



REGULAR BOARD MEETING  
GVB MAIN CONFERENCE ROOM, 4:00PM  
THURSDAY; February 9, 2012

**Board of Directors Present:**

Chairman Monte Mesa	Vice Chairman Mark Baldyga
Bruce Kloppenburg	Hayato (Jack) Yoshino
Carol Tayama	Theresa A. Arriola
Judy Flores	N. Oscar Miyashita
Eduardo (Champ) Calvo	Nathan Taimanglo
Rizk Saad	Jennifer Crisostomo

**Board of Directors Present Telephonically:**

**Board of Directors Absent:**

Hope Cristobal

**GVB Management and Staff Present:**

Joann Camacho	Nadine Leon Guerrero	Laurette Perez
June Sugawara	Tony Muna	Pilar Laguana
Dee Hernandez	Gina Kono	Charlene Hitosis
Felix Reyes	Mark Manglona	Regina Nedlic
Ana Cid	Janel Perez	

**Overseas Marketing Offices Staff Present:**

David Tang, China	Sherry Yang, China	Denis Fasquelle, China
Amy Lee, Hong Kong	Addison Chang, Hong Kong	Yuji Mitsumori, Japan
Henry Lee, Korea	Malyn Molina, Philippines	Nina Espiritu, Philippines
Gennie Yen, Taiwan	Madeline Su, Taiwan	Jessica Li, Taiwan

**Guests:** Regine Biscoe Lee, Office of Senator Muña Barnes; Jason Lin, Talent Basket

❖ **Proceedings:**

Meeting called to order at 4:04 p.m. by Chairman Mesa.

Review of the previous Regular Board minutes dated January 26, 2012.

- o **Motion made by Director Tayama, seconded by Director Taimanglo, to approve the minutes of January 26, 2012.**

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

❖ **Chairman's Report:**

- Chairman Mesa informed the board about the visit from the Korean Guam Tourism Council (KGTC). He stated that Director Miyashita would report more on their visit to Guam.
- Chairman Mesa commented that the press release that GM Camacho sent out in regards to the KGTC meeting was that the highlight of the meeting was Jin Air's announcement working on additional flights.
- Chairman Mesa stated that although KGTC members were here on their own time a few of the GVB board members spent time with them and learned how to further enhance the growth out of Korea.



- Chairman Mesa reported on the visit with Mr. Hiromi Tagawa, President & CEO of JTB Corp.
- Chairman Mesa added that Governor Calvo had the opportunity to meet with Mr. Tagawa at the Westin Hotel.
- Chairman Mesa stated that Vice Chairman Baldyga would highlight the topics discussed at the meeting under his report.
- Chairman Mesa informed the board of marketing representatives from all markets present at the board meeting. He asked for each overseas representative to introduce themselves to the board. Yuji Mitsumori, Office Manager (Japan); Addison Chang, Social Media Monitoring POC (Hong Kong); Amy Lee, Executive Director (Hong Kong); David Tang, Advisor (China); Sherry Yang, Account Director (China); Gennie Yen, President (Taiwan); Madeline Su, Senior Director (Taiwan); Jessica Li, Social Media Monitoring POC (Taiwan); Malyn Molina, AVP for Client Services (Philippines); Nina Espiritu, Social Media Monitoring POC (Philippines); Denis Fasquelle, Social Media Monitoring POC (China).
- Chairman Mesa announced that the representatives have been here since Monday for Social Media meetings as well as attending the Social Media workshop tomorrow at the Holiday Resort. He added that the workshop was opened to all board members and membership.
- GM Camacho introduced Jason Lin, President of Talent Basket, GVB's Social Media Consultant based out of San Francisco.
- GM Camacho stated that this project was previously board approved and has been going well. She added that P. Laguana and her team have been focusing and making sure GVB's marketing efforts and ensuring what is said about Guam is being acknowledge.
- *Jason Lin's Presentation*
- J. Lin stated that his initial presentation that was done in July was to brief board members about what the Bureau is trying to accomplish with the Social Media Program. He stated that his presentation today was an update review to present some of the projects and results that each market has accomplished.
- J. Lin listed the three major points of his presentation:
  - 1) Review of FY2012 program both investments and initiatives
  - 2) 6 Month Guam Social Media Trend which is analyzed through Brandtology
  - 3) 2012 Global Web Master Meeting Brief
- J. Lin reported that most of Guam's target tourists come from Asia.
- J. Lin stated that there has been research dated back in 2009 that most Asians trust social media rather than traditional media. He added that the ongoing migration of marketing efforts was by going digital.
- J. Lin reported that there are a large percentage of people that search online before making big purchases such as travel.
- J. Lin stated that there are five big questions for Guam as a tourism destination.
  - 1) How to generate new tourism experiences?
  - 2) How to increase Guam visibilities at scale?
  - 3) How to coordinate viral actions?
  - 4) How to turn first impressions into ongoing relationships?
  - 5) How to empower them to promote Guam?
- J. Lin reported that the key goals for FY2012 is to be globally consistent, collaborative, coordinated, and innovative. He added that is was important to be globally collaborative, so each office could work together as a connected platform.
- J. Lin stated that the online trend that they've been monitoring from July through December 2011 has found that during the summer months, particularly in August had the most buzz about Guam and then slowly decreases
- J. Lin provided an analysis on the Global Guam Buzz by Channel Types. He stated that with these channel lines (blog, microblog, forum, QA, news, reviews, social networking site) the Bureau is able to determine where conversations happen most often.

- J. Lin reported that many tourists write in blog articles about Guam after their visit. He added that there is a lot of real time engagement that people talk about planning a trip and the pre-planning process happens in forum and Q&A.
- J. Lin gave examples of the Q&A channel line; people ask questions such as what to do, what type of rental car to reserve, or what hotel is good. He stated that this channel line gets a lot of activity.
- J. Lin reported on the regional's social media activities and their results. He stated that the agencies and their representatives do all the work.
  - China: The major platforms are Weibo and QQ. He added on Weibo as of February 1st there were 3,300 followers and that QQ has about 120,000 fans.
  - Hong Kong: The major social media channel is Facebook with 4,158 fans. He added that they had a successful integrated campaign with Chow Tai Fook.
  - Japan: The major channel is Twitter. J. Lin reported that they initiated two campaigns, Omoide and KoKo. J. Lin stated that the Omoide campaign started on November 6, 2011 and as of February 1<sup>st</sup> had reached 2,059 followers.
  - Korea: The major platform is Twitter with about 1,050 followers. J. Lin stated that Korea had a great campaign in October with the integration with Starbucks.
  - Taiwan: The major platform is Facebook. J. Lin reported that the Taiwan market has been successfully using Facebook marketing since 2009. He added that Taiwan currently has 18,000+ fans as of February and with 213 daily active engagements.
  - North America: The major platform is Facebook. J. Lin reported that there was a slow start but as of February 4, 2012 has reached 824 fans with 37 daily active engagements. He reported that this market currently has a campaign that had a connection with the LA Travel Show. J. Lin stated that during the travel show, anyone who stopped by GVB's booth had a chance to enter a drawing to win a roundtrip ticket to Guam. He added that this campaign generated 71 user comments and posts.
- J. Lin reported that the outcome of the FY2012 Global Web Master Meeting is to leverage what are the next global insights and new business mottos as well as collaborating better to drive tourism growth for the next several years.
- J. Lin stated the that GVB needed to approach the 21<sup>st</sup> century communications model by sharing with tourists, global offices, GVB members, sales partners, and brand ambassadors.
- J. Lin stressed that by sharing with GVB members, it gives them the opportunity for them to be marketed and to give them techniques and ideas to market themselves. He added to encourage members to mobilize them in joining campaigning powers.
- J. Lin stated two proposals for GVB. P1) Better focus of Guam branding guidelines – The need to communicate better with overseas offices; and Guam "always on" WIFI network – By having WIFI, there would be better experience touring Guam. P2) Global collaboration and Proactive GVB member engagement. He added knowing what we do online and GVB's latest initiatives.
- *Q & A for J. Lin*
- Chairman Mesa commented that it was encouraging to see how the Bureau and overseas offices are phasing in. He added that smart phones are the wave of communication for the future.
- Director Miyashita commented that looking at Taiwan's user hits they are quite high rather than Korea and Japan, however that Korea was strong in blogging.
- Director Miyashita inquired how does the Bureau measure the success in terms of the number of added tourists with the social media campaigns.
- J. Lin responded that Taiwan has done really well with their social media campaigns.
- J. Lin commented that Korea has about 40,000 members on their website. He added that they are would look into migrating those members into the social networking environment.
- J. Lin stated that in order to get viral and start sharing GVB needs to find a strategy.

- J. Lin stated that in regards to the bottom line challenge where most brands are facing today the online reputation isn't necessarily equivalent to sales, but an indicator.
- J. Lin stated that this was another reason to incorporate sales partners into GVB's efforts. He added that although GVB is not directly selling tickets the agents are, so it is important for them to be involved and join GVB's promotions.
- J. Lin stated that sales partners could drive sales through GVB's efforts and the need to find a mutual way to get it done.
- Director Crisostomo inquired about the negative feedback reviews.
- J. Lin replied that some of the negative feedback was related to hotel infrastructure and logistics.
- J. Lin added that when the flight arrives early visitors have trouble renting cars and checking in early.
- J. Lin stated that the trend is disengagement of how the products are sold in the country versus how it's delivered in Guam.
- Director Crisostomo inquired if there was a staff member for each market that monitors negative feedback and if they would give the board feedback.
- J. Lin replied yes. He stated that all markets are monitoring actively.
- Director Taimanglo inquired about the Global Guam Buzz and how often the data is looked at. He stated for example, GVB might have a promotion that runs could the staff look at the data the next day to see if anyone is responding.
- J. Lin replied that to interpret data is technical. He stated that a specific monitoring parameter could be set up based on a subject or key words in the monitoring channels.
- J. Lin stated that the reflection of real time data is good and about one day behind.
- J. Lin added that if news were generated yesterday the staff would be able to see results the day after.
- J. Lin stated that there are technical limitations, such as Facebook pages being private.

#### ❖ **General Manager's Report**

- *The General Manager's report was emailed to all board members the following day.*
  - GM Camacho reported on arrivals: Japan down 1.3% received 80,437 pax; Korea up 12.6% with 16,218 pax that were attributed to the charters; Taiwan at 104.6% with 7,015 pax and in China with good charter results at 277.7%.
  - GM Camacho commented that the first four months of FY2012 Japan has been flat and that Taiwan's marketing efforts are paying off.
  - GM Camacho stated that the meeting with Mr. Tagawa, JTB President & CEO went very well. She added that he had positive and enlightening words to say about Guam.
  - GM Camacho reported there were two golf events held earlier this month, which were the Koncha Golf Cup and Guam Governor's Cup Ladies Golf.
  - GM Camacho stated that the meeting with KGTC was fruitful.
  - GM Camacho added that the members came to Guam with their spouses.
  - GM Camacho reported on the forecast for the Taiwan market and that it continues to increase in seat capacity. She added that it looks very promising, however with the hotels being booked it's going to be a constant juggle of losing charter flights and room availability.
  - GM Camacho stated that during peak season we know what to expect and continue to see positive movement, however we all need to work together to make sure there is a balance, especially with the Russian visitors coming to Guam who are known to have longer stays.
  - Chairman Mesa inquired with Director Saad that within GHRA if he's heard rooms not being available.
  - Director Saad replied that there was some issues during Chinese New Year, but other than that there were no other issues. He added that GHRA's board meeting is scheduled for next week.
  - Chairman Mesa commented that with additional flights, the concern now is having room availability for the Russian market, which has always been dominant for Japan.

- Director Saad stated that travel agents have certain blocks at each hotel and that the hotels are trying to maximize the rooms as much as possible.
- Director Saad mentioned that at the General Manager's meeting at the Hyatt the room availability was part of the agenda and would address it again at next week's board meeting.
- Chairman Mesa commented that on GHRA's report it shows that room rates are increasing.
- Director Yoshino added that in the last few months the rates have increased.
- GM Camacho reported that in Taiwan's marketing efforts and projects there would be a celebrity wedding photo shoot in March featuring Ella with S.H.E. music group. She added that this was another way of promoting Guam.
- GM Camacho reported that GVB participated in the 14<sup>th</sup> Annual LA Times Travel Show in Los Angeles.
- GM Camacho added that P. Laguana came up with a great idea to promote Guam that required knowledge about Guam and that the winner would be announced online on February 14, 2012.
- Chairman Mesa commended the Korea market for their efforts as well as Henry Lee.
- Director Miyashita stated that it was encouraging that the Taiwan market is doing well.
- Director Miyashita questioned why Taiwan is doing better than Hong Kong.
- Director Miyashita stated that Hong Kong's numbers are increasing but not at the rate of Taiwan. He wanted to make aware that he was not trying to discourage Hong Kong's representatives.
- Director Calvo added that since last year there has been a lot of interest from Taiwan. He stated that there were trade missions and groups coming in and that some of those missions were promoted by the Consulate office here looking for business and other opportunities here that coincided with the growth.
- Director Calvo stated that he hasn't seen the same level of activity from Hong Kong or from other countries. He added that the official position from Taiwan is to encourage more interest in Guam by having 4 to 5 delegation of high-level executives looking for opportunities, which he believes has helped facilitate flights and also the promotion of Guam.
- A. Lee commented that the Hong Kong market is doing very well.
- A. Lee reported that January arrivals increased by 18% due to CNY; FY increased 17%. She commented that those were very good numbers for Hong Kong.

❖ **Report of the Treasurer:**

○ **Cash Position Report:**

- Cash report as of February 6, 2012.
- Total cash in banks report (as of 02/06/12) \$6,461,295.45
- Total allotment received to date: \$4,537,308.91

- GM Camacho stated that both Director Cristobal and GVB Controller Rose Cunliffe were not present. She added that the Cash Position reports are in the board packets and if there were any questions to direct them to her.
- Chairman Mesa commented that the cash position looked good and that he was happy to know that the Special Projects Appropriation was being released.
- Director Kloppenburg stated that since he was not present at the last board meeting he inquired about the interest on the bond.
- Vice Chairman Baldyga replied that it accrued on the account and would be for GVB's benefit.
- Chairman Mesa informed Director Kloppenburg about the foreign exchange loss and reported that it was \$10,000 down.

- **Motion made by Vice Chairman Baldyga, seconded by Director Kloppenburg, to approve the Cash Position Report as of February 6, 2012.**  
**Motion approved.**

❖ **Report of the Board Committees:**

**A. The Strategic Advisory Council:**

- Nothing to report.

**B. Administration/Government Relations:**

- GM Camacho informed the board that the Bureau would begin the process of FY2013 budget.
- GM Camacho stated that she spoke with the BBMR Group and that they advised her that the Bureau should work off \$14.5 million.
- GM Camacho added that she hasn't added the Russia factor.
- GM Camacho commented that Senator Tina Muña Barnes has been very supportive.
- Director Kloppenburg recommended for GM Camacho to work closely with GHRA to get updated on the room rates as to what they currently are and what percentage they've increased over the last year.
- Director Kloppenburg also recommended getting an update on the occupancy levels, so we could determine an estimate on cash collections for TAF. He added that it would increase.
- Director Kloppenburg added that his perspective was that the Bureau needs extra funds for projects and the need to see projection and not flat line it but go for an increase based on the results of what we're seeing.
- GM Camacho responded that she would work with team and the committees to work on the budget.
- Director Arriola inquired if the Bureau received a deadline for budget submission.
- GM Camacho replied that the Bureau has not been given a date.

**C. Executive Committee:**

- Nothing to report.

**D. Japan Marketing:**

○ **Japan Guam Tourism Council Meeting**

**Motion made by Director Kloppenburg, seconded by Director Miyashita, to approve travel for GVB Vice Chairman to attend the Japan Guam Tourism Council meeting held in Tokyo for the month of February 2012. (Estimated cost per trip \$1,415.50; account # SMD008).**

**Motion approved.**

**Background:**

The Japan Guam Tourism Council holds quarterly meetings to discuss the current market situation. Meetings are held in the three major regions for Japan's outbound travel to Guam.

Breakdown is as follows:

Airfare	\$650.00
Tokyo Per Diem	\$652.50
Tokyo Train FareYen 8,780	\$113.00
	<hr/>
	\$1,415.50

**Issue:** Board approval required for all travel

- Vice Chairman Baldyga reported on the meeting with Mr. Hiromi Tagawa, President & CEO of JTB Corp. He added that Tagawa-san couldn't believe the 3,000 year old culture.

- Vice Chairman Baldyga stated that Tagawa-san met with Governor Calvo and was excited by the culture.
- Vice Chairman Baldyga stated that a three-page position paper (white paper) was prepared for Tagawa-san that had the top five priorities for Guam's tourism and the top three strategic goals such as what's new with the bond, conference center, background on projections, where we are and where we want to be on core goals.
- Vice Chairman Baldyga stated that basically it was a compilation of JMC for the last year and went through it in detail. He added that Director Yoshino translated in Japanese.
- Vice Chairman Baldyga stated that one of the priorities that the Bureau wanted to do is to drive higher yield customers and asked for his ideas. Tagawa-san's suggestions:
  - Golf Academy: Tagawa-san stated that the high yield customers are seniors with time and money in their hands and this would help enhance the perception of quality. Vice-Chairman Baldyga informed the board that he would take it upon himself and have Ernie Galito contact the Gary Player Golf Academy to try to engage some interest from them and have one of the golf course here consider that.
  - Chamorro Academy: Vice Chairman Baldyga stated that this would be within the same lines with seniors who have money and time to receive a 3-day certification. He added that he wasn't sure how many would be interested but the perception of having that would re-enforce the culture and target that customer profile.
- Vice Chairman Baldyga stated that Tagawa-san had the same suggestion as JGTA to extend the length of stay by taking it upon the Bureau to organize a 4-day itinerary. He gave an example, such as Day 1 dinner and Day 2 marine sports.
- GM Camacho replied that GVB has taken control of that.
- Vice Chairman Baldyga stated that one of the priorities under Sports and Events was to consider having a major sporting event.
- Vice Chairman Baldyga added that it would be good to pursue the idea of having an annual professional golf event. He stated that this was discussed before and suggested to revisit the idea.
- Vice Chairman Baldyga stated that the more interesting topic discussed were the flights out of Haneda.
- Vice Chairman Baldyga informed the board that Tagawa-san stated that starting 2014 it might be easier to get Low Cost Carriers to fly from Haneda to Guam and that the time is now to start those dialogues.
- Vice Chairman Baldyga stated that sometime in 2014 Tagawa-san would speak to Korean Air, because apparently the new rules that have been structured stated that it doesn't have to be a Japanese carrier and it could be an LCC of KAL.
- Vice Chairman Baldyga informed the board that he was friends with the President of Jetstar, Bruce Buchanan and would schedule a meeting. He added that Tagawa-san requested to be active in that and meet with Mr. Buchanan to possibly kick-start a forward plan for an LCC from Haneda to Guam starting 2014.
- Vice Chairman Baldyga commented that they had a very productive 30-minute meeting with Tagawa-san.
- Director Yoshino reported on the timeline. He stated that in 2014 Haneda would have more capacity and that Tagawa-san's target is for 2013 because of the 30<sup>th</sup> Anniversary of JTB in Guam.
- Director Yoshino stated that he wanted to do something unique from Haneda.
- Director Yoshino added that he wanted to begin discussions with KAL to see whether LCC in Korea could fly from Haneda to Guam.
- Director Yoshino stated that there are so many LCC's in Korea that there might be one interested in flying from Haneda.
- Vice Chairman inquired how to move forward with the airlines instead of keeping in touch with them.
- Chairman Mesa added that Jin Air, which is an LCC is considering that. He added that they see the opportunity to capture that market not only in Korea but also from Japan-Haneda.

- Director Kloppenburg inquired if this would be a daily regular scheduled service or charter.
- Chairman Mesa replied that it might start as a charter and then as it gets a solid foundation move to a scheduled service.
- GM Camacho commented that the Japan Aeronautics Group lifted the restriction to have open sky now and not 2014.
- Director Yoshino stated that the capacity from Haneda is almost full.
- Director Kloppenburg stated that the problem is that ANA is no longer servicing Guam and that for Delta or United to develop the infrastructure out of Haneda would be very costly.
- Vice Chairman Baldyga stated that in a separate meeting with Chairman Mesa and Tagawa-san, he suggested adding romantic stories similar to Two Lovers Point and by taking it a step further to look at the legends of Guam.
- Vice Chairman Baldyga added that there are no clean compilation for marketing purposes, but it might be for the Bureau's benefit to pick out 2 or 3 legends of Guam and making it part of our marketing story that ties in our culture.
- Vice Chairman Baldyga also stated to have raft and lights in Tumon Bay.
- Vice Chairman Baldyga added that also discussed were Chamorro songs and music. He stated that there is no consistent common quality identifier musically playing at the airport and hotels.
- Vice Chairman Baldyga stated that N. Leon Guerrero informed him that there were a couple of CDs produced long ago.
- Vice Chairman Baldyga commented that it might be worth thinking about doing a contest or putting something together that could be of quality and consistently played throughout locations.
- Director Miyashita inquired about the suggestion of lights.
- Director Yoshino stated that there are no limited night activities in Guam and that the ocean in Tumon and Hagatña are very dark and boring at night. He added that his idea was to see activities from the ocean view rooms at night or someone could participate in raft lighting.
- GM Camacho stated that she would work on the Two Lovers Point story and work with Leonard Calvo to develop that.
- GM Camacho would look into the Sirena untold story.
- Director Arriola stated that she would make sure that the cultural items that were brought up would be part of CHaCO's budget development.
- Director Miyashita inquired about the informal discussion to have Guam in the same time zone as Japan.
- Vice Chairman Baldyga replied that JGTA suggested that Guam put itself in the same time zone as Japan and would in turn make Guam one hour closer to all markets.
- Director Kloppenburg inquired if the Governor would do that.
- Vice Chairman Baldyga also inquired if this was something that the board and management should move forward on.
- Chairman Mesa recommended for GM Camacho to handle and see if it was worth looking at.

#### **E. Korea Marketing:**

- Director Miyashita recognized and thanked all the great supporters such as Outrigger Guam Resort, Hotel Santa Fe, PIC, and DFS.
- Director Miyashita commented that the visit was a huge success.
- Director Miyashita reported on an increase of extra flights from KAL starting March 25<sup>th</sup>. He added that they would fly four times a week with a smaller aircraft versus the 747 aircraft they are currently flying.
- Director Miyashita added that they would determine if these flights would be regular flights, since these are at the testing stage. He commented that this was encouraging for Guam.
- Director Miyashita stated the way to increase seats is to have additional flights.
- Director Miyashita stated that they are looking into another LCC to fly to Guam.



- Director Miyashita commented that Korea's market share is small at 1.3%, however he would like to see the number increase much more.

**F. Existing Markets:**

- **Motion made by Director Yoshino, seconded by Vice Chairman Baldyga, to approve travel for the Board Chairman to travel to Miami, Florida, to attend and participate at the Seatrade Cruise Shipping Convention from March 12-15, 2012. (Estimated cost = \$4,487.50, Account No. to be assigned after board approval of the funding)**  
**Motion approved.**

**Background:** The GVB, along with the Port Authority of Guam, PATA Micronesia Chapter, MVA, Kosrae Visitors Bureau, Palau Visitors Authority, Yap Visitors Bureau, and others, have formed the Micronesian Cruise Ship Association to pursue cruise shipping opportunities to Guam and the region. The Chairman will join the General Manager and the Port Authority of Guam delegation and others at the event for meetings and continue to explore ways to further develop Guam's and the region's cruise ship industry and to follow-up on past discussions initiated during last year's Seatrade Miami and Cruise Asia Singapore events, both attended by the Board Chairman.

Airfare @ \$2,800/pax	\$2,825 x 1 pax	\$ 2,825.00
Lodging – Miami @ \$190.00/day	\$190.00 x 5 days x 1 pax	\$ 950.00
Per Diem – Miami @ \$82.50/day	\$82.50 x 5 days x 1 pax	\$ 412.50
Unanticipated Expenses (Guest hosting, etc.)		\$ 300.00
<b>Estimated Total:</b>		<b>\$ 4,487.50</b>

**Issue:** BOD approval needed for travel

- Director Yoshino reported that the Taiwan market is growing. He added that we would be facing bigger challenges and the need for higher spenders in Taiwan.
- Director Yoshino stated that once rooms are occupied there would be less rooms for Taiwan market.
- Director Yoshino suggested for higher room rates and more volume during off-season. He added that during off-season, hotels have more capacity to accommodate Taiwanese.
- Director Calvo inquired if there was a uniform off-season for the Bureau's core markets.
- Director Kloppenburg responded that all markets are all just about the same with the exception of Russia.
- Gennie Yen stated the need to focus on special promotions from marketing segments for off-season. She added that Taiwanese high spenders expect better facilities and services.
- Director Calvo inquired with the different tourists coming in do they expect more or less of the same thing. He wondered if they expect to do the same thing such as golf, sightseeing, or if there is a variation of expectation.
- Director Yoshino replied that there is no difference and that the tourists all want to do the same thing, however he stated that the one difference is the wedding business from Japan. He stated that they don't see that from other markets.
- Director Miyashita added that for the Korea market they are more for honeymoon.
- Director Yoshino stated that he's seen a trend with the Taiwanese that they enjoy a one-day trip of water activities at PIC.
- Chairman Mesa commented that Guam needed another waterpark.
- G. Yen stated that Taiwanese spend is \$780. She asked the board members if that was good compared to the other markets.
- Chairman Mesa replied yes.
- Director Calvo inquired about Japanese average spend.

- Chairman Mesa replied \$500.

#### **G. New Market Development:**

- Director Kloppenburg reported that P. Laguana is working on the Russia trip scheduled for March.
- Director Kloppenburg stated that the Russian tourists are arriving and have long stays and spend money on food and entertainment.
- Director Kloppenburg reported that there are three local Russian tour operators on island and expect that number to increase in the next six months or so.
- Director Kloppenburg added that there is not too much to report on the Russian visitors as we are still learning.
- Director Calvo inquired how the Russians are arriving to Guam.
- Director Kloppenburg replied through Seoul, Korea.
- Director Calvo inquired on the flight time between Russia and Seoul.
- Director Kloppenburg replied that the overall flight time is 7.5 hours from Russia to Guam.
- GM Camacho added that from north eastern Russia to Incheon is about one hour.
- Director Miyashita inquired in terms of numbers what is the Bureau target this year.
- P. Laguana replied that in 2011 Guam received 528 Russians and now with the visa waiver the goal is for 2,000. She added that once the Bureau develops partnerships and get land operators to generate contract relationships with suppliers in Russia, we hope to grow that number substantially.
- P. Laguana stated that marketing is making a lot of progress and commented that this is an interesting market, because there is so much to learn and that it has not been easy getting reliable data in the market place.
- P. Laguana thanked the U.S. Embassy and U.S. Commercial Services. She stated that they have been really excited about Guam receiving the waiver and are working closely with her and Gina Kono.
- P. Laguana reported that there are three land operators and that she is trying to excite them about the Bureau's upcoming initiatives.
- P. Laguana stated that GVB could promote the destination, but we need the commerce work to start engaging them.
- P. Laguana added that she has been working closely with GEDA and found out that there is an opportunity for GEDA to assist small businesses.
- P. Laguana stated that the businesses have to qualify and meet criteria to get potential funding support through a grant called STEP and one of the qualifications to take advantage of the STEP program is that they must be in business for one year.
- P. Laguana added that the Bureau is looking to see if the land operators would be able to qualify, so that this would help them with their mission in Russia.
- P. Laguana stated that marketing is working as quickly as possible to generate needed sales collateral for the trip that would start on March 18, 2012 to Moscow for the Moscow International Travel Fair (MITT). She added that they would have seminars and meet key operators.
- P. Laguana stated that after Moscow they would move to the far eastern region, which is the area closest to Seoul, and the Bureau's main market segment. She added that Vladivostok and Khabarovsk are the two main cities where they would present Guam first.
- P. Laguana commented that there is a lot of momentum to help GVB and that she is getting ready to send out announcements to GVB members who are interested in going on the mission.
- P. Laguana stated that the key interest is to get the land operators to join, so they could obtain contracts with the travel agents.
- Director Kloppenburg stated that despite not hearing progress being made with the China Parole Authority/Visa Waiver, the administration is fully engaged along with the Congresswoman's office and lobbyist working in Washington, DC.

- Director Kloppenburg stated that there might be a phone conference scheduled Monday or Tuesday.
- Director Kloppenburg informed the board that there are positive feelings that it would happen in next month or two or not happen at all.
- Director Kloppenburg stated that all the questions asked are relative to the timetable required by the airlines.
- Director Kloppenburg stated that the question is how much time would be given to screen the travelers coming to Guam.
- Director Kloppenburg stated that it has been said two-week period down to a one-week period, but now has been settled to a 72-hour period. He added that once a consensus has been reached there would be an announcement, however that all indicators are that it would happen within two months or so.
- Director Calvo inquired if DoD has come out with a position.
- Director Kloppenburg replied yes and that they're position is that they don't have a position, but are asking how much time is needed.
- Director Kloppenburg stated that he has asked Charles Duncan to meet with the people in Washington, DC and to speak on behalf of the airlines as to what an airline requires in order to be successful in marketing Guam.
- Director Kloppenburg stated that Guam would like to see 48 hours just the same as Saipan.
- Director Calvo questioned if 72 hours was realistic.
- Director Kloppenburg replied yes.
- Director Saad commented that to go to Australia you would need a 72-hour visa, which hasn't hindered travel to Australia.
- Director Kloppenburg commented that he's optimistic that it would happen just like Russia, when it happens it happens and we would deal with it.
- Director Arriola stated by looking at the TAF projections the Bureau needs to budget for Russia and prepare for China and prepare for the best.
- Director Kloppenburg stated that we're going to have a new set of problems, which would be good problems.
- Director Kloppenburg commented that there are a lot of rooms that are closed down and need to be rehabilitated and that in a reasonable amount of time we could increase the room availability.
- Director Kloppenburg added that there are going to be peak times that are unavoidable.
- Director Kloppenburg stated that each property has to determine on what market they would protect and what rates are going to be.
- Director Calvo stated that recently there has been news on the marine relocation and that there are interactions between the federal government and the military on the new buildup. He inquired if there was a way in those discussions to include the China Visa Waiver issue.
- Director Calvo stated that this was really about DoD cooperating and this would be one way for them to help diversify Guam's tourist base and economy.
- Chairman Mesa responded that there has been discussion through the Chamber of Commerce.
- Director Kloppenburg added that the Administration and Congresswoman Bordallo has take that message and that it does provide the opportunity to get it front and center on the table.
- Director Kloppenburg suggested for Chairman Mesa to contact Arthur Clark.
- Chairman Mesa responded that he has contacted A. Clark and that the positive feedback from DoD has been encouraging.

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

- Director Saad commented that at his last committee meeting they touched on a lot of areas.
- Director Saad reported that the friction course mixture has been approved and per DPW paving should start in Tumon in about two weeks.

- Director Saad stated that there has been a lot of discussion about the safety of the intersection at DFS and Outrigger. He stated that DPW would observe the foot traffic and come up with a recommendation.
- Director Saad updated the board on the abandoned buildings. He stated that there are four eyesores and that two have been handled and the other two are at a standstill, which is the Hong Kong Building and Gun Club.
- Director Saad stated that DPW would work with the Lt. Governor's office and Assistant Attorney General's office to try to make the owners do something about it. He added that there has been recommendation to implement a tax levy against the owners.
- Director Saad reported that \$4,000 has been approved for DPW to complete inspection for all drainage.
- Director Saad updated the board on the GBTF account that it has been located, however we are unable to tap into the account.
- Director Saad stated that these were proceeds generated from citations that were to be split 50/50 between GBTF and GEPA, however the funds were transferred to the General Fund for being inactive. He stated that there are 150 CAPE volunteers that we cannot purchase uniforms for.
- Director Saad stated that there are funding issues with DPR with regards to the beach patrol as well as issues with lifeguards and hotels.
- Director Saad stated that the handbilling issue is due to lack of enforcement and has been discussed and recommended that GVB would issue letters to the businesses to include photos of their employees in action and a copy of the handbilling law.
- Director Saad added that there is support from Senator Muña Barnes and Senator Palacios to amend the law to have CAPE issue citations for handbilling activities.
- Director Saad stated that the biggest challenge his committee is facing is the lack of funds. He stated that a lot could be done if there was money.
- Director Saad stated that there are no funds for the installation of the surveillance cameras. He added that the cameras were inspected and tested in working condition and now the problem is installation.
- Director Saad commented that what was once a priority six months ago has now fizzled.
- Director Saad mentioned that the sirens are at a standstill.
- Director Arriola inquired about federal funding.
- Director Saad replied that there is federal funding but they are tied to other projects.
- Chairman Mesa suggested looking at the budget for FY2013 and possibly earmark for those projects.
- GM Camacho stated that she would follow up on the sirens.
- Director Taimanglo inquired about the money that is being collected on citations.
- Director Saad replied that there is no one issuing citations.
- Director Saad stated that the CAPE officers should not be on the streets issuing citations without uniforms.

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

- Director Kloppenburg stated that the next Membership meeting is scheduled for March 19<sup>th</sup>.
- Director Kloppenburg inquired about the guest speaker.
- Chairman Mesa responded that the speaker has been confirmed to be Mr. Shinya Kurosawa, JTB's Vice President, Executive Officer - Global Business Unit Headquarters.

- **Motion made by Director Kloppenburg, seconded by Director Arriola, to approve up to \$4,200 from the Membership Account for the Membership Mixer recognizing GVB Board Member and EMC Chairman, Mr. Hayato "Jack" Yoshino scheduled for February 10, 2012 at the Hyatt Regency Guam. Motion approved.**

**Background:** Mr. Hayato "Jack" Yoshino has been an active GVB Board Member since 2009. Mr. Yoshino will be leaving Guam for Japan.

**Issue:** Board approval required to proceed with event.

**Discussion:**

- Director Miyashita commented that he's 100% for the mixer and that Director Yoshino has done great service for the board, but management should be mindful of whom to invite.
- Director Miyashita recommended that the motion should be revised to read as a Membership Mixer recognizing Director Yoshino.
- Director Kloppenburg agreed and would discuss at the next board meeting.
- Director Kloppenburg stated to Director Yoshino that he has enjoyed the last three years and wished him the very best.

**J. Research:**

- Director Taimanglo stated that they are working on exit surveys and to update customs forms.

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

- Director Arriola stated that the committee did not meet this month.
- Director Arriola stated that the suggestions by Mr. Hiromi Tagawa would be on top of their agenda.
- Director Arriola announced the GIFT on Sunday in Yigo and would be held at the residence of the Executive Director of the Mayors Council, Mr. Angel Sablan.

**L. Sports & Events:**

- Nothing to report.

❖ **EXECUTIVE SESSION**

- Nothing to report.

❖ **OLD BUSINESS:**

- Nothing to report.

❖ **NEW BUSINESS:**

- **Motion made by Director Calvo, seconded by Director Arriola, to approve a total of \$110,000.00 from the FY2012 Tourist Attraction Fund budget (TAF) for the Micronesian Cruise Association and The Pacific War Museum Foundation.**

**Motion approved.**

- I. Micronesian Cruise Association  
\$60,000.00
- II. The Pacific War Museum Foundation  
\$50,000.00

**Background:**

**Cruise Shipping Industry**

GVB's need to diversify its market source base includes cruise shipping industry opportunities. As part of this ongoing effort, GVB's cruise shipping strategic plan, in cooperation with the Micronesian Cruise Association (MCA), entails support for providing a forum for discussion on

legislation, tourism development, ports, tour operations, safety, security and other cruise industry issues. This will be accomplished by seeking to build cooperative relationships with other partner cruise lines and destinations and to develop productive bilateral partnerships with every sector of the industry.

### **The Pacific War Museum Foundation**

Guam is home to seven different park areas that are part of the War in the Pacific National Historical Park operated by the National Park Service. There are many more sites scattered around the island with significant military historical values to the people of Guam. But there is only one repository of World War II artifacts that is privately developed and owned – The Pacific War Museum founded by the late John Gerber and now operated by The Pacific War Museum Foundation. Their continued success is to a great extent dependent on Guam residents and visitors to visit, examine and remember the great sacrifices of war, especially the role Guam and its residents played during the Japanese invasion, occupation, and subsequent liberation by U.S. forces in 1944.

Senator Tina Muña Barnes has asked the GVB board to consider funding these two projects via the “Special Projects Appropriation” authorized in GVB’s FY12 Budget funded by the TAF. Senator Muña Barnes’ letter is attached.

**Issue:** Board approval required to fund these projects.

### **Discussion:**

- Director Arriola questioned the lump budget and inquired how much the government allocated.
- Chairman Mesa replied that this was listed under the special appropriation category.
- GM Camacho stated that this was part of the GVB Destination Management budget.
- Chairman Mesa stated that on Senator Muña Barnes’ letter it stated where she allocated those funds.
- Director Calvo inquired about MCA for \$60,000.
- Chairman Mesa replied that the funds are for marketing strategy for attracting the cruise ship business for potential investments.
- Director Calvo inquired if a consultant firm was being hired.
- Chairman Mesa replied no and that MCA is an association within itself comprised of other island representatives of the government and that this was mandated as part of the strategic plan to develop the cruise business.
- Director Calvo inquired how the \$60,000 is being spent.
- Chairman Mesa stated that majority of the funds are being spent for conferences to start relationships and dialogues.
- Director Calvo inquired about a budget plan.
- Director Miyashita agreed that it was good practice to have a plan.
- Director Calvo stated that the The Pacific War Museum Foundation is tangible with a museum and maintenance costs. He added that the first item is not tangible and just a concept.
- Director Calvo recommended for the plan to be submitted to the board at the next board meeting to see how funds are being spent.
- P. Laguana stated to the board that she needed to start the registration process for Chairman Mesa to attend the Seatrade Cruise Shipping Conference next month. She added that they are unable to register GVB’s delegate without approval from the board.
- Chairman Mesa stated that the funding source has been approved subject to the budget breakdown.
- Chairman Mesa stated that the motion to travel was approved, however no other projects are approved

until the plans of MCA's strategies are submitted to the board.

- o **Motion made by Director Crisostomo, seconded by Director Flores, to authorize the General Manager to proceed with contract negotiations phase with the highest-ranking qualified Offeror in response to GVB RFP 2012-003, soliciting an International Media Specialist. Motion approved.**

**Background:** Current contractor (Jessica Peterson) will no longer be able to fulfill her contract term for the remaining fiscal year. Her contract will terminate on February 10, 2012. A new RFP was issued on January 25, 2012.

Deadline to receive proposals in response to this RFP is 5:00 p.m., February 14, 2012. This motion will enable the GM to proceed with contract negotiations with the highest-ranking qualified Offeror as determined by the evaluation committee.

**Issue:** Board approval required.

**Discussion:**

- Director Miyashita inquired if it was necessary for the board to approve every single RFP.
- Chairman Mesa replied yes because management would be entering into a contract.

❖ **ANNOUNCEMENTS**

- Director Yoshino announced the arrival of Mr. Hiroshi Tachi next week.
- Chairman Mesa stated that the previous board designated Mr. Tachi as Ambassador of Tourism in Japan for GVB.
- Y. Mutsumori stated that Mr. Tachi is a professional actor in Japan and has been selected in the past as Ambassador.
- GM Camacho stated that he has a huge following.
- Director Arriola inquired if GVB was doing anything for Mr. Tachi.
- Chairman Mesa replied setting a meeting with the Governor. He stated that Ken Corp. would be doing a dinner for him and that GVB board members were all invited.
- Director Yoshino stated that the dinner is set for March 15<sup>th</sup> and all GVB board members and management were invited at no cost to GVB.
- Director Flores announced that Inarajan would showcase dance, song, and arts this Friday through Sunday.
- Chairman Mesa reminded all board members to attend the Membership Mixer for Director Yoshino.
- P. Laguaña announced that there would be a social media workshop tomorrow at the Holiday Resort and Spa and that it was opened to all board members and membership.

**Board Resolution suggested by GM Camacho:**

- GM Camacho advised the board that next week the Hilton Guam Resort and Spa would be celebrating their 40<sup>th</sup> Anniversary.
  - GM Camacho suggested that GVB should draft a board resolution to present to the Hilton Guam Resort and Spa on February 16, 2012.
- o **Motion made by Director Calvo, seconded by Vice Chairman Baldyga, to approve a Board Resolution in acknowledging and congratulating the Hilton Guam Resort and Spa on the occasion of its 40<sup>th</sup> Anniversary in providing exceptional service to Guam's tourists and local residents.**

Motion approved.

❖ **ADJOURNMENT:**

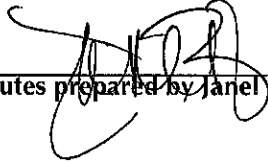
- o Motion made by Vice Chairman Baldyga, seconded by Director Arriola, to adjourn the meeting.  
Meeting adjourned at 5:43 p.m.

Attested:



---

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



---

Board Minutes prepared by Janel Perez, Executive Secretary