



GUAM VISITORS BUREAU

50th ANNIVERSARY · 1963 - 2013

REGULAR BOARD MEETING
GVB MAIN CONFERENCE ROOM, 4:00PM
TUESDAY; May 09, 2013

Board of Directors Present:

Chairman Mark Baldyga
Therese Arriola
Jennifer Camacho
Bartley Jackson
Milton Morinaga
Norio Nakajima

Vice Chairman Bruce Kloppenburg
Eduardo "Champ" Calvo
Judith Guthertz
N. Oscar Miyashita
Annmarie Muna
Nathan Taimanglo

Board of Directors Present Telephonically:

Board of Directors Absent:

Robert Hofmann

GVB Management and Staff Present:

Karl Pangelinan
Kraig Camacho
Gina Kono
Regina Nedlic
Debi Phillips
Haven Torres

Nathan Denight
Rose Cunliffe
Pilar Laguana
Elaine Pangelinan
Felix Reyes

Brian Borja
Dee Hernandez
Nadine Leon Guerrero
Laurette Perez
June Sugawara

Guests:

Stephanie Flores –Office of Sen. Tina Muna Barnes

❖ **Proceedings:**

Meeting called to order at 4:21 p.m. by Chairman Mark Baldyga.

- Review of the previous Regular Board minutes dated April 11, 2013.

Exhibit A

Motion made by Director Guthertz, seconded by Director Morinaga, to approve the minutes of April 11, 2013.

Motion approved (subject to correction).

❖ **Chairman's Report:**

- Congratulated General Manager Pangelinan on doing an extraordinary job as General Manager in the last 4 months.
- Clarification of April 25, 2013 meeting
 - Due to lack of public notice, because of the Anthrax scare, the regular Board meeting was changed to a Strategic Planning session
 - A presentation of the Cruise Association was made by Mr. Gerry Perez.
 - General consensus of the Board
 - The Board supports a Regional cruise industry
 - The Board was supportive of the idea of ships passing through Guam but more supportive of the idea of setting up a small regional cruise ship based in Guam
 - The Board had a common mindset about return on investment. MCA is project that we definitely want to fully support and pursue but not for example at a cost of millions of dollars such as for the construction of a cruise terminal at least in the early years.
 - The Board suggested that Perez and MCA prepare a white paper to be distributed at the upcoming regional island leaders meeting outlining the commitments that the islands would each make. The island leaders would go back to their islands and be prepared at the next meeting to approve a group approach that could be turned into an RFP or invitation for proposals such as offering no port fees for a few years to the first company to set up a regional cruise meeting minimum criteria.
 - The Board suggested that surveys be conducted to quantify the amount of spending currently generated by cruise visitors
 - The Board advised that the spending of the cruise visitors was far less than hotel guest spending and that it would be important to know exactly how much economic impact resulted from the cruise in order to quantify the right amount of investment and support from GVB each year
 - The Board suggested that a master plan be developed. Mr. Perez requested funding from GVB for this purpose. The Board pointed out that the initial \$50,000 for MCA was originally requested for the purpose of conducting a master plan and study.
- Smart goals
 - The Chairman thanked the committees for putting the smart goals together
 - The Chairman advised that the goals will be reviewed for performance on a quarterly basis starting at the end of June for a mid-year report.
- The Chairman advised that there will be a shift in meeting order for the Board meetings:
 - The 1st meeting of every month will be administrative in nature for review of and committee reports, Treasurer's report and so forth.
 - The 2nd meeting will be short and followed by a strategic planning meeting of the Board once monthly on various topics such as the cruise industry, the China market, destination management and so forth

Exhibit D

- The Chairman advised that he had met with Senator Tina Muna Barnes regarding budget together with General Manager Karl Pangelinan
 - There is good feedback from Sen. TMB
 - The Senator is supportive of a Tourism 2020 presentation to the Legislature regarding goals & objectives of Destination Management but asked that a resolution be prepared supporting the goals.
 - The Senator asked that we lay out reasons for additional funds for product development
 - The Chairman proposed that the Tourism 2020 plan be presented at GVB. The Senator agreed that a meeting would be a good idea and would work to coordinate a meeting.
- In a recent article, Japan airlines compared prior year outbound seat capacity of Golden Week among various destinations and it shows Guam as one of 3 destinations that were negative.
 - The Chairman asked that we collect data of 1st Qtr 2013 market penetration and do a comparative analysis of market share to see where we really stand
- The Chairman advised that he will be off island on May 24 – July 10 and that Vice Chairman Kloppenburg will conduct the meetings.



General Manager's Report

PRELIMINARY Visitor Arrivals April 2013 Total: 91,497 (4.2%)

% Market Mix	Origin	Pax	% to LY
65.2%	Japan	59,635	-2.4%
16.7%	Korea	15,254	32.9%
5.9%	US/Hawaii	5,436	9.4%
3.3%	Taiwan	3,031	-23.5%
0.7%	China	599	127%
0.6%	Russia	515	79.4%

PRELIMINARY MTD Visitor Arrivals May 1 - 2, 2013 Total: 5,531 (-0.1%)

% Market Mix	Origin	Pax	% to LY
65.2%	Japan	3,605	-16.0%
19.0%	Korea	1,053	216.2%
3.6%	US/Hawaii	198	-19.5%
5.0%	Taiwan	274	-20.1%
1.0%	China	55	161.9%
1.3%	Russia	73	180.8%

•JAPAN - Japan Marketing News

•July 18, 2003 TLP Guam and Kashiwazaki signed a sister site agreement

•Kashiwazaki Tourist Association inviting Governor Calvo to attend their annual festival



N. Denight, K. Pangelinan, Gov. Calvo, Hikan Shigeno, KTA Director and Akihiko Yamada, KTA Vice Chairman

•JAPAN - Japan Marketing News

Toyota Nishi Incentive group
160 pax
April 23, 2013



Exhibit B

PRELIMINARY FYTD Visitor Arrivals October 2012 - April 2013 Total: 798,046 (8.4%)

% Market Mix	Origin	Pax	% to LY
70.0%	Japan	558,780	4.7%
16.1%	Korea	128,804	43.1%
4.2%	US/Hawaii	33,493	-8.5%
3.0%	Taiwan	24,332	-15.9%
0.8%	China	6,350	8.5%
0.5%	Russia	4,199	259.2%

•JAPAN - Sports Marketing News

Toyohiragawa Marathon - May 5, 2013
Guam Runner - Chris Magoto - 3rd Place 10K
Guam Runner - Amy Atkinson - 1st Place 5K



•JAPAN - Japan Marketing News



- KIX Travel Fair - May 18 - 19, 2013
- Guam Chamorro Dance Academy students to perform at airport event
- GCDA students being featured in KIX promotional materials
- GLP Osaka planned for same time, 2 Miss Guam's to attend

•JAPAN - Japan Market Update

- JGTC meetings held April 2-4
- Stagnation of bookings for April and May due to 212 Incident, Yen Rate, Price of package for Golden Week
- Overall JOT expected to decrease (Yen Rate)
- Trending for domestic travel
- Higher prices for Guam (air, hotel) agents asking airlines to reduce price for GW
- 22 Charter flights during GW
- Agents reporting numbers for Feb/Mar could have been higher
- Regionally
 - Sapporo, Fukuoka - Hawaiian Air launched
 - Nagoya - home of Toyota, expected to increase outbound with increased export, BUT Toyota did not close for GW

•JAPAN - Japan Market Update

- PR shift occurring
- Exposure to start in May after Golden week
- Goal: Achieve 5 nationwide big TV program tie-ins
- Goal: Achieve 15 local TV program tie-ins
 - Monthly Diver - Nationwide, ROI 8.5:1
 - Dangan Travel - Nationwide, ROI 10:1
 - San Ai (resort wear), photo shoot for new catalog and posters - Nationwide, ROI 12.8:1
 - Est. PR value for all three combine \$618K

•KOREA - 3 month Forecast

Month	Forecast Pax	Last Year	%Change	Seat Forecast '13	Seat Data '12	%Change Seats
May	16,500	11,913	42.1%	21,144	15,232	38.8%
June	16,500	15,118	9.1%	20,592	18,174	12.8%
July	16,500	17,554	5.4%	21,000	20,335	3.2%

May
•KDB Right Income 7 months
\$ 314
•KDB Right Income 7 months
\$ 225,203
•KDB Right Income 7 months
\$ 1,588
•KDB Right Income 7 months
\$ 1,706
•KDB Right Income 7 months
\$ 1,242
•KDB Right Income 7 months
\$ 1,242

June
•KDB Right Income 7 months
\$ 288
•KDB Right Income 7 months
\$ 288
•KDB Right Income 7 months
\$ 288
•KDB Right Income 7 months
\$ 288
•KDB Right Income 7 months
\$ 288
•KDB Right Income 7 months
\$ 288

July
•KDB Right Income 7 months
\$ 256
•KDB Right Income 7 months
\$ 256
•KDB Right Income 7 months
\$ 256
•KDB Right Income 7 months
\$ 256
•KDB Right Income 7 months
\$ 256
•KDB Right Income 7 months
\$ 256

Total 21,144

Total 20,592

Total 21,000

•KOREA -

KGTC Guam Visit April 5-7, 2013



•KOREA - Consumer Promotion



- ◆Nautica (Outdoor Brand)
- Event Period : May 1 - May 31
- Every customer who buys a Nautica product and over KRW300,000 is entitled to get a scratch card
- Prize - 3 couples to Guam

- ◆Poster model Mr. Lee Byung Hun, Korean wave actor in recent U.S. movie G.I. Joe 1&2

•JAPAN - Japan Market Update

SAVE THE DATE Hafa Adai Guam Study Tour

- June 28, 2013 Welcome Reception, venue TBA
- Anticipate 80-90 agents (8 cities participating)

•KOREA Korea Outbound Travelers Guam Market Share

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
Korea	11,434	10,100	10,100	10,100	10,100	10,100	10,100	10,100	10,100	10,100	10,100	10,100	120,100
Guam	100	100	100	100	100	100	100	100	100	100	100	100	1,200
Share	0.8%	0.8%	0.8%	0.8%	0.8%	0.8%	0.8%	0.8%	0.8%	0.8%	0.8%	0.8%	0.8%
Korea	11,434	10,100	10,100	10,100	10,100	10,100	10,100	10,100	10,100	10,100	10,100	10,100	120,100
Guam	100	100	100	100	100	100	100	100	100	100	100	100	1,200
Share	0.8%	0.8%	0.8%	0.8%	0.8%	0.8%	0.8%	0.8%	0.8%	0.8%	0.8%	0.8%	0.8%
Korea	11,434	10,100	10,100	10,100	10,100	10,100	10,100	10,100	10,100	10,100	10,100	10,100	120,100
Guam	100	100	100	100	100	100	100	100	100	100	100	100	1,200
Share	0.8%	0.8%	0.8%	0.8%	0.8%	0.8%	0.8%	0.8%	0.8%	0.8%	0.8%	0.8%	0.8%

*Direct inbound proportion

•KOREA



KGTC Chairman Mr. Yang with KGTC Chairman Mr. Hong



Golf with Director Bart Jackson



KGTC Chairman Hong's book



Golf with GM Kart Pottel with GM Kart Pottel

•KOREA - 3 month Activities/Programs

Incentive Groups May 2013

- KDB - 380 pax
- Kyobo - 150 pax
- Woongjin - 200 pax
- Synergy Korea - 300 pax
- Dongbu - 360 pax

Total: 1,360 pax

TAIWAN- 3 month Forecast

Month	Forecast Pax	%Change	Last Year	Seat Forecast	Seat Data	%Change Seats
May	3,695	-3.2%	3,198	4,761	5,526	-14%
June	3,359	-16%	4,091	5,169	6,477	-26%
July	5,441	-1.7%	5,528	7,775	8,125	-4.3%

- Decrease in seats in May due to EVA air change its aircrafts to 252-seat ramers (last May is 309 seats)
- Decrease in seats in June due to EVA LY - 5 charter flights (1,260 seats) compared to this year July (6-1) charters starting from Jul 4 to Jul 24.

Notes: Last Information

- May: C1 Flight: Taipei 2x per week + 2,760
- EVA Air: Taipei 2x per week + 2,090
- Total: 4,850
- June: C1 Flight: Taipei 2x per week + 2,760
- C2 Flight: Taipei 1x + 1,038 (941 charters starting from Jun 28 to Jul 30 with 757-300 aircrafts / 708 seats)
- EVA Air: Taipei 2x per week + 2,090
- EVA Air: Taipei 1x + 1,222 (1,171 charters starting from Jul 4 to Jul 24 with A320 aircrafts / 152 seats)
- Total: 5,969
- July: C1 Flight: Taipei 2x per week + 2,760
- C2 Flight: Taipei 1x + 1,038 (941 charters starting from Jun 28 to Jul 30 with 757-300 aircrafts / 708 seats)
- EVA Air: Taipei 2x per week + 2,090
- EVA Air: Taipei 1x + 1,222 (1,171 charters starting from Jul 4 to Jul 24 with A320 aircrafts / 152 seats)
- Total: 5,775

GUAM MARKET SHARE VS. TOTAL OUTBOUND

TAIWAN-

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
TAIWAN	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Other	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%

GREATER CHINA -

China Outbound Travel & Tourism Market 2013
April 9-11, 2013 | Beijing, China



GREATER CHINA -

United Hong Kong Media Fam Tour
April 24-29, 2013 | 7 pax



NAP -

Sentiments from Divers

- Majority are looking for new and exciting destinations for diving.
- Guam is considered a new destination while many have heard of Palau.
- All inquired about how to get to Guam from Singapore/ Malaysia; felt that via Philippines is a very reasonable way to travel to Guam.
- Very interested in packaging travel to include visiting Guam and the islands of Micronesia.
- Expressed that Guam's advantages are its ideal water temperatures which makes it possible to dive year round and the visibility.
- Several divers inquired if Guam had liveaboards.
- Asked for contact information of Guam dive operators.



NAP -

Cruise Shipping Sea Princess Port Visit April 6, 2013

- 857 Passengers
- Cruise from Australia, Asia, Japan, Guam
- Next Cruise visit: Bremen, April 23, 365 Passengers



GREATER CHINA -

Hong Kong Celebrity Media Fam Tour | April 21-24, 2013
Ms. Linda Chung, Actress & Singer, TVB Publications



NAP -

Asia Dive Expo 2013 Singapore April 18-21, 2013



Mr. Laurence W. Chin, Country Manager Singapore & Office Sales for United Airlines visited the GVB booth.



NAP -

Sentiments from Divers

- Expressed that they are looking for new destinations to send their clients.
- Interested in packaging Guam and the region and have asked for contact information of dive operators servicing Micronesia.
- Clients also looking for new destinations to experience liveaboards.
- Interested in hotel room rates.
- Although there is a lack of direct flights from Southeast Asia, they felt that Guam is reasonably accessible, especially via Manila.
- Main concern is visa/entry requirements since Guam is a U.S. territory.



NAP -

Best in the nation: ProStart 1st Place



Competed against 41 stateside schools

Guest Team: America's Best Diver
Team Captain: Nap, Daniel Dima
Junior: Levern Luning
Senior: Aron Magway
Junior: Angelica Sia

Instructor: Marivic Vicky Schrage
Chief Mentors: Peter Quellas and Paul Warner
GCC Department Chairman Norman Aguilar

PATA Annual Summit/Board Meeting
"Embracing the Complete Visitor Economy"

•NAP -

- Meeting held in Bangkok April 25-29th
- GM sworn in as PATA Executive Board Member
- Appointed Chairman of the Government/ Destination
- Committee 2013-2014
- Marshall Islands Visitor Authority and GIAA attended (2013-2014 members)
- Next Board meeting scheduled for September 2013 during PTM 2013 (Sept 15-17)





Moscow International Travel & Tourism Expo (MITT) 2013

•RUSSIA -

Dates: March 18 - 23, 2013

- Joined by PIC and Guam Voyage
- Met with key travel wholesalers selling US destinations
- Met with **Noriko Akino Regional Headquarters Director/Vice President**
- Met US Ambassador to Russia Mr. Michael McFaul





•SPORTS & EVENTS - GIFT- MALESSO




GUAM ISLAND FIESTA TOUR
Sunday, April 28th
50 pax
Champaco Residence

Russia Far East Seminars (Khabarovsk & Vladivostok)

•RUSSIA -

Dates: March 24 - 26, 2

- Led by Senator Tina Rose Muna Barnes and Board Member Bart Jackson
- Met with key travel wholesalers selling Guam
- Both seminars well attended by 50+ travel agents
- Met US Consul General Sylvia Curran and Ms. Elizabeth MacDonald






Russia Far East Seminars (Khabarovsk & Vladivostok)

•RUSSIA -

Dates: March 24 - 26, 2

- Led by Senator Tina Rose Muna Barnes and Board Member Bart Jackson
- Met with key travel wholesalers selling Guam
- Both seminars well attended by 50+ travel agents
- Met US Consul General Sylvia Curran and Ms. Elizabeth MacDonald






SADO TOKI MARATHON SIGNING

•SPORTS & EVENTS -




Meetings with Niigata Mayor Izumida, Sado Island Mayor Takano, FM Niigata Radio Station, HIS-Niigata were executed by the GVB delegation alongside with United's Niigata Manager Sakai.

Sado has confirmed that they will be bringing a delegation to Guam during the 2013 Guam Ko'ko Road Race

Si Yu'os ma'ase



❖ Report of the Treasurer:

Exhibit C

Cash Position Report:

Cash report as of May 06, 2013.

Total cash in banks report (as of 05/06/13) \$14,533,485.14

Total allotment received to date: \$9,101,740.55

Motion to accept cash position.

Motion approved.

❖ Report of the Board Committees:

A. EXECUTIVE COMMITTEE

Vice Chairman Kloppenburg made a motion, seconded by Director Jackson to ratify approval of travel for five (5) cultural entertainers to attend the 2013 Pacific International Tourism Expo (PITE) in Vladivostok, Russia. Travel dates are from May 16 - 20, 2013. (Cost approximately \$14,950.00, Acct. No. DM-CPO007).

Motion approved.

Airfare:	\$1,300.00 x 5 pax =	\$6,500.00
Per Diem:	\$335.00/day x 4 days x 5 pax =	\$6,700.00
Russian Visa:	\$350.00 x 5 pax =	\$1,750.00
TOTAL EXPENSE:		\$14,950.00

Background:

GVB will be lead coordinator for Guam at the 2013 Pacific International Tourism Expo, which is the largest annual travel show in the Far East of Russia. The main objective is to initiate marketing efforts and to bring awareness of our destination to trade and consumers in the Far East. A Guam Presentation for our participating companies is being scheduled to introduce themselves and their product/service to travel agents. The Governor, while there, will meet with the U.S. Consulate and local government officials.

Russia is Guam's newest market and PITE will be a great opportunity to show the Hafa Adai Spirit Guam is famous for through a unique Chamorro cultural presentation.

Vice Chairman Kloppenburg reported that feedback has been consolidated, bylaws' updates are ready for next membership meeting and need to be sent out to educate the members.

B. RESEARCH:

- Director Taimanglo reported on a meeting with Lt. Governor Tenorio regarding the revisions of the customs forms. They have scheduled another meeting to include Customs & Quarantine to participate in the discussions. GM Pangelinan is confident there is a happy medium to propose.
- Chairman Baldyga asked for an update of the repair of the machines at the airport in which Debi Philips replied that machine is running.
- Debi Phillips also reported that Research is still working out the kinks in the CS Pro in conjunction with the Bureau of Statistics & Planning

C. DESTINATION MANAGEMENT:

Exhibit E

- **GRAFFITI:**
Chairman Baldyga reported that Director Hofmann's graffiti efforts have been successful to a certain extent in which he noted that it is difficult with volunteer work. He suggests addressing graffiti painting on a regular basis as a part of the landscaping contract.
- **HAND BILLING / TOUTING**
Chairman Baldyga reported that touting language is not the same bill as the panhandling and asked about the status of whether it will be included in the current bill or a separate bill. DGM Denight replied that Director Hoffman is working on it with the Senators to add the touting language to the current bill.
- **DFS / PLAZA crosswalk**
No turn on red light was approved
- **FUJITA PONDING BASIN**
A lot of debris has been found in the culvert that caused machines to breakdown (plywood, concrete, construction material). GM Pangelinan reported that contractor was unaware of the extent and length of the kind of sludge in which an extension of the contract is being considered.
- **BUS STOPS**
DGM Denight reported consolidating the bus stops and working with GMTA. Discussion ensued regarding the bussing emissions / testing of buses through Weights & Measures / potential legislation to propose of private /government partnership requiring clearance upon registration
Action: Director Kloppenburg will make recommendations of how to enforce and set up a meeting with weights & measures.
- **GIAA**
DGM Denight & Director Kloppenburg reported JGTA's questioning of the \$5 fee and what it's being used for at the airport. **Chairman Baldyga asked Director Nakajima to put together a recommendation of what GVB may be able to do in regards to addressing this issue and will be discussed at the next Strat meeting.**

➤ **BEACH CLEANUP**

Director Kloppenburg reported JGTA's concern regarding beach safety signs adding that Ypao and Matapang beaches are the only ones with signs. They are concerned of the upcoming summer months and hope to expedite the warning signs and target hotels & Ritidian beach, which is becoming a popular spot.

D. RUSSIA & NEW MARKETS DEVELOPMENT

**Exhibit F
Exhibit G**

- Director Jackson reported on the PITE with a delegation leaving on May 17, followed by a road show.
- Director Jackson reported on the meeting with Russia Jet Ski Pro Vitaly Tarasov to discuss a jet ski competition and thanked Cars Plus for their help in organizing.
- Director Jackson reported on the KAL Fam tour from Irkutsk, Russia.
- Director Miayshita asked if flights from the Far East are realistic. Director Jackson responded that the challenge is there are (3) flights (Vladivostok Air, Avia Charters and an American group) wanting to fly directly to Guam in December. He doesn't feel there is any hotel that will give them enough rooms to allow a charter flight. He will advise that they start early (October – December) than there's a reasonable likelihood the hotels will continue to give them rooms. He added that their stay will be 1-3 weeks.

E. SPORTS & EVENTS

Exhibit H

- Director Taimanglo reminded the Board of the 1st BBQ Block party at Pleasure Island on Saturday, May 11.
- Director Taimanglo reported the great showing in Japan's Sado Toki Marathon for Guam with Amy Atkinson coming in 1st on the 5k despite injury.
- Director Taimanglo reported a 27% increase in budget that's reflecting another big event that is needing to be budgeted for next year, which they are hoping to start a music festival.

F. ADMINISTRATION / GOVERNMENT RELATIONS:

**Exhibit I
Exhibit J**

Motion to approve GVB's FY2014 budget ceiling of \$17,045,134.00

Issue:

The Guam Legislature Committee on Appropriations, (Senator Ben Pangelinan) is requesting GVB's FY 2014 budget documents be submitted to his office by May 15, 2013

Chairman Baldyga made a motion, seconded by Vice Chairman Kloppenburg to adopt the budget as presented with the following adjustments:

- Relabel 'Visitor Satisfaction' to 'Safety & Workforce Development'
- Relabel 'Total GVB operations Budget' to 'Subtotal GVB operations Budget'
- Relabel 'TAF Special Projects' to 'Destination Management'
- Label 'Overall Budget' to 'Total GVB Budget'

Reason being that 'Destination Management' piece becomes a part of total budget for the total sum of \$18,045,134.00.

Motion approved.

Discussion:

- Chairman Baldyga suggested the name change of 'Destination Management' to 'Destination Maintenance & Improvements' in the budget
- Chairman Baldyga wanted to discuss the breakdown of the GVB component and the non GVB component of the TAF.
 - **GVB**
 - Administration increased to add (4) positions approved by the Legislature plus normal percentage increase for classified employees.
 - Russia / China are increasingly competitive environment
 - Korea's market share is up
 - Japan's numbers are the best it's ever been and the momentum needs to continue
 - Research is adding the cruise ship data research to drill down accuracy of the spend in the market
 - Sports & Events are adding a major world class event for next year
 - ChaCo is adding a program to bring Masters abroad to US mainland
 - Visitors satisfaction renamed to Safety & Workforce development
 - Graffiti component / medians painting will be included in Destination Management operations
 - **Non GVB**
 - Discussion occurred on the Enabling legislation of the Tourist Attraction Fund and how to best protect it for uses directly relating to tourism
 - It was suggested that we come to an agreement with the Legislature by presenting and justifying the needs and proposing a silo for GVB operations budget: possibly a fixed percentage to be reserved from the TAF for GVB.
 - Consider justifying :
 - Rainy day fund
 - Reimbursement of 2/12

- Create a resolution that states core goals of Tourism 2020:
 - Maximize the economic and employment opportunities for the people of Guam
 - Increase quality in order to increase yield
 - Add 2000 hotel rooms, especially at the high end
 - Diversify markets and add Chinese visitors
 - Focus on MICE (Meetings, Incentives, Conventions & Exhibitions) especially conferences
 - Support and promote the Chamorro culture
 - Promote attractions and increase length of stay

Chairman Baldyga made a motion, seconded by Director Guthertz to approve resolution as amended.

Motion approved.

Exhibit K

- Director Guthertz announced that Dr. Anita Enriquez, the Dean of Business and Public Administration of the University of Guam had become an institutional member of GVB as well as a committee member of Administration & Government Relations. She brings to the table a wealth of information as well as research resources that the University can assist GVB with.
- Director Guthertz invited everyone to join the committee meetings that will be held every first Tuesday of the month.

G. CULTURAL HERITAGE & COMMUNITY OUTREACH (CHaCO)

Exhibit M

See committee minutes

H. GREATER CHINA:

- Vice Chairman Kloppenburg reported next committee meeting is scheduled for May 10.
- China Symposium scheduled for May 22 at the Hyatt.
- Parole Authority update:
 - Taking and including the central move of the visa waiver program as an element of the comprehensive reform which is ongoing. There is bipartisan support from the Senate and confident that this is another avenue to pursue
 - Supporting regulations should be out by the end of spring

I. JAPAN MARKET:

Exhibit N

Director Morinaga made a motion, seconded by Director Arriola to approve travel for the DGM, one (1) GVB staff and one (1) Miss Guam to attend the Kashiwa Festival from July 25-28, 2013. (Estimated cost of travel is \$5,525.52 from account # SMD008)

Motion approved.

Traveler	Per Diem Rate	No. of Days	Budget
Deputy General Manager	\$532.50 (\$426.00 +25%)	3	\$1,597.50
GVB Staff	\$426.00	3	\$1,278.00
Miss Guam	\$303.00 (\$203.00 +\$100.00 professional fee)	3	\$ 909.00
Air Fare GUM-NRT-GUM	\$580.34	3	\$1,741.02
TOTAL BUDGET:			\$5,525.52

Background:

Upon the signing of the Kashiwa-Guam Sister City Agreement in November 1991, Guam has taken an active role in maintaining a close relationship with the Kashiwa City officials and citizens alike. The Guam Visitors Bureau has been invited by the Kashiwa City officials headed by Kashiwa City Mayor to the Annual Kashiwa Festival every year for the past 22 years. The Guam delegation participates in the festival parade, the Kashiwa City Dance Competition, a courtesy call to the Mayor of Kashiwa and Chairman of Kashiwa Chamber of Commerce and Industry as well as a reception to Guam/Kashiwa Friendship Association. The relationship also includes great cooperation from Saint Francis School in Yona, Guam. For the past 20 years students exchange students from Japan and Guam have interacted and built friendships and mutual understanding. It is estimated that over 700,00 people attend the annual festival and an annual Guam Prize, presented by Miss Guam is given to one of the winning dance companies.

Issue:

Board approval required for travel.

Director Morinaga made a motion, seconded by Director Miyashita, to approve travel for the Governor, First Lady, Governor's Security, General Manager, one (1) GVB Staff and one (1) Miss Guam to attend the Kashiwazaki Gion Festival from July 26-27, 2013 in Kashiwazaki, Japan. (Estimated cost of travel is \$11,937.90 from; Account #Japan 2012).

Motion approved.

Traveler	Per Diem Rate - Niigata	Per Diem Rate - Narita	No. of Days	Budget
Governor	\$274.00	\$535.60	2	\$809.60
First Lady	\$211.00	\$412.00	2	\$623.00
Governor's Security	\$211.00	\$412.00	2	\$623.00
JMC Chairman	\$263.75	\$515.00	2	\$778.75
GVB General Manager	\$263.75	\$515.00	2	\$778.75
Airfare				
Economy Air Fare:				
GUM-KIJ-NRT-GUM		\$1,664.96	5 pax	\$8,324.80
TOTAL BUDGET:				\$11,937.90

Background:

Two representatives from the Kashiwazaki Tourism Association visited Guam April 22-24, 2013 and were here to personally invite the Governor, First Lady and GVB to attend this year's Gion Kashiwazaki Festival on Friday, July 26th in the Niigata Prefecture city of Kashiwazaki. The significance of this invitation marks the 10th anniversary friendship site declaration between Guam's Two Lovers Point and Kashiwazaki's Two Lovers Point that took place in Guam. The delegation will meet with Niigata Prefecture Governor and Kashiwazaki's Mayor and Tourist Association Chairman and will also visit the Kashiwazaki Two Lovers Point. The acceptance of this invitation will not only commemorate and strengthen Guam's relationship with the Kashiwazaki Tourism Association but will also yield positive impact on Guam's tourism public relations efforts with Niigata Prefecture of Japan.

Using this opportunity, in addition to Niigata, high-level meetings will be arranged for the Governor in Tokyo.

Issue:

Board approval required for travel.

- Director Guthertz questioned whether it's a standard procedure for GVB to cover Governor's travel. Director Arriola answered that it is when GVB needs him as a part of the delegation, although she doesn't think that the Governor's security was ever a GVB expense. Chairman Baldyga and GM Pangelinan both said that GVB has paid for the Governor's security's travel.

- Director Morinaga reported on the Koko Bird stamp rally summer campaign that will start on July 1. This campaign will allow people to explore Guam and are expecting approximately 10,000 participants.
- JMC is preparing a response to GVB's legal counsel for the RFP of Japan's marketing contract which will expire soon. Contract is over half a million dollars.
- Chairman Baldyga reported on an Improvement Association that he and Director Morinaga are looking into modeled after Waikiki's Improvement Association (private entity) which established the Business Improvement District Association. Chairman Baldyga recommended bringing out as guest speaker at the next membership meeting in September.

J. KOREA MARKET:

Exhibit O

- Director Miyashita reported on the Hana Travel Fair on May 24-26, which will include KMC members, a marketing officer and a Miss Guam. KOTFA will follow on May 30- June 2, which is comparable to JATA. The Busan International Travel Fair and the Korea road Show will be brought back to the Board for approval.
- Discussion ensued regarding an active KGTA member on Guam to assist in dealing with the Korea market as it is a substantial market. Director Miyashita will work on setting up a meeting with KGTC to assist in forming a KGTA as a viable entity.

K. MEMBERSHIP DEVELOPMENT

- Nothing to report

L. NORTH AMERICA & PACIFIC (NAP)

Exhibit P

- Director Muna reported that committee meeting on May 1 was spent on budget discussions.
- Director Muna reported on GM Pangelinan's seat on the Executive Board for PATA. A PATA chapter meeting will be held on May 15-16 in Saipan which will be attended by Pilar Laguana and Regina Nedlic.
- An Australian Media FAM tour was here on May 3-5.

❖ OLD BUSINESS

❖ NEW BUSINESS

- Bill 92-32 (Relative to defining a Bed & Breakfast to the list of uses permitted and conditional uses allowed in an R1, R2, and Commercial zone)

Exhibit L

- GVB is in support of idea of added capacity, provided proper taxing and standards of guest experience.
- Bill 84-32 (Relative to the appropriation to the Guam Community College Apprenticeship Program)
 - GVB is not in support of this bill as there should be an accountability of funds as well as whether GCC has exhausted potential federal monies for this program

❖ EXECUTIVE SESSION

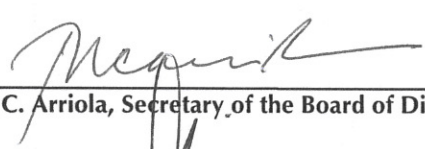
❖ ANNOUNCEMENTS

- Guam BBQ Block Party
 - Saturday, May 11, 2013 5:30-10:00p.m.
 - Pleasure Island
- Guam Micronesia Island Fair
 - May 17-19, 2013
 - Ypao Beach Park
- Public Hearing on Bill 92-32 (included in Board packet)
 - Tuesday, May 14, 2013 2:00 p.m.
 - Guam Legislature Public Hearing room

❖ ADJOURNMENT:

Motion made by Chairman Baldyga, seconded by Director Calvo to adjourn the meeting.
Meeting adjourned at 5:45 p.m.

Motion approved.



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



Board Minutes prepared by Meriza Peredo, Executive Secretary