

FY2023

ANNUAL REPORT

October 1, 2022 -
September 30, 2023



NAVY PIER, CHICAGO, ILLINOIS

ABOUT THIS REPORT

Brand USA submits this report for Fiscal Year 2023 (FY2023) to the U.S. Secretary of Commerce to transmit to the United States Congress as an update on the organization's progress, activities, financial condition, and accomplishments for the period of October 1, 2022 - September 30, 2023.



VisitTheUSA.com

Brand USA

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WHO WE ARE

WE EXIST TO (VISION)

Enrich lives by welcoming the world to travel to the USA

THEREFORE WE (MISSION)

**Create community prosperity through partnership,
leadership, and travel inspiration**

WE DELIVER FOR

The U.S. travel industry and the communities of the USA

AND DO IT ALL WITH (VALUES)

ACCOUNTABILITY

We strive to be our best in and out of work to deliver results.

COLLABORATION

We are stronger when we come together.

COURAGE

We are bold and take smart risks.

INCLUSIVITY

We are inclusive and welcoming to all.

PARTNERSHIP

We add and create value in our relationships.



Over the past 11 years (FY13 – FY23),
Brand USA's marketing efforts
have generated:

8.7 MILLION
incremental visitors



\$22.8 BILLION
incremental spending



Over 36,800
incremental jobs
on average supported each year



\$8.3 BILLION
in federal, state, and local taxes



Nearly \$63 BILLION
in total economic impact

INTRODUCTORY LETTER

Reflecting on a pivotal year for both our organization and the travel industry, I am proud of Brand USA's accomplishments in FY2023. International travel remains a significant contributor to our economy and the lives of many who rely on it. Despite facing challenges, the USA welcomed nearly 67 million visitors in 2023, spending an average of \$655 million daily on travel-related goods and services.

Forecasts suggest that arrivals from key markets are projected to equal or exceed 2019 levels in the coming years. With the reopening of outbound travel from crucial Asian markets such as China and Japan, the USA is poised to achieve the goal included in the National Travel and Tourism Strategy of 2022, welcoming 90 million visitors annually by 2027.

Still, it's essential to recognize the growing market share of other destinations.

Brand USA's work plays a crucial role in ensuring that the United States retains its position as a leading travel destination amid a continually competitive landscape.

I am privileged to extend my tenure as Board Chair and guide this exceptional team in their efforts on behalf of the U.S. industry. United in our dedication to our mission, we are steadfast in ensuring that the USA retains its global competitive edge.



TODD DAVIDSON

BRAND USA BOARD CHAIR;
PRESIDENT & CHIEF EXECUTIVE OFFICER,
TRAVEL OREGON

Brand USA's annual report to Congress for Fiscal Year 2023 captures our organization's contributions to the international visitor economy from October 1, 2022, through September 30, 2023. As I reflect on the pages of this year's annual report, it marks a celebration of the past year and a poignant moment for me as I bid farewell after 14 years as president and CEO. This report encapsulates the continued evolution of Brand USA, an organization that has become synonymous with promoting the diversity and richness of the United States as a travel destination.

Our contributions to the U.S. economy have been substantial. In FY2023 Brand USA's marketing efforts resulted in 699,282 visitors spending \$2.4 billion, which sustained 31,995 jobs. And the journey has been of growth, resilience, and meaningful impact.

To every team member, partner, and stakeholder who has been part of this incredible journey, I extend my deepest gratitude. Brand USA's success is a reflection of your dedication and passion. While I bid farewell as CEO, I do so with the utmost confidence in the capable hands that will continue to guide this organization toward new horizons.



CHRISTOPHER L. THOMPSON

PRESIDENT & CHIEF EXECUTIVE OFFICER,
BRAND USA

SITUATIONAL OVERVIEW



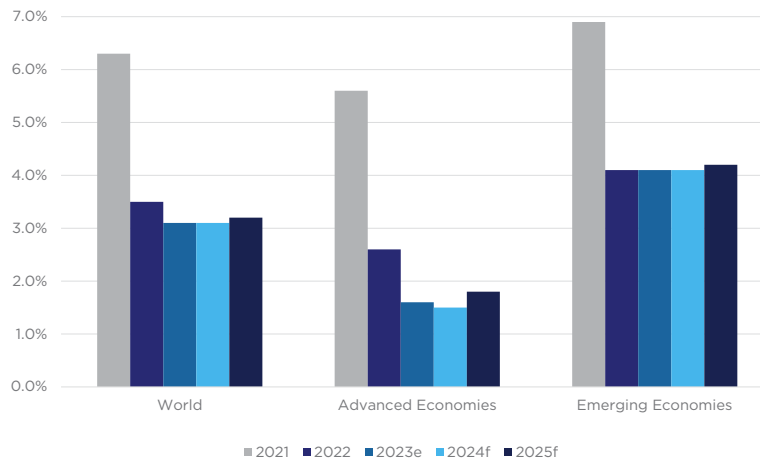
SITUATIONAL OVERVIEW

GLOBAL ECONOMIC OUTLOOK

The world economy outperformed expectations in 2023 and concluded the year with an estimated growth rate of 3.1%, according to the International Monetary Fund (IMF). Both advanced and developing economies demonstrated remarkable resilience in the face of headwinds including geopolitical tensions, tight monetary and fiscal

policies to combat inflation, continued supply-chain disruptions and labor shortages, commodity-market volatility, and lingering pandemic-related policies. While average global growth was down compared to 2021 and 2022, those annual figures were inflated by the deep trough from which the world economy was climbing back.

REAL GDP GROWTH (YOY)



Source: IMF, World Economic Outlook Update, January 2024 e = estimate f = forecast

The uneven global recovery has direct implications for world traveler flows. Variations in growth rates among different regions can influence travel patterns, demand for tourism services, and overall industry activity. For instance, the robust growth experienced by emerging markets and developing economies may lead to increased travel demand as consumers in these regions have more disposable income for leisure and business travel.

Specific regions, such as Europe and Latin America, exhibit varied growth rates, indicating differing levels of tourism potential and investment opportunities. For example, Spain's notable growth of 2.4% suggests potential opportunities for tourism growth and investment,

while Germany's slight contraction of 0.3% may require closer watch. Furthermore, the strong growth observed in countries like Brazil and India underscores the importance of these key origin markets. India specifically recorded a robust expansion of 6.7%, maintaining its position as the fastest-growing large economy in the world. China's slower-than-expected growth was bolstered by a strong second half with a significant 5.2% growth.

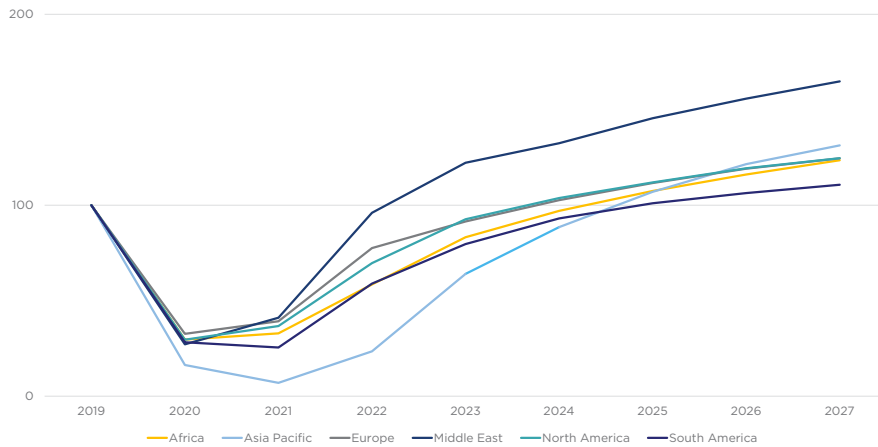
As economists project sustained modest growth rates in the coming years, the travel industry must closely monitor economic trends and adapt strategies to capitalize on emerging opportunities and mitigate potential challenges.

GLOBAL TRAVEL

In 2023, global international travel surpassed expectations, reaching approximately 85% of 2019 levels in defiance of economic headwinds like high inflation and tighter household incomes. This robust performance was driven by stronger-than-expected economic growth, prioritization of travel among consumers, and utilization of excess savings to fund overseas trips. Higher-income households played a significant role in supporting the surge in luxury demand, contributing to greater-than-anticipated

inbound travel across all regions, particularly in the Middle East, which surpassed 2019 levels. Notably, outbound travelers from the United States played a pivotal role in global travel growth due to a rapid rebound in demand fueled by the strength of the dollar. Despite earlier concerns of a consumer-led recession, leisure travel thrived and outperformed business trips, reaching 91% of 2019 levels, highlighting the industry's resilience amid economic challenges.

INTERNATIONAL OUTBOUND TRAVEL (2019 = 100)



Source: Oxford Economics, January 2024

The outlook for 2024 shows a mixed bag of potential challenges alongside cause for optimism. Economic weakness may yet materialize, particularly for lower-income households, while fuel prices and staff shortages, though diminishing, contribute to higher

costs for all consumers. And yet travel has proven buoyant, and the recovery of outbound travel from critical Asian markets like China and Japan is only now getting underway.



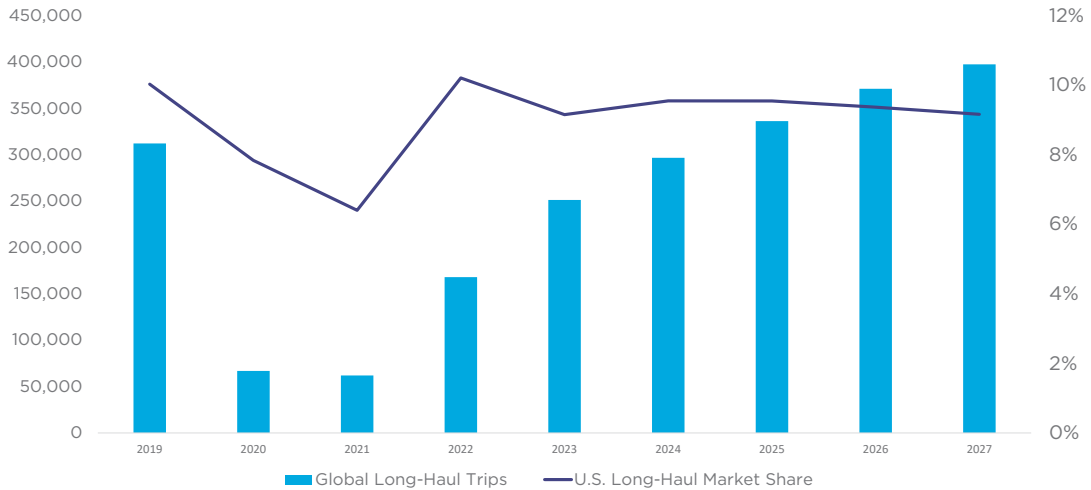
DOWNTOWN ST. PETE, FLORIDA

INTERNATIONAL TRAVEL TO THE USA

The United States welcomed nearly 67 million visitors in 2023, accounting for 6% of all international travelers globally and 16% of all international air passengers. The country remains the world leader in long-haul arrivals, with 23.5 million travelers arriving from origin markets

outside the Americas. Long-haul visitors are expected to surpass pre-pandemic levels in 2025 and increase to 36.7 million by 2027. The USA's inbound long-haul market share is projected to remain stable at more than 9%.

GLOBAL LONG-HAUL TRIPS AND U.S. MARKET SHARE



Source: NTTO and Tourism Economics, January 2024 (thousands)

During FY2023, these nearly 67 million visitors spent \$213 billion on travel and tourism-related activities within the United States—representing a 28% increase over the prior fiscal year and comprising 7.7% of all U.S. exports. Daily spending

by international visitors in the United States increased from \$497 million at the start of the fiscal year in October 2022 to \$633 million per day at the end of the fiscal year in September 2023.

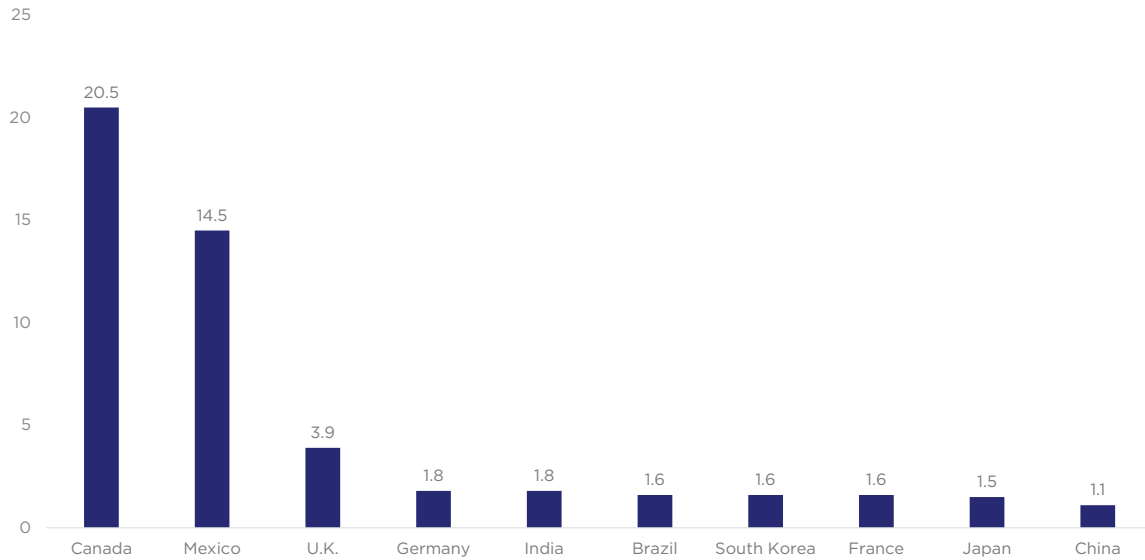


ARECIBO, PUERTO RICO

The 2022 National Travel and Tourism Strategy establishes twin goals: to welcome 90 million visitors who will spend \$279 billion annually by 2027. Brand USA's recovery strategy built upon the pent-up demand for travel to the United States

following the pandemic and helped to position the USA competitively to achieve these goals. In fact, current forecasts from the National Travel and Tourism Office and Tourism Economics both show the country on a trajectory to hit these goals.

U.S. INBOUND TRAVEL (MILLIONS)



Source: NTTO, February 2024



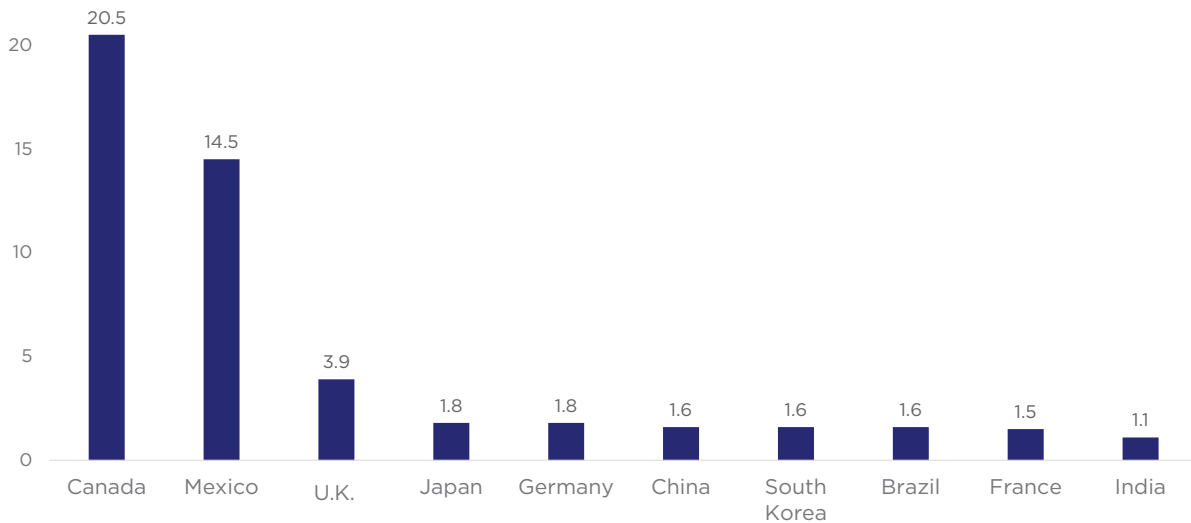
BIG BEAR LAKE, CALIFORNIA



India experienced a remarkable surge, reaching 1.76 million visitors in 2023, surpassing pre-pandemic levels by 20%. Canada reached 20.5 million visitors in 2023, just 1% below 2019 levels. European countries like the France, Germany, Italy, and the U.K. witnessed fast and solid growth, achieving 80% to 90% of pre-pandemic levels. The pent-up demand for travel to the United States following the

pandemic disruption fueled this recovery. Arrivals from these countries are expected to reach or surpass 2019 levels by 2025. Despite witnessing growth, visitation from the Asian markets, particularly China and Japan, is still lagging. Arrivals from these countries in 2023 were only around 40% of 2019 levels, indicating a slower recovery pace compared to other top international markets.

2023 U.S. TOP INBOUND MARKETS (MILLIONS)



The expected growth from Asian markets will provide a necessary boost toward the \$279 billion spending goal. Visitors to the USA from China, Japan, and South Korea typically spend about four

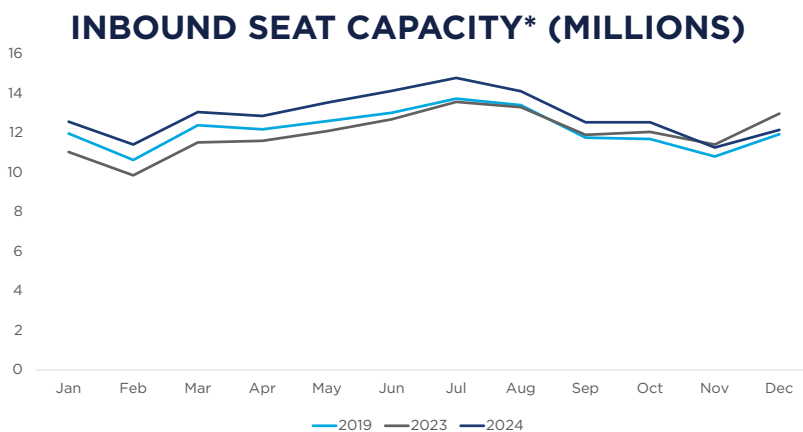
times as much as the average international traveler. The latest forecast by Tourism Economics shows spending by international travelers is expected to grow by 65% between 2023 and 2027.

INBOUND SEAT CAPACITY

Air service increased year-over-year in 2023, but remains below 2019 levels with a total of 742,857 nonstop, inbound international flights originating from 249 airports in 101 countries. These flights served 79 airports within the USA.

Despite the decline, total seat capacity rose to 144 million in 2023, reflecting a 2% decrease from 2019 levels. Looking forward to 2024, the currently scheduled seat capacity is set at 155 million, surpassing pre-pandemic levels by 8%. Inbound seat capacity in 2023 fluctuated throughout the year,

starting below pre-pandemic levels in Q1 and Q2 before gradually reaching parity with 2019 levels during the summer. By Q4 of 2023, capacity had surpassed 2019 levels by 6%. Examining the projected schedules for 2024, there is a notable 14% increase in seat capacity in the first quarter compared to Q1 of 2023. While schedules for Q2 and Q3 are not yet fully finalized, they still indicate capacity levels higher than those observed in 2023. For Q4, although the number of seats is currently 1% below 2023 levels, it remains higher than pre-pandemic levels, signaling a positive trend for inbound travel capacity.



In 2019, Canada had the largest inbound capacity to the USA, just ahead of Mexico. Since the onset of the pandemic, there has been a notable shift, with Mexico emerging as the top origin market, largely driven by U.S. outbound travel. The U.K. maintained its position as the foremost overseas market, with France, Germany, and Japan following closely behind. Projections indicate that most major inbound markets are poised to surpass pre-pandemic capacity levels.

Scheduled seat capacity on nonstop flights from

major Asian markets is significantly higher than 2023 levels. India, Singapore, and South Korea are all poised to surpass pre-pandemic levels in 2024. However, inbound flights from Japan are still lagging, remaining 9% below 2019 capacity, with current schedules projecting only a 3% YOY increase. China's capacity remained substantially below pre-pandemic levels in 2023 due to delayed reopening, but the outlook for 2024 is much more promising, with schedules indicating a remarkable 162% increase over 2023 capacity.

ASIA INBOUND SEAT CAPACITY*

Seat Capacity	2019	2023	2024	Δ vs. 2019	Δ vs. 2023
China	5,083,540	461,142	1,205,944	-76%	+162%
India	725,376	934,970	1,026,268	+41%	+10%
Japan	5,979,287	5,306,147	5,463,548	-9%	+3%
Singapore	457,278	629,815	646,350	+41%	+3%
South Korea	3,099,207	3,031,131	3,394,127	+10%	+12%

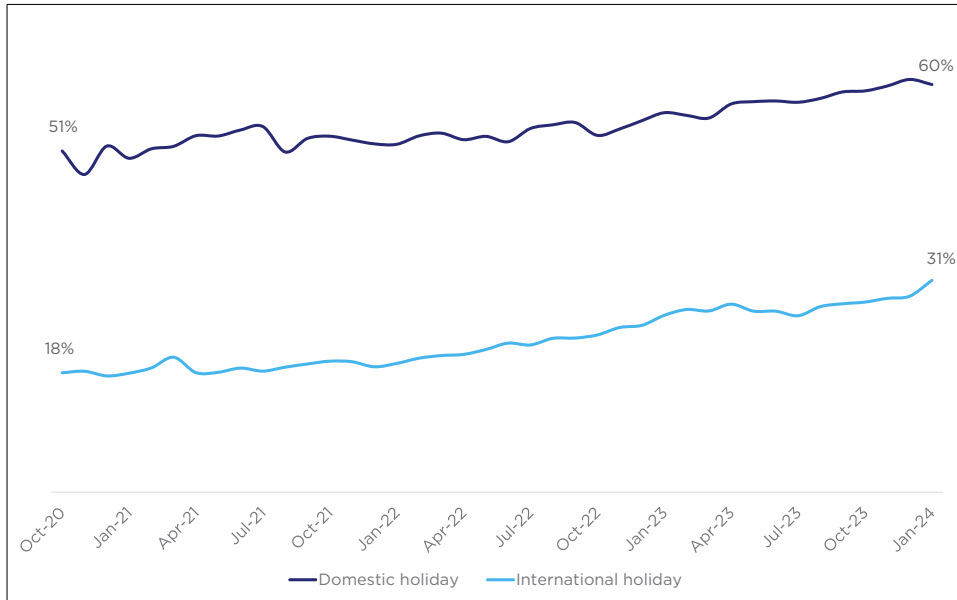
*Schedules are subject to change.
Source: Sabre, February 2024

CONSUMER SENTIMENT

The number of people planning to take an international trip in the next 12 months has reached its highest share since the start of the pandemic. A survey in 30 countries shows 31% of respondents

are planning an international trip in the coming year, up from 26% in January 2023 and 19% in January 2022.

TRIPS PLANNED IN THE NEXT 12 MONTHS



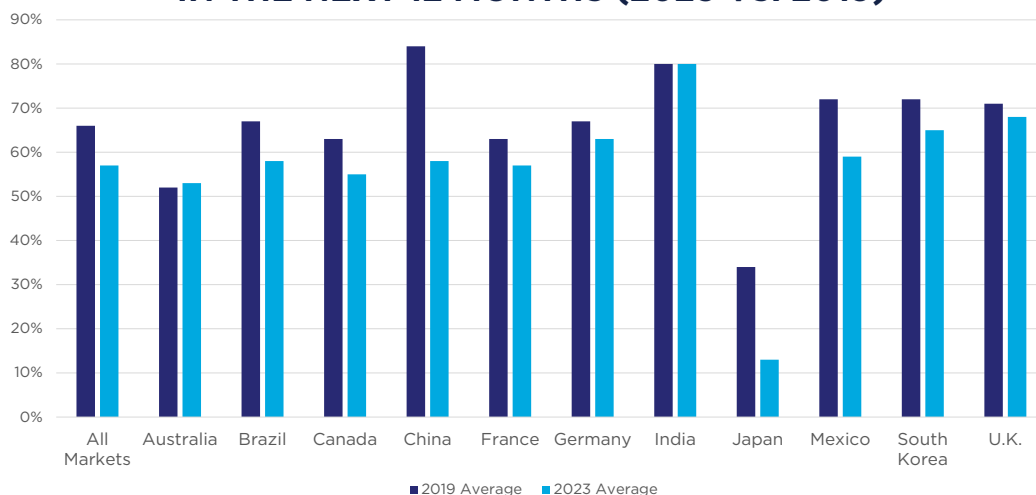
Source: YouGov, January 2024



In 2023, respondents from India expressed the highest likelihood of traveling internationally in the next 12 months (80%). Across all markets surveyed, more than 50% of respondents were inclined to travel abroad, except for Japan, where the

likelihood stood at a mere 13%. The likelihood for international travel in 2023 shows a trend toward recovery, nearing 2019 levels in many countries. Notably, Australia and India have already matched their 2019 levels.

LIKELIHOOD TO TRAVEL INTERNATIONALLY IN THE NEXT 12 MONTHS (2023 VS. 2019)

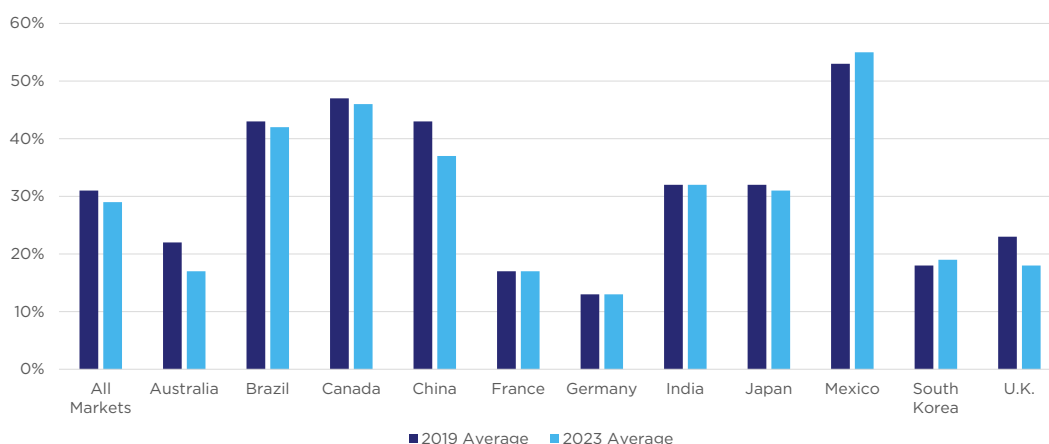


Source: Brand USA/Big Village's Caravan Omnibus Study

Market research reveals that the United States maintains its position as the top travel destination, ranking first among likely international travelers in key markets such as Brazil, Canada, China, Japan, and Mexico. Notably, respondents from Mexico and Canada expressed the highest intent to visit the United States in the next 12 months, with 55% and

46% respectively. Moreover, there's a clear trend toward recovery as the likelihood of traveling to the United States in 2023 shows many countries reaching or surpassing 2019 levels. Particularly noteworthy is the surge in intent among Chinese visitors, which reached its highest level in December 2023 at 48%.

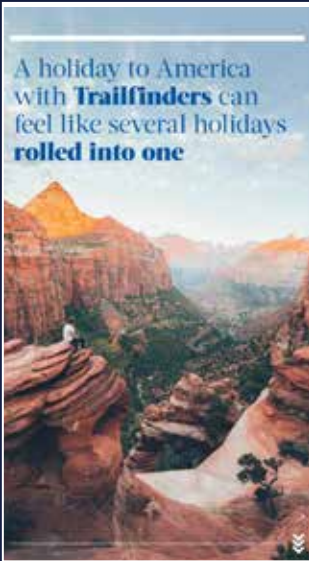
LIKELIHOOD TO TRAVEL TO THE UNITED STATES IN THE NEXT 12 MONTHS - 2023 VS. 2019



Source: Brand USA/Big Village's Caravan Omnibus Study

FY2023

YEAR IN REVIEW



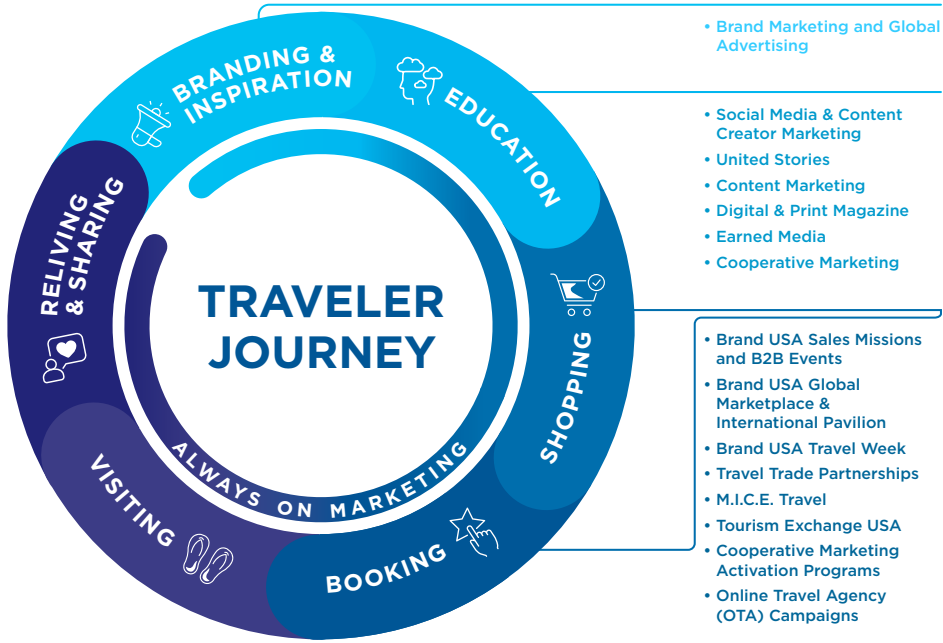
FY2023 YEAR IN REVIEW

Brand USA entered the year with overarching objectives to facilitate the industry’s long-term (re)entry into international markets, capitalize on the United States’ leading position in the fierce global competition for travelers, and add value for industry stakeholders of all levels of budget and reach.

Brand USA created innovative global marketing programs to reach and inspire potential travelers in key source markets around the world through consumer-centered campaigns and always-on marketing. This also involved educating and engaging with the travel trade, along with

partner marketing initiatives that facilitated opportunities for U.S. travel industry businesses to reach qualified audiences in markets that were most important to them.

Today’s travelers consume a plethora of content and utilize various resources as they narrow down their destination selection. Promoting a country as vast and diverse as the United States requires a multifaceted approach tailored to the ways consumers make decisions. Brand USA creates unique marketing to each stage of the traveler journey.



Knowing the global competition for visitors remains as tight as ever, it is vital for the USA to stay top of mind among international visitors. Brand USA


continued to serve compelling USA content to consumers through the right channels and at the right time.

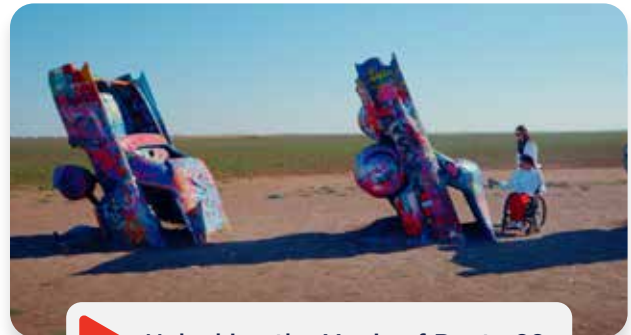
CONSUMER-CENTERED & ALWAYS-ON MARKETING

Brand USA continued to create and use the content from the award-winning United Stories campaign and deployed these assets across channels to capture travel dreamers.

Two examples, which have combined to garner nearly 10 million views on the Visit The USA YouTube channel, are: **Pushing the Limits of the Southwest** and **Unlocking the Magic of Route 66**.



 Pushing the Limits of the Southwest



 Unlocking the Magic of Route 66



Whoever you are.
Whoever you want
to be. Whatever
experience you
long for. It's more
than a possibility
when visiting the
USA. Here you are
destined to find it.

The brand promise of the United States remains strong. Research shows the USA is still the most aspirational travel destination. Building upon the achievements of United Stories, and considering the evolving travel landscape and consumer mindset in a post-pandemic era, Brand USA launched a new consumer campaign to keep the United States competitive with other less-expensive and closer travel destinations. To achieve this, the campaign engaged travelers across the pre-trip phase of their journey.

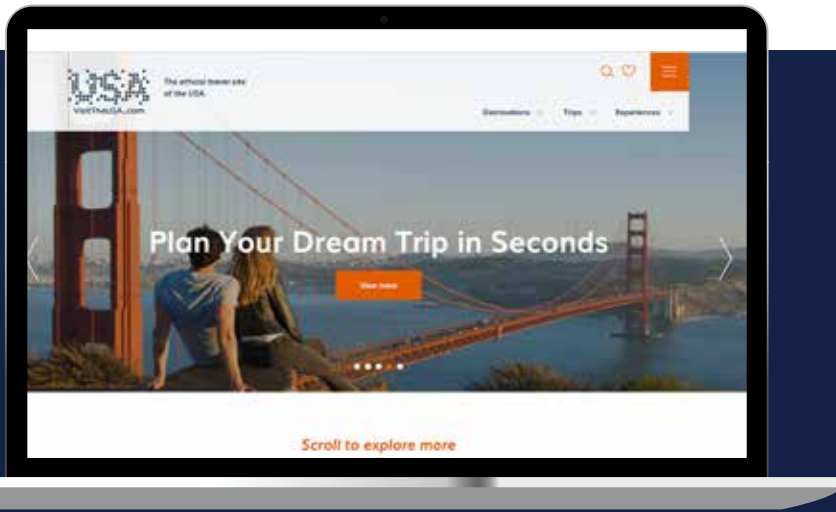
Consumer intelligence revealed five main travel motivators when trip planning: Those seeking adventure, culture, excitement, family, and luxury. The campaign centered around these and segmented the content by audience to maximize the impact of the message and have a more immediate effect on increasing visitation to the United States.



DIGITAL AND SOCIAL ENGAGEMENT

Digital and social content educates prospective travelers on what the USA has to offer and serves as a consistent marketing tool to help grow brand affinity. Travelers are also significantly influenced by the recommendations of people who have previous

experience with a destination. Brand USA distributed inspiring and informative content across channels where consumers spend the majority of their time online, from streaming platforms to social media channels.



**Website visitation
grew by 338% YOY.**

VisitTheUSA.com

VisitTheUSA.com's content offers travelers inspirational ideas and practical tips for visitation. The personalized trip planner shows specific touring options, revealing everything from local events and museums to maps and reviews. Visitors to the website like to research and plan their USA experience and share with their family and friends.



THOMAS JEFFERSON MEMORIAL, WASHINGTON D.C.

SOCIAL MEDIA

The VisitTheUSA and GoUSA in Asian markets social content inspired millions of engaged followers across various social media platforms, including Instagram, Facebook, TikTok, YouTube, Weibo, and WeChat, through compelling storytelling. During FY2023, we reintroduced hyperlocal social content for the Japanese market and extended our reach to a total of 12 customized markets in addition to the global feed.



TikTok

TikTok has become a global phenomenon and redefined social media engagement with its user-friendly interface and algorithm-driven discoverability. Boasting more than 1 billion users worldwide, it stands as one of the fastest-growing apps. The popularity of TikTok makes it a key channel to remain competitive as a travel destination, especially given the 281 million users in our key markets. VisitTheUSA on TikTok launched in January and within eight months amassed an impressive 780,000 followers.

BY THE NUMBERS:



INFLUENCERS AND CONTENT CREATORS

Brand USA makes strategic use of trusted voices with strong followings from our target markets to deliver authentic content that goes beyond traditional marketing. In FY2023, our focus shifted from solely considering the reach of in-market influencers to also prioritizing content creation. These content pieces allow us to curate material for owned channels, necessitating both high quality and high volume to populate platforms such as Instagram, Facebook, TikTok, and others.

We collaborated closely with state and local partners throughout the United States to choose locations for the itinerary aligned with market needs. By the numbers:

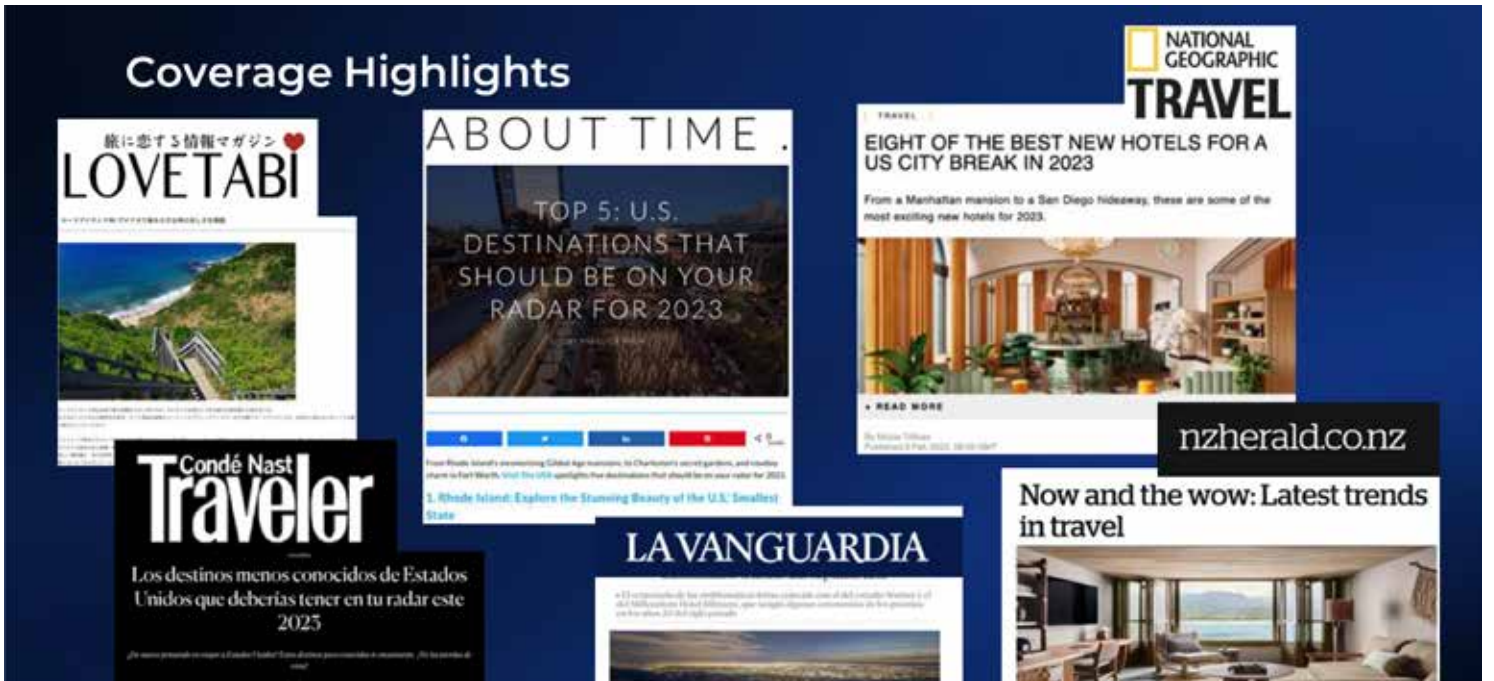


GoUSA TV

Brand USA's connected television network features original, curated, and licensed shows across 50 countries to entertain and entice travelers to visit the U.S. In 2023, the channel hosted more than 350 hours of content, which is more than double the number of hours of programming in previous years. This included 11 new original series yielding 68 episodes.

GoUSA TV's distribution grew by five new platforms and expanded into more than 20 new countries, growing the audience and increasing the minutes watched to 99.7 million.





PUBLIC RELATIONS

Earned media is a powerful and cost-effective tool that creates trust with its audience and inspires the international traveler to visit the United States. Complementing paid media strategies, earned media allows Brand USA to shape and control the

narrative when telling the stories of the USA. During 2023, Brand USA curated five storytelling pillars to reflect evolving travel trends: the great outdoors, culinary journeys, luxury experiences, screen tourism, and sports tourism.

○ CONNECTING DESTINATIONS AND JOURNALISTS:

Brand USA directly connected international journalists with U.S. destinations to strengthen relationships and create media ambassadors, facilitate press trips, and generate media opportunities.

○ MEDIA FAMS:

Brand USA hosted five group press trips (20 journalists) from the German, Italian, Mexican, Spanish, and U.K. markets visiting destinations, including Kentucky; Lake Charles, Louisiana; Rhode Island; Santa Fe, New Mexico; Nashville and Memphis, Tennessee; and Wyoming.

○ WHAT'S NEW TO SEE AND DO:

This quarterly document is a key resource for global journalists and features the latest on new air routes to the USA, hotel openings, cultural and sporting events, and festivals taking place across the country. Journalists have been using it for news items, listicles, and press trip inspiration.

350+
stories

24.75B
media
impressions



America's Wild Garden presented by Trailfinders and Visit The USA

RHS Hampton Court Palace Garden Show July 4-9, 2023

An enriching and immersive experience, exploring three natural landscapes, instantly recognizable as North America: desert, forest, and prairie. The contrasting landscapes illustrated the sheer diversity of the USA, with the aim to inspire future travel to the show's highly relevant visitor audience.

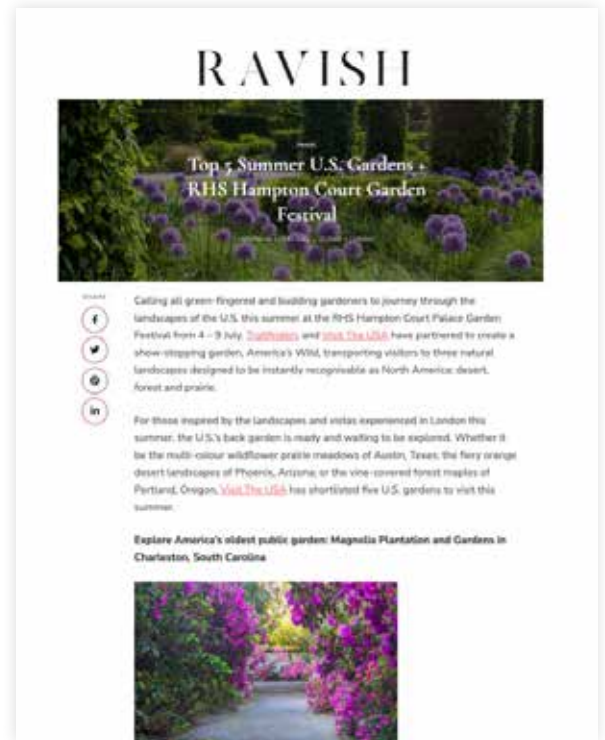
Brand USA created opportunities throughout the week to showcase three partner destinations: Austin, Texas; Charleston, South Carolina; and Oregon.

41
pieces of coverage generated

3
pieces of broadcast coverage

54,737,861
reach

8,988,000
viewership



America's Wild Garden swept the awards, winning top place in all three categories:

Best in Show
The Tudor Rose Award

Gold Medal
Show Garden

Gold Medal
Best Construction

INDUSTRY ENGAGEMENT

The U.S. travel industry comprises a vast network of stakeholders supported by Brand USA's international marketing initiatives. Brand USA's partner marketing efforts help align organizations across the travel industry and foster a collective effort in promoting the country to potential

visitors. Brand USA implemented a comprehensive marketing plan designed to captivate and engage potential visitors at each stage in the traveler journey. Partner marketing moves potential visitors farther down the consumer journey by delivering compelling, destination-specific content.

PARTNER AND CO-OP MARKETING

Cooperative marketing weaves together the many stories that make up the rich tapestry of travel experiences throughout the United States. Brand USA engages with destination marketing organizations, tour operators, lodging companies, attractions, and

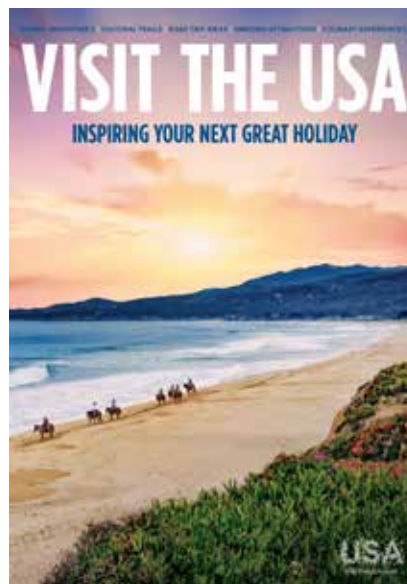
many others to tell those diverse USA stories in compelling and effective ways. Local partners have the best understanding of what makes their place special, while we have the global reach to help them speak to and compete for international visitors.

286 unique partners
participated in
59 different
programs, averaging
3.8 programs each.

These programs
resulted in more than
3 billion impressions
and more than
\$173M+ in directly
attributable bookings.

GLOBAL INSPIRATION PROGRAM

The Global Inspiration Guide is a thematic magazine circulated both digitally and in print. This "Visit The USA" product focuses on road trip/itinerary content designed for travelers and planners. Content is localized in-language and distributed in all priority markets. The Guide utilizes destination descriptions and photography to encourage travel dreaming, with a digital component that offers interactive rich media units to educate and reach a high-quality audience. The digital engagement exceeded 144 million impressions.



144M+
impressions



CANUSA

Brand USA partnered with CANUSA, the top North American specialist tour operator in Germany, to feature comprehensive marketing campaigns. The program was targeted toward a German audience primed for USA travel planning.

15
domestic
participants

27,330
room nights
booked



PRICETRAVEL

Brand USA partnered with PriceTravel, one of the most recognized and innovative OTAs in Mexico, for strategic full-funnel marketing campaigns. The program was targeted toward a Mexican audience primed for USA travel planning.

3
domestic
participants

\$1.3M
hotel booking
revenue

MULTI-CHANNEL

The Multi-Channel campaigns are full-funnel, direct-to-consumer opportunities designed to drive engagement and activation during key planning periods, leveraging data and market insights for highly targeted executions. Campaigns include in-depth, partner specific KPI and performance reporting, including reach, engagement, and attributable booking metrics.



BRECKENRIDGE, COLORADO

TRAVEL TRADE

Brand USA builds and maintains relationships with travel trade professionals in markets that deliver the majority of inbound travelers to the USA and in emerging markets where the USA has the most potential to increase arrivals. Travel agencies, tour operators, and airlines act as a crucial intermediary between Brand USA and potential visitors. Brand USA works at a tactical level across 17 market regions, including through contracted in-market representation to facilitate cooperative marketing with tour operators, develop new and diverse USA travel product, educate retail-level salesforces, and communicate U.S. travel policies.



TOUR OPERATOR CO-OPS

International consumers often rely on travel trade to book their trips or components of a trip, from retail travel agencies to tour operators to OTAs, wholesalers, airlines, and more. These channels range from brick-and-mortar retail travel agencies to tour operators to OTAs, wholesalers, airlines, and more. Many international overseas visitors rely on these trusted third parties as they provide destination expertise, a one-stop contact for all vacation needs, a value for money price-point, and added peace of mind for what is often a multi-week vacation.

Collaboration with key global tour operators is essential for Brand USA to maintain and strengthen its presence in the core markets. We focused on broadening and deepening the breadth of the USA product being sold in the overseas markets and employed a set of key tactics, including integrated campaigns with top tour operators across their platforms. Brand USA collaborated with key global tour operators to deploy campaigns in 2023 across

13 markets conducting 88 campaigns, which featured on average 34 destinations, including (not limited) to global brands, such as Air France, Condor Airlines, FTI Touristik, Luxury Escapes, and Hana Tour. The results of all 88 are as follows:

225,546
attributable
bookings
with a value of
\$242M

2.5M
attributable
room nights

PRODUCT DEVELOPMENT

One of the most direct ways to increase overall travel as well as traveler dispersal throughout the country is to facilitate the availability of new travel product. Many international markets see a significant portion of long-haul travel booked through tour operators, travel advisors, and other distribution networks. The aspirational nature of the USA as a travel destination and general desire for authentic travel experiences allows Brand USA to affect travel options on offer. A number of impactful programs

engage key travel trade and U.S. destinations and travel suppliers to augment the volume and diversity of USA travel experiences on offer in-market.

FAMs are an important tool to drive connection and inspiration while stitching together gateways and beyond-the-gateways in logical ways. Also, they're a very direct way to connect everyone (well-known/underrepresented/rural/small businesses) to global networks.



MEGAFAMS

MegaFams are unique to Brand USA and serve as agent educational trips organized in conjunction with major airlines and U.S. partner destinations. In 2023, top selling agents from 10 markets experienced several distinct itineraries and explored a range of both iconic and lesser-known U.S. destinations. Participants then gathered at grand finale locations and shared their stories and experiences. 2023 MegaFams were supported by American Airlines, British Airways, and Hawaiian Airlines.

PRODUCT FAMS

Brand USA hosted 18 product and agent familiarization trips to 39 destinations. The FAMs invite commercial decision makers, those responsible for selecting which destinations their company features in marketing campaigns and they are instrumental in communicating the appeal of the destinations, hotels, and attractions to the sales, marketing, and operation teams in their companies. These familiarization trips provide firsthand knowledge of the destination as well, which enable them to answer consumer questions.

ROAD TRIPS USA

Brand USA created three new multi-state, multi-night itineraries showcased to consumers via U.S. receptive tour operators and their clients. Additionally, more than 35 self-drive, multi-state itineraries were promoted to consumers via influencer programs, travel trade media campaigns, tour operator co-op campaigns, travel agent trainings, and earned media.

SALES MISSIONS

Brand USA executed 10 sales missions in markets engaging top buyers in a B2B meeting marketplace, facilitating business-to-business engagement of the U.S. tourism sector with key travel trade and media in Argentina, Australia, Brazil, Chile, Colombia, India, Japan, Mexico, New Zealand, and South Korea.

EDUCATION AND ENGAGEMENT

A key component of Brand USA's marketing strategy is to educate and engage with travel trade professionals in markets that deliver the majority of inbound travelers to the USA, and in countries where the USA has the most potential to increase market

share. Brand USA facilitates educational training sessions, creates cooperative marketing programs that drive U.S. trip sales, communicates U.S. travel policy, and facilitates business connections between local travel trade and U.S. tourism businesses.

INTERNATIONAL PAVILION

To provide greater access and visibility to the research and market intelligence, the International Pavilion content was relocated to TheBrandUSA.com. This created an educational hub for partners and

includes information core to successful international marketing, such as market profiles, research, and market intelligence.

BY THE NUMBERS:

29k+
Agents
trained

88
Tour Operator
Co-Ops across
14 markets

204
U.S. partners on
sales missions to
10 markets

2.57M
Attributed
room nights

USA DISCOVERY PROGRAM:

4,216
New users

14.5K+
Badges completed

30k
Users





BRAND USA TRAVEL WEEK U.K. & EUROPE EVENTS

Brand USA Travel Week U.K. and Europe events bring together diverse U.S. destinations and travel companies with the top-producing travel trade and media companies from across the U.K. and Europe. These unique events comprise a strong program of B2B and media appointments alongside a dedicated CEO Summit, compelling thought leadership series, and memorable networking events. Travel Week

continues to be the most effective and efficient way for the U.S. travel industry to connect with the leading set of overseas markets and for Brand USA to drive education, inspiration, and travel product across an entire region.

The 2023 edition took place in London in October, just after the close of the fiscal year.

796 total event attendees, an increase of **56%**

12 RTOs increased by **200%**

142 exhibitors, an increase of **19%**

48 CEOs, an increase of **71%**

48 Media Forum exhibitors, a **33%** increase, and **65** media attendees, a **38%** increase

158 buyers, an increase of **22%**



In support of U.S. destinations exhibiting at IMEX 2023, Brand USA returned to the show for the first time in four years. The Brand USA booth played host to several partner meetings and provided a dedicated space for U.S. destinations to network and socialize between meetings. This year also served as the forerunner to 2024, when Brand USA will be responsible for a unified and cohesive U.S. presence at IMEX 2024.



IPW provides the biggest global stage on which we can showcase the United States to key decision makers, which is why Brand USA continues as the event's premier sponsor. In 2023, more than 5,000 industry professionals from more than 60 countries met in San Antonio, Texas.

The team conducted more than 600 meetings with our global stakeholders, including U.S. destinations and travel brands (exhibitors) and international travel agents tour operators, as well as receptive tour operators (buyers). Of those surveyed, 91% of buyers rated their Brand USA meeting as very effective, with 77% saying their Brand USA IPW meeting will likely lead to them booking more visitors to the USA. And 76% of surveyed exhibitors rated their Brand

USA meeting as very effective and 61% believe their Brand USA IPW meeting will likely increase their international marketing efforts.

Brand USA's immersive press conference positioned the USA as an unrivaled travel destination and featured iconic and lesser-known destinations and attractions, from the best places to taste local cuisine to stepping into the song lyrics or movie locations that first inspired a visit, being pampered in the lap of luxury, or experiencing the USA through the eyes of a sports enthusiast. The press conference and media interviews throughout the week resulted in 143 stories within our global markets, which generated 248 million total impressions.

PUBLIC-PRIVATE PARTNERSHIP

Brand USA collaborates with a variety of federal government partners to communicate U.S. travel policies, promote the USA as a vacation destination, and pursue the National Travel and Tourism Strategy goals.

Brand USA is mandated to communicate U.S. visa and entry policies, and travelers seek out this practical information as they plan and prepare for their trip. We deliver these timely and actionable resources to consumers, travel trade, and media through a variety of channels—from industry events to digital platforms and public relations. An important component of this policy communication is to “market the welcome” to travelers at the federal level, which encompasses initiatives including:

- o Deploying inspirational branding for consular waiting areas
- o Promoting programs for increased access such as ESTA and Global Entry
- o Communicating critical information including interview waivers for visa renewals
- o Clarifying that the USA remains open and welcomes visitors even when headlines create confusion



Brand USA partnered with the U.S. Commercial Service to enhance our first South America Sales Mission and our first Japan/Korea Sales Mission since 2019.

Brand USA leverages our unique public-private position to collaborate with the National Travel and Tourism Office and a wide variety of other agencies in promoting the USA and ensuring that the benefits of international travel accrue to all types of communities. These efforts span everything from partnership with U.S. embassies and consulates throughout the world to promotion of our national treasures and engagement with global counterparts. For example, Brand USA sponsored and participated in industry and consumer-facing events hosted by U.S. embassies and consulates throughout the world, including Independence Day celebrations, film screenings, networking receptions, education seminars, and B2B meetings.



**WHERE BRAND USA
MARKETS:
PEOPLE,
PLACES, AND
CHANNELS**

SAN ANTONIO, TEXAS

WHERE BRAND USA MARKETS: INTERNATIONAL TARGET MARKETS, PLACES, AND CHANNELS

MARKET SELECTION

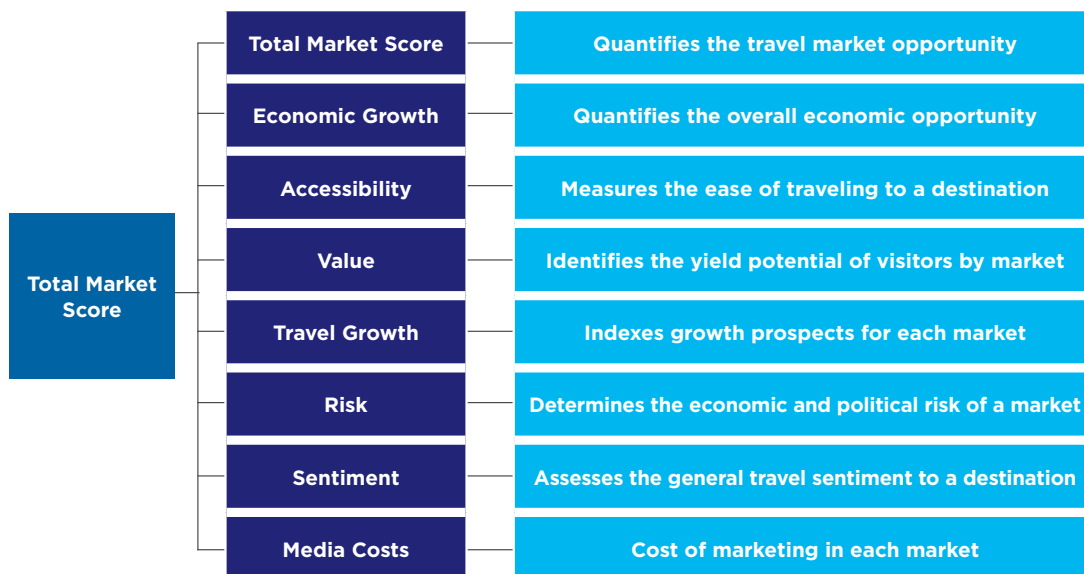


Brand USA focuses resources on markets, target populations, and media channels to optimize performance against the mission of growing international arrivals to the USA and ensure that the benefits of spend accrue to communities throughout the country. Given the post-pandemic changes to the global travel landscape, it is important for Brand USA to take a holistic approach to the opportunities across all existing target markets as well as new potential markets. Brand USA developed a standardized scorecard and market selection model to guide prioritization and resource allocation to achieve results in the

short and longer term. The scorecard includes 32 indicators to quantify travel market size, spending power, outbound travel, growth prospects, ROI, and potential responsiveness to travel promotion. To maximize the model's utility, important indicators like country-specific inbound arrivals to the USA receive higher weighting within the framework. An aggregated total market score is then used as the baseline to determine spending allocation.

The schematic below illustrates the indicator categories in the international market scorecard:

MARKET SCORECARD





Brand USA has a responsibility to promote the entirety of the United States, both urban and rural, well-known and lesser-known, states and territories, and so forth. Different areas of the country have differing levels of connectivity to and presence in source markets around the world. For example, a market like the U.K. might be mature for major gateway cities, like New York and Miami, while still

an emerging market for a state or city without a major gateway airport or history of international promotion. Brand USA's resource allocations will reflect these realities in addition to the results of the scorecard. For FY2023, the market allocation model yielded the following results, which Brand USA used as the base for the market prioritization.

MARKET ALLOCATION BY COUNTRY

1	Canada	9	Australia	15	Netherlands
2	Mexico	10	France	16	Switzerland
3	U.K.	11	Brazil	17	Ireland
4	Germany	12	Italy	18	Sweden
5	China	13	Spain	19	Colombia
6	Japan	14	Nordic Countries (Norway, Denmark, Finland, Sweden)	20	Chile
7	South Korea				
8	India				

EMERGING MARKETS

Brand USA usually spreads its marketing efforts and initiatives across both established and emerging markets. Brand USA defines emerging markets as those beyond the top five inbound markets anticipated to experience significant growth in the coming years. In these markets, Brand USA's infrastructure facilitates extensive access for various segments of the travel industry to connect with potential visitors.

In FY2023, Brand USA's strategic initiatives were tailored toward specific markets, with a notable focus on the Latin American and Nordic regions, which were identified as pivotal for strategic involvement and recognized as emerging markets. This deliberate approach aimed to capitalize on opportunities and foster growth in these key regions.

LATIN AMERICAN REGION

Visitation from Brazil experienced a notable 33% year-over-year increase in 2023. Ecuador outpaced its 2019 visitation, driven by a substantial 27% year-over-year increase. Visitation growth from Chile, Colombia, and

Peru was more modest, yet these markets have also surpassed pre-pandemic arrival levels. Collectively, these six countries contributed 592,000 additional visitors in 2023, marking a 16% increase from 2022.

NORDIC REGION

Arrivals from Denmark, Finland, Norway, and Sweden collectively increased by 16% in 2023, rising from 684,000 to 797,000 visitors. Finland reported the fastest growth in 2023, with a significant 28% increase

in arrivals. The latest forecast indicates sustained growth for these Nordic markets, positioning them to ascend among the top origin markets for international travel to the USA.



WALT DISNEY WORLD, FLORIDA

MEDIA CHANNELS

Brand USA’s paid media channels are used to reach, engage, and inspire travelers to visit the USA. Channel allocation is determined by consumer behavior, consumption habits and trends, efficiencies within the market, and desired message. Brand USA also considers other added-value opportunities to

leverage or amplify media spend in target markets through joint campaigns, contributed media, scaled discounts, and social media uplift. The total expenditure and ratio of media channels deployed in each market during FY2023 are detailed in the following charts.

EXPENDITURES BY MARKET AND MEDIA TYPE (DOLLAR)

Country	ALT-OOH	ALT-TV	Digital	Print	Radio	Trade Show	Multiple Media	Grand Total
Australia	470,190	61,031.80	5,932,667				3,063,465	9,527,353
Brazil	182,903	748,497.00	4,245,082	26,420	2,880.00		1,716,494	6,922,276
Canada	337,761	613,500.93	14,121,489	111,142	85,718.34		3,683,559	18,953,170
Germany	96,449		8,293,601	19,195	254.49	172,487	3,214,865	11,796,851
France			3,348,871				1,237,009	4,585,880
U.K.	2,637,919	4,071,211.14	18,733,118	332,198	6,750.00		12,310,195	38,091,392
India			2,100,634	1,400		6,000	1,007,688	3,115,722
Japan	14,333		2,024,560				1,171,616	3,210,509
South Korea			2,637,140			2,500	1,308,469	3,948,109
Mexico	394,167	1,117,148.00	8,987,521	43,060	7,440.00		4,098,595	14,647,931
Global/Other Markets	155,466	1,037,289	10,490,906	623,010	8,078	4,468,487	42,565,094	59,348,329
Grand Total	4,289,189	7,648,678	80,915,587	1,156,425	111,120	4,649,474	75,377,050	174,147,523
Overhead								9,877,249
Total Operating Expenses								184,024,772

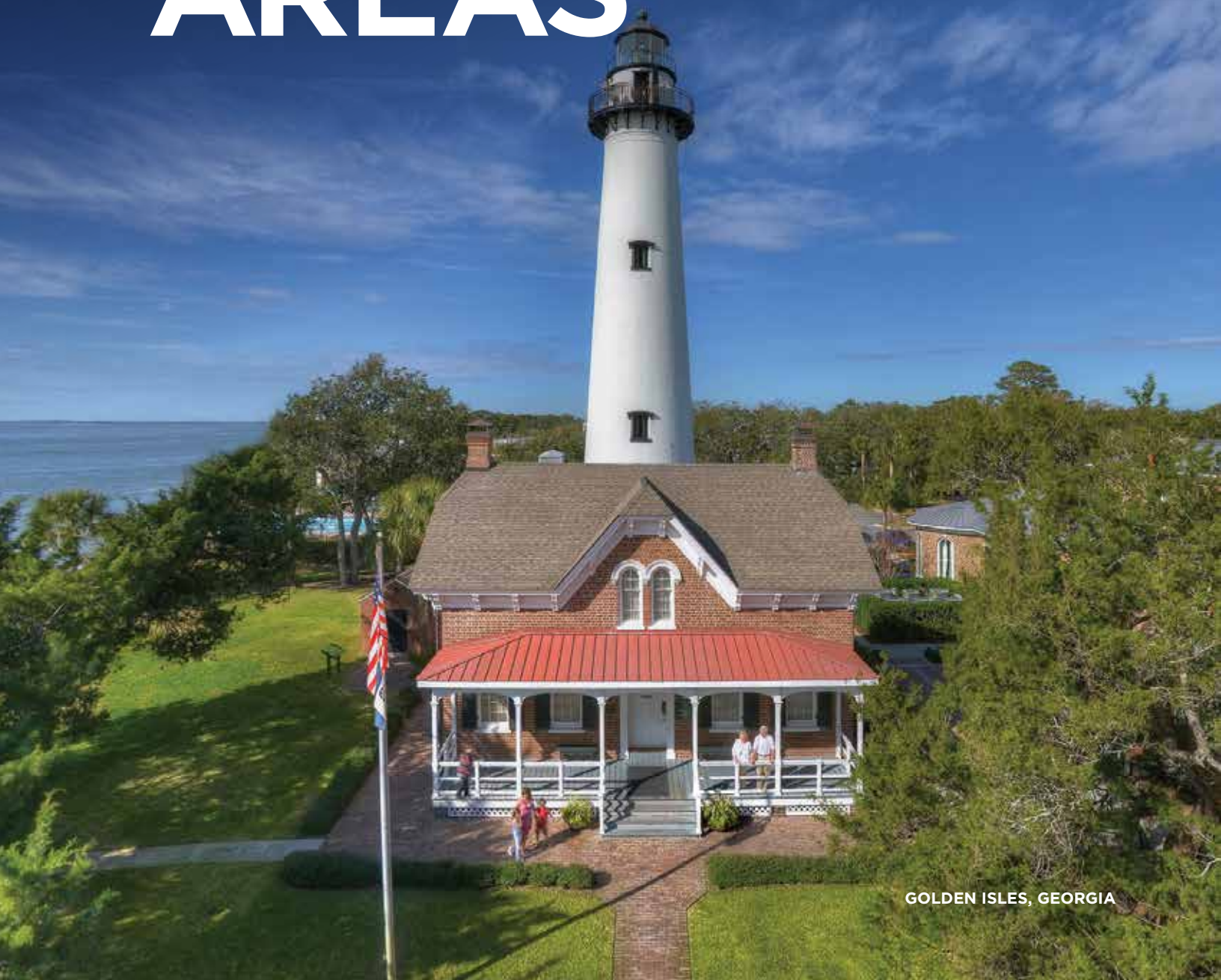
EXPENDITURES BY MARKET AND MEDIA TYPE (PERCENT)

Country	ALT-OOH	ALT-TV	Digital	Print	Radio	Trade Show	Multiple Media	Grand Total
Australia	0.27%	0.04%	3.41%	0.00%	0.00%	0.00%	1.76%	5.47%
Brazil	0.11%	0.43%	2.44%	0.02%	0.00%	0.00%	0.99%	3.97%
Canada	0.19%	0.35%	8.11%	0.06%	0.05%	0.00%	2.12%	10.88%
Germany	0.06%	0.00%	4.76%	0.01%	0.00%	0.10%	1.85%	6.77%
France	0.00%	0.00%	1.92%	0.00%	0.00%	0.00%	0.71%	2.63%
United Kingdom	1.51%	2.34%	10.76%	0.19%	0.00%	0.00%	7.07%	21.87%
India	0.00%	0.00%	1.21%	0.00%	0.00%	0.00%	0.58%	1.79%
Japan	0.01%	0.00%	1.16%	0.00%	0.00%	0.00%	0.67%	1.84%
South Korea	0.00%	0.00%	1.51%	0.00%	0.00%	0.00%	0.75%	2.27%
Mexico	0.23%	0.64%	5.16%	0.02%	0.00%	0.00%	2.35%	8.41%
Global/Other Markets	0.09%	0.60%	6.02%	0.36%	0.00%	2.57%	24.44%	34.08%
Grand Total	2.46%	4.39%	46.46%	0.66%	0.06%	2.67%	43.28%	100.00%

Digital channels, which include search, display, social media, and online video, comprised the majority of media types employed for marketing and advertising operations throughout FY2023. Brand USA’s primary research and other industry studies indicate that digital channels are the most-used information source in the consumer travel decision-making process. Digital channels are also

the most effective for delivering inspirational content and authentic storytelling that transcends traditional advertising—facilitating greater consumer interest and engagement. For these reasons, Brand USA has continued to optimize content marketing and storytelling methods and increased its expenditure on digital media.

**PROMOTING
TRAVEL TO
RURAL
AND URBAN
AREAS**



GOLDEN ISLES, GEORGIA

ACTIVITIES TO PROMOTE TOURISM IN RURAL AND URBAN AREAS

Brand USA is committed to fulfilling our mandate to promote travel to rural and urban areas equally and support the goals of the National Travel and Tourism Strategy to ensure that diverse travel products and experiences are promoted to help distribute the benefits of travel and tourism to lesser served communities. While the ratio of rural and urban areas promoted varies by program, Brand USA realizes this balance through the combined total of its marketing initiatives to consumers and the travel trade.

Brand USA encouraged travelers around the world to venture beyond our gateways and explore the endless experiences offered in small towns, coastal communities, and quaint villages nationwide.

Brand USA promoted international travel to rural areas across a variety of its channels and campaigns in FY2023, including:

Consumer campaigns featured
361 unique destinations to, through,
and beyond the gateways.

SOCIAL MEDIA

Social media is a key channel for Brand USA to promote the entirety of the United States. Traveling the country on multi-state, regional itineraries, small groups of influencers from key markets told authentic, credible stories to their engaged audiences.



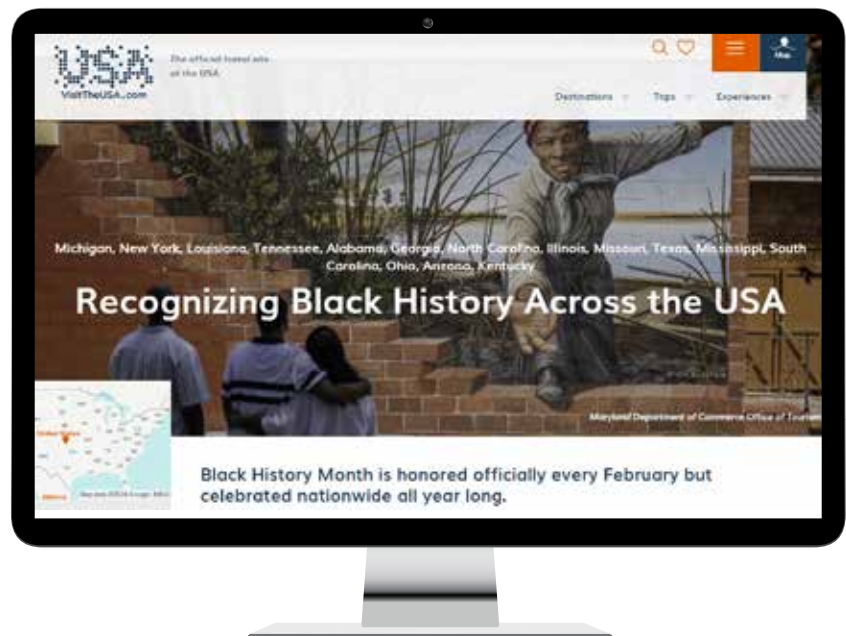
COYOTE GULCH, UTAH

INFLUENCERS AND CONTENT CREATORS

Influencers and content creators shared authentic travel experiences, itineraries, and trip ideas with their trusted audiences. Brand USA worked with them to inspire consumers to consider destinations previously unknown to them.

VISITTHEUSA.COM

VisitTheUSA.com's content offers travelers inspirational ideas and practical tips for personalized trip planning. The touring options include local attractions and events across the country from big cities to small towns with maps for consumer ease of mind.



GoUSATV

Brand USA created, curated, and licensed content that featured destinations from iconic to undiscovered, such as “Small Town, Big Story” which showcased the unique offerings of towns like, Hatch, New Mexico; Abbeville, Louisiana; New River Gorge, West Virginia; Slippery Rock, Pennsylvania; and Port Aransas, Texas.



Brand USA brought destination marketing organizations and travel companies throughout the United States together with the top-producing U.K. and European travel trade and media in London, England, for B2B meetings and media engagements. Participants also discussed trends, challenges, innovations, and opportunities to drive future visitation to, through, and beyond the gateways of the United States.



Brand USA developed three new multi-state, multi-day itineraries for 2023 that covered cities and towns across the Heartland and the Southeast: Historic Route 66: Curios, Pit Stops & Diners; Southern USA Movie Tour; and The Wild West: Cowboys, Country Music and BBQ.

RURAL AND URBAN REPRESENTATION IN PRIMARY PROGRAMS

Consumer Marketing	Total Destinations	Gateway #	Gateway %	Urban Non-Gateway #	Urban Non-Gateway %	Rural #	Rural %
Social Media	209	10	5%	79	38%	120	57%
GoUSA TV	92	5	5%	33	36%	54	59%
Cooperative Marketing Programs	250	8	4%	62	30%	135	66%

Travel Trade Programs	Total Destinations	Gateway #	Gateway %	Urban Non-Gateway #	Urban Non-Gateway %	Rural #	Rural %
2023 Brand USA Travel Week	123	10	8%	49	40%	64	52%
Global Marketplace	63	6	10%	21	33%	36	57%
USA Discovery Program	19	0	0%	6	32%	13	68%



TUCSON, ARIZONA

OBJECTIVES REVIEW



PERFORMANCE AGAINST OBJECTIVES

OBJECTIVE	MEASURE(S)	OUTCOMES
<p>Reach the right people, with the right message, via the right channels</p>	<ul style="list-style-type: none"> ■ INFLUENCERS <ul style="list-style-type: none"> ○ Host 60+ international influencers on bookable itineraries that feature all 50 states, five territories, and the District of Columbia 	<ul style="list-style-type: none"> ■ Hosted 53 influencers (seven short of our original goal due to increased focus on the partner program)
	<ul style="list-style-type: none"> ■ SOCIAL MEDIA <ul style="list-style-type: none"> ○ Manage a global social presence and market-specific social media pages with at least 1,200 pieces of hyper-local and relevant content for these 11 markets: Australia, Brazil, Canada, China, Colombia, France, Germany, India, Mexico, South Korea, and the U.K. 	<ul style="list-style-type: none"> ■ 2,413 total posts deployed, exceed goal by 100%
	<ul style="list-style-type: none"> ■ GOUSA TV <ul style="list-style-type: none"> ○ Add GoUSA TV to a minimum of five new platforms and at least five additional countries 	<ul style="list-style-type: none"> ■ GoUSA TV is on five new platforms – MX Player, Rlaxx, Rewarded TV, Free Movies+ (OTT Studio), TeleUp (also expanded to additional countries on Samsung TV Plus and LG Channels) ■ Launched in 21 new countries – Australia, Austria, Belgium, Canada, Chile, Colombia, Denmark, Finland, Iceland, Japan, Luxembourg, Malaysia, Mexico, Myanmar, New Zealand, Nigeria, Norway, Portugal, Switzerland, Thailand, and Turkey ■ GoUSA TV is now available in a total of 50 countries.
	<ul style="list-style-type: none"> ■ MULTI-CHANNEL <ul style="list-style-type: none"> ○ Expand mobile-first, digital campaigns to a broader set of markets: Australia, Brazil, France, Germany, India, Mexico, South Korea, and the U.K. ○ Optimize multi-channel content and distribution tactics with associated partner-specific performance reporting (reach, engagements, attributable bookings) 	<ul style="list-style-type: none"> ■ The multi-channel, mobile-first, digital campaigns' reach expanded in Germany, Mexico, and the U.K., and expanded into Australia, Brazil, France, India, and South Korea ■ All Multi-Channel Campaign reports were delivered as planned and earlier than in previous years: Fall '22 in May, Winter '22-'23 in June, and Spring '23 in September. ■ All Market-Specific Campaigns now follow the same reporting template, adding consistency to how we report metrics/data/results.

OBJECTIVE	MEASURE(S)	OUTCOMES
<p>Welcome the world back and make the USA top of mind for consumers looking to travel</p>	<ul style="list-style-type: none"> ■ INFLUENCERS <ul style="list-style-type: none"> ○ Increase influencer impressions and reach by 100% YOY 	<ul style="list-style-type: none"> ■ 255.4M impressions in FY2023 (overall impressions were a decrease from FY2022 due to a strategic shift to prioritize content creators over influencers with reach)
	<ul style="list-style-type: none"> ■ SOCIAL AND DIGITAL <ul style="list-style-type: none"> ○ Increase social and digital followings by 10% ○ Increase social and digital engagements by 200% ○ Increase brand awareness and consideration as measured by brand lift studies comparing exposed and control groups 	<ul style="list-style-type: none"> ■ Increased followers by 4% ■ Engagement up 24,900% ■ Social campaigns delivered +4.2 pp, +2.8 pp, and +2.6 pp above baseline levels on ad recall, favorability, and intent to visit, respectively. (Brand Lift Studies results in key markets.)
	<ul style="list-style-type: none"> ■ GOUSA TV <ul style="list-style-type: none"> ○ Produce seven new original series and license 30 additional hours of programming ○ Increase overall audience size by 50% and grow time spent watching by 120% 	<ul style="list-style-type: none"> ■ Produced 11 new original series, a total of 68 original episodes. Licensed 385 episodes and 251 hours of programming ■ Audience size up 134% YOY; Watch time up 113% from FY2022 (99.7M minutes watched)
	<ul style="list-style-type: none"> ■ INTO AMERICA'S WILD <ul style="list-style-type: none"> ○ Execute at least 20 in-market activation events 	<ul style="list-style-type: none"> ■ Executed 55 screenings in 50 cities
	<ul style="list-style-type: none"> ■ GLOBAL INSPIRATION PROGRAM <ul style="list-style-type: none"> ○ Distribute 125,000 print guides and generate 30 million digital impressions ○ Deliver valuable partner-specific engagement metrics 	<ul style="list-style-type: none"> ■ Digital guide impressions surpassed the goal by nearly 5X, achieving 144M+ impressions on the digital guide. ■ Across the 111 featured partners, the metrics included partner-specific impressions, clicks, pageviews, and average time on site in the target markets.
	<ul style="list-style-type: none"> ■ EARNED MEDIA <ul style="list-style-type: none"> ○ Use global press releases and bespoke pitches to spotlight lesser-known destinations and DEI initiatives ○ Facilitate individual and group press trips for U.S. destinations ○ Organize three Brand USA group press trips ○ Maintain a quarterly global journalists' guide to key events in the USA 	<ul style="list-style-type: none"> ■ Generated 350+ pieces of coverage from global releases ■ Hosted five group press trips and facilitated connections between over 20 journalists and multiple U.S. destinations (Los Angeles, California; Kentucky; Lake Charles, Louisiana; Rhode Island; Santa Fe, New Mexico; Nashville and Memphis, Tennessee; Jackson, Mississippi; and Wyoming) ■ Issued three quarterly What's New To See And Do in The U.S., which have served as a source of inspiration for press coverage, individual press trips, listicles, news items, and features



MEMPHIS, TENNESSEE

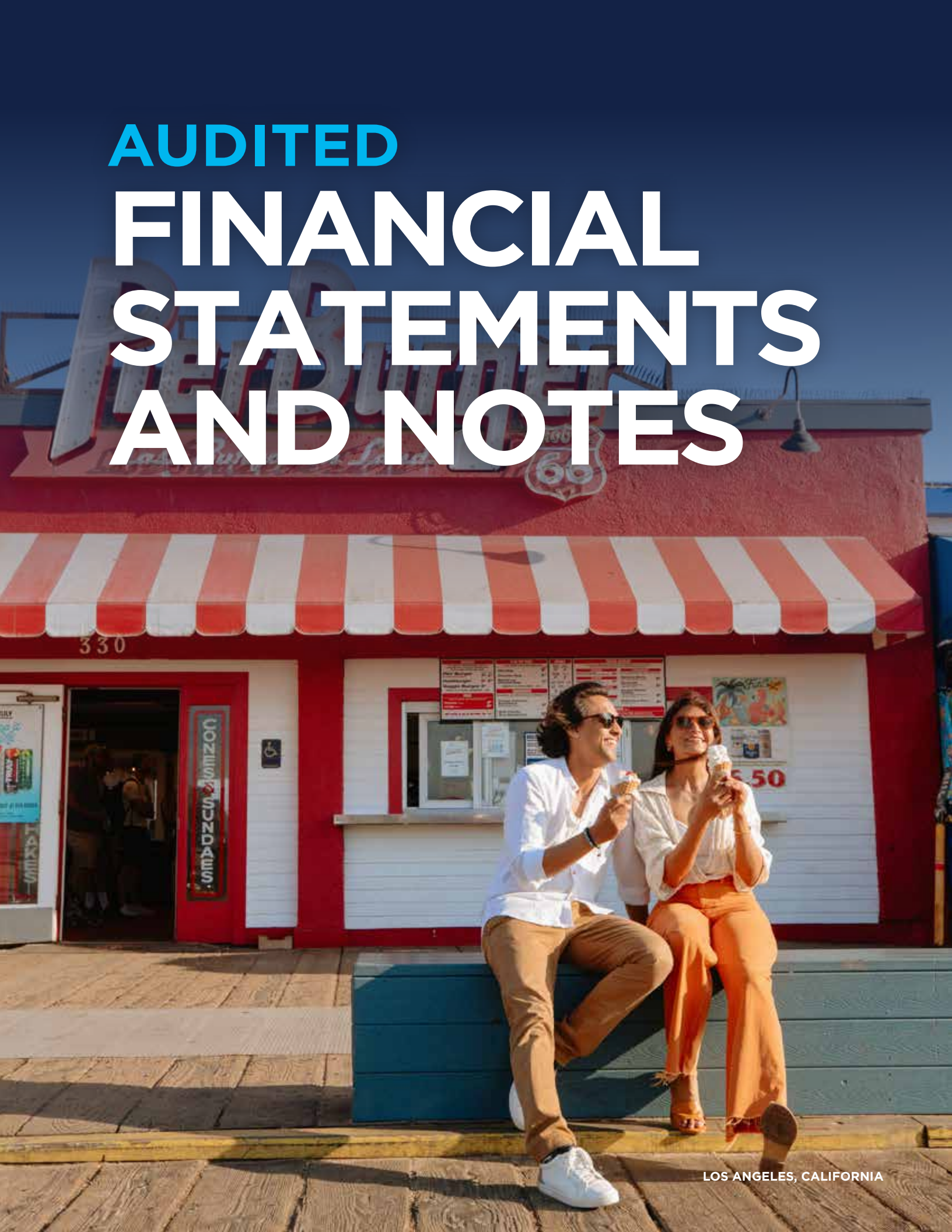
OBJECTIVE	MEASURE(S)	OUTCOMES
<p>Drive consumers down the marketing funnel from the inspiration phase to bookings in concert with key partners in market</p>	<ul style="list-style-type: none"> ■ SOCIAL AND DIGITAL <ul style="list-style-type: none"> ○ Provide 500+ digital assets from the United Stories campaign in a toolkit for travel trade partners to promote and sell U.S. destinations and itineraries ○ Launch fully integrated, creative campaigns using multiple mediums and showcasing a wide variety of products with at least 50 global tour operators ■ PRODUCT DEVELOPMENT <ul style="list-style-type: none"> ○ Create at least four new regional, multi-state itineraries to be showcased to consumers via U.S. receptive tour operators and their clients ○ Promote 35+ self-drive, multi-state itineraries via influencer programs, travel trade media campaigns, tour operator co-op campaigns, travel agent trainings, and earned media 	<ul style="list-style-type: none"> ■ 200+ assets (YTD); Adding new assets on an ongoing basis ■ 88 campaigns executed: <ul style="list-style-type: none"> ○ 225,546 attributable bookings ○ 2,578,889 attributable room nights booked ■ Developed three new multi-state, multi-night itineraries: Historic Route 66: Curios, Pit Stops & Diners; Southern USA Movie Tour; and The Wild West: Cowboys, Country Music and BBQ. ■ RoadTrip Trade Media Campaigns in Belgium, Germany, Ireland, Netherlands, and U.K. ■ Promoted 34 self-drive, multi-state itineraries via influencer programs, travel trade media campaigns, tour operator coop campaigns, travel agent trainings, and earned media

OBJECTIVE	MEASURE(S)	OUTCOMES
<p>Strengthen B2B relationships, create opportunities for U.S. stakeholders, and ensure each market has the content, resources, and partnerships needed to drive travel</p>	<ul style="list-style-type: none"> ■ SALES MISSIONS AND B2B EVENTS <ul style="list-style-type: none"> ○ Build and facilitate business connections between U.S. partners and key industry members by coordinating events in the following markets: Australia, Canada, India, Japan, Mexico, New Zealand, South America (Argentina, Brazil, Chile, Colombia), and South Korea 	<ul style="list-style-type: none"> ■ Executed missions in 10 markets: Australia, Brazil, Chile, Colombia, India, Japan, Mexico, New Zealand, and South Korea
	<ul style="list-style-type: none"> ■ MEGAFAMS/PRODUCT FAMS <ul style="list-style-type: none"> ○ Host three MegaFams from 12 markets, visiting 40+ destinations and partnering with multiple airlines to expand the knowledge base of front-line travel trade ○ Host at least four product fams from at least four markets, visiting 20+ destinations and partnering with multiple airlines to introduce new U.S. programs 	<ul style="list-style-type: none"> ■ Hosted 180 agents on three MegaFams from 10 markets who stayed in 59 U.S. destinations. Markets represented: Australia, Belgium, France, Germany, Ireland, Italy, Netherlands, New Zealand, Switzerland, and U.K. ■ Executed 18 Product and Agent Fams visiting 39 states
	<ul style="list-style-type: none"> ■ BRAND USA GLOBAL MARKETPLACE: <ul style="list-style-type: none"> ○ Grow exhibitor presence within the USA Partner Pavilions, adding new pods on a rolling basis ○ Facilitate virtual business meetings between U.S. partners and top travel buyers from the U.K., Europe, and Asia-Pacific region ○ Maintain information housed on and increased partner utilization of the International Pavilion on Brand USA Global Marketplace ○ Create an International Marketing 101 hub for first-time international marketers 	<ul style="list-style-type: none"> ■ Exhibitor presence grew 2%, due to the return of in-person events and a shift in focus from information pods with access to virtual meetings to providing multiple in-market, in-person events. ■ We began the year facilitating virtual 1:1 business meetings; however, we made the decision to move away from hosting virtual meetings and refocus our efforts on in-person events. ■ The International Pavilion was relocated to the Brand USA corporate site under 'Resources' for greater visibility.
	<ul style="list-style-type: none"> ■ BRAND USA TRAVEL WEEK <ul style="list-style-type: none"> ○ Plan for Brand USA Travel Week U.K. and Europe 2023, which will take place October 16-19, 2023 ○ Explore creative ways to increase capacity for exhibitors and/or new opportunities for exhibitors to engage with U.K. and European trade ○ Explore feasibility of a Travel Week Americas to bring together U.S. partners and top regional buyers and media from across Mexico and Central and South America 	<ul style="list-style-type: none"> ■ Successfully executed the event in London ■ Grew total event attendees by 56%: Increased CEO Summit executive participation by 71%; increased RTO participation by 200%; increased Travel Week exhibitor participation by 19% and buyer participation by 22%; and increased Media Forum exhibitor participation by 33% and media participation by 38% ■ Hosted a roundtable event with industry participants and we are currently conducting a cost/benefit analysis.

OBJECTIVE	MEASURE(S)	OUTCOMES
<p>Support the 2022 National Travel and Tourism Strategy</p>	<ul style="list-style-type: none"> Support federal initiatives to execute the 2022 National Travel and Tourism Strategy and catalogue pertinent efforts with the Tourism Policy Council 	<ul style="list-style-type: none"> Engaged with USG on dozens of joint promotional efforts around the world. Provided USG with platforms to share updates with domestic partners, global travel trade, and media. Promoted ESTA and Global Entry mobile apps across channels to help facilitate travel to and within the USA
	<ul style="list-style-type: none"> Ensure consumer campaigns and initiatives support the National Travel and Tourism Strategy approach to promote the United States as a premier destination grounded in the breadth and diversity of its communities 	<ul style="list-style-type: none"> Integrated multicultural and accessibility considerations into campaigns, including influencer trips, United Stories, and GoUSA TV programming. And, our consumer campaigns featured 361 unique destinations in the creative that promote to, through, and beyond the gateways.
	<ul style="list-style-type: none"> Align relevant initiatives, especially those targeting beyond-the-gateway destinations and new tourism product contribute to the National Travel and Tourism Strategy approach to ensure diverse, inclusive, and accessible tourism experiences by supporting the development of diverse tourism products that benefit under-served communities and populations 	<ul style="list-style-type: none"> Our work aims to promote rural and urban areas equally. In 2023, new travel product development efforts that featured rural and urban destinations included: MegaFams and product fams; bookable itineraries; B2B meetings and connections for partners.

OBJECTIVE	MEASURE(S)	OUTCOMES
<p>Maintain the highest level of corporate and financial governance</p>	<ul style="list-style-type: none"> Achieve an unqualified audit with no management letter 	<ul style="list-style-type: none"> Achieved an unqualified audit (for the 11th time) with no management letter (for the ninth time)
	<ul style="list-style-type: none"> Unlock \$100 million in federal matching funds by collecting at least \$50 million in cash contributions and the balance in in-kind contributions 	<ul style="list-style-type: none"> Unlocked \$100 million in federal matching funds by collecting at least \$50 million in cash contributions and the balance in in-kind contributions
	<ul style="list-style-type: none"> Manage overhead costs to no more than 10% of the total expenditure budget 	<ul style="list-style-type: none"> Managed overhead costs at 5.37% of the total expenditure budget
	<ul style="list-style-type: none"> Achieve 100% compliance with the Travel Promotion Act, as amended, and corporate bylaws 	<ul style="list-style-type: none"> Compliant with the Travel Promotion Act, as amended, and corporate bylaws
	<ul style="list-style-type: none"> Explore an enterprise-wide ESG initiative for FY2023 and beyond 	<ul style="list-style-type: none"> Engaged in internal and external dialogue regarding definitions, roles, and other analysis

AUDITED FINANCIAL STATEMENTS AND NOTES





THE CORPORATION FOR TRAVEL PROMOTION, dba BRAND USA

Financial Statements

September 30, 2023 and 2022

(With Independent Auditors' Report Thereon)



KPMG LLP
Suite 12000
1801 K Street, NW
Washington, DC 20006

Independent Auditors' Report

Board of Directors
The Corporation for Travel Promotion, dba Brand USA:

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of The Corporation for Travel Promotion, dba Brand USA (the Organization), which comprise the statement of financial position as of September 30, 2023, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Organization as of September 30, 2023, and the changes in its net assets and its cash flows for the year then ended in accordance with U.S. generally accepted accounting principles.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Organization and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with U.S. generally accepted accounting principles, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern for one year after the date that the financial statements are issued.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.



In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Organization's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Report on Summarized Comparative Information

We have previously audited the Organization's 2022 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated February 3, 2023. In our opinion, the summarized comparative information presented herein as of and for the year ended September 30, 2022, is consistent, in all material respects, with the audited financial statements from which it has been derived.

KPMG LLP

Washington, District of Columbia
February 28, 2024

THE CORPORATION FOR TRAVEL PROMOTION, dba BRAND USA

Statements of Financial Position

September 30, 2023 and 2022

Assets	2023	2022
	<u> </u>	<u> </u>
Assets:		
Cash and cash equivalents	\$ 30,638,819	49,685,303
Investments	219,453,055	291,059,892
Accounts receivable, net	114,089,416	22,726,608
Accounts receivable with related party	300,000	825,000
In-kind assets, net	72,260,443	14,047,985
Prepaid expenses and other current assets	7,914,521	5,050,491
Operating lease right-of-use asset	2,425,231	3,581,646
Property and equipment, net	1,139,545	1,417,117
Intangible assets, net	5,053,593	4,985,401
Total assets	\$ <u>453,274,623</u>	<u>393,379,443</u>
Liabilities and Net Assets		
Liabilities:		
Accounts payable	\$ 23,746,275	13,650,975
Accrued expenses and other liabilities	10,543,952	12,199,745
Operating lease liabilities	3,092,239	4,497,111
Total liabilities	<u>37,382,466</u>	<u>30,347,831</u>
Net assets:		
Without donor restriction	330,088,281	340,584,319
With donor restriction	85,803,876	22,447,293
Total net assets	<u>415,892,157</u>	<u>363,031,612</u>
Total liabilities and net assets	\$ <u>453,274,623</u>	<u>393,379,443</u>

See accompanying notes to financial statements.

THE CORPORATION FOR TRAVEL PROMOTION, dba BRAND USA

Statement of Activities

Year ended September 30, 2023

(with summarized financial information for fiscal year 2022)

	2023			2022
	Without donor restriction	With donor restriction	Total	Total
Support and revenue:				
Travel promotion fund proceeds	\$ 93,460,676	—	93,460,676	92,862,104
Congressional relief fund proceeds	20,764,550	—	20,764,550	200,000,000
Partner contributions	39,328,900	13,351,750	52,680,650	32,492,005
In-kind contributions, net	44,935,895	68,118,646	113,054,541	1,047,570
Forgiveness of Paycheck Protection Program loan	—	—	—	1,545,157
Investment income	8,433,881	—	8,433,881	1,989,936
Trade show and other revenue	534,214	—	534,214	755,494
Sponsorships	4,399	—	4,399	386,243
Release from restrictions	18,113,813	(18,113,813)	—	—
Total support and revenue	<u>225,576,328</u>	<u>63,356,583</u>	<u>288,932,911</u>	<u>331,078,509</u>
Expenses:				
Program services	225,789,206	—	225,789,206	99,175,213
General and administrative	8,057,345	—	8,057,345	9,340,420
Total expenses	<u>233,846,551</u>	<u>—</u>	<u>233,846,551</u>	<u>108,515,633</u>
Other gains and losses:				
Writedown on uncollectible in-kind asset	(4,682,638)	—	(4,682,638)	—
Unrealized gain/(loss) on investments	2,456,823	—	2,456,823	(5,272,980)
Total change in net assets	<u>(10,496,038)</u>	<u>63,356,583</u>	<u>52,860,545</u>	<u>217,289,896</u>
Net assets, beginning of year	<u>340,584,319</u>	<u>22,447,293</u>	<u>363,031,612</u>	<u>145,741,716</u>
Net assets, end of year	<u>\$ 330,088,281</u>	<u>85,803,876</u>	<u>415,892,157</u>	<u>363,031,612</u>

See accompanying notes to financial statements.

THE CORPORATION FOR TRAVEL PROMOTION, dba BRAND USA

Statement of Functional Expenses

Year ended September 30, 2023

(with summarized financial information for fiscal year 2022)

	2023			2022
	Program services	General and administrative	Total	Total
Salaries	\$ 6,672,568	4,186,331	10,858,899	7,189,855
Benefits	1,307,917	808,925	2,116,842	1,562,244
General and administrative	818,985	724,985	1,543,970	1,487,070
Communication	270,463	141,389	411,852	400,507
Insurance	80,578	42,124	122,702	93,920
Information technology	870,274	454,949	1,325,223	1,134,775
Legal	—	412,096	412,096	220,570
Accounting and audit	—	195,150	195,150	139,168
Professional services	—	1,107,262	1,107,262	723,667
Advertising and media	142,655,701	—	142,655,701	64,576,672
Market activation	12,026,726	—	12,026,726	4,106,949
Product development	1,892,604	—	1,892,604	69,250
Trade shows	5,380,408	—	5,380,408	4,235,195
Research	2,771,083	—	2,771,083	1,997,442
In-kind expenses	50,159,446	—	50,159,446	17,066,343
Travel	882,453	321,801	1,204,254	793,003
Depreciation and amortization	—	1,559,090	1,559,090	1,739,682
Change in bad debt expense	—	(1,896,757)	(1,896,757)	979,321
Total	\$ 225,789,206	8,057,345	233,846,551	108,515,633

See accompanying notes to financial statements.

THE CORPORATION FOR TRAVEL PROMOTION, dba BRAND USA

Statements of Cash Flows

Years ended September 30, 2023 and 2022

	<u>2023</u>	<u>2022</u>
Net cash from operating activities:		
Change in net assets	\$ 52,860,545	217,289,896
Adjustments to reconcile change in net assets to cash from operating activities:		
Realized and unrealized (gains)/losses	(2,547,054)	5,585,116
Depreciation and amortization	1,559,090	1,739,682
Amortization of operating lease right-of-use asset	1,156,415	(3,581,646)
Change in operating assets and liabilities:		
Accounts receivable including related parties, net	(90,837,808)	13,956,342
In-kind assets, net	(58,212,458)	16,018,773
Prepaid expenses and other current assets	(2,864,030)	(395,993)
Accounts payable	10,095,300	8,774,209
Accrued expenses and other current liabilities	(1,655,793)	9,208,044
Operating lease liabilities	<u>(1,404,872)</u>	<u>4,497,111</u>
Net cash used in operating activities	<u>(91,850,665)</u>	<u>273,091,534</u>
Net cash from investing activities:		
Purchases of investments	(133,973,903)	(318,257,427)
Proceeds from sales of investments	208,127,794	48,754,444
Purchase of property and equipment	(306,049)	(1,351,459)
Purchase of website and development	<u>(1,043,661)</u>	<u>(798,149)</u>
Net cash used in investing activities	<u>72,804,181</u>	<u>(271,652,591)</u>
Net cash from financing activities:		
Forgiveness of Paycheck Protection Program loan	<u>—</u>	<u>(1,545,157)</u>
Net cash used in financing activities	<u>—</u>	<u>(1,545,157)</u>
Net change in cash and cash equivalents	(19,046,484)	(106,214)
Cash and cash equivalents, beginning of year	<u>49,685,303</u>	<u>49,791,517</u>
Cash and cash equivalents, end of year	\$ <u><u>30,638,819</u></u>	<u><u>49,685,303</u></u>

See accompanying notes to financial statements.

THE CORPORATION FOR TRAVEL PROMOTION, dba BRAND USA

Notes to Financial Statements

September 30, 2023 and 2022

(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 travel to the United States of America (USA), which 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 Nonprofit 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.

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)). For each of the fiscal years 2013 through 2020, from the fees collected by the U.S. Department of Homeland Security (DHS), the Secretary of the U.S. Department of the Treasury was authorized to transfer not more than \$100,000,000 to CTP. Funds were made available to CTP on a matching basis, for every \$1 of unrestricted cash or in-kind contributions raised (from nonfederal sources) by CTP, \$1 would be transferred up to the \$100,000,000 cap. In December 2019, the U.S. Congress approved a seven-year reauthorization for CTP through 2027, making funds available to CTP on a matching basis, for every \$1 of unrestricted cash or in-kind contributions (from nonfederal sources) raised by CTP, \$1 will be transferred up to the \$100,000,000 cap.

During fiscal year 2022, the U.S. Congress passed the Restoring Brand USA Act, which is part of the Consolidated Appropriations Act of 2022, which appropriated to CTP \$250,000,000 for marketing the United States to travelers from countries permitted to enter the United States, for purposes of reigniting international travel to the United States in the wake of the COVID-19 pandemic.

(2) Summary of Significant Accounting Policies

(a) Basis of Presentation

The financial statements are prepared accordance with U.S. generally accepted accounting principles (U.S. GAAP). The financial statements include certain prior year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with GAAP. Accordingly, such information should be read in conjunction with the CTP’s financial statements for the year ended September 30, 2022, from which the summarized information was derived.

(b) 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.

(c) Liquidity and Availability

CTP manages its financial assets to be available as its operating expenses, liabilities, and other obligations come due. Cash in excess of daily requirements is invested in short-term investments or fixed income securities in accordance with CTP’s investment policy discussed in note 2(h). Certain receivables may be subject to contractual or donor-imposed time or purpose restrictions, making those

THE CORPORATION FOR TRAVEL PROMOTION, dba BRAND USA

Notes to Financial Statements

September 30, 2023 and 2022

receivables unavailable to meet cash expenditures within one year. Additionally, CTP maintains a board designated liquidity reserve that may be drawn upon in the event of financial distress or an immediate liquidity need resulting from events outside the typical life cycle of converting financial assets to cash or settling financial liabilities. The reserve is not intended to replace or eliminate a permanent loss of funds. As of September 30, 2023, and 2022, the liquidity reserve was \$500,000.

The following table presents CTP's financial assets available for general expenditures within one year as of September 30, 2023 and 2022:

	2023	2022
Financial assets:		
Cash and cash equivalents	\$ 30,638,819	49,685,303
Investments	219,453,055	291,059,892
Accounts receivable, net	114,089,416	22,726,608
Accounts receivable from related party	300,000	825,000
Total financial assets	364,481,290	364,296,803
Less those unavailable for general expenditures within one year due to:		
Board designations:		
Amounts set aside for liquidity reserve	(500,000)	(500,000)
Financial assets available to meet cash expenditures within one year	\$ 363,981,290	363,796,803

(d) Accounts Receivable

Accounts receivable are stated at the amount management expects to collect from outstanding balances, taking into account the credit worthiness of donors and history of collection. Management provides for uncollectible amounts through a charge to expense and an increase to a valuation allowance based on the expected lifetime credit losses of the assets. At September 30, 2023 and 2022, the allowance for doubtful accounts was \$221,292 and \$2,336,449, respectively. 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.

In the fiscal year 2023, CTP conducted a detailed reassessment of its accounts receivable allowance calculation. This reassessment focused on updating the calculation methodology to reflect the travel industry's recovery after the pandemic and the dependability of partner contributions. This resulted in a change in assumption, and a reduction of bad debt expense in the amount of \$1,896,757 as of September 30, 2023.

(e) Sequestration Refund and Receivable

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 Treasury under the Travel Promotion Act were automatically reduced by sequestration of varied rates from fiscal years 2013

THE CORPORATION FOR TRAVEL PROMOTION, dba BRAND USA

Notes to Financial Statements

September 30, 2023 and 2022

through 2021. CTP's funds received from the Department of Treasury under the Travel Promotion Act were automatically reduced by sequestration of 5.7% in fiscal years 2023 and 2022. CTP recorded accounts receivable for the sequestration refund due back to the organization for the fiscal years 2023 and 2022 in the amount of \$10,435,714 and \$3,924,875, respectively.

(f) In-Kind Assets and Contributions

CTP receives in-kind contributions from donors and records them as in-kind assets and in-kind contribution revenue. In-kind assets are marketing assets that include but are not limited to, advertising campaigns, content licenses, and production services. The assets have no donor-imposed purpose restrictions, however, there are time restrictions. These assets are used to further the mission. CTP does not sell contributed assets for monetary gain.

In-kind contributions are recognized at fair value, which is defined as the price that an asset could be bought or sold in a current transaction between willing parties, with neither being required to act; both having reasonable knowledge of the relevant facts. Contributions of services shall only be recognized if the services a) create or enhance nonfinancial assets or b) require specialized skills that are provided by individuals possessing those skills and would typically need to be purchased if not donated. The fair value of licensing and advertising contributions are determined using the market, programming cost, or licensing pattern approach method. The fair value of in-kind contributions is determined through a documented valuation assessment process that uses both publicly available pricing and valuation experts.

CTP contracts with independent experts with relevant experience and industry expertise to provide fair market valuations for in-kind assets donated by comparing prices for similar items, examining published rate cards and discounts, and conducting local in-market surveys of specialists.

Management uses estimates based on donors' available information to record the fair value of certain in-kind contributions that are still in the valuation assessment process. The recorded fair value of such an in-kind contribution is subject to change in a subsequent fiscal year upon completion of the valuation process. The change in fair value is recorded as an adjustment to the allowance in the fiscal year in which the fair value has been established. The allowance for fiscal years 2023 and 2022 is discussed in note 2(g).

CTP capitalizes in-kind assets until the benefit of such contributions has been utilized, since in-kind assets generally provide future benefits through the performance periods. In-kind assets are expensed as used and, as such, an in-kind asset balance will remain in any given fiscal year end for media that is scheduled to be used in future fiscal periods. During the fiscal years ending September 30, 2023 and 2022, \$50,159,446 and \$17,066,343 of in-kind assets were utilized in marketing programs, respectively. No in-kind assets were monetized.

THE CORPORATION FOR TRAVEL PROMOTION, dba BRAND USA

Notes to Financial Statements

September 30, 2023 and 2022

During the fiscal year ending September 30, 2023, CTP and an unrelated third party (the "Company") mutually agreed to renegotiate the terms of their existing multi-year sponsorship agreement. This agreement, originally signed in 2019, was for the Company to be the sole sponsor of CTP's film "Into America's Wild." The initial agreement included both cash and non-cash contributions from the Company. While all cash contributions were received, the non-cash assets were not collected due to unforeseen circumstances, primarily the COVID-19 pandemic. As a result of this renegotiation and the non-receipt of the original non-cash assets, CTP has recorded a loss on in-kind contribution assets \$4,682,638. This loss is reflected in the net assets with donor restrictions category in the accompanying statement of activities for the year ended September 30, 2023.

(g) In-Kind Assets Allowance

CTP has recorded a valuation allowance for in-kind assets in the amount of \$692,443 and \$1,211,180, respectively, as of September 30, 2023, and 2022. The valuation allowance is estimated based on the average annual percent reduction between the donor's stated value and the final stated fair market value of all donations received and valued during the period. This allowance may be adjusted by final third-party evaluations and directly reduces in-kind contribution revenue.

(h) Investments

Investments are carried at their estimated fair value. Interest and dividends earned on investments are also included in 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's investments consist of certificates of deposit (CDs), corporate bonds, and US Treasury bonds. During fiscal year 2023, CTP reclassified its U.S. Treasury bonds holdings into its own category. In the prior year, U.S. Treasury bonds were included within corporate bonds. The CDs and 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 capital preservation as the highest priority and ensuring adequate liquidity. The return is tertiary to preservation of capital and meeting liquidity needs. Given the parameters outlined 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 the average of all fixed income securities exceed three years in duration.

(i) Fair Value Measurements of Financial Instruments

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

THE CORPORATION FOR TRAVEL PROMOTION, dba BRAND USA

Notes to Financial Statements

September 30, 2023 and 2022

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.

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.

(j) Leases

Accounting for Leases as a Lessee

For CTP's operating leases, an assessment is performed to determine if an arrangement is a lease at inception. Right-of-use ("ROU") assets represent CTP's right to use an underlying asset for the lease term, and lease liabilities represent the organization's obligation to make lease payments arising from the lease. Operating lease ROU assets and lease liabilities are recognized at the lease commencement date based on the present value of lease payments over the lease term. The ROU asset also includes any prepaid lease payments made, less incentives. Lease expense is recognized on a straight-line basis over the lease term. As the information necessary to determine the rate implicit in CTP's leases is not readily available, CTP elected to apply the private company practical expedient which permits a private entity lessee to use a risk-free discount rate. CTP elected to use a 10 year Treasury borrowing risk free rate which aligns with the lease term.

THE CORPORATION FOR TRAVEL PROMOTION, dba BRAND USA

Notes to Financial Statements

September 30, 2023 and 2022

CTP has elected, as an accounting policy for its leases of real estate, to account for lease and non-lease components in a contract as a single lease component. In addition, the recognition requirements are not applied to leases with a term of 12 months or less. Rather, the lease payments for short-term leases are recognized on the statement of activities on a straight-line basis over the lease term. As of September 30, 2023, CTP had no leases with a term of 12 months or less.

Accounting for Leases as a Lessor

CTP subleases certain office space to a tenant. Lease payments due to the CTP are generally fixed and paid over the term of the lease. The lease provided by the CTP, does not contain any renewal periods, variable payments that are based on an index or rate, or residual value guarantees or purchase options. Rent income is included in trade show and other revenue on the statement of financial activities.

(k) Property and Equipment

Property and equipment are 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 support without donor restriction 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. The estimated useful lives of furniture is 5 to 15 years. The estimated useful life for computer equipment is 3 to 8 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 statements of activities and changes in net assets for the period.

(l) 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, 2023 and 2022.

(m) Definite-Lived Intangible Assets

Definite-Lived Intangible assets are stated at fair market value at the date of purchase or 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 statements of activities and changes in net assets for the period.

THE CORPORATION FOR TRAVEL PROMOTION, dba BRAND USA

Notes to Financial Statements

September 30, 2023 and 2022

(n) Net Asset Presentation

CTP classifies resources into two net asset categories according to externally imposed restrictions:

Net assets with donor restrictions are comprised of partner contributions, sponsorships, and in-kind contributions with future economic benefit; and 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 investments of the funds. As of September 30, 2023, and 2022, CTP had no gifts with donor restrictions or that were required to be permanently retained.

Net assets without donor restrictions are all the remaining assets of CTP, including those derived from revenues of project activities, in-kind contributions, government grants, and unrestricted donations and pledges. In-kind contributions consist of donated advertising and marketing campaigns, which are scheduled to benefit CTP in future periods. Net assets without donor restrictions may be, in part, limited as to use by contractual agreements with outside parties.

When a time restriction ends, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities and changes in net assets as net assets released from restrictions.

(o) Travel Promotion Fund Proceeds

CTP has the right to receive travel promotion funds (earmarked by the Department of Commerce) upon submission of qualified matching contributions. Such funds are recorded as accounts receivable upon submission to the Department of Commerce and recognized in the statements of activities as travel promotion fund proceeds. Management has determined that matching funds are an unconditional promise to give and therefore revenue recognition occurs at submission. Matching funds submitted that exceed the allowable amount in a given year can be carried forward and applied against a future year. It is expected that the full amount of the matching fund receivable of \$90,363,009 will be collected in fiscal year 2024.

For the fiscal years 2023 and 2022, CTP collected matching funds from the Department of Commerce amounting to \$100,000,000 and \$26,000,000, respectively. In fiscal year 2023, CTP was able to submit matching funds for the maximum amount of \$100,000,000. In fiscal year 2022, due to the impact of COVID-19 and the consequential decrease in partner contributions to CTP, CTP was only able to submit matching funds of \$13,000,000.

(p) Congressional Relief Fund Proceeds

The Restoring Brand USA Act requires the Department of the Treasury to make \$250,000,000 available for the CTP. In fiscal year 2022, upon passage of the Restoring Brand USA Act, CTP received and recognized \$200,000,000 as an unconditional promise to give. CTP did not recognize revenue for the remaining \$50,000,000, until the barriers on which they depend were substantially met (i.e. submission of matching funds). In fiscal year 2023, CTP recognized as revenue \$20,764,550, when federal relief matching funds were submitted. The remaining \$29,235,450 will be collected in the coming years once the matching requirements are met.

THE CORPORATION FOR TRAVEL PROMOTION, dba BRAND USA

Notes to Financial Statements

September 30, 2023 and 2022

(q) Partner Contributions

Partner contributions are recognized in the year of commitment as unconditional promises to give and are classified as with donor restriction or without donor restriction, based on donor intention and time restrictions.

(r) Functional Expenses

The costs of providing the program services and general and administrative activities have been summarized on a functional basis in the statements of activities. 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 services 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 significant fundraising expenses.

(s) Income Taxes

CTP is exempt from federal income taxes under Section 501(c)(6) of the Internal Revenue Code (the Code) except for taxes on unrelated business income. Contributions to CTP are not tax deductible by donors under Section 170(c)(2) of the Code. CTP's accounting policy for evaluating uncertain tax positions is to recognize tax positions if the position would "more likely than not" be ultimately sustained. The amount recognized is the largest amount of tax benefit that is greater than 50% likely of being realized. For tax positions not meeting the "more likely than not" test, no tax benefit is recorded. CTP does not include any uncertain tax positions.

(t) 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, 2023 and 2022, approximately 88% and 64% of accounts receivable came from one grantor.

For fiscal years 2023 and 2022, approximately 43% and 100% of in-kind contributions came from three donors.

For fiscal years 2023 and 2022, approximately 42% and 42% of cash contributions came from three donors.

(u) Related Parties

For 2023 and 2022, \$1,900,000 and \$3,671,000, respectively, of partner contributions came from organizations affiliated with members of the Board of Directors.

THE CORPORATION FOR TRAVEL PROMOTION, dba BRAND USA

Notes to Financial Statements

September 30, 2023 and 2022

(v) 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.

(w) Subsequent Events

CTP has evaluated subsequent events through February 28, 2024, which is the date the financial statements were available to be issued as approved by management.

(3) Investments

The following table summarizes CTP's investment returns for the years ended September 30, 2023 and 2022:

	<u>2023</u>	<u>2022</u>
Interest income	\$ 8,343,650	2,302,072
Realized gain (loss)	90,231	(312,136)
Unrealized gain (loss)	<u>2,456,823</u>	<u>(5,272,980)</u>
Net investment return	<u>\$ 10,890,704</u>	<u>(3,283,044)</u>

The following table summarizes CTP's investments by asset class for the years ended September 30, 2023 and 2022:

	<u>2023</u>		<u>2022</u>	
	<u>Cost</u>	<u>Fair value</u>	<u>Cost</u>	<u>Fair value</u>
Certificates of deposit	\$ 2,103,109	1,968,978	6,784,220	6,467,398
US Treasury bonds	10,064,844	10,099,069	38,044,333	37,831,049
Corporate bonds	<u>210,129,963</u>	<u>207,385,008</u>	<u>251,533,023</u>	<u>246,761,445</u>
Total investments	<u>\$ 222,297,916</u>	<u>219,453,055</u>	<u>296,361,576</u>	<u>291,059,892</u>

THE CORPORATION FOR TRAVEL PROMOTION, dba BRAND USA

Notes to Financial Statements

September 30, 2023 and 2022

(4) Fair Value Measurements of Financial Instruments

The following table presents information about CTP's financial instruments measured at fair value on a recurring basis as of September 30, 2023 and 2022:

		2023			
		<u>Fair value</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Certificates of deposit	\$	1,968,978	—	1,968,978	—
US Treasury bonds		10,099,069	10,099,069	—	—
Corporate bonds		207,385,008	—	207,385,008	—
	\$	<u>219,453,055</u>	<u>10,099,069</u>	<u>209,353,986</u>	<u>—</u>

		2022			
		<u>Fair value</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Certificates of deposit	\$	6,467,398	—	6,467,398	—
US Treasury bonds		37,831,049	—	37,831,049	—
Corporate bonds		246,761,445	—	246,761,445	—
	\$	<u>291,059,892</u>	<u>—</u>	<u>291,059,892</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.

During fiscal year 2023, CTP reclassified its US Treasury bonds holdings into its own category. The fair values for US Treasury bonds are based on unadjusted quoted market prices in active markets and are classified as level 1. In prior years, US Treasury bonds were included with corporate bonds and were classified as level 2.

(5) Property and Equipment

Property and equipment consist of the following at September 30, 2023 and 2022:

	<u>Cost basis</u>	<u>Accumulated depreciation</u>	<u>Net book value</u>
September 30, 2023:			
Furniture	\$ 1,897,893	(1,087,451)	810,442
Computer equipment	307,153	(272,163)	34,990
Leasehold improvements	1,553,378	(1,474,346)	79,032
Leasehold improvements – work in progress	215,081	—	215,081
	<u>\$ 3,973,505</u>	<u>(2,833,960)</u>	<u>1,139,545</u>

THE CORPORATION FOR TRAVEL PROMOTION, dba BRAND USA

Notes to Financial Statements

September 30, 2023 and 2022

	<u>Cost basis</u>	<u>Accumulated depreciation</u>	<u>Net book value</u>
September 30, 2022:			
Furniture	\$ 1,870,192	(646,200)	1,223,992
Computer equipment	262,955	(262,955)	—
Leasehold improvements	1,553,378	(1,373,045)	180,333
Leasehold improvements – work in progress	<u>12,792</u>	<u>—</u>	<u>12,792</u>
	<u>\$ 3,699,317</u>	<u>(2,282,200)</u>	<u>1,417,117</u>

For 2023 and 2022, depreciation expense of \$583,621 and \$372,719, respectively, is included in general and administrative expense in the statements of activities.

(6) Intangible Assets

Intangible assets consist of the following at September 30, 2023 and 2022:

	<u>Useful life</u>	<u>Cost basis</u>	<u>Accumulated amortization</u>	<u>Net book value</u>
September 30, 2023:				
Website	3 years	\$ 29,562,678	(28,558,214)	1,004,464
Website development	N/A	649,129	—	649,129
License	3 years	878,382	(878,382)	—
Brand name	Indefinite	<u>3,400,000</u>	<u>—</u>	<u>3,400,000</u>
		<u>\$ 34,490,189</u>	<u>(29,436,596)</u>	<u>5,053,593</u>
September 30, 2022:				
Website	3 years	\$ 29,168,146	(27,582,745)	1,585,401
License	3 years	878,382	(878,382)	—
Brand name	Indefinite	<u>3,400,000</u>	<u>—</u>	<u>3,400,000</u>
		<u>\$ 33,446,528</u>	<u>(28,461,127)</u>	<u>4,985,401</u>

In 2012, 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

THE CORPORATION FOR TRAVEL PROMOTION, dba BRAND USA

Notes to Financial Statements

September 30, 2023 and 2022

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 fiscal year 2023 and 2022, CTP capitalized \$1,043,661 and \$1,380,578, respectively, of new website development costs. During fiscal year 2023 and 2022, CTP recognized \$975,469 and \$1,366,963, respectively, of amortization expense, included in general and administrative expense in the statements of activities. Future amortization, including amortization of additional website development costs and software license costs, is expected to be \$640,501, \$271,200, and \$92,763 for fiscal year 2024, 2025, and 2026, respectively.

(7) Leases

CTP has an operating lease for its office that expires in December 2025. Minimum rental payments under the lease are recognized on a straight-line basis over the term of the lease, including any periods of free rent. There are no options to extend or terminate the lease and CTP does not recognize options as part of the ROU asset and liability.

Total rent expense for the lease for the years ended September 30, 2023 and 2022 totaled \$1,172,831 and \$1,168,367, respectively.

As of September 30, 2023, CTP weighted average remaining lease term was 2.25 years and the weighted average discount rate was 2.13%. The maturities of operating lease liabilities were as follows:

September 30, 2023:		
2024	\$	1,456,774
2025		1,493,162
2026		<u>286,316</u>
Total lease payments		3,236,252
Less imputed interest		<u>(144,013)</u>
Total lease liability	\$	<u>3,092,239</u>

(a) Sublease

In the fiscal year 2023, CTP entered into an operating sublease for its office space, set to expire in December 2025. The lease's rental revenue is recognized on a straight-line basis throughout the lease term, inclusive of the initial free rent periods of six months. As of the fiscal year ended September 30, 2023, a deferred rental revenue asset totaling \$67,032 has been recorded. The gross rental revenue for this period amounted to \$112,032 and is reported within trade show and other revenue. The intent of the lease is to utilize unused space at CTP and it is not considered a revenue generating activity. The rental expense covers CTP's lease expense with minimal net profit.

THE CORPORATION FOR TRAVEL PROMOTION, dba BRAND USA

Notes to Financial Statements

September 30, 2023 and 2022

Future undiscounted lease payments due to the CTP on operating leases are as follows:

Fiscal year ended September 30:	
2024	\$ 180,000
2025	180,000
2026	<u>34,000</u>
	<u>\$ 394,000</u>

(8) Commitments and Contingencies

(a) Paycheck Protection Program

On March 17, 2021 CTP was granted a loan under the Paycheck Protection Program (PPP) administered by a Small Business Administration (SBA) approved financial institution. In November 2021 the loan was forgiven and CTP recorded \$1,545,157 as contribution revenue in fiscal year 2022.

(b) 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.

(c) Employment Agreement

CTP has an employment agreement with a certain officer of the organization. The agreement provides for annual compensation and benefit amounts. In the event of termination of employment without cause, in addition to receipt of base pay through the termination date, the officer is 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.

(d) U.S. Travel Association Agreement

CTP, with the U.S. Travel Association, was the premier sponsor of the IPW Conference (the Conference) for five years from 2016 through 2020. The contract was later extended an additional four years through 2024. The Conference is a travel industry trade event that has been occurring annually for approximately 45 years. In accordance with the sponsorship agreement, CTP made an initial annual payment of \$1,300,000 million in fiscal year 2016, with payments increasing by \$50,000 in each subsequent fiscal year through fiscal year 2020 and by 2.5% each subsequent year through 2024. For the fiscal years ended September 30, 2023 and 2022, CTP made annual payments of \$1,615,336 and \$1,575,938 respectively.

THE CORPORATION FOR TRAVEL PROMOTION, dba BRAND USA

Notes to Financial Statements

September 30, 2023 and 2022

(e) CARES Act

On March 27, 2020, the Coronavirus, Aid, Relief and Economic Security Act (CARES Act) was enacted in response to the COVID-19 pandemic. The CARES Act permitted the deferral of the deposit of the employer's portion of Social Security taxes from the CARES Act enactment date through December 31, 2020. 50% of the deferred deposit of the employer's portion of Social Security taxes was remitted to the IRS by December 31, 2021 and the remaining 50% was remitted to the IRS by December 31, 2022. As of September 30, 2023, CTP had no tax deferral liability, and as of September 30, 2022, CTP had a tax deferral liability of \$109,950.

(f) Litigation and Other Matters

There are no claims and legal proceedings generally incidental to the normal course of business are pending or threatened against CTP.

IN-KIND CONTRIBUTIONS



CUSTER STATE PARK, SOUTH DAKOTA

IN-KIND CONTRIBUTIONS

IN-KIND CONTRIBUTOR	DESCRIPTION	AMOUNT*
AA/BA	Airline tickets to support Familiarization Tours	\$ 308,722
BBC	Global TV and Digital Advertising	\$ 12,896,856
Mafengwo	China Digital Advertising	\$ 451,548
Samsung	Global Connected TV Advertising	\$ 1,000,000
Telegraph	U.K. Digital and Print Advertising	\$ 1,597,767
Televisa	Mexico Digital and TV Advertising	\$ 2,548,045
Euronews	Global TV and Digital Advertising	\$ 9,578,880
Outfront	Canada Out-of-Home Advertising	\$ 260,316
Channel 4	U.K. TV and Video-on-Demand Advertising	\$ 13,643,893
LG/Alphonso	Global Connected TV Advertising	\$ 10,074,257
ITV	U.K. TV Advertising	\$ 12,621,800
Total		\$ 64,982,084

* 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 48 of this report) due to the difference between the revenue recognition policy and matching fund submissions, of which timing plays a major role. 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. Consistent with the Cash and In-kind Policies and Guidelines maintained by the U.S. Department of Commerce, advertising contributions are matched after a review and evaluation by a third-party media auditor with experience in the market and media.



KENNEDY SPACE CENTER, FLORIDA



BRAND USA
LEADERSHIP
AND
BOARD OF
DIRECTORS

ST. PAUL, MINNESOTA

ANNUAL REPORT
**BRAND USA
LEADERSHIP**



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PRESIDENT AND
CHIEF EXECUTIVE
OFFICER



STACI MELLMAN
CHIEF MARKETING OFFICER



DONALD RICHARDSON, CPA
CHIEF FINANCIAL OFFICER AND CHIEF
DIVERSITY AND INCLUSION OFFICER



AARON WODIN-SCHWARTZ
CHIEF CORPORATE
AFFAIRS OFFICER



JAKE CONTE
SENIOR VICE PRESIDENT,
GENERAL COUNSEL



CASSADY BAILEY
VICE PRESIDENT, PARTNER
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VICE PRESIDENT,
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JESSIE NEWCOMB, CPA
VICE PRESIDENT,
FINANCE AND ACCOUNTING



BRIAN WATKINS
VICE PRESIDENT, TECHNOLOGY

BRAND USA 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 U.S. Secretary of State and the U.S. Secretary of Homeland Security. As required by the amended Travel Promotion Act, 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.

Members of the board have leadership expertise in specific sectors of the travel industry including: hotel accommodations; restaurant or food service; small business or retail; travel distribution services; attractions or recreation; state-level tourism offices; city-level convention

and visitor bureaus; commercial or private 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.

As provided for in its charter, the Governance and Nominating Committee makes recommendations to the board for committee member appointments and selection of the board leadership, including the chair, vice chairs, secretary, and treasurer. In accordance with the above, at the time of publication, the following business leaders serve on the Board of Directors for Brand USA.



TODD DAVIDSON
CHAIR,
CHIEF EXECUTIVE OFFICER,
TRAVEL OREGON



DONALD MOORE
VICE CHAIR,
SENIOR VICE PRESIDENT,
BUSINESS RENTAL SALES &
GLOBAL CORPORATE ACCOUNTS
ENTERPRISE HOLDINGS INC.



ELLIOTT FERGUSON
TREASURER,
PRESIDENT AND
CHIEF EXECUTIVE OFFICER,
DESTINATION DC



ALLEN ORR
SECRETARY,
FOUNDER,
ORR IMMIGRATION LAW FIRM



LAUREN BAILEY
CHIEF EXECUTIVE OFFICER
AND CO-FOUNDER,
UPWARD PROJECTS



KRISTEN ESPOSITO
PRINCIPAL,
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CHIEF EXECUTIVE OFFICER,
HYATT HOTELS CORPORATION



MIKE MANGEOT
COMMISSIONER,
KENTUCKY DEPARTMENT
OF TOURISM



TIM MAPES
SENIOR VICE PRESIDENT AND
CHIEF MARKETING & COMMUNICATIONS
OFFICER, DELTA AIR LINES, INC.



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