



BOARD OF DIRECTORS ANNUAL & REGULAR MEETING

Thursday, February 9, 2017 - 3:30pm

Guam Visitors Bureau - Main Conference Room

BOARD OF DIRECTORS PRESENT:

Director Milton Morinaga
Director Sam Shinohara
Director Theresa Arriola
Director Young Hong
Director William Nault
Director Satoru Murata

Director Bart Jackson
Director Brad Kloppenburg
Director Tak Takano
Director Robert Hofmann
Director Katarina Sgro
Director Monte Mesa

BOARD OF DIRECTORS TELEPHONICALLY:

BOARD OF DIRECTORS ABSENT:

Director Eduardo "Champ" Calvo

GVB MANAGEMENT & STAFF PRESENT:

Jon Nathan Denight
Brian Borja
Doris Ada
Meriza Peredo
Josh Tyquiengco

Antonio Muna
Russell Ocampo
Lisa Linek
Elaine Pangelinan
Ana Cid

Karida Brennan
Nico Fujikawa
Colleen Cabedo
Haven Torres
Nadine Leon Guerrero

GVB MANAGEMENT & STAFF TELEPHONICALLY:

GUESTS:

Speaker Benjamin J. F. Cruz - Guam Legislature
Joseph Mesngon - Senator Dennis Rodriguez's Office
James Servino - Senator Regine Biscoe Lee's Office
Robert Hernandez - GVB Intern
Sandra Haber - GVB Intern

I. CALL TO ORDER

Chairman Morinaga called the meeting of board to order at 3:30pm.

II. MINUTES OF THE PREVIOUS MEETING

Exhibit A

Director Jackson made a motion, seconded by Director Mesa, to approve the minutes of the previous Board of Directors meeting dated January 12, 2017.

Motion unanimously approved (Subject to minor revisions)

III. CHAIRMAN'S REPORT

- o Chairman Morinaga recognized Speaker BJ Cruz, thanked him for attending the board meeting, and then gave him the floor.
- o Speaker Cruz reaffirmed the Legislature's and his personal commitment to building up the Korean market. He mentioned that he was GVB's oversight chair about ten years ago and it was then that the team started to really work on this market. He went on to say how proud he is of all that has transpired in the last year and the increase that we have seen. He

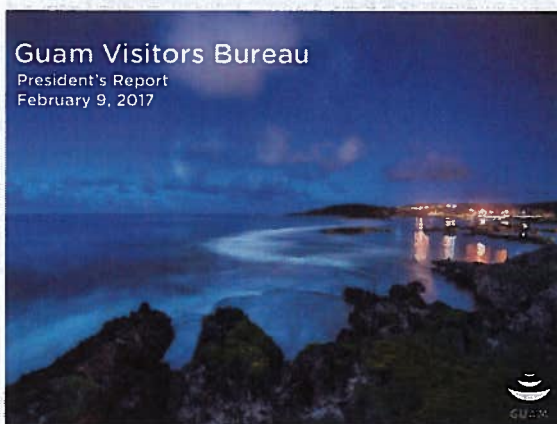




stated that he appointed a businesswoman who has strong ties to Korea to the board because he wants to encourage the family side of visiting Guam. He hopes to improve Guam's image as a family destination. Speaker Cruz then mentioned that he renamed Director Jackson to the board because he knows that he is committed to the Korean market and will continue to fight for it. Next, he touched on the Micronesia Cruise Association (MCA). Last year we paid PATA a substantial sum of money to study the MCA and he hopes that sometime this year, we will hear how that investment will help to diversify tourism on our island. Speaker Cruz went on to speak about Guam's theme for 2017: The Year of Love. He hopes GVB will promote LGBT travel to Guam. He believes this market has huge disposable income that we should capitalize on. Director of Global Marketing (DoGM) Pilar Laguana has met with those who share a common interest in this market, including Lasic Casil who will be giving a presentation to the Sports and Events committee in the coming weeks about how we can promote Guam as a safe gay destination. In doing so, the Speaker feels we can attract large groups of high-end travelers. Additionally, Speaker Cruz would like to promote gay marriage on Guam. He performs at least one gay marriage a week for couples coming from Taipei, the Philippines, or Japan. He understands that philosophically, personally, or religiously, some people might have problems with this promotion, but he reminded everyone that we are simply building our industry. Next, Speaker Cruz thanked Director Jackson and Director Hong for accepting his challenge of continuing to build up the Korean Market. We passed half a million arrivals and he's hoping we can reach three quarters of a million by the time this term is over. He believes that working toward these goals, can help us achieve the numbers we are pushing for by 2020. He closed by saying that although he has been with other areas of the government, his heart remains with the visitor industry and he is hoping we can work on these projects together. Finally, he thanked the legislative appointees for accepting their appointment and the team for welcoming them. He reminded everyone that they have his continued support.

- o Chairman Morinaga stated that as this is a delicate issue, the team will discuss it in more detail at a later time. He noted that it is a niche market and people may have different opinions, but putting all differences aside, the team should discuss it freely and then provide an update to Speaker Cruz.
- o Next, Chairman Morinaga recognized and congratulated Marketing Coordinator Colleen Cabedo for being selected by the Director of the FBI for the Community Leadership Award for Project Foresight, her team project that was completed as part of her Master's program. Project Foresight aims to find ways to combat cyber bullying and sexting.

IV. PRESIDENT & CEO'S REPORT



January 2017

Preliminary Visitor Arrivals Total: 136,029 (+5.2%)

% Market Mix	Origin	Pax	% to LY
41.2%	Japan	57,037	-9.1%
41.4%	Korea	56,341	15.3%
5.1%	US/Hawaii	7,005	5.4%
2.8%	Taiwan	3,850	4.8%
3.0%	China	4,053	90.6%
0.9%	Philippines	1,232	66.1%
1.8%	Hong Kong	2,047	267.0%

Fiscal Year 2017

October 2016 – January 2017

Total: 526,958 (+6.3%)

% Market Mix	Origin	Pax	% to LY
45.2%	Japan	238,837	-5.1%
39.5%	Korea	208,340	18.8%
4.7%	US/Hawaii	24,906	5.7%
2.6%	Taiwan	13,571	6.8%
1.8%	China	9,440	39.4%
1.6%	Philippines	6,259	71.3%
1.1%	Hong Kong	5,545	61.9%

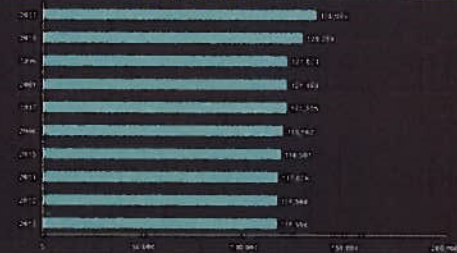
Month to Date 2017

Feb 1 – 8, 2017

Total: 33,869 (-5.9%)

% Market Mix	Origin	Pax	% to LY
41.2%	Japan	13,970	-20.2%
40.8%	Korea	13,824	18.0%
4.5%	US/Hawaii	1,532	4.7%
4.8%	Taiwan	1,822	-6.1%
3.7%	China	1,258	41.7%
1.1%	Philippines	371	70.2%
1.4%	Hong Kong	458	68.9%

Top January Arrivals



PATA TTRA Economic Outlook & Forecast Forum



Navigating a Place of Fear, Change & Opportunity
Honolulu, Hawaii

PATA TTRA FORUM

- Registration

HAWAII TOURISM AUTHORITY

- Research Meeting
- President / CEO

METHODOLOGY

- Best Survey digital data collection > Place

FACTS:

- Japan in-Country Market Research collected negotiations

MARKETING

Marketing News



 **tripadvisor**

TripAdvisor Seminar

- Hosted by Sarah Mathews, head of destination marketing Asia Pacific with GVB
- January 23rd at LeoPalace Resort
- Topics included Digital Evolution, Destination Trend on Guam, Rise of Mobile Online Reputation and How to Manage Your Business
- Over 200 participants attended seminar
- Mathews previously presented on Guam at the PATA Annual Summit in May 2016

China Marketing News

Lunar New Year 2017: The Year of the Rooster

Date	Flight	Capacity
January 24, 2017	UA2234	140 pax
January 29, 2017	UA2234	140 pax
February 3, 2017	UA2234	140 pax

- 3 charter flights this season from Beijing
- Charter agent: aoyou.com (CYTS Beijing)



DESTINATION

Sports & Events

Love Light Park

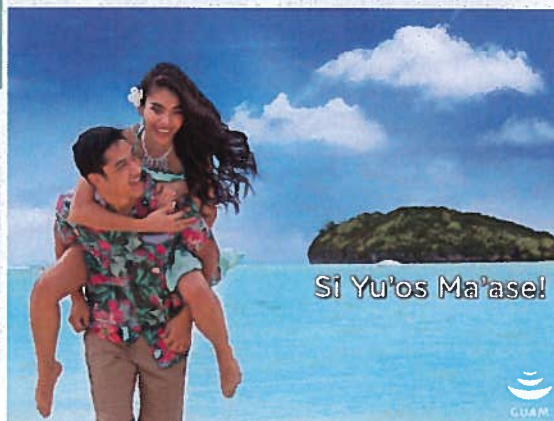
- Launches Saturday, February 11, 2017 across GVB & Proa
- Opening night activities will be from 6:30 p.m. - 7:30 p.m.
- Special performance by The John Dank Show
- Live art demonstrations, food, and free giveaways for kids
- Will be open nightly from 6 p.m. - midnight
- Photo contest on social media
- Upload photos with #withlovefromguam and upload to love.visitguam.com
- Park will be open until Japan's White Day on March 15



Sports & Events

United Guam Marathon

- Beach Fiesta press conference scheduled for February 23, 2017
- Time: 10:30 a.m.
- Venue: PIC Banquet Rooms
- RSVP by Monday, February 13
- Contact Rene Logie at 648-2468 or email rlogie@picguam.com



V. TREASURER'S REPORT

Exhibit B



FY 2016					
	Appropriation	Received to Date		Balance	
Operations	\$ 21,044,191.00	\$ 20,753,941.00	99%	\$ 290,250.00	1%
Destination Development	\$ 1,235,000.00	\$ 1,015,000.00	82%	\$ 220,000.00	18%
Rainy Day Fund	\$ 200,000.00	\$ 200,000.00	100%	\$ -	0%
Cultural & Sports Ambassador Fund	\$ 200,000.00	\$ 160,000.00	80%	\$ 40,000.00	20%
Pass-Thru	\$ 750,000.00	\$ 683,750.00	91%	\$ 66,250.00	9%
Guam Football Association	\$ 400,000.00	\$ 400,000.00	100%	\$ -	0%
Pilot Program Korean Visitor Market	\$ 250,000.00	\$ 250,000.00	100%	\$ -	0%
FESTPAC	\$ 1,300,000.00	\$ 1,300,000.00	100%	\$ -	0%
Capital Improvement Projects	\$ 1,000,000.00	\$ 1,000,000.00	100%	\$ -	0%
TOTAL	\$ 26,379,191.00	\$ 25,762,691.00		\$ 616,500.00	

TOTAL RECEIVABLES FY 2016

\$ 616,500.00

FY 2017					
	Appropriation	Received to Date		Balance	
Operations	\$ 21,282,472.00	\$ 6,516,370.00	31%	\$ 14,766,102.00	69%
Destination Development	\$ 1,085,000.00	\$ 361,667.00	33%	\$ 723,333.00	67%
Rainy Day Fund	\$ 200,000.00	\$ 66,666.00	33%	\$ 133,334.00	67%
Cultural & Sports Ambassador Fund	\$ 200,000.00	\$ 66,666.00	33%	\$ 133,334.00	67%
Pass-Thru	\$ 885,000.00	\$ 311,701.00	35%	\$ 573,299.00	65%
TOTAL	\$ 23,652,472.00	\$ 7,323,070.00		\$ 16,329,402.00	

TOTAL RECEIVABLES FY 2017

\$ 16,329,402.00

TOTAL RECEIVABLES

\$ 16,945,902.00

Accounts

RESTRICTED

Bank of Guam - Rainy Day Fund	\$ 2,150,917.08
Bank of Guam - FESTPAC Trust Account ¹	\$ 371,570.64
Cultural & Sports Ambassador Fund	\$ 379,216.00
TOTAL	\$ 2,901,703.72

UNRESTRICTED

Bank of Guam - Operations	\$ 10,570,292.89
First Hawaiian Bank - Membership	\$ 126,560.31
Resona	\$ 50,542.87
Bank of Guam - TAF	\$ 2,231,296.53
Raymond James - CD value as of 12/31/2016 ²	\$ 2,525,664.87
TOTAL	\$ 15,504,357.47

TOTAL as of 2/3/2017

\$ 18,406,061.19

Current Payables

Asatsu Invoices NOV - DEC	\$ 169,747.99
Japan Invoices	\$ 73,234.69
Guam Invoices	\$ 206,363.19
FY 2016/FY 2017 Pass-thru appropriations	\$ 42,916.00
Encumbered Contracts	\$ 4,607,260.59
Encumbered Purchase Orders	\$ 103,692.85
FESTPAC Trust Account	\$ 371,570.64
TOTAL as of 2/3/2017	\$ 5,574,785.95

NOTES

NOTE 1

\$371,570.64 FESTPAC
 (\$191,243.69) FESTPAC expenditures - reimburse Operations
 \$180,326.95

NOTE 2

\$1,409,377.55 Morgan Stanley/Raymond James CD
 (\$85,542.00) Board approved \$85,542 on 07/23/15 for Department Revenue & Tax Auditors
 (\$700,000.00) Board approved \$700,000 on 02/25/16 for Pale San Vitores Road Bus Shelter Project
 (\$150,000.00) Board approved \$150,000 on 07/14/16 for Pale San Vitores Road Bus Shelter Project
 \$472,835.55

February 3, 2017

- o Director Shinohara asked President Denight for an update on the outstanding balance for 2016. President Denight reported that we did receive an amount from DOA but the accounting department needs to verify what it will be applied to.





- o Director Shinohara then stated that we are right on track for 2017.
- o He then asked President Denight for an update on FestPac. President Denight mentioned that the final closeout meeting is being scheduled for the week of February 20th where the team will handle any outstanding issues, namely the DOE support they requested for. He stated that we started the post audit for FestPac with the Public Auditor and it is ongoing.

VI. REPORT OF THE BOARD COMMITTEES

A. EXECUTIVE COMMITTEE

B. NORTH AMERICA & PACIFIC MARKETS

Committee minutes dated February 1, 2017

Exhibit C

Director Hofmann made a motion, seconded by Director Shinohara, to approve travel for the Marketing Manager to attend the PATA Micronesia Chapter 1st Tri-Annual Meeting March 29-31, 2017 scheduled for Pohnpei, FSM. (Estimated cost of travel: \$2,004.00 from the FY2017 Pacific Market Meetings/Events Account #PA-SMD024)

Motion approved

Airfare: \$900 x 1 pax	\$900.00
Perdiem: \$201 x 4 days x 1 pax	\$804.00
Misc Expenses:	<u>\$300.00</u>
TOTAL:	<u>\$2,004.00</u>

Background: Guam Visitors Bureau as an active member of the PATA Micronesia Chapter and is the lead in the PATA Micronesia Chapter. We will be attending the chapter's 1st Tri-Annual Meetings set for 2017. Previous approval for the chapter meeting delegation was provided at the last NAP on 10/12/16 and approved by the GVB Board for the NAP Chairperson, Director of Global Marketing and the Marketing Manager. GVB Management has recommended additional staff for the upcoming meeting for the purpose of market transition and training. Guam's active role and participation in the PATA Micronesia Chapter and PATA International has elevated our image since the PATA Annual Summit and we will continue to push Guam at the forefront of PATA events/activities for more opportunities for our regional efforts.

Action: Board approval needed for travel.

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- o Director Hofmann directed the board to Exhibit C: NAP committee minutes dated February 1, 2017.
 - o He announced the SMS Cormoran II 100th Anniversary on April 7.
 - o He mentioned that we will be attending the Asia Pacific Cultural Center New Year's Festival in Tacoma, Washington. This is the 19th annual festival and Guam is the highlighted destination this year. Approximately 8,000 people are expected to attend.
 - o We will also be sending a team to the PTAA Travel Tour Expo in the Philippines to be held from February 10-12.
 - o The 1st tri-annual meeting for the PATA Micronesia Chapter will be held from March 29-31.
 - o Lastly, he announced that the next committee meeting will be on March 1.

C. RESEARCH



- o Director Mesa asked Director Shinohara if the Research team can provide an update on visitor trends that the board can use as a strategy tool. Director Shinohara stated that as a new practice, he asked the research team to insert themselves into the different marketing committees to be a better tool to them. Data will help the team make better decisions about how they go about doing things. This will help us figure out how to better spend our resources. He stated that moving forward, research will try to produce presentations for all to use.
- o Chairman Morinaga asked for an update on the new customs forms. Director Shinohara said that we need a contract with the vendor/provider so we can get the software change before implementation. President Denight added we are translating the new forms for all markets. Chairman Morinaga asked for a timeline with a target date for this project. Director of Tourism Research (DoTR) Ana Cid and Senior Tourism Research Analyst Nico Fujikawa reported that the target date for the launch is June. Nico stated that initially, the team was hoping to launch the new forms in April, but we need to reissue the RFQ for post analytic software. President Denight noted that the software that reads the forms is very important and the software we have been using was developed in the 1970s. DoTR Cid stressed that we need more modern analytic software. In efforts to be more cost effective, we will be using one vendor but we will be combining the data analytic software and research dashboard. Chairman Morinaga asked the research team to notify the board if there are any further delays.

D. RUSSIA & NEW MARKETS

- o Director Jackson reported that as the price of oil goes up, the ruble strengthens, making Guam a much more affordable destination. He noted that from the beginning of this fiscal year, the Russian market was up 7%. While that may not be a high number, he feels there is still potential in this market.
- o The team will be traveling to Moscow for MITT in March. There is a new airline running charters to Saipan and DoGM Laguana wants to meet with them to try to convince them to run direct flights to Guam as well. Director Jackson noted that the Russian market is all about the ruble and direct seats and as we push forward can expect the market to continue to improve.
- o Relative to other markets, we are on the lookout for any market that has a high season during April, May, and June, and October, November, and December because we have not found it yet. He went on to say that we will be working with the Speaker's office on identifying LGBT visitors and the wedding market (not limited to Russia, as it is the least LGBT friendly of the source markets).

E. VISITOR SAFETY & SATISFACTION

- o With the increase of Korean visitors, Director Hong feels we could make Guam safer for them by offering more educational programs. Specifically, as many people have brought up the guesthouse issue, she feels an educational program would help Korean visitors become more aware of the rules related to them. Many visitors are not trying to break laws by utilizing guesthouses; they are just unaware of the rules and regulations that apply to them. She feels that one solution could be similar to the KS mark that is used in Korea. Companies that have the KS mark are approved by the government. GVB can implement a similar program whereby companies can display stickers in their establishment or on their website to signify that they are a government-approved company. Director Jackson stated that the first issue here is that there are companies that operate illegal guesthouses, illegal taxi companies, and illegal optional tours by failing to comply with current laws related to registration, insurance, taxes, etc. The more immediate issue is organizing an information session for those who are participating in those industries so we can tell them what the



process is to become registered and legal. Director Jackson also shared the discussion related to solving this problem: instead of approaching this issue from a punitive standpoint, we should approach it from a positive standpoint. Many destinations have a local seal of approval for businesses and patronizing these businesses is the norm. He feels this can be done locally for hotels, restaurants, optional tours, car rental companies and everything else that encompasses our industry. This will create a level that all strive to reach because GVB would push and promote the companies with this seal. Those with the seal would have to demonstrate that they pay taxes, are registered, have insurance, etc. He thinks this would be more effective than the punitive approach. Director Arriola feels we know what we should do so now we should develop the plan. Director Jackson thinks that as this should be an industry wide effort, GVB can take the lead on this program, but we should also reach out to the different agencies so that they can contribute too. If implemented correctly, this can solve many issues. Director Mesa suggested the VSS and Korea Marketing Committee work together to come up with a strategy. Director Jackson mentioned that this problem is not only occurring in the Korean market. Director Hong reiterated that we need to provide educational programs for visitors related to this issue. She understands that this may be an intricate process so we need to take it one step at a time. Chairman Morinaga recounted that a few years ago there was a discussion about rating hotels but that is not something he supported. We are here to ensure that businesses are legitimate. His biggest concern is insurance and many businesses operate without it. He added that we need to specify the criteria for all the different types of businesses. He concurred with Director Jackson that we should involve the different agencies. In closing, he stated that he will speak with management at a later time to identify the taskforce that will move forward on this. Director Morinaga likened this measure to a safety check that would require a renewal once a year.

F. CULTURAL & HERITAGE

Director Arriola made a motion, seconded by Director Hofmann, to amend previously approved travel for First Lady Christine Calvo and her security. Original approval was on November 10, 2016 for First Lady and her security to attend the Liberation Festivities in Washington, D.C in July. Instead, First Lady and her security will be attending the 65th Annual Guam Society Cherry Blossom Ball scheduled for Saturday, March 11, 2017 in Washington, D.C. (Estimated cost up to \$7,866.00 from Account No. DM-CPO006).

Motion approved

Cost Breakdown:

Airfare	2	\$3,000.00		\$6,000.00
Per Diem				
Lodging	2	\$242.00	3	\$1,452.00
M&IE	2	\$69.00	3	\$414.00
				\$7,866.00

Background: First Lady Christine Calvo has been invited to be the keynote speaker at the Annual Guam Society Cherry Blossom Ball. The 2017 Guam Society Cherry Blossom Queen will represent Guam during the National Cherry Blossom Festival Parade scheduled for April 8, 2017 and other activities in Washington, D.C.

- o Director Arriola stated that earlier in the fiscal year a blanket travel schedule for the year was approved. This motion is on the agenda because the First Lady usually



attends the Liberation festivities in Washington, D.C., but she was invited to be the keynote speaker for this ball so the event has changed. Director Shinohara asked what GVB's participation entails. President Denight mentioned that the First Lady will be attending this ball in lieu of the trip to Washington D.C. in July. He went on to share that especially in North America and Pacific, our focus is VFR (visiting friends and relatives). Additionally, the Guam Club helps promote travel to Guam.

G. SPORTS & EVENTS

- o Director Sgro reported that the first committee meeting was mainly an introductory meeting with new vice chair, Director Nault. The next committee meeting will be sometime next week so she will have more to report thereafter.
- o She also reminded everyone about the upcoming press conference for the UGM.
- o Chairman Morinaga recognized Director Nault who was recently confirmed by the Senate.

H. ADMINISTRATION & GOV'T RELATIONS

- o Chairman Morinaga announced that at the next board meeting, he will assign the chairperson of the Administration & Government Relations Committee.
- o President Denight announced that there will be a public hearing next Wednesday regarding the Cannabis Control Act. He will be providing some research and his thoughts to the board for their review. Chairman Morinaga feels this should not be taken lightly. This bill should not allow for just anyone to smoke, including tourists as this is a family market. President Denight feels there is no negative impact on the tourism side for medicinal marijuana but our overseas offices have shared their concerns regarding recreational marijuana, as Guam is a family friendly destination. He will provide the board with a rough copy of some testimony which will show our general direction on this matter. Chairman Morinaga feels we need to be very careful moving forward.

I. DESTINATION MANAGEMENT

Committee minutes dated February 2, 2017

Exhibit D

Director Hofmann made a motion, seconded by Director Mesa, to authorize GVB's President and Chief Executive Officer to identify funding not to exceed \$150,000 for RFP 2017-002 PLANNING ARCHITECTURAL AND ENGINEERING SERVICES and to authorize the CEO as Chief Procurement Officer of GVB to negotiate with the highest-ranking, qualified Offerer in response to RFP 2017-002 and if successful, enter into contract.

Motion approved

Background: GVB issued RFP2017-002 at the direction of the Board of Directors to attain A&E and Planning services necessary to implement the goals and objectives of the Tumon District Improvement Plan.

Issue: Board approval required.

- o Director Hofmann mentioned that this will help with the implementation of the goals and objectives of the Tumon District Improvement Plan. President Denight shared that the previous board directed the team to look at the overall plan for redeveloping our tourism district (Tumon and Hagåtña Bay), from repaving roads to other projects in the area. As such, an RFP was issued to go out for professional help. Under former



Director Clifford Guzman's committee with Director Hofmann and Destination Specialist (Infrastructure and Maintenance) Doris Ada, a list of items we want to accomplish was created and this architect/engineer will help turn that list into a plan that we can present to the Legislature.

- o Director Shinohara asked how the team came up with \$150,000. President Denight feels this amount is sufficient to develop a good plan of projects. This board could then help to come up with actual designs and plans to implement. He also mentioned that these plans are different from the Hagåtña restoration plan in that these plans are ready to execute. He also added that we looked at national averages for these services and this amount is below the national level. Chairman Morinaga stated that if we learn that these services exceed \$150,000, the team can bring this back to the board for further discussion.
- o He went on to say that GVB needs to have a voice at the GLUC. Director Hofmann reported that we are asking for a check system for building/construction projects in Tumon. Although GVB may not have involvement in all of these projects, we will be asked to solve problems that arise because of them (e.g., flooding). Chairman Morinaga added that these projects could also lead to a landscaping issue.

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- o Director Hofmann discussed his desire to relinquish the chairmanship of the Destination Management Committee (DMC) to the current vice chair of the committee, Director Mesa.

Director Hofmann made a motion, seconded by Director Jackson, to name Director Mesa as the chairman of the DMC and for himself to serve as vice chair.

Motion approved

J. GREATER CHINA

- o Director Shinohara announced that the Greater China Marketing Committee will have its first meeting tomorrow (February 10) at 11am.
- o The Hong Kong Wedding Fair will take place from February 10-12.
- o The China Sales Mission will take place from February 26-March 3.

GUAM VISITORS BUREAU 2017 CHINA SALES MISSION

Director Shinohara made a motion, seconded by Director Jackson, to approve travel for the GVB Board Chairman to conduct a Guam Sales Mission in the cities of Shanghai, Hangzhou, Beijing, and Guangzhou, China from February 27 - March 3, 2017. Cost is approximately \$6,195.00 to be taken from China Sales Market Development Account No. CI-SMD023.

Motion approved

Airfare:	\$2,500 x 1 pax					\$2,500.00
Per Diem:	City	Lodging	Nights	M&IE	Days	
	Shanghai	\$323.75	1	\$178.75	1	\$502.50
	Hangzhou	\$211.25	1	\$155.00	2	\$521.25
	Beijing	\$322.50	1	\$148.75	2	\$620.00
	Guangzhou	\$303.75	1	\$205.00	2	\$713.75
	Hong Kong	\$443.75	2	\$225.00	2	\$1,337.50
Total						\$6,195.00



Background: As newly elected Chairman of the Board, it is important for Mr. Morinaga to participate in GVB's ongoing market diversification promotions in Guam's developing source markets such as China. Furthermore, due to the number of high level meetings and GVB's aggressive strategies in China, it is important to add the Chairman of the Board to the VIP delegation. The China travel trade industry will highly value Guam's time and strengthen our partnership. Travel was previously approved on October 27, 2016.

The Guam Visitors Bureau (GVB) continues to focus its sales and marketing efforts in the first-tier cities of Shanghai, Beijing, and Guangzhou, as well as Hangzhou. The GVB 2017 China Sales Mission is designed to enhance the networking and business ties between the Guam tourism industry and the travel trade in these cities in China.

Through a series of face to face meetings held in Shanghai, Hangzhou, Beijing and Guangzhou, Guam stakeholders will meet with Chinese travel trade who are currently selling Guam products or have a strong potential to sell Guam products in China. The attendees will be local travel trades; each city's sales mission attendees are expected at 120 to 150 pax.

In addition to the trade aspect of this 4-city sales mission, GVB will also be participating in one-on-one and group interviews with influential media in each city. A variety of media will be invited to include print, online, radio and other types of new media channels. The GVB delegation will be required to split up in order to maximize Guam's presence at these series of seminars and interview appointments.

It is crucial to strengthen relationships with our travel trade partners in these cities in order to develop more sales and marketing programs to support our direct service flights and to maximize sales during peak China outbound travel period such as Chinese New Year and the summer period as well as during Guam's historically low arrival periods.

The success of this mission will result in 1.) Strengthening Guam's visibility and awareness among travel trade partners for future outbound travel to Guam; 2.) Offer valuable face time for businesses with key decision makers from the travel trade in China; 3.) Educate Chinese travel trade frontline staff on Guam products; 4.) Engage with and learn about the Chinese travel trade through in-depth one-to-one-meetings and networking events.

Dates of travel are subject to change based on GVB Marketing Overseas Mission schedule, availability of flights, and trade partner schedules.

Issue: Board approval needed for all travel.

K. JAPAN

ROUTES ASIA 2017 – OKINAWA, JAPAN

Director Takano made a motion, seconded by Director Mesa, to approve travel for (1) GVB Board Director and the GVB Director of Global Marketing to participate in Routes Asia 2017 in Okinawa, Japan from March 19-21, 2017. Cost is approximately \$7,587.50 to come from Acct No. JA-SMD008.

Motion approved

Airfare:	\$1,500 x 2 pax					\$3,000.00
Per Diem:	Okinawa	Lodging	Nights	M&IE	Days	
	GVB Board Director	\$200.00	4	\$127.50	5	\$1,437.50



	GVB Director of Global Marketing	\$160.00	4	\$102.00	5	\$1,150.00
Misc. Expenses:	Business communication costs & excess baggage fees					\$2,000.00
Total:						\$7,587.50

Background: Routes Asia is the only route development event for the entire Asia region. Each year, it attracts the region's senior decision makers positioning it as the must attend event for all those interested in discussing new and existing air services and meeting with the industry's key players.

In 2017, Routes Asia is expected to attract over 80 airlines, 250 airports and almost 30 tourism authorities along with a number of other industry stakeholders from across the region to discuss air service development. The event consists of four main elements: (1) meetings, (2) networking events, (3) routes Asia strategy summit, and (4) route exchange briefings.

GVB will be attending with the A.B. Won Pat International Airport Authority Guam. GIAA has agreed to pay for each GVB delegate's registration (maximum of two persons). Together, during this mission, Guam will address the air seat capacity issues for Japan and the developing markets to include China & Taiwan. In order to continue on the path to success for Guam's Tourism 2020 plan, it is crucial for both GIAA and GVB to participate in this forum.

Issue: Board approval needed for all travel.

- o Director Shinohara asked what our participation entails. President Denight stated that we have been working very closely with the airport and their consultant, ASM. He added that meeting alongside the airport would be a good combination as they handle the operational side and we handle the destination side. Moreover, as it is in Japan, we want to have a strong presence. ASM will help organize meetings with new airline partners and potential partners. Director Mesa added that he participated in this mission when he was Chairman of the Board and he went along with the airport. He feels it is a very important meeting to attend as we start the groundwork for potential route development for national and local carriers. If any of the airlines are interested, we need to show our commitment to and support for their route. President Denight noted that he is working with the airport to see if they can cover the funding for this mission.

MARKETING SUMMIT

Director Takano made a motion, seconded by Director Mesa, to revise previously approved travel for the Guam Tourism Summit 1 and 2 Tokyo, Osaka, Nagoya, Fukuoka, Sendai and Sapporo planned for March 2017. (Estimated cost of travel \$76,153.75; \$50,584.00 from Account#DM-CPO001 and \$25,569.75 from Account#JA-GAMAL001).

Motion approved

Background: On November 10, 2016 a motion was approved for the delegation to conduct and attend the Guam Tourism Summit 1 and 2 in Sapporo, Sendai, Tokyo, Nagoya, Osaka, and Fukuoka.

As planning for the summit evolved it was determined that a two day event will be held in Tokyo that allows for one day dedicated to media.

In addition management has announced a staff rotation for the marketing department. In order to ensure a smooth transition for Japan, the incoming manager will attend.

Marketing Budget		Per diem rate	No. of Days	
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JMC Chair	Tokyo	\$600.00	2	\$1,200.00
	Osaka	\$522.50	1	\$522.50
	Nagoya	\$473.44	1	\$473.44
	Fukuoka	\$479.69	1	\$479.69
	Sendai	\$332.50	1	\$332.50
	Sapporo	\$361.25	1	\$361.25
President	Tokyo	\$600.00	2	\$1,200.00
	Osaka	\$522.50	1	\$522.50
	Nagoya	\$473.44	1	\$473.44
	Fukuoka	\$479.69	1	\$479.69
	Sendai	\$332.50	1	\$332.50
	Sapporo	\$361.25	1	\$361.25
Marketing Manager	Tokyo	\$480.00	1	\$480.00
	Osaka	\$418.00	1	\$418.00
	Nagoya	\$378.75	1	\$378.75
	Fukuoka	\$383.75	1	\$383.75
	Sendai	\$266.00	1	\$266.00
	Sapporo	\$289.00	1	\$289.00
Marketing Manager	Tokyo	\$480.00	1	\$480.00
	Osaka	\$418.00	1	\$418.00
	Nagoya	\$378.75	1	\$378.75
	Fukuoka	\$383.75	1	\$383.75
	Sendai	\$266.00	1	\$266.00
	Sapporo	\$289.00	1	\$289.00
Airfare - Marketing		Est/Ticket		
Summit 1		\$2,100.00	x 4 pax	\$8,400.00
Summit 2		\$1,500.00	x 4 pax	\$6,000.00
CHaCO Budget		Per diem rate	No. of Days	
Cultural Heritage Officer	Tokyo	\$480.00	2	\$960.00
	Osaka	\$418.00	1	\$418.00
	Nagoya	\$378.75	1	\$378.75
	Fukuoka	\$383.75	1	\$383.75
	Sendai	\$266.00	1	\$266.00
	Sapporo	\$289.00	1	\$289.00

Miss/Mr Guam x 2	Tokyo	\$960.00	2	\$1,920.00
	Osaka	\$836.00	1	\$836.00
	Nagoya	\$757.50	1	\$757.50
	Fukuoka	\$767.50	1	\$767.50
	Sendai	\$532.00	1	\$532.00
	Sapporo	\$578.00	1	\$578.00
Musicians x 2	Tokyo	\$960.00	1	\$960.00
	Osaka	\$836.00	1	\$836.00
	Nagoya	\$757.50	1	\$757.50
	Fukuoka	\$767.50	1	\$767.50
	Sendai	\$532.00	1	\$532.00
	Sapporo	\$578.00	1	\$578.00
Dancers x 4	Tokyo	\$1,920.00	1	\$1,920.00
	Osaka	\$1,672.00	1	\$1,672.00
	Nagoya	\$1,515.00	1	\$1,515.00
	Fukuoka	\$1,535.00	1	\$1,535.00
	Sendai	\$1,064.00	1	\$1,064.00
	Sapporo	\$1,156.00	1	\$1,156.00
Professional Fees		Rate	Days	
Miss/Mr. Guam x 2		\$100.00	7	\$1,400.00
Musicians x 2		\$100.00	6	\$1,200.00
Dancers x 4		\$50.00	6	\$1,200.00
Airfare - CHaCO		Est/Ticket		
Summit 1		\$2,100.00	x 9 pax	\$18,900.00
Summit 2		\$1,500.00	x 9 pax	\$13,500.00

Issue: Board approval required for all travel

- o President Denight stated that we had to make this adjustment because during the initial planning, the flights were more expensive than what we originally budgeted. Director Mesa noted that JMC members were extended an invited to attend this mission as well.

L. KOREA

- o Director Jackson reported that Korea continues to move strongly in the right direction.
- o He stated that the team will be taking part in a promotion with Sony for individual photographers.
- o He also touched on the Guam ambassador program.



- o Finally, he reported that the team had an introductory session with the chair, vice chairs, and management where they decided that the first committee meeting will be on February 14.

M. MEMBERSHIP & COMMUNITY OUTREACH

- o Director Kloppenburg mentioned that the committee has yet to officially meet but he did meet with Destination Specialist (Safety and Satisfaction) Meriza Peredo where she brought him up to speed on where the previous board left off.

VII. OLD BUSINESS

- o Director Arriola inquired about the process of making motions (whether the motions need to be read verbatim or if saying "as stated" when referring to a motion on the agenda will suffice). Director Shinohara added that this practice will help with expediency.

Director Shinohara made a motion, seconded by Director Mesa, to begin the practice of saying, "Motion as stated" (on the board meeting agenda) in lieu of reading the motion verbatim.

Motion approved

VIII. NEW BUSINESS

- o Chairman Morinaga reminded the board about the ethics training.
- o President Denight asked the new student interns to introduce themselves: Robert Hernandez and Sandra Haber.

IX. EXECUTIVE SESSION

X. ANNOUNCEMENTS

Upcoming Board Meetings:

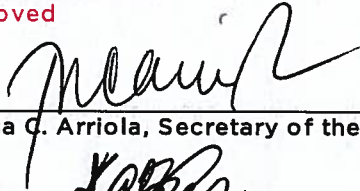
- o Thursday, February 23, 2017 at 3:30pm, GVB Main Conference Room
- o Thursday, March 9, 2017 at 3:30pm, GVB Main Conference Room

Announcements:

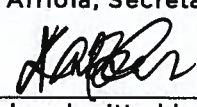
XI. ADJOURNMENT

Director Shinohara made a motion, seconded by Director Jackson, to adjourn the meeting. Meeting adjourned at 4:46pm.

Motion unanimously approved



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



Board Minutes respectively submitted by Karida Brennan, Executive Secretary



Action Items:

1. VSS Committee to find solution for lighting issue along beaches
 - o Lighted sidewalks
 - o Lights provided by hotels, but not projected over water
2. Assignment of the Chairperson for the Administration and Government Relations Committee

