The total known advertising value from culinary media engagement is estimated to be over \$1.7 million.
 - » Social media: The initiative was supported by an integrated social media campaign across Brand USA, State Department, and featured chef channels. The three-week campaign utilized the hashtag #FoodStoriesUSA, enticing visitors to share their unique American cuisine experiences. Overall, the total Facebook and Twitter campaign earned nearly 31 million impressions with 570,944 engagements.
 - » During the initial launch period, the digital platform DiscoverAmerica.com/foodstories produced over 81,000 page views from 120 different countries. The Food Stories site has performed strongly, with visitors averaging over five minutes, viewing an average of 5.25 pages of culinary information.
 - » Brand USA and embassies continued distribution beyond the launch throughout the year, and the culinary guide was made available to embassies worldwide to produce on their own. Brand USA used the guide for important media events beyond the launch markets, such as the United Kingdom, where the guide was distributed to over 15 high-profile news outlets.

- » Collectively, it was an innovative and highly successful example of full public-private integration in a significant promotional activity.
- Market the Welcome: In another innovative example of a model public-private partnership, Brand USA worked with Customs and Border Protection, the Chicago Department of Aviation, Choose Chicago and Discover Illinois in an effort to roll out the Market the Welcome program in Chicago O'Hare's Terminal 5. Collectively, we were able to design and install some 65 pieces of inspirational out-of-home imagery that welcome visitors to Chicago and Illinois inside the Federal Inspection Station (FIS). This novel public-private collaboration helps improve the welcoming experience while interacting with the policy part of the travel process.
- Market the Welcome: Completed a redesign of the consular area at U.S. Embassy London to make it a more welcoming environment and distributed information to waiting visa applicants on travel experiences in the United States. Brand USA also initiated a similar redesign in Frankfurt.
- Collaborated with the interagency recreation.gov team on promotion of America's national treasures at trade shows, in travel media, and on consumer social media. Collaborated frequently with federal agencies to feature these treasures through these channels.
- Distributed to the Foreign Commercial Service a toolkit with high-quality marketing materials, including video, poster and banner files, for use at embassy facilities and promotional events.
- Brand USA continues to work with the U.S. Foreign Commercial Service and State Department personnel on a wide variety of other in-market activities around the world, including trade shows, industry roundtables, trade and sales missions, PR events, and ad hoc promotional opportunities in markets where Brand USA does not have a presence. These events promote travel to the United States and communicate visa and entry policy and changes to those policies such as ESTA familiarization in places like Taiwan and Chile that were recently added to the Visa Waiver Program.
- Continued work with the Tourism Policy Council Ease of Travel Working Group to communicate U.S. visa and entry policy to international consumers and the travel trade about applying for visas, the Visa Waiver Program, entering the country and the Department of Homeland Security's trusted traveler programs. Key Brand USA communication channels include DiscoverAmerica.com, our online and print inspiration visitor guides, trade show exhibitor briefing booklets, and via direct outreach to international travel media. This messaging enabled us to correct misperceptions about the entry process during periods of increased media interest.
- Directly promoted Global Entry in South Korea through a digital campaign designed with the U.S. Embassy in Seoul and Korean Airlines that targeted their frequent flyers.
- Provided platforms for officials from the Departments of State and Homeland Security to deliver travel policy information directly to the international travel industry, including at IPW and other industry conferences.
- Worked closely with the Department of the Interior to coordinate Federal Row at IPW, which was an integrated Brand USA-Federal Row approach featuring the dual calls to action of DiscoverAmerica.com and Recreation.gov. This coordination included Global Entry enrollment drive on the trade show floor and also securing a Transportation Security Administration (TSA) presence on Federal Row. The larger integration presents a united front to the industry and is another great example of public-private collaboration on promotion.

#6 *Expand global representation firms to have a presence in markets that generate 90% of inbound travel to the United States; align international firms to complement and augment marketing strategy and campaign market launches.*

FY2014 Results:

- Brand USA successfully achieved this objective by conducting travel trade outreach in 20 markets during the year: Australia, Austria, Brazil, Canada, China, France, Germany, Hong Kong, India, Ireland, Italy, Japan, South Korea, Mexico, New Zealand, Russia, Switzerland, Taiwan, United Arab Emirates, and the United Kingdom. In total, these markets generate 90% of all inbound travel to the United States
- During the year we also expanded our international representation from 18 markets to 20 with the opening of offices in Canada and India. By the end of fiscal year 2014, Brand USA's representation network included 12 offices representing the following markets: Australia, Austria, Brazil, Canada, China, Costa Rica, Guatemala, Germany, Hong Kong, India, Ireland, Japan, Mexico, Nicaragua, New Zealand, Panama, South Korea, Switzerland, Taiwan, and the United Kingdom.

#7 *Align and unify the industry's international marketing efforts through trade shows, sales missions, workshops/seminars and other travel trade outreach and consumer marketing programs.*

FY2014 Results:

- Brand USA achieved this objective by establishing a strong combination of travel trade outreach activities that included 30 international trade shows, including 21 major shows listed on the chart below, as well as a variety of sales missions, road shows and themed events to increase awareness and enhance the image of the United States among the international travel trade (tour operators, travel agents, and international travel media). Other initiatives included training programs (online and onsite), MegaFams (familiarization tours), and collaboration with Visit USA committees and others via advisory boards and special event sponsorships.

Trade Shows

Exhibitor presence at Brand USA-hosted pavilions at international trade shows increased in line with targeted percentages wherever expansion opportunities were available. For each show where we hosted a USA pavilion, we provided exhibitors with a comprehensive market information guide providing partners with key market insights based on Brand USA proprietary research and other market intelligence. Additionally, we hosted a variety of networking events at these shows to amplify the value of their presence at the show. During the year, Brand USA participated in the following major shows:

TRADESHOW SCHEDULE				
Tradeshow	City, Country	Event Dates	Consumer (C)/ Trade (T) Target	Estimated Attendance
TTG Incontri	Rimini, Italy	October 17-19, 2013	T	T: 50,685
Taipei ITF	Taipei, Taiwan	October 18-19, 2013	T&C	T: 18,581 + C: 232,650 = 251, 231
ITB Asia	Singapore	October 23-25, 2013	T	T: 8,500
WTM	London, UK	November 4-7, 2013	T	T: 47,776
EIBTM	Barcelona, Spain	November 19-21, 2013	T	T: 9,330
Vakantiebeurs	Utrecht, The Netherlands	January 15-19, 2014	C	C: 103,856 (2013)
SATTE	New Delhi, India	January 29-31, 2014	T	T: 7,419 (2013)
FITUR	Madrid, Spain	January 22-26, 2014	T&C	T: 64,473 + C: 91,082 = 155,555 (2013)
BIT	Milan, Italy	February 13-16, 2014	T&C	T: 60,000 + C: 30,000 = 90,000 (2013)
ITB Berlin	Berlin, Germany	March 5-9, 2014	T&C	T: 110,000 + C: 60,000 = 170,000 (2013 prel.)
MITT	Moscow, Russia	March 19-22, 2014	T&C	T: 54,586 + C: 19,179 = 73,765 (2013)
TUR	Gothenburg, Sweden	March 20-23, 2014	T&C	T: 11,700 + C: 21,000 = 32,700 (2013)
COTTM	Beijing, China	April 9-11, 2014	T	T: 4,500 (2013 prel.)
WTM Latin America	São Paulo, Brazil	April 23-25, 2014	T	T: 8,000+ (2013)
ATM	Dubai, United Arab Emirates	May 5-8, 2014	T	T: 17,575 (2012)
IMEX	Frankfurt, Germany	May 20-22, 2014	T	T: 8,782 (2012)
HITS	Seoul, South Korea	TBA, May-June 2014	T&C	T+C: 71,000 (2012)
ABAV	São Paulo, Brazil	TBA, September 2014	T&C	T: 28,000 (2012)
FITA	Mexico City, Mexico	September 25-28, 2014	T&C	T+C: 60,000 (2012)
JATA	Tokyo, Japan	TBA September 2014	T&C	T: 49,485 + C: 76,504 = 125,989 (2012)
IFTM Top Resa	Paris, France	September 23-26, 2014	T	T: 28,788 (2012)

Sales Missions and Road Shows

Major sales missions were held in India and Hong Kong (in September and November 2014, respectively), and road shows were held in Brazil, China, Germany, India, Japan and the United Kingdom.

Training Initiatives

During the year, Brand USA hosted training with influential travel trade, including in-person, market-specific training seminars, as well as the expansion of the USA Discovery training platform. This platform originally launched in the United Kingdom in June 2013. During 2014, we continued to add destination and USA experiences content to the site and introduced the platform to the travel trade in Australia, Brazil, China, and India.

MegaFams

MegaFams continue to be one of the most effective and value-add programs we provide—allowing Brand USA one of the best ways to promote USA experiences to, through and beyond the gateways. Participating agents consistently report they are inspired by the many off-the-beaten path destinations featured on these tours and they are now recommending these locations in the USA itineraries they sell in-market.

2014 MegaFams included:

Australia MegaFam with airline partner Qantas

November 18-23, 2013

Six itineraries covering the following cities and states and surrounding regions:

- New York
- Seattle
- Las Vegas
- Los Angeles
- San Francisco
- Portland
- Hawaii

German MegaFam with airline partner Lufthansa

May 6-11, 2014

Eight itineraries covering the following cities and states and surrounding regions:

- Chicago
- Dallas
- Denver
- Los Angeles
- Miami
- New York
- Seattle
- Washington, DC

United Kingdom MegaFam with airline partner British Airways
May 15-22, 2014

Seven itineraries covering 21 states and the District of Columbia:

- West Coast Wonders: California, Nevada, Arizona
- Desert Dreams: Illinois, Utah, Colorado, New Mexico
- Meet the Mountains: Colorado, Nebraska, South Dakota
- Natural North East: Massachusetts, New Hampshire, Vermont, New York
- Capital Coast Adventures: District of Columbia, Maryland, Virginia
- Southern Charms: North Carolina, Georgia, South Carolina
- Fantastic Florida: Florida
- Grand Finale: Austin

#8 Build engagement, trust and advocacy for Brand USA through strategic communications and industry relations.

FY2014 Results:

This objective was met through our various trade outreach activities—comprised of trade shows, sales missions, road shows, training initiatives, familiarization tours, and advisory boards.

Domestically, we continued to build engagement, trust, and advocacy for Brand USA through regular industry communications via a monthly newsletter, our annual report, and by publishing our annual business plan on our website, as well as through participation in key destination and travel industry conferences and events.

Our Federal partner collaboration was and continues to be accomplished through regular meetings with the Tourism Policy Council and its working groups. These meetings allowed us to provide updates on market expansion and campaign successes and to plan our collaboration on promotional activities and communication of travel policies. Brand USA also began putting together a tailored Federal partner newsletter, which launched in early FY 2015.

To keep our partners updated on program opportunities and activities, we also published online and in print a comprehensive partnership guide and held a number of partner immersion and strategy sessions to make sure we are maximizing co-operative marketing initiatives to promote international travel to the United States.

To further enhance our relationships with industry partners and promote experiences and destinations in the United States, we launched a national media site allowing participants to promote destinations, attractions, and experiences across the United States. This platform amplifies the individual efforts of our partners and provides singular central location for the international travel and consumer media to access travel-related news about the United States.

#9 *Collaborate with the Federal government on communication of visa and entry policy and implementation of the National Travel and Tourism Strategy.*

FY2014 Results:

Brand USA met this objective by continuing to play an instrumental role in the execution of the National Travel and Tourism Strategy, especially in marketing and promotion and communicating the ease of travel to the United States.

During the year, Brand USA management met regularly with the Tourism Policy Council at the staff, working group leadership, and principal levels. These meetings ensure a coordinated approach to collectively pursuing the goals of the National Travel and Tourism Strategy and coherent inter- and intra-agency collaboration with Brand USA. Initiatives included:

- Laying the foundation for strategic marketing collaboration with the Tourism Policy Council—including thematic promotions like culinary and great outdoors and the pilot country-specific travel and tourism plan in the United Kingdom.
- Developing a program with the Tourism Policy Council Marketing and Promotion Working Group to showcase the culinary travel experiences in the United States. The culinary initiative is a collaboration primarily with the Department of State, with Agriculture and Commerce playing supportive roles, which invites the world to discover our land through the lens of food stories.
- Market the Welcome: In another innovative example of a model public-private partnership, Brand USA worked with Customs and Border Protection, the Chicago Department of Aviation, Choose Chicago and Discover Illinois in an effort to roll out the Market the Welcome program in Chicago O'Hare's Terminal 5. Collectively, we were able to design and install some 65 pieces of inspirational out-of-home imagery that welcome visitors to Chicago and Illinois inside the Federal Inspection Station (FIS). This novel public-private collaboration helps improve the welcoming experience while interacting with the policy part of the travel process.
- Market the Welcome: Completed a redesign of the consular area at U.S. Embassy London to make it a more welcoming environment and distribute information to waiting visa applicants regarding travel experiences in the United States. Brand USA initiated a similar redesign in Frankfurt.
- Collaborated with the interagency recreation.gov team on promotion of America's national treasures at trade shows, in travel media, and on consumer social media. Collaborated frequently with federal agencies to feature these treasures through these channels.
- Distributed to the Foreign Commercial Service a toolkit with high-quality marketing materials, including video, poster and banner files, for use at embassy facilities and promotional event.
- Brand USA continues to work with the U.S. Foreign Commercial Service and State Department personnel on a wide variety of other in-market activities around the world, including trade shows, industry roundtables, trade and sales missions, PR events, and ad hoc promotional opportunities in markets where Brand USA does not have a presence. These events promote travel to the United States and communicate visa and entry policy and changes to those policies such as ESTA familiarization in places like Taiwan and Chile that were recently added to the Visa Waiver Program.

- Continued work with the Tourism Policy Council Ease of Travel Working Group to communicate U.S. visa and entry policy to international consumers and the travel trade about applying for visas, the Visa Waiver Program, entering the country and the Department of Homeland Security's trusted traveler programs. Key Brand USA communication channels include DiscoverAmerica.com, our online and print inspiration visitor guides, trade show exhibitor briefing booklets, and via outreach to international travel media. This messaging enabled us to correct misperceptions about the entry process during periods of increased media interest.
- Directly promoted Global Entry in South Korea through a digital campaign designed with the U.S. Embassy in Seoul and Korean Airlines that targeted their frequent flyers.
- Provided platforms for officials from the Departments of State and Homeland Security to deliver travel policy information directly to the international travel industry, including at IPW and other industry conferences.
- Worked closely with the Department of the Interior to coordinate Federal Row at IPW, which was an integrated Brand USA-Federal Row approach featuring the dual calls to action of DiscoverAmerica.com and Recreation.gov. This coordination included ensuring a Global Entry enrolment drive on the trade show floor and also securing a Transportation Security Administration (TSA) presence on Federal Row. The larger integration presented a united front to the industry and benefits both sides. It is another great example of public-private collaboration on promotion.
- Collaborated with Brand USA's Federal partners on a series of meetings around IPW designed to communicate visa and entry policy to the international travel trade. These meetings included briefings to the worldwide Visit USA network, the Japan Association of Travel Agents and more.

#10 *Generate a combination of cash and in-kind contributions from the private sector to generate \$100 million and thereby maximize the 1:1 match.*

Target 50% from cash contributions and 50% from in-kind contributions, but no less than 20% cash and no more than 80% in-kind.

FY2014 Results:

Brand USA achieved this objective with 31% of partner contributions in cash and 69% in-kind.

- Cash contributions totaled \$34 million.
- In-kind contributions totaled \$75 million..

In-Kind Contributions



FY2014 IN-KIND CONTRIBUTIONS

CONTRIBUTOR	DESCRIPTION	FAIR MARKET VALUE
American Express	Destination travel insights reports used to inform marketing decisions.	\$ 100,000.00
Asiana Airlines	Airline tickets used in familiarization tours to promote travel to the United States.	\$55,200.00
Hawaiian Airlines	Airline tickets used in familiarization tours to promote travel to the United States.	\$41,040.00
IMEX 2013	Brand USA Pavilion investment benefiting Brand USA, which includes cooperative imaging, booth space, public relations and other promotional exposure by participants such as: Las Vegas CVA, NYC and Company and Visit Florida.	\$200,072.00
Miami Seaquarium	250 admission passes used during MegaFam tours to promote travel to the United States.	\$25,514.00
Routes, UBM Information Ltd.	Online advertising, banners, stair design and sponsor benefits at the World Routes Development Forum	\$297,482.00
Travel Oregon	Transportation, lodging, activities and entertainment expenses for a familiarization tour.	\$9,070.00
US Traveler Magazine	Print advertising used for consumer marketing.	\$7,200.00
Utah Office of Tourism	Lodging expenses related to a familiarization tour.	\$1,510.00
Veolia Transportation	Transportation expenses for the China - U.S. Leadership Summit	\$ 1,350.00
Visit California	Australia Spring 2013 Awareness; Global Research; 2013 Canadian Spring Ad Effectiveness-Awareness	\$ 245,994.00
VNU Exhibitions Europe/ Vakantiebeurs	Booth space and promotional banners at a trade show used for B2B marketing.	\$ 30,981.00
VOS Media	Primary slope sponsorship at the Ski & Snowboard Show in London; print and direct mail advertising space used for consumer marketing.	\$ 156,110.00
TravelZoo	Digital advertising space used for consumer marketing.	\$ 1,572,212.00
Air Berlin	In-flight, digital and print advertising space used for consumer marketing.	\$ 1,183,160.00
BSF Fuji	Production and TV space used for consumer marketing.	\$ 1,184,030.00
FTI Touristik	Print advertising space used for B2B marketing.	\$ 389,962.00
FVW Mediengruppe	Digital, print, TV, event participation and direct mail advertising space used for consumer marketing.	\$ 229,560.00
International Media Organization	Print advertising space used for consumer and B2B marketing.	\$ 467,180.00
Grupo Companhia	Digital and print advertising space used for consumer marketing.	\$ 1,171,111.00
Lime Tree Media	Print advertising used for consumer and B2B marketing.	\$ 259,446.00
Marriott International	Lodging used for a video shoot during a promotional activity focused on events.	\$ 10,150.00

CONTRIBUTOR	DESCRIPTION	FAIR MARKET VALUE
The Telegraph	Digital and print advertising space used for consumer marketing.	\$ 1,655,690.00
TTG Media Limited	Print, digital and out-of-home advertising space used for consumer and B2B marketing.	\$ 236,315.00
Thomas Cook	Global (focused in Europe, Asia and South Africa) in-store, digital and print advertising space used for consumer marketing.	\$ 13,176,653.00
ESPN	TV advertising space used for consumer marketing.	\$ 4,958,470.00
BBC Worldwide Media Center	TV advertising space used for consumer marketing.	\$ 8,624,896.00
APN NZ Media	Digital, print and e-mail advertising space used for consumer marketing.	\$ 1,249,850.00
Asiana Airline inflight	In-flight video space used for consumer marketing.	\$ 1,027,070.00
Balfour Global LLP	Out-of-home advertising space use for consumer marketing.	\$ 99,086.00
Brazil Travel News USA Communication	Print, digital and TV advertising space used for consumer marketing.	\$ 601,092.00
British Airways	Airline tickets used for familiarization tours aimed at increasing travel agents' understanding of and ability to sell travel to the United States.	\$ 1,808,640.00
Conde Nast	Digital and print advertising space used for consumer marketing.	\$ 330,060.00
Capital Region USA	Research for global insight on foreign travelers that helps Brand USA better target potential consumers.	\$ 59,000.00
Destination Marketing Association International	Industry alliance partnership dues, research, event registrations and webinars used for B2B purposes.	\$ 86,975.00
Global Investment	Print advertising space for consumer marketing.	\$ 9,196.00
Groupo BT USA	Headline sponsorship package at a trade show.	\$ 55,666.00
La Cita	Trade show floor and booth space.	\$ 80,000.00
Mainichi Newspaper Co. Ltd.	Print advertising space for consumer marketing.	\$ 1,688,240.00
Outdoor Revolution Ltd	Out-of-home advertising space use for consumer marketing.	\$ 60,807.00
Phocuswright Inc.	Travel research event sponsorship.	\$ 155,000.00
PM Publishing Solutions	Show sponsorship and TV advertising space used for consumer marketing.	\$ 170,849.00
Sabre Market Intelligence	12 months of access to Market Intelligence Systems for research purposes.	\$ 84,690.00
Scripps Networks	Research for global insight on foreign travelers that will help Brand USA better target potential consumers.	\$ 2,082,531.00
STA Travel	Print and digital advertising space used for consumer marketing.	\$ 548,897.00
The Seven Network Limited	Production and TV space used for consumer marketing.	\$ 467,445.00
Travel South	Research for global insight on foreign travelers that helps Brand USA better target potential consumers.	\$38,656.00
Turistampa	Digital, print and e-mail advertising space used for consumer marketing.	\$ 172,402.00

CONTRIBUTOR	DESCRIPTION	FAIR MARKET VALUE
Warner Bros. VIP Studio Tour	Admission tickets for use in promotional events.	\$ 54,000.00
ESPN	IP rights to content for consumer marketing.	\$ 700,000.00
Ahn Graphic	Print supplement in Lonely Planet Korea used for consumer marketing.	\$ 145,765.00
Flight Centre Group	TV, in-store, direct mail, digital, search and co-op campaigns used for consumer marketing.	\$1,440,900.00
Global Trotter	Digital and TV production and media space used for consumer marketing.	\$915,189.00
Hindustan Times Limited	Summit sponsorship for B2B marketing and print advertising space for consumer marketing.	\$954,950.00
Lufthansa German Airlines	Airline tickets used for marketing and promotional activities on familiarization tours.	\$600,000.00
Mercado & Eventos	Digital and print advertising space used for consumer marketing.	\$2,241,080.00
Mode Tour	Digital, print and out-of-home advertising space used for consumer marketing.	\$590,116.00
MTV Japan	Production of TV and digital content and media space for consumer marketing.	\$1,956,530.00
Rich Advertising Corporation (Rich Media Group)	Print advertising space for consumer marketing.	\$182,979.00
Sankei Group	Print and digital advertising space for consumer marketing.	\$1,667,250.00
SATTE 2014	Brand USA Pavilion investment benefiting Brand USA, which includes cooperative imaging, booth space, public relations and other promotional exposure by participants such as: Alaska Department of Tourism Development and Marketing, Best Western Global Marketing Group, Las Vegas CVA and Visit Florida.	\$26,346.00
TTG INCONTRI	Brand USA Pavilion investment benefiting Brand USA, which includes cooperative imaging, booth space, public relations and other promotional exposure by participants such as: Best Western Global Marketing Group, Greater Miami CVB, Discover New England and Team America Receptive Tour Operator.	\$82,757.00
Turner Japan	TV program sponsorship and TV advertising space for consumer marketing.	\$2,024,170.00
TV Asahi	Production of TV and digital content and media space for consumer marketing.	\$2,548,760.00
UBM Information Ltd	Trade show sponsorship for B2B marketing.	\$415,971.00
CNN	Global TV advertising space used for consumer marketing.	\$5,000,000.00
Arabian Travel Market	Brand USA Pavilion investment benefiting Brand USA, which includes cooperative imaging, booth space, public relations and other promotional exposure by participants such as: Best Western Hotels, Los Angeles TCB, Travel Options, Unique Hotel Solutions and Visit Florida.	\$67,898.00

CONTRIBUTOR	DESCRIPTION	FAIR MARKET VALUE
Business Weekly Magazine	Print and digital advertising used for consumer and B2B marketing.	\$1,005,550.00
Cleverdis	Print advertising space used for consumer and b2b marketing.	\$299,918.00
CYTS (China CYTS Tours Holding Co., Ltd.)	Out-of-home advertising space use for consumer marketing.	\$58,374.00
Expedia	Digital advertising space used for consumer marketing	\$124,744.00
FITUR 2014	Brand USA Pavilion investment benefiting Brand USA, which includes cooperative imaging, booth space, public relations and other promotional exposure by the following participants: Action Travel, Go West Tours, Travalco, Unica Tours USA, Inc. and Vacations USA Tours.	\$48,737.00
Global Entrepreneur Magazine	Print advertising space used for consumer marketing.	\$214,706.00
Global Times	Print advertising space used for consumer marketing.	\$542,169.00
Hearst Joongang Ltd.	Print advertising space used for consumer marketing	\$122,488.00
IMEX 2014	Brand USA Pavilion investment benefiting Brand USA, which includes cooperative imaging, booth space, public relations and other promotional exposure by participants such as: Aspen/Snowmass, Island Partners Hawai'i, Las Vegas CVA, Los Angeles TCB and Macy's Inc.	\$124,516.00
International Travel Fair 2013	Brand USA Pavilion investment benefiting Brand USA, which includes cooperative imaging, booth space, public relations and other promotional exposure by participants such as: Alaska Tourism Development and Marketing, Hawai'i Tourism, Las Vegas CVA, Hawaiian Airlines, Just Fly USA and American Express.	\$104,189.00
ITB 2014	Brand USA Pavilion investment benefiting Brand USA, which includes cooperative imaging, booth space, public relations and other promotional exposure by participants such as: Alabama Tourism Department, Go West Tours, Grand Canyon West, Gray Line New York Sightseeing, Las Vegas CVA, Marriott International, Opentours, Simon Properties/Premium Outlets, Team America Receptive Tours Operator, Tennessee Tourism, Texas Tourism, Utah Office of Tourism, Vacations by Rail, Visit California and Visit Florida.	\$617,532.00
ITB Asia 2013	Brand USA Pavilion investment benefiting Brand USA, which includes cooperative imaging, booth space, public relations and other promotional exposure by participants such as: Grand Canyon West, Las Vegas CVA, San Francisco Travel Association, Unique Hotel Solutions, Utah's Canyon Country and Visit Florida.	\$89,521.00
Marriott International	Research for global insight on foreign travelers that will help Brand USA better target potential consumers.	\$361,375.00
NFL International	Sponsorship, including branding, IP rights and promotional events used for consumer marketing.	\$800,000.00
Travel Oregon	Research for global insight on foreign travelers that helps Brand USA better target potential consumers.	\$42,490.00

CONTRIBUTOR	DESCRIPTION	FAIR MARKET VALUE
Travel Weekly Group	Print and digital advertising space for B2B marketing. Industry networking event invitations.	\$45,524.00
TripAdvisor	Digital advertising space used for consumer marketing.	\$889,655.00
Arizona Office of Tourism	Lodging, entertainment and travel expenses related to a familiarization tour.	\$7,051.35
Austin CVB	Lodging, entertainment and travel expenses related to a familiarization tour.	\$90,538.86
Capital Region USA	Lodging, entertainment and travel expenses for a familiarization tour.	\$16,369.67
Las Vegas CVA	Lodging, entertainment and travel expenses for a familiarization tour.	\$11,676.11
North Carolina Division of Tourism	Lodging, entertainment and travel expenses for a familiarization tour.	\$ 3,474.38
South Carolina Dept. of Parks, Recs, and Tourism	Lodging, entertainment and travel expenses for a familiarization tour.	\$ 8,772.73
Utah Office of Tourism	Lodging, entertainment and travel expenses for a familiarization tour.	\$ 8,200.43
Visit Sarasota County	Lodging, entertainment and travel expenses related to a familiarization tour.	\$ 4,942.61
Vakantiebeurs (VAKA) Trade Show	Brand USA Pavilion investment benefiting Brand USA, which includes cooperative imaging, booth space, public relations and other promotional exposure by the following participants: Best Western Hotels, Euram, Greater Miami CVB, Las Vegas CVA, LeBeau Reizen, Miles Media, Target Travel, Tioga Tours, Travel Oregon, Travelhome, U.S. Bikers, United Airlines and Visit Florida.	\$ 44,244.00
WTM 2013	Brand USA Pavilion investment benefiting Brand USA, which includes cooperative imaging, booth space, public relations and other promotional exposure by participants such as: Alaska Department of Tourism Development and Marketing, Best Western/Grand Canyon Squire Inn, Jackson Hole Chamber of Commerce, Kansas/Oklahoma Travel & Tourism, Simon Properties/Premium Outlets, Travel Oregon, Utah Office of Tourism, Vacations by Rail and Wedding Wire.	\$ 529,312.00
WTM Latin America 2014	Brand USA Pavilion investment benefiting Brand USA, which includes cooperative imaging, booth space, public relations and other promotional exposure by the following participants: Atlantic City CVA, Arizona Office of Tourism, Big Bus Tours USA, Boise CVB, Colorado Tourism Office, Fox Rent A Car, Kaluah Tours, Las Vegas CVA, Miles Media, Hawai'i Tourism Authority, Ole Tours, Opentours, Simon Properties/Premium Outlets, Team America Receptive Tour Operator, Texas Tourism, Visit California, Visit Florida, Visit Orlando and the Wyndham Hotel Group.	\$ 171,741.00
Total in-kind contributions submitted in FY2014		\$ 75,168,982.00 *

*** Note:**

The total amount of in-kind contributions submitted for matching funds in any given year may differ from the total amount of in-kind contributions recorded in the organization's financial statements (as shown in the Financial Review section, which begins on page 54 of this report) due to unforeseen changes in in-kind valuation (up or down) from the time the financial statements were prepared as part of the organization's annual financial audit and the time the valuation for each in-kind contribution is completed. The amounts reflected in this chart are consistent with the valuation used to calculate the total amount of eligible matching funds the organization received for the fiscal year.



Financial Review





Report of Independent Auditors
and Financial Statements for

The Corporation for Travel Promotion
dba Brand USA

September 30, 2014 and 2013

MOSS-ADAMS LLP

Certified Public Accountants | Business Consultants

CONTENTS

	PAGE
REPORT OF INDEPENDENT AUDITORS	1-2
FINANCIAL STATEMENTS	
Statements of financial position	3
Statements of activities and changes in net assets	4
Statements of cash flows	5
Notes to financial statements	6-15

REPORT OF INDEPENDENT AUDITORS

The Audit Committee, Board of Directors, and Management
The Corporation for Travel Promotion dba Brand USA

Report on Financial Statements

We have audited the accompanying financial statements of The Corporation for Travel Promotion dba Brand USA ("CTP"), which comprise the statements of financial position as of September 30, 2014 and 2013, and the related statements of activities and changes in net assets, and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

MOSS ADAMS LLP

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of The Corporation for Travel Promotion dba Brand USA as of September 30, 2014 and 2013, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Moss Adams LLP

Sacramento, California
March 2, 2015

THE CORPORATION FOR TRAVEL PROMOTION DBA BRAND USA
STATEMENTS OF FINANCIAL POSITION

ASSETS

	SEPTEMBER 30,	
	<u>2014</u>	<u>2013</u>
CURRENT ASSETS		
Cash and cash equivalents	\$ 42,161,259	\$ 50,920,876
Investments	29,795,407	-
Accounts receivable, net of allowance for doubtful accounts of \$151,838 and \$215,252 for 2014 and 2013, respectively, and net of allowance for sequestration of \$5,347,702 and \$6,076,278 for 2014 and 2013, respectively	83,258,325	98,570,865
Pledges receivable, current portion	24,085,017	22,442,858
Prepaid expenses and other current assets	<u>6,946,860</u>	<u>10,979,999</u>
 Total current assets	 186,246,868	 182,914,598
 PLEDGES RECEIVABLE, less current portion	 1,544,155	 -
PROPERTY AND EQUIPMENT, net	249,271	338,503
INTANGIBLE ASSETS, net	<u>4,999,010</u>	<u>5,023,796</u>
 Total assets	 <u>\$ 193,039,304</u>	 <u>\$ 188,276,897</u>

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES		
Accounts payable	\$ 16,570,044	\$ 15,025,745
Accrued expenses	9,864,758	1,937,088
Deferred revenue	<u>8,423,453</u>	<u>78,482,446</u>
 Total current liabilities	 <u>34,858,255</u>	 <u>95,445,279</u>
 NET ASSETS		
Unrestricted	132,551,877	70,388,760
Temporarily restricted	<u>25,629,172</u>	<u>22,442,858</u>
 Total net assets	 <u>158,181,049</u>	 <u>92,831,618</u>
 Total liabilities and net assets	 <u>\$ 193,039,304</u>	 <u>\$ 188,276,897</u>

THE CORPORATION FOR TRAVEL PROMOTION DBA BRAND USA
STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS

	<u>YEARS ENDED SEPTEMBER 30,</u>	
	<u>2014</u>	<u>2013</u>
UNRESTRICTED NET ASSETS		
SUPPORT AND REVENUE		
Travel promotion fund proceeds	\$ 173,833,156	\$ 101,225,424
Partner contributions	61,847,680	34,475,139
In-kind contributions	55,978,326	70,595,594
Partners publishing revenue	-	1,270,746
Trade show and other revenue	429,452	706,314
Net assets released from restrictions	<u>22,157,419</u>	<u>2,626,915</u>
Total unrestricted support and revenue	314,246,033	210,900,132
FUNCTIONAL EXPENSES		
Program services	234,337,507	162,523,737
General and administrative	<u>17,745,409</u>	<u>15,922,263</u>
Total functional expenses	<u>252,082,916</u>	<u>178,446,000</u>
Change in unrestricted net assets	<u>62,163,117</u>	<u>32,454,132</u>
TEMPORARILY RESTRICTED NET ASSETS		
In-kind contributions	25,343,733	22,442,858
Net assets released from restrictions	<u>(22,157,419)</u>	<u>(2,626,915)</u>
Change in temporarily restricted net assets	<u>3,186,314</u>	<u>19,815,943</u>
CHANGE IN NET ASSETS	<u>65,349,431</u>	<u>52,270,075</u>
NET ASSETS, beginning of year	<u>92,831,618</u>	<u>40,561,543</u>
NET ASSETS, end of year	<u>\$ 158,181,049</u>	<u>\$ 92,831,618</u>

THE CORPORATION FOR TRAVEL PROMOTION DBA BRAND USA
STATEMENTS OF CASH FLOWS

	<u>YEARS ENDED SEPTEMBER 30,</u>	
	<u>2014</u>	<u>2013</u>
NET CASH FROM OPERATING ACTIVITIES		
Change in net assets	\$ 65,349,431	\$ 52,270,075
Adjustments to reconcile change in net assets to cash from operating activities:		
Unrealized losses on investments	18,730	-
Change in allowance for doubtful accounts	63,414	(215,252)
Change in allowance for sequestration	728,576	(6,076,278)
Amortization of corporate bond premiums	349,834	-
Accrued interest on corporate bonds	(248,577)	-
Depreciation and amortization	919,313	3,522,671
Change in operating assets and liabilities:		
Accounts receivable	14,520,550	(14,681,392)
Prepaid expenses and other current assets	4,033,139	(9,142,629)
Pledges receivable	(3,186,314)	(19,815,943)
Accounts payable	1,544,299	(5,529,629)
Accrued expenses	7,927,670	378,302
Deferred revenue	<u>(70,058,993)</u>	<u>19,193,997</u>
Net cash from operating activities	<u>21,961,072</u>	<u>19,903,922</u>
NET CASH FROM INVESTING ACTIVITIES		
Purchases of investments	(31,405,394)	-
Proceeds from sales of investments	1,490,000	-
Purchase of property and equipment	(10,999)	(161,488)
Purchase of website and development	<u>(794,296)</u>	<u>(830,465)</u>
Net cash from investing activities	<u>(30,720,689)</u>	<u>(991,953)</u>
NET CHANGE IN CASH AND CASH EQUIVALENTS	(8,759,617)	18,911,969
CASH AND CASH EQUIVALENTS, beginning of year	<u>50,920,876</u>	<u>32,008,907</u>
CASH AND CASH EQUIVALENTS, end of year	<u>\$ 42,161,259</u>	<u>\$ 50,920,876</u>

THE CORPORATION FOR TRAVEL PROMOTION DBA BRAND USA

NOTES TO FINANCIAL STATEMENTS

NOTE 1 – ORGANIZATIONAL STRUCTURE

The Corporation for Travel Promotion (“CTP”), also doing business as “Brand USA,” was formed pursuant to the Travel Promotion Act of 2009 (the “Act”). CTP’s mission is to promote increased foreign leisure, business and scholarly travel to the United States of America (“USA”), which in turn will drive significant economic growth and job creation in communities across the country.

CTP is a not-for-profit corporation incorporated in November 2010; subject to the provisions of the District of Columbia Non Profit Corporation Act. CTP is qualified as a tax-exempt organization under Section 501(c)(6) of the Internal Revenue Code. The public-private marketing entity works in close partnership with the travel industry to maximize the social and economic benefit of travel in communities around the country.

Under the Act, the U.S. Department of Homeland Security (“DHS”), through the Secretary of the U.S. Department of the Treasury made available to CTP initial funding, not to exceed \$10 million, for initial expenses and activities in fiscal year 2011. For each of the fiscal years 2012 through 2015, from the fees collected by DHS, the Secretary of the U.S. Department of the Treasury will transfer not more than \$100 million to CTP. For fiscal year 2012, no funds were made available to CTP until it provided a 50% match (from non-federal sources) of the amount to be transferred. For each of the fiscal years 2013 through 2015, no funds will be made available to CTP unless it provides a 100% match (from non-federal sources) of the amount to be transferred. The funding provided to CTP originates from visa application fees collected under section 217(h)(3)(B)(i)(I) of the Immigration and Nationality Act (8 U.S.C. 1187(h)(B)(i)(I)). In December 2014, the U.S. Congress approved a five-year reauthorization for CTP through 2020.

For purposes of determining the amount (other than cash) which CTP receives from non-federal sources, the fair market value of goods and services (including advertising) contributed to CTP for use may be included in the determination, provided that it does not exceed 80% of the matching requirement.

CTP's programs, activities and operations are managed and primarily supported from its corporate office in Washington, D.C.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Cash and cash equivalents – Cash and cash equivalents include cash and highly liquid investments with maturities at the date of investment of not more than three months.

THE CORPORATION FOR TRAVEL PROMOTION DBA BRAND USA

NOTES TO FINANCIAL STATEMENTS

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Grants and accounts receivable – Accounts receivable are stated at the amount management expects to collect from outstanding balances taking into account the credit worthiness of customers and history of collection. Management provides for probable uncollectible amounts through a charge to expense and an increase to a valuation allowance based on its assessment of the current status of individual accounts. Balances that are still outstanding after management has used reasonable collection efforts are written off through a charge to the valuation allowance and a reduction of trade accounts receivable.

Sequestration allowance – On March 1, 2013, the Budget Control Act of 2011, P.L. 112-25 became effective, and triggered automatic cuts to spending. CTP's funds received from the Department of Commerce under the Travel Promotion Act were automatically reduced by sequestration ranging from 7.2% to 7.3% in fiscal 2014, and ranging from 5.1% to 7.2% in fiscal 2013. As a result, CTP has recorded an allowance for the sequestration expected to be withheld from future collections on its accounts receivable due from the Department of Commerce as of September 30, 2014 and 2013. Sequestration rates are in the final stages of assessment and may be abandoned for fiscal 2015.

Pledges receivable – In-kind contributions with future economic benefit, are capitalized until the benefit of such contributions has been received. At September 30, 2014 and 2013, pledges receivable consist of donated advertising and marketing campaigns. Future utilization is expected to be \$24,085,017, \$1,282,533, and \$261,622 for fiscal 2015, 2016, and 2017, respectively. Management has determined that an allowance for doubtful accounts for pledges receivable is not necessary based on a periodic review of accounts and planned future usage.

Investment securities – Investment securities are carried at fair value with corresponding changes in value included in trade show and other revenue on the Statements of Activities and Changes in Net Assets. Interest and dividends earned on investment securities are also included trade show and other revenue on the Statements of Activities and Changes in Net Assets in the year earned. Unrealized gains and losses reflect the changes in the market values of investments from the prior year. The date of record for investments is the trade date.

CTP holds various investments, including certificate of deposits (“CDs”) and corporate bonds. The CDs and corporate bonds are exposed to various risks, such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities and investment contracts and the level of uncertainty related to changes in the value of the investment securities, it is at least reasonably possible that changes in risks in the near term would affect CTP's account balances and the amounts reported in the Statements of Financial Position and the Statements of Activities and Changes in Net Assets.

CTP follows an investment policy that anticipates a sufficient return while maintaining the preservation of capital as the highest priority and also ensuring adequate liquidity. The after-tax return on investment of the portfolio is tertiary to the objectives of preservation of capital and fulfillment of liquidity needs. Given the parameters set forth in the investment policy, the goal is to achieve an aggregate rate of return consistent with a conservatively managed, liquid fixed income investment portfolio. CTP follows the criteria that in no event shall any fixed income security exceed 12 months in duration.

THE CORPORATION FOR TRAVEL PROMOTION DBA BRAND USA

NOTES TO FINANCIAL STATEMENTS

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fair Value of Financial Instruments – A financial instrument is defined as a contractual obligation that ultimately ends with the delivery of cash or an ownership interest in an entity. Disclosures included in these notes regarding fair value of financial instruments have been derived using external market sources or other valuation techniques.

CTP carries all investments at fair value. Fair value is defined as the price that would be received to sell an asset (i.e. the “exit price”) in an orderly transaction between market participants at the measurement date. Fair value hierarchy prioritizes the inputs to valuation techniques used to measure fair value and gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements).

The three levels of the fair value hierarchy are as follows:

Level 1 – Inputs that reflect unadjusted quoted prices in active markets for identical assets or liabilities that CTP has the ability to access at the measurement date;

Level 2 – Inputs other than quoted prices that are observable for the asset either directly or indirectly, including inputs in markets that are not considered active;

Level 3 – Inputs that are unobservable.

Inputs are used in applying the valuation techniques and broadly refer to the assumptions that CTP uses to make valuation decisions, including assumptions about risk. Inputs may include quoted market prices, recent transactions, manager statements, periodicals, newspapers, provisions within agreements with investment managers and other factors. An investment’s level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. The categorization of an investment within the hierarchy is based upon the pricing transparency of the investment and does not necessarily correspond to CTP’s perceived risk of that investment.

The investments in cash equivalents, mutual funds, and certain domestic and international equities are valued based on quoted market prices, and are therefore typically classified within Level 1.

The investments in fixed income and other investment funds valued using net asset value per share (NAV) or its equivalent as reported by investment managers, and that have trading activity and the ability to redeem at NAV on or near the reporting date, are classified within Level 2.

Although CTP uses its best judgment in determining the fair value, there are inherent limitations in any methodology. Future confirming events could affect estimates of fair value. These events could also affect the amount realized upon liquidation of the investments.

THE CORPORATION FOR TRAVEL PROMOTION DBA BRAND USA

NOTES TO FINANCIAL STATEMENTS

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Property and equipment – Property and equipment is stated at acquisition cost, or at the estimated fair value at the date of gift, if donated, net of accumulated depreciation or amortization. All donated assets are reported as unrestricted support unless donors' stipulations specify how the assets are to be used. Depreciation is computed using the straight-line method over the estimated useful lives of the assets, generally ranging from three to five years. Leasehold improvements are amortized using the straight-line method, over the shorter of the life of the improvement or the lease term. Expenditures for maintenance and repairs are charged to operations as incurred, while renewals and betterments are capitalized. When property and equipment is retired or otherwise disposed of, the cost and related accumulated depreciation or amortization are removed from the accounts and any resulting gain or loss is reflected in the Statement of Activities and Changes in Net Assets for the period.

Indefinite-lived intangible assets – Identifiable intangible assets deemed to have indefinite lives are subject to annual impairment tests. Depending upon the results of that review, the recorded intangible assets may be written down when their carrying value exceeds their estimated fair value. Management, using its best estimates based on reasonable and supportable assumptions and projections, reviews indefinite-lived intangible assets, annually, or in certain circumstances, as required, for impairment. Management has concluded that no impairment exists as of September 30, 2014.

Amortizing intangible assets – Amortizing intangible assets are stated at fair market value at the date of contribution, net of accumulated amortization. Amortization is provided on the straight-line method over the estimated useful life. When intangible assets are retired or otherwise disposed of, the cost and related accumulated amortization are removed and any resulting gain or loss is reflected in the Statement of Activities and Changes in Net Assets for the period. Amortizing intangible assets consists of a website and website additions.

Deferred revenue – CTP has the right to receive travel promotion funds (earmarked by the Department of Commerce) upon submission of qualified matching contributions. For fiscal years 2014 and 2013, CTP was subject to a 100% match (from non-federal sources) of the amount to be transferred. Such funds are recorded as accounts receivable and deferred revenue upon submission to the Department of Commerce, and recognized in the Statements of Activities, as travel promotion fund proceeds to the extent that CTP fulfills the revenue recognition criteria. Management has determined that revenue recognition occurs upon fulfilling the purpose of the donated funds; expending on programs, activities and operations to promote increased foreign leisure, business and scholarly travel to the USA. Matching contributions that exceed the allowable matchable funds in a given year can be carried forward and applied against the match of a future year.

THE CORPORATION FOR TRAVEL PROMOTION DBA BRAND USA

NOTES TO FINANCIAL STATEMENTS

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Net asset presentation – CTP classifies resources into three net asset categories according to externally-imposed restrictions:

Permanently restricted net assets are comprised of the historical dollar amount of gifts, including pledges, which are required by donors to be permanently retained and only expended to the extent of earnings on investment of the funds. CTP had no permanently restricted net assets as of September 30, 2014 and 2013.

Temporarily restricted net assets are comprised of in-kind contributions with future economic benefit. Such contributions consist of donated advertising and marketing campaigns, which are scheduled to benefit CTP in future periods.

Unrestricted net assets are all the remaining net assets of CTP, including those derived from revenues of project activities, government grants and unrestricted donations and pledges. Unrestricted net assets may be, in part, limited as to use by contractual agreements with outside parties.

When a time restriction ends, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the Statements of Activities and Changes in Net Assets as net assets released from restrictions.

Travel promotion fund proceeds – Federal funds are reported as support and revenue in the period the Travel Promotion Act makes them available. The funds remain available until expended. Unexpended funds are reported as deferred revenue until expended.

In-kind contributions – In-kind contributions are valued at fair market value, which is defined as the price that property would sell for on the open market. It is the price that would be agreed on between a willing buyer and a willing seller, with neither being required to act, and both having reasonable knowledge of the relevant facts. CTP recognizes the fair value of donated services received if such services a) create or enhance nonfinancial assets or b) requires specialized skills that are provided by individuals possessing those skills and would typically need to be purchased if not donated.

Functional expenses – The costs of providing the program and general and administrative activities have been summarized on a functional basis in the Statements of Activities and Changes in Net Assets. Most expenses are directly charged to the respective program or supporting activity. Certain costs have been allocated among the program and support services benefited based upon management's estimate of each program's share of the allocated costs.

Program service activities, representing marketing, business development and strategic outreach programs to promote increased foreign leisure, business, and scholarly travel to the USA, and general and administrative activities, are expensed as incurred.

CTP does not have any fundraising expenses.

THE CORPORATION FOR TRAVEL PROMOTION DBA BRAND USA

NOTES TO FINANCIAL STATEMENTS

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Income taxes – CTP is exempt from federal income taxes under the provisions of Section 501(c)(6) of the Internal Revenue Code. Contributions to CTP are not tax deductible by donors under Section 170(c)(2) of the Internal Revenue Code. CTP uses a comprehensive model for recognizing, measuring, presenting and disclosing in the financial statements tax positions taken or expected to be taken on a tax return. A tax position is recognized as a benefit only if it is “more likely than not” that the tax position would be sustained in a tax examination, with a tax examination being presumed to occur. The amount recognized is the largest amount of tax benefit that is greater than 50% likely of being realized on examination. For tax positions not meeting the “more likely than not” test, no tax benefit is recorded. CTP does not believe its financial statements include any uncertain tax positions. CTP files income tax returns only in the U.S. federal jurisdiction. Generally, CTP is subject to examination by U.S. federal (or state and local) income tax authorities beginning in 2010, which is the year of CTP’s inception.

Concentration of credit risk – CTP maintains cash in bank deposit accounts, which, at times, may exceed federally insured limits. CTP has not experienced any losses in any of its accounts. CTP believes it is not exposed to any significant credit risk on cash and cash equivalents.

As of September 30, 2014 and 2013, approximately 83% and 99%, respectively, of the CTP’s accounts receivable came from one grantor.

For both 2014 and 2013, approximately 27% and 44%, respectively, of the CTP’s in-kind contributions came from two donors. For 2013, approximately 35% of partners publishing revenue is associated with two partners.

For 2014 and 2013, approximately 2% and 1% of in-kind contributions came from organizations affiliated with members of the Board of Directors, respectively. For 2014 and 2013, approximately 6% and 9% of partner contributions came from organizations affiliated with members of the Board of Directors, respectively. For 2014 and 2013, approximately 8% and 3% of the trade show contributions came from organizations affiliated with members of the Board of Directors, respectively.

Estimates – The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

THE CORPORATION FOR TRAVEL PROMOTION DBA BRAND USA

NOTES TO FINANCIAL STATEMENTS

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Subsequent events – Subsequent events are events or transactions that occur after the statement of financial position date, but before financial statements are available to be issued. CTP recognizes in the financial statements the effects of all subsequent events that provide additional evidence about conditions that existed at the date of the statement of financial position, including the estimates inherent in the process of preparing the financial statements. CTP’s financial statements do not recognize subsequent events that provide evidence about conditions that did not exist at the date of the statement of financial position, but arose after the statement of financial position date and before financial statements were available to be issued. CTP has evaluated subsequent events through March 2, 2015, which is the date the financial statements were available to be issued as approved by management.

NOTE 3 – INVESTMENTS

The following schedule summarizes CTP’s investment returns for the year ended September 30, 2014:

Interest and dividends	\$ 381,093
Amortization of corporate bond premiums	(349,834)
Unrealized loss	<u>(18,730)</u>
Net investment return	<u>\$ 12,529</u>

The following schedule summarizes CTP’s investments by asset class for the year ended September 30, 2014:

	<u>Cost</u>	<u>Fair Value</u>
Certificates of deposit	\$ 2,481,131	\$ 2,479,029
Corporate bonds	<u>27,084,429</u>	<u>27,316,378</u>
Total short-term investments	<u>\$ 29,565,560</u>	<u>\$ 29,795,407</u>

THE CORPORATION FOR TRAVEL PROMOTION DBA BRAND USA
NOTES TO FINANCIAL STATEMENTS

NOTE 4 - FAIR VALUE MEASUREMENTS

The following table presents information about CTP's assets measured at fair value on a recurring basis as of September 30, 2014:

	<u>Fair Value</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Certificates of deposit	\$ 2,479,029	\$ -	\$ 2,479,029	\$ -
Corporate bonds	<u>27,316,378</u>	<u>-</u>	<u>27,316,378</u>	<u>-</u>
	<u>\$ 29,795,407</u>	<u>\$ -</u>	<u>\$ 29,795,407</u>	<u>\$ -</u>

The fair values for certificates of deposit and corporate bonds are based on quoted market prices for similar securities. CTP's policy is to recognize transfers in and out of level classifications as of the first day of the reporting period in which the change in circumstances causing the transfer occurred.

NOTE 5 - PROPERTY AND EQUIPMENT

Property and equipment consist of the following at September 30:

	<u>2014</u>	<u>2013</u>
Furniture	\$ 322,998	\$ 322,998
Computer equipment	68,945	57,946
Leasehold improvements	<u>119,335</u>	<u>119,335</u>
	511,278	500,279
Accumulated depreciation	<u>(262,007)</u>	<u>(161,776)</u>
	<u>\$ 249,271</u>	<u>\$ 338,503</u>

For 2014 and 2013, depreciation expense of \$100,231 and \$91,402, respectively, is included in general and administrative expense in the Statements of Activities and Changes in Net Assets.

THE CORPORATION FOR TRAVEL PROMOTION DBA BRAND USA
NOTES TO FINANCIAL STATEMENTS

NOTE 6 - INTANGIBLE ASSETS

Intangible assets consist of the following at September 30:

	<u>Useful Life</u>	<u>2014</u>	<u>2013</u>
Cost basis			
Website	3 years	\$ 8,849,360	\$ 8,055,065
Brand name	Indefinite	<u>3,400,000</u>	<u>3,400,000</u>
		12,249,360	11,455,065
Accumulated amortization		<u>(7,250,350)</u>	<u>(6,431,269)</u>
		<u>\$ 4,999,010</u>	<u>\$ 5,023,796</u>

The U.S. Travel Association donated the Discover America website and brand name to CTP. CTP utilized the services of an independent valuation firm to assist in the estimation of the fair value of the donated assets. The assets were valued utilizing the cost approach, which is based on consideration of the costs to recreate the assets. The valuation resulted in an estimated fair value of \$9,400,000, but CTP paid the U.S. Travel Association a nominal fee of \$830,000 as was specified in the donation agreement. Management allocated \$6,000,000 of the contributed assets to the website, based on management's best estimate to rebuild and or purchase an established website, and assigned the remaining fair value of \$3,400,000 to the Discover America brand name. Management determined that the website had an estimated useful life of three years, and the brand name had an indefinite life. During 2014 and 2013, CTP also capitalized \$794,296 and \$830,465, respectively, of additional website development costs incurred and recognized \$819,082 and \$3,431,269 of amortization expense, respectively, included in general and administrative expense in the Statements of Activities and Changes in Net Assets. Future amortization, including amortization of additional website development costs, is expected to be approximately \$950,000, \$519,000, and \$131,000 for 2015, 2016 and 2017, respectively.

NOTE 7 - COMMITMENTS AND CONTINGENCIES

Operating lease - CTP leases the corporate facility under an operating lease agreement that expires in September 2020. Minimum rental payments under the operating lease are recognized on a straight-line basis over the term of the lease including any periods of free rent. Total rent expense for the lease for the years ended September 30, 2014 and 2013 totaled \$845,351 and \$668,524, respectively. The related deferred rent liability for the operating lease at September 30, 2014 and 2013 totaled \$405,069 and \$347,360, respectively, and is recorded as a component of accrued expenses in the Statements of Financial Position.

THE CORPORATION FOR TRAVEL PROMOTION DBA BRAND USA

NOTES TO FINANCIAL STATEMENTS

NOTE 7 – COMMITMENTS AND CONTINGENCIES (CONTINUED)

Operating lease (continued) – The future minimum annual lease payments under the non-cancellable operating lease are as follows:

<u>Years Ending September 30,</u>	
2015	\$ 944,276
2016	1,028,655
2017	1,054,411
2018	1,080,772
2019	1,107,830
Thereafter	<u>1,039,193</u>
	<u>\$ 6,255,137</u>

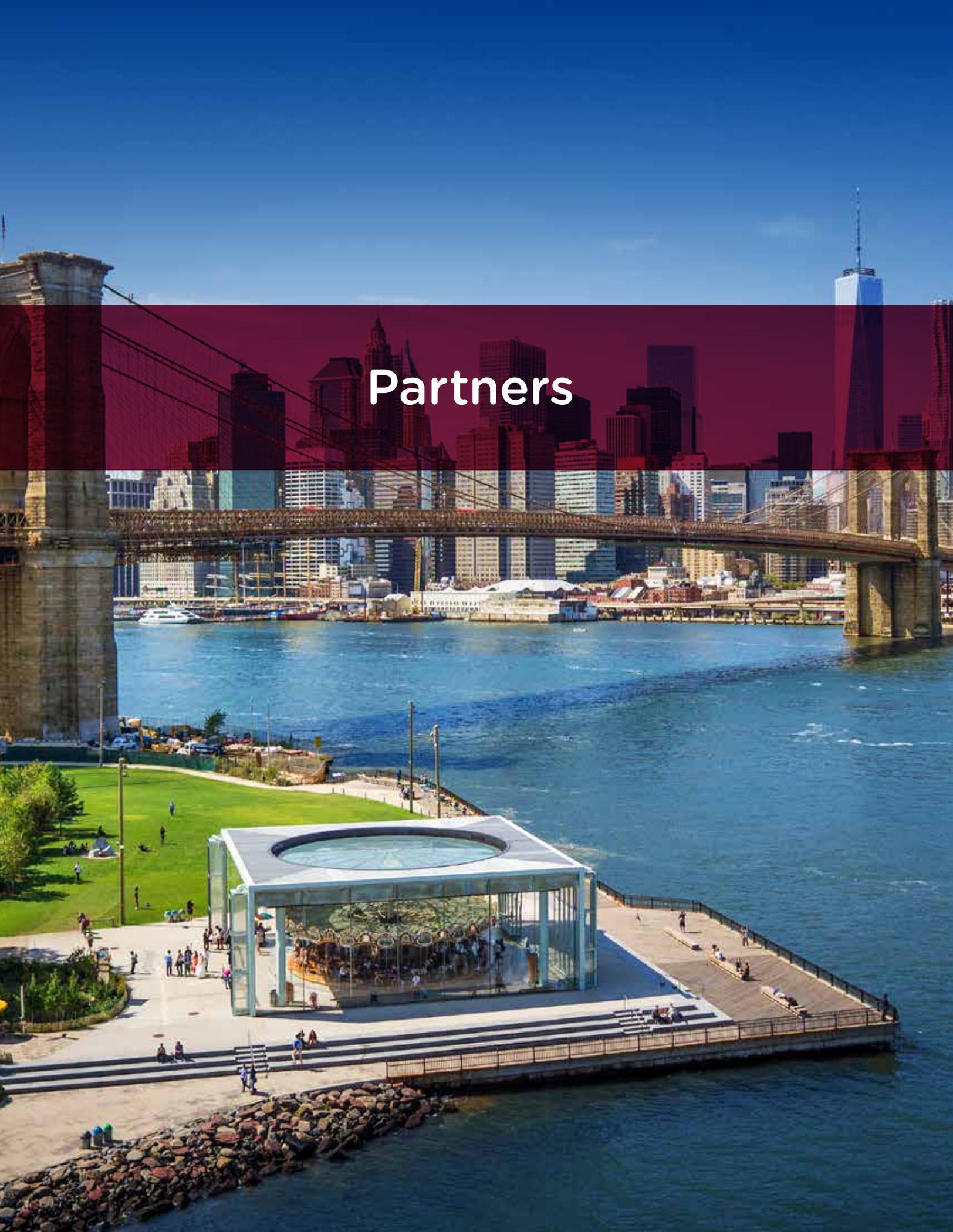
Travel promotion funds – CTP receives significant amounts of federal funding from visa application fees collected from international travelers to the USA. These funds are subject to audit by federal agencies. Management believes that adjustments, if any, would not have a significant effect on the financial statements.

Employment agreements – CTP has employment agreements with certain officers of the organization. The agreements provide for annual compensation and benefit amounts. In the event of termination of employment without cause, in addition to receipt of base pay through termination date, the officers' are entitled to receive severance equal to either a) 18 months of current base salary, less applicable withholdings, if termination results from cessation of CTP operations as defined in the agreement, or b) 12 months of current base salary, less applicable withholdings, if termination results from other circumstances.

U.S. Travel Association agreement – CTP entered into a sponsorship agreement with U.S. Travel Association to be the premier sponsor of the International Pow Wow Conference (the "Conference") for four years from 2012 through 2016. The Conference is a travel industry trade event that has been occurring annually for approximately 45 years. As part of this sponsorship, CTP is able to sell certain marketing opportunities to private companies. CTP will make annual payments of \$1.0 million for four years, commencing in 2012.

Other matters – Various claims and legal proceedings generally incidental to the normal course of business are pending or threatened against CTP. Although CTP cannot predict the outcome of these matters, in the opinion of management, any liability arising from them will not have a material adverse effect on the financial position, results of operations or liquidity.

Partners



PARTNERS

Founding Partners

Founding Partners are recognized in perpetuity for their significant contributions of \$1 million or more of cash, in-kind or a combination thereof during Brand USA's first year in operations. The contributions made by the partners listed below were critical to the launch of Brand USA and the inaugural marketing campaign. As a result of their contributions during Brand USA's founding year, Brand USA was able to begin operations with a solid foundation from which to build.



Best Western



Visit California



Disney



Enterprise Holdings, LLC.
Visit Florida



Hilton Worldwide



Discover Illinois



Las Vegas CVA
Marriott



International, Inc.



Massachusetts Office of
Travel and Tourism



New York City
Visit Orlando



U.S. Travel Association
Universal Studios



Diamond (contributions of \$1 million and higher)

Air Berlin	National Football League
APN NZ Media	National Geographic
Arizona Office of Tourism	NYC & Company
Asiana Airline Inflight TRIAD IBS	Orbitz Worldwide
BBC Worldwide	Oregon Tourism Commission
British Airways	Osceola County DTD/Kissimmee
BS Fuji	Porter Airlines
Business Weekly	Sankei Group
California Travel & Tourism Commission	Scripps Networks International Limited
Choose Chicago	Seattle Convention & Visitors Bureau
CNN International	SeaWorld Parks & Entertainment, Inc.
Enterprise Holdings, LLC	South Carolina Dept. of Parks, Recreation & Tourism
ESPN	STA Travel
Expedia	State of Texas, Office of the Governor, Economic Development & Tourism
Flight Centre UK Limited	The Guardian
Grupo Companhia	The Telegraph
Hawaii Tourism Authority	Thomas Cook
Hilton Worldwide	Travel Brands
Illinois Office of Tourism	Travel Zoo
Las Vegas Convention & Visitors Authority	TripAdvisor
Los Angeles Tourism & Convention Board	TTG Media
Louisiana Office of Tourism	Turner Japan
MacGillivray Freeman Films	TV Asahi
Mainichi Newspaper Co. Ltd.	United Airlines
Marriott International, Inc.	Universal City Development Partners Ltd.
Massachusetts Office of Travel and Tourism	Virgin Holidays
Mercado and Eventos	Visit Florida
Michigan Economic Development Corporation;	Visit Orlando
Michigan Tourism Commission	
MTV	
Myrtle Beach Area Convention and Visitors Bureau	

Platinum (contributions of \$500,000 to \$999,999)

Air Canada	Lee County Convention & Visitors Bureau
Brazil Travel News USA Communication	Lufthansa German Airlines
Buffalo Niagara Convention & Visitors Bureau	Mode Tour
Caesars Entertainment	Ocean USA
Disney	PhoCusWright
Global Times	Preferred Hotel Group
Globe Trotter	SAG/AFTRA
Greater Miami Convention & Visitors Bureau	San Antonio Convention and Visitors Bureau
Hankyu Travel International Co., Ltd. Hindustan Times Ltd.	Scenic Tours
Ignite Travel Group	Travel Portland
International Media Organizations (IMO)	US Travel Association
	Washington Convention & Visitors Bureau
	West Jet

Gold (contributions of \$250,000 to \$499,999)

Capital Region USA	Nevada Department of Tourism & Cultural Affairs
Cirque du Soleil	Philadelphia Convention & Visitors Bureau
CityPass, Inc.	PM Publishing Solutions
Cleverdis	Qantas Airways
Conde Nast Traveller	Readers Digest
Deutsche Lufthansa AG	San Diego Tourism Authority
Discover New England	San Francisco Travel
Explore Minnesota Tourism	Seven Network
FTI Touristik	Smart Destinations, Inc.
General Growth Services	South Dakota Department of Tourism
Georgia Department of Economic Development	South Hall
Greater Boston Convention and Visitors Bureau	Where Are You Now
Hawaiian Airlines	Wyoming Office of Tourism
LimeTree Media	
MOAC Mall Holdings LLC (Mall of America)	

Silver (contributions of \$100,000 to \$249,999)

Ahn Graphic	Meier's Weltreisen
American Express International	Memphis Convention & Visitors Bureau
American Sky	MGM Resorts International
Auckland International Airport	Miles Partnership
Austin Convention & Visitors Bureau	Missouri Division of Tourism, Department of Economic Development
Australian Pacific Touring	Montana Office of Tourism
Balfour Global LLP	Myrtle Beach Golf Holiday
Baxter Travel Media	New Orleans Convention & Visitors Bureau
Bay Area Houston Convention & Visitors Bureau	New York State Department of Economic Development
Breckenridge Resort Chamber	Outrigger Hotels and Resorts
Charleston Area Convention & Visitors Bureau	Qatar Airways
Choice Hotels International	Rich Advertising Corporation
Colorado Tourism Office	Rhythms of the South
Cosmopolitan South Korea	Sabre Holdings
Denver Convention & Visitors Bureau	Societa Geografica Italiana
DER Touristik GmbH & Co. KG	Southern State Tourism Offices
Destination Marketing Association International	St. Petersburg/Clearwater Convention & Visitors Bureau
Enfoque del Café	Starwood Hotels & Resorts Worldwide, Inc.
Fort Worth Convention and Visitors Bureau	Tennessee Department of Tourist Development
FVW Mediengruppe	Travel Weekly Group
Global Entrepreneur Magazine	TravMedia
Great Lakes USA	Turistampa
Greater Fort Lauderdale Convention & Visitors Bureau	U.S. Virgin Islands Department of Tourism
Greater Philadelphia Tourism Marketing Corporation	USAirtours Ltd.
Guam Visitors Bureau	Utah Office of Tourism
Hilton Head	Vermont Department of Tourism and Marketing
Idaho Department of Commerce	Vermont Ski Areas Assoc. Inc.
Illinois Consortium	VOS Media Ltd.
Irvine Company Retail Properties	
Japan Airlines Co. Inc. (JAL)	

Bronze (contributions of \$10,000 to \$99,999)

Air New Zealand
 Alabama Tourism Department
 Alton Regional Convention & Visitors Bureau
 Amelia Island Convention and Visitors Bureau
 America Unlimited GmbH
 Andar de Viaje
 Annapolis & Anne Arundel County Conference & Visitors Bureau
 Arkansas Parks & Tourism
 Arlington Convention & Visitors Bureau
 Asheville Convention & Visitors Bureau
 Ashford Hospitality Trust LP
 Aspen Snowmass
 Atlanta Convention and Visitors Bureau
 Atlantic City Convention and Visitors Authority
 Aurora Area Convention & Visitors Bureau
 Best Western International, Inc.
 Big Bus Tours
 Bloomington Convention & Visitors Bureau
 Boise Convention & Visitors Bureau
 Bookit.com
 Branson Convention & Visitors Bureau
 Canusa Touristik GmbH & Co
 Cape Cod Chamber of Commerce
 Carlson Rezidor Hotel Group
 Chicago's North Shore Convention & Visitors Bureau
 Chickasaw Nation
 China CYTS Tours Holding Co. Ltd.
 Cinespace Chicago Film Studios
 Clackamas County Tourism & Cultural Affairs
 Colorado Ski Country
 Connecticut Office of Tourism
 Convention News Television
 Cosmopolitan Las Vegas
 Costa Mesa Convention and Visitors Bureau
 Dallas Convention & Visitors Bureau
 Delaware Economic Development Office
 Detroit Metro Convention & Visitors Bureau
 Diversity Tourism
 Dupage Convention & Visitors Bureau
 Durango Area Tourism Office
 Embassy Suites Waikiki Beach Walk
 ES Tour
 Explorer Fernreisen GmbH & Co. KG
 Federal Realty
 Finger Lakes Regional Tourism Alliance
 Finger Lakes Visitors Connection
 Flexible Trips
 Galena/Jo Daviess County Convention & Visitors Bureau
 Gap Outlet
 Great Rivers Country
 Greater Newark Convention & Visitors Bureau
 Greater Phoenix Convention & Visitors Bureau
 Greater Raleigh Convention & Visitors Bureau
 H.I.S. Co., LTD.
 Hanjin Travel Service Co., Ltd.
 Harrisonburg TVS
 Hawaii, Visitors and Convention Bureau
 Hayes and Jarvis
 Heritage Corridor Convention & Visitors Bureau
 Hertz Global Holdings, Inc.
 Holiday Specialists
 Hollywood Community Redevelopment Agency
 Hoot Holidays
 Host Hotels & Resorts, Inc.
 Houma Area Convention & Visitors Bureau
 House and Garden
 Hudson Valley Tourism
 Iceland Air Scandinavia
 Illinois Great River Road National Scenic Byway
 Intercontinental The Barclay New York
 Iowa Tourism Office
 Jackson Hole Mountain Resort
 Jackson Hole Travel & Tourism Board
 Jalpak Co., Ltd.
 Jetline Travel
 JTB World Vacations
 Kansas Department of Wildlife, Parks & Tourism
 Kansas/Oklahoma Travel & Tourism
 Kentucky Department of Travel and Tourism
 Kiawah Island Golf Resort
 Kinki Nippon Tourist Co., Ltd.
 KLM Royal Dutch Airlines (Finland)
 Knoxville Convention & Visitors Bureau
 Kuoni Reisen AG
 Lafayette Convention & Visitors Commission
 Lake Charles Convention & Visitors Bureau
 Lake County Illinois Convention & Visitors Bureau
 Land of Lincoln Regional Tourism Development Office
 Landmark Hotel Group
 Laramie County Convention & Visitors Bureau
 LEDTV
 Let's Travel Magazine
 Liftopia
 Little Rock Convention & Visitors Bureau
 Loews
 LVH Hotel Las Vegas
 Macerich
 Macy's
 Maid of the Mist Corporation
 Maine Office of Tourism
 Mammoth Lakes Tourism
 Marianas Visitors Authority
 Maryland Office of Tourism

Meet Chicago Northwest
MGM Mirage Las Vegas
Miami Seaquarium
Mississippi River Country USA
Monroe-West Monroe
Convention & Visitors Bureau
Nashville Convention & Visitors Corp.
Natchitoches Parish Tourist Commission & Cane
River National Heritage Area
New Hampshire Division of Travel & Tourism
Development
New Orleans Plantation Country
Niagara Tourism & Convention Corporation
North Carolina Division of Tourism
North Dakota Department of Commerce
Northern Virginia Visitors Consortium
Novak Birch
Ohio Office of Tourism
Oklahoma Tourism & Recreation
Oneida County Tourism
Outdoor Revolution Ltd.
Palm Beach County Cultural Council
Papillon
Pasco County Board of County Commissioners
Pennsylvania Tourism Office
Pocono Mountains Visitors Bureau
Prince William County & Manassas Convention
and Visitors Bureau
Quad Cities Convention & Visitors Bureau
Red Roof Inns, Inc.
Redding Convention and Visitors Bureau
Rhode Island Commerce Corporation
Rockford Area Convention & Visitors Bureau
San Diego International Airport
San Diego Zoo
San Francisco Cruises
San Marcos Convention & Visitors Bureau
Santa Cruz County
Conference and Visitors Council
Santa Monica Convention and Visitors Bureau

Shenandoah Valley Travel Association
Shop America Alliance
Springfield Convention and Visitors Bureau
St. Augustine, Ponte Vedre & the Beaches
Visitors
and Convention Bureau
St. Tammany Tourist & Convention Commission
Station Casinos
Sterling Jewelers, Inc.
Sunwing Vacations Inc.
Syracuse Convention & Visitors Bureau
Telluride Tourism Board & Telluride Ski Resort
The Broadmoor
The Official Tourism Marketing Corporation
for The Palm Beaches
The Taubman Company LLC
Travelbag Ltd.
Travelbiz
Travelocity
US Chamber of Commerce
Vail Resorts Management Co.
Veolia Transportation
Virginia Beach Convention & Visitors Bureau
Virginia Tourism Corporation
Visit Anchorage
Visit Baton Rouge
Visit Jacksonville
Visit Napa Valley
Visit Savannah
Visit Tampa Bay
Visit Tucson
Visit USA Russia
Visit USA Spain
Warner Brothers
Washington Tourism Alliance
Watkins Glen International
West Hollywood Marketing & Visitors Bureau
West Virginia Department of Commerce
White Mountains Attractions (NH)
Wynn Resorts Ltd.

Supporting (contributions up to \$10,000)

Accor North America
 Alaska Travel Industry Association
 Amalfi Hotel Chicago (part of Hostmark)
 America As You Like It
 Anaheim Orange County Visitor & Convention Bureau
 Archers Direct/CosmosAir
 AviaReps Marketing Garden
 Bowling Green, KY
 California Academy of Sciences
 Canada Reise Dienst
 Central Oregon Visitors Association
 Champaign County Convention & Visitors Bureau
 Cincinnati Convention & Visitors Bureau
 Cleveland Convention & Visitors Bureau
 Colorado Springs
 Connect Worldwide International Inc.
 Cruisenation.com
 Donohoe Hospitality
 Econo Lodge Times Square
 Empire Hotel Group
 enVision Hotel
 Fairbanks Convention & Visitors Bureau
 Fairmont Hotels and Resorts
 Flagler County Chamber of Commerce
 Visitors Center
 Florida's Space Coast
 G Adventures
 Galleria Dallas
 Gettysburg Travel
 Greater Columbus Convention & Visitors Bureau
 Greater Fredericksburg Tourism Partnership
 Greater Palm Springs Convention & Visitors Bureau
 Greater Pittsburgh Convention & Visitors Bureau
 Hana Tour
 Indiana Office of Tourism
 Intrepid Travel
 Jay Peak Resort
 Jekyll Island Authority
 Kansas City Convention & Visitors Association
 Kwik Travel
 Lake Havasu Tourism Bureau
 Lakes Region Tourism Association
 Lee County Port Authority
 Macon-Bibb County
 Convention and Visitors Bureau
 Martin County
 Maui Convention & Visitors Bureau
 Modern Management Services, LLC
 Mundo Turistico
 Naples Visitors Center
 National Tour Association
 NBC Universal
 Nebraska Tourism Commission
 New England Inns & Resorts Association
 Nippon Travel Agency Co., LTD
 North America Travel
 Orlando Flex Ticket
 Pasadena Convention & Visitors Bureau
 Phoenix International Publishing, LLC
 Plymouth County Convention & Visitors Bureau
 Premium Outlets
 Puerto Rico Tourism Company
 R&C Tours Co. Ltd.
 Red Lion Anaheim Maingate
 Richmond Convention & Visitors Bureau
 Salem Witch Museum
 San Juan Islands Visitors Bureau
 Santa Barbara Conference and Visitors Bureau
 and Film Commission
 Scottsdale Convention & Visitors Bureau
 Sonoma County
 South Street Seaport & Museum
 Sports Travel Magazine
 State of Alaska Division of Economic
 Development
 TAP PORTUGAL
 The Holiday Place
 Tour America Inc.
 Tour Magazine
 Trump International Hotel & Tower Las Vegas
 US Traveler Magazine
 Visit Akron-Summit
 Visit Indy
 Visit Loudoun County
 Visit Mendocino County Inc.
 Visit New Haven
 Visit Newport Beach Inc.
 Visit Oak Park
 Visit Oakland
 Visit Pontiac
 Visit Sarasota
 Visit Spokane
 Warren County, OH
 White Pass Scenic Byway - WA
 Wiechmann Tourism Service GmbH
 Williams-Grand Canyon Chamber of
 Commerce (AZ)
 Xanterra Parks & Resorts, Inc.
 Yosemite National Park
 Yosemite Sierra Visitors Bureau

A photograph of a birch forest. The trees have white bark and green leaves. A dirt path winds through the forest. The ground is covered with green grass and small white flowers. A blue semi-transparent banner is overlaid across the middle of the image, containing the text "Board of Directors" in white.

Board of Directors

BOARD OF DIRECTORS

Brand USA is governed by an 11-member Board of Directors appointed for a maximum of two consecutive three-year terms by the U.S. Secretary of Commerce in consultation with the Secretary of State and the Secretary of Homeland Security. As required by the Travel Promotion, Enhancement, and Modernization Act of 2014, all members of the board are United States citizens and are either current or former chief executive officers, chief financial officers, or chief marketing officers, or have held equivalent management positions. Designated members have leadership expertise in specific sectors of the travel industry including: hotel accommodations; restaurants; retail or a related association; travel distribution; attractions or recreations; state-level tourism office; city-level convention and visitors bureau; passenger air; land or sea transportation; and immigration law and policy. At least two members of the board are audit committee financial experts. In addition, at least five members of the board have expertise in international travel promotion or marketing broadly representing various regions of the United States.

In accordance with the above, the following business leaders at the time of publication of this annual report serve on the board of directors of Brand USA:



Arne M. Sorenson
Chair of the Board

President & CEO,
Marriott International, Inc.

*Represents: Hotel accommodations
sector*

Member: Finance Committee



Tom Klein
Vice Chair

President & CEO,
Sabre Holdings

*Represents: Travel distribution
sector*

Chair: Audit Committee

Member: Finance Committee



Barbara J. Richardson
Vice Chair

Chief of Staff,
Washington Metropolitan Area
Transit Authority (WMATA)

*Represents: Land transportation
sector*

Chair: Marketing Committee

Member: Finance Committee



Daniel J. Halpern
Treasurer of the Board

President & CEO,
Jackmont Hospitality, Inc.

Represents: Retail sector

Chair: Finance Committee and

Conflict of Interest Committee

Member: Governance &

Nominating Committee



Andrew Greenfield
Secretary

Managing Partner, Fragomen,
Del Rey, Bernsen and Loewy, LLP

*Represents: Immigration law
and policy sector*

*Chair: Governance &
Nominating Committee*

Member: Finance Committee and

Conflict of Interest Committee



Caroline Beteta

President and CEO,
Visit California

*Represents: Official of a state
tourism office*

Member: Marketing Committee



John Edman

State Tourism Director,
Experience Minnesota Tourism

*Represents: Official of a state
tourism office*

*Member: Audit Committee and
Marketing Committee*



George Fertitta

CEO,
Bloomberg Associates

*Represents: Official of a
city-level convention and
visitors bureau*

Marketing Committee



Randy A. Garfield

*Retired/Former Executive Vice
President, Worldwide Sales & Travel
Operations, Disney Destinations, &
President, Walt Disney Travel Co.

Member: Audit Committee

Member: Marketing Committee



Mark Schwab

CEO, Star Alliance Services
GmbH

*Represents: Passenger air
sector*

*Member: Audit Committee and
Governance & Nominating
Committee*



Chef Roy Yamaguchi

Owner & Founder
Roy's Restaurant

Represents: Restaurant sector

*Member: Governance &
Nominating Committee and
Conflict of Interest Committee*

The board of directors and its committees meet regularly throughout the year. Members of the public are encouraged to participate by webcast and/or conference call. For more information about members of the Brand USA board of directors, regularly scheduled meetings or records of past board meetings, please visit: TheBrandUSA.com/About-Brand-USA/Board-Of-Directors.

Board-related questions or comments can be addressed to boardmeetings@thebrandusa.com.



Executive Leadership

Executive Leadership



Christopher L. Thompson
President & CEO



Anne C. Madison
Chief Communications
Officer



Donald F. Richardson
Chief Financial Officer



David Whitaker
Chief Marketing Officer



Tom Garzilli
Senior Vice President,
Global Partner Marketing



Stanley Mattos
Vice President,
Operations

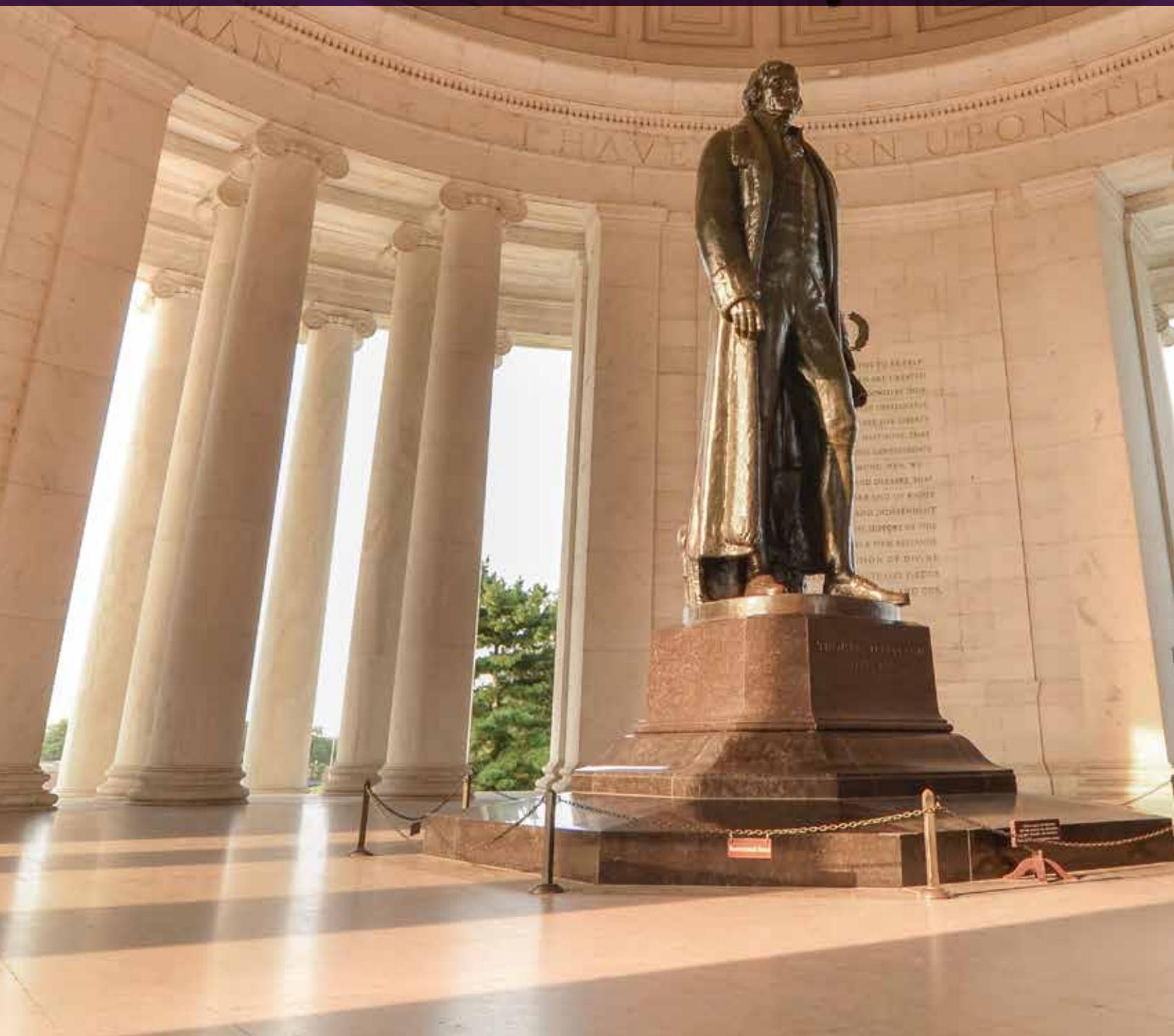


Karyn Gruenberg
Vice President,
Partner Programs



Carroll Rheem
Vice President,
Research & Analytics

Connect With Us



CONNECT WITH US

To follow our progress and announcements of new initiatives, please connect with us on these social media channels.

For industry or partner information about Brand USA, please visit or connect with us on the following Brand USA corporate channels:

- Website: www.thebrandusa.com
- Twitter: @BrandUSA
- YouTube: <http://www.youtube.com/user/BrandUSATV>
- LinkedIn: <http://www.linkedin.com/company/brandusa>

For information about exceptional and unexpected travel experiences in the United States, please visit or connect with us on these Discover America channels:

- Website: www.discoveramerica.com
- Twitter: @DiscoverAmerica
- Facebook: [Facebook.com/DiscoverAmerica](https://www.facebook.com/DiscoverAmerica)
- YouTube: <http://www.youtube.com/user/YourDiscoverAmerica>
- Instagram: DiscoverAmerica

To subscribe to our industry newsletter, please visit TheBrandUSA.com/Media/Newsletters



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