

Survival Beach
Aguacilla, Puerto Rico

DISCOVER
Puerto Rico

ANNUAL REPORT 2020 - 2021



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¡SALUDOS!

The tourism industry in Puerto Rico has faced extraordinary challenges in recent years. From hurricanes and tropical storms to earthquakes and massive political unrest, and most recently, a global pandemic. Yet through it all, the strength, courage and hopeful optimism of the people of our Island has been on full display for the world to see. Despite difficult circumstances, Puerto Rico has become a shining example of resiliency and recovery in tourism.

At the outset of the COVID-19 pandemic, we employed a comprehensive recovery plan designed to protect our Industry and the 86,000+ jobs it sustains. Whereas other destinations stopped all promotion and ceased proactive messaging, we chose to follow a much different path. We shifted our tone and adjusted our content to provide a balance of inspiration (of what awaits the traveler when they resume travel) and information (health and safety protocols, entry requirements, etc.). Our objective was simple: to establish ourselves as the most trusted resource for information related to travel to Puerto Rico, while keeping our destination brand top-of-mind with consumers, travel advisers and professional planners.

We used a variety of digital marketing tactics, online promotional activations and ongoing media outreach to position Puerto Rico as a leader in the post-COVID-19 recovery. Our sales team maintained a relentless pursuit of future business through digital promotions, virtual site visits and unprecedented recruitment of travel advisers to join our Puerto Rico Travel Expert Program. At the same time, we reduced our operating costs through furloughs, compensation reductions, contract renegotiations, and steep reductions in operating and administrative expenses. Fiscal year 2020-2021 (FY20-21) was a year of doing more with less, while maintaining an unwavering commitment to laying the foundation for a robust recovery of tourism in Puerto Rico.

The results have been astounding. Despite fluctuations in the Island's COVID-19 infection rate, we've influenced \$257.8 million in direct economic impact, generated \$18 million in tax revenues, and delivered \$365 million in publicity. Our digital marketing continues to outperform many competitor and peer organizations, delivering record levels of referrals to local businesses. Our sales team has generated \$333 million of potential economic impact in meeting/convention leads and restored the future sales pipeline to pre-pandemic levels. And, the final four months of the fiscal year yielded an all-time record level of accommodations' tax collections, an encouraging sign as we lead The Great Recovery of Travel and Tourism.

While we are encouraged by the recent good news, we must remain committed to exceptional performance no matter the circumstances as we position Puerto Rico for even greater accomplishments in the future. Tourism holds tremendous promise for our Island, and we believe our best days lie before us. Adelante!



Brad Dean

Chief Executive Officer
Discover Puerto Rico

B. MISSION & VISION STATEMENT

MISSION

Bring prosperity to Puerto Rico by collaboratively positioning our diverse and unique Island as a premier destination for leisure, business and events.

VISION

Become a transformational, results-oriented and innovative destination marketing organization (DMO), powering sustainable economic growth.



“As we celebrate our 70th anniversary, the Puerto Rico Hotel & Tourism Association stands by Discover Puerto Rico and its mission to market and promote our Island as the world-class destination it is. This DMO has proven essential in bringing together every sector of the industry and becoming the voice that promotes the destination to the world. We appreciate this partnership and look forward to our further collaborations.”

Clarisa Jimenez, President & CEO / Puerto Rico Hotel and Tourism Association

C. VALUES

El Yunque National Forest
Río Grande, Puerto Rico

VALUES

INCLUSIVITY

We are firmly committed to inclusivity in our work and our marketing. **We respect all people from all walks of life**, and believe that diversity is essential for the success of our organization, our industry, our Island and our society.

AGILE

We are **quick to respond** to the needs of our stakeholders and customers, and to changes in our industry and Island.

COLLABORATIVE

We work closely with public and private sector partners at the local, regional and national levels to identify common objectives and **achieve progress together**.

INNOVATIVE

We **seek continuous improvement** in all we do, both individually and collectively.

RESULTS-ORIENTED

We seek to **positively impact** our Island, local businesses, and the quality of life of our Island's residents.

TRANSPARENT

We seek to provide our community and stakeholders with **easy access to relevant information** to evaluate our resource allocation, strategies, research, results, procedures and decision-making.

LEARNING & LEADING

We are **committed to ongoing education** and training to enable us to achieve our strategic objectives and lead our industry.

HONESTY, INTEGRITY & PROFESSIONALISM

We are professionals serving professionals, and we seek to **earn others' respect**.

WINNING

We are success-oriented and **never stop striving** to help Puerto Rico succeed.

D. STRATEGIC OBJECTIVES

Salpicón Restaurant
Arecibo, Puerto Rico



STRATEGIC OBJECTIVES

ECONOMIC GROWTH

Discover Puerto Rico positively impacts the economy of Puerto Rico by increasing the number of visitors, as well as their length of stay, average daily spend, and visitation throughout the destination.

We measure our success by monitoring key industry metrics, such as:

- Tourism contribution to Island GDP
- Tourism contribution to Island tax base
- Lodging tax collections
- Tourism employment

We also measure our success by monitoring key organizational metrics, such as:

- Economic impact of advertising
- Economic impact of meetings, incentives, conventions and events (MICE) sales contracted
- Advertising impact on length of stay
- Advertising impact on travel bookings
- Economic impact of travel adviser and travel consortia bookings

BRAND HEALTH

Discover Puerto Rico enhances and protects the brand health of Puerto Rico through highly effective marketing targeting key consumer segments, as well as generating positive earned media coverage. This is measured using several industry-standard metrics, such as likelihood of travel and destination familiarity, but the benefits extend beyond tourism by influencing broader segments of the local economy and economic development.

ORGANIZATIONAL EXCELLENCE

Discover Puerto Rico operates at a high level of efficiency and effectiveness. This can be measured by comparing resource allocation (to similar organizations), industry best practices, industry engagement and industry accreditation.

- Delivered exceptional returns in calendar year 2019-2020: \$87:1 economic impact ROI and \$6:1 tax collection ROI.
- Delivered \$365M+ of off-Island publicity for the Puerto Rico tourism industry.
- 96% of total budget is dedicated to marketing, sales and communications.
- Administration and overhead costs are below industry averages.
- Operates with far fewer staff than pre-DMO staffing in Puerto Rico, and well below DMOs with similar-sized budgets.
- Attained full accreditation with distinction by Destinations International in 2020.
- Represented on several key boards and committees, including U.S. Travel Association, Destinations International, U.S. Travel and Tourism Advisory Board, Meeting Professionals International, Society of Human Resources Managers, Brand USA.

E. DISCOVER PUERTO RICO BY THE NUMBERS

Cordillera Reserve
Fajardo, Puerto Rico



DISCOVER PUERTO RICO BY THE NUMBERS

WE'RE ALL ABOUT RESULTS (FISCAL YEAR 2020-2021)

Building upon the organization's ongoing impressive results, we again delivered a strong performance in all areas, despite unprecedented challenges.

9,263,861

web sessions hosted

5,323

businesses/organizations promoted via DiscoverPuertoRico.com

17,000

new images since the opening of the DMO and **2,000** new images for FY20-21

168,773

Instagram followers

1,000+

documents on our industry portal, DiscoverPuertoRico.com/industry, including contracts, RFPs, meeting minutes, financial statements, budgets, research, analysis and presentations

300+

hours of video footage since the opening of the DMO and **150+** hours for FY20-21

1,044,663

Facebook followers

300+

short- and medium-length promotional videos and documentaries since the opening of the DMO and **75+** for FY20-21

140,939

Twitter followers

527,740

requested room nights from MICE sales leads

182,409,774

social media impressions (Facebook, Instagram and Twitter)

\$337.6M

future MICE sales pipeline estimated economic impact

\$227.9M

leisure travel revenues directly attributable to advertising

78

municipalities represented with customized content on DiscoverPuertoRico.com

\$27.6M

meetings and conventions sales contracted (July 2020-June 30, 2021)



"There will not be a full U.S. economic recovery without a travel recovery. ... Discover Puerto Rico is critically important to driving this future demand and safely restarting travel. Together with its local travel and hospitality partners, Discover Puerto Rico is on the forefront of travel recovery efforts that will restore thousands of jobs for the Island's workforce."

Roger Dow, President & CEO / U.S. Travel Association

623

total meeting planners were hosted for FAMs – **49 in person and 574 virtually** – in three FAMs (Destination Experience, Convention Citywide, and Discover Puerto Rico and PRCC Hybrid)

10

travel advisers were hosted in two Leisure FAMs

\$63M

tax revenue generated*

81

planners hosted for site visits – **78 in person and three** virtually

800+

in-person/virtual trade shows, presentations/webinar/networking events and sales missions

\$365M

publicity earned media value

20,481

travel advisers enrolled in our Puerto Rico Travel Expert Certification Program

60+

local engagement meetings, roundtables and events held

*Reflects collections per PRTC room tax certification for FY2020-2021.

F. GOVERNANCE

Loíza, Puerto Rico



BOARD OF DIRECTORS

As required by Act 17, the operations and finances of Discover Puerto Rico are overseen by a board of directors. This board serves in a fiduciary capacity and meets regularly to review the organization's plans, progress and financial status. The board of directors is made up of a diverse array of leadership, representing the private and public sectors and nonprofit organizations.

JOSÉ M. SUÁREZ
CHAIRMAN OF THE BOARD OF DIRECTORS
BluHost, President

TOMÁS RAMÍREZ MS, RPH.
VICE CHAIRMAN OF THE BOARD OF DIRECTORS
Combate Beach Resort, XJTT Hospitality, Inc., President

LUIS DANIEL MUÑIZ, ESQ.
TREASURER OF THE BOARD OF DIRECTORS
Attorney

JOANNE FERGUSON-TWISTE, CMP, DMCP
SECRETARY OF THE BOARD OF DIRECTORS
Destination Puerto Rico | Travel Services, Inc., a DMC Network Company, President

ALBERTO ESCUDERO
Senate of Puerto Rico

CARLOS MERCADO SANTIAGO
Puerto Rico Tourism Company, Executive Director

FEDERICO STUBBE, JR.
PRISA Group, CEO

JON BORSCHOW
Foundation for Puerto Rico, CEO & Founder

JORGE HERNÁNDEZ
Aerostar Airport Holdings LLC, President & CEO

MANUEL CIDRE MIRANDA
Department of Economic Development & Commerce, Secretary

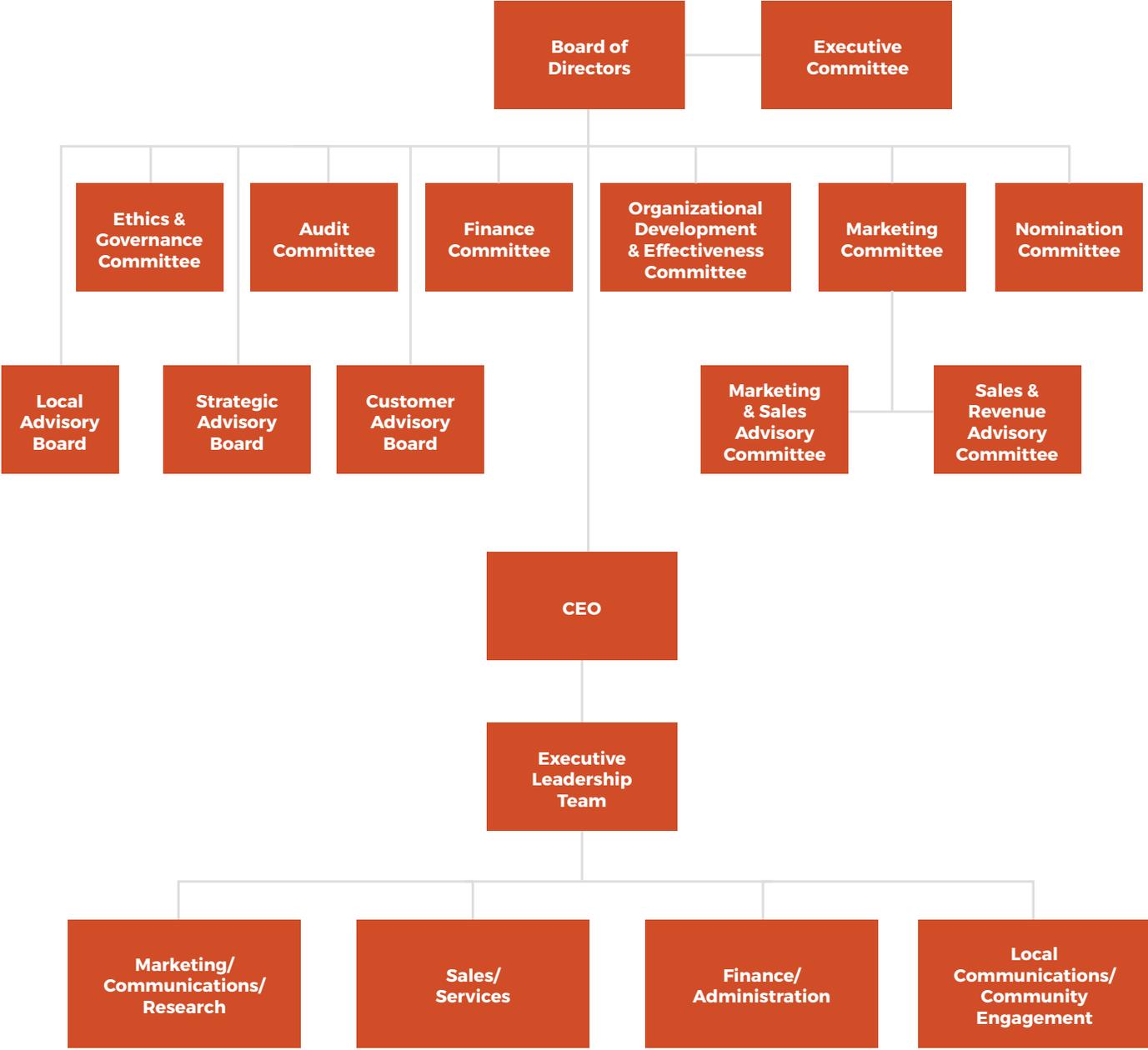
MARIELA VALLINES, ESQ.
Puerto Rico Convention District Authority, Executive Director

MIGUEL VEGA
HI Development Puerto Rico Corporation, President & CEO

The governor has appointed two individuals, Rene Acosta and Jorge Jorge, to serve on the board of directors, which became effective July 2021.

ORGANIZATIONAL STRUCTURE

The organization’s governance is overseen by the board of directors using various committees and task forces staffed by professionals with specific expertise. The organization’s staff is led by the chief executive officer who reports to the board of directors and an executive leadership team.



Marketing & Sales Advisory Committee, Sales & Revenue Committee, and Board of Directors Committees – Appendix III



STRATEGIC ADVISORY BOARD

Formed in accordance with Act 17, this group is made up of industry experts and thought leaders who review Discover Puerto Rico's progress and offer insights and suggestions related to strategy and innovation.

ADAM SACKS

PRESIDENT

Tourism Economics
An Oxford Economics Company

AMANDA HILLS

PRESIDENT

MMGY Hills Balfour

BRYAN KINKADE

VICE PRESIDENT PUBLISHER

AFAR Media

CARLOS MUÑOZ

CAMPAIGN MANAGER, PUBLIC POLICY & COMMUNICATIONS - CARIBBEAN & LATIN AMERICA

Airbnb

CHRISTOPHER THOMPSON

PRESIDENT & CEO

Brand USA

DARREN TEMPLE

CHIEF OPERATING OFFICER

Meeting Professionals International (MPI)

DAVID BURGESS

PRESIDENT & CEO

Miles Partnership

DAVID DUBOIS

PRESIDENT & CEO

International Association of Exhibitions
and Events (IAEE)

DAVID PECKINPAUGH

PRESIDENT

Maritz Global Events

DENISE GODREAU

CHIEF BRAND AND INNOVATION OFFICER

Holiday Inn Club Vacations Incorporated

DIANA PLAZAS - TROWBRIDGE

CHIEF SALES AND MARKETING OFFICER - CARIBBEAN & LATIN AMERICA

Marriott International

DON WELSH

PRESIDENT & CEO

Destinations International

FERNANDO LUIS

SENIOR COMMERCIAL DIRECTOR/ CARIBBEAN & LATIN AMERICA

Hilton

JORGE JORGE

PRESIDENT & CEO

Toro Verde Puerto Rico

MANUEL PIETRANTONI

ATTORNEY

Pietrantonio Mendez & Alvarez LLC

MARIELA SÁNCHEZ

GENERAL MANAGER, SPECIALTY SALES DEVELOPMENT

Delta Airlines



"The work that Discover Puerto Rico undertakes is vital to Puerto Rico's strategy for economic transformation. As a destination marketing organization, Discover Puerto Rico taps into the Island's tourism assets — our natural wonders, unique experiences, history, vibrant culture, friendly people — to strengthen our visitor economy. Invest Puerto Rico works closely with Discover Puerto Rico to strengthen Puerto Rico's value proposition among investors and companies looking to relocate here, as well as visitors from all over the world."

Rodrick Miller, CEO / Invest Puerto Rico

MICHAEL PAYNE

EXECUTIVE VICE PRESIDENT

Smith Bucklin

MICHELE PAIGE

PRESIDENT

Florida Caribbean Cruise Association

MIKE DOYLE

PRESIDENT & CEO

Ketchum

RAFAT ALI

CEO AND FOUNDER

Skift

RICHARD HARPER

EXECUTIVE VICE PRESIDENT

HelmsBriscoe

RICHARD REASONS

PRESIDENT

Simpleview

ROGER DOW

PRESIDENT & CEO

US Travel Association

SHERRIF KARAMAT

PRESIDENT & CEO

Professional Convention Management Association (PCMA)

STEPHEN MCGILLIVRAY

CMO

Travel Leaders Group

STEVEN PAGANELLI

GLOBAL HEAD OF DESTINATION MARKETING, AMERICAS

Tripadvisor

SUSAN ROBERTSON

PRESIDENT & CEO

American Society of Association Executives (ASAE)

ZANE KERBY

PRESIDENT & CEO

American Society of Travel Advisors (ASTA)

CUSTOMER ADVISORY BOARD

Discover Puerto Rico also collaborates with existing customers who convene on a regular basis to provide dynamic perspectives and innovative advice on industry trends, business priorities and strategic direction.

ALISHA WHITE

CHIEF MARKETING OFFICER
AMC Institute

ANDRE CHOLEWINSKI

SENIOR DIRECTOR OF MEETINGS AND BUSINESS PARTNERSHIPS
American Association of Colleges of Pharmacy

BRAD HECHT

VICE PRESIDENT, TRAVEL
Motivation Excellence

BRIAN HUNT

VICE PRESIDENT OF SALES
Unbridled

CHADWICK HOUWMAN

EXECUTIVE VICE PRESIDENT/PARTNER
Prestige

CINDY HAGE

SOURCING AND PROPOSAL DESIGN MANAGER
BCD Meetings & Events

DAHLTON BENNINGTON

DIRECTOR OF MEETINGS & INCENTIVES
Profound Planning

DAVE CALDWELL

SENIOR VICE PRESIDENT
Maritz

DYHALMA TORRES

ASSOCIATE REGIONAL VICE PRESIDENT
HelmsBriscoe

FIONA NEIMAN

SENIOR CONVENTION & MEETING PLANNER
The Episcopal Church



GLENN DARLINGTON

SENIOR VICE PRESIDENT
Creative Group

JANICE CAPINEGRO

SENIOR DIRECTOR, FIELD EVENTS
Pampered Chef

JOANIE PHILLIPS

DIRECTOR, TRAVEL & EVENTS PLANNING
One10

JOHN RUBSAMEN

DIRECTOR OF MEETINGS AND EVENTS
Americans for the Arts

JOSH BROWN

PRESIDENT
Josh Brown Company

JULIE KRUEGER

SOURCING & CONTRACTING MANAGER, CMP
Land O'Lakes

KARI VRBA

CHAIR
Incentive Research Foundation

LUZA BOHOQUEZ

SENIOR MANAGER GLOBAL EVENTS MARKETING
Blackboard

MARK BONDY

OWNER
Viktor Meetings & Incentives

MICHAEL REGO

VICE PRESIDENT, SALES
Elevate

PATTY KARSTEN

VICE PRESIDENT, INDUSTRY RELATIONS
BI Worldwide

SANDRA DANIEL

ENGAGEMENT, INCENTIVE STRATEGIST/FOUNDER
FIRE Light Group

WAYNE ROBINSON

ASSISTANT VICE PRESIDENT
FM Global



"Our industry is about fostering human connections where people and purpose come together. Guided by incredible leadership, Discover Puerto Rico continues to deliver innovative solutions that are driving economic and social good for the destination, its stakeholders and its residents. It has seamlessly established an inclusive environment to foster unmatched growth and opportunities across the Island, and with an admirable and compelling spirit. Personally, I am truly inspired that, during one of the most difficult times in human history, Puerto Rico, through tremendous leadership, has transformed itself into a leading business events destination."

Sherrif Karamat, President & CEO, PCMA

LOCAL ADVISORY BOARD

Discover Puerto Rico collaborates with existing local stakeholders who convene on a regular basis to provide dynamic perspectives and innovative advice on industry trends, business priorities and strategic direction.

ALAN TAVERAS
CMO & CO-FOUNDER
Brands of Puerto Rico

ANGEL ALVERIO
OWNER
LT Travel Agency

ÁNGELA I. COMAS RODÓN
CO-FOUNDER
ACE Media Partners, LLC

CARMEN PORTELA
CO-FOUNDER & CHIEF MARKETING OFFICER
Local Guest

CHEZELLE RODRÍGUEZ
**WEDDINGS, SOCIAL, CORPORATE + EVENTS
CURATOR**
It's Chazelle

GUSTAVO ANTONETTI
CO-FOUNDER
Spoon

ISMAEL VEGA
GENERAL MANAGER
Casino Metro

KELLEY COSGROVE
GENERAL MANAGER
Fairmont El San Juan Hotel

LUIS ALVARADO
PRESIDENT
South Chamber of Commerce

MATEO CIDRE
OWNER/MEMBER OF ASORE
SOBAO by Los Cidrines

MATÍAS FERNÁNDEZ
PRESIDENT
Vivo Beach Club

MICKEY J. ESPADA
CONSULTANT
MABUDEG, Marketing and Business
Development Group

MIGUEL L. VARGAS
ADVISOR, FORMER EXECUTIVE & CEO
Puerto Rico Chamber of Commerce

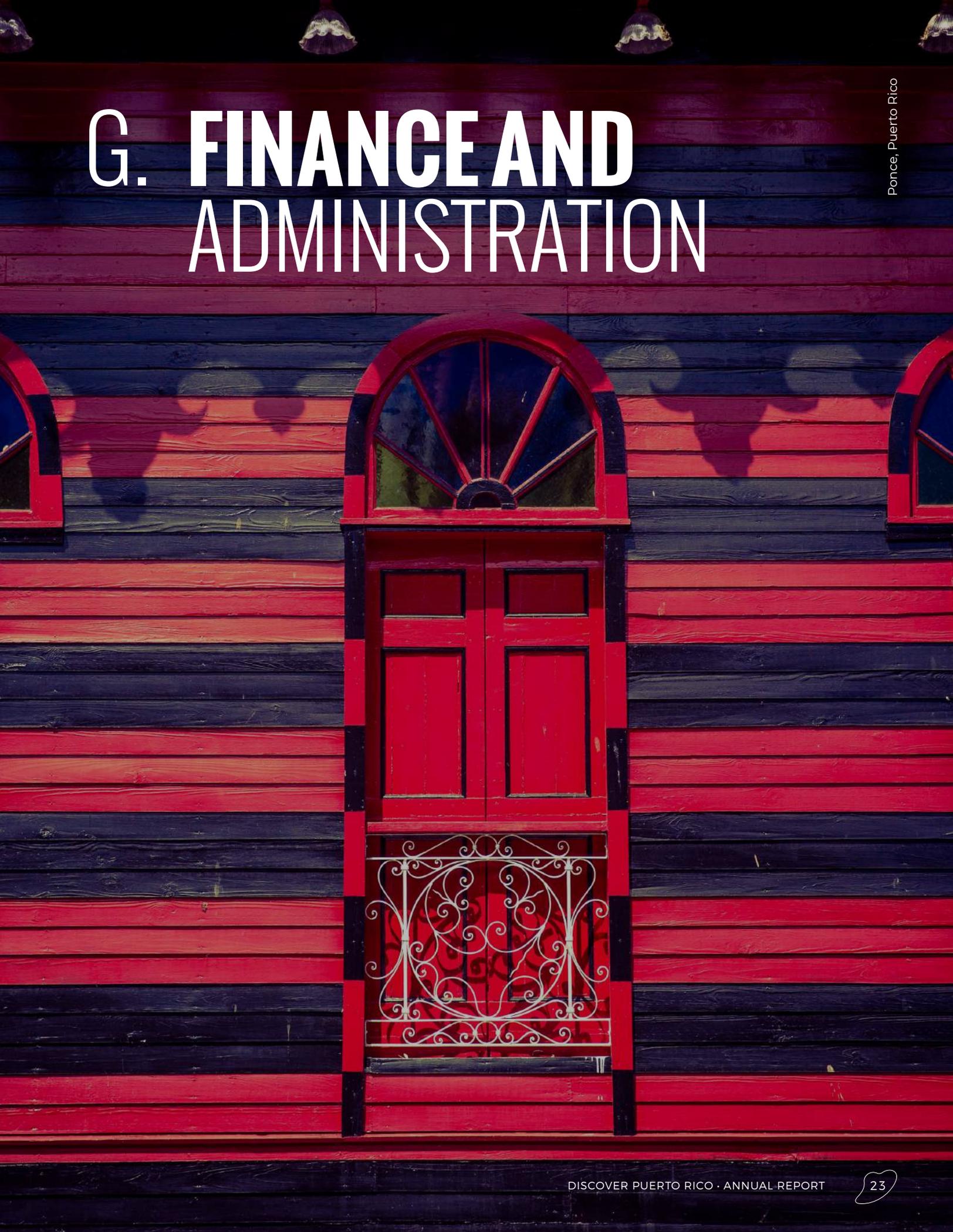
SAJO RUIZ
CEO
Sajo/McCann Advertising Agency

TERESTELLA GONZÁLEZ DENTON
EXECUTIVE DIRECTOR
Kingbird Innovation Center, UAGM

WALESKA SÁNCHEZ
PRESIDENT
West Coast Chamber of Commerce

G. FINANCE AND ADMINISTRATION

Ponce, Puerto Rico



FINANCE AND ADMINISTRATION

2020-2021 STATEMENT OF FINANCIAL POSITION

CURRENT ASSETS		TOTAL
Cash and Cash Equivalents	\$16,853,753.24	
Accounts Receivable	\$13,423,180.16	
Prepaid Expenses	\$570,614.21	
Total Current Assets	\$30,847,547.61	
Investments	\$149,468.07	
Property and Equipment Net	\$83,015.00	
Total Assets	\$31,080,030.68	\$31,080,030.68
LIABILITIES		
Current Liabilities		
Accounts Payable	\$4,529,068.46	
Accrued Expenses	1,334,007.61	
Deferred Revenue	9,750.00	
Commitments to Definite Groups	2,264,225.73	
Incentive Commitment (Op)	264,800.00	
Current Liabilities	8,401,851.80	
TOTAL CURRENT LIABILITIES		
PPP Loan Payable	824,400.00	
Total Liabilities		\$9,226,251.80
Net Assets		
Board Designated Contingency Reserve Funds	4,200,000.00	
Restricted Net Assets	1,946,895.87	\$4,946,895.87
Unrestricted Net Assets		\$15,706,883.01
TOTAL NET LIABILITIES AND ASSETS		\$31,080,030.68

2020-2021 STATEMENT OF ACTIVITIES

REVENUES	
Room Tax Allocation	\$25,000,000.00
Federal Funds	\$20,662,079.84
Other Revenues	\$939,751.39
Total Revenues	\$46,601,831.23
EXPENSES	
Marketing and Related Expenses	
Sales/MICE and Leisure	\$1,906,432.94
Advertising/Promotion	\$21,422,010.21
Public Relations & Press FAMs	\$3,840,832.54
Creative Development	\$165,033.78
Research	\$429,380.79
Community/Industry Engagement	\$20,500.19
Total Marketing Expenses	\$27,784,190.45
Payroll and Related Benefits	\$4,856,489.18
Administration/Operating Expenses	\$905,028.24
Administrative Expenses	\$5,761,517.42
Total Expenses	\$33,545,707.87
Increase (Decrease) in Net Assets	\$13,056,123.36

FUND DISTRIBUTION

The COVID-19 pandemic had a significant impact on Discover Puerto Rico's operations and therefore on its financial results. To cope with the magnitude of the challenges that COVID-19 represented for the entire economy, and its effects on operations, Discover Puerto Rico implemented early cost containment measures that required significant adjustments in all expenditures.

Measures needing to be implemented included adjustments in workforce, which was reduced from 60 approved positions to 42, through the execution of a furlough process and a hiring freeze. Similarly, participation in events and trade shows was reduced to zero for most of the fiscal year. The investment in marketing and promotion of the destination was limited with messages, mainly focused on health and safety.

The effect of the pandemic on the DMO's core funding source caused a significant reduction in the allocations that Discover Puerto Rico should have received during the fiscal year (per the DMO's contract with the government of Puerto Rico). However, Discover Puerto Rico was able to access funds through federal programs that provided the means to generate promotional and marketing activities. Funds received could only be used for the purposes designated, which implied important adjustments in Discover Puerto Rico's expense structure during the year. Federal grants received during the fiscal year included:

- 1. PPP II - \$ 824,400**
- 2. CARES Act - \$ 15,780,000**
- 3. CDBG-DR - \$ 7,840,000**



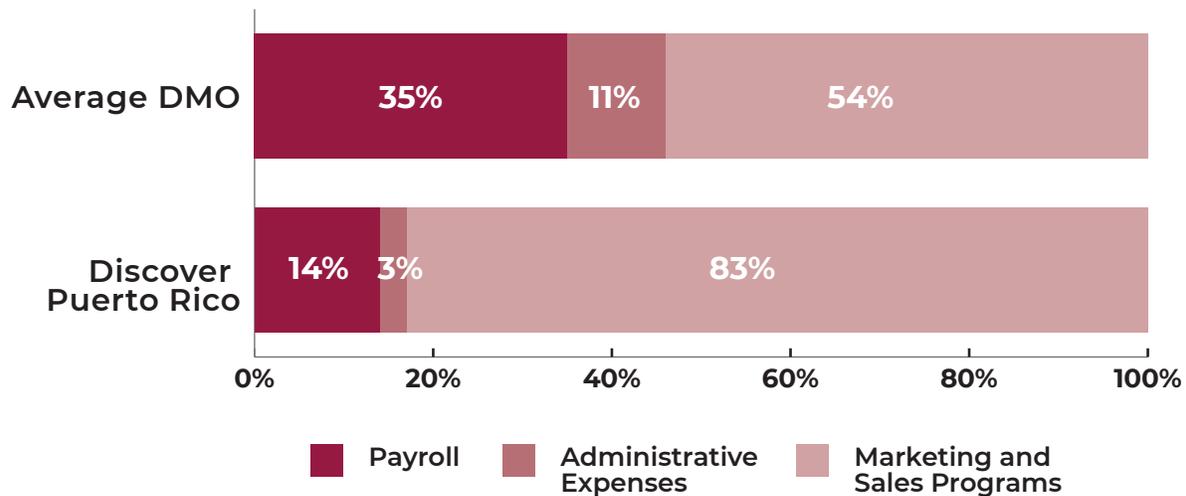
"As a sign of the success of Discover Puerto Rico's COVID-19 recovery strategy and the destination's continuing rebound, Puerto Rico garnered 5x the number of reviews of its competitive set; won the coveted No. 1 Top Experience in the Caribbean in TripAdvisor's 2021 Travelers' Choice Awards; and snagged two additional slots in the Top 10."

Steven Paganelli, Head of Destination Marketing, Americas, TripAdvisor

Peñón Brusí
Camuy, Puerto Rico

DISCOVER PUERO RICO VS OTHER DMO'S*

Recognizing our budget limitations, Discover Puerto Rico has established itself as a lean, efficient organization. To maximize impact, we allocate a smaller portion of our budget to salaries and administrative expenditures, enabling us to invest a larger portion of our budget in marketing, sales and publicity, in contrast with other DMOs.



*Based on the Destinations International platform for Destination Organization Performance Reporting (2020 data). Fiscal Year 2021-2022 Budget – Appendix IV

TECHNOLOGY AND TALENT MANAGEMENT

TECHNOLOGY

Discover Puerto Rico seeks to be a leader in the utilization of technology to spur innovation, enhance results and ensure efficient use of resources. We use a CRM database with extensive reporting and analysis capabilities produced by Simpleview, an industry leader in CRM applications. Recognized as the top destination marketing website for all states and regions by the U.S. Travel Association (ESTO 2019), DiscoverPuertoRico.com is mobile-enabled and is programmed using Drupal.

Thorough security measures are employed, such as AD user accounts with passwords, NTFS, O365 MFA, DNS filtering, centralized AV protection, real-time monitoring for SPAM, and cyber security training for end users.

The marketing programs are complemented by industry best-in-class providers such as ADARA and Arrivalist, which provide real-time measures of consumer activity and ad effectiveness. When responding to measures put in place to counter the impact of COVID-19 on tourism marketing, Discover Puerto Rico employed various tools, including virtual vacations, virtual sales, virtual destination tours via Google Earth, industry and client webinars, and web-based training sessions.

TALENT MANAGEMENT

Discover Puerto Rico employs a talented group of professionals to lead its sales, marketing, communications and support functions.

During the pandemic, Discover Puerto Rico adjusted staffing levels throughout the fiscal year. The employment ranges fluctuated from 42 to 54 full-time staff, out of 60 positions.

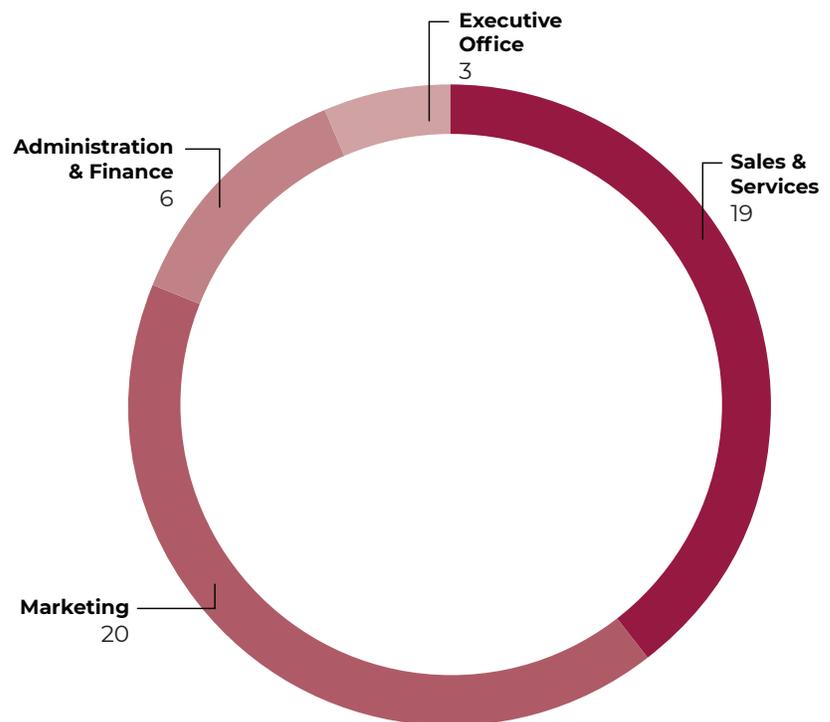
- 77% of employees are Puerto Rican
- 75% of employees are women
- 73% of the management team are women
- 100% have completed post-high school education

The pandemic did not deter our commitment to goals and employee development, nor the continuous support of our business strategies.

Our staff has been recognized with various awards and designations, including Certified Destination Management Executive, Certified Meeting Planner, Destinations International 30 Under 30, HSMAI Top 25 Marketing & Sales Minds, U.S. Travel Association Destination Council Emerging Leaders, and Destinations International Destination Leadership Award.

Discover Puerto Rico employs high-impact, low-cost training and development to ensure that our staff is prepared to achieve excellent results, including Franklin Covey Leadership Training and LinkedIn Learning.

STAFF | 48 EMPLOYEES



Info as of June 30, 2021.

H. 2020-2021 ANNUAL RECAP

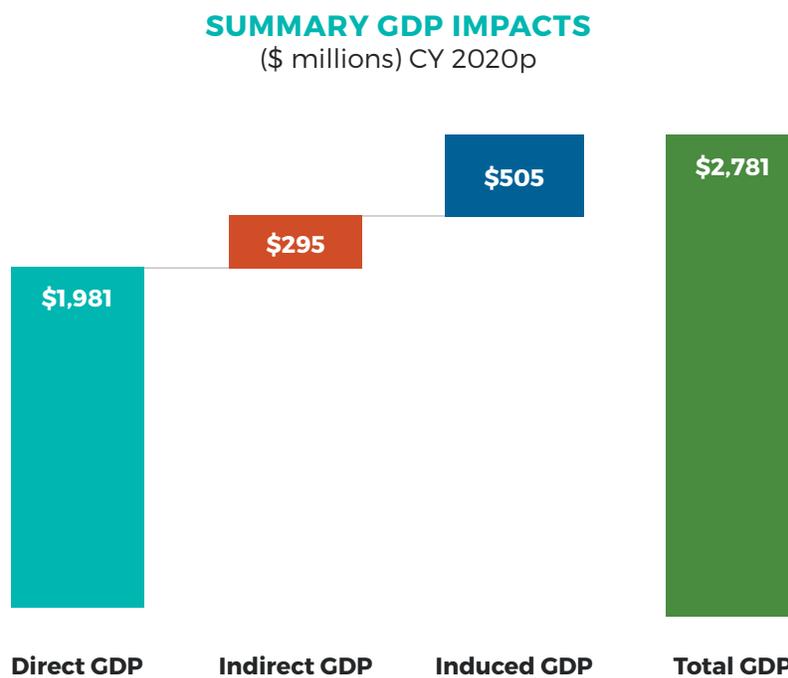
Punta Santiago
Humacao, Puerto Rico

2020-2021 ANNUAL RECAP

I. ECONOMIC GROWTH

Discover Puerto Rico positively impacts the economy of Puerto Rico by increasing the number of visitors, as well as their length of stay, average daily spend and visitation throughout the destination. We measure success by monitoring key industry metrics, such as:

TOURISM CONTRIBUTION TO ISLAND GDP



Source: Tourism Economics



Hyatt Regency Grand Reserve
Rio Grande, Puerto Rico

GDP (VALUE ADDED) IMPACTS BY INDUSTRY

(\$ millions) CY 2020p

	Direct GDP (value added)	Indirect GDP (value added)	Induced GDP (value added)	Total GDP (value added)
Total, all industries (\$ millions)	\$1,981	\$295	\$505	\$2,781
By industry (\$ millions)				
Agriculture, Fishing, Mining	\$0.0	\$3.7	\$3.2	\$6.9
Construction and Utilities	\$0.0	\$5.2	\$2.6	\$7.8
Manufacturing	\$0.0	\$26.7	\$30.9	\$57.5
Wholesale Trade	\$0.0	\$25.6	\$22.6	\$48.2
Air Transport	\$434.2	\$0.9	\$1.4	\$436.5
Other Transport	\$129.3	\$22.3	\$3.6	\$155.2
Retail Trade	\$113.0	\$4.4	\$75.8	\$193.2
Gasoline Stations	\$20.3	\$0.8	\$3.9	\$25.0
Communications	\$0.0	\$22.1	\$24.4	\$46.6
Finance, Insurance and Real Estate	\$0.0	\$62.0	\$162.1	\$224.0
Business Services	\$0.0	\$96.5	\$32.3	\$128.9
Education and Health Care	\$0.0	\$0.3	\$91.5	\$91.8
Recreation and Entertainment	\$128.6	\$1.2	\$3.5	\$133.3
Lodging	\$580.6	\$4.6	\$7.5	\$592.7
Food & Beverage	\$574.9	\$8.1	\$31.8	\$614.8
Personal Services	\$0.0	\$0.0	\$6.2	\$6.2
Government	\$0.0	\$10.9	\$1.7	\$12.6

Source: Tourism Economics

TOURISM CONTRIBUTION TO ISLAND TAX BASE

Tourism-Generated Tax Revenue

(\$ millions) CY 2020p

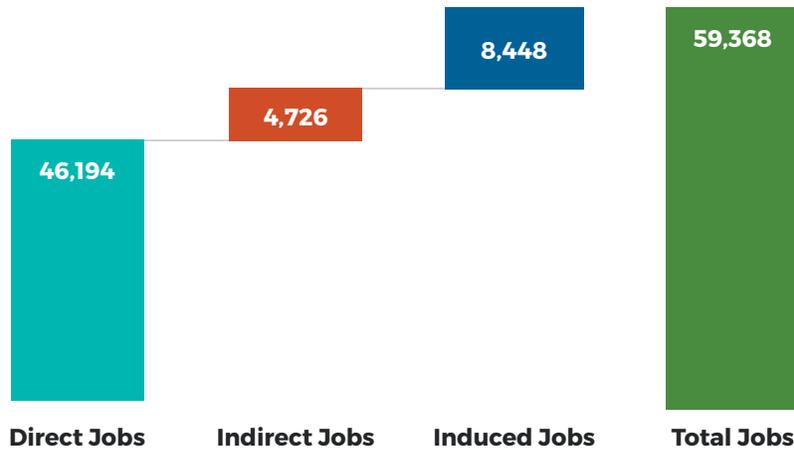
	Direct Taxes)	Indirect & Induced Taxes	Total Taxes
State & local taxes	\$395.4	\$68.2	\$463.6
Sales	\$170.6	\$34.2	\$204.8
Accommodations Tax	\$28.0	\$0.0	\$28.0
Personal Income	\$187.0	\$23.3	\$210.3
Corporate	\$2.3	\$2.5	\$4.8
Social Security	\$2.0	\$0.5	\$2.5
Property	\$3.7	\$1.5	\$5.2
Other Taxes and Fees	\$29.8	\$6.1	\$35.9

Source: Tourism Economics

TOURISM EMPLOYMENT

SUMMARY EMPLOYMENT IMPACTS

(number of jobs) CY 2020p



Source: Tourism Economics

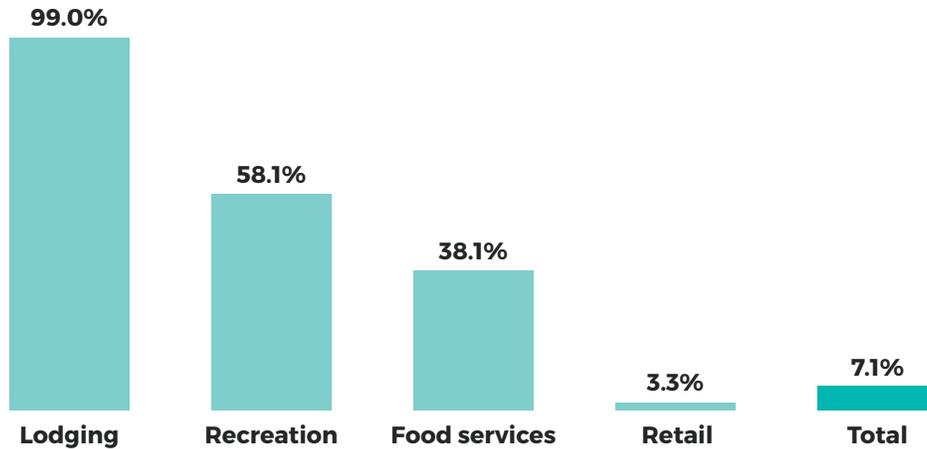
EMPLOYMENT RANKING IN PUERTO RICO, BY INDUSTRY

RANK	BLS INDUSTRY	INDUSTRY	2020 BLS EMPLOYMENT
1	44-45	Retail trade	117,517
2	62	Health care and social assistance	81,428
3	31-33	Manufacturing	73,882
4	56	Administrative and waste services	69,300
5		Tourism	59,368*
6	54	Professional and technical services	33,982
7	72	Accommodation and food services	30,697
8	52	Finance and insurance	30,004
9	42	Wholesale trade	29,905
10	23	Construction	25,960
11	61	Educational services	24,906
12	51	Information	15,693
13	48-49	Transportation and warehousing	15,540
14	55	Management of companies and enterprises	14,769
15	53	Real estate and rental and leasing	13,788
16	81	Other services, except public administration	13,525
17	11	Agriculture, forestry, fishing and hunting	8,568
18	71	Arts, entertainment and recreation	3,271

Source: Tourism Economics 2020 Economic Impact Study

*Net of direct tourism-generated employment

TOTAL EMPLOYMENT INTENSITY BY INDUSTRY



Source: Tourism Economics 2020 Economic Impact Study

Note: Total employment share includes direct, indirect and induced impacts. All other industry shares are direct employment only

WE ALSO MEASURE IMPACT BY MONITORING KEY ORGANIZATIONAL METRICS, SUCH AS:

ECONOMIC IMPACT OF ADVERTISING

\$227,854,909

Source: ADARA and methodology developed by Tourism Economics

MEETING & CONVENTION SALES

\$27,645,142

Source: Contracted sales during FY2020-2021 and Destinations International Impact Calculator

FUTURE MICE SALES PIPELINE: REQUESTED ROOM NIGHTS

527,740

requested room nights from MICE sales leads

ADVERTISING IMPACT ON ARRIVALS

+140%

Visitors exposed to Discover Puerto Rico's paid media were 140% more likely to arrive in Puerto Rico than the control group of unexposed visitors.

Source: Arrivalist

LEISURE SALES

\$76.7M

of direct economic impact generated in first half of 2021 by four key consortia partners, with a corresponding investment of \$224,000

Source: AAA, Costco, TRAVELSAVERS, Virtuoso

FUTURE MICE SALES PIPELINE: ECONOMIC IMPACT

\$337.6M

future MICE sales pipeline estimated economic impact

Source: Simpleview qualified leads and Destinations International Impact Calculator.

RETURN ON INVESTMENT

\$52:1

Source: ADARA and methodology developed by Tourism Economics.

PUBLICITY CREATED

\$365,088,004

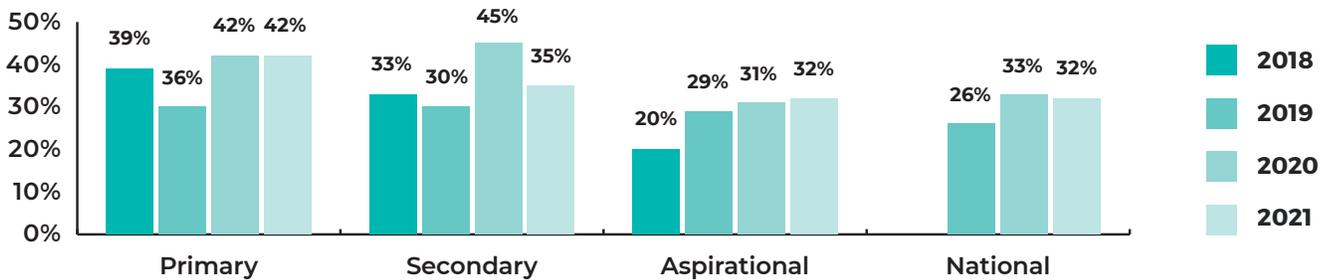
Source: Standard industry earned media value calculation

2. BRAND HEALTH

Discover Puerto Rico is charged with enhancing and protecting the brand health of Puerto Rico through highly effective marketing targeting key consumer segments as well as generating positive earned media. There have been significant improvements in the key industry-standard metrics of likelihood to visit, perception and familiarity since Discover Puerto Rico's inception. However, through 2020 and 2021, COVID-19 has shifted consumer sentiment about travel significantly, with many ebbs and flows depending on the current state of the virus. Even so, the primary markets where Discover Puerto Rico has placed the most paid media have seen growth over the past four years.

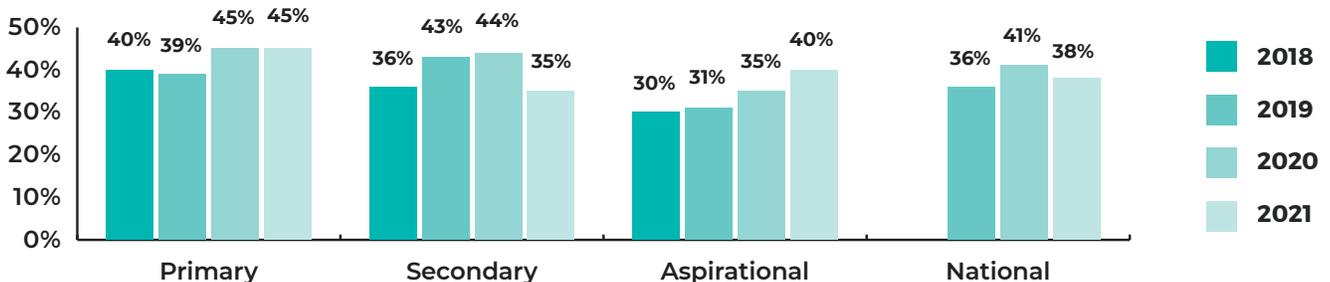
Primary markets: Atlanta, Baltimore, Boston, Charlotte, Chicago, Ft. Lauderdale, Miami, NYC, Orlando, Philadelphia, Raleigh, DC
 Secondary markets: Hartford, Houston, Tampa, Dallas, Detroit, Nashville
 Aspirational markets: Los Angeles, San Francisco, San Diego, Seattle
 National: All other U.S. markets

FAMILIARITY WITH PUERTO RICO BY MARKET GROUP



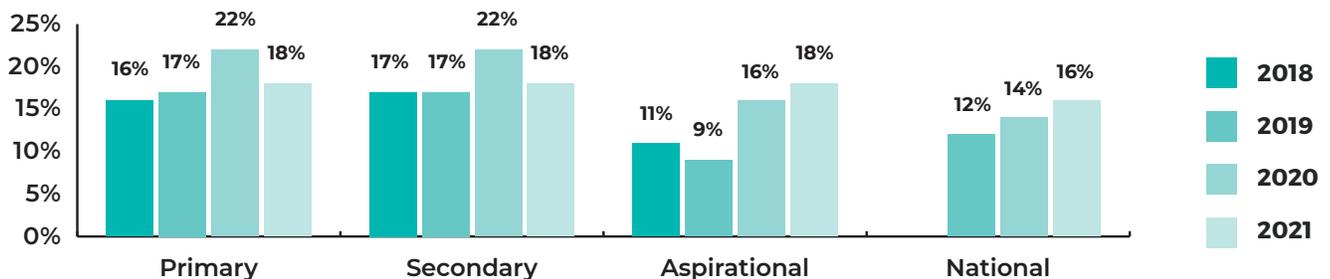
Source: Strategic Marketing & Research Insights, LLC; 2021 Brand Health Research

PERCEPTIONS OF PUERTO RICO (EXCELLENT OR VERY GOOD)



Source: Strategic Marketing & Research Insights, LLC; 2021 Brand Health Research

LIKELIHOOD TO VISIT PUERTO RICO



Source: Strategic Marketing & Research Insights, LLC; 2021 Brand Health Research

I. RESEARCH OVERVIEW

Gas Chamber Beach
Aguadilla, Puerto Rico

RESEARCH



STR & AIRDNA

Discover Puerto Rico has made a commitment to the acquisition and dissemination of the most reliable data available to the tourism industry. To that end, Discover Puerto Rico works with the world's leading providers of data to destination marketing organizations. Given the importance of the lodging industry in the overall economic impact of tourism, significant importance is placed on hotel and independent rental data. Discover Puerto Rico not only monitors occupancy and demand, but also available supply, revenue and competitive position. Discover Puerto Rico relies on the industry leaders Smith Travel Research (STR) and AirDNA for these metrics.

TRAVEL CLICK & AIRLINE DATA INC.

For forecasting and media targeting purposes, Discover Puerto Rico monitors weekly hotel and rental bookings through TravelClick and AirDNA, as well as flight availability from Airline Data, Inc. It not only provides future seat capacity, but also arrivals, fares and load factors.

ADARA

To track marketing performance, Discover Puerto Rico relies on the most advanced technology available in the industry. Data partners ADARA and Arrivalist tie together hotel and flight bookings, as well as arrivals to paid media efforts through digital tracking of consumer behavior and movement.



DESTINATION ANALYSTS, LONGWOODS INTERNATIONAL AND SMARI

Discover Puerto Rico works with a number of research firms specializing in destination marketing. During COVID-19, Destination Analysts became a trusted partner with weekly updates on consumer sentiment surrounding travel, as well as issues specific to Puerto Rico. Strategic Marketing & Research Insights, LLC provides Discover Puerto Rico with an annual evaluation of brand health, assessing changes in the interest in and perceptions of Puerto Rico. Longwoods International, the industry leader in evaluating how destination marketing impacts other sectors beyond tourism, provides Discover Puerto Rico with an understanding of how paid media influences perceptions on the Island as a place to live, work and travel.

TOURISM ECONOMICS

Discover Puerto Rico relies on the world's leading travel and tourism economists to provide an understanding of the Island's total visitors, tourism spending, tax revenues and employment. These important measures drive the economic engine of tourism on the Island.

DOMO

Finally, in Discover Puerto Rico's efforts to be as transparent as possible, these metrics and many more are available to industry partners via a business intelligence platform. Data collected is disseminated through the platform Domo.

J. MARKETING OVERVIEW

Añasco Plaza
Añasco, Puerto Rico



MARKETING OVERVIEW

The COVID-19 pandemic rocked the travel and tourism industry in 2020 and 2021, with global implications. While many other destinations' strategies consisted of going dark or, at best, providing lists of takeout restaurants for locals and virtual Zoom backgrounds, Discover Puerto Rico's strategy paired these reactionary tactics with responsible, but aggressive actions to generate awareness and desire for the destination through a variety of earned, owned and paid tactics that evolved steadily based on changing conditions. These efforts are already showing impact, as Puerto Rico continues outpacing Caribbean and mainland destinations at the pace of recovery.

The proactive "recovery mindset" we adopted and implemented in 2020 was key to prepare Discover Puerto Rico to lead in 2021. These quick, decisive actions conserved resources and prioritized key relationships with meeting and event planners, travel advisers and strategic partners. Additionally, Discover Puerto Rico developed ongoing messaging that balanced destination information with inspiration.

Despite the devastation of the pandemic, the crisis provided an opportunity to rethink how tourism interacts with our economy, society, resources and infrastructure, building and transitioning to an even more resilient tourism economy. Beyond just recovery, we can guide our industry forward and achieve even greater successes than those already established by Discover Puerto Rico.

Discover Puerto Rico's goal for FY 21-22 is to help stabilize the Island's economy through tourism and drive visitor-powered employment and revenue to new records – this includes surpassing 2019 visitation numbers, increasing ADR, and attracting a more **"conscientious traveler."**

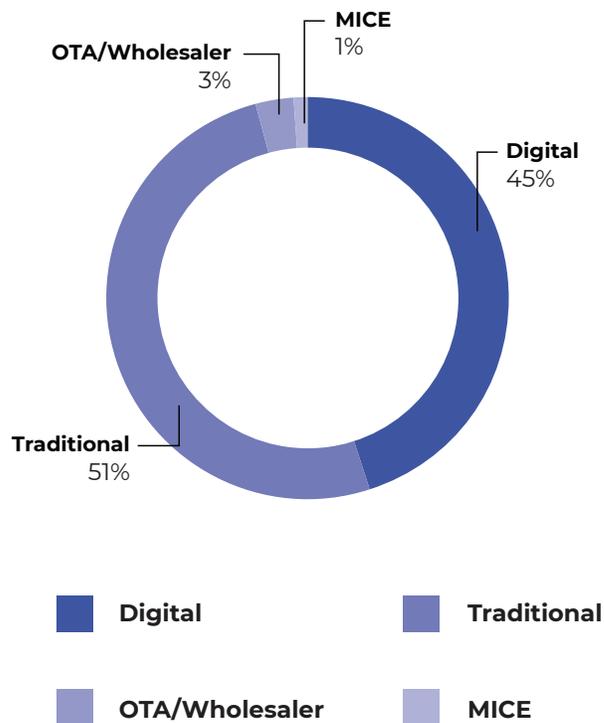
Coming out of the pandemic, travelers want more than anything to reconnect with the world outside their home. These consumers are looking for more meaningful travel – not just relaxation and luxury, but cultural encounters that broaden their horizons and create unique, unforgettable experiences. Puerto Rico is a prime example of the type of destination these travelers seek, and this relationship can be mutually beneficial. This audience is not only desirable from a financial standpoint, but also will help maintain the beauty and spirit of our Island. This approach, coupled with a wealth of tourism product, hospitality that is exceptionally warm and welcoming, ease of access, and a competitive advantage as an unincorporated territory of the United States, strongly positions tourism to lead the much needed economic recovery in Puerto Rico.

Discover Puerto Rico's repositioning of the Island's brand continues to take root. The DMO's marketing and messaging approach highlighting every corner of the Island and exposing consumers to tourism product and experiences that go beyond the beaches and metro area is growing interest in and demand for Puerto Rico, while providing strong continuity and differentiation.

The Island’s official tourism website, DiscoverPuertoRico.com, is central to driving tourism demand for Puerto Rico. In response to COVID-19, the travel advisory on the site was continuously updated to educate and inform travelers of the protocols in place on the Island. It was the highest trafficked page on the website for the year, accounting for 3.7 million sessions and an average time spent on page of 9:36, which is nearly 9x the site average.

The robust content strategy on the website, including the optimization of 65 editorial pieces and the addition of 31 new articles and 21 new landing pages, is providing strong results, with more than 9.2 million sessions and nearly 15 million pageviews. Organic traffic to the site accounted for nearly 49% of total site traffic, followed by paid search.

NET MEDIA EXPENDITURES



COMMUNICATIONS

Throughout the fiscal year, communications and public relations efforts have been critical to keeping media and consumers aware of arrival protocols and the health and safety guidelines due to the pandemic, while maintaining the destination top-of-mind and inspiring consumer to travel when it was safe to do so.

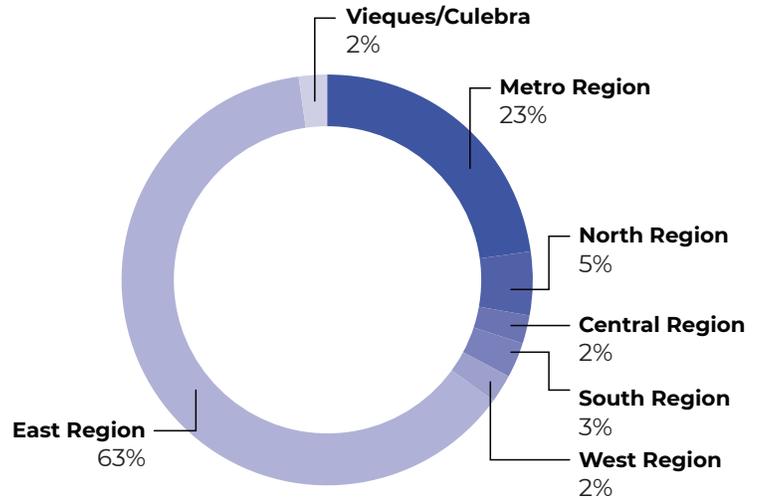
Discover Puerto Rico delivered a record-breaking level of earned media in 2019 and was poised to continue this momentum into 2020. The DMO reacted quickly to contain the negative publicity caused by seismic activity, and positive results were seen immediately. As the global pandemic became a major health concern, Discover Puerto Rico shifted its public relations efforts from pitching lifestyle stories to implementing a comprehensive recovery plan designed to accelerate the economic recovery.

Throughout each crisis, we highlighted the destination’s efforts to ensure traveler/planner confidence and to position Puerto Rico as leading the Island’s recovery more quickly.

Critical to the mission of Discover Puerto Rico is promoting the entire Island. As part of its media relations efforts, we highlighted each region’s unique and diverse offerings, exceptional experiences, service and hospitality. Given the nature of how the destination is covered in the media, the metro area skewed higher in comparison to the rest of the regions given San Juan is typically included in most articles as reporters provide a holistic view to their readers.

At the end of the fiscal year, Discover Puerto Rico secured 20 billion earned media impressions, representing an ad value of \$365M. This was more than a 50% increase from last fiscal year's numbers. Following is a brief summary of some of the major efforts used to generate significant earned media coverage in 2020-2021.

REGIONALIZED COVERAGE



EARNED MEDIA DRIVING ACTIVATIONS

VIRTUAL VACATIONS

Discover Puerto Rico created an award-winning campaign to keep the destination top of mind during the height of the pandemic spanning from March 2020 to July 2020. The DMO partnered with local talent to create virtual events through Zoom and social media livestreams that focused on the Island's cuisine and cultural and natural offerings. The activations resulted in over 480 coverage placements for a total of more than 1.1B impressions, with an ad value of \$21M. The Virtual Vacations promotion won multiple awards, including HSMAl Adrian Awards, Travel Weekly's Magellan Award, and In2Sabre Awards among others. For a comprehensive list, see the awards section on page 48.

ADOPT A COQUÍ

During the 2020 holiday season, Discover Puerto Rico partnered with Conservación ConCiencia to encourage people to give the gift of nature and Adopt a Coquí, supporting Puerto Rico's vast natural resources. Discover Puerto Rico created a landing page hosted on its site that shared information about the coquí and the natural offerings across the Island. For a small fee, donated to Conservación ConCiencia, gifters received a virtual adoption certificate that they could download and save. This program was created to piggyback on the holiday season and insert Puerto Rico into the conversation without driving a "travel now" message. The activation resulted in a total of 461M impressions, with an ad value of \$6M.

NATIONAL PLAN FOR VACATION DAY

Leveraging National Plan for Vacation Day, Discover Puerto Rico partnered with JetBlue and San Juan Marriott Resort & Stellaris Casino to invite travelers to pick any week of 2021 and block their calendars to vacation in Puerto Rico and enter a sweepstakes for a chance to win round-trip travel certificates and lodging. Participants entered the contest by creating a calendar invite with Discover Puerto Rico, promoting a “block your calendar for future travel” message to get the destination on people’s mind as they dream of their upcoming vacation. This activation resulted in over 1,000 entries, 165M impressions, and an ad value of \$825K.

WOMEN’S HISTORY MONTH

In honor of Women’s History Month, Discover Puerto Rico hosted a virtual panel featuring female entrepreneurs including Carmen Portela, Crystal Diaz and Cristina Sumaza. The panel was a snapshot of the work of local women and their businesses, showcasing the diverse talent and industry leaders who are driving Puerto Rican tourism on the Island. Discover Puerto Rico made it a key point to think outside the box, offering media unique angles and perspectives to help with their future stories. This resulted in nearly 900K impressions and an ad value of \$17K.

LIVE! WITH KELLY AND RYAN

The fully earned episode on Puerto Rico as part of LIVE! With Kelly and Ryan’s virtual “warm weather escape” tour allowed audiences to experience a small taste of Puerto Rico through onscreen integrations. Kelly and Ryan were seated in front of a Puerto Rican backdrop, b-roll was shown between commercials, Discover Puerto Rico’s logo was prominently featured throughout the full one-hour airing, and culture tidbits and did-you-know facts were shared throughout the airing. Danny Lugo, choreographer of Despacito, performed a virtual demo of reggaeton with the hosts. The positive publicity and airtime stemming from the episode is valued at \$750K. Discover Puerto Rico’s relationship with networks is instrumental and allowed us to be featured on a full on-air episode for free.

LESSONS IN RECOVERY VIRTUAL PANEL

To position ourselves as a thought leader in the industry, Discover Puerto Rico held a virtual panel on “Lessons in Crisis and Recovery,” featuring local Puerto Rican political commentator and attorney Armando Valdés Prieto moderating the discussion. Additional key industry leaders included:

- Anne Madison, SVP, Global Marketing & Strategic Communications at Cruise Lines International Association (CLIA);
- Diana Plazas, CSMO Caribbean & Latin America at Marriott International
- Don Welsh, President & CEO of Destinations International
- Manuel Laboy, Executive Director at COR3, Central Office of Recovery, Reconstruction & Resiliency
- José M. Suárez, Board of Directors Chairman, Discover Puerto Rico

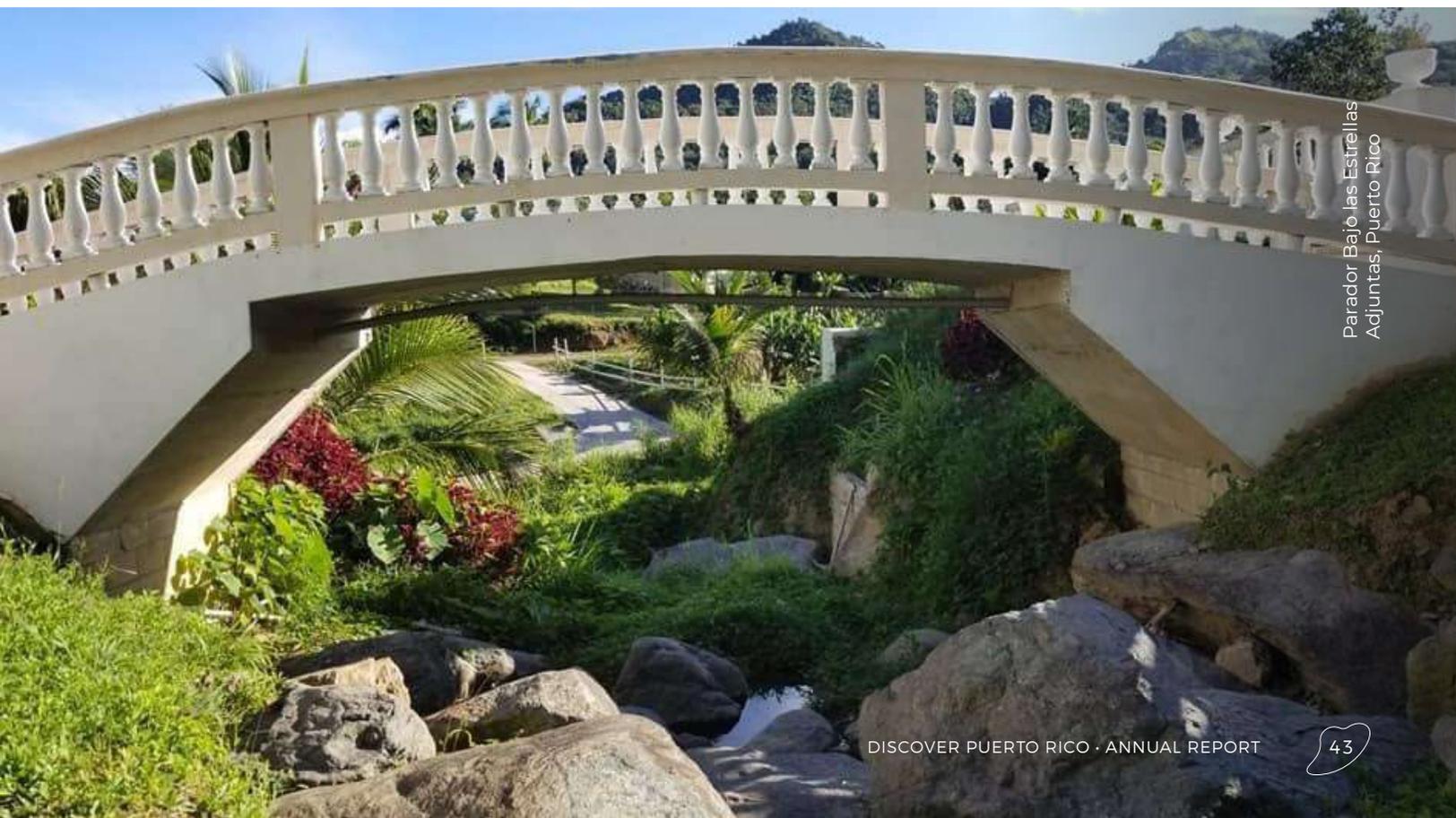
In executing a panel like this, with key players, Discover Puerto Rico showed how it's leading the way in recovery and elevating the destination within the industry, adding interest for the MICE sector. Showcasing support from the industry through a panel adds to the growing confidence in the destination. The panel resulted in a total of nearly 70M impressions and an ad value of \$14,428.

REMOTE WORK & DESKOVER PUERTO RICO

To highlight Puerto Rico as a remote work destination, Discover Puerto Rico offered remote workers a desk makeover as part of its "Deskover" Puerto Rico program. Travelers were sent short submissions detailing why they would like to work remotely from Puerto Rico. The campaign encouraged workers to take advantage of the benefits that Puerto Rico offers as a remote destination. The program highlighted future travel and targeted niche/themed topics. The sweepstakes drew 14,642 entries, resulting in 90M impressions and \$1.6M in ad value.

ADVANCE AUTO SWEEPSTAKES

Discover Puerto Rico launched an exciting collaborative partnership with Advance Auto Parts. Puerto Rico was one of six hand-picked national destinations for its Summer Road Trip Sweepstakes, which ran from April 29 through May 31. Through this opportunity, Discover Puerto Rico drove future tourism by positioning Puerto Rico as a unique fly and drive destination, reinforcing health and safety before arriving and once on the road. This activation resulted in close to 340K entries in addition to 182M impressions and \$3.5M in ad value.



Parador Bajo las Estrellas
Adjuntas, Puerto Rico

PROACTIVE NEWS ENGINE

Through proactive pitches and by leveraging key moments in time, Discover Puerto Rico created a steady drumbeat of positive news coverage in lifestyle, travel, MICE, and travel trade publications. We activated a robust news engine to maintain strong awareness and future consideration of Puerto Rico as a desirable travel destination. From the Island's delicious cuisine to rich history and culture, we tied earned media efforts to the focus areas that make Puerto Rico a unique destination, while pitching the Island as the ideal place to spend holidays like Labor Day and winter break.

LIVE! With Kelly and Ryan "Virtual Roadtrip" Featuring Puerto Rico

The one-hour episode took place virtually in Puerto Rico and featured fun facts about the Island, choreographer Danny Lugo and Puerto Rican TV host Jaime Mayol.



Date: 2/24

TRAVEL+ LEISURE



Win a Trip to Puerto Rico By Blocking a Week On Your Calendar

"Puerto Rico is great for travelers seeking rich history, abundant natural attractions, delectable cuisine, and an international flair."
-Brad Dean, CEO of Discover Puerto Rico

Date: 1/28

Meet Two Women Entrepreneurs Strengthening Puerto Rican Tourism



"Take a look at Paulina Salach and Melina Aguiar Colon, two women business owners from Puerto Rico who have had to adapt their businesses to challenging times."

Date: 3/8



Vaccinated Travelers No Longer Need to Have a Test for Entry into Puerto Rico



"As restrictions loosen, we look forward to welcoming travelers seeking to responsibly explore our Island." - Brad Dean, CEO of Discover Puerto Rico

Date: 5/21

Forbes

Will Meetings and Events Ever Be the Same? 41 Clever Things Hotels Are Doing to Make them Safe

"The exhibit hall during a recent convention at Puerto Rico's Condado Vanderbilt Hotel used high-top tables to promote social distancing at already spaced-apart exhibit booths where meetings were by appointment only."

Date: 10/11

Thrillist

You Can Actually Go Swimming in This Rare Glowing Bay

"La Parguera, in the southwestern town of Lajas, has yet to be tapped... its quiet natural wonders and abundant wildlife are largely undisturbed."



Date: 4/19



Spotlight On: Brad Dean, Discover Puerto Rico

"For us at Discover Puerto Rico, meetings are events where people come together to make extraordinary things happen."
- Brad Dean, CEO of Discover Puerto Rico



Date: 2/23

AFAR

18 Magical Tree Houses to Stay in on Your Next Trip

"Built on five acres of pineapple gardens and verdant natural landscaping, the spa at Dorado Beach features two tree house pavilions that let guests hear the rustling leaves and enjoy the scent of bay rum leaves and lemongrass."



Date: 9/11



For any questions, please contact:
Alejandra.BenitezGutierrez@ketchum.com



CRISIS AND MESSAGING UPDATES

In addition to planned publicity efforts, Discover Puerto Rico monitored and responded proactively to several unprecedented events, including gender violence as it pertains to LGBTQ+ and women, tourists' behavior, and rising cases of COVID-19, among others. By sharing the latest destination updates and proactively communicating organizational efforts, the DMO kept media, travelers, meeting planners and influencers abreast of the latest updates to instill confidence and showcase the destination's readiness and resilience.

FAM TRIPS AND ONE-OFF OPPORTUNITIES

In an effort to ensure that media and influencers experienced the destination firsthand, Discover Puerto Rico hosted more than 23 reporters/influencers across nine FAM trips and media one-offs to all areas of the Island, including Ponce, Dorado and Cabo Rojo. The resulting coverage from media and influencer FAM trips and one-offs resulted in over 439M impressions, totaling \$8.5M in ad value at present, which is expected to increase as coverage from media and influencers who traveled in late April, May and June is still pending. Note, most FAM trips and customized media/influencer visits were interrupted July 2020 – March 2021 due to the ongoing global pandemic.

Amber Gibson One-Off | November 27 – 30

- **Amber Gibson** – 1.13M impressions and \$21.2K ad value

D CEO Magazine One-Off | March 24 – 27

- **D CEO Magazine** – *Coverage will be published in FY 21-22

Adventure FAM | April 27 – May 1

- **Adventure FAM** – 16.2M impressions and \$215K ad value

Southern (Natural) Charm | May 13 – 16

- **Southern Charm** – 437K impressions and \$1K ad value

James Wong One-Off | May 15 – 20

- **James Wong** – 4.3M impressions and \$86K ad value

Hacienda Immersion | May 20 – 23

- **Hacienda Immersion** – *Coverage will be published in FY 21-22

Fly and Drive FAM | Individual Trips

- **Matt Meltzer One-Off** – 9M impressions and \$180K ad value
- **Emy Rodriguez One-Off** – *Coverage will be published in FY 21-22
- **Slow Car Fast Home One-Off** – 1.5M impressions and \$3K ad value

Culture One-Off | June 4 - 7

- **Jeryl Brunner One-Off** - *Coverage will be published in FY 21-22

Luxury FAM | June 24 - 27

- **Luxury FAM** - 4.7K impressions. - *Remaining coverage will be published in FY 21-22

Foodie FAM | June 24 - 27

- **Foodie FAM** - 203K impressions. - *Remaining coverage will be published in FY 21-22

International Media Opportunity | February 11 - 22

- **Financial Times One-Off**
 - Financial Times (print article)
 - Circulation: 183,904
 - EMV: USD 82,500
 - FT.com (online article)
 - Monthly Unique Users: 670,531
 - EMV: USD 40,000



AMPLIFICATION OF TRADE CONFERENCES/EVENTS

Maximizing Discover Puerto Rico's presence at major travel and meetings and events is key to building and maintaining a strong presence within the industry and key outlets. From hosting press conferences to scheduling one-on-one interviews with top-tier media at each event, Discover Puerto Rico positioned the organization and the destination as a thought leader and trendsetter within the travel industry. In 2020-21 we participated in premier national and international travel conferences and trade shows including SATW Virtual Convention in October, WTM in November, IATDG in November, MPI GMID in April, and MPI World Education Congress in June. Earned media relations amplified the presence at each event.

ACCOLADES

Through Discover Puerto Rico earned media efforts, the destination maintained momentum as it closed FY2020-2021, receiving more than 27 media accolades including:

- "#1 CARIBBEAN ISLAND" – AFAR Travelers' Awards
- "WHERE TO GO IN 2020" – AFAR
- "THE BEST HOTELS IN SAN JUAN (PUERTO RICO) FOR BUSINESS TRAVELERS, 2020" – CEO World Magazine
- "10 OF THE BEST CARIBBEAN ISLANDS TO VISIT" – CNN Travel
- "THE BEST ISLANDS FOR BEACHES: 2019 READERS' CHOICE AWARDS" – Conde Nast Traveler
- "THE 36 BEST EVER PLACES TO TRAVEL IN 2020" – Cosmopolitan
- "US TRAVEL: 25 BEST PLACES TO VISIT IN 2020" – Forbes
- "5 HOTTEST PLACES TO TRAVEL IN 2020 FOR YOUR BEST VACATIONS" – Forbes
- "THE 20 BEST PLACES TO TRAVEL IN 2020" – Harper's Bazaar
- "50 AWESOME SOLO TRAVEL DESTINATIONS TO VISIT IN 2020" – HuffPost
- "10 PLACES IN THE US YOU NEED TO VISIT IN 2020" – Insider
- "NEXT STOP: THE 10 US CITIES TO VISIT IN 2020" – Insider
- "TOP 10 PRIVATE JET DESTINATIONS AROUND THE WORLD" – Luxury Travel Magazine
- "THE 25 COOLEST TOWNS IN AMERICA TO VISIT IN 2021" – Matador Network
- "15 WARM-WEATHER WINTER VACATIONS TO ESCAPE THE COLD" – Men's Journal
- "10 UP-AND-COMING DESTINATIONS TO KNOW FOR 2020" – MSN
- "THE 20 BEST CARIBBEAN BEACHES" – MSN
- "THE 30 BEST PLACES TO VISIT IN 2020" – MSN

- “THE TOP 50 TRAVEL DESTINATIONS IN THE WORLD” – MSN
- “7 WINTER DESTINATIONS IN LGBTQ-FRIENDLY COUNTRIES” – NBC News
- “THE 10 BEST SPRING BREAK DESTINATIONS FOR 2020” – PopSugar
- “TOP 10 TRENDING DESTINATIONS FOR 2020” – Refinery29
- “TOP TRAVEL DESTINATIONS FOR 2020” – The Street
- “THE TOP U.S. WARM WEATHER PLACES TO ESCAPE THE COLD THIS WINTER” – Travel Awaits
- “WHERE TO GO IN 2020: THE BEST PLACES TO TRAVEL THIS YEAR” – TripSavvy
- “TRAVEL WRITERS AND INFLUENCERS’ FAVORITE DESTINATIONS FOR WINTER” – UPROXX
- “50 AMAZING HONEYMOON IDEAS” – U.S. News and World Report

AWARDS

The Drum PR Awards

- Best in Travel and Tourism

eTSY Innovation Award

- Best Use of Video (large budget)
- Innovation Award for Best Use of Ideas or Technology

Travel Weekly Magellan Awards

- Silver – Destination Marketing – Campaign-Advertising/Marketing

In2Sabre Awards

- Best in AI/Virtual Reality/Augmented Reality/Immersive Technology

NATJA

- Gold in Social Media or Marketing Campaign
- Gold in Big Idea

HSMAI Adrian Awards

- Best Practice Gold in the Crisis Communications/Management
- Bronze in Recovery Strategies

K. SALES & DESTINATION SUPPORT SERVICES OVERVIEW

Charco el Mangó
Adjuntas, Puerto Rico

SALES AND DESTINATION SUPPORT SERVICES OVERVIEW

FY20-21 began only months after initial lockdowns began to affect the entire world. Early in the pandemic, the Discover Puerto Rico sales team understood that many of the Island's on-property teams were furloughed or laid off and that the major brands' national sales organizations were also working with skeleton crews. However, sentiment surveys revealed that meeting planners and travel advisers were working. They were busy canceling, rescheduling and rebooking existing reservations or events while devising strategies to deliver content virtually. There was high demand for information and few destinations were prepared to capitalize on this unique opportunity for customer acquisition and retention. Discover Puerto Rico conducted over 800 webinars, presentations, virtual events and activations throughout the entire 2020-2021 fiscal year to keep our destination top of mind. As vaccine distribution became a significant factor in early 2021, lead volume proved that our destination indeed remained top of mind with many meeting planners, and we are well-positioned to continue to benefit as restrictions are lifted. And starting in February 2021, our team began to safely conduct site inspections and FAMs, showcasing all regions of the Island.

Our leisure sales team also remained actively engaged with known producers of travel to Puerto Rico and attracted many new advocates for the Island, growing the number of enrollments in the Puerto Rico Travel Expert Program to over 20,000 advisers.

Throughout the COVID-19 crisis, the Discover Puerto Rico sales and services team found creative ways to meet our customers "where they were" during this challenging year, and our current lead volume and leisure sales booking pace shows the success of those engagement efforts.

KEY ACCOMPLISHMENTS

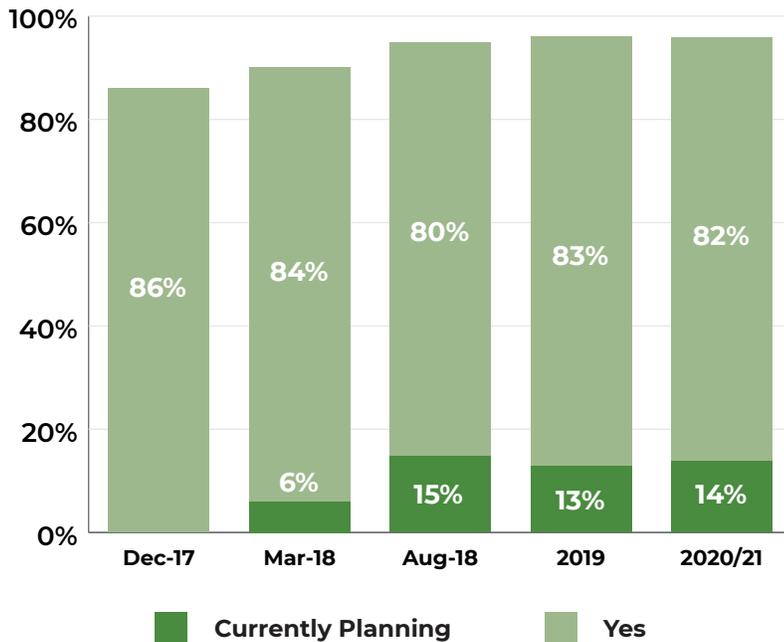
- Despite the pandemic, the Discover Puerto Rico sales team booked **35,357** new, definite group room nights in the period from July 2020 through June 2021, worth **\$27.6M** in economic impact.
- New leads were generated for **527,740** room nights or **\$449M** in economic impact.
- The pipeline of new business opportunities has exceeded the previous high of 335,403 rooms in July 2019 to **387,058** room nights and **\$337.6M** in economic impact.
- Discover Puerto Rico established several proprietary virtual events including the MICE continuing educations series.
- The number of travel advisers enrolled in our PRTE (Puerto Rico Travel Expert) program grew by roughly **5,000** advisers in 2020 to reach a high of over **20,000** enrolled advisers.
- The Destination Services team executed **34** site inspections with a conversion rate of **50%**.

- June was the busiest month for live interactions on the Island since we began in July 2018.
- The Destination Services team produced over **157** referrals to **80** partner suppliers for ancillary business developed during the site inspection process.
- In a February 2021 survey to meeting planners, reached major milestones in brand awareness and desirability among meet professionals. Specifically, we observed the following key takeaways:

NEARLY ALL PLANNERS WILL CONSIDER PUERTO RICO

WILLINGNESS TO BOOK PUERTO RICO

Would you be willing to consider Puerto Rico for any of your future meetings?



96%

WILLING TO BOOK

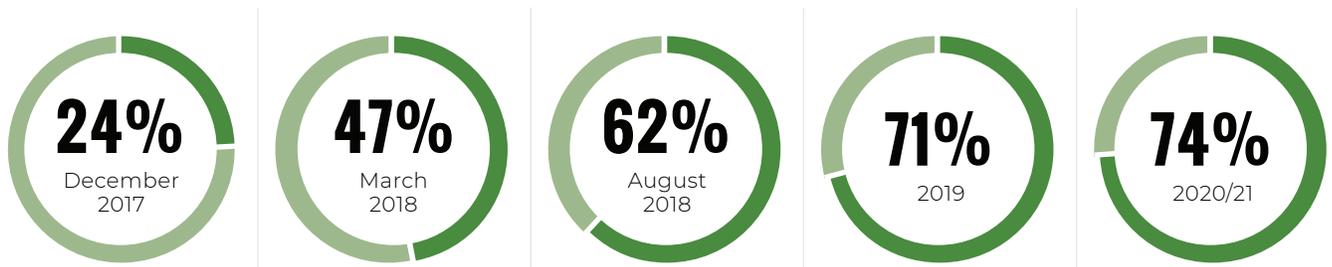
This is likely as high as this measure can be expected to perform. There is a segment of planners for which Puerto Rico or a similar destination would never be in the consideration set.

Source: Meeting Planners' Perception Survey 2020/2021

PUERTO RICO AS VERY AND SOMEWHAT DESIRABLE

POST-MARIA DESIRABILITY FOR MEETINGS & EVENTS

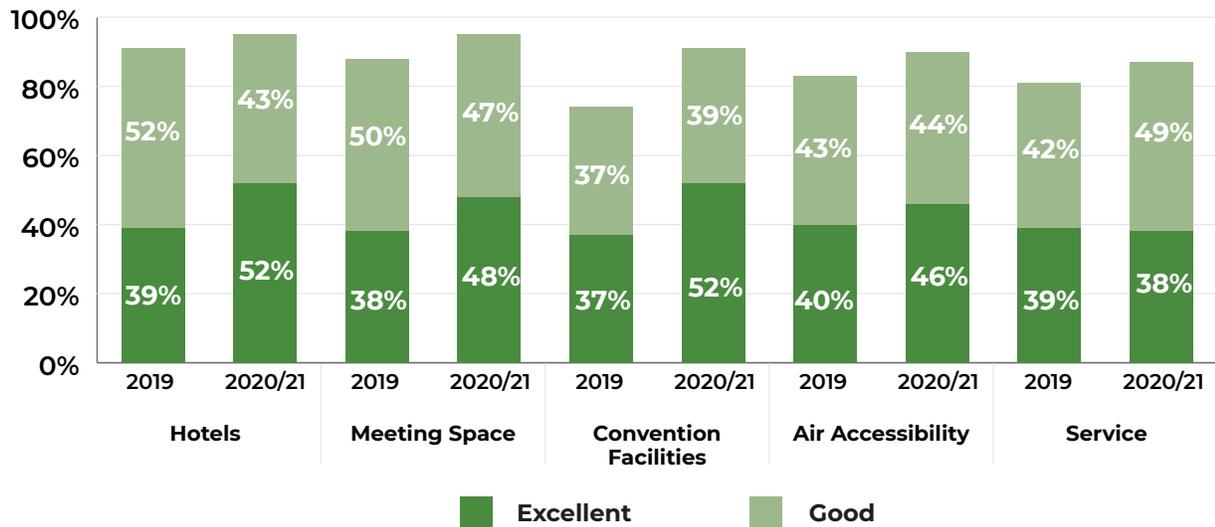
Based on your current perception of Puerto Rico, please rate the Island's desirability for your meetings & conventions.



Source: Meeting Planners' Perception Survey 2020/2021

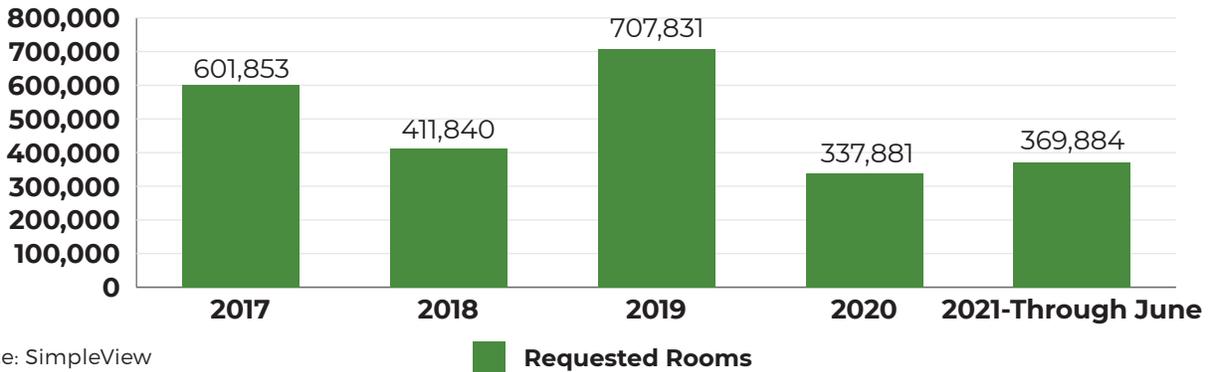
STRONG GAINS IN PERCEPTIONS OF MEETING PRODUCT MOST SIGNIFICANT IMPROVEMENT IN CONVENTION FACILITIES

PLANNER PERCEPTION OF MEETING PRODUCT



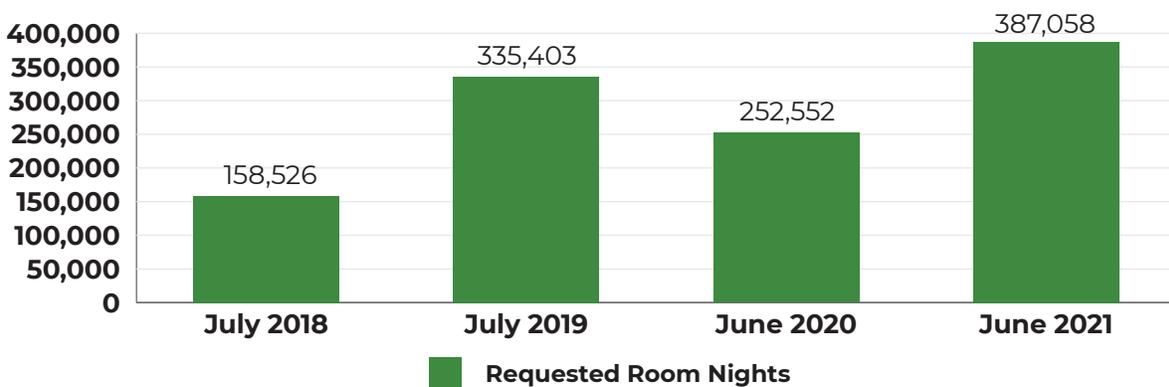
Source: Meeting Planners' Perception Survey 2020/2021

REQUESTED ROOM NIGHTS BY CALENDAR YEAR



Source: SimpleView

SALES PIPELINE AS OF JUNE 30, 2021 \$337.6M ECONOMIC IMPACT



Source: SimpleView

CUSTOMER ACQUISITION STRATEGIES

Meeting planner outreach was prioritized by market segment based on current lead volume and historical production. Planners who engaged with Discover Puerto Rico virtually during the period of travel restrictions were prioritized by booking windows and next available meeting dates where possible. Lead volume is continuously monitored to determine which sectors seem to be rebounding most quickly.

The competitive set is monitored via STR and Future Pace reports and competitive destinations were targeted for events that are being moved due to COVID-19 testing requirements (e.g., international destinations that required testing for reentry into the U.S.). Banner ads based on competitive searches were platforms like Cvent and Puerto Rico's value proposition as a domestic destination was amplified.

STRATEGIC MARKETING

Discover Puerto Rico partnered with key organizations in the meetings industry that enabled us to deliver highly targeted messaging, especially during the period of lockdowns. The sales and marketing teams worked closely to develop virtual content and activations that were, in turn, used by strategic partners who were hungry for content to keep their members engaged and educated. These strategic partnerships include Meeting Professionals International (MPI), American Society of Association Executives (ASAE), Professional Convention Managers Association (PCMA), Association Forum, International Association of Exhibitions and Events (IAEE), ConferenceDirect, HelmsBriscoe, Prestige and HPN, among others.

ENGAGEMENT

Fiscal year 20-21 was a year of high engagement that demanded innovation and creativity. In March 2020 when the pandemic set in, we quickly built an effective strategy to engage with customers that we would normally see at live events with coffee care packages, virtual yoga, and a series of webinars to numerous associations, third-party intermediaries, and regional chapters of strategic partners like MPI, HelmsBriscoe, Conference Direct and many others. In July 2020, we launched virtual site visits and virtual FAMs on Travefy, for both the MICE and leisure market segments.

IN 2020-2021, THE SALES TEAM HAS ACTIVELY PARTICIPATED IN DOZENS OF VIRTUAL AND LIVE TRADE SHOWS, INCLUDING:

TRADE SHOW/EVENT NAME	EVENT DATE	EVENT PLACE
Major Leisure Trade Shows		
ASTA Global Convention	August 2020	Virtual
Brand USA Global Travel Marketplace	August 2020	Virtual
Hills Balfour UK series	August 2020	Virtual
Hills Balfour LGBTQ+ Series	August 2020	Virtual
Virtuoso Travel Week	August 2020	Virtual
ALG Ascend	September 2020	Virtual
MEETINGS/PLANNERS TRADE SHOWS		
Smart Meetings Experiences Northeast	07/23/20	Virtual
Incentive Live! 2020 (Northstar)	07/26/20	Virtual
Skift – The Future of The Event Industry	07/30/20	Virtual
New CVB Event – Northstar	08/04/20	Virtual
ASAE Annual Meetings and Exposition 2020	08/11/20	Virtual
Cvent Connect 2020	08/24/20	Virtual
Forum Forward Association Forum	08/26/20	Virtual
IAEE Women Leadership Forum	09/08/20	Virtual
16th Annual Pharmaceutical Meeting Professionals Summit	09/08/20	Virtual
Connect Marketplace – Sports	09/09/20	Virtual
GPS Impactful Events – Southwest	09/10/20	Virtual
GPS Impactful Events – Southwest	09/21/20	Virtual
IAEE CEIR Predict Event	09/22/20	Virtual
GPS Impactful Events – Pharma	09/22/20	Virtual
ConferenceDirect – Strategies for Successful Virtual and Hybrid Events	09/24/20	Virtual
IAEE Women’s Leadership Dallas Regional Forum 2020	09/24/20	Virtual
GPS Impactful Events – Northeast	09/23/20	Virtual
GPS Impactful Events – Florida	09/30/20	Virtual
Land X-Change® MICE Conference	09/30/20	Montego Bay, Jamaica
Virtual Trade Show With Industry Partners	10/01/20	Virtual
GPS Impactful Events – Caribbean Mexico	10/06/20	Virtual
GPS Impactful Events – Mid-Atlantic	10/07/20	Virtual
GPS Impactful Events – Financial and Insurance	10/08/20	Virtual
Planet IMEX 2020	10/12/20	virtual

GPS Impactful Events – Southeast	10/13/20	Virtual
Connect Marketplace 2020	10/19/20	Orlando, FL (Marriott World Center)
TEAMS Conference 2020	10/19/20	Virtual
ConferenceDirect APM 2020	10/26/20	Las Vegas, NV (Caesars Forum)
Destination Southeast 2020 (Northstar)	10/27/20	Virtual
GPS Impactful Events – Canada	10/29/20	Virtual
MPI World Education Congress 2020	11/03/20	Grapevine, TX
Meetings and Incentive Forum – Punta Cana	11/04/20	Punta Cana, Dominican Republic
Connect Florida	11/09/20	Orlando, FL
Connect Thrive 2020 eTourism Summit	11/09/20	Orlando, FL
Meetings Today Live	11/15/20	Orlando, FL (Swan and Dolphin)
FICP Annual Conference	11/15/20	Virtual
AMEX InterAction 2020	11/16/20	Virtual
GPS Impactful Events – Northern California & Pacific Northwest Planners	11/17/20	Virtual
GPS Impactful Events – Midwest A	11/18/20	Virtual
IRF UnInvitational 2020	12/01/20	Virtual
SITE Southeast Education Summit	12/06/20	Ashville, NC
HPN Global Partner Conference 2020	12/06/20	Scottsdale, AZ (Omni Montelucia)
Smart Meetings Experiences Miami 2020	12/08/20	Virtual
IAEE Expo! Expo! 2020	12/08/20	Virtual
GPS Impactful Events – Midwest B	12/09/20	Virtual
GPS Impactful Events – Mid-Atlantic	12/10/20	Virtual
Destination Spotlight MICE Market	12/15/20	Virtual
Holiday Showcase 2020	12/16/20	Virtual
PCMA Convening Leaders	01/11/21	Virtual
NYSAE Meet NY	NO DATES	New York, NY
Global Pharmaceutical	No Dates	Boston, MA
Pharma Forum 2021 – Virtual	03/22/21	Virtual
SmartMeetings Dallas Event	03/25/21	Dallas
Incentive Live! 2021 (Northstar)	04/07/21	Tucson, AZ (Loews Ventana Canyon Resort)
HelmsBriscoe ABC	04/07/21	Dallas, TX (Hilton Anatole)
SportsETA Symposium	04/26/21	Birmingham, AL

(CSCAA) College Swimming and Diving Coaches Association Convention	05/04/21	Rosemont, IL
ASAE XDP	NO DATES	TBA
IRF Invitational 2021	06/02/21	Marco Island, FL
AMCI Annual Meeting	06/02/21	Orlando, FL
MPI World Education Congress	06/15/21	Las Vegas, NV (Caesars Forum)
Cvent Connect	06/23/21	Amelia Island, FL
FICP Education Forum 2020	NO DATES	Montreal, Quebec Canada
PCMA Education Conference		

INCENTIVE TRAVEL

As the luxury offering in Puerto Rico continues to expand, the destination is well-positioned to attract luxury and incentive travel. Our highly targeted incentive sales strategies, supplemented by guidance from our customer advisory board, have resulted in increased sales activity in FY20-21, and are designed to capture post-COVID-19 incentive travel as this segment recovers.

EXCELLENCE IN SERVICE

Our Destination Services team remains a key part of the sales process by delivering best-in-class experiences that infuse cultural experiences into a customized planning process. We have adapted to the post-COVID-19 environment by developing virtual site inspection platforms as well as live site inspection protocols showcasing the best of what we offer with a focus on safety and security. The team developed a unique virtual destination experience using the travel agenda platform Travefy, to deliver the best of the destination virtually. As live site inspections resume, this platform is easily adapted for use in creating live site inspection agendas.

LEISURE SALES

The leisure sales team has aggressively pursued opportunities to optimize key distribution channels through a series of high-impact measures, which include:

- Emphasis on high-producing accounts and/or growth opportunities.
- Expanded focus on key B2B relationships, including wholesalers and consortia with an emphasis on incremental revenues and brand extension.
- High-impact partnerships designed to boost leisure sales, including American Society of Travel Advisors, Cruise Lines Industry Association and Brand USA.
- Road shows in collaboration with industry partners to reach travel agencies, airline call centers and other high-potential producers in key markets, such as Texas, Florida, New York and Chicago.

KEY LEISURE DISTRIBUTION PARTNERSHIPS

To further this effort, we partnered with the top-producing consortia, with an emphasis on creating landing pages for Puerto Rico, and implementing actions to drive traffic to those sites, increasing bookings via third parties, and growing direct reservations to each property in the programs. Companies like AAA, COSTCO, American Airlines Vacations and Apple Leisure Group, and organizations such as ABC/CCRA, Internova and TRAVELSAVERS are multimillion- and billion-dollar enterprises at the forefront of selling travel, and so are the tens of thousands of agents who are affiliated with them.

Q1 CO-OPS	E-BLAST	TRADE SHOWS	EDITORIAL	WEBINAR	SOCIAL MEDIA	FAM TRIPS	SALES CALLS
AAA	X	X	X	X	X	X	X
ABC/CCRA	X	X	X	X	X	X	X
Travel Leaders	X	X	X	X	X	X	X
Travelsavers	X	X	X	X	X	X	X
Vax Access	X	X	X	X	X	X	X
Virtuoso	X	X	X	X	X	X	X

OTHER CO-OPS	E-BLAST	TRADE SHOWS	EDITORIAL	WEBINAR	SOCIAL MEDIA	FAM TRIPS	SALES CALLS
ASTA	X	X	X	X	X	X	X
ALG	X	X	X	X	X	X	X
Delta Vacations		X		X		X	X
American AV		X		X		X	X
JetBlue VAC		X		X		X	X
SW Vacations		X		X		X	X

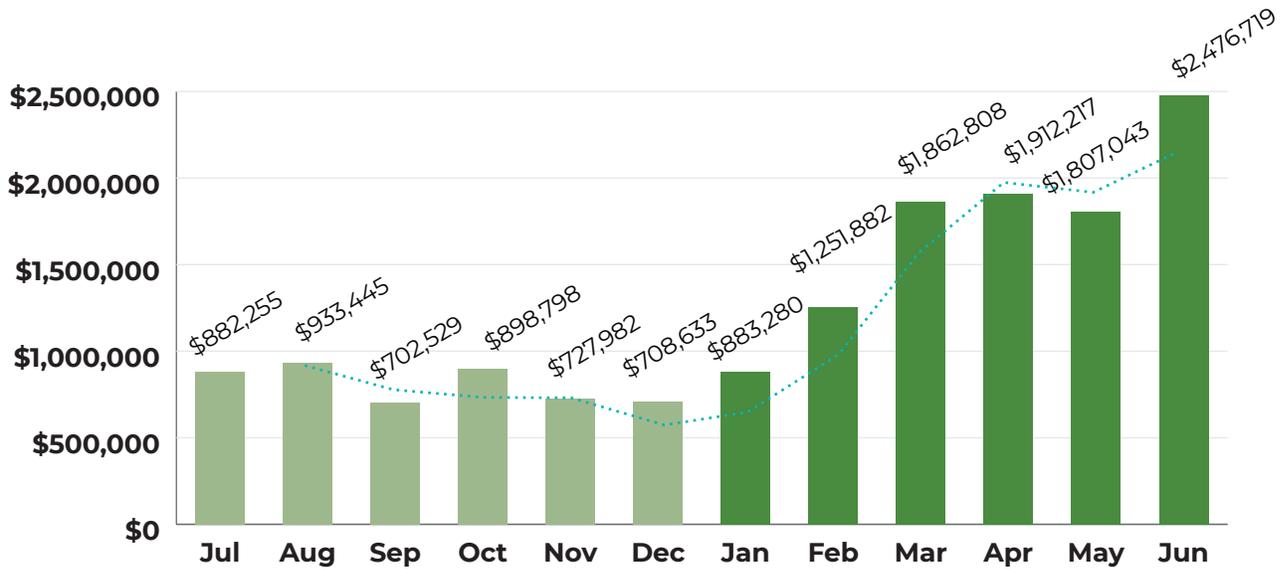
Overall, we are seeing impressive progress in leisure sales through the various strategies and tactics included herein. Once travel restrictions for our Island were lifted, we activated promotional tactics through partnerships and a growing base of trained travel advisers. While overall leisure sales remain below pre-pandemic levels, the steady growth in the latter half of FY20-21 was significant and provides clear evidence that our strategies are working. Whereas the April – June timeframe would normally decline in booking pace, the revenues booked in 2021 exceeded the prior three months by 65%.



“Discover Puerto Rico has taken a comprehensive and strategic approach to position the destination as ideal for tourism and business events. It has engaged a team of U.S. and international business advisers and really listened to our voices. As a result, Discover Puerto Rico has created messaging and marketing to attract both. Nimble using multiple channels and platforms, it has effectively promoted the Island’s assets and opportunities – even in the face of many challenges and competing perceptions. Discover Puerto Rico continues to distinguished itself as outstanding among its DMO peers.”

Susan Robertson, CEO & President / American Society of Association Executives

FISCAL YEAR 2020-2021 PERFORMANCE TREND BY MONTH



Source: TravelClick

TRAVEL ADVISERS' EDUCATION

When it became clear in March 2020 that the leisure distribution channels would suffer and consumer campaigns would be placed on hold, we began to prepare for the inevitable recovery. As travel advisers are often the first point of contact for many consumers and corporate business travelers, we chose to reinforce our partnerships with key agencies, consortia, airline vacation clubs, wholesalers and other buyers who consistently book Puerto Rico.

As visiting agencies and attending trade shows was put on hold, incentives were offered to travel advisers to become Puerto Rico Master Experts. In 2020, there were 2,864 new enrollments and 1,618 graduations. In 2021, Discover Puerto Rico has gained 1,452 enrollments and 527 graduates in the first six months of the year. This brings the total number of enrolled advisers to more than 20,000.

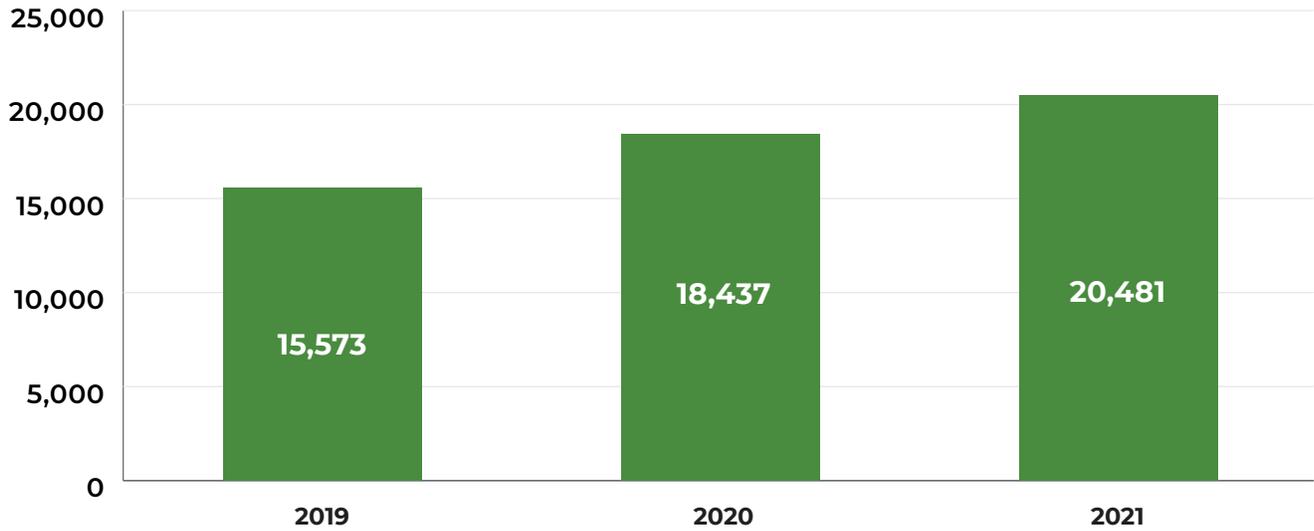


"Discover Puerto Rico has been vital in helping the Island bounce back economically from a disproportionate amount of crisis over the past several years, and now this same team is leading and providing a road map toward a post-COVID-19 recovery. Partnering with us, Discover Puerto Rico has been able to extend its resources globally through Brand USA's Global Marketplace and campaigns like United Stories. As we face this next normal together, I have full confidence Discover Puerto Rico will capture the attention of travel dreamers around the world and welcome them back with a warm island greeting."

Chris Thompson, President & CEO, Brand USA

La Parguera
Lajas, Puerto Rico

TRAVEL ADVISERS' EDUCATION ENROLLMENTS 2019 - 2020 - YTD 2021



Source: *TravAlliance*



"The Discover Puerto Rico team and your DMO has been extremely valuable to JBC and our customers. Just prior to the pandemic, we had two BMW clients there and your DMO planned much of their sites and was instrumental in making sure they met with key suppliers so they could make educated choices. Before the DMO was formed, we knew of Puerto Rico, but we didn't really know Puerto Rico and its potential like we do now. Discover Puerto Rico DMO has upgraded the perception of Puerto Rico immeasurably in the last three years. It has operated with transparency, integrity and professionalism at every turn. I can tell you, no other destination in your competitive set has done what this DMO has done ... not Mexico, not the DR, not the Virgin Islands, Caymans, Aruba, not by anyone globally, quite frankly. Puerto Rico is finally reaching its potential, more so than I have seen in 30 years. Your infrastructure has never been better and San Juan, the resorts, hotels and venues look great. This DMO team has made certain that we have seen the progress and improvements made over the last several years. It's paying off and Puerto Rico is capturing incredible market share, and much of that credit goes to your DMO's impressive efforts. Keep up the great work; your island is truly Our Paradise, and Our Puerto Rico!"

Josh Brown, President, The Josh Brown Company, Inc.

Casa BACARDÍ
Cataño, Puerto Rico



L. LOCAL COMMUNICATIONS AND ENGAGEMENT OVERVIEW

El Pastillo Beach
Isabela, Puerto Rico

LOCAL COMMUNICATIONS AND ENGAGEMENT OVERVIEW

Discover Puerto Rico continuously engages local industry stakeholders and the community in general, to keep them informed of DMO efforts and progress.

IN FY20-21, ENGAGEMENT TOOLS AND STRATEGIES INCLUDED HOSTED INDUSTRY MEETINGS AND EVENTS:

- 7 workshops
- 12 industry updates
- 24 municipal presentations
- 30+ stakeholder and legislative outreach meetings
- 6 in-person events with stakeholders and mayors
- 49 press releases
- 19 opinion columns
- 60+ local media interviews
- \$5.3 million ad equivalency value of local media coverage
- 835 editorial mentions



EDUCATION AND TRAINING

Discover Puerto Rico held multiple in-person and virtual educational sessions designed to train local businesses on important topics that can positively impact their marketing and sales strategies. A variety of topics were covered including social media, LGBTQ+, DiscoverPuertoRico.com opportunities, partnerships, using Google My Business listings, and communicating during a crisis.



M. LOOKING AHEAD

Aibonito, Puerto Rico



LOOKING AHEAD

FY20-21 felt like a roller coaster ride as the COVID-19 infection rate rose and fell throughout the year, and the government's executive orders were continuously adjusted. By early 2021, it was apparent that we were winning the war against COVID-19, but tourism had suffered severely. Our marketing, sales and publicity strategies worked well, and by the end of the fiscal year, tourism demand and yield were showing vast improvement, exceeding pre-pandemic levels.

We remain confident, committed and determined to not simply recover from the pandemic, but to launch an unrivaled comeback that leads to record performance. The same reasons travel grew at a record pace in 2019 are still present today. We must now rely upon the strength, resiliency and collaborative spirit of Puerto Rico, combined with the resourceful, impactful marketing of Discover Puerto Rico to write yet another amazing comeback story.

THE DISCOVER PUERTO RICO TEAM IS WELL-PREPARED TO OPTIMIZE RESULTS IN LEISURE AND MICE SALES, MARKETING AND PUBLICITY. WHILE SOME NATIONAL FORECASTS PREDICT FULL RECOVERY OF TOURISM IN 2023 OR 2024, WE ARE AIMING FOR A 12-MONTH RECOVERY CYCLE. WITH ADEQUATE FUNDING, WE ARE CONFIDENT WE CAN CAPTURE MARKET SHARE AND IMPROVE OUR COMPETITIVE POSITION. ULTIMATELY, WE AIM TO ACCELERATE THE ECONOMIC RECOVERY AND POSITION PUERTO RICO AS A WORLDWIDE LEADER IN RESILIENCY AND POST-COVID-19 TOURISM RECOVERY.

IMPACT OF COVID-19

The tourism industry was one of the sectors most severely impacted by COVID-19. The United Nations World Tourism Organization estimates that upward of \$1.2 trillion in visitor spending was lost in 2020 worldwide. In Puerto Rico, impact estimates by the world's leading tourism economists at Tourism Economics shows there was a 38% decline in visitor spending in 2020, a loss of over \$2.5 billion.



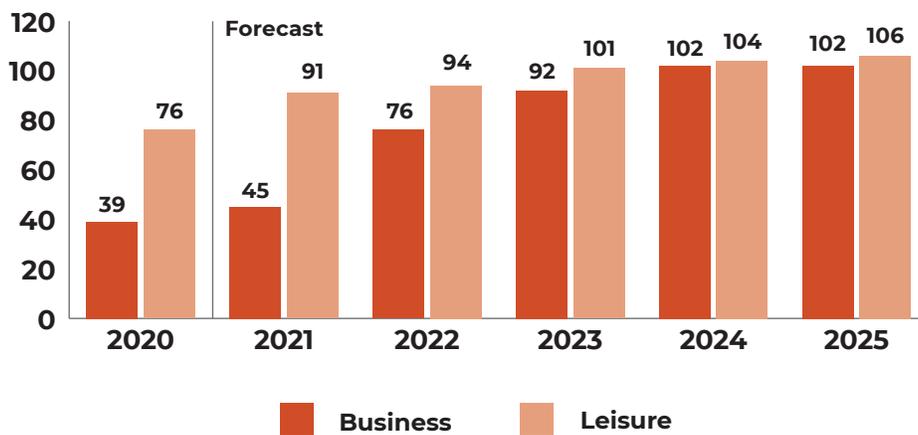
	2012	2013	2014	2015	2016	2017	2018	2019	2020p
Total visitors (000s)	6,794	6,732	7,216	7,809	8,119	7,046	6,989	8,303	4,873
Non-resident visitors	4,461	4,348	4,699	5,119	5,115	4,476	4,725	5,435	2,901
Resident visitors	2,334	2,383	2,518	2,690	3,004	2,569	2,264	2,869	1,972
Total visitor spending (\$ millions)	\$5,239	\$5,277	\$5,620	\$6,122	\$6,405	\$5,420	\$5,293	\$6,437	\$3,982
Non-resident average spending	\$3,338	\$3,341	\$3,567	\$3,940	\$3,981	\$3,462	\$3,499	\$4,128	\$2,429
Resident average spending	\$1,901	\$1,936	\$2,053	\$2,183	\$2,424	\$1,957	\$1,794	\$2,309	\$1,553
Average spend per visitor (all visitors)	\$771	\$784	\$779	\$784	\$789	\$769	\$757	\$775	\$817
Non-resident average spending	\$748	\$768	\$759	\$770	\$778	\$773	\$741	\$760	\$837
Resident average spending	\$815	\$812	\$816	\$811	\$807	\$762	\$792	\$805	\$787

Source: Tourism Economics, Economic Impacts of Tourism in Puerto Rico 2020; June 2021

Following hurricanes María and Irma in 2017, Tourism Economics estimated the lost visitors and spending attributable to the natural disasters. In the two years following the hurricanes, it is estimated that Puerto Rico lost \$2.5 billion in visitor spending. With this, COVID-19 has had nearly two-and-a-half times the impact on lost visitor spending that hurricanes María and Irma had.

BUSINESS AND LEISURE TRIPS

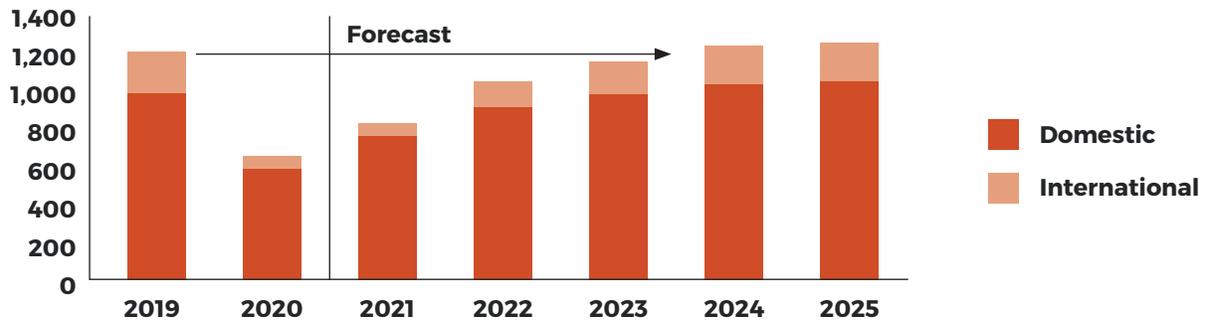
Index (2019 = 100)



Source: Tourism Economics & The U.S. Travel Association, June 2021

Current estimates for the recovery of the industry in the U.S. points to 2023 for the return of leisure visitor volume to 2019 levels, with business travel returning to pre-COVID-19 volume in 2024. But because international travel is not expected to return quickly, total visitor spending is not forecast to return to 2019 levels across the U.S. until 2024.

TRAVEL EXPENDITURES

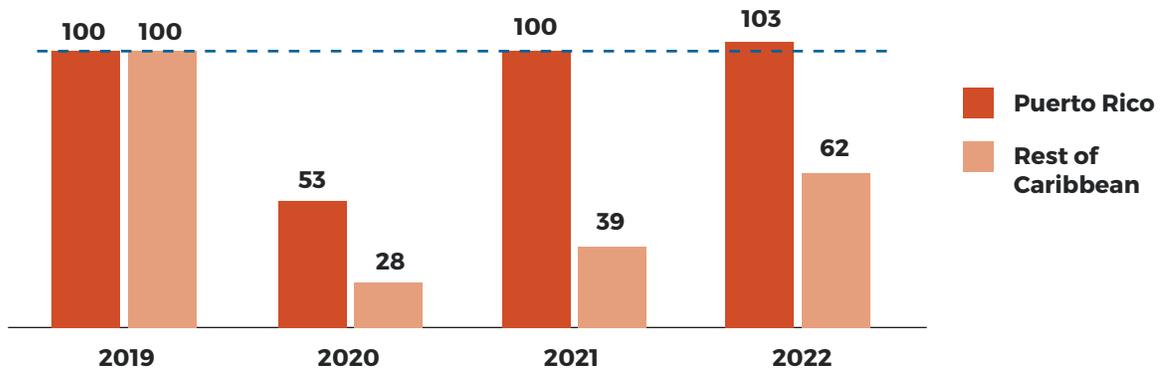


Source: Tourism Economics & The U.S. Travel Association, June 2021

Year	Share of 2019 expenditures
2021	72%
2022	88%
2023	96%
2024	103%
2025	104%

However, with substantial marketing investment in 2021 with federal dollars from CARES Act and CDBG-DR, Puerto Rico has made a quick recovery. Tourism Economics forecasts that though the rest of the U.S. is not expected to return to 2021 visitor volume levels until 2023, Puerto Rico is on pace to do so in 2021. With this, in 2021 Puerto Rico is anticipated to be generating at least 100% of 2019 visitor volume while the rest of the Caribbean is only expected to be doing 39% of its 2019 business.

PUERTO RICO VS. CARIBBEAN VISITOR ARRIVALS (2019=100)



Source: Tourism Economics, July 2021

ADAPTING TO NEW HEALTH & SAFETY PROTOCOLS AND PROCESSES

Our local industry, like its counterparts around the world, implemented many new protocols, processes and standards to address the COVID-19 threat.

As the main liaison between consumers and the Island, the DMO immediately and proactively responded to the situation. Unlike some neighboring destinations and mainland DMOs, everything we did in 2020 was not only proactive, but also anchored in a “recovery mindset.” This ensured that the ongoing and ever-changing health and safety protocols being implemented were effectively communicated and would benefit us over the long term.

At the onset, our direction was straightforward – position the destination as leading by example, with a model of transparency, accountability and timeliness of information. We clarified all health and safety measures, capacity restrictions, arrival requirements and more with travelers, media, meeting planners and travel advisers. Our tactics included:

- Adapting and enacting a preplanned “airborne illness” scenario from our robust crisis playbook to take preventative action.
- Developing and continuously updating media and group statements, traveler FAQ, the Industry Portal, industry communications and other materials.
- Sending frequent and consistent industry email blasts to inform on the latest measures in place, revising messaging and actions the DMO was taking to accurately represent the situation on the Island.
- Updating travel advisories and traveler FAQ in real time on the website with essential information for travelers.
- Pausing paid media while strict travel restrictions were in place, but remaining active on social media and via earned media with an appropriately revised tone.
- Pivoting to digital engagements with meeting planners and travel advisers.

As the global situation escalated, we responsibly evolved our messaging and activations to acknowledge the circumstances, while ensuring that Puerto Rico was top of mind. The goal was to position Puerto Rico as a leader in containment and the forthcoming recovery through swift action and the implementation of strict guidelines and mandates for locals and current visitors on the Island.

DISCOVER PUERTO RICO WILL CONTINUE TO MONITOR AND ADAPT TO THE FLUID NATURE OF TRAVEL IN THE CURRENT COVID-19-INFLUENCED ENVIRONMENT. WHILE ROBUST VACCINATION EFFORTS HAVE TAKEN PLACE ON AND OFF THE ISLAND, WE ACKNOWLEDGE THAT THE COVID-19 THREAT IS NOT COMPLETELY BEHIND US, AND REMAIN VIGILANT AS VARIANTS OF THE VIRUS AND SUBSEQUENT HEALTH AND SAFETY PRIORITIES EVOLVE. SAFETY REMAINS A KEY FACTOR IN TRAVEL DECISION MAKING, AND THE DMO WILL CONTINUE TO ADDRESS OUR MESSAGING AND ACTIVITIES TO REFLECT THIS.

AIRLINE & CRUISE LINE CAPACITY

While the cruise industry has experienced consistent and robust growth over the last 10 to 15 years, with the size and number of new ships increasing each year, COVID-19 laid waste to all cruise industry projections for 2020 and 2021. The impact has been especially harmful to the cruise industry as a result of negative media at the outset of the pandemic, which caused the CDC to issue a No Sail Order for ships sailing in U.S. territorial waters.

With the U.S. slowly returning to cruising and vaccine programs providing optimism, North American cruise lines have started to focus on where they will be permitted to sail, and the Caribbean has become the obvious choice. If this positive trajectory is maintained, we expect sailing from Puerto Rico in late 2021, with meaningful deployments to the Caribbean in mid to late 2022 and into 2023. The good news is that there is tremendous demand. Sales for cruises in late 2021, 2022 and beyond are at pre-pandemic levels.

Air service was impacted significantly throughout the COVID-19 pandemic. But while other Caribbean airports shut down entirely, Puerto Rico maintained service into San Juan. Between July and December 2020, air service from domestic markets had been cut 23% from the same period in 2019. But with a strong rebound in demand, not only has service been restored to 2019 levels, but airlines have begun adding additional capacity.

For the same July to December timeframe, airlines have added an additional 20% capacity for 2021 as compared to 2019. Not only is this restoring service in existing markets, but new service has been added from domestic markets, including St. Louis (MO), Buffalo (NY), and Austin (TX).

DISCOVER PUERTO RICO WILL WORK CLOSELY WITH AIRLINES AND CRUISE LINES TO AMPLIFY MARKETING OPPORTUNITIES AND OPTIMIZE RESULTS FOR THE DESTINATION AND ITS PARTNERS.

DESTINATION DEVELOPMENT

Construction on several major projects, such as Distrito T-Mobile and the Four Seasons Cayo Largo Resort, were temporarily disrupted. However, construction was one of the first industries to reopen during Phase 1 of the COVID-19 recovery process. Developers appear to be unfettered by concerns related to COVID-19 and, rather, encouraged by the prospects for tourism in Puerto Rico. Likewise, the Puerto Rico government has successfully obtained an order by the U.S. Department of Transportation to relax certain restrictions related to air transportation to the Island, both for cargo and passenger



"Discover Puerto Rico understands the tourism value of our culture and all of its expressions. During the COVID-19 pandemic, we partnered to showcase the best cultural products that Brands of Puerto Rico has to offer to the DMO's audience, generating authentic experiences and real economic development. Digital marketing and e-commerce have the benefit of generating real data. Our data shows that thousands of dollars were generated for local entrepreneurs thanks to the DMO's campaign. Our collaboration was just a small experiment that generated an economic impact that benefited Puerto Rico's economy. We look forward to strengthening our partnership and generating results for local entrepreneurs."

Alan Taveras Sepúlveda, CMO/Founder, Brands of Puerto Rico

service, which potentially creates possibilities to expand and enhance air traffic to Puerto Rico.

Distrito T-Mobile has launched a phased opening in 2021, providing an exciting new addition to our tourism offering and enhancing the appeal of the Puerto Rico Convention Center for professional meeting and convention planners. Toro Verde Adventure Park has added new attractions and is currently evaluating expansion opportunities that would further differentiate Puerto Rico's product. Palacio Provincial, a new boutique hotel in Old San Juan, and El Conquistador Resort, have opened. The Camuy Caves, a popular attraction that anchors tourism in the Western region, have reopened after an extensive post-Maria repair process. And, the Puerto Rico government is poised to launch a \$30 billion infrastructure program in conjunction with the Federal Emergency Management Agency (FEMA) post-Maria relief, and many of the investments will directly enhance the tourism industry.

DISCOVER PUERTO RICO WILL CONTINUE TO WORK WITH PUBLIC AND PRIVATE SECTOR PARTNERS TO PROACTIVELY PROMOTE THE UPSIDE ECONOMIC POTENTIAL OF TOURISM THROUGHOUT OUR ISLAND, AND SUPPORT THEM WITH RELEVANT, TIMELY RESEARCH AND ANALYSIS.

ADVERTISING

We rely upon primary and secondary research along with industry best practices to guide our investment decisions related to advertising. All advertising creative will be developed in accordance with Discover Puerto Rico brand guidelines, prioritizing production through the DMO's in-house creative services team and on-Island content creators and partners. Research, trend analysis, COVID-19 formulations and airline capacity will inform the target markets, consumer segments and traveler personas, with an emphasis on the "conscientious traveler."

As the resources currently available for advertising limits our expenditures to levels well below our competition, we will continue to prioritize advertising strategies and tactics to optimize our impact. Digital advertising, search engine optimization, social media promotion and broadcast advertising will remain top priorities as budgets allow.



"In the beginning, I had some insecurity since it was a new organization. However, Discover Puerto Rico has been an exceptional and reliable resource in promoting our town and country. Discover Puerto Rico's human resource is responsible, organized and accessible."

Giomary D. Olivieras, Director of Jayuya's Office of Tourism

DISCOVER PUERTO RICO WILL RELY UPON RESEARCH AND INDUSTRY BEST PRACTICES TO ALLOCATE FUNDS WITH THE GOAL OF MAXIMIZING ECONOMIC IMPACT AND OPTIMIZING BRAND HEALTH.

PUBLICITY

Discover Puerto Rico regularly deploys resources to attract positive publicity for the Island and its tourism industry. The earned media value of these efforts is significant and enhances the paid advertising message. The DMO will prioritize travel trade media, mainstream media, U.S. Hispanic and Diaspora media, and influencers to optimize positive publicity related to post-COVID-19 travel. Targeted efforts to attract positive publicity in key markets or market segments will be employed, subject to resource limitations.

DISCOVER PUERTO RICO WILL SEEK POSITIVE PUBLICITY HIGHLIGHTING THE ISLAND'S COMPETITIVE ADVANTAGES AND COMPLEMENTING THE ADVERTISING AND SALES EFFORTS UNDERWAY.

SALES

In the post-COVID-19 world, well-educated and engaged travel advisers will become a trusted resource for consumers looking for vacation destinations. As most travel advisers now affiliate with major consortia, we have identified the most important existing and potential buyers as targets for co-op marketing funds. Throughout the pandemic, we stayed proactively engaged with campaigns that included educational opportunities specifically designed to leverage the message that Puerto Rico provides the ease and safety of domestic travel with the unique experience of an “international” destination that is rich in history, culture and natural resources.

DURING LOCKDOWNS, THE PUERTO RICO TRAVEL EXPERT PROGRAM CONSISTENTLY ATTRACTED NEW ENROLLEES LOOKING TO LEARN MORE ABOUT PUERTO RICO. WELL OVER 20,000 HAVE ENROLLED IN THIS PROGRAM AND THE DMO WILL CONTINUE TO ATTRACT NEW “STUDENTS” THROUGH INCENTIVES AND IMMERSIVE CONTENT. OUR CO-OP STRATEGY TARGETS KEY TRAVEL CONSORTIA, ONLINE TRAVEL AGENCIES, WHOLESALERS AND TRAVEL ADVISERS. BY LEVERAGING THE POWERFUL AND TARGETED MESSAGING OF OUR MARKETING TACTICS AND PROMOTING VALUE-ADDED PROMOTIONS BY OUR LOCAL PARTNERS, WE ANTICIPATE OUR BEST YEARS ARE IN FRONT OF US.

MEETINGS, INCENTIVE, CONVENTION AND EVENT GROUP TRAVEL

The meetings, incentives, conventions and events segment has been severely impacted by COVID-19. However, by staying actively engaged with MICE planners during the crisis, we have kept Puerto Rico top of mind. Though definite booking conversion suffered due to hotel closures, the pipeline of

active opportunities for the Island has grown to all-time highs last seen in 2019. Interest in Puerto Rico via platforms like Cvent has grown substantially and the Island is exceeding the competition in the achievement of future pace targets. We have been extremely aggressive in pushing FAM trips and site inspections and, in June 2021, recorded the busiest month of customer visits since our inception.

DISCOVER PUERTO RICO WILL EMBRACE CHANGING TRENDS AND EXPECTATIONS IN GROUP AND LEISURE TRAVEL PROMOTION. WE WILL BUILD UPON OUR COMPETITIVE ADVANTAGES THROUGH CAREFUL RESEARCH, EDUCATION AND THE RETURN TO IN-PERSON ENGAGEMENT BOTH ON-ISLAND AND OFF-ISLAND. IN THE POST-COVID-19 WORLD, IT WILL BE MORE IMPORTANT THAN EVER TO MANAGE RELATIONSHIPS WITH KEY PARTNERS AND BUYERS IN ORDER TO REMAIN FLEXIBLE AND EASY TO DO BUSINESS WITH.

LOCAL COMMUNICATIONS AND ENGAGEMENT

Discover Puerto Rico is the chief promoter of all 78 municipalities. We provide free tools for local, small and medium businesses to gain visibility in front of potential visitors. The DMO works hand-in-hand with mayors and tourism directors in order to share each municipality's unique narrative with the world. At the same time, it's important that we educate and inform local communities and stakeholders about the DMO and how our marketing and sales strategies are delivering results and helping lead the Island's recovery.

Staying connected and informing stakeholders of Discover Puerto Rico's vision, mission and specific initiatives is key to achieving cross-sector alignment and helping drive the economy collaboratively through tourism. During the past fiscal year, we have worked diligently to broaden our reach and focus on the tone of coverage, now seeing a more positive to neutral tone. The DMO's local earned media value for FY20-21 reached \$5.3M.

DISCOVER PUERTO RICO WILL CONTINUALLY ENGAGE LOCAL STAKEHOLDERS TO ENSURE OUR ISLAND IS WELL-INFORMED OF THE DMO'S EFFORTS TO GROW THE LOCAL ECONOMY, HELP LOCAL BUSINESSES, AND POSITION PUERTO RICO AS A PREMIER LEISURE AND BUSINESS DESTINATION.



N. APPENDIX

Puente de Piedra
Cabo Rojo, Puerto Rico



APPENDIX I

ORGANIZATIONAL ACCOMPLISHMENTS FOR CY2020

- Delivered \$3.8 billion economic impact, an \$87:1 economic ROI (2019-2020) ¹
- Delivered \$280 million tax revenues, a \$6:1 tax ROI (2019-2020) ²
- Delivered \$365 million of publicity (ad equivalency value), an \$1:192 publicity ROI (2020-2021) ³
- Contracted \$176 million (direct economic impact) of meetings and convention business (2019-2020) ⁴
- Grew meeting and convention future sales pipeline to \$267.9 million (direct economic impact) as of Dec. 31, 2020, a 130% increase since opening in July 2018 ⁵
- Achieved record performance in digital marketing, including: ⁶
 - 5,264 keyword rankings on page 1 (March 2021), 803% increase vs. 583 pre-DMO
 - 559,659 referrals to local businesses since site launch
 - 6.5 million user sessions (through December 2020), 159% increase compared to pre-DMO
 - 12.2 million pageviews (through December 2020), 226% increase compared to pre-DMO
 - 456,632 organic user sessions (February 2021), 1,517% increase compared to pre-DMO
- Achieved “Full Accreditation With Distinction” by Destinations International
- Earned 54 accolades for destination from 2018–2021
 - 2021 Accolades include: AFAR Jan./Feb. Print Issue #1 Caribbean Island, AFAR Travelers’ Awards #1 Caribbean Island, Travel Awaits the Top U.S. Warm Weather Places to Escape the Cold This Winter, Luxury Travel Magazine Top 10 Private Jet Destinations Around the World, and Matador Network The 25 Coolest Towns in America to Visit In 2021
- Achieved three consecutive clean audits (fiscal years 2018-2019, 2019-2020, 2020-2021)
- Established transparent reporting with 1,000+ documents including research, analysis, monthly and quarterly performance indicators, financial statements, budgets, contracts, salary analysis, etc.
- Staff has earned numerous awards, including Destination Leadership Award (Destinations International); HSMAI Top 25 Extraordinary Minds in Sales and Marketing; Five 30-Under-30 Professionals (Destinations International); 15-Over-50 (Connect); Emerging Leaders Program (U.S. Travel Association)

¹ADARA, ² ADARA, ³ Cision/Ketchum, ⁴ Simpleview, ⁵ Simpleview, ⁶ Google Analytics

APPENDIX II

Increasing the visitor economy is an arduous undertaking that requires collaboration from passionate professionals in the public, private and nonprofit sectors. Our sincere and heartfelt gratitude goes out to the following partners for their unwavering commitment and valued support:





Pharma Forum

INNOVATION DMC



INVEST
PUERTO RICO

José. A. (Tony) Santana
International School of
Hospitality and Culinary
Arts - Ana G. Méndez
University

jetBlue

Ketchum
empathy + intelligence



Longwoods
INTERNATIONAL



Marriott
INTERNATIONAL



meetings
TODAY

miles
PARTNERSHIP

Northstar Media

OPAS
ORGANIZACION PRO AMBIENTE SUSTENTABLE



prestige | global
meeting source

priceline

PRISAGROUP



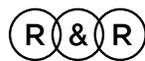
AAAF Puerto Rico Fiscal Agency and
Financial Advisory Authority



INDUSTRIALES
PUERTO RICO



PHARMA
MEETING
PROFESSIONALS
Summit



SIGNATURE
TRAVEL NETWORK

simpleview

Skift



Smart meetings

SMITHBUCKLIN



“Discover Puerto Rico has been a key partner and liaison for Pampered Chef’s 2021/2022 annual incentive program. We met Discover Puerto Rico at IMEX, and through its genuine and warm hospitality, it immediately partnered with us and showed the wonderful opportunities for us to bring our program to Puerto Rico. We have always appreciated Puerto Rico as a destination, but with all of the new infrastructure, renovations and more, it was clearly an even better opportunity for us to reward top achievers. Fred Edson kept in touch with us before, during and after contracts, and helped us navigate options that were exciting and affordable for our program. Achievers are so excited to earn Puerto Rico, that achievement for this program has more than doubled our original forecast. As we develop the program, I can count on Discover Puerto Rico to recommend vendors who are right for our program, and offer creative ideas to ensure a memorable experience. Achievers are wanting ease of travel in an exciting location and Puerto Rico checks all the boxes for being close to home, no passport, great activities and culinary scene, and a wonderful culture and people.”

Janice Capinegro, Senior Director, Global Events, Pampered Chef

Escambrón Marine Park
San Juan, Puerto Rico

APPENDIX III

These committees meet regularly to offer insights, feedback and suggestions related to our marketing and sales strategies.

MARKETING AND SALES ADVISORY COMMITTEE

ALMA BAIR

Paradise Villas & Vacations

JOAQUÍN CRUZ

San Juan Marriott Resort & Stellaris Casino

MIREM UBARRI

Fairmont El San Juan Hotel

ARMANDO VILAS-PICA

Interlink Puerto Rico

JOMARIE ARTURET

BluHost

NANCY MATOS

Group Services Inc.

CARLOS MERCADO

Puerto Rico Tourism Company

JON BORSCHOW

Foundation for Puerto Rico

PETER HOPGOOD

Paulson Puerto Rico

CLARISA JIMÉNEZ

Puerto Rico Hotel & Tourism Association (PRHTA)

JOSÉ M. SUÁREZ

Discover Puerto Rico Board of Directors

TERESTELLA GONZÁLEZ DENTON

Universidad Ana G. Méndez

GADIEL LEBRÓN

Restaurant Association in Puerto Rico (ASORE)

KIMBERLY LEWIN

Marriott International

TOMÁS RAMÍREZ

Discover Puerto Rico Board of Directors

GRACIELA ELETA

Foundation for Puerto Rico

LETTY RIVERO

The Condado Plaza Hilton

WESLEY CULLEN

Casa BACARDÍ

IRIS AYALA

Plaza Las Américas

MARGARET COLÓN

Puerto Rico Convention Center

XAVIER RAMÍREZ

Combate Beach Resort

JOANNE FERGUSON-TWISTE

Destination Puerto Rico | Travel Services, Inc., a DMC Network Company

MIGUEL VEGA

HI Development Corporation
Puerto Rico

SALES & REVENUE ADVISORY COMMITTEE

ADA MABEL RIVERA

Verdanza Hotel San Juan

ANGELO PÉREZ

Sheraton Old San Juan

ARMANDO EMANUELLI

Sheraton Old San Juan

BARBARA VÉLEZ

Rums of Puerto Rico

CARLOS RONCALLO

Caribe Hilton & Condado Plaza Hilton

CINDY ALDEA

AC Marriott San Juan

CLARISA JIMÉNEZ

Puerto Rico Hotel & Tourism Association (PRHTA)

CRISTIAN HERNÁNDEZ

Delta Air Lines

DREW MILLER

San Juan Marriott & Sheraton Convention Center

ERNESTO VELÁZQUEZ

Wyndham Grand Rio Mar Puerto Rico Golf & Beach Resort

EVY GARCÍA

Wyndham Grand Rio Mar Puerto Rico Golf & Beach Resort

GABRIEL CÁRDENAS

El Distrito T-Mobile

ISABEL SARZALEJO

Verdanza Hotel San Juan

JEANNETTE AVILÉS

Sheraton Puerto Rico Hotel & Casino

JOAQUÍN CRUZ

San Juan Marriott Resort & Stellaris Casino

JULIE MILLER

St. Regis Bahia Beach Resort Puerto Rico

KARINA DE HOYOS

Hyatt House & Hyatt Place San Juan

LETTY RIVERO

The Condado Plaza Hilton

LIANA ONDINA

Verdanza Hotel San Juan

LORENZO PEDONE

Royal Sonesta San Juan Puerto Rico Resort

LUIS MENDEZ

El Conquistador Resort

LUZ GONZÁLEZ

The Condado Collection La Concha, A Renaissance Resort



"Together with the DMO, we have worked hand in hand to promote the great variety of touristic offers that we have in Caguas. We are grateful for believing in Caguas as a destination — so close in the metropolitan area."

Norma Lizardi Santiago, Assistant Director of Tourism for Caguas' Autonomous Municipality

Balneario Puerto Nuevo
Vega Baja, Puerto Rico

MARGARET COLÓN

Puerto Rico Convention Center

NEREIDA AMADOR

Hyatt Regency Grand Reserve

SHEILA MURIEL

Courtyard Marriott Isla Verde

MARGARITA CASABLANCA

Hyatt Regency Grand Reserve

NILKA GARAY

Royal Sonesta San Juan Puerto Rico Resort

SHIRLEY ROSA

Aloft San Juan

MILITZA ORAMA

The Condado Collection
Condado Vanderbilt Hotel

PETER HOPGOOD

Paulson Puerto Rico

SYLVIA RIVERA

Toro Verde

MIREM UBARRI

Fairmont El San Juan Hotel

PIER LECOMPTE

Caribe Hilton

WESLEY CULLEN

Casa BACARDÍ

MYRIAM FLORES

AC Marriott San Juan

RAQUEL ROSA

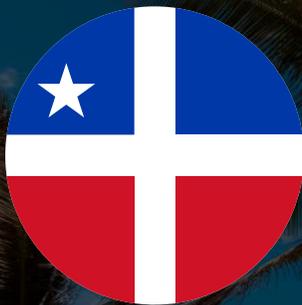
The Condado Collection
La Concha, A Renaissance
Resort

WILDA MELÉNDEZ

Embassy Suites Isla Verde and
Dorado

NATALIA LUNA

Courtyard by Marriott Isla Verde



"Working together with Discover Puerto Rico fills me with emotion, knowing that our town of Lares will receive the necessary tools to showcase the municipality worldwide. Our town is full of history and touristic spaces to develop unique experiences that increase the desire to create tourism companies collaborating with the town's economy. As director of Lares' Office of Tourism and Culture, I am more than grateful for the opportunity of the collaborations that we have created with Discover Puerto Rico. In Lares, we will be in the best disposition to contribute, hand in hand, to the tourist development of the Island and our City of Scream.

Since January 2021, we have received the visit of collaborators, including foreign media, who have pointed out the wonders and greatness that our people can offer. Thanks to Discover Puerto Rico, our local entrepreneurs have received orientation and training on the benefits available to promote their businesses with this nonprofit organization."

Carlos J. Perez López, Director of Lares' Office of Tourism and Culture

El Pastillo Beach
Isabela, Puerto Rico

BOARD OF DIRECTORS COMMITTEES*

BOARD OF DIRECTORS COMMITTEES | EXECUTIVE COMMITTEE

- **José M. Suárez**, Chair & Chairman of the Board of Directors
- **Tomás Ramírez**, Vice Chairman of the Board of Directors
- **Luis Daniel Muñiz**, Treasurer of the Board of Directors
- **Joanne Ferguson-Twiste**, Secretary of the Board
- **Brad Dean**
- **Miguel Vega**
- **Secretary Manuel Cidre**
- **Jon Borschow**, Past Chair

BOARD OF DIRECTORS COMMITTEES | AUDIT COMMITTEE

- **Tomás Ramírez**, Vice Chairman of the Board of Directors
- **Joanne Ferguson-Twiste**, Secretary of the Board of Directors
- **Aida Ramírez**, Technical Advisor
- **José M. Suárez**, ex officio voting member as Chairman of the Board of Directors

BOARD OF DIRECTORS COMMITTEES | FINANCE COMMITTEE

- **Luis Daniel Muñiz**, Chair & Treasurer of the Board of Directors
- **Carlos Mercado**
- **Federico Stubbe, Jr.**
- **José M. Suárez**, ex officio voting member as Chairman of the Board of Directors



"Meeting Professionals International is proud and honored to work with Discover Puerto Rico as a key partner as we promote tourism and the destination to a global community of over 60,000 meeting professionals. Puerto Rico is very well-positioned for the return of leisure travel and the imminent recovery of the meetings and events industry. There are few U.S. destinations that have international island appeal, in a domestic setting, that offer such beauty, value, access, group venues and rich hospitality!"

Darren L. Temple, Chief Operations Officer, Meeting Professionals International

BOARD OF DIRECTORS COMMITTEES | ORGANIZATIONAL DEVELOPMENT AND EFFECTIVENESS COMMITTEE

- **Tomás Ramírez**, Chair
- **Miguel Vega**
- **José M. Suárez**, ex officio voting member as Chairman of the Board of Directors

BOARD OF DIRECTORS COMMITTEES | ETHICS AND GOVERNANCE COMMITTEE

- **Joanne Ferguson-Twiste**, Secretary of the Board of Directors
- **Mariela Vallines**
- **Tomás Ramírez**
- **José M. Suárez**, ex officio voting member as Chairman of the Board of Directors

BOARD OF DIRECTORS COMMITTEES | NOMINATIONS COMMITTEE

- **José M. Suárez**, Chair
- **Federico Stubbe, Jr.**
- **Miguel Vega**
- **Tomás Ramírez**

BOARD OF DIRECTORS COMMITTEES | MARKETING COMMITTEE

- **Graciela Eleta**, Chair designee to Marketing and Sales Advisory Committee
- **Carlos Mercado**, Puerto Rico Tourism Company
- **Federico Stubbe, Jr.**
- **Mariela Vallines**, Puerto Convention District Authority
- **José M. Suárez**, ex officio voting member as Chairman of the Board of Directors

* Board of Directors Committees: Some committees have directors pending to be appointed. Once appointments have been completed, directors will be assigned.



Hyatt Regency Grand
Reserve Puerto Rico
Rio Grande, Puerto Rico

APPENDIX IV

FISCAL YEAR 2021-2022 BUDGET

CORPORACIÓN PARA LA PROMOCIÓN DE PUERTO RICO COMO DESTINO, INC.

OPERATIONAL BUDGET - FY 2021-2022

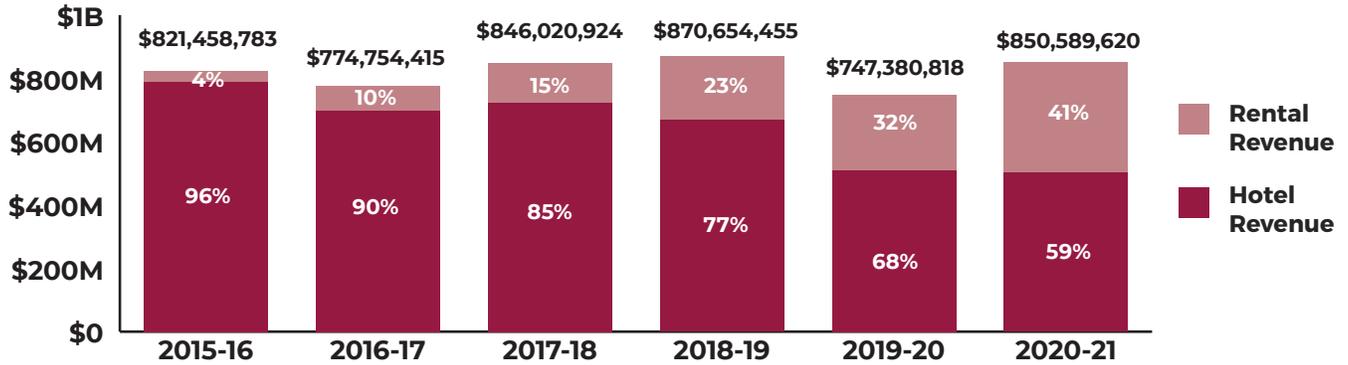
	FY2021-2022			
	OPERATIONAL FUND BUDGET	MATCHING FUNDS	CDBG-DR FUNDS	TOTAL BUDGET FY21-22
REVENUES				
<i>Public Funds</i>				
Room Tax Revenues	\$25,000,000			\$25,000,000
Room Tax - Private Funds Match	-	5,000,000		5,000,000
Group Incentive Fund				-
Public Funds - Other			\$7,200,000	\$7,200,000
<i>Private Funds</i>				
Coop Advertising/Sponsorships	-			-
Tradeshaw/Event Participation	138,000			138,000
Donated Services	150,000			150,000
Interest	15,000			15,000
Other-Media Productions	50,000			50,000
	\$25,353,000	\$5,000,000	\$7,200,000	\$37,553,000
Payroll & Related Benefits	\$6,547,176			\$6,547,176
ADMINISTRATIVE/OPERATING EXPENSES				
Facilities Expense	236,320			236,320
Legal Fees	92,000			92,000
Consulting Fees	77,571			77,571
Accounting & Audit	65,200			65,200
Depreciation	73,949			73,949
Recruiting and Relocation Expenses	19,500			19,500
Office Supplies/Misc. Equipment	33,000			33,000
Licenses/Telephone/Internet	207,580			207,580
Training and Development	40,000			40,000
Insurance	83,973			83,973
Line of Credit Interest	109,000			109,000
Other	97,750			97,750
	\$1,135,842		-	\$1,135,842

	FY2021-2022			
	OPERATIONAL FUND BUDGET	MATCHING FUNDS	CDBG-DR FUNDS	TOTAL BUDGET FY21-22
SALES/MARKETING/PROMOTION				
Trade Shows and Conferences	1,169,646			1,169,646
Site Inspection	90,000			90,000
Destination Reviews	500,000			500,000
Sales Consultants	293,280			293,280
Marketing Consultants	105,248			105,248
International Sales & Marketing	837,200			837,200
Sales calls	100,000			100,000
Advisory Boards	140,000			140,000
Sales/Marketing Events	1,853,400			1,853,400
Advertising	6,761,858	5,000,000	7,200,000	18,961,858
Strategic Alliances	864,500			864,500
Industry/Community Engagement	170,000			170,000
Public Relations	3,053,000			3,053,000
Group Incentive Fund	-			-
Promo Items/Collateral	72,500			72,500
Website Development	325,000			325,000
Digital Asset Acquisition	175,000			175,000
Research	750,000			750,000
Booth expense	144,289			144,289
S&M Technology (licenses)	108,140			108,140
Sales & Marketing Training	59,000			59,000
Membership Dues	77,921			77,921
	\$17,649,982	\$5,000,000	\$7,200,000	\$29,849,982
TOTAL EXPENSES	\$25,333,000	\$5,000,000	\$7,200,000	\$37,533,000
Gain (Loss) on Transfer of Assets				
Capital Expenses	\$20,000			\$20,000
Net Change in Assets	\$(0)	-	-	\$(0)

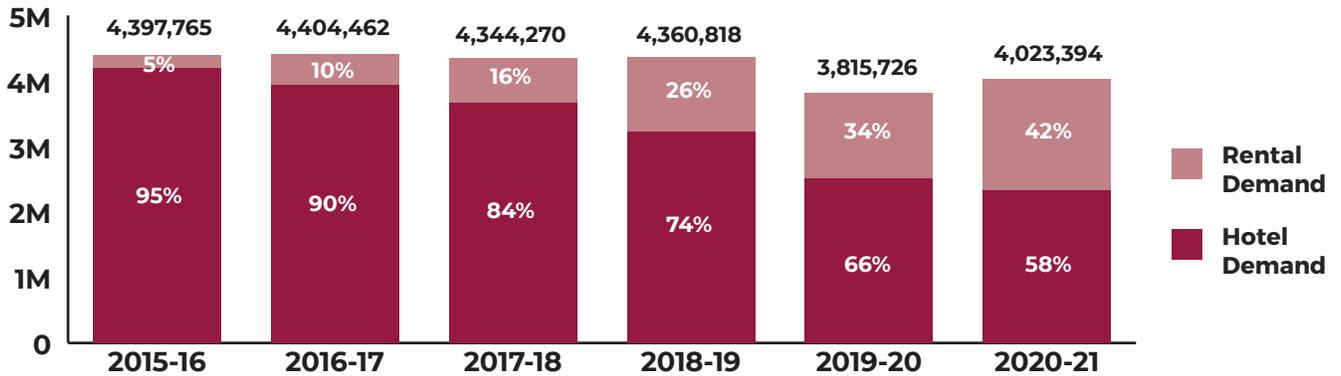
APPENDIX V

MARKET PERFORMANCE

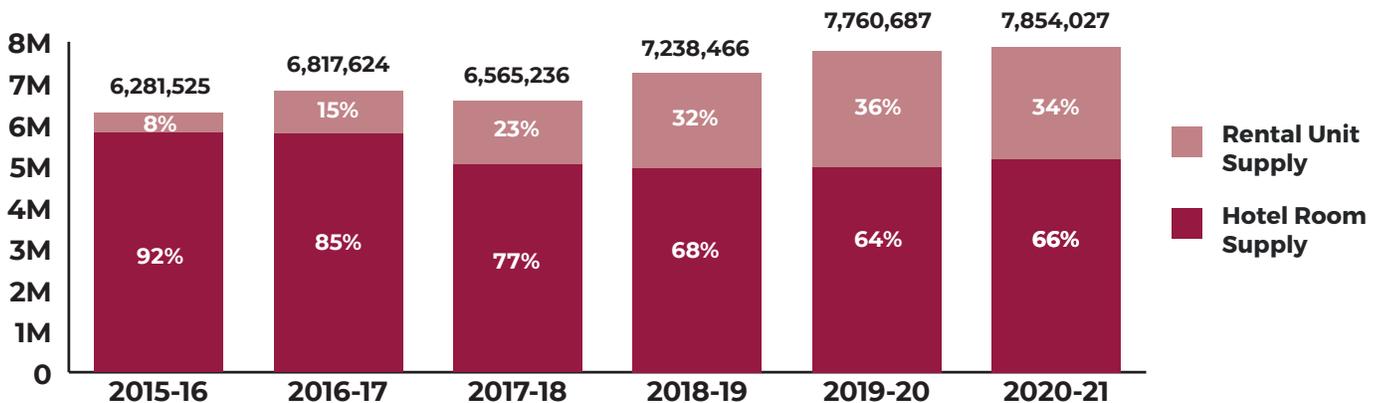
LODGING REVENUE



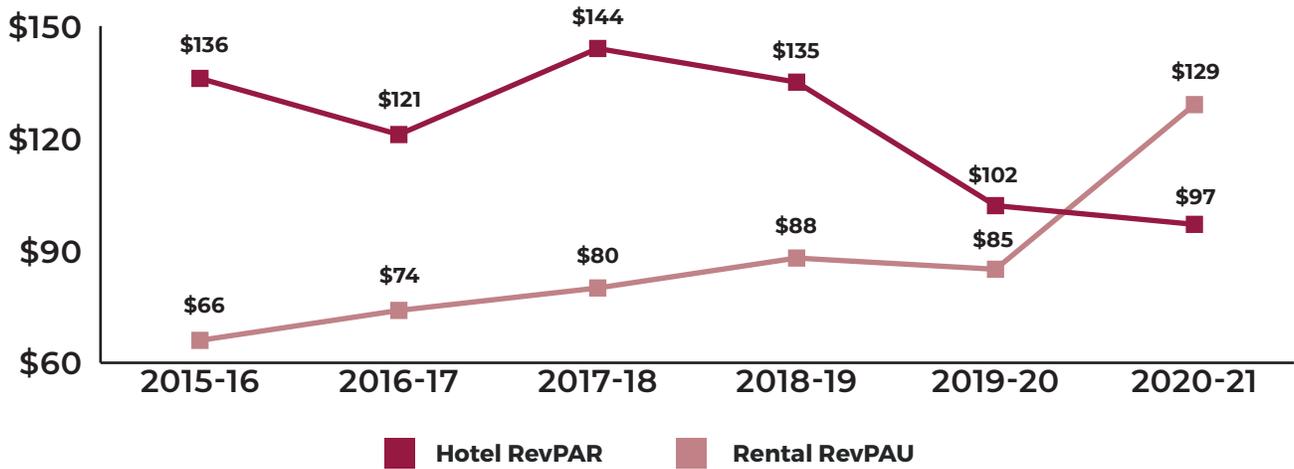
LODGING DEMAND



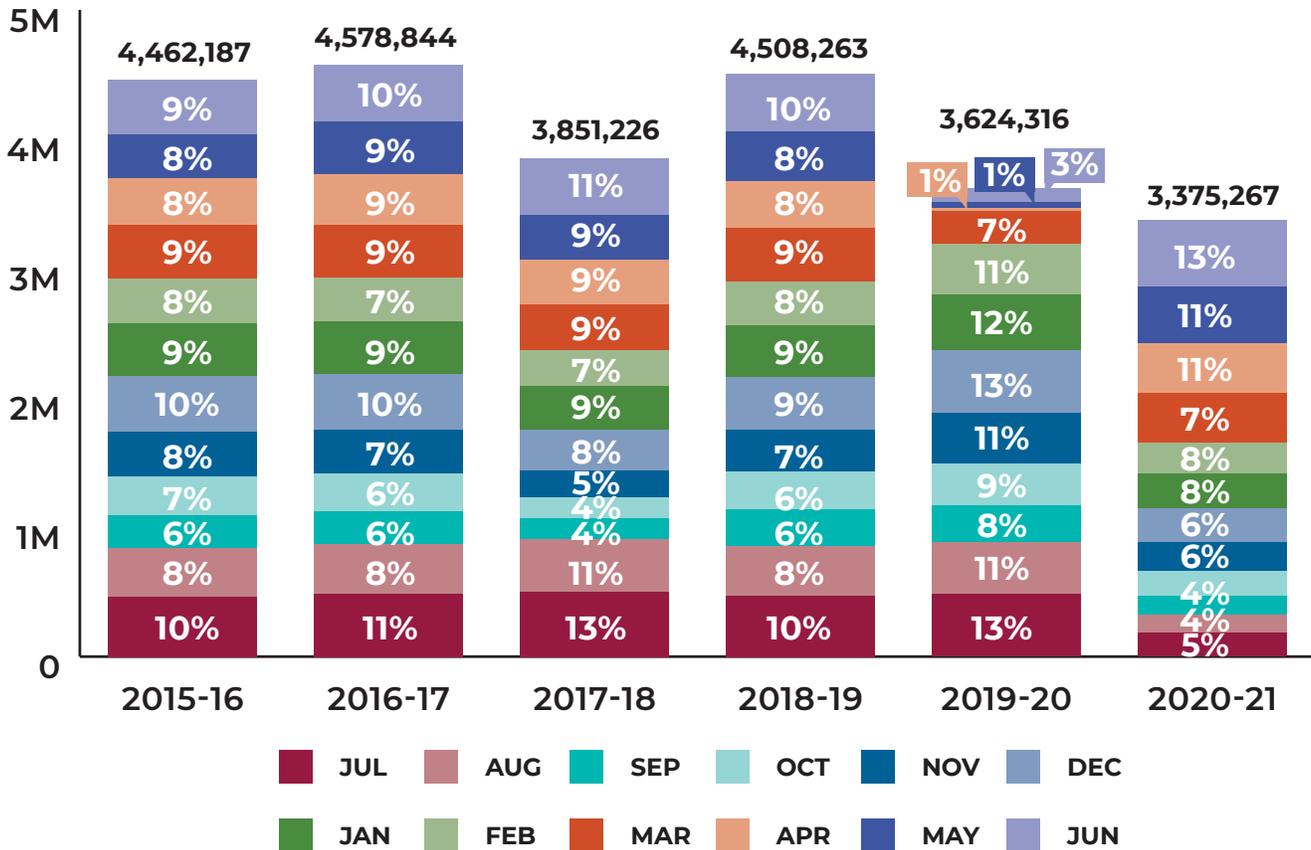
LODGING SUPPLY



LODGING REVENUE PER AVAILABLE ROOM/UNIT

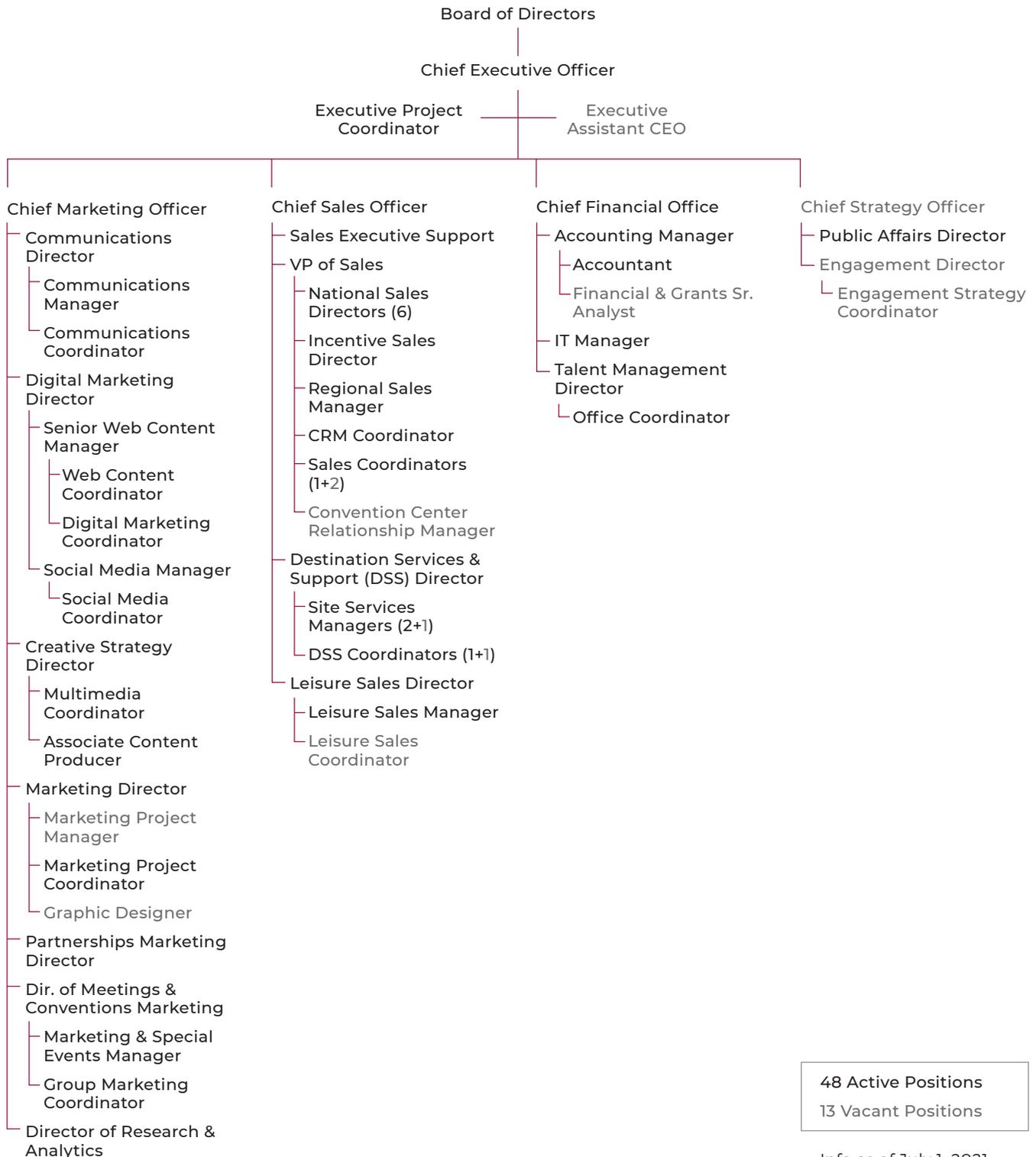


SJU ARRIVALS



APPENDIX VI

ORGANIZATIONAL STRUCTURE



48 Active Positions
13 Vacant Positions

Info as of July 1, 2021



Mona Island
Mayagüez, Puerto Rico

DISCOVER
Puerto Rico