



REGULAR BOARD OF DIRECTORS MEETING
Thursday, July 25, 2018 – 3:30pm
Guam Visitors Bureau - Main Conference Room

BOARD OF DIRECTORS PRESENT:

Vice Chairman Milton Morinaga

Director Paul Shimizu

Director JoAnn Camacho

Director Samuel Shinohara (arrived at 3:40pm)

Director Stephen Gatewood

Director Shun Matsumoto

Director Therese Arriola

Director Brad Kloppenburg

Director Derrick Muna-Quinata

GVB MANAGEMENT & STAFF PRESENT:

Bobby Alvarez

Rose Cunliffe

Chris Lizama

Lisa Linek

Nadine Leon Guerrero

Elaine Pangelinan

Regina Nedlic

Mark Manglona

Colleen Cabedo

Jamielyn Pinaula

Breeana Garrido

Gabryel Franquez

Nicole Benavente

Brian Borja

Nico Fujikawa

Sydney Leon Guerrero

Dee Hernandez

Doris Ada

Kraig Camacho

Nakisha Garrido

Miranda Muñoz

GUESTS:

I. CALL TO ORDER

Vice Chairman Morinaga called the meeting of the Board to order at 3:33pm. Lack of a quorum was noted at this time, so the decision was made to proceed as Vice President Alvarez presented his manager's report until a quorum was met.

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 July 11, 2019.

Motion unanimously approved.

III. CHAIRMAN'S REPORT

- o An economic tension occurs between Japan and Korea's governments. Japan placed export restrictions on hydrogen fluoride, a chemical critical to South Korea's tech industry to prepare IC chips and also a chemical that can be used in weapons development the Japanese government believes is being shipped to North Korea.
- o The Japanese government is considering removing South Korea from its "white list" of trustworthy countries that receive preferential trade treatment.
- o Korea promised to wean South Korea's high-tech sector off its dependence on Japanese supplies and have also boycotted Japanese goods.





- o Korean Low Cost Carrier (LCC) carriers are rolling back flights to Japanese destinations despite their weight in revenue amid worsening sentiment between the two neighboring countries as diplomacy fallout spilled over to the business and civilian front.
- o GVB Japan & Korea are constantly monitoring the SNS; currently, Guam is not affected by their tensions.
- o Gen Air is considering changes to their flights from Korea to Japan and Japan to Guam by the end of October 2019
- o Morinaga thanked Mayor Hoffman and Director Arriola for a great job during Liberation and all those who helped to make it a successful 75th year. Director Arriola thanked GVB for being a sponsor and to Dee Hernandez who was very active in the committee.

IV. PRESIDENT & CEO'S REPORT



July 2019

July 1-18, 2019 Total: 74,966 (+6.8%)

% Market Mix	Origin	2018	2019	% to LY
34.2%	Japan	18,451	25,625	38.9%
50.7%	Korea	40,673	38,011	-6.5%
2.0%	Taiwan	1,765	1,464	-17.1%
0.6%	China	781	485	-37.9%
6.0%	US/Hawaii	4,575	4,531	-1.0%
1.2%	Philippines	637	906	42.2%
0.3%	Hong Kong	327	237	-27.5%
0.3%	Russia	156	220	41.0%

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

Note: July 2019 Daily Arrivals reflect CH2 Air arrivals only

Calendar Year to Date 2019

January - July 1-18, 2019 Total: 870,663 (+5.1%)

% Market Mix	Origin	2018	2019	% to LY
39.7%	Japan	280,684	345,834	23.2%
45.4%	Korea	412,770	395,644	-4.1%
1.8%	Taiwan	15,873	16,097	1.4%
0.8%	China	10,150	7,111	-29.9%
6.2%	US/Hawaii	50,122	53,919	7.6%
1.3%	Philippines	9,437	11,069	17.3%
0.4%	Hong Kong	3,309	3,477	5.1%
0.3%	Russia	2,560	2,992	16.9%

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

Note: July 2019 Daily Arrivals reflect CH2 Air arrivals only



Fiscal Year to Date 2019



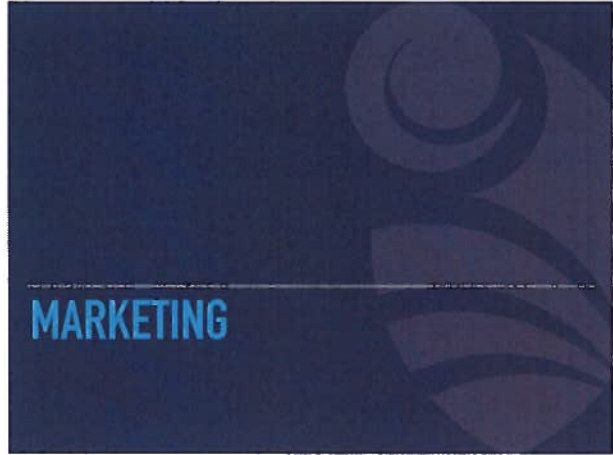
October - July 1-18, 2019

Total: 1,271,272 (+5.5%)

% Market Mix	Origin	2018	2019	% to LY
39.9%	Japan	408,304	506,617	24.1%
45.4%	Korea	600,566	577,711	-3.8%
1.8%	Taiwan	21,831	22,385	2.5%
0.8%	China	14,252	10,453	-26.7%
6.0%	US/Hawaii	68,814	76,517	11.2%
1.4%	Philippines	15,774	17,472	10.8%
0.4%	Hong Kong	5,413	5,505	1.7%
0.4%	Russia	3,712	4,693	26.4%

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

Note: July 2019 Daily Arrivals reflect Chikbar Air arrivals only.



North America & Pacific Markets



Thursday, July 18, 2019: GVB Liberator Breakfast Celebration



Pictured from left to right

Gordon Rosengren (age: 94)

- WWII Veteran
- U.S. Navy (1st Class)

Lloyd Glick (age: 95)

- WWII Liberator
- U.S. Navy

Raymond Faulkner (age: 97)

- WWII Liberator
- U.S. Marines (Private 1st Class)



North America & Pacific Markets



July 18-22, 2019: 75th Liberation Itinerary



North America & Pacific Markets



July 19, 2019: 75th Liberation Celebrity Press Conference



Valerie Concepcion



Rose Laguaña



Pia Mia Perez



David Cruz

Philippines Market



75th LIBERATION DAY Highlights - Philippines Market



Philippines Market



75th LIBERATION DAY: CAPTAIN YNION + DELEGATION



The 75th Guam Liberation Day Parade 2019

Philippines Market



CEBU PACIFIC

Suspending Guam Operations effective December 7, 2019



- Cebu Pacific met with GVB on July 17, 2019 regarding cancelation of service
- SJ traffic is very seasonal
- Currently no seats available, rest of the year load factor is low.
- Difficult to maintain with minimal seat capacity despite numerous marketing efforts
- Since March 2016 CEBU Pacific has worked closely with GVB through marketing co-ops
 - Several joint projects were planned this year and scheduled to conclude in September
- Cebu Pacific to receive new crafts in 2021, possible to revive flight with service from Cebu

Korea Marketing



75th Guam Liberation Programs (July 19-22, 2019)

- 1) Niche Market Development
 - HanaTour Niche Market Development Team Manager & Interpark New Market Development Manager (2 pax)
 - Conducted a historical & war-themed FAM Tour
- 2) Sister Cities & Media FAM
 - Media partners from Incheon & Boryeong (4 pax)
 - Conducted a historical tour of Guam and participated in Liberation VIP festivities
 - ROI: exposure of Guam historical sites & Liberation festivities in respective news outlets



Korea Marketing



75th Guam Liberation Programs (July 19-22, 2019)

- 3) Miss Korea & Miss Guam collaboration
 - Two Miss Koreas and one Miss Guam (3 pax) took a tour of InstaSpots & Liberation festivities
 - ROI: exposure on Miss Korea's SNS channels
- 4) Samulnori Performances
 - "New Dot" Korean traditional performance group (8 pax)
 - Performed daily on Carnival grounds, public spaces, and in the Liberation Day parade



Japan Marketing



Okayama City Meeting

July 23, 2019 | Guam Visitors Bureau

Agenda: 10th Anniversary of Okayama - Guam Friendship Association



- Vice Chairman announced that a quorum has been made at 3:41 p.m. with 9 directors; Director Shinohara present.
- Vice President Alvarez updated the Board on the latest procurement relative to RFP2019-002 Legal Services.



- The Notice of Intent to award was sent to Arriola Law Firm. The firm withdrew their application and proposal for procurement.
 - GVB entered into negotiations with the next most qualified offerer, McDonald Law Office and a Notice of Intent to Award was sent to McDonald Law office. President & CEO Lagaña designated Vice President Alvarez as acting President to initiate negotiations with Mr. McDonald with intent to secure contract. GVB's current Legal Counsel is off-island on medical leave until August 6. There is no further word from him or his office regarding representation from GVB. President & CEO Lagaña decided to move forward with this procurement to ensure GVB has legal counsel available as soon as possible.
 - A negotiation meeting was held on July 25, 2019 at 9:00 a.m. Plans start date for new legal counsel is targeted for August 1, 2019.
 - Director Arriola requested clarification relative to conflict counsel mentioned at the last board meeting; she questioned whether or not it is being entertained. According to Vice President Alvarez, there is no mention of a conflict counsel being part of the RFP. Therefore, Conflict Counsel is not being entertained at this point. Director Camacho asked if the Board could retain a conflict counsel in the future should they require it and the length of it's process? Chris Lizama (Contracts Administrator) to obtain clarification from AG's office.
 - Director Camacho - In the negotiation with McDonald Law Office, Director Camacho asked if it be written in the negotiation between McDonald Law Office and GVB so that the current attorney understands that should there be a conflict, we have the right to retain a conflict counsel.
- **ACTION:** Chris Lizama to obtain clarification from AG's office on whether the Board could retain a conflict counsel, should they require one; the process to retain a conflict counsel and the length of time to procure one.
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V. TREASURER'S REPORT

Exhibit B

Exhibit B

FY 2019					
	Appropriation	Received to Date		Balance	
General Administration	\$ 3,600,000	\$ 2,700,000	75%	\$ 900,000	25%
Marketing	\$ 14,500,216	\$ 10,875,162	75%	\$ 3,625,054	25%
Sports & Events	\$ 850,000	\$ 637,500	75%	\$ 212,500	25%
Research	\$ 600,000	\$ 450,000	75%	\$ 150,000	25%
Cultural & Heritage	\$ 750,000	\$ 562,500	75%	\$ 187,500	25%
Visitor Safety & Satisfaction	\$ 950,000	\$ 712,500	75%	\$ 237,500	25%
Destination Development	\$ 1,085,000	\$ 813,750	75%	\$ 271,250	25%
TOTAL RECEIVABLES FY 2019	\$ 22,335,216	\$ 16,751,412		\$ 5,583,804	

	Budget	Expenditures to Date	Balance
Administration	3,600,000	2,389,961	1,210,039
Marketing			
Japan ¹	8,000,000	3,760,721	4,239,279
Korea ¹	3,000,000	1,117,783	1,882,217
Taiwan	650,000	329,952	320,048
Pacific Micronesia	180,000	52,925	127,075
North America	250,000	187,823	62,177
China ¹	1,000,000	253,633	746,367
Russia	250,000	58,341	191,659
Hong Kong	230,216	109,058	121,158
Philippines	350,000	149,175	200,825
Branding	500,000	272,614	227,386
Social Media	340,000	134,171	205,829
Global Website	300,000	164,184	135,816
Printing Promotion	200,000	49,479	150,521
Total Marketing	15,250,216	6,639,859	8,610,357
Research	600,000	298,852	301,148
Sports & Events	850,000	748,344	101,656
Cultural & Heritage ¹	850,000	422,081	427,919
Visitor Safety & Satisfaction ¹	1,050,000	688,202	361,798
Destination Development ¹	1,300,000	805,578	494,422
Total	23,500,216	11,992,876	11,507,340

Supplemental ²		
Capital Improvement Projects	3,000,000	29,250
Airline Development	3,000,000	873,918
		2,970,751
		2,126,082

¹ FY 2019 BOD approved budget and MGMT allocation 09/13/18

² BOD approved supplemental funding 09/13/18

July 23, 2019

BUDGET

- Pass-Throughs: 3 million dollars appropriated through the TAF with no budget requests from last year. GVB does have a grant program
- Alternative funding is the grant funding

THE CULTURAL & HERITAGE COMMITTEE (CHC) BUDGET

- Director Arriola urged that a letter be sent to the committee that was misspoken to during the public forum with the legislature. It was recommended that a





breakdown of the CHC's budget be brought to the table. CHC's total budget is 750K; 150K is portioned for grants & aid for FY2019.

- The budget law does not allow for any lapses to be carried forward into the next fiscal year. GVB will have some lapses because some committees did not move programs. Unless those committees monies were moved to another market to expand programs in a certain market, there will be paper laps.
- Board has the flexibility to determine where it should go in our house.

➤ **ACTIONS:**

- Marketing Director, Nadine Leon Guerrero to submit Marketing's budget breakdown to gain a true picture of cash position and expenditure by July 31, 2019.

Director Shinohara presented a Motion to have management review the budget and advised that the preparation of the \$22 million dollar level budget be carried forward from FY 2019. The motion was seconded by Director Kloppenburg.

A vote was taken and the motion presented was approved.

- Draft a letter for Executive Committee's approval to correct our statement made at the legislative hearing

Director Camacho motioned that Management present a clarification letter regarding the true facts of the Cultural & Heritage Committee budget to the Legislature. The motion was seconded by Director Shinohara.

A vote was taken and the motion presented was approved.

- BOD to make a decision based on management's recommendation relative to the priorities of the bureau and industry.

Director Shinohara presented a motion to direct Management to perform an account reconciliation for all accounts; to provide a better picture of where we are year to date so the board may direct funds as appropriate. The motion was seconded by Director Kloppenburg.

A vote was taken and the motion presented was approved.

➤ **ACTIONS:**

- Per Vice President Morinaga - place motions in new agenda - Aug. 8
- Director Shinohara requested an action items list attached to the agenda



VI. REPORT OF THE BOARD COMMITTEES

A. EXECUTIVE COMMITTEE

B. ADMINISTRATION & GOVERNMENT RELATIONS

HOTBOND:

➤ ACTION:

- Director Camacho requested that management acquires an update from GEDA relative to the 2011 executed hotbond by August 8, 2019.

SALES TAX:

- Guam Chamber is pushing hard to roll back the GRT and use sales tax. A study was done in the last administration, GVB's BOD wishes to know their position and seeks recommendation from management. Director Camacho is concerned that the use of sales tax will cripple our economic engine because Guam has always been known as a tax free destination.
- Tourism Research Director, Nico Fujikawa mentioned that in June 2018, sales tax is invisible tax including the hot bond directly visible to a visitor who is purchasing something or a ticket to Guam.
- Director Arriola requested to see the study because they are a new board.

➤ ACTION:

- Nico to send 2018 Sales Tax study to the board

C. RESEARCH/ MEMBERSHIP & COMMUNITY OUTREACH

- Mr. Fujikawa updated the Board on the CCB. GVB's role is to facilitate the run of the Economic Impact Study based on the overall community. Mr. Fujikawa will generate a letter of intent addressed to the Legislature clarifying the nature of intent such as the number of jobs it will create, how many new dispensaries, taxes collected, etc.

D. DESTINATION MANAGEMENT

- Our vendor, Mr. Willy Flores has a list of ongoing projects at this time. The scope of work is mostly on safety items, Tumon Bay, side walks, and walkways.

E. VISITOR SAFETY & SATISFACTION

Committee minutes dated June 20, 2019

Exhibit C

-
- A meeting with GPD was held with Kisha (Visitor & Safety Manager) to discuss the expectancy of high visitor arrivals in August. Director Shinohara observed that Kisha handles many duties on her own; he communicated to Vice President Alvarez the need for extra support.
 - A discussion was made with the governor relative to budget and ongoing performances under the Visitor & Safety Satisfaction perspective. Much





discussion had on the close working ties with G4S and how services have expanded to Hågatna.

- o Vice President Alvarez acknowledges Kisha for her excellence in service to GVB and our visitors.

F. CULTURAL & HERITAGE

- o Director Camacho attended the Annual Guam Society America Picnic with over 1,000 attendees. Guam's very own Jesse and Ruby joined in the event and also attended the wreath laying, followed by the Congressman's reception. Director Camacho shared, "our people in the East Coast are very appreciative of GVBs support."
- o Director Arriola thanked the Vice Chairman for recognizing the 75th Liberation Committee. It is Guam's 75th year and it is not over. There are upcoming concerts to entertain our island's people and visitors alike.
- o Ambrose, a major sponsor of the Liberation committee celebrates their 70th year anniversary and will be hosting a concert series with local talent.
- o Vice Chairman Morinaga requested more data and flyers to usher in more attendees through hotel establishments and car rental companies.
- o Vice President Alvarez directed attention back to non-profit organization grants; A recommendation was presented to the legislature suggesting that non-profit organizations go through a grant process with GVB and conduct the pass-throughs from here.

G. SPORTS & EVENTS

- o Vice Chairman Morinaga questioned whether Leo Palace had a list of individuals who are here on Guam to train for the Olympics - important athletes; would be a good PR for our GVB website. Leo palace will present a list of trainings. However, the list of individuals is confidential during their stay.

H. NORTH AMERICA & PACIFIC MARKETS

Committee minutes dated June 20, 2019

Exhibit D

Motion to approve travel for one (1) Marketing Staff and four (4) entertainers to attend the Apple Travel Fair 2019 (ATF19) from August 22-25, 2019 in Kuala Lumpur, Malaysia. Estimated cost is \$13,500.00 of which \$3,060.00 will come from Pacific Account no. SMD023 and \$10,440.00 will come from Destination Management account.

Director Arriola moved the motion. Motion approved.

Airfare:	\$800.00 x 5 pax					\$4,000.00
Per Diem:	Kuala Lumpur, Malaysia	Lodging	Nights	M&IE	Days	
	1 Marketing Staff	\$186.00	5	\$80.00	6	\$1,410.00





	4 Entertainers	\$186.00	5	\$80.00	6	\$5,640.00
Professional Fees (\$100.00 x 4 Entertainers x 4 days)						\$1,60.00
Miscellaneous: Unanticipated Expenses (Transportation, Communication, Excess Baggage and Meetings)						\$850.00
TOTAL						\$13,500.00

Background: Guam Visitors Bureau (GVB) research found that in 2016, 11.9 million international outbound trips were recorded by Malaysian travelers. By 2021, it is projected that 14.2 million international outbound trips will be made. The average spend when travelling according to Statista travel data in 2018, is US\$ 1,145.00. Additionally, 93% of Malaysian international outbound travelers are between the ages of 25-24. Much like the Philippine market, Malaysians love to explore the history and culture of a destination, try new foods, enjoy the beautiful beaches, and most especially, to shop!

GVB is currently utilizing the data analyzed through research to create a microsite and content for digital marketing. GVB is working on this project with leading full-service, integrated strategic communications agency, ISC Innovators, best known for their over 120 local and international awards for creativity and marketing effectiveness. They're best known for the conception and work on the multi-awarded "Malaysia: Truly Asia" international campaign for Tourism Malaysia.

Having recently participated in the Malaysia Association of Travel Trade Agents (MATTA) Fair in March 2019 in Kuala Lumpur, Malaysia and now working with ISC Innovators for direct to consumer marketing, the timing to attend the Apple Travel Fair could not have come at a better time. GVB has secured travel trade partners in Apple Vacations, Golden Tourworld Travel, Philippine Airlines and very recently have been communicating with Prestige Vacation for a media/trade familiarization tour in August, which will bring Key Opinion Leaders (KOLs), travel agents, travel magazine editors from 2 publications ("Jalan-Jalan Travel Magazine" and "Escape"), 2 newspaper writers (Chinese Newspaper "Sin Chew" and from "The Star") and a representative from Philippine Airlines.

Apple Vacations is a serious partner with a strong commitment to promote and sell travel to Guam. Their current package is an all-inclusive six days/four nights travel package offering airfare, four-star hotel accommodations, optional tours and meals for all under \$1,500 USD.

The Apple Travel Fair 2019 will include more activities, games, lucky draws and participation from National Tourism Organizations. Over 80,000 people who are generally high-end consumers are expected to attend the fair. As GVB continues to open up Malaysia and Singapore and promote Guam as a visa-free U.S. destination is Asia, it is important that we support Apple Vacations.

On average, Malaysians take 1.8 trips per year per Malaysian household. Travel periods are noticeably high in the months of June, November and December. In addition, the Malaysian passport is considered the 6th most powerful passport worldwide.



GVB's role is to provide a special Guam Product Presentation and a display of cultural performances to the show attendees. In addition, the presentation will be live-streamed across all of Apple Vacation's social media platforms to increase viewership reach.

Issue: Board approval required for travel.

- o A discussion was brought forth by Director Shinohara. He observed that the new market does not have enough money to support this effort. It being that it is a new market we're looking to develop; he does not believe it makes any difference where the money comes from. He believes that GVB should have expectations in its return results so we could measure and determine whether or not we would like to move forward in the investment.
- o Director of Marketing, Nadine Leon Guerrero stated that the New market budget does not get realized until 2020

I. GREATER CHINA

TAIWAN SALES MISSION

Motion to approve travel for GVB President & CEO or designee, GCMC Chairman, the Director of Global Marketing or designee (1) GVB Marketing Staff to travel to Taiwan to participate in a 3-City Roadshow in the cities of Taipei, Taichung and Hsinchu from September 1 - 6, 2019. Cost is approximately \$10,073.20 to be taken from Taiwan Sales Market Development Account No. TA-SMD019

Director Camacho motioned to approve the Taiwan Sales Mission. A change in the motion was made by Vice Chairman Morinaga to add another person. The motion was seconded by Director Arriola. The motion was approved.

Air fare:	\$1,000 x 4 pax					\$4,000.00
	TAIPEI (September 1-2)	Lodging	Nights	M&IE	Days	
	GCMC Chair/designee	\$208.80	2	\$124.80	2	\$667.20
	President & CEO/designee	\$208.80	2	\$124.80	2	\$667.20
	DoGM/designee	\$174.00	2	\$104.00	2	\$556.00
	(1) Marketing Staff	\$174.00	2	\$104.00	2	\$556.00
	TAICHUNG (September 3)	Lodging	Nights	M&IE	Days	
	GCMC Chair/designee	\$134.40	1	\$121.20	1	\$255.60
	President & CEO/designee	\$134.40	1	\$121.20	1	\$255.60
	DoGM/designee	\$112.00	1	\$101.00	1	\$213.00
	(1) Marketing Staff	\$112.00	1	\$101.00	1	\$213.00
	HSINCHU (September 4)	Lodging	Nights	M&IE	Days	





	GCMC Chair/designee	\$145.20	1	\$85.20	1	\$230.40
	President & CEO/designee	\$145.20	1	\$85.20	1	\$230.40
	DoGM/designee	\$121.00	1	\$71.00	1	\$192.00
	(1) Marketing Staff	\$121.00	1	\$71.00	1	\$192.00
	TAOYUAN (September 5-6)	Lodging	Nights	M&IE	Days	
	GCMC Chair/designee	\$145.20	1	\$85.20	1	\$230.40
	President & CEO/designee	\$145.20	1	\$85.20	1	\$230.40
	DoGM/designee	\$121.00	1	\$71.00	1	\$192.00
	(1) Marketing Staff	\$121.00	1	\$71.00	1	\$192.00
Business communication costs, excess baggage fees, business meeting expenses						\$1,000.00
TOTAL						\$10,073.20

Background: As one of Taiwan market's SMART Goals, GVB is organizing a sales mission from September 1-6, 2019. Current Taiwan arrivals through July 16 are now at 22,528 or 20% shy of reaching FY2019 goals. With Taiwan's current macro-environment and overall economy stall, this sales mission is necessary to reinforce networking and business ties between the Guam tourism industry and the travel trade in Taiwan and GVB's support to boost sales in this market to meet goal pax of 28,000 visitors in FY2019.

This particular road show would cover the cities of Taipei, Taichung and Hsinchu and will focus on expanding brand awareness to new and interested travel agencies and trade media as well as to engage in consumer outreach and to meet with city government officials in each of the cities. GVB would conduct trade seminars tied in with B2B meetings with participating members. In addition, GVB would also be meeting with China Airlines, the only airline currently servicing Guam to discuss its current flight structure and potential cooperatives to enhance business. Other airline meetings are also being arranged in efforts to seek other carriers for new route development opportunities in Southern Taiwan.

Issue: Board approval required for travel.

- o The delicacy event has been approved and is scheduled to take place on August 16-31, 2019. It will showcase Guam's delicacy to include Guam's dishes and will be used to promote travel to Guam during the Autumn Festival. About 2 million people will be onsite at this event. Guam's BBQ Block Party winner, Mr. Peter Duenas and an assistant to operate in a 5 star Taipei hotel. GVB & Hilton will hold a press conference inviting 30 local media. The event exposure and television media is 400 guest rooms, 6 passenger elevator electronic billboards, 2 face posts, 2 instagram posts, 2 line posts, a press release and event decoration.



J. RUSSIA & NEW MARKETS

K. KOREA

20th BORYEONG MUD FESTIVAL

Motion to approve (1) night of per diem lodging for (1) GVB Board Member, GVB President & CEO, and one (1) Marketing Staff to participate in the Boryeong Mud Festival from July 27 -29, 2019. Total cost is approximately \$1,200.00 from Acct # KO-SMDO23.

Director Kloppenburg made a Motion to approve an extended day's stay in Korea. Director Camacho seconded the motion. Motion approved.

Per Diem (Incheon Rate)		
Lodging		
BOD + President & CEO	\$153 x 1 nights x 2 pax x 25%	\$382.50
Marketing Staff	\$153 x 1 nights x 1 pax	\$153.00
Miscellaneous		\$664.50
Total		\$1,200.00

Background:

On July 11, 2019, the GVB Board approved travel for (1) GVB Board Member, GVB President & CEO, and (1) Marketing Staff to attend the closing ceremony of the Boryeong Mud Festival from July 27-29, 2019 that included airfare, two (2) nights lodging per diem, and three (3) days of meals and incidentals.

Following the approval of the travel motion, GVB learned that the Boryeong Mud Festival Committee was able to secure a complimentary booth space for GVB the weekend of the closing ceremony on Saturday, July 27th and Sunday, July 28th.

The new opportunity of the Guam booth changed GVB's travel logistics to need an additional night stay. GVB delegates are requested to arrive earlier to set-up the Guam booth in preparation for the weekend's festivities.

With this, GVB requests to approve an additional night lodging and miscellaneous expenses to cover necessary booth-related set-up, logistics, communication expenses or any unforeseen travel-related expenses.

- o Travel Motion was approved in last board meeting. Current motion is to add another day of stay. GVB was asked by Boryeong City to extend their stay because of the free booth space offered at the exhibit.
- o **Events**
 - o VIP and media
 - o Miss Korea
 - o Dance group
 - o FAM tour & HANA tour
 - o Boruyon mud festival in Korea





- Trade dispute between Japan & Korea
 - Social media reports reveal that the disputes are affecting hotels. Travel agents are also reporting that consumers are booking hotels not owned by Japanese corporations. According to Vice President Morinaga, it is not the case here in Guam. Director Kloppenburg suggests monitoring spending patterns locally to gage the effects here on Guam.
- Seat capacity changes
 - Jen Air: Flight changes to occur in late October
 - Jeju air operating will operate 3 times daily
 - Air Seoul looking to increase flights October - November flights to increase from one day to twice a day
 - Air Busan is discontinuing direct services from Guam to Busan at the end of October

L. JAPAN

Committee minutes dated July 16, 2019

Exhibit E

VII. OLD BUSINESS

VIII. NEW BUSINESS

IX. EXECUTIVE SESSION

X. ANNOUNCEMENTS

Upcoming Board Meetings:

- Thursday, August 8, 2019 at 3:30pm, GVB Main Conference Room
- Thursday, August 22, 2018 at 3:30pm, GVB Main Conference Room
- Bobby - Promoted Gabbie Franquez from Marketing Coordinator to Marketing Manager

XI. ADJOURNMENT

Director Kloppenburg made a motion, seconded by Milton, to adjourn the meeting. Meeting adjourned at 5:13 p.m.

Motion unanimously approved.

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

Board Minutes respectively submitted by Valerie Sablan, Executive Secretary

