



REGULAR BOARD MEETING
GVB MAIN CONFERENCE ROOM, 4:00PM
THURSDAY; October 13, 2011

Board of Directors Present:

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

Board of Directors Present Telephonically:

Board of Directors Absent:

Vice-Chairman Mark Baldyga
Eduardo (Champ) Calvo

GVB Management and Staff Present:

Joann G. Camacho	Nathan Denight	Rose Cunliffe
Pilar Laguana	Tony Muna	Felix Reyes
Laurette Perez	Gina Kono	Mark Manglona
Charlene Hitosis	Regina Nedlic	Haven Torres
Nadine Leon Guerrero	Yuji Mitsumori (GVB Japan)	Janel Perez

Guests:

❖ **Proceedings:**

Meeting called to order at 4:05 p.m. by Chairman Mesa.

Review of the previous Regular Board minutes dated September 9, 2011.

- o **Motion made by Director Arriola, seconded by Director Flores to approve the minutes of September 9, 2011.**

Motion approved (subject to correction).

❖ **Chairman's Report:**

- Chairman Mesa stated that there were significant highlights with his participation at the JATA conference along with Governor Calvo. He stated that they had several meetings with top officials in Japan. He stated that they met with Jin Matsubara, Senior Vice-Minister of Land, Infrastructure, Transport, and Tourism and requested support in getting the Haneda-Guam direct flights.
- Chairman Mesa stated that they also met with executives from Japan Airlines – Makoto Onishi, President & CEO, Jun Kato, V.P. Corporate Sales Strategy & Promotion, Naoko Mohri, Director of Tourism Promotion, Yuji Koyama, Director of International Network Planning. Japan Airlines stated that they would bring back seats to Guam as they continue to get new planes and would continue to support Guam as they build their seat capacities.
- Chairman Mesa stated that in a meeting with the Tsuyoshi *Michael* Yamaguchi, Parliamentary Senior Vice-Minister for Foreign Affairs and who also oversees the Consulate Offices, that they requested continual support and informed him that Guam is a safe destination and to encourage their nationals to travel to Guam. He also stated that they emphasized on the Haneda-Guam route.
- Chairman Mesa stated that on the first day opening of the JATA conference the message from JATA President, Akira Kanai expressed that the consensus showed that travel agents are slowly losing ground on how they're



selling customers in Japan. Chairman Mesa stated that customers in Japan are looking more into being individualized in bookings and don't want to be guided.

- Chairman Mesa stated that in the next few years the travel agent customer relationship will continue to diminish and their challenge is to work on reestablishing relationships with the customers.
- Chairman Mesa stated that JATA President Akira Kanai mentioned that Japan is still trying to recover from the tsunami, but slowly the outbound projections for next year is around 17 million, which is about 13 % of the total population of Japan. He stated that last year, out of a population of 122 million less than 17 million have traveled.
- Chairman Mesa commented that they are pushing to encourage more people to travel, which has been a challenge for them.
- Director Cristobal inquired that since we are losing visitors from the travel agencies is there anything comparable to Orbitz or Expedia in Japan.
- Director Saad responded that the sites are www.tellmeclub.com and <http://travel.rakuten.com>, who have been operating for several years.
- Chairman Mesa stated that the airlines are looking into opening more of the blockage.
- Director Saad stated that it's cheaper to fly on a package instead of on airfare alone.

❖ General Manager's Report

- Copies of the General Manager's report were provided to all board members that were present.
- GM Camacho stated that September arrivals were stable and that Japan is still down, however Korea and Taiwan is looking positive.
- GM Camacho stated that the Bureau would continue to sustain Japan and grow Korea and Taiwan markets.
- GM Camacho commented that the Guam Delegation was well represented in JATA.
- GM Camacho stated that there will a Chamorro Dance Academy at the Hilton Resort & Spa to teach our visitors and locals to learn Chamorro base dance steps.
- GM Camacho commented that with the G.I.F.T. program the Bureau has been promoting it well with better banners and communication. GM Camacho added that families are giving it their all in supporting G.I.F.T. and that the Bureau has been working closely with Lam Lam Tours and travel agencies to promote the program.
- GM Camacho stated that there are two GVB signature events happening this weekend from October 14-16, 2011, which is the Guam Micronesia Island Fair and Guam Ko'ko' Road Race.
- Director Kloppenburg commented on the decline with Japanese runners this year.
- GM Camacho replied that this is due to the events of March 11th.
- GM Camacho stated that there are 89 media representatives that will be on island for GMIF/KKRR, as well as bloggers and that GVB expects about \$1.8 million in publicity.
- GM Camacho informed the board of those who haven't completed Ethics training should be completed as soon as possible. She stated that the certification is good for four years.
- Chairman Mesa, Director Arriola, and Director Kloppenburg all stated that they have already completed the Ethics training.
- Director Kloppenburg commented that those who need to do the Ethics training are those members that have been appointed not elected.
- GM Camacho stated that with the close out GVB has received the balance, however Marketing did not receive the full allocation.
- GM Camacho stated that Rose Cunliffe has been working on paying pending invoices.
- GM Camacho stated that GVB's budget is short \$1 million.
- GM Camacho updated the board on the FY2012 15% reduction, she stated that she would work with COS Arriola to try to get an exemption, however she will inform the board with any updates.
- Director Kloppenburg stated that the board voted on a budget and the budget was approved, so if there is any change in the budget it will need to come back to the board for approval.
- GM Camacho responded that she has stressed to COS Arriola that there have been many pass throughs in GVB's budget that needs to be looked at before reducing the budget of GVB's operations.

- Director Arriola stated that in the past there have been agencies that have been exempted.
- GM Camacho informed the board of Executive Order 2011-14, relative to freezing salary increases. She stated that GVB management would honor this until we get further into the fiscal year and see where the Bureau's finances stand.
- Director Arriola stated that as she would like for staff to receive increases, the Bureau should not be cutting programs and receiving raises. She stated that the only way is to work on receiving the exemption, so the Bureau can move forward with staff increments and programs.
- Chairman Mesa commented that GM Camacho has been working diligently on the FY2012 budget.
- GM Camacho thanked the board for their cooperation on the work session that was held on October 11th for Strategic Planning.
- GM Camacho stated that the Bureau is working with PATA on the Strategic Plan, as well as grants and will keep the board posted.

❖ **Report of the Treasurer:**

○ **Cash Position Report:**

- Cash report as of October 11, 2011.
- Total cash in banks report (as of 10/11/11) \$5,747,937.21
- Total allotment received to date: \$13,254,752.00

- Director Cristobal reported on the budget appropriations.
- Director Cristobal stated that as mentioned by GM Camacho the Bureau did not receive the allotment for Marketing in the amount of \$1,074,478.
- Director Cristobal inquired with R. Cunliffe if she would be reporting the pass through appropriations on her reports and that if it would be done for FY2012.
- R. Cunliffe replied that it was the board's decision.
- Director Arriola inquired about the cash on hand funds.
- Director Cristobal responded that of those funds \$40,000 went to Marketing and \$10,000 was donated to Japan.
- Director Arriola inquired with Director Cristobal if there was a possibility of getting the \$1 million shortage.
- Director Cristobal replied that allotments are done.
- Director Arriola inquired about the rollover.
- R. Cunliffe replied that the rollover was not authorized.
- GM Camacho stated that on a positive note the bills would be paid.
- GM Camacho informed the board that Public Law 29-113 Section 34 states to pay the bond first and then operations. She stated that herself along with R. Cunliffe would meet with Benita Manglona to remind her about the public law.
- Director Arriola inquired if all TAF funds were paid back from the General Fund.
- Director Kloppenburg responded that historically former Governor Gutierrez took \$8 million of TAF funds after one of the typhoons and Former Governor Ada took out \$10 million, which the Bureau carried on the books for a number of years as accounts receivables. He stated that the Bureau was reported on the audit, therefore was written off.
- Director Kloppenburg suggested that the shortfall be written off if the Bureau is unable to collect.
- Director Miyashita stated that if the auditors inquire on how the Bureau is able to maintain marketing activities with the \$1 million shortage it should be addressed that the Bureau anticipated this and therefore reduced the budget.
- Director Kloppenburg stated that the Bureau always anticipates not receiving full allotments.
- Director Miyashita inquired if the shortage is carried as a receivable.
- Director Kloppenburg replied that the Bureau use to carry as a receivable because it was owed, but has accumulated over an extended period of time.
- Director Miyashita responded that this is a new shortage.
- Director Kloppenburg replied that the new shortage could be carried over as a receivable.

- Director Miyashita inquired if the Bureau is able to collect it and if there is law stating it can be collected as soon as there is funding.
- Chairman Mesa stated that GM Camacho will work with DOA to see if the Bureau can get at least some of it and hold on to it for one year.
- Director Cristobal stated that the request for FY2012, GVB has received all the appropriations except for \$500,000, which is out of the printing promotions.
- Director Cristobal announced to the board that audit is ongoing at GVB.
- Director Saad inquired about the budget for Destination Management and if there was a detailed breakdown on what was approved and declined.
- GM Camacho replied that it has not been identified.
- Director Cristobal informed the board that the Project Management Officer has been identified as RW Armstrong.
- GM Camacho stated that herself along with Director Cristobal, RW Armstrong, GEDA and DCA would be meeting weekly with the Chief of Staff.
- Director Arriola inquired if RW Armstrong would be handling all projects.
- GM Camacho replied yes and that she would also retain a copy of the contract between the Governor's Office and GEDA and would update the board.

○ *GM Camacho introduced to the board, Japan celebrity runner, Hiromi Taniguchi.*

❖ **Report of the Board Committees:**

A. **The Strategic Advisory Council:**

- Nothing to report.

B. **Administration/Government Relations:**

- Nothing to report.

C. **Executive Committee:**

- **Motion made by Director Miyashita, seconded by Director Arriola, to ratify approval to include an additional day to the previously board approved motion on August 25, 2011 for travel to Seoul, South Korea for BOD member and KMC Chairman N. Oscar Miyashita, Marketing Manager Pilar Laguaña and Marketing Officer II Felix Reyes to attend the Korea-Guam Tourism Council Meeting, from 2 days/nights to 3 days/nights for an additional cost of up to \$1,500.00. (Original cost \$4,260 + \$1,500 = \$5,760.00 from the Korea Guam Account #SMD023)**
Motion approved.

Background: The GVB delegation has scheduled meetings with the Korea-Guam Tourism Council (KGTC), KAL, Jin Air, PHR Korea, Dynamic Airways, AMCHAM Korea, ANTOR Korea, ground operators, and hotel vendors. The KGTC Chairman Mr. Hong is requesting GVB to arrive in Seoul a day earlier than originally scheduled since the majority of the KGTC members have committed to another event. This change will allow the GVB delegation to have full meetings with those listed above as well as add others in attempts to encourage additional routes, gateways, and travel to Guam from Korea.

Issue: Time sensitive and board approval required.

- **Motion made by Director Yoshino, seconded by Director Miyashita, to ratify approval of travel for four (4) GVB Japan staff to travel to Guam to support the execution of the 6th annual Guam Ko'ko Road Race, the 24th Guam Micronesia Island Fair and Guam Chamorro Dance Academy. In addition, several organizations will be on island with various itineraries to include the Kashiwa 20th Anniversary Delegation, the Toyohiragawa Marathon organizers and winners and the Niigata City Marathon organizers and winners. During this time frame a Japan Marketing Committee meeting has also been**

scheduled for October 11. Travel dates from October 11-17, 2011. (Estimated cost \$5,500.00; account #MAR001).

Motion approved.

Background:

GVB Japan market anticipates over 650 runners from Japan. The support staff from GVB Japan will provide translation, information and overall support for all participating Japan runners. GVB Japan's support includes coordination of Japan media and support for members of the Guam Chamorro Dance Academy to participate and perform during the Guam Micronesia Island Fair. In addition, GVB Japan staff will provide translation and support for the Kashiwa delegation.

Airfare:	\$4,100.00
Guam Per Diem (\$62.50 x 6 days x 1 GVB Japan Manager) =	\$312.50
<u>Guam Per Diem (\$62.50 x 5 days x 3 GVB Japan staff) =</u>	<u>\$937.50</u>
	\$5,350.00

Issue: Time sensitive and board approval required for all travel.

- o **Motion made by Director Yoshino, seconded by Director Kloppenburg, to ratify approval of travel for two (2) GVB staff to attend the upcoming 2011 ITB-ASIA from October 19-21, 2011 in Singapore. (Estimated cost of travel is \$7,000.00 from FY2012 Pacific/Australia ITC-Asia Acct. #PA-TTC054) Motion approved.**

Travel Expenses:

Airfare: Est. including daily taxes Guam-Singapore-Guam (2 staff)	\$1,700.00
Per Diem (\$490 x 5 days x 2 pax)	\$4,900.00
Unanticipated Expenses	<u>\$ 400.00</u>
	Total: \$7,000.00

Background: ITB Asia, the annually held three-day B2B trade shows and convention takes place at the Suntec Singapore Exhibition & Convention Centre. GVB will have 65 scheduled and walk-in appointments with travel agents from Asia's leading travel companies, travel agents from Europe and the U.S. along with buyers from the MICE, Leisure and Corporate Travel markets. In addition to the appointments, the Bureau is also participating in the virtual marketplace, which will allow buyers to view Guam information online. It is designed to be the primary event for the Asia Pacific travel industry. ITB Asia is expected to grow as large as its parent event, ITB Berlin, which has over 110,000 trade attendees and over 11,000 exhibitors from almost 200 countries/regions.

Issue: Time sensitive and board approval required for travel.

- o **Motion made by Director Kloppenburg, seconded by Director Cristobal, to ratify approval to authorize the General Manager as Chief Procurement Officer of the Bureau to begin negotiations with the highest ranked respondent for RFP 2011-012 Tourism Destination Representation Services in China and if successful, enter into a contract. Motion approved.**

Background: In accordance with 5GAC Ch.5 Guam Procurement Law, the Bureau issued RFP 2011-012 Tourism Destination Representation Services in China. The required service will include focusing on high-end affluent outbound Chinese travelers. Facilitate the development of the China market and to build industry relations with Stakeholders, Chamber of Commerce, U.S. and China Governmental Departments and the EXPAT Communities and Associations.

Issue: Time sensitive and board approval required to proceed with project.

- **Motion made by Director Kloppenburg, seconded by Director Cristobal, to ratify approval to extend the existing contract for GVB China Representative, AQ Communications, for no more than two months to allow the General Manager to complete the process for RFP 2011-012 Tourism Destination Representation Services in China.**
Motion approved.

Background: This extension will allow more time for the RFP evaluation work to complete the RFP process.

Issue: Time sensitive and board approval required to proceed with project.

- **Motion made by Director Saad, seconded by Director Flores, to ratify approval to authorize the General Manager as Chief Procurement Officer of the Bureau to begin negotiations with the lowest responsible bidder of IFB 2011-002 for the Highway Landscape Maintenance Project and if successful, enter into contract.**
Motion approved.

Background: The Bureau continues its efforts to maintain island medians and shoulders, which includes grass cutting, edging, hedge trimming and removal of debris at Routes 1, 14, 30, 30A, 34, 27, 16, 8 (Total 25.4 mi.) & So. Routes 1, 2, 2A, 4 (Total: 29.9 mi.).

Issue: Time sensitive and board approval required to proceed with project.

- **Motion made by Director Flores, seconded by Director Arriola, to ratify approval to authorize the General Manager as Chief Procurement Officer of the Bureau to begin negotiations with the highest ranked respondent for RFP 2011-010 GVB English Website Services and if successful, enter into a contract.**
Motion approved.

Background: In accordance with 5GAC Ch.5 Guam Procurement Law, the Bureau issued RFP 2011-010 GVB English Website Services. The required service will include website development and maintenance services.

Issue: Time sensitive and board approval required to proceed with project.

- **Motion made by Director Flores, seconded by Director Arriola, to ratify approval to authorize the General Manager as Chief Procurement Officer of the Bureau to begin negotiations with the highest ranked respondent for RFP 2011-014 Global Digital and Social Media Strategist and if successful, enter into a contract.**
Motion approved.

Background: In accordance with 5GAC Ch.5 Guam Procurement Law, the Bureau issued RFP 2011-014 Global Digital and Social Media Strategist. The required service will include social media monitoring and website traffic.

Issue: Time sensitive and board approval required to proceed with project.

- **Motion made by Director Flores, seconded by Director Tayama, to ratify approval to authorize the General Manager as Chief Procurement Officer of the Bureau to begin negotiations with the highest**

ranked respondent for RFP 2011-013 Community Brand Building Support Services and if successful, enter into a contract.
Motion approved.

Background: In accordance with 5GAC Ch.5 Guam Procurement Law, the Bureau issued RFP 2011-013 Community Brand Building Support Services. The required service is necessary to develop a public relations/marketing plan aimed at: a) sustaining the ongoing community brand building campaign; b) galvanizing and strengthening support thereof, specifically with respect to the delivery of an authentic visitor destination experience; and c) facilitating an island attitude that encourages “living” the Guam brand and satisfying or exceeding the expectations of all involved.

Issue: Time sensitive and board approval required to proceed with project.

D. Japan Marketing:

- Director Yoshino stated that a meeting was held on October 11th and he was very disappointed to hear the differences in opinion on how to spend the funds for FY2012.
- Director Yoshino stated that there would be an emergency meeting on October 20th to discuss budget issues, whether the committee should spend \$800,000 for commercial television.

E. Korea Marketing:

- Director Miyashita updated the board on his busy trip to Korea with Marketing Manager, Pilar Laguana and GVB Marketing Officer, Felix Reyes.
- Director Miyashita stated that they met with Maria Galindo, USCS Commercial Attache’, Young Hee Koo and Hae Lyong Kim, USCS Commercial Specialists with the U.S. Embassy and the purpose for the meeting was to introduce and make them aware of Guam, such as what Guam can offer, as well as future trade missions and the ESTA program.
- Director Miyashita stated that they also met with KGTC Chairman, Ki-Chung Hong during a media interview. He stated that KGTC inquired what steps were taken to address the triple disaster effects on Guam and that Mr. Hong stated that he was impressed with the Guam is Clean and Safe campaign.
- Director Miyashita stated that there were several meetings with the airline companies.
 - Asiana Air, Woo Sang Kim, Sr. V.P. Passenger Sales Office and Jae Young Park, GM of Sales Planning to discuss coming back to Guam particularly from Busan and replied that they would continue to study that option.
 - Jeju Air, International Sales Team, which they showed interest coming to Guam as a Low Cost Carrier (LCC). Director Miyashita stated that a representative came to Guam, but there were aviation related issues that needed to be addressed.
 - Jin Air, Jae-Kun Kim, President & CEO, Hong-Geun Jeong, V.P. of Management Support Dept, Hyun-Seck Ahn, Team Manager-Marketing & PR Team, and Sung-Sup Park, Team Manager-Planning & Strategy Team. Mr. Kim stated that he is able to secure an additional aircraft and is considering adding two more flights from Korea to Guam and to operate with Boeing 737.
 - Dynamic Airways, Harry (Chang Sup) Yun, Managing Director. Director Miyashita commented that they had a brief meeting.
 - Korean Air, Seung-Bum Lee, Managing V.P., Kwang-Yeol Lee, General Manager of Passenger Marketing Team, Sung-Ae Kim, Deputy General Manager. Director Miyashita stated that they discussed the ESTA program.
- Director Miyashita stated that meetings also involved hoteliers, tour agents and various stakeholders.
- Director Miyashita suggested the need to continue to follow through.
- Director Miyashita stated that KGTC members will be coming in January 2012 and plans to meet with them to establish a good relationship, because the key is to have additional seats and we need to be tenacious trying to secure that.
- Director Cristobal inquired if Guam has an annual KAL disaster memorial.

➤ Director replied not an annual, but there was a ten-year memorial that was held recently.

F. Existing Markets:

- **Motion made by Director Yoshino, seconded by Director Kloppenburg, to approve travel for the GVB General Manager, Marketing Manager, and Marketing Officer to attend the upcoming Taipei International Travel Fair from November 11-14, 2011, in Taipei, Taiwan. (Estimated cost of travel is \$8,000.00 from FY2012 Taiwan Budget Acct. #TA-TTC031)
Motion approved.**

Travel Expenses:

Airfare: Estimated including daily taxes Guam – Taiwan – Guam (3 staff)	\$3,000.00
Per Diem (\$294 x 5 days x 2 GVB Staff) + (\$367.50 x 5 days x 1 GVB GM)	\$4,777.50
Unanticipated Expenses	<u>\$ 222.50</u>
Total:	\$8,000.00

Background: ITF (International Travel Fair) is the biggest and most important travel fair in Taiwan, which helps the travel agents to generate their sales. The 2010 Taipei ITF attracted 60 countries, 530 organizations, and 1,200 exhibition booths. The 4-day event brought 214,467 visitors and more than 1,500 global media reports, further demonstrating its significance within this industry. All the tourism bureaus, travel agents, airlines, and resorts join ITF to promote their products during the trade show.

Issue: Board approval required for travel.

- **Motion made by Director Yoshino, seconded by Director Kloppenburg, to approve travel for the GVB Chairman and Deputy General Manager to attend the upcoming 2011 CRUISE SHIPPING ASIA from November 16-18, 2011 in Singapore. (Estimated cost of travel is \$8,220.00 - Funding source from the MCA Account)
Motion approved.**

Travel Expenses:

Airfare: Est. including daily taxes Guam – Singapore – Guam (2 staff)	\$2,000.00
Per Diem Chairman (\$490 + 25% x 4 days x 1 pax)	\$2,450.00
Per Diem Deputy GM (\$490 + 25% x 4 days x 1 pax)	\$2,450.00
Unanticipated Expenses (\$695 Delegate registration for sessions)	<u>\$1,320.00</u>
Total:	\$8,220.00

Background: GVB is an active member of the Micronesian Cruise Association (MCA) and will be promoting the region as a cruise destination alongside other MCA members. Asia is the next new cruise destination and source market for worldwide cruising, with over 1.5 million passengers predicted in 2010. Industry leaders from across the globe will come together to provide insight in the Asian cruise shipping. As Asia emerges, this new event will unlock the region's potential as the industry's next growth market bringing together suppliers to discuss detailed analysis of the current Asian cruise industry, marketing strategies, in-depth look at sourcing, ship building, terminal designs, projects and more. There will also be a selection of international experts and speakers that will be discussing the opportunities and challenges of ship building in Asia.

Issue: Board approval required for travel.

Discussion:

- Director Yoshino informed the board that this funding is not yet determined for the purpose to facilitate temporarily. He stated that it would be paid from an Existing Market account, but in the future someone

- should find the funds to reimburse EMC.
- Director Kloppenburg commented that someone from GVB is scheduled to be in China on the 19th-21st and inquired if this was the same event.
- Chairman Mesa replied that this was a separate event in two different locations and happening a month apart.
- Director Arriola inquired if there was an MCA account already established.
- P. Laguana responded that in the FY2012 budget there is funding for MCA, however still working out issues with accounting department, but needed to bring the motion to the board for the cruise development project.
- P. Laguana stated that there are programs in line and set for FY2012, so the Bureau cannot disrupt that with these funds.

G. New Market Development:

- **Motion made by Director Kloppenburg, seconded by Director Arriola, to approve travel for the GVB General Manager, Marketing Manager, and Marketing Officer to attend the upcoming National Tour Association (NTA) China Roadshows on October 24 and 25, 2011, in Shenyang and Dalian in the Liaoning Province, China, respectively, as well as the China International Travel Mart (CITM) from October 26-28, 2011, in Kunming, China. After CITM, GVB will be participating in the Shanghai American School Centennial International Fair in Shanghai on October 29th. (Estimated cost of travel is \$13,000.00 from FY2012 China Budget Acct #CI-TTC034)**
Motion approved.

Travel Expenses:

Airfare:

Est. incl daily taxes Guam–Beijing/Shanghai–Guam (3 staff)	\$3,000.00
Domestic Airfare: Est. incl daily taxes Beijing – Shenyang (3 staff)	\$500.00
Domestic Airfare: Est. incl daily taxes Dalian – Kunming (3 staff)	\$1,100.00
Domestic Airfare: Est. incl daily taxes Kunming – Shanghai (3 staff)	\$1,100.00
Per Diem Shenyang: (\$178 x 1 day x 2 Staff) + (222.50 x 1 day x 1 GM)	\$578.50
Per Diem Dalian: (\$201 x 1 days x 2 Staff) + (\$251.50 x 1 day x 1 GM)	\$653.50
Per Diem Kunming: (\$212 x 4 days x 2 Staff) + (\$265 x 4 days x 1 GM)	\$3,445.00
Per Diem Shanghai: (\$310 x 2 days x 2 Staff) + (\$387.50 x 2 days x 1 GM)	\$2,015.00
Unanticipated Expenses	<u>\$608.00</u>
	TOTAL: \$13,000.00

Background:

In our efforts to tap into China’s fast growing outbound market, GVB will be attending a Roadshow in two of China’s affluent secondary cities. In conjunction with the US Commercial Service offices across China, NTA Visit USA Center organizes roadshows that reach key travel trade and media in different regions of the country. The USCS and NTA introduce American destinations and products through presentations, media roundtables and face-to-face meetings with the Chinese travel trade. Secondary cities in China, reach millions and millions of consumers and huge number of potential travelers. These roadshows establish direct contacts with the regional travel agencies.

While in China, GVB will also participate in the China International Travel Mart (CITM). CITM, an annual event held in Shanghai and Kunming alternatively, is the largest professional travel mart in Asia, CITM has drawn the attention of people in the tourism industry worldwide. The China National Tourism Association (CNTA), which is a part of the Chinese government, is the organizer. Participants at CITM come from all sectors of the travel industry including international and domestic tourist organizations, travel agencies, hotels, airlines and related travel companies.

Following CITM, GVB, in our efforts to aggressively tap into the Expat market, will be participating at the Shanghai American School (SAS) Centennial International Fair, where GVB will be a sponsor along with an elite group of organizations closely linked to SAS and the Centennial International Fair.

Issue: Board approval required for travel.

- Director Kloppenburg informed the board of a briefing tomorrow morning. He stated that Jim Beighley would be arriving from HongKong to give an update on the latest developments on the China Parole Authority/Visa Waiver.
- Director Kloppenburg added that the meeting would include board members from Chamber of Commerce (COC), GHRA, Chinese Chamber of Commerce of Guam (CCCG). He also extended the invitation to GVB board members.
- Director Kloppenburg stated that as a group they met in the past and developed a plan to try to get local commanders in the military to get on board to support our actions, because they were told this was the hold up from Homeland Security, as it was recently discovered that military have concerns.
- Director Kloppenburg added that there were meetings with local Admirals, such as Rear Admiral Paul J. Bushong and letters written to Commanders (Admiral Robert F. Willard, U.S. Pacific Command and Admiral Patrick M. Walsh, U.S. Pacific Fleet) in Hawaii.
- Director Kloppenburg commented that for the last ten years Chinese have been traveling all over the world, but have been unable to get into the United States because of the stringent visa requirements.
- Director Kloppenburg stated that Janet Napolitano, U.S. Secretary of Homeland Security is the one who can allow Parole Authority into Guam, but we've been unsuccessful to get her to sign off on that letter.

H. Destination Management:

- Director Saad stated that due to lack of quorum his committee was unable to meet.
- Director Saad gave an update on lighting and stated that 90% of lights in Tumon are operable and that they are continuing to work on the section at the Fiesta Resort.
- Director Saad stated that median repairs and painting, as well as landscaping are continual and San Vitores is standing out.
- Director Saad stated that there is no update on the tsunami warning system or signage.
- Director Saad informed the board that the committee is working with the Filipino Community for the light parade to be held on December 3rd and that some issues are being worked on, such as doing a test-run to check if there is a need for GPA to turn off some street lights, since the parade is scheduled to start at 6:00 p.m. and they weren't sure if it would be dark enough.
- GM Camacho stated that the Christmas light display would begin the Friday after Thanksgiving and that Lam Lam Tours offered the property across Holiday Resort.

I. Membership Development:

- Director Miyashita inquired about the status of BOD meeting times, because it has been discussed at the previous board meeting about modifying the By-Laws from changing the BOD meeting times from twice a month to once a month.
- GM Camacho replied that Director Kloppenburg would need to present it at the next Membership meeting.
- Director Miyashita recommended that it be on the agenda for the next Membership meeting.
- GM Camacho responded that she would follow up and advise Doris Ada to add to the agenda.

J. Research:

- Director Taimanglo stated that Debi Phillips and the Research team would work together to determine other methods to track Return On Investment (ROI), instead of tracking with just arrivals and exit surveys.
- Director Taimanglo added that at the next meeting they would invite Marketing to share their ideas on how to track ROI differently, because he has learned not all arrival dates are being used for Marketing Departments.

K. Cultural Heritage & Community Outreach:

- Director Arriola commented that it was a great showing at JATA and a special Saina Ma'ase to GVB staff head office and Japan office and booth holders. She added that the product to differentiate Guam is our culture, and the cultural activities displayed at JATA drew a lot of interest.
- Director Arriola stated that the Bureau on October 20th would be starting a local dance academy in partnership with the Hilton Resort & Spa.
- Director Arriola stated that there is package being offered in conjunction with GMIF and already ten visitors were interested and purchased the package.
- Director Arriola stated that for FY2012 budget there is increase in CHaCO, but will spend it wisely to make sure it shows in arrivals.
- Director Arriola announced that GMIF is this weekend, as well as the Guam KO'KO' Road Race.
- Director Arriola informed the board that since there will be delegates from other Micronesian Islands for GMIF they have called a meeting on Saturday, October 15, 2011 for information on FestPac dates and times. She stated that she would take advantage of that meeting and make them aware of Guam's FestPac, so the FestPac committee can start to prepare the budget for FY2016.
- Director Arriola stated that the FestPac committee has approved website costs and that she would work closely with GM Camacho and GVB to take action on the creation of a package, so it can be offered in the Solomon Islands. She added that at next year's FestPac in Solomon Islands, they would take full advantage to promote the Guam FestPac, which will be in four years.
- Director Arriola encouraged other board members to try to make it to the Guam Island Fiesta Tours, G.I.F.T.
- Director Arriola stated the next CHaCO meeting is scheduled for October 19, 2011.
- Director Cristobal inquired how the Bureau would evaluate the return on programs, specifically the dance academy.
- Chairman Mesa responded that the dance academy in Tokyo and other schools that they perform in Japan and showcase generated increased interest from other age groups and that they are so involved with learning a new dance, as well as the music being played that they have requested to purchase the music.
- Director Arriola stated that with the GMIF package ten visitors have showed interest and that this is the first time it is ever being offered.
- Director Saad added that sometimes you just have to enhance the visitor's experience.
- GM Camacho informed Director Cristobal that she would be evaluating how much is being spent and how many participate. She added that the factor is the exposure.
- Director Tayama added that there was an increase in participation and it showed at JATA.
- Director Arriola stated that since the dance academy started in Japan there has been increased interest.
- Yuji Mitsumori added that the dance academy started last year. He stated that the participants use to be dancing hula but now that has changed, and since Guam has started the academy people changed their greetings from Aloha to Hafa Adai.
- Director Arriola stated that the Bureau has the support of three hotels and when it becomes popular the hotels will charge and create jobs for instructors.
- Mayor Tayama wanted to inform the board that this was her first JATA experience and will never forget it. She added that carving exhibitor, Mr. Taitano never stopped carving and was amazed with his work and commended all GVB staff for their hard work.

L. Sports & Events:

- Director Crisostomo requested for the motion to reimburse one day per diem for the 2011 Tokyo Sports Expo on October 10, 2011 to be withdrawn.
- Director Crisostomo stated that after the GMIF and KKRR they will be communicating the direction to present their strategic plan.
- Director Crisostomo stated that the grant in the amount of \$15,000 has been awarded to the Guam Kayak and Canoe Federation (GKCF) for the 13th Annual Micro-Cup, which will be held at the end of the month. She added that this event would draw about 400 people on the beach to watch the races and will share more at the next BOD meeting.

❖ **EXECUTIVE SESSION**

➤ Nothing to report.

❖ **OLD BUSINESS:**

❖ **NEW BUSINESS:**

➤ No new business.

❖ **ANNOUNCEMENTS**

➤ No announcements

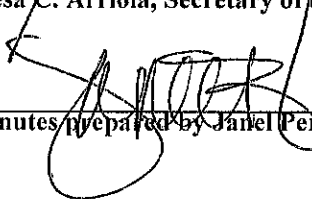
❖ **ADJOURNMENT:**

○ Motion made by Director Arriola, seconded by Director Miyashita, to adjourn the meeting. Meeting adjourned at 5:35 p.m.

Attested:



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



Board Minutes prepared by Janel Perez, Executive Secretary