

REPORT TO ANNUAL MEETING OF BRITISH-AMERICAN BUSINESS COUNCIL

May 13, 2011

Delivered by

BABC PRESIDENT, ROBIN HAYES

Ladies and Gentlemen: I am Robin Hayes, Chief Commercial Officer for Jet Blue Airways, and have had the honor of serving as the President of the BABC for the past two years, in partnership with David Kay, my immediate predecessor and now BABC Chairman, and Ven Kocaj who has served as the BABC's Vice President over the same past two years.

Our three companies – JetBlue, Drinker Biddle and Deloitte – are very different. But they have all been enthusiastic supporters of the BABC and its important work, and have derived great benefit from our association with the BABC.

That says a lot about the enduring value of the BABC, and of the vast range of companies that can benefit from the business network and services that it offers.

While JetBlue, Drinker Biddle and Deloitte are very different, we share an important characteristic along with all the other 2,000-plus members of the BABC: we need to keep our existing clients happy and to recruit new ones; we need to build our brands and our reputations in the marketplace; and we need to gain a better understanding of the business opportunities and challenges that we face.

The BABC helps us – and our companies – achieve all these objectives. So the three of us – and the many others who have served and continue to serve in leadership positions with the BABC – have all been very happy to play our part in leading and supporting the organization.

It is now my pleasure, as your President, to deliver my Report to you. But first, I would like – on behalf of the BABC as a whole, and I am sure, of all of us in this room – to extend our sincere thanks and congratulations to Stuart Keirle, Kathleen Kimura, Stuart Bagshaw, Zoe Matthews and all the members of the BABC of Northern California team for the tremendous Conference they have just laid on for us.

The business and social programs were both outstanding. And I am sure that, over the past couple of days, we have all both learned a lot, and made a lot of new business connections, that will be very helpful to us in future.

The past two and a half years have been exceptionally challenging – the most challenging since the BABC was established.

Member companies of ours – of all sizes -- have gone out of business, on both sides of the Atlantic. Across the board, companies have slashed the marketing and other budgets on which all our chapters depend for our membership and sponsorship income. Many of our ‘key contacts’ at our member companies have lost their jobs. And many more of them have lost their budgets, which they used to use to support our chapters.

The economy in the UK has improved somewhat, but still has to face the brunt of the Government’s unprecedented budget-cutting measures. In the US, the immediate outlook is somewhat brighter, as the Government has taken stimulatory measures and kicked budget-balancing down the road for now.

But there is still great unease and uncertainty, which the events of the past couple of months – notably in North Africa, the Middle East and Japan – have reinforced. So budgets have remained exceptionally tight, despite the upturn in the stock market; and it has been correspondingly difficult to source funding for items regarded as discretionary such as memberships and sponsorships.

In this environment, it is hugely encouraging – and to the BABC’s great credit -- that we did not experience any significant decline in our membership over the year immediately following the financial crisis of the Fall of 2008; and that we have significantly increased our overall membership over the past 12 months. The increase in membership has been of the order of 30-40% in a few chapters; and all our other chapters have somewhat increased their membership or maintained it at roughly the same level.

This confirms – if proof was needed – that whatever the economic environment, companies of all sizes have a compelling need for the business services and opportunities that the BABC offers.

We all need opportunities to market our services and products to high-quality business audiences; and the BABC offers a far larger and higher-quality transatlantic business audience than any other organization. That is why, for example, the sponsors of this Conference chose to support it; why Deloitte sponsors the BABC website; and why the BABC’s Patrons and advertisers have also chosen to promote their company through the BABC’s website.

As an organization, we need, however, to do a much better job of communicating the marketing opportunities that the BABC offers to all our members at the local level. If we did this, I have no doubt that more of our 2,000-plus member companies would want to take advantage of them – by becoming a Patron of the BABC, taking out a banner ad on the BABC’s website, listing their services via our Member Perks, or by becoming a sponsor of our next Annual Conference, to be held in Scotland next Spring.

The same goes for some of the services that we offer, such as our J1 Visa Program. Our member companies have ever-growing needs to provide their employees with more global experience and learning through limited-time transfers from overseas to one of their offices in the US. Our J1 Visa Program offers a remarkably effective, speedy and cost-effective way for member companies of ours to bring qualified employees into the US for this purpose. If we did a better job of communicating this

offering at the local level, I am sure we could recruit many more clients for this remarkable service, thereby increasing both our revenues and our membership at the local chapter level,

As companies, we also all need opportunities to connect with potential clients, partners and referral sources. Certainly, social media have an important role to play in the modern business world. But studies have repeatedly shown that there is no substitute for face-to-face meetings if you want to do serious business and build long-term business relationships.

Week in and week out, we provide outstanding business networking opportunities in more than 20 major business centers throughout the US and UK that are open to all our members wherever they may be based. Where else can any company get that depth, breadth and quality of opportunities for targeted relationship development?

Thirdly, in today's rapidly changing world, where we are all suffering from information overload to one degree or another, we all have a greater need than ever for timely, high-quality business intelligence. We provide this also, with greater breadth and depth than any other transatlantic business organization, through our event programs; our databases covering the 600,000 largest American and European companies; and our e-publications, including Investment News and Policy Focus.

Finally, I should mention our policy work. This work is important not just for our large multinationals company members but to companies of all sizes. For example, while we did not achieve all our goals, the important work we have done in London over the past year in relation to the British Government's proposals on economic migration will make it easier for companies of all sizes with operations in the UK to bring in the qualified staff that they need to conduct their business effectively.

So, as I come to the end of my term as your President, I am proud of what we have collectively been able to achieve over the past year.

Certainly, there are things we need to do better.

As I mentioned, we need to do a better job of communicating both the marketing opportunities and the services that the BABC offers at the local level. We also need, collectively, to do a better job of keeping our Online Membership Directory and BABC-wide Events Calendar complete and up-to-date, so that both these resources provide maximum value to the members of all our chapters. And we need to address our modest funding shortfall.

But these are all issues and challenges which we are well equipped to take care of.

The important thing for us all to focus on is that we have come through the past 30 months – without doubt the most challenging that the organization has faced – without any collateral damage to our membership base -- or to our business offering -- or to our DNA, the remarkable quality of intelligent teamwork and collaboration that makes the BABC so effective. And we continue to provide our

members with access to an unrivaled business network and a variety of business services for a minimal fee of less than \$20 per company.

That, Ladies and Gentlemen, is a remarkable achievement.

We could not have done without our excellent Secretariat, and we are very grateful for all that they do to make the BABC work so well for all of us.

I am also grateful to David Kay, our Chairman; Ven Kocaj, our Vice-President and President-elect; and all the members of the Executive Committee, for all the advice and support that they have given me over the past year.

But most of all, it is you – our chapters and our membership – who provide both the reason for the BABC to exist and the means whereby it can continue to exist and flourish. So I would like to conclude by thanking you all for providing the leadership, the support, the skills and the commitment that energize and characterize the BABC.

Ven and I have enjoyed meeting many of you here in San Francisco, and are delighted that you made the time and the effort to join us for this Conference. We look forward to seeing many of you at our Annual Workshop in the fall, in New York – and to seeing all of you at our Annual Conference in Glasgow next year.

Thank you for your attention. That is the end of my Report.