

BRAND USA
OPEN TO THE PUBLIC MEETING
MARKETING COMMITTEE
May 21, 2014

An open meeting of the Marketing Committee (the "Committee") of The Corporation for Travel Promotion d/b/a "Brand USA" was held today in the offices of Brand USA and by telephone.

The following members of the Committee participated in the meeting:

Barbara Richardson, Chair
George Fertitta (phone) and
Randy Garfield (phone).

Committee members Caroline Beteta and Diane Shober were not in attendance. Attending from Brand USA were Chris Thompson, Don Richardson, Tom Garzilli, Anne Madison and Jake Conte. Also present was George Schutzer of Patton Boggs LLP. Mr. Schutzer served as recording secretary.

There being a quorum present, Ms. Richardson called the meeting to order at 2:32 p.m. and introduced the participants.

The Committee approved the minutes of the March meeting of the Marketing Committee.

Mr. Thompson then began a discussion of marketing using a Power Point presentation that had been circulated to the members of the Committee. Mr. Thompson told the public participants that the Power Point was posted on TheBrandUSA.com. A copy of the Power Point presentation is attached to these minutes.

Mr. Thompson first discussed the realignment of the Marketing Department. The Consumer Campaign will be undertaken in ten markets with a digital and social footprint in eleven languages. Programs and Platforms include a research platform, one hundred new co-op platforms, public relations and travel trade social platforms with the travel trade and media, and a Brand USA global inspiration guide. Brand USA will be establishing vertical marketing strategies and building "Air Team USA" to increase airlift to the United States. Trade Outreach includes the use of ten offices, international representation in 20 markets and participation in 24 international shows.

Mr. Thompson used the Power Point presentation to show changes in organizational structure. The individuals who moved on the organization chart are shown in blue on the "Realignment of Marketing Department" chart. In the absence of a CMO, Mr. Garzilli is serving as acting CMO in addition to being the Senior Vice President for Global Partner Marketing. He will be responsible for recruiting, preparing the Annual Report and developing the preliminary Operating Marketing Plan by the end of the fiscal year.

Mr. Thompson then discussed the Fiscal Year 2015 Marketing Planning Cycle, which begins with this meeting. The Marketing Committee will meet again in July. The [marketing plan]

must be submitted to the Department of Commerce by August 1, 2014. The Marketing Committee will have an opportunity to fine tune the plan before it is distributed publicly on October 1.

Mr. Thompson outlined the Strategic Direction of the FY 2015 plan. Brand USA will build on the foundation of it being the USA's destination marketing organization. The team will be focusing on how it adds value. It will seek to follow best practices and key learning from the two preceding fiscal years. It will seek to align Strategy Map and Balanced Scorecard with the ten broad objectives submitted to the Department of Commerce. Expanded performance metrics will be established. Brand USA will review its partnership with industry.

Mr. Thompson described a path to 100 million visitors. He addressed the importance of collaboration, integration and optimization. He wants to follow the best practices in the markets and get people on the same page. He expects that Brand USA will engage in a creative refresh and DiscoverAmerica.com rebuild with research on the front end.

Mr. Thompson expects stepped-up industry engagement, including more roundtables with industry. He said that we have "tremendous resources" in those who have worked with us.

Mr. Thompson walked through the ten FY 15 objectives that will be provided to the Department of Commerce and that are described in the Power Point. He said that the objectives were similar to those for FY 13 and FY 14:

- Continue to drive positive awareness and perceptions of the United States as a travel destination to increase visitation and spend in the United States.
- Focus FY14 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 postwave campaign research with target increases of 5%
- Activate the consumer campaign in international markets that generate more than 78% of inbound travel to the United States.
- Roll out a fully integrated metrics plan to measure performance of all marketing activities, including: Market Intelligence, Creative and Product Testing, Marketing Mix Optimization, Awareness, Engagement, Consideration/Action, Purchase (Visitation, Spend, Economic Impact) & Sharing *Directors commented on this objective. One director noted the need to focus on what moves traffic to the U.S. Another asserted the need for metrics and the need for qualitative and quantitative research in the market. What is the value proposition for the web site?*

- 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
- 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
- Align and unify the industry's international marketing efforts through tradeshow, sales missions, workshops/seminars and other travel trade outreach and consumer marketing programs
- Build engagement, trust and advocacy for Brand USA through strategic communications and industry relations
- Collaborate with the Federal government on communication of visa and entry and implementation on the National Travel and Tourism Strategy
- Generate a combination of cash and in-kind contributions from the private sector to generate \$100 million and thereby maximize the 1:1 match.

Mr. Thompson next discussed Industry Roundtables. He contemplates roundtables involving CMOs, global market development roundtables and partner program roundtables. Brand USA invited CMOs of diamond-level partners to take a "deep dive" in strategic planning. Ms. Richardson discussed the importance of the global market roundtables.

Mr. Thompson presented a "Future Years Marketing Planning Cycle." Some of the events in the cycle have occurred, such as the "retreat" in connection with the March board meeting. The cycle for June through October is similar to the cycle for current marketing plan.

Mr. Thompson next provided an update on current initiatives. Brand USA staff participated in the IPW in Chicago in early April. They had 642 appointments with buyers, suppliers and media. Mr. Thompson discussed the large footprint of the IPW. Brand USA used the meeting to announce new Partner participation levels, a new Partner program structure with more than 100 marketing platforms, and various partnerships. Mr. Thompson said that the meeting was filled with energy and unbridled enthusiasm.

Mr. Thompson briefly described the giant screen film being produced to celebrate the centennial of the National Park Service. It is expected to premiere globally in August 2015 and will be promoted in collaboration with the National Park Foundation. Mr. Thompson responded to questions about the film.

Ms. Richardson said that she was excited about the inclusion of industry and the involvement of the Committee in planning for marketing.

Ms. Richardson asked if any Committee members had comments or questions. There were none. The telephone lines were then opened for comments from the audience. There were no questions.

The meeting was adjourned at 3:29 p.m.

The foregoing minutes were approved at a meeting of the Marketing Committee on July 1, 2014.



Barbara Richardson
Chair

Attachment: Power Point Presentation