



BOARD OF DIRECTORS REGULAR MEETING

Thursday, September 14, 2017 - 3:30pm

Guam Visitors Bureau - Main Conference Room

BOARD OF DIRECTORS PRESENT:

Director Milton Morinaga	Director Monte Mesa
Director Brad Kloppenburg	Director Theresa Arriola
Director William Nault	Director Tak Takano
Director Bart Jackson	Director Eduardo "Champ" Calvo
Director Robert Hofmann	

BOARD OF DIRECTORS TELEPHONICALLY:

BOARD OF DIRECTORS ABSENT:

Director Satoru Murata	Director Katarina Sgro
Director Sam Shinohara	Director Young Hong

GVB MANAGEMENT & STAFF PRESENT:

Antonio Muna	Karida Brennan	Laurette Perez
Brian Borja	Doris Ada	Josh Tyquiengco
Lisa Linek	Nico Fujikawa	Colleen Cabedo
Elaine Pangelinan	Dee Hernandez	Kraig Camacho
Meriza Peredo	Regina Nedlic	Frances Aguon
Gabbie Franquez		

GVB MANAGEMENT & STAFF TELEPHONICALLY:

GUESTS:

Lara Ozaki - Glimpses Publications
Jackie Hanson - Senator Regine Biscoe Lee's Office
Lawrence Valencia - iConnect
Ray Gibson - Choice Radio
Vince Walker - G4S
Namkyung Lee - GVB Student Intern

In the absence of President Denight due to travel, Vice President Antonio Muna served as Acting President & CEO.

I. CALL TO ORDER

Chairman Morinaga called the meeting of the board to order at 3:52pm.

II. MINUTES OF THE PREVIOUS MEETING

Exhibit A

Chairman Morinaga made a motion, seconded by Vice Chairman Mesa, to approve the minutes of the previous board of directors meeting dated August 24, 2017.

Motion unanimously approved (Subject to minor revisions)

- o Vice Chairman Mesa touched on Action Item #2. He pointed out that Chairman Morinaga met with the Chairman of the Guam International Airport Authority (GIAA) as part of our continual working relationship with the agency and expressed how important this is. Chairman Morinaga agreed and mentioned that he also met with Airport Services Manager Mrs. Jean Arriola, to discuss GIAA operations.

III. CHAIRMAN'S REPORT

IV. PRESIDENT & CEO'S REPORT

GUAM VISITORS BUREAU
PRESIDENT'S REPORT
09-14-2017

September 2017

September 1-12, 2017 **Total: 49,192 (-6.4%)**

% Market Mix	Origin	2016	2017	% to LY
39.7%	Japan	27,613	19,513	-29.3%
49.4%	Korea	17,900	24,289	35.7%
0.9%	China	731	455	-37.8%
0.4%	Hong Kong	262	180	-31.3%
2.0%	Taiwan	1,460	990	-32.2%
3.8%	US/Hawaii	2,489	1,879	-24.5%
1.2%	Philippines	691	569	-17.7%

Source: Guam Customs Declaration Forms, Processed by the Guam Visitors Bureau.

Calendar Year to Date 2017

January-September 12, 2017 **Total: 1,100,176 (+3.5%)**

% Market Mix	Origin	2016	2017	% to LY
42.6%	Japan	526,574	468,397	-11.0%
42.1%	Korea	366,670	462,835	26.2%
1.5%	China	20,335	16,952	-17.4%
1.1%	Hong Kong	5,602	12,388	120.8%
2.3%	Taiwan	30,478	25,194	-17.3%
5.0%	US/Hawaii	55,215	58,118	+0.2%
1.1%	Philippines	13,699	11,961	-12.7%

Source: Guam Customs Declaration Forms, Processed by the Guam Visitors Bureau.

RESEARCH

August 2017

August 1-31, 2017 **Total: 143,677 (-0.7%)**

% Market Mix	Origin	2016	2017	% to LY
47.6%	Japan	79,342	68,351	-13.9%
40.7%	Korea	48,909	58,411	24.5%
1.2%	China	2,078	1,776	-14.5%
0.5%	Hong Kong	633	735	16.1%
1.6%	Taiwan	3,464	2,500	-33.6%
4.1%	US/Hawaii	6,827	5,930	-13.1%
0.9%	Philippines	1,488	1,312	-10.6%

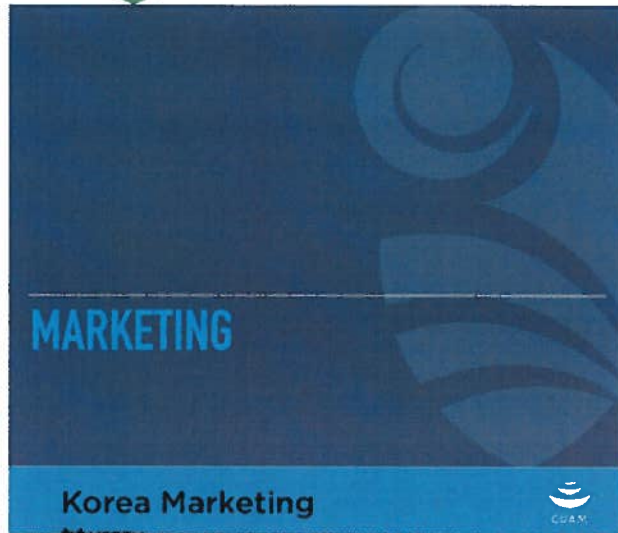
Source: Guam Customs Declaration Forms, Processed by the Guam Visitors Bureau.

Fiscal Year to Date 2017

October 2016-September 12, 2017 **Total: 1,491,105 (+4.3%)**

% Market Mix	Origin	2016	2017	% to LY
43.6%	Japan	715,240	649,997	-9.1%
41.2%	Korea	493,145	614,841	24.7%
1.5%	China	23,180	22,539	-11.3%
1.1%	Hong Kong	8,121	15,866	95.4%
2.3%	Taiwan	39,504	34,915	-11.6%
4.9%	US/Hawaii	72,142	73,019	1.2%
1.3%	Philippines	17,773	16,988	-6.8%

Source: Guam Customs Declaration Forms, Processed by the Guam Visitors Bureau.



Korea Marketing News

Airline Capacity to Guam

Airline	Flight No.	DEP. Time	ARR. Time	Days	Seat Capacity per month
Korean Air	KE 119	12:30	15:51	Daily	291 seats x 32 = 9,312 seats
	KE 111	18:35	01:07+1	Daily	338 seats x 30 = 10,140 seats
Jin Air	7131/32	12:35	16:05	Daily	145 seats x 83 = 12,035 seats
	7131/36	20:20	02:01+1	Daily	145 seats x 83 = 12,035 seats
Jin Air	7131/38	21:15/21:30 Wed/Fri/Sat/Sun	02:42+1 Mon/Wed/Fri/Sat	Daily	145 seats x 83 = 12,035 seats
	7131/39	21:35/21:50 Mon-Fri	04:02+1 (Fri) Mon-Fri	Daily	145 seats x 83 = 12,035 seats
Jin Air	7131/41	09:45	15:05	Daily	145 seats x 83 = 12,035 seats
	7131/42	17:05	22:25	Daily	145 seats x 83 = 12,035 seats
Air Seoul	981/31	20:05/20:10 Mon-Fri	01:25+1 Mon-Fri	Mon-Fri	100 seats x 18 = 1,800 seats
	981/32	21:40/21:45 Sat-Sun	03:10+1 Sat-Sun	Sat-Sun	100 seats x 18 = 1,800 seats

Outbound seat capacity from ICN to GUM = 56,460 seats

Korea Marketing News

The Man Who Sets the Table

TV Station: MBC
Program Schedule: Every Saturday & Sunday, Total of 50 episodes
Running Time: 60 minutes (8:35 p.m.-)

Cast: Choi Soo-Young, Oh Joo-Wan, Kim Gap-Soo, Kim Mi-Sook, Park Jin-Woo, Seo Myo-Rim, Shim Hyung-Tak

9/2 Episode 1
9/3 Episode 2
9/9 Episode 3
9/10 Episode 4

Filming Locations:
- Pacific Islands Club
- The Beach Bar
- Crust Pizzeria
- Fish Eye Marine Park
- A.B. Won Pat Guam International Airport
- Encore! Magic Show



Korea Marketing News

Total Number of Korean Outbound Travelers



* Total number of Korean outbound travelers: 2.4 million (2017 JUL) + 14.5% increased vs. 2016 JUL
2017 JUL YTD: 75.0 million + 18.0% increased vs. 2016 YTD
* Reference: Korea Tourism Organization (KTO), U.S. Department of Commerce, Bureau of Economic Analysis

Korea Marketing News

Airline Capacity to Guam

Airline	Flight No.	DEP. Time	ARR. Time	Days	Seat Capacity per month
Korean Air	KE 2715	21:40 (Sat/Sun)	02:41+1 (Sat/Sun)	Wed/Thu/Sat/Sun	138 seats x 17 = 2,346 seats
	KE 2713	22:35 (Wed/Thu)	03:40+1 (Wed/Thu)	Wed/Thu/Sat/Sun	138 seats x 17 = 2,346 seats
Jin Air	7131/44	21:55	03:05+1	Daily	145 seats x 83 = 12,035 seats
	7131/47	07:30 (Mon/Wed/Fri)	12:35 (Mon/Wed/Fri)	Mon/Wed/Fri/Sun	145 seats x 83 = 12,035 seats
Air Busan	818/2	22:05	03:10+1	Wed/Thu/Sat/Sun	795 seats x 17 = 13,515 seats
	818/3	22:05	03:10+1	Wed/Thu/Sat/Sun	795 seats x 17 = 13,515 seats

Outbound seat capacity from PUS to GUM = 14,544 seats

Daegu - Osaka - Guam

Airline	Flight No.	DEP. Time	ARR. Time	Days	Seat Capacity per month
T Way	TW 370 (Via KIX)	07:55 (Fri/Sat)	08:00 (Fri/Sat)	Daily	180 seats x 80 = 14,400 seats
	TW 370 (Via KIX)	07:55 (Fri/Sat)	08:00 (Fri/Sat)	Daily	180 seats x 80 = 14,400 seats

Outbound seat capacity from TAE to GUM = 5,670 seats
* Includes a certain portion of Japanese travelers

Total Outbound Seat Capacity (September)

1 month Average	76,647 seats (44%)
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Korea Marketing News

Air Seoul Inaugural Flight

September 13, 2017 | 2:35 AM

- GVB/GIAA Board & Management and staff welcomed the arrival of Air Seoul President, Mr. Ryu Kwang Hee, Air Seoul Executives, Travel Agents, Media and passengers with musical accompaniment and lei greeting by Miss Earth Guam Emma Shedy and Miss World Guam Phoebe Rallsoc.

- Air Seoul is scheduled to fly 6x a week via Incheon till October 28, 2017, with plans to expand to daily flights starting October 29, 2017.

AIR SEOUL



Korea Marketing News

Upcoming Shows in Korea

Korea Roadshows

- October 17, 2017 = Busan
- October 18, 2017 = Gwangju
- October 19, 2017 = Daegu
 - Delegates: Fish Eye, Alupang Beach Club, Nissan Rent-A-Car, Dusit Thani Guam, Guam Plaza Hotel, Hyatt Regency Guam, Outrigger, Sentry Hospitality, Royal Orchid and Baldyga Group.

Mode Tour Travel Mart

- November 16 – 19, 2017 at COEX
 - Delegates: Alupang Beach Club, Red Door Productions
 - Co-Exhibitors: Bayview & Ocean View, Lotte, Onward, PHR, Fish Eye, Dusit Thani Guam, Guam Plaza Hotel, Hyatt Regency Guam, Outrigger, Royal Orchid, Westin and Pleasure Island.

Philippines Marketing News

CEBU Pacific Air/Guam Product Update

- Sept 5, 2017 - 1 PM @ Summit Galleria - CEBU, Philippines
- Over 100 TA's in attendance



Philippines Marketing News



Cebu Pacific/Guam Team in Cebu (L-R)

Cebu Pacific - Agnes Gupalar - Sales Director, Visayas and Mindanao, GVB Vice President Antonio Muna, US Embassy Vice Consul (NIV) Section - Hon. Chad Kinnear, GVB PH (TPH PH Inc.) Representative Carmel Canpio, GVB Member/Hotelier - Pacific Star Gen. Manager Roy Abraham, GVB Manager - Philippines & Russia - Regina Nedlic, USCS Commercial Assistant - John Grey

*Special Thanks to CEBU Pacific, Pacific Star, USC, US Embassy

Media Event in Cebu Sept 5th - 6PM •Over 30 Cebu Media (Print/TV)



Russia Marketing News

OTM (Online Travel Mart) Exhibition

Sept 4 - 17th - Russia


- 5 GVB members participating:
 - HIS Guam/Hilton/Encore Guam/Bayview Guam
- Opportunity to engage tourist business of the destination in participating (up to 5 co-exhibitor companies)
- 3 hours online presentation
- "Small" virtual exhibitor booth webpage
- Database of Business contacts of professionals registered at the exponent's Presentation
- http://profi.travel/companies/1481/sto-nd/guam_otm17#




GUAM VISITORS BUREAU

SI YU'OS MA'ÅSE'!

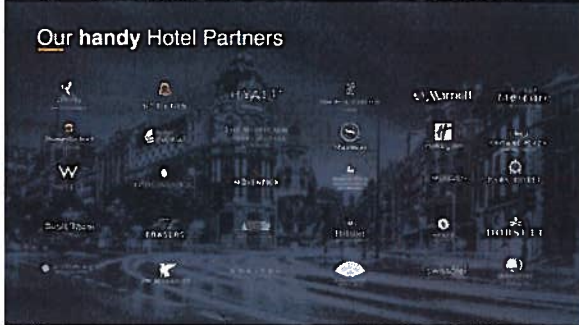
o Handy Phone Presentation by Ray Gibson



Where you can find handy



Our handy Hotel Partners




What is handy?

Handy is a complimentary smartphone, that is seen as part of the hotel's amenities, that elevates your guest's experience during their stay


It offers:

- Unlimited Local and International Calls
- Unlimited Internet Access
- Latest Travel Finds
- Exclusive Brand Promotions
- Speed Dial to Hotel Services



① Connect to your guest, Instantly

- Hotel Page:** Handy allows guests to access hotel facilities and services via ease through the hotel banner, leading in one click to the hotel website or App
- Push Messages:** If incidents (eg typhoon, earthquake, etc.) happen, the hotel can push an alert message to the guests with a call to action button
- Dial Pad:** Speed Dial to Hotel Services
- Room to Room:** Family and friends can reach each other anywhere by just dialing the room number. Great for conferences where colleagues can contact each other easily
- Virtual Extension:** Now guest can provide a local number for their colleagues, family, friends and even local restaurants so they can be easily reached without extra cost.



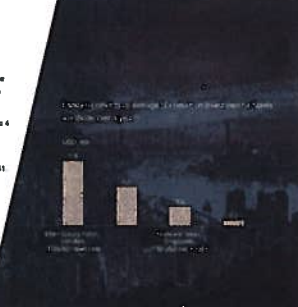
② Increase RevPar via TripAdvisor

- Handy's special relationship with TripAdvisor allows guest to rate the hotel during their stay. With a stay of having handy, hotel will see increase of posting by 50%.
- Handy will impress the guests, so rating for the hotel are mostly 5 to 4 stars and with the increase in postings, the ranking of the hotel on TripAdvisor will increase by at least 10 to 20 placements up or at
- Handy improves partner hotels' review ratings by an average of 0.31, which translates to a 3.5% increase in RevPAR

0.31 = 3.5% = \$5.1

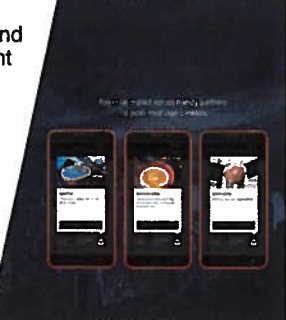
Increase in review ratings
which translates to
increase in RevPAR

Cost to get review
about value per night?



③ Boost revenues and extend the hotel services footprint with push messages


- Boost your F&B through unmatched connectivity by up to 30%.
- Increase your MICE and event revenue by 20%.
- Increase Corporate revenue by 10%.



④ Stay connected via Push Message in case of emergency

When there is an emergency or crisis, handy ensures you can connect to all your guest quickly & easily. Guest can also respond to the hotel directly for:

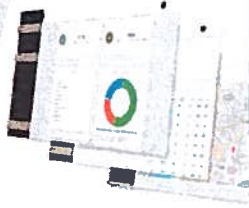
- Inquiries
- Pick Up
- Questions on the Safety Tips



① Track your guest behavior inside and out of your hotel

The dashboard in handy's proprietary Content Manager System (CMS), makes it easy to understand guest behavior at the deepest of levels

- **Guest Preferences** – gather insight on what your guests are looking at, which articles they read, what gets their interest
- **Targeted marketing** – observe the response rates for all types of push messages amongst guests, equipping hotels to make informed decisions about their services
- **Trend purposes** – understand the correlation between your guests' travel reasons and their entire journey allowing hotels to tailor offerings to accommodate all profiles
- **Language choices** – understand your guests' linguistic preferences and learn and act on cultural differences



What handy means for your guests

- 1 handy allows guests to stay connected to friends, family, social media and the hotel
- 2 handy completely removes roaming charges
- 3 handy lets guests explore freely with access to exclusive city guide and latest finds
- 4 handy ensures the guests have direct access to your hotel



handy Homescreen: Newsfeed ensures your guests have the best time in your city!

Real time travel recommendations which are seamlessly integrated in the handy newsfeed

- **Latest events** – Allow guests to view the coolest things to do in town at a glance, enhancing convenience and entertainment
- **Local attractions** – Help guests fully understand their destinations via easy-to-read guides, providing an advantage competitors can't match
- **Dining and nightlife recommendations** – Channel guests towards hotel offerings as well as affiliated partners, ensuring improved business all round
- **Special brand offers** – Promotes discounts and deals for the avid and casual shopper alike, providing them with the satisfaction of exclusive access to premium brands and products



handy Bottom Menu bar The dial pad, the all in one access

The handy Phone allows FREE:

- Local calls
- International calls
- Room-to-Room calls
- Virtual Extension – Private local number for guaranteed discretion with unique 4 digit extension
- Useful Number such as police, hospitals, embassies...for emergencies
- Hotel Speed dial



Approximately where is the phone?

handy phone can be tracked through the CMS based on SSID from the hotel's Wi-Fi to show if the phone is:

- In the Room
- In the hotel but not in the Room
- Not in the hotel at all

During Check-out, just verify with the guest if the phone is not in the room. Sometimes guests just forget they still have handy with them.



The CMS Dashboard illustrates guest behavior

handy is the ONLY product worldwide that provide guest behavior inside and outside of the hotel:

handy provides the following statistics:

- How many guests are using handy
- What push messages are popular
- Conversion data to increase revenue
- What they are interested in - Eat / Shop / Do
- What hotel facilities generate the most interest



VISITOR SAFETY

- In the event of an Island-Wide Emergency, we can reach our visitors, **IN THEIR LANGUAGE, Everywhere!**
- 911 emergency calls
- Direct access to consulate offices
- Emergency medical attention with international doctors.

ISLAND IMAGE

- The Island of Guam offers ALL visitors a smartphone
- Guam's image is enhanced as a 21st century destination
- GVB supports our #1 industry in these changing and uncertain times
- Leadership! Only Japan is offering this level of support
- Repeat business is important! HANDY can invite people back to Guam while they are still here!
- USE unused subsidy dollars in Source markets

BULA DATA

- Access to HANDY dashboard data
Ethnicity; Language; Purpose of visit; Length of stay
- HANDY can also create surveys and serve questions to visiting users
- Maps can show you where visitors are - in and out of standard tourism districts....how successful are our village level events? What are they discovering on their own?
- Search capture
- Articles and advertorial "clicks" are captured as well

THE CITY GUIDE

- Increase spend with greater information on Shops, Dining, Attractions and Excursions
- Better Exposure for CULTURAL attractions and sites - i.e. HOTNU BAKERY, WED NIGHT MARKET and FLEA MARKET

SOCIAL BEHAVIOR

- Unlimited Data and Pre-Loaded apps means:
- Faster uploads to social media of all the sun, surf, sand and shopping Guam has to offer.
- Increase REVPAR with the HANDY Trip Advisor tool - Based on academic findings, proper use of HANDY phones could mean an increase of \$15 Million Dollars

Join Us Now -
Wow your guest with handy

- Director Arriola asked how many Handy Phones we have in hotels now. Mr. Gibson reported that there are currently 314 phones in Guam's hotel rooms, with Fiesta Resort being the first to sign up. He also shared that his team has a standing contract with Sheraton.
- Director Arriola asked what kind of growth Handy is anticipating for Guam. Mr. Gibson reported that they would like to have a phone in every hotel room. However, the feedback he has received from operators is that they do not have the budget for the phones right now. The solution is not as simple as raising room rates to cover the cost. That being said, he proposed GVB subsidizes 50% of the phone cost for the first year. If that amount is not feasible, he suggested 25% over two years instead.
- Mr. Gibson shared that his team is also responsible for selling advertisement on the phones.
- Director Arriola noted that Handy has great potential here. GVB needs to look at what we invest in our repeat visitors and determine if we can move that money around.
- Vice Chairman Mesa shared that he personally used a Handy Phone while in Hong Kong. He feels this plays into GVB's strategy of enabling visitors to instantly share on social media. Visitors will not have to worry about international connections (i.e., data, mobile service). He is concerned however, about battery life as he was only able to use his unit for about an hour before needing to recharge. Mr. Gibson mentioned that he can only speak for the devices we have on Guam. As part of the agreement his team has with Handy, every two years, Guam will be supplied with new phones.
- Chairman Morinaga asked about the Hot Spot feature. Mr. Gibson shared that users will be able to tether to other devices for thirty minutes at a time.
- Director Hofmann asked how durable the phones are. Mr. Gibson reported that there have not been any major issues related to durability yet. In any case, hotels will receive 5% more phones than the number of rooms they have. If phones are damaged, customers will be given a replacement immediately. He went on to report that phones will get stolen but visitors will be billed for them through the hotel. Moreover, the Handy Phone SIM cards will not work if they are put into any another device, and the device will not work with any other SIM card.
- Director Calvo asked if there will be an additional charge for the phone. Mr. Gibson stated that the hotels must treat the phone like an amenity, so there will not be an additional charge. The phone will be included in the room rate.



- o Director Calvo also asked what number of hotel guests actually use the Handy Phone. Mr. Gibson stated that 87% of guests use them. Moreover, 71% of them use the phone outside of their hotel.





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	\$ 19,509,000.15	92%	\$ 1,773,471.85	8%
Destination Development	\$ 1,085,000.00	\$ 994,583.32	92%	\$ 90,416.68	8%
Rainy Day Fund	\$ 200,000.00	\$ 183,333.32	92%	\$ 16,666.68	8%
Cultural & Sports Ambassador Fund	\$ 200,000.00	\$ 183,333.34	92%	\$ 16,666.66	8%
Pass-Thru	\$ 1,085,000.00	\$ 1,021,249.88	94%	\$ 63,750.12	6%
TOTAL	\$ 23,852,472.00	\$ 21,891,500.01		\$ 1,960,971.99	

TOTAL RECEIVABLES FY 2017 **\$ 1,960,971.99**

TOTAL RECEIVABLES **\$ 1,998,471.99**

Accounts

RESTRICTED

Bank of Guam - Rainy Day Fund ¹	\$ 2,269,112.59
Cultural & Sports Ambassador Fund ²	\$ 527,860.88
TOTAL RESTRICTED	\$ 2,796,973.47

UNRESTRICTED

Bank of Guam - Operations	\$ 13,173,545.48
First Hawaiian Bank - Membership	\$ 105,720.35
Resona	\$ 94,294.63
Bank of Guam - TAF	\$ 684,325.70
Raymond James - CD value as of 07/31/2017 ³	\$ 2,536,610.36
TOTAL UNRESTRICTED	\$ 16,594,496.52

TOTAL CASH as of 09/11/2017 **\$ 19,391,469.99**

Current Payables

Asatsu invoices MAR - JUL	\$ 568,321.56
Japan Invoices	\$ 86,566.83
Guam Invoices	\$ 811,282.10
Pass-Thru	\$ 32,500.00
Encumbered Contracts	\$ 1,760,634.84
Encumbered Purchase Orders	\$ 134,198.34
TOTAL as of 09/11/2017	\$ 3,393,503.67

NOTES

NOTE 1

\$2,269,112.59	Rainy Day Fund
(\$258,862.16)	Reimbursable Rainy Day Expenses - Japan
\$2,010,250.43	

NOTE 2

\$527,860.88	Cultural and Sports Ambassador Fund
(\$58,100.00)	Cultural and Sports Ambassador expenses - reimburse Operations
\$469,760.88	

NOTE 3

\$2,536,610.36	Raymond James - CD
(\$1,169,250.98)	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
(\$548,802.84)	PAID - Pale San Vitores 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
(\$10,495.00)	PAID - Hagatna maintenance and streetscape project for GMIF
(\$263,261.54)	BALANCE - Pale San Vitores Road Bus Shelter Project
(\$121,216.48)	BALANCE - Planning, Architectural and Engineering Services for Tumon Bay Improvement
0.00	

September 11, 2017

VI. REPORT OF THE BOARD COMMITTEES

A. **EXECUTIVE COMMITTEE**

Vice Chairman Mesa made a motion, seconded by Director Hofmann, to ratify Executive Committee's approval of the additional travel cost for the Governor of Guam to participate in meetings in Tokyo, Japan from September 8-10, 2017. Estimated cost of travel is \$506.00 to be paid from JA-SMD008.

Motion approved

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. Above cost is for airfare under business class at the request of the Governor's office due to the multi-city travel.

Issue: Board approval required for all travel.

B. **MEMBERSHIP & COMMUNITY OUTREACH**

Director Kloppenburg made a motion, seconded by Vice Chairman Mesa, to approve travel for International Business Speaker, Expert and Consultant Barbara Wold to be the guest speaker for the 3rd Quarter Membership meeting on Guam from October 03-08, 2017 (Cost approximately \$5943.81 - Account Number MEM100).

Motion withdrawn

Airfare	1	\$2383.81		\$2383.81
Per Diem				
M&IE - GUM	1	\$87.00	X 5 days	\$435.00
PROFESSIONAL FEE	1	\$3000.00		\$3000.00
CAR RENTAL	1	\$25.00	X 5 days	\$125.00
Total Expense:				\$5943.81

Background: Barbara Wold is an internationally known speaker and authority to the retail, consumer, tourism and hospitality industries. Her areas of expertise include customer experience, marketing strategy, consumer buying patterns, building business relationships, image, sales and service quality, public relations, redevelopment and tourism.

Ms. Wold works with many downtowns and cities that are going through revitalization in an effort to boost their economic viability. She helps them understand that as a composition of American households continue to shift, so will the mix of retail, in order to succeed and connect to neighboring communities. Ms Wold also works with airport revenue, the airlines, duty free, state tourism conventions and travel professionals.

Ms. Wold is a representative for the International Council of Shopping Centers.

Issue: Board approval required.

- Vice Chairman Mesa noted that Ms. Wold will be coming from Colorado. Director Kloppenburg added that she will arrive on October 3 and speak at the membership meeting on October 6. Vice Chairman Mesa shared that she will also be conducting a workshop for Guam Premier Outlet (GPO) tenants on Thursday so GPO will be cosponsoring her professional fee. She will then be featured on Patti Arroyo's show on Friday.
- Chairman Morinaga asked if there are any other presentations or seminars that people can take advantage of. If we will be spending this much money, he wants to ensure that we maximize Ms. Wold's time here. Director Kloppenburg stated that the team can reach out to her to see if this is possible. Vice Chairman Mesa said that he is open to having another agency co-sponsor her fees if they would like to arrange for her to conduct a seminar for their stakeholders, similar to the way GPO will cosponsor her professional fee. Director Arriola stated that GPO's financial support/involvement should have been noted somewhere in the motion. Vice Chairman Mesa said the team can try to arrange for Ms. Wold to conduct a workshop after the membership meeting for those who cannot make it during lunch and her schedule is still open on Thursday afternoon and Friday afternoon. She has only committed to three presentations. Director Kloppenburg suggested reaching out to the airport as Ms. Wold also works with airport revenue and airlines. Director Calvo feels that we should confer with her before making any other arrangements because there might be a cost for every additional engagement. Chairman Morinaga asked who will be signing her agreement. Acting President Muna stated that it would be President Denight. Chairman Morinaga asked that President Denight clarifies all this information prior to signing. Director Arriola said that once these clarifications are made, the motion should be sent to the Executive Committee for approval. Director Kloppenburg agreed and withdrew the motion. Vice Chairman Mesa reminded the board that her airfare may increase from what was initially presented.

C. NORTH AMERICA & PACIFIC MARKETS

Committee minutes dated September 6, 2017

Exhibit C

ITB ASIA 2017

Director Hofmann made a motion, seconded by Director Jackson, to approve travel for two GVB Marketing Staff to attend the upcoming ITB Asia 2017 show in Singapore from October 22-28, 2017. (Cost is approximately \$9,500.00 from Acct. No. PA-TTC077)

Motion approved

Travel Expenses:

Airfare: \$2,000 x 2 pax	\$4,000.00
2 GVB Marketing Staff Per Diem: \$407 x 6 days x 2 pax	\$4,884.00
Misc. Expenses (Com, excess baggage, etc.)	\$616.00
TOTAL EXPENSE:	\$9,500.00

Background: The Guam Visitors Bureau (GVB) is planning to attend the ITB Asia 2017. ITB Asia is the premier meeting place for the travel trade industry and a forum for establishing high-quality customer contacts and conducting businesses. It is the event where international exhibitors of all sectors within the travel-value chain commerce and Asia Pacific's leading travel companies and emerging small and medium-sized enterprises meet with top international buyers from MICE, Leisure and Corporate Travel markets. ITB Asia is a networking opportunity to meet face-to-face with over 80+ top-tier international buyers and media.

While at ITB Asia, GVB plans to meet with United Airlines, Philippine Airlines and Cebu Pacific and their key agents to continue to promote travel to Guam. With key events like the Guam



Ko'ko Road Race, the Shop Guam e-Festival, and the Visit Guam 2018 Campaign Series scheduled for the later part of the year, this would be a good opportunity to try and generate interest.

Issue: Board approval required for all travel.

PATA NEW TOURISM FRONTIERS FORUM 2017

Director Hofmann made a motion, seconded by Director Jackson, to approve travel for the GVB President & CEO and two Marketing Staff to attend the PATA New Tourism Frontiers Forum in Palau from November 14-18, 2017. (Cost is approximately \$9,000.00 from Acct. No. PA-SMD023)

Motion approved

Travel Expenses:

Airfare: \$1,000 x 3 pax	\$3,000.00
President & CEO Per diem: \$340 + 25% x 5 days	\$2,125.00
Two Marketing Staff: \$340 x 5 days x 2 pax	\$3,400.00
Unanticipated Expenses (Communications, excess baggages, etc)	\$475.00
TOTAL ESTIMATED EXPENSES:	\$9,000.00

Background: PATA has announced that the PATA New Tourism Frontiers Forum (NTFF) will be held in the pristine paradise of Palau. The event, generously hosted by the Palau Visitors Authority, consists of a one-day conference, networking events and a day of on-ground activities.

The PATA New Tourism Frontiers Forum gathers the top minds in destination travel for inspiring and insightful discussions on some of the major issues in marketing and managing tourism growth to lesser-known destinations.

The chapter would like to extend it's support to PVA by helping to promote the event and by being present during the forum.

Why NTFF? Tourism is one of the most powerful tools for economic growth and social development. The most interesting and unique attractions – including indigenous culture, wildlife and natural landscapes – are nearly always located in areas where access is difficult and poverty is often the greatest. The challenge is to evolve those assets into attractive, marketable tourism products that maximize social and economic benefits while minimizing any negative impacts.

Issue: Board approval required for all travel.

IMEX AMERICA 2017 & HAFA ADAI NIGHT WITH CHAMORRO CLUB OF GUAM

Director Hofmann made a motion, seconded by Director Jackson, to approve travel for the GVB Director of Global Marketing, one GVB marketing staff and the Cultural Heritage Officer to attend the IMEX America at the Sands Expo in Las Vegas, Nevada from October 7-13, 2017 (Cost is approximately \$6,500.00 from Acct. No. US-SMD023 and \$3,020.00 from Acct. No. DM-CPO006)

Motion approved

Marketing Travel Expenses:

Airfare: \$2,000 x 2 pax	\$4,000.00
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Per Diem Lodging + M&IE: \$170 x 6 days x 2 pax	\$2,040.00
Misc. Expenses (Communications, excess baggages, etc.)	<u>\$460.00</u>
TOTAL ESTIMATED EXPENSES:	\$6,500.00

CHC Travel Expenses:	
Airfare: \$2,000 x 1 pax	\$2,000.00
Per Diem Lodging + M&IE: \$170 x 6 days x 1 pax	<u>\$1,020.00</u>
TOTAL ESTIMATED EXPENSES:	\$3,020.00

Background: The Guam Visitors Bureau (GVB) plans to attend the IMEX America once again as this is an opportune time to attract more MICE participants from the U.S. and source markets. Guam now has the facilities to hold MICE groups with the Dusit Thani's convention hall that holds up to 1,000 persons. IMEX is a worldwide exhibition for incentive travel, meetings and events that is committed to providing outstanding business opportunities for exhibitors and buyers. IMEX has two exhibitions a year, in Frankfurt, Germany and in America.

IMEX America is Americas largest MICE Expo with over 10,000 participants, 5,500 global decision makers and 3,200 buyers from 130 countries; an increase from the previous year. GVB will have the opportunity to meet qualified buyers from North America and around the world within the 3-day event. This year, GVB expects to have over 100 pre-scheduled appointments with MICE planners from North America, China, Japan, Korea, Philippines, Russia and other source markets. In addition, GVB will also have an opportunity to meet over 100 domestic and international media.

Prior to IMEX, GVB plans to hold a "Håfa Adai" night and invite the Chamorro Club of Guam in the area. GVB plans to conduct a Guam product update presentation to share with friends and families of Guam to promote the FY2018 Signature Calendar of Events.

Issue: Board approval required for all travel.

D. **RESEARCH**

E. **RUSSIA & NEW MARKETS**

Committee minutes dated September 5, 2017

Exhibit D

- o Director Jackson shared that Air Seoul's service to Guam will help traffic from Russia. In addition, Jeju Air will begin flying from Vladivostok to Seoul, creating a good connection to Guam on a low cost carrier. So while the Russia market is slowly picking up, it will never be what it was when we had direct flights.
- o There will be a three-day road show through Vladivostok, Khabarovsk, and Sakhalinsk in October.

F. **VISITOR SAFETY & SATISFACTION**

GVB RFP 2017-008 VISITOR SAFETY OFFICERS

Vice Chairman Mesa made a motion, seconded by Director Jackson, 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 2017-008 VISITOR SAFETY OFFICERS, and if successful, to enter into a contract.

Motion approved

Background: Tourism is the largest single private sector contributor to Guam's economy, representing \$1.2 billion annually in island revenues and supporting approximately a third of island employment. The Guam Visitors Bureau has a vested interest to protect and ensure the safety and security of all visitors. The increase in crimes against tourists in Tumon threatens Guam's image as a safe, family-friendly destination, and has had a negative impact on Guam's number one industry. If ignored, the effects on the local economy would be devastating and lead to a loss of jobs and government tax revenue. Guam and our tourism industry parties have been supporting the Guam Police Department (GPD) throughout the years; however, despite this assistance, GPD's Tumon Precinct is undermanned and does not have the personnel to provide the police presence needed in Tumon.

GVB instituted the Visitors Safety Officers (VSO) Pilot Program in 2014 to address this issue and the feedback received on the VSO presence since then was crucial in the determination to continue this much-needed program in Tumon. It is important to note that the VSO program is not intended to replace GPD in any way. The VSO program purpose is to supplement and support GPD's mission in Tumon. GVB will work closely with GPD to determine the VSO's patrol schedule and area, maximizing the effectiveness of the program. Also, with the VSO handling minor infractions and incidents, GPD will be able to focus on major crimes and public safety issues.

Issue: Board approval required.

- Chairman Morinaga asked if we need to continue the Visitor Safety Officer (VSO) program. Acting President Muna stated that we have had so much success with this program that we wanted to expand it but due to budget constraints, we need to keep the level of services the same. He also added that VSOs have saved lives at our beaches, so it is a program worth continuing over the next couple of years. Director Arriola asked what the budget for this project is. Acting President Muna shared that it is a roll over from last year at \$450,000. He noted that with this program, we have VSO coverage 24/7, so that should be taken into account. Director Jackson asked Mr. Vince Walker from G4S how we can make this program more effective with the budget we have since we are not able to expand it. Chairman Morinaga halted the conversation noting that he did not want to breach the RFP process by discussing this with G4S. He mentioned that Mr. Walker was attending the meeting solely as an observer. He did share however, that this is something that needs to be discussed at the appropriate time.

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- Director Hofmann reported that there are no bathrooms for visitors to use near the Plaza de Espana area. The closest public restrooms are near the Latte Stone Park or Chamorro Village. He stated that the Legislature owns the Plaza so maybe they can find a solution. He also suggested asking Cathedral to give visitors access to their bathrooms, and provide them with something to maintain them. Director Calvo feels we should not place this responsibility on the church, because visitors will freely be going in and out. He suggested having the Legislature build a public restroom where the old Department of Administration (DOA) building was. We can also approach Department of Parks and Recreation (DPR) or the Governor's Office and have them come up with a solution. Director Arriola feels all government buildings should allow visitors to utilize their bathrooms. Director Calvo stated that that would create a maintenance issue. Chairman Morinaga asked management to look into this further.
 - Chairman Morinaga shared that he has received reports of a gang loitering at the bottom of Happy Landing Road where they ask tourists for money and threaten them. He asked management to ensure GPD and the VSOs are aware of these reports.
 - Director Nault touched on the pothole issue noting that the holes all seem to be similar in appearance. Acting President Muna mentioned that he met with our A&E consultant regarding this problem. The consultant provided a budget of \$4,000-\$5,000 to fix each area. This will not be a permanent fix, but it will alleviate the issue for a year until we can fix

the issue permanently. He also shared that he has been working with GEDA on this. The problem is that the design is defective. A layer of sand is beneath the crosswalk/road and when buses or heavy trucks drive over those areas, the sand absorbs the vibration. When it rains and the sand washes away, a pothole forms. Director Calvo recommended replacing all the sand with asphalt. Acting President Muna said that would be the permanent fix, but the cost will be high since the entire crosswalk will need to be pulled up. We work with DPW to fix the potholes, but it has been difficult with the rain. Director Hofmann stated that \$5,000 is too expensive to fix one hole. He suggested working with our village mayor to use coal mix instead as it is a much cheaper alternative. Acting President Muna said management will work on it.

- o Chairman Morinaga asked management to look into two other issues: streetlights that are out from California Pizza Kitchen to the chapel and the overhanging trees along Ypao Road.

G. CULTURAL & HERITAGE

- o Chairman Morinaga complimented the cultural dancers at Sheraton. He shared that there is a young dancer who smiles and really engages with the crowd. That is the kind of performance/interaction he would like to see when we take cultural dancers overseas.

H. SPORTS & EVENTS

- o Director Nault reported that the committee has cleared several sports ambassador grants.
- o As we move forward, he asked that the different committees share information about events in their respective markets well in advance so that the committee can assist in increasing participation. Destination Specialist for Sports and Events Kraig Camacho shared that we will be releasing the 2018 calendar of events soon and we will share it with all of our source markets.
- o In regard to North Korea issue, Destination Specialist Camacho also mentioned that when sports ambassadors travel overseas, we can task them with sharing the message that Guam is safe destination. This is one benefit of the sports ambassador program.

GVB RFP 2017-010 EVENT MANAGEMENT SERVICES

Director Nault 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 2017-010 EVENT MANAGEMENT SERVICES, and if successful, to enter into a contract.

Motion approved

8/9 directors approved (Director Calvo recused himself due to a potential conflict of interest.)

Background: GVB requires assistance to provide event management services throughout the year, with emphasis in coordination, planning and execution of GVB signature events.

Issue: Board approval required.

I. ADMINISTRATION & GOV'T RELATIONS

- o Director Arriola asked for a status update on the budget. Acting President Muna said that the legislature will be going into session on Saturday so we are holding off until we know the results. We are trying to schedule a working session right before the next board meeting, as we will know the results of the legislative session by that time. We will also discuss projections for the next several years during this working session. Director Calvo asked if anything has come up that we would like to include in our budget request, in the event that the legislature does not override the veto, such as funding for crosswalks. Acting President Muna stated that some of those projects were already included in our initial

request. Director Hofmann shared that one scenario is a shutdown and he asked if that will affect GVB. Acting President Muna said yes, because we will not have authorization to spend. Ultimately, it will be up to the board if we will follow through because we will have funding through December.

J. DESTINATION MANAGEMENT

- o With regard to Director Calvo's question posed under Administration and Government Relations, Vice Chairman Mesa reported that projects like tree trimming and grass trimming along the roads were included in the budget. He hopes the rollover budget will allow us some flexibility. Grass trimming will be affected if we do not get additional funding, which will affect tourists and locals alike.
- o Six bus shelters have been completed, three are ongoing, and the last three are still on schedule.
- o Management is looking into deploying ash trays in different strategic locations since they have been removed from the bus shelter design.
- o Concrete trash bins need to be removed throughout Tumon since trash cans and recycling bins will be installed with the bus shelters.
- o With the impending typhoon season and all the rain we have been getting, tree mitigation is important and it was allocated for in our new budget.
- o The flood mitigation project is ongoing. Twenty-one inlets need to be constructed. Eight have been completed and the others will be completed by November, barring weather delays.
- o Three hundred and ninety-three streetlights have been completed. There are some lights that are still out, but those have logistical issues. Nonetheless, they will be fixed.
- o The team submitted signage law recommendations to Senator Ada which will be reviewed during the public hearing. The hearing has been put on hold until after the budget is approved.
- o The team is still working with Senator Rodriguez since we have not been granted the budget we requested. We need to consider other options to fund CIP, as they enhance visitor experience.
- o Director Hofmann asked management to look into the stray dog issue. He suggested working with our village mayor on this.

GVB RFP 2017-012 QUALITY ASSURANCE INSPECTOR

Vice Chairman Mesa made a motion, seconded by Director Jackson, 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 2017-012 QUALITY ASSURANCE INSPECTOR, and if successful, to enter into a contract.

Motion approved

Background: To market and develop Guam as an appealing visitor destination, it is necessary to maintain a clean, safe and attractive environment. The intent of this contract is to engage the services of a Quality Assurance Inspector to provide oversight services on various contractual work on the Tumon landscape and hardscape. Inspection services will also include other assigned duties, such as removal of illegal banners and signage, infrastructural inspections, and other matters which impact visual and safety issues.

Issue: Board approval required.

- Vice Chairman Mesa clarified that the term 'Contract Manager' (term we have been using) and the term 'Assurance Inspector' are synonymous.

K. GREATER CHINA

DESTINATION GUAM TRAVEL TRADE WORKSHOP, TAIPEI INTERNATIONAL TRAVEL FAIR (ITF)

Director Arriola made a motion, seconded by Director Hofmann, to approve travel for the Governor or Lieutenant Governor, (1) Governor Staff or Lieutenant Governor Staff, GVB Board Chairman, President & CEO or his designee, Director of Global Marketing and (2) Marketing Staff, Cultural & Heritage Officer, (1) Miss Guam and (4) Cultural talent, to attend the Destination Guam Travel Trade Workshop and Taipei International Travel Fair from October 24-31, 2017 in Taipei, Taiwan. Cost is approximately \$42,829.80 of which \$25,124.00 to come from Acct. No. TA-TTC-031 and \$21,580.00. to come from Acct. No. DM-CPO003. Subject to final FY2018 budget approval.

Motion approved

Marketing

Marketing						
Airfare:	\$1,200 x 7 pax					\$8,400.00
Per Diem:	Taipei	Lodging	Nights	M&IE	Days	
	Governor or Lieutenant Governor	\$228.80	7	\$137.80	8	\$2,704.00
	Governor's Staff or Lieutenant Governor's Staff	\$176.00	7	\$106.00	8	\$2,080.00
	GVB Board Chairman	\$220.00	7	\$132.50	8	\$2,600.00
	GVB President & CEO	\$220.00	7	\$132.50	8	\$2,600.00
	GVB Director of Global Marketing & GVB Marketing Staff (2)	\$176.00	7	\$106.00	8	\$6,240.00
Misc. Expenses:	Business communication costs & excess baggage fees					\$500.00
					Total:	\$25,124.00

Cultural Delegation

Airfare:	\$1,200 x 6 pax					\$7,200.00
Per Diem:	Taipei	Lodging	Nights	M&IE	Days	
	Culture & Heritage Officer	\$176.00	7	\$106.00	8	\$2,080.00
	Master of Chamorro Arts (2 pax)	\$176.00	7	\$106.00	8	\$4,160.00
	Assistants (2 pax)	\$176.00	7	\$106.00	8	\$4,160.00
	Miss Guam	\$176.00	7	\$106.00	8	\$2,080.00
	Prof Fee	Master of Chamorro Arts (2 pax)	\$100 x 5 days x 2 pax =			\$1,000.00
	Assistants (2 pax)	\$50 x 5 days x 2 pax =			\$500.00	
	Miss Guam	\$100.00 x 4 days			\$400.00	
					Total:	\$21,580.00

Background: Taipei's International Travel Fair (ITF) is one of the most popular travel fairs in the Asia Pacific Region and the biggest combined exhibition and sales event in Taiwan. In 2016, ITF hosted 950 exhibitors, 1,450 booths, and groups from more than 60 countries and regions. The four-day event attracted over 361,071 visitors and had exposure to more than 4,000 domestic and international media reporters.

Participation at ITF offers an invaluable investment due to its large trade and consumer reach and resources. GVB will exhibit the Guam product with key visuals combined with live display of Chamorro entertainment and other eccentric artistry that best showcases Guam's traditions and culture. This will include the Guam Chamorro Dance Academy (GCDA) workshop and performances at ITF.

Participation at this year's ITF will provide an opportunity for Guam industry partners to do business not only at the ITF show but GVB will host a trade seminar to include a mini B2B to conduct one-on-one business sessions. The trade event continues to be a successful outlet to network and further market the Guam destination product and services and to promote year end signature events like SGF2017, the Koko Road Races as well as to announce the "Guamazing" 2018 Year.

Due to airline challenges this year, the Taiwan market has been experiencing a dip in arrival numbers with the loss of airlift capacity resulting from the pullout of Eva Air in June 2017 and the reduction of charter services, it is crucial that GVB partake in meetings with top-heavy airline officials as well as potential carriers to further dialogue for fruitful discussions and solutions. GVB will also have meetings with key industry leaders in Taiwan to reinforce relationships, demonstrate Guam's presence and further network to maintain strong partners and develop new alliance in the industry.

Issue: Board approval needed for all travel.

Director Calvo moved that all motions that require expenditures that are reliant on the budget being passed are subject to the budget actually being passed. Motion seconded by Director Jackson.

Motion approved

Background: On September 11, 2017, Governor Calvo vetoed the FY2018 budget bill. The board entertained motions requiring expenditure in FY2018 however, at that time, a budget bill had not been passed. This motion was made on the floor conditioning all motions requiring expenditure in FY2018 are subject to the approval of the FY2018 budget.

L. JAPAN

- o Director Nault reported that President Denight is currently in Japan to attend meetings including one with JGTC.
- o He reminded the board that GVB Japan Director Mrs. Satomi Yamamoto's last day will be on September 19 and she is currently on leave. Mr. Hiroshi Kaneko is serving as the Acting Director of GVB Japan and he reports directly to President Denight. Director Calvo asked if we decided to find a replacement using a search firm. Acting President Muna said yes, and that we just received another proposal that management is currently reviewing. Management will provide an update at the next board meeting.
- o Lastly, Director Nault reported that the team will be attending JATA in Tokyo next week.
- o While the team is in Japan for JATA, Vice Chairman Mesa tasked management to schedule a meeting with the US Commercial Service regarding the pre-check program and companies that are looking to invest in Guam.

M. KOREA

- o Director Jackson reported that the team has been busy with the arrival of the Air Seoul Inaugural Flight. A team from Air Seoul (including many VIPS) is currently here for a PHR familiarization tour. The President shared that he thinks they can generate 60,000 to

70,000 arrivals. Director Jackson said that based on current estimates, Korean arrivals may surpass Japanese arrivals next fiscal year by about 50,000.

- o He also shared that he discussed the homestay issue with travel agents who are here for the familiarization tour. They are happy to hear we are making progress in this area, as wholesalers do not participate in this market. Vice Chairman Mesa asked for clarification between a homestay and AirBnb. Director Jackson stated that a homestay is a short term or long term vacation rental, which are also available on AirBnb. AirBnb is a brand name. B&B owners live in a home and visitors can stay with them for a local experience. In contrast, homestay owners rent out their living space (legally or illegally). Currently, there are about 200 homestays on Guam. AirBnb tracks that there are about 50 B&Bs on Guam. Director Jackson reported that Department of Revenue and Taxation (DRT) can work with AirBnb to collect occupancy taxes, but that has not been implemented yet, as DRT has some concerns they need to address. He also shared that he is unsure if AirBnb checks for proper registration and licensing, but they do collect occupancy taxes for the jurisdictions that request it. Director Calvo said he would be surprised to learn that they do not comply as this would be a liability.
- o Vice Chairman Mesa referred to Action Item #3. Acting President Muna updated the board and said that a letter was sent to Director Camacho of DRT requesting to identify a DRT representative to work with GVB on an outreach program. The program would aim to ensure that all businesses are in compliance with the law. Director Arriola suggested addressing the AirBnb tax issue when management meets with DRT. Director Jackson stated that DRT management is aware of the law related to this issue as Director Camacho and Deputy Director Benito attended the round table discussion for it with Senator Muna-Barnes. Now it is a matter of enforcement. Director Jackson shared that another issue is that the AirBnb website has about 50 listings but there are 150+ other listings on Korean websites. Director Hofmann suggested displaying signage with some kind of message to the effect of "It is illegal to stay in an unauthorized B&B" or simply warn visitors prior to their arrival. Director Arriola is concerned that we have been having this conversation for quite some time. Director Calvo asked if we have quantified the amount of lost revenue. Director Jackson shared that is easily \$1 million a year in HOT tax alone. He added that we will start to push harder to resolve this issue.
- o Director Jackson stated that the Korea market is progressing with Air Seoul which is a higher class LCC. They will be servicing Guam four times a week initially and will begin daily flights by the end of October.
- o Finally, he shared that the team will be attending a roadshow in October with stops in Busan, Gwangju, and Daegu.

GVB KOREA ROADSHOW / 98th KOREA NATIONAL SPORTS FESTIVAL

Director Jackson made a motion, seconded by Director Calvo, to approve travel for KMC Chairman or designee, GVB President & CEO or designee, GVB Director of Global Marketing, one GVB marketing staff, GVB Culture & Heritage Officer, Miss Guam, and two (2) Musicians to attend the Korea Roadshows in Busan, Gwangju and Daegu from October 17 - 19, 2017 and the opening ceremony of the 98th Korea National Sports Festival on October 20 - 21, 2017. Cost is approximately \$23,451.50, \$11,831.50 from Acct# KO-SMD023 and \$11,620.00 from Acct# DM-CPO002.

Motion approved

Marketing Delegation:

Airfare: (\$1,000 x 4 pax)	\$4,000.00
Seoul Staff Per Diem - Lodging (\$230/night x 1 night x 2 pax)	\$460.00
Seoul Staff Per Diem - M&IE (\$143/day x 1 day x 2 pax)	\$286.00
Busan BOD/MGMT PD- Lodging (\$233/night x 2 nights + 25% x 2 pax)	\$1,165.00
Busan BOD/MGMT Per Diem - M&IE (\$145/day x 3 days + 25% x 2 pax)	\$1,087.50
Busan Staff Per Diem - Lodging (\$233/night x 3 nights x 2 pax)	\$1,398.00
Busan Staff Per Diem - M&IE (\$145/day x 3 days x 2 pax)	\$870.00



Gwangju BOD/MGMT PD- Lodging (\$163/night x 1 night + 25% x 2 pax)	\$407.50
Gwangju BOD/MGMT Per Diem - M&IE (\$143/day x 1 day + 25% x 2 pax)	\$357.50
Gwangju Staff Per Diem - Lodging (\$163/night x 1 night x 2 pax)	\$326.00
Gwangju Staff Per Diem - M&IE (\$143/day x 1 day x 2 pax)	\$286.00
Daegu BOD/MGMT PD - Lodging (\$131/night x 1 night + 25% x 2 pax)	\$327.50
Daegu BOD/MGMT Per Diem - M&IE (\$133/day x 1 day + 25% x 2 pax)	\$332.50
Daegu Staff Per Diem - Lodging (\$131/night x 1 night x 2 pax)	\$262.00
Daegu Staff Per Diem - M&IE (\$133/day x 1 day x 2 pax)	<u>\$266.00</u>
Total	\$11,831.50

Cultural Delegation:

Airfare: (\$1,000 x 4 pax)	\$4,000.00
Busan Per Diem - Lodging (\$233/night x 1 night x 2 pax)	\$466.00
Busan Per Diem - M&IE (\$145/day x 2 days x 2 pax)	\$580.00
Busan Per Diem - Lodging (\$233/night x 2 nights x 2 pax)	\$932.00
Busan Per Diem - M&IE (\$145/day x 3 days x 2 pax)	\$870.00
Gwangju Per Diem - Lodging (\$163/night x 1 night x 4 pax)	\$652.00
Gwangju Per Diem - M&IE (\$143/day x 1 day x 4 pax)	\$572.00
Daegu Per Diem - Lodging (\$131/night x 1 night x 4 pax)	\$524.00
Daegu Per Diem - M&IE (\$133/day x 1 day x 4 pax)	\$532.00
Seoul Per Diem - Lodging (\$230/night x 2 night x 2 pax)	\$920.00
Seoul Per Diem - M&IE (\$143/day x 2 day x 2 pax)	\$572.00
Miss Guam Prof. Fee- \$100 x 4 days	\$400.00
Musicians Prof. Fee- \$100 x 3 days x 2 pax	<u>\$600.00</u>
Total	\$11,620.00

Grand Total \$23,451.50

Background: GVB will be conducting Guam seminars with new and current travel agents that are currently selling or are interested in Guam, as well as trade media to learn about the destination and its new activities. Last year, GVB received over 110 travel agents and trade media from Daegu and over 130 from Busan, which exceeded our expectations. This year, we would like to expand the roadshow to Gwangju in efforts to continue the momentum and build on our relationship with the travel professionals in the area. Following the roadshows GVB Destination Staff and Miss Guam are scheduled to participate in the opening ceremony for the 98th Korea National Sports Festival.

The Korea Sports Council of Guam (KSCOG) will be sending a delegation of (80) Korean athletes from Guam to participate in the 98th Korean National Sports Festival in Seoul from October 20-23, 2017. The festival features Korean National athletes from over 50 countries worldwide competing in a variety of sporting events. The KSCOG has requested GVB's support in attending the opening ceremonies to assist in promoting Guam as part of the activities scheduled for the festival. During the festival, the GVB delegation and KSCOG will take advantage of the event media coverage during the opening ceremonies.

Issue: Board approval for travel required.

- Director Jackson stated that he designated Director Kloppenburg to attend this mission in his place.

VII. OLD BUSINESS

VIII. NEW BUSINESS



- o Vice Chairman Mesa asked for an update on the cruise ship industry development strategy as Governor Calvo tasked Acting President Muna to work on this with Mrs. Mana Silva Taijeron from GEDA. Acting President Muna stated that he will be meeting with Mrs. Taijeron next week so he will update the board at the next board meeting.
- o Acting President Muna introduced GVB's new Administrative Assistant for the Marketing Department, Ms. Frances Aguon.

IX. EXECUTIVE SESSION

X. ANNOUNCEMENTS

Announcements:

- o Quarterly membership meeting: Friday, October 6, 2017

Upcoming Board Meetings:

- o Thursday, September 28, 2017 at 3:30pm, GVB Main Conference Room
- o Thursday, October 12, 2017 at 3:30pm, GVB Main Conference Room

XI. ADJOURNMENT

Director Calvo made a motion, seconded by Vice Chairman Mesa, to adjourn the meeting. Meeting adjourned at 5:29pm.

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. **Assignment of the Chairperson for the Administration and Government Relations Committee**
2. **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
3. **Management to work with DRT on extended homestay issue**
 - Letter sent to DRT Director on August 29 requesting to appoint a DRT representative to work with GVB TIR to establish and implement an outreach program
4. **Develop list of safety tips/guidelines for car rental companies to review with all customers at every point of sale**
 - Letter sent to DRT Director on August 29 requesting for a list of car rental companies
5. **Management to look into lack of restrooms at Plaza de Espana and surrounding area**
 - Management reached out to the Guam Museum; their restrooms are open to the public
6. **Overgrown trees along Ypao Road**
 - Flame tree to be trimmed within the next few weeks
7. **Stray dog issue**
 - Destination Specialist Ada reached out to Mayor Rivera on September 22
 - Mayor Rivera is working with Animal Control Division and the Governor's Office
8. **Streetlights out near California Pizza Kitchen**
 - Resolved