



ANNUAL REPORT

October 1, 2016 to September 30, 2017



BRAND USA FISCAL YEAR 2017



ABOUT THIS REPORT

In compliance with the Travel Promotion Act, Brand USA submits this report for Fiscal Year 2017 (FY2017) to the Secretary of Commerce to transmit to Congress as an update on the organization's progress, activities, financial condition, and accomplishments for the period October 1, 2016 to September 30, 2017.

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

Established by the Travel Promotion Act of 2009 as the nation's first public-private partnership to spearhead a globally coordinated marketing effort to promote the United States as a premier travel destination and communicate U.S. visa and entry policies, Brand USA began operations in May 2011.

As one of the best levers for driving economic growth, international travel to the United States currently supports 1.2 million American jobs* and benefits virtually every sector of the U.S. economy. Since its founding, Brand USA has worked in close partnership with more than 800 partner organizations to invite the world to explore the exceptional, diverse, and virtually limitless travel experiences and destinations available in the United States of America.

According to studies by Oxford Economics, over the past five years Brand USA's marketing initiatives have helped welcome 5.4 million incremental visitors to the USA, benefiting the U.S. economy with \$38.4 billion in total economic impact, and supporting, on average, more than 51,000 incremental jobs each year.

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

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

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

**Source: U.S. Department of Commerce*

STATEMENT OF PURPOSE

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

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

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

Build and Maintain Trust

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

Create Innovative Marketing

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

Add and Create Value

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

Market the Welcome

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

Drive Results

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

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



LETTER FROM THE CHAIR OF THE BOARD



BRAND USA IS WELL-EQUIPPED TO HELP THE UNITED STATES OVERCOME THESE CHALLENGES. THE ORGANIZATION CONTINUES TO CREATE EXCITING PROGRAMS AND CAMPAIGNS THAT INSPIRE PEOPLE FROM ACROSS THE GLOBE TO ENJOY THE UNIQUE USA EXPERIENCES THAT ONE CAN ONLY ENJOY IN OUR FIFTY STATES, FIVE TERRITORIES, AND THE DISTRICT OF COLUMBIA.

The United States travel and tourism industry is a critical component of our country's economy and impacts every corner of the nation. According to data collected by the U.S. Department of Commerce, in 2016, domestic and international travel and tourism output accounted for 2.7 percent of gross domestic product and generated over \$1.5 trillion in economic output. The travel and tourism industry helped support 7.6 million jobs in the United States. This translates to one out of every 18 Americans being employed, directly and indirectly, in a job related to travel and tourism.

The portion of the data tied to international visitation to the United States is equally impressive. In 2016, the latest year for which we have complete, preliminary data, travel and tourism exports accounted for 11 percent of all U.S. exports and 33 percent of all services exports, making the industry the country's largest services export. International visitors spent \$244.7 billion dollars in 2016, leading to an \$83.9 billion trade surplus. Economists at the Department of Commerce forecast that international travel to the United States should increase by about three percent each year, for the next five years – which should add to the already remarkable economic and employment numbers. Brand USA is committed to fostering this growth.

Although the United States ranks first in the world in international travel and tourism exports, the country faces a host of unique challenges to maintain these figures and position ourselves to increase them. These challenges include the continued relative strength of the U.S. dollar, which directly impacts arrivals and spend and also decreases competitive position vis-à-vis developing countries with relatively weaker exchange rates. Additionally, much of the growth in the global travel market comes from specific Asian and European countries where a disproportionate percentage of outbound travelers naturally visit closer destinations compared with long-haul trips to North America. Finally, the United States and many of our key source markets are, or recently have been, in periods of political transition, which can lead to delays in individual travel decisions.

Brand USA is well equipped to help the United States overcome these challenges. The organization continues to create exciting programs and campaigns that inspire people from across the globe to enjoy the unique USA experiences one can only enjoy in our 50 states, five territories, and the District of Columbia. Brand USA's marketing and communications remind audiences that travel transcends politics and that the USA is as amazing a destination as ever.

While this is my first year serving as chair of Brand USA's board of directors, I have been a member of the board since 2013. Over these last few years, I have witnessed first-hand the growth of an organization of unbridled talent with a spirit of resourcefulness and ingenuity that is second to none. These qualities manifest themselves in a high return on investment, and this Brand USA FY2017 annual report serves as a testament to these demonstrable results. This report also serves as a marker of the proven track record of an organization that is poised to overcome the collective challenges we face in order to encourage travel to the USA, strengthen the economy, and support jobs across the United States.

Brand USA will continue its success as the destination marketing organization for the United States by continuously optimizing its global deployment and creatively showcasing our nation's incredible people, places and experiences.



Barbara Richardson
Chair of the Board
Brand USA

May 15, 2018



LETTER FROM THE PRESIDENT & CEO



WE CONTINUED TO OPTIMIZE OUR COOPERATIVE MARKETING PLATFORM—PROVIDING OPPORTUNITIES FOR PARTNERS OF ALL SHAPES AND SIZES TO PARTICIPATE AND PROMOTE TRAVEL EXPERIENCES TO, THROUGH, AND BEYOND THE GATEWAYS. BRAND USA INCREASED ITS PARTNERSHIP NETWORK BY 20 PERCENT IN FY2017 AND HAS NOW PROUDLY PARTNERED WITH 851 ORGANIZATIONS SINCE OUR FOUNDING.

Brand USA's Annual Report to Congress covering fiscal year 2017 (FY2017) finds the organization had a successful year offering exciting new programs, adding and creating value for partners, and inspiring the world with groundbreaking content.

Now in our eighth year of operation, we're building on success by expanding and enhancing our international marketing efforts, which include consumer-focused USA campaigns, cooperative marketing, travel-trade outreach, media/public relations initiatives, and federal partner collaboration — all of which deliver a welcoming message to international travelers to visit the USA.

While we await final travel figures for 2017 from the U.S. Department of Commerce, the preliminary data for 2016 show nearly 76 million international visitors came to our country and spent just under \$245 billion. These are near record highs from 2015, and we are also aware that the official travel statistics are under review for 2016 and 2017 for anomalies in the data. We expect when the new figures are released they will likely be revised upward, which is reflective of the strong affinity people around the world have for the USA as a travel destination.

Even as we await the official Department of Commerce figures, it is already possible to calculate the impact that Brand USA had on the tourism economy. The latest study on the topic from Oxford Economics demonstrates the strong results Brand USA once again achieved in collaboration with partners in all sectors of the travel and tourism industry and beyond. The study reveals that over the past five years, Brand USA generated:

- 5.4 million incremental visitors
- \$17.7 billion in incremental spend
- \$38.4 billion in total economic impact
- \$5 billion in federal, state, and local taxes
- More than 51,000 incremental jobs supported each year
- A return to the U.S. economy of an average of \$27 for each \$1 spent on marketing activities.

During FY2017, the USA campaigns continued to create broad-based awareness and inspire travel to the United States through macro-level promotion and advertising messages via broadcast, digital and social media platforms, as well as high-profile global marketing/storytelling initiatives, such as the continued success of our first giant-screen film, "National Parks Adventure." Of note, we launched the "See How Far You Can Go" campaign, a "social-first" storytelling approach, in 14 markets and generated 6.5 billion impressions, including influencer campaigns in four markets that garnered more than 3 million views with strong positive sentiment.

We continued to optimize our cooperative marketing platform—providing opportunities for partners of all shapes and sizes to participate and promote travel experiences to, through, and beyond the gateways. Brand USA increased its partnership network by 20 percent in FY2017 and has now proudly partnered with 851 organizations since our founding. The fiscal year saw the introduction of several new value-add programs for Brand USA partners, including: opportunities to engage in multiple, influential Chinese travel platforms; Facebook Collection with Canvas Co-op provides turnkey solutions; and six video vignettes on BBC promoting music in the USA.

Our global trade development team and expansive network of international representatives continued to work effectively with Visit USA committees, tour operator advisory boards, and other key in-market stakeholders. Key engagements included trade shows, sales missions, road shows, and themed events; MegaFams and other familiarization tour opportunities; training initiatives, and a new focus on product development.

Finally, we continued to work with our federal partners on several key initiatives, including partnering with the National Travel and Tourism Office at the U.S. Department of Commerce on the U.S.-India Travel and Tourism Partnership Year. To extend America’s hospitality overseas, we expanded the Market the Welcome program to U.S. embassies and consulates in Tokyo, Shanghai, New Delhi, Mumbai, Hyderabad, Kolkata, and Chennai, among others. We also created a marketing toolkit with digital assets and other promotional materials for use by U.S. diplomatic personnel.

Brand USA is committed to communicating accurate and timely travel policy as an important component of inviting and welcoming international visitors. We recognize that as the United States contemplates border security to protect its citizens, it also protects the safety of more than 75 million visitors from around the world each year. When a change in travel policy occurs, Brand USA’s role is to communicate that information in tandem with our ongoing efforts to promote our country’s diverse destinations and nearly limitless travel experiences. Therefore, during the year we communicated updates to visa and entry policy—clarifying and correcting misperceptions as needed about policies and helping relevant officials at the Department of Homeland Security and the Department of State link directly with international travel trade, media, and visitors, and vice versa.

When Brand USA drives international demand for travel experiences in all 50 states, five territories, and the District of Columbia, it leads to economic growth, job creation, and tax receipts in communities of all shapes and sizes—all while bringing the people of the world closer to American culture and traditions. We strongly believe travel transcends politics and the reasons people have always wanted to visit the United States are as true today as they have always been. We are confident our innovative marketing efforts combined with what makes the USA unique – the destinations, the experiences, and the people – will continue to generate strong results for years to come.

Together, we are marketing the USA!



Christopher L. Thompson
President & CEO
Brand USA

May 15, 2018



HOW WE MARKET THE USA

HOW WE MARKET THE USA

Brand USA deploys a number of market-driven platforms and programs to increase inbound visitor travel to the United States and drive tourism dollars to communities in all 50 states, the five territories, and the District of Columbia.

During FY2017, these ongoing programs included the USA campaigns, cooperative marketing opportunities, trade outreach initiatives, and media/public relations that, in total, promoted the United States in its entirety and added and created value for our partners.

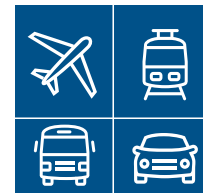
We also collaborated closely with our federal partners, led by the Department of Commerce, to support high-level efforts to achieve the primary goal of the National Travel & Tourism Strategy of welcoming 100 million annual international travelers to the USA by 2021.



USA Campaigns



Partner Marketing Programs



Trade Outreach



Virginia Beach, Virginia

THE USA CAMPAIGNS

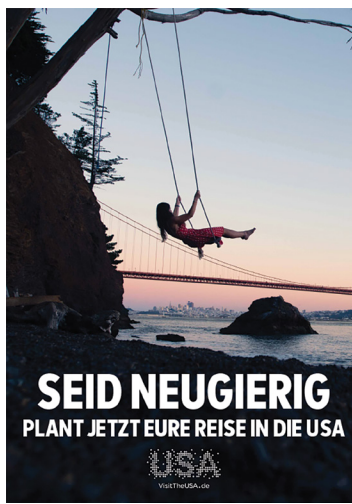
(Direct to Consumer)

The USA Campaigns, which include any combination of macro-level promotion and advertising messages via broadcast, out-of-home, print, online video, search, display, and digital/social marketing channels, have been fundamental to Brand USA's ability to create broad-based awareness and inspire travel to the United States.

Notably, the USA Campaigns also include high-profile global marketing initiatives, such as cinematic film production. As part of this large-scale strategy, during FY2017, Brand USA continued to leverage its award-winning film, "America Wild: National Parks Adventure," celebrating the centennial of the U.S. national parks. The film and trailer, with title sponsorships from Expedia, Inc.; Subaru of America, Inc.; and REI were part of an overarching marketing effort to promote the United States' great outdoors and reached more than 59 million viewers through its release in more than 100 IMAX® and other giant-screen format theaters during the year, as well as via streaming in China via the Youku video platform.

Broadcast

The creative featured in our campaign advertisements is informed by consumer research and enhanced by learnings from consumer testing in target markets. In addition to the tangible results these campaigns deliver, they provide opportunities for our partners to reach international travelers through cooperative marketing opportunities.



"See How Far You Can Go" campaign print advertisements for Canada, Germany, and Australia markets.

Out-of-Home

Out-of-home advertising, which includes signage (print and digital), video, billboards, and other public/on-location advertising, is utilized in select markets to reach international travelers when they are in active, public places. These include, but are not limited to, public transportation and transit (subway, taxi, bus, highway, etc.) and commercial locations (city centers, retail venues, cinema, etc.).

Print

Through print advertisements and advertorials featuring vibrant imagery, inviting messaging, and clear calls to action, Brand USA inspires travelers to visit the USA.

Digital Marketing/Social Media

Brand USA employs digital and social media marketing strategies to inspire, engage, and activate international travelers to visit the United States during the year through:

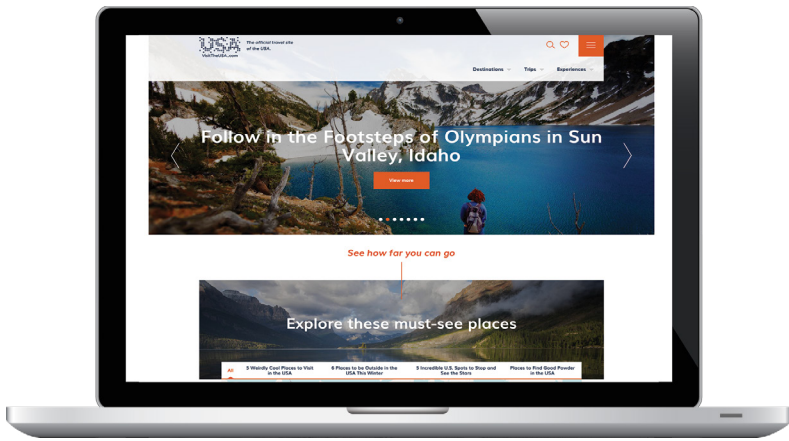
- Proprietary website platforms
- Social media channels
- Global digital marketing and social campaigns
- Influencer marketing
- Targeted advertising

Proprietary Consumer Website Platforms

Brand USA has two online consumer identities in the marketplace:

- VisitTheUSA (VisitTheUSA.com), which is active in most markets where Brand USA markets the United States to international travelers
- GoUSA, which is active in Asian markets, including China and Hong Kong (GoUSA.cn), Taiwan (GoUSA.tw), India (GoUSA.in), Japan (GoUSA.jp), and South Korea (GoUSA.or.kr)

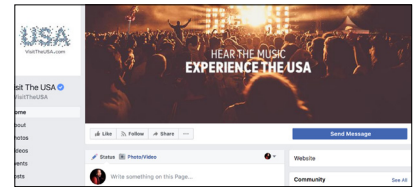
Together, the VisitTheUSA and GoUSA website platforms are the consumer-facing online identities international travelers associate with travel to the United States.



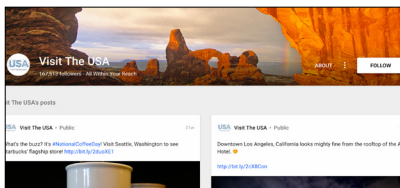
 VisitTheUSA.com



 Twitter



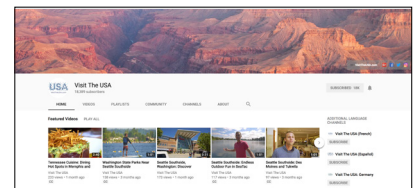
 Facebook



 Google+



 Instagram



 YouTube

During FY2017, Brand USA launched 15 new consumer websites, in eight languages to better engage international travelers. The VisitTheUSA.com websites now feature interactive maps; personalization for returning visitors; seasonal weather information; and a fun “choose your adventure” game. In addition, content integration was shifted for better flow; modular construction was added to make it easier to adjust content based on performance; and immersive templates were incorporated to simplify the building of new pages.

The new VisitTheUSA.com websites are responsive for mobile phones and tablets, which is how more than half the globe now views content. In addition, the sites are geo-targeted and accelerated for speed through a content delivery network, so each of the target countries receives the proper language.

In the process of rebuilding our website ecosystem, Brand USA reimagined content to better connect with potential travelers by creating articles that tap into passion points, updating storytelling videos, and making key information easier to find.

Social Media Channels

In addition to the global and in-market VisitTheUSA and GoUSA proprietary websites, Brand USA leverages related social media accounts in consumer-facing content and communications. Each market where Brand USA has a fully developed marketing presence has a dedicated, in-language website and set of social channels, which Brand USA uses to reach consumers in those target markets.

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

- Website: VisitTheUSA.com
- Twitter: @VisitTheUSA
- Facebook: Facebook.com/VisitTheUSA
- YouTube: YouTube.com/VisitTheUSA
- Instagram: VisitTheUSA
- Google+: Google.com/+VisitTheUSA

The following campaign hashtags support global and thematic promotions and initiatives:

- Global: #VisitTheUSA
- Flavors/Culinary: #TasteUSA
- Road Trips: #RoadTripUSA
- Great Outdoors: #OutdoorsUSA
- Market the Welcome: #USAWelcome

In addition to leveraging these global channels, Brand USA currently has localized social media efforts in the following markets via the channels shown in Chart 1.

CHART 1

Digital Channels

MARKET	URL	LOCAL TAGLINE	FACEBOOK	TWITTER	HASHTAG	INSTAGRAM	YOUTUBE
Australia	VisitTheUSA.com.au	Plan Your USA Trip Now	facebook.com/VisitTheUSAau	@VisitTheUSA	#VisitTheUSA	VisitTheUSA	YouTube.com/VisitTheUSA
Brazil	VisiteosUSA.com.br	Planeje Sua Viagem Aos USA Agora Mesmo	facebook.com/VisiteOsUSA	@VisiteOsUSA	#VisiteOsUSA	VisitTheUSA	YouTube.com/VisiteOsUSA
Canada: English	VisitTheUSA.ca	Plan Your USA Trip Now	facebook.com/VisitTheUSAcA	@VisitTheUSAcA	#VisitTheUSA	VisitTheUSA	YouTube.com/VisitTheUSA
Canada: French	fr.VisitTheUSA.ca	Planifiez Votre Voyage Aux USA Dès Maintenant	facebook.com/VisitTheUSAcA	@VisitTheUSAcA	#VisitTheUSA	VisitTheUSA	YouTube.com/VisitTheUSAfr
Chile	VisitTheUSA.cl	Planifica tu viaje a USA ahora	facebook.com/VisitTheUSAcl	@VisitTheUSAes	#VisitTheUSA	VisitTheUSA	(Spanish) YouTube.com/VisitTheUSAes
China	GoUSA.cn	即刻 定制 您的 USA 旅行 计划	n/a	Sina Weibo (Chinese microblogging site/hybrid of Twitter and Facebook): http://weibo.com/GoUSAcn Youku (YouTube equivalent): http://i.youku.com/gousacn Wechat (Chinese mobile social network for texting, images, music and articles sharing, mobile only): 美国国家旅游局			
Colombia	VisitTheUSA.co	Planifica tu viaje a USA ahora	facebook.com/VisitTheUSAcO	@VisitTheUSAes	#VisitTheUSA	VisitTheUSA	(Spanish) YouTube.com/VisitTheUSAes
France	VisitTheUSA.fr	Préparez Votre Voyage Aux USA Dès Maintenant	facebook.com/VisitTheUSAfr	@VisitTheUSAfr	#VisitTheUSA	VisitTheUSA	YouTube.com/VisitTheUSAfr
Germany	VisitTheUSA.de	Plant Jetzt Eure Reise In Die USA	facebook.com/VisitTheUSAdE	@VisitTheUSA	#VisitTheUSA	VisitTheUSA	YouTube.com/VisitTheUSAdE
India	GoUSA.in	Plan Your USA Trip Now	facebook.com/GoUSAin	@GoUSAin	#VisitTheUSA	VisitTheUSA	YouTube.com/GoUSAin
Japan	GoUSA.jp	今すぐ USAへの旅の計画を	facebook.com/GoUSAjp	@GoUSAjp	アメリカ旅行	VisitTheUSA	YouTube.com/GoUSAjp
Mexico	VisitTheUSA.mx	Planifica Tu Viaje A USA Ahora	facebook.com/VisitTheUSAmx	@VisitTheUSAes	#VisitTheUSA	VisitTheUSA	(Spanish) YouTube.com/VisitTheUSAes
Korea	GoUSA.or.kr	지금 USA 여행을 계획해보세요	facebook.com/GoUSAkr	@GoUSAkr	#미국여행	VisitTheUSA	YouTube.com/GoUSAkr
Sweden	VisitTheUSA.se	Plan Your USA Trip Now	facebook.com/VisitTheUSAse	@VisitTheUSA	#VisitTheUSA	VisitTheUSA	YouTube.com/VisitTheUSA
Taiwan	GoUSA.tw	立即訂製專屬你的美國之旅	facebook.com/VisitTheUSA	@VisitTheUSA	#VisitTheUSA	VisitTheUSA	YouTube.com/VisitTheUSA
United Kingdom	VisitTheUSA.co.uk	Plan Your USA Trip Now	facebook.com/VisitTheUSAuk	@VisitTheUSAuk	#VisitTheUSA	VisitTheUSA	YouTube.com/VisitTheUSA



Saugatuck, Michigan

Global Digital Marketing and Social Campaigns

Throughout the year, the Brand USA consumer team deploys local social media managers in each market to apply their marketing insights to create culturally relevant social media content and campaigns. These custom social campaigns provide localized digital and social presence in 14 international markets, with one global presence in English.

In addition to engaging international travelers through ongoing conversations via social media channels, Brand USA also develops a variety of custom programming, including Great Outdoors, Road Trips, Culinary and a variety of “always on” content to showcase both the iconic and off-the-beaten path locations and points of interest that make the United States an unparalleled vacation destination.

Brand USA supports these initiatives with comprehensive amplification plans, as well as functionality on Brand USA’s VisitTheUSA and GoUSA websites. These platforms move travelers from inspiration to action by providing them the tools to plan and create their own travel itineraries and road trips, access curated playlists inspired by iconic routes, and share their experiences.

Brand USA uses online video as one of the most effective ways to connect with consumers through digital platforms — particularly in the Dream and Consideration phases of the travel lifecycle. By creating and cultivating content on our primary digital channels (proprietary and third party), we are able to increase familiarity and affinity for the USA with consumers in our target markets through significantly enhanced consumer engagement and search engine optimization.



WITH BRAND USA’S
EFFORTS, WE ARE
ABLE TO GET INTO
CHANNELS THAT WE
COULD NOT GET IN ON
OUR OWN. WE LOVE THE
PARTNERSHIP AND WE
LOOK FORWARD TO THAT
PARTNERSHIP GROWING.

—
JOHN H. PERCY, JR.,
PRESIDENT & CEO,
NIAGARA TOURISM
AND CONVENTION
CORPORATION

Cinematic Film Production

Viewership of our "National Parks Adventure" giant-screen film continued to grow in 2017, and by the end of the year had reached almost 60 million views. This expansion included distribution of the movie in additional theaters and showing the trailer on a variety of digital channels and traditional theater screens, as well as streaming the full-movie on the Youku video platform in China.

Following on the success of "National Parks Adventure," we completed production on our second giant-screen film, "America's Musical Journey," for global release in early 2018. The movie uses music as a cultural lens to explore the sights and sounds of iconic music destinations throughout the USA.



Behind the scenes footage and stills from "America's Musical Journey."

COOPERATIVE MARKETING

(Consumer-focused)

Cooperative marketing platforms and programs make up the majority of our marketing efforts and deliver an array of marketing options to increase awareness, visitation, and spend by international travelers. They also provide opportunities in which partners in all shapes and sizes can participate and are an important way we promote travel experiences in the United States to, through, and beyond the gateways. Cooperative marketing programs are built upon the framework of the USA Campaigns, but integrate more specific travel experiences and messages.

Brand USA has two major cooperative marketing categories: Brand USA Originals and Brand USA Affinity Programs.

Brand USA Originals

Brand USA Originals are cooperative marketing programs developed and offered exclusively by Brand USA. They include proprietary programs developed by Brand USA and those created in partnership with influential travel media and major travel and lifestyle brands. Included in these offerings are market-specific programs in which Brand USA connects partners with its in-country experts to ensure cooperative marketing efforts are deployed to effectively reach prospective travelers with messages and calls to action that are timed to make the most impact. Programs are designed for either partner launch or expansion in established and/or emerging markets. The programs are ideal for cities, states, and attractions focusing on specific markets or entering a market for the first time.

Brand USA Affinity Programs

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

During FY2017, Brand USA continued to evolve its cooperative marketing programs by integrating our overall marketing messaging and programs to help potential visitors imagine and create their own travel experience. As part of this effort, we emphasized and leveraged diversity of experiences and proximity (aligned with our USA Campaigns)—showcasing the value that can be experienced in a single trip to the USA.



BRAND USA OFFERS
US OPPORTUNITIES
EVERY YEAR TO REACH
MARKETS MORE BROADLY
THAN WE COULD AFFORD
TO DO ON OUR OWN.
THEIR COOPERATIVE
MARKETING PROGRAMS
PROVIDE VALUE THAT
HELPS OUR MARKETING
DOLLARS GO FURTHER
AND ALLOWS US
TO REACH MORE
POTENTIAL VISITORS.

—
JAYNE BUCK,
VICE PRESIDENT
OF TOURISM,
VISIT DENVER



Brand USA President & CEO Chris Thompson speaks at ESTO in Minneapolis.

This messaging was included in our popular inspiration guides (Travel USA) and related multi-channel programs, plus our cooperative program (USA Everywhere) with Thomas Cook. These two programs represent two of our longest-running and most successful cooperative marketing programs. In fact, Thomas Cook estimates the USA Everywhere program has helped generate more than 750,000 incremental passengers to the USA since 2013, not including sales by third parties in Thomas Cook retail stores or any third-party uplift.

TRADE OUTREACH AND TRAINING (B2B Marketing and Education)

Brand USA currently works with an expansive network of international representatives, Visit USA committees, tour operator advisory boards, and U.S. Commercial Service teams around the globe to support participation in numerous trade activities, including:

- Trade shows
- Sales missions, road shows, and themed events
- MegaFams and other familiarization tour opportunities
- Training and education
- U.S. itineraries development and promotion

Trade Shows

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

Brand USA serves as the unifying element at these shows, representing U.S. travel and tourism interests on a global scale, with destinations, travel brands, federal partners, and other organizations



IPW 2017 in Washington, DC.

participating as exhibitors. Participating organizations retain their own identity yet benefit from being part of a more visible, collaborative United States effort. To further amplify the USA's and participating partners' presence, Brand USA also organizes related events before, during, and after many of these shows.

Brand USA pavilions provide exhibitors:

- Market analytics and insights
- Marketing, advertising, public relations, and media exposure
- Increased global exposure and coherent branding
- Customer engagement and entertainment opportunities
- Additional amenities, including Internet access, expanded conference space, marketing materials, and interactive displays

During FY2017, Brand USA continued to enhance the trade show program by seeking input on ways to further increase the value of Brand USA pavilions to partners. In addition to meeting with partners and tour operators to discuss product development and promotion of U.S. itineraries, we also reviewed our trade show schedule to determine which shows provide the best return on investment to partners. As a result of these discussions, we developed a new travel trade website and adjusted our trade show schedule—expanding our presence at shows that provide the best return and scaling back or eliminating those shows that provide lower value to partners. We also began incorporating more interactive features into the Brand USA pavilion, including digital access to new product and U.S. itineraries, and virtual reality booths to better promote the great outdoors (utilizing footage from our giant-screen film “National Parks Adventure”).



Images from Brand USA's Mexico MegaFam.

Sales Missions, Road Shows, and Themed Events

Sales missions are another essential component of Brand USA's trade outreach. Through these Brand USA-hosted events we invite travel and tourism industry professionals in key markets to meet with U.S. organizations at designated international locations.

Through a series of planned events, Brand USA and participating partners connect directly with international travel buyers, including tour operators, airlines, travel agents, incentive and meeting planners, and media. These connections allow us to provide a more in-depth look at U.S. destinations and experiences in order to increase the quantity and diversity of travel bookings to the United States.

Our outreach also includes taking participants directly to the travel trade in international markets via road show events. Brand USA and partner organizations are able to connect directly with tour operators, travel agents, and travel buyers through a series of seminars, receptions, and events in which participants acquire the knowledge and information needed to better promote the United States as a travel destination. These road shows often include federal partners to educate trade representatives on travel policy.

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

During FY2017, Brand USA hosted five sales missions and one B2B session with participants representing 140 U.S. destinations, attractions, travel brands, and receptive tour operators to promote travel to the USA from the following international markets: Australia, China, India, Japan, New Zealand, and South Korea.

MegaFams and Other Familiarization Tours

Familiarization tours, or "fams," with the travel trade are an integral part of the organization's marketing strategies to create awareness of the diverse destinations and travel experiences available throughout the United States. These tours bring groups of travel agents and tour operators to destinations in the United States to familiarize them with new experiences and itineraries that they can offer to customers back home. The highest-profile Brand USA fam tours are "MegaFams," which are the largest multi-itinerary, simultaneous familiarization tours conducted in the United States.



Brand USA organizes and coordinates these diverse U.S. travel experiences in order to more fully promote multiple destinations. They are especially effective in motivating the travel trade to sell destinations to, through, and beyond the gateways to their clients because the itineraries include a broad range of travel experiences, attractions, and brands from the popular gateway cities to off-the-beaten-path encounters. Through Brand USA MegaFam experiences, travel agents and tour operators become better informed, empowered, and inspired to sell a multitude of U.S. destinations and experiences.

During FY2017, Brand USA significantly expanded its familiarization program—hosting four MegaFams that brought the travel trade to 140 U.S. destinations in 28 states and the District of Columbia, as well as 21 smaller-scale familiarization tours that brought members of the travel trade from nine international markets (Australia, Brazil, China, Germany, India, Japan, Mexico, New Zealand, and South Korea) to 77 destinations in 19 states and the District of Columbia. On the United Kingdom/ Ireland MegaFam, we included international tour operators and receptive tour operators for the first time.

The primary focus for the FY2017 program was on selling the inherent diversity of experiences the USA offers in order to fuel initial discovery, return trips, and longer stays by shifting our positioning and messaging from overwhelming options to new and diverse experiences.

Training and Education

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

- **USA Discovery Program**

This online, experience-based, training platform features a variety of destination modules to inspire and motivate the travel trade to sell destinations of all shapes and sizes, as well as well-known and unexpected experiences, to their customers. Travel agents and tour operators earn specialist badges as they complete each section.

- **Training and Education Seminars**

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

During FY2017, the USA Discovery Program was live in seven markets (Australia, Brazil, China, India, New Zealand, and the United Kingdom and Ireland) and available globally in English. By offering 12 in-market incentives in six international markets (Australia, Brazil, India, New Zealand, and the United Kingdom and Ireland), we were able to expand program participation by 20 percent. By the end of the fiscal year, the program included more than 14,000 travel agents and tour operators.

To build upon the educational content provided by the USA Discovery Program, we also hosted nearly 70 training and education seminars with the travel trade in 11 international markets (Brazil, China, Germany, Hong Kong, India, Japan, Singapore, South Korea, Taiwan, and the United Kingdom and Ireland). These sessions provided the travel trade a deeper dive into the range of U.S. destinations and experiences.

We also launched a new component to our training offerings during FY2017 with five educational webinars and workshops for our U.S. partners on how to build product/itineraries that will best capture the attention of the international travel trade, plus an additional cultural educational program on inviting and welcoming Chinese travelers to visit the USA.

U.S. Itineraries Development and Promotion

As part of a new initiative for FY2017, Brand USA created 19 itineraries that provide recommendations for U.S. trips that travel agents and tour operators can promote directly to their customers.

In total, we created itineraries that feature 107 overnight destinations in 42 states, and the District of Columbia—providing recommended experiences ranging from adventure travel to culinary discoveries to resort vacations and including iconic landmarks and recommendations from locals. This growing set of itineraries can be found on Brand USA's travel trade site at VisitTheUSA.com/TravelTrade.

To make the itineraries bookable, Brand USA engaged six receptive tour operators to include them as part of their product offerings and incorporated the itineraries into a comprehensive tool kit for the travel trade that provides access to Brand USA's asset management system (with photography and videos promoting U.S. destinations and experiences), a USA map to make trip planning easier, and a link to the USA Discovery Program to help the travel trade better sell these unique USA experiences to their clients.



New York City, New York

MEDIA AND PUBLIC RELATIONS

(Consumer and Trade)

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

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

A core part of this strategy is the Visiting Journalist Program, which showcases the diversity and depth of experiences available across the USA to inspire international visitors to plan their USA trip now. Through this program, Brand USA proactively reaches out to influential travel writers to invite them to visit and write about the USA, as well as responds to requests from journalists seeking assistance to travel to and write about U.S. destinations and attractions. The Visiting Journalist Program is primarily focused on working with influential travel writers who write for media outlets that reach consumers. All journalists are fully vetted and pre-approved for participation in the program.

During FY2017, Brand USA hosted more than 70 journalist trips (including individual journalists and media groups) from eight markets, which resulted in over 200 articles. Those journalists visited 39 of the 50 states, plus the District of Columbia.

FEDERAL PARTNER AND VISIT USA COMMITTEE COLLABORATION

As a public-private partnership created to promote the United States as the premier international destination and communicate U.S. travel policies and procedures, Brand USA works closely with a variety of federal government partners. Much of our collaboration is conducted within the framework of the Tourism Policy Council, an interagency group chaired by the Secretary of Commerce and managed by the National Travel and Tourism Office. Through this collaboration, Brand USA conducts joint activities and leverages federal assets to support international marketing efforts and policy communications.

As provided for in the Travel Promotion Act, Brand USA's work with our U.S. government partners is designed to maximize the economic and diplomatic benefits of travel to the United States. We do this primarily by:

- Supporting the development of integrated country plans and joint promotions to promote travel to the United States.
- Providing useful information to travelers, the travel trade, media, and other stakeholders regarding entry requirements, required documentation, fees, processes, and information concerning declared public health emergencies; and identifying, countering, and correcting misperceptions regarding United States entry policies.
- Promoting official tourism years and international tourism summits with our federal partners.
- Coordinating with Visit USA Committees to amplify each other's efforts in market to promote the USA as a premier travel destination.

Country Plans and Joint Promotions

During FY2017, Brand USA worked with U.S. embassies and consulates around the world to support their development of travel and tourism country plans, which is led by the deputy chief of mission and coordinated by the U.S. Commercial Service in the top ten source markets and France. Brand USA contributed to this effort in all markets by providing our marketing and trade calendars and coordinating with the other entities on joint events, such as support for Independence Day celebrations, trade outreach events, and other embassy/consulate initiatives. Other relevant activities included road shows, travel agent trainings, embassy events and announcements, and high-level government and industry visits.

In addition, throughout the year, Brand USA supported or collaborated with U.S. embassies and consulates throughout the world on key initiatives. In FY2017, this included such efforts as the deployment of a tourism promotion materials toolkit to U.S. embassies and consulates through the Brand USA digital asset management system. During the year, a total of 661 print and video assets were downloaded by U.S. Commercial Service, Consular Affairs, and Public Affairs staff. The most frequent users of these assets were located at posts in Bangkok, Budapest, Calgary, Hanoi, Hong Kong, Kuala Lumpur, Lima, Mexico City, Milan, New Delhi, Rio de Janeiro, San Salvador, Vilnius, and the headquarters offices of the Departments of Commerce and State.

We also supported a number of cross-promotional efforts with embassies and consulates by:

- Adding hyperlinks from their travel and tourism subpages to Brand USA's consumer websites.
- Distributing more than 7,500 Brand USA inspiration guides through the U.S. Foreign and Commercial Service global travel and tourism team



Market The Welcome campaign artwork designed for India consulates.

- Deploying the Market the Welcome program in U.S. embassies or consulates in Chennai, Hyderabad, Kolkata, Shanghai, and Tokyo.
- Facilitating 16 embassy-led events to showcase Brand USA's giant-screen film celebrating the centennial of the National Park Service, "National Parks Adventure," in countries such as Canada, China, Croatia, Ecuador, El Salvador, Germany, Indonesia, Italy, Japan, the Philippines, Romania, Spain and Switzerland. Estimated attendance across these events was nearly 4,000—and allowed for thousands of inspiration guides, coffee table books providing a behind the scenes look at the film, and other Brand USA collateral to be distributed to international travelers.

During FY2017, Brand USA also continued leveraging its federal partnerships for content and information in marketing and communications activities. In total, this work enriches Brand USA's consumer and trade presence and also provides a platform for key Federal agencies to connect with international travelers and the travel trade and media.

Travel Information and Correcting Misperceptions

A major focus for our collaborative communications efforts includes those regarding visa and entry policy information as required by the Travel Promotion Act. During FY2017, this collaboration included:

- Deploying a platform for federal agencies to communicate directly to international media, travel buyers, and consumers, such as:
 - Providing various fora at IPW, the main international travel trade show in the United States, for U.S. Customs and Border Protection, the Transportation Security Administration, and the Bureau of Consular Affairs to address the international travel industry leadership
 - Coordinating and designing the exhibition floor presence at IPW for these and all of the Federal agencies, where they disseminate information to thousands of travel trade and media and even conduct Global Entry enrolments.
 - Inviting Customs and Border Protection to participate in key international trade outreach activities, including trade shows such as CITM, FITUR, and more, and sales missions such as the Brand USA mission to China.

- Including consular staff in dozens of roadshows to first-, second-, and third-“tier” cities in the markets in which Brand USA has representation. Brand USA representatives routinely conduct “roadshows” at which they train travel agents on new travel product to offer customers and important updates about travel to the United States. By including consular staff, critical visa and entry policy updates are delivered directly into the key distribution channels for travel across more than a dozen of the top source markets for travel to the United States. Many of these roadshows also contain a media component.
- Developing a platform at IPW and other key trade shows and road shows for a variety of federal agencies to reach international media, travel buyers, and consumers
- Communicating and correcting misperceptions regarding travel policy announcements, including:
 - Analysis and messaging points disseminated to in-market reps, staff, and domestic industry partners for several major policy announcements, including two Executive Orders, three additional administrative actions, Federal and Supreme Court challenges, and more
 - In many dozens or perhaps hundreds of media interviews and public speaking engagements, correcting misperceptions about the nature of updated visa and entry policies both in a general sense of welcome and in specific misunderstandings of policy
- Deploying approved visa and entry policy information through a variety of Brand USA channels, such as:
 - Brand USA inspiration guide
 - Global and market-specific consumer websites
 - Market information guides
- Conducting a collaborative public relations campaign for the launch of the Electronic Visa Update System (EVUS) program in China, including:
 - Travel trade training seminars and roadshows
 - In-market media channels such as GoUSA.cn
 - Email blast through partner networks such as Travel Weekly China



Brand USA President & CEO Chris Thompson speaks at the U.S.-India Travel and Tourism Partnership Year Opening Event in New Delhi, India.

Promoting Official Tourism Years and International Tourism Summits

During FY2017, we also worked with our federal partners on the promotion of the U.S.-India Travel and Tourism Partnership Year, the U.S.-China Tourism Year, and the 11th annual U.S.-China Tourism Leadership Summit held in Atlanta.

Working with our federal partners at the National and Travel and Tourism Office, highlights from the U.S.-India Travel and Tourism Partnership Year included the opening celebration in New Delhi in February 2017. The timing for the celebration was integrated into India's major tourism trade show, SATTE, and a variety of roundtables were held to discuss challenges and opportunities for tourism between our two countries, such as the availability of direct flights. Also during the year, we launched a number of new cooperative marketing programs to provide platforms for Brand USA partners to effectively reach Indian travelers and began plans for our first MegaFam from India to the USA (scheduled for October 2018).

Visit USA Collaboration

Brand USA also worked in collaboration with Visit USA Committees in various markets on programs and initiatives with the travel trade. As non-profit associations led by top travel and tourism industry professionals, these committees have long-standing relationships in market working with the travel trade and the U.S. Commercial Service. They are an important part of our collaborative efforts to promote the United States as a premier travel destination.

During FY2017, Brand USA supported 70 trade and consumer activities in collaboration with 21 Visit USA Committees. These activities included travel trade seminars and workshops, roadshows, media events, high-level networking events, familiarization tours, and consumer shows. These engagements allowed Brand USA to connect with an estimated one million consumers present at the shows with a cooperative Brand USA / Visit USA Committee presence. In addition, Brand USA reached over 100,000 travel trade professionals through these trade shows, networking events, workshops, and seminars. Notably, these sponsored activities helped extend the value Brand USA provides to its partners, as many of them are members of key Visit USA Committees.



DURING FY2017, THE USA CAMPAIGNS CONTINUED TO CREATE BROAD-BASED AWARENESS AND INSPIRE TRAVEL TO THE UNITED STATES THROUGH MACRO-LEVEL PROMOTION AND ADVERTISING MESSAGES VIA BROADCAST, DIGITAL AND SOCIAL MEDIA PLATFORMS, AS WELL AS HIGH-PROFILE GLOBAL MARKETING/STORYTELLING INITIATIVES, SUCH AS THE CONTINUED SUCCESS OF “NATIONAL PARKS ADVENTURE.” OF NOTE, WE LAUNCHED THE “GO” CAMPAIGN, A “SOCIAL-FIRST” STORYTELLING APPROACH, IN 14 MARKETS AND GENERATED 6.5 BILLION IMPRESSIONS, INCLUDING INFLUENCER CAMPAIGNS IN FOUR MARKETS GARNERING MORE THAN 3 MILLION VIEWS WITH AN AVERAGE POSITIVE SENTIMENT TOWARD THE USA OF 81 PERCENT.

—

CHRISTOPHER L. THOMPSON,
PRESIDENT & CEO,
BRAND USA

ACTIVITIES TO PROMOTE TOURISM IN RURAL AND URBAN AREAS

As outlined in the Travel Promotion Act, Brand USA is charged with promoting tourism to rural and urban areas equally, including areas not traditionally visited by international travelers. While the ratio of rural/urban areas promoted in any single marketing effort will vary depending on the different phases of familiarity and affinity for travel to the USA the initiative is intended to impact in a given market, Brand USA meets the requirement to promote rural and urban areas equally through the combined the total of its marketing initiatives.

THE USA CAMPAIGNS

During FY2017, we launched the “See How Far You Can Go” USA campaign, which was built on a three-part platform: Possibility, Proximity, and Persona. Our objectives were to drive traffic to our new consumer websites and use social media messaging trends to drive engagement.



Examples of the “See How Far You Can Go” campaign videos for Chinese-, English-, and French-speaking markets.

“See How Far You Can Go” focused on a more personal way of storytelling and showcased the wide variety of travel available in the United States to, through and beyond the gateways. To create a flexible and consistent messaging platform across our target markets, we customized the creative to iterate around the word “Go” for each market. This approach enabled us to maximize local relevance while driving our consistent core message that during a vacation in the USA visitors can go just about anywhere: emotionally, spiritually, and geographically.

Several versions of the campaign were created to connect with the primary trip personas identified in proprietary Brand USA segmentation research conducted in our target markets. For example, the creative that was placed in India captured the bold, high-energy excitement that many Indian visitors seek when they visit our destinations, while the version for France focused on the type of unique, more intimate local experiences French travelers often prefer.

The campaign took creative cues from the way people share vacation footage across social channels – sometimes quirky, sometimes charming, and always personal. We created imagery using a first-person point of view so the audience would feel as though the traveler might have taken the photo him or herself. The result was a campaign that featured relatable imagery and is inviting rather than overwhelming. Finally, we featured a variety of distinctively American music, including Alabama Shakes (“Sound & Color”), Rafferty (“Apple Pie”) and Charles Bradley (“Ain’t It A Sin”) as the soundtrack to the videos to establish a more emotional and memorable connection to the creative.



Examples of VisitTheUSA social media channels represented in English-, Spanish-, and Japanese-speaking markets.

The campaign featured a variety of experiences including high-energy activities, relaxing escapes, and “like a local” adventures in:

- | | |
|-----------------------|-------------------|
| 1. Austin | 9. Minneapolis |
| 2. Charleston | 10. Nantucket |
| 3. Chicago | 11. Nashville |
| 4. Florida Everglades | 12. New Orleans |
| 5. Grand Canyon | 13. Portland |
| 6. Las Vegas | 14. Route 66 |
| 7. Los Angeles | 15. San Francisco |
| 8. Miami | |

Of the U.S. destinations promoted as part of the “See How Far You Can Go” campaign, 27 percent were in rural areas and 73 percent were in urban areas.

During FY2017, we also launched an initiative called “Ask A Local” which gives voice to individual, real travel experiences in the USA. The videos, which use a documentary approach and capture unscripted storytelling from locals, provide international travelers with an inside track on the “not-to-be-missed” points of interest and sometimes quirky experiences in American destinations both large and small. The campaign featured “Ask a Local” recommended experiences for a balanced combination of rural and urban experiences in:

- | | |
|-------------|---------------|
| 1. Arkansas | 7. Michigan |
| 2. Brooklyn | 8. Minnesota |
| 3. Hawaii | 9. Missouri |
| 4. Houston | 10. Seattle |
| 5. Illinois | 11. Wisconsin |
| 6. Iowa | |

In addition, the introduction of influencer programming as part of the USA Campaigns was designed to raise awareness of the USA as a vacation destination and foster positive peer conversations on social media platforms. Focusing on four markets (Mexico, Canada, Australia, and Germany), we worked with popular video bloggers whose audience was actively engaged in content and conversations focused on travel. This engagement showed overwhelmingly positive sentiment (90 percent+) for USA content. The paid media approach included search, online video, digital display, social platforms and influencer programming.

In its entirety, and across all channels, the USA campaigns drove almost 6.5 billion impressions, an increase of 34 percent over 2016. In addition, website page views were up 19 percent versus the previous year.

Cinematic Film Production

FY2017 marked the production wrap up of "America's Musical Journey," for launch in February 2018. The film follows Grammy Award®-nominated singer and songwriter Aloe Blacc as he traces the roots of America's music and follows the footsteps of Louis Armstrong through the colorful locales and cultures where America's music was born. During production of the film, Aloe Blacc visited iconic music cities including New Orleans, Chicago, New York City, Nashville, Memphis, and Miami. "America's Musical Journey" explores the collision of cultures that gave birth to American art forms such as jazz, the blues, country, rock and roll, and hip-hop. As audiences join Aloe Blacc on this joyful, tune-filled tour, they experience uniquely American adventures like paddle-wheel boating up the Mississippi Delta, flash mob dancing in Chicago, and skydiving with Elvis impersonators over Memphis in scenes shot exclusively for the giant screen.

Academy Award®-nominated director Greg MacGillivray threads these images together to create an immersive experience of American culture and creativity with a soundtrack that showcases the USA's national passion for creative innovation at its purest.

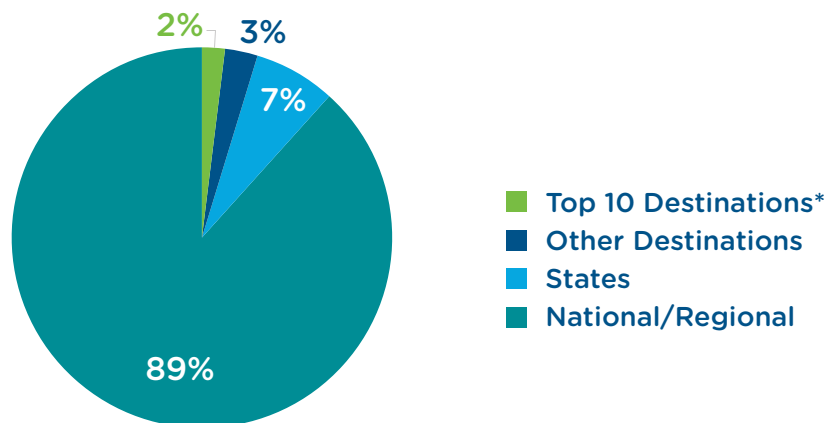
Global Digital Marketing and Social Campaigns

As part of the "See How Far You Can Go" campaign, in-market advertising and social media campaigns featured Brand USA's websites as the primary call to action. Website page views, therefore, offered a platform for understanding the areas where Brand USA was especially successful during the year in engaging consumers to explore the many destinations and attractions in the USA. As Chart 2 depicts, 89 percent of website page views in FY2017 included regional content associated with the "Go" campaign (which featured regional destination groupings rather than single destinations) or national content (such as the homepage, maps, road trips, and travel information). Two percent of page views featured content on the top 10 inbound destination cities and their attractions (New York City, Los Angeles, San Francisco, Miami, Orlando, Las Vegas, Honolulu, Chicago, Boston, and Washington, DC). Ten percent of views were a combination of other destinations — most commonly state pages. While states such as California, Florida, Illinois, New York, and Texas include major international gateways to the United States, the content of those web pages focuses on a broader range of experiences that go to, through, and beyond those arrival points to represent and promote the state, including rural and urban areas, as a whole.

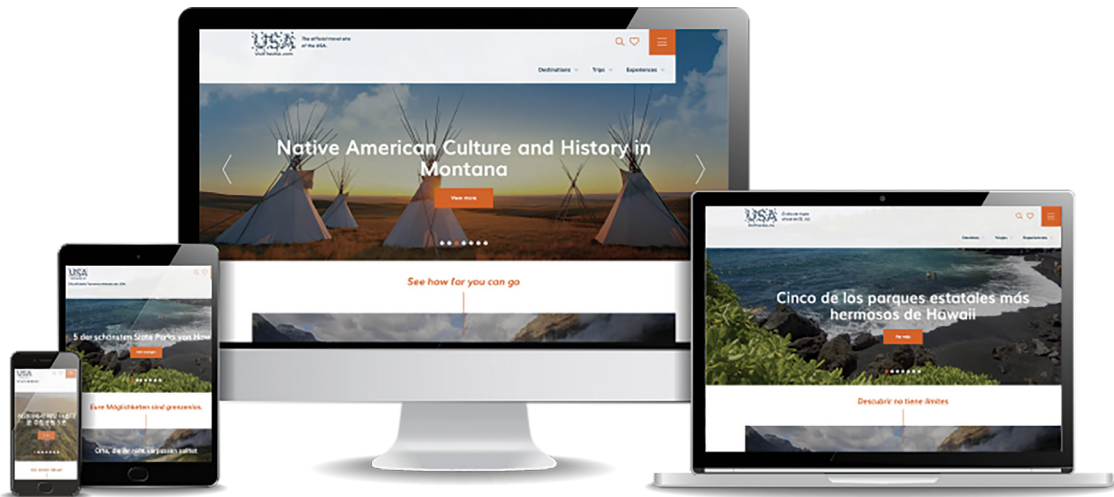
CHART 2

FY2017 Distribution of Page Visits on VisitTheUSA.com by Geography

This chart is based on an analysis of the top 5,000 pages of Brand USA's consumer website (not including GoUSA.cn), which represent 98 percent of all page views.



*Top 10 Destinations: New York City, Los Angeles, San Francisco, Miami, Orlando, Las Vegas, Honolulu, Washington, DC, Chicago, Boston



Across all of our website and social media channels, we feature all of our 50 states, five territories, and the District of Columbia in themes that include Great Outdoors, Road Trips, Culinary, and Arts & Entertainment.

Inspire, encourage, inform and help. Those four words succinctly sum up Brand USA's marketing objectives for the new consumer websites developed in FY2017. Our goal was to inspire travelers; encourage them to discover exciting destinations off the beaten path; inform them about the diverse travel experiences that await them in the United States; and help them decide where they want to go and what they want to experience once they arrive. Key website features include thousands of new vibrant photos and immersive videos, designed to engage and inspire visitors; a re-imagined "Trips" section, which breaks down each journey stop-by-stop, offers visuals and details and suggests travel time, distance and themes; a "See How Far You Can Go" personalized experience that engages visitors to receive and share content across social media localized uniquely to them; and an interactive quiz module, "Choose Your Adventure," which recognizes search patterns of the user and provides intuitive trip ideas.

Across social platforms, and specifically on Facebook, we sought to create an immersive experience that both delighted and surprised consumers with adventures they could only have in the United States. The creative took a different look at the "See How Far You Can Go" campaign and featured a tilt-to-pan Facebook canvas unit to illustrate the diverse experiences the USA has to offer. Each image, chosen for its unique, first-person perspective, was stitched together by blending an assortment of static content pieces demonstrating that in the United States you can go just about anywhere -- emotionally, spiritually, and geographically.

The social media campaign reached over 59 million people across Facebook, which represents 55 to 65 percent of the global target audience. Captivated users on average spent 13.4 seconds and viewed 32.8 percent of the canvas unit with the majority of time spent engaging with the panoramic image. Users who previously interacted with the canvas ad were more likely to engage with the follow up retargeting image post. The campaign earned a Gold HSMAI Adrian Award for Best Social Campaign.

Cooperative Marketing

Through cooperative marketing programs and in coordination with its marketing partners, Brand USA was able to promote tourism to both rural and urban areas. During FY2017, 60 percent of these programs promoted urban U.S. markets, and 40 percent promoted rural U.S. markets. Chart 3 provides a summary of these programs.

CHART 3

Summary of FY2017 Brand USA Programs Promoting Urban and/or Rural U.S. Markets

MARKET	PARTNER OR PROGRAM	RURAL AND/OR URBAN
Australia	Sunrise and Flight Centre	Rural/Urban
	News Corp	Rural/Urban
Canada	Dreamscapes	Rural/Urban
China	PPTV	Rural/Urban
	Sohu, Inc.	Rural/Urban
	SINA Corporation	Rural/Urban
	Wanda Group	Urban
	Youku	Urban
	Tudou	Urban
	Travel Weekly China	Rural/Urban
Germany	Air Berlin	Rural/Urban
	Essentially America (ITB Taxis)	Rural/Urban
	FWV Medien	Rural/Urban
India	Hindustan Times	Urban
	Times of India	Urban
Mexico	Turistampa	Urban
New Zealand	New Zealand Media and Entertainment (NZME) and Flight Centre	Urban
United Kingdom	British Airways	Rural/Urban
	Royal Horticultural Society	Rural/ Urban
	NFL	Urban
	Essentially America (WTM Taxis)	Rural/Urban
	The Telegraph	Rural/Urban
	TTG Media	Rural/Urban
	JC Decaux OOH	Urban
Global	ESPN	Urban
	BBC International	Rural/Urban
	In-language Videos	Rural/Urban
	Inspiration Guides	Rural/Urban
	National Geographic	Rural/Urban
	Travelzoo	Rural/Urban
	Travel Channel International	Rural/Urban
	STA Travel	Rural/Urban
	Thomas Cook	Rural/Urban

Two of the most popular cooperative marketing platforms Brand USA has offered partners are the inspiration guide and in-language video production. Brand USA’s inspiration guides helped U.S. destinations, attractions, and travel brands reach potential travelers from key international markets via 577,000 printed guides produced in 13 languages and distributed in 21 international markets with an accompanying digital version. The 2017 edition of the guide featured 201 partners, a 8.6 percent increase compared to the prior year, with content that showcases diverse experiences in a balanced combination of urban and rural U.S. destinations, travel brands, and attractions. Brand USA also created and distributed engaging video content to promote travel experiences to international travelers. During FY2017, Brand USA produced 133 videos. Over a third of these videos promoted rural areas of the USA.

TRADE OUTREACH AND TRAINING

Trade Shows

During FY2017, Brand USA hosted USA pavilions at the following major international trade shows, plus a number of other smaller travel shows, that showcased both rural and urban areas.

SHOW NAME	CITY	COUNTRY	DATES
TTG Incontri	Rimini	Italy	Oct. 13-15, 2016
ITB Asia	Marina Bay Sands	Singapore	Oct. 19-21, 2016
ITF Taipei	Taipei	Taiwan	Nov. 4-7, 2016
WTM	London	England	Nov. 7-9, 2016
CITM	Shanghai	China	Nov. 11-13, 2016
IGTM	Mallorca	Spain	Nov. 14-17, 2016
IBTM World	Barcelona	Spain	Nov. 29-Dec.1, 2016
Vakantiebeurs	Utrecht	Netherlands	Jan. 10-15, 2017
Fitur	Madrid	Spain	Jan. 18-22, 2017
SATTE	New Delhi	India	Feb. 15-17, 2017
ITB Berlin	Berlin	Germany	March 8-12, 2017
WTM Latin America	Sao Paulo	Brazil	April 4-6, 2017
ATM	Dubai	UAE	April 24-27, 2017
IMEX	Frankfurt	Germany	May 16-18, 2017
ITE Hong Kong	Hong Kong	China	June 15-18, 2017
BITM (BITE)	Beijing	China	Sept. 21-23, 2017
JATA	Tokyo	Japan	Sept. 21-24, 2017

The USA’s great outdoors and “See How Far You Can Go” campaign were the core themes at these shows that supported our ongoing marketing initiatives to promote the gateways and beyond. Across the total number of shows, approximately 50 percent of the U.S. pavilion exhibitors represented urban/gateway destinations and travel brands, and 50 percent represented rural/beyond the gateway destinations and travel brands.

Prior to Brand USA's launch, participation in these types of travel shows provided very little value for smaller destinations and travel brands. Without a unified USA pavilion, these smaller organizations simply could not afford to invest at the level that would provide them the exposure and presence they would need to generate a share of voice in these markets. This was particularly true for the larger shows that boast the greatest potential returns. Today, smaller organizations are able to attend and benefit from the significant presence afforded under the umbrella of the high-profile USA pavilion.

Sales Missions

During FY2017, the five sales missions and one B2B session held in Australia, China, India, Japan, New Zealand, and South Korea collectively included participants from 140 U.S. organizations that represent U.S. destinations, attractions, travel brands, and receptive tour operators—36 percent of whom promote rural areas and 64 percent of whom promote urban areas. The ratio of rural / urban representation by sales mission was as follows:

- Australia and New Zealand B2B Session (February 23, 2017): 64 organizations represented with 30 percent from rural areas and 70 percent from urban areas
- China Sales Mission (March 21-31, 2017): 12 organizations represented with 50 percent from rural areas and 50 percent from urban areas
- Japan Sales Mission (July 9-11, 2017): 11 organizations represented with 46 percent from rural areas and 54 percent from urban areas
- South Korea Sales Mission (July 13, 2017): 25 organizations represented with 40 percent from rural areas and 60 percent from urban areas.
- India Sales Mission (September 11-15, 2017): 38 organizations represented with 37 percent from rural areas and 63 percent from urban areas

MegaFams and Other Familiarization Tours

MegaFams are one of the most effective ways to promote travel to rural and urban areas, because each familiarization tour itinerary includes a combination of travel experiences to the gateways, complemented by destinations and attractions that go well beyond those gateways. These diverse itineraries also offer tremendous value to partners of all shapes and sizes to participate in ways they would be challenged to do on their own.

During FY2017 Brand USA hosted four MegaFams that brought the travel trade to 140 U.S. destinations in 28 states and the District of Columbia. Collectively, 59 percent of the destinations and attractions on the featured itineraries were in rural areas and 41 percent were in urban areas of the country — with agents arriving in gateway destinations and then following itineraries that included experiences within featured cities and beyond into rural areas.



Sarasota County, Florida

The four MegaFams held during FY2017 included:

China MegaFam, with support from United Airlines (October 19-26, 2016)

Five itineraries:

- Baltimore, Philadelphia, and Washington, DC (featuring stops in each location)
- Chicago and South Dakota (featuring stops in Chicago, Pontiac, and Rosemont, Ill.; and Custer, Deadwood, Hill City, Keystone, Rapid City, and Wall, S.D.)
- Las Vegas and Los Angeles (featuring stops in Los Angeles and Pasadena, Calif.; and Boulder City, Grand Canyon, and Las Vegas, Nev.)
- New England and New York (featuring stops in Brookhaven, Long Island, and New York, N.Y.; and Groton, Hartford, Mashantucket, New Haven, Northford, and Uncasville, Conn.)
- Denver and Houston

Finale Event: San Francisco

50 percent of the destinations and attractions on the itineraries were in rural areas and 50 percent were in urban areas.

Mexico MegaFam with support from AeroMexico (May 2-9, 2017)

Five itineraries:

- Texas (featuring stops in Austin, Fredericksburg, and Houston)
- Florida (featuring stops in Clearwater/St. Petersburg, Kissimmee, Orlando, and Tampa)
- Nevada (featuring stops in Carson City, Goldfield, Lake Tahoe, Reno, Sand Harbor, Tonopah, and Virginia City)
- Louisiana (featuring stops in Baton Rouge, Lacassine, Lafayette, Lake Charles, and New Orleans)
- California (featuring stops in Huntington Beach, Los Angeles, Palm Desert, Palm Springs, and Thermal)

Finale Event: Las Vegas

36 percent of the destinations and attractions on the itineraries were in rural areas and 64 percent were in urban areas.



Denver, Colorado

UK & Ireland MegaFam with support from British Airways and American Airlines (May 10-18, 2017)

Six itineraries:

- Beaches and Blues (featuring stops in Louisiana, Mississippi, Alabama, and Florida)
- Cultural Courses (featuring stops in Pennsylvania, Ohio, Kentucky, and Indiana)
- Golden Silver Signs (featuring stops in California and Nevada)
- Northeastern Wonders (featuring stops in New Jersey, Pennsylvania, and upstate New York)
- Pure Shores (featuring stops in Illinois, Michigan, and Indiana)
- Stocks and Springs (featuring stops in Texas, Arkansas, and Oklahoma)
- Trails and Treasures (featuring stops in Idaho, Montana, and Washington)

Finale Event: Chicago

66 percent of the destinations and attractions on the itineraries were in rural areas and 34 percent were in urban areas.

Germany MegaFam with support from Lufthansa (September 27 - October 3, 2017)

Eight itineraries following a kick-off in Seeheim, Germany:

- Arizona (featuring stops in Grand Canyon, Litchfield Park, Page Lake, Powell, Prescott, and Scottsdale)
- Alabama and Georgia (featuring stops in Atlanta; and Birmingham, Huntsville, and Muscle Shoals, Ala.)
- Colorado (featuring stops in Alamosa, Cheyenne, Denver, Frisco, Grand Lake, Great Sand Dunes National Park, Leadville, and Mountain State Park)
- Florida (featuring stops in Marco Island, Naples, Orlando, and Tampa)
- Illinois (featuring stops in Chicago, Galena, Rockford, and Springfield)
- Philadelphia and Upstate New York (featuring stops in Philadelphia; and Corning, the Finger Lakes, Niagara Falls, Rochester, and Watkins Glen, N.Y.)
- South Carolina and Tennessee (featuring stops in Gaffney, S.C.; and Chattanooga, Knoxville, and Sevierville, Tenn.)
- Texas (featuring stops in Fredericksburg, Houston, and San Antonio)



Joshua Tree National Park, California

58 percent of the destinations and attractions on the itineraries were in rural areas and 42 percent were in urban areas.

In addition, of the 21 smaller-scale familiarization tours held during the year that brought members of the travel trade from nine international markets (Australia, Brazil, China, Germany, India, Japan, Mexico, New Zealand, and South Korea) to 77 destinations in 19 states and the District of Columbia. Of the destinations visited, 53 percent were rural and 47 percent were urban.

Training Initiatives

Through the USA Discovery Program, Brand USA was able to engage more than 14,000 travel agents and tour operators in seven markets (Australia, Brazil, China, India, New Zealand, and the United Kingdom and Ireland) during FY2017 with content that equally featured rural and urban areas and attractions. Brand USA also held on-site training programs in 10 international markets (Brazil, China, Germany, Hong Kong, India, Japan, Singapore, South Korea, Taiwan, and the United Kingdom and Ireland). These training sessions, which leveraged Brand USA's "See How Far You Can Go" campaign, equally promoted rural and urban areas.

U.S. Itineraries Development and Promotion

During the year we created itineraries that feature 107 overnight destinations and visits to 269 cities or towns in 42 states, and the District of Columbia. Of the destinations included in the itineraries, 71 percent are in rural areas of the USA and 29 percent are in urban areas of the USA.

MEDIA AND PUBLIC RELATIONS

Brand USA's ongoing outreach to journalists to generate favorable stories about travel to the United States also promoted rural and urban areas of the United States in a balanced and effective way.

During FY2017 these efforts helped Brand USA earn millions of favorable media impressions promoting travel experiences in the USA in 86 destinations across 36 states—with 26 percent promoting rural areas and 74 percent promoting urban areas.

FEDERAL PARTNER AND VISIT USA COMMITTEE COLLABORATION

During FY2017, Brand USA continued to strengthen its relationship and collaboration with the U.S. diplomatic community, primarily through the U.S. and Foreign Commercial Service and Visit USA committees around the world. We leveraged the in-market expertise of these groups and supported their programs through collaborative efforts to promote the entirety of the USA in markets where Brand USA has established international representation and expanded our efforts to select markets where we are not currently represented. Program areas included the sharing and development of marketing brochures and other collateral, as well as market research and analytics; the deployment of sales missions and road shows; the enhancement of USA pavilions at international trade shows; the expansion of public relations; and other efforts. Each of these efforts equally promoted urban and rural areas of the United States.

The highest profile initiative we have with our federal partners and U.S. destinations is the Market the Welcome program we are installing in international arrivals halls at U.S. airports and in the visa waiting areas of U.S. embassies and consulates. During FY2017, we deployed bespoke Market the Welcome installations at the U.S. embassies and consulates in Chennai, Hyderabad, Kolkata, New Delhi, Mumbai, Shanghai, and Tokyo. These installations included a variety of visual assets from 38 cities and towns in 20 states and the District of Columbia, of which 47 percent were from rural areas of the country and 53 percent were from urban areas of the county.

In addition, inherent with the continued promotion of our giant-screen film "National Parks Adventure," we continued a collaborative effort with U.S. embassies and consulates and Visit USA committees to promote America's great outdoors—which comprise many of the United States' rural areas. While most of the Brand USA-led activation events featuring U.S. ambassadors and other high-level diplomatic personnel took place in FY2016, FY2017 saw an expansion of Brand USA supporting embassy- and Visit USA Committee-led film events that rallied the travel trade, media, influencers, and key contacts in countries that are key Brand USA targets and others that are not top tier source markets. During FY2017, Brand USA supported 16 such major events in countries such as Canada, China, Croatia, Ecuador, El Salvador, Germany, Indonesia, Italy, Japan, the Philippines, Romania, Spain and Switzerland. Estimated attendance across these events was nearly 4,000.

FOCUS ON SPECIFIC COUNTRIES AND POPULATIONS

In order to accelerate growth in international arrivals, Brand USA concentrates its marketing efforts in the right markets (those with the strongest indicators of growth) at the right time (when travelers are most motivated to plan and activate travel).

To determine the optimum level of investment in each market, Brand USA utilizes a market selection model that incorporates 10 factors, detailed in Chart 4.

CHART 4

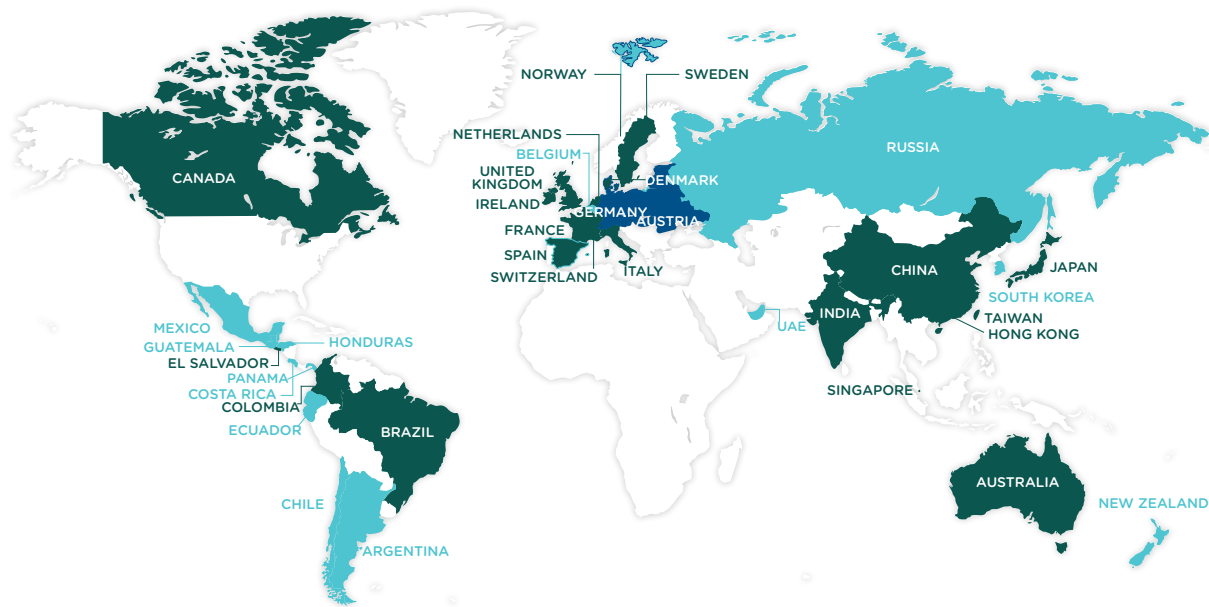
Market Selection Model



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

The traveler segments Brand USA targets in any given year vary by market (based on the opportunities in market). Demographically, our marketing typically targets adults aged 25 to 59 who are affluent, educated travelers. Additionally, media and messaging are aligned to market-specific characteristics, such as cultural preferences and historical response to previous marketing efforts.

It's also important to note the target markets that will drive the most visitation in the coming years are at different levels of consumer demand and commercial development — requiring a targeted and market-specific approach.



During FY2017, Brand USA deployed its marketing efforts in a strategic combination of emerging and established markets that have the potential to drive the greatest returns in terms of visitation, spend, and market share.

Based on our market selection model, during FY2017 Brand USA focused the majority of its consumer marketing efforts in the following 14 markets with paid media that included digital display, on-line video, search, social and influencers with a total reach of over 1.7 billion:

- Australia
- Brazil
- Canada
- Chile
- China
- Colombia
- France
- Germany
- India
- Japan
- Mexico
- South Korea
- Sweden
- United Kingdom and Ireland

These international markets generate more than 80 percent of inbound travel to the United States.

In total, through the combined total of Brand USA's USA campaigns, cooperative marketing platforms, contributed media, trade outreach, public relations, and work with our federal partners and Visit USA Committees, our international marketing effort was present in more than 40 markets during the year, including:

- Argentina
- Australia
- Austria
- Bahamas
- Belgium
- Belize
- Brazil
- Canada
- Chile
- China
- Colombia
- Costa Rica
- Denmark
- Ecuador
- El Salvador
- France
- Germany
- Guatemala
- Honduras
- Hong Kong
- India
- Ireland
- Italy
- Japan
- Mexico
- Netherlands
- New Zealand
- Nicaragua
- Norway
- Panama
- Peru
- Qatar
- Russia
- Singapore
- Spain
- South Korea
- Sweden
- Switzerland
- Taiwan
- Turkey
- United Arab Emirates
- United Kingdom
- Venezuela

Media Channels Employed

Brand USA uses a range of media for its marketing and promotional activities. The total expenditure and ratio of media channels for each market are detailed in Charts 5 and 6.

CHART 5

Media Optimization: FY2017 Expenditures by Market and Media Type

MARKET	DIGITAL	PRINT	TV	OOH	CINEMA	RADIO	TRADE SHOW/ EVENT	MULTI-MEDIA/ INFRA- STRUCTURE	TOTAL
Australia	\$1,765,221	\$270,873	\$201,854	-	-	\$18,000	-	\$3,030,399	\$5,286,347
Brazil	\$1,212,913	\$292,362	\$8,721	\$60,000	-	\$5,000	\$82,417	\$1,684,846	\$3,310,259
Canada	\$7,284,829	\$473,539	\$634,748	\$278,204	\$50,347	\$281,327	-	\$1,211,398	\$10,214,392
China	\$6,495,581	\$656,246	\$24,000	\$1,124,503	\$550,000	\$4,490	-	\$7,672,301	\$16,527,121
Colombia	\$165,771	\$33,889	-	-	-	-	-	\$214,423	\$414,084
France	\$1,290,819	\$172,912	\$9,993	-	-	-	\$9,981	\$960,120	\$2,443,825
Germany	\$2,390,201	\$683,403	\$419,593	\$106,851	-	-	\$105,653	\$4,329,445	\$8,035,146
India	\$1,261,805	\$198,098	\$3,375	-	-	-	\$5,970	\$1,587,403	\$3,056,651
Japan	\$1,398,136	\$402,052	-	-	-	-	\$188,095	\$2,040,229	\$4,028,511
South Korea	\$329,757	\$230,227	-	\$29,834	-	-	-	\$874,706	\$1,464,525
Mexico	\$3,054,195	\$268,836	\$10,335	\$83,042	-	-	-	\$1,733,607	\$5,150,015
Sweden	\$140,996	\$167,406	-	-	-	-	-	\$365,751	\$674,152
United Kingdom	\$7,589,391	\$2,122,739	\$3,445,440	\$1,911,188	-	-	\$233,582	\$7,185,157	\$22,487,498
Global & Other Markets	\$2,535,802	\$2,263,413	\$2,129,374	\$3,500	\$0	\$0	\$2,977,038	\$38,454,415	\$48,363,541
Total Marketing	\$36,915,417	\$8,235,996	\$6,887,435	\$3,597,122	\$600,347	\$308,817	\$3,602,735	\$71,308,199	\$131,456,068
Communications & Research									\$9,227,516
Overhead									\$14,846,145
Total Operating Budget									\$155,529,729

CHART 6

Media Optimization: FY2017 Expenditures by Market and Media Type

MARKET	DIGITAL	PRINT	TV	OOH	CINEMA	RADIO	TRADE SHOW/ EVENT	MULTI-MEDIA/ INFRA-STRUCTURE	TOTAL
Australia	1.3%	0.2%	0.2%	0.0%	0.0%	0.0%	0.1%	2.3%	4.0%
Brazil	0.9%	0.2%	0.0%	0.0%	0.0%	0.0%	0.1%	1.3%	2.5%
Canada	5.5%	0.4%	0.5%	0.2%	0.0%	0.2%	0.0%	0.9%	7.8%
China	4.9%	0.5%	0.0%	0.9%	0.4%	0.0%	0.0%	5.8%	12.6%
Colombia	0.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.2%	0.3%
France	1.0%	0.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.7%	1.9%
Germany	1.8%	0.5%	0.3%	0.1%	0.0%	0.0%	0.1%	3.3%	6.1%
India	1.0%	0.2%	0.0%	0.0%	0.0%	0.0%	0.0%	1.2%	2.3%
Japan	1.1%	0.3%	0.0%	0.0%	0.0%	0.0%	0.1%	1.6%	3.1%
South Korea	0.3%	0.2%	0.0%	0.0%	0.0%	0.0%	0.0%	0.7%	1.1%
Mexico	2.3%	0.2%	0.0%	0.1%	0.0%	0.0%	0.0%	1.3%	3.9%
Sweden	0.1%	0.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.3%	0.5%
United Kingdom	5.8%	1.6%	2.6%	1.5%	0.0%	0.0%	0.2%	5.5%	17.1%
Global & Other Markets	1.9%	1.7%	1.6%	0.0%	0.0%	0.0%	2.3%	29.3%	36.8%
Total Marketing	28.1%	6.3%	5.2%	2.7%	0.5%	0.2%	2.7%	54.2%	100.0%

Digital channels are the largest single media type used for advertising activities and encompass a variety of executions, including search, display, social media, online video, and email. Both Brand USA proprietary research and industry studies indicate that digital channels are the most frequently used information source for consumer travel decision-making.



Brand USA references seven factors when determining media allocation, as shown in Chart 7.

CHART 7

Media Allocation Criteria

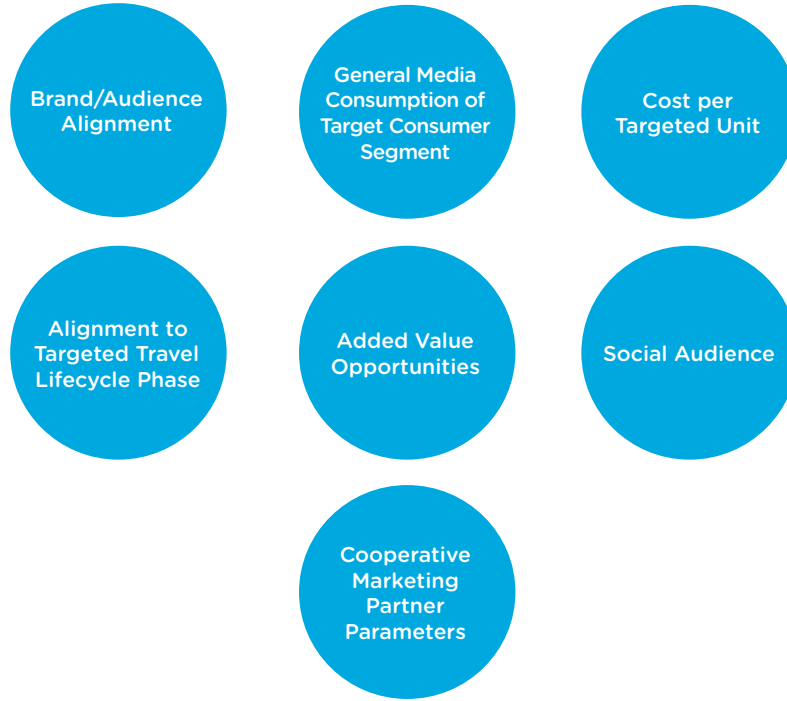
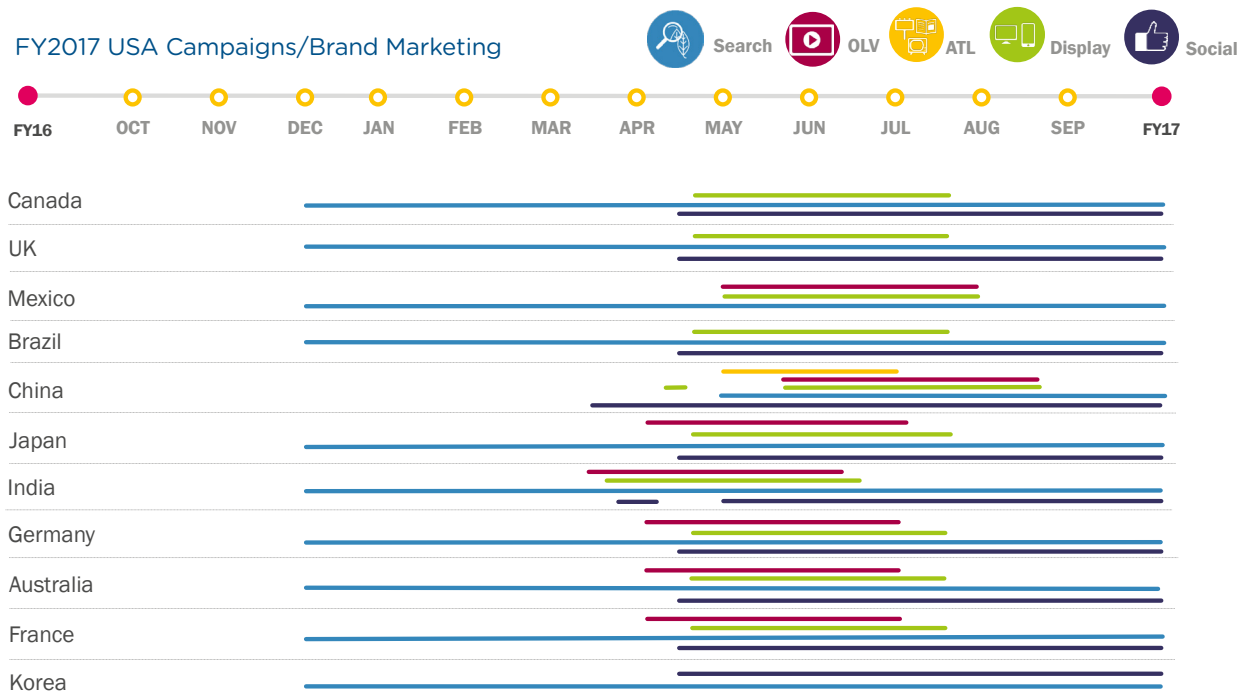


CHART 8

Media Buy Chart



NOTE: OLV is online video; ATL is above the line (e.g., broadcast, print, out-of-home)

The foundation of all consumer marketing activity is alignment with the appropriate stage of the travel lifecycle by market. By designating each market with its corresponding phases in the travel lifecycle, depicted in Chart 9, Brand USA is able to better focus its marketing messaging and strategy to engage international travelers.

CHART 9

Travel Lifecycle



Based on the varying phases of familiarity and affinity for travel to the USA in any given market, Brand USA's marketing activity is focused on positively influencing specific stages of the travel lifecycle.

Above the line (ATL) advertising, for example, is generally used for the Dream phase, while digital marketing is primarily used for the Consider and Activate phases. Although each market has a designated primary target phase, execution is not limited to just that phase or media type.

In addition to segmentation alignment, Brand USA's media allocation primarily focuses on the preferred media channels of target audiences and the cost efficiency of ad units in each market.

Additionally, Brand USA considers other added-value opportunities to leverage or amplify media spend in target markets through joint media campaigns, contributed media, scaled discounts, and social media uplift. These factors are applied after the general allocation structure is outlined and are used to allocate among specific providers.

Through a combination of more than \$52 million in contributed media, plus cooperative marketing initiatives and media procured directly, Brand USA was able to reach millions of travelers in key markets and maintain an active campaign throughout the year, as demonstrated in Chart 10.

CHART 10

FY2017 Marketing Activity

COUNTRY	MARKETING INITIATIVE	NEIGHBORHOODS/CITIES/TOWNS			ENTERTAINMENT/ CULTURE
		OCT-2016	NOV-2016	DEC-2016	JAN-2017
AUSTRALIA/ NEW ZEALAND	Fall 2016 Multi-Channel Campaign	█			
	Spring 2017 Multi-Channel Campaign				
	Sunrise and Flight Centre				
	Flight Centre				
	News Corp	█			
	NZME	█			
	Brand Campaign				
	Brand Social		█		
	Brand Search Engine Marketing			█	█
	Display				
	Online Video				
	Search				
	Social			█	█
	Product Managers Fam				
	Australia B2B				
	USA Discovery Program				
Visit USA Committee Support		█			
BRAZIL	Spring 2017 Multi-Channel Campaign				
	Brand Campaign				
	Brand Social		█	█	█
	Brand Search Engine Marketing			█	█
	Display				
	Search			█	█
	Social				
	Brand USA Training Roadshow				
	Trade Fam				
	WTM Latin America				
	USA Discovery Program				
	Visit USA Committee Support				
CANADA	Winter 2016 Multi-Channel Campaign				█
	Spring 2017 Multi-Channel Campaign				
	Brand Campaign				
	Brand Social		█		
	Brand Search Engine Marketing			█	█
	Dreamscapes				
	Display				
	Search	█			
	Social				
	Travel Nation & Rogers Media				
Visit USA Committee Support					

COUNTRY	MARKETING INITIATIVE	NEIGHBORHOODS/CITIES/TOWNS			ENTERTAINMENT/ CULTURE
		OCT-2016	NOV-2016	DEC-2016	JAN-2017
CHINA	Above the Line				
	Display				
	Fall 2017 Multi-Channel Campaign				
	Spring 2017 Multi-Channel Campaign				
	GoUSA.cn + Social + Other (ongoing)				
	Youku				
	iQiyi				
	Sina Corp.				
	Wanda				
	Ctrip				
	Mafengwo				
	Online Video				
	PPTV				
	Fliggy				
	Essentially America				
	Brand Campaign				
	Brand Social				
	Brand Search Engine Marketing				
	Search				
	Social				
	Northern China Trade Fam				
	South China Trade Fam				
	West China Trade Fam				
	East China VIP Trade Fam				
	East China Trade Fam				
	Post-IPW Fam				
	Post-IMEX America Fam				
	Pre-IMEX Trade Fam				
	China Sales Mission				
	China MegaFam				
	BITM (BITE)				
	CITM				
	Wuhan and Changsha Roadshow				
	Kumming, Chongqing, and Chengdu In-house Training				
	Qingdao and Jinan In-house Training				
	Hangzhou and Suzhou Roadshow				
	Hangzhou In-house Training				
	Shanghai In-house Training				
	Shanghai MICE Focus In-house Training and Mini-mart				
	Beijing In-house Training				
Guangzhou and Changsha Roadshow					

COUNTRY	MARKETING INITIATIVE	NEIGHBORHOODS/CITIES/TOWNS			ENTERTAINMENT/ CULTURE
		OCT-2016	NOV-2016	DEC-2016	JAN-2017
FRANCE	Annual Multi-Channel Campaign				
	Brand Campaign				
	Brand Social				
	Brand Search Engine Marketing				
	Display				
	Online Video				
	Search				
	Social				
	IFTM Top Resa				
	Visit USA Committee Support				
GERMANY	Fall 2016 Multi-Channel Campaign				
	Spring 2017 Multi-Channel Campaign				
	FVW Medien				
	Essentially America				
	Brand Campaign				
	Brand Social				
	Brand Search Engine Marketing				
	Display				
	Online Video				
	Search				
	Social				
	Germany MegaFam				
	ITB Berlin				
	IMEX				
	Trade Fam				
	Travel Agent Halloween Training Seminar				
Visit USA Committee Support					
INDIA	Annual Multi-Channel Campaign				
	Display				
	Hindustan Times				
	Times of India				
	Brand Campaign				
	Brand Social				
	Brand Search Engine Marketing				
	Online Video				
	Search				
	Social				
	India Sales Mission				
	SATTE				
	Pre IPW Trade Fam				
	Discover America Educational Seminars				
	Fastest Learner First				

COUNTRY	MARKETING INITIATIVE	NEIGHBORHOODS/CITIES/TOWNS			ENTERTAINMENT/ CULTURE	
		OCT-2016	NOV-2016	DEC-2016	JAN-2017	
JAPAN	Spring 2017 Multi-Channel Campaign					
	Brand Campaigns					
	Brand Social		█			
	Brand Search Engine Marketing				█	
	Diisplay					
	Online Video					
	Search				█	
	Social					
	JATA					
	Japan/Korea Sales Mission					
	Okinawa Trade Seminar	█				
	Sapporo Trade Seminar	█				
	United Airlines Staff Seminar		█			
	School Trip Seminar			█		
	School Trip Seminar			█		
	JTB Fukuoka Seminar			█		
	Nippon Travel Agency Seminar			█		
	United Airlines Hiroshima Seminar			█		
	Sapporo School Trip Seminar				█	
	JR Kyushu Seminar				█	
	Discover America Seminars					
	United Airlines Sendai Seminar					
	United Airlines Sendai Seminar					
	United Airlines Fukuoka Seminar					
	JTB Kita Kyushu Seminar					
Visit USA Committee Support			█			
MEXICO	Spring 2017 Multi-Channel Campaign					
	Travel Impressions					
	Display					
	Essentially America	█				
	Brand Campaign					
	Brand Social		█			
	Brand Search Engine Marketing				█	
	Online Video					
	Search	█				
	Mexico MegaFam					

COUNTRY	MARKETING INITIATIVE	NEIGHBORHOODS/CITIES/TOWNS			ENTERTAINMENT/ CULTURE
		OCT-2016	NOV-2016	DEC-2016	JAN-2017
SOUTH KOREA	Brand Social		█		
	Brand Search Engine Marketing				█
	Search	█		█	
	Social				
	Korea Sales Mission				
	San Francisco-Hawaii Joint Fam Tour				
	Seattle-Hawaii Joint Fam Tour				
	USA Specialist Fam Tour				
	2016 USA Specialist Program (USP) Seminar	█			
	2017 IPW Promotional Seminar with Destination DC/USTA		█		
	2017 USA Specialist Program (USP) Seminar				
	2017 Delta Air Lines' Product Seminar in Busan & Seoul				
	Visit USA Committee Support			█	
UNITED KINGDOM	Winter 2017 Multi-Channel Campaign				█
	Fall 2016 Multi-Channel Campaign	█		█	
	Digital Magazine	█			
	Display				
	Essentially America		█		
	The Telegraph	█			
	British Airways Co-op				
	JCDecaux/Out-of-Home				█
	TTG				█
	WTM Taxis		█		
	Brand Campaign				
	Brand Social		█		
	Brand Search Engine Marketing				█
	Search			█	
	Social				
	WTM		█		
	United Kingdom & Ireland MegaFam				
	Barrhead Travel				
	Thomas Cook Call Center				
	Flight Centre				
Flight Centre/ Infinity Holidays Training Day					
USA Discovery Program					
Visit USA Committee Support					

HOW WE MARKET THE USA

COUNTRY	MARKETING INITIATIVE	NEIGHBORHOODS/CITIES/TOWNS			ENTERTAINMENT/ CULTURE
		OCT-2016	NOV-2016	DEC-2016	JAN-2017
GLOBAL	Travel Channel International (Olly's Ale Trails)				
	Travel Channel International (Flavours of the USA)				
	STA Travel				
	ESPN				
	National Geographic Vignettes				
	National Geographic Digital Co-op				
	BBC				
	Thomas Cook				
	Inspiration Guide 2017				
	Video				
	Global Web: State Pages				
	Global Web: City Pages				
	Global Web: Thematic Content				
	Global Web: Trips				
	Culinary				
	Attractions & Experiences Co-op				



FY2017 HIGHLIGHTS

During FY2017, Brand USA made continued progress toward its mission of increasing international visitation to the United States. Highlights include:

INTERNATIONAL VISITATION, SPEND, AND ECONOMIC IMPACT

- Generated 1.2 million incremental visitors to the United States, who spent \$4.1 billion on travel and fare receipts with U.S. carriers, resulting in \$8.5 billion in total sales, which supported over 54,000 incremental jobs.
- Over the past five years our marketing initiatives have helped welcome 5.4 million incremental visitors to the USA, benefiting the U.S. economy with \$38.4 billion in total economic impact, which has supported, on average, more than 51,000 incremental jobs per year.



Los Angeles, California

MARKETING EFFECTIVENESS

- Increased website visits by 21 percent and website page views by 18 percent compared to FY2016.
- Increased active consumer engagement with Brand USA assets (website page views, social interaction and social ad engagement) by 29 percent in FY2017 compared to FY2016.
- Maintained a 94 percent level of destination familiarity based on results of an online survey of 11 key target consumer markets.
- Kept overhead expenses to less than 10 percent — devoting more than 90 percent of Brand USA's resources toward marketing and programs to increase international visitation (based on administrative expenses of \$16.7 million and total expenses of \$160.1 million).
- Since its launch, "National Parks Adventure," the most critically acclaimed giant-screen film of 2016, has been seen by more than 4 million in international markets (plus an additional 3 million in domestic markets), and is currently showing in 46 international cities.
 - » The trailer alone has generated over 100 million views globally across a variety of media.
 - » With the launch of streaming on Youku in June 2017, the film has been viewed more than 1.23 million times in China.
 - » Exceeding expectations, the film has generated media value of almost \$59 million to date.

- » The film has been recognized with numerous awards. Importantly, it was named “best of the best” and awarded “Best Film by a Brand,” at The Brand Film Festival, which showcases the year’s most artistic, creative and effective branded content films, from YouTube videos to long-form documentaries. The festival, in association with PR Week and Campaign, honors a new generation of marketing storytellers, while rewarding the brands and craftspeople leading the way in their fields.
- » Established a deal with Netflix, the global entertainment company, which specializes in and provides streaming media and video-on-demand online to over 100 million subscribers, to launch the film internationally on Feb.1, 2018.
- » Leveraged “National Parks Adventure” and our great outdoors platform to significantly advance Brand USA’s public policy mandate:
 - o The film was a key piece in advancing Brand USA collaboration with U.S. embassies and consulates and Visit USA Committees around the world. In addition to featuring U.S. ambassadors at our marquee activation events, Brand USA has supported more than 24 embassies at their own film events in countries beyond our normal reach—providing significant value to stakeholders while increasing the audience and profile of our national parks and the film. Sixteen of these events were held during FY2017.
 - o The film provided an effective platform for Brand USA to engage with the Department of the Interior and the National Park Service in continued promotion of the film, as well as with other public land and water agencies and programs such as the U.S. Forest Service, Bureau of Land Management, National Oceanic and Atmospheric Administration, recreation.gov, Every Kid in a Park, and others to produce great outdoors content around the film.
 - o The great outdoors platform became a centerpiece for thematic collaboration between Brand USA and the Tourism Policy Council, and was highlighted by the Tourism Policy Council during a meeting with the White House.
- Honored with 40 awards (compared to 33 in FY2016), recognizing the organization’s global advertising campaigns, digital content, public relations campaigns, and being named “Best Long-Haul Country” by National Geographic. “National Parks Adventure” garnered “best film” and “best marketing” awards from outlets such as The Giant Screen Cinema Association, US Campaign & PR Week, TTG Travel Awards, and the Hospitality Sales & Marketing Association International (HSMIAI).
- Earned Destination Marketing Accreditation (DMAP) from Destinations International for commitment to industry excellence.

FY2017 HIGHLIGHTS

- Launched 18 multi-channel campaigns across ten markets - Australia, Brazil, Canada, China, France, Germany, India (NEW), Japan, Mexico, the United Kingdom and Ireland. The 18 campaigns featured a total of 266 participants, with an average participation of 2.5 campaigns per partner. Total multi-channel impressions for FY2017 were 445,028,543 (not including China). China FY2017 multi-channel campaigns garnered a total of 9,948,181,195 impressions. This compares to the 16 multi-channel programs we launched in nine markets during FY2016.
- Increased earned media exposure for corporate media relations efforts by 41 percent over FY2016, reaching 2.7 billion impressions and an ad equivalency of nearly \$230 million in FY2017.

PARTNERSHIPS, CONTRIBUTIONS, AND INDUSTRY ENGAGEMENT

- Earned 100 percent of the federal match from the Travel Promotion Fund for the seventh consecutive year.
- Generated more than \$100 million in industry contributions, including cash contributions of \$43.5 million (compared to \$53 million in FY2016) and in-kind contributions of \$66.3 million (compared to \$47 million in FY2016) in recognized revenue—representing 40 percent in cash contributions and 60 percent in in-kind contributions for the year.
- Grew Brand USA’s cumulative partnership network from 707 at year-end FY2016 to 851 partners at year-end FY2017 (a 20 percent increase).
- Earned the highest average contribution per partner in our history—at \$670,213 per partner (combination of cash and/or in-kind).
- Increased partner participation in our Brand USA Originals marketing programs by 25.4 percent over 2016.
- Overall partner retention was 94 percent compared to 99 percent in FY2016 (partners that contributed in any prior fiscal year who contributed again in FY2017).
- Introduced new programs and continued other successful media partnerships that provided value and attracted new partners and helped maintain partner retention, including:
 - » Multiple Chinese media programs providing Brand USA partners with the opportunity to reach Chinese travelers on the platforms they engage with the most: Fliggy, Ctrip, Mafengwo, Baidu, and Wechat/Weibo.
 - » Facebook Collection with Canvas co-op, aligning with a “social-first” strategy and provided partners with a turnkey solution on one of the world’s largest media platforms.
 - » Second year partnering with National Geographic on the United States of Adventure content program.
 - » Royal Horticultural Society campaign, featuring three destinations (Charleston, The Beaches of Fort Myers and Sanibel, and Oregon), that generated earned media coverage valued at more than \$9 million and won two Silver Gilt and one Bronze medal.
 - » Six video vignettes broadcast on BBC promoting music in the USA, which featured the states of California and Wyoming plus the following U.S. cities: Detroit, Memphis; and Charleston, S.C. The vignettes generated \$1.29 million in media value.
 - » Fourth year partnering with STA Travel targeting millennial travelers, which helped drive a 10-14 percent increase in arrivals via STA bookings over four years.
 - » Fifth year partnering with Thomas Cook — generating 431,883 bookings according to Thomas Cook.
- Continued to promote opportunities for partners to leverage Brand USA’s proprietary consumer website, VisitTheUSA and GoUSA — and secured 251 partner commitments to these digital programs.

- Leveraging Brand USA media support, dedicated traffic generation campaigns resulted in 349,942,762 impressions and 285,751 clicks driving to destination content in FY2017.
- Filled 100 percent of available exhibitor space in Brand USA pavilions at international trade shows, with a 3 percent average increase in the number of USA exhibitors per show despite not participating in two trade shows, ABAV & ANATO in FY2017.
- Expanded opportunities for partners to leverage Brand USA's proprietary consumer websites, VisitTheUSA and GoUSA — and welcomed 202 new partners to the program by:
 - » Incorporating the GoUSA China websites into the global VisitTheUSA site structure for a cohesive and engaging online experience across all markets.
 - » Significantly increasing dedicated traffic generation campaigns for website participants through expanded traffic generation offerings.
 - » Launching new dedicated subsites for partners looking to leverage the VisitTheUSA.com infrastructure to create their own destination specific international websites.
 - » Developing a new travel trade-focused website that leverages and further extends the reach of existing partner content.
- Installed the Market the Welcome program in seven U.S. embassies or consulates (Chennai, Hyderabad, Kolkata, Mumbai, New Delhi, Shanghai, and Tokyo—with additional work underway for Beijing, Chengdu, Guangzhou, Shenyang, Wuhan, Calgary, and an expansion into the security clearance area at Shanghai).
 - » The Travel and Tourism Advisory Board (TTAB) recommendation letter to the Secretary of Commerce presented in September 2017 positively calls out "Market the Welcome" generally and the role of Brand USA specifically. In addition, TTAB members have cited the airport/embassy program in meetings as an effective program.
- Continued our significantly enhanced relationship with the Visit USA Committees and U.S. Commercial Service partnerships by enacting a clear process and timeline for sponsorship requests/submissions, evaluation and response, contracting, and tracking. This system led to:
 - » Support for 70 activities in 19 countries
 - » Consistency of support and activities across the universe of Visit USA Committees.
 - » An expanded and more useful set of activities for Brand USA goals.
 - » More than 80 submissions from 15 countries for FY2018 prior to the end of FY2017.
- Continued to pursue mutually-beneficial promotional opportunities with the U.S. diplomatic footprint around the world.
- Rolled out embassy marketing toolkit to U.S. Commercial Service and State Department on the digital asset management system and collaborated on dozens of promotional activities.
- Successfully supported the U.S.-India Travel and Tourism Partnership Year with our federal partners (NTTO and the U.S. Embassy in New Delhi) and other stakeholders:
 - » Produced the opening celebration in New Delhi and associated meetings, including an aviation roundtable, SATTE (tradeshaw) integration, and value-added sessions for partners.
 - » Managed external outreach streams associated with the year, most notably the Travel and Tourism Advisory Board (TTAB), various Brand USA partners, Skal, and more.

- Produced one of the highest attended annual U.S.-China Tourism Leadership Summits (the 11th annual event) and associated meetings, tours for Brand USA partners and for the China National Tourism Administration (CNTA) and the Chinese delegation:
 - » Managed the Summit to new highs in terms of content and quality/quantity of industry leadership in attendance based on informal feedback from attendees, which included 230 registered delegates and more than 70 Chinese leaders.
 - » Expanded attendance beyond destinations to include lodging, media, airline, consultancy, and other corporate representatives.
 - » Balanced significant and complex needs from both governments and industry to a successful implementation.
- Successfully brought the close of the U.S.-China Tourism Year, which resulted in:
 - » Brand USA and partner involvement in the closing ceremony.
 - » Developing a program for Brand USA, NTTO, and CNTA leadership to tour Gettysburg, Pa. and Washington, DC, furthering our working and personal relationships, showcasing unique itineraries, and introducing key Chinese government officials to the "National Parks Adventure" film.
 - » Establishing more robust direct relations with CNTA through new China National Tourist Offices (CNTO) staff relationships and by setting the table for a more direct relationship between our leaderships.
 - » Maintaining key messaging around the Tourism Year and the Leadership Summit through Brand USA communications products.
- Continued to manage engagement with other government and pseudo-government entities both directly and in conjunction with NTTO. Examples include:
 - » Japan Association of Travel Agents (JATA)/JTB engagement in and around IPW.
 - » Japan's Minister of State for the Promotion of Overcoming Population Decline and Vitalizing Local Economy.
 - » European Travel Commission regarding their business model and reciprocal visa waiver treatment.
 - » Various inquiries/events from embassies, including Hungary, Italy, Japan, and Sweden, as well as Meridian International Center, the Association of British Travel Agents, and others.
- Participated in 42 industry conferences and events with speaking engagements that supported 18 destinations including:
 - » Arizona (1)
 - » Arkansas (1)
 - » California (2)
 - » Colorado (2)
 - » Florida (2)
 - » Hawaii (1)
 - » Idaho (1)
 - » Louisiana (1)
 - » Maine (1)

- » Massachusetts (1)
- » New York (1)
- » New Hampshire (1)
- » Oklahoma (1)
- » Oregon (2)
- » Utah (1)
- » South Dakota (1)
- » Tennessee (1)
- » Texas (1)
- » Washington, DC (2)

Other organizations and events supported included:

- » American Indian Tourism Conference
- » Advisory Commission on Travel & Tourism Meeting
- » Best Western: Latin Days
- » China Days
- » City Nations Place Americas Summit
- » ColorCOMM Conference
- » DMA West Education Summit
- » Destinations International Annual Convention
- » ESTO (2)
- » George Washington (GW) School of Business Fall Colloquium
- » GW Women in Business 8th Annual Spring Conference
- » National Association of Black Hotel Owners, Operators and Developers (NABHOOD) Summit
- » Public Lands Alliance Convention & Trade Show
- » XSW Conference & Festival
- » Southeast Tourism Society (STS) Marketing College
- » The State of Hospitality in the New Administration: Northern Virginia Chamber of Commerce
- » The Phocuswright Conference
- » Travel & Tourism Research Association Summit
- » 2nd Annual U.S. - China Dialogue Summit: University of Central Florida

OPERATIONAL EFFICIENCY AND COMPLIANCE

- Maintained 100 percent compliance with policies and procedures.
- Earned a clean audit for the seventh consecutive year.
- Reduced cycle time (average number of filing days from submission to the Department of Commerce to receipt of funds) to 64 days for cash (compared to 85 days in FY2016) and 92 days for in-kind (compared to 122 days in FY2016)—demonstrating efficiency and accuracy in submissions to the Department of Commerce for matching contributions from the Travel Promotion Fund.

BALANCED SCORE CARD

DASHBOARD COMPONENT	METRICS	METHODOLOGY	SOURCES	REPORTING FREQUENCY	FY2015 RESULTS
TRAVEL LIFECYCLE Phase 1 Dream/Awareness	Consumer Destination Familiarity	<ul style="list-style-type: none"> Online survey identifying international travelers from Canada and Mexico, plus intercontinental overseas travelers likely to visit the USA in the next 12 months (1,000 completes per campaign market) 	ORC International	Quarterly	93% (+1% vs 2014)
TRAVEL LIFECYCLE Phase 2 Consider/Engagement	Engagement	<ul style="list-style-type: none"> Actual values YTD cumulative totals Includes website page views, social engagements (comments, likes, shares), and rich media ad opens Excludes auto play video views 	Brand USA internal and agency data	Tracked Monthly; Reported Quarterly	31.4 million
	Intent to Visit the USA <i>(in next 2 years)</i>	<ul style="list-style-type: none"> Online survey (1,000 completes per campaign market) 	ORC International	Tracked Monthly; Reported Quarterly	59% (-1% vs 2014)
TRAVEL LIFECYCLE Phase 3 Activate/Book	Attributable Incremental Increase in Visitation	<ul style="list-style-type: none"> Incremental visitation results determined by an econometric analysis incorporating advertising impressions delivered, website and social engagements, consumer response to advertising, and U.S. market share 	<ul style="list-style-type: none"> Oxford Economics NTTO Brand USA internal data 	Annually	1.03 million visitors (+11% vs 2014)
ROI & TRAVEL LIFECYCLE Phase 4 Travel	Attributable Incremental Increase in Spend, Jobs, & Economic Impact	<ul style="list-style-type: none"> Incremental spend & jobs determined by an econometric analysis incorporating advertising impressions delivered, website and social engagements, consumer response to advertising, and U.S. market share Total economic impact calculated based on attributable visitation & spend metrics ROI (overall & marketing) 	<ul style="list-style-type: none"> Oxford Economics NTTO Brand USA internal data 	Annually	\$3.04 billion spend (-1% vs 2014); \$6.60 billion economic impact (-7% vs 2014); 44,533 jobs (-4% vs 2014); ROI 19:1 & 20:1
	Market Share	<ul style="list-style-type: none"> Actual values globally (total and long-haul) Actual values by campaign market 	<ul style="list-style-type: none"> NTTO UNWTO 	Annually	6.85% total (-1% vs 2014) 11.98% long-haul (+6% vs 2014)
TRAVEL LIFECYCLE Phase 5 Share	Consumer Net Promoter Score	<ul style="list-style-type: none"> Online survey (1,000 completes per campaign market) 	ORC International	Annually	44.7% (-4% vs 2014)
FINANCIAL Partner Revenue Trends	Percentage of Federal Match	<ul style="list-style-type: none"> Actual realized values of ESTA submissions (not including unrealized in-kind amounts) YTD cumulative totals Amounts are before sequestration Based on contributions, not matching \$ 	Brand USA internal data	Quarterly	100%
	Ratio of Cash/In-kind Contributions	<ul style="list-style-type: none"> Ratio of cash & in-kind contributions YTD cumulative totals of recognized revenue 	Brand USA internal data	Quarterly	36.9% cash \$47.0 million; 63.1% in-kind \$80.5 million
PARTNERSHIP VALUE	Value Provided to Partners	<ul style="list-style-type: none"> Number of partners (inception to date cumulative totals) Partner program retention rate Partner satisfaction Intent to partner with Brand USA 	Brand USA internal data	Annually	577 partners (+20% vs 2014) 94% retention (0% vs 2014) 92% satisfaction 96% intent
PROCESS & COMPLIANCE	Compliance	<ul style="list-style-type: none"> Percentage compliance to policies and procedures 	Brand USA internal data	Quarterly	100%
	Cycle Time	<ul style="list-style-type: none"> Average number of ESTA/matching fund filing days from submission to Commerce to receipt of funds Totals represent individual quarter results 	Brand USA internal data	Quarterly	Cash: 107 days; In-Kind: 167 days

Brand USA tracks its performance across a variety of metrics that roll up into a balanced score card tracking progress in reaching and influencing international visitors in various stages of the customer journey, as well as our operational effectiveness.

FY2016 RESULTS	FY2017 TARGETS	FY2017 ACTUAL	FY2018 TARGETS	TREND	COMMENTS
93% (+1% vs 2015)	93% (n/c vs 2016)	94% (+1% vs 2016)	93% (-1% vs 2017)		Targeting 1% annual increases or maintaining YoY
38.5 million (+23% vs 2015)	39.8 million (+3% vs 2016)	43.6 million (+10% vs 2016)	48.0 million (+10% vs 2017)		Targeting 10% average annual increases over a 5-year period
60% (+2% vs 2015)	60% (n/c vs 2016)	60% (n/c vs 2016)	60% (n/c vs 2016)		Target is to maintain and protect intent to visit 2016-2018 due to market conditions
1.20 million visitors (+17% vs 2015)	1.10 million visitors (-.09% vs 2016)	1.16 million visitors (+5% vs 2016)	1.25 million visitors (+7% vs 2017)		Targeting 7% average annual increases over a 5-year period; 2017 target based on external market conditions
\$4.08 billion spend (+34% vs 2015); \$8.88 billion economic impact (+35% vs 2015); 59,463 jobs (+34% vs 2015); ROI 28:1 & 31:1	\$3.80 billion spend (-7.9% vs 2016); \$7.60 billion economic impact (-17.1% vs 2016); 47,800 jobs (-24.5% vs 2016); ROI 20:1 & 23:1	\$4.06 billion spend (-1% vs 2016); \$8.83 billion economic impact (-1% vs 2016); 54,212 jobs (-10% vs 2016); ROI 26:1 and 29:1	\$4.15 billion spend (+9% vs 2017 target); \$9.0 billion economic impact (+18% vs 2017 target); 60,000 jobs (+1% vs 2017 target); ROI 20:1 & 23:1		Targeting 10% average annual increases for spend; 3% for economic impact; 3% for jobs (each over a 5-year period); 2017 and targets based on external market conditions
6.48% total (-5% vs 2015) 11.46% long-haul (-4% vs 2015)	6.80% total; 13.91% long-haul (+1.5% & 0% vs 2016)	6.10% total (-6% vs 2016) 10.80% long-haul (-6% vs 2016)	6.80% total; 13.91% long-haul (maintain vs 2017 targets)		Targeting annual increases of .75% total and 1.5% long-haul; 2017 and 2018 targets based on external market conditions
44.1% (-1% vs 2015)	46.5% (+5% vs 2016)	41.1% (-7% vs 2016)	45% (+9% vs 2017)		Targeting 2% average annual increases over a 5-year period. Tracked quarterly for trending purposes, but reported annually
100%	100%	100%	100%		100% target each year
53.2% cash \$52.9 million; 46.8% in-kind \$46.6 million	50% cash; 50% in-kind	47.8% cash \$53.1 million; 52.2% in-kind \$58.1 million	50% cash; 50% in-kind		Minimum of 30% Cash/year
707 partners (+23% vs 2015) 98% retention (+4% vs 2015) 96% satisfaction (+4% vs 2015) 100% intent (+4% vs 2015)	749 partners (+6% vs 2016) 90%+ retention 90%+ satisfaction 90%+ intent	851 partners (+20% vs 2016) 94% retention (-4% vs 2016) 92% satisfaction (-8% vs 2016) 81% intent (-23% vs 2016)	950partners (+12% vs 2017) 90%+ retention 90%+ satisfaction 90%+ intent		Targeting 6% average annual increases in partners from 2016 forward and 90%+ retention, satisfaction, and intent each year
100%	100%	100%	100%		100% target annually; Brand USA certifies that it is in compliance with its competitive procurement policy
Cash: 85 days; In-Kind: 122 days	Cash: 85 days; In-Kind: 120 days	Cash: 64 days; In-Kind: 92 days	Cash: <90 days; In-Kind: <130 days		Targeting Cash: <90 days; In-kind: <130 days

* Methodology was changed in 2017 to best reflect our adjusted strategy based on social channel trends and new ad products.

KEY

- Maintaining and within the target range
- In compliance and at the required level
- Trending down slightly
- Maintaining and/or at the bottom of the target range
- Trending upward and on target
- Trending down and below range
- Below the target range
- Within target but inconsistent



OBJECTIVES REVIEW

OBJECTIVE #1: DRIVE RESULTS

Increase international visitation, spend, and global market share for the United States.

Goals:

- 1.10 million incremental international visitors
- \$3.8 billion in incremental international spend
- \$7.6 billion in total economic impact
- Marketing ROI of 23:1; overall ROI of 20:1
- Overhead below 15 percent

FY2017 Results:

Brand USA exceeded this objective by generating:

- 1.2 million incremental visitors
- \$4.1 billion in incremental spend
- \$8.5 billion in total economic impact (including indirect and induced impacts)
- \$1.2 billion in federal, state, and local taxes
- Over 54,000 incremental jobs supported
- Returned to the U.S. economy an average of \$27 for each \$1 spent on marketing activities
- Overhead at 9.5 percent



Nantucket, Massachusetts

In FY2017, Brand USA generated...



Over the past five years
our marketing initiatives
have helped welcome...



OBJECTIVES REVIEW

The FY2017 results show consistently strong marketing performance despite significant challenges such as the strength of the U.S. dollar against many target market currencies.

We accomplished this by:

- Operating efficiently and effectively—optimally using our internal and external resources to support the pursuit of our objectives.
- Maximizing return on investment by deploying the right messages, in the right markets, through the right channels, at the right times, and at the right levels of investment.
- Establishing processes and systems to maximize, track, and report use of our overhead to ensure the majority of our annual budget goes to effective marketing initiatives.
- Continuing to shift marketing expenditure to markets that drive higher ROI (emerging markets) by securing contributions that are optimized for growth/higher ROI markets and maintaining presence in co-op programs.
- Executing consumer advertising in selected markets that effectively targets travelers and positively impacts their intent to visit the USA (according to market prioritization and segmentation strategies).
- Tracking and documenting results of all programs segmented by country and ensuring all programs meet our messaging objectives.
- Conducting our annual ROI study to analyze and summarize the impact of all Brand USA marketing activities.
- Conducting in-market post-campaign studies and monthly brand tracking reports.

Given the challenges the USA faces with a falling share of the world's international travelers, our ability to increase incremental visitation to the USA is critically important. To maximize our ability to drive incremental international visitation during FY2017, we began shifting spending from non-working to working dollars to grow media spending and minimize production and agency fees where possible. This shift included a focus away from Agency of Record (AOR) relationships in all markets except China and the development of relationships with best-in-class creative partners across the marketing spectrum.

This change helped us in our goal of creating platform-specific content and reducing costs.

We also shifted our approach to Search Engine Marketing (SEM) and achieved higher engagement without sacrificing volume. Improvements for 2017 included:

- A 40 percent reduction in cost per click (CPC)
- A 110 percent improvement in click-through-rate (CTR), and
- A 70 percent increase in traffic to our consumer sites

We were also able to maximize the return on investment of our marketing dollars by establishing a strategic framework that included three key areas: Possibility, Proximity & Persona (the three Ps). The three Ps were built into the fabric of our new consumer website, the “See How Far You Can Go” USA campaign, and our platform-specific content—all geared to provide authentic storytelling customized on a market-by-market basis using social cues and best practices for messaging in order to engage effectively with international traveler motivations and mindsets.

The three trip personas used—Excitement (entertainment and bucket list experiences), Escape (relaxing and immersive), and Local (unique, local experiences)—were intended to provide inspiration to travel intenders who were targeted not only by their interest in travel, but also by other lifestyle categories and motivations. Using data-driven content to inspire trip planning was an important part of this effort since travelers increasingly expect more personalized information. As a result, we were able to increase the relevance and effectiveness of our paid media and inspire travelers to engage with other Brand USA channels, including our websites or other social media platforms.

Another big success for FY2017 was our addition of influencer programming into the media mix. Matching international influencers with specific passions points in targeted destinations has proven to be an efficient and effective way to drive reach, video views, social engagement and positive sentiment, which averaged 90 percent or more during the year.

OBJECTIVE #2: CREATE INNOVATIVE MARKETING

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

Goals:

- Equal marketing of rural and urban areas across the total of all marketing efforts
- Support all 50 states, the District of Columbia, and the five territories with any combination of the USA Campaign, co-operative marketing, and trade outreach
- Maintain destination familiarity of 93 percent
- Increase digital marketing engagements to 39.8 million* (an increase of 5 percent compared to the actual results for FY2016)
- Increase average intent to visit across all markets to 60 percent (maintaining/protecting the results from FY2016)

FY2017 Results:

Brand USA achieved each of the goals in this objective as follows:

- Equal marketing of rural and urban areas across the total of all marketing efforts
- Supported all 50 states the District of Columbia, the five territories, and the District of Columbia
- Destination familiarity 94 percent
- Digital marketing engagements 43.6 million (an increase of 15 percent compared to FY2016)
- Average intent to visit 60 percent

We accomplished this objective by implementing strategies to operate efficiently and effectively. This included:

- Basing marketing planning on Brand USA's roadmap to 100 million international visitors (to determine and prioritize target markets).
- Developing FY2017 marketing and communications strategies that promote the value of a USA trip.
- Promoting the inherent diversity of experiences in order to fuel initial discovery, return trips, and extending the stay by shifting our positioning and messaging from overwhelming options to new and diverse experiences.
- Leveraging "trip personas" to make the vast options available in the USA manageable and targeted.
- Leveraging market prioritization and segmentation—establishing objectives, goals, and strategies by target market to engage travelers wherever they are in the travel lifecycle.
- Developing and launching compelling new creative, messaging, content, marketing initiatives, and platforms that inspire travelers to visit the 50 states, five territories, and the District of Columbia.
- Continuing to promote "National Parks Adventure" and maximizing the launch of a second giant-screen film to drive visitation, spend, and market share across the travel lifecycle.
- Developing and launching a holistic "social first" strategy with a focus on building momentum and movement across the travel lifecycle/activation—from identifying audiences and media platforms, to developing messaging and strategies.

* Methodology was changed in 2017 to best reflect our adjusted strategy based on social channel trends and new ad products.

OBJECTIVES REVIEW

- Continuing to enhance our digital strategies with a best-in-class responsive consumer digital platform that helps potential visitors imagine and plan their own travel experience (rich content that inspires and informs).
- Establishing a partner programs plan that supports the deployment of marketing spend in the markets that drive the strongest increases in or defense of visitation, spend, and/ or market share.
- Integrating overall marketing messaging and programs by:
 - » Developing opportunities for organizations to partner with Brand USA via programs that help potential visitors imagine and create their own travel experience.
 - » Emphasizing and leveraging diversity of experiences and proximity in promotional messaging.
 - » Ensure our overall marketing messaging works across all potential programs.
 - » Focusing programs in markets that drive the strongest increases in or defense of visitation, spend, and/or market share.



Brand USA President & CEO Chris Thompson speaks at the press conference unveiling the Market the Welcome program at the Hartsfield-Jackson Atlanta International Airport

OBJECTIVE #3: MARKET THE WELCOME

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

Goals:

- Achieve 100 percent of the annual objectives aligned with the Tourism Policy Council.
- Deploy the Market the Welcome in program in five international arrivals halls and/or embassies/consulates.

FY2017 Results:

Brand USA met these goals as follows:

SHARED OBJECTIVES WITH TOURISM POLICY COUNCIL

- Achieved 100 percent of annual objectives aligned with the Tourism Policy Council and federal partners as established by the Travel Promotion Act and the National Travel and Tourism Strategy, including:
 - » Supporting the development of country plans on travel and tourism.
 - » Developing standardized travel policy text.
 - » Communicating U.S. entry and visa policy.

MARKET THE WELCOME PROGRAM FOR EMBASSIES, CONSULATES, AND INTERNATIONAL ARRIVALS HALLS

- Installed the program in seven embassies and consulates.
- Completed all production work for one international arrivals hall—Hartsfield Jackson Atlanta International Airport.

We were able to achieve these objectives by:

- Incorporating Market the Welcome programs and messaging in key marketing and communications efforts.
- Communicating vital and compelling information regarding visa and entry policies through all Brand USA channels.
- Ensuring the welcome carries the national voice across all consumer marketing channels with a cohesive platform.
- Meeting on a regular basis with federal partners.



Brand USA FY2017 Budget; Brand USA FY2016 Annual Report; Brand USA B2B.

OBJECTIVE #4: BUILD AND MAINTAIN TRUST

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

Goals:

- Ensure 100 percent compliance with policies, procedures, and the Travel Promotion and Modernization Act.
- Expand partner reporting portal content by 25 percent.

FY2017 Results

Brand USA successfully realized the targets for this objective as follows:

- Maintained 100 percent compliance with policies, procedures, and the requirements of the Travel Promotion and Modernization Act.
- Partner reporting expanded by more than 25 percent through playbooks and case studies.

We were able to accomplish these goals by:

- Maintaining ongoing compliance management and monitoring with appropriate policies, procedures, and controls.
- Increasing methods and frequency of results reporting.
- Ensuring full engagement with partners to maximize partner satisfaction and retention that establishes Brand USA as their go-to partner to support their international marketing efforts.
- Continuing to deploy and expand strategic communications, industry relations, and media relations plans that ensure consistent, accurate, and frequent updates on progress by leveraging effective communication channels and customer relationship management tools, including direct communications, social media, webinars, newsletters, meetings, and other communication strategies.
- Maintaining active participation in key industry conferences.

OBJECTIVE #5: ADD AND CREATE VALUE

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

Goals:

- Generate \$100 million in contributions from private industry and other nonfederal sources.
- Target 50 percent from cash contributions and 50 percent from in-kind contributions, but no less than 30 percent cash and no more than 70 percent in-kind.
- Maintain a 90 percent partner program retention rate.
- Increase partnership base to 749.

FY2017 Results

Brand USA met each of the goals associated with this objective.

- Generated more than \$100 million in contributions from private industry and other non-federal sources.
- Generated 53 percent of these contributions from cash contributions and 47 percent from in-kind contributions.
- Earned a 98 percent partner program retention rate.
- Increased partnership base to 851.

We accomplished this objective by:

- Building upon the effectiveness of our overall destination marketing strategies by leveraging the strength of federal resources, including embassies and consulates, worldwide.
- Participating in the development of in-country strategies with the Foreign Commercial Service and Visit USA Committees.
- Collaborating with the State Department and the Foreign Commercial Service on in-market communications, social media, and embassy events.
- Engaging with partners to create scalable programs across multiple budget levels by sharing insights, best practices from past programs, and co-creating 2017 initiatives with ample lead times.
- Creating industry-leading, compelling and scalable turnkey programs that showcase the full variety of U.S. destinations.
- Continuing to establish programs that allow partners to contribute and engage across all markets to leverage and promote their assets to international audiences.
- Focusing development efforts on securing in-kind media to enhance Brand USA consumer campaigns or cooperative marketing campaigns, extending the reach of USA marketing efforts.
- Establishing a strategy with major partners to amplify a national voice in markets and expand reach while developing other market entry programs.
- Sharing proprietary Brand USA insights with partners to provide guidance for cooperative marketing strategies.



Members of Brand USA Partner Roundtables meet regularly to provide valuable feedback on marketing initiatives.



ARIZONA IS THE HOME OF THE GRAND CANYON AND THE EMBODIMENT OF THE AMERICAN SOUTHWEST, SO OUR STATE IS VERY MUCH A GLOBAL TRAVEL DESTINATION. DELIVERING OUR BRAND MESSAGE TO INTERNATIONAL AUDIENCES IS CRUCIAL TO INCREASING VISITOR SPENDING IN ARIZONA, AND BRAND USA PROGRAMS HELP US EXTEND OUR ADVERTISING REACH IN INTERNATIONAL MARKETS IN WAYS THAT SIMPLY WEREN'T POSSIBLE BEFORE THE U.S. HAD A NATIONAL DESTINATION MARKETING ORGANIZATION.

—

DEBBIE JOHNSON,
EXECUTIVE DIRECTOR,
ARIZONA OFFICE OF TOURISM

FY2017 AUDITED FINANCIAL STATEMENTS AND NOTES





THE CORPORATION FOR TRAVEL PROMOTION, dba BRAND USA

Financial Statements

September 30, 2017

(With Independent Auditors' Report Thereon)



KPMG LLP
1676 International Drive
McLean, VA 22102

Independent Auditors' Report

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

We have audited the accompanying financial statements of The Corporation for Travel Promotion, dba Brand USA, which comprise the statement of financial position as of September 30, 2017, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of The Corporation for Travel Promotion, dba Brand USA as of September 30, 2017, 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.

KPMG LLP

February 16, 2018

THE CORPORATION FOR TRAVEL PROMOTION, dba BRAND USA

Statement of Financial Position

September 30, 2017

Assets

Assets:	
Cash and cash equivalents	\$ 43,100,560
Investments	28,990,242
Accounts receivable, net	64,529,078
Accounts receivable with related party	500,000
In-kind assets, net	33,227,344
Prepaid expenses and other current assets	2,659,278
Property and equipment, net	1,538,120
Intangible assets, net	<u>9,397,054</u>
Total assets	<u>\$ 183,941,676</u>

Liabilities and Net Assets

Liabilities:	
Accounts payable	\$ 10,131,729
Accrued expenses and other liabilities	<u>18,762,747</u>
Total liabilities	<u>28,894,476</u>
Net assets:	
Unrestricted	96,856,377
Temporarily restricted	<u>58,190,823</u>
Total net assets	155,047,200
Commitments and contingencies	
Total liabilities and net assets	<u>\$ 183,941,676</u>

See accompanying notes to financial statements.

THE CORPORATION FOR TRAVEL PROMOTION, dba BRAND USA

Statement of Activities

Year ended September 30, 2017

	<u>Unrestricted</u>	<u>Temporarily restricted</u>	<u>Total</u>
Support and revenue:			
Travel promotion fund proceeds	\$ 101,997,632	—	101,997,632
Partner contributions	29,646,718	23,468,482	53,115,200
In-kind contributions, net	53,000,761	32,720,545	85,721,306
Trade show and other revenue	2,173,642	—	2,173,642
Sponsorships	251,332	994,986	1,246,318
Release from restrictions	14,658,377	(14,658,377)	—
Total support and revenue	<u>201,728,462</u>	<u>42,525,636</u>	<u>244,254,098</u>
Expenses:			
Program services	198,474,560	—	198,474,560
General and administrative	16,717,880	—	16,717,880
Total expenses	<u>215,192,440</u>	<u>—</u>	<u>215,192,440</u>
Total change in net assets	(13,463,978)	42,525,636	29,061,658
Net assets, beginning of year	<u>110,320,355</u>	<u>15,665,187</u>	<u>125,985,542</u>
Net assets, end of year	<u>\$ 96,856,377</u>	<u>58,190,823</u>	<u>155,047,200</u>

See accompanying notes to financial statements.

THE CORPORATION FOR TRAVEL PROMOTION, dba BRAND USA

Statement of Functional Expenses

Year ended September 30, 2017

	<u>Program services</u>	<u>General and administrative</u>	<u>Total</u>
Salaries	\$ 3,823,445	4,930,750	8,754,195
Benefits	767,812	990,178	1,757,990
General and administrative	918,259	899,129	1,817,388
Communication	3,007,421	2,944,767	5,952,188
Insurance	43,669	42,760	86,429
Information technology	382,298	374,333	756,631
Legal	—	261,363	261,363
Accounting and audit	—	190,763	190,763
Professional services	232,028	747,127	979,155
Advertising and media	118,888,070	—	118,888,070
Market activation	8,811,747	—	8,811,747
Product development	452,528	—	452,528
Trade shows	2,811,047	—	2,811,047
Research	2,594,588	—	2,594,588
In-kind expenses	55,062,511	—	55,062,511
Travel	679,137	736,509	1,415,646
Depreciation and amortization	—	4,600,201	4,600,201
Total	<u>\$ 198,474,560</u>	<u>16,717,880</u>	<u>215,192,440</u>

See accompanying notes to financial statements.

THE CORPORATION FOR TRAVEL PROMOTION, dba BRAND USA

Statement of Cash Flows

Year ended September 30, 2017

Net cash from operating activities:	
Change in net assets	\$ 29,061,658
Adjustments to reconcile change in net assets to cash from operating activities:	
Realized and unrealized loss on investments	252,257
Allowance for doubtful accounts	11,550
Allowance for sequestration	250,927
Allowance for in-kind assets	11,164,063
Depreciation and amortization	4,600,201
Change in operating assets and liabilities:	
Accounts receivable	(20,483,296)
In-kind assets	(41,822,858)
Prepaid expenses and other current assets	(550,982)
Accounts payable	2,771,109
Accrued expenses	5,158,222
Net cash used in operating activities	<u>(9,587,149)</u>
Net cash from investing activities:	
Purchases of investments	(7,205,094)
Proceeds from sales of investments	6,400,000
Purchase of property and equipment	(44,258)
Purchase of website and development	<u>(2,079,671)</u>
Net cash used in investing activities	<u>(2,929,023)</u>
Net change in cash and cash equivalents	(12,516,172)
Cash and cash equivalents, beginning of year	<u>55,616,732</u>
Cash and cash equivalents, end of year	<u>\$ 43,100,560</u>

See accompanying notes to financial statements.

THE CORPORATION FOR TRAVEL PROMOTION, dba BRAND USA

Notes to the Financial Statements

September 30, 2017

(1) Organizational Structure

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

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

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)). Under the Act, the U.S. Department of Homeland Security (DHS), through the Secretary of the U.S. Department of the Treasury, made available to CTP initial funding, not to exceed \$10 million, for initial expenses and activities in fiscal year 2011. For each of the fiscal years 2012 through 2015, from the fees collected by DHS, the Secretary of the U.S. Department of the Treasury will transfer not more than \$100 million to CTP. For fiscal year 2012, 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, \$2 would be transferred up to the \$100 million cap. For each of the fiscal years 2013 through 2015, 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 million cap.

In December 2014, the U.S. Congress approved a five-year reauthorization for CTP through 2020. For each of the fiscal years 2016 through 2020, from the fees collected by DHS, the Secretary of the U.S. Department of the Treasury will transfer not more than \$100 million to CTP, and funds will be made 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 million cap.

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

(2) Summary of Significant Accounting Policies

(a) Basis of Presentation

The financial statements present the financial position, activities, functional expenses and cash flows of CTP in the accrual basis of accounting.

(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) 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

THE CORPORATION FOR TRAVEL PROMOTION, dba BRAND USA

Notes to the Financial Statements

September 30, 2017

provides for probable uncollectible amounts through a charge to expense and an increase to a valuation allowance based on its assessment of the current status of individual accounts. At September 30, 2017, the allowance for doubtful accounts was \$154,271. 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.

(d) Allowances for Sequestration and Travel Promotion Fund

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 6.9% in fiscal 2017. As a result, CTP has recorded an allowance for the sequestration expected to be withheld from future collections on its accounts receivable due from the Department of Treasury as of September 30, 2017 in the amount of \$3,056,871. The sequestration rate is anticipated to be 6.9% throughout fiscal 2018.

CTP has also recorded an allowance for the amount of in-kind contributions submitted to the Department of Commerce for matching funds, which may require additional valuation support prior to being able to receive matching funds in the amount of \$1,010,134 at September 30, 2017.

(e) In-Kind Assets

In-kind contributions with future economic benefit are capitalized until the benefit of such contributions has been received. At September 30, 2017, In-kind assets consist of donated advertising and marketing campaigns in the amount of \$44,391,407. In-Kind Assets are expensed as used and, as such, an in-kind asset balance will remain as of any given fiscal year end for media that is scheduled to be used in future fiscal periods.

(f) In-Kind Assets Allowance

CTP has recorded an allowance for in-kind assets, which may be adjusted by final third-party evaluations in the amount of \$11,164,063 as of September 30, 2017. The allowance directly reduces in-kind contributions revenue.

(g) 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 holds various investments, including certificates of deposit (CDs) and corporate bonds. The CDs and corporate bonds are exposed to various risks, such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities and investment contracts and the level of uncertainty related to changes in the value of the investment securities, it is at least reasonably possible that changes in risks in the near term would affect CTP's account balances and the amounts reported in the statement of financial position and the statement of activities and changes in net assets.

THE CORPORATION FOR TRAVEL PROMOTION, dba BRAND USA

Notes to the Financial Statements

September 30, 2017

CTP follows an investment policy that anticipates a sufficient return while maintaining the preservation of capital as the highest priority and ensuring adequate liquidity. The after-tax return on investment of the portfolio is tertiary to the objectives of preservation of capital and fulfillment of liquidity needs. Given the parameters set forth in the investment policy, the goal is to achieve an aggregate rate of return consistent with a conservatively managed, liquid fixed income investment portfolio. CTP follows the criteria that in no event shall the average of all fixed income securities exceed 3 years in duration.

(h) Fair Value Measurements

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

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

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

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

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

Level 3 – Inputs that are unobservable.

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

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.

(i) Property and Equipment

Property and equipment is stated at acquisition cost or at the estimated fair value at the date of gift, if donated, net of accumulated depreciation or amortization. All donated assets are reported as unrestricted support unless donors’ stipulations specify how the assets are to be used. Depreciation is computed using the straight-line method over the estimated useful lives of the assets, generally ranging from three to five years. Leasehold improvements are amortized using the straight-line method, over

THE CORPORATION FOR TRAVEL PROMOTION, dba BRAND USA

Notes to the Financial Statements

September 30, 2017

the shorter of the life of the improvement or the lease term. Expenditures for maintenance and repairs are charged to operations as incurred, while renewals and betterments are capitalized. When property and equipment is retired or otherwise disposed of, the cost and related accumulated depreciation or amortization are removed from the accounts and any resulting gain or loss is reflected in the statement of activities and changes in net assets for the period.

(j) 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, 2017.

(k) Intangible Assets

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 statement of activities and changes in net assets for the period.

(l) Net Asset Presentation

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

Permanently restricted net assets are comprised of the historical dollar amount of gifts, including pledges, which are required by donors to be permanently retained and only expended to the extent of earnings on investment of the funds. CTP had no permanently restricted net assets as of September 30, 2017.

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

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

When a time restriction ends, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities and changes in net assets as net assets released from restrictions.

(m) Travel Promotion Fund Proceeds

Federal funds are reported as deferred revenue in the period the Travel Promotion Act makes them available. The funds remain available until expended. The funds are reported as support and revenue when expended. CTP has the right to receive travel promotion funds (earmarked by the Department of Commerce) upon submission of qualified matching contributions. For fiscal year 2017, CTP was

THE CORPORATION FOR TRAVEL PROMOTION, dba BRAND USA

Notes to the Financial Statements

September 30, 2017

subject to a 100% match (from nonfederal sources) of the amount to be transferred. Such funds are recorded as accounts receivable and deferred revenue upon submission to the Department of Commerce, and recognized in the statement of activities as travel promotion fund proceeds to the extent that CTP fulfills the revenue recognition criteria. Management has determined that revenue recognition occurs upon fulfilling the purpose of the donated funds, expending on programs, activities, and operations to promote increased foreign leisure, business, and scholarly travel to the USA. Matching contributions that exceed the allowable matchable funds in a given year can be carried forward and applied against the match of a future year. The balance of deferred revenue was zero as of September 30, 2017.

(n) Partner Contributions

Partner contributions are recognized in the year an agreement is executed and are classified as either temporarily restricted or unrestricted based on whether the Partner (donor) intends for the contribution to be used in the current or future fiscal year.

(o) In-Kind Contributions

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.

Management uses estimates based on available information provided by donors to record the fair value of certain in-kind contributions which are still in the valuation assessment process. The recorded fair value of such an in-kind contribution is subject to change in the 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 year 2017 is discussed in Note 2(f).

During the year ended September 30, 2017, CTP changed its timing of recording the estimate for the fair value of donated media based on recent historical experience and maturation of relationships with Partners donating in-kind assets. As a result, CTP increased the change in unrestricted net assets by \$19,929,442, the change in temporarily restricted net assets by \$814,833 and the total change in net assets by approximately \$20,744,275.

(p) Functional Expenses

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

THE CORPORATION FOR TRAVEL PROMOTION, dba BRAND USA

Notes to the Financial Statements

September 30, 2017

CTP does not have any significant fundraising expenses.

(q) Income Taxes

CTP has been recognized by the Internal Revenue Service as exempt from federal income taxes under the provisions of Section 501(c)(6) of the Internal Revenue Code, except for taxes on unrelated business income. Contributions to CTP are not tax deductible by donors under Section 170(c)(2) of the Internal Revenue Code. CTP's accounting policy for evaluating uncertain tax positions is to recognize tax positions if the positions 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 believe its financial statement include any uncertain tax positions.

(r) 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, 2017, approximately 62% of CTP's accounts receivable came from one grantor.

For fiscal 2017, approximately 36% of CTP's in-kind contributions came from three donors.

For fiscal 2017, approximately 21% of CTP's partner cash contributions came from two donors.

(s) Related Parties

For 2017, \$9,103,000 in partner contributions came from organizations affiliated with members of the Board of Directors. Of this amount, \$5,408,775 is due to CTP as of September 30, 2017.

(t) 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.

(u) Subsequent Events

Subsequent events are events or transactions that occur after the statement of financial position date, but before financial statements are available to be issued. CTP recognizes in the financial statements the effects of all subsequent events that provide additional evidence about conditions that existed at the date of the statement of financial position, including the estimates inherent in the process of preparing the financial statements. CTP's financial statements do not recognize subsequent events that provide evidence about conditions that did not exist at the date of the statement of financial position, but arose after the statement of financial position date and before financial statements were available to be issued. CTP has evaluated subsequent events through February 16, 2018, which is the date the financial statements were available to be issued as approved by management.

THE CORPORATION FOR TRAVEL PROMOTION, dba BRAND USA

Notes to the Financial Statements

September 30, 2017

(3) Investments

The following schedule summarizes CTP’s investment returns for the year ended September 30, 2017:

Interest income	\$ 678,349
Realized gain/(loss)	(36,163)
Unrealized gain/(loss)	<u>(216,094)</u>
Net investment return	<u>\$ 426,092</u>

	<u>Cost</u>	<u>Fair value</u>
The following schedule summarizes CTP’s investments by asset class for the year ended September 30, 2017:		
Certificates of deposit	\$ 7,955,000	7,958,081
Corporate bonds	<u>21,131,712</u>	<u>21,032,161</u>
Total investments	<u>\$ 29,086,712</u>	<u>28,990,242</u>

Net investment return is reported on the statement of activities within the Trade show and other revenue line item.

(4) Fair Value Measurements

The following table present information about CTP’s assets measured at fair value on a recurring basis as of September 30, 2017:

	<u>Fair value</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Certificates of deposit	\$ 7,958,081	—	7,958,081	—
Corporate bonds	<u>21,032,161</u>	<u>—</u>	<u>21,032,161</u>	<u>—</u>
	<u>\$ 28,990,242</u>	<u>—</u>	<u>28,990,242</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.

THE CORPORATION FOR TRAVEL PROMOTION, dba BRAND USA

Notes to the Financial Statements

September 30, 2017

(5) Property and Equipment

Property and equipment consist of the following at September 30, 2017:

Furniture	\$	480,290
Computer equipment		381,754
Leasehold improvements		<u>1,372,240</u>
		2,234,284
Less accumulated depreciation		<u>(696,164)</u>
	\$	<u><u>1,538,120</u></u>

For 2017, depreciation expense of \$403,850 is included in general and administrative expense in the statement of activities.

(6) Intangible Assets

Intangible assets consist of the following at September 30, 2017:

	<u>Useful life</u>	<u>Cost basis</u>
Website	3 years	\$ 21,217,557
License	3 years	728,382
Brand name	Indefinite	<u>3,400,000</u>
		25,345,939
Less accumulated amortization		<u>(15,948,885)</u>
		\$ <u><u>9,397,054</u></u>

The U.S. Travel Association donated the Discover America website and brand name to CTP. CTP utilized the services of an independent valuation firm to assist in the estimation of the fair value of the donated assets. The assets were valued utilizing the cost approach, which is based on consideration of the costs to recreate the assets. The valuation resulted in an estimated fair value of \$9,400,000, but CTP paid the U.S. Travel Association a nominal fee of \$830,000 as was specified in the donation agreement. Management allocated \$6,000,000 of the contributed assets to the website, based on management's best estimate to rebuild and/or purchase an established website, and assigned the remaining fair value of \$3,400,000 to the Discover America brand name. Management determined that the website had an estimated useful life of three years, and the brand name had an indefinite life.

During fiscal 2017, CTP capitalized \$2,004,671 of additional website development costs incurred, and \$75,000 of software licenses. During fiscal 2017, CTP recognized \$4,196,351, of amortization expense, included in general and administrative expense in the statement of activities. Future amortization, including amortization of additional website development costs and software license, is expected to be \$2,717,780 \$1,930,079 and \$311,052 for fiscal 2018, 2019, and 2020, respectively.

THE CORPORATION FOR TRAVEL PROMOTION, dba BRAND USA

Notes to the Financial Statements

September 30, 2017

(7) Commitments and Contingencies

(a) Operating Lease

CTP leases the corporate facility under an operating lease agreement that expires in December 2025. Minimum rental payments under the operating lease are recognized on a straight-line basis over the term of the lease including any periods of free rent. Total rent expense for the lease for the year ended September 30, 2017 totaled \$1,200,802. The related deferred rent liability for the operating lease at September 30, 2017 totaled \$1,585,429, and is recorded as a component of accrued expenses in the statement of financial position.

The future minimum annual lease payments under the noncancelable operating lease are as follows:

Years ending:		
2018	\$	1,234,999
2019		1,265,948
2020		1,297,678
2021		1,348,394
2022		1,386,495
Thereafter		<u>4,657,419</u>
	\$	<u><u>11,190,933</u></u>

(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 Agreements

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

(d) U.S. Travel Association Agreement

CTP entered into a sponsorship agreement with U.S. Travel Association to be the premier sponsor of the IPW Conference (the Conference) for five years from 2016 through 2020. The Conference is a travel industry trade event that has been occurring annually for approximately 45 years. CTP will make annual payments of \$1.3 million beginning in fiscal 2016, and increasing by \$50,000 in each subsequent fiscal year, through fiscal 2020.

THE CORPORATION FOR TRAVEL PROMOTION, dba BRAND USA

Notes to the Financial Statements

September 30, 2017

(e) Other Matters

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



FY2017 IN-KIND CONTRIBUTIONS

CONTRIBUTOR	DESCRIPTION	FAIR MARKET VALUE
1 Hotels	Trade Show Branding	\$1,100
A La Carte Tours	Trade Show Branding	\$6,700
ACE Rent A Car	Trade Show Branding	\$7,100
Action Travel	Trade Show Branding	\$2,600
Air Berlin	Online & Email, In-Store, OOH, In-Flight	\$1,079,300
AKA	Trade Show Branding	\$2,800
Alabama Tourism	Trade Show Branding	\$4,600
Alaska Connections	Trade Show Branding	\$7,100
Alaska Denali Travel	Trade Show Branding	\$7,800
Alaska, State of	Trade Show Branding	\$67,100
All Alaska Tours	Trade Show Branding	\$13,300
All USA Travel Inc // Todo New York	Trade Show Branding	\$1,300
AlliedTPro	Trade Show Branding	\$45,000
America & Beyond	Trade Show Branding	\$5,300
America Asia Travel Center Inc.	Trade Show Branding	\$3,700
America Int'l Travel Services, Inc.	Trade Show Branding	\$13,200
American Attractions Collections (HAT Marketing)	Trade Show Branding	\$13,000



Clearwater, Florida

CONTRIBUTOR	DESCRIPTION	FAIR MARKET VALUE
American Cruise Lines / Pearl Seas Cruises	Trade Show Branding	\$7,500
American Executive International	Trade Show Branding	\$2,600
American Hotel & Lodging Educational Institute	Trade Show Branding	\$2,900
American Incoming	Trade Show Branding	\$5,700
American Indian Alaska Native Tourism Association	Trade Show Branding	\$72,600
American Ring Travel, Inc.	Trade Show Branding	\$14,600
AmericanTours International LLC	Trade Show Branding	\$31,100
Amerilink International Corp.	Trade Show Branding	\$12,600
Amtrak - USA Passenger Rail	Trade Show Branding	\$65,800
Anji Car Rental and Leasing Co., Ltd.	Trade Show Branding	\$3,400
Arizona Office of Tourism	Trade Show Branding	\$63,500
Arlington Convention and Visitors Service	Trade Show Branding	\$14,400
Aspen Skiing Company	Trade Show Branding	\$4,700

IN-KIND CONTRIBUTIONS

CONTRIBUTOR	DESCRIPTION	FAIR MARKET VALUE
Aviamark Blue s.l.	Trade Show Branding	\$1,400
Baltimore/Washington International Airport	Trade Show Branding	\$7,500
BBC Worldwide	TV: 30" Brand USA Spots	\$2,108,500
Beaches of Ft Myers & Sanibel	Trade Show Branding	\$2,000
Best Destinations of the West, The	Trade Show Branding	\$9,700
Best Time RV	Trade Show Branding	\$2,700
Best Western Hotels & Resorts	Trade Show Branding	\$10,100
Best Western International, Inc.	Trade Show Branding	\$38,000
Big Bus Tours	Trade Show Branding	\$23,400
Bindlestiff Tours	Trade Show Branding	\$4,400
Black Exclusive	Trade Show Branding	\$6,800
Bloomberg	TV: 30 sec. commercial units; Digital: Homepage takeover with standard banners	\$1,210,000
Boggy Creek Airboat Rides	Trade Show Branding	\$1,800
Bonjour USA - Blue Time	Trade Show Branding	\$12,700
Bonotel Exclusive Travel	Trade Show Branding	\$56,200
Bradley International Airport	Trade Show Branding	\$3,200
British Airways	Plane tickets used during 2016 Brand USA MegaFams, held for travel professionals from the UK & Ireland	\$893,900
Bundu Bashers Tours and Bundu Bus	Trade Show Branding	\$1,400
California Agr Export Council/ Agricultural Trade Office	Trade Show Branding	\$18,900
Campervan North America LLC	Trade Show Branding	\$3,900
Caribbean Tourism Organization	Trade Show Branding	\$1,000
Central Park Sightseeing (Smartdestinations)	Trade Show Branding	\$6,800
Chinatour.com	Trade Show Branding	\$3,400
Choose Chicago	Trade Show Branding	\$2,200
City Tours Maine	Trade Show Branding	\$11,500
City Travel NYC	Trade Show Branding	\$1,300
CJF Marketing International	Trade Show Branding	\$7,100

CONTRIBUTOR	DESCRIPTION	FAIR MARKET VALUE
Coastal South Carolina, USA	Trade Show Branding	\$4,500
Colorado Tourism Office	Trade Show Branding	\$169,100
Connectworldwide Japan Co., Lt.d	Trade Show Branding	\$400
Contact USA	Trade Show Branding	\$8,300
Cosmopolitan Incentives LLC	Trade Show Branding	\$2,000
Cruise America, Inc.	Trade Show Branding	\$32,700
Ctrip	Website banners, mobile "widescreen banners	\$711,300
Daytona Beach Area CVB	Trade Show Branding	\$3,700
Delaware North Companies	Trade Show Branding	\$7,200
Delta Air Lines, Inc.	Trade Show Branding	\$12,200
Destination DC	Trade Show Branding	\$30,700
Destination Event Services	Trade Show Branding	\$2,000
Destinations of The World	Trade Show Branding	\$9,900
Discover The World	Trade Show Branding	\$6,000
Dista Group	Trade Show Branding	\$4,900
Dollar Rent A Car	Trade Show Branding	\$1,700
Don Quijote Tours-Boston	Trade Show Branding	\$2,100
Dreamscapes	Full page advertorials/ads, Website lead-board ads, Website + digital editions	\$275,300
DreamWorld Travels USA	Trade Show Branding	\$16,800
EAGLERIDER	Trade Show Branding	\$7,600
Eaglerider Motorcycles	Trade Show Branding	\$3,400
East West Marketing Corp.	Trade Show Branding	\$21,700
El Monte RV	Trade Show Branding	\$26,900
Enjoy Illinois (by Cellett Marketing)	Trade Show Branding	\$53,000
ESPN	Digital display, mobile and 15" pre-roll video placements on ESPN websites; Desktop + mobile placements on ESPN websites in EMEA, Canada & Latin America; Ad placements on ESPN websites, apps, and TV networks in Brazil, Canada, UK, Europe, Mexico, Australia/NZ & India	\$8,618,700
Event Travel Solutions	Trade Show Branding	\$3,500
Experience Kissimmee	Trade Show Branding	\$49,300
Explore Fairbanks	Trade Show Branding	\$5,100
Fairways Golf USA	Trade Show Branding	\$3,300

IN-KIND CONTRIBUTIONS

CONTRIBUTOR	DESCRIPTION	FAIR MARKET VALUE
Fliggy	Cross-platform digital placements across Fliggy's mobile + desktop platforms (landing page, banner, etc.)	\$233,700
Florida Dolphin Tours	Trade Show Branding	\$1,800
Florida Keys & Key West	Trade Show Branding	\$12,600
Florida Scandi Vacation Homes	Trade Show Branding	\$3,800
Florida Travel Network (NAR Ltd)	Trade Show Branding	\$6,900
Florida's First Coast of Golf	Trade Show Branding	\$3,900
FOX Rent A Car	Trade Show Branding	\$7,500
French America Line	Trade Show Branding	\$5,900
Fullington Bus Company & Fullington Trailways	Trade Show Branding	\$5,400
FVW Medien GmbH	Full page advertorials & advertisements in TravelTalk, FVW, & BizTravel	\$471,300
Galaxy Tour, Inc. (USA)	Trade Show Branding	\$3,400
Gastaldi	Trade Show Branding	\$16,200
Georgia Tourism	Trade Show Branding	\$19,100
Get America Tours	Trade Show Branding	\$1,100
Go New York Tours	Trade Show Branding	\$600
Go West Tours	Trade Show Branding	\$44,100
Grand Canyon Tour and Travel	Trade Show Branding	\$11,800
Grand Canyon West	Trade Show Branding	\$47,500
Grapevine CVB	Trade Show Branding	\$2,300
Great Lakes of North America/ Great Lakes USA	Trade Show Branding	\$32,400
Greater Boston Convention & Visitors Bureau	Trade Show Branding	\$9,500
Greater Fort Lauderdale CVB	Trade Show Branding	\$2,800
Greater Houston Convention and Visitors Bureau	Trade Show Branding	\$2,100
Greater Miami Convention & Visitors Bureau	Trade Show Branding	\$37,000
Greater Palm Springs Convention & Visitors Bureau	Trade Show Branding	\$1,600
Guam Visitors Bureau	Trade Show Branding	\$4,800
Harlem Spirituals / New York Visions	Trade Show Branding	\$2,000
Hawaii Convention Center - Meet Hawai'i	Trade Show Branding	\$3,400
Hawaii Tourism Authority	Trade Show Branding	\$64,200

CONTRIBUTOR	DESCRIPTION	FAIR MARKET VALUE
Highgate Hotels	Trade Show Branding	\$2,100
Hotel Mela - Times Square NY	Trade Show Branding	\$5,600
Hyde Holiday	Trade Show Branding	\$3,700
Idaho Tourism	Trade Show Branding	\$9,500
Illinois Consortium	Trade Show Branding	\$98,500
Illinois Office of Tourism	Trade Show Branding	\$7,000
Imaginadora Marketing de Destinos	Trade Show Branding	\$7,300
Inside Out Tourism	Trade Show Branding	\$1,800
Inside Vegas LLC	Trade Show Branding	\$2,300
InterContinental Los Angeles at Beverly Hills	Trade Show Branding	\$2,000
iQiyi	Run of site display, Seeds videos, Pre-roll	\$4,245,600
Island Partners Hawai'i	Trade Show Branding	\$5,600
Jackson Hole Chamber of Commerce	Trade Show Branding	\$23,400
JBS Group, Inc.	Trade Show Branding	\$1,400
Jucy RV Rentals	Trade Show Branding	\$1,300
Juventud y Cultura	Trade Show Branding	\$2,000
Kaluah Tours	Trade Show Branding	\$43,100
Kansas & Oklahoma Travel & Tourism	Trade Show Branding	\$11,100
Kevin Streit and Associates, LLC	Trade Show Branding	\$9,300
Kualoa Ranch Hawaii, Inc.	Trade Show Branding	\$1,000
LasVegas Convention and Visitors Authority	Trade Show Branding	\$244,900
Liberty Helicopters	Trade Show Branding	\$2,300
LittleBig Road	Trade Show Branding	\$6,600
Loews Hotels	Trade Show Branding	\$18,000
Los Angeles Tourism & Convention Bureau	Trade Show Branding	\$80,500
Lufthansa	Plane Tickets used during 2016 Brand USA MegaFams, held for travel professionals from Germany	\$529,100
Luxury Line Auto Rental	Trade Show Branding	\$2,900
Mafengwo	Mobile content & display ads across Mafengwo's mobile & desktop platforms	\$794,600
Marco Island Marriott Beach & Golf Resort	Trade Show Branding	\$1,500
Marianas Visitors Authority	Trade Show Branding	\$40,800
Mark International	Trade Show Branding	\$9,700

IN-KIND CONTRIBUTIONS

CONTRIBUTOR	DESCRIPTION	FAIR MARKET VALUE
Massachusetts Office of Travel & Tourism	Trade Show Branding	\$6,900
Maxim Tours LLC	Trade Show Branding	\$7,500
Meet AC	Trade Show Branding	\$18,200
Merlin Entertainments	Trade Show Branding	\$30,400
Merlin International	Trade Show Branding	\$17,100
Miles Media	Trade Show Branding	\$9,200
Millenium Hotels & Resorts	Trade Show Branding	\$3,600
Millenium Voyages USA	Trade Show Branding	\$5,400
Mississippi River Country	Trade Show Branding	\$20,000
Mississippi Tourism	Trade Show Branding	\$4,600
Montana, State of (Japan Trade Office)	Trade Show Branding	\$3,400
Monument Valley Tours	Trade Show Branding	\$10,200
Myrtle Beach Area Convention & Visitors Bureau	Trade Show Branding	\$4,000
Myrtle Beach Golf Holiday	Trade Show Branding	\$3,800
National Geographic	TV Spots, Digital Campaign (2), NatGeo magazine insertions, NatGeo travel newsletter; TV Promos, Social media support, full page mobile ads, e-newsletter text placements, digital microsite	\$3,215,100
National Tour Association	Trade Show Branding	\$4,300
New Orleans CVB	Trade Show Branding	\$10,600
New Tours USA	Trade Show Branding	\$1,800
New World Travel, Inc.	Trade Show Branding	\$34,900
NewsCorp	USA destination hub sponsorship on escape.com, Half page print advertising in Brand USA's look and feel	\$421,300
Nohea Adventure	Trade Show Branding	\$3,700
NYC & Company	Trade Show Branding	\$1,034,700
NZME	Desktop + mobile ads, Travel Magazine print ads (4 pages), Radio commercials	\$244,300
Oak Plantation Resort	Trade Show Branding	\$1,800
Ocean Five Hotel	Trade Show Branding	\$5,900
Ocean Holidays	Trade Show Branding	\$3,500
Ole Tours Hawaii LLC	Trade Show Branding	\$1,000
Opentours	Trade Show Branding	\$7,300
Orlando Sanford International Airport	Trade Show Branding	\$3,100
Overseas Travel International	Trade Show Branding	\$8,400
Palmetto Dunes Oceanfront Resort	Trade Show Branding	\$5,300

CONTRIBUTOR	DESCRIPTION	FAIR MARKET VALUE
Papillon Grand Canyon Helicopters	Trade Show Branding	\$4,100
Pebble Beach Resorts	Trade Show Branding	\$1,600
Personal RGE Tours	Trade Show Branding	\$3,600
Philadelphia Convention & Visitors Bureau	Trade Show Branding	\$27,700
Port of Seattle	Trade Show Branding	\$12,100
PPTV	Website banners, Seeds videos, focus figure in profile page; Banners and seeds video in website homepage, tv series webpage, sports webpage	\$4,398,500
Premier Golf	Trade Show Branding	\$1,600
Premium Outlets / SIMON	Trade Show Branding	\$68,100
Priceline	Trade Show Branding	\$9,400
Puerto Rico Tourism Company	Trade Show Branding	\$7,300
RCS Advertising	Trade Show Branding	\$3,500
RentMax Car Rental	Trade Show Branding	\$5,000
Resort at Pelican Hill (The)	Trade Show Branding	\$13,600
Revamerica Tours	Trade Show Branding	\$4,300
San Francisco Travel Association	Trade Show Branding	\$25,400
Santa Monica Travel and Tourism	Trade Show Branding	\$16,200
Sarasota Manatee Airport Authority	Trade Show Branding	\$1,800
Sawgrass Mills-Simon	Trade Show Branding	\$1,100
Scripps	30 Second TV Spots (Travel Channel, Food Network)	\$1,000,000
See America	Trade Show Branding	-
Sight & Sound Theatres	Trade Show Branding	\$5,200
Simon Shopping Destinations	Trade Show Branding	\$7,200
Sina	Destination itineraries, featured campaigns, customized PR package, Weibo hashtag pages	\$3,259,300
Sixt	Trade Show Branding	\$19,700
SIXTY Beverly Hills	Trade Show Branding	\$8,100
Skywalker Communications Group (Marianas Visitors Authority)	Trade Show Branding	\$14,200
Smart Destinations, Inc.	Trade Show Branding	\$11,100
Sohu	Run of site display banners	\$4,144,900
South Carolina Dept of Parks, Recreation & Tourism	Trade Show Branding	\$39,200

IN-KIND CONTRIBUTIONS

CONTRIBUTOR	DESCRIPTION	FAIR MARKET VALUE
South Dakota Department of Tourism	Trade Show Branding	\$5,100
STA	Online/Offline advertising across travel-owned media channels; Online/Offline advertising across STA Travel owned media channels	\$6,163,600
Sunrise	Live outside broadcast from 5 US states in 5 days, each morning program will run for 3.5 hours and include Sunrise hosts/ weather team/reporters	\$771,800
Teamamerica Receptive Tour Operator	Trade Show Branding	\$175,500
Telegraph	Newspaper display & advertorial, Online display, content, mobile & iPad	\$1,801,800
Terres Indiennes, Inc.	Trade Show Branding	\$5,700
Texas Holiday Travel	Trade Show Branding	\$10,600
Texas Tourism	Trade Show Branding	\$161,200
The Best Destinations of the West	Trade Show Branding	\$5,500
The Boat Company	Trade Show Branding	\$8,900
Thomas Cook	Online display advertising, online banner incl. landing page, Inflight magazine promotion, Newsletter placements	\$6,873,300
Tour America, Inc.	Trade Show Branding	\$9,900
TourHERO	Trade Show Branding	\$1,200
TourMappers North America	Trade Show Branding	\$26,700
Travalco USA, Inc.	Trade Show Branding	\$37,100
Travel Insurance Center	Trade Show Branding	\$1,700
Travel Michigan	Trade Show Branding	\$1,400
Travel Nation	Various TV spots, Desktop/mobile digital placements	\$356,900
Travel Options	Trade Show Branding	\$16,300
Travel Portland	Trade Show Branding	\$4,700
TTG	Full page advertorials, coverwraps, double page ads in TTG Magazine, WTM Dailies full page; Advertorials and ad placements in TTG Media Magazine	\$510,100
TwinAmerica LLC	Trade Show Branding	\$16,900
U.S. Travel Association	Trade Show Branding	\$100
United Airlines	Trade Show Branding	\$53,900
USA Production, Yes, Oui Can	Trade Show Branding	\$4,400
USA Travel Pro	Trade Show Branding	\$16,600
USA U TU MEDIDA	Trade Show Branding	\$3,000
Utah Office of Tourism	Trade Show Branding	\$117,000

CONTRIBUTOR	DESCRIPTION	FAIR MARKET VALUE
Vacations by Rail	Trade Show Branding	\$1,800
Virgin Atlantic Airways	Trade Show Branding	\$3,400
Visit Anchorage, Alaska	Trade Show Branding	\$34,900
Visit Arizona	Trade Show Branding	\$28,500
Visit Burbank	Trade Show Branding	\$1,800
Visit California	Trade Show Branding	\$261,200
Visit Florida	Trade Show Branding	\$415,600
Visit Idaho (Aviareps)	Trade Show Branding	\$3,500
Visit North Carolina	Trade Show Branding	\$4,600
Visit Orlando	Trade Show Branding	\$280,700
Visit Pittsburgh	Trade Show Branding	\$6,100
Visit Seattle	Trade Show Branding	\$16,000
Visit Tucson	Trade Show Branding	\$4,100
Walt Disney Company, The	Trade Show Branding	\$21,700
Wanda	TV Spots (15 sec), OOH Video Spots (15 sec); 30 second ads on IMAX screens, 15 second ads on regular screens	\$6,353,400
Warner Bros. Studio Tour Hollywood	Trade Show Branding	\$4,200
WeddingWire	Trade Show Branding	\$1,800
Whitney Plantation	Trade Show Branding	\$1,700
XiaoYaoDao Happy Travel	Trade Show Branding	\$2,300
XL Airways France	Trade Show Branding	\$6,900
TOTAL IN-KIND CONTRIBUTIONS SUBMITTED IN FY2017*		\$66,278,900

*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 77 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.

PARTNERS

FOUNDING PARTNERS

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

- Best Western
- California Travel and Tourism Commission (Visit California)
- Enterprise Holdings, LLC
- Florida Tourism Industry Marketing Corporation (Visit Florida)
- Hilton Worldwide
- Illinois Department of Commerce & Economic Opportunity (Discover Illinois)
- Las Vegas Convention & Visitors Authority
- Marriott International, Inc.
- Massachusetts Office of Travel and Tourism
- NBC Universal
- NYC & Company
- Orlando/ Orange County Convention & Visitor's Bureau, Inc. (Visit Orlando)
- U.S. Travel Association
- The Walt Disney Company



Sleeping Bear Dunes National Park, Michigan



Diamond (contributions of \$1 million and higher)

Air Berlin	NYC & Company
Arizona Office of Tourism	Oregon Tourism Commission (Travel Oregon)
BBC Worldwide	Osceola County Department of Tourism (Experience Kissimmee)
Bloomberg	PPLV Corporation
California Travel & Tourism Commission (Visit California)	REI, Inc.
Capital Region USA	San Antonio Convention and Visitors Bureau (Visit San Antonio)
Choose Chicago	San Diego Tourism Authority
Deutsche Lufthansa AG	Scripps Networks International Limited
Enterprise Holdings, LLC	SeaWorld Parks & Entertainment, Inc.
ESPN	Sina Corporation
Expedia	Smart Destinations, Inc.
Expedia Media Solutions	Sohu
Florida Tourism Industry Marketing Corporation (Visit Florida)	South Carolina Department Parks, Recreation & Tourism (Discover South Carolina)
Hilton Worldwide	Southern State Tourism Offices (Travel South USA)
Illinois Department of Commerce & Economic Opportunity (Discover Illinois)	STA Travel
Iqiyi	Telegraph
Las Vegas Convention & Visitors Authority	Thomas Cook
Los Angeles Tourism & Convention Board (Discover Los Angeles)	TripAdvisor
Louisiana Office of Tourism	Utah Office of Tourism
Marriott International, Inc.	Wanda
MGM Resorts International	Washington Convention & Visitors Bureau (Destination DC)
Michigan Economic Development Corporation; Michigan Tourism Commission (Travel Michigan)	Youku
National Geographic	Zone Outdoor
NBC Universal Orlando	
NBC Universal Studios Hollywood	

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

British Airways	Orlando/Orange County Convention & Visitors Bureau (Visit Orlando)
Colorado Tourism Office	Qunar
Como Street Travel (Ocean USA)	San Francisco Travel
Ctrip	South Dakota Department of Tourism (Travel South Dakota)
Despegar.com	Sunrise Media
Globelite Travel Marketing/Dreamscapes	Times of India
Greater Fort Lauderdale Convention & Visitors Bureau	Travel Portland
Hindustan Times Ltd.	TTG Asia Media
Lee County Convention & Visitors Bureau (The Beaches of Fort Myers and Sanibel)	Utah Consortium of Destinations
Mafenguo	Vegas.com
Myrtle Beach Area Chamber of Commerce & Convention and Visitors Bureau	
New Orleans Convention & Visitors Bureau	

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

Alabama Tourism Department	New York State Department of Economic Development
Austin Convention & Visitors Bureau	NewsCorp (Australia)
Avis Budget Car Rental, LLC	North Carolina Division of Tourism
Buffalo Niagara Convention & Visitors Bureau	Orange County Visitors Association
Charleston Area Convention & Visitors Bureau (Explore Charleston)	Orbitz Worldwide
CityPass, Inc.	Papillon Grand Canyon Helicopters
Denver Convention & Visitors Bureau (Visit Denver)	Star TV
Explore Minnesota Tourism	State of Texas, Office of the Governor, Economic Development & Tourism (Texas Tourism)
Flight Centre UK Limited	Tennessee Department of Tourist Development
FVW Mediengruppe	The Official Tourism Marketing Corporation for Palm Beach County (Discover The Palm Beaches)
Greater Miami Convention & Visitors Bureau	Travel Nation
Massachusetts Office of Travel and Tourism	Travel Weekly Group (China)
Memphis Convention & Visitors Bureau	TTG UK
Missouri Division of Tourism, Department of Economic Development	USAirtours Ltd.
MOAC Mall Holdings LLC (Mall of America)	Walt Disney Parks and Resorts
Montana Office of Tourism (Visit Montana)	West Virginia Department of Commerce
Nevada Department of Tourism & Cultural Affairs (Travel Nevada)	Wyoming Office of Tourism

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

Air New Zealand	Philadelphia Convention & Visitors Bureau
American Samoa Visitors Bureau	PM Publishing Solutions
American Sky	Rhythms of the South
Bradenton Area Convention and Visitors Bureau	Rich Advertising Corporation
Cirque du Soleil	Rocky Mountain International
Cleverdis	San Jose Convention and Visitors Bureau
Detroit Metro Convention & Visitors Bureau (Meet Detroit)	Seattle Convention & Visitors Bureau (Visit Seattle)
Discover New England	Smartidea
Etihad Airlines	TeamAmerica Receptive Tour Operator
Fliggy	TTG Media Ltd.
Fort Worth Convention and Visitors Bureau	Tuolumne County Visitors Bureau (Visit Tuolumne County)
General Growth Services	Turistampa
Georgia Department of Economic Development - Tourism Division (Explore Georgia)	U.S. Virgin Islands Department of Tourism
Greater Houston Convention & Visitors Bureau	United Airlines
Greater Newark Convention & Visitors Bureau	Visit Burbank
Hilton Head CVB	Visit Huntington Beach
Idaho Division of Tourism Development (Visit Idaho)	Visit St. Petersburg/Clearwater CVB
Lake Charles Convention & Visitors Bureau (Visit Lake Charles)	Visit Tampa Bay
Macy's	
Monterey County Convention & Visitors Bureau	
NZME	

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

Alaska Travel Industry Association
 Alexandria/Pineville Area Convention & Visitors Bureau (Louisiana)
 All Alaska Tours
 AlliedTPro
 America Int'l Travel Services, Inc.
 American Attractions Collections (HAT Marketing)
 American Indian Alaska Native Tourism Association
 American Ring Travel, Inc.
 AmericanTours International LLC
 Amerilink International Corp.
 Amtrak
 Anaheim/Orange County Visitor & Convention Bureau (Visit Anaheim)
 Arlington Convention and Visitors Service
 Artegon Marketplace
 Atlanta Convention and Visitors Bureau
 Atlantic City Convention and Visitors Authority (Meet AC)
 Best Western International, Inc.
 Beverly Hills Conference & Visitors Bureau
 Big Bear Visitors Bureau
 Big Bus Tours
 Bloomington CVB
 Bonjour USA - Blue Time
 Bonotel Exclusive Travel
 Breckenridge Resort Chamber
 California Agricultural Export Council/ Agricultural Trade Office
 Central Coast Tourism Council
 Central New York Vacation Region
 Charleston CVB (WV)
 Chickasaw Nation
 City Tours Maine
 Colorado Springs Convention and Visitors Bureau (Visit Colorado Springs)
 Costa Mesa Convention and Visitors Bureau
 Cruise America, Inc.
 Dallas Convention & Visitors Bureau (Visit Dallas)
 Delta Air Lines, Inc.
 DreamWorld Travels USA
 Durango Area Tourism Office
 Eaglerider Motorcycles
 East West Marketing Corp.
 El Monte RV
 Elizabeth Destination Marketing Organization
 Federal Realty
 Finger Lakes Regional Tourism Alliance
 Flagstaff Convention and Visitors Bureau
 Florida Keys & Key West
 Gastaldi
 Go West Summit
 Go West Tours
 Grand Canyon Tour and Travel
 Grand Canyon West
 Grand Junction Visitor & Convention Bureau
 Great Lakes of North America/ Great Lakes USA
 Greater Boston Convention and Visitors Bureau
 Greater Merrimack Valley Convention & Visitors Bureau
 Greater Palm Springs Convention & Visitors Bureau (Visit Palm Springs)
 Greater Phoenix Convention & Visitors Bureau (Visit Phoenix)
 Greater Wildwoods Tourism Improvement and Development Authority (Wildwoods Convention Center)
 Hawaii Tourism Authority
 High Sierra Visitors Council
 Houma Area Convention & Visitors Bureau
 Irvine Company Retail Properties
 Jackson Hole Chamber of Commerce
 Kahala Hotel & Resort
 Kaluah Tours
 Kansas/Oklahoma Travel & Tourism
 Kentucky Department of Travel and Tourism
 Lafayette Convention & Visitors Commission
 Lake Tahoe Visitors Authority
 Laramie County Convention & Visitors Bureau (Visit Cheyenne)
 Loews Hotels
 Lufthansa German Airlines
 Macerich
 Mammoth Lakes Tourism (Visit Mammoth)
 Marianas Visitors Authority
 Merlin Entertainments
 Mineta San Jose Airport
 Mississippi River Country
 Mono County Economic Development, Tourism and Film Commission
 Monument Valley Tours
 Myrtle Beach Golf Holiday

Nashville Convention & Visitors Corp.
 (Visit Music City)
 National September 11 Memorial & Museum
 New Hampshire Division of Travel &
 Tourism Development
 New Orleans Plantation Country
 New World Travel, Inc.
 Niagara Tourism & Convention Corporation
 North Dakota Department of Commerce
 North of Boston Convention & Visitors Bureau
 Ocala/Marion County Visitors and Convention
 Bureau (Visit Ocala)
 Oxnard Convention & Visitors Bureau
 PA Route 6 Alliance
 Panama City Beach Convention & Visitors Bureau
 Park City Convention & Visitors Bureau
 Pasco County Board of County Commissioners
 Pennsylvania Association of Travel and Tourism
 Pleasanton Downtown Association (Visit Tri-Valley)
 Port of Seattle
 Redondo Beach Chamber of Commerce & Visitors
 Bureau
 Resort at Pelican Hill
 River Oaks District
 Rochester Convention and Visitors Bureau
 Santa Cruz County Conference and
 Visitors Council
 Santa Monica Travel and Tourism
 Saratoga County Chamber of Commerce
 Savannah Area Chamber of Commerce
 Shasta Cascade Wonderland Association
 Shreveport - Bossier Convention &
 Tourist Bureau
 Simon / Premium Outlets
 Sixt
 Skywalker Communications Group (Marianas
 Visitors Authority)
 Somerset County Business Partnership
 Sonoma County Tourism Bureau
 South Coast Plaza
 Southern Yosemite Visitors Bureau
 (Visit Yosemite Madera County)
 St. Augustine, Ponte Vedre & the Beaches Visitors
 and Convention Bureau
 St. Tammany Tourist & Convention Commission
 (Louisiana Northshore)
 Texas Holiday Travel
 The Shops Buckhead Atlanta
 The Strong, National Museum of Play, Rochester,
 New York
 TOURISM Santa Fe
 TourMappers North America
 Travelco USA, Inc.
 Travel Impressions
 Travel Options
 TwinAmerica LLC
 USA Travel Pro
 Ventura County Coast
 Ventura Visitors and Convention Bureau
 Vermont Department of Tourism and Marketing
 Visit Anchorage, Alaska
 Visit Arizona
 Visit Baton Rouge
 Visit Clearfield County
 Visit Napa Valley
 Visit Oakland
 Visit San Luis Obispo County
 Visit Sarasota County
 Visit Seattle
 Visit Tucson
 West Hollywood Marketing & Visitors Bureau (Visit
 West Hollywood)
 Yosemite/Mariposa County Tourism Bureau
 (Yosemite Experience)

Supporting (contributions up to \$10,000)

- 1 Hotels
- A La Carte Tours
- ACE Rent A Car
- Action Travel
- Adventure Cycling Association
- AKA
- Alachua County Visitors & Convention Bureau
- Alaska Connections
- Alaska Denali Travel
- All USA Travel Inc.
- America & Beyond
- America Asia Travel Center Inc.
- American Cruise Lines / Pearl Seas Cruises
- American Executive International
- American Hotel & Lodging Educational Institute
- American Incoming
- Anji Car Rental and Leasing Co., Ltd.
- Aspen Skiing Company
- Athens Convention and Travel Bureau
- Aviamark Blue s.l.
- Baltimore/Washington International Airport
- Best Destinations of the West, The
- Best Time RV
- Bindlestiff Tours
- Black Exclusive
- Boggy Creek Airboat Rides
- Bradley International Airport
- Broadmoor (The)
- Bundu Bashers Tours and Bundu Bus
- Campervan North America LLC
- Cannery Row Company (Monterey, California)
- Caribbean Tourism Organization
- Central Park Sightseeing
- Chinatour.com
- City Travel NYC
- CJF Marketing International
- Coastal South Carolina, USA
- Connectworldwide Japan Co., Ltd.
- Contact USA
- Corning Museum of Glass
- Cosmopolitan Incentives LLC
- Daytona Beach Area CVB
- Delaware North Companies
- Destination Event Services
- Destinations of the World
- Discover the World
- Dista Group
- Dollar Rent A Car, Inc.
- Don Quijote Tours-Boston
- Event Travel Solutions
- Evergreen Escapes
- Explore Fairbanks
- Fairways Golf USA
- Florida Dolphin Tours
- Florida Scandi Vacation Homes
- Florida Travel Network (NAR Ltd)
- Florida's First Coast of Golf
- FOX Rent A Car
- French America Line
- Fullington Bus Company & Fullington Trailways
- Galaxy Tour, Inc. (USA)
- Get America Tours
- Gettysburg Travel (Destination Gettysburg)
- Go New York Tours
- Grapevine CVB
- Guam Visitors Bureau
- Harlem Spirituals / New York Visions
- Hawaii Convention Center - Meet Hawai'i
- Hershey Harrisburg Regional Visitors Bureau
- Highgate Hotels
- Hotel Mela - Times Square NY
- Howard County Tourism and Promotion
- Hudson Valley Tourism
- Hyde Holiday
- Imaginadora Marketing de Destinos
- Inside Out Tourism
- Inside Vegas LLC
- InterContinental Los Angeles at Beverly Hills
- Island Partners Hawai'i
- JBS Group, Inc.
- Jucy RV Rentals
- Juventud y Cultura
- Kevin Streit and Associates, LLC
- Kualoa Ranch Hawaii, Inc.
- Lakes Region of New Hampshire
- Liberty Helicopters
- LittleBig Road
- Luxury Line Auto Rental

Macon-Bibb County Convention and Visitors Bureau	RCS Advertising
Maid of the Mist Corporation	RentMax Car Rental
Marco Island Marriott Beach & Golf Resort	Revamerica Tours
Mark International	Salem Witch Museum
Maxim Tours LLC	Sarasota Manatee Airport Authority
Miles Partnership	Sight & Sound Theatres
Millenium Hotels & Resorts	Simon Sawgrass Mills
Millenium Voyages USA	Simon Shopping Destinations
Mississippi Tourism	SIXTY Beverly Hills
Myrtle Beach Area Chamber of Commerce & Convention and Visitors Bureau	Sullivan County Catskills
Natchitoches Parish Tourist Commission & Cane River National Heritage Area	Terres Indiennes, Inc.
National Tour Association	The Best Destinations of the West
New England Inns & Resorts Association	The Boat Company
New Tours USA	Tour America, Inc.
Niagara Jet Adventures	TourHERO
Nohea Adventure	Travel Insurance Center
Oak Plantation Resort	Travel Portland
Ocean Five Hotel	U.S. Travel Association
Ocean Holidays	USA Production
Ole Tours Hawaii LLC	USA a tu Medida
Opentours	Vacations by Rail
Orlando Sanford International Airport	Virgin Atlantic Airways
Outlets at Assembly Row (The)	Visit North Carolina
Overseas Travel International	Visit Pittsburgh
Palmetto Dunes Oceanfront Resort	Visit Tucson
Pasadena Convention & Visitors Bureau (Visit Pasadena)	Warner Bros. Studio Tour Hollywood
Pebble Beach Resorts	Washington Tourism Alliance
Personal RGE Tours	WeddingWire
Premier Golf	Whitney Plantation
Priceline	XiaoYaoDao Happy Travel
Puerto Rico Tourism Company	XL Airways France

Note: Since its inception, Brand USA has had the privilege of working with more than 800 organizations to promote the USA as a premier travel destination. The partners listed in the FY2017 annual report are those who made any combination of cash or in-kind contributions to Brand USA from FY2016 through FY2017.

EXECUTIVE AND SENIOR LEADERSHIP



Christopher L. Thompson
President & CEO



Thomas Garzilli
Chief Marketing Officer



Anne Madison
Chief Strategy &
Communications Officer



Donald F. Richardson
Chief Financial Officer



Los Angeles, California



Karyn Gruenberg
Senior Vice President,
Partner Marketing &
Strategic Alliances



Cathleen Domanico
Vice President,
Global Trade Development



Tracy Lanza
Vice President,
Integrated Marketing



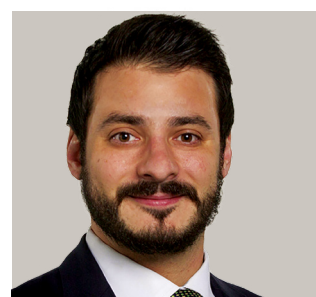
Stanley Mattos
Vice President,
Financial Operations &
Facilities Operations



Joann Pelipesky
Vice President,
Human Resources &
Administration



Carroll Rheem
Vice President,
Research & Analytics



Aaron Wodin-Schwartz
Vice President,
Public Policy & Public Affairs



BOARD OF DIRECTORS

Brand USA is governed by an 11-member Board of Directors appointed for a maximum of two consecutive three-year terms by the U.S. Secretary of Commerce in consultation with the Secretary of State and the Secretary of Homeland Security.

As required by the Travel Promotion, Enhancement, and Modernization Act of 2014, all members of the board are United States citizens and are either current or former chief executive officers, chief financial officers, or chief marketing officers, or have held equivalent management positions.

Members of the board have leadership expertise in specific sectors of the travel industry including: hotel accommodations; restaurants; retail or a related association; travel distribution; attractions; state-level tourism office; city-level convention and visitors bureau; passenger air; land or sea transportation; and immigration law and policy. At least two members of the board are audit committee financial experts. In addition, at least five members of the board have expertise in international travel promotion or marketing broadly representing various regions of the United States.

As provided for in its charter, the Governance & 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, the following business leaders at the time of publication of this annual report serve on the board of directors of Brand USA:



Charleston, South Carolina



Barbara J. Richardson
CHAIR, BRAND USA

Chief of External Relations,
 Washington Metropolitan Area
 Transit Authority
 Board member since
 October 2013
Member: Finance Committee
**Represents: Land or Sea
 Transportation Sector**



John F. Edman
VICE CHAIR, BRAND USA

Director & CEO,
 Explore Minnesota Tourism
 Board member since
 October 2014
**Member: Finance Committee and
 Marketing Committee**
**Represents: Official of a State
 Tourism Office**



Kyle Edmiston
VICE CHAIR, BRAND USA

Deputy Director/Chief
 Operations Officer,
 Lake Charles/Southwest
 Louisiana Convention &
 Visitors Bureau
 Board member since
 December 2015
Chair: Audit Committee
Member: Marketing Committee
**Represents: Official of a State
 Tourism Office**



Andrew Greenfield
SECRETARY, BRAND USA

Partner, Fragomen, Del Rey,
Berssen and Loewy, LLP

Board member since October 2013

Chair: Governance & Nominating Committee

**Member: Audit Committee and
Conflict of Interest Committee**

Represents: Immigration Law and Policy Sector



Arne M. Sorenson
TREASURER, BRAND USA

President & CEO,

Marriott International, Inc.

Board member since October 2012

Chair: Finance Committee

Represents: Hotel Accommodations Sector



Maryann Ferenc
BOARD MEMBER

Founder, President & CEO, Mise en Place, Inc.

Board member since December 2015

**Member: Marketing Committee and Conflict of
Interest Committee**

Represents: Restaurant Sector



Mike Gallagher
BOARD MEMBER

Co-chairman & co-founder, CityPASS

Board member since November 2017

**Member: Finance Committee and Governance &
Nominating Committee**

Represents: Small Business or Retail Sector



Noel Irwin Hentschel
BOARD MEMBER

Chairman and CEO, American Tours International, LLC

Board member since November 2017

Member: Audit Committee and Marketing Committee

Represents: Travel Distribution Services Sector



Alice Norsworthy
BOARD MEMBER

Chief Marketing Officer, Universal Parks & Resorts

Board member since December 2016

Chair: Marketing Committee

Member: Finance Committee

Represents: Attractions or Recreation Sector



Thomas F. O'Toole
BOARD MEMBER

Senior Fellow and Clinical Professor of Marketing, Kellogg School of Management, Northwestern University

Board member since December 2016

Chair: Conflict of Interest Committee

Member: Marketing Committee

Represents: Passenger Air Sector



Rossi Ralenkotter
BOARD MEMBER

Chief Executive Officer,

Las Vegas Convention and Visitors Authority

Board member since December 2015

Member: Marketing Committee

Represents: Official of a City Convention & Visitors Bureau

BOARD COMMITTEES

Finance Committee

Arne Sorenson, Chair

John Edman
Mike Gallagher
Alice Norsworthy
Barbara Richardson

Finance Committee Meetings are held four times per year and are scheduled to occur immediately prior to each board meeting.

Audit Committee

Kyle Edmiston, Chair

Andrew Greenfield
Noel Irwin Hentschel

Audit Committee Meetings are held at least three times per year with one meeting scheduled to occur with the conclusion of the annual audit.

Governance & Nominating Committee

Andrew Greenfield, Chair

Maryann Ferenc
John Edman
Mike Gallagher

Governance & Nominating Committee Meetings are held at least once per year and timed to occur at or near the conclusion of the board chair's term and/or the appointment of new board members.

Marketing Committee

Alice Norsworthy, Chair

Kyle Edmiston
Maryann Ferenc
Noel Irwin Hentschel
Rossi Ralenkotter

Marketing Committee Meetings are held at least four times per year and are scheduled in advance of each board meeting (usually one week prior to the board meeting).

Conflict of Interest Committee

Thomas O'Toole, Chair

Maryann Ferenc

Andrew Greenfield

Conflict of Interest Committee Meetings are scheduled on an as-needed basis as determined by the board chair and/or committee chair.

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

Board-related questions or comments can be addressed to BoardMeetings@TheBrandUSA.com.







CONNECT WITH US







New York City, New York

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

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

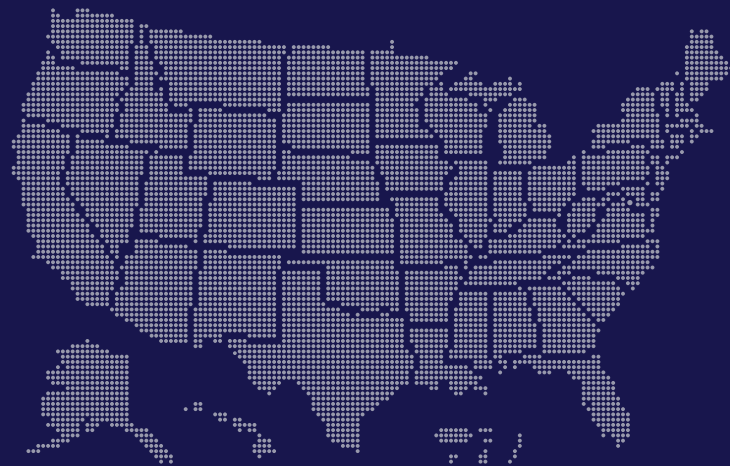
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-  Linkedin.com/Company/BrandUSA

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

-  VisitTheUSA.com
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-  YouTube.com/VisitTheUSA
-  [@VisitTheUSA](https://Instagram.com/VisitTheUSA)
-  Google.com/VisitTheUSA

GoUSAtv Available on Roku, Apple TV, and Amazon Fire

To receive our news and updates, please visit TheBrandUSA.com and enter your email address at the bottom of the home page.



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