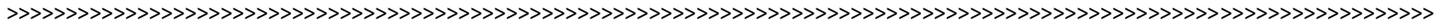


BREAKAWAY Q&A

**Barry Myers, AccuWeather,
Inc.**

December 6, 2016
By Orlaith Farrell for Bloomberg

Bloomberg



BACKGROUND

AccuWeather is a commercial weather forecasting company, available on 2 billion devices globally.

BARRY MYERS, CHIEF EXECUTIVE OFFICER, ACCUWEATHER, INC.



Barry Lee Myers has been a leading force of the AccuWeather management team for several decades. Since Myers became CEO in September 2007, the company has posted the highest grossing years, and the largest global web and mobile audience growth, in its history.

As CEO, Myers directs AccuWeather's strategic initiatives, global expansion, its acquisitions, major business relationships, and groundbreaking opportunities. He is considered one of the world's leading authorities on the

business of weather information use and distribution. He has been a featured speaker at many mobile, television and advertising conferences.

In 2015, the American Meteorological Society recognized Myers for his "outstanding, highly principled leadership of the American weather industry . . . fostering strong cooperation between private sector and government weather services."

Myers has been on the Board of Directors of the American Weather and Climate Industry Association, the weather industry's trade association, since 1990. He has been an advisor to five directors of the U.S. National Weather Service, been a U.S. representative at the U.N.'s World Meteorological Organization in Geneva, and is currently advisor to U. S. National Oceanic and Atmospheric Administration. He has also been an invited speaker at the World Meteorological and the World Federation of Scientists and many science and business organizations world-wide.

He served as the company's Executive Vice President and General Counsel prior to becoming CEO. In addition, he served on the Graduate School faculty at The Pennsylvania State University for 18 years as a member of its nationally recognized Smeal College of Business.

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Breakaway Q&A

Bloomberg: You've been the CEO of AccuWeather since late 2007, and you've been a big part of the company since it was founded. Tell us a bit about your career with AccuWeather?

Barry Myers: The company was founded by my older brother, but I helped out from the very beginning and quickly became involved in a significant way as the company was developing over the years. It actually started back in the 1960s as a winter weather service. It did not become a full-time year-round service until 1971 when we secured a radio station in the Scranton area, WARM, who wanted someone to do broadcasting for them with weather reports on a daily basis. That was the initiative to turn it from what was a winter seasonal forecasting company that provided forecasts for ski areas and local municipalities for snow clearing into one that had a 24-hour client. We decided that was such a great idea that we would start looking for other radio stations, then television stations, because meteorologists or presenters that are on the air often didn't have as much data or information as we had. We also had the best forecast of anyone. We were fortunate that my older brother got three degrees, including a Ph.D in meteorology, and was probably the best weather forecaster that anyone had ever seen. He helped train many other top forecasters, and many of them started to come to work for the company as it grew. The company adopted the name AccuWeather in 1971 for those first radio broadcasts because the radio station wanted to have some sort of a brand name. My brothers and I—there's also a younger brother who works here at the company, who is our chief operating officer--have forever debated where that name came from, and we all take credit for it.

I was teaching at Penn State, in the world-renowned Smeal College of Business, as a tenured faculty member. Gradually, I found that I had two full time jobs: one at AccuWeather and one at the University, and I was not being fair to either. I left the university to be the full-time executive vice president and general counsel here in 1989. The company continued to grow, and my participation continued to accelerate. In 2007, I became the CEO, which is the job I hold today.

It has been an interesting ride personally to get to this point. Careerwise, I couldn't think of anything that could be more rewarding than helping to build and extend a company on a global basis as we are now, to help influence people's lives every day, to save lives, to protect property, and to keep people informed about something that they have no real control over.

Bloomberg: You're CEO, your brother is the founder, president and chairman, and your other brother is the chief operating officer. How do you balance family and business?

Myers: It's interesting having a family business. My brother, Joel Myers, the president and chairman, and my younger brother, Evan Myers, for a long time, we were the core officers, playing different roles. Joel originally started out doing the weather forecasting himself and then alongside others, and so did my younger brother Evan. I used to help out in the trenches, as the company was getting started. Any garage-type company that starts out in that fashion and builds, the people who wind up being the leaders in the end have probably done every job that there is. That's true here. It's been interesting to work with my brothers for a lifetime. I don't think many people can say that they can successfully do that. Some days, it's challenging, but most days, it's extremely rewarding and exciting. As time has gone on, we have brought in more and more people, both as outside directors for our board and outside people from many great companies to help run the business as it grew. That's where we are today. There are many more leaders in the company certainly than the three of us, by far. We enjoy helping to mentor those people, helping to guide the goals and objectives and mission of the company, and seeing other people successfully carry that forward.

Bloomberg: The acquisition of Sky Motion Research in 2013, the developer of ultra-short term localized forecasts allows you to offer minute-by-minute weather predictions. How important was introducing offerings like that to expansion?

Myers: Very important. AccuWeather has always been an innovative company. We view ourselves as a perpetual start-up. We always talk to our team that way, so they keep it in mind.

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when we launched the 7-day and 10-forecast, which had the same criticism. Of course, everybody does these forecasts now. We believe that our 45-day, and we have even have a 90-day forecast, is accurate to an extent that is better than people just trying to use averages to understand what is going on. We don't read forecasts like that until they have been in the queue for some time. They have been truth-tested for accuracy and we ensure that they fit with the reputation that we have. Is a forecast today, 45-days from now, as accurate as our forecast for this afternoon? No, of course it's not. It's not intended to be. Does it help somebody with planning if they have an event? The answer is absolutely yes. All the feedback that we have, despite what I'll call criticism from the weather press, the feedback we have from customers is all positive. The people love it. People find it useful, and I think that's what is most important.

Bloomberg: Last year you replaced the Weather Channel on Verizon Fios. Your predecessor has experienced declining ratings, what are you going to do differently?

Myers: What we did on Verizon Fios is very interesting. The Weather Channel itself started in 1982 as a typical cable TV channel. It looks and feels like a typical cable TV channel. We took the technology that we had in the digital space in creating weather information for iPads [tablets], for example, computers, and smartphones. Creating videos for those, which had to be sharp and fast-hitting, and we built a channel that, to a large extent, looks and feels like what millennials are used to looking at on their tablets and smartphones. It feels different. I think that there was concern when Verizon switched that they might get pushback like what happened when Direct TV made a switch over to Weather Nation around a year or so earlier and got a lot of dissatisfaction and, as a result, switched back. However, Verizon found that their customers loved [the change], and did not miss the Weather Channel, and liked our channel. We've continued to enhance that channel, and it's now expanded into some of the frontier markets, and it's going to continue to expand. I think it's positioned to feel right to the new user of weather information because it's seamless across the television channel, tablet, and smartphone. It looks the same; it feels the same. You could be looking at one of our apps, or you could be looking at that channel, and you'd have the right feeling. There's a great deal to be said for how things feel to people, not just what they contain or look like. That's what I think grabs most people—is the feeling.

Bloomberg: You're constantly entering into media partnerships, how central is that strategy to your growth plans?

Myers: We do have partnerships with all kinds of media. For example, with ESPN. You'll find our weather information and forecasts for game days on the ESPN channels. We also have major relationships with television groups, radio, newspaper and what I'll call all the new media developers of devices; Samsung, LG, anybody that is making a device, either is loading our [app] on them, or people can download those apps from an app store, and they're fantastically popular. That's why we're on around 2 billion devices worldwide. We view media in a very broad sense. We view any media operation as a potential partner of ours. Whether they're making the equipment that services the presentation of weather in some fashion, or whether they're an actual media company providing content and marrying our content into theirs. The ABC television stations across the country exclusively use AccuWeather and brand it so, and everyone recognizes it as a strong partnership as we have with many other companies.

Bloomberg: Looking at that breakdown, is there more of a focus on new media technology builders and apps than there is on traditional media?

Myers: I don't know if I would say there is more. We obviously go where the trends are. We adapt the product and the service to the kind of user or viewer that's out there. We're on about 700-800 radio stations which may be considered old media in a sense, but people actually listen to radio stations, many times local stations, in the morning while they're getting dressed or driving in the car to find out local news and weather. We adapt what it is we put there so it works within the formats, and there are a huge variety of formats obviously still within traditional media. By the same token, we're at the cutting edge of digital media and usually have worked in advance with every manufacturer of the new device before the device comes out, so that our apps fit within the environment and the look and feel of each new device. So, that it's not us trying to catch up afterwards but rather being in there in advance with the actual development teams. A lot of what we do is now in digital media. Clearly more of our

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business and our revenue comes from that area, but I think that's true in what is happening in society, so we're mirroring how people want to get their information.

Bloomberg: What are the greatest challenges facing AccuWeather in the next five years?

Myers: The challenges are the same as we've always faced. One is the evolution of technology and how to constantly keep up with it, so that we can be prepared for the next set of users, customers, and people, not only in the United States, but globally. We (are on) about 2 billion devices worldwide and almost 200 languages that we do our weather in. What feels right to someone in Europe is different to what feels right in the U.S. Those cultural things constantly change. We're not only keeping up with changing technology, but we're trying to look into the future and work with different kinds of focus groups and other research to understand what the next thing is that is desired in Europe and Asia and South America. That's clearly a significant challenge, and we've been up to that task better than anyone else, and we continue to be so.

There are challenges with regard to core weather information. Most of which currently comes from the government but, over time, more and more of it is going to start coming from private sources. We have arrangements with companies and governments all over the world to get the latest weather data in real-time and to be able to use it in ways that facilitates representing weather information to people who need it. That's a constant challenge; governments change, policies change, data collected changes, and a number of private companies coming into the sector, even private satellites now, is constantly changing, so we look at that. We talk to all those folks, and keep and build relationships there, so we're at least on as much of the inside as possible so we know what's coming down the pike and how to use that and translate that into products for our customers. Those are two huge challenges, but they're the same challenges that we've always faced.

Bloomberg: You've grown from a local weather forecaster to a global weather media titan, and you've managed to remain private and family run. How important is it to you and your brothers that it remains that way? What does the future look like?

Myers: I don't know if it's important that it remain that way, or it not remain that way. We're business people first; we're a family business second. We do certainly look at the great loyalty that the staff has always had to the company and that we've always had to the staff. None of us are going to live forever, and I hope the company does. We need to be cognizant of how to make sure that those arrangements and transitions occur in a smooth and orderly way. We've put a number of plans in place to help with that, and we constantly review and examine those that sometimes come to talk about longer-term partnerships. I don't think you can run any successful business unless you're willing to be open minded and flexible and be willing to change as things change, and I think that's how we run the business.

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Bloomberg: Is there anything you'd like to add?

Myers: Most people I don't think understand the intricacy of what the weather industry, especially in the United States, is necessarily all about. The United States, because of our policies, our Constitution, the idea that all data

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that is collected by the government is available to its citizens openly and freely has allowed the greatest industry in the weather field, in the world, to develop right here in the U.S. The companies that are here are the largest in the space, and we are all looking and expanding globally. The American weather industry is actually a phenomenon that is benefiting the U.S. economy in significant ways and in numerous jobs and continues to grow as a result of these government policies and the way in which we interact with the government. For example, I've been in touch just in the last 24 hours by email with the head of the national weather service because we're pushing their Weather-Ready Nation initiative, and they're co-operating with us in order to do that so that we can work for the safety of the public. It's a very well defined, well integrated public-private partnership that has allowed all of this to happen. It's for the benefit of the country, and it's a lot different than most industries.

Bloomberg: Do you have any concerns with new leadership that any of that might be in jeopardy?

Myers: None at all. I like the outlook that I'm seeing and I think, in fact, the encouragement of the development of private sector businesses and jobs will be only be furthered, from what I'm hearing, in this space.

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