BOARD OF DIRECTORS REGULAR MEETING
Thursday, March 12, 2015 – 4:00 p.m.
Guam Visitors Bureau - Main Conference Room

BOARD of DIRECTORS PRESENT:
Chairman Mark Baldyga
Director Katarina Sgro
Director Milton Morinaga
Director Clifford Guzman
Director Hong Soon Im

Director Bruce Kloppenburg
Director Theresa Arriola
Director Norio Nakajima
Director Sam Shinohara
Director Bartley Jackson

BOARD of DIRECTORS ABSENT:
Director Eduardo “Champ” Calvo - Off-island
Director Robert Hoffman - Off-island

GVB MANAGEMENT & STAFF PRESENT:
Nathan Denight
Regina Nedlic
Dee Hernandez
Brian Borja
Mark Manglona
Meriza Peredo
Pilar Laguana
Gina Kono

Colleen Cabelo
Nic Yasuhiko
June Sugawara
Nakisha Onedera
Ana Cid
Josh Tyquingco
Lisa Linek
Nadine Leon Guerrero

Dara Roberto
Telo Taitague
Haven Torres
Kraig Camacho
Rose Cunilffe
Felix Reyes

I. CALL TO ORDER

Chairman Baldyga called the meeting of the board to order at 4:07 p.m.

IV. MINUTES OF THE PREVIOUS MEETING

V. CHAIRMAN’S REPORT

Chairman Baldyga reported that he, Nathan Denight, Director Morinaga, and Director Jackson had a nice walk through of the airport. The purpose was to walk with an eye from a hospitality and guest perspective. He noted that it’s not an extensive undertaking to make fundamental basic improvements such as some limited interior landscaping and lighting, eliminate cheap handmade signage, etc. Milton suggested coming up with a theme or brand standards for graphics. Notes and photos will be shared at the next board meeting. He noted that GIA was very cooperative and he appreciated their “can-do” approach.

Chairman Baldyga announced that the rotunda opening- Archbishop Flores loop, with GVB and the Lieutenant Governor’s Office beautification project went well and that it had been turned over to GVB for maintenance.
VI. GENERAL MANAGER'S REPORT

### PRELIMINARY Visitor Arrivals

**FEBRUARY 2015**
Total: 126,080 (7.7%)

<table>
<thead>
<tr>
<th>% Market Mix</th>
<th>Origin</th>
<th>Pax</th>
<th>% To LY</th>
</tr>
</thead>
<tbody>
<tr>
<td>58.8%</td>
<td>Japan</td>
<td>74,153</td>
<td>-15%</td>
</tr>
<tr>
<td>25.7%</td>
<td>Korea</td>
<td>31,677</td>
<td>35.9%</td>
</tr>
<tr>
<td>4.5%</td>
<td>US/Hawaii</td>
<td>5,648</td>
<td>6.7%</td>
</tr>
<tr>
<td>3.8%</td>
<td>Taiwan</td>
<td>4,776</td>
<td>23.4%</td>
</tr>
<tr>
<td>4.2%</td>
<td>China</td>
<td>5,259</td>
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</tr>
<tr>
<td>0.1%</td>
<td>Russia</td>
<td>142</td>
<td>496.6%</td>
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</tbody>
</table>

**CYTD 2015 (January 2015 – February 2015)**
Total: 244,561 (4.5%)

<table>
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<th>% Market Mix</th>
<th>Origin</th>
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</thead>
<tbody>
<tr>
<td>56.3%</td>
<td>Japan</td>
<td>133,164</td>
<td>-3.6%</td>
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<tr>
<td>26.8%</td>
<td>Korea</td>
<td>70,522</td>
<td>35.9%</td>
</tr>
<tr>
<td>4.7%</td>
<td>US/Hawaii</td>
<td>11,516</td>
<td>9.6%</td>
</tr>
<tr>
<td>3.0%</td>
<td>Taiwan</td>
<td>7,178</td>
<td>-16.0%</td>
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<tr>
<td>2.6%</td>
<td>China</td>
<td>6,255</td>
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<tr>
<td>0.3%</td>
<td>Russia</td>
<td>840</td>
<td>76.6%</td>
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**FYTD 2015 (October 2014 – February 2015)**
Total: 574,525 (2.2%)

<table>
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</thead>
<tbody>
<tr>
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<td>Japan</td>
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<td>26.7%</td>
<td>Korea</td>
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<tr>
<td>4.9%</td>
<td>US/Hawaii</td>
<td>27,942</td>
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<td>3.9%</td>
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<td>16,514</td>
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<tr>
<td>1.9%</td>
<td>China</td>
<td>10,791</td>
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<tr>
<td>0.4%</td>
<td>Russia</td>
<td>1,145</td>
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### PRELIMINARY MTD Visitor Arrivals

March 1 - 10, 2015
Total: 43,489 (6.4%)

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</thead>
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<tr>
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<tr>
<td>19.0%</td>
<td>Korea</td>
<td>8,268</td>
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<tr>
<td>4.1%</td>
<td>US/Hawaii</td>
<td>1,772</td>
<td>13.7%</td>
</tr>
<tr>
<td>2.1%</td>
<td>Taiwan</td>
<td>910</td>
<td>19.4%</td>
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<tr>
<td>1.5%</td>
<td>China</td>
<td>650</td>
<td>56.0%</td>
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<tr>
<td>0.2%</td>
<td>Russia</td>
<td>85</td>
<td>-92.7%</td>
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</tbody>
</table>

### Japan Marketing News

**Student Travel**
- Nara Hara High School (9th trip, 350 students – anticipate 400 students next year)
- Yamaguchi University (4 pax, lecture about GVB)
- 150 high schools visited Guam for April 2014 - March 2015 School Year (155 planned for next school year)
- Sports training camp total participants: 1,670 players as of February 2015 (Pro & National members) - Baseball, soccer, swimming, tennis, running, body building and triathlons.
Japan Marketing News

Incentive Groups

April
- Yuki Kenko (April 1-4) - 21 pax
- Shinshara (April 1-4) - 15 pax
-Ti Group (April 5-10) - 147 pax (3 groups)
- Eco Style (April 9-12) - 62 pax
- Sakaguchi (April 9-12) - 32 pax
- Gibraltar Fife (April 9-12) - 120 pax
- Suprius Chemical (April 9-14) - 244 pax
- Osaka Toyota Show (April 12-15) - 12 pax
- Samuson (April 13-16) - 35 pax
- Iida-Sutushi (April 25-28) - 12 pax

May
- Suzuki (May 17-20, 18-21, 19-22, 20-23, 21-24, 22-25) - 3,000 pax

Japan Marketing News

Sales Activity plan for March, April and May

3/11 Tokyo MICE Seminar & Tokyo Guam Sales Seminar
3/12 Shimizu MICE Seminar & Hamamatsu MICE Seminar
3/13 Nagoa MICE Seminar & Nagoa Guam Sales Seminar
3/14-15 Nagoa Travel Fair (290,000 pax)
3/16 Fukui MICE Seminar
3/19 Karazawa MICE Seminar
3/22 Toyama MICE Seminar
4/03-05 Marine Diving Fair at Setsudo Kurose (10,000 pax)
4/10-12 GCD in Osaka
4/10-12 Osaka GLP
4/11-15 Fukui MICE Light
4/17-19 Kochi, Tokushima, Matsue, Takanatsu MICE Seminar
4/23 Tokyo: U.S. Educational Seminar with American Embassy - Tokyo
4/24-26 Sado Marathon + Sado Marathon with UA Nippon (4,000 runners)
5/04-05 Sister Marathon - Nikkan Sports Toyohara Marathon with UA
Hokkaido (8,000 runners)
5/21 Nagoya-Brand U.S.A. Seminar, 5/22 Osaka - Brand U.S.A. Seminar
5/23-24 Osaka - Kansai Airports Travel Fair (100,000 pax)

Pacific Marketing News

Guam Product Update Seminar
March 5-9, 2015 | Cairns, Australia

- 21 travel agents from Australia attended seminar
- United partnered with GV8 for this trip
- Media interview with Cairns Post/Channel 7 News
- Travel agents were very appreciative of Guam product update
- Inquiries already from groups for PESTPAC 2016

North America News

LA Travel & Adventure Show
February 21-22, 2015 | Long Beach, California

- Around 26,000 attendees at the event
- GVII engaged with United and Mystical Tours & Adventures to offer Special airfare and promo package for this event
- Mystical Tours & Adventures reported that some bookings have already been made
GM Denight reported meeting with Jay Rojas and airport management for a walk through of immigration area. He noted that USCBP will be coming to Guam March 23rd to talk about the preclearance CBP is offering from certain airports. They are looking at expanding to Japan and Korea. Passengers from those airports would get precleared which would save time and free up immigration/arrival lounge. He also noted the challenge is that the airport only has 2 gates able to feed into customs/baggage area and that they would need to adjust airport master plan.

PATA

- GM Denight said they sent out a packet to the board about hosting the PATA annual summit, which includes all executive and committee meeting with over 400 delegates expected to attend- all high level people in the travel industry. He noted that it’s a great opportunity to bring in potential investors and travel partners to showcase what Guam has to offer.

- Chairman Baldyga asked about the timeline for the event. GM Denight said the packet is due March 31st so an RFP is needed. PATA is soliciting for 2016 thru 2018 and all the destinations will be submitting bids. Chairman noted there will be one more board meeting before then so GM Denight would need to start working on presentation if he’s looking for indication of board support. GM Denight said they have already met with selected partners such as The Dust and will also be available to all membership for participation. Chairman Baldyga noted that without airline and hotel partners it could be over $100,000 commitment for GVB - he also explained that he was on the PATA board for ten years, it’s a very high level group of CEOs, airline/hotel presidents and it would be a great thing for Guam to be able to host.
Director Shinohara asked if they had a sense of what the winning packages looked like in terms of proposals. Pilar said they are looking for an official carrier, an official hotel, and certain requirements that they need from those official hosts. The destination’s tourism and bureau along with the government are typically the hosts and that the ROI is a full year of international marketing exposure not just for the destination but also all of the official sponsors. Pilar said PATA has a global reach and it’s a unique opportunity to deliver their message and vision for Tourism 2020 to all the key players and shakers that sell travel and tourism to, within, and from the region of Asia Pacific. They will also bring with them international media like BBC, CNN, etc.

Chairman Baldyga suggested that presumably they could add to budget as a line item for next year to present to the legislature.

VII. TREASURER’S REPORT

Exhibit B

Comparative Balance Sheet
February 28, 2015 & 2014

<table>
<thead>
<tr>
<th>Assets</th>
<th>February 28, 2015</th>
<th>February 28, 2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Current Assets:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash &amp; Cash Equivalents</td>
<td>11,961,328.13</td>
<td>11,912,044.02</td>
</tr>
<tr>
<td>Accounts Receivable:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accounts Receivable:</td>
<td>11,961,328.13</td>
<td>11,912,044.02</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total Current Assets</td>
<td>31,932,656.26</td>
<td>31,824,088.04</td>
</tr>
<tr>
<td>Long-term Assets:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Property &amp; Equipment</td>
<td>6,080,867.63</td>
<td>6,080,867.63</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total Assets</td>
<td>38,013,523.89</td>
<td>37,904,955.67</td>
</tr>
</tbody>
</table>

| Liabilities | | |
| Current Liabilities: | | |
| Accounts Payable: | 11,573,668.45 | 13,724,209.69 |
| | | |
| Total Current Liabilities | 167,773,074.90 | 167,773,074.90 |
| Long-term Liabilities: | | |
| Long-term Mortgage Payable | 144,066.97 | 144,066.97 |
| | | |
| Total Liabilities | 167,917,141.87 | 167,917,141.87 |

Net Assets: | | |
| Beginning Net Assets | 11,241,412.91 | 11,241,412.91 |
| Change in Net Assets | 1,670,124.35 | 1,670,124.35 |
| Total Net Assets | 12,911,537.26 | 12,911,537.26 |

Comparative Statement of Revenues & Expenses
February 2015, February 2014, & YTD

<table>
<thead>
<tr>
<th>Revenues</th>
<th></th>
<th></th>
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</thead>
<tbody>
<tr>
<td>Fees Earned</td>
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<td>6,082,252.20</td>
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<tr>
<td>Expenses</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Direct Costs</td>
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<td>177,767.35</td>
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<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total Operating Expenses</td>
<td>3,591,295.09</td>
<td>3,591,295.09</td>
</tr>
<tr>
<td>Operating Income</td>
<td>653,377.92</td>
<td>653,377.92</td>
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<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total Revenue</td>
<td>6,707,050.93</td>
<td>6,707,050.93</td>
</tr>
</tbody>
</table>

Note 1: Increase in Professional Services due to greater advertising and public relations expenses in China, Hong Kong, and Taiwan.
Note 2: Increase in tennis tournament expenses in China, Hong Kong, and Taiwan.
Note 3: Increase due to Guam City Daylight Savings Improvement Project.

Guam Visitors Bureau | Setseisian Bistang Guahan
401 Pale San Vitores Road | Tamuning, Guam 96913 | (671) 646-5278 | www.visitguam.org
### CASH RECEIVABLES & PAYABLES POSITION

<table>
<thead>
<tr>
<th>FY 2014 &amp; FY 2015 COMPARATIVE REPORT</th>
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<tr>
<td><strong>RECEIVABLES:</strong></td>
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<tr>
<td><strong>GROUP 1:</strong></td>
</tr>
<tr>
<td><strong>Direct:</strong></td>
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<tr>
<td><strong>Prepaid Expenses:</strong></td>
</tr>
<tr>
<td></td>
</tr>
<tr>
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</table>

<table>
<thead>
<tr>
<th><strong>PAYABLES:</strong></th>
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</tr>
</thead>
<tbody>
<tr>
<td><strong>GROUP 1:</strong></td>
<td><strong>GROUP 2:</strong></td>
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<td><strong>Direct:</strong></td>
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<td><strong>Prepaid Expenses:</strong></td>
<td><strong>Interest:</strong></td>
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<tr>
<td><strong>Other:</strong></td>
<td><strong>Total</strong></td>
</tr>
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 strokes and outlines: 1.4.0.0

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Discussion/Comments:

- Director Shinohara noted that the front office continues to hold back the 10% reserve money and given this year's initiatives and budget needs, there's an appetite and needs within the different markets to be able to fund those appropriately and would like to reach out to front office to discuss. Chairman Baldyga said it was addressed but without a response.

- Director Kloppenburg asked about the 2.6 million accounts payable to Festpac. Chairman Baldyga asked to clarify, out of the 4 million returned from GPD, how much is the balance needed to top off the Festpac account, and whatever the excess is, he'd like to be on top with the legislature before it is spent. He noted that before the next board he'd like to work on a presentation of total needed to top off Festpac, total coming in from GPD, excess, and what they propose to use it for, and sketch draft legislation of the plan of approach. GM Denight noted that he and DGM Taitague met with the chief financial officer at governor's office and are in the works of getting a clearer financial picture.

- Director Shinohara asked if Festpac organization has money outside of budget. GM said they are currently working on raising money through sponsorships and in-kind donations. Director Kloppenburg noted they need to be aware that Festpac may be pulling excess funds from the budget.

VIII. REPORT OF THE BOARD COMMITTEES

A. EXECUTIVE COMMITTEE

**Bus Shelters:**

- Director Kloppenburg said that GVB started the bus shelter process a couple of years ago and was able to get the bus companies into buying into placing new routings and new stops along San Vitores. GVB was to build the bus shelters but the presentation that was made was contrary to what the board had originally asked for. It became an advertising venue which was not originally asked for. They wanted it to be self-sustaining, paid for, classy with coverage but not sign to everywhere - they didn't want advertising on every square foot.

- Director Jackson said the old board wanted to see something culturally significant that fits in with branding, makes a statement and provides shelter for passengers. The option of ads/no
ads was an issue of maintenance. If they allowed some ad then it pays for maintenance and not a burden to GVB. If they decided on no ad, money would be needed to be allocated for maintenance on a regular basis, estimated at $70,000.

- Director Morinaga suggested that the companies servicing the bus stops should be responsible for paying fees used toward maintaining the shelters.
- Director Jackson proposed they that they vote for GVB to take control of the process and the study done, be able to outline pro’s/con’s, specific costs involved, cost of maintenance, and analysis of what is trying to be done to make a final determination.

Director Jackson made a motion, seconded by Director Guzman to choose between Option A or B (as presented to the board), as opposed to Option C, which effectively means that GVB is going to take control of the process, design, and avoid having a third party involved as a for profit enterprise. Motion Approved.

Discussion/Comments:

- Director Shinohara asked if the issue was purely advertorial. Director Jackson said the issue was maintaining control and image and minimizing the amount of advertising. Director Shinohara stated that with all the different initiatives, he's worried about taking on additional responsibilities associated with shelters. Director Jackson noted that it would be covered under Option B by a bidder, they would have control without having to actually do it and would be able to RFP it out.
- Director Kloppenburg noted by disclosure his part in the Red Guahan Trolley System so they will be utilizing shelters and would not affect them in any way. Chairman Baldyga noted that by way of disclosure he has a media company but that the bus shelter contract does not affect his company.

Director Jackson made a motion seconded by Director Shinohara to create a task force (bus shelter) to move forward and working with a third party for design and cost refinement that they will bring back to the board for a final decision. Motion Approved.

B. CULTURAL & HERITAGE

Director Arriola noted that there was a bill introduced by Senator Morrison and Senator Barnes regarding the establishment of a cultural and sports ambassador. Chairman Baldyga said they went down to testify at the hearing and GM Denight gave testimony in favor of the bill. Director Arriola said she discussed with the Senators the need for parity with regards to the current existing grant program vs. what they are looking at allocating for the ambassadorship program in regards to finances. She stressed funding fairness for the next fiscal year.

Director Arriola noted that their committee will be meeting in April and they will also be heading to the Che’lu festival in San Diego along with marketing.

Chairman Baldyga noted that in the interest of time he'd like to skip the committees and come back to them to get through the motions for approval. Because they have the option the board decided to read motion as is, not including account information.

C. DESTINATION MANAGEMENT
Director Guzman proposed to create a task force to look at the Tumon Master Plan, the signage law, the CC&R’s, etc. - a smaller working group would be needed. Chairman Balyga asked if they could open participation to the board.

Chairman Balygan noted that the Hagatna Restoration Redevelopment Authority is in the middle of a very extensive master plan worth $800,000. The company retained to do it through GEDA is the Matrix Design Group. They met to discuss GVB’s vision- not to end up with a master plan (Tumon) that take 15 million to build, but CC&R’s, signage laws, maybe a phase program that they could take to the legislature to request for money- whatever is excess out of the TAF to use toward the Masterplan.

D. GREATER CHINA MARKETING

Director Kloppenburg noted transition meeting to go through Hong Kong, Taiwan and China. They have a draft they are working on for the Guam USA holiday campaign for 2015, and becoming “China Ready”.

Chairman Balyga asked Director Kloppenburg to explain China ready concept. Director Kloppenburg said they are partnering with United and Dynamic to try an incentive based their main suppliers in China. Also bringing in hotel partners with ground operators. General requirement to become china ready: hotel partners must commit a minimum of 5% of room allotments for the Chinese market, provide special offers for the Chinese markets, optional tours, ground transportation, etc. Airlines have committed 11,500 seat thru September.

E. JAPAN MARKETING

Committee Minutes dated Tuesday, February 10, 2015
Committee Minutes dates Tuesday, March 10, 2015

Guam Live Presentations

Director Morinaga made a motion, seconded by Chairman Balyga to approve travel for the Guam Live Presentations for Spring and Summer 2015 in the Japan market as follows:
(Estimated travel cost CHaCO: DM-CPO001 $29,216.00. JA-GAMAL001 $6,441.00. Total estimate: $35,657.00*)
Motion Approved

Background: The GLP program aims to accomplish two primary objectives in Japan:
1) Direct focused promotions to general consumers
2) Work closely with industry partners to push Guam travel

Plans include promotions in all cities that have direct flights to Guam. Courtesy calls and meetings are scheduled with government officials, travel agents, sports teams, civic organizations, and other key industry stakeholders. Where able, media is included to maximize publicity and expand Guam awareness as a unique, upscale destination.

<table>
<thead>
<tr>
<th>City</th>
<th>Dates</th>
<th>Per Diem</th>
<th>Days</th>
<th>Airfare</th>
<th>Pro Fees</th>
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</thead>
<tbody>
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<td>Osaka</td>
<td>4/10-13/15</td>
<td>$292.00</td>
<td>3</td>
<td>$1,000.00</td>
<td>$1,200.00</td>
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<tr>
<td>Fukuoka</td>
<td>4/17-20/15</td>
<td>$304.00</td>
<td>3</td>
<td>$1,000.00</td>
<td>$600.00</td>
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<tr>
<td>Sendai</td>
<td>7/05-07/15</td>
<td>$264.00</td>
<td>3</td>
<td>$1,000.00</td>
<td>$900.00</td>
</tr>
<tr>
<td>Sapporo</td>
<td>7/07-10/15</td>
<td>$287.00</td>
<td>3</td>
<td>$1,000.00</td>
<td>$900.00</td>
</tr>
</tbody>
</table>

| Miss Guam | 1 | $100.00 | $300.00 |
| Musicians | 2 | $100.00 | $600.00 |
| Dancers   | 2 | $50.00  | $300.00 |
| Staff: CHaCO & Mktg | 2 | | $1,200.00 |
*Includes per diem, professional fees and airline tickets.

**Issue:** Board approval required for travel

**Discussion/Comments:**

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**Japan Guam Tourism Council Meeting**

Director Nakajima made a motion, seconded by Director Shinohara to approve travel for the 
JMC Chairman and the GVB General Manager or his designee to Tokyo, Japan to join the 
Japan Guam Tourism Council meeting (Kanto Region). Travel is scheduled for April 7, 2015. 
Cost is approximately $2,447.50 from the FY2015 JA# SMD008 Account.

**Motion Approved**

<table>
<thead>
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<th>Marketing</th>
<th>Lodging</th>
<th>M&amp;IE</th>
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<tr>
<td>JMC Chairman</td>
<td>Day Trip</td>
<td>$223.75 x 1 day</td>
<td>$223.75</td>
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<tr>
<td>GVB General Manager</td>
<td>Day Trip</td>
<td>$223.75 x 1 day</td>
<td>$223.75</td>
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<tr>
<td>Airfare</td>
<td>$1,000 x 2 pax</td>
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<td>$2,000.00</td>
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<tr>
<td><strong>TOTAL</strong></td>
<td></td>
<td></td>
<td><strong>$2,447.50</strong></td>
</tr>
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</table>

**Background:** The Japan Guam Tourism Council (JGTC) Kanto Region is meeting on April 7, 2015 and the GVB General Manager is asked to join the meeting.

The JGTC meetings are an important component of GVB's trade outreach in across Japan with the Kanto meetings being the key outbound region for Guam.

**Issue:** Board approval required for travel.

**Discussion/Comments:**

- Director Morinaga noted that Dr. Fujikawa will be visiting GVB regarding the recycling study that was completed.

- Director Morinaga said that because Japan numbers are in decline, they will be meeting to talk about what can trigger consumers to come to Guam. He said that consumers are smarter compared to before. They have choices in destinations and also economy has changed. Airlines have been cutting down on their seats, and Hawaii and Okinawa have become competing destinations.

- Director Kloppenburg noted that the one constant has always been Japan and after 23 months of decline in market share he is concerned. He said the board needs to address how they currently operate in Japan, take a look at business model, research other alternatives and open up debate. Changes needed to be made because without Japan there is no survival in the long run. He also cautioned against being so heavily dependant on the volatile Korean market.

- Director Morinaga noted that in Japan they would need to change the whole concept of being dependant to the wholesaler. Japanese still use travel desk to buy tours, unlike American markets. The changes he would like to make is how to trigger their minds, pushing the location of Guam only being 3 hours away. Director Nakajima stated that in addition to the JMC meetings, he proposed a meeting of the Chairs to discuss more in-depth issues.
Director Kloppenburg recommended forming a task force within the Executive Committee to which Chairman noted there is already a JMC. Director Morinaga said he understands the concerns and will have a better update during the next board meeting.

Chairman Baldyga said he's hearing 2 different issues. The first is the issue of the marketing efforts in Japan and the second is the Japan office operating the same way for a long time. There's a desire to examine how they conduct business in the Japan office and he closed the discussion noting complete faith and trust in JMC but he recommended that leadership run the business as they choose but also encourage them to consider inviting people they think might add to the conversations to interim meetings among JMC leadership.

F. KOREA MARKETING

Chairman Kloppenburg noted that GEDA is doing a trade mission April 6th, 7th and 8th. The Governor will be attending.

G. MEMBERSHIP & COMMUNITY OUTREACH

Director Guzman noted they are focusing on incentives and attendance. Also creating a section of the website for members only to highlight some benefits of being a member.

H. NORTH AMERICA & PACIFIC MARKETS

Committee minutes dated Wednesday, March 11, 2015

Director Arriola reported that as directed by management the committee has started formulating the FY16 budget. She also thanked United for committing to putting an airfare offer together for Che'lu.

PATA Annual Summit/PATA Annual General Membership Mtg - April 22-27, 2015

Director Arriola made a motion, seconded by Director Shinohara to approve travel for Marketing Manager, one (1) GVB staff, one (1) Senator to attend PATA Annual Summit / PATA Board Meeting in Leshan, Sichuan, China from April 22-27, 2015. (Estimated cost of travel: $9,725.80 from FY2015 Acct# PA-SMD025)

Motion Approved

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Background: The Summit is PATA's annual signature event attracting members, partners, non-members and media delegates for the conference, PATA Youth Symposium, PATA Executive Board and Committee meetings, and the 64th Annual General Membership Meeting 2015. Normally held in April and attracting 200-400 delegates from 30+ countries, brings together international thought leaders, industry shapers, and senior decision-makers who are professionally engaged with the Asia Pacific region. The Summit serves both as the Association's Annual General Membership (AGM) and as a global tourism forum for enhancing the sustainable growth, value and quality of travel and tourism to, from and within the Asia Pacific region.

The Summit consists of a one-day international conference, AGM, Board and Executive Board Meetings, Committee Meetings and the PATA Youth Symposium. The one-day conference aims to bring together domestic and international thought leaders and industry shapers to discuss relevant travel and tourism
industry trends and topics. Delegates are offered extensive pre or post touring options to visit the surrounding attractions, highlighting the various offerings of the destination.

The Guam Visitors Bureau is an active member and a leading organization in PATA Int’l and PATA Micronesia Chapter.

**Issue:** Board approval needed for travel.

**Discussion/Comments:**

- Director Arriola read the motion and Chairman Baldyga questioned why the GM was not attending. Pilar said it’s a PATA AGM and PATA World Chapters and the GM could go if he’s available. Chairman noted that it would be worthwhile for GM to attend to engage with PATA.

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**International Pow Wow (IPW) - May 30 - June 3, 2015**

Director Arriola made a motion, seconded by Director Jackson to approve travel for the GVB Marketing Manager and three Marketing Officers, to attend the 47th U.S. Travel Association IPW in Orlando, Florida during May 30 - June 3, 2015. Travel cost is approximately $14,128.00 and will come out of the following accounts: $4,709.34 - US-TTC044, $4,709.33 - CI-SMD023 and $4,709.33 - JA-SMD008

**Motion Approved**

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**Background:** The U.S. Travel Association is the national, non-profit organization representing all components of the travel industry that generates $21 trillion in economic output and supports 14.9 million jobs. U.S. Travel’s mission is to increase travel to and within the United States.

U.S. Travel Association’s IPW is the travel industry’s premier international marketplace and the largest generator of travel to the U.S. - it is NOT a typical trade show. In just three days of intensive pre-scheduled business appointments, more than 1,000 U.S. travel organizations from every region of the USA (representing all industry category components), and more than 1,300 international and domestic buyers from more than 70 countries conduct business negotiations that result in the generation of more than $4.7 billion in future Visit USA travel. At IPW, buyers and sellers are able to conduct business that would otherwise be generated only through an exhaustive number of around-the-world trips.

Now in its fourth year as the premier partner of IPW, Brand USA looks forward to welcoming travel professionals around the globe to IPW in Orlando. As the nation’s destination marketing organization, Brand USA inspires travelers worldwide to experience the United States’ boundless possibilities. In 2013, Brand USA’s marketing efforts helped welcome 11 million additional visitors to the USA.

This year IPW will be held Saturday, May 30 through Wednesday, June 3, at the Orange Country Convention Center in Orlando, Florida. IPW will have more than 1,100 exhibitor booths held by U.S. Suppliers of USA travel products and destinations and more than 5,000 attendees who are international travel buyers, domestic travel buyers and international journalists representing more than 70 countries.
GVB plans to send the Marketing Manager and key marketing staff to this very important and strategic event to maximize one-on-one appointments with key media, buyers and trade professionals from our source markets and from around the world.

Over the 3 days of one-on-one pre-scheduled appointments GVB has consistently been able to conduct with over 150 buyers and 28 media representatives during our participation at the Media Marketplace. The GVB delegates also will meet numerous travel industry delegates during the networking events held during the 5 days of IPW.

**Action:** Board approval for travel required.

**Discussion/Comments:**

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**Scuba Show 2015/Micronesia Seminar**

Director Arriola made a motion, seconded by Director Kloppenburg to approve travel for GVB Marketing Manager and one (1) GVB Marketing Staff to attend the Scuba Show 2015/Micronesia Product Update Seminar to be held June 6-9, 2015 in Long Beach, California and the Guam/Micronesia Product Update Seminars in Long Beach, California, during June 8-10, 2015. *(Travel cost approximately $8,908.00; N. America Acct. #US-TTC066)*  

**Motion Approved**

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**Background:** The Scuba Show in its 28th year attracts more than 10,000 consumers with around 72% looking for dive destinations and looking to explore destination exhibits. GVB’s presence at the 2014 Scuba Show generated significant interest with many inquiries about Guam and its underwater offerings.

At the recent LA Travel & Adventure Show in Long Beach, many consumers who visited the GVB booth inquired about diving and diving related activities on Guam and the region. Diving and Adventure travel is a big component of the FY15 North America/Military Marketing Plan. GVB plans to participate to showcase Guam as an undiscovered dive destination, including the varied dive sites, year-round warm weather and waters, and the myriad of above-water activities divers can participate in.

As the gateway to Micronesia and America in Asia, Guam is strategically positioned to accommodate the dive enthusiasts as a quick layover, looking for a safe US destination or as a destination with many adventures and shopping options. Scuba diving and diver travelers are known as affluent travelers contributing to the overall tourism industry on Guam. An average two-tank boat dive on Guam is around $175 per person with the typical “diver” purchasing at least two dive tours during a visit. At least 67,000 divers frequented Guam in 2014 to equate to millions of dollars in gross revenue for the island. We are also pleased to announce that the Guam Tropical Dive Station (GTDS) was awarded the PADI Award for certifying more than 35,000 divers over 12 months.

While participating at the Scuba Show we look forward to sharing the 2015 Events Calendar, all the upcoming sport/art/cultural events coming up in 2015/2016 and to push our FESTPAC 2016 that will be to give the divers more time to plan out their next dive trip and choose destination Guam.

Along with selling Guam and Micronesia, we would like to host a series of seminars and workshops with the active travel agents in the area and to have the chance to meet with California based Chamorro clubs and organizations to discuss GVB’s social media outreach and database development to try to raise
awareness about Guam and encourage Guam travel as part of the 2015 Visiting Friends and Relatives marketing strategy and awareness while in California.

Action: Board approval for travel required
Discussion/Comments:

I. RESEARCH

Director Shinohara noted they will have their first committee meeting on Tuesday and on the list is reviewing the revised customs form.

J. RUSSIA & NEW MARKETS
Committee minutes dated March 3, 2015

Pacific International Tourism Expo (PITE) 2015

Director Jackson made a motion, seconded by Director Guzman to approve travel for Senator Tina Muna Barnes, Russia & New Markets Committee Chairman, GVB General Manager or his designee, GVB Marketing Manager, & (2) GVB marketing staff along with with (6) Cultural Entertainers & (1) Miss Guam to attend the 2015 Pacific International Tourism Expo (PITE) in Vladivostok, Russia from May 21-23, 2015. (Cost approximately $21,817.50, Acct. No. TTC083) & $24,346.50, Acct. No. DM-CPO008).

Travel Expenses:
- Airfare: $1,500.00 x 13 pax = $19,500.00
- Per Diem: Senator:
  - Lodging $287.30/day x 4 days = $1,149.20
  - M&E: $148.20/day x 5 days = $741.00
- Russia & New Markets Committee Chairman & General Manager
  - Lodging $276.25/day x 4 days x 2 pax = $2,210.00
  - M&E: $142.50/day x 5 days x 2 pax = $1,425.00
- Marketing Manager
  - Lodging $221.00/day x 5 days = $1,105.00
  - M&E: $114.00/day x 6 days = $684.00
- GVB Marketing Staff
  - Lodging $221.00/day x 6 days x 2 pax = $2,652.00
  - M&E: $114.00/day x 7 days x 2 pax = $1,596.00
- Entertainers & Miss Guam
  - Lodging $221.00/day x 4 days x 7 pax = $6,188.00
  - M&E: $114.00/day x 5 days x 7 pax = $3,990.00
- Professional Fees
  - Entertainers & Ms. Guam $100.00/day x 3 days x 3 pax = $900.00
  - Dancers: $50.00/day x 3 days x 4 pax = $600.00

Anticipated Expenses: $3,423.80
(Excess baggage, communication, meeting expenses, visa processing, etc.)

TOTAL EXPENSE: $46,164.00
Background: The Pacific International Tourism Expo (PITE) is the largest annual travel show in the Far East of Russia which was established to discover new business opportunities, network with leading tourism professionals, and preview what is hot and new for travel markets of Primorsky Territory and Pacific Asia. More than 9,000 travelers/visitors were present in last year’s show, which also featured over 140 exhibitors.

GVB’s main objective is to initiate marketing efforts and to bring awareness of our destination to trade and consumers in the Far East. A Guam Presentation for our participating companies is being scheduled to introduce themselves and their product/service to travel agents.

Issue: Board approval needed for all travel

Discussion/Comments:

- Director Jackson noted that 95% of business from Russia comes from the far east and that this is the only far east travel show and it’s important to attend if we want to remain in the market. In the interest of saving money he’s not opposed to having the delegation be management and the Senator, and not sending entertainment and Miss Guam because the Russian market is so challenged and not likely to change before the end of the year.

- Pilar requested to still include Miss Guam and Director Jackson said they can modify the motion.

Director Jackson made a motion, seconded by Director Kloppenburg to modify to include along with the management representation- which includes the official delegation to include Miss Guam, and pass on the cultural entertainers.

Motion Approved.

Chairman Baldyga made a motion, seconded by Director Shinohara to withdraw the initial motion.

Motion to withdraw approved.

Chairman Baldyga noted that the money needed to be adjusted.

Director Shinohara made a motion, seconded by Director Kloppenburg to approve travel for everyone on the list with the exception of the entertainers, excluding Miss Guam, and the associated expenses related.

Motion Approved.

Chairman Baldyga requested to double check if motions are OK and if not, to be revisited at the next meeting.

Chairman Kloppenburg requested to continue the dialog of the Japan issue

K. SPORTS & EVENTS

Katarina noted they had their first introduction meeting and will be starting off with a clean slate looking toward potential members.

L. VISITOR SAFETY & SATISFACTION

Committee minutes dated Wednesday, March 4, 2015

Director Im noted their first meeting on March 4th, discussed about how they will process in the future, introductions of one another. They will have another report for next board meeting.
M. ADMINISTRATION & GOV'T RELATIONS

IX. OLD BUSINESS

X. NEW BUSINESS

XI. EXECUTIVE SESSION

XII. ANNOUNCEMENT

Upcoming Board Meetings:

- Thursday, March 26 at 4:00pm, GVB Main Conference Room.
- Thursday, April 9 at 4:00pm, GVB Main Conference Room.

Announcements:

Chairman Baldyga made a motion, seconded by Director Kloppenburg, to adjourn the meeting. Meeting adjourned at 5:35pm. Motion unanimously approved.

XIII. ADJOURNMENT

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

Board Minutes respectively submitted by Dara Roberto, Executive Secretary
Action Item:

1. Management to set up the time for airport walk through
2. Management to schedule a working session meeting with the Board and the Senators.
3. Verify with legal if they could dispense with reading all motions.
4. Look into “guest house” issue regarding zoning, licensing, taxation, safety, etc.
5. Task force to be established by the Chairman for the Guam Tourism Academy
6. Create a budget for photographer/Guam Photo Library
7. Make welcome experience at the airport a priority.
9. Management to follow up with GEDA and MATRIX regarding a proposal for a Master Plan
10. Management to report back with recommendations for photographer
11. Budget discussion at the board level for Festpac
12. Tumon Masterplan Task Force