

ANNUAL REPORT 2019



**WORLD TRADE CENTERS
ASSOCIATION**

TABLE OF CONTENTS

<i>WELCOME.....</i>	<i>3</i>
<i>HIGHLIGHTS.....</i>	<i>4</i>
<i>GOVERNANCE.....</i>	<i>7</i>
<i>FINANCIALS.....</i>	<i>9</i>
<i>MEMBER ROSTER.....</i>	<i>13</i>

CHAIRMAN'S WELCOME



John E. Drew
Chairman of the Board of Directors

Dear Members,

As Chairman of the Board for the World Trade Centers Association (WTCA), I am pleased to release the 2019 Annual Report. This report highlights the achievements of the WTCA and the roadmap for future activities.

2019 was a very active year for our Association that further progressed some valuable initiatives that were put into place in the previous year. The initiatives have proved to increase collaboration and growth

of our Member network and has positioned our Association to be at the forefront of the global business and trade community as we enter into a new decade. I am happy to report that our Association is now 330 Members strong and this year, we welcomed three new Members: WTC Barranquilla, WTC Binh Duong New City, and WTC Kabul.

Now in the second year of three in our current strategic planning cycle, a few notable enhancements to progress the strategic plan I'd like to mention. The European Regional Advisory Council (RAC), established as part of the regionalization project has proven to strengthen the region with Member interactions and engagement in the regional meetings, as well as resulting in several cross-border trade missions and events. The active Member Advisory Councils (MACs) have provided our Membership, especially our new members, with a dedicated forum to receive insight and share ideas in our core competencies as trade centers. And finally, through the 50th Anniversary General Assembly in Querétaro and the 2019 Member Seminar, we provided our Members with an opportunity to showcase Members' local companies and enrich b2b components of our Association, as well as provide our Members with focused sessions that gave guidance and educational tools to support our Members' day-to-day operation as a trade center.

With a focus on increasing the level of service to our Members, I am proud of our New York Headquarters team as well as our dedicated Board of Directors that are committed to the success of our Association and for you as our Members throughout the year. As we move into 2020, I look forward to seeing more activity, more business, and more collaboration across our entire network.

Warmest Regards,

A handwritten signature in black ink, appearing to read "John E. Drew". The signature is fluid and cursive.

John E. Drew
Chairman of the Board of Directors

HIGHLIGHTS

THE 50TH ANNUAL GENERAL ASSEMBLY

The Annual General Assembly (GA) is the premier event for the World Trade Centers Association (WTCA). Held in a different global region each year, it provides the host WTC with an opportunity to showcase all that its home city has to offer.

In order to host the event Members must present a bid for consideration to the WTCA Board of Directors. During an open call, interested Members who wish to welcome the world at their doorstep put together a comprehensive proposal for what the event will entail, what it will cost to Members, the all-around experience to be gained by attendees, a brief overview of the host city as a destination, and most importantly, the value it will deliver to WTC participants. These proposals are presented to the Board of Directors for their consideration, evaluation and ultimate selection.

The 2019 edition of the GA event was held April 7 -11 in Querétaro, Mexico, a robust and growing economy in the region, showcasing the increasing opportunities offered in Mexico and across Latin America. WTCA Members were treated to an in-depth view of what Querétaro has to offer for businesses, and a taste of its rich and diverse cultural heritage.

With a focus on bringing Members' local businesses together for four days of workshops, business-to-business matchmaking, networking, and surprising social and cultural events, the 2019 GA was a success. In the end more than 90 World Trade Centers were represented, and over 300 attendees all came together.

2019 MEMBER SEMINAR

Traditionally a New Member Orientation meeting, the second year of the revamped Member Seminar continued to retain that important element. Welcoming new Members is critically important, but attendance data and history showed that many others from around the network were still using the event for another opportunity to connect in person, even if they had been participating Members for quite some time.

On October 6-8, the World Trade Centers Association (WTCA) hosted the 2019 WTCA Member Seminar in the heart of New York City. Bringing together more than 150 participants from 67 World Trade Centers (WTCs) across the globe, alongside prominent thought leaders, the seminar was filled with insightful discussion, hands-on workshops and skill-development sessions, and all the networking and collaboration Members have come to expect in this event.

As WTCA's annual learning and development event, the Member Seminar also fit perfectly with the innovations and advances that had come to the General Assembly (GA). With a GA squarely focused on Members' local companies and official WTCA business, the Member Seminar provides a more intimate opportunity for Members to roll up their sleeves and work together.

MEMBER ADVISORY COUNCILS

In line with other efforts enacted by the World Trade Centers Association (WTCA), Member Advisory Councils (MACs) were formed in late 2017 with the goal of galvanizing Member engagement.

The special purpose of the MACs is to explore possible initiatives to expand opportunities in various sectors e.g., trade services, through the joint cooperative efforts of WTCA Members.

2019 MACs include:

- Agriculture MAC (AgMAC)
- Real Estate MAC
- Trade Services MAC
- Conferences & Exhibition MAC
- Business Club MAC

In 2019, the MACs made great strides in providing WTCA Members with new opportunities and forums to discuss strategies to enhance their WTCs. They also acted as advisors to new WTCs that joined the network. Over the course of the year, the **Agriculture MAC (AgMAC)** participated in the China International Import Expo, providing an opportunity for WTCA Members to enter the China market. And the **Real Estate MAC** launched an assistance forum on the WTCA website, while the **Trade Services MAC** hosted discussions on how WTCs can generate revenue and began development of a best practices guide. The **Conferences & Exhibition MAC** worked towards establishing a WTCA Member-Delegate Program, which will offer WTCA Members and their member companies VIP benefits while attending WTC-hosted exhibitions and trade shows. Immediately following its formation in 2019, the **Business Club MAC** began development of a best practices guide.

The MACs also held their first-ever Chair and Vice-Chair elections in 2019. While the WTCA Board Chairman selects these positions in the first year of each MAC, the MAC members themselves nominate and elect their leadership in subsequent years. As they continue to evolve, the MACs are sure to provide WTCA Members with new and enriched avenues for collaboration and business opportunities.

REGIONAL ADVISORY COUNCIL

At the behest of the Board of Directors, the World Trade Centers Association (WTCA) continued work on the regionalization project throughout 2019 as part of its efforts to realign resources and get closer to Members. In November 2018, these plans were set into motion in Europe, the region selected to test the new structure.

The intent of the program is to help further activate the network and deepen Member engagement.

At the heart of these efforts sits a Regional Advisory Council (RAC) made up of Members who helped determine priorities in Europe and allocate resources. The result of several months of planning to build capacity on the ground, the RAC entered 2019 ready to get to work.

The ongoing make up for the RAC in the Europe Region will include two Members from the Board of Directors, and three non-Board Members. The idea behind this structure is to align regional priorities with those of the Board, and also bring the all-important voices of other

Members to bear on the activities of the RAC in the Europe Region, while allowing for the diversity of WTCA Membership.

2019 European RAC Members:

- Ms. Andrea Garwood, WTC Trieste (Current RAC Chair; and WTCA Director)
- Mr. Rolf Draak, WTC Nice/Sophia Antipolis (Inaugural RAC Chair October 2018 to October 2019; and WTCA Director)
- Mr. Ed Allison-Wright, WTC Gibraltar
- Ms. Eva Hyllstam, WTC Gothenburg
- Mr. Evert Jan Schouwstra, WTC Leeuwarden

Given the staggered nature of the terms on the council, other Members in the region will have the opportunity to elect new Members to fill open seats, or indicate their own interest to serve in the future. The long-term goal is to create similar councils in each region of the WTCA and bring these additional resources to bear around the globe.

GOVERNANCE

Board of Directors:



Mr. John E. Drew
WTCA Chair
WTC Boston



Ms. Mariette Mulaire
WTCA Vice Chair–Secretary
Chair–Executive Committee
WTC Winnipeg



Mr. Remy Swaab
WTCA Vice Chair–Treasurer
Chair–Digital Steering Committee
WTC Panama

Board Committee Chairs:



Mr. Scott Center
Chair–Investment Committee
WTC Savannah



Mr. Mehran Eftekhari
Chair–Audit & Risk Committee
WTC Cyprus



Ms. Charlotte Gallogly
Chair–Nomination & Compensation Committee
WTC Miami

Additional Board Members:



Mr. Ghazi Abu Nahl
WTC Doha



Mr. Togbe Afede XIV
WTC Accra



Mr. Pedro Pablo Alamos Zañartu
WTC Santiago



Mr. Lew Cramer
WTC Utah



Mr. Rolf Draak
WTC Nice



Ms. Andrea Garwood
WTC Trieste



Mr. Vijay Kalantri
WTC Mumbai



Mr. Didier Kling
WTC Paris



Ms. Catherine Lee
WTC Suzhou



Mr. Luciano Montenegro de Menezes
WTC Curitiba



Mr. Jianrong Yang
WTC Shanghai



Mr. Walter M.S. Yeh
WTC Taipei

Retiring Board Members:

Mr. Christiaan Huijg
WTC Amsterdam

Mr. Balaram Menon
WTC Bengaluru

Mr. Emmanuel Thauvier
WTC Rennes-Bretagne

Mr. Gerard Vaandrager
WTC The Hague

2019 Board Election

The WTCA's biennial Board election was held in April 2019, with 15 candidates vying for 10 open seats. Seven incumbent Directors and 3 new Directors were elected to serve four-year terms, joining the 12 hold-over Directors whose terms run until 2021. The newly-constituted WTCA Board re-elected John Drew to serve another two-year term as WTCA's Chairman, and elected Remy Swaab as Vice-Chair-Treasurer and Mariette Mulaire as Vice-Chair-Secretary.

Standing Committee Appointments

The Board appointed the following Directors to serve on its Standing Committees:

Executive Committee: Chair Mariette Mulaire; Vice-Chair Luciano Menezes; Ghazi Abu Nahl; Scott Center; Rolf Draak; John Drew; Charlotte Gallogly; Khair Ull-Nissa Sheikh.

Audit & Risk Committee: Chair Mehran Eftekhari; Pedro Pablo Alamos; Freerk Faber; Vijay Kalantri; Didier Kling

Nomination & Compensation Committee: Chair Lew Cramer; Scott Center; Andrea Garwood; Catherine Lee; Jianrong Yang

Digital Steering Committee: Chair Remy Swaab; Andrea Garwood; Luciano Menezes; Khair Ull-Nissa Sheikh; Walter M.S. Yeh

Investment Committee: Chair Scott Center; Togbe Afede; Rolf Draak; Catherine Lee; Jianrong Yang

The Board and its five Standing Committees met a total of 33 times in 2019 as part of their continued oversight of the Association's governance practices. In addition, the European Regional Advisory Council met five times in 2019.

Among the key actions taken by your Board and its Standing Committees in 2019 were:

- Adopting the 2020 Business Plan and Budget, which expanded WTCA's "regionalization" strategy by restructuring certain HQs operations, replicating the Advisory Council model in other regions, increasing the number of regional directors in each region (one for sales, one for engagement) and shifting some of the responsibilities for services and execution of initiatives to each region.
- Adopting the WTCA's 2018 Audited Financials, which were timely completed and presented to the Membership at WTCA's General Assembly in Queretaro.
- Approving the relocation of Headquarters' office space to a smaller nearby facility in the Financial District of New York City.
- Approving the re-alignment of Mexico's WTCs to the Latin America region for the 2021 Board election.
- Approving the formation of a Member Advisory Council on Agriculture and Member Advisory Council on Business Clubs, which joined the previously approved MACs on Real Estate, Conferences & Exhibitions, and Trade Services.
- Filling the "European Membership Coordinator" position following a region-wide candidate search.
- Continuing the internal audit review process at Headquarters – including testing of protocols established for all Headquarters' departments such as updating the Employee Handbook, Whistle Blower Policy and Finance Policies & Procedure Handbook – to ensure that WTCA's operating policies and controls are efficient, transparent and proactive.
- Continuing oversight of the WTCA's risk management processes, including risk register, risk appetite, risk maturity management, authority matrix, and risk reports.
- Reviewing the performance of key management at Headquarters.
- Pursuing four digital initiatives for 2019: (i) updating the reciprocity desk; (ii) launching Marketplace; (iii) updating the Digital Platform legacy code to extend the life of the platform; and (iv) continuing work to address the new European Union GDPR compliance requirements.

**World Trade Centers
Association, Inc. and Subsidiaries**

Consolidated Financial Statements

December 31, 2019 and 2018

**World Trade Centers Association, Inc.
and Subsidiaries**

Consolidated Statements of Financial Position

	December 31	
	2019	2018
ASSETS		
Cash and cash equivalents	\$ 922,822	\$ 1,745,392
Investments (Note 3)		
Unrestricted	12,448,161	11,431,134
Restricted for letters of credit (Note 7)	147,781	179,093
Membership dues and license fees receivable, net of allowance for doubtful accounts of \$93,208 and \$137,500	654,215	560,368
Other assets and deposits	165,889	170,509
Property and equipment, net of accumulated depreciation (Note 4)	143,489	40,894
Platform/software development costs, net of accumulated amortization (Note 2)	129,785	169,219
Trademark costs (Note 2)	2,820,739	2,651,574
Top level domain (Note 2)	226,230	226,230
	<u>\$ 17,659,111</u>	<u>\$ 17,174,413</u>
 LIABILITIES AND NET ASSETS		
Liabilities		
Accounts payable and accrued expenses	\$ 552,016	\$ 874,815
Deferred membership dues	791,700	401,001
Refundable license fees	26,000	26,000
Deferred rent	96,344	109,285
Total Liabilities	<u>1,466,060</u>	<u>1,411,101</u>
Net assets without donor restrictions	\$ 16,193,051	\$ 15,763,312
	<u>\$ 17,659,111</u>	<u>\$ 17,174,413</u>

**World Trade Centers Association, Inc.
and Subsidiaries**

Consolidated Statements of Activities and Change in Net Assets

	Year Ended December 31	
	2019	2018
OPERATING REVENUES		
Membership dues	\$ 4,124,324	\$ 4,047,747
License fees	690,000	3,348,667
Gain on sale of license		343,333
Option fees	210,000	145,000
Bad debt recovery	51,500	50,000
Services income	84,467	202,449
Other income	111,126	47,839
Total Operating Revenues	5,271,417	8,185,035
OPERATING EXPENSES (Notes 4, 6 and 8)		
Program services to members	3,014,837	3,574,456
Management and general	3,598,650	3,610,896
Total Operating Expenses	6,613,487	7,185,352
Excess/(Deficit) of Operating Revenues Over Operating Expenses	(1,342,070)	999,683
NON-OPERATING ACTIVITIES		
Investment return (Note 3)	1,771,809	(786,237)
Change in Net Assets	429,739	213,446
NET ASSETS		
Beginning of year	15,763,312	15,549,866
End of year	\$ 16,193,051	\$ 15,763,312

**World Trade Centers Association, Inc.
and Subsidiaries**

Consolidated Statements of Cash Flows

	Year Ended December 31	
	2019	2018
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ 429,739	\$ 213,446
Adjustments to reconcile change in net assets to net cash (used in) provided by operating activities		
Gain on sale of license	-	(343,333)
Deferred rent	(12,941)	3,974
Provision for uncollectible accounts	180,708	168,542
Depreciation and amortization	100,029	151,761
Net realized and unrealized (gain) loss on investments	(1,498,792)	1,072,269
Changes in operating assets and liabilities		
Increase in membership dues and license fees receivable	(274,555)	(251,606)
Decrease (increase) in other assets and deposits	4,620	(8,159)
Decrease in accounts payable and accrued expenses	(322,799)	(178,978)
Increase (decrease) in deferred membership fees	390,699	(133,149)
Decrease in refundable license fees	-	(50,000)
Net Cash (Used in) Provided by Operating Activities	(1,003,292)	644,767
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of investments	(1,884,693)	(2,485,339)
Proceeds from sale and maturity of investments	2,397,770	2,555,000
Proceeds from sale of license	-	600,000
Purchase of property and equipment	(148,065)	-
Purchase of platform/software development costs	(15,125)	(45,375)
Increase in trademark costs	(169,165)	(160,400)
Net Cash Provided by Investing Activities	180,722	463,886
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of line of credit	-	(400,000)
Net (Decrease)/Increase in Cash and Cash Equivalents	(822,570)	708,653
CASH AND CASH EQUIVALENTS		
Beginning	1,745,392	1,036,739
Ending	\$ 922,822	\$ 1,745,392

MEMBERSHIP ROSTER

AFRICA & THE MIDDLE EAST

Abu Dhabi	Beirut	Luanda
Abuja	Benghazi	Muscat
Accra	Cairo	Nairobi
Al Khobar	Casablanca	Praia
Aleppo	Dakar	Qatar
Algiers	Damascus	Ramallah
Amman	Dubai	Riyadh
Antananarivo	Erbil	Sanaa
Baghdad	Jeddah	Sharjah
Bahrain	Kabul	Tunis
Basra	Lagos	

ASIA & THE PACIFIC

Ahmedabad	Hong Kong International	Patna
Amaravati	Airport	Penang
Amritsar	Hunchun	Perth
Anyang	Hyderabad	Pimpri Chinchwad
Beijing	Islamabad	Pingtian
Bengaluru	Jaipur	Pune
Bhopal	Jakarta	Pune-Balewadi Baner
Bhubaneswar	Jinzhong	Quanzhou
Binh Duong New City	Karachi	Saigon
Chandigarh	Kochi	Seoul
Changsha Wanjiali	Kolkata	Shanghai
Changzhou	Kuala Lumpur	Shenyang
Chennai	Kunming	Shenzhen
China (Beijing)	Lanzhou	Singapore
Chittagong	Lucknow	Surabaya
Chongqing	Luohe	Surat
Colombo	Macau	Suwon
Daejeon	Melbourne	Suzhou
Dandong	Metro Manila	Sydney
Delhi-Gurgaon	Mumbai	Taichung
Dhaka	Nagpur	Taipei
Faridabad	Nanchang	Thiruvananthapuram
Fuzhou	Nanjing	Tianjin
GIFT City	Nanning	Tokyo (AF)
Goa	Nansha	Vadodara
Guangzhou	Navi Mumbai	Varanasi
Guiyang	New Delhi	Wuhan
Guwahati	Ningbo	Wuhan - CBD
Hangzhou	Noida	WuXi
Harbin	Noida CBD	Xiamen
Hong Kong (AF)	Okinawa	Xian

Yangon
Yongjia

Yongkang
Zhengzhou

EUROPE

Almaty
Almeda Park
Almere
Amsterdam
Ankara
Antwerp
Arnhem Nijmegen
Ballerup
Barcelona
Basilicata
Belfast
Berlin
Breda
Bremen
Brest
Brussels
Bucharest
Chelyabinsk
Cyprus
Dresden
Dublin
Eindhoven
Ekaterinburg
Frankfurt (Oder)
Geneva
Genoa
Gibraltar
Glasgow
Gothenburg
Grenoble

Hamburg
Heerlen Aachen
Helsingborg
Helsinki
Helsinki Airport
Istanbul
Jonkoping
Karlskrona
Kiel
Lausanne
Leeuwarden
Lille
Lille-Arras
Linkoping
Lisbon
London
Lugano
Lund
Luxembourg
Lyon
Madrid
Malmo
Malpensa Airport
Malta
Marseille Provence
Metz-Saarbruecken
Milan
Monaco
Moscow
Nantes Atlantique

Nice/Sophia Antipolis
Nizhny Novgorod
Norrkoping
Oslo
Paris
Pescara
Pilsen
Poitiers Futuroscope
Poznan
Rennes Bretagne
Rostock
Rotterdam
San Marino
Schiphol Airport
Sevilla
Sofia
Sofia (AF)
Stockholm
Tallinn
The Hague
Trieste
Turku
Twente
Utrecht
Vaxjo
Venlo
Warsaw
Zaragoza
Zurich

LATIN AMERICA

Aruba
Asuncion
Barquisimeto
Barranquilla
Belo Horizonte
Bogota
Brasilia
Bucaramanga
Buenos Aires
Cali
Cancun
Caracas

Cartagena
Ciudad del Este
Cochabamba
Colonia del Sacramento
Cordoba, Argentina
Culiacan
Curacao
Curitiba
Encarnacion
Goiania
Guadalajara
Guanajuato

Havana
Ibague
Joinville
La Paz
Lima
Managua
Maracaibo
Medellin
Merida
Mexico City
Monterrey
Montevideo

Naucalpan
Nuevo Laredo
Panama
Pereira
Porlamar
Puerto La Cruz
Puerto Ordaz
Punta del Este

Queretaro
Rio de Janeiro
Rosario
San Jose, Costa Rica
San Luis Potosi
San Pedro Sula
San Salvador
Santa Cruz de la Sierra

Santiago
Santo Domingo
Sao Paulo
Tijuana
Valencia, Venezuela
Veracruz

NORTH AMERICA

Anchorage
Arkansas
Atlanta
Atlantic Canada - Halifax
Baltimore
Birmingham
Boston
Buffalo Niagara
Charleston
Chicago
Delaware
Denver
Detroit/Windsor
Dulles Airport
Edmonton
Fort Lauderdale
Greater Philadelphia
Greenville-Spartanburg
Haiti

Harrisburg
Houston
Indianapolis
Kansas City
Kentucky
Las Vegas
Long Beach
Los Angeles
McAllen
Miami
Montana
Montreal
New Orleans
New York
Norfolk
Northern California -
Sacramento
Orlando
Oxnard

Palm Beach
Pittsburgh
Portland
Providence
San Antonio
San Diego
San Francisco
Saskatoon
Savannah
Seattle
St. Louis
Tacoma
Tampa Bay
Toronto
Utah
Vancouver
Washington, D.C.
Winnipeg

NEW MEMBERS

Barranquilla
Binh Duong New City
Kabul



**WORLD TRADE CENTERS
ASSOCIATION**

COVER ART CREDITS:
Joshua Rawson-Harris on Unsplash
Yanshu Lee on Unsplash