



BOARD OF DIRECTORS REGULAR MEETING

Thursday, February 22 2018 - 3:30pm

Guam Visitors Bureau - Main Conference Room

BOARD OF DIRECTORS PRESENT:

Director Milton Morinaga	Director Monte Mesa
Director Brad Kloppenburg	Director Young Hong
Director Theresa Arriola	Director William Nault
Director Robert Hofmann	Director Samuel Shinohara
Director Satoru Murata	Director Tatsuo Takano

BOARD OF DIRECTORS TELEPHONICALLY:

BOARD OF DIRECTORS ABSENT:

Director Eduardo "Champ" Calvo	Director Bartley Jackson
Director Katarina Sgro	

GVB MANAGEMENT & STAFF PRESENT:

Jon Nathan Denight	Rose Cunliffe	Maura Yi
Brian Borja	Doris Ada	Josh Tyquiengco
Nico Fujikawa	Colleen Cabedo	Dee Hernandez
Pilar Laguaña	Breeana Quitugua	Mark Manglona
Gabbie Franquez	June Sugawara	Nakisha Garrido
Nadine Leon Guerrero	Maria San Nicolas	Elaine Pangelinan
Lisa Linek	Frances Aguon	Regina Nedlic
Sydney Leon Guerrero	Karida Brennan	Kraig Camacho

GVB MANAGEMENT & STAFF TELEPHONICALLY:

GUESTS:

Wanye Chargualaf, Marianas Business Journal/Glimpses
Karri Perez, Leading Edge

I. CALL TO ORDER

Chairman Morinaga called the meeting of the board to order at 3:33 pm.

II. MINUTES OF THE PREVIOUS MEETING

Exhibit A

Vice Chairman Mesa made a motion, seconded by Director Hong, to approve the minutes of the previous board of directors meeting dated January 11, 2018.

Motion unanimously approved (Subject to minor revisions)

III. CHAIRMAN'S REPORT

- o Chairman Morinaga welcomed everyone to the meeting after having cancelled the two previous ones. He reported his trip to China was a successful one, after having met with the airport authority of Shenzhen Bao'an International Airport, they expressed interest in meeting with GIAA officials to discuss possibilities of becoming sister airports. But more research must be done with the State Department to seek approval. Approval from state department. Friendly airport.
- o Japanese magazine featured Chairman Morinaga on their latest issue covering Guam's Harley Davidson shop, where motorcycle enthusiast can rent during their visit.

- o Chairman Morinaga stressed the importance of reviving Japanese school trips to Guam. He suggested reaching out to schools and universities and to give them options for technical visits, as defined by Director Nault. It would be a good opportunity for students to not only visit schools but to see how the Guam government/business industry works by engaging them with local leaders and site visits (i.e. United Airlines and the Guam Legislature). Tour companies can make a push for these types of tours. The board agrees and is hopeful school trips in the Japan Market will return. Director Nault advised a technical visit program manual needs to be created and in place with the industries and media.
- o The Czech Republic Ambassador for the US in Washington DC and in Manila made a visit last week. The Czech Republic and Guam have a long-standing missionary relationship with flights coming through Incheon. Chairman Morinaga would like the Korean market to reach out to this possible market. They are a visa waiver country and also have global entry access.

IV. PRESIDENT & CEO'S REPORT

GUAM VISITORS BUREAU

PRESIDENT'S REPORT
02-22-2018

RESEARCH

January 2018

Fiscal Year to Date 2018

January 1- 31, 2018 Total: 125,686 (-6.1%)

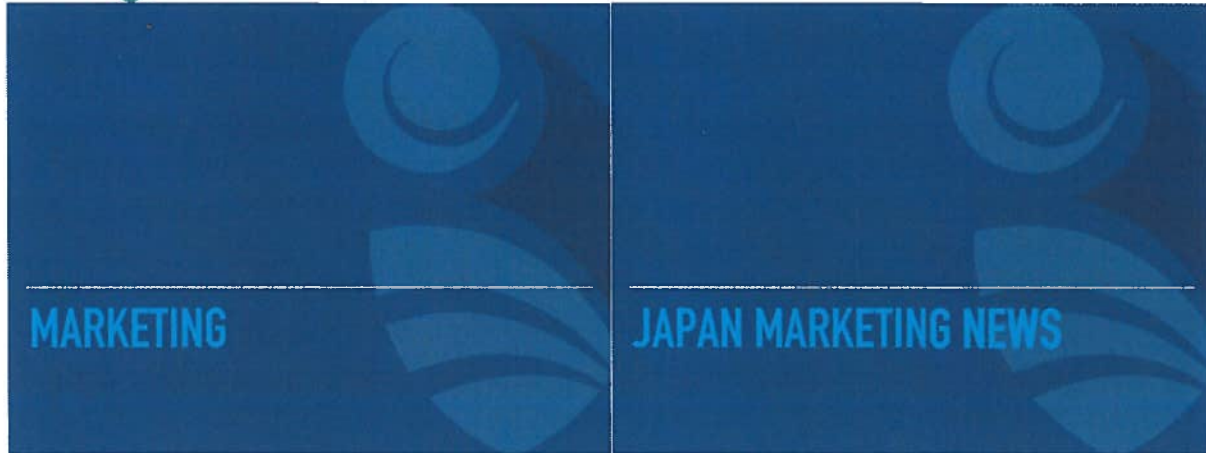
% Market Mix	Origin	2017	2018	% to LY
32.7%	Japan	58,791	41,083	-27.7%
54.7%	Korea	56,333	68,707	22.0%
0.9%	China	4,046	1,183	-70.8%
0.3%	Hong Kong	2,047	411	-79.9%
1.8%	Taiwan	3,850	2,257	-41.4%
4.8%	US/Hawaii	5,762	6,072	5.4%
0.8%	Philippines	1,228	957	-22.1%

Source: Guam Customs Declaration Forms, Processed by the Guam Visitors Bureau. Jan 2018 numbers reflect Chellan Air arrivals only.

October 2017 - January 2018 Total: 501,197(-4.5%)

% Market Mix	Origin	2017	2018	% to LY
33.7%	Japan	238,380	168,876	-29.2%
51.0%	Korea	208,335	255,724	22.7%
1.0%	China	9,433	5,248	-44.4%
0.5%	Hong Kong	5,546	2,471	-55.4%
1.8%	Taiwan	13,571	8,213	-39.5%
4.5%	US/Hawaii	23,668	24,740	4.5%
1.5%	Philippines	8,250	7,290	-11.6%

Source: Guam Customs Declaration Forms, Processed by the Guam Visitors Bureau. Jan 2018 numbers reflect Chellan Air arrivals only.



Japan Market Update

Air Service Development

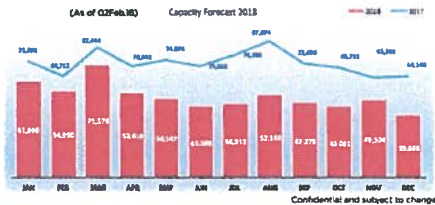
Capacity Forecast In 2018

Data Source: Dine In & other MI

Total about 610,000 seats
about 3,500 flights

Schedule 570,000 seats
3,300 flights
Charter 40,000
210 flights

vv 2017 -30% (-255,000 seats)



Confidential and subject to change

Confidential and subject to change

1. Charter Plan 2018

- GW charter flights are planning to fly from Narita, Nagoya and Fukuoka
- Long-term charter program for the coming summer and autumn period and more than 100 flight will fly from major ports in Japan.

2. Regular operation

- Keep discussing with Japanese carriers including LCCs and foreign carriers.
- Aggressively approach full service carriers.

3. South Korea National Carriers

- Korean-registered airlines are still approaching MOLIT to acquire the beyond rights from Japan to third country.
- Several Korean national carriers are on the table.

Air Service Development

Japan Market Update

Golden Week Charter Information

8 charter flights will operate during Golden Week period (28Apr - 06May)

Airline	Dep. port	Dep. Date	Return Date	Aircraft	Capacity
JEJU Air	Nagoya	02-May-18	06-May-18	B737-800	169
T'way	Nagoya	01-May-18	04-May-18	B737-800	168
T'way	Nagoya	02-May-18	05-May-18	B737-800	168
T'way	Nagoya	03-May-18	06-May-18	B737-800	168
in Air	Fukuoka	03-May-18	06-May-18	B777-200	390
Korean Air	Narita	02-May-18	06-May-18	B777-200	246
Korean Air	Kansai	02-May-18	06-May-18	B737-800	138
Korean Air	Komatsu	03-May-18	06-May-18	B737-800	138

- Summary by port:**
- Narita: 246 seats
 - Nagoya: 753 seats
 - Fukuoka: 390 seats
 - Kansai: 138 seats
 - Komatsu: 138 seats
 - Total: 1,665 seats



HIS Tabijo Tour:

- Exclusive tour (HIS x United x GVB)
- Sales period January - March
- Travel period January - June
- Produced by HIS Tabijo Instagrammer
- Tour includes free Wifi, free hotel transportation, free trip to Coco Palm Garden, free UA lounge access at Narita
- Price: ¥59,800 -



Rakuten x GVB Sales Campaign:

- Sales period: Mid-March
- Travel period: April - June
- Product: web
- Target: 110% v LY



KNT x GVB Sales Campaign:

- Sales period: Mar - May18
- Travel period: Apr - Jun18
- Product: Brochure & web.
- Target: 100% vv LY

AD: Transit AD at Tenjin Station in Fukuoka

AD: Transit AD at Tenjin Station in Fukuoka

Period: Jan. 31 - Feb. 13, 2018

Period: Jan. 31 - Feb. 13, 2018



AD menu	Duration	Period	1 Day Passengers	Total Passengers
Fukuoka AD screen	7days	2/7 ~ 2/13	87,052	609,364
Fukuoka station Big tapestry& Twin sheets	14days	1/31 ~ 2/13	100,050	1,400,700
Tenjin Series poster 1(B1 poster-B)	14days	2/6 ~ 2/19	25,500	357,000
Tenjin Series poster 2(B1 poster-B)	14days	2/6 ~ 2/19	25,500	357,000
Tenjin Series poster 3(B1 poster-B)	14days	2/6 ~ 2/19	25,500	357,000
Tenjin area Series poster set A (Tenjin& Tenjin South)	7days	2/13 ~ 2/19	48,500	679,000
Tenjin area Series poster set B (Tenjin& Tenjin South)	14days	2/6 ~ 2/19	48,500	679,000
Tenjin area Series poster set C (Tenjin& Tenjin South)	7days	2/13 ~ 2/19	48,500	679,000
Tenjin St. Pole poster Central exit 5 poles	14days	2/6 ~ 2/19	46,600	652,400
Tenjin St. Pole poster East exit 5 poles	14days	2/6 ~ 2/19	46,600	652,400
Tenjin underground mall Central Information desk side Pol	14days	2/6 ~ 2/19	46,600	652,400
Total Exposure estimated			548,902	7,075,264

AKB Concert Tour

- Candidate date: April 21, 2018
- Venue: The Beach
- Goal visitors: 2,000 pax
- JALPAK, HIS, KNT, TOBU Top, Rakuten travel etc. will join tour sales
- Package tour
 - Sales start: January 15, 2018 (Planned)
 - Fan Club tour



Korea Marketing News

Korea Marketing News

Air Seoul Mint Story Filming

- Co-op with Air Seoul: Mint Story Video Shooting
- Period: December 10 - December 14, 2017
- Mint story is a series by Air Seoul to promote the destinations that they service



3rd Annual MBC Golf Tournament in Guam

- TV Station: MBC Sports Plus
- Program Schedule: 10 PM Every Monday
- Running Time: 60 mins per episode (total of 10 episodes)
- Broadcast: 6 different channels
 - MBC Sports Plus: 60 mins x 10 episodes
 - MBC Sports Plus 2: 60 mins x 10 episodes
 - MBC Every1: 60 mins x 10 episodes
 - MBC Every1 Global Channel: 60 mins x 10 episodes
 - MBC Golf Channel: 60: 60 mins x 10 episodes
 - MBC: 60 minutes x 1 episode (finale)
- Exposure: \$85.9 million in media exposure (est.)
- Filmed: December 11-14, 2017



Korea Marketing News

2nd Episode Aired on Jan 15



3rd Episode Aired on Jan 22



4th Episode Aired on Jan 29



Korea Marketing News

5th Episode Aired on Feb 5



6th Episode Aired on Feb 12



7th Episode February 19th
8th Episode February 26th
9th Episode March 5th
10th Episode / Finale March 12th

Korea Marketing News

Guam Family Ambassador Production Tour

Period: January 17-21, 2018
Background: GVB appointed the Lee Family as this year's Guam Family Ambassadors from Korea in August. Father Kyu Chan mailed GVB a storybook illustrated by his daughter Hyun Jin and invited GVB to their Guam Air Exhibit in Anyang, Korea that took place from August 8th to September 9th 2017. GVB met with the Lee Family in October while in Seoul to discuss the ambassador program.
Objective: The Lee Family participated in a production tour organized by GVB to produce campaign content for the year.



Korea Marketing News

2018 Haha Adal Study Tour FAM

Period: January 19-23, 2018
Participants: 19 pax (Hana Tour / Hana Tour Busan / Mode Tour / JaU Tour / Tour Baksa / YB Tour / Bomulsom Tour / KRT / KRT Busan / Lotte Tour / Interpark Tour / Very Good Tour / Airtel.com / the Korea Travel News / the Korea Travel Times / Global Travel News / Vinyl Shop Studio)
Objective: To conduct study tour focused on mid-range affordable hotels and optional tours not familiar with the Korean market. Also to provide updated information on Guam's various product offerings.



Korea Marketing News

Official GVB Korea Naver Blog & Kakao Plus Launch Event

Period: January 19-31, 2018
Naver Blog: <https://blog.naver.com/gvb1000>
Kakao Plus: <http://plus.kakao.com/gvb1000>
As of 2/13/18: Naver (1,872 followers) / Kakao Plus (2,059 followers)



Korea Marketing News

Korean Air Travel Agent CEO FAM Tour

Period: March 14-17, 2018
Participants: 32 pax (CEOs from Korea's major travel wholesalers, travel agencies, OTAs & tour operators)
GVB's Support: Hotel accommodations / Ground Transportation / Dinner

SAVE THE DATE
Fiesta Dinner w/ GVB and Members
Date: Friday, March 16, 2018
Time: 6:00 p.m. - 8:00 p.m.
Venue: To be announced

Company	Category	Company	Category
INDOUR	Retailer	Waltour	OTA
Hanjin Travel	Wholesaler	YB TOUR	Retailer
Interpark Corporation	OTA	CWT Korea	EE: Main Tour Operator
KRT Service Inc.	Retailer	Donguk Travel Service Co., Ltd.	EE: Main Tour Operator
Lotte JB INC	Retailer	Bucky	EE: Main Tour Operator
Lotte Tour Development Co., Ltd.	Retailer	Hotel Shilla Co., Ltd.	EE: Main Tour Operator
ModulTour Network, Inc.	Wholesaler	MTECH Adventure Travel	EE: Main Tour Operator
Naeil Tour Co., Ltd.	Wholesaler	Hundred Dream Tour	EE: Main Tour Operator
Onesour Co., Ltd.	OTA	IDT	EE: Main Tour Operator
Pacific Tour Co., Ltd.	MCE / Retailer	McC Travel Co., Ltd.	MCE specialized Tour Operator
Tour2000 Ltd.	Retailer	Pow-e Call Co., Ltd.	MCE specialized Tour Operator
Tourbus	Retailer	Seopang	MCE specialized Tour Operator
vingoodtour	Retailer	SM Culture & Contents Co., Ltd.	MCE specialized Tour Operator
		TDEQUARE Co., Ltd.	MCE specialized Tour Operator

China Marketing News



- InstaGuam
- Weibo Page for #instaGuam
- 2,487,000 Viewer
- 300 discussions



China Marketing News



- **Media Exposure for Oct - Jan: \$735,949**
- **Current Arrivals:**
 - October 1 - January 31: 5,248 44% vs. LY
 - Due to NK, UA pricing policy, lack of seats from KE for transit pax, CNY timing
- Sources state Feb seats for UA PVG soldout
 - Looking for new airline partners
 - Airline meetings held with 3 carriers (est 8m to ly for 1 to start)
 - KE committed to providing more seats
 - New partnership with PAL for through traffic



China Marketing News



- **Sales Mission for Shanghai**
- **March 5 - 8**
 - Concentration in Shanghai due to UA pullout
 - Meeting with agents about KE and PAL offers



TAIWAN MARKETING NEWS



- China Airlines to increase its direct service to 5x weekly by adding a Sunday flight effective March 25 through October 25, 2018
- Aircraft remains Boeing 737-800
- 21 flights * 155 seats – 3,255 monthly capacity
- Group ticket pattern will be 5D4N except on the Sunday flight pattern will be 6D5N

	C126 TPE - GUM		C125 GUM - TPE	
Tuesday	07:20 - 13:15	Saturday	15:40 - 17:30	5D4N
Wednesday	08:20 - 14:15	Sunday	15:35 - 17:25	5D4N
Friday	08:00 - 13:50	Tuesday	14:45 - 16:35	5D4N
Saturday	08:00 - 13:50	Wednesday	15:35 - 17:25	5D4N
Sunday	08:20 - 14:15	Friday	14:45 - 16:35	6D5N

TAIWAN MARKETING NEWS



TAIWAN MARKET MICE GROUPS FY2018

M	I	C	E	Name of Event	Dates	No. of Delegates
X				biomedical company	Jan. 5	35
X				construction company	Jan. 20	40
X				ShengYang Internet AIA	Jan. 31	114
X				(life insurance company)	Feb. 10-15	110
X				biomedical company	Feb. 20	40
X				New Image Asia	Mar. 9 & 10	220
X				Luck Cat Micro-enterprise System Co., Ltd	Mar. 27	110

TOTAL YTD: 670

TAIWAN MARKETING NEWS



• INSTAGUAM CAMPAIGN

- First launched during ITF in October 2017
- Social media promotion is thematic with monthly interactive contest and incentive gift
- Users to tag and use related hash tags in order to be included in event

PHILIPPINES MARKETING NEWS

Philippines Marketing News



**Travel Trade & Media Gathering host by GVB
February 7, 2018**

TA Luncheon at the Alba Restaurant, MOA
➢ Total TA's: 45 pax

Guam Media Gathering - City Club
➢ Total Media: 25 pax
➢ GMA Attended and had LIVE interview with Mr. Ben Alves of the Media Event

- Guam resident for 20+ years
- Graduate of JFK and UQG
- Social Media Influencer in the Philippines
- GMA network's leading man



Philippines Marketing News



**GVB/PAL Courtesy Visit
February 8, 2018**



- Meeting with PAL International Sales Team Inbound/Outbound/Marketing Team**
- Request more collaboration w/ GVB & PAL
 - Work on SE Asia (Malaysia and Singapore)
 - More joint co-ops to introduce Guam to the TA's in S.E. Asia
 - Met with Mr. Brian Ang, PAL Int'l Sales Team

Philippines Marketing News



- > PTAA B2B on Feb 9-10, 2018
- Met with over 200 TA's from PH
- Active participation from 8 GVB Members: DFS, Pacific Star, Pactours, Tumon Sands Plaza, Pacific Island, Guam Reef, Hilton and Sheraton
- First time attendance from 5 GVB members



Philippines Marketing News



**PTAA Travel and Tour Expo 2018
Guam's Interactive B2C Booth**



Philippines Marketing News



**PTAA Travel and Tour Expo 2018
February 9 to 11, 2018**



Guam win's Best Booth Performance Award 2018
The Guam Håfa Adai Show

RUSSIA MARKETING NEWS

Czech Republic Ambassadors on Guam



Czech Republic Ambassadors visit to Guam - 14-17, 2018



Pictured L to R (back) GVB Board Member/Chairman, Russia New Markets Committee Bart Jackson, H.E, Ambassador Jaroslav Olsa, Czech Republic of the Philippines Ms Pilar Laguana

Pictured L to R (front) Ms. Indra Kmonicek, wife, H.E Ambassador Hynek Kmonicek Czech Republic of the Philippines for the United States, Governor Eddie Baza Calvo, GVB Chairman Milton Morinaga

Russia Marketing News



Women's Day - March 7, 2018 -TA Business Breakfast

Business breakfast for leading TA's and partners in anticipation of International Women's Day. Leading Vladivostok travel media will also be invited

Objectives:

- Business Breakfast with leading Vladivostok Travel Agents/Media
- Promotion of Guam's upcoming campaigns and events among travel trade professionals
- Communication with the travel trade Audience in that will allow to receive their feedback, comments, learn more about their needs
- Showing appreciation for Travel Agents
- Business breakfast to replaces the STI Far East Roadshow in October (Vladivostok/Khabarovsk & Yuzhno-Sakhalinsk)



Russia Marketing News



Russia Marketing News



STI Siberia Roadshow
April 10, 2018 - Novosibirsk, April 13, 2018 - Irkutsk

Objectives:

- Promotion of Guam among Siberian travel trade professionals
- Strengthen relations with TA's
- Communicate with the TA's and allow increase in the current database of travel industry professionals/establish new partnership connections
- Promote MICE tourism on Guam
- Share Guam's upcoming campaigns and events for 2018/2019
- In-depth interaction with TAs and their feedback, comments, needs
- Show appreciation for Travel Agents
- Separate Workshop in Yakutsk to be organized with KE in the plans for March

Pacific International Tourism Expo (PITE)
Vladivostok 0- May 18 - May 20, 2018

PITE is the biggest Tourism Expo in the Russian Far East region. GVB has participated in the event for 5 years. Last year GVB won 2nd place for Best Booth

Objectives:

- Promotion of Guam among Travel Trade professionals and travelers
- Increase of the current database of travel industry professionals and establishing new partnership connections
- Sharing Guam's upcoming campaigns and events for 2018/2019



- o Vice Chairman Mesa asked President Denight what is the marketing strategy plan for the Philippine market with the visa waiver issue. President Denight pointed out that working with our airline partners was key, educating them about Guam. Shopping on Guam is a unique selling point for the Philippine visitors, focusing on the AB market who are high end spenders while tying in works with Mikey Bustos, key opinion leaders and celebrities. We work with the US Commercial Service to educate and minimize the perception that a visa is hard to obtain or the fear of getting denied after paying a \$160 application fee. In addition, GVB and GEDA are working on a Guam event to promote travel with Guam products in Bonifacio High Street Philippines, similar to what other countries do ("UK Day"). Lastly, the team is working on targeting expats with no visa requirement. Director Mesa suggested looking into MICE business opportunities such as medical conferences too. President Denight said they are working on MICE groups but with the North Korea threats many have cancelled, as well as school groups. But a lot of efforts are being put into supporting these potential visitors in anyway possible.



V. TREASURER'S REPORT

Exhibit B

EXHIBIT B

FY 2018					
	Appropriation	Received to Date		Balance	
Operations	\$ 18,750,216.00	\$ 4,985,281.24	27%	\$ 13,764,934.76	73%
Sustained Marketing - Korea	\$ 4,000,000.00	\$ 727,272.72	18%	\$ 3,272,727.28	82%
Destination Development	\$ 1,085,000.00	\$ 271,249.98	25%	\$ 813,750.02	75%
GVB Cruise Ship Industry Development Program	\$ 50,000.00	\$ 12,499.98	25%	\$ 37,500.02	75%
Rainy Day Fund	\$ 200,000.00	\$ 49,999.98	25%	\$ 150,000.02	75%
Cultural & Sports Ambassador Fund	\$ 200,000.00	\$ 49,999.98	25%	\$ 150,000.02	75%
Pass-Thru	\$ 790,000.00	\$ 197,499.78	25%	\$ 592,500.22	75%
TOTAL RECEIVABLES FY 2018	\$ 25,075,216.00	\$ 6,293,803.66		\$ 18,781,412.34	

Accounts

RESTRICTED

Bank of Guam - Rainy Day Fund ¹	\$ 1,606,959.62
Cultural & Sports Ambassador Fund ²	\$ 225,332.63
GVB Cruise Ship Industry Development Program	\$ 12,499.98
TOTAL RESTRICTED	\$ 1,832,292.25

UNRESTRICTED

Bank of Guam - Operations	\$ 11,276,476.88
First Hawaiian Bank - Membership	\$ 76,702.00
Resona	\$ 226,395.23
Bank of Guam - TAF	\$ 539,462.55
Raymond James - CD value as of 12/31/2017 ³	\$ 2,542,239.79
TOTAL UNRESTRICTED	\$ 14,661,276.45

TOTAL CASH as of 2/16/2018

\$ 16,493,588.70

Current Payables

Asatsu Invoices (DEC)	\$ 825,340.83
Japan Invoices	\$ 121,162.45
Guam Invoices	\$ 477,915.11
Pass-Thru	\$ 10,833.33
Encumbered Contracts	\$ 3,943,023.22
Encumbered Purchase Orders	\$ 107,952.02
TOTAL PAYABLES as of 2/16/2018	\$ 5,486,226.96

NOTES

NOTE 1

\$1,606,959.62 Rainy Day Fund
 (\$184,234.64) Rainy Day expenses Japan - reimburse Operations
\$1,422,724.98

NOTE 2

\$225,332.63 Cultural and Sports Ambassador Fund
 (\$22,100.00) Cultural and Sports Ambassador expenses - reimburse Operations
\$203,232.63

NOTE 3

\$2,542,239.79 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
 (\$758,378.55) 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
 (\$10,000.00) PAID - Hagatna maintenance and streetscape project for GMIF
 (\$141,621.45) BALANCE - Pale San Vitores Road Bus Shelter Project
 (\$39,205.29) BALANCE - Planning, Architectural and Engineering Services for Tumon Bay Improvement
0.00

February 16, 2018





- o Director Shinohara reported the Bureau is two months behind on collecting allotments; \$1.6 million in operations were collected today. He expressed concerns especially with the government's cash crunch. He advises the Bureau will have to tighten up and be mindful on spending.
- o Director Arriola said there should be a contingency plan for when the cash flow slows down. February is known to be a slow tax collection month, which will inevitably affect March payouts for allotments. President Denight reassured the Board that he will do his best to make sure the Bureau is prioritized and the funds be available so the Bureau can do its job.

VI. REPORT OF THE BOARD COMMITTEES

A. EXECUTIVE COMMITTEE

GUAM-CNMI ONE MARIANAS SUMMIT

Vice Chairman Mesa made a motion, seconded by Director Shinohara, to ratify Executive Committee's travel approval for GVB Vice President to attend the One Marianas Summit in Saipan, CNMI. Projected months: January 31 - February 3, 2018. Estimated total cost for is \$1,608.75; Account #PA-SMD023.

Motion approved

Airfare:	\$500 x 1 pax					\$500.00
Per Diem:	Saipan	Lodging	Nights	M&IE	Days	
	GVB Vice President*	\$161.00	3	\$101.00	4	\$1,108.75
*Additional 25% added for GVB Vice President				Grand Total:	\$1,608.75	

Background: The GVB Vice President was requested by Governor Eddie B. Calvo to attend the One Marianas Summit in Saipan, CNMI as Guam's Tourism Representative. The summit, which was created through a cooperation pact signed by the Governor of Guam and the Governor of the CNMI, is an opportunity to collectively address topics such as free trade, food security, health, tourism, homeland security, labor, etc.

Issue: Board approval required for travel

BUSINESS DEVELOPMENT MEETINGS

Vice Chairman Mesa made a motion, seconded by Director Shinohara, to ratify Executive Committee's travel for GVB Board Chairman and GVB President & CEO, to attend business development meetings in Tokyo, Japan from February 25, 2018 - February 27, 2018. Estimated cost: \$6,537.50; Account # JA-SMD008.

Motion approved

Airfare:	\$1,200 x 2 pax					\$2,400.00
Per Diem:	Tokyo	Lodging	Nights	M&IE	Days	
	Board Chairman	\$332.50	3	\$273.75	3	\$1,818.75
	President & CEO	\$332.50	3	\$273.75	3	\$1,818.75
Miscellaneous Expenses (Communications, excess baggage, etc.):						\$500.00
Total:						\$6,537.50



Background: The Rotary International District 2750 District Conference will take place from February 26 to February 27, 2018 in Tokyo, Japan. Chairman Morinaga and President Denight have been invited to attend the event as special guests and to help promote next year's conference that will be held on Guam. The Rotary Club of Guam's goal is to have between 1,200 and 1,500 Rotarians attend the conference in 2019 and Chairman Morinaga and President Denight can help promote the event at this year's conference. In addition, the Governor, Vice Governor, and other VIP members of District 2750 have requested to personally meet with Chairman Morinaga and President Denight apart from the district conference.

While in town, GVB delegates will also attend meetings with airline partners. With the decline of direct air service in the Japan market, it is crucial that GVB headquarters continues to work aggressively to attract more air seats.

Airfare costs noted above are based on current rates from Guam to Tokyo, Japan.

Issue: Board approval required for travel.

- o President Denight notified the Board that on his trip he will be meeting with airline partners to maximize time.

SEATRADE CRUISE GLOBAL 2018

Director Kloppenburg made a motion, seconded by Director Shinohara, to ratify Executive Committee's travel for GVB Board Vice-Chairman, GVB Vice-President, and registration fees for the Port Authority of Guam General Manager to attend the Sea Trade Cruise Global 2018 from March 4-9, 2018 in Fort Lauderdale, Florida. Estimated cost from the FY18 appropriation by the legislature to GVB for cruise ship development.

Motion approved

Airfare:	\$2,000.00 x 2 pax					\$4,000.00
Registration:	\$1,799.00 x 3 pax					\$5,397.00
Per Diem:	Ft. Lauderdale, FL	Lodging	Nights	M&IE	Days	
	Vice Chairman	\$243.75	5	\$80.00	6	\$1,698.75
	Vice President	\$243.75	5	\$80.00	6	\$1,698.75
Total:						\$12,794.50

Background: The SeaTrade Cruise Global has been the cruise industry's premier global event, bringing together buyers, suppliers, and cruise line executives for a week of networking, sourcing, innovation and education. Thousands of cruise line executives, buyers and decision makers from all over the world attend SeaTrade Cruise Global.

In partnership with the Port Authority of Guam working on a RFI to gather interest among cruise ship development companies to create a home ported ship on Guam. This will be released prior to SeaTrade Cruise Global. Attending SeaTrade Cruise Global will provide us an opportunity to market the RFI but also provide an opportunity for management to expand their networking and gain intimate knowledge of cruise operations.

Our strategic Tourism 2020 Plan outlines the growth of regional tourism through the development of Guam's global cruise industry. The global cruise industry is one of the world's fastest growing tourism segments and data from the Cruise Line International Association





shows that the demographic profile of the cruise market is a desirable one for destinations seeking higher-yielding visitors.

Issue: Board approval required for travel.

TESTIMONY ON BILL NO. 226-34

Exhibit C

Director Arriola made a motion, seconded by Director Kloppenburg, to ratify Executive Committee's approval of GVB's testimony on Bill No. 226-34, "An act to amend Subsection (a)(15) of §12802 of Article 8 of Chapter 12, Title 10 Guam Code Annotated, to add a §12802(a)(16) to Article 8 of Chapter 12, Title 10 Guam Code Annotated, and to add a new Article 26 to Chapter 12 of Title 10, Guam Code Annotated, relative to establishing certification and licensure requirements for the massage therapy industry on Guam under the oversight of the Allied Health Board".

Motion approved

- o President Denight stated the testimony incorporated statements from GHRA and members and it would be difficult to implement this law when there is no infrastructure in place to support the plan.

B. ADMINISTRATION & GOV'T RELATIONS

RESOLUTION NO. 2018-001

Exhibit D

Director Arriola made a motion, seconded by Director Hofmann, to repeal the interim personnel rules and regulations of GVB and to approve Resolution No: 2018-001 relative to adopting the new GVB Personnel Policies and Guidelines for immediate implementation by the Guam Visitors Bureau Governing the rights, conduct, and obligation of employees and responsibilities and actions of management.

Director Arriola made a motion, seconded by Vice Chairman Mesa, to table the motion.

Motion tabled

- o Director Arriola stated back in 2001 GVB adopted DOA's personnel rules and regulations. GVB has developed its own rules and regulations 17 years later with the help of Karri Perez. Upon review, Director Arriola asked if GVB's staff had ample time to review the difference of what is being proposed compared to what is currently being implemented. And if management and staff had a Q&A session to air out concerns. She also mentioned that GVB is not opting out of the GovGuam's retirement plan and suggested adding a prepayment provisions policy like one at the Sanctuary. She asked if there was a travel policy and to have included in the new personnel policies and guidelines. Director of Finance Cunliffe said there is a travel policy and credit card policy and it can be included. She added that not much has changed, just additional benefits for the staff.
- o President Denight thanks the team on their work. GVB needed their own personal regulations and guidelines that is fit for the Bureau. He said it was important to make sure the staff did not lose any protection hence the addition of the personal action review panel of HR professionals so that employees may have a place to go should they want to make appeals to adverse actions. As well as the addition of a grievance section.
- o Director Shinohara asked Karri Perez for a break down of the changes or additions made to the new personnel rules and guidelines. Karri explained rules and polices are always shifting with changes in federal law so they made sure it is status quo with that is current but most

fitting for the bureau. It is a hybrid of guidelines taken from government agencies and the private sector.

- o President Denight stated the policy and guideline was shared with staff earlier in the week, the Board can adopt it and improvements can always be made should any be needed. Marketing Manager Leon Guerrero informed the board that an initial presentation of the handbook was made and presented to staff about a month ago, but the policy and guidelines was shared with staff on Tuesday. Director Shinohara asked if staff were comfortable with the guidelines, the Board was informed staff were still reviewing.
- o Director Arriola suggested taking the next two weeks to have management and staff discuss feedback and make changes as necessary through a Q&A session and have the motion tabled till the next board meeting. Vice Chairman Mesa also proposed to have the new personnel policies and guidelines be adopted now and any changes, should there be any, become effective April 1, 2018.
- o President Denight said the motion could be tabled until the next board meeting to include the additional policy suggestions and changes after discussions with GVB Management and Staff, the Board agreed.

MOA WITH GEDA

Exhibit E

Director Kloppenburg made a motion, seconded by Director Shinohara, to approve MOA with GEDA regarding the Palacio.

Motion approved with 9 votes in favor and 1 against

Issue: Board approval required.

- o President Denight reported GVB is working with GEDA with directives given by Governor Calvo to complete renovations of Plaza de España to restore the historic Palacio, Governor's Palace, in Hagåtña. The concept behind this project is not to build a Governor's office but of a tourist site, composed of a two-story building with the first floor as a Visitor Center. The second-floor will be used as a historic site open to use as a venue for functions such as weddings and MICE groups. The MOA is the agreement with GEDA to manage the building of the project so the design meets our needs.
- o Funding is \$5 million from the HOT Bonds, which has already been approved and is being maintained by GEDA. The payment can be made step by step or at one time by sending an invoice to GEDA at the start of the project
- o There will be a construction management contract in place and GVB will manage.

LEGISLATIVE BILLS UPDATE

Exhibit F

- o President Denight gave a quick update on the legislative bills that are being proposed. Director Shinohara asked if membership were giving any input in regards to the bills, President Denight stated that he did not want to do anything specific with the members, there are constant public hearings and the Chamber of Commerce, as well as GHRA, have been involved.

C. RESEARCH

- o Director Shinohara announced the Research Committee will have their first meeting on March 1, 2018. The dashboard will soon be ready for release. The January arrivals report is almost finished and will be published soon. There were some staffing shortages within the department and Acting Director of Research Fujikawa has been filling in for half of 2017 with



Director of Research Cid out sick tending to her health. The department also encountered some issues with the airport and having a staff on maternity leave.

D. GREATER CHINA

Committee minutes dated January 12, 2018

Exhibit G

TAIPEI TOURISM EXPO – SALES MISSION

Motion to approve travel for the GVB Board of Director Chairman, the Greater China Marketing Committee Chairperson or Vice Chairperson and the Taiwan Marketing Manager to travel to Taipei, Taiwan to attend the Taipei Tourism Expo (TTE) from May 2-6, 2018. Cost of travel is estimated at \$7,108.00 from Taiwan market account TA-SMD-019.

Motion tabled

Airfare:	\$700.00 x 3 pax					\$2,100.00
Per Diem:	Taipei, Taiwan	Lodging	Nights	M&IE	Days	
	Board of Director Chairman	\$220.00	4	\$132.00	5	\$1,540.00
	GCMC Chairperson	\$176.00	4	\$106.00	5	\$1,234.00
	Market Manager	\$176.00	4	\$106.00	5	\$1,234.00
Misc. Business Communication costs & excess baggage fees						\$1,000.00
Total:						\$7,108.00

Background: The TTE is the largest tourism event for the first half of the year in Taiwan organized by the Taipei Association of Travel Agents to be held at the Taipei World Trade Center. TTE is on its 12th year and in 2017, there were more than 25 countries with more than 1200 exhibition booths. GVB would engage in key activities to include a TTE press conference and hosting a Guam product update with key travel agents. In addition, GVB will meet with China Airlines to further strengthen relationships and extend a personal appreciation for their recent announcement to increase CI direct air frequency from 4x weekly to 5x weekly by adding a Sunday flight to Guam effective March 25, 2018. Overall, GVB's participation would broaden awareness and outreach in the marketplace.

Taiwan continues to be an important tourism source and as Guam's 3rd core market, GVB must continue to foster relationships with its trade partners in Taiwan through TTE. Guam's presence in Taiwan is essential to continue its work to stimulate more business. While in Taiwan, GVB will provide a market update and bring more awareness to the Guam destination. GVB will also continue dialogue for enhanced air services and expand market outreach in other key cities particularly in southern Taiwan.

Issue: Board motion required for all travel.

- o Director Shinohara suggested the motion be tabled to the next meeting, he would like to make amendments to the motion so only one Board of Director is required to attend and hope to further discuss with Marketing Director Laguana.

E. JAPAN

Committee minutes dated January 16, 2018

Exhibit H



- o Director Nault reported a successful trip to Japan with Chairman Morinaga and President Denight to meet with travel partners, Manila Airlines and the US Consulate. JTB would like to extend their charter flights after the cancellation of United Airlines (UA) Japan flights decreasing flight capacity. Manila Airlines show interest in flying within the next year or after. Currently the 8320 aircrafts require e-tops to fly to Guam, causing issues, if they can switch to the 8321, they may consider flights to Guam.
- o Met with the US Consulate in regards to pre-clearance out of Narita Airport, so Japanese visitors do not have to wait in long lines at GIAA, as well as at other US destinations.
- o UA has cancelled night flights out of Osaka, Nagoya and Sendai; the 777 aircrafts flying out of Narita will be changed to the 737.
- o Summer Treasure Hunt will be taking place this year working with JGTC Members and other OTA partners, details are being finalized and should be released at the next JMC meeting.
- o The team is working on the Fukuoka campaign with UA in extension of their price decrease, fix fares, but hoping these fix fares would decrease more from the current \$2,000 price. Director Nault also hopes to have a positive meeting with UA to increase seat capacities from Japan and once secured way to promote and market to the Japan consumers.
- o Topic of Delta Airlines pulling out of Saipan and Palau will be discussed in the GVB/MVA Joint meeting.

F. KOREA

Committee minutes dated January 9, 2018

Exhibit I

- o Director Kloppenburg reports the Korea arrivals is still coming in strong.
- o There will be a Korea CEO FamTour in March with about 32 CEOs from the wholesalers, travel agencies, and OTA. The itinerary and details are being finalized. GVB was asked to assist with hotel accommodations, ground transportation, banquet and welcome receptions.
- o Jin Air will film a promotion March 18-21, similar to that of AirSeoul, of a mother and daughter vacation.

G. NORTH AMERICA & PACIFIC MARKETS

Committee minutes dated February 5, 2018

Exhibit J

H. RUSSIA & NEW MARKETS

Committee minutes dated February 16, 2018

Exhibit K

I. MEMBERSHIP & COMMUNITY OUTREACH

J. VISITOR SAFETY & SATISFACTION

- o Chairman Morinaga reported there was a theft on a golf course, where players vacated their golf carts and personal belongings were taken from individuals hiding in bushes along the course. Warning signs should be posted to ensure safety and coordination with GPD may be needed in the future.

K. CULTURAL & HERITAGE

- o Director Arriola informed the Board March is Chamorro month, Mes Chamorro, and hopes the Bureau and other companies/offices celebrate in their own ways. Tomorrow at 4:00 pm will be the Proclamation Signing for Mes Chamorro, if available please attend.

L. SPORTS & EVENTS



- In absence of Sports and Event Chair, Director Nault reported the Governor's Cup golf tournament was a successful event but Governor Calvo's absence at the ceremony was unfortunate.
- United Airlines Guam Marathon will be taking place early April, Director Nault encourages everyone to sign up for the event. Director Hong asked if GVB could have a banner/signage for their booth so people may be aware of where to go during the event.

M. DESTINATION MANAGEMENT

- Vice Chairman Mesa reported 11 out of 12 bus shelters are complete. Flood mitigation: 14 out of 21 inlets complete, 3 out of 9 trenches complete, completion date had been moved back due to some infrastructure logistics and funding issues.
- Discussion is being made in Destination Management for BOND refinancing to make sure the Tumon infrastructure are well kept and maintained.
- Chairman Morinaga wants to make sure no trees are being cut down for the Trivision display.

VII. OLD BUSINESS

VIII. NEW BUSINESS

IX. EXECUTIVE SESSION

X. ANNOUNCEMENTS

Announcements:

- GVB/MVA Joint Meeting - Friday, February 23 at 10:00am, GVB Main Conference Room
- Guam History and Chamorro Heritage Day - Monday, March 5 (GVB closed)

Upcoming Board Meetings:

- Thursday, March 8, 2018 at 3:30pm, GVB Main Conference Room
- Thursday, March 22, 2018 at 3:30pm, GVB Main Conference Room

XI. ADJOURNMENT

Director Arriola made a motion, seconded by Director Hofmann, to adjourn the meeting. Meeting adjourned at 5:15pm.

Motion unanimously approved

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

Board Minutes respectively submitted by Maura Yi, Executive Secretary



Action Items:

1. Management to work with DRT on extended homestay issue
 - ~~Create face sheet about how to register for B&B/transient vacation rental~~
 - ~~Planning community outreach campaign for April/May~~
2. GVB Membership and HAP for food truck vendors
 - ~~HAP signing with food truck vendors in the works, membership coordinator reaching out to them as well~~
3. ~~Full report on Proposed Bills~~
 - ~~Summary for proposed bills send to Board of Directors via email on January 22, 2018~~
4. ~~Lean bar policy ADA compliance~~
 - ~~Checked with TRMA, bus shelters are ADA compliant~~
5. ~~Airlines carry-on/checked baggage computer policy~~
 - ~~Laptops are allowed as carry-on on planes, lithium ion batteries must be carried in carry-on baggage only~~