



GUAM VISITORS BUREAU

50th ANNIVERSARY · 1963 - 2013

REGULAR BOARD MEETING
GVB MAIN CONFERENCE ROOM - 4:00PM
THURSDAY; September 26, 2013

BOARD of DIRECTORS PRESENT:

Chairman Mark Baldyga
Therese Arriola
Jennifer Camacho
Robert Hofmann
N. Oscar Miyashita
Norio Nakajima

Vice Chairman Bruce Kloppenburg
Eduardo "Champ" Calvo
Judith Guthertz
Bartley Jackson
Milton Morinaga
Nathan Taimanglo

BOARD of DIRECTORS TELEPHONICALLY:

BOARD of DIRECTORS ABSENT:

Annmarie Muna

GVB MANAGEMENT & STAFF PRESENT:

Karl Pangelinan
Brian Borja
Dee Hernandez
Mark Manglona
Nakisha Onedera
Laurette Perez
Haven Torres

Nathan Denight
Karida Brennan
Pilar Laguana
Antonio Muna
Elaine Pangelinan
Felix Reyes

Doris Ada
Kraig Camacho
Nadine Leon Guerrero
Regina Nedlic
Meriza Peredo
June Sugawara

GUESTS:

Dave Bell - Sen. Tina Muna Barnes office
Frank Whitman - Marianas Variety

❖ Proceedings:

Meeting called to order at 4:15 p.m. by Chairman Mark Baldyga.

Review of the previous Regular Board minutes dated August 22, 2013.

Motion made by Director Guthertz, seconded by Director Arriola, to approve the minutes of August 22, 2013.

Exhibit A

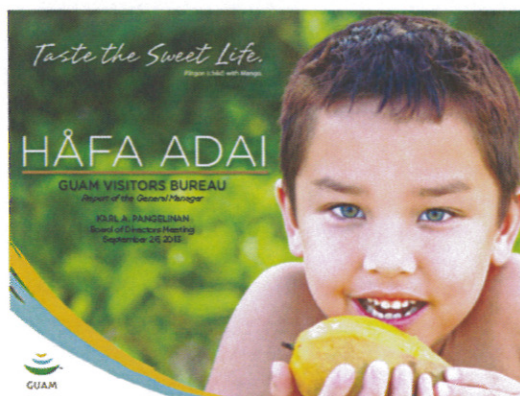
Motion approved (subject to correction).

❖ Chairman's Report:

- Chairman Baldyga congratulated the Japan team for a successful JATA event.
- Chairman Baldyga reported that although arrivals are at an all time high - the spend is low. He stated this is an opportunity to push for yield and quality.
- Chairman Baldyga reported that we've been working with HIS/LAM/DPW regarding the bus shelters & turnoffs. There will be unified bus stops and will be done in the next 6 months. The funding for this will be from the capital projects fund of \$2 million from the Legislature. He hopes to use the current excess funds as an advance so work will not have to be stalled. He added that they will send out an RFI (Request for Information) to architects, etc..
- Chairman Baldyga distributed the Strategic Plan DRAFT and asked for comments and feedback. Strategic Plan will be printed soon.
- Chairman Baldyga reported that Rick Egged will be guest speaker for the Quarterly Membership meeting. A task force has been formed (Tumon Improvement Association) consisting of the following members: Chairman Baldyga; Vice Chairman Kloppenburg; Directors Morinaga, Calvo, Jackson and Hofmann; GM Pangelinan and DGM Denight. Meetings with Rick Egged have been scheduled with the Governor; DPW; Legislature and GLUC.
- Chairman Baldyga reported that the joint Board meeting with the Marianas Visitors Association will be tentatively scheduled for the 1st week of December.
- Chairman Baldyga will be absent for the next Board meeting.

❖ General Manager's Report

Exhibit B



PRELIMINARY Visitor Arrivals August 2013 Total: 134,357 (1.8%)

% Market Mix	Origin	Pax	% to LY
70.6%	Japan	94,891	-3.2%
17.2%	Korea	23,168	28.0%
3.7%	US/Hawaii	4,977	6.3%
3.1%	Taiwan	4,156	-8.5%
0.7%	China	968	-5.0%
0.3%	Russia	350	-5.7%

Source: DHS, Air & Cruise

PRELIMINARY FYTD Visitor Arrivals
October 2012 – August 2013
Total: 1,229,032 (6.2%)

% Market Mix	Origin	Pax	% to LY
68.2%	Japan	838,600	1.3%
17.3%	Korea	213,161	40.0%
4.4%	US/Hawaii	53,550	-7.8%
3.5%	Taiwan	42,955	-7.0%
0.8%	China	9,511	13.4%
0.5%	Russia	5,896	124.8%

Source: GVB, JATA, JTA, etc.

PRELIMINARY CYTD Visitor Arrivals
January 2013 – August 2013
Total: 897,841 (3.9%)

% Market Mix	Origin	Pax	% to LY
67.9%	Japan	609,599	-1.7%
17.6%	Korea	157,879	37.7%
4.5%	US/Hawaii	39,772	-5.6%
3.7%	Taiwan	32,780	-7.2%
0.8%	China	7,549	19.4%
0.5%	Russia	4,543	91.0%

Source: GVB, JATA, JTA, etc.

PRELIMINARY CYTD Visitor Arrivals
January 2013 – August 2013
Total: 897,841 (3.9%)

% Market Mix	Origin	Pax	% to LY
67.9%	Japan	609,599	-1.7%
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4.5%	US/Hawaii	39,772	-5.6%
3.7%	Taiwan	32,780	-7.2%
0.8%	China	7,549	19.4%
0.5%	Russia	4,543	91.0%

Source: GVB, JATA, JTA, etc.

PRELIMINARY MTD Visitor Arrivals
September 1 – 17, 2013
Total: 72,362 (2.9%)

% Market Mix	Origin	Pax	% to LY
69.2%	Japan	50,078	-7.5%
18.5%	Korea	13,367	68.2%
3.2%	US/Hawaii	2,301	-20.8%
4.9%	Taiwan	3,481	58.5%
0.4%	China	307	59.1%
0.2%	Russia	159	-34.6%

Source: GVB, JATA, JTA, etc.

PACIFIC BASIN DEVELOPMENT

GVB - DESTINATION MARIANAS

- Pacific Basin Development Council Meeting – September 24, 2013 | Hall of Governors, Adelup
- Attended by Governor Calvo and CNMI Governor Inos
- Members include Governor of Guam, CNMI, Hawaii and American Samoa
- GVB DGM presented current Tourism Situation on Guam
- Destination Marianas Efforts
 - Included Planning of GVB - MVA Joint Board Meeting
 - Joint Region Marketing Efforts



JAPAN MARKETING NEWS

JATA

- Participation up
 - Sept 13 - 40,136 (Trade day)
 - Sept 14 - 49,429 (General Public)
 - Sept 15 - 41,493 (General Public, Raining)
 - TOTAL: 131,058 (record attendance)

50th Anniversary

- 240 people attended
- Special guest appearances by Guam Ambassadors Tachi-san and Sakana-kun



JAPAN MARKETING NEWS



KOREA MARKETING NEWS

Roadshow & Workshop
Daegu & Busan



- Vendors: KE, Jin Air, PHR Korea (Sherton, Hilton, Nikko, PIC), Outrigger, Leo Palace, Hyatt, Holiday, DFS
- Participant Travel Agents: Daegu - 117 pax, Busan - 125 pax

KOREA MARKETING NEWS

BITF 2013



CHINA MARKETING NEWS

GVB | United Airlines Hong Kong MICE
& Leisure Travel Agents Fam Tour
September 10-13, 2013



Hong Kong MICE &
Leisure Travel Agents

Shop Guam Festival | GVB
Hong Kong Media Fam Tour
September 16-20, 2013



Hong Kong Media

PACIFIC MARKETING NEWS

PATA Micronesia Chapter 2nd Tri-Annual Meeting in Yap, FSM August 4-7, 2013

- MCA Meeting - Aug 4th
 - Cruise Shipping Asia - October 8-10
 - Regional Participation confirmed
- SMIOI-Workshop by Jason Lin- Talent Basket
 - Over 25 participants
- PATA Micronesia 2nd Tri-Annual Update
 - PATA Board Meeting/PTM 2013
 - www.micronesiatour.com updates
 - Regional Training (FSM) Completed
 - Add'l 30 PATA members recruited
 - Next Micronesia Chief Executive's Meeting (MCES) December - Saipan
 - Next PATA Micronesia Chapter Meeting December 2013 - Palau



GUAM KO'KO' HALF MARATHON & EKIDEN RELAY

REGISTRATION UPDATE

As of September 28th

HALF-MARATHON
838

502

GRAND TOTAL
1,340



- GM Pangelinan introduced GVB's (3) new staff: Nakisha Onedera (MO1); Tanya Shiroma (Marketing Secretary) and Karida Brennan (Marketing Administrative Asst.)

❖ Report of the Treasurer:

Exhibit C

Cash Position Report:

Cash report as of September 23, 2013.

Total cash in banks report (as of 9/23/13) \$17,086,110.78

Total allotment received to date: \$16,189,973.59

- Director Miyashita reported a healthy cash position.

❖ Report of the Board Committees:

A. JAPAN MARKET:

Exhibit D

Exhibit E

Director Morinaga made a motion, seconded by Director Taimanglo, to approve travel for the General Manager, to attend the quarterly Japan Guam Tourism Council Kanto meeting on October 3, 2013. (Estimated cost \$3,049.68; account # SMD008).

Motion approved.

Background

The Japan Guam Tourism Council holds quarterly meetings to discuss the current market situation. Meetings are held in the three major regions for Japan's outbound travel to Guam. In addition to the JGTC Kanto meeting, the General Manager will interview the new sales manager.

JGTC	
Airfare (high estimate)	\$2,802.18
Tokyo - Meals & Incidental Expenses only	\$247.50
TOTAL	\$3,049.68

Issue: Board approval required for all travel

Hotel Investment Conference Asia Pacific (HICAP)

Director Morinaga made a motion, seconded by Director Taimanglo, to approve travel for seven (7) delegates: (1) GVB Board Chairman Mark Baldyga, (2) GVB Board Director Champ Calvo, (3) GVB Board Director Judith Guthertz, (4) GVB General Manager Karl Pangelinan, (5) GEDA Administrator or Gov. Chief of Staff, (6) GEDA Board Member, (7) GEDA Staff Steven Dierking to attend the Hotel Investment Conference Asia Pacific (HICAP) in Hong Kong, SAR from October 14 - 20, 2013. (Cost approximately \$29,887.50: \$25,000.00 from Japan Budget, SMD008 account and \$4,887.50 from China Budget, SMD023 account).

Travel Expense:

Registration Fee:	\$1,950 x 3 pax (GVB participants)	\$ 5,850.00
Airfare:	Roundtrip: GUM/HKG/GUM: \$800 x 7 pax	\$ 5,600.00
Per Diem:		
10/15/13 10/20/13	1. GVB Board Chairman Mark Baldyga Lodging: \$447.50 x 4 nights = \$1,790.00 M&IE: \$173.75 x 5 days = \$868.75	\$2,658.75
10/15/13 - 10/20/13	2. GVB Board Director Champ Calvo Lodging: \$447.50 x 4 nights = \$1,790.00 M&IE: \$173.75 x 5 days = \$868.75	\$2,658.75
10/15/13 - 10/20/13	3. GVB Board Director Judith Guthertz Lodging: \$447.50 x 4 nights = \$1,790.00 M&IE: \$173.75 x 5 days = \$868.75	\$2,658.75
10/15/13 - 10/20/13	4. GVB General Manager Karl Pangelinan Lodging: \$447.50 x 4 nights = \$1,790.00 M&IE: \$173.75 x 5 days = \$868.75	\$2,658.75
10/15/13 - 10/20/13	5. GEDA Board Director Monte Mesa Lodging: \$447.50 x 4 nights = \$1,790.00 M&IE: \$173.75 x 5 days = \$868.75	\$2,658.75
10/15/13 - 10/20/13	5. GEDA Administrator Henry Taitano Lodging: \$447.50 x 4 nights = \$1,790.00 M&IE: \$173.75 x 5 days = \$868.75	\$2,658.75

Advance Team Set-up 10/14/13 - 10/20/13	7. GEDA Staff Steven Dierking	
	Lodging: \$358 x 5 nights = \$1,790.00	
	M&IE: \$139 x 5 days = \$695.00	\$2,485.00
Total		\$29,887.50

**GEDA Administrator may or may not be replaced by Gov. Chief of Staff, which will be confirmed by GEDA. Should the Gov. Chief of Staff travel for this mission, per diem costs will be as follows:*

Gov. Chief of Staff | Total per diem: \$2,127.00

Lodging: \$358 x 4 nights = \$1,432.00

M&IE: \$139 x 5 days = \$695.00

Travel period: 10/15/13 - 10/20/13

**Registration fee covered by GEDA for four (4) participants: (1) GVB GM Karl Pangelinan, (2) GEDA Administrator, (3) GEDA Board Member, and (4) GEDA Staff.*

**Travel dates vary per person due to advance team set-up requirements.*

Background:

Additional hotel rooms are needed on island to increase visitor arrivals. HICAP is the annual gathering place for Asia Pacific's hotel investment community, attracting the most influential owners, developers, lenders, executives, and professional advisors from around the globe.

HICAP: ASIA PACIFIC'S PREMIER HOTEL INVESTMENT CONFERENCES

Most established conferences for the hotel investment and development community. Since 1989, HICAP (Hotel Investment Conference Asia Pacific) events are where the region's preeminent players and executives gather to meet/network, explore opportunities, exchange ideas, and learn. GVB will be joining, GEDA and GIAA in attending HICAP.

ASIA: FAST-PACED GROWTH, NEW OPPORTUNITIES, AND INNOVATIVE DEVELOPMENTS

Asia is where it's all happening. Asia Pacific's RevPAR growth is at a staggering 23.0% year to date, far outperforming all the other regions in the world where growth is generally in the low single digits. With a region-wide aggregate RevPAR of just over US\$86, Asia Pacific also comes out ahead of both Europe and the Americas in absolute performance*. With existing stock returning to healthy performance levels, interest in the asset class continues to be strong, and the region is teeming with new hotel development. Over the next three to four years, some 330,000 new rooms are likely to enter the market - more than new supply in Europe, Middle East and Africa combined*.

Issue:

Board approval for travel required.

Discussion ensued regarding the motion. Director Calvo will be unable to attend. Chairman Baldyga suggested that since it is a cross market event that will benefit all markets, it can come out of excess funds that were released as opposed to burdening one particular market.

Vice Chairman Kloppenburg made a motion, seconded by Director Jackson, to amend the motion and approve travel for up to (7) delegates: (1) GVB Chairman Mark Baldyga, (2) GVB Board Director Judith Guthertz, (3) GVB General Manager Karl Pangelinan, (4) GEDA Administrator or Governor's Chief of staff, (5) GEDA Board member, (6) GEDA Staff Steve Dierking to attend the Hotel Investment Conference Asia Pacific (HICAP) in Hong Kong, SAR from October 14 - 20, 2013. (Cost up to \$29,887.50 and will be taken from excess funds)

Motion approved.

- GM Pangelinan clarified that HICAP is a joint effort with GEDA and GIAA. The total cost is shared among the (3) agencies with GEDA committing to \$20,000 sponsorship that includes a booth space and a (10 min) speaking time during the conference (It is noted that there are few speaking sessions with the audience and the 10 minutes block is extremely valuable). This conference will be bringing in investors, developers and real estate consultants from all over. GEDA is seeking sponsorship from the Realtor's Association. Chairman Baldyga suggested inviting active Real Estate developers so that they can see the energy and effort that Guam is putting into this.

Guam Ko'ko' Half Marathon & Ekiden Relay/ Okayama City Delegation visit

Director Morinaga made a motion, seconded by Director Jackson, to approve travel for four GVB Japan Manager, GVB Japan Marketing & PR Representative, GVB Japan Web & Marketing Coordinator, and GVB Osaka Marketing and Sales staff to attend the Guam Ko'ko' Half Marathon & Ekiden Relay on October 20, 2013 and Okayama City Delegation visit on October 19, 2013.

(Travel duration during 17-22 October 2013. Estimated maximum cost \$3,887.50; account # SMD003).

Motion approved.

Background:

GVB Japan staff will assist in operations of Guam Ko'ko' Half Marathon & Ekiden Relay for Japanese participants and medias. Okayama City Delegation will also make their friendship visit to Guam during the same time, and GVB Japan staff will assist in their courtesy calls and a Reception on Guam.

Airfare	(4 pax)	\$2,400.00
Per Diem - GVB Japan Manager	\$62.5 x 4 nights	\$250.00
Per Diem- GVB Japan Staffs	\$62.5 x 5 nights x 3 pax	\$937.50
Ground transportation	To airport in Japan x 4 pax	\$300.00
TOTAL		\$3,887.50

Issue:

Board approval required for all travel.

-
- Director Morinaga reported: SAVE THE DATE: Nov 20 - JGTC meeting 1PM - 5PM - venue pending RFQ
 - Director Morinaga reported: Acknowledging our marketing efforts for the past three years the Guam Visitors Bureau was selected amongst other National Tourism Offices by popular vote of Japan's travel industry that includes airlines, travel agents and transportation companies. Additionally, GVB was recognized for our efforts and contribution to expand and develop the overseas travel market. In the years of promoting our island to our number one source market this is the first time Guam has received this prestigious award from the national organization Japan Association of Travel Agents.
 - Director Morinaga reported: As a part of the Shop Guam Festival, GVB has requested for San Ai Resort Wear to conduct a fashion show on Guam on Dec 1.
 - Director Morinaga reported: Negotiations have been successfully completed. Once the contract is returned to Guam the General Manager will sign it.
 - Director Morinaga reported: Renovations have begun for our Tokyo office. Anticipated completion is mid-October.
 - Director Morinaga reported: Okayama is donating 30 recycle bins to the island. The bins will be placed in Tumon (DFS, The Plaza, The Beach, PIC and Tumon Sands Plaza), Two Lovers Point, Micronesia Mall and the Payless at Micronesia Mall, the Guam Legislature, the University of Guam, Agana Heights Elementary School and M. U. Lujan Elementary School, GIAA and of course GVB. Their donation is about \$50,000 for manufacturing. This does not include their costs of shipping the over 80 lbs bins to Guam. Please support the Japan market and our friendship city by attending the donation ceremony on October 19 from 10AM - 11:30AM at the UOG Fieldhouse. Also please join the reception that evening at the Guam Reef from 7PM - 8:30PM. We anticipate about 40 dignitaries and citizens from Okayama to attend.
 - Director Morinaga reported: **GVB 50th Anniversary Celebration in Japan**
The reception was well attended by old and new friends. During the event Shoie a model and actor who was married on Guam is requesting to be appointed Honorary Ambassador at Large. Every year Shoie and his family come to Guam for vacation and he often talks about Guam in interviews. The Japan market requests for the support of the board as we forward his request to the Governor's office.

B. EXECUTIVE COMMITTEE

Vice Chairman Kloppenburg made a motion, seconded by Director Calvo, to ratify Executive Committee's approval to authorize the General Manager to proceed with contract negotiations phase with the highest-ranking qualified Offeror in response to GVB RFP 2013-008, Tourism Destination Marketing Representation Services In Russia.

Motion approved.

Background:

The previous company was terminated on July 27, 2013. Therefore, GVB is seeking to award a multi-year single contract for the services of a professional marketing/public relation agency to act as GVB's Marketing Representative in Russia. A new RFP was issued on July 23, 2013. Deadline to receive proposals in response to this RFP was 5:00 p.m., August 22, 2013. Proposals were evaluated on August 23, 2013 by the evaluation committee, which comprised of Director Bart Jackson, Pilar Laguana, Debi Phillips, Regina Nedlic, and Felix Reyes. This motion will enable the GM to proceed with contract negotiations with the highest-ranking qualified Offeror as determined by the evaluation committee.

Issue:

Board approval required.

Vice Chairman Kloppenburg made a motion, seconded by Director Calvo, to ratify Executive Committee's approval to authorize an additional \$1,234.05 from previously approved travel, account FY2012 Carry Over funds to extend Dr. Michael Levin's hotel accommodations and car rental from August 28 - September 6, 2013 for the software conversion of the current GVB Arrival Forms Processing Integrated Microcomputer Processing System (IMPS) to the Census and Survey Processing System (CSPro) and to conduct software transition training with GVB staff

Motion approved.

Background:

Dr. Levin experienced an unanticipated amount of software issues in the first stage (software edits) and second stage (data tabulations) of the software conversion thereby delaying the August 27, 2013 timeline to deliver the new Arrivals Forms Processing CSPro software to the GVB.

Issue:

Board approval required for travel.

Vice Chairman Kloppenburg made a motion, seconded by Director Calvo, to ratify Executive Committee's approval to revise names of the delegation for travel to Tokyo, Japan to attend JATA and GVB's 50th Anniversary as indicated below.

Motion approved.

Approved	Revised
Speaker Won Pat	Cancelled
Vice Speaker Cruz	Sen. Christopher Duenas
Sen. Tina Muna Barnes	Sen. Brant McCreadie
BOD Judith Guthertz	BOD Nathan Taimanglo

Background:

On August 22, 2013 the Board approved the delegation for travel that included the names of the Senators and Board members attending. However, since receiving approval some cancellations have been received.

GVB Board of Director Judith Guthertz has notified GVB management that she is unable to attend the Japan Association of Travel Agents Travel Fair in Tokyo, Japan. With that said, GVB would like to secure GVB Board of Director Nathan Taimanglo, Chairman of the Sports and Events Committee to attend in place of Ms. Guthertz and will help engage top-level travel executives to support the development of Guam signature sporting events. With the cancelation of Speaker Won Pat GVB will be saving approximately \$1,500.00.

Issue:

Board approval required for travel.

Vice Chairman Kloppenburg made a motion, seconded by Director Jackson, to ratify Executive Committee's approval of travel for the Deputy General Manager to conduct employment interviews in Tokyo, Japan from September 17-18, 2013. (Estimated cost of travel \$1,042.50 (per diem only), Japan Account: SMD-002)

Motion approved.

Per Diem Only	
Nathan Denight	2 days x \$521.25 = \$1,042.50

Background:

As noted previously in Board meetings, the Japan market is seeking to fill the vacant Sales Manager within our Tokyo Office. This individual's primary responsibility would be to work with the travel agents in enticing groups/MICE to choose Guam as their destination. The Deputy General Manager will be in Tokyo attending JATA Tabihaku, these dates will extend his stay.

Issue:

Board approval required for travel.

Vice Chairman Kloppenburg made a motion, seconded by Director Jackson, to ratify Executive Committee's approval to authorize the General Manager as Chief Procurement Officer of the Guam Visitors Bureau to enter into a contract with the lowest responsible bidder of IFB 2013-003, Tumon and Hagatna Bay Beach Cleaning Project.

Motion approved.

Background:

The beach cleaning contract provides service maintenance of Tumon and Hagatna bay, which includes mechanical & manual raking; tree trimming, trash collection along sandy and non-sandy areas; trash removal from trash receptacles, trash receptacle maintenance and resetting trash receptacles.

Issue:

Board approval required.

Vice Chairman Kloppenburg made a motion, seconded by Director Arriola, to ratify Executive Committee's approval to authorize the GVB Chief Procurement Officer / General Manager to proceed with contract negotiations phase with the highest-ranking qualified Offeror in response to GVB RFP 2013-004, Korea General Sales Agent (GSA).

Motion approved.

Background:

The current contract is expiring on September 30, 2013. Therefore, GVB is seeking to award a multi-year single contract for the services of a professional sales and marketing organization to act as GVB's GSA in South Korea. A new RFP was issued on August 19, 2013. Deadline to receive proposals in response to this RFP is 12:00 Noon, Chamorro (Guam) Standard Time, September 6, 2013. This motion will enable the General Manager, as the Chief Procurement Officer, to proceed with contract negotiations with the highest-ranking qualified Offeror as determined by an evaluation committee.

Issue:

Board approval required.

Vice Chairman Kloppenburg made a motion, seconded by Director Guthertz, to ratify Executive Committee's approval to authorize the GVB Chief Procurement Officer / General Manager to proceed with contract negotiations phase with the highest-ranking qualified Offeror in response to GVB RFP 2013-005, Korea Public Relations Agency (PR).

Motion approved.

Background:

The current contract is expiring on September 30, 2013. Therefore, GVB is seeking to award a multi-year single contract for the services of a professional sales and marketing organization to act as GVB's GSA in South Korea. A new RFP was issued on August 19, 2013. Deadline to receive proposals in response to this RFP is 12:00 Noon, Chamorro (Guam) Standard Time, September 6, 2013. This motion will enable the General Manager,

as the Chief Procurement Officer, to proceed with contract negotiations with the highest-ranking qualified Offeror as determined by an evaluation committee.

Issue:

Board approval required.

C. CULTURAL HERITAGE & COMMUNITY OUTREACH (CHaCO)

Director Guthertz made a motion, seconded by Director Calvo to approve travel for the ChaCo chairperson, (1) CHaCo Staff, (1) Miss Guam, (2) musicians and (6) cultural dancers to attend the 2013 Taipei International travel Fair - October 17 - 21, 2013. (Estimated cost approximately \$34,540.00 from Acct # DM - CP0003).

Motion approved.

Airfare:			
	\$860.00	11	\$9,460.00
Per Diem:			
CHaCO Chair			
Lodging	\$225.00	7	\$1,575.00
M&IE	\$135.00	7	\$945.00
GVB CHaCO Staff, Miss Guam, 8 cultural entertainers			
Lodging	\$1,260.00	10	\$12,600.00
M&IE	\$756.00	10	\$7,560.00
Professional Fees			
Miss Guam	\$100.00	4	\$400.00
2 Musicians	\$200.00	4	\$800.00
6 Cultural Dancers	\$300.00	4	\$1,200.00
			\$34,540.00

Background:

The Taipei International Travel Fair (ITF), in its 21st year, is the biggest and most important travel fair in Taiwan that the bureau participates in every year for the Taiwan market. The 2012 4-day Expo attracted 260,000 visitors gathering information to buying tour packages, over 60 countries and 850 organizations utilizing 1,200 exhibition booths. The Guam booth last year won the "Best Booth Performance Award" and "Best Booth Popularity Award" with our talented cultural dancers and the Jesse and Ruby Show along with Miss Guam 2012. All the tourism bureaus, travel agents, airlines, and resorts join ITF to promote their products during the trade show. In addition to the fair, the bureau will be

meeting with the airlines and tourism industry partners to share and seek support for our upcoming programs for the coming year.

This year the Guam Visitors Bureau looks to participate and take a more regional approach in promoting Guam and the Micronesia Region having position Guam alongside island participants of Palau and the CNMI in the Discover America Pavilion.

Issue:

Board approval required for travel.

- Director Arriola reported that the ChaCo committee meeting is scheduled for tomorrow.
- Director Arriola reported she is working with Pilar Laguana to start the overseas marketing plans.

D. GREATER CHINA:

2013 Taipei International Travel Fair (ITF 2013) - October 18-21, 2013

Director Kloppenburg made a motion, seconded by Director Hofmann to approve travel for the Deputy General Manager, Marketing Manager, Marketing Officer II and Marketing staff, four (4) pax, to attend the 2013 Taipei International Travel Fair - October 17-21, 2013 (Estimated budget \$12,508.00 from the Taiwan Sales Market Development Budget Acct#TA-SMD023).

Motion approved.

Airfare:	860.00 x 4 pax	\$3,440.00
Per Diem		
Deputy General Mgr:	Lodging: \$180 + 25% x 7 days	\$1,575.00
	M&IE: \$108 + 25% x 7 days	\$945.00
GVB Staff (3pax):	Lodging: \$180 x 7 days x 3 pax	\$3,780.00
	M&IE: \$108 x 7 days x 3 pax	\$2,268.00
Unanticipated Expenses		\$500.00
TOTAL:		\$12,508.00

Background:

The Taipei International Travel Fair (ITF), in its 21 year, is the biggest and most important travel fair in Taiwan that the bureau participates in every year for the Taiwan market. The 2012 4-day Expo attracted 260,000 visitors gathering information to buying tour packages, over 60 countries and 850 organizations utilizing 1,200 exhibition booths. The Guam booth last year won the "Best Booth Performance Award" and "Best Booth Popularity Award" with our talented cultural dancers and the Jesse and Ruby Show along with Miss Guam 2012. All the tourism bureaus, travel agents, airlines, and resorts join ITF to promote their products during the trade show. In addition to the fair, the bureau will be

meeting with the airlines and tourism industry partners to share and seek support for our upcoming programs for the coming year. This year the Guam Visitors Bureau looks to participate and take a more regional approach in promoting Guam and the Micronesia Region having position Guam alongside island participants of Palau and the CNMI in the Discover America Pavilion.

Issue:

Board approval required for travel.

-
- Vice Chairman Kloppenburg reported that there is no news regarding the China Visa Waiver. He ensured that the marketing team is working to aggressively market without the waiver.
 - Discussion ensued regarding the primary reasons for the decrease in arrivals from Taipei. Pilar Laguana explained that the first detrimental factor is the lack of daytime flights (departure and arrival times). Pilar added that she has been trying to work with China Airways and Eva Air as well as GIAA to offer incentives. **Chairman Baldyga requested for a Taiwan arrivals comparison to our core competitive markets.**

E. KOREA MARKET:

Exhibit F

- Director Miyashita reported Jeju Air and Jin Air are adding additional flights to Guam. Jin Air will be starting on October 27 and Jeju will begin on November 1. This is an additional 131,000 seats.
- Director Miyashita reported that KTAG will be officially formed and is working with GSA.
- Director Miyashita reported that they met with E-Land Developers. They reported they had visited Saipan because Saipan had been more proactive in their efforts. The hotel / recreational aspect is a small percentage of their business but would like to increase. They did ask for a list of available properties. Chairman Baldyga suggested inviting them to HICAP.
- Director Miyashita reported meeting with Korean Air while in Busan. They reported that they will be increasing their flights from twice a week to (4) times a week starting next year. They met with the Executive Manager of the airport and did ask for more subsidies as their cargo and business class sales are not at the level that they would like.

F. MEMBERSHIP DEVELOPMENT

- Vice Chairman Kloppenburg reported on tomorrow's Quarterly Membership meeting with guest speaker Rick Egged of the Waikiki Improvement Association. It will be held at the Hyatt Regency with 111 confirmed but expecting a great showing of 130 pax.

G. NORTH AMERICA & PACIFIC (NAP)

Exhibit G

Cruise Shipping Asia-Pacific Convention and Tradeshow 2013

Director Guthertz made a motion, seconded by Director Calvo to approve travel for GVB Deputy General Manager J. Nathan Denight and one Marketing staff to attend and participate at the Cruise Shipping Asia-Pacific Convention and Tradeshow 2013 in Singapore from October 6-12, 2013. (Estimated cost = \$9,737.00, Account #US-SMD023)

Motion approved.

Airfare	\$1,500 x 2 pax	\$ 3,000.00
Per Diem	\$462 + 25% x 1 pax x 6 days	\$ 3,465.00
	\$462 x 1 pax x 6 days	\$ 2,772.00
Unanticipated Expenses	\$500.00	\$ 500.00
Total:		\$ 9,737.00

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, members of the National/State Tourism Offices of the Micronesian Islands who are also active PATA Micronesia Chapter members, as well as the island port authorities to pursue cruise shipping opportunities to Guam and the region. In July 2013, the Guam legislature under the leadership of Speaker Judith Won Pat Borja, passed Resolution No. 106-32 (COR), which supported the development of a public policy, investment and operational framework for establishing a sustainable and green cruise industry in Micronesia with Guam serving as the regional hub. All fifteen Senators signed on.

In addition, the Micronesia Chief Executives Summit (MCES) has expressed total support of the cruise industry over the last few years and is looking at Guam to take the initial lead.

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 attended by Director Muña.

Issue:

Board approval required for travel.

-
- Discussion ensued regarding the cruise industry. Chairman Baldyga would like a list of what will be needed from the other islands to form this regional cruise line. He suggested to put out an RFP (the first regional cruise that comes to these islands (free berthing fees, no GRT, etc...)) and create an attractive package with incentives and offer it out. Director Arriola suggested that FestPac can be used as a marketing angle as well.

ITB Asia 2013

Director Guthertz made a motion, seconded by Director Arriola to approve travel for two (2) Marketing Staff to travel to Singapore to attend and participate at the ITB Asia 2013 from October 21-26, 2013. (Estimated cost = \$9,044.00, Account #US-SMD023).

Motion approved.

Airfare	\$1,500 x 2 pax	\$ 3,000.00
Per Diem	\$462 x 6 days x 2 pax	\$ 5,544.00
Unanticipated Expenses:	\$500.00	\$ 500.00
Total:		\$ 9,044.00

Background:

The ITB Asia is a B2B trade show event that will take place at the Marina Bay Sands in Singapore and is organized by Messe Berlin (Singapore) Pte Ltd and supported by the Singapore Exhibition & Convention Bureau. ITB Asia is where international exhibitors of all sectors of the travel-value chain, Asia Pacific's leading travel companies and emerging small and media-sized enterprises meet with top international buyers from the MICE, Leisure and Corporate Travel markets.

ITB Asia welcomes each year over 110,000 trade visitors who come to visit the over 11,000 exhibitors from 188 countries and regions. Today, ITB Asia is the premier meeting place for the travel trade industry and a forum for establishing high-quality customer contacts and conducting business.

Issue:

Board approval required for travel.

H. RESEARCH:

I. DESTINATION MANAGEMENT:

J. RUSSIA & NEW MARKETS DEVELOPMENT

Exhibit H

- Director Jackson reported that charter flights will begin on November 07-08 (2 flights coming out of Vladivostok & Khabarovsk). Discussion ensued regarding the charter flights, illegal working, and abuse.
- Director Jackson reported that a new Russia representative has been chosen. Despite the lack of marketing efforts during the transition period - the market continues to move ahead.

K. SPORTS & EVENTS

- Director Camacho reported the Body building competition on October 26. (20) International competitors are signed up (majority are from Japan) including many professionals who receive an abundance of press coverage. There was great press coverage of this event last year.

L. ADMINISTRATION / GOVERNMENT RELATIONS:

- Chairman Baldyga reported that \$2 million was given to GVB in the budget for capital improvements.

❖ OLD BUSINESS

- Vice Chairman Kloppenburg suggested that the TAF pass through appropriations be sidebar listed within the Strategic Plan to show ownership as advised by Vice Speaker Cruz.

❖ NEW BUSINESS

❖ EXECUTIVE SESSION

- None

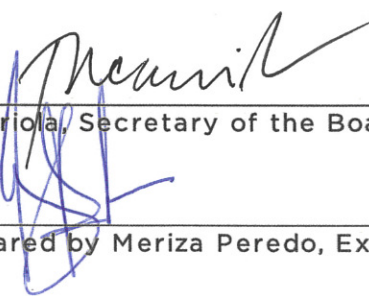
❖ ANNOUNCEMENTS

- GVB Quarterly Membership meeting
 - Friday, September 27 - 11:30am - 1:00pm
 - Hyatt Regency
- TIA task force meeting with Rick Egged
 - Saturday, September 28
 - GVB conference room
- Rick Egged's Summary presentation for Board of Directors
 - Tuesday, October 01 - 2:00pm
 - GVB Main Conference Room

❖ ADJOURNMENT:

Motion made by Director Calvo, seconded by Director Miyashita to adjourn the meeting. Meeting adjourned at 5:15.m.

Motion approved.



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

Board Minutes prepared by Meriza Peredo, Executive Secretary

❖ Action Items 9/26/13 :

1. Mid year Committee review

➤ MEMBERSHIP:

➤ ACCOUNTING:

- Director Miyashita stated that Accounting will be looking into an interest bearing checking account, making some cosmetic changes to the reports and descriptions, and looking into the sub ledger of the budget per committee comparison.

➤ JAPAN:

➤ DM:

- Update of culvert cleaning with DPW/contractor (8/08)

➤ KMC

- Director Jackson, GM Pangelinan and DGM Denight will work together and bring their suggestions before the Board on how to manage the tour inspectors (7/25)
- 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. (8/08)

➤ GREATER CHINA

- Chairman Baldyga suggested looking into increasing GVB's presence at IFCOT and analyze the cost of the event if we wanted to step it up in the future. (5/23)
- Vice Chairman Kloppenburg will share a copy Taiwan Mid year review on market share to Chairman (7/11)
- Chairman Baldyga requested for a Taiwan arrivals comparison to our core competitive markets (9/26)

➤ RUSSIA AND NEW MARKETS

- Set up Medical Tourism task force

- Chairman Baldyga and Director Jackson will meet this week about the Medical Task Force. (7/11)
 - Director Jackson requested that staff look into what kind of assistance GVB had given in the past to encourage new airlines as he doesn't want to set a new precedence. (5/23)
- NAP:
- Research and find out information on the following: (7/11)
 - The airline contract with the airport (airline fees)
 - Fuel costs
 - Cost analysis of United Airlines leg from Hawaii / Japan to Guam as a final destination compared to other destinations.
 - Equities with the airlines to justify the need to be looked at regarding the significant and disproportionate increase
 - Guam's market share with United Airlines (it's been said that UA represents 55% of the seat inventory and Guam represents less than half of 1% of their global revenue)
- ADMINISTRATION / GOVERNMENT RELATIONS:
- SPORTS & EVENTS:
- EXECUTIVE COMMITTEE:
- RESEARCH