2016 ANNUAL REPORT

NIAGARA FALLS®

USA
Tourism = Economic Impact

Travelers to Niagara County spent a total of $650,843,000 in 2016.

Represents an increase of 8.1% over 2015. Represents an increase of 7.7% over 2015.

The tourism industry in Niagara County employs 15,263 people which represents 21% of the total workforce.

Increased Local & State Tax Revenue

Local and state tourism generated taxes reduced the tax burden by $906 per Niagara County household.

Source: Tourism Economics, a division of Oxford Economics produces the Economic Impact of Tourism in New York 2016 Calendar Year.

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In 2016, Destination Niagara USA engaged an independent research company to do a comprehensive study on visitors to the Niagara Falls USA region. The insights garnered from the report will be invaluable in helping us promote the region for the future.

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Overall Organization ROI – 22 : 1

$ Business directly influenced by Destination Niagara USA divided by bed tax and casino revenue generated the above return.
The 2016 digital marketing efforts delivered inspiring and engaging content to specifically targeted online consumers. Below are the direct results of these efforts.

**DIGITAL MARKETING PROGRAM**

All data is tracked, measured and reported independently by Texas A&M University.

### Hotel Data

**SMITH TRAVEL RESEARCH DATA (STR REPORT)**

- **$110.70** Average Daily Rate (3.7% Increase From 2015)
- **57.3%** Occupancy (Decrease Of .2% From 2015)
- **$63.41** REVPAR (3.9% increase from 2015)

### Illumination

On December 1, 2016, the Niagara Falls Illumination Board unveiled a $4 million upgrade to the lights that shine on Niagara Falls. Destination Niagara USA hired an Associated Press video crew to capture the event in order to release the footage to the worldwide media. The coverage results were extraordinary.

- **550,051,262 media impressions** including more than 20 major media outlets such as USA Today, Forbes, The Today Show, BBC, The Weather Channel and Huffington Post.

### MEDIA

As stewards of a world-renowned icon, we work tirelessly to garner significant media attention. It is also invigorating when the rest of the region gets the attention it deserves.

- **418** Total number of media impressions (Individual views)
- **778,520,500**
- **39** Visiting Media Hosted
- **150,183** Paid Room Nights
- **$66.6MM\(^1\)** Incremental Visitor Spending (227,674,319 impressions)
- **5.3MM** Engagements
- **63,873** Incremental Visitor Parties

\(^1\) Above amount used in calculation of organization ROI on page 3.

**What the media is saying about Niagara Falls USA:**

"Niagara County, which straddles the U.S. and Canada, is best known for one of the world’s most famous and most recognizable natural wonders. But while Niagara Falls has delighted visitors for decades — earning it the title of “honeymoon capital of the world” — there’s plenty to see beyond the falls, too. Greater Niagara County has some of the most important historical sites in American history and some of the most entertaining characters that bring them to life, all within a short distance from the city."

-- Hillary Richard, Sherman’s Travel

"There seems to be something in the water that makes the people of Niagara so real, down-to-earth and inviting, that it makes the all-around experience of traveling to this part of Upstate New York so exceptional. Niagara Falls has always been an amazing natural and majestic wonder. Now, the city and the salt of the earth people of Niagara are transforming this region into a bucket list destination with substance."

-- Jeff Game, Huffington Post

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WEBSITE AND SOCIAL MEDIA

2016 WEBSITE VISITATION:
1,876,032

Fans for Facebook, Twitter and Instagram:

2016 Page Views: 5,548,180
2016 Unique Visits: 1,476,137

Searches through book direct: 214,451
“Click through” from Book Direct to hotel sites: 114,769

Overall engagement for Facebook, Twitter and Instagram: 120,141 (+39.9%)

Link clicks from posts: 123,126

Total impressions for Facebook and Twitter: 11,073,041 (+147.1%)

Total Fans for all three channels: 81,804 (+11.5%)

WELEMCING THE WORLD

We know the world is coming to visit and we want to make sure everyone has an extraordinary experience. That’s why we ensure every connection a person has with our brand from the website and social media to in-region services is an exemplary one.

Visitor Center
- In 2016 the Niagara Falls USA Official Visitor Center welcomed 119,916 visitors from over 80 countries.
- This signifies a 12.8% increase over 2015.
- Tour referrals sold through Visitor Center: $69,022.

EXP Niagara
- This free online training program provides the hospitality and tourism community with the training needed to enhance visitor experiences by educating them on our destination’s tourism product as well as customer preferences.
- EXP Niagara launched on May 4th and through the end of the year, 115 Niagara County hospitality and tourism partners completed the program to become Certified EXP Pros.

Day of Appreciation
- The second annual Day of Appreciation took place on May 4, 2016 to celebrate all hospitality employees and their contribution to Niagara County’s tourism industry. Over 700 attendees enjoyed food, entertainment and prize giveaways.

Welcome Banners
- In an effort to help welcome incoming visitors to the downtown Niagara Falls corridor, lamppost banners were erected with the word “welcome” in 6 languages. The banners also include a variety of images of the various attractions that our destination has to offer.

Discover Niagara Shuttle
- In 2016, the Niagara Falls National Heritage Area launched the Discover Niagara Shuttle with the financial partnership of several local organizations including Destination Niagara USA. The free shuttle service connects tourist attractions and communities from Niagara Falls to Old Fort Niagara in Youngstown.

* Above amount used in calculation of organization ROI on page 3.
INTERNATIONAL SALES

By establishing relationships with partner organizations with a worldwide scope, Destination Niagara USA provides easier access to the region to visitors across the world.

Global Initiatives

ViaAir
• A charter airline that brings visitors from New York City directly to NFIA. Welcomed a total of 4,291 passengers in 2016. This represents an increase of 86% over 2015.

Wine, Water and Wonder of Upstate New York
• Now in its 11th year, the WWW program continues to be a successful multi-region marketing program. A 2015 grant from New York State allowed the program participants to hire in-market representation for the rapidly emerging German market.

• Hosted a reception in New York City for receptive tour operators based in New York and New Jersey. Several Niagara Falls USA partners also attended, including Leonard Oaks Winery, Fashion Outlets of Niagara Falls USA and Hard Rock Café.

• As part of our partnership in the Wine Water & Wonders of Upstate New York program, Niagara Falls USA was highlighted in ATI’s inaugural magazine, Where Next! for their escorted tours. Each motorcoach seatback had a copy of the magazine with a distribution of 50,000.

Partnership with ILOVENY
• We partnered in the East Coast Sales Mission to Australia (Sydney, Melbourne, Brisbane) and New Zealand (Auckland). This resulted in 5 top travel agents from Australia and several site visits to Niagara Falls USA with agents and operators. An American Airlines representative was also in attendance and provided the airfare for this travel.

• We hosted tour operators from mainland China in Niagara Falls USA, along with the State of NY’s Chinese sales representative.

Brand USA
• The Inspiration Guide is an international print publication in collaboration with Brand USA featuring partners in formatted “advertorial” style layouts.

• Over 575,000 copies are distributed in 13 languages in over 55 countries.

• Participated in the Brand USA India Sales Mission to Mumbai, Delhi and Bengaluru. Met with over 100 operators. 90% of these tour operators are currently promoting Niagara Falls USA product.

American Tours International (ATI)
• One of the premier United States receptive operators representing Visit USA programs throughout the world added Niagara Falls to several of the packages they are currently selling.

The National Tour Association (NTA)
• Hosted 15 Los Angeles based receptive operators in Niagara Falls USA that cover the Chinese market in order to expand Niagara Falls USA product knowledge.

L & L Tours
• Brought 200,000 Chinese visitors to Niagara Falls USA in 2016 – a 33% increase over 2015.

US Travel Association IPW-
The travel industry’s premier international marketplace and the largest generator of travel to the U.S.

• Partnered with Fashion Outlets Niagara Falls USA, Niagara Jet Adventures, Whirlpool Jet Boats, Niagara Adventure Theater and Hard Rock Cafe participating in 98 business appointments resulting in 72 leads for Niagara Falls USA partners.
BUFFALO NIAGARA CANADIAN MARKET PROGRAM

This year, we continued a cross-border digital marketing initiative with our Buffalo counterparts through a New York State grant.

2016-17 Joint Canada Initiative

$22.6MM Incremental Visitor Spending
$1.8 Million tax revenue

554K Emails
3.0MM Facebook impressions

489K Paid search
13.2MM Programmatic display impressions

1.4MM Engagements
22,901 Incremental Visitor Parties

75 to 1* Marketing ROI*

$22.6MM Incremental Visitor Spending
$1.8 Million tax revenue

55,003 Paid Room Nights

All data is tracked, measured and reported independently by Texas A&M University.

* ROI for both Destination Niagara Falls USA and Visit Buffalo Niagara (not calculated in Organization ROI)
LEISURE GROUP SALES

Group Sales is an integral part of our economic growth. Our team makes it easy for groups to plan and book visits to Niagara Falls, USA.

Tours

- **80** Overnight Groups
  - Estimated EconomicImpact: $1,236,790

- **47** Day Trips
  - Estimated EconomicImpact: $208,930

- **6** Additional Group Assisted
  - Estimated EconomicImpact: 35,620

**TOTAL = 133 GROUPS***

TOTAL ESTIMATED ECONOMIC IMPACT=

**$1,481,340**

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FAM Tour

- The Leisure Group Sales Department hosted a 3 night, 4 day FAM tour in June 2016. Twenty-four domestic tour operators were in attendance from 11 states (CA, FL, KY, IL, MI, ND, NJ, NY, OH, PA, VA.)

- As a result of the FAM, we have booked business with 6 of the attendees, some with multiple tour dates. This has so far resulted in 10 tours to Niagara Falls USA for 2017 & 2018.

**EEI: $181,888**

**Return on Investment – 6.5:1**

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Tradeshow

- **11** Domestic Tour Operator Tradeshow Attended

- **370** Appointments

- **7** Group Leader Tradeshow Attended (NJ, NY, OH, PA)

**10** Overnight Tours

**384** Attendees

**480** Total Room Nights

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*Motorcoach business booked by Destination Niagara USA Staff. Not all Motorcoach business is reported to our organization.

*Above amount used in calculation of organization ROI on page 3.
CONVENTION AND MEETING SALES

From the grandeur of the region to adrenaline-pumping activities, we are uniquely positioned to be the perfect hosts for regional and national conventions. In fact, convention sales continue to build a strong presence in New York State and National Association marketplaces.

<table>
<thead>
<tr>
<th>36 Conventions/Meetings Booked in 2016 for Future Dates</th>
<th>EEI: $5,973,936$</th>
</tr>
</thead>
<tbody>
<tr>
<td>6 Conventions/Meetings Booked and Held in 2016</td>
<td>EEI: $1,120,080$</td>
</tr>
</tbody>
</table>

TOTAL ESTIMATED ECONOMIC IMPACT

$7,094,016$

Return on Investment — 57:1

*EEI formula for conventions is $192 per person per day based on Longwoods Travel USA research.

PRINT WORTHY

We produce a number of different publications that highlight and promote the region to travelers from all walks of life. Not only do they entice people to visit, they also become a useful resource to help them get the most out their Niagara Falls USA experience.

Travel Guide
With a circulation of more than 550,000, the Travel Guide provides an in-depth platform on which to tell the real story of Niagara Falls USA to visitors from all over the world.

Experience Niagara Falls USA
Once visitors are in Niagara Falls USA, we provide them with engaging stories and ideas on what there is to see and do while here, making it easy for them to extend their stay. Distributed in over 96% of accommodation properties across Niagara County.

Destination Planner
As we continue to grow our groups and meetings business, Niagara Falls USA’s Destination Planner provides resources for domestic and international tour operators and meeting planners with suggestions of what to see, what to do and where to eat throughout Niagara Falls USA.

Shopping Guide
A joint effort between Visit Buffalo Niagara and Destination Niagara USA, initially created for our Canadian visitors, showcasing the abundance of shopping opportunities. This guide is also available to all visitors interested in shopping information.
OUTDOOR PROMOTIONS

Niagara Falls USA is known for the wide variety of outdoor activities it has to offer—and we're making sure that it is well known. From articles in national publications to hosting national events, we are recognized as a destination of choice for outdoor enthusiasts everywhere.

Publications
TV, radio, digital and print advertising in key markets have increased our exposure in publications including Wisconsin Outdoors, Illinois Outdoors, Great Lakes Angler, Lake Ontario Outdoors, Outdoor Guide, Lake Ontario Counties Trout and Salmon Newspaper, NY Outdoor News Newspaper, Lake Ontario United, On The Water and WLVL.

The Outdoor Beat
This LTCV show, hosted by Bill Hilts, Jr. completed its second full year and is one of the most popular outdoor shows in Western New York.

Fishing & Outdoor Expo
The 3rd Annual Greater Niagara Fishing and Outdoor Expo was held at the Conference and Event Center Niagara Falls and saw a ten percent increase in attendance. Booth space from vendors was sold out and this provided additional overnight stays in Niagara Falls hotels, generating revenue for local businesses in January, a typically slower month.

Derbies and Tournaments
We support the following tournaments with financial, marketing and physical resources.

32nd Annual Lake Ontario Pro Am Salmon Team Tournament:
- 51 teams from around the Northeast
- Approximately 300 people in the destination for a minimum of three days

Greater Niagara Fish Odyssey Derby
- Approximately 400 participants

Lake Ontario Counties Trout and Salmon Derbies
- Three annual events (Spring, Summer, Fall)
- Approximate number of attendees:
  - Spring: 3-4,000
  - Summer: 2,500
  - Fall: 6-7,000

Outdoor Media Relations Highlights:

- 308 Outdoor coverage across all media channels (print, television, online, etc.)
- 40 Visiting Media Hosted
- 69,239,694 Total number of media impressions

NEWS LEADERSHIP

Niagara County played a "starring role" in many of those projects…2016 was another banner year for feature film and television production in Niagara County increased its union and independent crew base by over 30 percent.

MOVIES

MARSHALL
The vintage jail cells and office spaces inside the LaSalle branch of the Niagara Falls Public Library became the backdrop for some pivotal scenes in the movie "Marshall". This 1940 period legal drama about a case in the early legal career of Supreme Court Justice Thurgood Marshall stars Chadwick Boseman, Kate Hudson, Josh Gad, Dan Stevens and Emmy award winner Sterling K. Brown. "Marshall" is set for release in October 2017 and is already receiving "Oscar buzz" in Hollywood trade magazines.

SHARKNADO 4
The 4th edition of the highly successful cult movie franchise "Sharknado" was shot at Niagara Falls State Park in May 2016. "Sharknado 4: The 4th Awakens" aired in August 2016 on the Syfy Television Network to a worldwide audience. The climactic scene occurred near the Maid of the Mist docks as well as Luna Island and other parts of the park. This marked the second visit of Sharknado director Anthony Ferrante who shot "Sharknado 2: The Second One" in 2014 at the Lockport Caves and Underground Boat Ride.

HER FINAL BOW AND VOWS OF MADNESS
Hollywood Director Fred Olen Ray used Niagara County for two movies in 2016. Main locations included the Riviera Theater in North Tonawanda for "Her Final Bow" which aired in 2016 on the Lifetime Movie Network. The Barton Mansion was also used for the thriller "Vows of Madness." Scenes were also shot at Warren’s Hardware Store and St. Paul’s Church in Lewiston.

Television
Television shoot highlights in Niagara County included “House Hunters International” for HGTV, and a PBS cooking show for kids entitled “Twice as Good” which utilized Niagara Falls State Park and Old Fort Niagara as scenic backdrops. Comedian Gary Owens traveled to Niagara Falls in August to shoot an episode of his reality show which appears on THE BET Network and a live television segment for a Chicago area TV morning show highlight the mighty cataracts to a large audience.

Additional movie shoots in Niagara Falls included “Vengeance: A Love Story” directed by and starring Nicholas Cage, “Crossbreed” starring Vivica Fox with Daniel Baldwin, and "Taipei" starring Ellie Bamber.

BUFFALO NIAGARA FILM COMMISSION

We always knew that our region was a star but now it seems that Hollywood is also getting the picture. The variety and eclectic nature of the locales we have to offer have helped bring to life several movies from independents to blockbusters.
2016 NTCC Board of Directors

<table>
<thead>
<tr>
<th>Name</th>
<th>Business</th>
<th>Category</th>
</tr>
</thead>
<tbody>
<tr>
<td>Deanna Alterio-Brennen</td>
<td>Niagara USA Chamber of Commerce</td>
<td>General Business</td>
</tr>
<tr>
<td>Michael Fiore</td>
<td>Village Bake Shoppe</td>
<td>General Business</td>
</tr>
<tr>
<td>Anthony Brindisi</td>
<td>Keller Insurance</td>
<td>General Business</td>
</tr>
<tr>
<td>Anthony Capizzi</td>
<td>Michaels Restaurant</td>
<td>General Business</td>
</tr>
<tr>
<td>Lucy Muto</td>
<td>M&amp;T Bank</td>
<td>General Business</td>
</tr>
<tr>
<td>Doug Nickerson</td>
<td>American Niagara Hosp/Sheraton at the Falls</td>
<td>Hospitality/Tourism</td>
</tr>
<tr>
<td>Galeb Rizek</td>
<td>Econo Lodge</td>
<td>Hospitality/Tourism</td>
</tr>
<tr>
<td>Barb Hughes</td>
<td>Webster’s Bistro</td>
<td>Hospitality/Tourism</td>
</tr>
<tr>
<td>Duncan Ross</td>
<td>Arrowhead Spring Winery</td>
<td>Hospitality/Tourism</td>
</tr>
<tr>
<td>Marc Papaj</td>
<td>Seneca Gaming Corporation</td>
<td>Hospitality/Tourism</td>
</tr>
<tr>
<td>Anne McCaffrey</td>
<td>City of Lockport</td>
<td>Investor Appointment</td>
</tr>
<tr>
<td>Richard Updegrove</td>
<td>Niagara County Legislature Rep</td>
<td>Investor Appointment</td>
</tr>
<tr>
<td>Mayor Paul Oyster</td>
<td>City of Niagara Falls</td>
<td>Investor Appointment</td>
</tr>
<tr>
<td>John Percy</td>
<td>Niagara Tourism &amp; Convention Corp.</td>
<td>Ex-Officio/Non-Voting</td>
</tr>
<tr>
<td>Mark Mistriner</td>
<td>NCCC/Culinary Institute/Hospitality</td>
<td>Ex-Officio/Non-Voting</td>
</tr>
<tr>
<td>Kurt Stahura</td>
<td>Niagara University Hospitality</td>
<td>Ex-Officio/Non-Voting</td>
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<tr>
<td>Chris Schoepflin</td>
<td>USA Niagara Development</td>
<td>Ex-Officio/Non-Voting</td>
</tr>
<tr>
<td>Angela Berti</td>
<td>NYS Parks (permanent seat)</td>
<td>Ex-Officio/Non-Voting</td>
</tr>
</tbody>
</table>

Committees

**Executive**
- Anthony Brindisi (Chair)
- Michael Fiore (Vice)
- Galeb Rizek (Treasurer)
- Deanna Alterio-Brennen (Secretary)

**Finance**
- Anthony Brindisi
- Michael Fiore
- Galeb Rizek
- Lucy Muto
- Doug Nickerson

**Nominating**
- Anthony Brindisi
- Michael Fiore
- Galeb Rizek
- Barb Hughes

**Marketing Ad Hoc**
- Michael Fiore
- Galeb Rizek
- Barb Hughes
- Duncan Ross
- Doug Nickerson
- Angela Berti

2016 Actual Budget

<table>
<thead>
<tr>
<th>Revenue</th>
<th>% of Revenue</th>
<th>Expenses</th>
<th>% of Revenue</th>
</tr>
</thead>
<tbody>
<tr>
<td>Niagara Falls Bed Tax</td>
<td>$2,050,321</td>
<td>Personnel</td>
<td>$1,225,152</td>
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<tr>
<td>Lockport Bed Tax</td>
<td>$89,753</td>
<td>Marketing</td>
<td>$2,276,635</td>
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<tr>
<td>Niagara County Bed Tax</td>
<td>$143,658</td>
<td>Group Leisure</td>
<td>$101,775</td>
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<tr>
<td>Business Generated Revenue</td>
<td>$431,217</td>
<td>Convention and Meeting</td>
<td>$71,764</td>
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<td>Grants</td>
<td>$113,913</td>
<td>International Markets</td>
<td>$103,116</td>
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<td>Casino Revenue</td>
<td>$1,179,455</td>
<td>Visitor Services</td>
<td>$113,056</td>
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<td>Total</td>
<td>$4,008,317</td>
<td>Outdoor Promotion</td>
<td>$92,148</td>
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<tr>
<td>Net Investment Activity</td>
<td>$256,605</td>
<td>General and Administration</td>
<td>$184,660</td>
</tr>
<tr>
<td>Total</td>
<td>$4,168,306</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

“Increased tourism means economic growth for our local businesses. In order to continue to drive growth, in 2016 we kicked off the initial research phase for our new brand. We had the opportunity to engage local stakeholders and consumer groups in order to develop an authentic, powerful brand that will help us increase destination awareness for years to come.”

John Percy
President & CEO

“I am honored to have served as Chairman and to see firsthand the hard work and dedication that comes from this team of professionals. The continued growth year after year in the tourism industry in Niagara County is a true testament to this organizations strategic efforts to promote Niagara Falls USA to the world.”

Tony Brindisi
Board Chairman
Our Mission

We are a private non-profit with a mission to expand the economic prosperity of the Niagara Falls USA communities by generating individual and group visitation.