



**REGULAR BOARD MEETING**  
**GVB MAIN CONFERENCE ROOM, 4:00PM**  
**THURSDAY; July 28, 2011**

**Board of Directors Present:**

Chairman Monte Mesa	Bruce Kloppenburg
Hope Cristobal	Theresa C. Arriola
Hayato (Jack) Yoshino	Judy Flores
Carol Tayama	Rizk Saad
Nathan Taimanglo	Jennifer Crisostomo

**Board of Directors Present Telephonically:**

**Board of Directors Absent:**

Vice Chairman Mark Baldyga  
N. Oscar Miyashita  
Eduardo (Champ) Calvo

**GVB Management and Staff Present:**

Joann G. Camacho	Nathan Denight	Gerry Perez
Pilar Laguana	Debi Phillips	Nadine Leon Guerrero
June Sugawara	Gina Kono	Rose Cunliffe
Regina Nedlic	Laurette Perez	Charlene Hitois
Amanda Lawson	Jessica Peterson	Doris Ada
Kraig Camacho	Dee Hernandez	Janel Perez

**Guests:** Jason Lin, Talent Basket; Bert Unpingco, "Mr. Tourism" Guahan Resource

❖ **Proceedings:**

Meeting called to order at 4:11 p.m. by Chairman Mesa.

Review of the previous Regular Board minutes dated July 14, 2011.

- o **Motion made by Director Kloppenburg, seconded by Director Taimanglo to approve the minutes of July 14, 2011.**

**Motion approved (subject to correction).**

❖ **Chairman's Report:**

- Chairman Mesa reported that as a result of GM Camacho's trip to Washington DC, he met with Secretary Babauta earlier this week. He stated that they discussed the China/Russia Visa Waiver Program and he inquired if there were any additional comments or discussions after the hearing.
- Chairman Mesa stated that it's encouraging that the discussion was raised to a higher level. He stated that it is now up to Secretary Napolitano to make the final determination at her discretion.
- Chairman Mesa stated that there are messages and political clout as they review the legal issues pending with regards to the CNMI worker visa program.
- Chairman Mesa stated that Guam has the support of the Department of Interior, Department of Defense, and the Obama Administration.
- Chairman Mesa shared with the board his response letter to Senator Pangelinan regarding PL 30-228 in regards to the bond proceeds.
- Chairman Mesa wanted to point out that the board was hoping to get \$41.5 million for all CIP projects, however only \$28 million was approved which is outlined in the board resolution. He stated that GEDA is given the oversight for managing the bond projects.



- Chairman Mesa stated that in his response letter to Senator Pangelinan, the board stands with the resolution that it's a recommendation to the Governor and it's up to the Governor as to what he wants to do with that recommendation.
- Chairman Mesa noted that there are some interests shown in the Japan Marketing Committee in regards to additional airlines, especially in ANA and Air Asia as a low cost carrier out of Japan. He stated that it is another opportunity for the Japan Marketing Committee to look at and pursue the potential direct flights.
- Director Yoshino stated that to his understanding ANA and Japan Airlines would have three low cost carriers in two years.
- Director Yoshino stated that ANA's low cost carrier would be from Kasei, whereas Japan Airlines announced their own low cost carrier would be out of Narita. He stated that ANA announced their joint venture with Air Asia from Narita.
- Director Yoshino also stated that in two years they expect more low cost carriers from Japan coming to Guam.
- Chairman Mesa suggested that management or the Japan Committee look into taking advantage of Japan's women soccer team who defeated the U.S. He suggested inviting them to do a competition, exhibition or training in Guam.
- Chairman Mesa stated that it would be great exposure for Guam, since they are currently the news in Japan.
- Chairman Mesa suggested coordinating the invitation with the soccer organization on Guam, specifically Richard Lai's group, FIFA.
- Director Kloppenburg inquired if ADK is involved with the process on the low cost carriers coming to Guam.
- Director Yoshino replied no.
- Director Kloppenburg inquired if Guam is expecting a large increase out of Japan.
- Director Yoshino stated not in 2012, the expected increase is in two years.
- Director Kloppenburg stated that the Bureau should use caution when going in to new contracts in 2012-2013 for all markets.
- Chairman Mesa stated that on the televised dance competition "So You Think You Can Dance," one of the competitors is a local boy, who is currently one of the top ten. He suggested that the U.S. Market consider getting in touch with him and his family as he makes it to the finals, which would be a great public relations opportunity.
- Chairman Mesa stated that the dance competition showed clips of Guam in a short introduction and if he does make it and he becomes the champion then this would give great exposure to Guam.
- **General Manager's Report**
  - Copies of General Manager Joann Camacho's report were distributed to all Board members present during the meeting.
- GM Camacho introduced Janel Perez as the new Board Secretary and Jessica Peterson, who is taking over Amanda Lawson's position.
- Director Yoshino commented that the forecast for Japan has improved and is almost the same as last year.
- Director Yoshino stated that September would be down. He stated that the visitor's stay is getting shorter and shorter.
- GM Camacho introduced Social Media consultant, Jason Lin.
- *Jason Lin distributed copies of his report to board members present.*
- Chairman Mesa stated that there is still a long way to go, but at least there are some benchmarks as J. Lin pointed out and is quite interesting how it will evolve.
- Director Saad inquired how conversations are monitored.
- J. Lin stated that the system is meant for all staff and oversea representatives. He stated that each overseas office would have to appoint a dedicated manager to monitor the conversation on a daily basis.
- J. Lin stated the need for each office to spend a couple of hours each week and to summarize their key findings and report it back to the Bureau, which also needs to be included in their monthly activity report.
- Director Kloppenburg inquired who has been trained in regards to staff level.
- P. Laguana replied that all the marketing staff attended their specific market training that Jason had customized.

- P. Laguana stated that it's important to know that everything the marketing staff and GVB management are doing is supporting the strategic plan and direction. She stated that the tool supports the work that is being crafted for FY 2012.
- P. Laguana stated that during the training this week the tool tracked a well-known performance group out of Japan. Marketing received a social media report that garnered a lot of shared voice for Guam that created noise level in Japan and even in Taiwan.
- P. Laguana stated that this was very important for the Bureau to know. She stated that without this tool, marketing would not know it or could not measure it.
- Director Cristobal questioned how this tool would translate in to visitor numbers.
- J. Lin responded that the marketing would need to maximize the use of the tools. He stated in regards to driving actual visitor numbers a lot of the reports are data or intelligence that could be used to support marketing sales work. For example, if Marketing is talking to a potential travel agent or buyers and they want to know if Guam is a valid market; marketing can show real people/conversation data.
- P. Laguana added that with this tool if there is a crisis, for example a typhoon, this tool could give marketing immediate measurement of what's being said, specifically, it could measure the tone, perception, and kind of conversation that is going on that could affect Guam's reputation. And with that information marketing could create GVB's PR strategy around that and generate proper communication.
- Director Saad inquired about the feedback from our market representatives, are we looking at a dramatic shift in the way marketing conducts their social media or are they just reporting that they're changing.
- J. Lin stated that this is a new tool that marketing needs to adopt and hopes to make the process as smooth as possible. This tool is not meant to discourage marketing from doing their local activities
- J. Lin added that this would give GVB headquarters perspective on real performance.
- Director Yoshino inquired who would analyze the data.
- J. Lin responded that the he would equip all overseas offices and GVB headquarter team with the right knowledge to be able to analyze, so that is why the marketing staff have conducted extensive training.
- J. Lin stated that he would help marketing look in to the right trends and data. The staff would learn and start making strategic decisions based on data. He added that this would be a tough task based on his experience.
- GM Camacho commented that based on real time as events happen and the Bureau gets use to using the information it would help us to react faster of what is being said positive or negative about Guam.
- Director Crisostomo suggested a group or committee at the Bureau and including participation of board members who are actively involved in the campaign and direction.
- Director Taimanglo agreed with Director Crisostomo. He stated that it's important, because a lot of times when the marketing committees report on social media it's the marketing representative stating that social media is doing well.
- Director Crisostomo added that social media is increasing.
- P. Laguana stated that the Bureau is working with a research manager on the analytical side of the reporting and data. She added what we learn we apply would it to marketing.
- P. Laguana added, instead of creating another committee, she would like to recommend a subcomponent of the research because the reports could be analyzed and marketing could use those indicators and work with the overseas offices to make adjustment or to take advantage of opportunities that may come about.
- Director Arriola thanked J. Lin for this tool and presentation.
- Director Arriola stated that she agreed with the board members who mentioned the need to have some collaboration, but feels that the collaboration has to stay where it makes a difference in the marketing committees.
- Director Arriola added if it means a subcommittee of the marketing committees then that would be her recommendation, because it's the marketing committee that takes the data and they're the ones actually inputting and monitoring it on a daily basis.
- P. Laguana stated that every market has a different marketing budget. The level of activities varies from market to market based on marketing's resource.
- P. Laguana stated that what technology has done has empowered every consumer to have equal voice in cyberspace and managing that through this kind of tool is a good thing for the Bureau, because we could learn

from that and create opportunities. Additionally, we need to keep in mind that we cannot handle all of the opportunities at the same volume we would from market to market, because we just don't have the resources.

- P. Laguana stated that marketing would need to take in consideration how much of that noise that is being made about a particular issue could be addressed by us or should be addressed by us with our resources. We are working with our available resources to get a handle on this. The marketing offices have been doing some form of social media activity depending on available budget.
- P. Laguana added that there are other components of marketing besides social media.
- P. Laguana stated that this project that the board initiated a year ago was to bring everything to GVB headquarters so that we can have a better understanding of what is being said out in the market place.
- P. Laguana stated that this technology keeps on turning in to another sophisticated tool and quite rapidly. GVB needs to keep up with relevant technology and the employees of the Bureau who are the institutional who brings the institutional knowledge of what we do further. She added that it's important that we use it and that we support the staff in this effort.
- Director Yoshino inquired about language barriers with the three large markets in Japan, Korea, and Taiwan that chat in their own language. He inquired how the data is interpreted from GVB Guam office to the marketing offices.
- Chairman Mesa replied that it would be each market, for example if it would be in Japanese it would be Japanese office that would help translate and review.
- P. Laguana added that there is a translation and J. Lin would be able to answer.
- J. Lin responded that he would prefer local managers at each office to interpret; because they would be the one feeding GVB headquarters all of the insights. On a daily basis they would monitor the system in case there is something serious that needs immediate attention and on a weekly basis they would summarize their report with key findings. He added that the software has a workflow building, so if marketing monitors a conversation and they see it to be important there is an email building that they can send to GVB headquarters. GVB headquarters would have a platform that offers a translation tool, which could translate in real time and in English. Although it won't be 100% accurate, but it would give GVB headquarters some indication.
- GM Camacho added that the Bureau was careful in picking the system, Brandtology, because they have the capability with translation and being able to address the different markets.
- Chairman Mesa inquired about the Japan market, specifically the 360 monitoring bloggers in Japan. He inquired if this system picked up activity and if they blogged about Guam.
- J. Lin responded that for the purpose of this presentation, he did not go in to the specific host. However, there is a way to track that by inputting watch list and inviting those bloggers. Marketing can do a pretty good tracking by filtering out the rest of the conversation and just look at those specific bloggers.
- GM Camacho stated that this is a work in progress and that we are learning together and that the board would be updated.

○ **Motion to adopt the GVB Social Media Users Policy and the GVB Digital Social Media and Endorsement Policy.**

**Motion tabled.**

**Background:** While the GVB encourages all of its employees to join a global conversation, it is important for GVBers who choose to do so to understand what is recommended, expected and required when they discuss GVB-related topics, whether at work or on their own time.

**Issue:** Board approval required for adoption of policies.

- *GM Camacho notified the board that in their packets are the social media digital and endorsement policies for approval for the Bureau's use.*
- Director Arriola inquired if the policies were reviewed by legal counsel.
- GM Camacho responded no.

- Director Arriola stated the need for additional time to review the policies, since it was handed out during the presentation.
- Director Arriola recommended that the motion be tabled, so the board could have a better understanding of the policies. She added that the policies needed to be reviewed by legal counsel, as well as the rest of the board before final approval.
- GM Camacho stated that management review the policies and agreed to table it and vote at the next meeting.
- Director Saad agreed with Director Arriola that it was wise to have policy reviewed by legal counsel.
- Chairman Mesa agreed to table it and have the board members review it.
- GM Camacho apologizes for not presenting the policies to the board before the meeting, due to it being finalized earlier that day.

#### ❖ **Report of the Treasurer:**

##### ○ **Cash Position Report:**

- Cash report as of July 22, 2011.
- Total cash in banks report (as of 7/22/11) \$4,826,459.22
- Total allotment received to date: \$9,539,061.00

- Chairman Mesa inquired about the pass through appropriations. He received a call from processing that \$40,000 was supposedly transferred to GVB appropriation.
- Chairman Mesa inquired if any disbursements were made to TASA or TASI.
- Rose Cunliffe responded TASI has but not TASA.
- Chairman Mesa inquired about the last allotment.
- Rose Cunliffe responded that she didn't have anything for TASA and that GVB have not received the appropriations.
- Chairman Mesa inquired if the allotment that GVB received on June 6<sup>th</sup> for \$91,000 was the last allocation.
- Rose Cunliffe responded yes.
- Chairman Mesa asked when DOA transferred that to GVB did they outline.
- Rose Cunliffe replied yes.
- Director Cristobal stated that GM Camacho advised her that we might not have a budget hearing.
- GM Camacho stated that Carlo Branch with Senator Barnes' office mentioned if the TAF projection based on the legislature were within GVB's budget request or GVB's budget was within their request then they would just automatically approve the budget.
- GM Camacho stated that GVB's budget increased, so she was not sure but if anything there might be a budget hearing in August and the budget has to be passed by August 31<sup>st</sup>.
- Director Cristobal stated if anything we would update the board in the next meeting.
- Director Arriola stated that she heard slightly different and that Speaker Won Pat would start public hearings. She added that Senator Pangelinan's office would start calling on agencies in August.
- GM Camacho stated that based on TAF projections and if the TAF projections are within and on track then they said we might not have to go through the budget process.
- GM Camacho added for those committees that are asking for increases would need to attend the budget hearing to justify together.
- Chairman Mesa inquired with the finance committee on the last actual recording of the TAF in June if there was a report out of June and what was the last official TAF, specifically the hotel occupancy tax collected to date.
- GM Camacho responded \$16 million.
- Chairman Mesa inquired for May.
- GM Camacho replied for year-to-date from October 1<sup>st</sup> to June.
- GM Camacho stated even if we took the last three months (quarter), because that's when the drop happened that would be an additional \$1.5 million per month, it would bring us very close to what the budget was.
- Chairman Mesa inquired on a year-to-date in terms of GVB.
- GM Camacho replied, yes for 2011.

- Chairman Mesa inquired if GVB is on track so far.
- GM Camacho replied yes.
- Director Arriola inquired with GM Camacho if July numbers were available.
- GM Camacho replied not yet.
- Chairman Mesa suggested to include TAFs on next report, so moving forward we are tracking.
- GN Camacho replied yes.

❖ **Report of the Board Committees:**

**A. The Strategic Advisory Council:**

- Nothing to report.

**B. Administration/Government Relations:**

- Director Cristobal stated that Karl Pangelinan from GEDA notified her that the RFP closed on July 22<sup>nd</sup> and that GEDA is at the evaluation phase and a selection should be announced at the next meeting on August 15<sup>th</sup>.
- GM Camacho stated there were six applicants.
- Director Cristobal stated that she made this recommendation at the last meeting about getting intermittent reports once the selection is made so that the PMO office and GEDA would make the report to GVB.
- Chairman Mesa advised GM Camacho that in the committee she would need to facilitate that and have an understanding.
- GM Camacho responded that she had mentioned to K. Pangelinan that several meetings ago, Director Cristobal would be the board representative and herself in the committee.
- GM Camacho stated once they have those meetings that they would be invited and would be part in the know process to report back to the board.

**C. Executive Committee:**

- Nothing to report.
- Director Kloppenburg inquired if we had resolved the issue of the members of the Executive Committee.
- Chairman Mesa replied that we still have the same representation and that Vice-Chairman Baldyga has not submitted any change.
- Director Kloppenburg recommended that a timeline should be set on this to avoid being dragged on for two years.
- Chairman Mesa responded that it won't, but he also added that legal counsel has looked at updating the proposed by-laws that we have discussed.
- GM Camacho added such as membership fees and the meeting times, whether the board should meet once a month or twice a month.
- GM Camacho stated that we should have legal counsel opinion to bring to the board for discussion.
- GM Camacho stated that we should expect closure by the end of August meeting, if not sooner.

**D. Japan Marketing:**

- Nothing to report.

**E. Korea Marketing:**

- Nothing to report.
- P. Laguana stated she had a follow up report from the last board meeting that the new carrier, Dynamic Airways informed the Bureau that they would be delaying their charter flights out of Seoul until September 2011. They did not give specifics.
- Director Kloppenburg inquired on the Korea and all markets if the Bureau is coming up on contract renegotiations.
- P. Laguana replied that all marketing representatives contracts expires on September 30<sup>th</sup>, but added that the Bureau needs to renew those that are currently renewable.

- Director Kloppenburg inquired for those contracts that are renewable, specifically Korea, if they were negotiable.
- P. Laguana replied that all contracts could be revisited with terms and conditions, subject to availability of funds and the Bureau's strategy.
- Director Kloppenburg stated that he was concerned about the goals that have been set, with new airlines and seat capacity. He added that it would be smart for us to look at when we negotiate these contracts.
- Director Kloppenburg inquired if the only one authorized to negotiate with a new provider was the GM.
- Pilar Laguana responded yes.
- Director Kloppenburg stated that we are not engaged until the selection process is completed.

**F. Existing Markets:**

- Nothing to report.

**G. New Market Development:**

- Director Kloppenburg stated that they completed three days of workshops. He commented that the Quality Service Certification Workshops was very well attended and over fifty-two GVB member companies attended.
- Director Kloppenburg added that there were four member companies that have begun the application process to become certified.
- Director Kloppenburg stated that it was well attended and well done and well worth bringing Mr. Richard Tang.
- Director Kloppenburg stated Duty Free Shoppers and Joinus have become certified.
- Director Kloppenburg stated that Kloppenburg Enterprises, Inc., have started their application process and hopes more people become engaged.
- Director Yoshino commented that several participants don't see any merit in participating and asked if it was necessary for them to associate with them.
- Director Kloppenburg responded that this was a new program with the National Tourism Office in China and that they recommended that we participate in this process.
- Director Kloppenburg stated that this is a quality control issue that the main NTO out of China is trying to implement because they've had problems in their initial growth period.
- Director Kloppenburg stated that they don't have to participate, but for those companies that do participate would be as strategically positioned and have some advantage. He added that it was strictly up to the individual or organization.
- GM Camacho commented that in regards to charters this year and the China Visa Waiver; Guam needs to be well positioned. She added that our island should have people representing Guam, and representing our community well on ground to service the Chinese market.
- P. Laguana stated she wanted to reiterate to the board and give Director Yoshino comfort on this program. She stated that last year at the China Outbound Symposium this program was introduced as a Chinese government policy program to combat the scrupulous businesses that were popping up all over the world trying to take advantage of Chinese outbound travelers.
- P. Laguana stated that this is their program and that the Bureau has waited all this time for them to formulate it and to have the vendor prepared to implement the program.
- P. Laguana stated that during that time she personally had reviewed the program with the U.S. Senior Commercial Officer in Beijing U.S. Embassy, Gwen Lau and first asked if they were aware of the program, secondly did she recommend it. She stated that with out a doubt, Gwen Lau was quick to say of course.
- P. Laguana stated that it was essential in weeding out those businesses that are not known or established and she felt it was a good program for GVB to endorse and get involved.
- Pilar Laguana stated that the third reason is that we want Guam to be seen as the tourism destination supporting Chinese tourism policies.
- P. Laguana added that for the next four years China and their government in terms of tourism are creating many new policies because of the explosion of not only outbound travel but also domestic. She stated that it was completely voluntary and for every company to decide if they want to participate or not.

- Director Arriola stated that she believed it was just China's way of figuring out who is committed to the market and who's not. She also added that this was strictly voluntary and believed this showed who are serious players in the market.
- Director Arriola added that for GVB to participate, we could be seen as serious players in the market.
- DGM Denight stated that there is fee of \$1300 but what they'll also do marketing to China and is part of the program of the website.
- Chairman Mesa stated it would give exposure.
- Director Kloppenburg stated that GVB currently has one representative for China and Hong Kong.
- Director Kloppenburg stated the committee would separate the two markets and seek a representative in China, which would begin in FY 2012.
- Director Kloppenburg stated that the committee selected Beijing as the city of choice.
- Director Kloppenburg stated that initially to have the representative, because of two reasons the Central Government of China, as well as U.S. Embassy representation in the Beijing. He stated right at this particular point in time we strongly need both to assist us in the development of this market.
- Director Kloppenburg stated that next meeting is scheduled for September 30<sup>th</sup>, however he's been told there was a membership meeting that day and believed JATA that week, so meeting may be rescheduled.
- Director Kloppenburg shared with the board that he read an article on PNC that stated the Chamber of Commerce came out with a position paper or white paper that they publicly went off to Washington, D.C. and three or four people were representing Guam in terms of Chamber's point of view relative to the military buildup. Within that white paper there were five or six specific China characterizations about the military buildup.
- Director Kloppenburg stated that this is completely opposite of what we are trying to accomplish from the tourism component.
- Director Kloppenburg stated that he doesn't know what damage this does to Guam.
- Director Kloppenburg stated that the board and or Bureau needs to find out if the Chamber has a Tourism Committee and if they do, he recommended Chairman Mesa to have an immediate meeting with the Chairman of Chamber of Commerce and their Tourism Committee to collaborate and get on the same page.
- Director Kloppenburg commented that Chamber of Commerce was going after China as the reason we need the military buildup.
- Director Kloppenburg stated that we can't have it both ways and that we've worked hard and have been fighting this battle for five years to get the Parole Authority and Visa Waiver.
- Director Kloppenburg commented that the Department of Defense and Homeland Security might be looking at something like this and possibly thinking that this is why we don't want to give the visa waiver to Guam and CNMI.
- Director Kloppenburg stated that this is not a Team Guam approach and is upset about it.
- Director Kloppenburg stated that something needs to be done and needs to be done at the Chairman's level, we need to engage the Legislature and the Administration.
- Director Kloppenburg stated that the board and Bureau would need to come up with a Team Guam approach to China.
- Director Kloppenburg stated that he doesn't know where they got this information from or who put the paper together. He added that this goes against everything that we have been trying to do.
- Director Kloppenburg stated that we would need to get together and approach the military buildup from a different point of view. He added that China doesn't have to be the enemy and shouldn't be the enemy.
- Director Kloppenburg stated that they are trading partners of the United States and Guam needs this visa waiver.
- Director Kloppenburg stated if we had to make a choice, he would lean towards the visa waiver, because long term that would benefit Guam greater than the short-term military input.
- Director Kloppenburg stated that he would like this board to take a position where we favor China Visa Waiver and take the Team Guam approach that that the board and Bureau get with the Chamber, Legislature, and the Administration.
- Director Kloppenburg stated that everyone should coordinate what we're going to say and whom we're going to say it to.



- Chairman Mesa stated he understood Director Kloppenburg's point and for the record he is a member of the Chamber's Board of Directors and also a member of Armed Forces Committee.
- Chairman Mesa stated that the comments that were made, some were personal comments, but believed there is a Team Guam approach.
- Chairman Mesa agreed with Director Kloppenburg that we would need to make sure those whom are speaking are speaking in a way that is not misconstrued.
- Chairman Mesa stated that Gerry Perez was one of the six people that went to Washington, D.C. and attended the presentation yesterday.
- G. Perez stated that Congress horrified him and that he was specific in saying the military buildup concern was very different from the leisure travel and the China Visa Waiver Program.
- G. Perez stated that last year's meeting he met with Lt. Gen. Chip Gregson, Assistant Secretary of Defense for Asian and Pacific Security Affairs and he was in favor.
- G. Perez stated that he believed one or two individuals from the Chamber received a lot of coverage from their personal point of view.
- G. Perez commented what came across in the media was not very good for Guam.
- Director Kloppenburg stated that the media was what they saw and it definitely got his attention.
- GM Camacho stated that she was in the meeting/presentation with G. Perez and basically that was an interpretation and not seeing the white paper ourselves, she believed it was an interpretation and possibly for interviews.
- GM Camacho suggested that as a board we should collaborate with the Chamber.
- Chairman Mesa stated that the point was well taken and we would address it.
- Director Saad added that we should have quarterly meetings among the executives committees of Chamber, GVB, and GIAA.
- Director Saad stated that we have very important issues with the buildup and visa waiver and we need to come up with a unified voice.

#### **H. Destination Management:**

- Director Saad stated that there was meeting that took place on July 7<sup>th</sup>, which he was unable to attend but was attended by Vice Chairperson Mary Torre.
- Director Saad stated that the next meeting would be on August 4<sup>th</sup>.
- Director Saad stated that with the FY 2012-2013 pending approval of the budget, DMC would move forward with the programs.
- Director Saad commented that they've seen an increase in illegal dumping in Tumon and Hagatna and we have reached out to GVB and DPR Park Rangers.
- Director Saad stated that there was a meeting last Thursday with CAPE (Community Assisted Policing Effort) and CAPE stated that they would take on the task to issue citations.
- Director Saad stated that he hoped this would ease the illegal dumping.
- Director Saad stated that additional trash pick up is needed and is pending approval of the FY 2012-2012 budget, as well as for trash bins for Tumon and Hagatna beaches, however Mayor Savares suggested there are some trash bins available.
- Director Saad had several action items in regards to abandoned buildings.
- Director Saad stated that DPW already approached the first property; the old Western Gun Club located west of Tumon Sands and met with the owner to resolve the issue.
- Director Saad stated that the committee continued to have trouble tracking down the owners of the other property (Hong Kong Restaurant across 76 Gas Station in Tamuning). He stated that we have requested assistance from Department of Land Management to search for the owners.
- Director Saad stated that the committee was still working with DPW on the safety signs and K-Mart pedestrian signal.
- Director Saad added that in regards to the flood issue on San Vitores, Maeda Pacific submitted a proposal, but committee agreed it was an exorbitant amount, so DPW will send an RFP for pumping Fujita basin and culverts and anticipated for that project to be completed before the fiscal year.

- Chairman Mesa inquired if that was tied in from the proceeds of the bond listed.
- Director Saad replied that it was not included; however it would be paid from funding that would be available, because if we don't use it we'll lose it.
- Director Saad stated that they would proceed with painting the median before Christmas at no additional cost before Christmas décor is put up.
- Director Cristobal shared that she had received reports that the new business that was developed in Gogna, which included the Beach House, was apparently conducting business over burials and this has become a concern in the local community. She also stated that apparently people were observed digging and human remains were discovered on top of sand piles. And at the Beach House where people go to drink there were people observed urinating over the burials in their drunken stupor.
- Director Cristobal stated that this does not resonate well with the local community and there has been some concerns so she wanted to relate this to the board that this was a real concern, although intangible, because it had nothing to do with safety or visibility.
- Director Cristobal stated that based on community values of respect and that this issue needed to be addressed.
- Director Saad responded that he was sure that every business that go in construction need to go through certain requirements with the Department of Recreation for digging and to make sure if there are remains that they would need to do the proper thing.
- Director Saad stated although he was no longer with that business, he knows that they went through the process and was monitored very closely and went through proper procedures.
- Director Saad stated that if there were any other issues it would need to be addressed with the Department of Recreation.
- Director Cristobal stated that she checked with Department of Recreation and there was a process that they went through, however there were other diggings happening, so that was the concern.
- Director Cristobal added that media had called her because she had been involved with these issues before.
- Director Saad added that perhaps the plan was extremely expensive for them to go through the process and he knew of the person that handled the situation took care of it.
- Director Cristobal stated that they were requesting for guidance from the Attorney General's office, because they felt that there were some violations.
- Director Cristobal stated she wanted to inform the board of the concerns, because media had called her but she had not responded until she does further research.
- Chairman Mesa stated that he spoke to Carl Dominguez two weeks ago following up on the lighting and inquired if there were any updates.
- Director Saad stated that all of Marine Drive is completely dark and the situation has gotten worse all around the island.
- GM Camacho stated that she spoke with Simon Sanchez and that there's an ARRA grant for Tumon Bay lighting and it's a matter of now getting all the contracts sent through the Attorney General's office and Governor's office to execute.
- GM Camacho stated that she had been working with Doris Ada on a timeline, because they would like to make sure it would be completed before Christmas.
- Director Saad inquired who would execute the street lighting.
- GM Camacho stated GPA would execute Tumon Street lighting but was not positive if it included the lighting around the island. She added that we are just as concerned because this is our island.
- Director Kloppenburg added that the committee should fast track this, because coming December we're going to have a lot of families out here, we need to have Tumon well lit.
- GM Camacho tried calling GPA today but they were at a conference. She stated that she would try calling Simon Sanchez and would have Doris Ada communicate with the team as to where we stand.

#### **I. Membership Development:**

- Director Kloppenburg stated that the committee would be starting a program called the Affinity Card program; the objective is to allow member businesses to expand their business base and provide members with discounts at various businesses.

- Director Kloppenburg stated that letters were emailed to members on July 25<sup>th</sup> and are waiting for the deadline of August 12<sup>th</sup> to get all of the responses.
- Director Kloppenburg stated that the committee would be making a final decision on participating members.
- Director Kloppenburg stated that we are hoping for an airline to be the anchor and stated that this was a work in progress and hoped that it would be worth to pursue.
- Director Saad added that he received a few phone calls and emails concerning the program.
- Director Saad stated that the first concern was that the name was very close to Reef Hotel, who currently has a program called Affinity. He stated that organizations are hesitant to join because they think they would be supporting the Reef's program; second concern is that a lot of hotels and businesses have their own in-house programs and they might feel that not many businesses will join; and last they felt that GVB should focus on tourism and not a local promotion like this.
- Director Kloppenburg stated that they have tried to coop with some of the hotels.
- Director Kloppenburg added that the committee just wanted to bring value to the current membership.
- Director Kloppenburg stated that he would state these concerns to the committee.
- Director Kloppenburg stated that he would see to changing the program name, since Reef Hotel has ownership of that name.
- Director Kloppenburg stated that GVB is a membership organization and we want to promote tourism on Guam, but we are still a membership organization and if we could encourage and increase our membership then that strengthens GVB.
- Director Kloppenburg reiterated that the committee would continue to look for other things to do that will enhance our membership and if the card program helps to achieve that then we would proceed with it.
- Director Kloppenburg suggested we possibly set a meeting with Director Saad, Doris Ada, and Mary Torre of GHRA to discuss details and any other concerns.
- Chairman Mesa added another concern that he heard of the card program was being more of a competing program.
- Director Kloppenburg responded that it would make others enhance their programs.
- Director Kloppenburg stated that their next quarterly membership is scheduled for September 30<sup>th</sup>.
- Director Kloppenburg stated that he would revisit that due to JATA.
- Director Kloppenburg inquired with Doris Ada if that date could be changed.
- Doris Ada responded that the meeting date should not be changed due to speaker from United has been scheduled for that meeting.
- Director Saad inquired where it would be held.
- Director Kloppenburg responded that the venue was pending.

**J. Research:**

- Director Taimanglo stated that a report from Debi Phillips regarding the Chinese exit survey fieldwork is scheduled for August 11<sup>th</sup> and October 3<sup>rd</sup>.
- Chairman Mesa inquired if that was in the current budget.
- Director Taimanglo replied yes.
- Director Taimanglo stated that the RFP for the China, HongKong, Taiwan, and U.S./Hawaii, were added for exit surveys.
- Director Taimanglo stated that RFP would be closing July 29th.
- Director Taimango stated that DGM Denight wanted a tour of operations that we have at the arrival forms processing center at the airport and that would be scheduled for Monday, August 1<sup>st</sup> at 10:00 a.m.
- Director Taimanglo added that if anyone was interested in attending to inform Debi Phillips by July 29<sup>th</sup> to obtain clearance.

**K. Cultural Heritage & Community Outreach:**

- Director Arriola stated that CHaCO had a meeting on July 7<sup>th</sup> and was very well attended and at an average of fifteen members who attended.
- Director Arriola commented that she was very pleased with the committee in getting a lot of work accomplished.

- Director Arriola stated that their next committee meeting would be scheduled on August 3rd.
- Director Arriola stated that she received feedback and there were some concerns about the Washington, D.C. trip.
- Director Arriola added that she wanted to thank the board for approving the Executive Committee's proposal and for the record the Washington, D.C. trip that she attended was approved and part of the CHaCO budget and was part of the list of activities to have been done at the beginning of the fiscal year.
- Director Arriola stated that it wasn't a new surprise trip and wanted everyone to be settled in their concerns.
- Director Arriola stated that the trip to Washington, D.C. in terms of GVB business, a Hafa Adai Pledge was given to the Guam Society Club.
- Director Arriola stated photos were forwarded to them and it was very well received.
- Director Arriola stated that more collaboration would be forth coming and coordination between our U.S. and Guam Clubs.
- Director Arriola stated that in the North American market we have a good start of more coordination with regards to cultural groups.
- Director Arriola stated in fact that there was a wonderful cultural group, which was Pa'a Taotao Tano' member out of Los Angeles, who attended the liberation festivities in Washington, D.C. which was the annual liberation party conducted by the Congresswoman Bordallo.
- Director Arriola added that she sent photos of the event to the GVB staff.
- Director Arriola stated that she sat with the Governor Calvo, GM Camacho, Speaker Won Pat, and Senator Barnes in listening to the public hearing on the visa waiver and she could tell that there was a struggle with the Tea Parties and added that they are very conservative.
- Director Arriola stated that Congresswoman Bordallo pressed a lot on Homeland Security and kept pushing the fact that we want some timelines on a decision regarding the Parole Authority.
- Director Arriola added that they promised to sidebar and that it would happen immediately.
- Director Arriola commented that she felt very encouraged regarding the visa waiver discussion.
- Director Arriola stated that on the downside, she attended the hearing on the war reparation, which happened to be back to back and stated that it was very discouraging.
- Director Arriola reiterated that the Tea Party was very conservative and that this was budget driven issue.
- Director Arriola added that part of her was split because she was satisfied that they were progressing on the visa waiver, but our man'amko on that issue was not encouraging, it was bittersweet walking out of that public hearing.
- Director Arriola stated that she saw the struggle that even the Congresswoman Bordallo had in regards to getting some major answers from key agencies, such as Homeland Security, but promised her a sidebar.
- Director Kloppenburg stated that a report received today shows that the right people are engaged and talking.
- Director Kloppenburg commented that the scales could tip either way and we don't need any other obstacles thrown our way.
- Director Arriola stated that there was not a lot of major concerns or questions from the other congressional representatives that were at the meeting, so she wanted to report that it was encouraging and thanked all the efforts that everyone has done in the last years, though it's slow and painful, but it's getting there.
- Director Kloppenburg stated that it has been five years, but stated that it took Guam years to get the Japan Visa Waiver.
- Director Arriola commented that she was pleased and felt great participation of the industry when it comes to CHaCO. She stated that she was overwhelmed with the participation and collaboration between the community and tourism.
- Chairman Mesa stated that was one of the strategies in the Five Year Strategy Plan.
- Director Arriola stated that there was a lot of buy-ins in regards to our program when it comes to our heritage and how it benefits our tourism and our people.
- Director Arriola also stated that the partnership with the Mayors was fantastic and all that animosity that was built for lack of communication is over.

- Director Arriola stated that our challenge is the sustainability of constantly nurturing that partnership, because once you start a great program such as the Fiesta Tours and all the collaboration we accomplished with the Mayors the tough part is how do we sustain that so we don't lose that bond we've created.
- Director Yoshino added that awareness is already there and the community has collaborated on what else could be accomplished.
- Director Yoshino stated that it's about time that GVB created a concrete product, because now people know that we have to do something and they are ready to do something.

#### **L. Sports & Events:**

- **Motion made by Director Arriola, seconded by Director Kloppenburg, to approve the FY2011 Sports and Events Committee mission statement.**  
Motion approved.

**Background:** The FY2011 Sports and Events Committee members would like to establish its mission statement as policy for the Sports and Events Committee.

#### **GVB Mission Statement**

The mission of our organization and industry is to efficiently and effectively promote & develop Guam as a safe and satisfying destination for visitors and to derive maximum benefits for the people of Guam.

#### **Mission Statement:**

The Sports Tourism Committee of the Guam Visitors Bureau is committed to identifying, advocating and further developing Guam's sports tourism as a tool for promoting Guam to our visitors and encouraging the development of Guam's local athletes.

#### **Goals & Objectives:**

- To enhance Guam's image as a sports tourism destination
- To support projects or individuals which serve to sustain our image as a safe sports tourism destination
- To encourage marketable sports activities within the industry in conjunction with GVB's overall mission
- To raise Guam's level of competition for international sporting events
- Research and identify Guam's marketable sports assets
- Generate awareness through national and international media exposure.
- Attract visitors to Guam as participants and spectators of sporting events.
- Focus and award grants and aid to sports programs and events that meet our goals and support our mission.
- Set and carry out the Sports Tourism Committee's budget.

**Issue:** Board approval needed to set as policy.

- Nothing to report.

#### **❖ EXECUTIVE SESSION**

- Chairman Mesa called an executive session to order.
- *Thereafter the Board returned to regular session.*

#### **❖ OLD BUSINESS:**

- Chairman Mesa introduced Gerry Perez to update the board on the successes and what we still need to look at on continuing the Five Year Strategic Plan.
- *Copies of the Five Year Strategic Plan were distributed to all board members present during Gerry Perez's presentation update.*

- G. Perez stated that he would not go in to a lot of detail, because a lot have been done and that he would just go over the highlights of the plan.
- G. Perez stated that when the Bureau first started this seven years ago the basic purpose of the strategic plan was to set a direction in an integrated fashion and to isolate key issues and initiatives to redirect GVB's strategy to redeveloping the tourism industry but more importantly we wanted to educate the community about tourism's economic benefit and make it a real living part of the community.
- G. Perez added by doing that we could help galvanize a shared vision for the brand image and value of the destination, continuity, and bipartisan support.
- G. Perez stated that he was pleased despite change in Administration. He stated there are a lot of strategic directions set forth in terms of our brand building efforts, which are seamless.
- G. Perez stated he wanted to update the top five strategic initiatives, which are to Grow and Diversify our Markets, reshape Japan Visitor Profile Demographics, Destination Management's point of view to give people reasons to visit the island, Destination Management's point of view on delivering the experience promise which are some of the things that GVB needed to roll out and get done, and last which has been a struggle up until now is to find funding to rehabilitate our tourism plan, which would be the bond proceeds.
- G. Perez stated that he hoped they'd resolved the issue on the hierarchy of priority, because if you spend all that money on land purchase you're not going to have any money. He stated we are basically recapitalizing our tourism plan.
- G. Perez stated that was for the board to resolve with the Legislature.
- G. Perez stated to set this out, our goal was to have 1.5 million visitors by 2011, but unfortunately we are tracking about 27% behind for many different reasons.
- G. Perez added that early on Guam was impacted by the financial crisis, SARS pandemic, H1N1 paranoia, and more recently last year and the year before we were in an up-kick growing 10% to 15% year over year until March 11, 2011.
- G. Perez stated that March 11<sup>th</sup> came and then we had the Fukushima nuclear tsunami impact and that set us back significantly in terms of progressing anywhere near our goal.
- G. Perez stated that during that period there have been a persistence in the Japan economy, Korean Won, and many different other factors.
- G. Perez added that despite this, Japan share market maintained about 5.4% despite -6% decrease in arrivals. He stated what the Bureau also wanted to do was to grow and diversify our markets - Korea was down -27% from the hay day of the 1996-1997 timeframe and this was a combination of many factors.
- G. Perez stated that anticipated continued growth, which started last year with the introduction of Jin Air and the stretch target for this year was 150,000 pax.
- G. Perez suggested before revisiting new agreements, the Bureau would need to add a clause that states any introduction of additional airlifts would trigger automatically renegotiating of numbers.
- G. Perez stated for example that the first experience we had was the Korean situation. We had H1N1 and our Korean vendor had nothing to do with H1N1, but a deal was a deal and the Bureau penalized him with a fee of about \$30,000-\$35,000.
- G. Perez added that the following year that vendor had the benefit of additional airlifts and rode it and got an extra \$100,000.
- G. Perez stated that in terms of market diversification it was not just the core markets but was important for us to grow marginal markets whether in the Philippines, Australia or HongKong, to the extent that we would need to grow these marginal markets.
- G. Perez added that they are not insignificant and that 12% of arrivals grew about 13%.
- G. Perez stated that the most important point to remember in maintaining these marginal markets are airlifts; the ability for the carriers to employ aircraft utilization makes those seats more viable for our markets in our key markets.
- G. Perez stated that we are questioning ourselves as to why are we investing money in the Philippines and investing money in other markets and the reason for that is aircraft utilization. For example, if they can't have aircraft utilization then we might lose seats in Japan.

- G. Perez stated in terms of the first major goal, we didn't achieve the 1.5 million for many different reasons as discussed earlier.
- G. Perez stated that in terms of improving visitor demographics, we made significant progress in terms of configuring the mix of arrivals and we've done this because of messaging and targeting programs in the distribution channels.
- G. Perez stated that this is not sustainable and the way to sustain this effort is to rebrand the destination and give it value so that there is price and power in the market.
- G. Perez added that FY 2005-2009 has grown; the number of visitor making 7 million yen and above went considerably above 9% in 2005 to 32% by 2010 and conversely those making less than 3 million went from 34% in 2005 to 16% in 2010 so we are reshaping in the right direction.
- G. Perez stated that the major problem was the average lengths of stay, which have impacted our local spend.
- G. Perez stated that we were making progress; we went from about 3.2 to 3.3 up to 3.5 days in 2008. He added that after the financial crisis and the other events that took place, business was so bad for our partners that they were selling for volume just to get business, for example shorter tours and cheaper tour packages.
- G. Perez added that the current Chairman of the Japan market recognizes this issue.
- G. Perez stated that visitor stay in 2005; 3.5 days, 2009; 3.3 days, and 2010; 3.0 days and stated that this .5 day stay was an enormous impact to destination spending and that would be an issue that needs to be addressed.
- G. Perez stated that the repeaters are important for Guam, because as the Japan Market declines demographically, we either get more of them to repeat or more affluent ones. Repeaters grew from 29% in 2005 to 39% in 2010 and the affluent repeaters had also significantly improved.
- Director Saad inquired of the repeaters do we know within how many years.
- G. Perez responded yes. We track those usually anywhere from 2.5 to 5 years in return. He stated that very few of them that were captured in that were more than 10 years.
- G. Perez commented that this was encouraging and a lot of this had to do with messaging and working closely with the distribution channels.
- G. Perez added that the problem was temporary and not sustainable to really sustain a longer stay visit here.
- G. Perez stated additional things needs to be done for Guam to give visitors additional reasons to come to Guam and stay longer, as well as the other issues that are contained in the strategic plan.
- G. Perez stated that the elements that need to be addressed in the strategic plan are defining the Guam brand personality, which has gained traction and has rooted in to the chamorro culture and history, and that this is what differentiates Guam from any other resort destination in the Pacific.
- G. Perez stated that the challenged we face was to expand our presence and exposure in the hotel and tour entertainment menu. Furthermore, he stated that we have made progress developing institutional capacity; whether it's dancing or singing.
- G. Perez added that the Guam Island Fiesta Tour was obviously a huge success and agreed with Director Yoshino that we need to sustain this.
- G. Perez stated that this has been well received by people looking to experience a destination and it's imperative to work with our partners to build on that.
- G. Perez stated that the Adult Entertainment Zone that Senator BJ Cruz introduced (Bill 314-30) but died in committee, which should be revised again. He stated if we look towards larger military footprint on the island it's even more important for us to take care of this business.
- G. Perez stated that although Guam is a wholesome family destination and to the extent that we detract from that with all this type of entertainment, it would comprise our effectiveness and brand building.
- G. Perez stated that in airport arrivals and departures the experience was still a problem.
- G. Perez stated with the previous board, we tried to meet with them but half of the time they don't have a quorum for their meeting. He stated that he hopes the new board is able to work with the airport.
- Director Arriola added that when she was at the airport she was shocked to see buckets collecting water.
- G. Perez stated that the airport is looking old and tired. He added that the carpet at arrivals should be replaced and the loading bridge was rusty and shameful.
- G. Perez suggested that Chairman Mesa work with the board at GIAA.

- Director Kloppenburg added that there were improvements outside of the airport, which they have done a great job.
- Chairman Mesa added that they are making improvements in development.
- G. Perez stated that in Attractions and Events, GVB started the Ko'ko International Road Race years back to create an event to drive visits in month of October, where it's typically slow. He stated that the Bureau have tried to merge that with the GMIF to increase the critical mass of attractions.
- G. Perez added that this was done so it means something in the market and more importantly to incorporate in the Ko'ko International Road Race as much of the local cultural attributes that would help our brand image.
- G. Perez stated that the event has grown to 20,000 participants last year over the 3.5-day period, but not all 20,000 participants are there.
- G. Perez stated the reason being was parking.
- G. Perez suggested growing this beyond 20,000 participants for the weekend; GVB really has to look in to an offsite parking that is conveniently laid out to increase the capacity.
- Director Crisostomo announced to the board that today is the official registration open and the website looked great.
- G. Perez stated that every year we grow this and every year it just gets better. Last year more people wanted to sign up, but we had to put a cutoff at a certain number, because we didn't feel comfortable in handling that many people safely.
- Director Kloppenburg stated that this year we would have JFK High School, so that should ease with parking.
- Director Kloppenburg added that we lost major parking with the Greyhound track being closed.
- Director Cristobal inquired what is the extent of this race connected to the real issue of the Ko'ko on island. She stated that she had visitors from off-island looking for Ko'ko stickers. She inquired what extent are we educating the real issue, because it's just not an icon.
- G. Perez responded that this was an opportunity to expand the reach and penetration of that message.
- G. Perez suggested that GVB collaborate with Department of Agriculture, where part of the proceeds would be used to educate the community about the Ko'ko.
- G. Perez stated that Capital Improvement has been another major problem in the last few years, but that seems to be resolved with the bond financing.
- G. Perez stated that in China Opportunity, last year we had charters and this year we have eleven charters and there are more to come.
- G. Perez stated that the biggest driver for CNTA promoting and pushing Quality Service Certification Program (QSCP) was the number of tourist now in China that have grown expeditiously.
- G. Perez stated that it was just not the first and second tier cities, but it was the third tier cities who we were now going after, and as the market broadens in terms of magnitude, scope, and segmentation there were a lot more different niche markets that were being promoted.
- G. Perez stated that for example in HongKong, they have one ground agent who is contracted by ten different travel agents from China. Each of these travel agents contracted to that ground agent have a different price structure and menu. These type of issues is what CNTA is trying to bring in to line and even though it's a voluntary thing, he believes it would be good to be recognize, because the more QSC certified vendors on Guam the higher our posture is in the CNTA perception about where to feel comfortable promoting their outbounds.
- G. Perez stated that Deputy GM Denight raised a good point earlier regarding the participation in this marketing program once your certified. He stated that this similar to the Better Business Bureau seal of approval, which people take comfort in.
- G. Perez stated that as for the Cruise Market, which was part of the strategic plan. We have not had the luxury of time, energy, resources, and money to really go after this aggressively.
- G. Perez stated that long term this was a viable opportunity to look in to.
- G. Perez stated that we should also recognize our real potential with the cruise business that's within the Micronesia context and not just Guam. Although, Guam would get that piece of business either from Japan or enroute to other destinations.
- G. Perez stated that the Caribbean is still the dominant cruise destination, but we do have some opportunities in Guam.



- G. Perez added that the future home porting for Guam was possible, but stated that this was way in to the future as we talk about developing the infrastructure in the region.
- G. Perez stated that Airlift was another issue due to pricing, but there is relief from additional LCC service.
- G. Perez stated that we don't have the opportunities yet, but it does have some potential.
- G. Perez stated that the Micronesian Cruise Association have been recently informed about the process of getting weaned away from GVB, because GVB started this to gain traction, but believes that there are by-laws on this.
- Chairman Mesa added that it was already registered.
- G. Perez commented that it was only right as an association to be weaned from GVB and let the association function in collaboration with GVB, but not necessarily driven by GVB.
- G. Perez stated that he often mentioned that there are really only three things that we could do successfully as a destination: 1. Is creating reasons for people to come visit, 2. Targeting to the right customers otherwise we are going to get a lot of visitors but no money, 3. The most important one is how do we deliver the destination experience as we promised.
- G. Perez stated that when we go out to the market and we market Guam we create expectations about Guam and if we don't deliver the expectations perceived in the marketing message it gives us a black eye, so it's important to know it's not just in marketing that does the lifting. The heavy lifting is creating the reasons to visit the island and making sure we deliver the destination promise.
- G. Perez added that we needed to engage the cultural heritage, history, and unique attractions to give the destination authenticity and differentiation from other destinations.
- G. Perez also stated, we needed to work on competitive edge. There are a lot of beach resorts around the Pacific that are much nicer than our beaches here in Guam, so we would need to recognize that and compensate for that by providing destination value.
- G. Perez stated that we needed to attract new markets, such as China and other East Asia regions.
- G. Perez stated that there are long haul opportunities and he knows historically GVB has focused on nearby destinations because of convenience.
- G. Perez added that the world today, the wealth is no longer in the U.S. He stated majority of the wealth is around the world and that there are untapped opportunities.
- G. Perez stated for Guam to automatically discount European travelers or South American travelers would be shortchanging opportunities.
- G. Perez added that twenty years ago that might have been fine, but now a days when the U.S. Equity Market represents only 40% or 45% of the global wealth and believes that we are short changing ourselves by not really looking at those and those are really small but high yield of customers.
- G. Perez stated in regards to other events and attractions he agrees with Director Yoshino that he mentioned that we needed to do something and honestly. He stated that this was the first time that he's seen a community galvanized and was interested in taking ownership of that.
- G. Perez stated that in fact Korea for the first time was starting to step up and sell the destination.
- G. Perez commended Director Arriola's committee. He stated that two years this committee has brought cultural sensitivity to the market place not only on Guam, but created an understanding in our source markets so you leverage the knowledge and information about the cultural of Guam other than being a beach resort.
- Director Cristobal stated Pa'a Taotao Tano deserves mention, because with the advent of all the new dance groups.
- G. Perez agreed and stated that what he has accomplished in the past few years is to develop the chamorro infrastructure.
- Director Cristobal stated that if she were to award Mr. Tourism she would give it to Pa'a Taotao Tano.
- G. Perez stated that the other event talked a lot about was fiesta food. He stated that Guam is missing an opportunity to elevate chamorro cuisine to an international standard, and that was the driving force.
- G. Perez added that Pilar Laguana has worked on this with her team and that this was just another nugget in creating a destination experience more than just beach resort destination.
- G. Perez stated that there is a culture here; culture speaks to food, music, dance, tradition, and practice.
- G. Perez stated that some of the hotels capitalize on up scaling the presentation.

- G. Perez stated that he was pointing this out as part of the strategic plan, because this is yet another part of what the Bureau is trying to accomplish.
- Director Cristobal suggested that she would like to make a connection with the farmers coop.
- *G. Perez presented a collage of photos taken by the GVB staff of some of the activities in the past years.*
- G. Perez commented that the photos showed that visitors are excited, because this was new experience for them.
- G. Perez stated that in terms of community engagement and brand building engagement. Director Arriola's committee and Director Flores' group have done an amazing job in helping to rally the troops and getting the Mayor's Council involved and even the students from University of Guam (UOG) and Guam Community College (GCC).
- G. Perez added that UOG collaborated with the CAPE program and Mayors in creating events.
- G. Perez stated that to sustain and grow the chamorro culture and infrastructure is to live the brand. He added that would be to continue the strategic plan, polish it, and live it.
- G. Perez stated that with Hafa Adai Pledge, GVB has the involvement of many businesses and individuals.
- G. Perez suggested that the time is now right to regroup and to make sure those that have signed the pledge continue to intensify their practice of the Hafa Adai Pledge to really make it.
- Chairman Mesa added to live the brand.
- G. Perez stated we've got a mix of good and bad news with regards to arrivals, market diversification, and destination yield objectives. We have been making excellent progress in the destination management objectives, particularly if we should receive the bond proceeds.
- G. Perez suggested to be collaborating with GEDA to help make sure to impact the outcome of what happens.
- G. Perez stated that galvanizing community support and brand building initiatives have been very well received.
- G. Perez stated to Chairman Mesa that this was the summary of the progress today of the Five Year Strategic Plan. He stated that it's important for the next Five Year Strategic Plan to be revisited and revalidated from ground zero up.
- G. Perez wishes luck to Chairman Mesa and the team and stated if there were anything that he could do to assist he would be available.
- Chairman Mesa responded by thanking him and that it took a lot of time and effort setting up the initial five year strategy, but believes what G. Perez outlined that there are successes and refinements that would need to be done but there's also sustainability of some of the great initiatives that was launched through the program.
- Chairman Mesa stated that he was glad that G. Perez was willing to help out, because we would need all the help from every stakeholder in our community to keep this plan going.
- Chairman Mesa stated that he would task DGM Denight on this project to work closely with him to form the group as we discuss this further with the board in adopting the next Five Year Strategic Initiatives.
- G. Perez urged the board that the initiatives for the Five Year Strategic Plan needs to be more forward looking and to engage those who are not in the tourism industry because they need to opened and looked.
- Chairman Mesa stated that this presentation crystallizes what has happened and that now we have a benchmark to look forward.

#### ❖ **NEW BUSINESS:**

- Motion made by Director Arriola, seconded by Director Cristobal, to reinstate the classification level prior to the pre-hay study level for the following five positions Controller, Community Development Officer (CDO), Tourism Industry Relation Officer (TIR), Administrative Assistant (2) and the Administrator, Research and Evaluation.

Motion approved.

#### ❖ **ANNOUNCEMENTS**

- No announcements.

#### ❖ **ADJOURNMENT:**

- o Motion made by Director Arriola, seconded by Director Saad, to adjourn the meeting. Meeting adjourned at 6:50 p.m.

Attested:



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Ms. Theresa C. Arriola, Secretary of the Board of Directors



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Board Minutes prepared by Janel Perez, Executive Secretary