



A

REGULAR BOARD MEETING
GVB MAIN CONFERENCE ROOM - 4:00PM
THURSDAY; July 10, 2014

BOARD of DIRECTORS PRESENT:

Chairman Baldyga	Vice Chairman Kloppenburg
Judith Guthertz	Bartley Jackson
Eduardo "Champ" Calvo	Oscar Miyashita
Milton Morinaga	Norio Nakajima
Robert Hofmann	Nathan Taimanglo
Jennifer Camacho	Annmarie Muna

BOARD of DIRECTORS TELEPHONICALLY:

BOARD of DIRECTORS ABSENT:

Theresa Arriola

GVB MANAGEMENT & STAFF PRESENT:

Karl Pangelinan	Pilar Laguana	Joshua Tyquiengco
Colleen Cabedo	Nadine Leon Guerrero	Kraig Camacho
Felix Reyes	Ana Cid	Regina Nedlic
Brian Borja	Dee Hernandez	June Sugawara
Elaine Pangelinan	Nakisha Onedera	Gina Kono
Laurette Perez	Mark Manglona	

GUESTS:

Victor Chung - GVB Marketing Intern

❖ Proceedings:

Chairman Baldyga called the regular meeting of the board to order at 4:08 p.m.

Approval of previous board minutes dated June 12, 2014.

Exhibit A

Motion made by Director Guthertz, seconded by Vice Chairman Kloppenburg, to approve the minutes of June 12, 2014.

Motion approved (subject to correction).

- She reported that those interviews are making their way into publications and stories in magazines, newspapers, and more. She mentioned that there are a lot of positive things that are coming out from China. Some key factors that the media had mentioned about Guam are its pristine environment and fabulous shopping. She illustrated many of the media felt a sense of relaxation and clarity when they first stepped out of the airport. She also described that the media was very impressed with the value and variety they were getting for luxury goods. She mentioned that she had asked the media how much value they were getting and they reported back to her by saying around 40-50%.
 - She went on to report that tourism industry relations would need more support. She mentioned to the board that she already had a meeting with ground tour operators and will discuss with Director Jackson on further addressing those issues to improve service levels.
 - She said it ultimately comes down to preparedness. General Manager Pangelinan added by saying that we should be involved with more China symposiums, roundtables, workshops, and more.
 - Ms. Laguna addressed the need to support more in the travel agents. She discussed with the board that the travel agents feel that they are taking a huge risk, especially this being a start-up.
 - She also addressed that there is an increasing problem with visas being refused/rejected. She had mentioned that she had written to the U.S. Commercial Service, concerning this issue and is waiting a response.
 - She answered a question on the visa process timeline by saying that it depends on the season, but would take as early as 3 and as long as 7 days.
 - As Ms. Laguana wrapped up her report, Chairman Baldyga and the rest of the board recognized her and the rest of the China Marketing Staff, for a job well done.
- The board discussed different ways to differentiate Guam from other destinations, specifically Hawaii. They talked about possibly having a daily air quality measurement on our website, the possibility of promoting packages for fewer days, among others.

❖ General Manager's Report:
Budget Work Sheets

Exhibit B

- General Manager Pangelinan directed the board to Exhibit E, which GVB had made comments to the JGPO office in regards to the visa waivers. Thanked Chairman Baldyga for taking the lead on the letter and was very proud of how it turned out.
- Mentioned on Friday, July 11, 2014 at 10:00 a.m., there would be a hearing for 14 TAF Bills, mostly regarding FestPac. The board had looked over the copy of the testimony.

- The board suggested sending out a press release on the TAF, indicating that although GVB supports those appropriations, we need to seek more funding to make up for those tourism dollars.

TAF FY2015

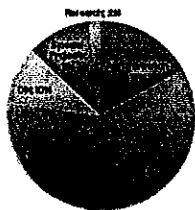
- About 600 rooms available with opening of Dusit Thani Guam Resort and Lotte Hotel Guam.
- 7% increase in rooms expected during FY15
- TAF projections could rise past \$34M
- \$32M is conservative

GVB BUDGET SUMMARY

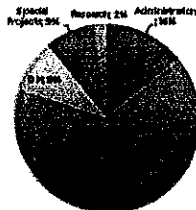
	FY 2014 BUDGET	FY 2014 BUDGET	FY 2015 MGMT REQUEST	% DIFF
Administration	2,917,120.00	2,917,120.00	3,017,120.00	3.4%
Marketing	10,158,000.00	10,158,000.00	13,800,400.00	35.9%
Printing/Promotion	120,000.00	120,000.00	250,000.00	-4.6%
Research	430,314.00	430,314.00	418,000.00	1.2%
Destination Development	1,720,000.00	1,720,000.00	1,335,000.00	12.5%
TAF Special Projects - Destination Maintenance	2,900,000.00	2,900,000.00	2,900,000.00	0%
TOTAL	16,045,434.00	17,487,434.00	21,450,520.00	22.7%

GVB BUDGET

FY 2014 BUDGET
TOTAL: \$17,487,134.00



FY 2015 BUDGET Request
TOTAL: \$21,450,520.00



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**
 - \$1.1M Budget increase to \$7M
 - FY15 Goal: 940,000 pax
 - Conduct low season promotions targeting family and group
 - Continue working with JSTC 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 \$100K to \$357K
 - 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 \$92,500 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- Sports & Events

Sports & Events	FY2014 Approved	FY2015 Request
TOTAL REQUEST	\$750,000.00	\$819,000.00

• Additional (\$50,000) to support the 2nd 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: \$4.8 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)

TAF SPECIAL PROJECTS

	FY2014 Approved	FY2015 Request
Beach Cleaning	\$250,000.00	\$218,777.00
Parkland Landscape & Maintenance	\$300,000.00	\$351,225.00
Island Roadway Maintenance	\$280,000.00	\$285,000.00
Bount District Infrastructure Improvement	\$640,000.00	\$575,000.00
Surveillance System Phase II	\$150,000.00	\$313,000.00
Holiday Illumination Project	\$140,000.00	\$140,000.00
Contract Administration & Inspection Services	\$80,000.00	\$80,000.00
TOTAL	\$2,000,000.00	\$2,000,000.00

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

GVB Budget- TIR

Tourism Industry Relations	FY2015 Request
TOTAL REQUEST	\$100,000.00

• AIRPORT AMBASSADOR PROGRAM

- This program is meant to provide passengers additional services at Customs & Quarantine / Customs & Border Patrol during the peak arrival periods.

• TOUR GUIDE CERTIFICATION PROGRAM

- Public Law 22-156 requires the training and subsequent 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 FY12, GVB partnered with OHRA to put on what is now known as the Golden Latta Awards.

• WELCOME SERVICE

- GVB's Welcome Service Program extends a true Hula Auli 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).



- The board agreed to set a working session to have time to discuss the budgets in more detail next week Thursday, July 17, 2014 at 4:00pm.

❖ Treasurer's Report: (O. Miyashita)

Exhibit D

Cash Position Report:

Cash report as of July 7, 2014.

Total cash in banks report (as of 7/7/14) \$13,110,918.08

Total allotment received to date: \$11,822,547.55

Accounts Receivable FY2014: \$6,439,586.45

Accounts Payable to Date: \$4,958,637.32

- Director Miyashita reported that there is a reduction in cash from last year.
- Also reported that we are behind in collecting allotments. We should be expecting another \$1 million in the next week or so. Would hope to have a better report by next board meeting.
- Chairman Baldya asked General Manager Pangelinan about the story in the newspaper on how we didn't respond to a FOIA request on time. General Manager Pangelinan

Breakdown is as follows:

	Total
Airfare (1 pax)	\$755.00
Per Diem - GVB Japan Staff \$62.5 x 4 nights x 1 pax	\$250.00
Round transportation to airport in Japan x 1 pax	\$94.00
Lodging \$175.00 x 4 nights	\$700.00
TOTAL	\$1,799.00

Issue: Board approval required for all travel

Vice Chairman Kloppenburg made a motion, seconded by Director Guthertz, to ratify Executive Committee's approval for the authorization of the General Manager as Chief Procurement Officer of the Bureau to negotiate and enter into a contract with the highest rated responsive offeror of GVB RFP 2014-003, Visitor Safety Officers Project.

Motion Approved.

Background: The Guam Visitors Bureau (GVB) has a vested interest in protecting and ensuring the safety and security of all visitors and the local community. There has been a rise in crimes against tourists in Tumon, which threatens Guam's image as a safe, family-friendly destination. Negative impacts to Guam's number one industry would have devastating effects on the local economy and lead to a loss of jobs and Government tax revenue.

In response to this, GVB will be launching the Visitor Safety Officer Pilot Program. The Bureau will contract Visitor Safety Officers (VSO) to patrol the Tumon area, both roadside and beachside. VSOs will serve dual roles as both a security guard and tour guide, able to respond to safety and security incidents and provide basic visitor information such as directions.

Issue: Board approval required.

Vice Chairman Kloppenburg made a motion, seconded by Director Jackson, to ratify Executive Committee's approval for the travel of CHaCO Chairwoman Theresa Arriola, one CHaCO staff, Master Frank Rabon and 2 assistants to attend the US-Guam Chamorro Dance Academy in Seattle, Washington from August 14 - 19, 2014. (Estimated cost up to \$20,076.50, Acct No. DM-CPO006).

Motion Approved.

Background: The US-Guam Chamorro Dance Academy workshop was launched in March of this year in California with 75 participants. The Bureau will be continuing to work closely with the various active stateside Chamorro dance groups that are in need of more training to be qualified for FestPac 2016. During the workshops, the CHaCO Chairwoman will be giving an update on FestPac 2016.

Delegation	Per diem	Days		Airfare	Total
Milton Morinaga	\$510.00	5	\$2,550.00	\$950.00	\$3,500.00
Jon Nathan Denight	\$510.00	5	\$2,550.00	\$950.00	\$3,500.00
Miss Guam	\$408.00	3	\$1,224.00	\$950.00	\$2,174.00
Nadine Leon Guerrero	\$408.00	3	\$1,224.00	\$950.00	\$2,174.00
				TOTAL	\$11,348.00

B. ADMINISTRATION & GOV'T RELATIONS (J. Guthertz)

- TAF appropriations were discussed during the GM's report.

C. MILITARY BUILD-UP & SEIS (B. Kloppenburg)

GVB's Final Comments to Draft SEIS

Exhibit E

- Exhibit E was discussed in GM's report.

D. RESEARCH (N. Taimanglo)

- Nothing to report.

E. JAPAN MARKETING (M. Morinaga / N. Nakajima)

Committee Minutes dated June 18, 2014

Exhibit F

- Chairman Baldyga asked for feedback on the \$400,000.00 spent for additional advertisements in Japan (i.e. subway ads). MO2 Nadine Leon Guerrero replied by saying that there is an impact, but will now more with July figures.
- Vice Chairman Kloppenburg asked if there would be any increase in outboard with the typhoon in Okinawa. Director Nakajima replied by saying that it shouldn't have any affect.

F. KOREA MARKETING (O. Miyashita)

Committee Minutes dated June 17, 2014

Exhibit G

- Director Miyashita reported that Korean Air had announced 4 extra flights a week from July 26-August 27.
- Jin Air announced that they would upgrade to Boeing 777 by December 2014.
- Jin Air announced possible flights from Daegu to Guam by end of the year. (3rd largest city in Korea; with 2.5 million people)

Background:

VisitUSA China: Wuhan Road Show is a VisitUSA China event offering great learning, media exposure and business development opportunities for Committee members. Member travel suppliers, destinations and CVBs will train client-facing staff from leading agencies on your products, and hold face to face matchmaking meetings with the Chinese travel agents, tour operators and media. VisitUSA China: Wuhan Road Show is an event of unique scope and importance in the outbound Chinese travel industry to the USA, presenting excellent networking and prime business opportunities with an eager and welcoming Chinese audience made up of travel trade. It is important for GVB to participate in this roadshow as a US consulate with the ability to process Chinese visas, which has opened in this region.

GVB shall conduct important business meetings in Beijing with media from Guam familiarization tours as well as with airline and travel trade partners. In addition GVB needs to conduct face-to-face meetings with Beijing media buyers to ensure that ad placements are in line with GVB's strategic goals as well as to ensure that cost efficiency of media buys.

Issue:

Board approval for travel required.

-
- Next Greater China Committee Meeting would be Friday, July 11 at 11:00 a.m.

I. RUSSIA & NEW MARKETS (B. Jackson)

- Director Jackson reported that the individual that was incarcerated for credit card fraud was not on Guam at the time. The Russian individual was brought to Guam from the Maldives and arrested here on U.S. soil.

J. DESTINATION MANAGEMENT (R. Hofmann)

Committee Minutes dated June 24, 2014

Exhibit I

- Director Hofmann reported that fire hydrants have been painted.
- Mentioned that anyone wants to know more, the minutes from the previous committee meeting are attached.

K. CULTURAL HERITAGE & COMMUNITY OUTREACH (T. Arriola)

- Nothing to report.

L. SPORTS & EVENTS (N. Taimanglo / J. Camacho)

Committee Minutes dated June 25, 2014

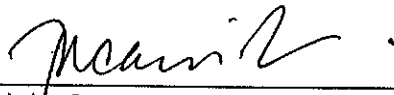
Exhibit J

- Director Camacho reported that their meeting minutes are included in the board packet. They are working on a financial and economic impact report for the board regarding the breakdown of the Guam Live and Guam BBQ Block Party.

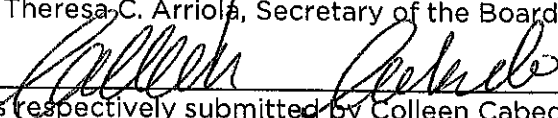
❖ ADJOURNMENT

Director Calvo made a motion, seconded by Director Hofmann, to adjourn the meeting. Meeting adjourned at 5:10pm.

Motion Approved.



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



Board Minutes respectively submitted by Colleen Cabedo, Executive Secretary

Action Items:

BY MANAGEMENT

- Management to consider a revised China incentive program and to provide a recommendation to the board (4/10/14).
- Chairman Baldyga mentioned that he would like to set meetings with GVB management and senators regarding the Tourism 2020 plan and 2015 budgets (4/10/14 and 2/27/14).
- Chairman Baldyga asked management to create a Destination Management Task List with quarterly goals (4/10/14).
- Chairman would like to have an update on the Tumon Flooding Mediation Plan and all capital projects. (2/27/14)
- Chairman Baldyga requested to create an online community calendar or to create a new page for a community events calendar in the GVB website. (5/8/2014)
- Chairman Baldyga requested the Task Management create a message to deliver to the media before June 9. (5/8/14)
- General Manager Pangelinan to come up with a plan and budget to improve the welcoming experience at the airport. (7/10/14)

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

FY 2013 (07/23/2013)	Balance
CITIBANK OPERATION	\$428,481.28
BANK OF GUAM	\$10,301,047.47
FIRST HAWAIIAN BANK - Membership	\$55,325.50
RESONA BANK	\$316,049.64
CITIBANK - TAF	\$67,928.19
BOG - TAF ACCOUNT	\$585,310.66
BOG - RAINY DAY FUND	\$1,774,918.98
BOG - FESTPAC Trust Account	\$923,364.95
MORGAN STANLEY - CD **	\$2,505,151.24
BOG - 2/12 Memorial Fund	\$123,445.82
TOTAL CASH IN BANKS AS OF 07/23/2013	\$17,081,023.73

**Morgan Stanley CD Market value as of 06/30/13 (value if withdrawn prior to maturity - Maturity Date October 2013)

FY 2013 BUDGET P.L. 31-233 **\$16,018,239.00**
 GVB - \$15,238,239.00
 OPERATIONS - \$14,022,384.00
 TAF Special Projects - \$1,215,855.00
 PASS THRU APPROPRIATIONS - \$780,000.00

	OPERATIONS	TAF Special Projects	Pass-thru
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
07/12/13	<u>\$ 945,975.00</u>	<u>\$142,893.30</u>	<u>\$190,552.00</u>
	\$12,401,079.55	\$1,115,573.30	\$556,030.00

Total Allotment Received to Date: **\$14,072,682.85**
 Accounts Receivable FY 2013 **\$1,945,556.15**

FY 2013 ACCOUNTS PAYABLE as of 07/23/13	Amount
Asatsu Invoices Dec'12 - May'13	\$1,443,027.75
Japan Miscellaneous Invoices	\$53,671.60
Guam Miscellaneous Invoices	\$629,353.12
FY 2011/2012 Pass-thru appropriations	\$554,641.24
FY 2013 Pass-thru appropriations	\$91,383.00
Encumbered Contracts (not yet Incurred)	\$1,532,306.50
Encumbered Purchase Orders (not yet Incurred)	\$91,348.07
FESTPAC Trust Account	\$923,364.95
Total Payables to date	\$5,319,096.23

FY 2014 (07/22/2014)	Balance
BANK OF GUAM	\$5,854,192.33
FIRST HAWAIIAN BANK - Membership	\$50,991.86
RESONA BANK	\$111,912.44
BOG - TAF ACCOUNT	\$1,123,439.64
BOG - RAINY DAY FUND	\$1,826,854.89
BOG - FESTPAC Trust Account	\$1,501,339.66
MORGAN STANLEY - CD **	\$2,509,936.99
BOG - 2/12 Memorial Fund	\$693.60
TOTAL CASH IN BANKS AS OF 07/22/2014	\$12,979,361.41

**Morgan Stanley CD Market value as of 06/30/2014

FY 2014 BUDGET P.L. 32-068 **\$ 18,262,134.00**
 OPERATIONS - \$15,487,134.00
 TAF Special Projects - \$2,000,000.00
 PASS THRU APPROPRIATIONS - \$775,000.00

	OPERATIONS	TAF Special Projects	Pass-thru
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	<u>\$1,161,535.00</u>	<u>\$ 150,000.00</u>	<u>\$ 56,250.00</u>
	\$9,941,297.55	\$1,350,000.00	\$ 531,250.00

Total FY 2014 Allotment Received to Date: **\$11,822,547.55**
 Accounts Receivable FY 2014 **\$6,439,586.45**

FY 2014 ACCOUNTS PAYABLE as of 07/22/14	Amount
Asatsu Invoices June 2014	\$1,089,110.57
Japan Miscellaneous Invoices	\$53,812.77
Guam Miscellaneous Invoices	\$734,046.16
FY 2011/2012/2013 Pass-thru appropriations	\$292,842.24
FY 2014 Pass-thru appropriations	\$3,750.00
Encumbered Contracts (not yet Incurred)	\$2,376,108.43
Encumbered Purchase Orders (not yet incurred)	\$179,488.92
FESTPAC Trust Account	\$1,501,339.66
Total Payables to Date	\$6,230,498.75



**GUAM
VISITORS
BUREAU**

Comparative Statements of Revenues & Expenses June 2014, June 2013, & YTD

	OPERATIONS				SPECIAL PROJECTS			
	June 2014 Actual	June 2013 Actual	YTD as of June 2014	FY 2013 as of June 2013	June 2014 Actual	June 2013 Actual	YTD as of June 2014	FY 2013 as of June 2013
Revenue								
GovGuam Allotments	1,176,535.00	2,075,162.00	10,106,297.55	11,554,273.55	150,000.00	121,585.00	1,532,378.00	972,680.00
GovGuam Allotments - Pass-thru	41,250.00	90,631.00	697,800.00	266,309.00	106.58	81.86	740.90	806.66
Federal	0.00	0.00	0.00	17,755.00	110,703.52	0.00	265,153.50	54,100.00
Membership NOTE 1	200.00	1,100.00	35,300.00	68,000.00	260,810.10	121,666.86	1,798,272.40	1,027,586.66
Interest Income	987.14	1,333.58	10,748.42	11,092.32				
Foreign Exchange Gain/Loss	(363.40)	7,928.71	(34,339.14)	6,090.51				
CD Morgan Stanley Gain/Loss	984.40	187.35	1,641.46	5,151.24	7,478.88	5,782.33	37,861.09	32,993.35
Miscellaneous	16,537.59	32,211.87	201,389.59	366,431.60	7,382.50	6,250.00	60,666.50	50,000.00
Consumption Tax	18,928.21	0.00	180,113.72	76,215.28	198,450.54	37,047.44	865,903.91	575,288.30
In-kind Contributions	1,484.40	0.00	37,108.50	78,682.49	0.00	0.00	0.00	0.00
Total Revenue	1,256,543.34	2,208,554.51	11,236,060.10	12,450,000.99	173,312.72	49,060.07	954,443.65	658,266.20
Operational Expenses								
Personnel NOTE 2	250,324.66	251,847.02	1,777,888.70	1,448,496.16	87,497.38	72,586.79	833,828.75	369,318.46
Travel	106,976.01	67,006.19	508,514.69	294,911.36				
Utilities	12,190.80	12,870.53	92,537.95	108,316.91				
Professional Services	577,193.82	723,706.41	5,958,563.66	4,103,942.11				
Materials & Supplies NOTE 3	9,744.53	15,358.92	77,658.28	48,570.17				
Equipment NOTE 4	8,937.09	671.29	59,325.20	19,675.19				
Contractual Services	6,140.25	0.00	40,992.51	59,701.01				
Rent/Lease	30,371.73	18,442.00	179,706.08	192,741.97				
Repairs & Maintenance	814.20	1,243.40	22,084.27	50,901.47				
Advertising & Printing	15,241.00	6,699.85	89,464.21	64,725.30				
Grants & Sponsorships	44,250.00	23,000.00	435,749.26	668,748.00				
Miscellaneous	35,214.65	63,444.83	260,432.52	283,770.11				
Total Operational Expenses	1,097,598.74	1,184,290.44	9,452,937.53	7,344,499.76				
Non-Operational Expenses								
Community Programs	0.00	0.00	1,888.00	0.00				
In-kind Contributions	1,484.40	0.00	37,108.50	78,682.49				
Consumption Tax	0.00	0.00	18,030.18	13,803.56				
Pass-Thru Appropriations	42,875.00	63,005.00	324,175.00	233,693.85				
Depreciation	6,944.44	6,944.44	62,499.96	64,483.21				
Total Non-Operational Expenses	51,303.84	69,949.44	443,701.64	390,663.11				
Change in Net Assets	107,840.76	954,314.63	1,339,421.13	4,714,838.10				

NOTE 1: Decrease in Membership Revenue is due to FY 2013 being an election year.
 NOTE 2: Increase in Personnel due to new positions filled, increase in benefits for both active employees and retirees
 NOTE 3: Increase in Materials & Supplies due to promotional reusable bags purchased.
 NOTE 4: Increase in Equipment due to new computers purchased and equipment purchased for GPD.
 NOTE 5: Increase due to GEDA QC funding for Special Projects





**GUAM
VISITORS
BUREAU**

**Comparative Balance Sheet
June 30, 2014 & 2013**

OPERATIONS			
	June 30, 2014	June 30, 2013	
Assets			
Current Assets			
Cash & Cash Equivalents	12,706,704.10	15,519,712.37	
Accounts Receivable - Appropriations	5,789,586.45	3,856,259.45	
Accounts Receivable - Other	127,445.90	141,968.35	
Total Current Assets	18,623,736.45	19,517,940.17	
Long-term Assets			
Property & Equipment	6,832,693.48	6,916,026.76	
Total Long-term Assets	6,832,693.48	6,916,026.76	
Total Assets	25,456,429.93	26,433,966.93	
Liabilities			
Current Liabilities			
Accounts Payable	198,007.77	61,317.58	
Accounts Payable - Pass-thru entities	292,842.24	558,442.27	
Deferred Revenue - Appropriations	5,789,586.45	3,856,259.45	
Deferred Revenue - Membership	0.00	0.00	
Total Current Liabilities	6,280,436.46	4,476,019.30	
Long-Term Liabilities			
Unfunded Pension Cost	0.00	0.00	
Accrued Sick Leave	148,448.06	141,766.07	
Accrued Annual Leave	123,646.07	104,915.14	
Total Long-Term Liabilities	272,094.13	246,681.21	
Total Liabilities	6,552,530.59	4,722,700.51	
Net Assets			
Beginning Net Assets	17,564,478.21	16,996,428.32	
Change in Net Assets	1,339,421.13	4,714,838.10	
Total Net Assets	18,903,899.34	21,711,266.42	
Total Liabilities and Net Assets	25,456,429.93	26,433,966.93	

SPECIAL PROJECTS		
	June 30, 2014	June 30, 2013
Assets		
Current Assets		
Cash & Cash Equivalents	1,026,665.74	747,967.12
Accounts Receivable - Appropriations	800,000.00	243,175.00
Accounts Receivable - Other	0.00	0.00
Total Current Assets	1,826,665.74	991,142.12
Total Assets	1,826,665.74	991,142.12
Liabilities		
Current Liabilities		
Accounts Payable	0.00	0.00
Deferred Revenue	650,000.00	243,175.00
Total Current Liabilities	650,000.00	243,175.00
Total Liabilities	650,000.00	243,175.00
Net Assets		
Beginning Net Assets	342,836.99	378,648.66
Change in Net Assets	833,828.75	369,318.46
Total Net Assets	1,176,665.74	747,967.12
Total Liabilities and Net Assets	1,826,665.74	991,142.12



GUAM VISITORS BUREAU | SETEBON BISTAN GUAM
401 Pulo San Vicente Road | Tamuning, Guam 96913 | (671) 546-5278 | www.visitguam.com



KOREA MARKETS COMMITTEE MEETING MINUTES
Tuesday, July 15, 2014, 11:00 a.m.
GVB Main Conference Room

Members Present:

Oscar Miyashita, Ernst & Young
Tae Oh, Sandcastle, Inc.
Janeen Kang, Underwater World & Sea Grill
Hyong Yi, Outrigger Guam Resort
Terry Chung, DFS Guam
Suzie Kim, Hilton Guam Resort & Spa
Cris Gamboa, Onward Guam Resort
Aaron Kim, Net Ent.
Young Min Kim, Pacific Islands Club
Elisha Lee, Lotte Hotel Guam
Eric Ji, Sheraton Laguna Guam
Yungjin Kong, HIT
Dongsin Choi, Speed Travel Way
Seonguk Jo, Leo Palace Resort

Members Absent:

Tak Takano, Pleasure Island Guam
Bartley Jackson, Hotel Santa Fe
Ken Yanagisawa, Pacific Islands Club
Cathleen Moore-Linn, University of Guam
Jace Kim, Jeju Air
Theresa Crucena, Royal Orchid Guam
Jennifer Chae, Hotel Nikko Guam
Mr. Sung-Hwan Wang, KTB
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
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:

Karl A. Pangelinan, General Manager
Pilar Laguana, Marketing Manager
Felix Reyes, Marketing Officer II
Victor Chung, Intern

CALL TO ORDER

General Manager Karl A. Pangelinan called the meeting to order at 11:04 a.m.

MINUTES OF THE PREVIOUS MINUTES

Motion to approve the minutes of the June 16, 2014 KMC Minutes was made by Mr. Tae Oh and was seconded by Mr. Aaron Kim. Minutes were approved subject to any minor corrections.

REPORT OF CHAIRMAN

REPORT OF MANAGEMENT

Mr. Pangelinan welcomed everyone and thanked all for attending the meeting.

Mr. Pangelinan reviewed the arrivals update data for CY and FY YTD. MTD arrivals from Korea for June was at +33.7% over LY, same period. FY YTD is at 28.9%. Other markets like Russia and China show slight increases as well. Japan is showing a -7.8% for June. Challenges remain in Japan due to the sluggish economy. He thanks those in the KMC for their hard work in keeping Korea numbers high.

Mr. Pangelinan said he had spent some time in Busan just last week and felt this secondary city was very nice. He also mentioned United has officially announced direct daily flights from Incheon to Guam starting October 27, 2014. United has been out of the Korea market for a number of years.

Lotte Hotel had their grand opening and brings another 200+ rooms to the inventory.

KOREA - Korea Marketing News

3 month Forecast

Month	Forecast Pax	Last Year	%Change	Seat Forecast '14	Seat Data '13	% Change Seats
July	27,000	22,006	22.7%	31,214	22,297	40.0%
August	28,000	23,145	21.0%	32,807	27,051	21.3%
September	24,000	19,686	21.9%	30,043	22,988	30.7%

Clicks

July

-KE Flight : Incheon 7 per week = 11,155
(8747-400)
-KE Extra : Wed, Thu, Sat, Su = (7/26) = 414
(8737-800)
-Busan KE : Wed, Thu, Sat, Su = 2,533
(8737-800)
-Jin Air : Incheon 7 per week = 3,580
(8737-800)
-Jin Air : Incheon 14 per week = 11,532
(8737-800)

Total 31,214

August

-KE Flight : Incheon 7 per week = 11,218
(8747-400)
-KE Extra : Wed, Thu, Sat, Su = (3/21) = 1,794
(8737-800)
-Busan KE : Wed, Thu, Sat, Su = 2,622
(8737-800)
-Jin Air : Incheon 7 per week = 3,580
(8737-800)
-Jin Air : Incheon 14 per week = 11,522
(8737-800)

Total 32,807

September

-KE Flight : Incheon 7 per week = 10,350
(8747-400)
-Busan KE : Wed, Thu, Sat, Su = 2,533
(8737-800)
-Jin Air : Incheon 7 per week = 3,400
(8737-800)
-Jin Air : Incheon 14 per week = 11,160
(8737-800)

Total 30,043

Mr. Henry Lee briefed the committee on the details of the 3-month forecast for July – September.

The storm that passed by Guam last week delayed some Korean flights but there were no cancellations.

He said Korea continues to reflect double-digit increases for these three months over last year.

About 1,000 U.S. military members are coming in September so rooms may become an issue.

KE Extra flights (4X/week) is helping with LF and seat capacity.

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	1,365,607	1,091,618	885,674	867,487	1,014,409	1,284,333	1,777,471	1,377,333	1,013,307	1,031,389	904,215	1,000,646	8,495,905
	Guam Arr'd	14,399	13,018	6,379	6,806	8,779	12,706	16,837	17,728	8,869	10,666	8,234	13,666	149,073
	Market Share	1.1%	1.2%	0.7%	0.8%	0.9%	1.0%	1.0%	1.3%	0.9%	1.0%	0.9%	1.4%	1.8%
2012	K Outbound	1,300,781	1,180,334	1,018,953	1,016,448	1,066,980	1,109,375	1,302,418	1,234,681	1,059,709	1,187,743	1,107,880	1,169,900	8,734,976
	Guam Arr'd	16,218	13,687	10,758	11,480	11,613	15,116	17,584	18,166	8,658	16,121	8,684	21,464	188,626
	Market Share	1.2%	1.2%	1.1%	1.1%	1.1%	1.4%	1.4%	1.5%	0.8%	1.4%	0.8%	1.8%	2.2%
2013	K Outbound	1,482,980	1,118,887	1,115,744	1,097,480	1,182,407	1,211,478	1,477,483	1,407,166	1,192,336	1,238,143	1,154,054	1,204,448	9,554,467
	Guam Arr'd	22,163	18,506	16,337	15,724	15,513	20,384	22,066	23,148	10,684	19,247	20,967	24,873	247,343
	Market Share	1.5%	1.6%	1.6%	1.5%	1.3%	1.7%	1.5%	1.6%	1.0%	1.6%	1.9%	2.1%	2.8%
2014	K Outbound	1,485,960	1,512,463	1,180,979	1,179,885	1,220,000	1,270,000	1,470,000	1,370,000	1,340,000	1,260,000	1,100,000	1,260,000	12,520,000
	Guam Arr'd	25,000	25,000	21,000	20,633	23,640	27,229	27,000	26,000	24,000	21,000	15,000	26,000	290,400
	Market Share	1.7%	1.7%	1.8%	1.8%	1.9%	2.1%	1.8%	1.9%	1.8%	1.7%	1.4%	2.1%	2.3%

-Blue Kaubana projection

If the 2.0 MS is maintained, GVB can achieve a 300,000 + Korean visitor arrivals during CY2014. This may be due to United's arrival into the market again.

KOREA - Korea Marketing News

3 month Activities/Programs

- **TV Home-shopping**
 - Aug. : Lotte JTB, Online
 - Sep. : Hanjin
 - On cable TV for an 1 hour
- **Golf Tournament**
 - Aug. : Hana Golf - 100 pax
- **Roadshow on September**
- **MICE Group**

MICE Monthly total												
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2014	650	860	1,200	3,500	1,100	1,100						
2013	1,620	780	910	2,060	1,300	1,250						
Total												

Mr. Lee briefed the committee on the 3-month activities and programs, including TV Home Shopping during August and September.

The Hana Golf Tournament is not a Hana Tour staff tournament but rather hosted by Hana Tour. This will be a first time tournament.

GVB will host a roadshow in Busan and Daegu in September around BITF.

Cheosuk Holiday is right before BITF.

Per Adele, the BITF is September 12-15 while Chuseok is 6-10.

Henry says he will review and perhaps plan for right after BITF for the roadshow.

MICE is showing slight increases between January and June 2014.

KOREA - Korea Marketing News

Jin Air Sales Contest

- Jin Air 4th anniversary sales contest with Travel Agents
 - Period : 2014. 05. 01 ~ 05. 31
 - Group portion winner : 1st prize Online
2nd prize Hana
3rd prize Very Good
 - FIT portion winner : 1st prize Interpark
2nd prize Hana
3rd prize Mode
 - Prize Group & FIT:
 - 1st prize GVB won 700,000 / Jin Air 2 round trip ticket to Guam
 - 2nd prize GVB won 500,000 / Jin Air 1 round trip ticket to Guam
 - 3rd prize GVB won 300,000 / Jin Air 1 round trip ticket to Guam

Mr. explained the process of the Jin air Anniversary Sales Contest to the committee.

KOREA - Korea Marketing News

Dinner function with Guam Land Operator On Jul. 3, 2014



(1-8) : Mr. Kim Hyunggil, JALCO, Mr. Kim Hyukil, DIB, Mr. A Dongchun, JALCO, Mr. Kim Hyunggil, JALCO, Mr. Kim Joonhyun, JALCO
(9-16) : Mr. Cho Yoonah, JALCO, YC Kim, JALCO, Mr. Kim Joonhyun, JALCO, Mr. Kim Joonhyun, JALCO, Mr. Kim Joonhyun, JALCO, Mr. Kim Joonhyun, JALCO

Mr. Kong, HIT Tour President, KMC member and KTAG President visited Korea recently. He joined the KGMC and discussed the new safety program being printed for Guam, as well as other issues on the Guam side.

KOREA - Korea Marketing News

BBQ Block Party

GVB invited Korean Chef Tae-Hyun Lee and Yong-Hyun Choi
He brings along years of experience with food and menu development.



Two popular Korean Chefs attended the annual BBQ Block Party during July 5. And although they did not win, there is hope next year will be much better with better preparation on what to bring and the process of the competition.

Mr. Lee requested management and KMC how many booths to secure for the upcoming Mode Tour Int'l Travel Fair in late October.

After some discussion, it was decided to have four booths forming a pavilion footprint and presentation with members joining GVB.

KOREA - Korea PR News

June 17 – July 10, 2014

- **Press Release, Feature Stories**
 - ✓ [June 09] GVB with a large tourism delegation swept two awards at 2014 KOTFA.
 - ✓ [June 12] Guam as a summer holiday destination - Woman Sense(major magazine)
 - ✓ [June 16] Guam BBQ Block Party 2014 in July - Mom & Enfant(major family magazine)
 - ✓ [June 17] 12 things to experience Guam - Kookje Golf (major sports magazine)
 - ✓ [June 18] Guam for cover story of Sky News(bi-weekly inflight paper of Korean Air). To be distributed in all KE domestic and international flights and KE official blog. Also featured on Chosun.com(online site of No 1 media in Korea)
 - ✓ [June 28] 2nd Guam BBQ Block Party and Korean chef to join
 - ✓ [June 30] Join Ko'ko' Half marathon and relay event
- **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)

KOREA - Korea PR News

Consumer Events

- **Event with J Travel magazine**
 - ✓ -J Travel is a monthly travel magazine by Joongang Daily, a major daily in Korea, for young travelers in 25-45 in Seoul and Gyeonggi province with a claimed circulation of 200,000.
 - ✓ - On the occasion of its anniversary, it is to print a special edition with 300,000 copies.
 - ✓ - GVB offered a Guam Travel(air, 3 night hotel & rental car, a tour) as a grand prize
 - ✓ - GVB PR office managed to get sponsorship from Garden Villa, Nissan Rent-A-Car and Ride the Duck
- **SNS event**
 - ✓ -An online event was also posted on GVB's Korean SNS to support the BBQ Block party and the Korean chef
 - ✓ Increase of "Like" and "Share" on GVB's Facebook

Adele briefed the KMC on the Press Releases and Consumer Events slides. J Travel gave GVB a full page ad.

KOREA - Korea PR News

Media Exposure In June

MONTH	June-14			
CODEING	1	2	3	TOTAL
Consumer	\$16,000.00	\$707,500.00	\$107,900.00	\$921,400.00
Trade	\$16,150.00	\$0.00	\$20,385.00	\$36,535.00
TOTAL	\$32,150.00	\$707,500.00	\$128,285.00	\$945,600.00

TRAX:

NO.	DATE	MEDIA	ASSIGNER	DESCRIPTION	SIZE (CM)	CIRCULA.	ISSUES	VALUE
1	02-Jun-14	Transportation Information Times	Editorial staff	Shang Guan Tourists Arrivals lead new tour activities - Ride the Park, Sea Breeze, Dollywood	22 x 15	25,000	1	\$600.00
2	02-Jun-14	Transportation Information Times	Editorial staff	GOITA, 40 worldwide countries and 500 companies	22 x 30	25,000	1	\$600.00
3	02-Jun-14	Global Travel News	Editorial staff	Hard Rock Car - Hotel (Meritline) which give back to more convenient and fun	27 x 35	30,000	1	\$9,525.00
4	02-Jun-14	Korea Travel News	Editorial staff	1. Double figure growth in the numbers of Korean travelers to Guam - increased 18% during Jan-Apr compared to last year. 2. New Tour Activities, such as the Ride Back and Sea Breeze are popular	17 x 30	25,000	1	\$600.00
5	02-Jun-14	Korea Travel News	Editorial staff	Interview - Interview with Guam Visitor Bureau Director Marketer John Rogers	12 x 12	25,000	1	\$1.00
6	02-Jun-14	Global Travel News	Editorial staff	GOITA Interview with Mark Hahaj: Guam, a rising tourism destination	17 x 9	30,000	1	\$300.00
7	23-Jun-14	Korea Travel News	Editorial staff	1) Guam Airlines Industry News - JAL Air, UA, TW launches new routes to/from Guam; 2) Guam is welcoming tourists from China with the launch of (2) Air PK-GUM service and UA operation in Oct.	22x21 & 16x19	30,000	1	\$11,100.00
8	27-Jun-14	Korea Travel Information Times	Editorial staff	Enjoy the reborn 880 Party in Guam	16 x 10	30,000	1	\$600.00
9	27-Jun-14	Korea Travel Information Times	Editorial staff	Little Hotel Guam opens in Guam at 300km	20 x 10	30,000	1	\$1.00
10	30-Jun-14	Transportation Information Times	Editorial staff	Enjoy the reborn 880 Party in Guam	17 x 17 cm	25,000	1	\$500.00
11	30-Jun-14	Global Travel News	Editorial staff	Enjoy the reborn 880 Party in Guam	22 x 7	25,000	1	\$250.00
12	30-Jun-14	Korea Travel News	Editorial staff	Let's go to Guam for the 880 Party on 30th	16 x 13	25,000	1	\$500.00
TOTAL (FOR ALL 12 AD VAL OF IN 146)								\$21,300.00

Adele explained the details of the June Media Exposure slide.

Chairman Miyashita asked Adele to prepare a report showing a quantified report with actual measurement at the next KMC meeting, including the Friday SNS events.

KOREA

KOREA: June 2014

DOH-HA-HI

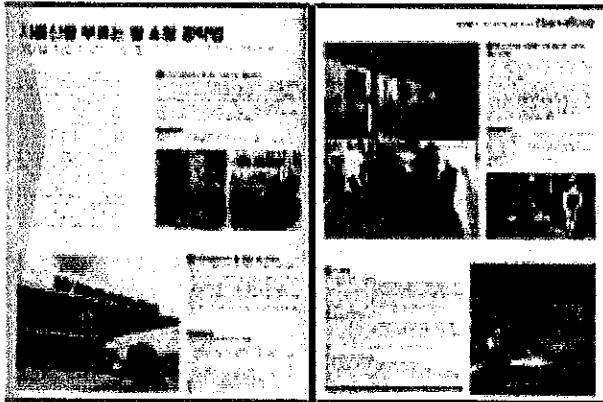
Headlines are listed with the date of publication									
No.	Date	Headline	Category	Page	Length	Words	Photos	Video	Cost
1	Jun 14	Family of the missing - 1st	Family	1	1/2	100	0	0	\$1,000.00
2	Jun 14	Family of the missing - 2nd	Family	1	1/2	100	0	0	\$1,000.00
3	Jun 14	Family of the missing - 3rd	Family	1	1/2	100	0	0	\$1,000.00
4	Jun 14	Family of the missing - 4th	Family	1	1/2	100	0	0	\$1,000.00
5	Jun 14	Family of the missing - 5th	Family	1	1/2	100	0	0	\$1,000.00
6	Jun 14	Family of the missing - 6th	Family	1	1/2	100	0	0	\$1,000.00
7	Jun 14	Family of the missing - 7th	Family	1	1/2	100	0	0	\$1,000.00
8	Jun 14	Family of the missing - 8th	Family	1	1/2	100	0	0	\$1,000.00
9	Jun 14	Family of the missing - 9th	Family	1	1/2	100	0	0	\$1,000.00
10	Jun 14	Family of the missing - 10th	Family	1	1/2	100	0	0	\$1,000.00
11	Jun 14	Family of the missing - 11th	Family	1	1/2	100	0	0	\$1,000.00
12	Jun 14	Family of the missing - 12th	Family	1	1/2	100	0	0	\$1,000.00
13	Jun 14	Family of the missing - 13th	Family	1	1/2	100	0	0	\$1,000.00
14	Jun 14	Family of the missing - 14th	Family	1	1/2	100	0	0	\$1,000.00
15	Jun 14	Family of the missing - 15th	Family	1	1/2	100	0	0	\$1,000.00
16	Jun 14	Family of the missing - 16th	Family	1	1/2	100	0	0	\$1,000.00
17	Jun 14	Family of the missing - 17th	Family	1	1/2	100	0	0	\$1,000.00
18	Jun 14	Family of the missing - 18th	Family	1	1/2	100	0	0	\$1,000.00
19	Jun 14	Family of the missing - 19th	Family	1	1/2	100	0	0	\$1,000.00
20	Jun 14	Family of the missing - 20th	Family	1	1/2	100	0	0	\$1,000.00
21	Jun 14	Family of the missing - 21st	Family	1	1/2	100	0	0	\$1,000.00
22	Jun 14	Family of the missing - 22nd	Family	1	1/2	100	0	0	\$1,000.00
23	Jun 14	Family of the missing - 23rd	Family	1	1/2	100	0	0	\$1,000.00
24	Jun 14	Family of the missing - 24th	Family	1	1/2	100	0	0	\$1,000.00
25	Jun 14	Family of the missing - 25th	Family	1	1/2	100	0	0	\$1,000.00
26	Jun 14	Family of the missing - 26th	Family	1	1/2	100	0	0	\$1,000.00
27	Jun 14	Family of the missing - 27th	Family	1	1/2	100	0	0	\$1,000.00
28	Jun 14	Family of the missing - 28th	Family	1	1/2	100	0	0	\$1,000.00
29	Jun 14	Family of the missing - 29th	Family	1	1/2	100	0	0	\$1,000.00
30	Jun 14	Family of the missing - 30th	Family	1	1/2	100	0	0	\$1,000.00

Adele Kim explained the details of the June 2014 showing media and where stories are covered.

Chairman Miyashita asked Adele to elaborate more on some of the detailed amounts noted.

KOREA - Korea PR News (Media Exposure Samples)

Hanatour
June 2014



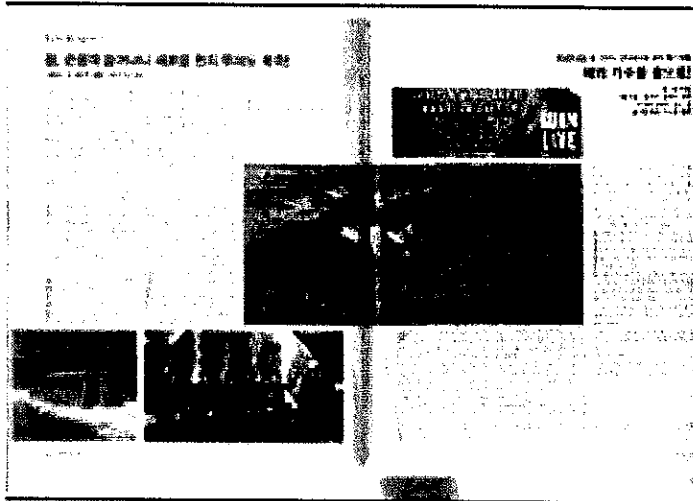
Outdoor
June 2014



Sample of media coverage.

KOREA - Korea PR News

Top Golf
June 2014

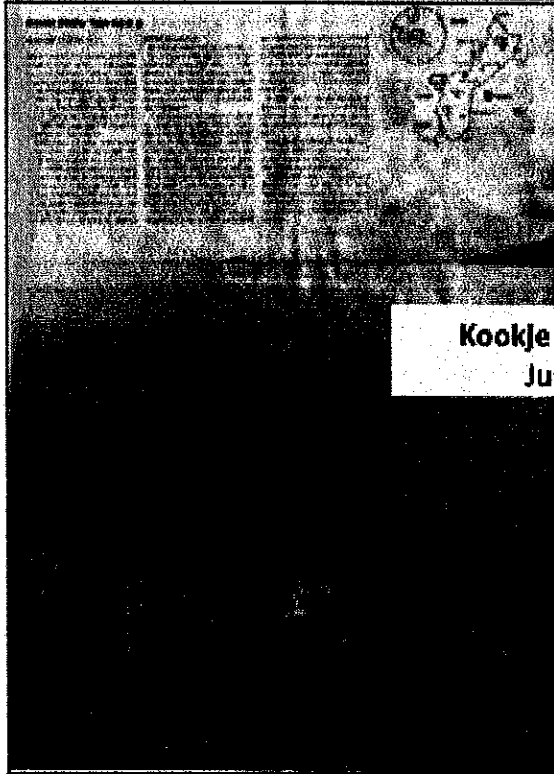


Maell Business Newspaper
June 9, 2014

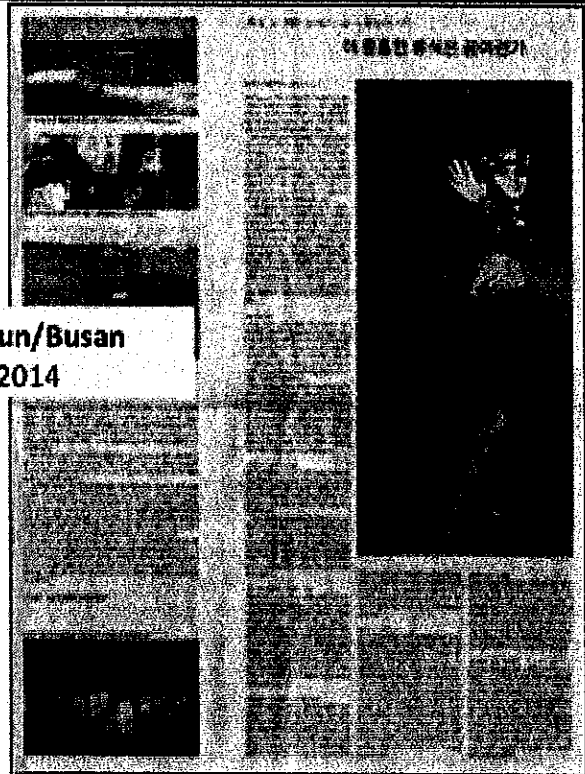


Continuing coverage by media. This copy shows Vice Speaker BJ Cruz at KOTFA 2014.

KOREA - Korea PR News



Kookje Shinmun/Busan
June 16, 2014



Sample of media coverage from Busan.

KOREA - Korea

Busan Ilbo
June 26, 2014

옥처럼 투명한 물빛, 한껏 달궀진 몸 뿔어들라 유혹하네

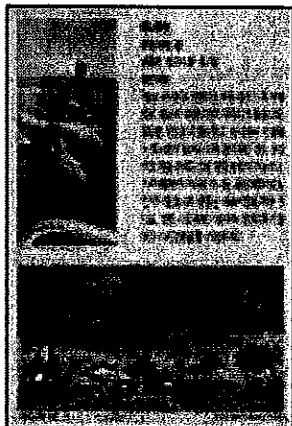
(부산, 26일)

Global
News



여름의 시작을 알리는 부산의 바다. 푸른 물빛이 햇살을 받아 옥처럼 투명해졌다. 해변을 따라 걸으며, 한껏 달궀진 몸을 뿔어들라 유혹하네. 부산의 여름은 이렇게 시작된다. 푸른 물빛이 햇살을 받아 옥처럼 투명해졌다. 해변을 따라 걸으며, 한껏 달궀진 몸을 뿔어들라 유혹하네. 부산의 여름은 이렇게 시작된다.

KOREA - Korea PR News



Korea
Economic
Daily
June 30,
2014

한국국제관광청(KOT)에서 세계 곳곳을 돌아다보다
여름 휴가철 관광산업이 활기를 띠고 있다

"람은 관광국으로서 계속 성장하고 있는 중"

대한관광청이 최근 발표한 자료에 따르면 '람'은 지난 10년간 관광 수입이 10배 이상 증가했으며, 이는 관광산업의 지속적인 성장을 보여주는 지표이다. 또한, '람'은 관광산업의 핵심 분야로, 관광산업의 성장을 견인하고 있다.

Global Travel News
June 9, 2014

A12 KOTRA 2014

하루하루와 함께하는 세계는 하나

Korea Travel News
June 2, 2014

한에서 즐기는 한이름의 BBQ 볼록 머리

볼록머리 한이름의 BBQ 볼록 머리

Korea Travel Information Times
June 17, 2014

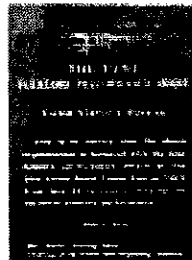
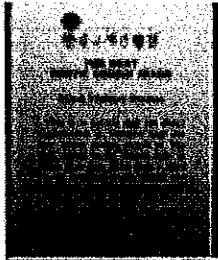
BBO

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

KOREA - Korea News (2014 KOTFA)

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

- Best Booth Design
- Best Folklore Performance



KOTFA 2014 photos of awards won by GVB.

KOREA - Korea PR News (2014 KOTFA)

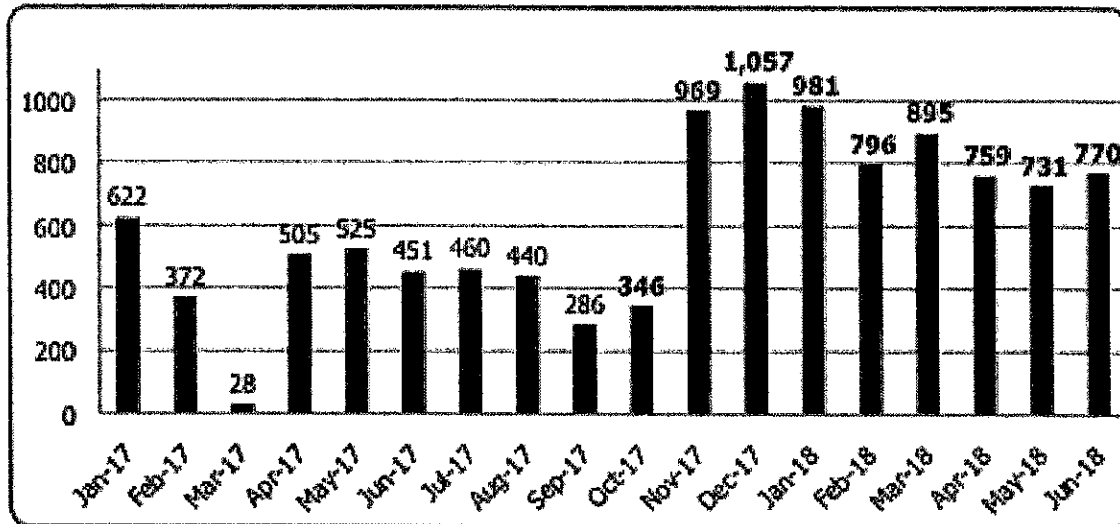
New leaflet: 12 Gates to Guam(8 pages)



KOTFA leaflet used at KOTFA.

KOREA - Korea PR News

Korean Website – New Members



Average daily number in June 2014: 25.7 pax

Graph showing Korea website new member registrations. Members must log on and register to view website information.

Chairman Miyashita asked Adele to show the bars in the graph with LY and TY next to each other.

Mr. Tae asked how many new members access the site as well as total hits.

General Manager Pangelinan asked if the new members are new numbers.

Adele said yes.

KMC members may want to compare GVB's Korea website to their own. And some may want to reach the database members as well.

The Global GVB website is still in the works.

Adele asked the KMC members to provide stories to be posted on the Korea website.

KOREA - Korea PR News

Join
GVB's SNS News & Event
Every Friday!

Like, Share or Gift!

제1회 2017년 7월 주말 축제
7월 14일(토) 19:00 ~ 21:00

★ 축제장: 서울특별시 강남구 테헤란로 123 (삼성동) 삼성역 역세권

7월 14일(토) 19:00 ~ 21:00에 걸쳐 다양한 공연과 전시를 선보일 예정입니다. 특히, '2017년 7월 주말 축제'를 맞아 다양한 공연과 전시를 선보일 예정입니다. 특히, '2017년 7월 주말 축제'를 맞아 다양한 공연과 전시를 선보일 예정입니다.

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11TH OF JULY WEEKEND CELEBRATION
GVB'S 2017 11TH OF JULY WEEKEND CELEBRATION

7월 14일(토) 19:00 ~ 21:00

★ 축제장: 서울특별시 강남구 테헤란로 123 (삼성동) 삼성역 역세권

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KOREA - Korea PR News

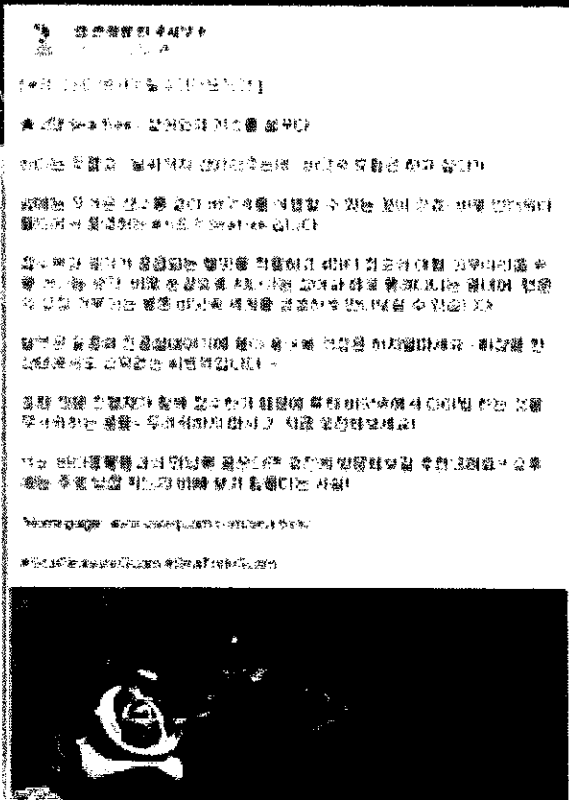
Media Exposure (Accumulative month to month)

DATE	1	2	3	4	5	6	7
DATE	Advertising	Radio-TV-Commer	Publicity-Trade	Radio/Television	Unlabeled	TOTAL	ACCUMULATIVE
October-15	\$0.00	\$73,583.25	\$11,195.00	\$0.00	\$30,307.25	\$115,085.50	\$115,085.50
November-15	\$0.00	\$67,140.00	\$14,075.00	\$0.00	\$134,115.00	\$300,450.00	\$537,465.50
December-15	\$76,000.00	\$251,430.00	\$14,445.00	\$133,000.00	\$12,500,335.00	\$3,304,810.00	\$5,333,135.50
January-16	\$0.00	\$63,776.67	\$41,665.00	\$0.00	\$44,300.00	\$114,471.67	\$5,447,607.17
February-16	\$0.00	\$103,000.00	\$63,378.33	\$0.00	\$91,300.00	\$300,000.00	\$5,747,607.17
March-16	\$0.00	\$51,775.00	\$14,445.00	\$0.00	\$44,300.00	\$101,000.00	\$5,848,607.17
April-16	\$1,000.00	\$49,700.00	\$13,035.00	\$0.00	\$33,465.00	\$90,000.00	\$5,938,607.17
May-16	\$1,000.00	\$166,000.00	\$13,745.00	\$200,000.00	\$181,335.00	\$572,080.00	\$6,510,687.17
June-16						\$0.00	
July-16						\$0.00	
August-16						\$0.00	
September-16						\$0.00	
TOTAL	\$78,000.00	\$645,310.82	\$94,705.33	\$233,000.00	\$3,616,907.25	\$4,621,910.50	

KOREA - Korea PR Ne

**Join
GVB's SNS News & Event
Every Friday!**

Like, Share or Gift!



KOREA - Korea PR News

Upcoming activities

- **Consumer Promotion & media visit with EBS TV, Pulmuone:**
Family targeted promotion (Aug – Sept)
- **Guam Advertising campaign** for summer holiday:
Seoul and Busan(July-Aug)
- **Busan International Travel Fair (BITF):**
September 12- 15 in Busan city. GVB to build a 4-booth pavilion

OLD BUSINESS

- a. Guam Events
Guam BBQ Block Party, July 5 (Pleasure Island Street Front)

NEW BUSINESS

Upcoming Events

- a. GVB General Membership Meeting (Friday, July 18, 2014)
- b. Shop Guam Festival Update (November 1, 2014 – January 12, 2015).
Ms. Laguana briefed the committee on the event.

GVB is looking for sponsors for streetlight banners and is extending the opportunity for first refusal to the KMC members.

Mr. Pangelinan said several streetlights have no banner arms, especially along Farenholt Avenue.

Ms. Laguana said there will be scheduled vendor training to allow for staff turn-overs, changes, etc. She encourages vendors to conduct in-house training of staff as well and to put up stickers indicating their participation.

She said there will not be any street party or fashion show this time.

Chairman Miyashita asked if K-pax are still keen to not using coupons.

Some KMC members agree but some also said it should not be an issue.

Ms. Laguana said the use of mobile marketing will be much wider this year and the SGF app will be upgraded.

ANNOUNCEMENTS

Lotte Hotel Grand Opening was held earlier in the week.

NEXT KMC MEETING

Tuesday, August 12, 2014, 11:00 a.m.

ADJOURNMENT

Upon no further discussion, a motion was made by Mr. Tae Oh and seconded by Mr. Terry Chung to adjourn the meeting at 11:50 a.m..

PREPARED BY:

_____/s/_____
Felix Reyes, Marketing Office II

APPROVED BY:

_____/s/_____
Pilar Laguaña, Marketing Manager

The Greater China Marketing Committee Meeting Minutes

EXHIBIT A

July 11, 2014, 11:00AM

GVB Main Conference Room

Page 1 of 8

Attendance:

- Bruce Kloppenburg, General Manager, Kloppenburg Enterprises, Inc. and Committee Chairman
- Charlene Chen, Chinese Sales Manager, PIC.
- Terry Chung, Sales & Marketing Manager, DFS Galleria
- Cris Gamboa, Director of Sales & Marketing, Onward Beach Resort
- Hyong Yi, Sales Manager, Outrigger
- Tomoyuki Goto, VP of Sales & Marketing, SandCastle, Inc.
- Gerald Perez, Managing Director, Leading Edge

GVB Staff:

- Pilar Laguaña, Marketing Manager
- Gina Kono, Marketing Officer II
- Regina Nedilic, Marketing Officer II
- Nakisha Onedera, Marketing Officer I

Absent:

- Christina Garcia, Business Development & Marketing Manager, GEDA
- Joanne Camacho, Director of Marketing Development, DFS Guam
- Jenny Cheon, Sales Manager, Holiday Resort Guam
- Tomoyuki Goto, VP of Sales & Marketing, SandCastle, Inc.
- Jeff Schweizer, General Manager, Fiesta Resort Guam
- Elisha Lee, Senior Sales Manager, Lotte Hotel Guam
- 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
- Ellen Chen, Assistant Sales Manager (Chinese Market), Hyatt Regency Guam
- Paula Monk, Director of Sales, United Airlines
- Carl Quinata, Industry Specialist, GEDA

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.

July 11, 2014, 11:00AM
GVB Main Conference Room
Page 2 of 8

III. REPORT OF THE CHAIRMAN

No report.

IV. REPORT OF GVB MANAGEMENT

Marketing Manager Pilar Laguana discussed the Inaugural Beijing Gala that was held in Beijing China on June 18, 2014. In attendance were Governor Eddie Calvo, Senator Tina Muna Barnes, GVB Board Director Mark Baldyga, GVB General Manager Karl Pangelinan, GVB Marketing staff as well as numerous travel agents and media.

The Guam Visitors Bureau had the opportunity to meet with CITS, the largest travel wholesaler in China prior to the gala where they were able to meet and hold discussions with CITS President Madame Wu as well as CITS department heads. Four key items were requested of the bureau as a result of the meeting:

- 1.) Work with the US Embassy on the visa rejection issue. Travel Agents have been giving feedback that they are seeing a high visa rejection rate in Beijing. Marketing Manager Pilar Laguana stated that she had already reached out to the US Consulate for assistance.
- 2.) Have CCTV (China television channel) available in hotel rooms. CITS feels this would give great comfort to the Chinese traveler.
- 3.) Participate in more marketing and promotions with travel agents
- 4.) Increase Chinese signage in more hotels, restaurants, and retailers.

Ms. Laguana stated that as per Madame Wu; if we all to our part in being sensitive to the needs of the Chinese traveler, Guam has a bright future ahead.

At the conclusion of the inaugural gala the delegation returned to Guam in time to be present at the greeting services for the inaugural flight that was executed by GVB and the Guam International Airport.

Ms. Laguana informed the committee that on the first three flights, Dynamic Air contributed in kind seats to ensure that Guam could publicize their destination in the market. Dynamic Airways invited a healthy list of influential media from all types of mediums: print, radio, television, and social media. Ms. Laguana thanked the industry for all the support that was shown during this period.

Ms. Laguana discussed the struggles travel agents in China are having with sales. These struggles are due to loss of money and visa rejection rates. Ms. Laguana informed the committee that there will be a string of support advertisements coming up and we are starting to see publicity and our advertisements in the market

VISITOR ARRIVALS UPDATE

Marketing Officer II Gina Kono reported latest snap shot of visitor arrivals updates

For the month of June 2014 in comparison to June 2013 Taiwan has seen an increase of 7.4%, China has seen an increase in 14.8% and Hong Kong has seen a decrease of 31.8%. For fiscal year to date, Taiwan has seen an increase of 6.0%, China has seen an increase of 27.5% and

July 11, 2014, 11:00AM
 GVB Main Conference Room
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Hong Kong has seen a decrease of -4.6%. For Calendar Year-to-Date, Taiwan has seen an increase of 5.4%, China has seen an increase of 22.3%, and Hong Kong has seen a decrease of -5.7%

	JUNE			FISCAL YEAR-TO-DATE			CALENDAR YEAR-TO-DATE		
				FYTD 2013	FYTD 2014		CYTD 2013	CYTD 2014	
	June '13	Jun- '14	% DIFF	Oct- June '13	Oct- June '14	% DIFF	Jan - Jun '13	Jan - Jun '14	% DIFF
TAIWAN	5,078	4,703	7.4%	32,853	34,825	6.0%	22,678	23,901	5.4%
CHINA, P.R.C.	714	820	14.8%	7,743	9,873	27.5%	5,871	7,070	22.3%
HONG KONG	839	572	31.8%	7,142	6,814	-4.6%	4,362	4,113	-5.7%

CHINA MARKET UPDATE

China Smart Goals

FY13 Arrivals: 8,406

FY14 Goal Pax: 20,000

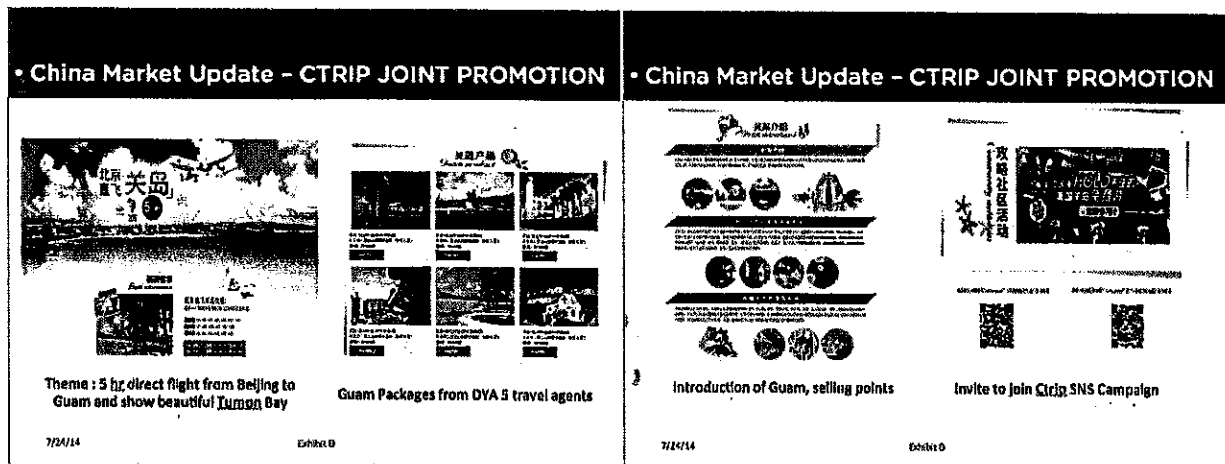
FY14 Budget: \$503,500 + \$1,034,000 + \$1,028,500

FY2014 SMART Goals

- Increase the total no. of direct charter flights by 67% to reach 17 flights, including 2 flights during non-peak periods; Increase the no. of non-charter visitors by travel agencies
- Trade sales Incentive Program;
- Develop more charters from 2nd tier cities such as Chengdu and Dalian
- Organize trade promotional events in Wuhan, Chengdu and Tianjin
- Co-operative advertising campaign with travel agencies and airlines in promoting Guam tour product
- Conduct joint ads with travel agents to promote travel product to Guam

Ms. Gina Kono reported on the status of FY2014 goals: We have now increased direct service with the five flights a week from Dynamic Airways. We are also currently working on a cooperative program and hope to work with United Airlines or Dynamic Airways to develop more charters in Chengdu and Dalian. She reported that in line with our goals, promotional events have been conducted in Chengdu and Tianjin, and later in the month Ms. Pilar Laguana and Marketing Officer II Brian Borj will be traveling to Wuhan.

July 11, 2014, 11:00AM
GVB Main Conference Room
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Ms. Kono explained the current joint promotion being held with Ctrip to promote the five-hour direct flight from Beijing to Guam. The landing page links interested visitor to Guam packages from Dynamic Air's 5 key travel agents. The page also provides information, selling points of the island. Interested travelers are then invited to join Ctrip's SNS campaign where they submit an itinerary of what they would like to do on Guam. Respondents will be narrowed to 20 and one respondent will be chosen one to win a trip to Guam. Dynamic Air will provide tickets and GVB will cover ground support.

Mr. Terry Chung of DFS inquired about the delays in the first Dynamic flights. Ms. Gina Kono explained that the delay was caused by the closure of the Saipan airport.

Mr. Gerry Perez explained that there's a new law in China where a customer can pay travel agents only a portion of the tour and then upon satisfaction of the tour they can pay the rest. Delayed flights could ultimately affect delays.

TAIWAN MARKET UPDATE

Ms. Regina Nedlic presented the FY2015 smart goals

FY2015 Taiwan

FY2014 Goal Pax: 51,750

FY14 Budget: \$370,000

FY15 Goal Pax: 54,338

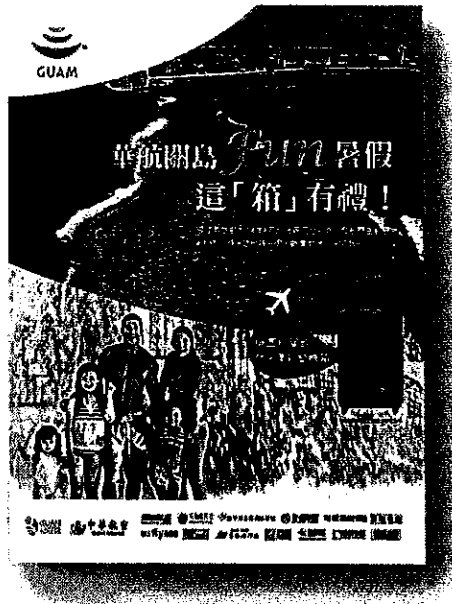
FY15 Budget: \$386,400

FY2015 SMART Goals

- Increase arrivals by 5% March - May/Sep- Nov
- Increase Guam's influence on SM Network elevate FB fan page to more than 60,000
- Promote M.I.C.E Market with 5 or more groups with over 100 pax
- Support FY2015 Key Campaigns
- Destination Weddings
- Sports Tourism/MICE
- ITF/FESTPAC 2016

July 11, 2014, 11:00AM
 GVB Main Conference Room
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Increase SM Networks



Ms. Nedlic reported that GVB Taiwan cooperated with China Airlines for promoting the extra summer flights. The ad has been published on To'Go magazine July issue. In addition to the ad, there is a 8-pages Guam story in the magazine and it will be free.



Ms. Nedlic reported that Gala Television Corporation (GTV) was filming their TV show 'Taste the World' on Guam from Jul. 2-10. The host posted some Guam photos on his FB fan page when he stayed in Guam and the BBQ Block Party July 5th. GTV plans to have 2 whole episodes (120 mins) for Guam. The first episode will introduce wedding chapels; the second one will cover various outdoor activities in Guam. Expected Airing Date: Aug 21 & 28

HONG KONG MARKET UPDATE

July 11, 2014, 11:00AM
GVB Main Conference Room
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Ms. Gina Kono presented the FY2015 Smart Goals

Hong Kong

FY13 Arrivals: 8,936

FY14TD As of Jun 30 Arrivals: 6,814

FY15 Goal Pax: 14,000

FY15 Budget: \$215,000

FY2015 SMART Goals

- Engage in Joint Promotions with United, TAs, and GVB members
- Market Development in wedding/honeymoon, education, sports, and cultural tourism
- Increase Media Exposure
- FY2015 Key Campaigns
- Joint promotions with United HK
- Joint promotions with GVB members & TAs
- Joint promotion with TAs and media to promote wedding/honeymoon, education sports, and cultural tourism

V. OLD BUSINESS



The Guam Visitors Bureau and the Guam International Airport Authority executed an airport greeting service for Dynamic Airway's Inaugural flight from Beijing on June 21, 2014. The greeting service included a water salute on the tarmac, greeters at the arrival gate and arrivals section, cultural dancers, and two Ms. Guam's.

July 11, 2014, 11:00AM
 GVB Main Conference Room
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VI. NEW BUSINESS

The following motion was approved by the board of directors on July 10, 2014

VisitUSA China: Wuhan Road Show

Motion to approve travel for Marketing Manager & Staff to participate in the VisitUSA China: Wuhan Road Show in Wuhan, Hubei Province from July 22-28, 2014 and to conduct business meetings in Beijing with media, and airline/travel partners. (Cost approximately \$8,676.00 from FY2009 Excess Fund Account, CI-FY2009)

Travel Expense

Air Fare	Roundtrip: GUM/CI/GUM \$2000.00 x 2 pax	\$4,000.00
Registration	Non-Member = \$850.00 per city	\$850.00
Per Diem	GVB Marketing Staff	
	Wuhan Lodging: \$152.00 x 2 nights x 2 pax	\$608.00
	Wuhan M&IE: \$118.00 x 2 days x 2 pax	\$472.00
	Beijing Lodging: \$258.00 x 2 nights x 2 pax	\$1,032.00
	Beijing M&IE: \$119.00 x 3 days x 2 pax	\$714.00
	Total	\$2,826.00
Miscellaneous Expenses:	Excess baggage/Communication costs /Unanticipated expenses	\$1,000.00
TOTAL:		<u>\$8,676.00</u>

Background

VisitUSA China: Wuhan Road Show is a VisitUSA China event offering great learning, media exposure and business development opportunities for Committee members. Member travel suppliers, destinations and CVBs will train client-facing staff from leading agencies on your products, and hold face to face matchmaking meetings with the Chinese travel agents, tour operators and media. VisitUSA China: Wuhan Road Show is an event of unique scope and importance in the outbound Chinese travel industry to the USA, presenting excellent networking and prime business opportunities with an eager and welcoming Chinese audience made up of travel trade. It is important for GVB to participate in this roadshow as a US consulate with the ability to process Chinese visas has opened in this region.

GVB shall conduct important business meetings in Beijing with media from Guam familiarization tours as well as with airline and travel trade partners. In addition GVB needs to conduct face-to-face meetings with Beijing media buyers to ensure that ad placements are in line with GVB's strategic goals as well as to ensure that cost efficiency of media buys.

Issue: Board approval for travel required.

The Greater China Marketing Committee Meeting Minutes

EXHIBIT A

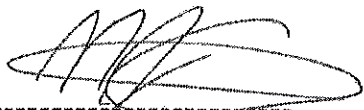
July 11, 2014, 11:00AM
GVB Main Conference Room
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VII. ANNOUNCEMENTS

Ms. Gina Kono announced that the Governor has announced condition of readiness two and that the Government of Guam is closed.

VIII. ADJOURNMENT

Meeting adjourned at 12:00pm.



Minutes Prepared by:
Nakisha Onedera (Marketing Officer I)



Reviewed and approved by:
Nadine Leon Guerrero (Acting Marketing
Manager)