



2021 QUARTERLY REPORT

Q1

MAY 5, 2021

FROM THE CEO



I hope this message finds you safe and well.

As the hospitality industry begins what we hope will be a robust post-pandemic recovery, I wanted to take this opportunity to bring you up to date on initiatives Visit Buffalo Niagara is undertaking to ensure our industry emerges from the challenges of 2020 stronger than ever.

This renewed commitment to excellence includes an investment in new data analysis tools that will assist in measuring and managing our performance in delivering maximum ROI for our industry and community. These tools and the performance metrics they measure will take us beyond traditional KPIs and allow us to better understand who our customers are, where they are coming from and what motivates and informs their travel decision-making. A concise, customized dashboard will eventually be available on a monthly basis to assist the entire industry in strategic decision making and business planning.

Visit Buffalo Niagara is also investing in a countywide destination master plan that will serve as a ten-year blueprint for maximizing our tourism economy's potential. The task of drafting this plan will be a collective endeavor that includes tourism industry leaders, stakeholders and residents. The plan we collectively develop will also lead to the creation of focused three-year strategic plans for both Visit Buffalo Niagara and the Buffalo Niagara Convention Center.

On behalf of the Visit Buffalo Niagara board of directors, committees and staff, you have our commitment to use every tool at our disposal – tried and true as well as new and innovative – to facilitate and accelerate our journey of rebuilding and recovery. As I've said many times over the past year, "...tourism is a resilient industry, Buffalo is a resilient destination. Together, we will come back bigger, bolder and stronger than before."

Sincerely,
Patrick Kaler
President and CEO

Q1 FINANCIAL SUMMARY

Q1 Financials	Projected	Budgeted	Variance	% Variance
Revenues	\$920,341.00	\$916,999.00	\$3,342.00	0.36%
Expenses				
Marketing & Communications	173,893.00	168,549.00	5,344	3.17%
Convention Sales & Services	247,931.00	287,334.00	(39,403)	-13.71%
Destination Development	40,526.00	40,070.00	(456)	1.14%
Airport Visitor Center	11,033.00	21,115.00	(10,122)	-47.89%
Downtown Visitor Center	7,843.00	9,821.00	(1,978)	-20.14%
Administrative & Finance	241,960.00	239.0	2,361	0.99%
TOTAL EXPENSES	\$723,156.00	\$766,488	(43,332.00)	-5.65%
Increase (Decrease) In Net Assets	\$197,185.00	\$150,511.00	\$46,674.00	

SALES AND SERVICES UPDATE

VBN/BNCC Customer Advisory Council

A virtual meeting of the Council took place on March 9, 2021, with sixteen members in attendance. The membership consists of National and State association Executive Directors and Meeting Planners. The agenda included conversations regarding Diversity, Equity and Inclusion; industry success measurements post COVID, and the future of the meetings industry. The CAC will convene two more times in 2021, with a session dedicated to the VBN Destination Master Plan, as well as an in-person meeting this fall in Buffalo.



Sports Commission Advisory Council

The Buffalo Niagara Sports Commission held a virtual meeting on March 26, 2021. Discussion items included the engagement of the commission during the destination master planning process, updates to the Customer Confidence Program and a redesign of the Sports website. Staff also shared plans for COVID safe, yet inviting and informational welcome tables as well as a revision for the promotion of the highly successful Bring It Home program. Attendees were encouraged to offer updates to Erie County athletic facilities and to keep their listings up to date.

Heartland Travel Showcase

Staff attended the February 12-14, 2021, virtual tradeshow comprised of Midwest-based tour companies. This year's showcase offered three days of educational sessions and individualized appointments with tour operators. VBN conducted sales meetings with 25 tour operators promoting new itineraries in Erie County for future tour groups. While most operators were looking for opportunities in 2022, several were interested in the current year.



American Bus Association

ABA represents Tour Operators from around the U.S. and offered a virtual on-demand convention in 2021 instead of an in-person annual marketplace. VBN staff participated in a monthly one-day virtual informational meeting, conducting over 40 appointments with U.S.-based operators promoting new itineraries in Erie County. Staff will also participate in a similar monthly virtual meeting in Q2.

360 Virtual Reality Venue Project

This initiative will showcase the Buffalo Niagara Convention Center, hotels with meetings space, athletic facilities and attractions utilizing virtual reality 360-degree technology. The video productions will be utilized for sales and marketing purposes when promoting the destination for large groups whether they are conventions, meetings, tours or athletic competitions. The video content will live on the VBN website and will be used in e-proposals.

Empire State Society of Association Executives (ESSAE) Annual Awards

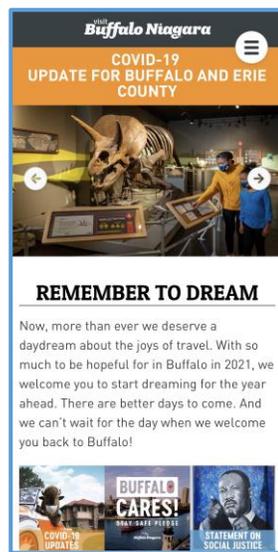
Through a sponsorship, Visit Buffalo Niagara served as the Emcee for the 2021 ESSAE Virtual Awards and Recognition Ceremony. Over 150 ESSAE members participated via Facebook Live and YouTube.



MARKETING AND COMMUNICATIONS UPDATE

VisitBuffaloNiagara.com Update

Madden Media performed a full website audit to understand what actions needed to be taken to achieve a minimum 'A' level status, in accordance with the Website Compliance Accessibility Guidelines (WCAG), to make our website more accommodating for those with disabilities. After reviewing all 2,100+ pages of the website, Madden Media improved navigation usability, made significant improvements, improved screen reader usability and improved the overall site structure. VBN strives to keep not only the content of the site up-to-date, but also its functionality and accessibility.



U.S. Travel Association's National Plan for Vacation Day



Visit Buffalo Niagara's special projects on social media included a promotion of U.S. Travel's National Plan for Vacation Day. Utilizing our "Remember to Dream" messaging, VBN asked our followers to consider Buffalo when daydreaming and planning for travel in the year ahead.



Buffalo Staycation Packages

During Q1, Visit Buffalo Niagara aggressively promoted special Staycation packages. Following a successful end of 2020 "Buy Local" promotion in cooperation with Erie County through CARES Act Funding, this promotion encourages locals to take a hometown getaway to any of the county's participating hotels.

Thank you to the eighteen Erie County Hotels for their participation in the Buffalo Staycation Promotion. Every part of Erie County was represented and with various hotel types and price points making it appealing to a wide audience.

MARKETING & COMMUNICATIONS UPDATE CONTINUED

Q1 Top Performing Videos



January:
"One Bills Driveway: The Playoffs"
61,238 Views



February:
"Buffa101: This Little Pig"
7,542 Views



March:
"Buffa101: Cheerios"
12,014 Views

Spring TV Commercial

VBN's Marketing team launched a visitor-focused version of the "Come Back to the Comeback" commercial that had been widely seen on local broadcast TV in Fall 2020 through the Erie County CARES Act Buy Local campaign. The new commercial will be broadcast in New York State with a focus on the 200–300-mile drive market encouraging potential visitors to come back to the revitalized Buffalo when they are ready to start traveling again.



Media Relations

The results of the pandemic forced the reorganization of the Marketing/Communications department and the elimination of the Media Relations Manager position. Even with travel writer and media visits at a standstill during 2020, the destination has enjoyed a few media placements as a result of previous trips and travel writer relationships with the organization. In 2021, Visit Buffalo Niagara has engaged Madden Media to oversee our ongoing media relations function. We are anticipating a return to media visits later in the year but expect more activity in 2022 when we are assured of the health and safety for all involved with hosting travel writers. Following the exciting end of 2021 Travel+Leisure article featuring Buffalo as #7 on the "The 50 Best Places to Travel in 2021," below is a sampling of some of the Q1 media coverage generated through the efforts of Visit Buffalo Niagara in Discover Blog, Men's Journal and AFAR Travel Magazine & Guide.



Buffalo Wings: Buffalo, United States



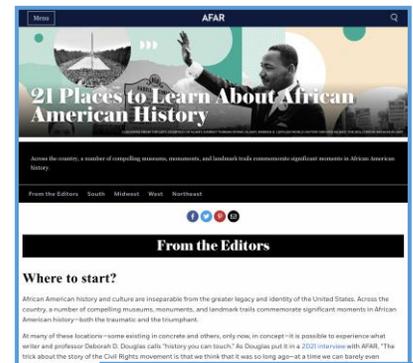
Credit: Brent Hofacker/ Shutterstock

They're the mainstay of any half-decent sports bar, barbecue, or party. Buffalo wings were invented in 1964 in Buffalo, New York. Teresa Bellissimo smothered a plate of wings with a special sauce and brought them out to customers at the Anchor Bar, where they were warmly received. Wings are snapped in half, deep-fried, and then liberally coated in that wonderful red



Courtesy: Image Mural by Edeyas Wajed and James "YAMES" Moffitt in Buffalo

11. Buffalo, New York
While New York City and its surrounding boroughs get a lot of love for their legendary outdoor art, Buffalo has exploded over the past few years with new murals and public installations created by some of the greatest street artists in the world, like Eduardo



The Colored Musicians Club

Buffalo, New York
While New Orleans, Chicago, and New York City are some of the better-known U.S. jazz capitals of the early 20th century, the city of Buffalo in upstate New York plays an important role in the genre's history. In 1934, an African American musicians union called the Buffalo Local 533 opened the Colored Musicians Club in downtown Buffalo at the same site where the venue stands today. Throughout the 1930s and '40s, the club served as a haven for Black jazz musicians; musical greats such as Duke Ellington, Billie Holiday, and Ella Fitzgerald graced its stage.
Today, visitors can catch live jazz performances at the Colored Musicians Club on Mondays and Thursdays (check the website for hours, event schedule, and inclusion guidelines regarding COVID-19). On the first floor of the historic venue, an on-site museum showcases a retrospective exhibition with instruments, artifacts, and an interactive display that allows visitors to listen to original audio recordings from previous performances at the oldest continuously running African American club in the United States. —L.S.

INDUSTRY RELATIONS UPDATE

Buffalo Ambassador Volunteers

Recognizing that Visit Buffalo Niagara has an engaged and at-the-ready group of volunteers, Erie County officials reached out to request our assistance providing directional assistance for individuals traveling to the County's vaccination clinic located at the Lexus Club inside the KeyBank Center. Over the course of five weeks, 60 volunteers working three-hour shifts helped to direct traffic and provided assistance inside the facility. Following a year of no events to volunteer their time, our Ambassadors were thrilled to be back doing what they enjoy and being the face of our community.



EC200

Visit Buffalo Niagara is active with the steering committee for EC200, Erie County's year-long bicentennial celebration. VBN has created a page on our website and is managing the EC200 Events Calendar through our Simpleview CRM. We will also

provide social media support with content on our Facebook, Twitter and Instagram accounts. CEO has been invited to participate and speak at the April press conference, and to provide a quote in the official media release.

Visitor Information Centers

As previously announced, Visit Buffalo Niagara has closed its two visitor center locations – corner of Washington and Clinton Streets and in Buffalo Niagara International Airport. In 2021, VBN is creating a new visitor center strategy that will include the purchase of a vehicle to create a mobile visitor center experience. "Seymour (See More) In The BUF" will provide the opportunity to take our visitor center anywhere in Erie County for annual events, sporting events and pop-up opportunities in high traffic areas. The strategy also includes the opportunity to engage our Buffalo Ambassador Volunteers with visitors and residents. Event organizers will be able to submit online requests for Seymour's FREE OF CHARGE appearance at events and festivals. It is our hope to have Seymour an active member of our organization later this year at festivals and events. We are also exploring other visual activations to engage visitors and residents in high traffic areas using QR code technology.



BUFFALO NIAGARA CONVENTION CENTER UPDATE

Center Remains Closed

Due to New York State restrictions on large gatherings and interior and exterior capital improvement projects, the Buffalo Niagara Convention Center remains closed with reopening taking place in Q3 of 2021. In the meantime, the BNCC staff has been working diligently on preparing the facility for reopening under new policies, protocols and guidelines associated with Covid-19 to ensure the health and safety of the center's guests and staff.



One of the Center's biggest accomplishments in our preparation for reopening was the building's STAR Facility certification with the Global Biorisk Advisory Council. This is the cleaning industry's only outbreak prevention, response and recovery accreditation for facilities and BNCC is one of a few hundred centers in the US to obtain this designation.

Interim General Manager

Thank you to VBN's Vice President of Sales and Services, Mike Even for taking on the additional duties as the BNCC's Interim General Manager during this time of transition. A search for a permanent General Manager will begin later this year.

Upstate New York Chapter of MPI



On March 18, 2021, the Upstate New York Chapter of MPI (Meeting Professionals International) held their annual gala – virtually. BNCC General Manager, Paul Murphy, was honored with the Leadership Award in recognition of his legacy to Buffalo and the Buffalo Niagara Convention Center. This was a fitting tribute to Paul and his immeasurable commitment to the hospitality industry. Paul's wife Kim and VBN CEO, Patrick Kaler recorded

video messages thanking the organization for the recognition and sharing personal reflections of Paul's love of Buffalo and the meetings industry.

Contributions to the Paul Murphy Memorial Scholarship continue to be accepted through the Visit Buffalo Niagara Foundation.

<https://buffaloconvention.com/about-us/paul-murphy-scholarship/>

NATIONAL AND STATE ADVOCACY AGENDA

U.S. Travel Association Destination Capitol Hill – March 17, 2021

- Support the PPP Extension Act of 2021 in the Senate, and the Paycheck Protection Program Extension Act in the House, that would push the deadline for PPP funding applications to May 31, 2021. While this extension will help, a third draw for hardest-hit businesses and further extension is still necessary.]
- Cosponsor and advance the Hospitality and Commerce Job Recovery Act to accelerate rehiring by driving demand to travel through temporary tax credits.
- Protect the future of Brand USA.
- U.S. Travel is developing a Plan to Restore Professional Meetings and Events through a science-driven approach to executing meetings and events based on a consistent health and safety framework.



New York State Hospitality and Tourism Association Advocacy Day – February 25, 2021

- Support Executive Proposal to Modernize Tax to include the Vacation Rental Industry. This proposal addresses some of the concerns the industry has related to unregulated short-term rentals. Senate Bill is sponsored by Senator Tim Kennedy.
- Support proposed funding for the I Love New York program. The "I Love NY" program provides funding for statewide tourism marketing strategies for establishing partnerships and implementing programs to encourage visitation. There is an allocation of \$2.5 million for the program in the Governor's Executive Budget Proposal, the same amount as last year.
- Support legislation to authorize municipalities to establish Tourism Recovery Improvement Districts. This bill would authorize a county or city, outside of NYC, to form a Tourism Recovery Improvement District (TRID). Authorized activities would include additional services required for tourism promotion and enhancement. Senate Bill is sponsored by Senator Tim Kennedy.
- Support legislation to provide relief to certain businesses in making websites and internet-based applications ADA-compliant.
- Request restoration of the \$1.4M in funding for Matching Grants Program. There is an allocation of \$2.45 million (a \$1.4 million reduction) for the program in the Governor's FY2021 Executive Budget Proposal. We are seeking total funding of \$3.8 million (as enacted in the FY 2021 Budget).

DESTINATION MASTER PLAN

Ten-Year Destination Master Plan

As part of Visit Buffalo Niagara's pandemic recovery strategy, we have engaged the professional services of MMGY/NEXTFactor to lead the organization and our community through a Destination Master Planning process. Destination master planning is about taking a strategic, rather than organic, approach to defining an overarching vision and competitive positioning for the Buffalo Niagara region.

The four to six-month project process will include an overall destination assessment, stakeholder engagement, a visioning workshop and the final plan development. The VBN Destination Master Plan will be a ten-year framework from which both VBN and the Buffalo Niagara Convention Center will develop three-year tactical strategic plans for each organization to accomplish the goals and objectives of the Master Plan.

The process for the Destination Master Plan began in April with immersive tours for the consultants coupled with initial one-on-one meetings with government officials, industry leaders and stakeholders. Thirteen industry sector focus group meetings will take place with members from our sports, transportation, accommodations, parks and recreation, attractions, events and festivals, government leaders, chambers of commerce, etc. An online survey will also be conducted to collect relevant data on resident sentiment toward tourism and its impact and influence on Erie County's visitor economy.

MMGY/NEXTFactor is a leading consultancy in destination master plans, having previously worked with Denver, Hilton Head, Ann Arbor, Miami and Indianapolis.

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Judy Smith, Director of Administration
Lauran Vargo, Sports Services
Dionne Williamson, National Sales Director
Meaghan Zimmer, National Sales Director

Unexpected Buffalo Photoshoot

In preparation for new consumer advertising campaigns, the Unexpected Buffalo was back in front of the camera to add to the image library. As you can see, he's rested, vaccinated and excited to be back to work.



Buffalo Niagara Convention Center Staff

Tom Beiter, Controller
Melissa Burke, Senior Director of Sales
Lorna Cullen, Executive Assistant
Mike Even, Interim Director
Patrick Kaler, President & CEO
Mary Ann Martin, Bookkeeper & Benefits Manager
Mark McMahon, Maintenance Supervisor
Terry O'Brien, Director of Operations
Ken Sanford, Chief Engineer
Danielle Winiarski, Director of Convention & Event Services



VISIT BUFFALO NIAGARA MISSION STATEMENT

Visit Buffalo Niagara sells and markets our assets and attractions to visitors outside the Buffalo Niagara region as a convention, tourism and leisure destination for the economic benefit of the community. VBN is Erie County's lead marketing organization for conventions, meetings, amateur sporting events, cultural and heritage tourism and consumer travel.