

THE CORPORATION FOR TRAVEL PROMOTION
MEETING OF THE BOARD OF DIRECTORS

April 13, 2011

A meeting of the Board of Directors (the “**Directors**”) of The Corporation for Travel Promotion (the “**Corporation**”) was held by conference call commencing at 1:05 p.m. EDT. All members of the Board were present at the Meeting:

Stephen J. Cloobek, Chairman
Caroline Beteta, Vice Chair
George Fertitta, Vice Chair
Daniel Halpern
Tom Klein
David Lim
Mark Schwab
Diane Shober
Al Weiss
Roy Yamaguchi
Lynda S. Zengerle

Also in attendance were Rob Gluck, Melissa Mitchell and Addie Downing of the firm High Lantern Group, and Robyn Mandel, Esq. of the law firm Katten Muchin Rosenman LLP. Joel Secundy and Helen Marano representing the Department of Commerce also participated in the call. Melissa Mitchell served as recording secretary of the meeting. Stephen J. Cloobek, the Chairman, called the meeting to order with a quorum present.

I. Chairman’s Welcome

- A. Chairman Cloobek opened the meeting asking Directors for approval of the meeting minutes. The minutes passed with no dissenters.
- B. Cloobek welcomed the National Council of State Tourism Directors for participating as a group on today’s call.
- C. Cloobek said that the Corporation has been an effort of great collaboration – with the President’s Export Council, the Department of Homeland Security, Customs and Border Protection, the State Department, the House and Senate, and other interested stakeholders.
- D. The Corporation has made great efforts to be transparent. All meeting minutes are posted on the website, and all Board members are available for comments.
- E. Cloobek said he recently testified before the Senate Commerce Subcommittee on Competitiveness, Innovation and Export Promotion, chaired by Senator Klobuchar. He said the hearing was an update as to what has happened with regard to international travel. The Corporation, along with the U.S. Travel Association, Universal and Carlson Companies (also on behalf of the Travel and Tourism Advisory Board), testified. He said the Senators were highly engaged and wanting to put forth marketing efforts in Fiscal Year 2012, starting October 2011. He said the Senators were also concerned about the visa process, greeting international visitors and what kind of welcome these facilities send. The State Department got tough questions about expediting visa processes, increasing staffing and alternatives for visa interviews, including visa video conferencing. He said the Department of Homeland Security has collected approximately \$74 million from the Electronic System for Travel Authorization (ESTA) fees – about \$52 million of

which will be available to the Corporation. He reported that out of the original \$10 million authorized to the Corporation through March, they had spent no more than \$130,000 to date. He said the Corporation looks forward to raising \$10 million in cash in the coming months to trigger the two to one match in October 2011.

II. Update from the Commerce Department

- A. Joel Secundy representing the Commerce Department gave a brief update.
- B. He said it had been a busy two weeks in Washington with the threat of a government shutdown. He said in spite of other things being canceled in DC, there was a great showing at the April 5 hearing, which Cloobeck described.
- C. He said there was strong commitment on both public and private sides on the visa and travel facilitation issues.
- D. He said the official Fiscal Year 2010 travel numbers would soon be available on the Office of Travel and Tourism Industries website. He asked that the Corporation also post this data on its site, to which Cloobeck agreed.
- E. He said the Secretary continues to be excited by the work of the Corporation and is looking forward to the marketing campaign and to see how these efforts are able to stimulate jobs and double exports.
- F. Cloobeck said that with travel and tourism comprising one-quarter of all services sector exports that it is important for people to know how important travel is to the economy.
- G. Secundy clarified that the Corporation's role was not to lobby, but the mandate is on marketing.

III. Executive Director Search Update

- A. Vice-chair Beteta, head of the search, said that the search for an executive director continues and that the Board is hopeful they are in the final part of the process.
- B. They are currently considering two key candidates that represent the core competencies that the Corporation is looking for, particularly in its formative stages. Ideally they would like to have a hire by Pow Wow.

IV. Legal Update

- A. Treasurer Daniel Halpern reported that two Request for Proposals (RFPs) were out – one for general and one for advocacy legal services.
- B. Selected respondents will be interviewed on Tuesday, and he will report back to the Board on recommendations the following week.
- C. These firms will be in place by the May meeting.

V. Memorandum of Understanding with Commerce and Treasury

- A. Secretary and chair of the Legal Committee Lynda Zengerle reported that the Corporation had reviewed the draft MOU explaining the roles of the Corporation, Commerce and Treasury in the transfer of monies.
- B. The Corporation is suggesting adding a phrase giving more detail to the third-party evaluation of the in-kind policy.
- C. She will take that recommendation to Commerce and Treasury, and then the document will be ready to be signed.
- D. Cloobeck questioned the specificity in the certification process needed in the MOU, pointing out that oversight is an important issue to clarify.

- E. He said the Board is fine with the MOU as written, but is seeking more clarity and asked the opinion of Commerce.
- F. Secundy said that the intent was that the Board has third-party certification. He said he does not want to slow down the process, but make sure there is clarity.
- G. The final stages of completing the MOU will be taken offline.

VI. Next Meeting – May 23 at International Pow Wow

- A. Vice-chair George Fertitta said that all Directors would be in attendance at Pow Wow, which is very good news, as it will be the first visit to Pow Wow for many.
- B. The public Board meeting will be held at 8 a.m.
- C. The Corporation will participate during the luncheon on May 23, and they hope to have some interesting announcements made, including giving an outline of the Corporation's vision to a large international constituency.
- D. In addition to the luncheon, there will be a Corporation press conference on Tuesday at 3 p.m.
- E. Cloobek said that the advisory committee for in-kind development was set and would be meeting soon, and that the marketing advisory committee should be developed by the May meeting.
- F. He also announced that there would be an amendment to the Corporation's schedule, and that they would be going to World Travel Market in London in November. This will be a great opportunity with an important audience and also a learning experience for the Board. WTM will take place on November 7-10, but the exact date for the Corporation Board meeting has not yet been set.

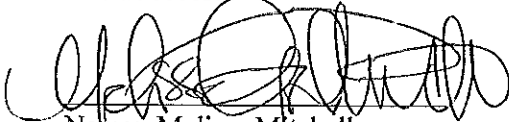
VII. Public Questions and Comments

- A. Linda Bass from Miami representing the Russian American Travel Association asked if there is a formal process for applying to the advisory committees. She was told that a request to info@corporationfortravelpromotion.com would be sufficient, and a representative from the firm High Lantern Group would respond.
- B. Tom Berrigan asked what kind of event was planned for WTM. Fertitta said there would likely be an announcement and a press event. There will definitely be a public Board meeting.
- C. Debbie Merrill from Congressman Sam Farr's office asked about transparency of the in-kind policy. She asked if that is stated in the MOU. Joel Secundy replied that, yes, that is the purpose of the MOU.
- D. With no more questions in queue, Chairman Cloobek closed the meeting inviting everyone to join the Board at their next meeting at Pow Wow.

VIII. Adjourn

The meeting formally adjourned at 1:32 p.m. EDT.

A true record



Name: Melissa Mitchell
Acting Secretary of the meeting