



GUAM VISITORS BUREAU

50th ANNIVERSARY · 1963 - 2013

REGULAR BOARD MEETING GVB MAIN CONFERENCE ROOM, 4:00PM THURSDAY; August 09, 2012

Board of Directors Present:

Chairman Monte Mesa
Hope A. Cristobal
Carissa Fortino
Eduardo (Champ) Calvo
Jennifer Camacho

Vice Chairman Mark Baldyga
Bruce Kloppenburg
Judy Flores
Nathan Taimanglo
Theresa C. Arriola

Board of Directors Present Telephonically: N. Oscar Miyashita

Board of Directors Absent:

Carol Tayama Rizk Saad

GVB Management and Staff Present:

Joann Camacho	Nathan Denight	Tony Muna
Nadine Leon Guerrero	Laurette Perez	Doris Ada
Regina Nedlic	Gina Kono	Sonja Lujan Sellers
Brian Borja	Kraig Camacho	Felix Reyes
	Mark Manglona	Miranda Munoz

Guests:

❖ Proceedings:

Meeting called to order at 4:08 p.m. by Chairman Monte Mesa.

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

- o **Motion made by Director Kloppenburg, seconded by Vice Chairman Baldyga, to approve the minutes of July 26, 2012.**

Motion approved (subject to correction).

❖ Chairman's Report:

- Chairman Mesa reported about the legislative budget hearing last week.
- Chairman Mesa reported that the Legislature received the proposed budget (\$18.3 million – figured by a conservative estimate of \$25 million projection from the TAF (FY2013) and subtracting \$7 million on the new bond repayment) with a “lukewarm reception” because of flexibility that the Legislature will need for their Special Projects allocations that relate to and support tourism.
- Chairman Mesa reported that committee heads requested to reevaluate GVB's budget in which he commended Management and Staff for having anticipated with a contingency plan of \$16.2 million.

- Chairman Mesa reported that Bill 454-31 (The Legislature turning over Skinner's plaza property to the Government of Guam for the Guam museum construction) went well with no current opposition during the meeting.
- Chairmen Mesa explained that lobbying efforts to pass Bill 454-31 is important because of the intent to have a real iconic centerpiece in the view that will definitely attract visitor's interest.
- Chairman Mesa added that every potential location has been looked at, with all concerns addressed but with one of the considerations of the time requirement for significant construction to be done and expended before 2014 as part of the bond covenants.
- Chairman Mesa stated that there is more than 8 Legislators that will support it so it's a matter of discussion and debate on the floor.
- Director Cristobal expounded that the important thing is that it will be reported out this month.
- Chairman Mesa also pointed out that there are 3 Legislative representatives here at the Board meeting.

❖ **General Manager's Report**

- GM Camacho reported that the GVB's Research division has been working diligently to bring reports up to speed.
- GM Camacho recapped the Fiscal year up to July 10 - there has been an increase of 10.6%.
- GM Camacho reported that we are up 16.5% as of July 10, with Japan increase of 28%, Korea flat, Taiwan down 22.6% and China up 22%.
- GM Camacho noted that Debi's numbers are slightly different from Customs numbers, as CBP's tracks data reports from actual passports, whereas GVB's numbers tracked are from customs forms.
- GM Camacho reported that GVB did some of June, which shows that there was more than 460 pax from Russia in July.
- GM Camacho reported that Japan arrivals increased from 2010 at 5.3% to 28% in 2012.
- GM Camacho reported that the Guam Education Tour Groups by the Japanese high schools total 94 schools versus 91 schools from last year. Numbers are still pending from 2 hotels which will probably be between 94-97 schools visiting.
- GM Camacho reported that DoCoMo is launching their Stamp Rally to promote Guam from August 01 to the end of the year. This promo entails bringing in your cellular device and get perks in different participating companies (e.g. 671 Promotions).
- GM Camacho reported that from July 27 – 29, GVB staff Haven Torres, in cooperation with United Airlines attended the Matsue Suigo Festival in Okayama. She added that there were over 300,000 attendants and a lot of media (TV) coverage. She also noted that United picked up the tab with the exception of airfare taxes and meal/incidentals.
- GM Camacho reported that GVB attended the Aloha Yokohama Festival – Our name was 'I Taotao Kinahulo' Atdao na Tano' - "People of the Land of the Rising sun". This was a part of GVB's continued commitment to showcase Guam's culture in Japan.
- GM Camacho reported that DGM Denight and Nadine Leon Guerrero attended the Kashiwa Festival on July 27-29 for the 21st anniversary friendship. There were over 700,000 attendants with Ms. Guam being well received by the participants.

- GM Camacho reported that the Hiroshima School Trip Seminar was held on August 01 and the Fukuka School Trip Seminar on August 02.
- GM Camacho reported that the pax forecast for Korea is growing. She noted that the available seats in September have a lot to do with the change of aircraft with the different airlines. (*See attached forecast).
- GM Camacho reported that the market shares saw a boost from 1.2% in June 2011 to 1.3% in June 2012. She added that July was pretty much flat but shows a growth of 1% in August onward.
- GM Camacho reported that in addition Jeju Air will begin the inaugural Street Promotion on August 27. Their inaugural flight to Guam will be on September 27 with a daily departure at 1020am.
- GM Camacho reported that in response to this, Korean Air has announced flights to Guam from Busan scheduled for October 28.
- Chairman Mesa asked if this will be regular in which GM Camacho stated yes.
- Director Miyashita noted that if you take a look at the Korean Market 3 month forecast for October, there is an increase of 86.10% in seat capacity because of the Busan arrivals and the extra flights daily. Because of the Jeju Air flight from Nichan on September 27, Korean Air decided to compete with Jeju Air with flights twice a week from Busan and anticipate almost 60% increase in seat capacity in October. He notes that this is a big highlight for Korea and positive for their consumers and Guam as a whole.
- GM Camacho reported that the Taiwan pax forecast shows a 1% increase in August, 4% in September and 2.4% in October.
- GM Camacho reported that China Air will be changing their flight schedule from Sunday and Wednesday to Sunday and Thursday. GM Camacho added that the new GM of EVA Air, Walter Chen has indicated that a change of EVA Air flights will be a Monday and Thursday schedule. GM Camacho noted that GIAA GM Chuck Ada did state that this may good. She added that they will be meeting with the airlines in October.
- GM Camacho reported that The Guam National Bodybuilding Fitness will be taking place on November 10 at the Leo Palace Resort.

❖ **Report of the Treasurer:**

○ **Cash Position Report:**

- Cash report as of August 6, 2012.
- Total cash in banks report (as of 08/06/12) \$11,462,526.90
- Total allotment received to date: \$12,731,621.12

- Director Cristobal reported that it appears that GVB's allotments are getting better than last year and that releases are better and consistent.
- GM Camacho agreed.
- Director Cristobal stated that the Asatsu invoices are problematic but it's all a process.
- GM Camacho reported to the Board that Senator Ben Pangelinan's office is requesting (via telephone) a copy of GVB's latest bank statement.
- Director Kloppenburg questioned whether we need to fulfill the request and if this was normal procedure.

- Chairman Mesa replied that it was unusual but if a written letter has been submitted than yes and there is nothing to hide.
- GM Camacho stated that they will be meeting with Senator Ben Pangelinan's office next week.
- Chairman Mesa asked if they are requesting for just one bank statement.
- Director Kloppenburg suggested that GVB provide a Citibank statement.
- Director Miyashita noted that if you look at the cash position report you will see two new line items added: Encumbered Contracts (not yet incurred) and Encumbered POs (not yet incurred). These are obligations that have not incurred and should still be aware of and "it's not as rosy as it looks." It is still a huge and sizable increase from prior years but to take this into account.
- Director Miyashita noted that GVB accounting staff is working on modifying the financial reporting format to make it easier for comparative purposes to allow Board members to understand.
- GM Camacho reported that the cash collection that was given in the last meeting is up to date. She added that she spoke with DOA and requested TAF information for July. DOA report is pending until next week due to internal issues. She added that the report looks favorable being July was a good month but even if we went with what we have from last year there will still be over \$24 million from the TAF collections.
- Director Camacho asked if there was any word on the release of the reserve.
- Chairman Mesa responded that it was indicated that half of it may be coming back but not confirmed based on the letter that the Board requested and sent out to the Administration. They are looking at responding "to something and somewhere in between."
- GM Camacho stated that she did submit an amendment for the allocation of the 8%, which is what they asked GVB to do. She added that it will probably be just the 8%.
- Director Camacho responded, "anything is better than nothing".

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

❖ **Report of the Board Committees:**

A. **The Strategic Advisory Council:**

- Nothing to report.

B. **Administration/Government Relations:**

- Nothing to report.

C. **Executive Committee:**

- Vice Chairman Baldyga stated that at the next Board meeting, he would like to cover the clarifications on Executive Committee's authority with respect to the requirement that the Executive Committee's actions be ratified. He added that he would like to review the by-laws to resolve the issue.

D. **Japan Marketing:**

- Vice Chairman Baldyga reported that ADK's preliminary plan is finished and it looks good. He added that ADK's making great progress on their marketing plan.

- Vice Chairman Baldyga reported that there are a few new members on the JMC including the new Nikko General Manager.
- Vice Chairman stated that ADK's making great progress on their marketing plan.
- **Motion made by Vice Chairman Baldyga, seconded by Director Nathan Taimanglo to approve travel for 30 pax to attend JATA Tourism Forum and Travel Showcase from September 19 - 24, 2012. (Account # CPO-001: Estimated cost of travel \$63,000; TTC001: Estimated cost of travel \$25,995.75, Total: \$88,995.75).**

Motion approved.

	Per diem Rate	Days	Total
Governor Calvo – TBC	\$669.50	3	\$2,008.50
Senator Barnes	\$669.50	3	\$2,008.50
2 Board Members	\$643.75	3	\$3,862.50
1 Mgmt	\$643.75	3	\$1,931.25
4 Staff	\$515.00	6	\$12,360.00
Airfare	\$425.00	9 pax	\$3,825.00
TTC001 Total			\$25,995.75

	Per Diem	Days	Total
1 Board Member	\$643.75	6	\$3,862.50
1 Mgmt	\$643.75	6	\$3,862.50
3 Staff	\$515.00	6	\$9,270.00
8 Cultural Delegation	\$515.00	5	\$20,600.00
8 Cultural Delegation	\$515.00	4	\$16,480.00
Airfare	\$425.00	21 Pax	\$8,925.00
CPO001 Total			\$63,000.00

Background:

Organized by the Japan Association of Travel Agents, the JATA Tourism Forum and Travel Showcase is the biggest travel event in Japan. The first biennial JATA Tourism Congress & Travel fair was held in 1977, 13 years after the 1964 liberalization of overseas travel in Japan, just as the overseas travel industry was starting to take off when the number of Japanese overseas travelers stood at 3.15 million. In 2003, the Congress and Fair became an annual event.

There are three major events that take place. The first is the Tourism Forum. The theme for the Forum is building the foundation for a new travel culture and the featured key note speaker will be Dr. Michael Frenzel, Chairman of the World Travel and Tourism Council and TUI AG Chairman of the Executive Board.

The second event is B2B meetings. The Bureau will meet directly with travel agents and group planners encouraging them to select Guam for their clients.

The third event is the Travel Showcase where thousands of people attend. In 2011, 117,236 members of the travel trade and consumers attended the JATA Travel Showcase providing many opportunities to meet with travel industry planners, media and consumers.

Discussion:

- Chairman Mesa asked that JMC look into Hawaiian Airlines applying for a 2nd application for the 2 open slots from Haneda Airport into Honolulu, Hawaii.
- Chairman Mesa asked if we can explore this option with our homebound national carrier being that flight hours is less from Haneda to Guam.
- Director Kloppenburg stated that our airlines did apply but were denied.
- GM Camacho asked if she can work with the airport (Chuck Ada and Frank Santos) on this matter.
- Vice Chairman Baldyga volunteered to do a follow-up and check on the airlines directly.
- Chairman Mesa stated that aggression is needed to chase this matter as one slot is underutilized.
- GM Camacho stated that she will also look into a protest of Hawaiian Airlines 2nd request.

E. Korea Marketing:

- o Motion made by Director Camacho, seconded by Director Calvo to approve additional per diem and professional fees for the Lotte Jeju Hotel Summer Guam Festival at the Lotte Hotel Jeju, Jeju Island, South Korea during August 20-27, 2012. (Cost will come from the FY2012 Korea Sales Marketing Acct# SMD019, estimated expenses \$5,092.16).

Motion approved.

	DESCRIPTION	PREVIOUSLY APPROVED	ADDITIONAL REQUEST
B	Airfare (8 pax)	\$6,400.00	\$0.00
a	Per Diem – Lodging (All Comp)	\$0.00	\$0.00
c	Per Diem – M&IE/Staff (1 pax x 8 Days)	\$848.00	\$103.00
k	Per Diem – IE/Ent & MG (7 pax x 8 days x \$21/day)	\$1,176.00	\$4,489.16 (M&IE)
g	Professional Fees – Musicians & MG (\$100 x 3 pax x 7 days)	\$2,100.00	\$300.00
r	Professional Fees – Dancers (\$50 x 4 pax x 7 days)	\$1,400.00	\$200.00
o	TOTAL	\$11,924.00	\$5,092.16
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On June 28, 2012 the Board approved travel to attend the Lotte Hotel Jeju, Jeju Island, South Korea during August 20-27. The reasons for the additional request of funding is due to (1) changes in the Federal per diem rate which became effective August 1, 2012; (2) change in travel itinerary to depart Guam on August 19, 2012 instead of August 20, 2012; (3) Lotte Jeju Hotel was unable to confirm request for complimentary meals for the delegation during their stay, and (4) for the added Guam performance in Seoul for the Jeju Air Inaugural Flight Street Promotion on August 27, 2012.

- GVB has been invited by the Lotte Hotel Jeju to provide cultural performances during the period of August 20-27, 2012, a week to be called Guam Fair and to support its opening scheduled for June 2012. GVB plans to bring a cultural group made up of dancers and singers to provide entertainment at the hotel during the lunch/dinner times at the hotel's food & beverage outlets. GVB also plans to have available travel information about Guam and its members and to share such information with the hotel's guests at the GVB poolside booth.
- Lotte Hotel Jeju will cover Korean domestic air travel and daily room accommodations for the GVB delegation.
- While at Jeju Island, meetings with the Jeju Visitors Bureau are planned to reinvigorate the Jeju Island-Guam Sister City Relationship. Also, meetings with airlines servicing Jeju Island will be planned for consideration on a Jeju Island-Guam route.
- To further leverage on this opportunity, GVB will conduct an online promotion to engage with popular media outlets and to increase traffic to the GVB Korea Facebook page. As a result of the promotion, we aim to increase our social network reach by 5,000.

Expected returns:

- Access to more than 100,000 Lotte members via Electronic Direct Mail
- 1-page article in Lotte Magazine called "Stories from Lotte" in August 2012 issue 1-page article in Lotte Membership Magazine "Privilege".

- o **Motion made by Director Camacho, seconded by Director Calvo to approve travel for 2 GVB staff, 6 Cultural Entertainers, and 1 Miss Guam to attend the Busan International Travel Fair 2012 (BITF 2012) in Busan, South Korea during September 7-10, 2012. Cost is approximately \$20,504.00 from the FY2012 Korea Sales Marketing Development Acct# SMD019.**

Motion approved.

Airfare (9 pax)	\$7,200.00
Per Diem – Lodging for 2 GVB staff	\$3,145.50
Per Diem – M&IE/Staff (9 pax x 7 days)	\$8,158.50
Professional Fees – Musicians & MG (\$100 x 3 pax x 4 days)	\$1,200.00
Professional Fees – Dancers (\$50 x 4 pax x 4 days)	\$800.00
TOTAL	\$20,504.00

Background: The Mayor of Busan Metropolitan City, Mr. Nam-Sik Hur, has invited GVB to join in the celebration of the BITF's 15th year opening by participating in the upcoming Busan International Travel Fair. The BITF is a consumer show that will provide Guam exposure to potential travelers from Busan, a key target for a possible new gateway from Korea to Guam. After having recently participated in a three-city road show where GVB met with travel agents in three different cities, including Busan, it is important that we follow up with a presence in the city's largest travel consumer show to generate interest and create demand.

To further leverage on this opportunity, GVB will invite members to participate under the Guam booth for a small fee, to promote Guam and their respective companies. In addition, GVB will conduct an online promotion to engage with social media users and to increase traffic to the GVB Korea Facebook page.

F. Existing Markets:

- Director Fortino announced that the next meeting is scheduled for the 3rd week of August. She added that she was happy to show a more positive participation with 15 members versus 3.
- Director Fortino reported that they are still working on the goals and objectives for 2013.
- Director Fortino also reported that the tour agencies are working diligently with the GMIF/KKRR to sell the packages.
- Director Fortino reported that ITF 2012 is scheduled for October 26-29.
- Director Fortino reported that the Taiwan RFP 2013 is currently up for review.
- Director Fortino reported that the Tri-annual meeting for PATA is currently going on and is being attended by GVB staffers Pilar and Dee.
- Director Fortino reported that Dry promotions with United are going on.
- Director Fortino reported that PATA will be traveling to the Philippines from September 25 – 28 with Guam and Yap participating. She added that appointments have been scheduled with tour agencies from China, Russia, Australia, USA, Singapore and Malaysia.
- Director Fortino reported that the ongoing campaign in Micronesia for PATA will be ending.
- **Motion made by Director Cristobal and seconded by Director Arriola to approve travel of the GVB Public Information Officer to attend the U.S. Travel Association's Educational Seminar for Tourism Organizations (ESTO) in Boston, Massachusetts during August 26-28, 2012. (Travel cost approximately \$3,620.00; Acct. #: GVB Admin)**
Motion approved with (1) opposed.

Background: The U.S. Travel Association is the marketing arm of the United States overseas and GVB is a member. ESTO is the nation's premier destination marketing educational and networking event. GVB will join more than 500 of the nation's top destination marketing minds in Boston with exclusive access to influential speakers and attend action-oriented sessions designed to innovate, incubate and integrate ideas going forward.

Other events includes professional development sessions, including:

- Public Relations
- Social Media/Online Marketing
- Travel Information/Visitor Welcome Centers
- Travel/Trade Tourism Development
- USTA Research Updates
- Sports Tourism
- Technology Panel and Social Sharing
- Building Viral Tourism Marketing Campaigns
- PR/Communications
- Brand USA General Sessions
- Google Learning Lab
 - Social Marketing
 - Video Marketing
 - Mobile Marketing

The attendance of the PIO, who handles all external GVB corporate communications inclusive of the corporate social media that caters to the North American Market, is important to enhancing GVB's online social media efforts and utilizing new cost efficient technologies offered to enhance Guam's brand locally and internationally. The PIO will also be attending some state tourism meetings for discussion of Guam relative matters.

Airfare	\$2,025.00 x 1 pax	\$2,025.00
Per Diem – Lodging (Staff)	\$183/day x 6 days	\$1,098.00
Per Diem – M&IE (Staff)	\$71/day x 7 days	\$497.00
c	TOTAL	\$3,620.00
u		

ssion:

- Director Fortino asked for clarification about the seminar. She questioned whether Guam will be representing itself as a country or as the U.S. (eg: the Olympics).
- GM and Director Cristobal stated that Guam will be representing themselves as a country.
- GM Camacho stated that Guam can represent itself as American Asia.
- Director Kloppenburg questioned the PIO status as a classified or unclassified fulltime position.

G. New Market Development:

- Director Kloppenburg reported that the Homeland Security meetings in Washington DC went positive but still doesn't have too much firsthand knowledge. He added that the FBI will keep them appraised.

Motion made by Director Kloppenburg, seconded by Director Cristobal to authorize the General Manager as Chief Procurement Officer of the Bureau to begin negotiations with the highest ranked respondent for RFP 2012-011: Tourism Destination Marketing Representation Services in Russia and, if successful, enter into a contract.

Motion approved.

Background: In accordance with 5GAC Ch. 5 Guam Procurement Law, the Bureau issued RFP 2012-011 Tourism Destination Marketing Representation Services in Russia.

Discussion:

- Director Kloppenburg asked if there is a dollar amount on the contract.
- Chairman Mesa responded that it was all in the RFP.
- GM Camacho also stated that it would have to be within the budget and will still need to negotiate.
- Director Kloppenburg stated that we are not privy to the procurement process unless you sit on the committee.
- Director Kloppenburg asked if this was incentive based or flat rate.
- GM Camacho answered flat rate.

- Chairman Mesa explained that it is still developing and there are no benchmarks as we are still measuring at the moment.
- Director Camacho asked how many respondents did we receive.
- GM Camacho answered four. She responded to a question about it being a new group in which she answered that they are all new with no affiliation to Guam.
- Director Kloppenburg stated that we advertised in their cities.
- Chairman Mesa stated that most of it was done east of Warsaw.
- Director Kloppenburg clarified that he thinks that some of them have done some business with Guam in establishing some of the events that have been done in Russia but there are really no new relationships there.
- GM Camacho shared that Senator Joe Wilson suggested on encouraging and tapping our local rotary club to build relationships because he believes that there are over 100 Rotary clubs in Russia.

H. Destination Management:

- GM Camacho reported that bikes were donated to GPD and applauded CarsPlus for their assistance.

I. Membership Management:

- Director Kloppenburg said there was nothing to report
- Chairman Mesa reminded the Board, all members have to update and be paid by renewal's deadline of October 01 or member will not qualify for the GVB 2nd year election in Jan.

J. Research:

- Director Nathan Taimanglo reported that Debi is trying to hire a fulltime employee instead of a contractual hire for 2013 because it is very inconsistent. She added that they are backlogged and with more visitors projected to arrive, there will be more paperwork.
- GM Camacho explained that this is vital as hotels use GVB data to project bookings as well.

K. Cultural Heritage & Community Outreach:

- Director Arriola reported about the FestPac festival in the Solomon Islands.
- Director Arriola reported that for a minimal investment of \$10,000 (\$5,000 from the Festival organizing committee and \$5,000 from CHaCO). She shared that Guam was given a chance to work with the Regional Media - allowing to give live feed for Guam and played for 10 days after. Guam received primetime coverage with 6-minute spots showcasing our delegation and promoting Guam in 22 countries with all segments ending with "Guam 2016".
- Director Arriola announced that she is the Chairwoman for FestPac 2016 and will be holding meetings twice a month.
- Director Arriola stated that with a small fee of \$150, Guam will become members of the South Pacific Tourism Organization:
 - An affiliation of SPC (custodian for the festival)
 - Has an MOU with the South Pacific Organization and in that MOU, they will help to promote the Festival throughout the region.
 - An advantage is that Guam's money is in marketing throughout Asia and we can now use this as an opportunity to capitalize in the South Pacific nations and islands because we want to welcome not just the delegates but their families as well.

- Director Arriola reported that SPTO coordinating staff will be in the region and may come to Guam during the GMIF. She noted that this will be a chance to meet and collaborate to ensure the marketing efforts in the South Pacific.
- Director Arriola projected that over 4,000 delegates plus their families and friends are expected to attend this festival.
- Director Arriola stated that the time is still pending as it depends on the weather as this will be an outside event.
- Director Arriola reported that the proposed locations are Ypao, Tiyan, Mangilao school zone but considerations will need to be taken because of the weather.
- Director Arriola explained that the school systems will need to be a buy-in to house the artists but unlike the SPG (use of gyms, tracks, fields, etc...) the resources are minimal.
- Director Arriola reported that 2 weeks after the festival, the FestPac website went up: www.guamfestpac2016.com
- Director Arriola estimates that the cost will be between \$9 - \$12 million.
- Director Kloppenburg asked if GVB will be called upon for funding.
- Director Arriola explained that Vice Speaker BJ Cruz is putting funds to the side every year from the special projects allocation from the TAF so that it won't be such a drain as it comes 2016. She added that Guam has been given 6 years to plan.
- Director Arriola stated that there will be a need for a flagship hotel because there will be dignitaries coming in and meetings to be held.
- Director Arriola reported that Guam did a great job with selling 2016 and she wanted to acknowledge the graciousness of the Solomon Islands when turning over the flag with a pyrotech show that said "See you in Guam" and "Guam 2016."
- Director Arriola reported that Hawaii has put in a bid for 2020 and has already begun a correspondence to prepare for what Hawaii will need in regards to the US Requirements (Customs, immigration, etc.).
- Director Arriola stated that execution will not be a problem as GMIF is the practice on a smaller scale and SPG was a success.
- Director Kloppenburg suggested that meetings with the Legislature and oversight now to start the dialogue and discuss what the expectations of GVB are in order to prepare.
- GM Camacho stated that a \$1 million was passed through in the budget and GVB has received \$304,000 to date.

L. Sports & Events:

- Director Camacho reported that 281 soloists from Japan and 91 locals have registered to date for the KKRR. She projected that this race will have the most international preregistered runners and will be the most successful.
- Director Camacho commended the job of the Japan office.

❖ EXECUTIVE SESSION:

- No Executive Session.

❖ OLD BUSINESS:

- No old business.

❖ NEW BUSINESS:

- o Chairman Baldyga made a motion, seconded by Director Therese Arriola to approve travel for the Board Chairman and a GVB Marketing staff to travel to Singapore to attend and participate at the Cruise Shipping Asia-Pacific Convention and Tradeshow from September 17-18, 2012. (Estimated cost = \$6,136.00, Account # to be identified by Management).

Motion Approved.

Background: The Cruise Asia-Pacific Convention and Trade Show is the only annual event for the entire Asia-Pacific cruise industry. The GVB is working closely with the Micronesian Cruise Association (MCA), the Port Authority of Guam, and the port authorities of the Micronesian islands to pursue cruise shipping opportunities to Guam and the region. Also, at the recent Micronesia Chief Executives Summit (MCES) held on Saipan, the MCES once again expressed total support of the cruise industry. The GVB delegation will join representatives from the MCA and others at the event for meetings with top level cruise industry executives to discuss and find ways to have the islands included in the cruise itineraries of cruise vessels and continue to explore ways to further develop Guam and the region's cruise ship industry as well as follow-up on past discussions initiated during last year's Seatrade Miami and Cruise Asia-Pacific events, both attended by the Board Chairman.

Airfare	\$1,025 x 2 pax	\$ 2,050.00
Lodging – Chairman Mesa	\$386.25 x 4 days	\$ 1,545.00
Lodging – GVB Staff	\$309.00 x 4 das	\$ 1,236.00
Meals & Incidental Expenses–Chairman Mesa	\$181.25 x 4 days	\$ 725.00
Meals & Incidental Expenses – GVB Staff	\$145.00 x 4 days	\$ 580.00
Estimated Total:		\$ 6,136.00

Discussion:

- Vice Chairman Baldyga suggested that an interim committee be created for a 1 year plan regarding the cruise ship industry
- Chairman Mesa explained that there has been a total of 8 cruise ships with 8,000 passengers that stay for one day. He added that a strategy would be to have passengers fly into Guam and catch a cruise ship because there are certain legs that could catch the next (an example a German cruise ship demonstrated).
- Chairman Mesa announced that the Pa'a Taotao Tano performed in the ships theater for passengers that stayed on the ship during the stopover on Guam. He added that this was the first time Guam was given to showcase culture in a cruise ship and hopes to be able to explore that more, especially with the Japanese ships that come in.
- Chairman Mesa stated that funds have been identified to tap into Marketing and just needs approval of the Board.

❖ ANNOUNCEMENTS

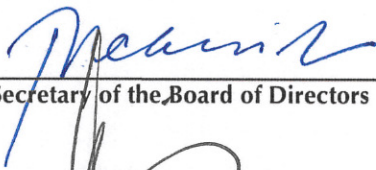
- GM Camacho reminded the board of the Joint Board Meeting with the CNMI scheduled for October 5th.
- Chairman Mesa explained that this will be an attempt to bridge joint marketing efforts with the CNMI and regional traveling between the two with new markets.

- Vice Chairman stated that we should attempt to discuss a preliminary agenda that will be presented during this joint meeting at the next board meeting.

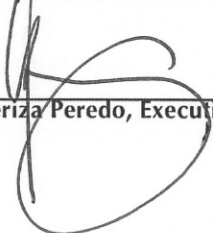
❖ **ADJOURNMENT:**

- Motion made by Chairman Mesa, seconded by Director Arriola to adjourn the meeting. Meeting adjourned at 5:15p.m.

Attested:



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



Board Minutes prepared by Meriza Peredo, Executive Secretary