

CENTRAL EUROPEAN OFFICE

F E B R U A R Y 2013

Prepared by: Marion S. Wolf
Director Central Europe

MARKET INTELLIGENCE / TRENDS

Strong Holiday Sales in January

Holiday sales grew strongly in Germany last month, especially for the summer, according to the latest monthly surveys of travel agents. In January, sales of summer holidays increased by 7% while winter holiday revenues went up by 4%, according to the monthly survey of 1,200 travel agencies by market researchers GfK. On a cumulative basis, sales for winter 2012/13 are now showing a 4.4% rise, slightly lower than in December. This is a normal slowing in winter bookings from January onwards.

Prospects for the summer 2013 season improved markedly last month. On a cumulative basis, revenues for summer holiday bookings have risen from a 2.2% growth rate in December to a 4.2% increase as of January. There are good growth rates for May and June as well as the autumn half-term holidays in September/October, but the key holiday month of July is trailing with a 7% decline on last year's sales levels.

Similarly, the monthly survey by IT services company TATS showed an 8.8% rise in revenues from booked and taken holidays along with a 4.3% increase in advanced booking revenues. In contrast, sales of airline tickets slumped by 12.7% in volume terms last month due to weaker business travel demand. Revenues, however, were 2.4% higher due to higher ticket prices.

Solid Growth Forecast for 2013

The German tourism industry has "very promising" prospects for this year, according to the German Travel Association (DRV), which is predicting solid single-digit growth. DRV president Jürgen Büchy forecast that holiday sales could grow between 3% and 4% this year "at a conservative estimate. Germans are sitting on packed suitcases" he declared.

Büchy's optimism is based on a good winter season with single-digit growth and healthy early bookings for the summer. Brochure packages are selling well while flight capacity cuts mean there are fewer daily offers available. Demand for luxury holidays is good this year, while Majorca, Turkey and Greece are expected to attract most tourists. Greece is making a real comeback with stable prices, according to the DRV chief, in contrast to Egypt and Tunisia. Demand is also good for city trips, health holidays and cruises.

The DRV has also issued final figures for 2012, updating its provisional forecasts made at last autumn's annual conference in Montenegro. According to the association, the German tour operator market grew by 5.5% to €24.4 billion. The strongest growth was for medium-haul, air-inclusive packages with an 8.5% increase, following by long-haul trips (+2.5%) and overland destinations (+1%).

German travel agencies increased overall revenues by 3% to €22.5 billion in 2012. Leisure travel agencies achieved the best growth, with a 4.5% sales increase to €15.1 billion. Business travel agencies were able to maintain stable revenues of some €7.4 billion despite lower demand for business travel.

Thomas Cook: Airlines to Become Separate Division

Thomas Cook is creating a new division to be comprised of its airlines in Germany, the UK and Belgium to improve cooperation and achieve greater synergies. German carrier Condor, Thomas Cook Airlines UK and Thomas Cook Airlines Belgium will become a new segment within the Thomas Cook Group starting in March. The division will thus have an overall fleet of 91 planes. The three airlines will remain separate businesses with their own brands, however.

The new segment will be run by the Group Airline Management Board headed by Christoph Debus, Head of Air Travel, and Ralf Teckentrup, head of Condor. Debus will be responsible for finances and HR, while Teckentrup will be responsible for commercial activities, including flight planning and marketing. Debus, appointed last year by Group CEO Harriet Green, said: "At a time when the European airline industry is experiencing major change, we believe that our airline will be stronger as one integrated business." The key objective will be to deepen cooperation between the three airlines to reduce operating costs. Debus spoke about "greater flexibility, more choice, punctuality and good value for money." A key role will be played by Dutch aviation manager Cor Vrieswijk, who has been named Chief Operating Officer (COO) for Thomas Cook Airlines UK and will join the airline board with responsibility for coordinating and running "all operating processes" within the group airlines. Vrieswijk was previously with KLM, Transavia and Easyjet, where, as COO, he integrated GB Airways.

There are significant differences between the three carriers. **Condor** has a strong brand, makes good profits and benefits from a diverse customer base with one third of passengers generated by Thomas Cook tour operators, one third by other tour operators and one third from seat-only sales. Thomas Cook Airlines UK, in contrast, is largely an in-house carrier for group tour operators and has only a small external business. Thomas Cook Airlines Scandinavia will not become part of the new airline segment initially due to its very different business model operating mostly full charter flights for company tour operators. But, it will cooperate more closely with the new airline segment and might join at a later date.

Meanwhile, Thomas Cook has also announced its first-quarter results, covering October – December 2012, with lower seasonal losses and better selling prices. Revenues dropped 7.4% to £1.7 billion, but underlying operating losses were reduced to £70 million from £91 million 12 months earlier. The UK operating loss was reduced to £67 million from £78.5 million one year earlier, Continental Europe more than halved the seasonal loss to £12.3 million from £27.6 million, France reduced its losses, Condor's profits declined slightly and Northern Europe improved profits.

CEO Harriet Green highlighted the “stronger operating performances in our major markets, the UK, Germany and the Nordics”, and welcomed the improved results in the UK where Peter Fankhauser is currently turning around the business. She said the company would continue to focus on higher margins and raised the cost savings target from £100 million to £160 million.

In terms of current trading, in Continental Europe (Germany, Austria, Switzerland, Benelux, Eastern Europe), winter bookings are 5% lower, but average prices are 6% higher. The region has a 1% rise in summer bookings with stable prices, and German revenues are higher for the current tourism year after a strong January. Condor had a 1% rise in bookings in the winter, but average prices were 14% higher due to more long-haul flights. For summer 2013, the German airline has an 8% rise in bookings and a 3% rise in average prices. In the UK, mainstream winter bookings are down 12% after an 18% capacity cut, but prices are 12% higher, representing stable revenues. Mainstream summer bookings are 4% lower, but prices are 3% higher. In Northern Europe, winter bookings are 5% lower, but prices are 9% higher while summer bookings are up by 17% and average prices are 2% higher.

FTI: Own Business Model for Each Brand

Germany’s fourth-largest tour operator FTI has grown successfully and rapidly by allowing each brand to follow its own business model, according to a top manager. Ralph Schiller, Chief Commercial Officer of the Munich-based group, stated that “the FTI Group constantly reinvents itself and questions itself”. The group, based around the tour operator, includes travel agencies, a travel TV station and various specialist brands and has annual revenues of €1.6 billion. One of the success factors is that each brand can follow its own business model, and has a different sales strategy, Schiller explained. “We address customers at any time and wherever they are.”

Sonnenklar.TV, for example, now generates revenues of about €200 million. The travel TV station sells mostly relatively expensive holidays with an average price of €700 - €800 with long advance booking periods. In the main booking period (January), the station broadcasts live 24 hours a day and generates up to €3 million a day on peak booking days. Sonnenklar also offers different FTI holidays than those in brochures, and deliberately promotes new products or “difficult destinations”. Schiller explained: “We actively offer regions that travel agents are not yet ready to touch again. Customers know that we can safely travel to the destinations that we offer.”

Another success factor for FTI is its readiness to go into new destinations or return to old ones, according to the sales and marketing chief. For example, FTI successfully offered Turkey as a winter destination and gained the confidence of hoteliers who were ready to provide capacity in the summer as well. FTI followed a similar approach with Egypt last year and is now doing the same with Greece.

At the same time, the Munich group is ready to make quick decisions when a product does not work. One recent example is Lebanon where a separate brochure was brought on to the market, but demand was undermined by political developments. Another new project was last year’s launch of a cruise ship, the FTI Berlin. After a slow start the ship had an occupancy level of 90% last summer. Now FTI is looking for two or three more vessels of the same size to expand the fleet. “One ship alone cannot be a functioning business model on its own as the marketing needs are too high,” Schiller said.

TUI Germany: Subsidiaries to Merge in Cost-Saving Efficiency Mmove

TUI Germany chief Christian Clemens wants to merge a number of subsidiaries into the main German company to simplify structures and save costs. The German market leader is reviewing the structure of the main company TUI Germany, the travel agency subsidiary TUI Leisure Travel, the in-house airline TUIfly, the e-commerce unit TUI.com as well as various service subsidiaries including customer service and call center units.

"The number of companies today leads to unnecessary complexity in the management of our value chain. Necessary decisions have to be agreed with a large number of bodies and too many interfaces generate an enormous coordination effort," Clemens explained. Each company, for example, has its own supervisory board and own departments for human resources and finances as well as works councils in some cases. TUI stated: "In order to simplify the complex organizational structure dramatically and thus become faster and more efficient, the number of companies within the German mainstream organization will be significantly reduced."

The Swede, who took over as head of TUI Germany last year, added: "With the planned structure we will be in a position in the future to react faster than in the past to market changes. We will thus become more efficient and can improve our profitability."

In the future, TUI wants to keep the basic separation between core tourism activities and service functions by creating two "large blocks". One would be a central tourism business incorporating the tour operator and sales, while the other would cover service subsidiaries including TUIfly, which has so far operated more as a sister company than a subsidiary of the tour operator. TUI said job reductions "are not in the focus of the merger".

SALES ACTIVITIES

ITB (March 6th – 10th, 2013):

This month was primarily dedicated to the preparation of our participation in the 'world's largest tourism fair' to be held in Berlin (as well as the ensuing events in Switzerland). We learned this month, that our stand positioning was not next to Visit Orlando as requested on several occasions. We took up the subject with Visit Florida and after extensive correspondence, managed to secure the positioning desired.

We will occupy 30 square meters within the Visit Florida Pavilion with Tampa Bay & Company and SeaWorld Parks & Entertainment as our co-exhibiting companies. A stand rendering was requested from Visit Florida in order to facilitate communication with our co-exhibiting companies related to stand layout, imagery and logo placement. The rendering was not forthcoming until rather late in the month, which resulted in quite a 'last-minute' scramble by everyone concerned. Throughout, we liaised closely with our partners and HQ.

Three VSPC hotel partners will also join us. Co-exhibitors have been sent pertinent show information including show hours, registration details, badge information, appointment methodology and recommendations, event information as well as shipping instructions. Pertinent information contained in Visit Florida's exhibitor updates has been shared with all co-exhibitors accordingly. Appointment scheduling was launched the last month, continuing this month. Over 30 appointments have been confirmed. Invitations were responded to and restaurant reservations were made as required. Shipping of collateral material was completed.

Hotel accommodations have been secured for VSPC staff and co-exhibitors. The hotel room block was released 2/11.

Post-ITB Programs in Zurich (March 11th – 12th, 2013):

We will hold two events in Zurich following ITB:

➤ *Travel Agent Extravaganza – March 11th*

To be held at one of Zurich's newest venues "Aura", we shall stage an exciting evening event for travel agents and the Swiss media in cooperation with Edelweiss Air, Tampa Bay & Company, Tampa International Airport and Visit Florida.

This month, we conducted a site inspection of the venue. It contains huge projection screens on all four walls, which lend themselves well to an extensive audio visual presentation. We proceeded with development of presentation elements (e.g. imagery selection, video and PowerPoint development) and submitted them to a production company for compilation. Additional conference calls were held among ourselves, Edelweiss Air and Ferris Bühler Communications relative to event fine-tuning.

Food and beverage selections were reviewed and selected, collateral material was shipped, Rsvp's were monitored and all final details wrapped up.

➤ *Tour Operator Appreciation Dinner – March 12th*

A special appreciation dinner will be hosted by Edelweiss Air, VSPC, Tampa Bay & Company, Tampa International Airport and Visit Florida for the product management teams of Switzerland's most influential tour operators.

Invitations have been distributed and initial Rsvp's have been received. The banquet menu has been selected and confirmed, hotel accommodations have been organized for the entire stakeholder delegation, applicable transfers have been arranged, and a final update was distributed to all parties.

Visit Florida Road Show (April 15th – 19th, 2013):

Visit Florida is organizing a four-day road show in Germany and Switzerland to the cities of Hamburg, Düsseldorf, Frankfurt and Zurich. The purpose of the tour is to present a refreshed Florida image, news and highlights to travel agents and tour operator reservations staff. Partners will have the opportunity to present their products to over 280 German-speaking agents during evening events (roundtable workshop format) and intimate daytime tour operator in-house reservations agent sessions.

This marks Visit Florida's first major program in the German-speaking markets since the engagement of their German representation firm last fall. Registration documentation and program itinerary was received this month including a list of deadlines for requested material. Up to 10 presenting partners and 3 brochure distribution partners may participate. We confirmed our participation as a presenting partner to Visit Florida this month.

Alamo Travel Trade Fam Tour (May 11th – 13th, 2013):

We have been approached by Alamo Germany, with whom we work very closely, regarding an opportunity to showcase our area to a group of product and sales managers from Lastminute.com/Holiday Autos in May. Lastminute.com/Holiday Autos is Alamo's largest European customer for travel to the USA generating 30,000 bookings annually.

The group will be on a whirlwind tour through Florida arriving in Miami on 5/09, staying there for two nights, departing MIA on 5/11, driving to Orlando to visit the Alamo station, continuing straight on to our area on 5/11 and departing from MIA on 5/13. Whilst in our area, the group will require 7 single occupancy rooms for two nights. We liaised closely with our Leisure Sales Dept. regarding accommodations and preliminary itinerary development

including wishes expressed by Alamo. The group will be traveling in rental cars which negates the need for ground transportation arrangements.

SeaWorld Parks & Entertainment Media Fam Tour (May 17th – 21st, 2013):

In conjunction with the opening of “Antarctica - Empire of the Penguins” at SeaWorld Orlando, Sea World Parks & Entertainment Germany will be inviting a group of journalists to participate in the grand opening festivities (May 21-24). Edelweiss Air will be the cosponsoring carrier. Required Swiss feeder flights will be paid for by SeaWorld Parks & Entertainment. Due to our excellent working relationship with SeaWorld Parks & Entertainment Germany, we have been offered an opportunity to showcase our area on this occasion. We liaised with HQ and our German PR agency immediately and gave SeaWorld Parks & Entertainment our confirmation to host this group of five journalists per our Deputy Director’s directive.

Additional Activity:

We assisted **Sport Weidenbach in Wuppertal**, a small Golf tour operator, who is keen to expand their current program by including several Florida golf courses. The agency owner expects to visit our area in June and was provided with comprehensive information as well as respective area contacts.

In June, the owner of the agency will visit our area and we sent him useful information as well as respective contacts.

2014: DERTOUR Country Special Mega Fam

After several months of negotiation, we are very pleased to report that we have firmly secured another DERTOUR Country Special Mega Fam for our area in combination with Orlando for May of 2014! Last hosted in 2008, we will again have the opportunity to showcase our area to 100 of DERTOUR’s top travel agents, which promises to generate additional visitation increases to St. Petersburg/Clearwater in the future. Initial planning topics will be discussed during ITB.

MARKETING INITIATIVES

Our efforts continued again this month in developing and completing marketing promotions and advertising programs, which included:

Tour Operators:

- CANUSA (Germany)
 - **Online “Florida Vacation Builder” Campaign** – May thru September 2013
- Following last year’s successful “Florida Insider Community” campaign, the “Florida Vacation Builder” (VB) will combine an online marketing campaign with an exclusive long-term travel planning tool aimed at attracting the attention of repeat customers and new travelers to Florida. Center point of the VB is a map and a list of predefined highlights (POIs = points of interest). Picking the POIs by clicks, users can build their dream vacation in the destination on the map.
- The VB uses the viral potential of the social web as the users may share their dream routes with their friends and family by mail or on social media platforms.

Additionally, users can send a booking request for their dream vacation including the map and dream route to Canusa within a few clicks.

Furthermore, users can register for a raffle to win their dream vacation. This way the participants are highly involved in familiarizing themselves with the destination, awareness is generated as are bookings via an integrated contact form. The tool is placed on a landing page within the canusa.de homepage. This landing page - individually built for the destination - contains all information on the VB (instructions, registration form), the tool itself, further multimedia information on our destination (text and video gallery) and will link to product pages on canusa.de and the request form.

Communication platforms will include:

Website Marketing:

A special banner will be designed to promote the VB on the Canusa homepage (more than 2.5 million visitors yearly) for two weeks. Various smaller banners will be featured on related subpages throughout the whole six-week campaign period.

Email Marketing:

An eNews blast will be distributed to Canusa's database of 520k subscribers at the onset of the campaign.

Social Media Marketing:

The VB will be promoted continuously on Canusa's Facebook site (currently over 22k highly active fans) and to Canusa Twitter followers. In addition, Facebook ads will be used to reach new sociodemographically related target groups.

Search Engine Marketing:

Search engine optimized realization of the VB improves the visibility of the Canusa VB via organic search results. In addition, the Canusa VB will be advertised on Google Adwords.

This month we provided Canusa with 10 POIs with respective images as well as a destination overview text plus additional images and videos.

- DERTOUR (Germany)

- **“Best Places to Be” Campaign** – November 2012 – April 2013

- Focused on promoting summer 2013, this campaign will consist of multi-channel communication targeting both B2C and B2B platforms.

- Dispenser/Flyer:** 750 travel agencies will each be sent 100 specially developed VSPC flyers along with a dispenser for placement, which will be displayed for two weeks between November and January.

- Postcard Mailing:** 5,000 postcards will be produced containing our imagery, logo and text which travel agents can order free of charge for use in their own mailings to clients. Planned execution: November.

- Online:** **Landing Page:** VSPC destination information will be included in a special landing page on Dertour's homepage (dertour.de) for four weeks. Additional co-op partners included are Visit Orlando and SeaWorld Parks & Entertainment.

- eNewsletter:** VSPC will be included in an eNews blast to 200k customers. Additional co-op partners included are Visit Orlando and SeaWorld Parks & Entertainment.

- Teaser:** A two-column VSPC teaser will be on Dertour's homepage (dertour.de) for two weeks in April.

- Poster:** A window display poster featuring VSPC imagery, logo and travel teaser will be distributed to 8,900 travel agencies.

- Print Ad:** Travel agencies will place ads in regional newspapers promoting VSPC. Dertour supports the agencies in this effort with an 80% cost contribution.

- In addition, Dertour is supporting the promotion of the “Best Places To Be” campaign in the following manner:

- ◆ Double page in the USA Canada Summer 2013 catalog to introduce all participating partners and the “Best Places To Be” promotion
 - ◆ Description in Dertour “News & Facts”
 - ◆ Press release, communication via Dertour press office (to consumer and retail trade media)
 - ◆ Advertisements in travel trade magazines (FVW, Travel One, Travel Talk, Touristik Aktuell)
 - ◆ Special counter mail to all travel agencies
 - ◆ Raffle on makingexperts.de (travel agent’s portal)
 - ◆ Folder (DIN long, six pages) for all travel agencies
 - ◆ Publishing date for the above activities: Nov/Dec 2012

- FLEX TRAVEL/TUI SUISSE (Switzerland)
 - **Travel Agent Window Display Poster** – February

VSPC logo, imagery and travel teasers are included on this A1-sized poster, which is distributed to 350 travel agencies via the TUI Suisse News platform for a four-week display in storefront windows.

- FTI (Germany)
 - **Consumer Campaign 2013** – February/March

Visit St. Pete/Clearwater and Visit Orlando are joining forces to launch a consumer advertising campaign in Germany, which will be executed in cooperation with Visit Florida, Brand USA and tour operator, FTI Touristik. The campaign will run during the period February – March 2013 and will appear in leading news magazines, a news online portal and on digital screens in German railway stations.

Initial print creative has been developed and has been approved; a media plan is in place; details have been finalized.

- HOTELPLAN SUISSE (Switzerland)
 - Two brands “Hotelplan” and “Travelhouse/Skytours”
 - HOTELPLAN
 - ◆ **Consumer Online Promo “Migros Ferien”** – November-February

Three-month online promo featuring VSPC imagery, destination description and two travel packages inclusive of airfare by Edelweiss (11/02/12-2/02/13). Founded in 1925, Migros has developed into a conglomerate of supermarkets, non-food specialty stores and online shops. Hotelplan Suisse belongs to Migros. “Migros Ferien” is an online travel shop offering exciting travel packages around the globe.
 - TRAVELHOUSE / SKYTOURS
 - ◆ **Travel Agent Storefront Window Display Poster** – February-March

Large storefront window display posters will be placed in 100 key Travelhouse agencies located in high volume city locations 2/11-3/17). VSPC imagery, logo and travel teaser will be included.
 - ◆ **Consumer eNews Blasts** – April & September

eNews blast to 65,000 consumers in German-speaking Switzerland to include VSPC imagery, logo, destination description and travel teasers.

- KNECHT REISEN (Switzerland)
 - **Website Promotion** – January-April

VSPC imagery with travel teaser placement on the North America page of the knecht-reisen.ch website with link to a VSPC dedicated landing page.
 - **B2B eNews and Mailing** – February

- An electronic version of the “Top Beaches” piece will be emailed to 1,000 agencies. The printed version will also be distributed to 1,000 agencies for use in point-of-sale.
- **B2C eNews Blast** – February
 - An electronic version of the “Top Beaches” piece will be emailed to 35,000 customers promoting special travel packages to VSPC.

The tour operator has been provided with all elements necessary for layout development and approvals have been provided as applicable.
 - **KUONI (Switzerland)**
 - **2x Travel Agency Special Offer Flyer** – February & March
 - Flyers to depict VSPC logo, imagery and special hotel offer in combination with Edelweiss Air flight. To be displayed in 273 storefront windows; print run of 746.
 - All elements necessary for layout development have been provided and layouts approved.
 - **MEIER’S WELTREISEN (Germany)**
 - **Moving Transit Campaign** – February
 - A 12’x8’ area on the sides of 6 Frankfurt inner city busses will depict VSPC imagery, logo and travel teaser. Call-to-action will be the Meier’s URL. Duration will be 4 weeks. Estimated sightings: approx. 100,000. All elements have been provided and layouts approved.
 - **NECKERMANN REISEN (Germany)**
 - **RollAd Truck Campaign** – March
 - With 12,550 kilometers of motorway, Germany boasts one of the densest motorway networks in the world. 34.4 million automobile drivers spend 3-5 hours traveling the German “Autobahn” daily. This “rolling” consumer campaign entails an enticing VSPC image, logo, text hook and travel teaser being adhered to large canvases affixed to the rear of four 18-wheeler trucks for a duration of four weeks. Estimated sightings for consumers aged 18 and over: 58 million/100 trucks.
 - Together with Neckermann’s product management team, we developed a layout draft including teaser text, text hooks and image selection for this very unique campaign.
 - First layouts were received, which were proofed, corrected and optimized by us. This month final truck layouts were approved.
 - **Online Homepage Teaser Box** – March 2013
 - VSPC logo, imagery and headline will be depicted in a teaser box placed on the tour operator’s homepage for the period of one week (3/04-10). This will link to a subpage of VSPC hotel offers exclusively.
 - We sent Neckermann Reisen our input for the online homepage teaser box, which was layouted by them, corrected and approved by us.
 - **THOMAS COOK REISEN (Germany)**
 - **Illuminated Travel Agency Display** – March/April 2013
 - A brand new initiative offered exclusively by Thomas Cook Reisen, this illuminated display will be visible in 200 top selling agencies for six weeks and will include our imagery, logo, text hook and destination bullet point USP’s.
 - All elements necessary for layout development have been provided and final layout approved.

- TUI (Germany)
 - **TLT Promotion – TUI Reiscecenter Projection Screens** – January/February

Large projection screens depicting VSPC’s imagery, logo and special offers will be visible in 200 TUI travel agencies for four weeks (1/16-2/27). Projection screens are comprised of four or 12 panel components (depending on travel agency space). We have supplied the tour operator with all required elements in preparation for development. Layout received and approved.

TUI’s North America department has been awarded only one slot for this program in 2013; thus, an excellent opportunity for a VSPC-exclusive presence, particularly since this B2B platform is strongly coveted by destination partners around the globe.
 - **1/1 pg Advertorial in TUI News Magazine** – February

TUI News is the tour operator’s B2B publication distributed to 11,000 agencies (2/07). VSPC will be featured exclusively with imagery, logo and product news text.

Layout for the advertorial has been approved.
 - **3/1 pg Advertorial in TUIfly and Welcome! Magazines** – March-June

Magazine distribution on board TUIfly fleet of 22 aircraft with 450k passengers/month and via direct mail to TUI customers. Welcome! Magazine is a publication for ‘World of TUI’ credit card holders, i.e. affluent customers who travel more than average. Readership for both publications combined is 1.8-2 million. Both are produced 4x/year. Insertion will be launched March 21st and run for three months until June 21st. VSPC will be the only U.S. destination featured which gives us very unique exposure. Others include Croatia, Gran Canaria, Greece, Indonesia, Rome and Turkey.

Advertorial was corrected and approved by us this month.

Travel Trade/Consumer Publications:

- America Journal (Germany) – circ. 42,000, readership 140,000 *Consumer*
 - **½ page, 4c Advertorial** – 2/13 issue (Feb/Mar ITB Special)

We provided the publisher with our logo, destination text and a selection of images. Final layout has been received and approved.

This German high-gloss consumer publication is dedicated exclusively to the USA providing in-depth coverage on American travel, culture and customs as well as insider tips and helpful hints.

Pub frequency: 6x/yr
- FVW’s “Fit for USA” eLearning Program (Germany) – circ. 30,860 *Trade*
 - **Online travel agent training campaign** from October 2012 – September 2013

“Fit for USA” is an eLearning course developed by the FVW Mediengruppe (publishers of travel trade magazines) and is endorsed by the Visit USA Committee Germany and Brand USA.

The 2012 program produced excellent results: 3,003 registered users, over 19,000 unique visitors and close to 1.2 million page impressions.

Now in its second year, “Fit for USA” is an independent, online training program designed to increase tourism arrivals to the USA and includes individual course units covering 6 to 8 pages of subject matter for travel agents to read at their leisure. Each course unit ends with a knowledge test. Agents who successfully complete all course units and tests receive a “Fit for USA Specialist” diploma.

The program will again be promoted frequently through advertisements in the travel trade magazines FVW (circ. 32,000 biweekly) and Travel Talk (circ. 31,000 biweekly) as well as on the respective websites: fvw.de (150,000 PIs/mth) and traveltalk.de

(200,000 PIs/mth). The eLearning program will be online for 12 months with sweepstakes included at regular intervals. Special prizes such as hotel stays or flight tickets will be promoted additionally with images, logos and descriptive content. This month we secured the dates for our two sweepstakes during this promotion. Our prizes will be featured in March/April and June/July.

- COMMUNIGAYTE (GLBT) (Germany) *Consumer*
 - **“Rainbow Reporter“ Promotion**

Communigayte is a GLBT marketing agency in Germany with whom we have worked very successfully in the past, conducting various marketing initiatives in cooperation with Visit Orlando. This year, we’ll be working on the “Rainbow Reporter” project again in cooperation with Visit Orlando.

Program Overview:

1. **Acquisition/Application Phase** – January-March
Placement on queer.de and will build excitement/hype for the destination.
Coverage will include:
 - 1 article per destination - reach 10,000 contacts
 - 3 months of banners - reach 250,000 contacts
 - 1 eNewsletter to 18,000 contactsPlus 2 months of banners via Publigayte (Inqueery, Hinner, Leo) - reach 125,000 contacts
 - 1 eNewsletter to 10,000 contacts and
 - 2 months of banners on Schwulissimo – reach 200,000 contacts
 - plus 1 eNewsletter to 30,000 contacts
2. **Announcement of Winner** – April
Will include ‘winner announcement’ article - reach 10,000 contacts
3. **Depth of Reporting Phase** – September
Daily blog written by the Rainbow Reporter during his sojourn in the destination.
 - Blog reach 400,000 contacts

Total reach for the project: 1,053,000 contacts.

Accommodations for the Rainbow Reporter have been secured in our area September 15-19, 2013. We are most grateful to our accommodations partners for sponsoring housing! Airline and car rental partners were also secured this month.

- NATIONAL GEOGRAPHIC (Germany) – circ. 99,250 *Consumer*
 - **“Das Erbe Unserer Welt” Special Collector’s Salvador Dalí Edition** – May

5-pg editorial + 1-pg ad in the special collector’s edition of “Das Erbe unserer Welt” (Heritage of our World). Produced twice a year (May & November), the publication focuses on the world’s history and heritage, with arts, culture and travel the main topics. The May 2013 edition will be known as the Dalí special collector’s edition, with the great artist depicted on the cover. The editorial feature will contain descriptions of his works and talents. The special collector’s edition is a gift to National Geographic Germany subscribers and is poly bagged alongside the regular magazine.

The 1-page ad was developed and has been approved by our office and HQ. Our PR agency developed and submitted input for the 5-page editorial this month.

- Tom On Tour USA Guide (Germany) – circ. 120,000
 - **1/1 page, 4c advertorial**

Published annually, the “Tom on Tour USA Guide” is a 64-page publication highlighting gay friendly destinations throughout the USA including gay hot spots, web links, events and tourism information. The publication is distributed free of charge at selected European gay locations, events and consumer shows and can also be ordered online. This year Brand USA will support the guide, thus enabling the publisher to double the circulation from 60,000 to 120,000.

Pub frequency: 1x/yr

After having provided the publisher with all pertinent elements last month, we received and approved the final layout this month. The guide will be published in time for ITB in Berlin.

- USA Guide of Visit USA (Germany) – circ. 15,000 *Consumer/Trade*
 - **1 page, 4c advertorial**

The Visit USA Committee Germany is producing a 48-page USA Guide featuring general information of all 50 U.S. states. The guide will be distributed at German consumer travel fairs (January through March), in the U.S. embassy and other U.S. related locations. VSPC is featured with a full page advertorial in this comprehensive book. America Journal has agreed to publish this piece, has been provided with all necessary materials such as images, logos and texts for advertorial development. Final layout was received and approved.

Online Aggregators:

- ASNM New Media AG Newsletter (Germany) – 740,000 German subscribers *Trade*
 - **Florida Newsletter Campaign** – Nov. 29 – Dec. 12, 2012 and Feb 7-20, 2013

St. Petersburg/Clearwater will be part of a Florida eNewsletter campaign consisting of two eNewsletters on up to 12 online travel portals with a total of 740,000 subscribers. In addition, the eNews will be integrated repeatedly into the search engine optimized news portals of flugprofis.de and will be posted on all available Facebook sites with approx. 20,000 “Likes”.

This initiative is being conducted in cooperation with Naples, Panama City, Visit Florida and Alamo.

The February newsletter was corrected and approved at the onset of this month.

Public Relations:

Kaus Media Services - VSPC’s German PR Agency

This month saw us assisting the agency with the following projects:

- **Footage-Request for DVD “USA – Promised Land”:** We forwarded a request from a media institute to Kaus Media Services. The institute is developing educational DVDs of life and culture in the USA to be used in German schools.
- **Images for National Geographic Article:** Assisted KMS by sending respective images for the article provided by them directly to the publisher.
- **Pressrelease February:** Provided content ideas, proofread and corrected.
- **Neckermann Reisen Truck Campaign on Facebook:** Provided KMS with details on our exciting truck campaign marketing initiative with Neckermann Reisen for purposes of KMS integrating this in our German Facebook page.

All activities, projects and programs described herein have been duly completed as described.