



REGULAR BOARD MEETING  
GVB MAIN CONFERENCE ROOM - 4:00PM  
THURSDAY; May 22, 2014

BOARD of DIRECTORS PRESENT:

Chairman Baldyga  
Oscar Miyashita  
Annmarie Muna  
Judith Guthertz  
Robert Hofmann  
Theresa Arriola

Vice Chairman Kloppenburg  
Milton Morinaga  
Bartley Jackson  
Nathan Taimanglo  
Jennifer Camacho  
Norio Nakajima

BOARD of DIRECTORS TELEPHONICALLY:

BOARD of DIRECTORS ABSENT:

Eduardo "Champ" Calvo

GVB MANAGEMENT & STAFF PRESENT:

Karl Pangelinan  
Colleen Cabedo  
Antonio Muna  
Brian Borja  
Meriza Peredo

Nathan Denight  
Pilar Laguana  
Ana Cid  
Dee Hernandez  
Nakisha Onedera

Rose Cunliffe  
Gina Kono  
Regina Nedlic  
Nadine Leon Guerrero

GUESTS:

Joe Sir - KUAM

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❖ Proceedings:

Chairman Baldyga called the regular meeting of the board to order at 4:02 p.m.

Approval of previous board minutes dated May 8, 2014.

Exhibit A

**Motion made by Director Guthertz, seconded by Director Jackson, to approve the minutes of May 8, 2014.**

**Motion approved (subject to correction).**

❖ Chairman's Report:

- Chairman Baldyga reported that he would be attending KOTFA in Seoul, Korea with the rest of the GVB delegation.
- Reported that the joint meeting with MVA on May 29 went very well and had a productive discussion. Both boards have agreed to continue the communication with conference calls and to meet in person once or twice a year.
- Thanked Director Jackson for testifying on the build-up on behalf of the industry. Had 1<sup>st</sup> meeting with Military Build-up & SEIS Committee the other week with General Manager Pangelinan, Vice Chairman Kloppenburg, and Director Jackson, making a conference call with Arthur Clark and Mark Calvo. Next meeting would be on Tuesday, May 27. *Further discussion to be addressed under Military Build-up & SEIS Committee Report.*
- Mentioned that earlier in the morning he met with the GVB China marketing team and noted that later the meeting the board would discuss a China marketing budget request.
- Mentioned that Vice Speaker B.J. Cruz released an article stating that he would proceed with the Bill 316. In regards to the minimum wage issue, Chairman Baldyga attended the PDN round table earlier in the day, for which it will be presented on Sunday. Lastly, thanked the board for their comments/suggestions to the drafting of the Letter to the Editor.
- Talked about a positive editorial in the Marianas Variety that was out earlier in the day.

❖ General Manager's Report:

Exhibit B



**PRELIMINARY MTD Visitor Arrivals**  
May 1 - 15, 2014  
Total: 44,342 (6.5%)

% Market Mix	Origin	Pax	% to LY
54.6%	Japan	24,230	-11.2%
25.7%	Korea	11,403	38.8%
5.3%	US/Hawaii	2,344	30.3%
4.7%	Taiwan	2,083	58.3%
0.8%	China	337	26.2%
2.3%	Russia	1,040	235.5%

### JAPAN MARKETING NEWS

- **Hafa Adai Guam Study Tour – Reminder**
  - Welcome Reception on 5/26 at Hyatt at 6PM
  - Seminar (8:30AM) and Trade Show (10AM) on 5/27 at Pacific Star
  - Participants encouraged to attend Maila Ta Fan Chesa evening of 5/27 at Hyatt
  - 85 participants from 8 cities.

### JAPAN MARKETING NEWS

- **Sado Long Ride**
  - Ben Ferguson, Guam Cycling Federation President participated
  - Promoting Tour of Guam at potential sister event



### JAPAN MARKETING NEWS

- **Delta Airlines**
  - Delta cancelling flights during the month of June

Route	Cancelled Dates
NRT/SPN	June 2, 16, 23, 26
SPN/NRT	June 3, 17, 24, 27
NRT/HNL	June 6, 24
HNL/NRT	June 6, 24
NGO/HNL	June 21, 30
HNL/NGO	June 23, 30
KIX/GUM	June 28 – (182 Seats)
GUM/KIX	June 27 – (182 Seats)

### JAPAN MARKETING NEWS

- Major travel agents stating increase profits despite decrease in pax
  - Lowest package price begins at ¥40,000
- Korean Air will operate charters from NRT Aug 1-26 (daily)
- United will operate extra flights Aug 1-31 (daily)
- HIS conducting 18 charters from Fukuoka in July, Aug and Sept

- Additionally, General Manager Pangelinan reported that Peach Aviation had cancelled flights due to lack of pilots.

### KOREA MARKETING NEWS

#### 3 month Forecast

Month	Forecast Pax	Last Year	%Change	Seat Forecast '14	Seat Data '13	% Change Seats
May	23,000	18,513	24.2%	31,565	21,359	47.8%
June	23,500	20,384	15.3%	30,192	21,447	40.8%
July	24,000	22,006	9.1%	30,960	22,297	38.9%

#### Flights

<b>May</b> • KE Flight : Incheon 7 per week = 11,315 (8777-400) • KE Charter : 5/2 = 276 (A330-300) • Busan KE : Wed, Thur, Sat, Sun = 2,682 (8737-800) • Jin Air : Incheon 7 per week = 5,580 (8737-800) • Jin Air Charter : 5/2 = 180 (8737-800) • Jeju Air : Incheon 7 per week = 5,766 (8737-800) • Jeju Air Extra : Incheon 7 per week = 5,766 (8737-800)	<b>June</b> • KE Flight : Incheon 7 per week = 10,950 (8777-400) • Busan KE : Wed, Thur, Sat, Sun = 2,682 (8737-800) • Jin Air : Incheon 7 per week = 5,400 (8737-800) • Jeju Air : Incheon 7 per week = 5,580 (8737-800) • Jeju Air Extra : Incheon 7 per week = 5,580 (8737-800)	<b>July</b> • KE Flight : Incheon 7 per week = 11,315 (8777-400) • Busan KE : Wed, Thur, Sat, Sun = 2,535 (8737-800) • Jin Air : Incheon 7 per week = 5,580 (8737-800) • Jeju Air : Incheon 7 per week = 5,766 (8737-800) • Jeju Air Extra : Incheon 7 per week = 5,766 (8737-800)
Total 31,565	Total 30,192	Total 30,960

### KOREA MARKETING NEWS

#### 3 month Activities/Programs

- TV Home-shopping
  - May : Tour Baksa
  - On cable TV for an 1 hour
- MICE Group
  - May : Hana SK - 60 pax
  - Jun. : Hana SK - 100 pax

#### MICE Monthly Total

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
2014	950	850	1,200	3,900									6,900
2013	1,820	780	910	2,050									5,560

- Hana International Travel Fair on May 23 to 25

- General Manager Pangelinan reported he will be leaving to Korea the following day and while there, has setup a meeting with Mr. Henry Lee to discuss the projected numbers and to report back next board meeting.



## KOREA MARKETING NEWS

### 3 month Activities/Programs

- Guam Live International Music Festival on June 7
- K-pop star invitation: Brown Eyed Girls & NU'EST



## KOREA MARKETING NEWS

### 3 month Activities/Programs

K-pop star Teentop TV show "Never stop explore in Guam"  
1<sup>st</sup> episode aired on April 5 on channel Y STAR – 47 mins  
2<sup>nd</sup> episode aired on April 12 on TV channel Y STAR – 47 mins  
3<sup>rd</sup> episode aired on April 26 on TV channel Y STAR – 47 mins  
4<sup>th</sup> episode aired on May 3 on TV channel Y STAR – 47 mins  
Re-run on sister media 5 TV channel (Comedy, Dramax, AXN, Life N, The drama)



## KOREA MARKETING NEWS

- Ferry Sewol Tragedy on April 16:

- ✓ The worst maritime disaster in Korean history.
- ✓ 6,825-ton ferry Sewol carrying 476 pax, mostly high school students on a field trip (172 people rescued, 284 dead and 20 still missing) was capsized and sank off the southwestern island of Jindo.
- ✓ For 3 weeks after the tragedy, 12,000 domestic/overseas travels for about 650,000 people and 15,000 rent/charter vehicles booked were cancelled.
- ✓ Fortunately number of Korean arrivals to Guam has hardly been affected by the tragedy according to April figures.
- ✓ Korean government increased the tourism promotional development fund from \$15 million to \$50 million, to support the travel industry.

## KOREA MARKETING NEWS

### Upcoming activities

- 2014 KOTFA, May 29 – June 01, 2014
  - Special leaflet on 12 things to do in Guam to produce.
- Media Fam for Guam Live International Music Festival:
  - National print, online media, major media in Busan city, bloggers will be invited
- Support two freelancers for a Guam Tour guide book, "Holiday Guam": Focused on young independent female travelers. GVP PR arranged for airline, hotels, rental car, tours and activities sponsorship.
- Consumer Promotion & broadcast visit with EBS TV, Kyowon & Pulmuone: Family & Guam English Study targeted promotion

- General Manager Pangelinan reported that the letter regarding the Ferry incident had been sent the local consulate.

## TAIWAN MARKETING NEWS

### 3 month Forecast

Month	Forecast Pax	%Change	Last Year	Seat Forecast 14	Seat Data 13	% Change Seats
May	3,809	10.6%	3,443	4,761	4,761	0%
June	4,548	-10.4%	5,078	5,168	5,673	-8.9%
July	7,030	18.2%	5,946	9,374	7,773	20.6%

The reason for a decrease in seats in June is because EVA Flight offered 2 charter flights in June last year. The extra flights for EVA this summer will start July 2.

#### Flight / Seat breakdown

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

Total 4,761

#### June

- CI Flight : Taipei 2x per week = 2,745  
- CI extra flight \*1 = 155 (8+1 charters starting from Jun 27 to Jul 25 with 738 aircraft /155 seats)  
- EVA Air : Taipei 2x per week = 2,268  
\*EVA extra flight for this summer: 11+2 charters starting from July 2 to Jul 20 with 332 aircraft /252 seats)

Total 5,168

#### July

- CI Flight : Taipei 2x per week = 2,745  
- CI extra flight \*7 = 1,085 (8+1 charters starting from Jun 27 to Jul 25 with 738 aircraft /155 seats)  
- EVA Air : Taipei 2x per week = 2,268  
\*EVA extra flight \*13=3,276 (13 charters in July with 332 aircraft /252 seats)

Total 9,374

## PACIFIC MARKETING NEWS

### GVB/MVA Joint Meeting – May 9, 2014



- GVB/MVA joint meeting to discuss Regional Activities/Programs
- Share various ways to promote each destination in various key markets
- Pledge to meet 2-3 times per year to update each other on future regional work



### RUSSIA MARKETING NEWS

- 18<sup>th</sup> Pacific International Tourism Expo
- Vladivostok - May 16 – 18, '14
- GVB Delegation: Bart Jackson, Pilar Laguaña, Gina Kono & Haven Torres
- Co-exhibitors: Sheraton, PIC, Hyatt, Pacific Star, Guam Troika Tours, DFS, Guam Reef, Outrigger & Miss Earth Guam 2013
- Cultural Presentation from Inetnon Gefpa'go



U.S. Consul General Erik Holm-Olsen

### SPORTS & EVENTS



Registration now open [www.guamkokororace.com](http://www.guamkokororace.com)  
First 100 online registrants receive a Ko'ko "In training" Dry Fit Tee  
9<sup>th</sup> Annual event  
Targeting 2,500 total runners  
Overseas Target: 1,000 pax

### TIR UPDATE

**Water Safety & Awareness Committee Discussions:**

- Video about Guam's Waters (10 minutes and translated)
- Updated water safety literature for our visitors
- East side ramps for launching of rescue boats and jet skis
- Legislation (enforcement authority of life guards; hotels and recreational property on the beachfront providing lifeguards per 10GCA Chapter 70; DPR funding of lifeguards at all public beaches; mandatory water safety program in all the schools)
- Uniform flag system along Tumon bay
- Lifeguard volunteer program (appropriate funds to the current stipend or recreate the program)

### Si Yu'os Ma'ase!

*Fall in Love.*  
Tumon Bay, Guam



GUAM

- In response to General Manager Pangelinan's report regarding lifeguards, Director Morinaga commented that there's a problem with the shortage of lifeguards and that there are only a few certified lifeguard instructors on Guam.
- Vice Chairman Kloppenburg added to the conversation, stating that he's been listening to meteorologists' reports and they believe Guam may be going into an El Nino. He advised to relook and update the Typhoon Contingency Plan.
- General Manager reported that he has participated in Table Top exercises with industry leaders addressing those concerns.

#### ❖ Report of the Treasurer:

Exhibit C

#### Cash Position Report:

Cash report as of May 19, 2014.

Total cash in banks report (as of 5/19/14) \$13,899,486.69

Total allotment received to date: \$10,454,762.55

Accounts Receivable FY2014: \$7,807,371.45

Accounts Payable to Date: \$6,115,709.88

- Director Miyashita reported that cash in bank is slightly down.
- Allotments are a bit behind, but continuing to collect.
- A little more expenses this year as compared to last year.
- Other indications seem to be fine and relatively similar to the previous year.

#### *2/12 Memorial Account*

- Chairman Baldyga suggested to start thinking about the off-island media that will be on island for the trial and to craft a message that should be delivered.
- Also suggested to look into social media to gauge what is being said.
- The board suggested to bullet-point efforts that have been made since the tragedy.

#### ❖ Report of the Board Committees:

##### A. EXECUTIVE COMMITTEE

- Nothing to report.

##### B. ADMINISTRATION & GOV'T RELATIONS

- Director Guthertz reminded the board that it's almost time for budget proposals.

##### C. MILITARY BUILD-UP & SEIS

- Vice Chairman Kloppenburg reported that Director Jackson testified on the build-up as a representative of the industry, on behalf of GHRA.
- The committee met the other week to frame the testimony, which must be submitted on June 17. Next meeting will be on Tuesday, for which they have invited a JGPO official to join in. Director Guthertz requested to invite the JGPO official to the next board meeting.
- Chairman Baldyga went over the minutes from the previous meeting.
- Director Guthertz discussed that in the Draft SEIS, the military's depiction of the Chamorro culture was inaccurate.
- The board discussed the importance for other organization's to be aware of the SEIS and what is being proposed.

- Had asked JGPO officials about the security issues with the visa waiver that were mentioned in the draft SEIS. They replied by saying that they weren't sure why it was presented, thus supported testimonies to address it.
- Director Guthertz recommended that the draft testimony include a request to withdraw the written language regarding security issues with the visa waiver.

#### **D. SPORTS & EVENTS**

Committee Minutes dated May 15, 2014

#### **Exhibit D**

- Director Taimanglo reported that their last committee meeting was on May 15. In the meeting the committee approved grants and discussed updates with the Guam Live International Music Festival (Guam Live).
- Director Camacho directed the board to a list of approved grants and sponsorships that GVB has supported in *Exhibit D - Sports & Events Committee Minutes*. The board mentioned that the public should know/be aware of how engaged GVB is with community activities. Director Arriola mentioned that it should be displayed in the GVB website. Director Guthertz suggested that the committee consider writing a letter to the legislature thanking them for their support and provide the listing of events that GVB is involved in.
- Director Camacho announced that the Coco's Crossing would be on Sunday, June 1<sup>st</sup> and that the Guam Rugby Football League will be attending an off-island game in hopes of having the competing team come to Guam for future games.

#### **E. MEMBERSHIP DEVELOPMENT**

- Director Camacho reported that the committee is looking into getting a speaker to give an update on the Rhino Bettle debacle. Haven't secured a keynote speaker.
- Chairman Baldyga mentioned to Director Camacho that in the last board meeting the board agreed to have a keynote speaker from China, preferably the President of Dynamic Airways, since the airline has opened up direct flights from Beijing, China starting mid June.
- In regards to the next membership meeting, Director Guthertz recommended that Chairman Baldyga make a brief report to the membership about the minimum wage and military build-up.

#### **F. RESEARCH:**

- Nothing to report.



## G. JAPAN MARKETING

### 1<sup>st</sup> Guam Live International Music Festival on Guam

Director Morinaga made a motion, seconded by Director Hofmann to approve travel for two GVB Japan staff: GVB Japan Manager and GVB Japan Marketing & PR Representative, to attend the 1st Guam Live International Music Festival on June 7, 2014. (Travel duration from June 5 ~ 8, 2014 for Japan Manager and Marketing & PR Representative. Estimated maximum cost \$2,175.00; account #SMD004).

**Motion Approved.**

#### **Background:**

GVB Japan staff will assist Home Made Kazoku, a band representing Japan to participate in the 1st Guam Live International Music Festival, and their fans in case they need assistance at the venue.

Budget Breakdown (MAXIMUM cost)	Total
Airfare (2 pax) including surcharge, etc.	\$1,600.00
Per Diem - GVB Japan Staffs \$62.5 x 3 nights x 2 pax	\$375.00
Ground transportation to airport in Japan x 2 pax	\$200.00
<b>TOTAL</b>	<b>\$2,175.00</b>

#### **DISCUSSION:**

- Director Morinaga gave an update on the recovery campaign.
  - Agent bookings: JGTC reported increase profits for Guam packages. The Japanese agents are using the phrase Gaman no toki.
  - Most employers within Japan are expecting summer bonuses. Our additional advertising push has great timing.
  - Train station ads started after Golden Week.
    - Every week will display a different message/ad.
    - Should see results hopefully by July.
- During the Hafa Adai Guam Study Tour one of the visiting agents will be presenting information on the merits of the ESTA program.

- There are 85 participants confirmed from 8-9 cities with direct flights from Japan. (Hiroshima is not participating at this time due to flight cancelations during the low season.)
- Just completed a wedding boot camp in Tokyo. A full report will be provided at the next JMC meeting.

#### **H. KOREA MARKETING**

Committee Minutes dated May 13, 2014

**Exhibit E**

- Director Miyashita report that the next KMC meeting will be on June 17.
- Adding on to the GM's report, with the awful ferry incident, Korean outbound numbers have gone down. Director Miyashita reported that there is a decline (50%-60%) in load factors from Busan, Korea.
- There will be promotions in Busan to help with the decline. Also reported that he would be leading the GVB delegation to attend KOTFA in Seoul, Korea.
- Last KMC meeting was on May 13, committee members had serious concerns with the wait time at the airport. Director Miyashita reported to the committee that the GVB Board is doing what they can to address the issue and is pushing for an ESTA Kiosk.
- Director Miyashita made a suggestion to do something to help accommodate those that are waiting by offer something as simple (for example) as water, to try to make them feel a little more comfortable.

#### **I. NORTH AMERICA & PACIFIC MARKETS**

- Director Muna reported that the Scuba Show in Long Beach, California will be from June 7-8, 2014. There will be two GVB staff attending and they will be partnering with Palau and Kosrae to conduct regional seminars.
- They're working to secure 5-6 liberators to attend the 70<sup>th</sup> Guam Liberation Day Parade in July.
- Next NAP meeting is scheduled for June 4 at 10:30 a.m.
- Chairman Baldyga mentioned to Director Muna that MVA was interested in joining the MCA (Micronesian Cruise Association) and asked her to give input to MVA.

**J. GREATER CHINA MARKETING**  
Committee Minutes dated May 7, 2014

**Exhibit F**

Vice Chairman Kloppenburg made a motion, seconded by Director Guthertz, to request board approval of up to \$1,028,500.00 for the China Aggressive Marketing Plan from May - September 2014. Funds to be identified by GVB management.

Chairman Baldyga made a motion, seconded by Director Guthertz, to amend motion to strike the last sentence, "Funds to be identified by GVB management" and to replace it with "Funding source to be identified by GVB management, which may include any non-restricted accounts."

**Motion Amended.**

**Stated/Amended Motion Approved.**

*9/12 Directors approved.*

*Not present for the vote – Director Muna, Director Camacho, and Director Taimanglo.*

**DISCUSSION:**

- Chairman Baldyga gave a brief background of the motion:
  - Initial China Aggressive Plan to end FY2014.
  - China Team went back to extend the plan to the end of the year.
  - Board approved up to \$1million for Airline Incentive Program. (Which was thought to incentivize up to two carriers at a max of \$500,000.00 each)
  - China team was successful with the airline incentive program, getting Dynamic Air to start direct service Beijing-Guam starting June 20.
- China team would like to keep momentum and requested 1.028 million additional funds for Marketing/PR efforts to ensure visitors to come to Guam.
- Board talked about how they need to complete the plan and that there isn't there's no time to delay, due to flights starting the following month.
- With some board members still skeptical about approving a huge amount at once, Marketing Manager Pilar Lagauna made an oral presentation/walked them through the budget and what activities they've planned.
- Vice Chairman Kloppenburg assured the board that the plan is a collaborative effort from CITS and GIAA.
- With detailed information provided by Marketing Manager Pilar Laguana, the board was convinced that the funds would be put to great use.
- Chairman Baldyga noted that if the funds were to be approved, the board should seek for more funds for next FY2015. The Board must relay to the legislature the importance of diversifying the market and the funds to support each market successfully.



### Dynamic Airways Inaugural Beijing-Guam Schedule Air Service

Vice Chairman Kloppenburg made a motion, seconded by Director Hofmann, to approve travel for 13 delegates to attend the Dynamic Airways & GVB Press Conference and VIP Gala Dinner promoting the inaugural Beijing-Guam direct air service on June 18, 2014 in Beijing, China, and allow GVB marketing manager and GVB marketing officer, with Chamorro cultural entertainers, to travel to Chengdu, China to engage in Guam sales support activities and media events with cultural promotions. (Cost is approximately \$36,661.13; funding source to be identified by GVB management.)

#### **Motion Approved.**

*9/12 Directors approved.*

*Not present for the vote – Director Muna, Director Camacho, and Director Taimanglo.*

#### Travel Expenses:

AIRFARE: \$1,200 X 5 pax (Roundtrip from Guam to Beijing)		\$6,000.00
\$1,800 x 8 pax (Multi-city from HK-Chengdu-Beijing-Guam)		\$14,400.00
CHINESE VISAS: \$375 per person x 11 pax (expedited processing)		\$4,125.00
PER DIEM: 13 pax delegation		\$16,261.30
	Governor of Guam (+30%)	\$1,134.90
Beijing	Lodging: \$335.40 x 2 nights	\$670.80
	M&IE: \$154.70 x 3 days	\$464.10
Beijing	Governor of Guam Staff	\$873.00
	Lodging: \$258 x 2 nights	\$516.00
	M&IE: \$119 x 3 days	\$357.00
Beijing	GVB Chairman (+25%)	\$1,091.25
	Lodging: \$322.50 x 2 nights	\$645.00
	M&IE: \$148.75 x 3 days	\$446.25
Beijing	GVB General Manager (+25%)	\$1,091.25
	Lodging: \$322.50 x 2 nights	\$645.00
	M&IE: \$148.75 x 3 days	\$446.25
Beijing	Senator (+30%)	\$1,134.90
	Lodging: \$335.40 x 2 nights	\$670.80
	M&IE: \$154.70 x 3 days	\$464.10
Beijing	GVB Marketing Manager	\$1,267.00
	Lodging: \$258 x 2 nights	\$516.00
	M&IE: \$119 x 3 days	\$357.00
Chengdu	Lodging: \$153 x 2 nights	\$306.00
	M&IE: \$88 x 1 day	\$88.00

	GVB Marketing Officer	\$1,267.00
Beijing	Lodging: \$258 x 2 nights	\$516.00
	M&IE: \$119 x 3 days	\$357.00
Chengdu	Lodging: \$153 x 2 nights	\$306.00
	M&IE: \$88 x 1 day	\$88.00
	Guam Cultural Dancers (6 pax)	\$8,402.00
Beijing	Lodging: \$258 x 2 nights x 6 pax	\$3,096.00
	M&IE: \$119 x 3 days x 6 pax	\$2,142.00
Chengdu	Lodging: \$153 x 2 nights x 6 pax	\$1,836.00
	M&IE: \$88 x 1 day x 6 pax	\$528.00
	2 musicians professional fee \$100 x 2 days	\$400.00
	4 dancers professional fees \$50 x 2 days	\$400.00

### Background:

Dynamic Airways is a worldwide Boeing 767 air carrier with an operating base in Saipan to serve the Asian markets, on long haul high density, 100% departure reliability focused, vertically integrated flight operations support with integrated aircraft scheduling. This company is the first qualified applicant to be approved for the Guam Destination Market Development Airline Incentive Program and will begin scheduled direct air service from Beijing on June 21, 2014 until the end of the calendar year. These regularly scheduled direct flights will help Guam achieve a paradigm shift in order to promote Guam as a world-class first-tier destination of choice to Chinese travelers from Mainland China, as envisioned in the Tourism 2020 plan.

Prior to the Beijing events, GVB marketing staff and Guam cultural entertainers will participate in a travel trade and media event in Chengdu, China promoting Guam travel packages as well as the distinct Chamorro culture. Thereafter, our Guam VIP contingent, lead by our Governor, will travel to Beijing to participate in the Dynamic Airways & GVB Press Conference and VIP Gala Dinner to promote and celebrate the Beijing-Guam inaugural flight scheduled for June 21, 2014 arrival in Guam. Dynamic Airways, GVB, GIAA, as well as China government officials, Beijing travel trade executives, and top media companies will be in attendance for this momentous occasion. The event will serve as a time to further build important relationships with Guam's partners in China as well as garner positive media exposure in Mainland China.

### Issue:

Board approval for travel required.

#### K. RUSSIA & NEW MARKETS

- Director Jackson reported that the PITE trade show went well and was very successful. Went along with GVB delegation, including representatives from hotels and optional tours. It was a well-attended show with a lot of interest in Guam.
- Mentioned that Aviacharter has plans to begin flying Novosibirsk-Guam. Novosibirsk is a large city-hub in Siberia.
- Also reported that S7 Airlines are looking to work with wholesalers to add seats in October. There could be two new flights with multiclass services, depending if they get the rooms they are looking for.

#### L. DESTINATION MANAGEMENT

- Director Hofmann reported that projects are still ongoing.
- Noted that things have been painted, graffiti has been covered, trash has been picked up, and trees have been trimmed.
- Director Guthertz, would like Director Hofmann to continue to push for the lion statues to be donated to the China park.

#### M. CULTURAL HERITAGE & COMMUNITY OUTREACH

Director Hofmann made a motion, seconded by Director Guthertz, to approve travel for four (4) pax (GVB CHaCO Chair, GVB GM or DGM, GVB CHO and Miss Guam Liberation Queen 2013, to participate in the 70<sup>th</sup> Guam Liberation Festivities in Washington, DC from July 10-15, 2014. (Cost is approximately \$16,726.00 from Account #DM-CPO006).

##### **Motion Approved.**

*11 out of 12 votes were made. Director Jackson left the room.*

Airfare: 4 pax @ \$2,500 each	\$10,000.00
Per Diem:	
\$238.00 x 6 days x 2 pax	\$2,856.00
\$297.50 x 6 days x 2 pax	\$3,570.00
Honorarium: \$100 x 3 days	\$300.00
<b>Total Estimate Cost:</b>	<b>\$16,726.00</b>

##### **Background:**

This year marks the 70<sup>th</sup> anniversary of Guam's Liberation and Congresswoman Madeleine Bordallo will be hosting events in Washington D.C. Her office is in charge of the Wreath Laying Ceremony at the Tomb of the Unknown Soldier and has invited Miss Guam and GVB to participate. She will also be hosting the Guam Liberation "Guam Night" Reception. The reception demonstrates Guam as a unique travel destination by providing cultural experiences, including Chamorro food, music, and cultural performances.



**Issue:**

Board approval required for all travel.

- 
- As the Chairwoman for FestPac, Director Arriola thanked GVB board and staff for their support and being the marketing arm. Also thanked GVB for the FestPac press conference that was held a week back.
  - Reported that the Governor had announced the official dates for FestPac from May 22, 2016 ~ June 4, 2016. She mentioned that United Airline and Bank of Guam are the major sponsors and other platinum sponsors will be announced later in the year.
  - Invited the board to Sheraton for the FestPac Fundraiser on the same night as the Maila Ta Fan Chesa on May 27<sup>th</sup>.
  - As the Chairwoman for FestPac, she brought up a motion that wasn't included in the agenda.

**Director Arriola made a motion, seconded by Director Guthertz, to reallocate \$40,000.00 from the CHaCO budget categories to be used for FESTPAC marketing activities for the rest of the fiscal year.**

**Motion Approved.**

- Reported that in the last CHaCO meeting they went over many grants and sponsorships, wanted to announce that they approved funds for the development of a cultural sensitivity employment training program.
- Ms. Annmarie Arceo would put the program together. The plan is to go into to every hotel to offer cultural sensitivity training, inclusive of language and historical background. It will be launched within the year and to open up to different tourist-related organizations as well. The CHaCO committee feels the need to assist to front line employees to be knowledgeable of Guam and its history, as well as to know basic Chamorro phrases.

❖ OLD BUSINESS

- No old business.

❖ NEW BUSINESS

- No new business.

❖ EXECUTIVE SESSION

- No executive session.

❖ ANNOUNCEMENTS

**Next Board Meeting:**

- Thursday, June 12, 2014 at 4:00PM, GVB Main Conference Room

**GVB Events:**

- Road to the Electric Island Festival 2014, May 24, 2014 from 8:00PM - 2:00AM, Globe Ultra Lounge.
- Hafa Adai Guam Study Tour Reception, May 26, 2014 at 6:00PM, Hyatt Regency.
- Maila' Ta Fan Chesa, May 27, 2014 from 6:00PM. ~ 9:00PM. at the Hyatt Regency.

❖ ADJOURNMENT

Chairman Baldyga made a motion, seconded by Director Miyashita, to adjourn the meeting. Meeting adjourned at 5:48pm.

**Motion approved.**

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

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Board Minutes respectively submitted by Colleen Cabedo, Executive Secretary

**Action Items:**

**BY MANAGEMENT**

- Management to consider a revised China incentive program and to provide a recommendation to the board (4/10/14).
- Chairman Baldyga mentioned that he would like to set meetings with GVB management and senators regarding the Tourism 2020 plan and 2015 budgets (4/10/14 and 2/27/14).
- Chairman Baldyga asked management to create a Destination Management Task List with quarterly goals (4/10/14).
- Chairman would like to have an update on the Tumon Flooding Mediation Plan and all capital projects. (2/27/14)
- Chairman Baldyga requested to create an online community calendar or to create a new page for a community events calendar in the GVB website. (5/8/2014)
- Chairman Baldyga requested the Task Management create a message to deliver to the media before June 9. (5/8/14)