



BOARD OF DIRECTORS REGULAR MEETING

Thursday, August 10, 2017 - 3:30pm

Guam Visitors Bureau - Main Conference Room

BOARD OF DIRECTORS PRESENT:

Director Milton Morinaga

Director Brad Kloppenburg

Director William Nault

Director Bart Jackson

Director Young Hong

Director Monte Mesa

Director Satoru Murata

Director Katarina Sgro

Director Tak Takano

Director Robert Hofmann

BOARD OF DIRECTORS TELEPHONICALLY:

BOARD OF DIRECTORS ABSENT:

Director Theresa Arriola

Director Sam Shinohara

Director Eduardo "Champ" Calvo

GVB MANAGEMENT & STAFF PRESENT:

Jon Nathan Denight

Brian Borja

Lisa Linek

Rose Cunliffe

Meriza Peredo

Sydney Leon Guerrero

Gabbie Franquez

Antonio Muna

Doris Ada

Nico Fujikawa

Elaine Pangelinan

Regina Nedlic

June Sugawara

Pilar Laguana

Karida Brennan

Josh Tyquiengco

Colleen Cabedo

Nakisha Onedera Garrido

Nadine Leon Guerrero

Mark Manglona

Kraig Camacho

GVB MANAGEMENT & STAFF TELEPHONICALLY:

GUESTS:

Joe Mesngon - Senator Dennis Rodriguez's Office

I. CALL TO ORDER

Chairman Morinaga called the meeting of the board to order at 3:35pm.

II. MINUTES OF THE PREVIOUS MEETING

Exhibit A

Vice Chairman Mesa made a motion, seconded by Director Kloppenburg, to approve the minutes of the previous board of directors meeting dated July 27, 2017.

Motion unanimously approved (Subject to minor revisions)

III. CHAIRMAN'S REPORT

- o Chairman Morinaga congratulated President Denight and the team on the new connection between Nagoya and Guam. The Japan Marketing Committee (JMC) will report on this further. He also announced that we lost one flight from Delta but he assured the board that Air Seoul will begin their service to Guam soon and we will continue our efforts to attract other airlines.
- o He stated that we will discuss the North Korea threat under New Business, as we should have a common stance on how we will deal with the situation across all markets.

IV. PRESIDENT & CEO'S REPORT

GUAM VISITORS BUREAU
PRESIDENT'S REPORT
08-10-2017
July 2017

July 1-31, 2017 **Total: 132,952 (+8.1%)**

RESEARCH
Calendar Year-to-Date 2017

January-July 31, 2017 **Total: 907,307 (+4.8%)**

% Market Mix	Origin	2016	2017	% to LY
38.8%	Japan	54,625	51,811	-5.2%
48.0%	Korea	48,883	61,097	25.0%
1.5%	China	2,882	2,015	-2.3%
0.6%	Hong Kong	734	822	12.0%
1.8%	Taiwan	3,883	2,443	-37.1%
5.8%	US/Hawaii	6,617	7,781	17.3%
0.9%	Philippines	1,631	1,182	-27.8%

% Market Mix	Origin	2016	2017	% to LY
41.8%	Japan	418,610	388,533	-8.3%
41.8%	Korea	391,861	380,135	25.8%
1.8%	China	17,728	14,721	-17.8%
1.3%	Hong Kong	4,707	11,453	143.3%
2.4%	Taiwan	25,584	21,884	-14.3%
5.2%	US/Hawaii	45,899	47,309	3.1%
1.1%	Philippines	11,540	10,880	-12.7%

Estimated Counts. Data not for Form, Responsibility for Guam Visitors Bureau

Fiscal Year-to-Date 2017
October 2016-July 31, 2017 **Total: 1,298,236 (+5.3%)**

% Market Mix	Origin	2016	2017	% to LY
43.3%	Japan	608,285	563,133	-7.6%
41.0%	Korea	429,338	532,141	24.2%
1.5%	China	22,371	28,188	-10.1%
1.2%	Hong Kong	7,228	14,831	108.9%
2.4%	Taiwan	34,580	31,525	-8.6%
5.0%	US/Hawaii	62,828	65,210	3.8%
1.3%	Philippines	15,814	17,187	8.8%

Estimated Counts. Data not for Form, Responsibility for Guam Visitors Bureau

Estimated Counts. Data not for Form, Responsibility for Guam Visitors Bureau

August 2017
August 1-8, 2017 **Total: 38,115 (+6.9%)**

% Market Mix	Origin	2016	2017	% to LY
47.4%	Japan	18,817	18,968	-3.0%
41.7%	Korea	12,806	15,593	24.1%
1.5%	China	688	481	-31.1%
0.6%	Hong Kong	186	212	14.0%
1.7%	Taiwan	656	668	8.6%
3.8%	US/Hawaii	1,288	1,481	17.6%
0.6%	Philippines	322	147	-54.3%

Estimated Counts. Data not for Form, Responsibility for Guam Visitors Bureau

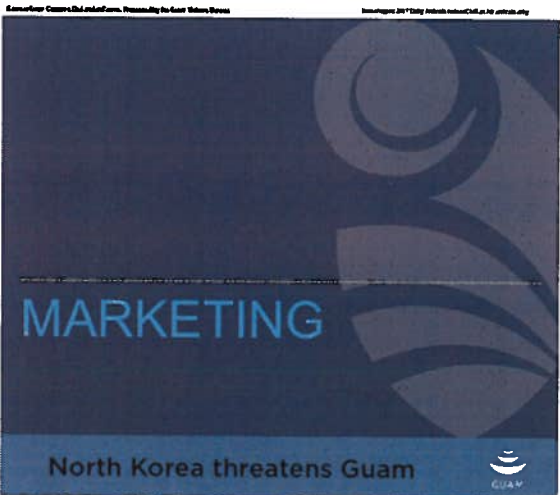
Information as of 11:00 AM on 8/10/2017

Calendar Year-to-Date 2017
January-August 8, 2017 **Total: 945,422 (+4.8%)**

% Market Mix	Origin	2016	2017	% to LY
42.2%	Japan	436,236	396,593	-9.0%
41.9%	Korea	314,967	394,028	25.9%
1.8%	China	18,434	15,282	-17.5%
1.2%	Hong Kong	4,893	11,885	138.4%
2.4%	Taiwan	25,218	22,564	-13.9%
5.2%	US/Hawaii	47,167	48,800	3.4%
1.1%	Philippines	11,882	16,227	+13.8%

Fiscal Year-to-Date 2017
October 2016-August 8, 2017 **Total: 1,336,351 (+5.4%)**

% Market Mix	Origin	2016	2017	% to LY
43.4%	Japan	628,962	586,183	-7.5%
41.0%	Korea	441,142	548,034	24.2%
1.5%	China	23,869	20,596	-19.8%
1.1%	Hong Kong	7,412	15,163	104.8%
2.4%	Taiwan	36,236	32,296	-8.4%
5.0%	US/Hawaii	64,094	66,791	4.1%
1.3%	Philippines	15,838	17,254	8.3%



MARKETING

North Korea threatens Guam

North Korea threatens Guam

- Guam makes national and international headlines on August 9, 2017 about North Korea threatening to bomb Guam
- Message from GVB: "Guam is a safe and protected island destination"
- Governor Calvo reassured there is no threat to Guam or the Marianas
- Invitation to all travelers to continue their plans to Guam

- Japan Response to North Korea Threat**
 - Reports issued online, in print and TV
 - Interviews were conducted with Japanese residents headed to Guam

"We are worried a bit because we will bring small children but we will go. Staying in Japan is the same situation so we will go to Guam"



- South Korea's NSC**
 - August 10, South Korea's presidential office called for an emergency meeting of the National Security Council at 3 p.m. to discuss North Korea's new missile threat against the U.S.



Japan Marketing News



Japan Marketing News



• **Kashiwa Festival**

- July 29-30, 2017 | Kashiwa
- Meetings held with Reysol Soccer team, Mayor of Kashiwa, Kashiwa International Relations Association, and Kashiwa Chamber of Commerce
- People of Kashiwa remain committed to continued exchanges of tourism and culture with the people of Guam



• **HK Express Announces Nagoya-Guam Service**

- On August 2nd, HK Express announced it will operate direct flights from Nagoya Chubu to Guam beginning October 31, 2017
- Flight schedule: UO056 NGO GUM 1300 1750
UO057 GUMI NGO 1910 2210
- Frequency: 3 times a week (Tue, Thu, Sat)
- Capacity : 180 seats
- Memorial Campaign :
- Sales period : August 1st - 31st .
- Travel period : October 29th - March 24th
- Price : ¥ 3,980 for OW.
- Capacity growth : 28,080 (12 months)
- Will be the carrier's first service not originating to and from Hong Kong



Hong Kong Marketing News



Taiwan Marketing News



- ✓ **ITE 2017 Award: Most Romantic Destination**
- ✓ **Macao Travel Expo: July 7-10, 2017**
Increasing awareness in Macao and Linking Southern China
- ✓ **Joint Video Production With United Vacations**
50 short video clips being procued for social media
- **HK Marketing and PR Representative RFP to be issued this month**



• **Taichung International Travel Fair**

- Date: 11-14 Aug.
- Biggest travel fair in Taichung, held annually
- Guam obtained a comp booth to promote Guam
- 2 travel agencies, Star Travel & Sunny World, will be present to promote Guam packages
- **Fantast Tours' Double Tenth Holiday Charter**
 - Date: 7-11 Oct.
 - Fantast Tours applied for a charter flight (total of 155 pax) with CI for the Double Tenth Holiday. The flight will arrive Guam on 7 Oct. and depart to Taiwan on 11 Oct.
 - GVB will sponsor a welcome greeting service at the airport, provide a gift bag for each passenger, and host a Hafa Adai Welcome Dinner on 7 Oct.
 - Hope this will be a success case and attract more travel agents to apply for charter flights in the future



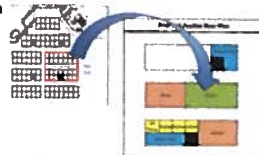
Taiwan Marketing News



Aviation Service Situation



- **ITF Preparation**
 - Date: 26-30 Oct.
 - The 2017 Taipei International Travel Fair will be held at Taipei World Trade Center from October 26 to 30. Guam will have 8 booths in the USA Pavilion.
 - Market strategy development
 - Booth design draft
 - Itinerary arrangement
 - AD/PR/SM/Incentive prom



- Due to Taiwan's Labor Law amendments, the shortage of pilots and flight attendants results in difficulty in allocation air crew. Many routes even do not have summer charter flights, and it's mainly why EVA Air suspended the GUM-TPE flight as they do not have enough manpower to operate daytime flights. However, if they continue to fly nighttime flights, they cannot compete with China Airlines' daytime flights.
- Through constant courtesy meetings with airlines and trade partners recently, besides China Airline recognizing the growth in MICE tours, many also hope for GVB to provide a MICE incentive program.
- As for SGeF, China Airlines hopes that we can start promoting earlier than the past years. EVA Air, on the other hand, mentioned that even though they suspended their GUM-TPE regular flights, there are still chances for charter flights in the near future.

Strategies

- In response to the current situation, two strategies will be taken:
 - Airlines: Assist China Airlines to increase L/F and regular flights and charter opportunities to elevate volume
 - Market: From quantity to quality. Reposition Guam as a high-end tourism destination by targeting MICE and Golf Tours.
- Advertised on the Direct Selling Century Magazine and the Risk Management, Insurance & Finance Magazine. Also attended the awarding ceremony of Faith, Hope & Love Awards of Insurance.
- Plan to produce Golf promotion pamphlets/DM soon
 - If GVB could provide Guam golf course contact windows, it would be a plus for future co-op opportunities.

73rd Guam Liberation



Guam Visitors Bureau hosted this year's Guam Liberation Grand Marshal Mc Donald Hughes and WWII Guam Liberator Mc Gene Bell. Clockwise from top-left: WWII Guam Liberator Mc Gene Bell arrives on Guam and greeted with the worn "I Like Aida" Spite Grand Marshal with the Honorable Governor Eddie B. Calvo during the Guam Liberation. Courtesy with Honorable Governor Eddie B. Calvo and the Grand Marshal in attendance at the Queen's Breakfast at the Guam Museum.



Battle of Guam Video Series



DESTINATION

GUAM VISITORS BUREAU
SI YU'OS MA'ASE'

HERO Awards 2017



GVB and GHRH hosted the annual Hospitality Employees' Outstanding (HERO) Awards ceremony at the Hilton Guam Resort and Spa on July 28, 2017. Out of 79 total nominees, 16 winners were selected from seven different categories: Hotel Aisle Staff, Rockstar of the Year, Middle Management Supervisory, Non-Supervisory, Life Saving and Integrity.

- o Vice Chairman Mesa inquired whether Governor Calvo met with Secretary of State Rex Tillerson while he was on island. President Denight stated that Secretary Tillerson was returning from a meeting in Malaysia and just stopped by to refuel in the early morning, so the Governor did not meet with him. While here however, the Secretary made a statement that Guam is a safe destination.
- o Vice Chairman Mesa stated that a CNN reporter is on island he asked if anyone has reached out to him to arrange for an interview. President Denight shared that he was interviewed by a local reporter for CNN, Robert Santos. Another CNN reporter is staying at the Hilton.



but an interview has not been arranged yet. President Denight added that he will be interviewed by Good Morning America at 9pm tonight and Al Jazeera tomorrow morning.

- o President Denight reported that our Japan and Korea offices have been reaching out to media. He asked that they use this opportunity with Guam in the spotlight to showcase Guam not just as a hub for military bases, but as a tourist destination. He also shared that he has been reaching out to local Japanese media companies and the Consul General of Japan.
- o Vice Chairman Mesa suggesting reaching out to the Consul General of Korea as well. Director Jackson feels that it is hard to stay in front of this situation as it changes so frequently. He thinks we should let the situation subside instead of creating an opportunity for bad publicity.
- o Vice Chairman Mesa asked if there has been a drop in reservations as a result of the North Korea threat. Director Jackson, Chairman Morinaga, and Director Murata reported that we have not had cancellations yet. Chairman Morinaga stated that we need to continue to monitor the situation. Director Hong added that most people will choose to travel to Guam because it is a US territory and it is safe.
- o Vice Chairman Mesa directed the board to item 4 under Action Items. He feels we need to continue to work closely with the Guam International Airport Authority (GIAA). President Denight reported that he and Pilar take part in a weekly conference call with the airport and their route development team to discuss airline strategies.
- o Chairman Morinaga added that he recently met with GIAA Chairman Ricardo Duenas and GIAA Executive Manager Charles Ada, along with President Denight and Vice President Muna, where they shared their concerns regarding operational issues at the airport. Chairman Morinaga also invited the GIAA team to Japan to present their plans for airport improvement themselves.



V. TREASURER'S REPORT

Exhibit B

FY 2016					
	Appropriation	Received to Date		Balance	
Pass-Thru	\$ 750,000.00	\$ 712,500.00	95%	\$ 37,500.00	5%
TOTAL RECEIVABLES FY 2016				\$ 37,500.00	
FY 2017					
	Appropriation	Received to Date		Balance	
Operations	\$ 21,282,472.00	\$ 17,735,528.32	83%	\$ 3,546,943.68	17%
Destination Development	\$ 1,085,000.00	\$ 904,166.66	83%	\$ 180,833.34	17%
Rainy Day Fund	\$ 200,000.00	\$ 166,666.66	83%	\$ 33,333.34	17%
Cultural & Sports Ambassador Fund	\$ 200,000.00	\$ 166,666.67	83%	\$ 33,333.33	17%
Pass-Thru	\$ 1,085,000.00	\$ 953,333.27	88%	\$ 131,666.73	12%
TOTAL	\$ 23,852,472.00	\$ 19,926,361.58		\$ 3,926,110.42	
TOTAL RECEIVABLES FY 2017				\$ 3,926,110.42	
TOTAL RECEIVABLES				\$ 3,963,610.42	
Accounts					
RESTRICTED					
Bank of Guam - Rainy Day Fund ¹		\$ 2,252,217.33			
Cultural & Sports Ambassador Fund ²		\$ 511,143.82			
TOTAL RESTRICTED		\$ 2,763,361.15			
UNRESTRICTED					
Bank of Guam - Operations		\$ 14,295,721.27			
First Hawaiian Bank - Membership		\$ 110,227.12			
Resona		\$ 213,804.65			
Bank of Guam - TAF		\$ 787,149.36			
Raymond James - CD value as of 06/30/2017 ³		\$ 2,534,831.14			
TOTAL UNRESTRICTED		\$ 17,941,733.54			
TOTAL CASH as of 08/07/2017		\$ 20,705,094.69			
Current Payables					
Asatsu invoices MAR - JUN		\$ 1,787,066.02			
Japan Invoices		\$ 116,234.14			
Guam Invoices		\$ 802,418.56			
Pass-Thru		\$ 29,166.67			
Encumbered Contracts		\$ 2,225,878.88			
Encumbered Purchase Orders		\$ 137,919.77			
TOTAL as of 08/07/2017		\$ 5,098,684.04			
NOTES					
NOTE 1					
	\$2,252,217.33	Rainy Day Fund			
	(\$157,300.91)	Reimbursable Rainy Day Expenses - Japan			
	\$1,994,916.42				
NOTE 2					
	\$511,143.82	Cultural and Sports Ambassador Fund			
	(\$49,600.00)	Cultural and Sports Ambassador expenses - reimburse Operations			
	\$461,543.82				
NOTE 3					
	\$2,534,831.14	Raymond James - CD			
	(\$1169,250.98)	PAID - China airline incentive program and market advertising			
	(\$300,000.00)	PAID - Sponsorship Guam Football Association			
	(\$20,000.00)	PAID - GEDA Imagine Guam Masterplan Overlay			
	(\$471,902.53)	PAID - Pale San Vitoros Road Bus Shelter Project			
	(\$28,783.52)	PAID - Planning, Architectural and Engineering Services for Tumon Bay Improvement			
	(\$75,000.00)	PAID - Sponsorship Guam Basketball Federation FIBA U17 Championship			
	(\$10,295.00)	PAID - Hagatna maintenance and streetscape project for GMIF			
	(\$338,382.63)	BALANCE - Pale San Vitoros Road Bus Shelter Project			
	(\$121,216.48)	BALANCE - Planning, Architectural and Engineering Services for Tumon Bay Improvement			
	0.00				

August 08, 2017

Director Hofmann made a motion, seconded by Vice Chairman Mesa, to approve the Treasurer's Report.

Motion approved





VI. REPORT OF THE BOARD COMMITTEES

A. EXECUTIVE COMMITTEE

TESTIMONY ON SBILL 22-34

Exhibit C

Vice Chairman Mesa made a motion, seconded by Director Jackson, to ratify Executive Committee’s approval of GVB’s testimony on SBill 22-34, “An act making appropriations for the operations of the executive, legislative, and judicial branches of the Government of Guam for fiscal year ending September 30, 2018 and for fiscal year ending September 30, 2019, making other appropriations, and establishing miscellaneous and administrative provisions.”

Motion approved

- o President Denight updated the board on SBill 22-34. Speaker Cruz’s bill basically gives the entire government a rollover budget. In addition, he proposed a two year biennial budget. President Denight stated that we will continue to work with our oversight chair, Senator Rodriguez, on our budget. He added that he met with the Speaker along with the legislative appointees (Director Hong, Director Jackson, and Director Arriola), to advocate for our budget. Lastly, he shared that the TAF projection has been raised, but in order to achieve those numbers, we need the proper resources.

B. JAPAN

- o Vice Chairman Mesa asked for an update on the board working session regarding the Japan market as discussed during the last board meeting. Chairman Morinaga and President Denight stated that the working session is slated for the afternoon of Friday, August 18.

Director Nault made a motion, seconded by Director Jackson, to approve travel for the Governor of Guam, his Security Officer, and the GVB President & CEO or his designee to participate in meetings in Tokyo, Japan from September 8-10, 2017. Estimated cost of travel is \$8,942.70 to be paid from JA-SMD008.

Motion approved

Airfare:	\$1,000 x 3 pax					\$3,000.00
Per Diem:	Tokyo	Lodging	Nights	M&IE	Days	
	Governor of Guam	\$345.80	3	\$284.70	4	\$2,176.20
	GVB President & CEO / Designee	\$332.50	3	\$273.75	4	\$2,092.50
	Governor’s Security Officer	\$266.00	3	\$219.00	4	\$1,674.00
Total:						\$8,942.70

Background: The Honorable Eddie B Calvo Governor of Guam will travel to Tokyo, Japan to participate in meetings with Japan travel trade industry to address the continue to address the concerning situation of Japan visitor arrivals. While in town, Governor Calvo will once again connect with airline executives to discuss the business case for sustaining, developing or starting service from Japan to Guam. It is the aggressive goal of GVB to directly tackle the





challenges of the Japan market and to maintain and grow air seat capacity from this important source market.

Issue: Board approval required for all travel.

- o The Governor will be meeting with Japan Airlines, United Airlines, and other key partners.
- o Vice Chairman Mesa stated that it would be beneficial for GIAA to attend as well. President Denight said he would reach out to the airport.

Director Nault made a motion, seconded by Director Jackson, to approve travel for the GVB President & CEO to participate in meetings in Tokyo, Japan from August 20-21, 2017. Estimated cost of travel is \$1,880.00 to be paid from JA-SMD008.

Motion approved

Airfare:	\$1,000 x 1 pax					\$1,000.00
Per Diem:	Tokyo	Lodging	Nights	M&IE	Days	
	GVB President & CEO	\$332.50	1	\$273.75	2	\$880.00
Total:						\$1,880.00

Background: The GVB President & CEO will travel to Tokyo to meet with Guam's key airline partner, United. Discussions will take place about how to strengthen Guam's promotions in the declining Japan market in order to increase demand and awareness. In addition, GVB President & CEO will participate in a media interview with Wing Travel to discuss GVB's upcoming programs and promotions to attract more Japanese visitors to our island paradise. While in town, continued follow-up discussions will also take place with GVB Japan and ADK about the aggressive marketing approach for Japan in the upcoming fiscal year.

Issue: Board approval required for all travel.

- o President Denight announced that the Director of the GVB Japan Office, Satomi Yamamoto, submitted her letter of resignation, which will be effective September 19. President Denight wanted to conduct the following meetings prior to her departure:
 - United Airlines to talk about next year's plan and to give reassurances that the team will continue the hard work in Japan
 - Interview with travel media to discuss GVB's upcoming plans in conjunction with JATA
- o Director Nault asked when we will be hiring a replacement. President Denight stated that we are currently working with a recruiting company to gather proposals. In the mean time, Kaneko Hiroshi, the Sales Manager for GVB Japan Office, will serve as Acting Director.

C. KOREA

- o Director Jackson reported that business is strong in the Korea market.
- o A new airline, Air Seoul, will begin servicing Guam four times a week in September.
- o The team will be very busy during the fall with road shows (Busan on October 17, Gwangju on October 18, and Daegu on October 19), the new airline, and Mode Tour in November.
- o Arrivals continue to be strong.





- o David Gossack, Minister Counselor for Commercial Affairs of the US Commercial Service based in Seoul, Korea will be visiting Guam next week and speaking at GVB's quarterly membership meeting.
- o Contrary to what was shared during a recent Korea Marketing Committee (KMC) meeting, Director Jackson reported that the China visa waiver program will continue in the CNMI.

D. MEMBERSHIP & COMMUNITY OUTREACH

- o Director Kloppenburg reported that the next quarterly membership meeting is scheduled for Tuesday, August 15. It will be held at the Westin Resort & Spa from 11:30am to 1pm. As mentioned earlier by Director Jackson, David Gossack will be the guest speaker.
- o The team is planning to hold the fourth quarter membership meeting on October 5 or 6 with guest speaker Barbara Wold who is an international speaking professional in retail and consumer authority. Director Kloppenburg will update the board as the date nears.
- o 2018 membership renewals are now being accepted.

E. NORTH AMERICA & PACIFIC MARKETS

Committee minutes dated August 2, 2017

Exhibit D

73RD GUAM LIBERATION

Director Hofmann made a motion, seconded by Vice Chairman Mesa, to approve airfare support for two (2) visiting WWII Liberators who are also the Grand Marshals for this year's Guam Liberation event in July 2017. Cost is \$2,000.00 per Liberator totaling up to \$4,000.00 from the FY2017 U.S. Sales Marketing Development Acct# SMD023.

Motion approved

Background: Governor Eddie B. Calvo selected Mr. Gene Bell and Mr. Donald Hughes as this year's Grand Marshals. The visiting liberators participated in official ceremonies and festivities for the commemoration of the 73rd Liberation events. Both over 90 years of age, this may serve as their last visit to Guam.

Mr. Bell was apart of the replacement force following the first wave of Marines in 1944 and helped to alleviate enemy forces. Mr. Hughes was a Seaman First Class in the Navy aboard the USS Magoffin APA-199 and piloted a landing craft mechanized during the invasion of Okinawa.

To show support for their WWII contributions in liberating Guam, and as a gesture of goodwill and prosperity of historical preservation, the North America Marketing Committee recommends extending up to \$2,000.00 per Liberator to help off-set the cost of their airfare to Guam.

Issue: Board approved for travel required.

-
- o Director Hofmann reported that arrivals are up in both North America and Pacific markets.
 - o Upcoming events for the markets: IMEX in October, DEMA in November, PATA Travel Mart in September, and PATA Executive Board Meeting in September.

F. RESEARCH

- o President Denight announced that Senior Tourism Research Analyst Nico Fujikawa will serve as Acting Director of Tourism Research during Ana Cid's absence.





- o He also reported that we received good media coverage from the press release on the STAR report.
- o The next major project the team will be working on is the new customs forms. The target date for implementation is October.
- o Vice Chairman Mesa asked for an update on the Visitor Industry Professional (VIP) program. President Denight reported that the videos are in production right now. The next step will be to develop the online platform to download the videos. The target date is November.

G. RUSSIA & NEW MARKETS

Committee minutes dated August 1, 2017

Exhibit E

- o Director Jackson reported that Air Seoul beginning its service to Guam is good news for Russia. The same airline will be able to link through two airports in Russia. Previously, travelers had to switch airlines which is much more expensive.
- o Additionally, Jeju Air, a Korean LCC, will be flying from Vladivostok to Seoul. This is another low cost alternative for Russian visitors who want to connect through Seoul.
- o As long as the price of oil remains stable, we should see a nice increase of Russian visitors, however, it will be difficult to see a significant increase in arrivals without a direct flight.

H. VISITOR SAFETY & SATISFACTION

- o Director Hong reported on the drowning incident that occurred on August 9 near Hyatt. VSO lifeguard Fletcher Persinger was called to assist. He contacted Guam Police Department (GPD) and Guam Fire Department (GFD) and conducted CPR until medics arrived. VSO Supervisor Sonja Sanchez also responded and flagged down medics to the scene. GFD medics arrived around 11:10am and transported the victim to Guam Regional Medical City (GRMC). The victim was unresponsive when medics departed. The victim is 91-year-old Chinese visitor Shang-Yun Wu. GVB China has been in contact with Golden Travel Agency who is handling the travel arrangements for the victim and his family. The family is grateful for our efforts.
- o The recent HERO Awards was a success.
- o Chairman Morinaga asked if we will be adding numbers to bus shelters so people can identify them better. President Denight reported that we are working with bus companies on this and to develop consistent signage with all bus routes.
- o Chairman Morinaga brought up the ashtray issue that was recently the subject of a Pacific Daily News article. President Denight stated that the no smoking law applies to bus shelters so we will be removing the ashtrays. Vice Chairman Mesa insisted on keeping them as a receptacle for people to extinguish cigarettes and dispose of them. President Denight, Director Hong, Director Takano, and Chairman Morinaga were in agreement that ashtrays send a message that smoking is permitted. Placing an ashtray in a no smoking zone sends a mixed message and may confuse visitors. Vice Chairman Mesa feels we need to educate visitors better and we can avoid confusion and misperception by adding universal no smoking signs to all bus shelters. Moreover, having these ashtrays in bus shelters will help with our no littering initiative. President Denight said he would work with the bus companies, but they are lobbying to have the ashtrays removed. Chairman Morinaga decided that the ashtrays should be removed and if littering becomes an issue, we will deal with it then.

I. CULTURAL & HERITAGE

Director Hofmann made a motion, seconded by Vice Chairman Mesa, to authorize the President and Chief Executive Officer as Chief Procurement Officer of GVB to enter into negotiations with the highest-ranking qualified Offeror in response to GVB





RFP 2017-011 COMMUNITY BRAND BUILDING SUPPORT SERVICES, and if successful, to enter into a contract.

Motion approved

Background: GVB requires assistance from professional consulting services (“Offeror”) to provide full service public relations communications and graphics services for GVB with emphasis on strengthening Guam’s brand identity, coordinating and unifying marketing themes used by GVB and advancing Guam’s destination image through community participation, strategic brand marketing and public relations activities.

Issue: Board approval required.

J. SPORTS & EVENTS

- o Director Sgro reported that the team approved funds for Tour of Guam, the biggest cycling event in the Marianas.
- o The Sports & Events Committee also approved funds for the 2nd Annual Thanksgiving Day Dragon Boat Festival.
- o We will also be sponsoring a Jack Events concert featuring Boyz II Men, Brian McKnight, and New Edition.
- o The committee is working on restructuring the rules and regulations for the ambassador grant so we can provide more funds to the community and avoid conflicts between age groups. Currently, a group can only apply for one grant per fiscal year.
- o Chairman Morinaga asked the committee to share information on upcoming events further in advance so other committees can promote them in their respective markets.

K. ADMINISTRATION & GOV’T RELATIONS

RESOLUTION NO: 2017-003

Attachment A

Vice Chairman Mesa made a motion, seconded by Director Jackson, to approve Resolution No: 2017-003 relative to recognizing Regina “Gina” Kono for her thirty-three years of dedication and service to the Guam Visitors Bureau and the people of Guam, and honoring her on her retirement.

Motion approved

Vice Chairman Mesa made a motion, seconded by Director Jackson, to approve up to \$10,000 to host a retirement appreciation reception for Ms. Gina Kono on August 18, 2017, up to \$5,000 to come from FY2017 Membership Account and up to \$5,000 to come from Marketing, of which accounts will be identified by Management.

Motion approved

Background: From Marketing Secretary to Marketing Officer I to Marketing Manager, Ms. Gina Kono has risen through the ranks of the Bureau’s marketing department since 1983. She was responsible for the planning development, implementation and coordination of the Bureau’s local and overseas travel trade related promotional programs and activities in the various markets she served.

Her contributions to the growth of tourism has been exceptional and has supported the bureau and the marketing department’s mission with unwavering commitment and leadership beyond her call of duty. During her 33 years at the Bureau, she has been instrumental in the development of emerging markets of the Russia, China, Philippines, Korea, North America, Taiwan, and Hong Kong.



- o President Denight shared that this will also serve as a membership mixer.

L. DESTINATION MANAGEMENT

Committee minutes dated July 11, 2017

Exhibit F

- o Vice Chairman Mesa reported that a public hearing was held for a signage law for the entire island. The Destination Management Committee (DMC) submitted a proposal for the hotel zone only. He will continue to work with Senator Ada's office to facilitate its inclusion, if possible.
- o As a reminder, he asked the team to report any areas along Tumon that are not well lit to a member of DMC. Director Kloppenburg reported a dark area across Matapang beach, near the new Tumon mall. Destination Specialist (Infrastructure and Maintenance) Doris Ada reported that the mall developers had the streetlight removed because they wanted to install their own lights at their entrance. Chairman Morinaga wants to request that they put their lights up as soon as possible. President Denight reported that the mall developers are also requesting for a traffic light at their entrance.
- o Doris Ada also reported that brackets for lights have been installed from Kmart to DPW, but we are still lacking lighting at the corner near JFK.

M. GREATER CHINA

2017 INTERNATIONAL ISLANDS TOURISM CONFERENCE IN ZHOUSHAN, CHINA & IMG COLOR RUN SHANGHAI

Director Kloppenburg made a motion, seconded by Vice Chairman Mesa, to approve travel for (1) GVB Board Director and (1) GVB Marketing Staff to participate in the Zhoushan City International Islands Forum in Zhoushan City, China and the IMG Color Run in Shanghai, China from September 21-25, 2017. Estimated cost is \$9,248.75. Account: CI-SMD023: \$4,555.00 and Account: AS-ESPO01: \$4,693.75.

Motion approved

Airfare:	\$1,500 x 2 pax					\$3,000.00
Per Diem:	Shanghai	Lodging	Nights	M&IE	Days	\$3,193.75
	GVB Board Director	\$323.75	6	\$178.75	7	
	Marketing Staff	\$259.00	6	\$143.00	7	\$2,555.00
Misc. Expenses:	Business communication costs & excess baggage fees					\$500.00
Total						\$9,248.75

Background: The 2017 International Island Tourism Conference is an important platform for strengthening the civil diplomacy and establishment of friendly relations with the island countries and coastal cities. It is an important platform to learn and share the advance experiences of island tourism while enhancing international exchanges.

Known as the happiest 5K on the planet the Shanghai Color Run is a unique paint race that celebrates healthiness, happiness and individuality. This IMG organized event attracts over 40,000 people and provides us with a unique opportunity to promote the United Guam Marathon in celebration of United Airlines 3rd Anniversary of flights from Shanghai. United Airlines and agents will be invited to participate with GVB at the color run and have an opportunity to sell packages to Guam. The Color Run continues to draw affluent international travelers to over 200 events held globally. While there a meeting with IMG will be conducted.





VII. OLD BUSINESS

VIII. NEW BUSINESS

IX. EXECUTIVE SESSION

X. ANNOUNCEMENTS

Announcements:

- o Quarterly membership meeting: Tuesday, August 15, 2017 (Tentative)
- o President Denight reported that Colleen Cabedo has been promoted to Marketing Officer II, and Gabryel Franquez has been promoted to Marketing Officer I.

Upcoming Board Meetings:

- o Thursday, August 24, 2017 at 3:30pm, GVB Main Conference Room
- o Thursday, September 14, 2017 at 3:30pm, GVB Main Conference Room

XI. ADJOURNMENT

Director Kloppenburg made a motion, seconded by Director Kloppenburg, to adjourn the meeting. Meeting adjourned at 5:06pm.

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
 - Included in HOT Bond projects
2. **Assignment of the Chairperson for the Administration and Government Relations Committee**
3. **Management to facilitate meeting with GVB, GIAA, and GEDA regarding the current situation in the Japan market**
 - President Denight and Director of Global Marketing Laguana participate in a weekly call with GIAA and ASM World Route Development Consultants
 - Chairman Morinaga, President Denight, and Vice President Muna met with GIAA Chairman Ricardo Duenas and Executive Manager Charles Ada on August 2