



A

REGULAR BOARD MEETING  
GVB MAIN CONFERENCE ROOM - 4:00PM  
THURSDAY; June 12, 2014

BOARD of DIRECTORS PRESENT:

Vice Chairman Kloppenburg	Milton Morinaga
Judith Guthertz	Bartley Jackson
Robert Hofmann	Nathan Taimanglo
Theresa Arriola	Norio Nakajima

BOARD of DIRECTORS TELEPHONICALLY:

Annmarie Muna

BOARD of DIRECTORS ABSENT:

Chairman Baldyga  
Eduardo "Champ" Calvo  
Oscar Miyashita  
Jennifer Camacho

GVB MANAGEMENT & STAFF PRESENT:

Karl Pangelinan	Joshua Tyquiengco	Rose Cunliffe
Colleen Cabedo	Nadine Leon Guerrero	Kraig Camacho
Felix Reyes	Ana Cid	Regina Nedlic
Brian Borja	Dee Hernandez	June Sugawara
Elaine Pangelinan	Nakisha Onedera	

GUESTS:

Stephanie G. Flores - Guam Legislature

❖ Proceedings:

On behalf of Chairman Baldyga's absence, Vice Chairman Kloppenburg assumed the position as Acting Chairman.

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

Approval of previous board minutes dated May 22, 2014.

Exhibit A

Motion made by Director Guthertz, seconded by Director Jackson, to approve the minutes of May 22, 2014.

Motion approved (subject to correction).



**Japan Marketing News**

- SAVE THE DATE
- Okayama (Friendship City) - donated 30 recycled bins
- Original trip was scheduled in Oct, rescheduled due to threat of typhoon
- Now scheduled for July 5 (same day as BBQ Block Party). But don't worry, all activities are in the morning!
- 11AM-12PM: Lecture by Dr. Fujiwara at Pandanus Pavilion, Guam Reef
- 12PM-1:30PM: Lunch at Sky Banquet Bay View, Guam Reef

**Japan Marketing News**

MICE Group: FUKUSHIMA KEN HONDA KAI (80 pax)

June 11, 2014 - Onward Beach Resort  
Miss Guam International Lirone Veksler participated in recognition and award ceremony

Also on island this week, Nihon Shokken Holdings (90), KEIJI Solar (60), Ricoh Kyosan (180), Sekisui Fumis Chubu (230), Calm Computer (76), Horikawa Sangyo (135), Gulf Net (134)



**Japan Marketing News**



**"Time Out for Kids"**

- An aggregation of information for kids
- ✓ Summertime attractions and programs provided by Hotels Optional Tours on Guam are to be covered by Time Out for Kids.
- ✓ United Airlines distributing brochures on plane.



**Korea Marketing News**

**3 Month Forecast**

Month	Forecast Pax	Last Year	% Change	Best Forecast '14	Best Data '13	% Change Seats
June	24,300	20,384	20.2%	26,192	21,047	49.8%
July	23,000	22,000	15.9%	20,800	22,287	38.9%
August	27,000	23,168	16.7%	31,100	27,061	18.0%

Carrier	Forecast Pax	Last Year	% Change	Best Forecast '14	Best Data '13	% Change Seats
Asiana	10,000	8,000	25.0%	11,000	9,000	22.2%
Delta	8,000	7,000	14.3%	7,500	7,000	7.1%
United	5,000	4,000	25.0%	5,500	4,500	22.2%
Other	4,000	4,168	-4.7%	3,100	4,547	-29.8%
<b>Total</b>	<b>27,000</b>	<b>23,168</b>	<b>16.7%</b>	<b>31,100</b>	<b>27,061</b>	<b>18.0%</b>

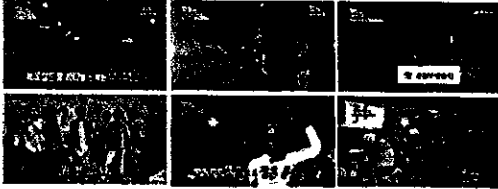
**Korea 3-Month Forecast:**

- Last board meeting, Korea's 3-month forecast was under scrutiny, because the projected seat pax were under the board's expectations. They tasked General Manager Pangelinan to discuss with Mr. Henry Lee and to report by next board.
- General Manager Pangelinan had met with Mr. Henry Lee, while in Korea to attend the Hana Tour. He reported that their methodologies are different in determining their projections. They will feel-out the market and keep an eye on the numbers within the coming months. Furthermore, Mr. Lee is confident that the forecasted projections are certain.

## Korea Marketing News

### 3 month Activities/Programs

K-pop star Taecyeon TV show "Never stop explore in Guam"  
 1st episode aired on April 5 on channel Y STAR - 47 mins  
 2nd episode aired on April 12 on TV channel Y STAR - 47 mins  
 3rd episode aired on April 26 on TV channel Y STAR - 47 mins  
 4th episode aired on May 3 on TV channel Y STAR - 47 mins  
 5th episode aired on May 13 on TV channel Y STAR - 47 mins  
 6th episode aired on May 17 on TV channel Y STAR - 47 mins  
 Re-run on other media 5 TV channel (Comedy, Dramax, AXN, Life N, The drama)



## Korea Marketing News

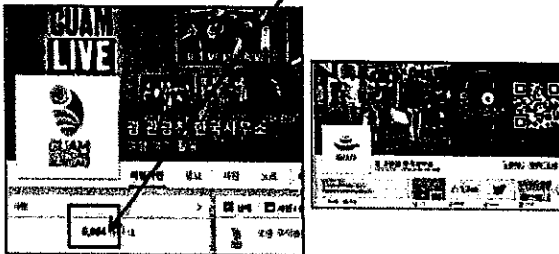
### 3 month Activities/Programs

- ✓ May 29 – June 01, 2014
- ✓ 59 countries; 494 booths; 491 organizations; 120,856 visitors
- ✓ Vice Speaker Ben Cruz; Senator Tina Rosa Muna Barnes; GVB Chairman
- ✓ GVB received two awards:
  - Best Booth Design
  - Best Folklore Performance



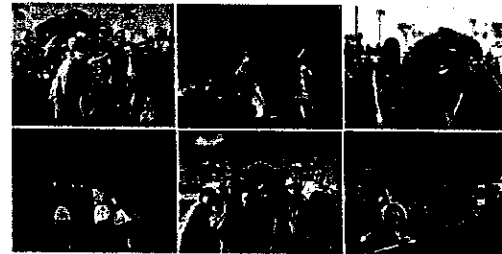
## Korea Marketing News

Reached a milestone of 15,000 likes on June 02  
 (15,000 likes on D-8 02, 2105)



## China Marketing News

### Guam Live Int'l Music Festival Shanghai Media FAM Tour June 6 – 9, 2014



## Taiwan – 3 Month Forecast

Month	Forecast Pax	% Change	Last Year	Best Forecast 14	Best Data 13	% Change Best
June	4,898	+10.4%	4,439	5,160	5,673	-8.9%
July	7,130	89.2%	3,948	7,374	7,373	98.6%
August	8,280	204.4%	4,165	8,928	8,013	38.1%

The reason for a decrease in sales is due to because EVA flight offered 3 charter flights in time last year.  
 The extra flights for EVA this summer will be started from July 2.  
**Flight / Seat Availability**  
**June**  
 - CI Flight: Taipei 2x per week = 2,748  
 - EVA Flight: Taipei 1x = 255 18-1 charters starting from July 27 to July 28 with 736 aircraft / 155 seats  
 - EVA Air: Taipei 2x per week = 2,286  
 \*EVA extra flight for this summer: 11-1 charters starting from July 4 to July 30 with 112 aircraft / 152 seats  
 Total 5,160  
**July**  
 - CI Flight: Taipei 2x per week = 2,748  
 - CI extra flight: Taipei 1x = 2,382 8-1 charters starting from July 27 to July 28 with 718 aircraft / 155 seats  
 - EVA Air: Taipei 2x per week = 2,286  
 \*EVA extra flight: Taipei 11-1 charters in July with 112 aircraft / 152 seats  
 Total 8,374  
**August**  
 - CI Flight: Taipei 2x per week = 2,748  
 - EVA Air: Taipei 2x per week = 2,286  
 \*EVA extra flight: Taipei 11-1 charters in August with 112 aircraft / 152 seats  
 Total 6,825

## Taiwan Marketing News

### Taipei Tourism Expo 2014 – May 23-26

- 4 day event introducing Guam to Consumers/Trade
- More participation compare to last year
- Guam gave update product seminar, TAs introduce their distinct Guam packages as well.



❖ Report of the Board Committees:

A. EXECUTIVE COMMITTEE

- Nothing to report.

B. ADMINISTRATION & GOV'T RELATIONS

- Director Guthertz cautioned the board that the legislature is looking for more funding for overtime police officers.

C. MILITARY BUILD-UP & SEIS

- Vice Chairman Kloppenburg presented to the board the draft testimony to the Draft SEIS regarding Russia and China visas.
- The draft was a collaborative effort from:
  - Chairman Baldyga, Vice Chairman Kloppenburg, Director Calvo, Director Jackson, General Manager Pangelinan, Mark Calvo, Arthur Clark, and Jim Beighley.
- The board looked over the draft and agreed that by the next board meeting they would overlook the “finalized” draft testimony.

D. MEMBERSHIP DEVELOPMENT

- General Manager Pangelinan reported that the Quarterly Membership Meeting would be postponed to July. The Membership Committee is working on getting the Dynamic Airways President to speak and the only available time for him would be in July.

E. RESEARCH:

- Director Taimanglo reported that Research would start having China Exit Surveys.

**H. NORTH AMERICA & PACIFIC MARKETS**

Committee Minutes dated June 4, 2014

Exhibit E

- Director Guthertz made the following motions on behalf of Director Muna, whom was present telephonically.

Director Guthertz made a motion, seconded by Director Arriola, to approve travel for GVB General Manager to attend the PATA Executive Board Meeting on July 4-5, 2014 in Bangkok, Thailand. (Estimated cost \$2,645.00 from the FY2014 Pacific PATA Annual Meetings Account #SMD025).

Motion was unanimously approved by the eight (8) directors present. Acting Chairmain Kloppenburg was the 8<sup>th</sup> vote.

*Present: Director Jackson, Director Guthertz, Director Morinaga, Director Nakajima, Director Taimanglo, Director Arriola, Director Muna (Telephonically), and Acting Chairman Kloppenburg.*

*Note: Director Hofmann was tardy at the time of the motion.*

**Estimated Cost Breakdown:**

Airfare	\$900.00
Perdiem \$249.00 + 25% x 4 days	\$1,245.00
Misc Expense	\$500.00
<b>Total</b>	<b>\$2,645.00</b>

**Background:**

GM has been an active member of PATA and has recently been re-elected to serve as the Destination/Government Affairs Chairman of the Executive Board. Guam's role and participation in PATA is vital in representing our island and the Micronesia region.

Travel is requested for approval, as his attendance is required as a member of the PATA Executive Board.

Director Guthertz made a motion, seconded by Director Taimanglo, to approve travel for GVB General Manager to attend the PATA Executive Board Meeting in Cambodia from September 19-21, 2014. (Cost is approximately \$3,618.75 from the FY2014 Pacific Sales & Marketing Development Acct# SMD025).

Motion was unanimously approved by the eight (8) directors present. Acting Chairmain Kloppenburg was the 8<sup>th</sup> vote.

*Present: Director Jackson, Director Guthertz, Director Morinaga, Director Nakajima, Director Taimanglo, Director Arriola, Director Muna (Telephonically), and Acting Chairman Kloppenburg.*

*Note: Director Hofmann was tardy at the time of the motion.*

**J. RUSSIA & NEW MARKETS**

Committee Minutes dated May 13, 2014  
Committee Minutes dated June 10, 2014

Exhibit G  
Exhibit H

- Director Jackson reported that the delegation had a very successful trip to Vladivostok for PITE show. There were a lot of interest in additional flights from Vladivostok and are currently planning to have new flights from Novosibirsk (in Siberia), and could begin in October.
- PITE was a well-attended show. GVB had a good presence and seeing good results from most of the five cities. Business is still looking good and Russians are still coming.
- Also reported that there will be chefs from Russia coming to Guam to compete in the BBQ Block Party competition.

**K. DESTINATION MANAGEMENT**

- General Manager Pangelinan reported:
  - **Abandoned Buildings:**
    - P.L. 32-157 was signed last month and is currently being enforced by DPW.
    - Buildings demolished: Old Western Gun Club & Hongkong Restaurant
    - Pending: abandoned structure across Tumon Bank of Guam
  - **Farenholt Streetlight Repairs:**
    - Accomplish Date: September 2014
    - Ongoing with Sheraton and Onward, currently being handled by DPW
  - **Fire Hydrants:**
    - Contracted and completed by AMI
    - Maintenance to be added to Tumon Landscaping contract
  - **San Vitores Streetlight & Sidewalk Improvements**
    - IFB Streetlight Repair to be issued later this month
    - IFB Sidewalk Repair to be issued in July
  - **Graffiti Campaign:**
    - Accomplish Date: Ongoing
  - **Tumon Landscaping:**
    - Median improvements fronting the following establishments, including landscaping and lighting: (1) Proa; (2) Hyatt; (3) Reef Hotel; (4) JFK Road
    - Funded by GEDA Qualifying Certificate funds
  - **Beach Cleaning:**
    - Accomplish Date: Ongoing
  - **Island Road Maintenance:**
    - Accomplish Date: Ongoing
  - **Bus Shelters**
    - Assessment to be completed by the end of the month
  - **Signage**
    - Accomplish Date: Ongoing
  - **Surveillance Camera Monitors:**
    - Awarded under protest
    - Hearing set for June 24<sup>th</sup>.
  - **Visitor Safety Officer**

Guam Chamorro Dance Academy

Director Arriola made a motion, seconded by Director Guthertz, to approve travel for the Guam Chamorro Dance Academy program in Japan. (Estimated cost: \$16,992.00 Account No. CPO001).

Motion was unanimously approved by the eight (8) directors present. Acting Chairmain Kloppenburg was the 8<sup>th</sup> vote.

*Present: Director Jackson, Director Guthertz, Director Morinaga, Director Nakajima, Director Taimanglo, Director Arriola, Director Muna (Telephonically), and Acting Chairman Kloppenburg.*

*Note: Director Hofmann was tardy at the time of the motion.*

**Background:**

This marks the 5<sup>th</sup> year of the continuation of the Guam Chamorro Dance Academy within Japan. Last fiscal year, five classes were taught with a total of 475 students, including dance instructors who in turn bring lessons to their dance studios. Three dance instructors will be sent along with one GVB DM staff to run the program.

**Dates of the classes are as follows:**

July 12-13, 2014 (Tokyo)  
Sept 27-29, 2014 (JATA, Tokyo)

**Breakdown is as follows:**

Airfare: 4 pax @ \$800.00 per air ticket x 2 trips	\$6,400.00
Professional Fee	
Dance Master (2 days x \$100.00 x 2 trips)	\$ 400.00
Assistants (2 pax x 2 days x \$50.00 x 2 trips)	\$ 400.00
Per Diem	
Tokyo: \$408 x 3 days x 4pax x 2 trips	<u>\$9,792.00</u>
<b>Total:</b>	<b><u>\$16,992.00</u></b>

**Issue:**

Board approval required for all travel

- Director Arriola reported that the last CHaCO meeting was Tuesday, June 10, 2014. The CHaCO Committee had approved their budget at \$720,000.00 for FY2015. Concerns were brought up about the 5% hold and wanted reassurance that it is 5% not 15% and if the 5% hold would go back to the committee.
- General Manager Pangelinan addressed her concerns and assured her that it would be a 5% hold and would go back to the committee.

**M. SPORTS & EVENTS**

- Nothing to report.

Action Items:

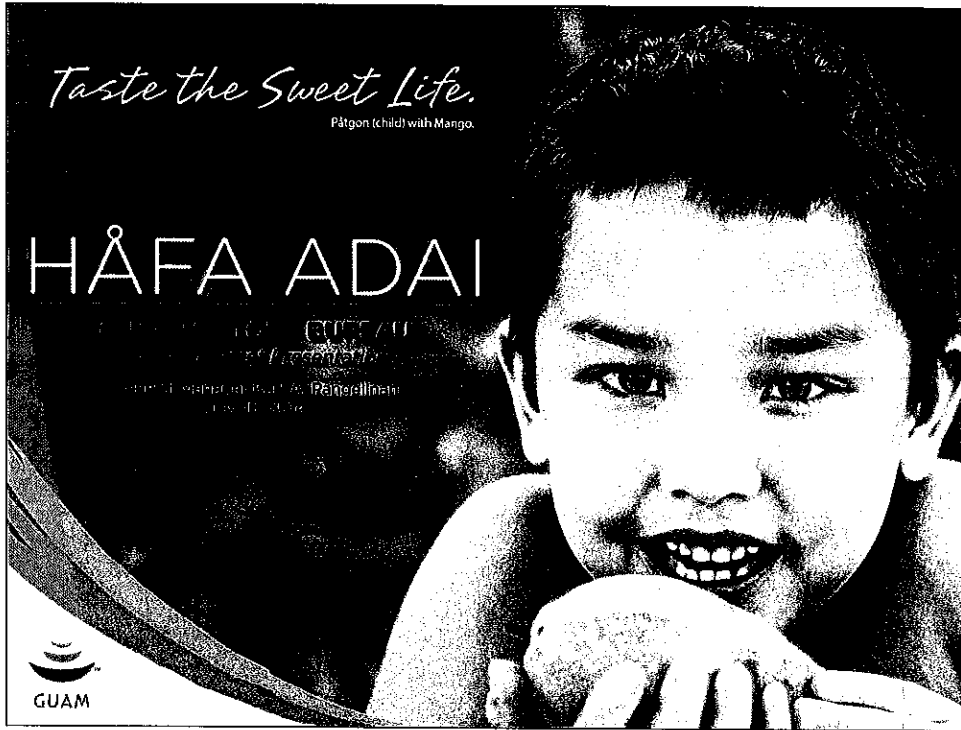
BY MANAGEMENT

- 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)



8

7/10/14



**PRELIMINARY Visitor Arrivals  
June 2014  
Total: 102,081 (3.7%)**

% Market Mix	Origin	Pax	% to LY
55.7%	Japan	57,275	-7.8%
26.5%	Korea	27,258	33.7%
5.6%	US/Hawaii	5,737	13.9%
4.6%	Taiwan	4,703	-7.4%
0.8%	China	820	14.8%
2.0%	Russia	2,078	327.6%

**PRELIMINARY FYTD Visitor Arrivals**  
**October 2013 - June 2014**  
**Total: 985,658 (0.2%)**

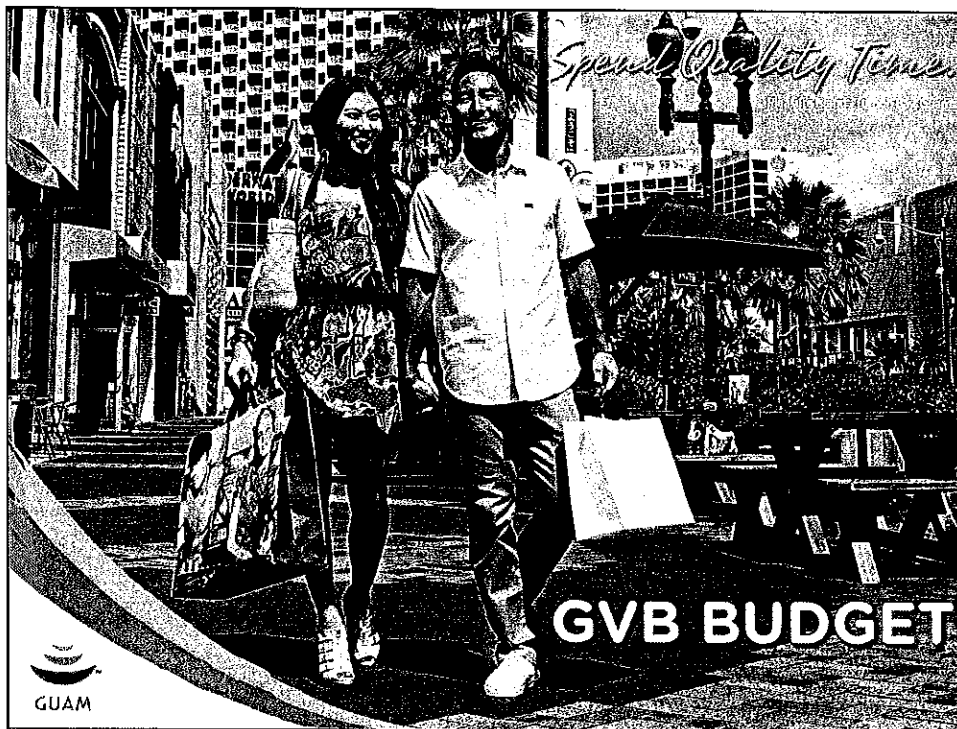
% Market Mix	Origin	Pax	% to LY
61.8%	Japan	609,401	-9.6%
21.9%	Korea	216,120	28.9%
4.7%	US/Hawaii	46,694	8.6%
3.5%	Taiwan	34,825	6.0%
1.0%	China	9,873	27.5%
1.5%	Russia	14,601	185.1%

**PRELIMINARY CYTD Visitor Arrivals**  
**January - June 2014**  
**Total: 657,635 (0.8%)**

% Market Mix	Origin	Pax	% to LY
60.7%	Japan	399,375	-10.2%
22.5%	Korea	148,033	31.7%
5.0%	US/Hawaii	32,880	12.5%
3.6%	Taiwan	23,901	5.4%
1.1%	China	7,070	22.3%
1.5%	Russia	11,298	199.8%

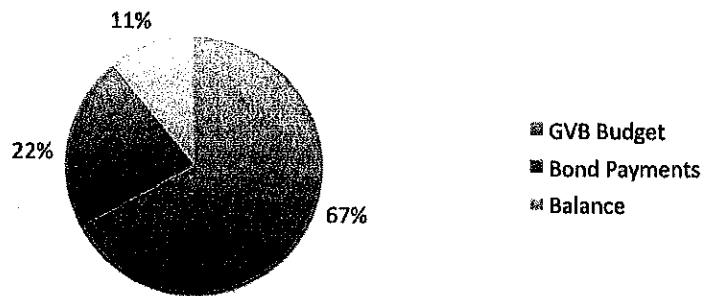
**PRELIMINARY MTD Visitor Arrivals**  
**July 1 - 3, 2014**  
**Total: 9,149 (0.8%)**

% Market Mix	Origin	Pax	% to LY
49.1%	Japan	4,489	-21.4%
26.3%	Korea	2,403	26.4%
5.6%	US/Hawaii	511	33.8%
9.3%	Taiwan	854	39.8%
2.7%	China	250	390.2%
2.3%	Russia	213	432.5%



## TAF FY2015 BREAKDOWN

	TOTAL	% of Total
FY 2015 TAF Projection	\$32,000,000.00	100%
FY 2015 GVB Budget	\$21,450,520.00	67%
Bond Payments	\$6,997,819.00	22%
Balance	\$3,551,661.00	11%

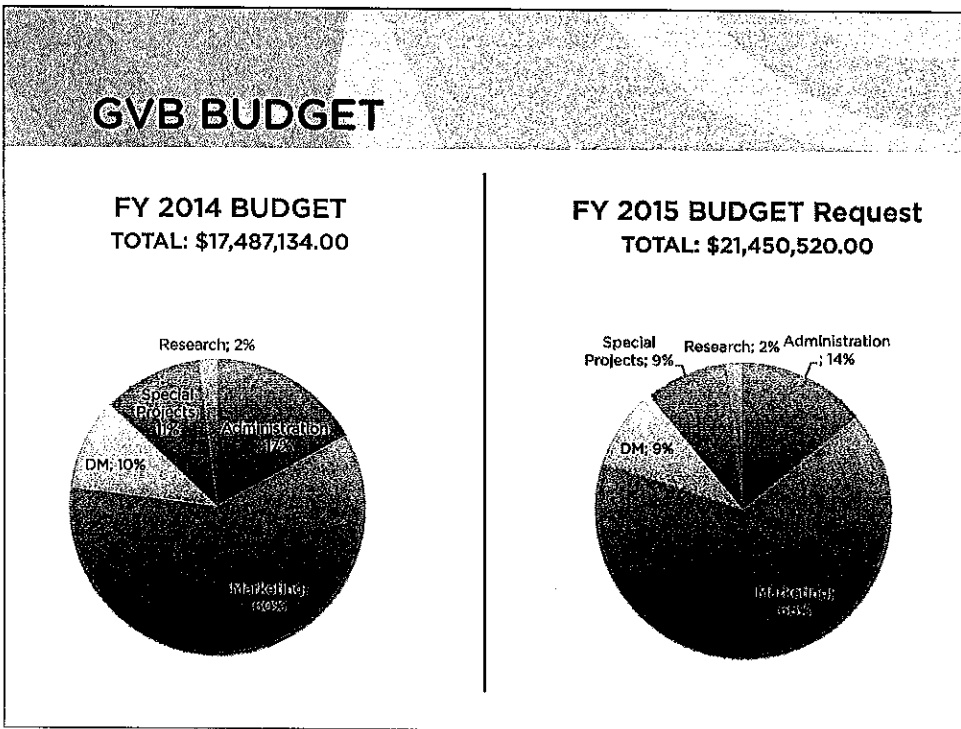


## TAF FY2015

- About 600 rooms available with opening of Dusit Thani Guam Resort and Lotte Hotel Guam.
- 7% increase in rooms expected during FY15
- TAF projections could rise past \$34M
- \$32M is conservative

### GVB BUDGET SUMMARY

	FY 2014 REQUEST	FY 2014 BUDGET	FY 2015 MGMT REQUEST	% DIFF
Administration	2,917,120.00	2,917,120.00	3,017,120.00	3.4%
Marketing	10,158,000.00	10,158,000.00	13,800,400.00	35.9%
Printing Promotion	320,000.00	262,000.00	250,000.00	-4.6%
Research	430,014.00	430,014.00	448,000.00	4.2%
Destination Development	1,720,000.00	1,720,000.00	1,935,000.00	12.5%
TAF Special Projects - Destination Maintenance	2,500,000.00	2,000,000.00	2,000,000.00	0%
<b>TOTAL</b>	<b>18,045,134.00</b>	<b>17,487,134.00</b>	<b>21,450,520.00</b>	<b>22.7%</b>



## GVB BUDGET - ADMINISTRATION

	FY 2014	FY 2015 BUDGET REQUEST
TOTAL ADMINISTRATION	\$2,917,120	\$3,017,120

- Increase of \$100,00 over FY2014
- Additional personnel costs due to increments, merit bonuses, Medicare contributions and health insurance benefits.
- Increase in power and water costs

## GVB BUDGET - MARKETING

	FY 2014	FY 2015 BUDGET REQUEST
TOTAL MARKETING	\$10,158,000	\$13,800,400

- FY2014 Forecast: 1.35 Million Visitors
- FY2015 Projection: 1.427 Million
- **Refocus on Japan**
  - \$1.3M Budget Increase to \$7M
  - FY15 Goal: 940,000 pax
  - Conduct low season promotions targeting family and group
  - Continue working with JGTC to improve yield
  - Improve share of voice from .5% to 1% with Co-op and TV advertising
- **Continued Growth in Korea**
  - \$600K Budget Increase to \$2M
  - FY15 Goal: 280,000 pax
  - Build Brand Awareness through marketing campaigns
  - Additional Air Carriers and Gateways

## GVB BUDGET - MARKETING

	FY 2014	FY 2015 BUDGET REQUEST
TOTAL MARKETING	\$10,158,000	\$13,800,400

- **Diversify: Russia**
  - Russia budget increase by \$101K to \$557K
  - Russia Goal: 15,000 pax
  - Foster relationship with airlines to provide regular direct air service
  - Increase Guam awareness through continued advertising & key campaigns
  - Participate in MITT and PITE 2015
- **Diversify: China**
  - China budget decrease by 592,500 to \$2M
  - China Goal: 25,000 pax
  - Increase direct air service
  - Comprehensively enhance Chinese travelers' awareness of Guam through travel trade, eye-catching advertisement campaigns, exhibitions and sales incentive programs.
  - Joint promotion with TAs and MICE companies

## GVB BUDGET - MARKETING

	FY 2014	FY 2015 BUDGET REQUEST
TOTAL MARKETING	\$10,158,000	\$13,800,400

- **Hong Kong**
  - Budget status quo at \$215K
  - FY15 Goal Pax: 14,000
  - Engage in Joint Promotions, market development and increase media exposure in wedding/honeymoon, education, sports, and cultural tourism
- **Philippines**
  - Budget increased by \$70K to \$212,500
  - FY15 Goal Pax: 12,450
  - Increase Guam awareness through a sustained year-round publicity program and Media Fam Tours
  - Cultivate MICE market through Guam Product Seminars to corporate incentive planners and partnering with corporate account managers for Airlines and TAs
  - Engage airlines and travel agents for partnership in promotions and trade-related industry events
  - Increase GVB Philippines' social networking reach

## GVB BUDGET - MARKETING

	FY 2014	FY 2015 BUDGET REQUEST
<b>TOTAL MARKETING</b>	<b>\$10,158,000</b>	<b>\$13,800,400</b>

- **North America/ Military**
  - Budget increase by \$40K to \$220K
  - FY2015 Goal Pax: 80,231
  - Attend LA Times Travel Show, LA Adventure & Travel Show & Che'lu Inc's Cultural Festival
  - VFR - Visiting Friends & Family: Expand outreach
  - 71<sup>st</sup> Liberation Day activities and travel
  - Attend Scuba Show and DEMA in June 2015
  - Social Media - Show Us Your Chamorro Campaign
- **Cruise Shipping**
  - FY2015 Goal Pax: 3,500
  - Work with the Port Authority to improve port arrival/departure experience, as well as MCA and regional ports to extend incentives
  - Create a cruise dedicated website with the MCA & sample cruise itinerary packages
  - Micronesia Roadshow w/ PATA MIC and other cruise events

## GVB BUDGET - MARKETING

	FY 2014	FY 2015 BUDGET REQUEST
<b>TOTAL MARKETING</b>	<b>\$10,158,000</b>	<b>\$13,800,400</b>

- **Pacific/Micronesia/Australia/Europe**
  - Budget increase by \$22K to \$120K
  - FY15 Goal Pax: 41,800
  - Integrate & develop campaigns with MicronesiaTour.com with GVB Website
  - Increase Guam's Dive Market in Australia/Micronesia as a world class destination
  - PATA meetings and conferences, link in FestPac 2016/ GMIF
  - AIDE/Asia Dive Expo 2014
  - Bi-Annual Micronesian Chief Executive's Summit (MCES)
- **Taiwan**
  - Budget increase by \$16.4K to \$386.4K
  - FY15 Goal Pax: 54,338
  - Increase social media outreach efforts (i.e. facebook page to over 60,000 likes)
  - Promote M.I.C.E Market and key campaigns (Destination Weddings, Sports Tourism/ MICE ,ITF/FESTPAC 2016)



## GVB BUDGET - MARKETING

	FY 2014	FY 2015 BUDGET REQUEST
TOTAL MARKETING	\$10,158,000	\$13,800,400

- **Global Website: \$330,000**
  - In FY2014, GVB launched the new global website in English and will launch Japan and Mainland China by the end of the Fiscal Year. In FY 2015, GVB will launch the Russian, Korean and Traditional Chinese websites.
  - Showcase Chamorro Culture & What Guam has to offer visitors.
  - Cater to growing online audience seeking information about Guam.
    - Optimized Tablet and Smart Phone sites
  - Highlight Villages of Guam, history and cultural events.
  - Connect local businesses directly with the consumer.
  - Launch Microsites for specific campaign related events (i.e. ShopGuam, BBQ Block Party)

## GVB BUDGET - Research, Printing Promotion

RESEARCH	FY2014 Approved	FY2015 Request
TOTAL REQUEST	\$430,014	\$448,000

- Slight Increase (4%)
- Include Russia & China Exit Surveys

PRINTING PROMOTION	FY2013 Approved	FY2014 Request
TOTAL REQUEST	\$262,000	\$250,000

- Budget decreased by \$12,000

## GVB BUDGET - Destination Development

Cultural Heritage & Community Outreach	FY2014 Approved	FY2015 Request
TOTAL REQUEST	\$720,000.00	\$720,000.00

- Continuation of Guam Chamorro Dance Academy Program into Japan & North America markets
- Development of hotel outreach with cultural activities (i.e. weaving, language and dance)

## GVB Budget- Sports & Events

Sports & Events	FY2014 Approved	FY2015 Request
TOTAL REQUEST	\$750,000.00	\$815,000.00

- Additional (\$50,000) to support the 3<sup>rd</sup> Annual Guam International Marathon April 2015.

- Increase awareness, marketing and promotional support in Japan and Korea about Guam's leading Sports signature event
- 2014 overseas participants: 1,310
- 2015 overseas goal: 2,000
- 2015 projected economic impact: \$4.6 Million

*(Smart Goal: Focus resources on bigger impact Signature Events)*

- 2015 Pleasure Island BBQ Block Party (\$15,000)

- Funding needed to execute 2015 BBQ event
- Included Art exhibit (GAXVII) in 2014
- Grow international field of grillers to compete
- Include eating contest in 2015
- Market and promote activities in our major source markets

*(Smart Goal: Add another Signature event which highlights Guam's unique qualities)*

## GVB Budget- TIR

Tourism Industry Relations	FY2015 Request
<b>TOTAL REQUEST</b>	<b>\$400,000.00</b>

- **AIRPORT AMBASSADOR PROGRAM**
  - This program is meant to provide passengers additional services at Customs & Quarantine / Customs & Border Patrol during the peak arrivals periods.
  
- **TOUR GUIDE CERTIFICATION PROGRAM**
  - Public Law 23-136 requires the training and consequent certification of all Guam tour guides and establish guidelines regulating the conduct and operations of tour companies, inclusive of personnel.
  
- **EXCELLENCE IN TOURISM AWARDS**
  - This program was implemented in 1992 as the Excellence in Tourism Awards. The intent of the program is to recognize outstanding industry employees and organizations for their contribution to Guam's largest economic contributor.
  - IN FY13, GVB partnered with GHRA to put on what is now known as the Golden Latte Awards.
  
- **WELCOME SERVICE**
  - GVB's Welcome Service Program extends a true Hafa Adai welcome for airport and cruise ship passengers as well as for Inaugural flights, dignitaries, media and other special groups and events.
  
- **VISITOR SAFETY /SATISFACTION PROJECTS**
  - In FY2015, GVB intends to accomplish the following goals: Security Camera System Water Safety & Awareness Program, Industry Training, Tourism Safety Message Campaign and the Visitor Safety Officer Pilot Program (VSO).

## TAF SPECIAL PROJECTS

	FY2014 Approved	FY2015 Request
Beach Cleaning	\$250,000.00	\$218,777.00
Tumon Landscape & Maintenance	\$300,000.00	\$351,223.00
Island Roadway Maintenance	\$280,000.00	\$285,000.00
Tourist District Infrastructure Improvement	\$640,000.00	\$575,000.00
Surveillance System Phase II	\$150,000	\$350,000.00
Holiday Illumination Project	\$140,000.00	\$140,000.00
Contract Administration & Inspection Services	\$90,000.00	\$80,000.00
<b>TOTAL</b>	<b>\$2,000,000.00</b>	<b>\$2,000,000.00</b>

- Budget stays the same
- Significant increase for Surveillance System improvements



(c)

TAF PASS THRU SUMMARY

New Revenue Projection	\$	30,167,003
2014 Appropriation	\$	28,500,000
Available for Appropriation	\$	1,667,003

Bill No. New/Additional Appropriations

360 Manhita Chamorro	\$	25,000	
361 Historic Inalahan	\$	25,000	\$50K Total
363 Festpac Trust	\$	1,000,000	\$1.2M Total
364 Humatak Foundation	\$	25,000	\$75K Total
365 Hurao Academy	\$	50,000	
366 Inetnon Gef Pago	\$	25,000	
367 Guampedia	\$	25,000	
368 Amot Farm	\$	25,000	\$50K Total
369 Guam Council A&H	\$	30,000	
370 Guam Humanities	\$	20,000	
371 Guam Intl Film Fest	\$	50,000	\$100K Total
372 Guam Symphony	\$	25,000	
373 GUMA	\$	25,000	
374 Pa'a Taotao Tano	\$	20,000	\$100K Total
	\$	1,370,000	



## FY2011 - May 2014 Hotel Occupancy Taxes

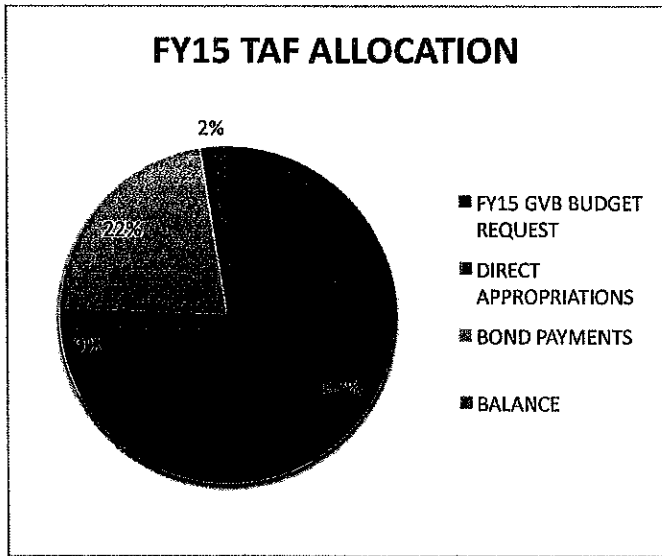
	2011	2012	2013	2014
October	\$1,995,270.65	\$1,813,320.21	\$2,229,314.45	\$2,394,048.32
November	\$1,248,525.32	\$1,531,689.28	\$1,959,839.78	\$1,729,579.43
December	\$1,662,134.98	\$1,644,146.64	\$1,848,254.12	\$1,629,500.75
<b>1st Quarter</b>	<b>\$4,905,930.95</b>	<b>\$4,989,156.13</b>	<b>\$6,037,408.35</b>	<b>\$5,753,128.50</b>
January	\$2,021,235.50	\$2,703,694.50	\$2,624,702.41	\$3,349,662.45
February	\$2,416,005.07	\$2,697,697.61	\$2,832,715.29	\$3,128,965.37
March	\$2,304,934.86	\$2,292,825.58	\$2,629,475.48	\$3,688,994.55
<b>2nd Quarter</b>	<b>\$6,742,175.43</b>	<b>\$7,694,217.69</b>	<b>\$8,086,893.18</b>	<b>\$10,167,622.37</b>
April	\$2,062,094.17	\$2,424,740.37	\$2,705,727.25	\$3,058,014.80
May	\$1,512,829.67	\$1,710,483.38	\$1,965,832.45	\$2,361,488.43
June	\$1,554,241.98	\$1,737,013.72	\$1,894,239.16	\$1,894,239.16
<b>3rd Quarter</b>	<b>\$5,129,165.82</b>	<b>\$5,872,237.47</b>	<b>\$6,565,798.86</b>	<b>\$7,313,742.39</b>
July	\$1,304,006.04	\$1,785,387.33	\$2,057,586.60	\$2,057,586.60
August	\$1,980,407.69	\$2,214,837.44	\$2,544,554.07	\$2,544,554.07
September	\$2,816,686.74	\$3,498,639.13	\$3,313,955.15	\$3,313,955.15
<b>4th Quarter</b>	<b>\$6,101,100.47</b>	<b>\$7,498,863.90</b>	<b>\$7,916,095.82</b>	<b>\$7,916,095.82</b>
<b>FY YTD</b>	<b>\$15,223,030.22</b>	<b>\$16,818,597.57</b>	<b>\$18,795,861.23</b>	<b>\$21,340,254.10</b>
<b>FY TOTAL</b>	<b>\$22,878,372.67</b>	<b>\$26,054,475.19</b>	<b>\$28,606,196.21</b>	<b>\$31,150,589.08</b>

Source: Division of Account, Department of Administration, Government of Guam. Figures are unaudited

YELLOW BOX: NOT ACTUAL

UPDATED 7/7/14	FY 2014 BUDGET	FY 2015 REQUEST
Administration	2,917,120	3,017,120
Marketing	10,158,000	13,800,400
Printing Promotion	262,000	250,000
Research	430,014	448,000
Destination Development	1,720,000	1,935,000
TAF Special Projects - Destination Maintena	2,000,000	2,000,000
<b>TOTAL GVB (OPERATIONS) BUDGET</b>	<b>17,487,134</b>	<b>21,450,520</b>

<b>FY15 GVB TAF PROJECTION</b>	<b>32,000,000</b>	<b>100%</b>
FY15 GVB BUDGET REQUEST	21,450,520	67%
DIRECT APPROPRIATIONS	2,741,485	9%
BOND PAYMENTS	6,997,819	22%
BALANCE	810,176	3%



UPDATED 7/7/14	FY 2011 BUDGET	FY 2012 BUDGET	FY 2013 REQUEST	FY 2013 BUDGET	FY 2014 REQUEST	FY 2014 ACUTUAL	FY 2015 REQUEST
Administration	2,136,248	2,436,026	2,526,313	2,526,313	2,917,120	2,917,120	3,017,120
Marketing							
Japan	5,416,654	5,416,654	7,000,000	5,650,000	6,000,000	5,700,000	7,000,000
Korea	951,105	1,027,886	1,027,886	1,060,000	1,250,000	1,400,000	2,000,000
Taiwan	231,245	334,339	370,000	350,000	370,000	370,000	386,400
Pac/Micro/Aus/Eur	75,405	75,405	98,000	78,000	98,000	98,000	120,000
U.S./North America	148,271	148,000	170,000	155,000	180,000	180,000	220,000
China/Hong Kong	667,125	-	-	-	-	-	-
China/Russia							
China		599,902	900,000	480,000	480,000	530,000	2,000,000
Russia		223,512	900,000	480,000	480,000	480,000	557,000
Hong Kong		182,367	208,200	190,000	190,000	190,000	215,000
Philippines		121,578	175,000	130,000	150,000	150,000	212,000
Branding	103,923		430,000	370,000	350,000	450,000	470,000
Social Media Support	350,000	350,000	300,000	287,698	290,000	290,000	290,000
Global Website	147,810	273,550			320,000	320,000	330,000
<b>TOTAL MARKETING</b>	<b>8,091,538</b>	<b>8,753,193</b>	<b>11,579,086</b>	<b>9,230,698</b>	<b>10,158,000</b>	<b>10,158,000</b>	<b>13,800,400</b>
Printing Promotion	238,769	262,715	500,000	320,000	320,000	262,000	250,000
Research	374,834	406,014	430,014	424,000	430,014	430,014	448,000
Destination Development and Maintenance							
Sports & Special Events	575,000	575,000	675,000	591,373	750,000	750,000	815,000
Cultural, Heritage and Community Outreach	642,790	642,790	881,500	660,000	720,000	720,000	720,000
Visitor Safety and Satisfaction	132,000	239,085	400,000	270,000	250,000	250,000	400,000
<b>TOTAL DESTINATION</b>	<b>1,349,790</b>	<b>1,456,875</b>	<b>1,956,500</b>	<b>1,521,373</b>	<b>1,720,000</b>	<b>1,720,000</b>	<b>1,935,000</b>
<b>TOTAL OPERATIONS BUDGET</b>	<b>12,191,179</b>	<b>13,314,823</b>	<b>16,991,913</b>	<b>14,022,384</b>	<b>15,545,134</b>	<b>15,487,134</b>	<b>19,450,520</b>
TAF Special Projects - Destination Maintenance	986,446	1,172,802	1,308,054	1,215,855	2,500,000	2,000,000	2,000,000
<b>TOTAL GVB BUDGET</b>	<b>13,177,625</b>	<b>14,487,625</b>	<b>18,299,967</b>	<b>15,238,239</b>	<b>15,545,134</b>	<b>17,487,134</b>	<b>21,450,520</b>



EXECUTIVE BUDGET-TAF

BOND	6,997,819
AUDIT (DOA)	20,000
BEACH MONITORING (GEPA)	99,250
POOL AND RESTROOMS (DPR)	749,377
TERRITORIAL BAND (CAHA)	40,000
GUAMPEDIA (UOG)	140,000
BEAUTIFICATION (MAYORS)	1,506,947
GPD	161,757
GCC	24,154
<u>DIRECT APPROPRIATIONS TOTAL</u>	<u>2,741,485</u>
EXEC TAF PROJECTION	29,925,000
BOND	6,997,819
<u>DIRECT APPROPRIATIONS</u>	<u>2,741,485</u>
TAF BALANCE (GVB)	20,185,696

①

**CASH, RECEIVABLES, & PAYABLES POSITION  
FY 2013 & FY 2014 COMPARATIVE REPORT**

FY 2013 (07/08/2013)	Balance	
CITIBANK OPERATION	\$428,358.04	
BANK OF GUAM	\$9,169,105.98	
BANK OF GUAM - TCD	\$0.00	
FIRST HAWAIIAN BANK - Membership	\$56,885.55	
RESONA BANK	\$335,316.07	
CITIBANK - TAF	\$67,908.65	
BOG - TAF ACCOUNT	\$679,976.91	
BOG - RAINY DAY FUND	\$1,774,744.78	
BOG - FESTPAC Trust Account	\$923,275.57	
MORGAN STANLEY - CD **	\$2,504,963.89	
BOG - 2/12 Memorial Fund	\$123,445.82	
<b>TOTAL CASH IN BANKS AS OF 07/08/2013</b>	<b>\$16,063,981.26</b>	
**Morgan Stanley CD Market value as of 05/31/13 (value if withdrawn prior to maturity - Maturity Date October 2013)		
<b>FY 2013 BUDGET P.L. 31-233</b>	<b>\$16,018,239.00</b>	
GVB - \$15,238,239.00		
OPERATIONS - \$14,022,384.00		
TAF Special Projects - \$1,215,855.00		
PASS THRU APPROPRIATIONS - \$780,000.00		
<b>OPERATIONS</b>	<b>TAF Special Projects</b>	<b>Pass-thru</b>
11/15/12 \$1,420,199.55	\$121,585.00	\$ 55,253.00
12/17/12 \$1,362,725.00	\$121,585.00	\$ 55,253.00
01/14/13 \$1,011,749.00	\$121,585.00	\$ 19,834.00
02/14/13 \$ 842,725.00	\$121,585.00	\$ -0-
03/13/13 \$1,602,237.00	\$121,585.00	\$ 55,253.00
04/16/13 \$1,891,749.00	\$121,585.00	\$ 55,253.00
05/17/13 \$1,262,725.00	\$121,585.00	\$ 19,834.00
06/12/13 \$2,060,995.00	\$121,585.00	\$ 97,756.00
06/19/13 \$ -0-	\$ -0-	\$ 14,126.00
<b>\$11,455,104.55</b>	<b>\$972,680.00</b>	<b>\$365,478.00</b>
<b>Total Allotment Received to Date:</b>	<b>\$12,793,262.55</b>	
<b>Accounts Receivable FY 2013</b>	<b>\$3,224,976.45</b>	
<b>FY 2013 ACCOUNTS PAYABLE as of 07/08/13</b>	<b>Amount</b>	
Asatsu Invoices Dec'12 - May'13	\$1,443,027.75	
Japan Miscellaneous Invoices	\$72,347.30	
Guam Miscellaneous Invoices	\$142,093.20	
FY 2011/2012 Pass-thru appropriations	\$554,641.24	
FY 2013 Pass-thru appropriations	\$0.00	
Encumbered Contracts (not yet incurred)	\$1,597,668.10	
Encumbered Purchase Orders (not yet incurred)	\$81,168.97	
FESTPAC Trust Account	\$923,275.57	
<b>Total Payables to date</b>	<b>\$4,814,222.13</b>	

FY 2014 (07/07/2014)	Balance	
BANK OF GUAM	\$6,059,510.96	
FIRST HAWAIIAN BANK - Membership	\$52,389.53	
RESONA BANK	\$127,334.39	
BOG - TAF ACCOUNT	\$1,033,842.46	
BOG - RAINY DAY FUND	\$1,826,854.89	
BOG - FESTPAC Trust Account	\$1,501,339.66	
MORGAN STANLEY - CD **	\$2,508,952.59	
BOG - 2/12 Memorial Fund	\$693.60	
<b>TOTAL CASH IN BANKS AS OF 07/07/2014</b>	<b>\$13,110,918.08</b>	
**Morgan Stanley CD Market value as of 05/31/2014		
<b>FY 2014 BUDGET P.L. 32-068</b>	<b>\$ 18,262,134.00</b>	
OPERATIONS - \$15,487,134.00		
TAF Special Projects - \$2,000,000.00		
PASS THRU APPROPRIATIONS - \$775,000.00		
<b>OPERATIONS</b>	<b>TAF Special Projects</b>	<b>Pass-thru</b>
11/14/13 \$1,161,535.00	\$ 150,000.00	\$ 58,125.00
11/15/13 \$1,161,535.00	\$ 150,000.00	\$ 58,125.00
11/29/13 \$ -0-	\$ -0-	\$ 7,500.00
12/11/13 \$1,161,535.00	\$ 150,000.00	\$ 63,750.00
12/24/13 \$ -0-	\$	\$ 3,750.00
01/10/14 \$1,032,535.00	\$ 150,000.00	\$ 26,250.00
01/21/14 \$ -0-	\$ -0-	\$ 2,500.00
02/11/14 \$ 386,100.00	\$ 150,000.00	\$ 22,500.00
03/17/14 \$1,936,970.00	\$ 150,000.00	\$ 96,000.00
04/17/14 \$1,290,535.00	\$ 150,000.00	\$ 80,250.00
05/09/14 \$ 649,017.55	\$ 150,000.00	\$ 56,250.00
06/19/14 \$1,161,535.00	\$ 150,000.00	\$ 56,250.00
<b>\$9,941,297.55</b>	<b>\$1,350,000.00</b>	<b>\$ 531,250.00</b>
<b>Total FY 2014 Allotment Received to Date:</b>	<b>\$11,822,547.55</b>	
<b>Accounts Receivable FY 2014</b>	<b>\$6,439,586.45</b>	
<b>FY 2014 ACCOUNTS PAYABLE as of 07/07/14</b>	<b>Amount</b>	
Asatsu Invoices April & May 2014	\$271,662.12	
Japan Miscellaneous Invoices	\$59,518.44	
Guam Miscellaneous Invoices	\$245,298.67	
FY 2011/2012/2013 Pass-thru appropriations	\$297,842.24	
FY 2014 Pass-thru appropriations	\$3,750.00	
Encumbered Contracts (not yet incurred)	\$2,376,108.43	
Encumbered Purchase Orders (not yet incurred)	\$203,117.76	
FESTPAC Trust Account	\$1,501,339.66	
<b>Total Payables to Date</b>	<b>\$4,958,637.32</b>	



(E)

June 30, 2014

To: Joint Guam Program Office Forward  
P.O. 153246  
Santa Rita, Guam 96915

Office of the Governor of Guam  
Attn: Military Buildup Office (Mark Calvo)  
Ricardo J. Bordallo Governor's Complex  
Adelup, Guam 96910

Subject: The Guam Visitors Bureau's Input / Comments on the Draft Supplemental Environmental Impact Statement (SEIS)

The following comments are provided for your review and consideration:

Tourism is Guam's leading industry, representing 60% of the Guam economy and one out of every three private sector jobs. The Guam Visitors Bureau (GVB) is the government agency tasked with overseeing the tourism industry.

The Guam Visitors Bureau supports the U.S. military on Guam and supports the proposed buildup; however, we want to ensure that the buildup will not negatively impact the immediate and long-term potential of tourism on Guam, which is our economy's lifeblood. In that respect, we have some specific concerns with some of the characterizations made in the Draft SEIS, with which we disagree. These concerns are articulated below.

We believe that we can work together cooperatively with stakeholders to address any concerns that may exist. We firmly believe that tourism and the military can co-exist and thrive together on Guam. Included in this narrative is a brief explanation of the issues and specific proposed amended language for the final report.

### The Primary Issue

Our primary concern is with respect to statements made in Appendix D section 4.3.8 regarding the potential impact on Russian and Chinese visitor markets, particularly as related to visa waivers. In Appendix D section 4.3.8, entitled "Blocked Growth of Chinese and Russian Markets", it states:

"On November 23, 2011 the U.S. Department of Homeland Security granted visa parole authority for Russian citizens to visit Guam. The parole authority allows Russian tourists to enter Guam on a case-by case basis, without the need for a visa. Russian visitors tend to stay longer and spend more money per visit than visitors from Guam's other tourism markets. While the increase in Russian visits has helped improve Guam's tourism industry, Russian visits represent only a small portion of total visits and thus do not provide a major contribution to the overall impact that the tourism industry has on Guam's economy (SIAS Appendix B, GVB). It is unclear whether the



In November 2011, Russian nationals were granted visa-free entry to Guam via parole, and in January 2012 direct service began. In two short years, there are already direct flights from five different Russian cities; and arrivals in the coming 12 months will exceed the 20,000 annual forecast that was projected in the *Tourism 2020* plan for the year 2020.

Russian tourists both stay for a long term and spend at a high level. Russian guests stay 14 to 21 days versus an average of 3.2 days for Japanese tourists. Each Russian visitor amounts to about six Japanese visitors in terms of hotel room nights and overall spending. Thus, in terms of their economic impact, 20,000 Russian tourists equates to roughly 120,000 Japanese tourists. Contrary to what is suggested in the Draft SEIS, Russian tourists represent a major economic impact for Guam. Further, Russia is a brand new tourist market for Guam. It is now expected that Russian visitors will reach 50,000 arrivals within the near future, spending \$75 million per year (based on current spending level of roughly \$1,500 per person) with a direct economic impact several multiples above this number and well in excess of \$100 million. Thus, contrary to the statement in the draft SEIS, the potential loss of this market would have a significant and material impact on Guam's economy, and would be detrimental to its tourism industry.

### China

Of even greater potential impact to Guam is the Chinese market, which is expected to have 200,000,000 outbound travelers by 2020. The most important centers of China's tourist market are located only five hours direct flight from Guam. Guam historically captures between 1% to 6% market share from its targeted source markets. If Guam is able to capture just .05% share of the outbound China travel, the Guam economy would more than double.

Retail spending per person from Chinese travelers is the highest in the world. Guam's leaders recognize the enormous potential impact of a visa-free travel to Guam by Chinese tourists, and Guam's Governor and Congressional Representative have been working hard for many years trying to obtain a China visa waiver. Visa-free travel to the region by Chinese nationals would be in line with Congressional objective in the Consolidated Natural Resources Act of 2008, which sought to promote region-wide tourism. While it is our understanding that Department of Defense does not object to our application for visa-free travel by Chinese tourists, yet the language contained in Section 4.3.8 of Appendix D might easily be interpreted as contrary to the DOD's previously communicated position. We have recently been reassured that the concerns indicated in the Draft SEIS with regard to visa-free travel by such tourists did not originate from DOD. Thus, we would expect the draft to be amended to eliminate any impression that DOD is in favor of removing Russian visa-free travel or of blocking the future granting of visa-free travel by Chinese. We would hope that DOD would go even further and document its non-objection to visa-free travel by Chinese tourists to Guam, particularly in consideration of the fact that DOD is anticipating growing its military presence on the island, and a robust economy outside the fence would positively impact the morale and welfare of the U.S. servicemen and women stationed on Guam and their dependents. If instead DOD objected to Guam diversifying its tourism markets to Russia and China, the continuing support by the island's majority for the buildup would likely be in jeopardy of quickly eroding.

A comparison with our neighbor, CNMI, is revealing. Guam had only 11,225 Chinese visitors last year while CNMI had over 150,000 Chinese tourists arriving visa-free under parole authority. These visitors are essentially sustaining the CNMI's economy, and ensuring its growth.

The Tourism 2020 plan calls for 350,000 Chinese by the year 2020. The average spending of Chinese on neighboring Saipan (CNMI) is \$600 per person. This spending is low by international standards, where Chinese sometimes spend in excess of \$2,000 per person on

The Department of Defense recognizes that the potential loss of Russian and/or Chinese visitors as a result of the buildup would have a significant adverse impact on Guam's leading industry, tourism. In order to avoid this impact, DOD does not object to visa-free travel for Russian and Chinese tourists. Further, DOD recognizes other factors that could impact tourism as indicated in Table 4.3-27 but believes that through cooperative efforts with the local government and local industry these factors can be mitigated to the mutual satisfaction of all parties.

If you have any questions regarding these comments, please contact the undersigned at [karl.pangelinan@visitguam.org](mailto:karl.pangelinan@visitguam.org) or phone (671) 646-5278.

*Senseramente',*



**KARL A. PANGELINAN**  
General Manager

**JAPAN MARKETING COMMITTEE MEETING – WEDNESDAY, JUNE 18, 2014**

**JMC MEMBERS PRESENT:** Milton Morinaga, Tadashi Echikawa, Masanori Kanasugi, Ken Yanagisawa, Yuta Yokoyama, Kiyoshi, Kawano, Kazunori Atsuta, Yoshihisa Otani, Michiru Sato, Norman Aguilar

**OBSERVERS/GUESTS PRESENT:** Kenji Kawabe, Terry Debold, Maho Quinene, Koji Nagano, Nozomi Saito, Monte Mesa

**SKYPE:** Yuji Mitsumori, GVB Japan  
Koichi Hoshino, ADK

**ABSENT:** Norio Nakajima (off-island), Satoru Murata, Hideki Sakai, Mitsunori Takahashi, Masaaki Kawanabe, Jae Hong Park

**GVB:** Nathan Denight, Nadine Leon Guerrero, June Sugawara, Elaine Pangelinan

---

**CALL TO ORDER**

The meeting was called to order at 10:00 a.m.

**APPROVAL OF PREVIOUS MINUTES**

**Motion made by Mr. Echikawa and seconded by Mr. Kawano to approve the JMC Minutes of the June 18, 2014 meeting. Minutes approved.**

**REPORT OF CHAIRMAN**

- Advised the major item for today's Agenda is the FY2015 budget however, the draft presented was rushed and felt the JMC should have more time to review and provide input.

**REPORT OF MANAGEMENT**

- Membership should have received notification on Google Map (Japan) doing indoor mapping of Guam facilities at no charge. Google will be coordinating directly with each of the businesses.
- GVB monitoring media coverage on 2.12 Incident trial currently ongoing and so far it seems there is minimal impact. GVB will be supporting the Attorney General's Office with the coordination of off-island eyewitnesses as the need arises.

**FY2015 BUDGET**

- A Special JMC Meeting was called for next week Tuesday, June 24 at 2:30pm to act on the Japan budget. Chairman Morinaga requested the committee to treat the document that was presented today as confidential being it is still in draft form and under assessment.

**REPORT OF ADK**

- "Premium Guam" 2014 year round schedule presented.
- WITH Magazine update: 4/28 featured "Guest Dresses" where reader-models produce and promote island dresses in collaboration with sea shell pink. 5/14 featured "Souvenirs" in collaboration with Hamamoto Fruits World where reader-models produce and promote made-in-Guam soaps. This resulted in 61 soaps sold in 10 days from Shop ranking-ranQueen.
- Suit Case "World Traveler" Store Front Tie-In Program:
  - Exposure 1 (posters) to run 9 months (May 2014-January 2015). Participating stores include Aeon shopping malls x 121 shops; Ito Yokado Shopping Malls x 40 shops and ACE owned shops x 40 shops. Total estimated visitors to the site are 13 million visitors x 9 months

(assumption that 1 out of 10 people will drop by the shopping site). Ad value estimated at \$177,567.

- Exposure 2 (travel magazines) to run April-July 2014. Ad exposure consists of 4 color x 1 page ad per magazine (8 mag). Total circulation is 1,500,000 copies with an ad value of \$88,783.
- Exposure 3 ([www.ace.jp/wt/](http://www.ace.jp/wt/)) to run April-July 2014. Exposure consists of 2 page coverage in the website. Estimated page views are 2,000,000-page view per month with an ad value of \$19,729.
- “Tropical Ocean Wedding” Campaign ongoing from April-June 2014. About 21 bouquet toss participants have been recorded to date.
- “Time Out” Family Summer version ready from July-September 2014.
- BS-TV Program in progress from April-June 2014. Video contents for all targets are to be aired on BS and online. Contents to be produced jointly by Kodansha and ADK. A total of 7 5-minute “Premium Guam” episodes to be aired once a week every Tuesday at 8:54-8:59pm for a total of 13 weeks of airtime or 3 months. BS TV Program scheduled provided.
- Guam Chamorro Dance Academy (GCDA) has 2 programs left for the year, which is July 12-13 and September 27-28 both in Tokyo.
- Provided comparative analysis of Japan travel agents package tour price positioning and where Guam stands in terms of its non-competitive value positioning in consumers minds. ADK communication idea for is that the only way to solve this situation is to raise the value of Guam and therefore presented 2014-2016 Premium Guam campaign strategy that prefaced Guam is always growing and developing. By communicating its charms as tropical news with attention-grabbing surprises, this can create a new image of Guam targeting more visitors and increasing their travel spending.
- Communication strategy to cover Guam’s unique features for example; 90% ocean view, dolphin watching, Chamorro fusion cuisine, family wedding, year-round summer; Guam Music for example; “Boonie Stomping;” and Quality Visuals for example; Premium BS footage.
- Communication strategy to focus on advertising such as Terrestrial TV program commercials and FM Radio nationwide. Provided comparison that Guam’s share of voice in 2013 was 0.5% whereas SOV in other destinations such as Hawaii-14.2%; Taiwan-8.5%, Malaysia-5.9%; Australia-4.2%.
- Provided FY 2015 Target Strategy: Segmentation:
  - Primary Target: “Otona” (grown ups) plus affluent seniors (over 60)
  - Tactical Target: Wedding & MICE
  - Volume Target: Families with kids and 3 generation families
- Provided 2015 Promotion Ideas:
  - “Time Out” for Otona Guam: To be the 3<sup>rd</sup> collaboration with *Time Out*. This version will promote a slow, relaxing stay in Guam. A collaborative feature on the charms of Guam that can be enjoyed by adults and seniors over stays of 4 nights to a week. A showcase of stringently selected hotels, tourist spots, activities, restaurants, and local shops. Campaign planned for January 2015.
  - “Otonano Gourmet Guide.” Dining is the top reason for seniors to travel. An alliance can be forged with Kodansha to address this opportunity. Specifically, a collaboration can be arranged with Kodansha’s *Otona no Shuumatsu* (Grown-up’s Weekend”), which is recognized for its restaurant information. Food specialists will thoroughly examine Guam’s restaurants and identify those that are suitable for Japanese seniors. Moreover, collaborations will be arranged with Guam restaurants to develop special menus matched to the palates of Japanese seniors, giving seniors motivation and reasons to visit Guam. The feature article will be printed separately as booklets (30,000 copies). Campaign planned for October-December 2014.

Discussion:

- Mr. Hoshino explained the correlation of market share and share of voice and as compared to other markets, Guam’s share of voice is lower than its market share and therefore recommends increasing advertising spend.

- Chairman Morinaga commented that more advertisement dollars are needed but how to spend has to be more defined as well as more innovative.
- Mr Kanasugi commented there is a need to have more concrete sales promotions during low periods on the basis that sales volume is increasing with other markets and that capacity is limited but there is opportunity during low season most especially with group sales. He also suggested we come up with new campaigns.
- Mr. Echikawa suggested the idea of a co-op advertisement approach with businesses to advertise new investments in Guam such as new hotels, option tours, etc., all leading to the premium direction that would appeal and excite the Japan market.
- Mr. Kanasugi further commented, we need to push new image forward and with regard to the MICE market, we need to do more than just an information book, but also consider monitor tours, invite incentive sales organizations, etc.
- Mr. Mesa suggested to have plans or campaigns to capture secondary cities as there are a lot of untapped first time travelers that may address airline seat issues, perhaps come up with campaigns to capture secondary cities as there are a lot of untapped first time travelers.
- Chairman Morinaga thanked everyone for their valuable input that ADK will take into consideration to come up with more exciting content in their advertising initiatives.

#### REPORT OF JAPAN MANAGER

- Thanked everyone for a successful Hafa Adai Study Tour. Out of 78 participants, 58 were first time travelers to Guam who were very impressed and had impacted their motivation to sell Guam.
- Thanked everyone for contribution to Guam Live International Music Festival. Although there were a few issues, these can be worked to improve for next year. Felt the Japanese entertainers were excellent and we should work to bring out more fans.
- Reported Guam is receiving positive comments in comparison to Hawaii to include that Guam has 90% ocean view, and that Guam offers good value for consumer. Some negatives include service issues throughout all businesses; travel agents say they don't know much about Guam and is why we need to continue feeding them more information.
- Reported he continues to communicate with the airlines to address maintaining seat capacity, increase charter flights and maintain regular flights.

#### ADJOURNMENT

Moved by Mr. Kawano seconded by Mr. Yuta. to adjourn the meeting at 12:00 p.m.

Minutes prepared by: \_\_\_\_\_  
Elaine Pangelinan, Marketing Officer I

Minutes approved by: \_\_\_\_\_  
Nadine Leon Guerrero, GVB Marketing Officer II



**KOREA MARKETS COMMITTEE MEETING MINUTES**  
Tuesday, June 17, 2014, 11:00 a.m.  
GVB Main Conference Room

**Members Present:**

Oscar Miyashita, Ernst & Young  
Tae Oh, Sandcastle, Inc.  
Janeen Kang, Underwater World & Seagrill  
Hyong Yi, Outrigger Guam Resort  
Terry Chung, DFS Guam  
Suzie Kim, Hilton Guam Resort & Spa  
Cris Gamboa, Onward Guam Resort  
Aaron Kim, Net Ent.  
Theresa Crucena, Royal Orchid Guam  
Young Min Kim, Pacific Islands Club  
Elisha Lee, Lotte Hotel Guam  
Cathleen Moore-Linn, University of Guam  
Jace Kim, Jeju Air  
Ken Yanagisawa, Pacific Islands Club  
Eric Ji, Sheraton Laguna Guam  
Yungjin Kong, HIT

**Members Absent:**

Tak Takano, Pleasure Island Guam  
Bartley Jackson, Hotel Santa Fe  
Jennifer Chae, Hotel Nikko Guam  
Soo Oftana, Pacific Star Hotel  
Sophia Chu, Hyatt Regency Guam  
Mr. Sung-Hwan Wang, KTB  
Dongsin Choi, Speed Travel Way  
Man-soo Hyun, Hyatt Regency Guam  
Rolenda Faasumalie, Guam International Airport Authority  
Jeremy Jung, Hana Tour  
Hugh Shin, Korean Air  
Sam H. Kim, Hana Tour  
Jong Bok Lee, JIN Air  
Seonguk Jo, Leo Palace Resort  
Jae Hong Lim, Mode Tour Network  
Jenny Cheon, Holiday Resort & Spa Guam

**Guests/Alternate Members Present:**

**GVB Korea GSA Present (Telephonically):**

Henry Lee, TLK Korea

**GVB Korea PR Present (Telephonically):**

Adele Kim, Promac Partnership

**GVB Staff:**

J. Nathan Denight, Acting General Manager  
Ana Cid, Acting Research Manager  
Felix Reyes, Marketing Officer II  
Guam High School Interns (2)

**CALL TO ORDER**

Chairman Oscar Miyashita called the meeting to order at 11:01 a.m.

**MINUTES OF THE PREVIOUS MINUTES**

Chairman Miyashita asked for a motion to approve the minutes of the May 13, 2014 KMC Minutes. Motion to approve was made by Ms. Suzie Kim and was seconded by Mr. Young Min Kim. Minutes were approved subject to any minor corrections.

**REPORT OF CHAIRMAN**

Chairman Miyashita welcomed everyone and thanked all for attending the meeting. He acknowledged Mr. Yung Jin Kong of HIT Tours as the Chairman of KTAG. He also acknowledged Colleen Cabedo representing the GM who is off-island, Ana Cid of Research and Nate Denight, Acting General Manager.

Chairman Miyashita reviewed the arrivals update data for FY YTD. MTD arrivals from Korea remain strong through June 12, 2014 with CY at +31.1%. Korea is carrying the arrivals % load and remains a very important market for Guam, especially with Japan's reduction in arrivals. FY numbers show around 28% increase.

**REPORT OF MANAGEMENT**



**3 month Forecast**

Month	Forecast Pax	Last Year	%Change	Seat Forecast '14	Seat Data '13	% Change Seats
June	24,500	20,384	20.2%	30,192	21,447	40.8%
July	25,500	22,006	15.9%	30,960	22,297	38.9%
August	27,000	23,145	16.7%	31,109	27,051	15.0%

**Flights**

**June**  
 - KEFlight : (to hco) 7 per week = 10,350 (8777-400)  
 - Busan KE: Wed, Thu, Sat, Sun = 2,682 (8737-800)  
 - JN Air : (to hco) 7 per week = 3,400 (8737-800)  
 - Jeju Air : (to hco) 7 per week = 3,520 (8737-800)  
 - Jeju Air Extra : (to hco) 7 per week = 3,520 (8737-800)

**July**  
 - KEFlight : (to hco) 7 per week = 11,215 (8777-400)  
 - Busan KE: Wed, Thu, Sat, Sun = 2,933 (8737-800)  
 - JN Air : (to hco) 7 per week = 3,520 (8737-800)  
 - Jeju Air : (to hco) 7 per week = 3,766 (8737-800)  
 - Jeju Air Extra : (to hco) 7 per week = 3,766 (8737-800)

**August**  
 - KEFlight : (to hco) 7 per week = 11,313 (8777-400)  
 - Busan KE: Wed, Thu, Sat, Sun = 2,682 (8737-800)  
 - JN Air : (to hco) 7 per week = 3,520 (8737-800)  
 - Jeju Air : (to hco) 7 per week = 3,766 (8737-800)  
 - Jeju Air Extra : (to hco) 7 per week = 3,766 (8737-800)

**Total 30,192**

**Total 30,960**

**Total 31,109**

Mr. Henry Lee briefed the committee on the details of the 3-month forecast for June - August 2014. Booking is slowly picking up from the slight dip due to the ferry sinking. Good news with Korean Air will have an Extra Flight from July 26-August 21 (KE113). Flights are four times weekly (Wednesday, Thursday, Saturday, Sunday) using B737, 138 seats.

Load Factor is at around 80% but July and August will show a better LF due to extra flights.

Chairman Miyashita asked how the LF is out of Busan.

Mr. Lee said the Busan is at around 65-70% from a low of around 50%.

Chairman Miyashita, on information from Ana Cid said the Busan LF YTD is at 76.7%.

## KOREA - Korea Marketing News

### Korea Outbound Travelers Guam Market Share

		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
2011	K Outbound	1,366,007	1,094,616	668,670	667,067	1,014,418	1,204,933	1,111,111	1,307,211	1,013,807	1,001,569	704,315	1,006,616	11,692,300
	Guam Arrival	14,599	15,016	4,279	6,876	10,779	11,766	14,607	17,735	10,609	10,644	13,234	13,866	149,073
	Market Share	1.1%	1.3%	0.6%	0.9%	1.1%	1.2%	1.4%	1.4%	1.7%	1.1%	1.5%	1.4%	1.3%
2012	K Outbound	1,200,781	1,180,234	1,018,563	1,018,445	1,066,960	1,109,235	1,282,116	1,334,681	1,069,209	1,187,743	1,107,880	1,160,900	13,754,976
	Guam Arrival	16,216	15,681	10,791	11,480	11,613	12,016	17,554	18,106	10,655	16,131	17,004	21,464	188,616
	Market Share	1.4%	1.3%	1.1%	1.1%	1.1%	1.1%	1.3%	1.4%	1.2%	1.4%	1.6%	1.8%	1.3%
2013	K Outbound	1,405,900	1,184,007	1,103,944	1,097,410	1,182,437	1,211,471	1,407,413	1,407,166	1,192,226	1,276,145	1,154,004	1,204,448	14,344,465
	Guam Arrival	21,963	18,596	16,337	15,219	16,513	20,204	21,066	23,140	19,666	19,247	23,067	24,075	245,243
	Market Share	1.6%	1.6%	1.5%	1.4%	1.4%	1.7%	1.6%	1.6%	1.6%	1.5%	2.1%	2.1%	1.7%
2014	K Outbound	1,448,905	1,311,863	1,150,979	1,179,885	1,230,000	1,230,000	1,470,000	1,470,000	1,240,000	1,240,000	1,100,000	1,100,000	15,831,420
	Guam Arrival	26,580	25,305	21,610	23,633	25,640	24,510	32,320	37,000	23,200	21,000	22,200	26,000	292,710
	Market Share	1.9%	1.8%	1.9%	2.0%	1.9%	1.9%	2.2%	2.5%	1.9%	1.8%	2.1%	2.3%	1.9%

- BlueK outbound projection

If the 2.0 MS is maintained, GVB can achieve a 300,000 + Korean visitor arrivals.

Unlike Japan, Korea's outbound numbers are increasing.

**3 month Activities/Programs**

- TV Home-shopping
  - Jun. : Online
  - On cable TV for an 1 hour
- MICE Group
  - Jun. : Hana SK - 100 pax, Dongyang Life - 60 pax

MICE Monthly total

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
2014	630	880	1,300	3,800	1,180								7,990
2013	1,630	780	810	2,000	1,390								6,600

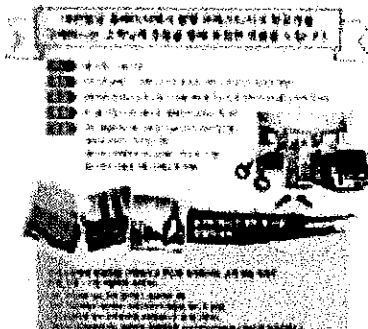
- Golf Tournament
  - Aug. : Hana Golf - 100 pax

Mr. Lee explained to the committee.

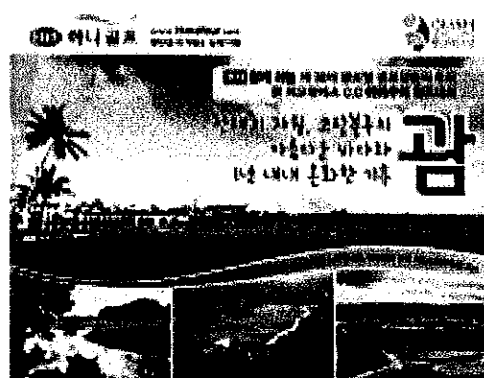
**KOREA - Korea Marketing News**

**3 month Activities/Programs**

<KE Highend business class promo>



<Hana Golf>



- ▶ 상품가 1,199,000원~
- ▶ 출발일 2014년 8월 20일(수), 21일(목)
- ▶ 도착일 2014년 8월 23일(토)
- ▶ 간도일정 한진(부산-경 13/4)-인천(부산)
- ▶ 항공: 대한항공, 한에어
- ▶ 호텔: 경 컨벤션에스 리조트
- ▶ 대회 및 (개막식) 개막식은 후배(1), 신비레오(1) (2) (3) (4) (5) (6) (7) (8) (9) (10) (11) (12) (13) (14) (15) (16) (17) (18) (19) (20) (21) (22) (23) (24) (25) (26) (27) (28) (29) (30) (31) (32) (33) (34) (35) (36) (37) (38) (39) (40) (41) (42) (43) (44) (45) (46) (47) (48) (49) (50) (51) (52) (53) (54) (55) (56) (57) (58) (59) (60) (61) (62) (63) (64) (65) (66) (67) (68) (69) (70) (71) (72) (73) (74) (75) (76) (77) (78) (79) (80) (81) (82) (83) (84) (85) (86) (87) (88) (89) (90) (91) (92) (93) (94) (95) (96) (97) (98) (99) (100)
- ▶ 대회시상: 신비레오 우승, 하남리조트, 롱기스트

Marketing activities in Korea pushing Korean Air and PIC high-end business class promotions, including push of golf on Guam. In that past, promotions like this had always been with Hyatt Regency Guam.

# KOREA - Korea Marketing News

## 3 month Activities/Programs

- **Guam Live International Music Festival on June 7**

**K-pop star invitation**

**<Brown Eyed Girls In Guam>**



**<NU'EST In Guam>**



K-Pop groups visited Guam for the Guam Live Int'l Music Festival.

Chairman Miyashita asked if any KMC members attended the festival. A few did.

Mr. Yanagisawa said Friday was nice but Saturday was not as great since the intervals between acts were long. The Korean talents were good.

The KGMC promoted the event with Jin Air, Mode Tour and other agents.

Mr. Jace Kim commented on the Guam Live saying he was disappointed with the preparation of the event because of the 15 + passengers all experienced a very long secondary at the CBP upon arrival to Guam. As a result, the group cannot come to the U.S. without proper visa next time. He said the performance was not only a GVB sponsored event but the performers were also Jeju Air passengers. According to the group, no one informed them of the correct visa needed or the correct process for Guam entry. If there is to be another concert on Guam, he hopes there is proper preparation next time.

Mr. Denight said two groups came from Korea. Brown Eyed Girls and Nu'est. Working with the GVB legal counsel, Nu'est was able to acquire a visa without any problems. Brown Eyed Girls, because of the arrangement with the group and no compensation was being given for their appearance, by the letter of the law, they can come to Guam without a visa. But CBP had a different interpretation of the law. But the group was allowed to enter through a Parole Authority. There will not be any black flag on the group and will still be able to enter Guam but with a visa for now. GVB is still working with CBP on the issue.

Chairman Miyashita asked how long the suspension is.

Mr. Denight said GVB is still trying to find out the details. Future concerts will be planned so that all will have the proper visas. GVB is working closely with Mr. Henry Lee. Several letters have been sent to Brown Eyed Girls and their management to keep them informed. CPB can be challenging and depends on who the supervisor is on duty sometimes. He thanked Jace Kim and Jeju Air for their support. It's the first for Guam and there is a learning process.

Mr. Jace Kim said the concert was a first for Guam and the purpose was good and hopes the next time is smooth.

Chairman Miyashita assured Mr. Kim GVB is doing all it can to rectify the situation, even going forward.

Mr. Yanagisawa said Mr. Lee did a good job exposing the event in Korea on many websites and many agents. He said it seems like the planning to host the event was only two months out. Perhaps next year allow at least six months.

Mr. Denight said that after the closeout meeting, it was tentatively decided to have the next event around May 1, 2015 - more into the dry season. At least six months to one year of planning will be put into the event. He thanks Henry Lee and for being able to secure such big stars locally and in Korea.

# KOREA - Korea Marketing News

## 3 month Activities/Programs

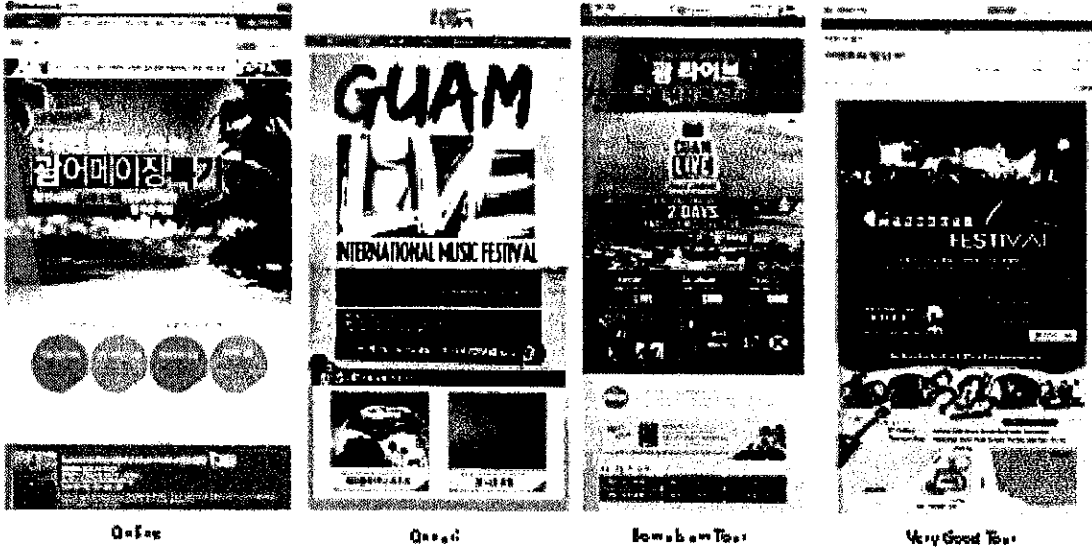
- Guam Live International Music Festival KGMC agents package promotion



# KOREA - Korea Marketing News

## 3 month Activities/Programs

- Guam Live International Music Festival KGMC agents package promotion



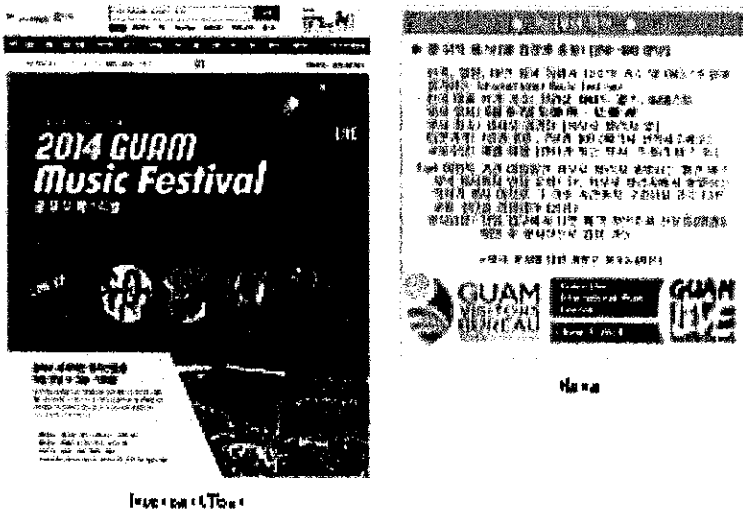
KGMC agents all promoted the event. These are samples of their collaterals pushing the event.

More KGMC promotional material samples.

# KOREA - Korea Marketing News

## 3 month Activities/Programs

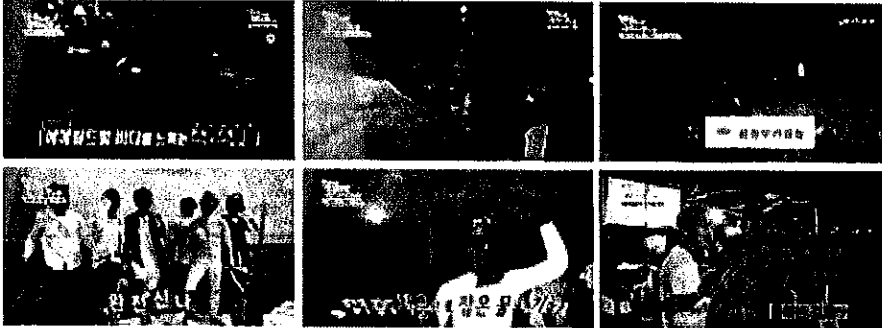
- Guam Live International Music Festival KGMC agents package promotion



# KOREA - 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  
5<sup>th</sup> episode aired on May 10 on TV channel Y STAR - 47 mins  
6<sup>th</sup> episode aired on May 17 on TV channel Y STAR - 47 mins  
Re-run on sister media 5 TV channel (Comedy, Dramax, AXN, Life N, The drama)

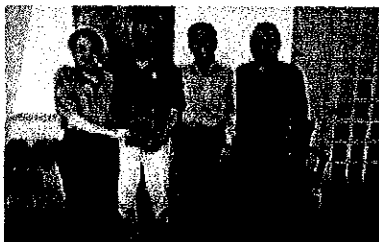


Teentop TV show filmed on Guam was very successful with up to 6 episodes shown and with re-runs.

# KOREA - Korea Marketing News

## 3 month Activities/Programs

• Hana International Travel Fair on May 23 to 25



GoFonding

Mr. Lee briefed the committee on the fair. 87,111 visitors and 1,137 Guam package bookings.



# KOREA - Korea Marketing News

## 3 month Activities/Programs

- KOTFA Trade Meeting



KOTFA Trade Meeting

Trade meetings were held during KOTFA.

# KOREA - Korea PR News

**May 2014**

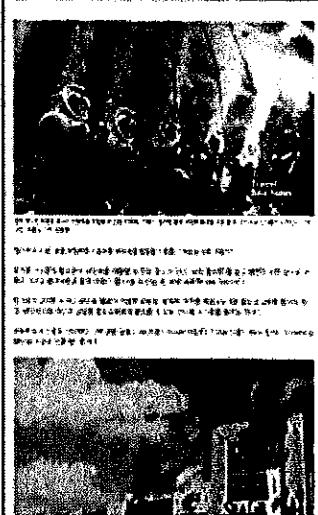
- Press Release, Feature Stories & production
  - ✓ [May 15] Experience Guam's new tour products: Ride the Duck, Sea Trek and Dolphin Cruises.
  - ✓ [May 20] GVB's large delegation to 2014 KOTFA headed by Vice Speaker Ben Cruz, Senator Barnes, Board Chairman Mark Baldyga, KMC Chairman Oscar Miyashita and Deputy GM Nathan Denight.
  - ✓ [May 27] Lotte Duty Free Guam Live Music Festival features world class international lineup
  - ✓ [May 28] (Feature story to Global Travel News) Number of Korean self-drivers visiting Guam grows.
  - ✓ [May] Production of Korean leaflet on 12 gates to experience Guam.
- Media Fam for Guam Live International Music Festival:
  - 6 media(1 national print, 1 travel magazine, two major media in Busan city, two bloggers visited Guam from June 5-9)

Adele Kim shared with the committee details of the May 2014 press releases and other stories.

## KOREA - Korea PR News

Travel & Bike News  
May 13, 2014

### Samples of Media Exposure - Media Fam/GMIF 2014



Promac brought some media and bloggers to the GMIF.

# KOREA - Korea PR News

Travel & Bike News  
May 13, 2014

The collage consists of six images arranged in a 2x3 grid. The top-left image shows two people in traditional Korean clothing. The top-middle image shows a cityscape at night with lights. The top-right image shows a person wearing a hat. The bottom-left image shows a person in a hat. The bottom-middle image shows a person in a hat. The bottom-right image shows a person in a hat. There is Korean text above and below each image, and a larger block of Korean text on the right side of the collage.

# KOREA - Korea PR News

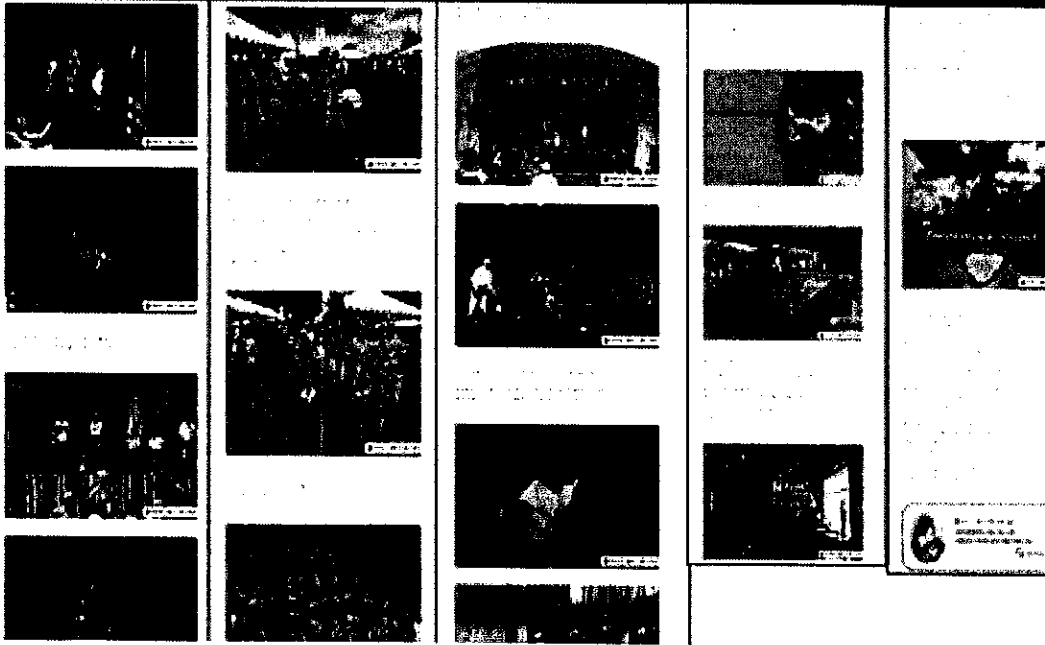
Naver Blog  
<http://7196.no.blog.me/70190146899>  
May 9, 2014

The collage consists of six images arranged in a 2x3 grid. The top-left image shows two people in traditional Korean clothing. The top-middle image shows a person in a hat. The top-right image shows a person in a hat. The bottom-left image shows a person in a hat. The bottom-middle image shows a person in a hat. The bottom-right image shows a person in a hat. There is Korean text above and below each image, and a larger block of Korean text on the right side of the collage.

Media outreach samples for GMIF and Guam Live. Media commented they would like to interview the talents.

# KOREA - Korea PR News

BC Story - Webzine  
<http://blog.bccard.com/888>



More sample of media and blogger outreach during GMIF and Guam Live.

# KOREA - Korea PR News



Small text block below the building photo, likely a news snippet.



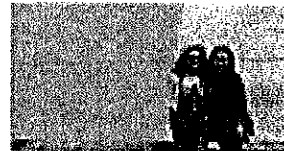
Internet Press Media  
 May 21, 2014

## Money Week May 23, 2014

Small text block under the Money Week header.



Multiple columns of small text, likely news snippets or press releases related to the Money Week event.



KOTFA Booth, Ms. World Guam and other releases by Korean media.

# KOREA - Korea PR News

2014 KOTFA Daily, Day 3  
 Caroline Mercedes  
 카리타 댄시움씨



2014년 5월 30일, 서울에서 열린 2014 KOTFA Daily, Day 3 행사에 참가한 카리타 댄시움씨(Caroline Mercedes)는 인터뷰에서 "한국에 오기 전에는 한국에 대해 잘 몰랐지만, 이번 기회를 통해 한국을 알게 되었습니다. 특히 한국의 문화와 전통에 대해 많은 것을 배웠습니다. 또한, 한국의 아름다움과 친절함에 대해 많은 것을 느꼈습니다. 이번 기회를 통해 한국에 대해 더 많이 알게 되었습니다. 또한, 한국의 아름다움과 친절함에 대해 많은 것을 느꼈습니다. 이번 기회를 통해 한국에 대해 더 많이 알게 되었습니다."

## 2014 KOTFA Daily, Day 3

### 최의 진정함 힐링 미익스퍼디션

최의 진정함 힐링 미익스퍼디션은... (The text is mostly illegible due to low resolution and high contrast.)



GVB Deputy General Manager... (The text is mostly illegible due to low resolution and high contrast.)

## Korea Travel Information Times May 30, 2014

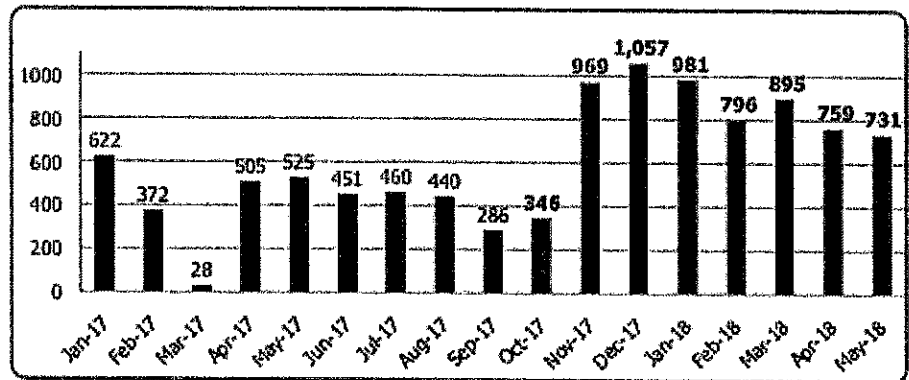
### 꿈 여행 현지 투어로 품성하게 즐기자!

한국 여행의 즐거움은 현지 투어를 통해 느낄 수 있습니다. 다양한 문화와 전통을 경험하고, 아름다운 자연 경관을 감상할 수 있습니다. 이번 기회를 통해 한국에 대해 더 많이 알게 되실 것입니다.

Miss World Guam and the GVB Deputy General Manager were interviewed by Korean trade media at the GVB booth.

# KOREA - Korea PR News

## Korean Website - New Members



Average daily number in May 2014: 23.6 pax

# KOREA - Korea PR News

## Media Exposure (Accumulative month to month)

MONTH	1	2	3	4	5	6	7
MONTH	Advertising	Radio/TV/Commer	Publicity/Trade	Radio/Showbiz	Website	TOTAL	ACCUMULATIVE
October-10	\$0.00	\$73,563.00	\$1,130.00	\$0.00	\$0,307.00	\$100,000.00	\$100,000.00
November-10	\$0.00	\$67,340.00	\$10,075.00	\$0.00	\$134,115.00	\$200,430.00	\$297,465.00
December-10	\$20,000.00	\$23,430.00	\$4,045.00	\$133,000.00	\$2,300,535.00	\$1,990,010.00	\$3,333,395.00
January-11	\$0.00	\$63,770.00	\$5,105.00	\$0.00	\$44,500.00	\$114,375.00	\$3,447,770.00
February-11	\$0.00	\$103,000.00	\$4,370.00	\$0.00	\$91,300.00	\$200,670.00	\$3,648,440.00
March-11	\$0.00	\$51,775.00	\$1,640.00	\$0.00	\$40,300.00	\$101,005.00	\$3,750,000.00
April-11	\$3,000.00	\$40,700.00	\$13,035.00	\$0.00	\$23,055.00	\$80,790.00	\$3,830,790.00
May-11	\$4,000.00	\$105,000.00	\$3,745.00	\$0.00	\$101,335.00	\$977,900.00	\$4,808,690.00
June-11						\$0.00	
July-11						\$0.00	
August-11						\$0.00	
September-11						\$0.00	
TOTAL	\$27,000.00	\$442,374.00	\$41,265.00	\$133,000.00	\$3,016,935.00	\$4,621,970.00	

Chairman Miyashita questioned the numbers reflecting in the December report website.

Ms. Kim said we had the Shop Guam Festival.

Mr. Denight asked if the report shows a combination of activities such as the Teentop shows.

Ms. Kim said no, they don't reflect the activities of TLK.

Mr. Tae Oh also asked the reason December is so high and at other months when there were large events on Guam the results are not close to the December amount. Fluctuation is too much.

Chairman Miyashita asked Adele to work with Mr. Felix Reyes to provide a better understanding of the report for the KMC so the questions can be all answered.

Going forward, Adele Kim will be providing a detailed report of media who covered Guam.

Chairman Miyashita said he does not see a tie in with the report and with the media value report sent earlier by Ms. Kim. He wants to see complete details of each of the components.

The summary file will be sent to the committee per the committee's request. Questions will be gathered from the committee and presented to Promac for response.

# KOREA - Korea PR News

## Upcoming activities

- **Consumer Promotion & media visit with EBS TV, Kyowon & Pulmuone: Family & Guam English Study targeted promotion (Aug – Sept)**
- **Chamorro Culture consumer event in Wonju city in July**
- **Broadcast visit with entertainment program: Sept or Oct**
- **Advertising campaign for summer holiday: Seoul and Busan(July-Aug)**

## OLD BUSINESS

### a. Korea Events

- Hana Tour Int'l Travel Fair (May 23-25): 1,137 Guam packages sold/87,111 visitors
- KOTFA (May 30-June 2): Won Best Booth Design, Best Folklore Performance Awards / 494 booths, GVB+4 booths, 4,826 participants at the booths, 120,000 visitors over 4 days. GVB will work to have PI booth adjacent to the GVB booth next year.

Chairman Miyashita echoed that he wished the Hana Fair and KOTFA were a bit closer together in dates and logistics and cost is a challenge.

### b. Upcoming Guam Events

- Guam BBQ Block Party, July 5 (Pleasure Island Street Front)
- Shop Guam Festival 2014 (November 1, 2014 - January 215, 2015)
- GVB Golden Latte Awards (Wednesday, June 18, 2014, 11:30 am, Sheraton)

Mr. Henry Lee is again asked to secure a chef for the BBQ party.

## NEW BUSINESS

- Upcoming Korea Events - none at this time.
- FY2015 Budgets

The committee reviewed the proposed FY2015 Korean budgets.

Chairman Miyashita explained the rationale behind the increased budget for Korea during FY2015 from \$1.4M in FY2014 to \$2M in FY2015, an increase of almost 43%. Korea's increasing arrivals, outbound ratio compared to Japan, additional gateways, and airline and travel agent support all combined with those on the KMC and the local travel industry.

After a brief discussion, the committee voted unanimously to support the increased proposed FY2015 budget of \$2M.

## ANNOUNCEMENTS

### NEXT KMC MEETING

Tuesday, July 15, 2014, 11:00 a.m.

ADJOURNMENT

Upon no further discussion, a motion was made by Mr. Ken Yanagisawa and seconded by Mr. Aaron Kim to adjourn the meeting at 11:56 a.m..

PREPARED BY:

\_\_\_\_\_/s/\_\_\_\_\_  
Felix Reyes, Marketing Office II

APPROVED BY:

\_\_\_\_\_/s/\_\_\_\_\_  
Pilar Laguafña, Marketing Manager



Attendance:

- Bruce Kloppenburg, General Manager, Kloppenburg Enterprises, Inc. and Committee Chairman
- Charlene Chen, Chinese Sales Manager, PIC
- Cris Gamboa, Director of Sales & Marketing, Onward Beach Resort
- Joanne Camacho, Director of Marketing Development, DFS Guam
- Hyong Yi, Sales Manager, Outrigger
- Ellen Chen, Assistant Sales Manager (Chinese Market), Hyatt Regency Guam
- Paula Monk, Director of Sales, United Airlines
- Carl Quinata, Industry Specialist, GEDA

GVB Staff:

- Pilar Laguafía, Marketing Manager
- Gina Kono, Marketing Officer II
- Brian Borja, Marketing Officer II
- Mark Manglona, Marketing Officer I
- Nakisha Onedera, Marketing Officer I

Absent:

- Christina Garcia, Business Development & Marketing Manager, GEDA
- Jenny Cheon, Sales Manager, Holiday Resort Guam
- Tomoyuki Goto, VP of Sales & Marketing, SandCastle, Inc.
- Gerald Perez, Managing Director, Leading Edge
- Jeff Schweizer, General Manager, Fiesta Resort Guam
- Elisha Lee, Senior Sales Manager, Lotte Hotel Guam
- Terry Chung, Sales & Marketing Manager, DFS Galleria
- Vic Lo, Vice President, Micronesian Mall
- Rolenda Faasumalie, Marketing Administrator, GIAA
- Jennifer Chae, Sales & Marketing Manager, Nikko Hotel
- Elton Koo, Director, Favour Tour
- Sangheee Yoon, International Sales Manager, Westin
- Johnny Lee, Sales Manager, Hilton Guam Resort & Spa

AGENDA

I. CALL TO ORDER

Chairman Bruce Kloppenburg called the meeting to order at 11:05AM.

II. APPROVAL OF PREVIOUS MEETING MINUTES

Minutes were unanimously approved by the committee.

III. REPORT OF THE CHAIRMAN

Chairman Kloppenburg reported that the Board of Directors unanimously approved the 1.1 million in funding for the aggressive China Marketing Plan. Chairman Kloppenburg also discussed the Dynamic Airways Inaugural Reception Gala that will be taking place in Beijing, China. Meetings have been scheduled with top officials from CITS and Dynamic air. The chairman is hoping that the Guam Delegation will be led by Governor Calvo but currently there is no confirmation.

IV. REPORT OF GVB MANAGEMENT

VISITOR ARRIVALS UPDATE

Marketing Manager Pilar Laguana elaborated on the latest snap shot of visitor arrivals for the month of May. Fiscal year to date arrivals indicate that Taiwan has seen an increase of 8.5%, China has seen an increase of 28.8% and Hong Kong has seen a decrease of -1.0%. Calendar year to date arrivals indicate that Taiwan has seen an increase of 9.1%, China has seen an increase of 23.3%, and Hong Kong has seen an increase of 0.5%.

Ms. Laguana reported that we are at 58.2% of our goal pax of 51,750 for Taiwan, 45.3% of our goal pax of 20,000 for China and at 68.2% of our goal pax of 9,149 for Hong Kong. Ms. Laguana reported that the bureau has been inundated with unexpected local programs that have used time and resources to support since the creation of our marketing plans and smart goals. Ms. Laguana reported that we have also been challenged with trying to attract visitors during non-peak periods but she is optimistic of new opportunities. Other markets such as Korea, Russia, and the Philippines have been doing extremely well and for our overall visitor arrival goal for FY2014 we are at 65.2%.

	Fiscal Year To Date			Calendar Year To Date		
	FYTD 2013	FYTD 2014		CYTD 2013	CYTD 2014	
	Oct '12- May, 2013	Oct '13- May 2014	% DIFF	January- May 2013	January - May 2014	% DIFF
TAIWAN	27,775	30,122	8.5%	17,600	19,198	9.1%
CHINA, P.R.C.	702	9,053	28.8%	5,067	6,250	23.3%
HONG KONG	6,303	6,242	-1.0%	3,523	3,541	0.5%

Guam Visitors Bureau  
 MAY 2014 Visitor Arrival Summary  
 Calendar Year-to-Date 2013/14 • Fiscal Year-to-Date 2013/14

	CYTD 2013 (Jan - May '13)	CYTD 2014 (Jan - May '14)	% from LY	FYTD 2013 (Oct '12 - May '13)	FYTD 2014 (Oct '13 - May '14)	% from LY
<b>All Arrivals*</b>	849,420	881,203	0.3%	877,502	877,363	-
<b>Vis Arrivals*</b>	1,607	1,621	-2.4%	6,916	6,388	-22.1%
<b>TOTAL VISITOR ARRIVALS</b>	<b>851,027</b>	<b>882,824</b>	<b>0.3%</b>	<b>884,418</b>	<b>883,751</b>	<b>-0.2%</b>
<b>ORIGIN OF ALL ARRIVALS (Civilians &amp; Armed Forces)</b>						
	CYTD 2013 (Jan - May '13)	CYTD 2014 (Jan - May '14)	% from LY	FYTD 2013 (Oct '12 - May '13)	FYTD 2014 (Oct '13 - May '14)	% from LY
<b>JAPAN</b>	302,943	342,740	+12.8%	811,898	843,276	+4.0%
Hanto (Tokyo)	101,449	133,627	+14.6%	250,634	249,642	-0.4%
Chubu (Nagoya)	48,993	46,807	-4.2%	78,699	78,210	-0.4%
Kinki (Osaka)	72,822	67,218	-7.6%	112,443	110,842	-1.4%
Koshuetsu	10,434	9,177	-12.3%	17,592	16,840	-4.2%
Hokuriku	6,883	6,494	-5.7%	9,795	9,469	-3.3%
Tohoku	14,161	12,104	-14.2%	23,184	20,474	-11.4%
Kyushu	14,161	15,168	7.1%	22,394	24,047	7.0%
Chugoku	10,672	10,338	-3.1%	17,146	17,788	3.7%
Hokkaido	6,329	6,269	-0.9%	13,407	12,950	-3.4%
Noto	5,274	4,765	-9.7%	8,877	7,918	-10.9%
Chubu/Niiga	1,202	1,468	21.6%	2,300	2,727	19.0%
Other	8,999	6,185	-31.0%	11,617	6,948	-40.0%
<b>KOREA</b>	62,638	126,772	+102.3%	143,817	166,402	+16.4%
Seoul	41,416	67,039	+62.0%	71,016	88,851	+25.2%
Incheon	6,369	7,409	+15.6%	6,899	10,814	+56.2%
Chungbuk	1,806	2,034	+12.5%	2,294	3,201	+40.2%
Chungnam	3,034	4,628	+52.5%	4,913	6,088	+24.0%
Gyeonggi	1,184	1,475	+24.5%	1,889	2,322	+22.5%
Jeonbuk	1,203	1,042	-13.3%	1,873	2,100	+12.0%
Gyeongbuk	2,747	2,747	0.0%	4,424	4,424	0.0%
Jeonnam	10,208	26,708	+260.0%	32,514	42,650	+31.1%
Jeonbuk	1,934	2,739	+41.3%	2,993	4,250	+41.9%
Gyeongnam	5,949	8,241	+37.0%	8,202	12,011	+46.2%
Other	4,387	2,759	-36.4%	6,810	7,097	+4.3%
<b>TAIWAN</b>	18,979	19,186	+1.1%	21,775	20,324	-6.7%
Taipei	6,799	10,128	+48.3%	16,814	16,218	-3.5%
Muzhukung	1,199	1,288	+7.4%	1,960	2,091	+6.7%
Muzhukung	2,664	3,108	+16.7%	4,299	5,159	+20.0%
Keelung, Muzhukung, Hsinchu	1,850	2,771	+49.8%	2,778	3,921	+41.5%
Other	218	188	-13.8%	3,713	2,935	-21.0%
<b>CHINA</b>	8,043	4,388	-45.3%	7,019	1,644	-76.6%
Beijing	1,008	1,571	+56.5%	1,101	2,221	+101.7%
Shanghai	1,674	1,488	-10.5%	2,290	2,411	+5.3%
Guangzhou	385	448	+16.4%	300	974	+224.7%
Other	1,012	2,145	+112.9%	2,318	2,747	+18.9%
<b>U.S. MAINLAND</b>	20,843	21,539	+3.3%	31,776	32,701	+2.9%
HAWAII	3,643	5,514	+50.0%	9,188	10,166	+10.7%
CANADA	8,839	6,272	-29.1%	9,787	10,493	+7.2%
FLORIDA	1,029	1,119	+8.7%	1,824	1,849	+1.3%
PERU	3,403	3,562	+4.7%	5,378	5,178	-3.7%
RHI	270	349	+27.8%	569	610	+7.2%
<b>PHILIPPINES</b>	2,139	6,128	+286.1%	7,361	8,711	+18.2%
<b>AUSTRALIA</b>	1,559	1,807	+15.6%	2,890	2,672	-7.6%
<b>CANADA</b>	312	413	+32.4%	654	652	-0.3%
<b>EUROPE</b>	1,811	173	-90.4%	1,842	1,474	-20.0%
<b>HONG KONG</b>	3,543	5,241	+47.7%	6,203	6,232	+0.5%
<b>THAILAND</b>	166	202	+21.7%	247	287	+16.2%
<b>VIETNAM</b>	29	46	+58.6%	45	71	+57.8%
<b>RUSSIA</b>	3,829	4,220	+10.2%	4,896	13,321	+271.4%
<b>OTHER/UNKNOWN</b>	3,667	5,018	+36.8%	5,853	4,681	-20.1%
<b>VISITOR INDUSTRY STATISTICS</b>						
<b>TOTAL ALL ARRIVALS</b>	851,027	882,824	0.3%	884,418	883,751	-0.2%
<b>Hotel Occupancy Rate*</b>	81.2%	81.2%	0.0%	81.2%	81.2%	0.0%
<b>Waived Hotel Occupancy Rate*</b>	79%	79%	0.0%	79%	79%	0.0%
<b>Waived Hotel Room Rate*</b>	81.2%	81.2%	0.0%	81.2%	81.2%	0.0%

Note: CYTD is Calendar Year-to-Date and FYTD is Fiscal Year-to-Date. 2013/14 visitor arrivals may include Arrivals from Guam (including Armed Forces) and Arrivals from Guam (including Armed Forces) to Guam last year. Visitor statistics will be updated once the data is made available. Armed Forces are exempt from the 20% (former 30%) USDC (entry fee) for commercial purposes. \*USDC (entry fee) is not applied to USDC (entry fee) for commercial purposes. Source: Customs & Quarantine Agency, processed by the Guam Visitors Bureau. Source: Japan Guam Travel Association, \*Hotel Occupancy Rates and Waived Hotel Occupancy Rates are provided by the Guam Visitors Bureau. Source: Japan Guam Travel Association, \*Hotel Occupancy Rates and Waived Hotel Occupancy Rates are provided by the Guam Visitors Bureau. Source: Japan Guam Travel Association, \*Hotel Occupancy Rates and Waived Hotel Occupancy Rates are provided by the Guam Visitors Bureau.

CHINA MARKET UPDATE

FY2015 BUDGET

The China marketing budget is broken down into three elements: Travel Trade, Public Relations and Special Promotions, and Administrative services. For FY2015 the requested budgets totals 2 million. This amount is needed to take care of critical needs that are necessary to nurture growth and engage the China Market through much needed advertising and relationship building with the travel trade in China.

Advertising is a key element that Guam needs in order to be more noticeable in the Chinese market. Travel agents in China have recommended more advertising to raise awareness of Guam and it's offerings. This will be coupled with travel agent familiarization tours as well as overseas marketing missions to selected shows in focused regions of China.

The proposed FY2015 is in line with the goals of the Tourism 2020 plan, which aims to increase Chinese visitor arrivals to 20,000 by the year 2020 without a visa waiver program. Marketing

Manager Pilar Laguana stressed that neighboring regions are enjoying the growing Chinese market whether they have existing visa waivers or not. Careful studying of competitors has resulted in the bureau's effort to model similar techniques that are within the bureau's financial means. One of these components featured in the FY2015 budget is the travel trade incentive program which will be featured in two parts, offering year round incentives as well as low period incentives. Earlier this year the travel trade incentive program was introduced to the board of directors alongside the airline incentive program. At the request of the board of directors, the travel trade incentive program was put on hold until direct air service through the airline incentive program could be secured.

#### TAIWAN MARKET UPDATE

##### *FY2015 BUDGET*

Taiwan budget proposal for FY2015 is proposing an overall 17% increase from FY2014. The Taiwan marketing representative fee as well as the information and office expense fund will remain the same.

Taiwan market is requesting increases in the following: Media/Travel Agent/Industry Fam tours to continue to promote current and exciting Guam products, Advertising and Social media to increase promotion on new events such as the Guam Live International Music Festival, and Sales and Market Development which includes a promotional budget for festpac. In addition, the Taiwan market is requesting to increase the budgets of the International Travel Fair and the Taipei Tourism Expo, which are two of the largest travel shows in Taiwan.

\$20,000.00 of the proposed increases will come from the FY2013 rainy day fund that was set aside during the North Korea issue.

Taiwan market bottom line budget request: \$386,400

#### HONG KONG MARKET UPDATE

##### *FY2015 BUDGET*

Hong Kong Market is asking for a \$20,000.00 increase from FY2014, shifting the overall budget from \$195,000.00 to \$215,000.00. This \$20,000.00 increase will be placed in the Sales and Market Development fund to aid in promoting Festpac as well as other unforeseen activities and opportunities that may be present during the fiscal year.

Mr. Hyong Lee made the motion for the GCMC to approve to have the proposed budgets of China, Taiwan, and Hong Kong presented to the board of directors. Motion seconded by Mr. Cris Gamboa. Unanimously approved by the committee.

#### V. OLD BUSINESS

#### VI. NEW BUSINESS

- An inaugural reception gala will be held on June 18, 2014 in Beijing, China to commemorate Dynamic Airway's inaugural Beijing - Guam flight.

The Greater China Marketing Committee Meeting Minutes

June 6, 2014, 11:00AM

GVB Main Conference Room

Page 5 of 5

EXHIBIT A

VII. ANNOUNCEMENTS

- The next GCMC Meeting will be held on July 11, 2014 at 11am in the GVB Main Conference Room.
- Guam Live International Music Festival will be held this weekend from June 6-7, 2014 at the Paseo Stadium, Hagatna
- BBQ Festival will be held on July 5, 2014 at the Pleasure Island, Tumon
- Shop Guam Festival will be held November 1, 2014 – January 13, 2015

VIII. ADJOURNMENT

Meeting adjourned at 12:00pm.

-----  
Minutes Prepared by:  
Nakisha Onedera (Marketing Officer I)

-----  
  
Reviewed and approved by:  
Pilar Laguana (Marketing Manager)



**DESTINATION MANAGEMENT COMMITTEE (DMC)  
FY14 MEETING MINUTES – June 24, 2014**

**Present:** DMC Chairman/Mayor Robert Hofmann; Japan/Guam Travel Association – Guam Sanko Takemitsu Noguchi, Fukuda Ent. Alex Nera, GPD – Lt. Joe Carbullido; Guam Beautification Task Force James Terbio; Baldyga Group Ernie Galito, GVB - Nathan Denight, Doris Ada & Meriza Peredo.

**I. CALL TO ORDER:** Meeting commenced at 09:35.

**II. PROJECT UPDATES:**

Ms. Ada gave a status report on the following:

**a. Abandoned Buildings:**

- Unsafe Structures Act was approved by the 32<sup>nd</sup> Guam Legislature (P.L. 32-157) and signed by Gov. Calvo in May 2014. The law allows DPW authority to deal more expeditiously with the property owners of abandoned buildings.
- Buildings demolished: Old Western Gun Club (San Vitores Road) & Hongkong Restaurant (Rt. 1)
- **Action Item:** *abandoned structures (parking lot and abandoned building) across Tumon Bank of Guam. GVB to follow up with DPW.*

**b. Fire Hydrants:**

- Total of 52 fire hydrants were painted and completed in June 2014.
- Of the 52, the contractor reported that three fire hydrants were leaking and one was partially buried. The matter was reported to GWA, which is responsible for its maintenance.
- **Action Item:** *GVB to follow up again with GWA about its most recent fire hydrant inspection and repairs.*

**c. Tumon Bay Lighting Improvements**

- An IFB was issued June 16<sup>th</sup> followed by a Pre-Bid Conference on June 23<sup>rd</sup>. Due to the complexities and numerous questions raised at the Pre-Bid Conference, the deadline for Bids may have to be extended from July 18<sup>th</sup> to July 25<sup>th</sup>.
- Project timeline (to include permitting, drawings, ordering of materials and supplies) is expected to be about 6 months from the time the contract is awarded.
- An RFP for project management will be issued in July.

**d. Graffiti Campaign:**

- As part of the Tumon Landscaping Maintenance contract, LMS continues to monitor and remove graffiti.

**e. Tumon Landscaping Maintenance:**

- Median improvements, funded by GEDA Qualifying Certificate funds, were completed in June at: Proa, Hyatt, Reef, DFS and JFK Road (filling in narrow median with concrete and replacement of soil with basalt rocks).
- GVB plans to eventually replace plants in medians where landscaped grass mounds would fare better in existing soil conditions. The raised mounds were designed not just for aesthetics but also to serve as a buffer in the event of an accident whereby a vehicle might cross over from the opposite lane. For FY15, two medians (JFK Hill and Holiday Plaza) will be replaced with grass mounds.
- Additional tasks for FY15 are: trimming of trees at Guam Trankilidat, Hilton Mural, across GPD Precinct and other areas as needed, trimming of plants at Rotunda, median revamp – replacement of existing plants with grass mounds – at JFK Road and Holiday Plaza.

**f. Beach Cleaning:**

- Major improvements for FY14 were: removal and disposal of 72 rhino-infested trees and painting of trash bins.
- More effort will be made to improve the bunker area at PIC. At a recent inspection, it was noted that more trimming was needed to make the path more accessible and attractive.

**g. Highway Road Maintenance:**

- IFB will be issued in July 2014. Additional increase is requested for additional work as a result of several newly planted trees on highway medians that require cleanup prior to bushcutting.

**FY14 DMC MEETING MINUTES**  
**June 24, 2014 - Page Two**

Mr. Denight gave a status report on the following projects:

**a. Bus Shelters**

- IFB will be issued in July for construction of 4 easement turn-offs. The four locations are: Reef Hotel, Tumon Sands, PIC and Holiday Resort (across),.
- An RFP will be issued for construction of 12 new bus shelters at the following locations: Ypao Beach Park/GVB; PIC, PIC (across), Fountain Plaza, Holiday Resort, Holiday Resort (across), Pacific Bay Hotel, Tumon Sands Plaza, Hyatt Hotel (across), Reef Hotel, Westin Hotel and Pacific Place.
- Chairman Hofmann recommended the eventual establishment of a central turn-around location for bus operations, which he believes, would make bus transportation more efficient and safe.

**b. Surveillance Camera Monitors:**

- The project has been awarded under protest. A hearing with the OPA is scheduled for June.
- Total 41 cameras will be installed on San Vitores (Hilton to Hotel Nikko) but will also include JFK Road as well as well as Oka/Sheraton/Onward areas.

**c. Visitor Relations Officer**

- RFP issued in May. Selection is expected by July.
- Lt. Carbullido expressed some concerns and asked that GPD and GVB work closely together in ensuring that the VRO clearly understands its roles and limitations.

**III. DMC FY15 BUDGET REVIEW & APPROVAL**

➤ Special Projects

The proposed FY15 Special Projects Budget reflects previous year budget of \$2,000,000:

Tumon Landscape Maintenance (TLM)	\$351,223
Beach Cleaning Maintenance (BCM)	\$218,777
Highway Road Maintenance	\$285,000
Contract Administration	\$ 80,000
Holiday Illumination	\$140,000
San Vitores Streetlight Maintenance & Sidewalk Improvements	\$425,000
Tumon/Hagatna Surveillance Cameras	\$350,000
Visitor Relations Officer Project	\$150,000

**Comments:**

- TLM: Additional tasks for FY15 will include: (1) trimming of the upper and lower flower beds at the Bishop Flores Rotunda; (2) trimming of trees at Hilton Mural, Guma Trankilidat sidewalk/wall, across GPD Precinct, and other areas in need of trimming but not covered by the existing TLM contract.
- BCM: An additional FY15 task will include tree trimming and removal of heavy debris at the bunker located at PIC. Clearing of the area is aimed at enhancing its appearance and safety.
- Holiday Illumination: The owner of the site which displayed the Holiday Village did not grant GVB permission for future use of the property. GVB is currently considering other vacant lots such as the old Western Gun Club or the Royal Orchid corner. Chairman Hofmann recommended that Tiyon carnival grounds or Plaza de Espana be considered as alternative sites as well.
- San Vitores Streetlight Maintenance: A portion of this budget item will be used for contract management of the streetlight repair project.

**FY14 DMC MEETING MINUTES**

June 24, 2014 - Page Three

**Motion was made to approve the Special Projects FY15 Budget of \$2,000,000. Motion was seconded and carried.**

➤ **Tourism Industry Relations**

The proposed FY15 Tourism Industry Relations Budget reflects previous year budget of \$250,000:

Airport Ambassador Program	\$ 25,000
Tour Guide Certification	\$ 48,000
Golden Latte Awards	\$ 25,000
Welcome Service	\$ 25,000
Visitor Safety/Satisfaction	\$127,000

**Motion was made to approve the Tourism Industry Relations FY15 Budget of \$250,000. Motion was seconded and carried.**

**IV. OTHER BUSINESS**

➤ **Matapang Koban**

- Lt. Carbullido reported that the GPD K-9 unit is tentatively planning to move to Matapang Koban.
- Structural improvement at Matapang Koban was funded by PMT, with the understanding that it was to be used for the purposes of housing the Beach Patrol personnel. GVB will check into an MOA with PMT which may prevent the Koban from being used for purposes other than for the Beach Patrol station.

**ADJOURNMENT:** Meeting adjourned at 10:10.

Minutes prepared by Doris Ada, Approved by Nathan Denight





# GUAM VISITORS BUREAU

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

U

**SPORTS & EVENTS COMMITTEE MEETING**  
Wednesday, JUNE 25, 2014 at 2:00 P.M.  
GVB CONFERENCE ROOM

## MINUTES

**Members Present:** Jennifer Camacho, Joe McDonald, Jude Baker, Sally Malay

**GVB staff present:** Jon Nathan Denight & Kraig Camacho

## **CALL TO ORDER**

Chairwoman Jennifer Camacho, called the meeting to order at 2:06 p.m.

## **REPORT OF CHAIRPERSON**

Sports Committee Chairwoman Camacho had nothing to report and wanted to go over the 2015 budget request.

## **REPORT OF MANAGEMENT**

Mr. Kraig Camacho, GVB Community Development Officer provided a breakdown of the 2014 budget labeled as exhibit "A". The attachment also listed a breakdown of expenses for Sports Grants and Event Support and Sponsorship in FY2014.

Mr. Camacho shared that the 2014 breakdown was being provided to the committee in order to have a basic idea as to the budget amount they would like to request for 2015.

Mr. Camacho also shared that management had already provided their recommended 2015 proposed budget amount of \$795,000 for the committee's review and consideration before the request is brought to the board for final approval. The 2015 management recommended budget is attached and labeled as exhibit "B".

Mr. Camacho stated that managements recommendation for an additional \$45,000 on top of the 2014 budget amount from last year will help to support events that were program during prior year budgets such as the Guam International Marathon and the Guam Barbeque Block Party, which forced the committee to cut back on supporting and sponsoring other events and programs.

## **The following discussion took place and reflects recommended revisions to the budget as suggested by the Sports & Events Committee:**

- Remove the Governor's Tourism Cup Championship Golf Tournament as a lined item and move the budgeted amount of \$10,000 for the event to Event Support and Sponsorship (ESP001). The Sports Committee would like GHRA to present a proposal for their next golf event to the Sports & Events committee next year to allow for the committee's review and approval of funding for event support and sponsorship.

- Mrs. Sally Malay questioned the amount listed for the Kids Run. Mr. Jon Nathan Denight clarified that the expense amount for the Kids Run is actually \$15,000 and not \$35,000, but Mr. Denight shared that the amount includes the contractual service fee, which accounts for both the Kids Run and Ko'ko Half Marathon and Ekiden event in October. Mr. Jude Baker commented that both the Kids event and half marathon event should be executed in the same week because the infrastructure for the event is already in place. Mr. Baker said he felt that combining the two would make the event more attractive to promote.
- Mr. Camacho said there are several issues why the events are combined but said he would discuss the possibility of combining the two after meeting GVB's event management team RIMS.
- Mrs. Malay questioned with the addition of the Guam International Marathon, if GVB was going to continue to have the Ko'ko' Road Race. Mr. Denight said he is awaiting clarification from Senator Tina Muna Barnes' office if the Bureau must hold the event by law but shared that the October 2014 event is already confirmed.
- Mr. Camacho shared that the Bureau's growing commitment to the Guam International Marathon is making it hard to fund both events.
- Mrs. Malay then suggested making the Ko'ko' Road Race into a marathon.
- Mr. Denight shared that it was brought up a while back but the organizers for the Guam International Marathon weren't too happy about the idea of having two marathons.
- Mr. Camacho then shared that the Kids Run is held in March because the Bureau's Japan office Manager recommends the date because Japanese children are more able to travel then because of the Japan spring break school schedule.
- Mrs. Malay asked how many children came in for last years Kids race.
- Mr. Camacho shared that roughly 30 children came this year with their family members.
- Mr. Baker said he was curious to know if these children were already traveling to Guam anyway.
- Mr. Camacho shared that two year's ago the event attracted more then 60 children but do to the Tsunami triple disaster in Japan, half the children canceled their trips to Guam because they were from the affected areas.
- Mr. Camacho said he remembered the number because Japan marketing staff at the time had local children on Guam prepare letters of support and healing for the children, the letters were eventually delivered by GVB Japan staff in Japan later in the year.
- Mr. Baker then wanted clarification if \$715,000 worth of activities and events on the budget were all locked in and couldn't be discussed.
- Mr. Denight shared that some items are long standing events such as the Guam Micronesia Island Fair, which is mandated by law.
- Mr. Denight shared that there are events such as the GHRA Golf Event that can be discussed by the committee.
- Mr. Baker then asked if the committee was only here to discuss and provide input on \$160,000 of the \$750,000 sports budget.
- Mr. Baker then said he felt that emails should be sent to the committee to decide for the amount of \$160,000 in activities
- Mr. Camacho shared that the committee as a whole has the opportunity to make changes and must decide as a committee on plans for 2015.
- Mr. Camacho shared that the Guam Live Music event is a perfect example of what was produced as a result of the committee's hard work and involvement.

- Mrs. Malay said she has only been to a few meetings but feels like everything is prepared for members to either vote on or review but said she wanted to know if there are opportunities to discuss and provide their input.
- Mr. Denight shared that management and staff is in charge of doing the work and the committee is brought on as advisory to the Bureau.
- Mr. Denight shared that he felt that \$200,000 worth of budget was substantial for the committee to work with to develop events and activities.
- Mr. Denight said that he is not saying that the committee can't make decisions but some items such as GMIF are mandated by law that GVB execute.
- Mr. Baker then questioned the expenses listed on Exhibit "A", Mr. Baker said he didn't remember seeing some of the items supported on the sheet.
- Mr. Camacho shared that the items \$1,000 or less did not require committee approval because by Board policy allows management the authority to approve up to \$1,000.
- Mr. Baker asked the committee what was the best way to spend everybody's time.
- Mr. Baker said he feels that the committee should spend more time coming up with ideas, discussing vision and developing ideas and events that appeal to a changing demographic.
- Mr. Denight said that the committee has worked and developed new events such as Xterra, Guam Long Ride, BBQ Block party that have all been executed in 2014.
- Mr. Camacho shared that there are a lot of events and activities around the island but are led by organizers who are not as committed because they are merely volunteers.
- Mr. Camacho said that another issue is one year the organizers are committed and the next year they decide not to hold the event.
- Chairwoman Camacho thanked everybody for a very productive meeting and recapped on a few items on the agenda that were discussed.
- Chairwoman Camacho then requested for an update on the Guam Live Event.
- Mr. Denight said that a post event presentation would be made available to the committee during the next Sports Committee.
- Mrs. Malay stressed the importance of keeping to the meeting schedule and said that she would like to see more opportunities for the committee to develop and conceptualize ideas rather than just rubber stamp their approval on matters she felt were already decided on.
- Mr. Baker then asked if management had a cap amount on funds they are able to authorize.
- Mr. Camacho said \$1,000
- Mr. Baker said he understand that it was \$1,000 per event but asked if managements could approve 70 events with each event funded at \$1,000
- Mr. Camacho said it was possible.
- Mr. Denight said it was a board policy
- Mr Denight shared that he understand the concerns but also understand that the General Manager needs some flexibility to do his job.
- Chairwoman Camacho said she felt some of the items should have not even been supported like the Spirit Run 5K.
- Mr. Denight asked the committee to remember that the Bureau does reach out to the local community when they need support.
- Mr. Camacho said the Spirit Run was the Tumon 5K.
- Chairwoman Camacho said there are several 5K what we should do for one should be done for all.
- Mrs. Malay changed direction and spoke on the Guam International and questioned why the Guam International Marathon was listed as a line item.

- Mr. Denight agreed on making the Guam International Marathon a lined item at \$50,000.
- Mr. Denight asked if the committee was okay with the request of \$815,000.
- Chairwoman Camacho requested a motion be made by the committee.

Motion was made by Mr. Joe McDonald and seconded by Mr. Jude Baker to include a line item of \$50,000 for the 2015 Guam International Marathon event and to make revisions to the proposed 2015 budget as discussed and recommend by the Sports & Events Committee.

Motion was approved unanimously.

**NEW BUSINESS**

N/A

**OLD BUSINESS**

N/A

**ANNOUNCEMENTS**

**Next Meeting is scheduled for 2:00 p.m. August 5, 2014 at GVB Main Conference Room.**

**ADJOURNMENT**

- Meeting was adjourned at 3:40PM

---

Summarized and Submitted by:

  
Miranda Munoz  
Administrative Assistant

Reviewed by:

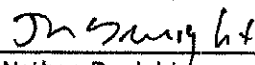
  
Jon Nathan Denight  
Deputy General Manager

Exhibit " A "

		FY2014		10%	
GRA001	> Sports Grants	\$	100,000.00	\$	80,000.00
	Guam Basketball Confederation	\$	10,000.00	\$	10,000.00
	Marianas Cup Beach Volleyball	\$	10,000.00	\$	10,000.00
	19th Marianas Fishing Derby	\$	5,000.00	\$	5,000.00
	True Grit Guam Rugby	\$	5,000.00	\$	5,000.00
	Women's Surfing Scramble	\$	5,000.00	\$	5,000.00
	Smokin' Wheels	\$	15,000.00	\$	15,000.00
	Futures Tennis	\$	15,000.00	\$	15,000.00
	Guam Largeball Table Tennis	\$	5,000.00	\$	5,000.00
	Cocos Crossing	\$	2,000.00	\$	2,000.00
THI002	> Tropical Fantasy Fireworks	\$	35,000.00	\$	35,000.00
ESP011	> Governor's Tourism Cup Championship Golf Tournament	\$	10,000.00	\$	10,000.00
ESP002	> 20th Annual Friendship Junko Baseball Tournament	\$	5,000.00	\$	5,000.00
ESP005	> Japan Professional Teams Training Camps	\$	10,000.00	\$	10,000.00
ESP001	> Event Support	\$	115,000.00	\$	70,000.00
ESP006	> Korea Professional Teams Training Camps	\$	5,000.00	\$	5,000.00
MAR001	Ko'ko' Road Race	\$	135,000.00	\$	135,000.00
SSE004	> Guam Governor's Cup Ladies Golf Tournament	\$	40,000.00	\$	30,000.00
GMF001	> Guam Micronesia Island Fair (2015 Event)	\$	145,000.00	\$	145,000.00
	> Annual Guam Music Festival (2015)	\$	150,000.00	\$	150,000.00
		\$	750,000.00	\$	675,000.00

Exhibit " A "  
**FY2014 Events Sponsorship support  
 ESP001**

<b>The First Lady's Cup 2nd Annual</b>	<b>\$ 1,000.00</b>
<b>UFC Zuffa Jon Tuck Sponsroship UFC Fight Night 30 Manchester, England October 26, 2013</b>	<b>\$ 6,000.00</b>
<b>Slammed Society Auto Show Sponsorship</b>	<b>\$ 1,000.00</b>
<b>Pig Derby and Pork in the Park II</b>	<b>\$ 1,000.00</b>
<b>Spirit Run 5K Run/Walk</b>	<b>\$ 500.00</b>
<b>Guam Long Ride/Tour of Guam Cycling Event January 19, 2014</b>	<b>\$ 15,000.00</b>
<b>XTERRA Guam Championship Sponsorship</b>	<b>\$ 15,000.00</b>
<b>2014 Marianas Open Jujitsu Competition Bronze Sponsorship</b>	<b>\$ 1,000.00</b>
<b>NBA Sam Vincent Sponsorship St. Anthony</b>	<b>\$ 1,000.00</b>
<b>Guam International Marathon Event Support &amp; Sponsorship Agreement</b>	<b>\$ 30,000.00</b>
<b>Jon Tuck UFC Fight Night 43 Sponsorship</b>	<b>\$ 500.00</b>
<b>\$ 72,000.00</b>	

Exhibit "B"  
FY2015 Budget

**FY2015**

		Proposed FY2015	10%
GRA001	> Sports Grants	\$ 115,000.00	\$ 80,000.00
THI002	> Tropical Fantasy Fireworks	\$ 25,000.00	\$ 25,000.00
ESP011	> Governor's Tourism Cup Championship Golf Tournament	\$ 10,000.00	\$ 10,000.00
ESP002	> 20th Annual Friendship Junko Baseball Tournament	\$ 5,000.00	\$ 5,000.00
ESP005	> Japan Professional Teams Training Camps	\$ 10,000.00	\$ 10,000.00
ESP001	> Event Support	\$ 125,000.00	\$ 80,500.00
ESP006	> Korea Professional Teams Training Camps	\$ 5,000.00	\$ 5,000.00
MAR001	2015 GVB Signature Events	\$ 175,000.00	\$ 175,000.00
	BBQ Block Party	\$ 25,000.00	
	Xterra Guam Championship	\$ 15,000.00	
	Guam Ko'ko' Road Race	\$ 100,000.00	
	Kids Ko'ko' Fun Run	\$ 35,000.00	
SSE004	> Guam Governor's Cup Ladies Golf Tournament	\$ 30,000.00	\$ 30,000.00
GMF001	> Guam Micronesia Island Fair (2015 Event)	\$ 145,000.00	\$ 145,000.00
	> Annual Guam Music Festival (2015)	\$ 150,000.00	\$ 150,000.00
		<b>\$ 795,000.00</b>	<b>\$ 715,500.00</b>