



BOARD OF DIRECTORS REGULAR MEETING

Thursday, March 28, 2019 - 3:30 p.m.

Guam Visitors Bureau Main Conference Room

BOARD OF DIRECTORS PRESENT:

Director Milton Morinaga

Director Theresa Arriola

Director Brad Kloppenburg

Director Samuel Shinohara

A quorum was met

Director Eduardo Calvo

Director Satoru Murata

Director Joann Camacho

Director Flori-Ann Dela Cruz

BOARD OF DIRECTORS TELEPHONICALLY:

BOARD OF DIRECTORS ABSENT:

Director Sonny Ada

Director Shun Matsumoto

Director Robert Hoffman

Director Antoinette Sanford

GVB MANAGEMENT & STAFF PRESENT:

Pilar Laguaña

Lisa Linek

Brian Borja

Nicole Benavente

Nico Fujikawa

Gabbie Franquez

Brian Borja

Bobby Alvarez

Josh Tyquiengco

Elaine Pangelinan

Sydney Leon Guerrero

Regina Nedlic

Maria San Nicolas

Russell Ocampo

Yolanda Bordallo

Doris Ada

Karida Brennan

Breeana Garrido

Colleen Cabedo

Mark Manglona

GVB MANAGEMENT & STAFF TELEPHONICALLY:

GUESTS:

Aurelia C. David with Thai Airways, Tom Fisher, GVB Legal Counsel

AGENDA

I. CALL TO ORDER

Chairman Morinaga called to order at 3:34pm.

II. MINUTES OF THE PREVIOUS MEETING

Exhibit A

Director Kloppenburg made a motion, seconded by Director Shinohara to approve the minutes of the previous Board of Directors meeting dated March 14, 2019. (Subject to corrections.)

III. CHAIRMAN'S REPORT

- o Welcomed Governor Appointed Director Flori-Ann Dela Cruz to the board, also the President & CEO's nominee for the PATA Face of the Future 2018. Governor Appointed Director Sonny Ada is another new member on the board. Once the next Governor Appointed Director is confirmed, hopefully within a couple of weeks, we will have a full board and can move forward.
- o Legal Counsel Tom Fisher and guest Aurelia C. David with Thai Airways are acknowledged.

IV. PRESIDENT & CEO'S REPORT

- o Director Shinohara recommends looking at possible coating to protect artwork from being defaced to be done around the island by Korean Artists coming up.
- o KoKo' Kids Fest was a huge success for the kids and the parents. Mix of sports and culture. All the right ingredients to be a huge international event.



March 2019

March 1-25, 2019 **Total: 116,903 (+10.9%)**

| % Market Mix | Origin | 2018 | 2019 | % to LY |
|--------------|-------------|--------|--------|---------|
| 50.5% | Japan | 47,886 | 59,091 | 23.5% |
| 37.3% | Korea | 42,952 | 43,650 | 1.6% |
| 1.3% | Taiwan | 1,975 | 1,538 | -22.1% |
| 0.4% | China | 1,006 | 519 | -48.4% |
| 5.7% | US/Hawaii | 5,238 | 6,658 | 27.1% |
| 0.9% | Philippines | 1,042 | 1,097 | 5.3% |
| 0.3% | Hong Kong | 381 | 318 | -16.5% |
| 0.5% | Russia | 460 | 548 | 19.1% |

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

Note: March 2019 Daily Arrivals reflect Chalan Air arrivals only.

Calendar Year to Date 2019

January - March 1-25, 2019 **Total: 401,654 (+9.3%)**

| % Market Mix | Origin | 2018 | 2019 | % to LY |
|--------------|-------------|---------|---------|---------|
| 43.8% | Japan | 136,238 | 175,886 | 29.1% |
| 42.9% | Korea | 173,140 | 172,374 | -0.4% |
| 1.6% | Taiwan | 6,922 | 6,534 | -5.6% |
| 1.1% | China | 6,144 | 4,429 | -27.9% |
| 5.6% | US/Hawaii | 20,541 | 22,452 | 9.3% |
| 0.9% | Philippines | 2,973 | 3,655 | 22.9% |
| 0.4% | Hong Kong | 1,196 | 1,517 | 26.8% |
| 0.4% | Russia | 1,380 | 1,705 | 23.6% |

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

Note: March 2019 Daily Arrivals reflect Chalan Air arrivals only.

Fiscal Year to Date 2019

October - March 1-25, 2019 **Total: 802,263 (+7.8%)**

| % Market Mix | Origin | 2018 | 2019 | % to LY |
|--------------|-------------|---------|---------|---------|
| 42.0% | Japan | 263,858 | 336,689 | 27.6% |
| 44.2% | Korea | 360,936 | 354,441 | -1.8% |
| 1.6% | Taiwan | 12,880 | 12,822 | -0.5% |
| 1.0% | China | 10,246 | 7,771 | -24.2% |
| 5.6% | US/Hawaii | 39,233 | 45,050 | 14.8% |
| 1.3% | Philippines | 9,310 | 10,058 | 8.0% |
| 0.4% | Hong Kong | 3,300 | 3,545 | 7.4% |
| 0.4% | Russia | 2,532 | 3,406 | 34.5% |

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

Note: March 2019 Daily Arrivals reflect Chalan Air arrivals only.



Korea Marketing



Upcoming Projects

- ASIA PACIFIC MICE BUSINESS FESTIVAL 2019
- April 4 - 5, 2019
- Suwon Convention Center, Seoul, Korea
- Organized by the Korea MICE Association
- Around 1,500 MICE professionals
- GVB Korea to distribute MICE Collaterals and conduct 1-to-1 meetings

Budget: \$1,300,000
ROI: To be determined
Business and Marketing



Korea Marketing



Upcoming Projects

- 2019 GUAM CULTURE WAVE
- April 30 - May 3, 2019 Pre-Inspection
- May 22 - 26, 2019 Culture Wave Project
- Cetti Bay, Umatac
- Collaboration between local and Korean artists to produce murals and contribute to the beautification of public spaces
- Exhibition on Guam and in Korea

Budget: \$1,000,000
ROI: To be determined



Mural from Guam Eco Wave 2018 at Inarajan Pools

Project Location



Japan Marketing



- March 15, 2019
- Kashiwa International Relations Association Chairman, Rikuo Nakayama
- Agenda: Kashiwa Student Exchange Program with San Vicente Catholic School
- The Superintendent of Catholic Schools has granted approval to proceed with the exchange program beginning in 2020



Courtesy Visit with Kita-Nagoya Students

- March 25, 2019
- 12 junior high school students from Kita-Nagoya City visited GVB as part of their Guam English Study Tour
- Agenda: Guam presentation by Miss Asia-Pacific International Cyndal Abad, Kita-Nagoya presentation by the visiting students, Chamorro dance lesson



Japan Marketing



- March 16-17, 2019 at Hisaya Odori Park
- More than 240,000 attendees (largest travel fair in the Chubu area)
- GVB shared a booth with United Airlines to promote travel to Guam, UA's Nagoya-Guam flight, and GVB's family and wedding campaigns



Pacific & North America Marketing



Overseas Mission-

GVB & PAL Guam Product Presentation

Kuala Lumpur, Malaysia
March 13, 2019

- GVB met with eight (8) key travel agents
- Growing interest for travel to Guam
- Guam travel packages are attractive
- Two (2) groups in March
- One (1) Muslim group planned for August



Pacific & North America Marketing



Overseas Mission-

MATTA FAIR 2019

Kuala Lumpur, Malaysia
March 15-17, 2019

- Two (2) All-Inclusive Travel Packages Sold
 - Golden Tourworld Travel
 - Apple Vacations
- PAL sold out on special promo fares
- Growing interest for Guam



V. TREASURER'S REPORT

VI. REPORT OF THE BOARD COMMITTEES

A. EXECUTIVE COMMITTEE

B. ADMINISTRATION & GOV'T RELATIONS

- o Continuing work on budget for FY2020. The RFP for the budget to be submitted April 15, 2019 to the legislature. Board directors encouraging management to look at ways to trim the budget then submit to the Board for approval by the next board meeting, April 11, 2019.
- o In news report, GVB to send an RFP for an impact study and sitting on a marijuana control board. Bill has passed. The Board wants President to read the Bill 32-35 and have management give its analysis and advice. Circulate to the board but do so quickly before the governor signs the bill. Director Arriola mentioned the governor will be taking her time. Home cultivation allowed in the interim which is what needs to be looked at. Consulate General of Japan and Korea have a written statement warning people that if they travel to any country where marijuana is legal, they cannot come back and get away with smoking marijuana.
- o Legal Counsel Tom Fisher clarified MOU between GVB and Gumamon (previously Guamzilla), approved earlier by the board and signed by previous President of GVB Jon Nathan Denight, is a License and Use Agreement with terms for (1) Mascot of Guam (2) purchasing of product (3) usage of other characters in their line never seen and approved (4) official representative of GVB. Clauses are missing

Director Calvo made a motion, seconded by Director Arriola, to have legal counsel review License and Use Agreement, and recommend how to get out of this agreement.

Motion unanimously approved.

C. RESEARCH

D. SPORTS & EVENTS

- o Director Camacho will serve as temporary chairperson to facilitate a needed committee meeting.

E. RUSSIA & NEW MARKETS

F. KOREA

- o Director Kloppenberg went over schedule of events for several months.
- o Next committee meeting is Tues, April 16, 2019.
- o Guam's 75th Liberation to market in advance to this market as well as Japan market. Ms. Pilar Lagaña to provide a report to the Board on Guam's 75th Liberation with Mayor Hoffman.

G. JAPAN

Committee minutes dated March 13, 2019

Exhibit B

- o Next committee meeting is postponed until April 16, 2019.

H. NORTH AMERICA & PACIFIC MARKETS

IGLTA 2019

- o Director Shinohara raised concern that Lt. Governor cannot be funded and that GM cannot be designee and staff.
- o Legal Counsel, Tom Fisher, was asked for his legal opinion if GVB could bring the Lt. Governor as a designee. Mr. Tom Fisher said his answer is yes as long as it is funded by the Tourist Attraction Fund. FY2019 Budget Law Section 2(c) page 170, designee is not restricted to staff and can be persons with certain talents that the GM determines is necessary for the success of the travel. GM can be designee or staff. So, Lt. Governor can go as the designee and GM as the staff. Legal counsel also clarified that designee is both singular or plural. GM has the authority to determine who and how many designee or staff can go based on her qualifications and experience in order to accomplish the goal of travel.

Director Camacho made the motion, seconded by Director Kloppenberg to approve travel for the Lieutenant Governor of Guam, GVB President & CEO or designee and one (1) Marketing Staff to attend the IGLTA Annual Global Convention in New York City, New York from April 21-28, 2019. Estimated total cost is \$16,500.00; Account # US-SMD023.

Motion unanimously approved (Subject to minor revisions)

| | | | | | | |
|--|-----------------------------|----------|--------|---------|------|--------------------|
| Airfare: | \$2,500 x 3 pax | | | | | \$7,500.00 |
| Per Diem: | New York City | Lodging | Nights | M&IE | Days | |
| | Lt. Governor | \$328.90 | 7 | \$96.20 | 7 | \$2,975.70 |
| | President & CEO or designee | \$316.25 | 7 | \$92.50 | 7 | \$2,861.25 |
| | Marketing Staff | \$253.00 | 7 | \$74.00 | 7 | \$2,289.00 |
| Miscellaneous: Excess baggage, communications expense, booth décor and supplies, and transportation. | | | | | | \$874.05 |
| TOTAL | | | | | | \$16,500.00 |

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 potentially promote Guam as an LGBTQ-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. It's location in Asia and as a U.S. Territory that is LGBTQ-friendly should attract visitors from all over the world, especially Asia.

Furthermore, GVB is a major sponsor of this year's IGLTA. As a sponsor, GVB will be given 15 to 20 minutes to give a Guam Product Presentation and have, as a keynote speaker, the Lieutenant Governor of Guam, to address the IGLTA participants, VIP guests and various travel industry professionals in attendance and. In addition, Guam will be promoted on the IGLTA platforms both online and on traditional outlets.

As a result of our participation at IGLTA, GVB has successfully partnered with IWorld of Travel (IWOT), pride world a large travel wholesaler in North America that specializes in tailor-made experiences and itineraries, creating memories for travelers across the globe. GVB and IWOT has expanded its partnership into 2019 and with the support from H.I.S. International Tours, a Guam-Japan travel package is available in the market for travelers looking into visiting both destinations on a single trip.

Finally, during IGLTA, GVB President & CEO, Ms. Pilar Laguaña, has been exclusively invited to participate at the Google Think Tank roundtable discussion in New York City, New York. IGLTA. At the roundtable, GVB's President & CEO will be able to participate in an exchanging of ideas that will focus on LGBTQ-welcoming destinations in the world which will tie in a theme of sustainability, LGBTQ travel, and how to challenge over-tourism. The discussions in this session will produce a white paper that will provide Guam an opportunity to be presented in a purposeful dialogue.

Issue: Board approval required for travel.

INTERNATIONAL POW WOW (IPW) 2019

- o Revisions to reflect change of Ms. Pilar Laguaña's change of position from Director of Global Marketing to President & CEO, and additional costs.

Director Camacho made the motion, seconded by Director Arriola to approve travel for the GVB President & CEO or designee and four (4) Marketing Staff to attend the 51st U.S. Travel Association's IPW Convention in Anaheim, California from June 1-8, 2019. Estimated total cost is \$22,000.00; Account # US-SMD023, CI-SMD023, and KO-SMD023.

Motion unanimously approved on March 28, 2019.

| | | | | | | |
|---|-----------------------------|----------|--------|---------|------|--------------------|
| Airfare: | \$2,000 x 6 pax | | | | | \$12,000.00 |
| Per Diem: | Anaheim | Lodging | Nights | M&IE | Days | |
| | Board Director | \$216.25 | 8 | \$80.00 | 8 | \$2,370.00 |
| | President & CEO or designee | \$216.25 | 8 | \$80.00 | 8 | \$2,370.00 |
| | (4) Marketing Staff | \$173.00 | 8 | \$64.00 | 8 | \$7,584.00 |
| Miscellaneous: Excess baggage, communications expense, etc. | | | | | | \$650.00 |
| TOTAL | | | | | | \$24,974.00 |

Background: The U.S. Travel Association is the national, non-profit organization representing all components of the travel industry that generates \$2.1 trillion in economic output and supports 15 million jobs. U.S. Travel's mission is to increase travel to and within the United States.

U.S. Travel Association's IPW, going on its 51st year in 2019, is the travel industry's premier international marketplace and the largest generator of travel to the U.S. - it is NOT a typical trade show. In just three days of intensive pre-scheduled business appointments, more than 1,000 U.S. travel organizations from every region of the USA (representing all industry category components), and more than 1,300 international and domestic buyers from more than 70 countries conduct business negotiations that result in the generation of more than \$4.7 billion in future Visit USA travel. At IPW, buyers and sellers are able to conduct business that would otherwise be generated only through an exhaustive number of around-the-world trips.

As the premier partner of IPW, Brand USA looks forward to welcoming travel professionals around the globe to IPW in Anaheim. As the nation's destination marketing organization, Brand USA inspires travelers worldwide to experience the United States' boundless possibilities. In 2013, Brand USA's marketing efforts helped welcome 1.1 million additional visitors to the USA. At IPW, Brand USA will be available for business appointments to discuss how the organization continues to expand into new markets and introduce new programs that are helping to increase global visitation to the USA.

GVB plans to send key marketing staff to this very important and strategic event to maximize one-on-one appointments with key media, buyers and trade professionals from our source markets and from around the world.



Over the 3 days of one-on-one pre-scheduled appointments GVB has consistently been able to conduct with over 130 buyers and 28 media representatives during our participation at the Media Marketplace. The GVB delegates also will meet numerous travel industry delegates during the networking events held during the 5 days of IPW.

Issue: Board approval required for travel.

I. GREATER CHINA

- o More MICE and wedding conversations for Hong Kong.

J. MEMBERSHIP & COMMUNITY OUTREACH

- o Quarterly membership meeting on April 18, 2019. Lining up guest speakers.

K. VISITOR SAFETY & SATISFACTION

L. CULTURAL & HERITAGE

- o Director Hoffman and Lt. Governor were representing Guam this weekend at the Chelu Festival in San Marcos, CA.

M. DESTINATION MANAGEMENT

- o Doris Ada reported that AMA, a contractor, will be submitting a proposal for improving crosswalk at Oka Payless, JFK, Kmart and Westin. Pedestrian safety is a concern. One in front of Outrigger does not work, but that's a GEDA project which we have mentioned to them. Remind AMA about ADA requirements. DPW will part of the discussions.
- o Director Arriola asked to look in the budget for a quicker facelift for Tumon...paint or plants. Director Shinohara mentioned Singapore is a great place to refer to for ideas. Put in budget to have done properly, not cheaply...for right plants and flowers to be planted. Consult plant experts.
- o Chairman Morinaga: Airport in disarray while its undergoing construction.

VII. OLD BUSINESS

- o Director Camacho concerned about all the money being spent in Russia, China and New Markets. Too much money going out and very little coming in.
- o Director Shinohara recommending to have a list of travel motions as done before, and Ms. Pilar Laguana to follow up with the list.
- o Director Murata preparing a statement on cannabis from JGTA, and inquired where he should send it.

VIII. NEW BUSINESS

IX. ANNOUNCEMENTS

- o Thursday, April 11, 2019 at 3:30pm, GVB BOD Board Meeting @ Main Conference Room
- o Thursday, April 25, 2019 at 3:30pm, GVB BOD Board Meeting @ Main Conference Room

X. ADJOURNMENT

Director Shinohara made a motion, seconded by Director Kloppenberg to adjourn the meeting. Meeting adjourned at 4:47pm.

Theresa C. Arriola

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

Yolanda Bordallo

Board Minutes respectively submitted by Yolanda Bordallo, Executive Secretary

