



BOARD OF DIRECTORS REGULAR MEETING
Thursday, September 13, 2018 - 3:30pm
Guam Visitors Bureau - Main Conference Room

BOARD OF DIRECTORS PRESENT:
Director Milton Morinaga Director Monte Mesa
Director Samuel Shinohara Director Theresa Arriola
Director Brad Kloppenburg Director Bartley Jackson
Director Robert Hofmann Director Katarina Sgro
A quorum was met

BOARD OF DIRECTORS TELEPHONICALLY:

BOARD OF DIRECTORS ABSENT:
Director Eduardo "Champ" Calvo Director William Nault
Director Tatsuo Takano Director Satoru Murata
Director Young Sook Hong

GVB MANAGEMENT & STAFF PRESENT:
Antonio Muna Jr. Maura Yi Lisa Linek
Josh Tyquiengco Doris Ada June Sugawara
Brian Borja Elaine Pangelinan Karida Brennan
Kraig Camacho Frances Aguon Dee Hernandez
Nicole Benavente Sydney Leon Guerrero Breeana Garrido

GVB MANAGEMENT & STAFF TELEPHONICALLY:

GUESTS:
Aurelia "Ore" Castro David, Thai Airways

I. CALL TO ORDER

Chairman Morinaga called the meeting of the board to order at 4:11 pm.

II. MINUTES OF THE PREVIOUS MEETING

Exhibit A

Vice Chairman Mesa made a motion, seconded by Director Jackson, to approve the minutes of the previous board of directors meeting dated August 23, 2018.
Motion unanimously approved (Subject to minor revisions)

III. CHAIRMAN'S REPORT

- o Chairman Morinaga thanked all those who were involved from the preparation to recovery efforts for Typhoon Mangkhut. He would like to take this time to revisit the disaster protocol so the Bureau may be better prepared and equipped for the future. GVB, GIAA and the local consulate offices need to work closer together to prevent and mediate any issues and miscommunications.

IV. PRESIDENT & CEO'S REPORT

In President Denight's absence, Vice President Muna gave the President & CEO's Report.



GUAM VISITORS BUREAU
PRESIDENT'S REPORT
09-13-2018

RESEARCH

August 2018



August 1-31, 2018

Total: 142,701 (0.5%)

% Market Mix	Origin	2017	2018	% to LY
42.7%	Japan	68,101	60,971	-10.5%
45.1%	Korea	58,383	64,427	10.4%
1.7%	Taiwan	2,300	2,476	7.7%
0.9%	China	1,773	1,306	-26.3%
4.7%	US/Hawaii	5,310	6,703	26.2%
0.4%	Hong Kong	735	585	-20.4%
1.0%	Philippines	1,311	1,488	13.5%
0.1%	Russia	117	124	6.0%

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

Note: August 2018 Daily Arrivals reflect Charters Air arrivals only.

Calendar Year to Date



January - August 31, 2018

Total: 1,027,473 (-2.1%)

% Market Mix	Origin	2017	2018	% to LY
35.2%	Japan	448,634	361,563	-19.4%
49.2%	Korea	438,518	505,652	15.3%
1.9%	Taiwan	24,204	19,531	-19.3%
1.2%	China	16,494	11,978	-27.4%
5.9%	US/Hawaii	52,619	60,359	14.7%
0.4%	Hong Kong	12,188	4,088	-66.5%
1.1%	Philippines	11,391	11,494	0.9%
0.3%	Russia	2,080	2,736	31.5%

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

Note: August 2018 Daily Arrivals reflect Charters Air arrivals only.

Fiscal Year to Date



October 2017 - August 31, 2018

Total: 1,402,984 (-2.6%)

% Market Mix	Origin	2017	2018	% to LY
34.9%	Japan	630,223	489,356	-22.4%
49.4%	Korea	590,520	692,669	17.3%
1.8%	Taiwan	33,925	25,487	-24.9%
1.1%	China	21,881	16,043	-26.7%
5.6%	US/Hawaii	70,525	79,027	12.1%
0.4%	Hong Kong	15,686	6,148	-60.8%
1.3%	Philippines	18,413	17,827	-3.2%
0.3%	Russia	3,027	3,884	28.3%

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

Note: August 2018 Daily Arrivals reflect Charters Air arrivals only.

MARKETING

Japan Marketing News



Courtesy Visit: Ryukoku University

- August 31
- 15 university students
- GVB presentation: Relationship between Guam and Japan, Guam history and culture, and Guam tourism



Japan Marketing News



Niigata Friendship Association 15th Anniversary

- Reception: September 5 in Niigata, Japan
- Participants: Mayor of Niigata City, Chairman of Niigata Chamber of Commerce, and Niigata Friendship Association members
- GVB represented by Chairman Morinaga and JMC Vice Chairman Murata
- GVB delegation also met with Mr. Mutusushi Watanabe, Niigata Regional Office Branch Manager, Korean Air on September 5



Japan Marketing News



Courtesy Visit: Kashiwa Chamber of Commerce and Industry Young Entrepreneurs Group (YEG)

- September 12
- Agenda: Kashiwa YEG 40th Anniversary Overseas Exchange Project on Guam, November 16-21, 2018

Courtesy Visit: Kita Nagoya City

- September 12
- Agenda: Guam English Study Tour on Guam, March 2019



Japan Marketing News



JATA Tourism Expo Japan 2018

- September 20 - 23, 2018
- Venue: Tokyo Big Sight, Japan
- GVB Booth: Café concept with complimentary cookies and Spike Coffee, photo opportunities with Miss Guam and Gumamon, live entertainment by Tradewinds, appearance by San Ai Swimwear, GCDA performance, and more



Japan Marketing News



"Golf Island Guam" Campaign

- Period: September 1, 2018 - March 31, 2019
- Objective: Promote golf on Guam throughout the year, especially during the winter season in Japan
- Targets: Senior golfers, young women
- In collaboration with Golf 5, the biggest golf gear retailer in Japan, Guam golf will be promoted through pamphlets, in-store posters, and websites
- Participating travel agencies will sell Guam golf tour packages for local golf courses



Campaign Landing Page

Korea Marketing News



2018 Mode Tour Travel Mart

- Period: August 30 - September 02, 2018
- Venue: COEX Seoul
- Co-exhibitors: Total (12) - Bayview & Oceanview Hotel Guam, Dusit Thani Guam Resort, Guam Plaza Resort & Spa, Hilton Guam Resort & Spa, Hotel Nikko Guam, Hyatt Regency Guam, Lotte Hotel Guam, Onward Beach Resort, Outrigger Guam Beach Resort, Pleasure Island Royal Orchid Guam, Hotel Sheraton Laguna Guam Resort, The Westin Resort Guam



Korea Marketing News



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RESULT

- No. of Visitors: 110,700 pax (50% increase vs. 2017)
- On site Sales: 2,158 Guam tour products sold (44% increase vs. 2017)

Taiwan Marketing News



2018 Taiwan Modern Tourism Forum

GVB Vice President Antonio Muña Jr. was invited to join the 2018 Taiwan Modern Tourism to give a presentation on Tourism Value made through the Festival of Pacific Arts and joined in a panel discussion.



Taiwan Marketing News



Golf Promotion

PLI's Golf Tour

- 73 PLI Golf Association members participated in the tour
- 3 professional golf media had participated in the fam tour
- Chairman Morinaga, Mr. Felix P. Camacho, Ms. Joann G. Camacho, Mr. Bill Nault and Ms. Young-Sook Hong from GVB board, Bruce Chen from CI Guam had joined the welcome reception



Hong Kong Marketing News



Updates of Flight Schedule

Promotion Period: 1st Nov 2018 to 28th Mar 2019

Details: On mid-August, United Airlines announced that the frequency of HKG<->GUM will increase from 4 direct flights to 6 direct flights weekly.

It would stimulate the number of visitors in from Hong Kong and even Southern China, especially X'mas period and Chinese New Year.



From	To	Carrier	Class	Frequency	Remarks
Hong Kong	Guam	UA	UA800	1x weekly	1st Nov 2018 - 31st Oct 2018
Hong Kong	Guam	UA	UA800	6x weekly	1st Nov 2018 - 28th Mar 2019
Guam	Hong Kong	UA	UA800	6x weekly	1st Nov 2018 - 28th Mar 2019

Hong Kong Marketing News

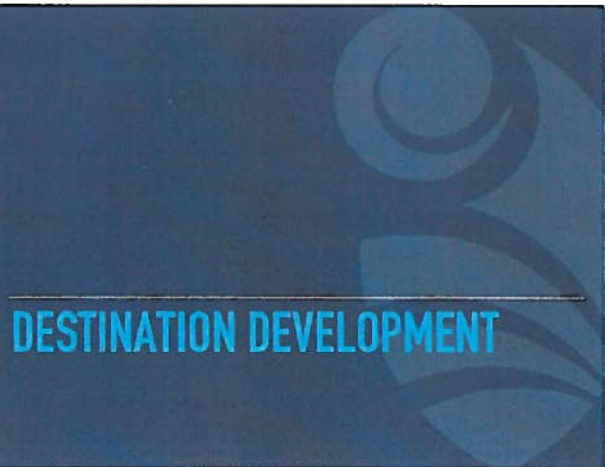




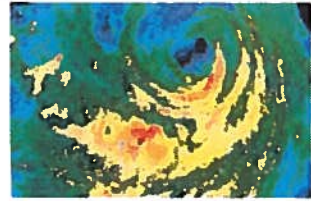





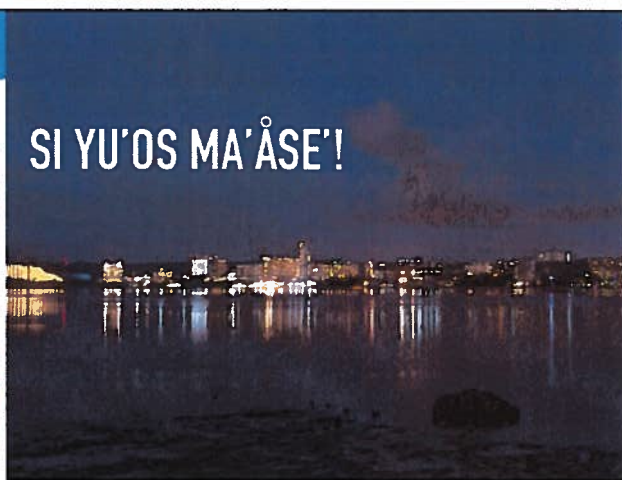
Fly to Guam Campaign

Promotion Period: 25th Aug to 30th Sep

Mechanism: GVB in cooperation with United Airlines, Guam Holidays, Hong Thai Travel, Travel Expert, United Vacations & Wing On Travel rolled out a sales campaign called "FLY TO GUAM". Between 1st and 30th Sep 2018, a complimentary 4-days sim card (valued US\$20 for unlimited mobile data and voice call) would be given for each adult traveller upon any purchase of Guam Travel products while stock lasts.

GVB featuring promotion on Facebook AD, web banner, leaflets, outdoor consumer event with free ice cream distribution and etc.



<h3>Invasive Algae Cleanup</h3>   <ul style="list-style-type: none"> Over 400 volunteers helped remove Chaetomorpha, an invasive species of algae, in Tumon Bay on August 25, 2018 The second cleanup was again organized by GVB and the Dept. of Agriculture Nearly 2,000 pounds of algae were removed and taken to an in-land site with farmers interested in using it Next cleanup scheduled at Cocos Island in the coming weeks where algae growth is much worse 	<h3>Typhoon Mangkhut</h3>   <ul style="list-style-type: none"> Typhoon Mangkhut made its closest point of approach to Guam on September 10, 2018, while Rota had a direct hit Mangkhut was a Category 2 Typhoon with winds of 100 mph or more. Flight cancellations and delays reported GVB & GHRA teamed up to take care of 20 stranded passengers at airport on the day of the typhoon VSOs reported issues with tourists walking around prior to typhoon around Tumon and to go shopping at K-mart
<h3>Typhoon Mangkhut</h3> <ul style="list-style-type: none"> GVB & GHRA had presence at the Joint Information Center and Emergency Operations Command at Guam Homeland Security/Office of Civil Defense pre and post typhoon to help industry with preparation and recovery efforts GVB overseas marketing offices constantly informed of typhoon updates GVB website added special typhoon update section Gov. Calvo filmed message for visitors to continue plans to visit Guam Recovery efforts currently underway with support from VSOs, LMS and GHRA    	 <p>SI YU'OS MA'ASE'!</p>

V. TREASURER'S REPORT

FY2019 BUDGET ALLOCATION

Director Shinohara made a motion, seconded by Vice Chairman Mesa, to approve FY2019 budget allocation.

Motion unanimously approved

Issue: Board approval required.

- Director Shinohara shared with the board, management's suggestions on budget allocations for FY2019. Management is able to reconcile the cash accounts with under spent money from budgets of previous years to supplement the shortage in the requested budget from the approved legislature budget. As a result, management established an airline development fund of \$3 million, which can be utilized by all the markets. With the board's approval and some discretion from management, markets may request to shift money from the Rainy-Day Fund or from other markets.

VI. REPORT OF THE BOARD COMMITTEES

A. EXECUTIVE COMMITTEE



RAKUTEN JAPAN OPEN TENNIS CHAMPIONSHIPS

Vice Chairman Mesa made a motion, seconded by Director Jackson, to ratify travel for four (4) GVB delegates to travel to Tokyo, Japan to attend the GVB Sponsored 2018 Rakuten Japan Open Tennis Championships. Event dates: September 29 - October 8, 2018. Estimated total cost is \$17,329.50; \$5,527.00 from account # ESPO01 and \$11,802.50 from account # GAMAL001.

Motion unanimously approved

Airfare:	\$1,000 x 4 pax					\$4,000.00
Per Diem:	Tokyo	Lodging	Nights	M&IE	Days	
	JMC Chair/Designee	\$345.00	5	\$283.75	5	\$3,143.75
	President & CEO	\$345.00	5	\$283.75	5	\$3,143.75
	Sports and Events Destination Specialist	\$276.00	9	\$227.00	9	\$4,527.00
	Marketing Staff	\$276.00	5	\$227.00	5	\$2,515.00
TOTAL:						\$17,329.50

Background: The Guam Visitors Bureau (GVB) along with the Guam National Tennis Federation (GNTF) will partner up as official sponsors of the 2018 Rakuten Japan Open Tennis Championships scheduled for October 1-7, 2018.

GVB and GNTF will focus its efforts promoting Guam’s new tennis facilities scheduled to open late this year with the objective to attract Japanese tennis enthusiasts seeking training opportunities closer to home. In addition, for the 9-day event, GVB will have a Guam booth and will continue to promote Guam as a sports destination with attractive and unique golfing, running, cycling and other outdoor regional competitive sports activities.

With over 93,861 fan attendees and roughly 12.6 million viewers worldwide, the event is expected to garner GVB roughly \$3,000,000 in media advertising value for Guam. GVB will be promoting Guam to a captive audience interested in competitive sports and travel.

More importantly, the Bureau will take advantage of opportunities to work closely with Japan’s largest online travel site (Rakuten Travel) to increase awareness of Guam through the development of online marketing and sales campaigns.

Issue: Board approval required for travel.

B. ADMINISTRATION & GOV'T RELATIONS

TRAVEL FOR OCTOBER OF FY2019

Exhibit B

Vice Chairman Mesa made a motion, seconded by Director Shinohara, to approve travel for the month of October 2018 from FY2019 as presented. Changes made are subject to board approval.

Motion unanimously approved

Issue: Board approval required for travel.

- o With October fast approaching, Vice President Muna stated the marketing teams would like to get the approval of October 2018 travel motions for FY2019 to have enough preparation time for delegation travel.

C. RESEARCH





- o Director Shinohara reported the team is aggregating data on the impact post Typhoon Mangkhut and will share the information when available.

D. JAPAN

E. NORTH AMERICA & PACIFIC MARKETS

F. GREATER CHINA

G. RUSSIA & NEW MARKETS

- o The Russia Roadshow will be scheduled for October/November 2018.

H. KOREA

- o The annual Korea Roadshow in Busan, Gwangju and Daegu will take place October 2018. Followed by the Hana Tour Show in Busan for November 2018.
- o The team returned from a successful Mode Tour Travel Show, providing good exposure for Guam as it was held at COEX in Seoul.
- o Management along with the legal counsel, is working directly with MBC in finalize the KPOP Concert contract. GVB sent the latest revisions of the contract to MBC yesterday and the final version will be shared with the board for feedback.

I. CULTURAL & HERITAGE

SONS AND DAUGHTERS OF GUAM CLUB (SDGC) 65TH UNIFICATION CELEBRATION AND US-GUAM CHAMORRO DANCE ACADEMY

Director Arriola made a motion, seconded by Director Jackson, to approve travel for Master of Chamorro Dance Frank Rabon and two assistants to participate in the Sons and Daughters of Guam Club (SDGC) 65th Unification Celebration and to conduct the US-Guam Chamorro Dance Academy in San Diego, California from September 26 - October 2, 2018. (Estimated cost up to \$4,898.00 from Acct No. DM-CPO006).

Motion unanimously approved

	San Diego, CA	Lodging	Nights	M&IE	Days	
Per Diem:	Frank Rabon	\$153.00	6	\$64.00	7	\$1,366.00
	Assistants (2pax)	\$153.00	6	\$64.00	7	\$2,732.00
Prof Fee:	Musician	\$100.00	1 pax		5	\$500.00
	Assistants	\$50.00	2 pax		5	\$500.00
TOTAL						\$5,098.00

Background: GVB will participate in the Sons and Daughters of Guam Club, Inc.'s 65th Unification Celebration scheduled for Sunday, September 30th. Prior to the celebration, the Sons & Daughters of Guam Club, Inc. invited Master of Chamorro Dance Frank Rabon and his two assistants to conduct the US-Guam Chamorro Dance Academy workshop. The Seattle group as well as the East Coast groups will be joining the dance academy workshop. The SDGC provided the three round trip tickets for Master Frank and his two assistants.

The Bureau will continue to work closely with various active stateside Chamorro dance groups with the continuation of the US-Guam Chamorro Dance Academy.



Issue: Board approval required for all travel.

- o GVB management will have to work with Guam Museum to see if student rates can be applied to off-island students here on school programs.
- o The board would also like to revisit the idea of hosting a board meeting at the museum so that board members may experience the exhibits.

J. DESTINATION MANAGEMENT

- o GVB to reach out to DPR in regards to the locking of public restrooms during hours of operation.

K. SPORTS & EVENTS

L. MEMBERSHIP & COMMUNITY OUTREACH

- o Membership renewal is ongoing, deadline for dues will be October 10, 2018.
- o Director Kloppenburg notified, due to Typhoon Mangkhu the membership meeting that was scheduled for September 14, 2018 has been postponed to a later date. Details will be forthcoming. Questions for the gubernatorial debate may still be submitted to Destination Specialist Ada.

M. VISITOR SAFETY & SATISFACTION

- o Update in regards to the illegal B&B issue, GVB's information pamphlet was approved by DR&T. Destination Specialist Garrido is working on an outreach to short-term vacation rentals but is having schedule conflicts with DR&T. GVB management is suggesting to have a certification/inspection program that mirrors the tour guide inspection protocol and report info back to DR&T.

GVB RFP 2018-004

Vice Chairman Mesa made a motion, seconded by Director Kloppenburg, to authorize the President and Chief Executive Officer as Chief Procurement Officer of GVB to enter into negotiations with the highest-ranking qualified Offeror in response to GVB RFP 2018-004 Holiday Illumination, and if successful, to enter into a contract.

Motion unanimously approved

Background: As a unique and vital element of the Guam brand, one of the important vehicles of communication is how we celebrate the Christmas season. The Guam Visitors Bureau aims to enhance the idea of a tropical Christmas with broad, attractive and exciting interpretation tied into a different theme each year. Duration of the project is November 30, 2018 – January 6, 2019.

Contract commences October 1, 2018 through September 30, 2019, 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.

GVB RFP 2018-005

Vice Chairman Mesa made a motion, seconded by Director Arriola, to authorize the President and Chief Executive Officer as Chief Procurement Officer of GVB to enter into negotiations with



the highest-ranking qualified Offeror in response to GVB RFP 2018-005 Tour Guide Inspector Services, and if successful, to enter into a contract.

Motion unanimously approved

Background: The role of the GVB Tour Guide Inspector (TGI) is to monitor tour guide operators as to their compliance with Public Law 23-136 and Public Law 24-106 (Rules and Regulations governing the certification of tour guides and licensing of tour operator businesses). This is a full-time position, working no more than 40 hours per week or 160 hours per month, and reports directly to the Tourism Industry Relations Officer. Requires that priority is placed in facilitation of the Tour Guide Program, Park and Facilities Inspection, and GVB Marketing and Community Programs.

Contract commences October 1, 2018 through September 30, 2019, 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.

GVB RFP 2018-006

Vice Chairman Mesa made a motion, seconded by Director Jackson, to authorize the President and Chief Executive Officer as Chief Procurement Officer of GVB to enter into negotiations with the highest-ranking qualified Offeror in response to GVB RFP 2018-006 Visitor Surveys, and if successful, to enter into a contract.

Motion unanimously approved

Background: Exit surveys will be conducted at the Guam International Airport Authority (GIAA), with seasonal and events surveys to be conducted at various locations throughout the year. The Firm should have specialties in designing, implementing, and evaluating research on Guam to assist GVB in monitoring visitor behavior from its major source markets. Surveys will be designed to track and measure visitor attitudes, satisfaction, spending patterns and other key indicators as directed by GVB. The information collected should also assist GVB to refresh certain baseline data to better understand the nature and economic value of each visitor market segment.

The contractual obligation shall be for five consecutive years commencing FY2019 and through to FY2023 and is subject to fiscal year-end performance reviews, availability and certification of funds from fiscal year to fiscal year.

Issue: Board approval required.

VII. OLD BUSINESS

VIII. NEW BUSINESS

IX. EXECUTIVE SESSION

X. ANNOUNCEMENTS

Upcoming Board Meetings:



- o Thursday, September 27, 2018 at 3:30pm, GVB Main Conference Room
- o Thursday, October 11, 2018 at 3:30pm, GVB Main Conference Room

XI. ADJOURNMENT

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

Motion unanimously approved

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

Board Minutes respectively submitted by Maura Yi, Executive Secretary