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# **Clear Secure, Inc.** NYSE:YOU

## *Earnings Call*

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# Call Participants

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## EXECUTIVES

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*Chairman & CEO*

**Kenneth L. Cornick**

*President, CFO & Director*

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Research Division*

**Mark Patrick Kelley**

*Stifel, Nicolaus & Company,  
Incorporated, Research Division*

**Scott Devitt**

# Presentation

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## Operator

Good morning, and welcome to CLEAR's Fiscal Second Quarter 2023 Conference Call. We have with us today, Caryn Seidman-Becker, Co-Founder, Chairman and Chief Executive Officer; and Ken Cornick, Co-Founder, President and Chief Financial Officer.

As a reminder, before we begin, today's discussion contains forward-looking statements about the company's future business and financial performance. These are based on management's current expectations and are subject to risks and uncertainties. Factors that could cause actual results to differ materially from these statements are included in the company's reports on file with the SEC, including today's shareholder letter.

The company disclaims any obligation to update any forward-looking statements that may be discussed during this call. During this call, the company will discuss both GAAP and non-GAAP financial measures. A reconciliation of GAAP to non-GAAP financial measures is provided in today's shareholder letter and the most recently filed annual report on Form 10-Q. These items can be found on the Investor Relations section of CLEAR's website. With that, I'll turn the call over to Caryn.

## **Caryn Gail Seidman-Becker** *Chairman & CEO*

Good morning. The second quarter was a strong quarter for CLEAR. Our bookings accelerated while margins expanded. We generated strong free cash flow and returned cash to shareholders while initiating a new quarterly dividend. We are making good progress on precheck testing and launch time lines.

On the platform side, we are rebranding to CLEAR verified to better represent the power of our platform. We are working with LinkedIn to expand to other markets later this year and we were excited to hear Microsoft's CEO, Satya Nadella, highlight their commitment to identity on their recent earnings call. Eight quarters post IPO, I am incredibly proud of the results our team delivered this quarter.

Our growing fleet of products, the partners that we support and members that we serve are a reflection of the power of the CLEAR platform. Identity is foundational. It is here and now. CLEAR has been leading in identity for 13 years, and today, you are seeing that in travel and beyond.

At CLEAR, we believe actions speak louder than words, and our philosophy has always been to put our members first, focus on innovation and live our mission of enhancing security and delighting travelers, but I want to set the record straight after some inaccurate media reporting. There are 4 key points I want to make.

First, CLEAR enhances Homeland Security with a stellar security track record. We have biometrically verified over 130 million passengers since our founding in 2010. We have a remarkable industry-leading track record of which we are incredibly proud. Our enrollment and verification processes are certified as qualified antiterrorism technology by the Department of Homeland Security. Both our tech and our team members are force multipliers for airports, TSA and travelers.

Second, a July 2022 incident has been mischaracterized. It was the unfortunate result of a human error, having nothing to do with our biometric verification technology, to conflate the two is just wrong.

For context, back in 2020, we proactively implemented one-to-one face matching technology, digitally comparing the enrollee to the picture on their ID as added security to our multilayer enrollment process. This went above and beyond our regulatory requirements. There can be rare instances of false negatives and face match technology, which can be caused by lighting, document quality or damaged IDs and prevent someone who is who they say they are from completing enrollment. To safeguard against this, we had a manager review process to compare the ID with the live enrollee standing in front of them. There was a human error in the July 2022 manager review.

We discontinued the manager review policy last year, and the small pool of members enrolled through this process have been required to reenroll. To reiterate, this has nothing to do with our technology and to characterize this as the security vulnerability is absolutely false.

Third, CLEAR members have been subject to varying randomization rates since 2017. Randomization is a tool employed across the entire checkpoint, not just to CLEAR. We can't disclose the actual percentages as it's deemed sensitive security information.

But in 2023 alone, TSA has randomly reverified millions of CLEAR passengers. Finally, as we talked about in our letter, we have been working on digital identity integration since 2020. This is a win-win, bringing the government's future vision to life faster and at scale, while creating an even more seamless experience for travelers. We are in continued conversations to make sure that this transition is smooth for all travelers.

Travel is booming, but the experience is challenging. With 1 million more travelers coming through airports every day within the next few years, CLEAR is focused on security, obsessed with the customer experience and delivering on state-of-the-art technology that strengthens airport security and enhances travel for millions of passengers. That is exactly what we will continue to do, and it is now more important than ever. I will turn it over to Ken to discuss financials.

**Kenneth L. Cornick**  
*President, CFO & Director*

Thanks, Karen. This quarter was strong from a top line and operating leverage perspective. Revenue grew to 46%, bookings growth accelerated to 43% while operating expenses increased 28%. Margins increased by over 1,400 basis points.

We've already lapped the easier COVID comps, so the growth we are experiencing reflects the structural shift in travel demand that we talked about in our letter as well as travelers demanding more seamless experiences. When we went public, we said we would evaluate our KPIs over time. We are adding 2 new quarterly KPIs, active CLEAR Plus members and annual CLEAR Plus member usage.

We included quarterly history on these metrics back to 2021 for reference. Active CLEAR Plus members ended the quarter at 6.2 million, up 41%, driven by same-store growth as well as new airport launches. CLEAR Plus growth continues to be driven by a diversity of channels and markets. Our partner channels, credit card and airline partners drove less than 20% of our new bookings in Q2 and was down slightly as a percentage of total versus Q1 levels.

Retention remains strong at approximately 91% above our long-term expectations. The most significant driver of retention is utilization. Annual CLEAR Plus member usage was 8.7x annually or one use every 6 weeks, up 4% year-over-year. As travel is booming, our overall service levels remain strong.

We are addressing certain capacity constrained locations during peak periods. There are a number of solutions in process, including additional equipment, reengineering lanes and real estate expansion. Our team is all over it, and this remains an operational priority.

As discussed in our letter, we remain committed to the long-term 35% adjusted EBITDA margin target we laid out in our IPO road show. This quarter was a good start, and we expect high incremental margins in the future as PreCheck launches, platform bookings ramp while growth in these investments slow materially.

This quarter, adjusted EBITDA was \$20 million, and our incremental EBITDA margin was approximately 35%. In addition, Q2 marked the first time since going public where we reported positive operating income. Free cash flow of \$67 million grew 62% year-over-year. After normalized stock comp, free cash flow was \$52 million, up 81%.

We finished the quarter with \$773 million of cash after using \$39 million for share repurchase and \$18 million for special dividends. In the quarter, we purchased 1.5 million shares at an average price of \$25.19, representing approximately 1% of shares outstanding. Given our cash flow performance and our

cash position, we have established a regular quarterly dividend policy and declared a \$0.07 quarterly dividend to holders of Class A and Class B common stock.

We will use the regular quarterly dividend, opportunistic share repurchase and special dividends as levers to return cash to shareholders with a goal of increasing total cash return on an annual basis. In the prior 12 months, we returned about \$120 million to shareholders.

For Q3, we are guiding to revenue of \$152 million to \$154 million and bookings of \$178 million to \$180 million. Third quarter guidance does not include any contribution from TSA PreCheck. We continue to work collaboratively with our partners at TSA as we make progress towards soft launch and public launch this year.

We will announce the launch dates when we have certainty. For fiscal year 2023, we expect to demonstrate continued operating leverage and growth in free cash flow as compared to fiscal year 2022. We'll now go to Q&A.

## Question and Answer

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### Operator

[Operator Instructions] Your first question comes from Josh Reilly of Needham.

### Joshua Christopher Reilly

*Needham & Company, LLC, Research Division*

Nice job on the quarter here. Maybe just starting on the topic of randomization. Our work in your discussions here indicate that the rate of random ID checks are up. Can you just give us a sense, is this something that could increase further from current levels given a recent press article that alludes to 100% checks beginning in August here? And is there anything you can do to ultimately get that back to more historical levels?

### Caryn Gail Seidman-Becker

*Chairman & CEO*

Thanks, Josh. In terms of the randomization question, in the future state, when we talk about digital identity integration, all members' credentials will be transmitted to the TSA hardware, so there will be no need to show a physical ID. In the meantime, physical ID reverification, as you said, is not new. It has been in place since 2017 and the rates have varied over the years. And so we can't talk about specific percentages unfortunately. But what we can say is we've absolutely been able to deliver a great customer experience throughout the years. Again, this has been consistent security theme for over 6 years, and this is evidenced by our growth, retention and NPS. But to your point, I think what you're really asking about is what the future of the checkpoint looks like. So let me take a step back to take a step forward. We launched in 2010 with smart cards, which took weeks to enroll, then we went to the cloud, and you could enroll and use it immediately. So we've evolved our system for over 13 years and digital identity stand-alone and fully integrated into partners is the next phase.

And so we did speak about the CLEAR lane of the future in our shareholder letter. When you enter the lane, you're going to use your face for identity, that will electronically transmit your ID to TSA's next-gen biometric hardware without the need to show a physical ID. So we're really excited that this will be a better and faster process and an altogether better customer experience. And with travel surging, and as Ken talked about, lanes in the call, this is going to be the next step of driving throughput.

And importantly, we've been working on this since 2020. And so with next-gen TSA hardware starting to roll out and new digital identity standards being finalized by the industry, this is a good thing that's going to make the experience more seamless for all travelers.

### Joshua Christopher Reilly

*Needham & Company, LLC, Research Division*

Got it. That's helpful. And then in terms of the operating expenses, there is a step up in Q1, a little bit less so here in Q2. You alluded to the cost of getting PreCheck going in the shareholder letter. How do we think about the spend on PreCheck versus the investment in the platform to get those use cases up and running? What's the bigger factor in the increase in overall operating expenses?

### Kenneth L. Cornick

*President, CFO & Director*

I think the platform expenses have definitely been more material than the PreCheck investments. However, they're both material. So I think as we go forward and as PreCheck revenues and bookings scale and B2B revenues and bookings scale, that's where we expect significant operating leverage because we've been making those investments since 2020. So they're both important factors in the future operating leverage of the business.

### Joshua Christopher Reilly

*Needham & Company, LLC, Research Division*

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Got it. And then maybe just one quick question on PreCheck. Obviously, we know you can't give us an update on the exact timing of the launch, but on day 1 of the launch, are you going to have a combined bundle of PreCheck and CLEAR? Or are you going to be selling those kind of separately at first? And then are there any synergies on PreCheck renewals to more easily sign up member -- potential members for CLEAR given that their information is already going to be in the system for the PreCheck renewal?

**Kenneth L. Cornick**  
President, CFO & Director

Yes. So from a timing perspective, look, we're working collaboratively with TSA. We're making really good progress. It's a this year event. No need to footfall at the finish line with the exact dates. But to your point -- to your question on what happens on day 1? We start with renewals on day 1, and then we roll out the physical footprint after that. And so that's a near-term event. We don't have any revenue in the guidance for Q3 in that, but it's certainly possible.

**Caryn Gail Seidman-Becker**  
Chairman & CEO

And Josh, if I can just add to that, why we've been so incredibly excited to be a PreCheck enrollment partner for TSA is because this is what we do every day. We have a large nationwide footprint, open at 4:30 in the morning till 10:30 at night, staffed by thousands of friendly and beloved CLEAR ambassadors who are excited to help make travel more predictable and friction-free for travelers. This is exactly what we do. And so we are ready, and it's been a long journey, and we're incredibly excited to bring it out on both a stand-alone basis and a bundled basis.

**Operator**

Your next question comes from Dana Telsey of Telsey Group.

**Dana Lauren Telsey**  
Telsey Advisory Group LLC

Congratulations on the results and also very helpful with the 2 new KPIs that you provided. As you think about health care, which you had talked about a while ago expanding the TAM in the letter, I think there's another new industry that looks like an opportunity in terms of financial services. Where are you in these new industries? What could it mean and how much investment spend goes in there. And the operating leverage you had this quarter, what is sustainable that can keep going as we move through? Or does the top line need to hit certain growth rates in order to achieve that leverage?

**Kenneth L. Cornick**  
President, CFO & Director

We'll start backwards on the operating leverage. We reiterated our commitment to the 35% long-term EBITDA margins that we talked about in the IPO road show. This quarter, we obviously had 35% incremental margins. And so in order to get to 35%, we would expect higher incremental margins going forward. And that's really a function of the investments that we've made, the growth rates slowing materially, which we cited in the letter and then the bookings ramping there. But we also think we have a lot of upside from a margin perspective in the core aviation business. So there's sort of multiple ways to achieve that, which we expect going forward. And I'll turn the health care question over to Caryn.

**Caryn Gail Seidman-Becker**  
Chairman & CEO

Sure. So on health care, we continue to see progress there with new partners and with the Cures Act and fines around the Cures Act for lack of compliance really starting to come to fruition. Companies are extremely focused on identity being part of their platform because that is an important piece of compliance there. So I think that's been a real catalyst in the marketplace even though the Cures Act has been in place for 7 years. The focus and the activity is a here and now moment, I think, as well as the consumerization of health care.

And literally every company you talk to in health care say they've been trying to solve identity for 20 years and connecting people to their health care data, having access to it. And then I do think there's an AI piece here as well that when people have access and control their health care information, the compute on top of that can really drive better outcome. So again, I think identity is more important than ever in health care, and you're seeing that team sign more partners and the partners that we've signed come to life, which then allows people to talk about their experiences, which is why we included a clip in our letter about one of our partners talking about CLEAR as a health care partner. So I encourage you to listen to it.

In terms of financial services, look, identity is incredibly important. And we think about that broadly, right? So it's not just banking, right? It could be gaming and things of that nature, where identity, where KYC matters. So I would just say stay tuned on that front from a product perspective.

### **Operator**

Your next question comes from Scott Devitt of Wedbush.

### **Scott Devitt**

I had 3. The first one, Caryn, you mentioned 1 million more travelers in airports by 2030 and evolving traveler preferences post pandemic and preferences for seamless experiences, drivers for continued growth. And I would assume airports is a driver as well. More recently, Alaska Southwest and JetBlue have noted some weakness in domestic travel in the short term. I was wondering if you could just kind of marry up those longer-term dynamics with the influence that enplanements in the short term going up or down influences the ability to add subs. That's question one.

The question two, Ken, in the fourth quarter, you referenced a same-store sales bookings number. It was relative to, I think, the same quarter in '19. I don't know if that's something that you keep up quarterly, but if so, be good to know what the same-store sales number is relative to whatever you think the comparable year is now?

And then third, at the IPO, you had 38 airports. I think that was 57% enplanement coverage and now you're at 53%. Do you have a sense of the coverage that you're at now?

### **Caryn Gail Seidman-Becker**

*Chairman & CEO*

Okay. Let me start with the travel trends and then I'll turn it over to Ken. So I think we all agree travel is incredibly strong right now, and you're continuing to see people's desire to travel. Airlines who have reported last week talked about capacity is still expected to be up 10% to 15% in the second half of this year. And U.S. passenger growth accelerated in July, up 13% from up 12% in June and up 11% in May. In the second quarter, over 11% of checkpoint traffic in our airports came through a clear lane, and we experienced our strongest month for airport verifications in June.

So I think when you look ahead, at any time someone is talking about domestic or international or first-class or premium economy, I think that there are more people coming through airports holistically and that, that trend will continue. I think there's a lot of puts and takes when you go into cohorts in any quarter or any year, but we continue to see an incredibly strong desire to travel. And for the traveler -- so again, we're at 11% today. We could still double that even in a flat travel environment, which we absolutely don't expect. So we have lots of room to grow. These are early days and not just the network, the products and the partners.

So you saw us announce our partnership with Alaska. And then it's also the people who are traveling expect a better experience from Home to Gate. And so not only could we add more people at the checkpoint, but new services, and you see our Home to Gate app, I do a plug every quarter. If you haven't used it, you should, it gets better every quarter, right? But it's with traffic, it's an Uber. Ultimately, could you have a reserve parking spot? How can we do better with rental cars? What can you do with bags? And if you have 1 million more people and we're trying to come up with the exact number here, is it 800,000 more bags to 40% of people have bags and each of them have 2. What are you going to do with those? And so it's the whole experience from bags to concessions to security that we're looking to drive in a



holistic way. We are on the side of the American traveler. They deserve better predictable friction-free experiences. We expect more of them, and we expect more of them wanting better experiences.

**Kenneth L. Cornick**

*President, CFO & Director*

And so on the same-store piece, we put up around 42% top line from a bookings perspective, around 35% to 36% would be the same-store portion. And the way to think about it is we have a very large existing base of the airports of large airports. And so you can't have a top line, over 40% without significant same-store growth driving that. And we've seen a very long tail of growth. Orlando and Denver, we opened in 2010. Those are still growing strong double digits. So we see a very long tail of growth from a same-store perspective. And then in terms of the coverage, we estimate we're in the low to mid-60s in terms of enplanement coverage domestically. It's an estimate, but it's around there.

**Operator**

Your next question comes from Michael Turrin of Wells Fargo.

**David B. Unger**

*Wells Fargo Securities, LLC, Research Division*

This is David Unger for Michael Turrin. First question, I would say is -- appreciate any color you can give on Amex. Great to see the momentum building in year 2. Would just love to understand how investors can think about incremental cardholder awareness of the offering to drive even more adoption looking into year 3 of the partnership and potential beyond?

**Kenneth L. Cornick**

*President, CFO & Director*

Sure. Look, it's been a great partnership. We think it's a win-win. We have very strong adoption, obviously, from an uptake perspective. I think that they continue to do a great job growing their card member base, and we get our fair share of that. So I think the growth will come from a combination of additional penetration and then continuing to execute on their growth strategy. So I think it's a win-win, and both parties are excited about the partnership.

**David B. Unger**

*Wells Fargo Securities, LLC, Research Division*

Okay. Great. And then the member usage stats are clearly strong. They demonstrate the value of the product. Anything we can draw in terms of pricing power going forward given these stats?

**Kenneth L. Cornick**

*President, CFO & Director*

Look, I think that we have pricing power. We've exercised some of it. We've taken a little bit of price and the family plan. We took price on standard earlier this year. So we have pricing power. We think that we have high retention, and it's something that we can look at in the future.

**Caryn Gail Seidman-Becker**

*Chairman & CEO*

I'll just add to that, that I think there's -- you always want to be adding value to your consumers and being that we started at \$179 with 1 airport. And Ken and I were always like, why aren't they all joining for 1 airport at \$179? But some of them did. And now we have 53 and 142 lanes, I think. And it's \$189 and we've taken some price in family. It's a very popular feature for CLEAR going back to my point before on travel, whether your business or leisure, family or alone, people want better experiences and predictable experiences. But I do think there's also good, better, best, right? And we're really working on that from a product innovation perspective. So as we continue to grow, again, on the product side, the Home to Gate capabilities, I think it gives you many different ways to think about pricing.

**Operator**

Your next question comes from Mark Kelley with Stifel.

**Mark Patrick Kelley**

*Stifel, Nicolaus & Company, Incorporated, Research Division*

I wanted to go back to the newer TSA machines that you talked about. I saw the CAT II hardware, it's drilling out now. I think I saw Denver was one of the first at the end of last year. Is the right way to think about that, that it's going to take some time for those machines to get deployed across all of the airports that you have access to? And once they're deployed, your technology will already communicate with those machines? Or is that not the right way to think about it? And I guess within that, once those machines are all kind of in place, it sounds very frictionless, is it safe to assume that the user might not even know that they're being flagged to show their ID because it just happens electronically? And then I had a quick one on TSA PreCheck if that's okay?

**Caryn Gail Seidman-Becker**

*Chairman & CEO*

Yes, I'll start on the CAT II front. So the integration happens before the rollout. And so that's what we've been working on with them since 2020, is making sure that our digital systems can talk to each other in a seamless and secure and privacy protected way, right? So that's number one. And you're absolutely right that the experience, as we talk about a face first experience, you'll be going through the CLEAR lane with your face, which will also mean enrollment will be easier. And then there should be a friction-free handoff and the hope is that the traveler barely breaks stride. In terms of a physical ID, this is a purely digital world we're talking about, right? So I would assume people would probably for some period of time, like they still carry credit cards, even though they have a digital wallet, would have the ID if needed, but it's a purely digital world.

**Mark Patrick Kelley**

*Stifel, Nicolaus & Company, Incorporated, Research Division*

Okay. All right. Perfect. And then is there like a rough time frame for those machines to be, I'll say, fully rolled out? I'm sure there will be some smaller airports that maybe won't get them until later, but I'm sure that those machines don't change often. So I don't know if there's any history that you can draw upon in terms of timing of that rollout, but that would be helpful.

**Caryn Gail Seidman-Becker**

*Chairman & CEO*

Yes. I think that question is better asked to them, but we would love to help accelerate the rollout in any way possible.

**Mark Patrick Kelley**

*Stifel, Nicolaus & Company, Incorporated, Research Division*

Okay. All right. That's fair. And then a quick one on TSA PreCheck. I was just curious is there an updated price that you have in mind? I think since you started talking about that product, TSA lowered their own price by about \$10, if I remember correctly. Can we still expect a discounted price from CLEAR once that's up and running?

**Caryn Gail Seidman-Becker**

*Chairman & CEO*

You can expect that CLEAR is always on the side of the traveler and the consumer, and so your expectations are accurate.

**Operator**

Your next question comes from Ananda Baruah of Loop Capital.

**Ananda Prosad Baruah**

*Loop Capital Markets LLC, Research Division*

Just a couple, if I could. Actually -- maybe both of you actually are sort of both [indiscernible] to answer this. Ken, going back to your comments about higher incremental margins going forward, is that to say that we have now entered -- or the company has now entered the period where you're going to start sort of slow the invest down relative to the scale that you're getting off of the investment. So are you in that period now? And I mean, maybe for Caryn, it does sound like kind of low to mid-60s enplanement coverage, it sounds like you guys still have a long way to go on coverage. And so just kind of squaring that whole thing for us so we can get a sense of how the growth and the leverage may be balanced. And I have a quick follow-up also.

**Kenneth L. Cornick**  
*President, CFO & Director*

From a cost perspective, you're right that we said in our letter that the investments in the platform will -- and PreCheck for that matter, will slow materially. And that's a function of the fact that we've been making the investments and now it's time to harvest those investments.

**Caryn Gail Seidman-Becker**  
*Chairman & CEO*

If I can just add on to Ken's company -- to Ken's point, I'm part of Ken's Company. In the letter, we talked about the fact that we were owners. And we think about the long term, and we've invested for the long term. We've put those investments in place for the past probably 3 to 4 years right ahead of our mobile launch, which launched into Health Pass, which then launched into the platform and PreCheck investment. And we're rational economic people, and we are responsible team who put the investments in place and are now ready to harvest the topline, if you will, of those investments. You couldn't get one without the other.

In terms of the coverage, it's about network products and partners. And that is consistent. We have opportunities to grow the network as we talked about 11% of checkpoint volume in our airports on average. Coming through a CLEAR lane, we have opportunities to drive that. We have opportunities to drive new products and new partners. I think you've seen that each year, and we will continue to do that. And I can't emphasize enough, and we've been bullish on travel, obviously, pre-COVID and then extremely bullish coming out of COVID.

We think that travel has a structural shift in demand and a structural shift in the expectations of travelers and that is absolutely what we do. We leverage innovation to enhance the travel experience, to enhance security and delight travelers. And with travel growing and travelers expectations shifting because what they are experiencing every place else, it is a huge opportunity for us. We have the team. We have the products. We have a trusted brand. We have a large member base, but still a lot of opportunities to grow them. We have great partners. And they are -- we were early in biometrics.

The time is now you need this innovation. It's not an option anymore. It's a necessity because of how travel is growing. And so we are incredibly well positioned to bring these innovations to life. And because we've built CLEAR ID to be universal, it's interoperable with airlines, with airports, with TSA, with hospitals all on behalf of consumers. You should only have to enroll once and use it in all these places. So we are incredibly excited by what's happening in travel and what's happening outside of travel as well.

**Ananda Prosad Baruah**  
*Loop Capital Markets LLC, Research Division*

That's all super helpful context, guys. I really appreciate it. Quick -- one more quick one. Just on the dividend. Any early thoughts you can give us on what dividend growth philosophy might be? And that's it.

**Kenneth L. Cornick**  
*President, CFO & Director*

So we're going to be opportunistic. And so our goal on an annual basis will be to grow the total cash return, right, to shareholders, whether it's in the form of the regular cash dividend, special dividends or share repurchase. So we're going to be opportunistic, and we'll flex those 3 levers.

**Operator**

At this time, there are no further questions. I'd like to turn the call back over to Caryn for any closing remarks.

**Caryn Gail Seidman-Becker**

*Chairman & CEO*

Thank you for joining our second quarter 2023 earnings call. I am proud of how the CLEAR team is executing and how we're growing our products and partners. As I said several times today, identity is foundational. It is here and now, and you are seeing that in travel and beyond. We're excited about the opportunities in front of us, both for our CLEAR travel and CLEAR verified businesses. As always, we remain focused on growing members, bookings and free cash flow while continuing to build a brand that members and partners love and trust. Thank you.

**Operator**

This concludes today's earnings call. You may disconnect your lines at this time. Thank you for your participation.

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