



REGULAR BOARD MEETING
GVB MAIN CONFERENCE ROOM - 4:00PM
THURSDAY; March 13, 2014

BOARD of DIRECTORS PRESENT:

Vice Chairman Kloppenburg	Milton Morinaga
Theresa Arriola	N. Oscar Miyashita
Judith Guthertz	Norio Nakajima
Jennifer Camacho	Nathan Taimanglo
Eduardo "Champ" Calvo	Robert Hofmann
Bartley Jackson	

BOARD of DIRECTORS TELEPHONICALLY:

BOARD of DIRECTORS ABSENT:

Chairman Mark Baldyga	Off-Island
Annmarie Muna	Off-Island

GVB MANAGEMENT & STAFF PRESENT:

Nathan Denight	Rose Cunliffe	Colleen Cabedo
Debi Phillips	Felix Reyes	Pilar Laguana
Joshua Tyquiengco	Haven Toves	Meriza Peredo
Ana Cid	Gina Kono	Brian Borja
Kraig Camacho	June Sugawara	Regina Nedlic
Nakisha Onedera	Antonio Muna	

GUESTS:

❖ Proceedings:

Meeting called to order at 4:06 p.m. by Acting Chairman Kloppenburg.

Review of the previous Regular Board minutes dated February 27, 2014.

Exhibit A

Motion made by Director Guthertz, seconded by Director Miyashita, to approve the minutes of February 27, 2014.

Motion approved (subject to correction).



❖ Acting Chairman's Report:

- Acting Chairman Kloppenburg saved his report to be discussed under Committee reports.

❖ Acting General Manager's Report:

Exhibit B



PRELIMINARY MTD Visitor Arrivals
March 1 – 6, 2014
Total: 24,105 (-5.7%)

% Market Mix	Origin	Pax	% to LY
70.4%	Japan	16,971	-13.6%
16.7%	Korea	4,021	16.9%
3.9%	US/Hawaii	936	20.2%
3.3%	Taiwan	801	50.3%
0.3%	China	80	-9.1%
1.1%	Russia	264	114.6%

PRELIMINARY Visitor Arrivals
February 2014
Total: 116,937 (-4.2%)

% Market Mix	Origin	Pax	% to LY
64.4%	Japan	75,293	-12.4%
19.9%	Korea	23,305	22.8%
4.5%	US/Hawaii	5,292	171%
3.3%	Taiwan	3,871	-15.0%
1.7%	China	2,027	-27.5%
0.7%	Russia	777	15.8%

FYTD2014 Visitor Arrivals
October 2013 - February 2014
Total: 562,036 (-1.4%)

% Market Mix	Origin	Pax	% to LY
63.1%	Japan	354,460	-10.0%
21.3%	Korea	119,982	23.4%
4.3%	US/Hawaii	24,320	5.0%
3.5%	Taiwan	19,707	8.9%
1.2%	China	6,944	30.9%
1.2%	Russia	6,920	136.7%

GVB Website Analytics September 2013 - February 2014

Total Visits to All Websites

Total Visits	Unique Visits	Avg. Daily Visits Based on Total
932,622	606,451	5153

Premium Guam Analytics | URL: premium.visitguam.jp Analytics for Premium Guam Campaign run from January 01, 2014 through February 28, 2014.

Total Visits	Unique Visits	Avg. Daily Visits Based on Total
932,622	606,451	5153

GVB Website Analytics September 2013 - February 2014 BREAKDOWN BY MARKET

Market	Total Visits	% to LY	Unique Visits	% to LY	Avg. Daily Visits Based on Total
English*	87,573	N/A	74,932	N/A	484
Japan	699,117	-1.76%	423,895	-5.65%	3,863
Korea	36,653	-41.16%	27,968	-38.85%	203
Taiwan	84,195	22.79%	59,961	25.24%	465
Hong Kong	10,524	1.82%	8,701	4.39%	58
China	4,398	26.31%	3,898	35.72%	25
Russia	10,162	58.58%	7,096	55.38%	56

*English site analytics includes desktop and tablet only, excludes mobile devices.

Japan Marketing News

Mimasaka University Visit March 2014



- Group part of Educational Guam Tour
- 38 pax volunteered to pick up trash along Tumon Bay
- Visit marks the group's third trip to Guam

Japan Marketing News

Joint JGTA/KTAG Meeting

- Successful first meeting
- JGTA offered encouragement and organizational advice
- KTAG to join JGTA efforts in working with GIAA
- KTAG to join other committees at GVB
- KTAG to form a similar company as MAI and approach insurance companies in Korea for better traveler's insurance
- Korean language lessons for the tourism industry

Korea Marketing News

3 Month Forecast

Month	Forecast Pax	Last Year	%Change	Seat Forecast '14	Seat Data '13	% Change Seats
March	21,000	16,327	28.6%	31,342	27,251	14.3%
April	22,000	15,254	44.2%	29,894	20,364	46.8%
May	22,500	18,513	21.5%	31,109	21,359	45.6%

Eligible

March
- KE Flight : Incheon 7 per week = 5,020
(8777-200, 4230-000)
- Garuda : Thru Sat = 1,341
(8737-000)
- JAL Air : Incheon 7 per week = 5,580
(8737-000)
- JAL Air Extra : Incheon 7 per week = 3,060 (3,022)
(8737-000)
- JAL Air Extra : Incheon 7 per week = 5,766 (5,737-000)
(8737-000)

Total 31,342

* JAL Air : Incheon from Mar 23

* Garuda : Incheon from Mar 23, Sat, Sun from Mar 30

April
- KE Flight : Incheon 7 per week = 10,950
(8777-400)
- Garuda : Wed, Thu, Sat, Sun = 2,384
(8737-000)
- JAL Air : Incheon 7 per week = 5,400
(8737-000)
- JAL Air Extra : Incheon 7 per week = 5,520 (5,527-000)
(8737-000)
- JAL Air Extra : Incheon 7 per week = 5,520 (8737-000)
(8737-000)

Total 29,894

May
- KE Flight : Incheon 7 per week = 11,315
(8777-400)
- Garuda : Wed, Thu, Sat, Sun = 2,682
(8737-000)
- JAL Air : Incheon 7 per week = 5,580
(8737-000)
- JAL Air Extra : Incheon 7 per week = 5,766 (8737-000)
(8737-000)
- JAL Air Extra : Incheon 7 per week = 5,766 (8737-000)
(8737-000)

Total 31,109

Korea Marketing News

3 month Activities/Programs



- K-POP Boy Band "Teen Top" On Guam For Promotional Shoot (March 10-13)
- 5 episode on Ystar Cable TV, 60 min/per episode

China Marketing News

Guangzhou International Travel Fair 2014
Dates: February 24 – March 2, 2014
Hong Kong and Guangzhou

- United Airlines Hong Kong/Southern China Meeting
- Discussions with Guangzhou People's Association for Friendship with Foreign Countries
- GVB also met with China Travel International representatives



Taiwan Marketing News

3 month Forecast

Month	Forecast Pax	%Change	Last Year	Seat Forecast 14	Seat Data 13	% Change Seats
March	3,167	-1.4%	3,212	4,223	5,013	-15.8%
April	3,296	8.7%	3,031	4,708	4,708	0%
May	3,809	10.6%	3,443	4,761	4,761	0%

There are several adjustments on type of flights by CI and EVA in March. According to China Airlines Taipei Office, the change is only for March and will back to normal in April. The reason for the change mainly because of the Guam hotel shortage due to the U.S. military units mid Feb.

Flight / Seat breakdown

March

- CI Flight : Taipei 2x per week = 1,985
- EVA Air : Taipei 2x per week = 2,268

May

- CI Flight : Taipei 2x per week = 2,745
- EVA Air : Taipei 2x per week = 2,016

Total 4,223

Total 4,761

April

- CI Flight : Taipei 2x per week = 2,440
- EVA Air : Taipei 2x per week = 2,268

Total 4,708

Taiwan Marketing News

March-April 2014

- Online Marketing: 'PChome Group Tour' facebook fan page
 - Timeline: Middle of March – April 2014
 - 'PChome Group Tour' to cooperate with Veda to promote Guam on their facebook fan page.
 - Veda providing 30 questions related to Guam as resources for the page to interact with fans. Veda also giving away 10 prizes for the most interactive fans.



Pacific Marketing News

GVB in Australia

- Australia International Dive Expo 2014
- United Airlines Australia Visit
- VisitUSA Trade Expo
- Trip occurred February 22-25, 2014



North America Marketing News

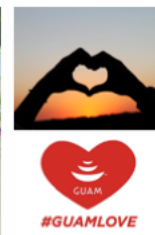
National Tour Association
February 16-20, 2014
Los Angeles, California

- 44 pre-appointments with global media and travel agents.
- NTA is the only U.S. organization to have a China-Inbound tour operator qualification program with the China National Tourism office.



#GuamLove Finale Event

Friday, March 14, 2014 at #GuamLove Light Park, 6:30-8:30 p.m.



- Event wraps up #GuamLove campaign with food, music, entertainment and giveaways.
- Fireworks at 9 p.m. (Tumon)



❖ Report of the Treasurer:

Exhibit C

Cash Position Report:

Cash report as of March 11, 2014.

Total cash in banks report (as of 3/11/14) \$13,664,255.73

Total allotment received to date: \$5,895,740.00

Accounts Receivable FY2014: \$12,366,394.00

Accounts Payable to Date: \$5,817,747.00

- Director Miyashita reported that cash in bank and receivables are higher than last year.
- Controller, Rose Cunliffe, is following up on collections on a weekly basis.
- At the end of the month, expecting an allotment collection.
- Accounting has identified FESTPAC trust account.
- Director Jackson questioned the Resona Bank account. Controller, Rose Cunliffe answered by stating that it is the operation account for the Japan office.
- Director Arriola questioned how appropriations are being received. Controller, Rose Cunliffe, reported that they are behind a month and a half, but are continuing to work on collecting.

❖ Report of the Board Committees:

A. EXECUTIVE COMMITTEE

Guam Visitors Bureau (GVB) Destination Market Development Airline Incentive Program (a China without Visa Waiver Initiative)

Director Miyashita made a motion, seconded by Director Jackson, to ratify Executive Committee's approval for up to \$1,034,000.00 for the GVB Destination Market Development Airline Incentive Program to stimulate incremental and new business with air carriers providing direct air services from China's 1st and 2nd tier cities during Guam's low season (June, July 1-20, and September 2014). Funding source to be identified by management.

Motion Approved.

Background: China outbound travel is projected to reach over 100 million in the next year. Chinese residents have grown to become experienced international travelers and earned the top spot of traveling retail spenders. In 2013, the United States welcomed 2 Million Chinese visitors and 113,000 visited our neighboring islands of the Commonwealth of the Northern Mariana Islands.

In line with Tourism 2020 to reach 100,000 Chinese visitors, without a visa waiver program, GVB is tasked to aggressively pursue this lucrative source market, with focus on high-end travelers. The most immediate and effective way to increase visitor arrivals from China is to obtain direct air service and entice the airlines to work with their travel agents to sell the Guam destination, creating a win-win situation.

GVB Airline Program Incentive:

Notes	Pax	Estimated Volume Incentives Two Airlines Per Week	Notes	Estimated Volume Incentives Two Airlines Per Duration FY2014 Only 100% Load Factor	Estimated Volume Incentives Two Airlines Per Duration FY2014 Only 75% Load Factor	Estimated Volume Incentives Two Airlines Per Duration FY2014 Only 50% Load Factor
Weekly (235 seats x 2 Flights week x 2 airlines)	940					
\$100 Incentive Per Body		\$94,000.00	INCENTIVES VALID ONLY FOR JUNE, JULY 1-20, SEPTEMBER = 11 WEEKS	\$1,034,000.00	\$775,500.00	\$517,000.00
\$80 Incentive Per Body		\$75,200.00		\$827,200.00	\$620,400.00	\$413,600.00

In addition, GVB will accompany GIAA to the Routes Asia Conference in Kuching, Malaysia from March 9-11, 2014. During this conference GVB plans to present this incentive program to potential airline companies but require board approval. Also, we are currently in discussion with several carriers that are eager to start direct service and avail of this program and partner with the bureau in developing direct air service to Guam from China.

Discussion:

- Acting Chairman Kloppenburg stated that Marketing Manager, Pilar Laguana had returned from Routes Asia in Malaysia. He expressed that it was instrumental that the Executive Committee approve this motion, so Ms. Laguana could speak legitimately while she was there that the China Airline Program Incentive was going to happen.
- Ms. Laguana reported back that all meetings went well and that they had an excellent team representing GIAA and GVB. They are expecting positive results from the initial meeting.
- Reiterated that Chairman Baldyga wanted them to put together an aggressive China plan; where to which, one component was an airline incentive program. They took up the criteria that was established and found that we are filling around 180 seats 4x a week on the low-end period, if filled to 100% occupancy, would get up to \$1,034,000.00.
- Another component to the aggressive China plan is the travel agency incentive plan, which some board members had concerns over. For now, it is not on the list to take action on. But still need to bring the whole program together, which will happen in the next couple of weeks.

- Over the next week or so, will be getting information back from those airlines that were spoken to and will have a better feel for where we want to go.
- Director Guthertz had a question for Marketing Manager Pilar Laguana. She asked how the airlines felt about this incentive program.
 - Ms. Laguana replied first by thanking the board for their support. She answered that she went with the airport and they took the lead with their consultant from ASM. The airport actually created an incentive program to support GVB's incentive program. Between GVB and the GIAA, they had the most dynamic incentive program at the show. They introduced the program to all the China carriers that were there and others that may be interested to expand in the China market. She reported that the smaller carriers (LCCs) were very interested. The bigger carriers were as well, but need more time to avail themselves to the limited time offer.
- Acting Chairman Kloppenburg commented that there needs to be more data. Asked Research to provide information on how many tourists from China can our infrastructure handle.

B. ADMINISTRATION & GOV'T RELATIONS

- Director Guthertz reported that we are getting into a very sensitive and peculiar time frame when it comes to the political offices. She expressed that GVB need to be very careful and aggressive, especially knowing now that the releases of the allotment is a month and a half behind.
- She suggested that the Board should express concern; for example, by drafting a letter by asking to expedite release of GVB funding because of the master plan that was just approved.
- Acting Chairman Kloppenburg questioned if we chart historical data on allotments. He asked Accounting if we could pull something up before drafting a letter to the legislature.

C. GREATER CHINA MARKETING

Committee Minutes Dated March 11, 2014

Exhibit D

SelectUSA Roadshow: China's Pearl River Delta

Director Jackson made a motion, seconded by Director Arriola, to approve travel for three (3) delegates to participate in the SelectUSA Roadshow: China's Pearl River Delta in Hong Kong, Shenzhen and Guangzhou, China from April 14-18, 2014. (Cost approximately \$12,732.50 from FY2014 China Sales Market Development Account, CI-SMD023)

Motion Approved.

Background: U.S. Commercial Service Guangzhou and U.S. Commercial Service Hong Kong presents the first-ever Pearl River Delta SelectUSA Roadshow in Hong Kong, Shenzhen, and Guangzhou – which is the heart of this area. Thousands of dynamic companies are headquartered in the Pearl Delta region, and many are looking to invest in the U.S. During the roadshow, delegates will participate in customized one-on-one meetings with potential investors, meet with senior Chinese government officials, and participate in exclusive tours. Focused sectors include real estate, services, manufacturing, healthcare, and biotechnology.

Guam delegates will meet with pre-screen qualified investors with high interest in the U.S., which can lead to hotel investment opportunities in the near future. Guam will also have the opportunity to host a travel trade and media seminar focused on the island's tourism destination product.

Issue: Board approval for travel required.

Travel Expense:

Air Fare	Roundtrip: GUM/HONG KONG/GUM \$800 x 3 pax	\$2,400.00
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Registration	First attendee = \$2,500.00	
	Second attendee = \$500.00	
	Third attendee = \$500.00	\$3,500.00

Per Diem	GVB Board Chairman or Greater China Chairman	
	Hong Kong Lodging: \$447.50 x 1 night =	\$447.50
	Hong Kong M&IE: \$173.75 x 2 days =	\$347.50
	Guangzhou Lodging: \$303.75 x 2 nights	\$607.50
	Guangzhou M&IE: \$205.00 x 2 days =	\$410.00
	Shenzhen Lodging: \$330.00 x 1 night =	\$330.00
	Shenzhen M&IE: \$168.75 x 1 day =	\$168.75
	Total:	\$2,311.25

	GVB General Manager	
	Hong Kong Lodging: \$447.50 x 1 night =	\$447.50
	Hong Kong M&IE: \$173.75 x 2 day =	\$347.50
	Guangzhou Lodging: \$303.75 x 2 nights	\$607.50
	Guangzhou M&IE: \$205.00 x 2 days =	\$410.00
	Shenzhen Lodging: \$330.00 x 1 night =	\$330.00
	Shenzhen M&IE: \$168.75 x 1 day =	\$168.75
	Total:	\$2,311.25

	GVB Marketing Staff	
	Hong Kong Lodging: \$358.00 x 1 night =	\$358.00
	Hong Kong M&IE: \$139.00 x 2 day =	\$139.00
	Guangzhou Lodging: \$243.00 x 2 nights =	\$486.00
	Guangzhou M&IE: \$164.00 x 2 days =	\$328.00
	Shenzhen Lodging: \$264.00 x 1 night =	\$264.00
	Shenzhen M&IE: \$135.00 x 1 day =	\$135.00
	Total:	\$1,710.00

Miscellaneous Expenses:	Excess baggage fees / business communication	\$500.00
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TOTAL:		\$12,732.50
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D. RUSSIA & NEW MARKETS

Committee Minutes Dated January 22, 2014

Committee Minutes Dated March 4, 2014

Exhibit E

Exhibit F

Pacific International Tourism Expo (PITE) 2014

Director Miyashita made a motion, seconded by Director Guthertz, to approve travel for Russia & New Markets Committee Chairman, GVB Marketing Manager, & (2) GVB marketing staff to attend the 2014 Pacific International Tourism Expo (PITE) in Vladivostok, Russia from May 14-19, 2014. (Cost approximately \$16,286.25, Acct. No. TTC083).

Motion Approved.

Travel Expenses:

Airfare:	\$1,500.00 x 4 pax =	\$6,000.00
Per Diem:	\$418.75/day x 3 days x 1 pax =	\$ 1,256.25
	\$335.00/day x 6 days x 3 pax =	\$6,030.00 (GVB Staff)
Anticipated Expenses:		\$3,000.00
(Excess baggage, long distance communication, etc.)		

TOTAL EXPENSE: \$16,286.25

Background: The Pacific International Tourism Expo (PITE) is the largest annual travel show in the Far East of Russia; for which, it was established to discover new business opportunities, network with leading tourism professionals, and preview what is hot and new for travel markets of Primorsky Territory and Pacific Asia. More than 9,000 travelers/visitors were present in last year's show, which also featured over 140 exhibitors.

GVB's 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.

Issue: Board approval needed for all travel.

Discussion:

- Director Jackson reported that Avia Charter will begin to add three (3) additional ports in Russia beginning of April. The Charter believes there is a demand, although there is a challenge to book rooms in the hotel.

E. DESTINATION MANAGEMENT

- Director Hofmann reported that the next DMC meeting will be on Friday, March 14.
- Acting General Manager Nathan Denight gave an update on CCTV in Tumon. Reported that we are negotiating with the lowest bidder and will have more information by next board meeting.
- The board discussed that it the CCTV that was installed a decade ago will be revitalized and will also install more cameras. Cameras will be around the San Vitores road, up

Westin and JFK hill, and to be used by Frank Smith Precinct. Looking also to expand near Sheraton/Onward street.

- Director Guthertz mentioned that Lions were taken from a Chinese school. Asked if DPW has got a response from the Chinese School to receive lion heads. Requested that it be colored red and gold.

F. CULTURAL HERTITAGE & COMMUNITY OUTREACH

Committee Minutes Dated December 3, 2013

Exhibit G

Committee Minutes Dated January 16, 2014

Exhibit H

- Director Arriola reported that they will be launching the US Chamorro Dance Academy at the end of the month during the Chamorro Festival in San Diego, California.

G. SPORTS & EVENTS

Committee Minutes Dated March 6, 2014

Exhibit I

Director Camacho made a motion, seconded by Director Hofmann, to approve travel for a (2) person delegation to Sado Island Niigata, Japan to participate in activities associated with the Sado-Shima Island Toki Marathon from April 26-28, 2014. Account number ESP001 (Estimated cost of travel: \$3,913.00)

Motion Approved.

Cost Estimate:

Airfare: (1) GVB Board of Director/Sports Co-Chair, (1) Elite Runner	\$1,000.00	x 2 pax	\$2,000.00
Per Diem (Meals & Incidental Expenses only)			
Nate Taimanglo	\$107.00+25%	x 4days	\$535.00
Guam Elite Runner	\$107.00	x 4days	\$428.00
Miscellaneous:			
Car Rental ¥40,000 (¥10,000 x 4 days)	\$125.00	x 4days	\$500.00
Gasoline	\$50.00	x 4days	\$200.00
Gifts	\$250.00		\$250.00
TOTAL			\$3,913.00

Background: A Sisterhood Race Agreement was signed April 7, 2013 between the Guam Visitors Bureau Guam Ko'ko Road Race (Ko'ko Bird) and Sado-Shima Island Marathon (Toki Bird). The sisterhood race agreement summarized the arrangements necessary for both race events', which includes commitment to attend the Sado-Shima Island Marathon and Guam Ko'ko' Road Race for both parties. Hotel accommodations are being provided for the Guam delegation in Niigata courtesy of Sado Island Toki Government Office. Airfare for (2) pax is complimentary via United Sponsorship agreement as an official sponsor of the Guam Ko'ko Road Race in 2013. However, please note that airfare has been budgeted due to flight availability.

Issue: Board approval required for all travel.

Director Taimanglo made a motion, seconded by Director Hofmann, to approve travel for a (6) person delegation to Sapporo, Japan to participate in the activities associated with the Toyohiragawa Marathon from May 4-6, 2014. Account number ESP001 (Estimated cost of travel: \$9,173.00)

Motion Approved.

Background: A Sisterhood Race Agreement was signed May 3, 2011 with the Guam Visitors Bureau and the Hokkaido Track and Field Association. The sisterhood race agreement summarized the arrangements necessary for both race events', which includes commitment to attend the Toyohiragawa River Marathon and Guam Ko'ko' Road Race for both parties. Hotel accommodations are being provided for the Guam delegation in Sapporo courtesy of Nikkan Sports.

Issue: Board approval required for all travel.

Cost Estimate:

Airfare: (1) GVB Board of Director/Sports Co-Chair (1) GVB Management, (1) GVB Staff, (2) Elite Guam Runners, (1) Miss Guam Per Diem (Meals & Incidental Expenses only)	\$1,000.00	x 6 pax	\$6,000.00
Jennifer Crisostomo-Camacho	\$114.00+ 25%	X 3 days	\$427.50
GVB Deputy Manager per diem	\$114.00 + 25%	x 3 days	\$427.50
GVB Community Development Officer per diem	\$114.00	x 3 days	\$342.00
Miss Guam	\$114.00	x 3 days	\$342.00
Marie Benito	\$114.00	x 3 days	\$342.00
Derek Mandell	\$114.00	x 3 days	\$342.00
Misc: Car Rental ¥40,000 (¥10,000 x 4 days)	\$125.00	x 4 days	\$500.00
Gasoline	\$50.00	x 4 days	\$200.00
Gifts	\$250.00		\$250.00
TOTAL			\$9,173.00

Discussion:

- Director Taimanglo announced that the committee will close-off grants for the rest of the year.

H. MEMBERSHIP DEVELOPMENT

Simpleview Summit

Director Camacho made a motion, seconded by Director Taimanglo, to approve travel for GVB DGM & one (1) GVB staff to attend the Simpleview Summit in Tuscon, Arizona from April 27-May 1, 2014. Cost is approximately \$6,743.75.

Motion Approved.

Airfare (\$2,500 x 2 pax)	\$ 5,000.00
DGM Per Diem (775 X 1.25 X 1 pax)	\$ 968.75
Per Diem (\$775 x 1 pax)	\$ 775.00
TOTAL:	\$6,743.75

Background: Towards the end of 2013, GVB launched the new global website in English. This website has proved to be a useful tool in promoting GVB members and Guam's offerings. Currently, GVB is working with the overseas offices to deploy the new CRM and CMS system in every source markets with the goal of full deployment by end of FY 2014.

The Simpleview Summit is an annual summit for Simpleview users from around the nation to get hands on and in depth training from Simpleview and to network with other users to discuss best practices and tips of using the CRM and CMS to its fullest potential.

This summit also boasts of a business-meeting track over the 5 days, which allows senior executives from destination management organizations around the nation to discuss best online practices, marketing and destination enhancements.

The GVB staff will attend the training track of the Summit while the DGM attends the Business Meeting track.

More about the Summit:

The Simpleview Summit gathers hundreds of the world's greatest destination marketing professionals for inspiring and informative networking events, cutting edge training, along with dozens of in-depth sessions of the latest trends and developments in online tourism marketing and sales. This rare opportunity to spend the week with Simpleview experts, along with industry peers is essential for learning about real-life tourism marketing experiences, best practices and tips.

Reasons to attend:

1. New and soon-to-be-released products, updates and services.
2. Hands on pre and post-conferences and one-on-one meetings with account managers and other team members to cover topics that relate specifically to GVB.
3. Chances to network - meet, connect and share experiences with peers from more than 150 Destination Management Organizations (DMOs).
4. In-depth sessions on industry best practices and Simpleview solutions to gain skills to succeed in the marketing using the latest technology.

Issue: Board approval required for travel.

Discussion:

- Director Camacho reported that current membership is at 303 members.
- Membership Quarterly Meeting will be held next Friday, March 28 at 11:30 in Hilton's Micronesia Ballroom.
- Guest speaker is going to be Dusit Thani's General Manager.

I. RESEARCH:

- Nothing to report.

J. JAPAN MARKETING

Director Morinaga made a motion, seconded by Director Jackson, to approve travel for the Deputy General Manager, Japan Marketing Officer II and Miss Guam to travel to Fukuoka, Japan to extend a courtesy visit with Karatsu City Government Officials from March 26-28, 2014. (Estimated cost is \$2,229.50 from Japan-SMD008)

Motion Approved.

Background:

An opportunity for a courtesy visit to Karatsu City Government has been extended to GVB on March 27th. Karatsu City and Guam recently officiated a mutual friendship agreement and has gathered support from both the Governor and Legislative body. Karatsu has already visited Guam twice as part of their commitment to strengthen relationship and offer support of trade opportunities and exchange. Karatsu will be participating in this year's GMIF and will showcase a few of its export products they feel can benefit Guam.

Acting General Manager Nathan Denight who will already be in Tokyo from March 24-26 for airline negotiation meetings will extend his travel for the Karatsu City courtesy visit on March 27 at which time he will also present the official 2014 GMIF Delegation Package and further discuss details of the fair. Likewise, Japan Market staff and Miss Guam are already scheduled to be in Japan for GLP promotions in Fukuoka from March 28-30 but will adjust travel to leave earlier for this purpose. Participation of Miss Guam and Japan Market Staff aims to reciprocate Guam's appreciation for the hospitality that was extended by Karatsu City to Governor Calvo and the Guam delegation while in Karatsu last July.

As airfare is already covered from prior approved travel aforementioned, travel funding will only cover per diem for the additional travel days for the 3-member delegation on this trip.

Issue:

Board approval required for travel.

Cost Estimate:

Mgmt Per Diem (Lodging)	\$184 x 2 days x 1.25%	\$460.00
Mgmt Per Diem (M&IE)	\$159 x 2 days x 1.25%	397.50
Per Diem (Lodging)	\$184 x 2 days x 2 pax	736.00
Per Diem (M&IE)	\$159 x 2 days x 2 pax	636.00
Airfare	Previously approved with airline meeting and GLP motions	
	TOTAL	\$2,229.50

Discussion:

- Acting General Manager, Nathan Denight mentioned that they will already be there for the Guam Live Presentation that weekend, so they have decided to extend to visit the Karatsu city. A Karatsu delegation had visited Guam last month and invited GVB to visit their city whenever they are in Japan. While in Karatsu, GVB will also promote upcoming events such as the GMIF.
- The board went over the article that was presented from management entitled *Hawaii Tourism Officials Slightly Lower Ambitions* by ABC News. Acting Chairman Kloppenburg made a synopsis of the article, stating that Japan visitor arrivals are down in Hawaii.
- Director Morinaga reported that hotels in Hawaii are down 20%, but are experiencing repeat business. He reports that the yen is an issue with Japanese visitors, so Hawaiian Airlines is discounting their prices to match Guam and predicts it will continue until June.
- Director Morinaga goes on to report that the consumer tax will increase 3% in April 1st, so right now Japanese are spending more on big-ticketed items before the hike. Travel agents in Japan are saying that there might not be an increase in packages, due to the increase in consumer tax effective April 1st. There is a sense of panic in Japan, because consumers are very concerned about this issue.
- Director Morniga reported that the following year (2015), Japan will increase the consumer tax once again to 2%.
- Director Jackson pointed out that Guam hasn't lost market share, but yet, in actuality have gained. There's nothing that we can do about Japan's aging population, with fewer people traveling. Guam is doing much better than Hawaii, because their market share is shrinking. Although our numbers are down, we are continuing to diversify our markets.
- Acting General Manager, Nathan Denight commented that for the next board meeting he will be working with research to present data to the board regarding all the issues surrounding the decrease in Japan arrivals.
- Director Guthertz commented that Japan will adjust to the consumer tax hike eventually and that the board shouldn't overreact.

K. KOREA MARKETING

Director Miyashita made a motion, seconded by Director Jackson, to approve travel for (1) GVB Staff to travel to Seoul, South Korea to meet with various airlines, the GVB GSA, and PR representatives. While there, will also travel to Busan, South Korea, for meetings with KE-Busan, Busan TA's, and Air Busan, and to launch the Busan KGMC during March 24-28, 2014. Cost is approximately \$2,288.00 from the FY2014 Korea Sales Marketing Development Acct# SMD023.

Motion Approved.

Airfare (\$750 x 1 pax)	\$750.00
Seoul Lodging (Staff: \$230/day x 2 Nights)	\$460.00
Seoul M&IE (Staff: \$120.00/day x 3 days)	\$360.00
Busan Lodging (Staff: \$233/day x 2 days)	\$466.00
Busan M&IE (Staff: \$126 x 2 Days)	\$252.00
Total	\$2,288.00

Background: During GVB's visits to Busan, Korea's second largest city, in September 2013 and January 2014, they met with key Busan travel agents and airlines who specifically requested for GVB's support of its outbound, and especially the KE direct flights from Busan to Guam. GVB's key SMART goal for 2014 is to achieve at least 280,000 Korean arrivals. To achieve this, support to Busan TA's and airlines must be maintained and seat capacity to Guam is increased. As such, GVB, joined by several local travel industry partners, is hosting a seminar for Busan TA's to share updated Guam information and to encourage sales of Guam trips out of Busan.

Also, GVB will be launching a Busan Chapter of the Korea-Guam Marketing Committee (KGMC) comprised of Busan and neighboring cities' mid-level travel agents, similar to the Seoul KGMC.

The GVB staff will join the meetings, help with the launch, make presentations and show a GVB presence to the various travel industry folks the serious intent of GVB to support Busan outbound.

Issue: Board approval for travel required.

Discussion:

- Director Miyashita reported that KTAG appreciated the discussion and information provided by JGTA. KTAG/JGTA discussed common concerns, but at the end of the day talked about bringing more tourists and keeping those tourists satisfied.
- Furthermore, Nathan, Pilar, and himself met with Jeju Air. Jeju Air is very interested in Guam and are planning to fly from other gateways such as Busan.
- Last KMC meeting January 28 and another coming up March 18.
- Pilar Laguana added that Jeju Air is also looking to fly to Saipan 4x a week and that they are being very aggressive in bringing service out to the islands. She goes on to say that they are looking to expand on Guam and will be sending power bloggers that we are coordinating with for a FAM Tour. Would like to recommend GIAA to accompany GVB on this trip to show airline incentive plan.
- Acting Chairman Kloppenburg suggested having a letter sent to GIAA to have a representative join in this meeting in Korea.

L. NORTH AMERICA & PACIFIC MARKETS

Committee Minutes Dated March 5, 2014

Exhibit J

Director Camacho made a motion, seconded by Director Jackson, to approve travel for two GVB staff to attend the Che'lu, Inc. Chamorro Cultural Festival and Uno Hit event in San Diego, California, from March 29-30, 2014. Cost is approximately \$6,572.00 from the FY2014 North America Sales Marketing Development Acct# SMD023.

Motion Approved.

Airfare (\$2,000 x 2 pax)	\$4,000.00
Lodging (\$139/day x 4 Nites x 2 pax)	\$ 1,112.00
Per Diem (\$71/day x 5 days x 2 pax)	\$ 710.00
Unanticipated expense (excess baggage, miscl.)	<u>\$ 750.00</u>
TOTAL:	\$6,572.00

Background:

GVB, in its continuing efforts to elevate awareness of Guam and its many events and activities planned for 2014 and beyond, and to encourage Chamorros and Friends of Guam to visit Guam during these events, is joining representatives from GVB's CHaCO committee in San Diego for the Che'lu, Inc.'s Chamorro Cultural Festival and seminars during March 29-31, 2014.

Che'lu, Inc. is the first off-island organization to sign the Hafa Adai Pledge. In 2012, GVB joined the organization in San Diego when the Sakman Chamorro, built by Chamorros living in the states, was dedicated and now planned to sail to Guam following the Spanish Galleon route from Mexico.

GVB will also be sharing key information on the Guam-Micronesia Island Fair (GMIF), Guam's 70th Liberation, and FESTPAC 2016, to name a few.

In addition, GVB is working with its North America Social Media coordinator to expand its "Show Us Your Guam" Ambassador program - using social media shares of photos and videos. Using five (5) Guam local 'Ambassadors' to create content for posting with 3-5 images uploaded per week representing what is fun and unique about Guam. The program, which started March 1, 2014 and last until September 30, 2014, will be shared with the audience at the Che'lu event to widen awareness and online viewership.

Discussion:

- Director Arriola reported that the event is sponsored by GVB. At the event they will also launch a social media campaign that will involve marketing surveys to be implemented at the event for proper research.

Director Camacho made a motion, seconded by Director Miyashita, to approve travel for the General Manager and Marketing Manager to attend the PATA Executive Board meeting in Zhuhai, China from May 16-18, 2014. Cost is approximately \$7,992.50 from the FY2014 Pacific Board/Annual Mtgs. Acct# SMD025.

Motion Approved.

Airfare (\$2,200 x 2 pax)	\$4,400.00
Per diem(L + MIE)/GM(\$266/day + 25% x 5 days x 1 pax)	\$ 1,662.50
Per Diem(L+MIE)/MM (\$266/day x 5 days x 1 pax)	\$ 1,330.00
Unanticipated expense (excess baggage, miscl.)	<u>\$ 600.00</u>
TOTAL:	\$ 7,992.50

Background: The General Manager is an Executive Board member of PATA and normally the Executive meeting is held in April, however, due to changes in the location, which was originally in New Zealand the beginning of this year, PATA has recently confirmed the 012. 67board meeting to take place in Zhuhai, China. \he Annual General Meeting take place on May 18 and attendance by all board members and chapter officers is highly encouraged.

The Marketing Manager is also a PATA board member as the Chairwoman of the PATA Micronesia chapter representing the region and will be attending the Colloquium and other chapter meetings in China as well.

Guam's attendance to the PATA Executive Board meeting is essential to represent the island and our region.

❖ OLD BUSINESS

- No old business.

❖ NEW BUSINESS

- MOII, Felix Reyes, mentioned that there's 3 Liberators confirmed that will be attending the 70th Guam Liberation Day Parade. Would like to see more support to perhaps have a motion set out for the next board meeting to help fund for more Liberators to come back to Guam for the event. He reported that he had communicated with the Guam Armed Forces committee, but haven't set a meeting to discuss the issue.
- Acting Chairman Kloppenburg asked if membership could help with the cost to fund. Board made a suggestion that perhaps companies/organizations under membership could sponsor a liberator to return for the event. Felix relied that perhaps this can happen, mentioned that United has already has committed to setting discounts for the flights.

❖ EXECUTIVE SESSION

- No executive session.

❖ ANNOUNCEMENTS

Next Board Meeting:

- Thursday, March 27, 2014 at 4:00pm, GVB Main Conference Room

GVB Events:

- Friday, March 14 - #GuamLove Finale Event from 6:30pm - 8:30pm at #GuamLove Love Light Park (San Vitores Road)
- Sunday, March 23 - Guam Ko'ko Kids Run at Gov. Joseph Flores Memorial Park (Ypao Beach)
- Friday, March 28 - Quarterly GVB Membership Meeting at Hilton's Micronesia Ballroom.

❖ ADJOURNMENT

Director Miyashita made a motion, seconded by Acting Chairman Kloppenburg, to adjourn the meeting. Meeting adjourned at 5:04PM.

Motion approved.

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

Board Minutes prepared by Colleen Cabedo, Executive Secretary

Action Items 03/13/14:

1. Mid year Committee review

2. MEMBERSHIP

3. ACCOUNTING

➤ JAPAN

➤ DMC

- Chairman Baldyga wants a letter written to private businesses regarding the graffiti issues. (10/24)
- For the 1st Quarter Smart Goals, Chairman would like to see Destination Management create a system that attacks:
 - (1) Drafting of a new signage law,
 - (2) Abolishing graffiti and,
 - (3) The new Visitor Safety Patrol. (12/12)
- Chairman Baldyga requested to make a detailed master task list on excel to prioritize all tasks and to set by quarter to be completed. (1/23/14)
- Director Guthertz would like a follow-up with DPW about the Chinese School lion heads. (3/13/14)

➤ KMC

- **Awaiting Response:** 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. (10/10)
- **Ongoing:** Chairman Baldyga requests the KMC to come up with creative ideas to support flightship carriers. (11/27)
- Acting Chairman Kloppenburg requested having a letter drafted to invite a representative from GIAA to accompany said motion for (1) GVB staff to travel to Korea for Busan/KGMC Launch. (3/13/14)

➤ GREATER CHINA

➤ 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)
- Followup with US consulate regarding sisterhood agreement. (10/10)
- Chairman Baldyga suggests that GVB encourage its members to provide Russian language product brochures, signage, menus, etc. to help Russian tourists. (11/27)
- Chairman Baldyga suggested that the 1st Quarter Smart Goals for the Russia Committee, include sending out a letter to membership giving suggestions to aid in their promotions to the Russia market. (12/12)



➤ NAP

- Chairman Baldyga would like Director Muna to list requirements needed by Guam and other neighboring islands while she attends the cruise conference. (2/27/14)

➤ ADMINISTRATION / GOVERNMENT RELATIONS

- Director Guthertz requests that the Board write a letter recommending Chamorro Village management, under the Department of Affairs, to prioritize the Traditional Chamorro Masters, by providing them two units within Chamorro Village to have demonstrations and to display their craftsmanship. (12/12)
- General Manager will send a letter out to the President of Department of Chamorro Affairs. (1/9/14)
- In response to the Tourist Crime Court brought up by Director Guthertz, Deputy General Manager will follow up with Josh Tyquiengco on research of the amount of crimes that were made on tourists. (1/9/14)
- Would like to work with management to put together a five-year plan that matches the strategic plan. (2/27/14)
- GM will follow-up with GEDA on efforts made with the Guam Museum. (2/27/14)
- Chairman requested the GM to find out the potential over-runs for the museum. (2/27/14)
- Chairman would like to have an update on the Tumon Flooding Mediation Plan. (2/27/14)
- Chairman reminded that he would like Senator Guthertz, GM, and himself to hand deliver the Tourism 2020 plan to senators to seek support for TAF funds. (2/27/14)
- Director Guthertz would like to see the clip from LA Times Show to be advertised (YouTube, local media). (2/27/14)

➤ SPORTS & EVENTS

- Director Morinaga recommends providing information to GHRA about sports cycling. (11/27)

➤ CULTURAL HERITAGE & COMMUNITY OUTREACH

➤ EXECUTIVE COMMITTEE

➤ RESEARCH

- For visual clarification, Chairman Baldyga requested to include expenditures of per day and per stay, within the Exit Survey. (12/12)
- Chairman Baldyga requests to see load factors and seat availability of Delta flights out of Japan. (2/27/14)
- Acting Chairman Kloppenburg requested to obtain data to support China plan efforts. For example, would like to see data that can show how many Chinese can our infrastructure accommodate? (3/13/14)