



BOARD OF DIRECTORS REGULAR MEETING

Thursday, August 13, 2015 – 4:00 p.m.

Guam Visitors Bureau- Main Conference Room

BOARD of DIRECTORS PRESENT:

Chairman Mark Baldyga	Director Robert Hofmann
Director Katarina Sgro	Director Theresa Arriola
Director Milton Morinaga	Director Norio Nakajima
Director Clifford Guzman	Director Sam Shinohara
Director Hong Soon Im	Director Shelly Calvo
Director Eduardo Calvo	Director Bruce Kloppenburg
Director Bart Jackson	

BOARD of DIRECTORS ABSENT:

GVB MANAGEMENT & STAFF PRESENT:

Telo Taitague	Jon Nathan Denight	Josh Tyquiengco
June Sugawara	Antonio Muna Jr.	Rose Cunliffe
Dara Roberto	Nicolas Yasuhiro	Doris Ada
Ana Cid	Kraig Camacho	Pilar Laguana
Lisa Linek	Mark Manglona	Meriza Peredo
Nadine Leon Guerrero	Nakisha Onedera Garrido	Colleen Cabedo
Regina Nedlic		

GUESTS:

Troy Torres – Governor's Office
 Alan Cepeda – Office of Senator Tina Muna Barnes
 Bernice Rivera – Office of Senator Tina Muna Barnes
 Thomas Fisher – Fisher & Associates
 Phil Blas – Governors' Office
 Tina Blaz – Governor's Office

I. CALL TO ORDER

Chairman Baldyga called the meeting of the board to order at 4:25 p.m.

IV. MINUTES OF THE PREVIOUS MEETING

Exhibit A

Chairman Baldyga made a motion to approve the minutes of the previous Board of Directors meeting dated July 23, 2015. **Motion Unanimously Approved. (Subject to minor revisions)**

V. CHAIRMAN'S REPORT

Chairman Baldyga welcomed the newest Board Member Mrs. Shelly Calvo.

Chairman Baldyga reported the recent budget session was generally well received. He added the Senators were supportive of a bond for Tumon capital improvement projects.

VI. GENERAL MANAGER'S REPORT



PRELIMINARY Visitor Arrivals JULY 2015
Total: 114,956 (4.7%)

% Market Mix	Origin	Pax	% to LY
51.4%	Japan	59,062	-2.1%
30.8%	Korea	33,395	34.0%
5.3%	US/Hawaii	6,082	61%
5.4%	Taiwan	6,174	-17.3%
2.0%	China	2,311	26.4%
0.2%	Russia	194	-92.2%

PRELIMINARY Visitor Arrivals CYTD 2015 (January 2015 - July 2015)
Total: 786,032 (2.4%)

% Market Mix	Origin	Pax	% to LY
56.2%	Japan	441,887	-3.9%
28.3%	Korea	222,797	27.7%
5.3%	US/Hawaii	41,468	7.4%
3.3%	Taiwan	26,203	-16.4%
1.7%	China	13,319	40.7%
0.3%	Russia	1,078	-85.7%

PRELIMINARY Visitor Arrivals FYTD 2015 (October 2014 - July 2015)
Total: 1,115,976 (1.9%)

% Market Mix	Origin	Pax	% to LY
57.1%	Japan	639,939	-4.9%
27.4%	Korea	305,484	26.0%
5.2%	US/Hawaii	57,894	10.4%
3.2%	Taiwan	35,339	-16.4%
1.6%	China	17,855	52.6%
0.3%	Russia	3,283	-80.8%

PRELIMINARY MTD Visitor Arrivals August 1 - 12, 2015
Total: 53,057 (2.3%)

% Market Mix	Origin	Pax	% to LY
54.8%	Japan	29,082	-14.9%
32.6%	Korea	17,299	52.1%
3.7%	US/Hawaii	1,978	5.5%
2.5%	Taiwan	1,306	-18.6%
2.3%	China	1,222	124.6%
0.1%	Russia	78	-86.1%

Japan Marketing News

3 month Forecast

Month	Forecast	LY	%	2015 Seats	2014 Seats	% Seat change
Aug	76,000	87,672	-13.31%	91,175	104,575	-12.81%
Sept	70,000	68,409	2.33%	85,476	92,362	-7.46%
Oct	59,000	60,637	-2.7%	82,228	89,494	-8.12%

October

Origin	Forecast	LY	%
Japan	42,100	42,100	100%
Korea	17,200	17,200	100%
US/Hawaii	1,900	1,900	100%
Taiwan	1,300	1,300	100%
China	1,200	1,200	100%
Russia	80	80	100%

November

Origin	Forecast	LY	%
Japan	22,000	22,000	100%
Korea	9,000	9,000	100%
US/Hawaii	1,000	1,000	100%
Taiwan	700	700	100%
China	600	600	100%
Russia	40	40	100%

December

Origin	Forecast	LY	%
Japan	12,000	12,000	100%
Korea	5,000	5,000	100%
US/Hawaii	600	600	100%
Taiwan	400	400	100%
China	300	300	100%
Russia	20	20	100%

Japan Marketing News

Arrivals by Region

FY15 October 2014 – July 2015

• Kanto	301,681	-2%
• Chubu	88,016	-3.8%
• Kinki	126,501	-5.5%
• Kyushu	28,243	+2.1%
• Tohoku	22,016	-8.1%
• Hokkaido	12,522	-11.1%

Japan Marketing News

Airline News

T-Way

- 4 x per week KIX Guam (original plan was twice a week)
- Flight schedule Tue, Thu, Sat, Sun starting October 1
- B737-800, 189 all economy seats
- Route: Tegu - KIX - Guam

China Airlines

- Summer charter on September 19 (B737-800, 158 seats), planning year end charters as well

- (1). NARITA 12/26-30 - GUM 12/30-1/3
- (2). KANSAI 12/29 - GUM 1/2
- (3). SHIZUOKA 12/30 - GUM 1/2
- (4). HIROSHIMA 12/30 - GUM 1/3
- (5). TAKAMATSU 12/29 - GUM 1/2

Japan Marketing News

Outbound Travel Market

•The Japan National Tourism Organization announced that the estimated number of Japanese overseas travelers in May 2015 was 1.25 million, 2.4% decrease on a year-on-year basis for the twelfth successive month.

•Gross sales in outbound travel of the major travel companies were approximately 136.0 billion yen in April 2015, a 5.6% decrease from April 2014. Gross sales of outbound package tours were 41.1 billion JPY, a decrease of 10.2% from the previous year. Gross sales of domestic travel package tours in April became 70.2 billion JPY, an increase of 6.9% from the previous year while the number of people participating decreased by 2.9%.

Gross Sales of Package Tours in April 2015

	2015			2014		
	Revenue (Billion JPY)	Person	YOY	Revenue (Billion JPY)	Person	YOY
Outbound	41,100	207,109	-10.2%	45,718	229,718	-8.8%
Inbound	709	48,185	+27.4%	36,259	27.4%	
Domestic	70,248	2,518,829	+2.9%	2,632,700	-2.9%	
Total	112,057	2,834,123	-2%	2,936,676	-2%	

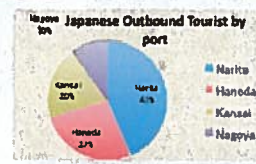
Japan Marketing News

Outbound Travel Market

•Japanese outbound tourists by port of departure (April 2015)

- Narita International Airport reported that the number of Japanese departures in April was 451,887, a 3.7% decrease compared with the number of April 2014.
- Japanese departures from Haneda Airport increased to 278,491 (+5.5%).
- The number of Japanese international departures from Kansai International Airport was 206,368 (-6.6%).
- Sendai Japan International Airport (Sendai) showed a 7.4% decrease to 103,534.

Major Port	JP Number	Share
Narita	451,887	43.4%
Haneda	278,491	26.8%
Kansai	206,368	19.8%
Nagoya	103,534	10.0%
Total	1,040,280	100%



Japan Marketing News

Japan Marketing FY16 Communication

- Airline meeting feedback
 - Nagoya and Osaka markets critical
 - Secondary cities need advertising support
- Agent feedback
 - Incentive plan - good idea, want advance notice
 - Support needed in secondary cities
- Incentive plan extension

Japan Marketing News

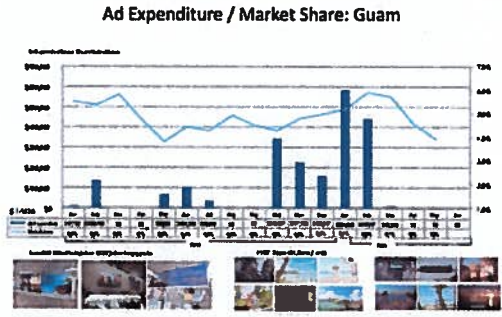
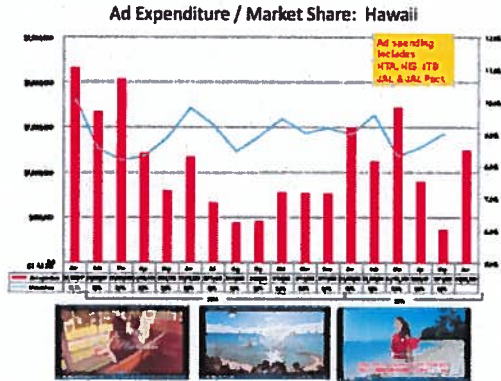
Japan Marketing FY16 Action Plan

- Shore up Osaka and Nagoya
 - aggressive advertising, PR, trade and consumer promotions all happening at the same time
 - generate buzz
- Re-enforce "OOG" messaging with Toshi-Chan campaign
- Work closer with membership and industry stakeholders
- Aggressive approach to tour planner at major wholesalers in Tokyo, Osaka, Nagoya and Fukuoka

Japan Marketing News

Miss Guam Chanel Cruz Jarrett featured in Mezamashi-Saturday TV show in Japan

- Number of viewers: 60 million
- Exposure value: \$2.5 million
- [Click here to see video 1](#)
- [Click here to see video 2](#)



Korea Marketing News

3 month Forecast

Month	Forecast Pax	Last Year	%Change	Seat Forecast '15	Seat Data '14	% Change Seats
August	38,000	37,247	35.4%	50,647	32,977	53.6%
September	32,300	23,657	36.9%	45,358	30,943	61.1%
October	34,000	24,423	39.2%	48,718	31,872	62.8%

August
 -SEA: 17 seats to 11,888 (1777-288)
 -JAL: 17 seats to 1,718 (1718-000)
 -ANA: 17 seats to 1,718 (1718-000)
 -KAL: 17 seats to 1,718 (1718-000)
 -T: 17 seats to 1,718 (1718-000)
 -S: 17 seats to 1,718 (1718-000)
 -H: 17 seats to 1,718 (1718-000)
 -I: 17 seats to 1,718 (1718-000)
 -O: 17 seats to 1,718 (1718-000)
 -N: 17 seats to 1,718 (1718-000)
 -A: 17 seats to 1,718 (1718-000)
 -M: 17 seats to 1,718 (1718-000)
 -D: 17 seats to 1,718 (1718-000)
 -C: 17 seats to 1,718 (1718-000)
 -E: 17 seats to 1,718 (1718-000)
 -S: 17 seats to 1,718 (1718-000)
 -T: 17 seats to 1,718 (1718-000)
 -Y: 17 seats to 1,718 (1718-000)
 -R: 17 seats to 1,718 (1718-000)
 -U: 17 seats to 1,718 (1718-000)
 -G: 17 seats to 1,718 (1718-000)
 -V: 17 seats to 1,718 (1718-000)
 -W: 17 seats to 1,718 (1718-000)
 -X: 17 seats to 1,718 (1718-000)
 -Z: 17 seats to 1,718 (1718-000)

Korea Marketing News

3 month Activities/Programs

- T way pre launching promotion
 - Miss Guam & Cultural group
 - Sep. 5 : COEX, Seoul
 - Sep. 10 : Daegu Airport & Dongseongro, Daegu
- Roadshow Daegu (Sep. 10) & Busan (Sep. 11)
- 18th Busan International Travel Fair (Sep 11-14)
 - Meetings with airlines, KGMC, and Busan Mayor

Korea Marketing News

Busan Air Inaugural on July 22



Korea Marketing News

KTAG Meeting on July 24



Taiwan Marketing News

Celebrity travel on Guam

- Taiwan Celebrity Chris Wang visited Guam again with his wife and newborn daughter in July 2015.
- He came to Guam before to shoot the TV Show "Dream Maker" in April and shoot the movie "The Fierce Wife Final Episode" in 2012. At the request from his agency, GVB sponsored his air ticket and worked with PIC for hotel accommodations.
- Chris created great exposure for Guam with more than 30 stories covered in major newspapers and online articles. 6 posts on Chris' FB received more than 565,000 likes, 1,495 comments and 1,095 shares.



Taiwan Marketing News

Co-branding marketing campaign with Eslite

- Eslite is holding a joint marketing campaign, Eslite Shopping Festival, with GVB from 8/4-8/26. Besides prizes with purchase are air tickets to Guam, there are also theme speeches, theme displays and different marketing channels, including billboards, VIP DM, the website, outdoor advertisements and in-store TV push ADs
- The total advertising value is over \$82,000



China Marketing News

GVB & DYA Media FAM

- Date: 18th -23rd July
- Participants: TTG, Travel Weekly China, Air Media, China Tourism News (Shanghai)
- 163.com, Sina.com, On the Road, Gift Travel, 2 DYA staff, 2 GVB China staff



China Marketing News

GVB & DYA Media FAM

- Date: 28th July -2nd August
- Status: On-going
- Participants: Lonely Planet Traveler, Travel+Leisure, Beijing Youth Daily, 21st Century Business Herald, Life Style, Global Travel, Qyer.com, 2 DYA staff, 1 GVB China staff



China Marketing News

Brand USA Guangzhou Training Seminar

- Date: 28th July
- GVB China Delegation: Lily Zhang, Trade Manager of GVB Guangzhou Office



China Marketing News

Audience participation from travel agents



#OnlyonGuam Campaign

- OOG Youtube views: 49,830 (within 3 weeks, launched on 7/19)
- Number of youtube subscribers doubled within that period of time (previously 150 and currently 315)
- -All comments are positive
- *Jon Perez 3 weeks ago
- Very good! This video is exciting, vibrant, and depicts a part of home that anyone in the world would want to live.
- OOG Facebook Page (Visit Guam USA page)
- - 42.4K organic reach, 60.4K paid reach, 81K post clicks
- - 876 shares
- - 1,966 likes
- - All positive comments
- *Diana Pangelinan This was money well spent to promote our HOME!
- smile emoji:iconAnd shared it to my family and friends near n tar.
- OOG Facebook Page (Guam Visitors Bureau page)
- - 20.2K people reached and 1.9K post clicks
- - 366 shares
- - 80 likes
- - All positive comments
- *P Diane Pangelinan This was money well spent to promote our HOME!
- smile emoji:iconAnd shared it to my family and friends near n tar.

#OnlyonGuam Campaign



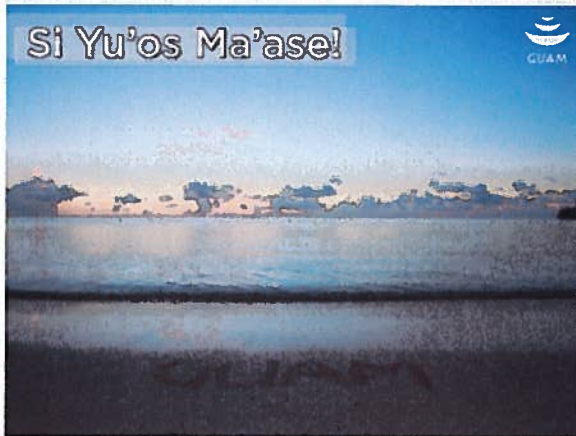
Treasurer's Report

Budget Analysis
FY 2015

	Actual	Budget	Variance
Compassionate	\$ 123,000.00	\$ 123,000.00	\$ 0.00
Development	\$ 1,085,000.00	\$ 1,085,000.00	\$ 0.00
Exp	\$ 1,400,000.00	\$ 1,400,000.00	\$ 0.00
GRV Total	\$ 2,308,000.00	\$ 2,308,000.00	\$ 0.00
Fee/Fac	\$ 300,000.00	\$ 300,000.00	\$ 0.00
Boony Day Fund	\$ 300,000.00	\$ 300,000.00	\$ 0.00
Pass-Through	\$ 825,000.00	\$ 825,000.00	\$ 0.00
Total Cash in Bank as of 8/13/2015	\$ 18,642,716.01		
Total Accounts Receivable FY 2015	\$ 23,573,204.00		
Total Accounts Payable FY 2015	\$ 4,268,403.00		
Total Accounts Payable FY 2015	\$ 7,676,361.90		

#OnlyonGuam Campaign





VII. TREASURER'S REPORT

Exhibit B

**CASH, RECEIVABLES, & PAYABLES POSITION
FY 2014 & FY 2015 COMPARATIVE REPORT**

FY 2014 (08/11/2014)				Balance	FY 2015 (08/12/2015)				Balance
BANK OF GUAM				\$6,167,250.00	BANK OF GUAM				\$8,062,042.53
FIRST HAWAIIAN BANK - Membership				\$51,609.10	FIRST HAWAIIAN BANK - Membership				\$75,826.54
RESONA BANK				\$274,208.00	RESONA BANK				\$175,174.51
BOG - TAF ACCOUNT				\$1,103,414.94	BOG - TAF ACCOUNT				\$2,099,486.32
BOG - RAINY DAY FUND				\$1,827,040.98	BOG - RAINY DAY FUND - NOTE 1				\$2,095,071.78
BOG - FESTPAC Trust Account				\$1,501,492.57	BOG - FESTPAC Trust Account				\$2,730,088.30
MORGAN STANLEY - CD **				\$2,510,944.95	MORGAN STANLEY - CD ** - NOTE 2				\$2,514,685.64
BOG - 212 Memorial Fund				\$690.00					
TOTAL CASH IN BANKS AS OF 08/23/14				\$13,448,740.72	TOTAL CASH IN BANKS AS OF 08/12/2015				\$18,682,278.01
**Morgan Stanley CD Market value as of 07/31/2014					**Morgan Stanley CD Market value as of 7/31/2015				
FY 2014 BUDGET P.L. 32-068				\$ 18,262,134.00	FY 2015 BUDGET P.L. 32-181				\$ 23,847,696.00
OPERATIONS TAF Special Projects					Operations				\$ 20,715,000.00
\$15,487,134.00 \$2,000,000.00					Destination Development				\$ 1,085,000.00
PASS THRU APPROPRIATIONS - \$775,000.00					Capital Improvement Projects				\$ 1,412,696.00
					Pass-thru Appropriations				\$ 1,235,000.00
OPERATIONS TAF Special Projects Pass-thru					Operations Destination CIP Pass-thru				
11/14/13	\$1,381,535.00	\$ 150,000.00	\$ 58,125.00	10/9/2014	\$ -	\$ -	\$ -	\$ 150,000.00	
11/25/13	\$1,381,535.00	\$ 150,000.00	\$ 58,125.00	11/5/2014	\$ 3,274,437.00	\$ 230,562.00	\$ -	\$ 1,100,792.00	
11/29/13	\$ -	\$ -	\$ 7,500.00	12/19/2014	\$ 3,500,000.00	\$ -	\$ -	\$ 5,300.00	
12/11/13	\$1,181,535.00	\$ 150,000.00	\$ 63,750.00	12/23/2014	\$ -	\$ -	\$ -	\$ 39,375.00	
12/21/13	\$ -	\$ -	\$ 3,750.00	1/13/2015	\$ -	\$ -	\$ -	\$ 31,500.00	
01/10/14	\$1,032,535.00	\$ 150,000.00	\$ 26,250.00	2/20/2015	\$ 4,914,437.00	\$ 230,562.00	\$ -	\$ 137,375.00	
01/21/14	\$ -	\$ -	\$ 7,500.00	4/20/2015	\$ 3,684,437.00	\$ 230,562.00	\$ -	\$ 132,125.00	
02/11/14	\$ 380,100.00	\$ 150,000.00	\$ 22,500.00	5/22/2015	\$ 850,000.00	\$ -	\$ -	\$ -	
03/11/14	\$1,936,970.00	\$ 150,000.00	\$ 96,000.00	7/10/2015	\$ 200,000.00	\$ -	\$ -	\$ -	
04/17/14	\$1,290,535.00	\$ 150,000.00	\$ 80,250.00	7/13/2015	\$ 1,500,625.00	\$ 81,376.00	\$ -	\$ -	
05/09/14	\$ 849,017.55	\$ 150,000.00	\$ 56,250.00	8/12/2015	\$ 2,974,439.00	\$ 230,562.00	\$ -	\$ 127,925.00	
06/19/14	\$1,181,535.00	\$ 150,000.00	\$ 58,750.00		\$ 17,506,375.00	\$ 1,003,624.00	\$ 1,317,042.00	\$ 751,250.00	
08/04/14	\$1,181,535.00	\$ 150,000.00	\$ 58,750.00						
	\$11,102,832.53	\$1,500,000.00	\$ 587,500.00						
Total FY 2014 Allotment Received to Date:				\$13,190,332.55	Total FY 2015 Allotment Received to Date:				\$20,578,291.00
Accounts Receivable FY 2014				\$5,071,901.48	Accounts Receivable FY 2015				\$3,269,405.00
FY 2014 ACCOUNTS PAYABLE as of 07/22/14				Amount	FY 2015 ACCOUNTS PAYABLE as of 8/15/2015				Amount
Asatsu Invoices June 2014				\$1,089,110.57	Asatsu Invoices APR-JUN 2015				\$467,612.94
Japan Miscellaneous Invoices				\$6,396.29	Japan Miscellaneous Invoices				\$36,899.01
Guam Miscellaneous Invoices				\$467,204.41	Guam Miscellaneous Invoices				\$625,391.28
FY 2011/2012/2013 Pass-thru appropriations				\$292,842.24	Encumbered Contracts (not yet incurred)				\$3,660,406.76
FY 2014 Pass-thru appropriations				\$4,875.00	Encumbered Purchase Orders (not yet incurred)				\$146,965.61
Encumbered Contracts (not yet incurred)				\$2,378,108.43	FESTPAC Trust Account				\$2,739,088.30
Encumbered Purchase Orders (not yet incurred)				\$213,846.57	Total Payables to Date				\$7,676,184.90
FESTPAC Trust Account				\$1,501,492.57	NOTE 1				
Total Payables to Date				\$5,951,875.08	\$ 2,095,071.78 Rainy Day Fund				
					(\$1,000,000) Board approved allotment to Japan market for advertising				
					\$ 1,095,071.78				
					NOTE 2				
					\$2,514,685.64 Morgan Stanley CD				
					(\$265,139.44) Board approved \$1,034,000 on 3/13/14 for China Airline Incentive Program				
					(\$1,001,073.24) Board approved \$1,028,500 on 5/22/14 for China market advertising				
					(\$300,000.00) Board approved \$300,000 on 7/23/15 for Guam Football Association				
					(\$86,542.00) Board approved \$86,542 on 7/23/15 for Department Revenue & Tax Auditors				
					\$861,930.96				

VIII. REPORT OF THE BOARD COMMITTEES

A. EXECUTIVE COMMITTEE

Japan Travel Agent Incentive

Director Kloppenburg made a motion, seconded by Director Calvo to ratify Executive Committee's approval to authorize the General Manager to enter into negotiations and if successful sign a contract with the highest ranked qualified offer for GVB RFP2015-007 Auditing Services to validate travel agent reports on Japan Visitor Arrivals.

Motion Approved

Background: Board approval required.

JGTC Kansai and Chubu

Director Kloppenburg made a motion, seconded by Director Jackson to ratify Executive Committee's approval for travel of the General Manager or his representative, the Japan Marketing Committee Chairman and the Japan Marketing Officer to attend the Kansai and Chubu Japan Guam Tourism Council meetings scheduled for August 3 and August 7 respectively. (Estimated cost of travel; \$5,084.00; account JA-SMD045)

Motion Approved

Background: Unfortunately with the meetings for Chubu and Kansai Japan Guam Tourism Councils could not be set on consecutive days. However, our presence in these meetings is crucial.

Airfare	\$800.00	5 trips	\$4,000.00
JMC Chair	Per diem	Days	
Osaka	\$436.25	1	\$436.25
Nagoya	\$361.25	1	\$361.25
General Manager	Per diem	Days	
Osaka	\$436.25	1	\$436.25
Nagoya	\$361.25	1	\$361.25
Marketing Officer	Per diem	Days	
Nagoya	\$289.00	1	\$289.00
			\$5,084.00

Guam Product Orientation

Director Kloppenburg made a motion, seconded by Director Jackson to ratify Executive Committee's approval for travel of the GVB General Manager or his designee and one (1) Marketing Staff to attend the Guam Product Orientation in Cebu, Philippines from August 17-22, 2015. Cost is approximately \$5,000.00 from Acct. No. SME003

Motion Approved



Travel Expenses:

Airfare (GUM-MNL-GUM): \$600 x 2	\$1,200.00
Airfare (MNL-CEB-MNL): \$120 x 2	\$240.00
Manila: Lodging, M&IE: \$300 x 3 nights	\$900.00
Lodging, M&IE: \$300 x 3 nights + 25%	\$1,125.00
Cebu: Lodging, M&IE: \$210 x 2 nights	\$420.00
Lodging, M&IE: \$210 x 2 nights + 25%	\$525.00
Miscellaneous: (Excess baggage, communications, transportation, meeting expense, etc.)	\$590.00
TOTAL EXPENSE:	\$5,000.00

Background: Metro Cebu is the main economic hub of the country's Visayan region. It has the second largest and busiest airport, the Mactan Int'l Airport, and the busiest cargo passenger port in the Philippines.

GVB will be conducting a Guam Product Orientation in Cebu to promote Guam as a destination for Filipino travelers, to announce Guam's upcoming year-round events, especially the 2015 Shop Guam Festival and 2016 FESTPAC, and to work with travel agents to develop special packages. GVB has invited its members to participate and share with the travel agents new developments with their company.

Issue: Board approval needed for all travel.

Beijing & Guangzhou Press Conference and Dalian Sales Seminar

Director Kloppenburg made a motion, seconded by Director Jackson to ratify Executive Committee's approval for travel of Senator Tina Muna Barnes, GVB Marketing Manager, GVB Marketing Officer II, and GCMC Chairman or Vice-Chairwoman to attend the Beijing & Guangzhou press conference and Dalian Sales Seminar from August 18 - 20, 2015. (Cost is approximately \$15,471.00 to be paid from CI-SMD023)

Motion Approved

Background: As part of its pre-promotional efforts for Shop Guam Festival 2015, the Guam Visitors Bureau will be conducting (2) media events in Mainland China in the cities of Beijing & Guangzhou. The Guam Visitors Bureau will be inviting our airline partners: United Airlines, Korean Airlines and Dynamic Airlines to participate in these events as well as representatives from the Beijing Consulate General and the U.S Commercial Service Officers in Guangzhou. Additionally, travel trade partners in these cities will be in attendance to promote the Shop Guam Festival 2015 packages.

The Guam Visitors Bureau will be conducting a sales seminar in Dalian, China to support the upcoming charter flights for Chinese National Holiday. The sales seminar is designed to: (1) Strengthen Guam's visibility and awareness among travel trade partners. (2) Educate the travel trade on Guam products. (3) Enhance the networking and business ties between Guam and the travel trade in Dalian, China.

Issue: Board approval for travel required

Air Fare:	Round trip: GUM/PEK/GUM \$2,500 x 4 pax	\$10,000.00
Per Diem:	Senator Tina Muna Barnes	
	Beijing Lodging: \$335.40 x 1 Nights	\$335.40
	Beijing M&IE: \$154.70 x 2 days	\$309.40
	Dalian Lodging: \$215.80 x 1 Night	\$215.80
	Dalian M&IE: \$140.40 x 1 day	\$140.40
	Total:	\$1,001.00
	GVB Marketing Manager	
	Beijing Lodging: \$258 x 1 Nights	\$258.00
	Beijing M&IE: \$119 x 2 days	\$238.00
	Dalian Lodging: \$166 x 1 Night	\$166.00
	Dalian M&IE: \$108 x 1 day	\$108.00
	Total:	\$770.00
	GCMC Chair or Vice-Chair & GVB Marketing Officer II	
	Beijing Lodging: \$258 x 1 Nights x 2 pax	\$516.00
	Beijing M&IE: \$119 x 2 days x 2 pax	\$476.00
	Dalian Lodging \$166 x 1 Nights x 2 pax	\$332.00
	Dalian M&IE: \$108 x 1 day x 2 pax	\$216.00
	Guangzhou Lodging \$243 x 2 night x 2 pax	\$972.00
	Guangzhou M&IE \$164 x 1 day x 2 pax	\$328.00
	Hong Kong M&IE \$180.00 x 1 day x 2 pax	\$360.00
	Total:	\$3,200.00
Misc Expenses:	Excess baggage fees / business communication	\$500.00
	TOTAL:	\$15,471.00

B. RESEARCH

C. RUSSIA & NEW MARKETS

Exhibit C

Committee Minutes dated August 4, 2015

Russia Far East Roadshow

Director Kloppenburg made a motion, seconded by Director Calvo to approve travel for GVB Board of Director Mr. Bart Jackson, two (2) GVB Staff and one (1) representative of the University of Guam's Professional & International Programs Development to attend a Guam Product Update Road Show in Far East Russia from September 13-17, 2015. Cost is approximately \$12,000.00 and will come from Acct. No. RU-TTC089

Motion Approved

Travel Expenses:

Airfare x 4 pax (GUM-VVO-GUM):	\$3,300.00
Airfare x 4 pax (VVO-KHV):	\$950.00
Airfare x 4 pax (KHV-UUS):	\$1,950.00

Vladivostok (Lodging, M&IE)	
\$335.00 x 2 days + 25%	\$837.50
\$335.00 x 2 days x 3 pax	\$2,010.00

Khabarovsk (Lodging, M&IE)	
\$211.00 x 1 day + 25%	\$263.75
\$211.00 x 1 day x 3 pax	\$633.00

Sakhalinsk (Lodging, M&IE)	
\$370.00 x 1 day + 25%	\$462.50
\$370.00 x 1 day x 3 pax	\$1,110.00

Miscellaneous:	\$483.25
----------------	----------

TOTAL EXPENSE: \$12,000.00

Background: The Guam Visitors Bureau (GVB) is planning to conduct a Guam Product Update in three (3) different cities in the Russia Far East. GVB plans to invite the top travel agents from Vladivostok, Khabarovsk, and Yuzhno-Sakhalinsk to promote Guam's 2016 Calendar of Events, with emphasis on the Shop Guam Festival 2015, Guam Ko'ko Road Race, and the 2016 Festival of the Pacific Arts.

GVB has invited its member hotels and tour operators to participate and join GVB by promoting their products and services. In addition, GVB has invited the University of Guam's Professional & International Programs Department to speak about their English Language Programs that are available year-round. GVB plans to expand its offering to Russian visitors with the goal to have packages in the marketplace by the summer of 2016.

Issue: Board approval needed for all travel.

Discussion/Comments:

Director Jackson noted it's important to attend so that the agents could stay in touch with the markets.

D. SPORTS & EVENTS

Director Sgro reported the upcoming Ko'ko race has 180 local and 150 overseas participants signed up so far. She added the recent Women's Baseball Cup brought in 100 arrivals from Hong Kong and Taiwan.

E. VISITOR SAFETY & SATISFACTION

Director Im reported to the Board:

- o Docomo Pacific Guam would be donating the CCTV's for Tumon inclusive of maintenance
- o Flagpole construction for beach signs would begin soon
- o EPA to construct air monitoring systems
- o Currently working with GIAA on the live entertainment for arrivals area

Director Nakajima would like to submit a request to GIAA regarding a canopy for the bus parking area. Currently only half are covered, exposing tourists to the elements during bad weather.

Director Morinaga noted he also had some concerns regarding the relocation of hotel guest pick-up.

Chairman Baldyga acknowledged their concerns and suggested to the Board that the second meeting of the month be topic driven to address any issues the Committee's may have. The next meeting would focus on Visitor Safety & Satisfaction, entertainment program, airport parking issue, immigration, and Destination Management.

F. ADMINISTRATION & GOV'T RELATIONS

G. CULTURE & HERITAGE

H. DESTINATION MANAGEMENT

Exhibit D

Committee minutes dated August 6, 2015

Director Guzman reported at their last meeting they discussed the improvement programs.

- o Signage issues: They are working with Superior Court, the AG's Office and Traffic Court to help move towards enforcement.
- o As part of a class project, UOG would conduct the Signage Law compliance survey.
- o Meeting with Department of Revenue & Taxation regarding business licensing and tracking

GM Denight added they met with the Chief of Police regarding the revitalization of the Crimes Against Tourists (CAT) Program. He added that GPD made 3 arrests that led to 60 cases regarding the recent break-ins.

I. GREATER CHINA

Exhibit E

Committee minutes dated July 31, 2015

Director Kloppenburg reported:

- o In Hong Kong they are implementing a joint summer program with travel agents to increase outbound travel
- o In Taiwan they are conducting a marketing campaign co-branding with Eslite
- o In Mainland China Dynamic Air has 31 scheduled flights for next summer
- o They hosted 2 media familiarization tours from Dynamic Air media
- o They are implementing a 4th quarter consumer advertising campaign covering all areas of media

J. JAPAN

Director Hofmann made a motion, seconded by Director Kloppenburg to approve travel for 35 pax to attend JATA Tourism Expo Japan 2015 from September 23 - 28, 2015. (Estimated cost of travel \$92,174.30 from Account # DM-CPO001 (\$56,838.25) and Account #JA-TTC001 (\$35,336.05)).

Motion Approved

Marketing	Per Diem Rate	No. of Days	Total
Governor or Lt. Governor	\$453.70	4	\$1,814.80
1st Lady or Naoko Shimizu	\$349.00	4	\$1,396.00
Vice Speaker BJ Cruz	\$453.70	5	\$2,268.50
Senator Barnes	\$453.70	5	\$2,268.50
GVB Chair Mark Baldyga	\$436.25	4	\$1,745.00
JMC Chair Milton Morinaga	\$436.25	4	\$1,745.00
JMC Vice Chair Norio Nakajima	\$436.25	4	\$1,745.00
JMC Vice Chair Samuel Shinohara	\$436.25	4	\$1,745.00
GM Nathan Denight	\$436.25	5	\$2,181.25
Nadine Leon Guerrero	\$349.00	6	\$2,094.00
June Sugawara	\$349.00	6	\$2,094.00
Ana Cid	\$349.00	6	\$2,094.00
Josh Tyquiengco	\$349.00	5	\$1,745.00
Airfare (13 pax x \$800.00 est.)			\$10,400.00
			\$35,336.0
MARKETING BUDGET:			5
regular per diem rate	\$349.00		

CHaCO	Per Diem Rate	No. of Days	Total
CHC Chair Theresa Arriola	\$436.25	4	\$1,745.00
S&E Chair Katarina Sgro	\$436.25	4	\$1,745.00
DGM Telo Taitague	\$436.25	5	\$2,181.25
Dee Hernandez	\$349.00	6	\$2,094.00
Kraig Camacho	\$349.00	5	\$1,745.00
Assistant	\$349.00	5	\$1,745.00
3 Miss Guam	\$349.00	5	\$5,235.00
4 Musician	\$349.00	4	\$5,584.00
6 Cultural Entertainers	\$349.00	4	\$8,376.00
1 carver	\$349.00	4	\$1,396.00
2 weavers	\$349.00	4	\$2,792.00
Airfare (22 pax x \$800.00)			\$17,600.00
			\$52,238.2
			5
regular per diem rate	\$349.00		

Professional Fees:			
3 Miss Guam (4 days)	\$100.00	4	\$1,200.00
4 Musician (4 days)	\$100.00	4	\$1,600.00
6 Cultural Entertainers (3 days)	\$50.00	3	\$900.00
2 weavers (3 days)	\$100.00	3	\$600.00
1 carver (3 days)	\$100.00	3	\$300.00
			\$4,600.00

CHACO BUDGET: **\$56,838.25**

CHACO + MARKETING
TOTAL: **\$92,174.30**

Background: Organized by the Japan Association of Travel Agents, the JATA Tourism Expo is the biggest travel event in Japan. During JATA 2014 over 150,000 people attended with over 30% being a travel agent or travel media. There were 1129 exhibitors representing 154 companies and regions taking up 1,353 booths. This year JATA is expanding to encompass the entire East Wing of Tokyo Big Sight.

The first biennial JATA Tourism Congress & Travel fair was held in 1977, 13 years after the 1964 liberalization of overseas travel in Japan, just as the overseas travel industry was starting to take off when the number of Japanese overseas travelers stood at 3.15 million. In 2003, the Congress and Fair became an annual event.

There are various activities that are scheduled to take place during this time period. The first is the International Tourism Forum. The theme for the convention is Tourism and Culture and the featured guest speaker is Mr. Pascal Lamy, President of the World Committee of Tourism Ethics. Following Mr. Lamy will be the symposium panel discussion on Tourism and Culture - the role of travel and tourism for development of culture will be derived through discussion among panelists with successful various practices of preservation and utilization of culture.

The second event is B2B meetings. The Bureau will meet directly with travel agents and group planners encouraging them to select Guam for their clients.

The third event is the Tourism Expo where thousands of people attend. In 2014 over 150,000 members of the travel trade and consumers attended JATA providing many opportunities to meet with travel industry planners, media and consumers.

Issue: Board approval required for all travel.

Discussion/Comments:

Director Shinohara asked Management to revisit the list of travelers to include only essential participants. GM Denight noted it included Japan Marketing as well as Cultural and Entertainment.

K. KOREA
Committee minutes dated July 14, 2015

Exhibit F

T'way Prelaunch Promotion in Seoul, Korea

Director Jackson made a motion, seconded by Director Shinohara to approve travel for one Marketing Staff, Culture & Heritage Officer, four dancers, two musicians, and one Miss Guam to attend the T'way pre-launch promotion at the COEX in Seoul, Korea on September 5, 2015. Cost is \$12,538.00 from Accts KO-SMD023 (\$1,542.00) and CPO002 (\$10,996.00).

Motion Approved

Korea Marketing:

Airfare	1	800.00		\$800.00
Per Diem				
Lodging	1	\$230.00	2	\$460.00
M&IE	1	\$141.00	2	\$282.00
				\$1,542.00

Cultural Delegation:

Airfare	8	800.00		\$6,400.00
Per Diem				
Lodging	8	\$230.00	1	\$1,840.00
M&IE	8	\$141.00	2	\$2,256.00
Prof Fee				
Musician	2	\$100.00	1	\$200.00
Dancers	4	\$50.00	1	\$200.00
Miss Guam	1	\$100.00	1	\$100.00
				\$10,996.00

Background: T'way is a LCC with traditional in-flight services, which has announced that it will start direct daily flight services from Incheon starting September 24, 2015. In anticipation, T'way will be having prelaunch promotions for which they are seeking GVB's assistance by providing a Miss Guam and cultural dancers to participate on their upcoming events.

T'way plans to have a one-day event at the COEX Mall in Seoul with multiple performances from the cultural delegation. T'way is planning to have another prelaunch promotion in the city of Daegu, since they had learned that GVB will be conducting roadshows in Daegu/Busan and attend the Busan International Travel Fair.

Prior to the event, GVB Korea Marketing officer will meet with both GVB Korea GSA and GVB PR offices to discuss and finalize plans and solidify appointments for the upcoming Busan International Travel Fair that will be held from September 11-14, 2015.

Issue: Board approval for travel required.

T'way Promotion in Daegu, Korea Roadshows & Busan International Travel Fair

Director Kloppenburg made a motion, seconded by Director Guzman to approve travel for one senator, KMC Chairman, GVB General Manager or his designee, GVB Marketing Manager, one GVB Marketing Staff, GVB Culture & Heritage Officer, four dancers, two musicians, and one Miss Guam to attend the T-way pre-launch promotion in Daegu, Korea Roadshows in Daegu and Busan, and the 18th Annual Busan International Travel Fair (BITF). GVB will also have meetings with Korean Air, Air Busan, Busan Mayor, and members of KGMC. Travel dates are from September 9-15, 2015. Cost is approximately \$45,630.00 from Accts #KO-SMD023 (\$16,230.00) and CPO008 (\$29,400.00).

Motion Approved

Marketing:	Lodging/MI&E	Total
Senator	Busan- \$376/day x 5 days + 30%=	\$2,444.00
KMC Chair	Busan- \$376/day x 4 days + 25%=	\$1,880.00
GM or Designee	Busan- \$376/day x 5 days + 25%=	\$2,350.00
Marketing Manager	Busan- \$376/day x 6 days=	\$2,256.00
Marketing Staff	Busan- \$376/day x 5 days=	\$1,880.00
Marketing Staff	Daegu- \$260/day x 2 days=	\$520.00
KMC Chair	Daegu- \$260/day x 2 days + 25%=	\$650.00
Airfare	5 pax x \$850.00	\$4,250.00
	TOTAL	\$16,230.00

Cultural Delegation:

Airfare	8	900.00		\$7,200.00
Per Diem				
Daegu Lodging	8	\$130.00	2	\$2,080.00
Daegu M&IE	8	\$130.00	2	\$2,080.00
Busan Lodging	8	\$233.00	5	\$9,320.00
Busan M&IE	8	\$143.00	5	\$5,720.00
Prof Fee				
Musician	2	\$100.00	6	\$1,200.00
Dancers	4	\$50.00	6	\$1,200.00
Miss Guam	1	\$100.00	6	\$600.00
				\$29,400.00

Background: The Guam Visitors Bureau plans to participate in the upcoming Busan International Travel Fair (BITF). The BITF is the second largest consumer travel show in Korea and held at its second largest city and gateway of Busan. GVB's participation will provide Guam exposure to potential travelers from Busan and the region, a key target for a possible new gateway for regular scheduled flights from Korea to Guam and to support new operations from Air Busan and Korean Air's weekly flights. While in Busan, GVB plans to meet with the Busan Chapter of the Korea-Guam Marketing Committee (KGMC) and various airlines and travel agencies' Busan offices.

GVB Korea office was approached by T'way in support of their upcoming pre-launch promotion. GVB will be supporting T'way in their promotions in Daegu by having Miss Guam and cultural dancers perform at the Daegu International Airport and at the Daegu Downtown Street.

GVB will also join other Guam tourism partners in a two-city roadshow/workshop attended by more than 120 travel media and travel agencies each in Daegu and Busan.

Issue: Board approval for travel required.

L. MEMBERSHIP & COMMUNITY OUTREACH

Director Guzman reported the next Membership Meeting is tentatively scheduled for September 16. He added that PIO Joshua Tyquiengco is now assigned to Community Outreach, with their next meeting scheduled for Tuesday.

M. NORTH AMERICA & PACIFIC MARKETS

Exhibit G

Committee minutes dated August 5, 2015

PATA Annual Board Meeting in Bangalore, India September 3-6, 2015

Director Arriola made a motion, seconded by Director Kloppenburg to approve travel for GVB Marketing Manager to attend the PATA Annual Board Meeting in Bangalore, India from September 3-6, 2015 (Cost is approximately \$6,018.00 from the FY2015 Pacific Market Acct. No. PA-SMD025 and PA-SMD024)

Motion Approved

Travel Expenses:

Airfare GUM/KIX/HK/GUM: \$1,700 x 1 pax	\$1,700.00
Per Diem: L+MIE \$474 x 7 days x 1 pax	\$3,318.00

Unanticipated Expenses:

	<u>\$1,000.00</u>
TOTAL EXPENSE:	\$6,018.00

Background: The Guam Visitors Bureau takes an active role in the Pacific Asia Travel Association (PATA) with the GVB Marketing Manager's first meeting on the PATA Board, Guam hosting the upcoming PATA Annual Summit May 18-21, 2016 and the promotion of Guam as the host to the 12th Festival of Pacific Arts from May 22-June 4, 2016 to include our Only on Guam and VisitGuam2016 campaign. It is a critical time as we have the remaining of 2015 to get the word out about Guam's hosting of the PATA Annual Summit next year and our position on the board once again to continue to recognize Guam and Micronesia in the "Pacific" region.

During GVB's attendance, there will be a number of meetings with the PATA Communications team, attendance/networking opportunities with the PATA board and attendance to the Youth Symposium, along with the Guam's presentation representing the Micronesia Chapter during the PATA Colloquium which we will be updating all other chapter members of our activities and upcoming events.

Issue: Board approval request for travel.

PATA Travel Mart 2015 September 4-6, 2015

Director Arriola made a motion, seconded by Director Kloppenburg to approve travel for 2 GVB Marketing staffs to attend the PATA Travel Mart 2015 in Bangalore, India from September 6-8, 2015 (Cost is approximately \$11,784.00 from the FY2015 Pacific Market Acct. No. PA-SMD024 & PA-SMD025)

Motion Approved



Travel Expenses:	
Airfare GUM/KIX/HK/GUM: \$1,700 x 2 pax	\$3,400.00
Per Diem: L+MIE \$474 x 8 days x 2 pax	\$7,584.00
Unanticipated Misc. Expenses:	<u>\$800.00</u>
TOTAL EXPENSE:	\$11,784.00

Background: GVB as an active PATA Member representing Guam and the Micronesia region, continues to participate and promote PATA and the Micronesia Chapter's signature event. During this time, Marketing Team will also participate in the Youth Symposium, which will take place prior to the Travel Mart, provide support to the Marketing Manager during the PATA Colloquium, and will be partnering up with the Palau Visitors Authority in promoting Guam, Palau and the Micronesia Region during the three day event. There will be various meetings set-up with PATA to discuss the upcoming PATA Annual Summit in May of 2016 on Guam and to continue to sell Guam packages for participation to the upcoming 12th Festival of Pacific Arts in 2016 as well. It will be an anticipated busy and productive time for Guam and the region during PTM2015 as we will aggressively promote our events calendar, our regional events to include FESTPAC 2016 which is event not only for Guam but for the entire region.

Issue: Board approval requested for travel.

21st PIFA (Pacific Islander Festival Association) Festival 2015

Director Arriola made a motion, seconded by Director Jackson to approve travel for the GVB Marketing Manager and Marketing Officer to participate in the annual PIFA Festival in San Diego, California and conduct seminars with the Southern California PATA Chapters and AAA Travel from September 23 - 29, 2015. Total travel cost will be \$7,758.00. Funds to come from the FY2015 North America Budget, SMD023 account.

Motion Approved

Airfare: \$1,900 x 2 staff	\$3,800.00
Per Diem:	
Los Angeles-Lodging + M&IE \$209.00 x 3 days x 2 staff	\$1,254.00
San Diego-Lodging + M&IE: \$213.00 x 4 days x 2 staff	\$1,704.00
Misc Expenses:	
Excess Baggage, Shipment, Comm./Meetings	<u>\$1,000.00</u>
TOTAL EXPENSE:	\$7,758.00

Background: This will be first year that GVB will participate in PIFA festival. With Guam hosting FestPac in 2016, it is an opportune time to promote FESTPAC to the Pacific islanders that reside in Southern California.

We also plan to conduct seminars to the PATA Southern California Chapters (PATA SoCal, PATA Orange County, PATA San Diego) and AAA Travel to promote the Annual PATA Summit that Guam will be hosting in May 2016 prior to FestPac. The primary purposes and objectives of the Pacific Islander Festival Association are:

- (a) To promote charitable and educational projects for the benefit of everyone, but with emphasis on the Indigenous People of Melanesia, Micronesia and Polynesia.
- (b) To provide educational and cultural resources to everyone, but with emphasis on the Indigenous People of Melanesia, Micronesia and Polynesia.



(c) To actively participate in the promotion and perpetuation of the traditional cultures, ancient historical data, languages, attitudes and values of the Indigenous People of Melanesia, Micronesia and Polynesia.

Issue: Board approval needed for all travel.

Discussion/Comments:

Director Arriola added this would be GVB's first time participating in PIFA. She noted it's important that we promote Festpac and continue outreach to the Chamorro Community in North America.

IX. OLD BUSINESS

X. NEW BUSINESS

GM Denight asked the Boards feedback/approval to have our current Japan contractor continue for an additional 6 months. The Board decided to table the decision until the next meeting pending further legal counsel.

XI. EXECUTIVE SESSION

XII. ANNOUNCEMENT

Upcoming Board Meetings:

- o Thursday, August 27, 2015 at 4:00pm, GVB Main Conference Room.
- o Thursday, September 10, 2015 at 4:00pm, GVB Main Conference Room.

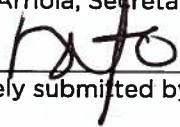
Announcements:

XIII. ADJOURNMENT

Chairman Baldyga made a motion, seconded by Director Kloppenburg, to adjourn the meeting. Meeting adjourned at 5:54 p.m. **Motion Unanimously Approved.**



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



Board Minutes respectively submitted by Dara Roberto, Executive Secretary

Action Item:

1. Management to finalize signage/touting/abandoned building/hand-billing legislation and submit by August 1, 2015.
2. Tumon Masterplan Task Force
 - o Management to incorporate into a capital request for funding possibly via a bond.
 - o Submit a draft plan by August 1, 2015
3. Management to request PATA to schedule a task force in conjunction with the PATA Conference. Schedule by September 1, 2015.
4. Community Outreach to develop a plan for increasing public awareness of GVB's actions and contributions to the community by August 1, 2015
5. Management to present to the Board at the next meeting:
 - o Total Festpac Budget
 - o Sources of funding already approved and still needed
 - o How the accounts will be handled and administrated
8. Management to look into how GVB can leverage and support the next GFA event from a promotional standpoint
9. Management to follow up with Lt. Carbullido (GPD) on incidence report.
10. "Think-tank" task force meeting to discuss CBP issue
11. Management to set up seminar with Korean Association of Guam regarding Guest House legalities
12. Management to provide Board with recommendation regarding testimony on Bill 127-33
13. Due at end of year - Management to provide an end of year Sports & Events recap:
 - o Money spent
 - o Arrivals
 - o Return on Investment