



BOARD OF DIRECTORS REGULAR MEETING

Thursday, April 12 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 Bartley Jackson	

BOARD OF DIRECTORS TELEPHONICALLY:

BOARD OF DIRECTORS ABSENT:

Director Eduardo “Champ” Calvo	Director Satoru Murata
Director Tatsuo Takano	Director Katarina Sgro

GVB MANAGEMENT & STAFF PRESENT:

Jon Nathan Denight	Antonio Muna	Maura Yi
Brian Borja	Doris Ada	June Sugawara
Nico Fujikawa	Colleen Cabedo	Meriza Peredo
Breana Garrido	Mark Manglona	Nakisha Garrido
Gabbie Franquez	Maria San Nicolas	Lisa Linek
Elaine Pangelinan	Sydney Leon Guerrero	Regina Nedlic
Kraig Camacho		

GVB MANAGEMENT & STAFF TELEPHONICALLY:

GUESTS:

Joseph Mesngon - Office of Senator Dennis Rodriguez
Kevin Kerrigan - The Guam Daily Post
Aurelia “Ore” Castro David - Thai Airways

I. CALL TO ORDER

Chairman Morinaga called the meeting of the board to order at 3:36 pm.

II. MINUTES OF THE PREVIOUS MEETING

Exhibit A

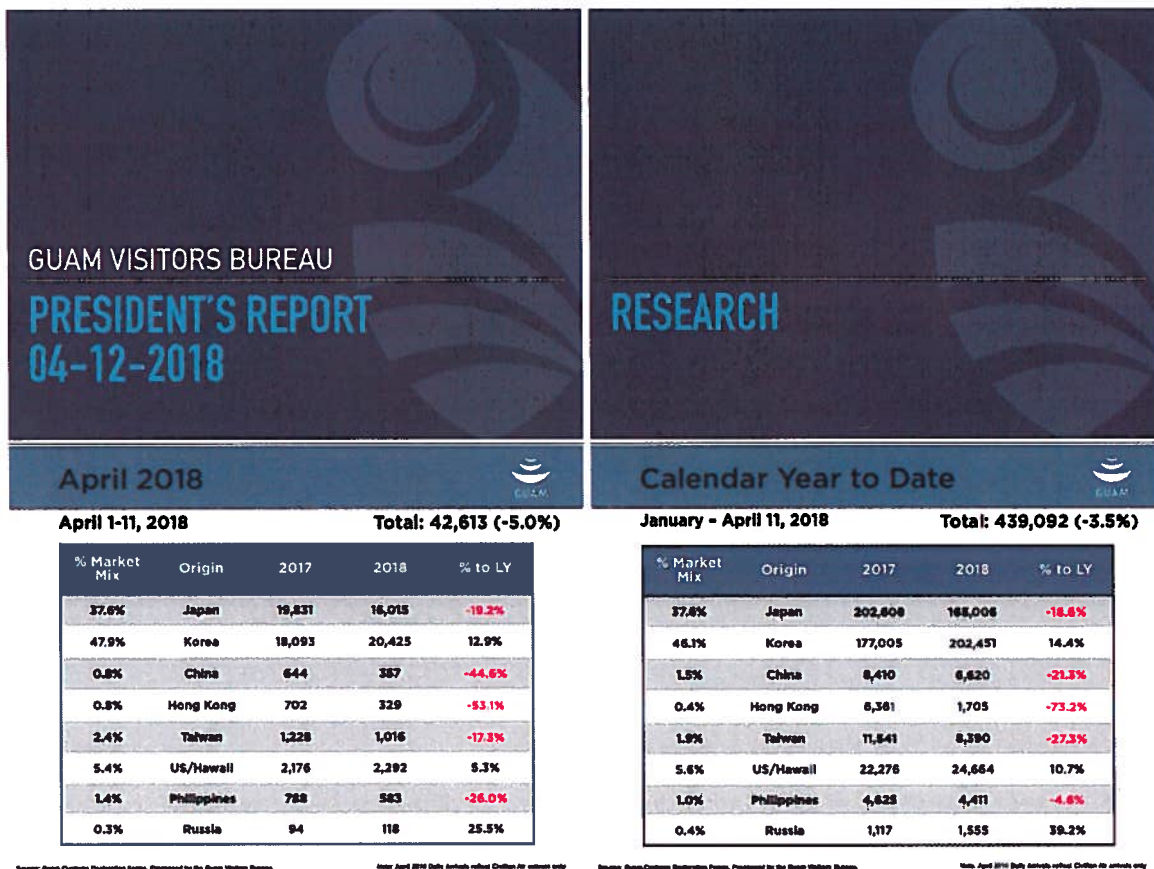
Director Shinohara made a motion, seconded by Director Kloppenburg, to approve the minutes of the previous board of directors meeting dated March 22, 2018.
Motion unanimously approved (Subject to minor revisions)

III. CHAIRMAN'S REPORT

- Chairman Morinaga reported sister city Kashiwa's Young Entrepreneur Group (YEG) visited over the week and expressed interest in expanding trade missions with Guam. They were introduced to the local Guam Young Professionals (GYP) as well as with UOG and GEDA. YEG is looking to visit Guam again for a trade mission in November of about 40 people. Chairman Morinaga hopes these trade mission can pursue local businesses to also fly out of Guam which will fill airlines seat and create a load factor to positively impact the airline service development efforts. This not only will encourage culture exchange but also trade.

- o Chairman Morinaga stated GVB met with the Legislature for an informational brief specific to the Japan market in comparison to other markets (Korea). They discussed statistics and projections for the next fiscal year. It was overall a successful meeting with support from the senators. GVB was able to explain drops in arrival numbers are also largely due to drops in airline seat capacity.
- o In regards to sales tax, there is no update as of yet. The impact study is still being conducted by Tourism Economics and the report will be given once the data is collected by the end of the month. Speaker Cruz, as well as the other Senators, asked GVB to make a stance on the issue as soon as possible. The membership survey has been extended another week so that a bigger sample size can be obtained. So far only 30 membership responses have been received.

IV. PRESIDENT & CEO'S REPORT



Fiscal Year to Date

October 2017 – April 11, 2018 **Total: 814,603 (-3.7%)**

% Market Mix	Origin	2017	2018	% to LY
35.9%	Japan	294,597	282,799	-23.8%
47.8%	Korea	329,011	389,468	18.4%
1.3%	China	13,787	10,889	-22.6%
0.5%	Hong Kong	9,889	3,788	-61.8%
1.8%	Taiwan	21,282	14,344	-32.5%
5.3%	US/Hawaii	40,177	43,332	7.9%
1.2%	Philippines	11,552	10,744	-7.8%
0.3%	Russia	2,064	2,703	31.0%

Source: Guam Visitors Bureau Data. Processed by the Guam Visitors Bureau. Data April 2018 Daily Arrivals/Departures (Official) only.

MARKETING

Taiwan Marketing News

UGM 2018 KOL/MEDIA FAM TOUR (APRIL 7-11)
KOL: Fitness & Fashion Blogger Molly (Tiffany) Chiang

- Ran 10K
- Social Media Profile
 - Facebook Followers: 35,596
 - Instagram Followers: 453,800
 - 10,000,000 monthly audience
 - Averages 6,000 likes
- Will provide a minimum of 30 posts on her social media networks

Taiwan Media

- USTV: To provide 3 special news reports
- Apple Daily: To provide full page newspaper article and 2-3 online coverage
- ETtoday: To provide 3 online coverage

✓ Total ROI: \$718,000

Japan Marketing News


GVB Informational Briefing at Guam Legislature
Japan team provided update on Japan market status on April 10th



Topics discussed include seat capacity, load factor, visitor profile, air service development initiatives, advertising and PR, and sales and marketing strategies.

Philippines Marketing News

- Mr. Jeffrey Hidaigo**
 - Media Influencer, singer, actor, director, marathoner and truthNite in the Philippines
 - Lifestyle writer of ABS-CBN, which has over 17 million followers on Facebook and more than 200,000 followers on their lifestyle page.
 - Airfare sponsored by UA to attend UGM and run the half marathon (2B)
 - Special thanks to GVB members for in kind:
 - Pacific Islands Club
 - Valley of the Lilies
 - Three Squares Restaurant
 - Felt Eye Marine Park Diner Show
 - Sheraton Laguna Guam BBQ Dinner Show
 - Excelsior Magic Show
 - Discovery Guam
 - BHS



DESTINATION

"Flip the Switch" Ceremony

Tumon Bay Streetlight Rehabilitation Project completed

- Brief ceremony held on April 5, 2018
- \$1.8 million dollar project fully funded by tourism dollars
- All 325 streetlights are now fully operational
 - Energy efficient LED light fixtures
 - Replacement of panel boxes, conduits, and missing poles
- GVB contracted Polyphase Inc. and G4S for the project
- AmOrient Engineering was the construction manager



Before



After

United Airline Guam Marathon

- 3,736 registered for sixth UGM from 15 different countries in Asia and as far as Ireland
- Japanese runners took first place in marathon – Shun Goroutani and Tomomi Sawahata
- Guam runners take top spots in half marathon – Ryan Matienzo & Manami Iijima
- Naoko Takahashi returned as international race ambassador
- 15 aid stations
- Háfa Adai Expo was April 6-7
- Beach BBQ Party followed races
- New photo sharing feature – Flashframe



SPORTS & EVENTS



- President Denight shared the awards received at the ceremony in San Diego for the House of Chamorro. The project is set to build a permanent structure and be named "the House of Chamorro" in Balboa Park San Diego, California, which is visited by 14 million people every year. With the help of former GM, Joey Cepeda, the project was secured and funded by MVA, GVB, and fundraising efforts of about \$250K. The ground breaking will take place at the end of the year. Guam also received a certificate from the Chamorro Optimist Club of San Diego.
- Joey Cepeda passed five days later after the ceremony. President Denight wanted to recognize him and his wife and all their efforts in making a name for Guam. A ceremony will be held in San Diego over the weekend and another one on Guam. The Board asked if GVB can send a wreath for his ceremony.
- Following the ceremony for House of Chamorros, the team headed to the Che'lu Festival, which is dedicated everything to the Chamorro cultural. The festival was well attended, giving great exposure. Master Frank Rabon was also in attendance really showcasing what the Chamorro dance is all about.



V. TREASURER'S REPORT

Exhibit B

EXHIBIT B

FY 2018						
	Appropriation	Received to Date		Balance		
Operations	\$ 18,750,216.00	\$ 8,074,711.17	43%	\$ 10,675,504.83	57%	
Sustained Marketing - Korea	\$ 4,000,000.00	\$ 1,454,545.44	36%	\$ 2,545,454.56	64%	
Destination Development	\$ 1,085,000.00	\$ 522,083.31	48%	\$ 562,916.69	52%	
GVB Cruise Ship Industry Development Program	\$ 50,000.00	\$ 20,833.31	42%	\$ 29,166.69	58%	
Rainy Day Fund	\$ 200,000.00	\$ 83,333.31	42%	\$ 116,666.69	58%	
Cultural & Sports Ambassador Fund	\$ 200,000.00	\$ 83,333.31	42%	\$ 116,666.69	58%	
Pass-Thru	\$ 790,000.00	\$ 329,166.36	42%	\$ 460,833.64	58%	
TOTAL RECEIVABLES FY 2018	\$ 25,075,216.00	\$ 10,568,006.21		\$ 14,507,209.79		

Accounts

RESTRICTED

Bank of Guam - Rainy Day Fund ¹	\$ 1,640,607.26
Cultural & Sports Ambassador Fund ²	\$ 258,710.67
GVB Cruise Ship Industry Development Program	\$ 10,253.02
TOTAL RESTRICTED	\$ 1,909,570.95

UNRESTRICTED

Bank of Guam - Operations	\$ 12,429,347.05
First Hawaiian Bank - Membership	\$ 70,560.34
Resona	\$ 600,419.57
Bank of Guam - TAF	\$ 539,567.19
Raymond James - CD value as of 3/31/2018 ³	\$ 2,548,374.94
TOTAL UNRESTRICTED	\$ 16,188,269.09

TOTAL CASH as of 4/9/2018 **\$ 18,097,840.04**

Current Payables

Asatsu Invoices (DEC - FEB)	\$ 3,715,581.88
Japan Invoices	\$ 436,048.89
Guam Invoices	\$ 726,117.77
Pass-Thru	\$ 17,499.99
Encumbered Contracts	\$ 3,309,804.39
Encumbered Purchase Orders	\$ 108,920.81
TOTAL PAYABLES as of 4/9/2018	\$ 8,313,973.73

NOTES

NOTE 1

\$1,640,607.26 Rainy Day Fund
 (\$184,234.64) Rainy Day expenses Japan - reimburse Operations
\$1,456,372.62

NOTE 2

\$258,710.67 Cultural and Sports Ambassador Fund
 (\$26,100.00) Cultural and Sports Ambassador expenses - reimburse Operations
\$232,610.67

NOTE 3

\$2,548,374.94 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
 (\$842,642.84) 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
 (\$10,000.00) PAID - Hagatna maintenance and streetscape project for GMIF
 (\$57,357.16) BALANCE - Pale San Vitores Road Bus Shelter Project
 (\$45,340.44) BALANCE - Planning, Architectural and Engineering Services for Tumon Bay Improvement
0.00

April 9, 2018





- o Director Shinohara stated he will have to leave early and reported that accounting is working on reconciling the cash accounts and the outstanding balance should be received by the next board meeting. The team can then appropriately allocate the funds in the spending plans for the balance of this fiscal year. He sees a good opportunity for GVB to hit projects that are meaningful to Guam.
- o President Denight reported we are one month behind on allotments, but should be received by next week.

VI. REPORT OF THE BOARD COMMITTEES

A. EXECUTIVE COMMITTEE

TESTIMONY ON BILL 258-34

Exhibit C

Director Hofmann made a motion, seconded by Director Kloppenburg, to ratify testimony in support of Bill 258-34.

Motion approved

Issue: Board approval required.

AIR SERVICE DEVELOPMENT MEETING WITH JAPAN AIRLINES

Director Hofmann made a motion, seconded by Director Kloppenburg, to ratify travel for GVB Board Chairman, GVB JMC Chairman, and GVB President & CEO, to meet with Japan Airlines executives in Tokyo, Japan on April 27-28, 2018. Estimated cost: \$9,472.50; Account # JA-SMD008.

Motion approved

Airfare:	\$1,200 x 3 pax					\$3,600.00
Per Diem:	Tokyo	Lodging	Nights	M&IE	Days	
	Board Chairman	\$357.50	3	\$295.00	3	\$1,957.50
	JMC Chairman	\$357.50	3	\$295.00	3	\$1,957.50
	President & CEO	\$357.50	3	\$295.00	3	\$1,957.50
Total:						\$9,472.50

Background: In the coming months, Japan Airlines will critically evaluate the performance of the newly added second daily flight to Guam to determine if it is a lucrative addition to their normal routes. As a showing of good faith and commitment, GVB management will travel to Japan to meet with JAL executives to personally express their gratitude for this additional service to Guam. Delegates will also discuss future flight service opportunities, sales performance, and the possibility of extending the second daily flight into the winter season.

As we continue to battle the decline in the Japan market, it is imperative that we maintain close working relationships with airline partners and that we continue the conversation of regaining air seats out of one of our largest source markets.

Note: Meeting date is subject to change based on JAL executives' availability.

Issue: Board approval required for travel.

B. ADMINISTRATION & GOV'T RELATIONS





GVB FY2019 BUDGET

Exhibit D

Director Shinohara made a motion, seconded by Director Hofmann, to approve GVB's FY2019 budget submission to the Legislature as presented by management.

Motion approved

Issue: Board approval required.

- o Director Shinohara stated he has not had the chance to review the budget in depth and asked if the FY2019 budget needed approval at this board meeting. President Denight stated GVB received an extension to submit the formal budget to the Legislature by May 4, 2018. He asked the board to examine and approve the larger budget as presented and the funds can be programmed within each committee as needed. Administration is asking for \$3.8 million to cover increasing costs for increments and benefits, etc. as last year \$3.6 million was received from the ask of \$3.85 million. Marketing is requesting the amount that is needed but keeping in mind the TAF projection and government financial crisis. The total amount is about 8% higher, a \$500K increase from last year's budget request. Majority of the increase is in Japan's budget to support airlines development for charter flights, new and existing. Other markets are below the rollover amounts from FY2018. Research, Sports & Events, Cultural & Heritage are rollover budgets. Visitor Safety & Satisfaction is asking for the amount received two years ago to maintain projects, such as the VSS officers, lifeguards and safety initiatives.
- o Vice Chairman Mesa asked to clarify where the \$750K will be assigned, President Denight stated the funds will be used towards airlines service development with an allocation of \$2 million from the total Japan budget, an increase from the \$1 million for airlines service development. Less money is being used in the overall advertising for Japan marketing and \$250K will be reallocated from the budget towards airlines efforts. Director Nault added more focus is being put into the airlines because of aggressive campaigns from other destination markets. The team plans to work closer with travel agents and airline companies to make sure marketing efforts drive results. Also, the marketing strategy has more flexibility to meet any unforeseen changes that may come about.
- o Director Jackson pointed out it may be prudent to safeguard some of the projects/responsibilities in the event that GVB is asked to take on more roles/tasks in the current government situation. He asked where in the budget can be increased in anticipation of responsibilities currently not foreseen. President Denight reported \$1 million was reserved for special projects, CIP, and has not yet been allocated in addition to the increase for Destination Maintenance to \$1.3 million. Approval of the preliminary budget is needed, however, changes and adjustments can be made before final submission to the Legislature. Chairman Morinaga asked management to present a detailed list of projects planned for FY2019.
- o Chairman Morinaga stated the PowerPoint presentation from the Japan market informational briefing at the Legislature will be shared with the Directors. The briefing ended on a positive note with the Senator Rodriguez, Speaker Cruz, along with Senator Biscoe Lee's support with GVB initiatives.
- o Director Shinohara asked if the increase in budget for Destination Management was sufficient enough. Vice Chairman Mesa said there is discussion to put out a \$59 million tourism development plan. Director Hofmann asked if there will be additional options for FY2019 island road maintenance for Legislature's consideration. Destination Specialist Ada said this budget does not allow for a sliding scale. President Denight said the information could be looked into and shared at the next board meeting.

C. RESEARCH

D. GREATER CHINA



E. RUSSIA & NEW MARKETS

Committee minutes dated April 3, 2018

Exhibit D

PI TE 2018

Director Jackson made a motion on the floor, seconded by Director Nault, to amend travel for GVB Director of Global Marketing to GVB Russia & New Markets Committee Vice Chairman to attend the 2018 Pacific International Tourism Expo (PI TE) in Vladivostok, Russia in May 18-20, 2018.

Motion approved

- o Director Jackson reported the team is preparing for the annual trade show to Vladivostok, Russia taking place in late May. The travel motion has already been approved but a personnel change will be made for one of the delegation traveler. Marketing Director Laguaña will not be attending so Vice Chairman Abraham will take her place and join Chairman Jackson. The delegation will meet with the US Embassy, Russian travel agents, and have prepared a special event aside from the trade show.
- o The Russian market is booming, arrivals have increased by 30% due to the connecting flights from Vladivostok by Jeju Air along with the additions of Air Seoul connections from Khabarovsk and Yuzhno-Sakhalinsk via Seoul.

F. JAPAN

Committee minutes dated March 13, 2018

Exhibit E

OVERSEAS LGBT TOURISM MARKETING PROMOTIONS (TOKYO RAINBOW PRIDE)

Director Nault made a motion, seconded by Director Hofmann, to approve travel for the following delegates to attend the Tokyo Rainbow Pride event in Tokyo, Japan from May 4-7, 2018. Total Estimated Cost is \$9,006.00 from Account # JA-SMD008.

Motion approved

Airfare:	\$1,200 x 3 pax					\$3,600.00
Per Diem:	Tokyo	Lodging	Nights	M&IE	Days	
	Marketing Manager - Japan	\$286.00	3	\$236.00	4	\$1,802.00
	Miss Guam (2 pax)	\$286.00	3	\$236.00	4	\$3,604.00
Total:						\$9,006.00

Background: Opportunity. With more than 100,000 expected participants, the Tokyo Rainbow Pride event is the most powerful pride event in Japan. GVB delegates will have the opportunity to connect with many travelers, suppliers, and buyers in the LGBT market to promote Guam as a LGBT friendly destination.

Furthermore, as part of a sponsorship agreement, GVB will have the opportunity to create working relationships with key people in Japan's LGBT market and distribute marketing material to a wide range of clients in several cities throughout Japan.

Promotional Channels. Guam will occupy a shared booth space with OUT Japan Co., Ltd. providing direct to consumer communication and promotional opportunities through discussion





and Japanese-translated content to educate potential visitors about getting married in Guam, experiencing our unique selling points, and LGBT offerings. OUT Japan will also assist GVB in developing, printing and distributing Guam promotional collateral in the LGBT areas in the cities of Tokyo, Osaka, Nagoya and Fukuoka – all gateways currently servicing Guam.

Product Development. Through the membership of IGLTA, GVB has developed a relationship with OUT Japan, who is venturing into outbound LGBT travel within the Asia travel arena. GVB will work closely with travel agents who are flexible to create specific LGBT outbound travel packages to Guam.

Promotional Strategy and Activities. Guam would like to invite two Miss Guam's from the local LGBT community to promote Guam and serve these key purposes: (1) promote the beauty and hospitality of Guam, (2) capture the attention at the Guam booth area, (3) participate in the Pride parade, and (4) conduct in-booth performances and in other areas available to the Guam delegation. The two (2) Miss Guam's will serve as beauty representatives and performers. We are maximizing their talents for the previously mentioned promotional activities, which will save costs in lieu of inviting a larger delegation and paying for a Miss Guam and/or Chamorro dancers. In this market segment, GVB would like to differentiate itself by providing unique and interesting marketing collateral, showcasing our people's culture and traditions and capturing the attention of potential visitors from this lucrative market. We must think creatively and innovatively to garner attention and interest for traveling to Guam in this competitive environment.

Issue: Board approval required.

- o President Denight stated two years ago the LGBTQ market has been explored as a possible travel market for Guam. With the help of the International Gay and Lesbian Travel Association (ILGTA) contact has been made with the Japan section of ILGTA, about 10 million of the population which makes a high yield segment in the market. GVB will participate in the Tokyo Rainbow Pride event, the biggest in Asia, with over 100,000 participants. GVB will have a booth and partake in the parade. This will be the first consumer promotion for the LGBTQ market, particularly focusing on civil marriage/wedding on Guam. Chairman Morinaga suggested having local wedding companies be involved in promotion at the event. Vice Chairman Mesa asked what is the marketing strategy to capture the 10 million LGBTQ population in Japan for FY2019-2020. President Denight mentioned this event will help build the knowledge and connections for this specific market to make it successful. Marketing Manager Borja has set meetings with travel agents specific to this market and Director Nault reported the team has been working closely with companies to get their participation in wedding promotions to bring back the numbers.

NIIGATA FRIENDSHIP ASSOCIATION 15TH ANNIVERSARY RECEPTION

Director Kloppenburg made a motion, seconded by Director Hofmann, to approve travel for the GVB Chairman of the Board, two (2) GVB Board Directors, and the GVB President & CEO to attend the Niigata Friendship Association 15th Anniversary Reception on September 5, 2018 in Niigata, Japan. Estimated cost: \$7,635.00; Account #JA-SMD008.

Director Kloppenburg moved to amend the motion to remove GVB President & CEO from attending the Niigata Friendship Association 15th Anniversary Reception.
Motion passed as stated and amended

Airfare:	\$1,200 x 4 pax					\$4,800.00
Per	Niigata	Lodging	Nights	M&IE	Days	

Diem:	GVB Board Chairman	\$106.25	3	\$130.00	3	\$708.75
	GVB Board Director: JMC Chairman	\$106.25	3	\$130.00	3	\$708.75
	GVB Board Director: Representative of the Mayor's Council of Guam	\$106.25	3	\$130.00	3	\$708.75
	GVB President & CEO	\$106.25	3	\$130.00	3	\$708.75
Total:						\$7,635.00

Background: To commemorate the 15th anniversary of friendship between the city of Niigata and Guam, the Niigata Friendship Association will be hosting a dinner reception on September 5, 2018. Members of the Niigata Friendship Association have personally requested for the above listed protocol to join the reception. Furthermore, the Chairman and Vice Chairman of the Niigata Friendship Association, Mayor of Niigata City, Chairman of Niigata Chamber of Commerce and over 70 members of the Niigata Friendship Association will be in attendance.

A strong presence, reciprocating Niigata's level of participation, from GVB will show Guam's continued commitment of friendship and will build upon the relationship created since 2003 with the city of Niigata. Moreover, close relationships with cities in Japan are highly valued as they provide many opportunities to promote travel to Guam out of one of our largest source markets.

Note: Delegation is subject to change based on availability of funds and scheduling.

Issue: Board approval required for travel.

- o Director Shinohara asked if all the delegations listed have to attend the reception in Niigata. President Denight responded the request was based on the invitation from the Niigata Friendship Association, in the past Lieutenant Governor Tenorio, Chairman Moringa and Director Hofmann attended the 5th and 10th anniversary reception. The Mayor of Niigata will be attending this year's event, which is will be good to have Guam's protocol join too. President Denight stated he can be removed from the delegation list and just have the four members attend the reception. Niigata Friendship Association, made up of the Chamber of Commerce, Government Office, and a wedding company. They are one of the most active friendship groups with yearly visits and help promote Guam in Niigata.
- o Director Nault reported the United Airlines Guam Marathon (UAGM) was an overall successful event and hopes to grow for next year with the anticipation of no threats to the island. Vice Chairman Mesa asked how much GVB put into UAGM, President Denight answered \$50K from Sports & Events' budget and another \$50K from Japan's budget.
- o The Japan team has been working with a local media group called GIMCA to collaborate with overseas non-asking groups. Recently a WiFi rental company called Emoto-WiFi filmed a commercial on Guam showcasing activities we would normally promote.
- o Reminder for the AKB48 Fan Tour taking place at The Beach at Gun Beach on Saturday April 21, 2018. The fan tour will bring a 16 member girl group for a private event to about 400 Japanese participants that will be traveling from Japan (event is only open to those who purchased tour packages in Japan through travel agents). AKB48 are ambassadors for GVB's #instaGuam campaign. Some members joined the launch of #instaGuam at the Mega Fam Tour back in November and filmed their fan tour commercial on Guam which is featured on our #instaGuam website. They are also currently the faces for all GVB Japan advertising, with heavy social media influences.



- o The Treasure Hunt promotion is being finalized with local partners and businesses to be launched for the summer.
- o JAL started their double daily flights starting March 25, 2018. The team had a follow up meeting with United Airlines Japan sales team. UA is aggressive but cooperative in discussion on how to work closer with GVB in promoting travel from Japan. UA will add 20 extra flights for the summer servicing from Narita and Nagoya. Vice Chairman Mesa asked with the loss of flights from Sapporo and Sendai, if GVB has reached out to ANA. Chairman Morinaga answered ANA and UA have an agreement together stating ANA will not overrun UA jurisdiction with their temporary withdrawal of flights. ANA and UA are under the same alliance. Vice Chairman asked what the team is doing to get flights from cities that UA pulled out from, Chairman Morinaga stated the team has been meeting with non-domestic LCC's for possible flights out of those cities. For the sake of time, Chairman Morinaga directed board members to talk to Director Nault individually should they have more questions regarding airlines services.
- o Director Nault informed the board there will be a new hotel project for the space next to Tumon Sands Plaza.

G. KOREA

Committee minutes dated March 27, 2018

Exhibit F

- o Director Jackson informed the board 581 participants from Korea ran for UAGM including some celebrities. Due to some flight maintenance and plane downgrade issues the participation number from Korea actually declined.

H. NORTH AMERICA & PACIFIC MARKETS

Committee minutes dated April 4, 2018

Exhibit G

MICRONESIA ISLAND FORUM

Director Jackson made a motion, seconded by Vice Chairman Mesa, to approve travel for GVB Vice President, to attend the Micronesia Island Forum in Saipan from April 25-27, 2018. Cost is approximately \$1,690.00 and will come out of Acct. No. PA-SMD024.

Director Jackson moved to amend the motion to change the dates from April 25-27, 2018 to April 25-28, 2018 and the approximate cost of \$1,690.00 to \$1,810.00.

Motion passed as stated and amended

Airfare: \$500.00	\$ 500.00
Per Diem: \$238 + 25% x 4 days	\$ 1,310.00
Total estimated expenses:	\$1,810.00

Background: The Micronesia Island Forum brings together the six Governors and three Presidents of Micronesia, as well as policy representatives from the CNMI, Guam, Republic of Palau, Republic of the Marshall Islands and the Federated States of Micronesia, to discuss regional cooperation on a variety of issues that concern the region.

The three-day event will feature presentations from all nine-island jurisdictions and several key federal and regional partners. Topics discussed include the state of the region's health care, telecommunications, renewable energy, regional workforce development, transportation and more.

Issue: Board approval needed for travel.

- o President Denight stated the Micronesia Island Forum is a joint effort between Governor Calvo and Saipan Governor Torres to work closely together on economic development, tourism, and other issues. Vice President Muna attended back in February 2018, this will be the follow-up meeting.
- o President Denight corrected the amount reflected on the motion will be \$1,810.00 not \$1,690.00. And Vice President Muna clarified the forum will be held over four days.

OVERSEAS LGBT TOURISM MARKETING PROMOTIONS (IGLTA CONVENTION)

Director Jackson made a motion, seconded by Director Arriola, to approve travel for (1) Government Protocol to attend the IGLTA Annual Global Convention in Toronto, Canada from May 7-13, 2018. Total Estimated Cost is \$5,603.10 from Account # US-SMD023.

Motion approved

Airfare:	\$2,500 x 1 pax					\$2,500.00
Per Diem:	Toronto, Canada	Lodging	Nights	M&IE	Days	
	Protocol (1 pax)	\$289.90	7	\$153.40	7	\$3,103.10
Total:						\$5,603.10

Note: A travel motion was approved on November 9, 2017 for the Director of Global Marketing and one (1) GVB Management to attend the IGLTA Annual Global Convention. The above motion presented for approval would add a Protocol representative to attend this annual conference. A speaking role has been secured to provide more Guam promotional power to attending LGBT tourism professionals.

Background: The IGLTA Annual Global Convention is the world's premier educational and networking event for LGBT tourism professionals. The conference connects gay, lesbian and gay-friendly travel and tourism suppliers and buyers through its hosted buyer and scheduled appointment program, numerous educational workshops and networking receptions. GVB plans to attend the convention to better understand the LGBT market and to promote Guam as a LGBT-friendly destination.

The Guam Visitors Bureau is a member of IGLTA and attended the travel show for the first time in 2017. With Guam's passage of the Same Sex Marriage law, GVB is actively promoting Guam as an ideal destination for travel to the LGBTQ market. Guam's location in Asia and status as a U.S. Territory that is LGBTQ friendly should attract visitors from all over the world, especially Asia.

LGBT Travel and its Impact on Travel Destinations. LGBT travellers represent a diverse and burgeoning segment of consumers that respond with increased brand awareness and loyalty when destinations carry out specific marketing actions targeted at LGBT consumers that are backed with positive LGBT-relevant practices in human resources, according to the UNWTO's Second Global Report on LGBT Tourism.

Increased brand awareness and loyalty are two marketing effects that will positively contribute to the growth of Guam's tourism market diversification. In the United States the buying power of LGBT consumers was forecasted to exceed USD 917 billion in 2016. This forecast is based on an estimate that as many as 7% of adults identify as LGBT, and on a calculation of this group's disposable income, as opposed to actual annual expenditure.

Outcomes of Participation. A powerful and positive brand image works to the benefit of any tourism destination. Particular to the LGBT tourism market, traditional labels used to categorize LGBT individuals are becoming less relevant. Sexual orientation and gender identity are less telling of consumer target markets than consumer attitudes, gender and generation. By



attending the IGLTA Annual Global Convention, GVB will accomplish the following: (1) how to successfully reach, capture and retain visitors in the LGBT travel market segment, (2) gain invaluable education about this evolving market, and (3) develop and maintain relationships with sales, public relations and overall marketing partners across the United States and Asia Pacific.

Issue: Board approval required for travel.

- o President Denight explained IGLTA is the Annual Global Convention, as attended last year in Florida, where all the LGBT tourism market will gather. Marketing Director Laguaña received request for Guam Protocol Speaker Cruz attend this year's convention and have a speaking role to represent Guam. It is a great opportunity to network globally and build a presence in the LGBT tourism market.

I. DESTINATION MANAGEMENT

- o Vice Chairman reported DMC met on April 5, 2018. The committee is working with the current Legislature to promote the HOT Bond projects and move it forward. The committee appreciates the approval for capital improvement project of \$1.3 million, inclusive of maintenance and insurance on current projects such as the bus shelters and streetlights.
- o Chairman Morinaga asked the team to reach out to H.I.S, there have been issues with parking at bus shelters. All bus companies should be respectful of each other and use the bus shelters in the proper manner. Also, to reach out to hotels and businesses to see if they would like to adopt a bus shelter for maintenance purposes.

J. MEMBERSHIP & COMMUNITY OUTREACH

- o Director Kloppenburg informed the board membership surveys have been extended and will be collected after the deadline.

K. VISITOR SAFETY & SATISFACTION

- o Director Hong reported GVB with DRT met with Senator San Agustin to actively work on legislation to tax B&B/short-term vacation rentals. Senator San Agustin has made the commitment to bring to the table GVB's feedback and concerns.
- o GVB participated in the Island Sustainability Conference on March 23-30, 2018 put together by UOG that is a broker for information for public policy on issues as climate change, renewable and efficient energies, food security, and recycling.
- o GVB will participate in the Ocean Planning meetings with the Bureau of Statistics and Planning and the Pacific Islands Regional Planning on April 16-17, 2018.
- o The Tour Guide Certification at GCC will take place April 30 – May 7, 2018.
- o President Denight shared the rough draft of the Transient Accommodation Business License Overview FAQ and asked for any comments upon review. The team hopes to have an outreach program for B&B/short term vacation rental owners soon. Director Jackson stated B&Bs (home owner lived) are a part of GHRA but not short-term vacation rentals (vacation stay). Chairman Morniaga asked the team to met with GHRA and discuss the FAQ.

L. CULTURAL & HERITAGE

GUAM FOOD FESTIVAL 2018

Director Jackson made a motion, seconded by Director Arriola, to approve travel for GVB Culture & Heritage Officer, Miss Guam, two Musicians, and four Dancers to attend the Guam Food Festival in Seoul, Korea on June 12, 2018. Cost is approximately \$6,548.00 from Acct# DM-CPO001.

Motion approved



CHC Travel Expenses

Per Diem Expenses						
Per Diem:	Seoul, South Korea	Lodging	Nights	M&IE	Days	
	GVB CHC Officer	\$230.00	2	\$148.00	2	\$756.00
	Miss Guam	\$230.00	2	\$148.00	2	\$756.00
	Musicians (2 pax)	\$230.00	2	\$148.00	2	\$1,512.00
	Dancers (4 pax)	\$230.00	2	\$148.00	2	\$3,024.00
Miss Guam, Musicians, Dancers Professional Fee:						\$500.00
Total:						\$6,548.00

Background: Following the Hana Tour International Show, GVB will also host the 2nd Annual Guam Food Festival by inviting Guam chefs that specialize in authentic Chamorro and/or Guam delicacies to participate in the event and provide industry partners a taste of Guam and its delicious Chamorro food. During the event, GVB will promote its signature event Guam BBQ Block Party with travel trade partners, conduct a press conference with national and regional media, as well as invite digital influencers to post on their social media platforms.

Issue: Board approval for travel required.

- o Director Jackson explained the Guam Food Festival hosted by GVB is the bridge between the two major Korea trade shows in June. The travel was already approved and the current motion is for approval on two day per diems for eight Guam participants who already will be attending the trade shows. The event is well attended with good coverage from national and regional media.

M. SPORTS & EVENTS

VII. OLD BUSINESS

VIII. NEW BUSINESS

- o Director Hong stated Japan market takes a lot of discussion time in board meetings. She asked Directors to attend the JMC meeting should they have any questions in regards to smaller scale items to reduce time spent deliberating in board meetings. Vice Chairman said transparency on information is needed, Chairman Morinaga would like the board meetings to be efficient as possible by sticking to the important matters and discussing other issues in each respective committee meetings.

IX. EXECUTIVE SESSION

X. ANNOUNCEMENTS

- o AKB48 Fan Tour - Saturday, April 21, 2018 at 3:00pm, The Beach at Gun Beach (RSVP)
- o Chairman Morinaga reminded the members of the board under Governor appointees to fill out the 2018 Statement of Disclosure of Conflict of Interest for the Guam Election Commission.



- o Director Jackson shared the Tourism Education Council will host their annual wine tasting fundraiser at the Guam Museum. The purpose of this event is to educate Guam's youth on the benefit of tourism. It will be the 30th anniversary of the TDC, former Guam Visitor Industry Education Council.

Upcoming Board Meetings:

- o Thursday, April 26, 2018 at 3:30pm, GVB Main Conference Room
- o Thursday, May 10, 2018 at 3:30pm, GVB Main Conference Room

XI. ADJOURNMENT

Director Hofmann made a motion, seconded by Director Kloppenburg, 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
~~→ Fact sheet created and up for review with DRT, no response from DRT~~
2. Management to conduct impact study on Guam sales tax
~~→ Management reached out to "Tourism Economics" to begin work on the sales tax impact study, task order implemented on April 4, 2018 and a preliminary report will be provided within 3 weeks~~
3. Management to survey membership for opinions on sales tax
~~→ Membership survey distributed on April 2, 2018 with a follow up on April 6, 2018~~
~~→ Only 28 responses received~~