

IV. PRESIDENT & CEO'S REPORT



July 2018

July 1-31, 2018 **Total: 131,389 (-1.2%)**

% Market Mix	Origin	2017	2018	% to LY
30.6%	Japan	51,011	40,163	-22.5%
53.6%	Korea	61,097	70,417	15.3%
2.3%	Taiwan	2,443	2,976	21.8%
1.0%	China	2,015	1,359	-32.6%
6.7%	US/Hawaii	7,761	8,785	13.2%
0.4%	Hong Kong	822	559	-32.0%
1.0%	Philippines	1,192	1,262	5.9%
0.2%	Russia	248	231	-6.9%

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

August 2018

August 1-7, 2018 **Total: 32,097 (-4.3%)**

% Market Mix	Origin	2017	2018	% to LY
39.2%	Japan	15,657	12,895	-17.6%
48.2%	Korea	14,286	15,218	6.5%
1.8%	Taiwan	531	483	-9.0%
0.8%	China	434	260	-40.1%
4.9%	US/Hawaii	1,288	1,613	25.2%
0.5%	Hong Kong	163	189	16.0%
0.7%	Philippines	139	213	53.2%
0.1%	Russia	23	30	30.4%

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

Note: August 2018 Daily Arrivals reflect Chalan Air arrivals at

Calendar Year to Date 2018

January - August 7, 2018 **Total: 916,869 (-2.5%)**

% Market Mix	Origin	2017	2018	% to LY
34.2%	Japan	396,190	313,487	-21.0%
49.8%	Korea	394,421	456,443	16.1%
1.9%	Taiwan	22,435	17,538	-22.1%
1.2%	China	15,155	10,932	-27.4%
6.0%	US/Hawaii	48,597	55,269	13.6%
0.4%	Hong Kong	11,616	3,692	-69.4%
1.1%	Philippines	10,219	10,219	-0.7%
0.3%	Russia	1,986	2,642	33.1%

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

Note: August 2018 Daily Arrivals reflect Chalan Air arrivals at

Fiscal Year to Date 2018

October 2017 - August 7, 2018 **Total: 1,292,380 (-3.0%)**

% Market Mix	Origin	2017	2018	% to LY
34.1%	Japan	577,779	441,280	-23.6%
49.8%	Korea	546,423	643,460	17.8%
1.8%	Taiwan	32,156	23,494	-26.9%
1.2%	China	20,542	14,997	-27.0%
5.7%	US/Hawaii	66,503	73,937	11.2%
0.4%	Hong Kong	15,114	5,752	-61.9%
1.3%	Philippines	17,241	16,552	-4.0%
0.3%	Russia	2,933	3,790	29.2%

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

Note: August 2018 Daily Arrivals reflect Chalan Air arrivals at



Korea Marketing

News
Guam Eco Wave Exhibition

- Opening held at the Lotte Department Store Gallery in Youngdeungpo, Korea
- 7 artists displayed their Guam inspired artwork including Hyun Jin Lee, Guam Family Ambassador and local artist Dr. Judy Flores
- Exhibition will also be displayed in two other Lotte Department Store locations (Anyang and Busan) through the end of October



Korea Marketing

News
Video recap of Guam Eco Wave Tour shared on GVB's YouTube Channel & FB



Guam Eco-Wave Tour 2018
<https://www.youtube.com/watch?v=yjtIR47v9ZU&feature=youtu.be>

Korea Marketing

News
Made Tour Travel Mart

- Period: August 30 – September 2, 2018
- Location: COEX, Seoul, Korea



*Concept design to be finalized

- ✓ Co-exhibitors
- 1. Bayview & Oceanview Hotel & Residence
- 2. Dadi Thai Guam Resort
- 3. Hyatt Regency Guam
- 4. Lotte Hotel Guam
- 5. Orchard Beach Resort Guam
- 6. Outrigger Guam Beach Resort
- 7. PHR 1 (Hilton / Naiso / Sheraton to be shared)
- 8. PHR 2 (Hilton / Naiso / Sheraton to be shared)
- 9. Guam Plaza Resort & Spa
- 10. Passara Island Guam
- 11. Royal Orchid Guam Hotel
- 12. The Westin Resort Guam
- 13. Guam Visitors Bureau

Pacific Marketing News

PATA Micronesia Chapter 2nd Tri-annual Membership Meeting

- Chuuk, FSM
- August 9-10, 2018

MATTA Fair 2018

- Kuala Lumpur, Malaysia
- September 7-9, 2018

PATA Travel Mart 2018

- Langkawi, Malaysia
- September 12-14, 2018

Pacific Islander Festival Association (PIFA)

- San Diego, CA
- September 22-23, 2018



Philippines Marketing News

InstaGuam Fair | June 1 to 3, 2018 | Bonifacio Highstreet

- GVB held its first consumer event in the Philippines called InstaGuam Fair, from June 1-3, 2018 at Bonifacio Global City
- Attended by
 - USCS Representative Chad Kinear, John Gray
 - Taguig City Mayor Representative, Ch Bocobo

- Guam Partners:**
- Guam Economic Development Association (GEDA)
 - Bank of Guam
 - Discover Guam
 - Two Lovers Point
 - PacTours
 - PhiGuam USA Travel and Tours
 - Vacation Guam US
 - Micronesia Mall
 - Capitol Kitchen

- Airline Partners:**
- Cebu Pacific
 - Philippine Airlines
 - United Airlines



Philippines Marketing News



InstaGuam Fair Event Recap Video



Russia Marketing News



KAL Dragon Boat Competition

Vladivostok, Russia

- Guam Team took the 1st place and got the Cup of Korean Air
- Guam Team's victory was covered in local media in Russia
- Guam collaterals were distributed among Russian Union of Travel Industry (RUTI) fam tour participants representing European Russia TA's => awareness of Guam in European Russia increased
- Strengthen relationships with Korean Airlines Russia Office



Russia Marketing News



Online Travel Mart: September 4-17, 2018

Objectives:

- Promote Guam in the European part of Russia, throughout the rest of the country, as well as in the former CIS countries and territories
- Communication with the travel audience to increase current database of travel industry professionals and establish new partnership connections
- Promote MICE tourism on Guam
- Announce upcoming Shop Guam e-Festival campaign
- Share Guam's upcoming campaigns and events for 2018/2019
- GVB Member participants: Hotel Santa Fe, Axe Murderer Tours, HIS GUAM, Inc, Troika Tours & PIC



SPORTS & EVENTS

Håfa Adai Pledge



- Over 220 Sodexo employees renewed their commitment to Håfa Adai Pledge on August 7, 2018 at Sheraton Laguna Guam Resort
- In 2016, Sodexo held the record for the largest Håfa Adai signing until it was broken in 2018 by the Tourism Education Council WAVE Club
- Sodexo expects to serve four million meals to school children this school year
- The company also handles the United Club lounge at the Guam International airport
- More than 800 private businesses, government agencies, non-profits, organizations and local school children have taken the Håfa Adai Pledge, representing over 33,600 individuals that are committed to promoting Guam and sharing the Håfa Adai spirit



V. TREASURER'S REPORT

- o President Denight updated the board on the latest with the FY2019 budget. GVB will be given a budget of \$22.3 million, \$1.5 million less from FY2018. Normally, \$200K is appropriated for the Rainy-Day Fund, separate from GVB's budget, but for FY2019 the board will have the authority to deposit up to \$650K from GVB budget into the Rainy-Day Fund. Pass-Thru appropriation section



has been book marked. Administrative provisions are still being discussed on travel restrictions, elimination of deputies and wireless communications from the budget.

VI. REPORT OF THE BOARD COMMITTEES

A. EXECUTIVE COMMITTEE

GVB TESTIMONY ON SBILL 237-34 & BILL 323-34

Exhibit B

Vice Chairman Mesa made a motion, seconded by Director Shinohara, to ratify GVB testimony on FY2019 Budget Bill 237-34 and Bill 323-34.

Motion unanimously approved

B. ADMINISTRATION & GOV'T RELATIONS

C. RESEARCH

- o Director Shinohara stated feedback for the customs forms were received and the team is working on revamping them for legibility.

D. JAPAN

JTB 50TH ANNIVERSARY RECEPTION

Director Nault made a motion, seconded by Director Arriola, to approve travel for the GVB Board Chairman to attend JTB's 50th anniversary reception in Tokyo, Japan from September 11-13, 2018. Estimated total cost is \$2,657.50. From account No. JA-SMD046.

Motion unanimously approved

Airfare:	\$1,200 x 1 pax					\$1,200.00
Per Diem:	Tokyo	Lodging	Nights	M&IE	Days	
	GVB Board Chairman	\$345.00	2	\$283.75	2	\$1,257.50
Miscellaneous: Excess baggage, communications expense, etc.						\$200.00
TOTAL:						\$2,657.50

Background: JTB will be hosting a reception in Tokyo, Japan on September 12, 2018 in celebration of their 50th anniversary. JTB has extended invitations to airline companies, tourism agencies, hoteliers, and other industry partners they work closely with to express their appreciation for their continued partnership. With a highly exclusive guest list, this event will be a prime opportunity to reconnect with executives from Japan's tourism community and to build upon Guam's longstanding relationship with JTB.

Chairman- and CEO-level executives will be attending the reception and GVB hopes to be represented accordingly by having the Board Chairman participate alongside the Japan Marketing Committee Chairman. JTB represents one of the largest travel trade partners for Guam having supplied thousands of seats on charter flights and selling majority of seats on regular flights. Attendance by both representatives from Guam instills GVB's continued commitment of partnership within this year and years to come, which is invaluable to the Japan market.

Issue: Board approval required for travel.

- o Director Nault reported on the recent trip to Kashiwa Festival, which was affected by the typhoon weather. As a result, the team met with the YG members of Kashiwa to discuss the



- possibilities of doing business with Guam (Guam sochu) Also, the team met with the Kashiwa International Relations Association to discuss future school exchange programs between schools in their city and the schools within the Archdiocese of Guam.
- o The team is working on pushing golf promotions in marketing campaigns. There are plans to meet with GIMCA to consider media promotions and also with wedding companies.
 - o September will be a busy month for Japan market as the team will be attending the Niigata Friendship Association 15th Anniversary, JTB 50th Anniversary and the JATA Tourism Expo.
 - o Treasure Hunt campaign has been popular, Director Nault thanked the team and all its contributors for its success.

E. NORTH AMERICA & PACIFIC MARKETS

Committee minutes dated August 8, 2018

Exhibit C

- o Director Hofmann reported a busy quarter for NAP committee with IGLTA, IPW, Instagram Fair and the Guam BBQ Block Party. Up-coming events will be MATTA, PATA, and PIFA.

24th PIFA (PACIFIC ISLANDER FESTIVAL ASSOCIATION) AND GUAM PRODUCT UPDATE SEMINAR

Director Hofmann made a motion, seconded by Vice Chairman Mesa, to approve travel for the Director of Global Marketing and the GVB Marketing Manager to participate in the 2018 Pacific Islander Festival Association (PIFA) Festival and Guam Product Update Seminar from September 21-23, 2018 in San Diego, California. Estimated total cost is approximately \$7,104.00 from Acct #US-SMD023.

Motion unanimously approved

Airfare:	\$2,000 x 2 pax					\$4,000.00
Per Diem:	San Diego	Hotel	Nights	M&IE	Days	
	DoGM	\$153	6	\$64	6	\$1,302.00
	Marketing Manager	\$153	6	\$64	6	\$1,302.00
Miscellaneous: Excess baggage, communications expense, etc.						\$500.00
TOTAL:						\$7,104.00

Background: GVB will participate in PIFA festival to further develop more awareness to the Chamorro living in the US mainland the various reasons to come back to Guam to visit.

PIFA promotes and perpetuates the traditional cultures, ancient historical data, languages, attitudes and values of the Indigenous People of Micronesia, Melanesia and Polynesia. Over 80,000 people were in attendance in 2017.

In addition to participating in PIFA, GVB will be conducting a Guam Product Update Seminar with key travel agents in the US Mainland. With GVB rolling out campaigns targeting both general and LGBTQ travelers with major wholesalers like IWorldofTravel (IWOT) and Deep Blue Adventures, it is imperative that we meet with active Westcoast travel agents to help sell special Guam packages now developed.

Issue: Board approval required for travel.

MATTA (MALAYSIAN ASSOCIATION OF TOUR AND TRAVEL AGENTS) 2018

Director Sgro made a motion, seconded by Director Jackson, to approve travel for the North America & Pacific Marketing Chair and two (2) entertainers to attend the 2018 Malaysian



Association of Tour and Travel Agents (MATTA) Fair from September 7-9, 2018. Estimated total cost is approximately \$8,797.00 from Acct #PA-SMD023.

Motion unanimously approved

Airfare:	\$1,500 x 3 pax					\$4,500.00
Per Diem:	Kuala Lumpur	Hotel	Nights	M&IE	Days	
	NAP Chair	\$186	4	\$83	4	\$1,345.00
	Entertainer #1	\$186	4	\$83	4	\$1,076.00
	Entertainer #2	\$186	4	\$83	4	\$1,076.00
Miscellaneous: Excess baggage, communications expense, etc.						\$800.00
TOTAL:						\$8,797.00

Background: MATTA is Malaysia's premier travel extravaganza providing global exposure and endless business opportunities in this exciting era of groundbreaking travel innovations and technological advent.

MATTA fair provides visitors with a host of exciting and value for money travel options and excellent business and travel opportunities. In essence, all the attractions that have made MATTA fair the number one consumer travel fair in Malaysia plus many more exciting items will be showcased. Over 100,000 or more visitors form Malaysia, ASEAN, and the rest of the world expect to visit the fair.

As Guam is seeking new markets especially in visa waiver countries and convenient connectivity via Philippines or other Asian countries, we would like to explore the Malaysia market with the contacts we have made being actively involved in other travel trade organizations. MATTA website: <http://site.mattafair.org.my/>

In addition to MATTA, GVB will be conducting Guam Product Updates with Philippine Airlines' and Korean Airlines' key travel agents in Malaysia.

Issue: Board approval required for travel.

F. CHINA

- o Director Shinohara shared that Guam was selected as one of the world's top safety destination, ranked #5, for female travelers by the People's Daily newspaper of China. Guam was also the top US destination for Chinese travelers.

G. RUSSIA & NEW MARKETS

H. KOREA

Committee minutes dated July 10, 2018

Exhibit D

- o Director Jackson reported the team is preparing for the Mode Tour Show that will take place at the end of the month at COEX in Seoul, South Korea.

I. DESTINATION MANAGEMENT

IFB 2018-001 TUMON LANDSCAPE MAINTENANCE

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 a contract with





the most responsive and lowest responsible bidder for GVB IFB 2018-001 Tumon Landscape Maintenance.

Motion unanimously approved

Background: The Contractor provides all necessary labor, materials, equipment, tools and appurtenances to provide complete maintenance of landscape areas in Tumon, Guam. Maintenance covers San Vitores Road from Bishop Flores Rotunda to Hotel Nikko, including JFK Road (Rt 14A), Australian Cable Road (Santos Hill), Bishop Flores Rotunda grounds, Guam Visitors Bureau office grounds and the first median at Governor Joseph Flores Park entrance.

Contract commences October 1, 2018 through September 30, 2019 for FY2019, along with two one-year options to renew (FY2020 and FY2021); and is subject to fiscal year end performance reviews, availability and certification of funds from fiscal year to fiscal year.

Issue: Board approval required.

- o Chairman Morinaga informed the board of a notice, received from GIAA, for construction at the airport in the arrivals and departures corridors for 2-3 months. The airport will also open two more check point lanes.

J. MEMBERSHIP & COMMUNITY OUTREACH

- o Director Hofmann suggested to involve the gubernatorial (or senatorial) candidates for the next membership meeting which is tentatively to be held at the end of September.

K. VISITOR SAFETY & SATISFACTION

- o Chairman Morinaga reported seeing a van taking tourist onboard upon receiving cash payment outside the hotel. The van took the guests to Ypao for what seems to be a shore dive. He notified the board and staff to inspect whether these businesses were legitimate and licensed.
- o President Denight announced the new Destination Specialist - Safety and Satisfaction, Nakisha Garrido.

L. CULTURAL & HERITAGE

24TH PACIFIC ISLANDER FESTIVAL ASSOCIATION (PIFA) FESTIVAL 2018 & SONS AND DAUGHTERS OF GUAM CLUB (SDGC) 65TH ANNIVERSARY CELEBRATION

Director Arriola made a motion, seconded by Director Hofmann, to approve travel for GVB Vice President, GVB Culture & Heritage Officer and two (2) Musicians to participate in the 2018 PIFA Festival and the SDGC 65th Anniversary Celebration in San Diego, California from September 21-30, 2018. (Estimated cost up to \$15,252.00 from Acct No. DM-CPO006).

Motion unanimously approved

Airfare:	\$2000 x 3 pax					\$6,000.00
Per Diem:	San Diego, CA	Hotel	Nights	M&IE	Days	
	Vice President	\$191.25	4	\$80.00	4	\$1,085.00
	Culture & Heritage Officer	\$153.00	5	\$148.00	6	\$1,149.00
	Musicians (2pax)	\$153.00	10	\$64.00	11	\$4,468.00
Prof. Fee	Musicians	\$100 x 9 days x 2 pax				\$1,800.00
Car Rental	\$150 x 5 days					\$750.00
TOTAL:						\$15,252.00



Background: The Guam Visitors Bureau Board of Directors had previously approved the PIFA travel motion at the beginning of the fiscal year. In the motion, GVB approved travel for the CHC Chairwoman and the Cultural Heritage Officer. The Sons and Daughters of Guam Club requested to include Ruby Santos and Jesse Bias as performers at the PIFA stage.

With an influx of Chamorros attending PIFA, the Sons and Daughters of Guam Club has scheduled workshops with various disciplines to include Jesse & Ruby to conduct demonstrations and presentations encompassing the holistic aspect of the Chamorro language and culture.

The Sons and Daughters of Guam Club, Inc. was founded in 1953 and has served as a “Sagan Dinanna” for the Chamorros visiting and living in San Diego. This year, they are celebrating their 65th Anniversary scheduled for Saturday, September 29th. The Vice-President of the Bureau has been invited to be the keynote speaker. Also, at this event the SDGC will be renewing their Hafa Adai Pledge.

Issue: Board approval required for all travel.

M. SPORTS & EVENTS

- o Taiwan Pacific Links Golf Association (PLI) will have a golf tour on September 4-8, 2018. GVB will host a small reception for the visiting members.

VII. OLD BUSINESS

VIII. NEW BUSINESS

- o Operation Valiant Shield will take place September 10-16, 2018.

IX. EXECUTIVE SESSION

Director Nault made a motion, seconded by Vice Chairman Mesa, to go into Executive Session.
Motion unanimously approved

Board resumed Regular Meeting.

Director Nault made a motion on the floor, seconded by Vice Chairman Mesa, to approve President & CEO to proceed with the restructuring of GVB Japan office.
Motion unanimously approved

- o Chairman Morinaga requested for more details on the restructuring plan of the Japan office.

Director Nault made a motion on the floor, seconded by Director Arriola, to approve travel for the GVB President & CEO and GVB Marketing Manager – Japan, or their designees, to attend strategy and administrative meetings in Tokyo, Japan from August 27-31, 2018. Estimated total cost is \$8,258.75; Account # JA-SMD046.
Motion unanimously approved

Airfare:	\$1,200 x 2 pax					\$2,400.00
Per Diem:	Tokyo	Lodging	Nights	M&IE	Days	
	President & CEO	\$345.00	5	\$283.75	5	\$3,143.75
	Marketing Manager	\$276.00	5	\$227.00	5	\$2,515.00
Miscellaneous:	Business meetings and communications expense					\$200.00





	TOTAL:	\$8,258.75
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Background: To close the fiscal year, GVB headquarters would like to engage in the following meetings:

- Individual staff meetings
- Agency meetings
- Conduct performance evaluations
- Finalize strategic plan for FY2019
- Review and approve program for FY2019 (applications and mechanics)
- Conduct a financial audit citing areas of improvement for the following year
- Conduct a seminar for invoice processing and budget tracking

A full workweek is required to accomplish the above-targeted meetings. GVB headquarters would like the opportunity to engage with the entire Japan team to include the sales, special promotions, accounting and advertising & public relations team members.

In addition, the team will set up meeting with trade partners to continue discussions for next year's joint and/or cooperative promotions. These would include Google, Expedia, Rakuten, JAL, and United.

Issue: Board approval required for travel.

X. ANNOUNCEMENTS

Upcoming Board Meetings:

- o Thursday, August 23, 2018 at 3:30pm, GVB Main Conference Room
- o Thursday, September 13, 2018 at 3:30pm, GVB Main Conference Room

XI. ADJOURNMENT

Director Shinohara made a motion, seconded by Vice Chairman Mesa, to adjourn the meeting. Meeting adjourned at 5:33pm.

Motion unanimously approved

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

Board Minutes respectively submitted by Maura Yi, Executive Secretary