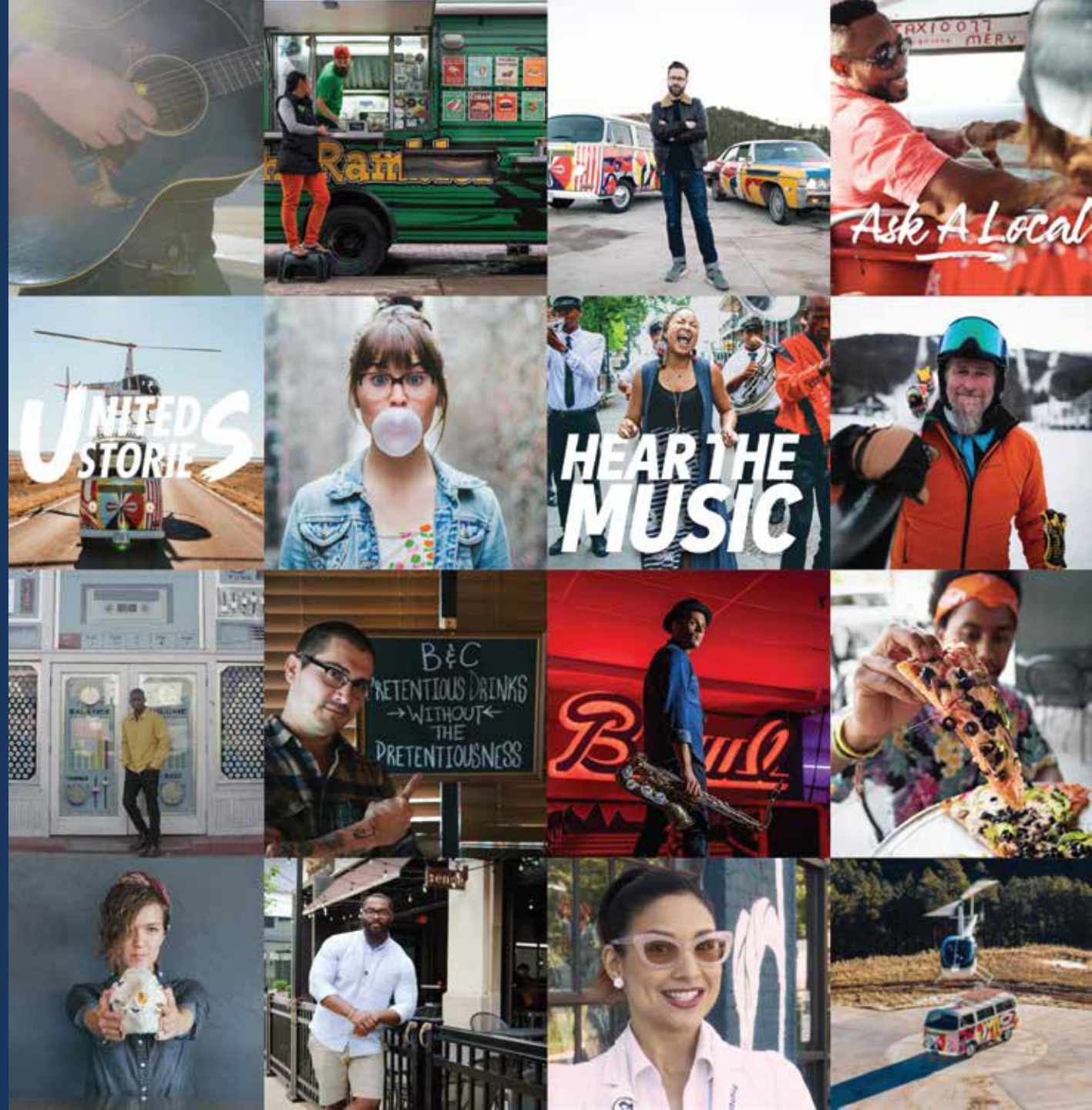




Brand USA Board of Directors Meeting

March 13, 2019



Board Meeting Agenda

12:00pm to 1:30pm EST

§ Opening Remarks

- § Call the meeting to order
- § Welcome new board members
- § Acknowledgement/appreciation to outgoing board members
- § Introduction of management, invited guests, and legal counsel

§ Item 1: Approval of Minutes from the November 15, 2018 Meeting*

§ Item 2: CEO Report

§ Items 3-4: Governance & Nominating Committee Report

- § Election of officers*
- § Approval of board of director committees*

§ Item 5: Marketing Committee Report

- § Highlights of FY2018 accomplishments

§ Item 6: Finance Committee Report

§ Item 7: Audit Committee Report

§ Items 8-12: Current Issues and Updates Discussion

- § U.S.-India travel and tourism engagement
- § ROI Study and expanded dashboards
- § Partner Roundtables (learnings and takeaways) and Partner Summit concept
- § U.S.-China Tourism Leadership Summit in Seattle (September 18-22, 2019)
- § Q4 FY2019 Board meeting in Minneapolis

§ Open Meeting for Discussion and Questions/Comments

§ Closing Remarks and Adjourn Meeting

*Vote Required

Opening Remarks



Barbara Richardson
Chair
Brand USA Board of Directors

- § Call the meeting to order
- § Welcome to new board members
- § Acknowledgement/appreciation to outgoing board members
- § Introduction of management, invited guests, and legal counsel



Brand USA Board of Directors



Barbara Richardson
Chair



John Edman
Vice Chair



Alice Norsworthy
Vice Chair



Andrew Greenfield
Secretary



Kristen Branscum



Paul Brown



Kyle Edmiston



Mike Gallagher



Noel Irwin Hentschel



Mark Hoplamazian



Thomas O'Toole

Please Welcome Our Re-Appointed and Newly Appointed Board Members



Kyle Edmiston

*Deputy Director
& Chief Operating Officer*

Lake Charles/Southwest Louisiana
Convention & Visitors Bureau



Kristen Branscum

Commissioner

Kentucky
Department of Tourism



Paul Brown

Co-Founder & CEO

Inspire Brands, Inc.



Mark Hoplamazian

President & CEO

Hyatt Hotels Corporation

Please Join Us in Thanking Our Outgoing Board Members



Maryann Ferenc
President & Owner

Mise en Place
Restaurant



Rossi Ralenkotter
Former CEO

Las Vegas Convention
& Visitors Authority



Arne Sorenson
President & CEO

Marriott
International, Inc.

Brand USA Executive and Senior Management



Chris Thompson
President & CEO



Tom Garzilli
Chief Marketing Officer



Anne Madison
Chief Strategy &
Communications Officer



Donald Richardson
Chief Financial Officer



Karen Gruenberg
Senior Vice President
Partner Marketing
& Strategic Alliances



Jake Conte
Vice President
General Counsel



Cathy Domanico
Vice President
Global Trade Development



Tracy Lanza
Vice President
Integrated Marketing



Joann Pelipesky
Vice President
Human Resources
& Administration



Carroll Rheem
Vice President
Research & Analytics



Aaron Wodin-Schwartz
Vice President
Public Policy



Brian Watkins
Director
Information Technology

Item 1



Barbara Richardson
Chair
Brand USA Board of Directors

Approval of the Minutes Report

§ November 15, 2018 Board Meeting



Item 2



Chris Thompson
President & CEO

CEO Report



Items 3-4



Andrew Greenfield
Chair
Governance
& Nominating Committee

Governance & Nominating Committee Report



Items 3-4



Jake Conte

Vice President, General Counsel

Governance & Nominating Committee Report

- § Election of officers
- § Approval of board of director committees



Election of Officers



John Edman
Vice Chair



Alice Norsworthy
Vice Chair



Kyle Edmiston
Treasurer



Andrew Greenfield
Secretary

Committee Designations: As Approved at the March 13, 2019 Meeting

Committee and Chair

Committee Members

Finance

Kyle Edmiston, Chair



*John Edman
Mark Hoplamazian
Noel Irwin Hentschel*

*Alice Norsworthy
Barbara Richardson*

Audit

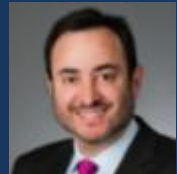
Tom O'Toole, Chair



*Paul Brown
Noel Irwin Hentschel*

Governance & Nominating

Andrew Greenfield, Chair



*John Edman
Mike Gallagher*

Marketing

Alice Norsworthy, Chair



*Kristen Branscum
Paul Brown
Kyle Edmiston*

*Mike Gallagher
Noel Irwin Hentschel
Tom O'Toole*

Conflict of Interest

Tom O'Toole, Chair



*Andrew Greenfield
Barbara Richardson*

Item 5



Alice Norsworthy
Chair
Marketing Committee

Marketing Committee Report



Item 5



Tom Garzilli
Chief Marketing Officer

Marketing Committee Report

- § Highlights of Q1-FY2019 accomplishments and activities



Brand USA Travel Week: September 9-13, 2019



Brand USA Travel Week: County Hall, London, September 8-13, 2019

- § An immersive celebration of the United States that will showcase the diverse range of travel experiences available in the United States.
- § Taking place in central London, the three components of Brand USA's Travel Week are:
 - § Brand USA Travel Expo—B2B Event
 - § Enrichment Series
 - § Consumer Event

Price

- § \$4,950 per single exhibitor
- § \$1,000 for additional delegate (maximum of 1)



Stakeholder Engagement Efforts



Stakeholder Engagement: FY2019 Priorities

Having successfully developed a diverse set of partners and stakeholders, we are now moving in to the next phase of partner development. Starting in FY19, we've widened our partner development effort to address the needs of a broader group of Brand USA stakeholders. This includes primarily destination partners (state and city DMOs/CVBs) with whom we have previously had limited engagement.

OBJECTIVES

- § Increase the number of touch points with stakeholders who are either barely engaged or not at all engaged with Brand USA
- § Educate stakeholders on the value of international marketing, the Brand USA value proposition and various ways to engage with us

TACTICS

- § Road Trips: Visit at least 20 partners per trip
- § Webinars
- § "Coffee Chats" with stakeholders at IPW, ESTO, Destinations International conferences, and governor's conferences
- § Attend more governor's conferences even for destinations that are not currently engaged in international tourism

KPI

- § By the end of FY2019, we will have touched 750 stakeholders

Integrated Marketing



Global Positioning

Give a voice to real travel experiences within the USA

Create urgency and provoke “travel dreaming” by highlighting first person storytelling & perspectives

Lend authenticity to our communications, as well as creating a sense that there are many United States

Incorporate and build on our foundational **value proposition** (proximity), **competitive edge** (possibility) and **tone** (welcome).

Our content strategy focuses on individual voices that each express a point of view and place of interest.

Our Many Voices Platform

Take the scenic route. Stop for storytellers. Search for the best piece of pie.
Sing your heart out. Relax. Enjoy.

We are the USA.

A collection of places and experiences whose spirit is found in its
diverse range of people.

We're here to guide you, to help you discover
that behind every mountain, every skyscraper,
whether on the fast lane or a country road,
there are many voices who are happy to show you around.

Who Are the Many Voices?



LOCALS

A place is defined by those who live there, who have explored its culture, roads and trails like no other and can welcome and inspire.



VISITORS

To travel is to know and **the past visitor now becomes the storyteller** and the evangelist for travel to the USA.



CATEGORY EXPERTS

Travelers look to category experts like journalists, hoteliers, cabbies and others to inspire their travel decisions. We will use them to guide our community.



CREATIVE CLASS

We will amplify creative voices to **show America as it hasn't been seen before** via musicians, writers, photographers, artists and poets.

Screen Strategy & Storytelling Platforms



Mobile



Laptop/Desktop



Smart TV



Digital OOH



Giant Screen

From mobile to giant screen and everything in between

The USA Campaigns FY2019-FY2020



B BEAUTIFUL
D DESTINATIONS



UNITED
STORIES





#UnitedStories

We are a nation of **many**, not of few.

We are a collective, a hodgepodge of faces, races, religions, beliefs, and stories.

We are a fabric that is woven together by our uniqueness — one that champions our differences, and one that honors our past as a country of immigrants.

We are a nation of many. **Many Voices**, that is.

Voices that have stories, sayings, interests, thoughts, and purposes that **connect** us all.

We are a nation physically connected by the roads, highways, byways, waterways, and thoroughfares that crisscross this great country — roads that sometimes lead us to new adventures and sometimes reconnect us with old friends or loved ones.

Yes, **we are all connected**, and our **stories help define us** and show the world that the doors are open and adventure is just one **road trip** away.

#UnitedStories

Where We've Been

November: **Alaska** and **Hawaii**

December: **Vermont** and **Miami**

January: **South Dakota** and **Arizona**

February: **Nashville** and **Memphis**



Where We're Headed

March: **Puerto Rico** and **Austin and Marfa, Texas**

April: **Asheville, NC, Virginia** and **Washington, DC**

... and more to come

as we visit two U.S. destinations each month

Item 6



Kyle Edmiston
Chair
Finance Committee

Finance Committee Report



Item 6



Donald Richardson
Chief Financial Officer

Finance Committee Report

§ Highlights of Q1-FY2019 Financials



Q1-FY2019 Highlights

- Travel Promotion Fund
 - § We have identified \$74.9M for FY 2019 ESTA Submission and are on target to match goal of \$100M.
- Partner Revenue
 - § Partner Cash Contributions – we received \$14.0M in partner contributions (\$6.5M more than FY 2019 Budget YTD).
 - § In-Kind Contributions – we received \$14.2M in in-kind contributions (\$4.2M more than FY 2019 Budget YTD).
 - § Partner Programs – we received \$0.1M of Sponsorship revenue and Partner Programs (\$1.2M less than FY 2019 Budget YTD).
- Expenses
 - § Expenses are \$5.7M below budget year-to-date, primarily due to a shift of strategy and timing differences in Marketing expenses.
- Cash Flow
 - § Cash flow remains strong and is 58% above the reserve requirement of \$40M as of January 31, 2019.

Item 7



Tom O'Toole
Chair
Audit Committee

Audit Committee Report



Item 7



Donald Richardson
Chief Financial Officer

Audit Committee Report

§ Highlights of FY2018 audit



Highlights of FY2018 Audit

- § **We are pleased to report KPMG has completed the F2018 and issued an unqualified opinion on our financial statements**
 - § No material weaknesses and no significant deficiencies in internal controls were identified
- § **The draft audit report was issued on January 31, 2019**
 - § The Audit Committee accepted the audit report during its meeting on February 6, 2019

Items 8-12



Barbara Richardson

Chair

Brand USA Board of Directors

Current Issues and Updates Discussion

- § U.S.-India Travel and Tourism Engagement
- § ROI Study and expanded dashboards
- § Partner Roundtables (learnings and takeaways) and Partner Summit concept
- § U.S.-China Tourism Leadership Summit in Seattle (Sept. 18-22, 2019)
- § Q4-FY2019 Board meeting in Minneapolis: Format and structure



Item 8



Aaron Wodin-Schwartz
Vice President
Public Policy & Public Affairs

U.S.-India Travel and Tourism Engagement



U.S. – India Travel and Tourism Engagement

Brand USA uniquely situated to participate in public-private initiatives

- § U.S. – China Tourism Year, U.S. – India Travel and Tourism Partnership Year, etc.

Engagement between the U.S. and Indian governments on travel and tourism is an opportunity

- § Major growth market with relatively low connectivity
- § New frontier for most of the U.S. travel and tourism industry
- § Government dialogue as high-level platform

India is an important market for the future

- § Continued steady growth line
- § High potential upside
- § Clear partner demand for Brand USA to invest and lead the way into the market



U.S. – India Travel and Tourism Engagement

Brand USA will utilize the high-level platform created by the governments to:

- § Support a key federal partner initiative
- § Bring bold new programs to partners and bring new partners into the market
- § Create inroads for the U.S. travel industry with Indian travel trade and media
- § Facilitate B2B connections and solve for challenges and opportunities in the market

And consider new activities to support and leverage the government platform:

- § Notable event in the USA with key U.S.-India travel and tourism stakeholders
- § “India Ready” program for U.S. travel industry partners
- § Enhanced Discover America online training program for Indian travel agents
- § Enhanced educational/outreach seminars in market, including quality participation from Consular Affairs and the Commercial Service
- § Brand USA Travel Week India—the first such program outside of Europe

Item 9



Carroll Rheem
Vice President,
Research and Analytics

ROI Study and Expanded Dashboards



Annual ROI Study by Oxford Economics

The Return on Investment of Brand USA Marketing

Fiscal Year 2017

July 2018



- § FY2018 ROI Results to be delivered April 1
- § Study calculates incremental visitation and resulting economic impact based on KPIs, including ad reach and ad influence (lift), controlling for macroeconomic factors such as changes in currency value
- § Model to remain consistent with the FY2017 study, while incorporating arrivals lift measurement inputs generated by Arrivalist and Adara

Key ROI Inputs – FY 2013

The universe of every
consumer touchpoint

Reach

= **Advertising** [All in-kind and paid impressions]
+ **Owned Channels** [website pageviews, GoUSA TV app and channel video starts]
+ **Peer to Peer** [social sharing (comments, likes, shares)]

X

The % Brand USA advertising
has influenced to visit

Hall & Partners

Pre and post wave consumer
surveys tracking intent to visit
the USA

Key ROI Inputs – FY 2018

The universe of every
consumer touchpoint

Reach

= **Advertising** [All in-kind and paid impressions]
+ **Owned Channels** [website pageviews, GoUSA TV app and channel video starts]
+ **Peer to Peer** [social sharing (comments, likes, shares)]

X

The % Brand USA advertising
has influenced to visit

Lift analysis utilizing exposed
versus control group behavior
tracking



ARRIVALIST™

Device location



Bookings



Metrics Standardization and Realignment

Challenge:

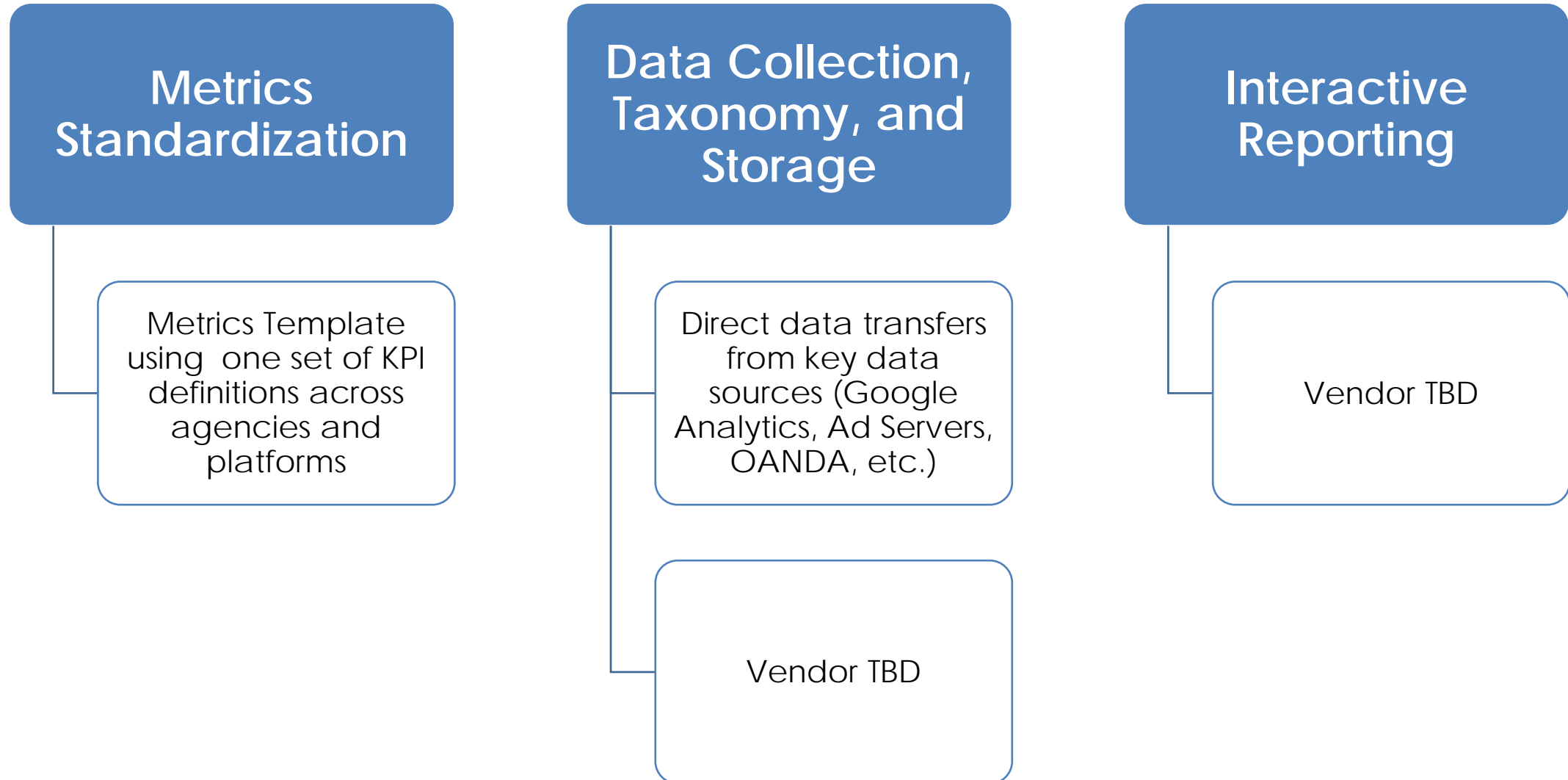
Channel centric measurement assumes one objective per channel, which is no longer sufficient

Solution:

Transition to objective-led measurement to ensure optimization is based on the right KPI

Objective	Voice	Ad Types	Publisher	Primary Optimization KPI
<ul style="list-style-type: none">• Viewership• App downloads• Website engagement• etc.	<ul style="list-style-type: none">• Visit the USA websites• Go USA TV• Branded Influencers (e.g., Beautiful Destinations)• Individual influencers• etc.	<ul style="list-style-type: none">• Display• Online video• Organic Influencer• Native endemic• Native to website• etc.	<ul style="list-style-type: none">• YouTube• Instagram• GDN• Facebook• etc.	<ul style="list-style-type: none">• Cost per 10 second video view• Cost per app download• Cost per page view• etc.

Standardized Data: Proposed Enterprise Data Platform



Proposed Enterprise Data Platform: 3 Year Plan

Empower stakeholders by providing access to relevant, accurate information that inform better business decisions

Internal Operations

- Give staff easy access to information that helps them perform more efficiently and effectively

Partner Extranet

- Reporting on both Coop and Brand USA led initiatives
- Market insights
- Benchmarks

Corporate Website

- Market Outlook Indices
- Performance Highlights

Item 10



Tom Garzilli
Chief Marketing Officer

Partner Roundtables
(learnings and takeaways)
and Partner Summit concept



Partner Roundtables: Learnings and Takeaways

The Partner Roundtables Have Evolved Considerably Since 2014

Highly Engaged Groups Representing a Cross Section of Partners

- § CMO Roundtable: 13 participants
- § Global Trade Development Roundtable: 14 participants
- § Partner Programs Roundtable: 19 participants
- § Communications Advisory Roundtable (new in 2019): 11 participants

Positive Ratings across the Board with In-depth Conversations about Relevant Topics

- § Valuable experience for all of our stakeholders as a networking and sharing of best practices moment
- § Participants want more research and more information from ALL areas of Marketing (looking for ways to better facilitate this opportunity)
- § Provide option to attend both trade and marketing roundtables (rather than holding them concurrently)
- § Extend the length of the program to provide more time for dialogue
- § Better pacing of events based on priority of topics

SAVE THE DATE

FY2020 Marketing Roundtables: January 28-30

Item 11



Aaron Wodin-Schwartz
Vice President
Public Policy & Public Affairs

U.S. – China Tourism Leadership
Summit in Seattle (Sept. 17-22, 2019)



U.S. – China Tourism Leadership Summit Seattle (September 17-22, 2019)

Marquee annual event to build and strengthen relationships between the U.S. and Chinese travel industries

Platform for discussion between industry government leaders, allowing us to:

- § Address issues impacting tourism and share best practices
- § Keep partners engaged with the latest trends, changes, opportunities, and hazards in the market
- § Teach and learn about each other's culture and how it impacts tourism promotion
- § Reaffirm the importance of travel and tourism to the world's two largest economies
- § Showcase an amazing destination with world-class experiences



VISIT
seattle

U.S. – China Tourism Leadership Summit Seattle (September 17-22, 2019)

- 13th annual summit
- ~200 attendees by invitation only, including national and state/provincial tourism leaders, major tour operators, attractions, media, and other top Brand USA and Ministry of Culture and Tourism partners
- U.S. delegate day, plenary day, and fam tours
- Topical themes for U.S. partners and plenary session



Item 12



Chris Thompson
President & CEO

Q4-FY2019 Board Meeting in Minneapolis: Format and Structure





Questions & Answers

A large blue parachute canopy is suspended inside a yellow hot air balloon basket. The canopy is fully deployed and occupies most of the upper half of the frame. The basket's interior is a bright yellow color, with a network of thin, light-colored lines forming a dome-like structure. At the bottom center, a person's silhouette is visible, standing on the basket's floor and holding onto the edge of the parachute. The overall scene is illuminated by a warm, golden light, suggesting a sunrise or sunset.

Closing Remarks



Thank You!

Like/Follow/Share

Consumer

VisitTheUSA.com

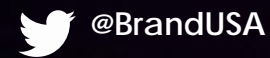


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[LinkedIn BrandUSA](http://LinkedIn.com/BrandUSA)