



# GUAM VISITORS BUREAU

50<sup>th</sup> ANNIVERSARY • 1963 - 2013

REGULAR BOARD MEETING  
GVB MAIN CONFERENCE ROOM, 3:30PM  
THURSDAY; August 08, 2013

## BOARD of DIRECTORS PRESENT:

Chairman Mark Baldyga  
Therese Arriola  
Jennifer Camacho  
Robert Hofmann  
Milton Morinaga  
Norio Nakajima

Vice Chairman Bruce Kloppenburg  
Eduardo "Champ" Calvo  
Judith Guthertz  
Bartley Jackson  
Annmarie Muna  
Nathan Taimanglo

## BOARD of DIRECTORS TELEPHONICALLY:

## BOARD of DIRECTORS ABSENT:

N. Oscar Miyashita

## GVB MANAGEMENT & STAFF PRESENT:

Karl Pangelinan  
Brian Borja  
Dee Hernandez  
Nadine Leon Guerrero  
Regina Nedlic  
Laurette Perez  
June Sugawara

Nathan Denight  
Kraig Camacho  
Pilar Laguana  
Mark Manglona  
Elaine Pangelinan  
Debi Philips

Doris Ada  
Rose Cunliffe  
Gina Kono  
Antonio Muna  
Meriza Peredo  
Felix Reyes

## GUESTS:

Stephanie Flores - Sen. Tina Muna Barnes office  
Frank Whitman - Marianas Variety  
Michael Gadsden - Federal Bureau of Investigation  
Douglas Goodwater - Federal Bureau of Investigation



## Proceedings:

Meeting called to order at 3:41 p.m. by Chairman Mark Baldyga.

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

Exhibit A

Motion made by Director Jackson, seconded by Director Guthertz, to approve the minutes of July 25, 2013.

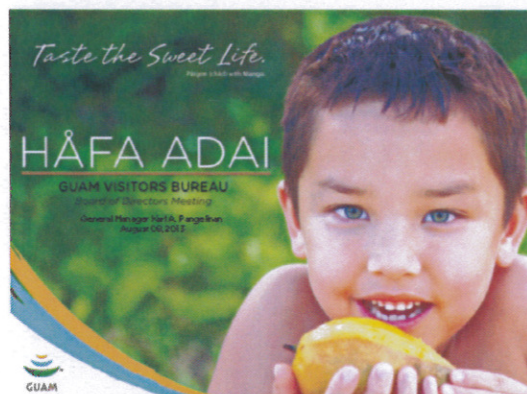
Motion approved (subject to correction).

## ❖ Chairman's Report:

- Chairman Baldyga thanked Management and the Board of Directors for their support at the August 6<sup>th</sup>'s Budget hearing at the Legislature.
  - Senator BJ Cruz suggested taking ownership upon TAF funded projects outside of GVB.
  - Will be discussed more at the next Board meeting
- Chairman Baldyga asked for an update regarding the culvert cleaning projects in which GM Pangelinan responded that the contractor was unable to finish performing due to underestimating the scope of work. They were unable to utilize any of the machinery and were running up against time. There was a request by the contractor to extend the time and money. DPW Director Carl Dominguez was given the budget range and money was taken out of the Rainy Day fund to accelerate the process but was still unable to be completed. He is currently waiting on a call from DPW Director Dominguez.

## ❖ General Manager's Report

### Exhibit B



#### PRELIMINARY Visitor Arrivals July 2013 Total: 110,872 (-1.0%)

| % Market Mix | Origin    | Pax    | % to LY |
|--------------|-----------|--------|---------|
| 62.8%        | Japan     | 69,647 | -9.2%   |
| 19.8%        | Korea     | 22,006 | 26.0%   |
| 5.0%         | US/Hawaii | 5,571  | 0.7%    |
| 0.7%         | Taiwan    | 5,946  | 7.4%    |
| 0.8%         | China     | 797    | -24.7%  |
| 0.5%         | Russia    | 408    | -4.4%   |

#### PRELIMINARY MTD Visitor Arrivals August 1 - 7, 2013 Total: 30,065 (2.9%)

| % Market Mix | Origin    | Pax    | % to LY |
|--------------|-----------|--------|---------|
| 67.5%        | Japan     | 20,282 | -1.3%   |
| 21.2%        | Korea     | 6,366  | 23.9%   |
| 3.1%         | US/Hawaii | 934    | 16.3%   |
| 3.0%         | Taiwan    | 900    | -12.1%  |
| 0.6%         | China     | 182    | -60.6%  |
| 0.4%         | Russia    | 108    | 36.7%   |

#### JAPAN MARKETING NEWS

##### KASHIWA FESTIVAL JULY 26-28, 2013



##### KASHIWAZAKI 10TH ANNIVERSARY JULY 26-27, 2013



##### NIIGATA GLP JULY 26-28, 2013



## JAPAN MARKETING NEWS

KARATSU  
JULY 24-25, 2013

- Friendship Agreement Signed
- Karatsu City is the source for materials used in Guam Roads
- Governor Calvo signed agreement with Mayor Sakai
- Meeting held with Saga Prefectural Governor Furukawa



## JAPAN MARKETING NEWS

KASHIWAZAKI  
JULY 26-27, 2013

- 10<sup>TH</sup> Anniversary of Friendship Site Agreement between our mutual Two Lovers' Point
- Re-Signing Ceremony Held
- Agreement signed by GVB General Manager and Kashiwazaki Tourism Association President Nobuhiro Naito
- Governor Calvo met with Niigata Prefectural Governor Izumida and was interviewed by numerous media



## JAPAN MARKETING NEWS

NIIGATA GLP  
JULY 26-28, 2013

- Delegation joined Kashiwazaki group for signing ceremony and festival
- Courtesy calls held with media and travel agents
- Miss Guams featured on radio, TV, newspaper and magazines



## JAPAN MARKETING NEWS

Star Flyer

- Charter Flight from Kita Kyushu
- 1,950 seats for the month of August
- Greeting Service held for first flight



Courtesy Call BOD Morinaga, Delta Agent Hiroko, Governor Calvo, Star Flyer President & CEO Shinichi Yonehara, Star Flyer Assistant Manager Yusuke Takase, GVB Chair Baldyga on 8/2/13

## KOREA MARKETING NEWS

KBS2 TV "Live Tong"



Airs July 29 @ 6:10 pm  
Media Exposure Value : USD 393,600 (11 mins)

### ➤ Federal Bureau of Investigation

- Citizen's Academy nomination
- Special Agents Michael Gadsden & Douglas Goodwater requested for the Bureau to nominate one of the Board of Directors or staff to attend an (8) wk program. The Board of Directors nominated Director Morinaga and he accepted the nomination.

### ➤ Jason Lin's presentation

Exhibit C

❖ Report of the Treasurer:

Exhibit D

**Cash Position Report:**

Cash report as of August 06, 2013.

Total cash in banks report (as of 8/06/13) \$16,417,319.43

Total allotment received to date: \$14,072,682.85

- Comptroller Rose Cunliffe reported that Rainy day fund cannot be renamed due to it being titled by law. The Executive Committee will look into the law and how to move about amending it.

❖ Report of the Board Committees:

A. EXECUTIVE COMMITTEE

- Election of the new Executive Committee

Director Taimanglo made a motion, seconded by Director Jackson, to nominate Chairman Baldyga, Vice Chairman Kloppenburg and Director Calvo to makeup the new Executive Committee to comply with the new By-Laws.

**Motion approved.**

Vice Chairman Kloppenburg made a motion, seconded by Director Jackson, to approve Executive Committee's approval of an additional \$10,000 from Sports and Events to sponsor the East Asian Under 18 Football games. (Account ESP001).

**Motion approved.**

**Background:**

The Guam Football Association requests a total of \$52,500 from GVB in Sports grant funding to execute the East Asian Under 18 Football Tournament here on Guam. The Sports and Events committee has already approved the maximum amount of \$15,000 in Sports Grant Funding. GVB would like to increase its support by providing an additional \$10,000 in sponsorship funding as the event will attract roughly 300 overseas participants including their family members from seven Asian destinations. It is also part of the long term strategy to host larger and more prestigious FIFA sporting events on Guam.

**Issue:**

Board approval required to provide additional funding support.

**Discussion:**

- Directors all agreed that it is time for GVB to step up in support of the league being that:
  - A great job has been done to raise fund, publicity and interest
  - Placing Guam on the map
  - It is the best youth development program on the island
  - The contribution will provide matching funding.



Vice Chairman Kloppenburg made a motion, seconded by Director Jackson, to approve Executive Committee's approval of up to \$14,806 from account FY2012 Carry Over funds for Dr. Michael Levin to travel to Guam from August 10-27, 2013 to convert the current GVB Arrival Forms Processing Integrated Microcomputer Processing System (IMPS) to the Census and Survey Processing System (CSPro) and to conduct two half-day workshops on data edits and tabulations.

**Motion approved.**

|              |                |             |
|--------------|----------------|-------------|
| Airfare      | (BOS/GUM/BOS)  | \$2,600.00  |
| Hotel        | Accommodations | \$1,776.00  |
| Car          | Rental         | \$850.00    |
| Professional | Fees           | \$9,580.00  |
| TOTAL:       |                | \$14,806.00 |

**Background:**

GVB currently tabulates monthly visitor statistics with the IMPS program. The IMPS program is a DOS-based software and limited in nature to data manipulation. The Census and Survey Processing System (CSPro) is a free software package from the U.S. Census Bureau designed for data entry, editing, tabulation and dissemination of data. CSPro combines the features of IMPS and ISSA in a Windows environment. Unlike the IMPS software, CS Pro provides a visual approach to the creation and manipulation of data and permits the user to re-structure existing data files and creates customized subsets of data in separate files. Dr. Michael Levin received his PhD from the University of Michigan after studying population pressure on scarce resources on Eauripik Atoll in Micronesia. After 7 years at the East-West Center at the University of Hawaii, and almost 30 years at the US Census Bureau, he now works at Harvard University where he assists countries in collecting, processing, and analyzing census data. He has worked on over 65 censuses over the last 40 years.

**Issue:**

Board approval required for travel.

**B. GREATER CHINA:**

- Vice Chairman Kloppenburg reported the Parole Authority is on hold due to the replacement of the new Homeland Security Director.

### C. JAPAN MARKET:

Director Morinaga made a motion, seconded by Director Jackson, to approve travel for one (1) GVB CHaCO staff to attend the Nagoya and Sendai Guam Live Presentation from August 23 - 29, 2013. (Estimated cost approximately \$3,778.00 from Acct. NO. GAMAL001).

**Motion approved.**

|           |        |                       |            |
|-----------|--------|-----------------------|------------|
| Airfare   |        | GUM/Nagoya/Sendai/GUM | \$1,500.00 |
| Per diem: |        |                       |            |
|           | Nagoya | \$350.00 x 3 days     | \$1,050.00 |
|           | Sendai | \$307.00 x 4 days     | \$1,228.00 |
| TOTAL:    |        |                       | \$3,778.00 |

Background:

The Guam Live Presentation promotes directly to the consumers and works closely with our industry partners. The Bureau has been presented with an opportunity to provide a small cultural dance show within Nagoya and Sendai during the Live Presentation

Issue:

Board approval needed for travel.

### D. KOREA MARKET:

- Korea MOII Felix Reyes reported next KMC will be on Thursday - August 15 at 11am.
- Korea MOII Felix Reyes reported the meeting w Korea Tour Agents will take place immediately after facilitated by Henry Lee.
- Jeju will be adding an evening flight in October
- Vice Chairman Kloppenburg asked to find out what percentage comes out of the Korea market vs Japan market in regards to the \$5 facility fee paid to GIAA.

### E. MEMBERSHIP DEVELOPMENT

- Board of Director's signature sheet for the 2<sup>nd</sup> amended By-Laws have been completed.
- Teleconference call with Mr. Rick Egged (Waikiki Improvement Association) this upcoming to discuss membership presentation in September.

### F. NORTH AMERICA & PACIFIC (NAP)

- Director Muna reported the next NAP committee meeting is scheduled for Sept. 04 and action items update will be reported at the next Board meeting.



## G. RESEARCH:

- Director Taimanglo reported that comparative data of the market share from Okinawa starting from 2010 has been completed and will be sent out to the Board next week.
- Get a copy of Strategic plans and annual reports of Hawaii / Okinawa / Saipan / Philippines / Jeju.

## H. DESTINATION MANAGEMENT:

- Director Hofmann thanked GM Pangelinan, DGM Denight and Doris for tackling a lot of the action items listed. Director Hofmann added that most of these items will be completed by the end of both fiscal and calendar year.
- Director Hofmann reported that he is currently working with Legislators and GVB legal counsel about the abandoned building situation.
- DGM Denight reported that we are still waiting upon a price from LMS to include graffiti and vinyl banner removal to the scope of work of the current contract. A law or an MOU with DPW may need to be drafted. DPW is currently trying to get more inspectors on Board to assist in the enforcement.
- Director Guthertz asked for the removal of lions from the old Hong Kong restaurant and placed at the Chinese park. Director Hofmann will look into it with the Chinese Chamber of Commerce.

## I. RUSSIA & NEW MARKETS DEVELOPMENT

- Director Jackson reported the next committee will be on August 13 at 10am.
- Director Jackson reported a Russian Charter airline will begin flying directly to Guam late October or early November.
  - Discussion ensued regarding the Russian charter industry:
    - Not very reputable
    - Criminal element
    - Destinations like Pattaya, Thailand have have expressed that the advent of Russian charter market has had a negative impact
    - Need to continue to monitor Saipan and see how it affects their destination
    - HIS pricing program does not position itself to fit in line with GVB long term goals and objectives. Both GM Pangelinan and Director Jackson have met with HIS to discuss the impact to no avail.

## J. SPORTS & EVENTS

- Director Camacho reported 215 runners have registered for the Koko Road Race's ½ marathon. A GovGuam health and wellness initiative is included to promote more agencies to participate. The Koko Race is being actively promoted in all markets including China. Outrigger has started developing their packages to promote the race. The press conference is scheduled for August 22.
- Director Camacho reported the committee's support of the Jack Nicklaus Golf Academy at Leo Palace. The grand opening will take place on August 15. Sports media from Japan, Korea and China will be here covering it. An instructor, formerly named as Instructor of the Year by a golf magazine will be brought out to do some instruction. The market for this Academy is 4-fold:
  - Jr. golfers (2-4-8 week program)
  - Recreational (1 day of instruction / 1 day on the course)
  - Recreational (2 or more days)
  - Bring up the teaching capacity and ultimately have locals becoming instructors for the Academy.

The Board will present a Board resolution in support.

- Director Camacho also reported the Baseball clinic with Strike Zone with more details forthcoming.

## K. ADMINISTRATION / GOVERNMENT RELATIONS:

- Director Guthertz reported on the budget hearing on Tuesday- August 6 and commended Management and staff for a job well done.
- Chairman Baldyga asked Director Guthertz to work at setting up a meeting with Senator Tina Muna Barnes and aggressively start pushing for the Capital improvements bill.

## L. CULTURAL HERITAGE & COMMUNITY OUTREACH (CHaCO)

### Hokkaido Promotion

Director Arriola made a motion, seconded by Director Guthertz, to approve travel for the DGM, 1 Miss Guam and 2 cultural entertainers to attend the Hokkaido Junior Challenge 2013 Promotions in Hokkaido, Japan from September 6 - 9, 2013. (Estimated cost approximately \$1,904.50 from Acct. No. DM-CPO001).

**Motion approved.**

|           |          |                         |              |
|-----------|----------|-------------------------|--------------|
| Airfare:  |          | 4 roundtrip<br>airfare  | = Comp       |
| Per Diem: | Lodging: | 4 rooms for 3<br>nights | = Comp       |
|           | M&IE     | \$118 x 3 days x        | = \$1,062.00 |



|                      |                           |                           |                     |
|----------------------|---------------------------|---------------------------|---------------------|
|                      | M&IE                      | \$118 x 3 days x<br>3 pax | = \$1,062.00        |
|                      | DGM:                      | \$147.50 x 3<br>days      | = \$442.50          |
| Professional<br>Fee: |                           |                           |                     |
|                      | Miss Guam:                | \$100 x 2 days            | = \$200.00          |
|                      | Cultural<br>Entertainers: | \$50 x 2 days x<br>2 pax  | = \$200.00          |
| <b>TOTAL</b>         |                           |                           | <b>= \$1,904.50</b> |

**Background:**

GVB has been invited to join in the Family Event sponsored Nikkan Sports and United Airlines Hokkaido. Hokkaido's major market is family and this event will be a great opportunity to promote Guam especially during the winter season. UA Hokkaido will be providing 4 roundtrip airfares as well as accommodations.

**Issue:**

Board approval required for all travel.

**Discussion:**

- All Guam Live Presentation will be coming out of Japan market.
  - Director Arriola thanked United for the complimentary airfare they have provided.
- 
- Director Arriola stated that more public relations outreach needs to be done for the local community to really show what TAF money is being used for and to be able to better answer the question of "what does Tourism do for me?"

❖ **OLD BUSINESS**

❖ **NEW BUSINESS**

❖ **EXECUTIVE SESSION**

- None

❖ **ANNOUNCEMENTS**

- **Guam Fisherman's Cooperative Association: PESKADOT**
    - **Fisherman's Festival**
      - Sunday - August 11
      - 10:00am - 4:00pm
      - GFCA - Hagatna (Paseo)
- (See Dee or Meriza for more details)

- Silibrasion Famalao'an Concert & Art Exhibit
  - Soroptomist International of Guam
    - Friday- August 09
    - 6:00pm – 10:00pm
    - Sheraton Laguna Guam Resort
- (See Dee or Meriza for more details)



**ADJOURNMENT:**

Motion made by Vice Chairman Kloppenburg, seconded by Director Arriola to adjourn the meeting. Meeting adjourned at 4:55p.m.

Motion approved.

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

\_\_\_\_\_  
Board Minutes prepared by Meriza Peredo, Executive Secretary