



## BOARD OF DIRECTORS REGULAR MEETING

Thursday, November 8, 2018 - 3:30pm  
Guam Visitors Bureau - Main Conference Room

### BOARD OF DIRECTORS PRESENT:

Director Milton Morinaga	Director Bartley Jackson
Director Young Sook Hong	Director Theresa Arriola
Director Brad Kloppenburg	Director Katarina Sgro
Director Robert Hofmann	Director William Nault

*A quorum was met*

### BOARD OF DIRECTORS TELEPHONICALLY:

### BOARD OF DIRECTORS ABSENT:

Director Eduardo "Champ" Calvo	Director Monte Mesa
Director Tatsuo Takano	Director Satoru Murata
Director Samuel Shinohara	

### GVB MANAGEMENT & STAFF PRESENT:

Jon Nathan Denight	Maura Yi	Rose Q. Cunliffe
Pilar Laguana	Nico Fujikawa	Dee Hernandez
Mark Manglona	Elaine Pangelinan	Nadine Leon Guerrero
Nicole Benavente	Colleen Cabedo	Regina Nedlic
Joshua Tyquiengco	Gabbie Franquez	

### GVB MANAGEMENT & STAFF TELEPHONICALLY:

### GUESTS:

## I. CALL TO ORDER

Chairman Morinaga called the meeting of the board to order at 3:53 pm.

## II. MINUTES OF THE PREVIOUS MEETING

Exhibit A

Director Jackson made a motion, seconded by Director Kloppenburg, to approve the minutes of the previous board of directors meeting dated October 11, 2018.

**Motion unanimously approved (Subject to minor revisions)**

## III. CHAIRMAN'S REPORT

- o Chairman Morinaga clarified the next meeting, November 22, 2018, is canceled due to the Thanksgiving holiday. The first meeting in December will most likely be last meeting for the year 2018 (due to the Christmas holiday). The current Governor and Legislative appointees will have to submit a curtesy resignation before the start of the new administration or before the swearing in of the 35<sup>th</sup> Legislature, respectively.

## IV. PRESIDENT & CEO'S REPORT

GUAM VISITORS BUREAU  
**PRESIDENT'S REPORT**  
**11-08-2018**

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**RESEARCH**

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**October 2018**

**October 1-31, 2018 Total: 121,656 (+7.2%)**

% Market Mix	Origin	2017	2018	% to LY
35.4%	Japan	34,489	43,013	24.7%
50.1%	Korea	56,292	60,983	8.3%
1.6%	Taiwan	1,901	1,990	4.7%
1.1%	China	1,395	1,325	-5.0%
6.0%	US/Hawaii	5,318	7,262	36.6%
0.4%	Hong Kong	611	501	-18.0%
1.6%	Philippines	1,732	1,940	12.0%
0.3%	Russia	245	419	71.0%

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

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**Calendar Year to Date 2018**

**January - October 31, 2018 Total: 1,273,223 (-0.7%)**

% Market Mix	Origin	2017	2018	% to LY
35.0%	Japan	527,245	445,450	-15.5%
49.2%	Korea	553,724	625,902	13.0%
1.9%	Taiwan	28,448	23,582	-17.1%
1.1%	China	19,247	14,250	-26.0%
6.3%	US/Hawaii	63,703	77,908	22.3%
0.4%	Hong Kong	13,252	5,047	-61.9%
1.1%	Philippines	14,527	14,628	0.7%
0.3%	Russia	2,449	3,280	33.9%

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

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**MARKETING**

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**MBC Music K-Pop Concert**

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### MBC Music K-Pop Concert



Total as of November 8, 2018: 8,544

% Market Mix	Origin	PAX
58.3%	Guam	4,809
11.8%	Korea	1,009
20.3%	Japan	1,735
2.9%	USA	252
1.1%	Taiwan	90
0.4%	China	36
0.2%	Hong Kong	20
3.3%	Philippines	283
0.2%	Russia	17
3.4%	Other	293

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### Japan Marketing News



#### Saitama OK Club Courtesy Visit

- October 11, 2018
- 15th Anniversary
- Itinerary: Merizo Elementary School, Senior Citizen Center, Chamorro Village



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### Japan Marketing News



#### 30<sup>th</sup> Anniversary Reception for the Guam-Toi Town Two Lovers Point Sister Point Agreement

- October 26, 2018
- Venue: Puntan Dos Amantes and Terraza
- VIPs from Japan: Yutaka Kikuchi, Mayor of Izu City; Kazuyuki Goto, Branch Chief of Toi Branch of Izu City Tourism Association; Takato Noge, Chairman of Toi Hotel Cooperative



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### Japan Marketing News



#### Launch of Jeju Air's Narita-Guam Charter Flight

- Partnership with Ken Real Estate and Jeju Air
- Operation began on October 28, 2018 and will continue for one year
- Operating daily on a Boeing 737-800 providing 185 economy seats



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### Japan Marketing News



#### Kyushu Rainbow Pride

- November 4, 2018
- Reisen Park, Fukuoka
- Attendance: 9,000 pax
- Flyer distribution, Rainbow Parade, joint effort with Guam-Kai



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### Korea Marketing News



#### ONGOING & UPCOMING PROJECTS 2018 SHOP GUAM E-FESTIVAL

**SHOP GUAM**  
2018



	2018 Current Target	2018 Revised Target (Final)
Period	2018 November 18 - 2018 February 15 (9 Months)	
Global Reach	400,000+	200,000 (50% out of total)
Mobile App Downloads	40,000	20,000 (50% out of total)
Media Value	USD 172k+	USD 100k+ (58% out of total)

- **Social Marketing Strategy**
  - UGC Photo / Instagram Advertisement
  - Shopping Ambassador Project
- **Travel Trade Support**
  - Travel Agency Home shopping & Social Commerce
- **Public Relation**
  - PR / Media Advertisement
- **Korea Ambassador**
  - An So Young
  - Instagram: 40,000 followers
  - Naver Blog: 8,447 / 997 followers

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### Korea Marketing News

ONGOING & UPCOMING PROJECTS  
**HANA TOUR INTERNATIONAL TRAVEL SHOW (HITS) IN BUSAN**

- November 30 - December 2
- 2nd annual show in Busan
- 30,000 visitors and 300 exhibition booths
- Possible meetings with airlines

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### China Marketing News

**First Shop Guam e-Festival Group Launch Ceremony In Guangzhou and Shenzhen October 27 - 28, 2018**

- Guam musicians performance
- Children band performance
- Coloring Guam image

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### China Marketing News

**Hafa Adai Pledge signing with Ctrip**

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### China Marketing News

Presentation about UGM  
1000+ Participants  
Exposure: \$5,000

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### North America Marketing News

**East Coast Road Show**

- Meeting with Google iBrand Accelerator Program manager Cameron Kessel
- Discussed the new FY2019 GVB digital programs and the upcoming significant e-event programs such as the Shop Guam and K-Pop concert.
- We also discussed new ideas for reaching emerging markets such as Malaysia, Singapore and India.
- GVB met with PATA NYC Chapter travel agents Elizabeth Cruz, Simone Olivier Bassous, Antonio Menne, Raymond Zake, Antonette Raaso and the I World of Travel President, Richard Krieger.
- We discussed Guam's latest product development, and the new GVB partnership with IWOT. Mr. Krieger from IWOT also talked about the vision of his company and the strategy to introduce Guam to the United States trade market.
- GVB met with Staff Founder and CEO, Bill de Aba, to discuss the Guam's latest product update and possible partnerships.
- GVB met with Deborah Yun, the strategic partnership director from Epoch Times, to discuss Guam's 75<sup>th</sup> Liberation in 2019.

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### North America Marketing News

**International MICE Expo (IMEX) 2018**

- 12,389 total participants including exhibitors
- 3,390 exhibitors representing 150 countries
- 60,000 prescheduled appointments
- 3,286 hosted buyers from 61 countries
- 2,566 trade attendees from 62 countries
- GVB conducted total of 32 total appointments
  - China x 16
  - USA x 7
  - Taiwan x 4
  - Japan x 1
  - EU x 2
  - Russia x 1
  - Media x 1

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**Pacific Marketing News**



**Apple Vacations Travel Fair  
October 4-7, 2018**

- GVB conducted a Guam Product Presentation and brought cultural dancers to introduce Guam to the Malaysian Market.
- Apple Vacations held their mini travel fair in the Curve Shopping Mall, an upscale mall in Kuala Lumpur.
- Lots of interest in Guam. More education among consumers is needed.



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**Pacific Marketing News**



**ITB Asia 2018, October 17-19, 2018**

- GVB conducted over 50 pre-scheduled appointments.
- Participated with BrandUSA and US Commercial Services from SouthEast Asia.

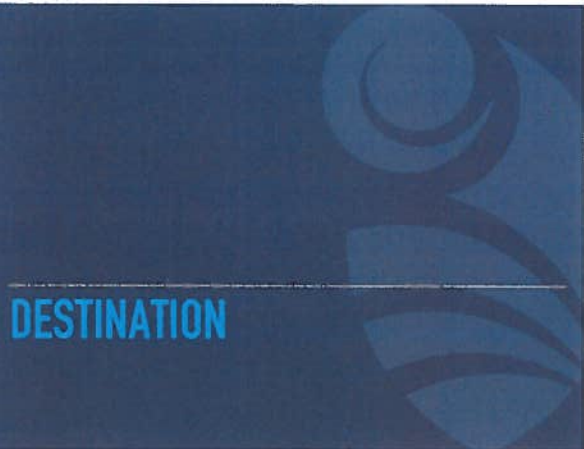


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**Shop Guam e-Festival**



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**Visitor Safety & Satisfaction**



The Coral Princess Cruise ship docked on Guam on November 4, 2018 & welcomed 1,950 passengers and 890 crew members to the island.

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**V. TREASURER'S REPORT**

**Exhibit B**

- o In the absence of Director Shinohara, Director of Finance and Administration Cunliffe reported all FY2018 allotments have been received and FY2019 has yet to be received.

**VI. REPORT OF THE BOARD COMMITTEES**

**A. EXECUTIVE COMMITTEE**

**ANA LISA CID SERVICES**

Director Kloppenburg made a motion, seconded by Director Arriola, to ratify the catering service for the Guam Visitors Bureau's Director of Tourism Research, Ana Cid's, service on October 18, 2018 at Our Lady of the Blessed Sacrament Church in Agana Heights. (Cost approximately \$3,700.00, Account # MEM100).

**Motion unanimously approved**

Food & Beverages	\$3,700.00
<b>TOTAL</b>	<b>\$3,700.00</b>

**Background:** Ana Cid served as the Research Administration Officer of the Guam Visitors Bureau from August 1993 to February 1996 and then the Research Analyst & Statistics II from February 1996 to June 2015 and was promoted to the Director of Tourism Research in June 2015 to the present.

She has been instrumental to the success of the Bureau and has dedicated her life to improving the tourism industry for over 25 years. Through her guidance, the research department has updated the customs declaration form for the modern age and has improved the efficiency of reporting visitors' arrivals and statistics. Ana has gone above and beyond her duties, often working during weekends and late hours during the workweek. She also has encouraged her peers to live a healthier lifestyle by eating better and making time for exercise. Her positive attitude has boosted office morale. Above all, Ana has been a major part of our GVB family. Her positive attitude, work ethics, and unwavering sense of style will be greatly missed.

Providing this catering service is a small token of GVB's appreciation for her service and dedication to the tourism industry and the island community.

*Note: Expenses will be paid out of GVB Membership account and not utilize government funding.*

**Issue:** Board approval required.

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**STRATEGIC MEETING WITH JTB EXECUTIVES AND T'WAY AIR**

Director Nault made a motion, seconded by Director Hofmann, to ratify travel for the GVB President & CEO and one (1) GVB Marketing Staff - Japan to travel to Tokyo, Japan to participate in meetings with JTB and T'way Air from November 14-17, 2018. Estimated total cost is \$6,865.00; Account # JA-SMD008.

**Motion unanimously approved**

Airfare:	\$1,000 x 2 pax					\$2,000.00
Per Diem:	<b>Tokyo</b>	<b>Lodging</b>	<b>Nights</b>	<b>M&amp;IE</b>	<b>Days</b>	
	President & CEO	\$332.50	4	\$273.75	4	\$2,425.00
	Marketing Staff - Japan	\$266.00	4	\$219.00	4	\$1,940.00



Miscellaneous (Business communications, excess baggage, etc.):	\$500.00
<b>TOTAL:</b>	<b>\$6,865.00</b>

**Background:** A strategic meeting has been arranged with JTB executives to discuss the year's sales and marketing plan and a possible memorandum of understanding (MOU) between JTB and GVB for a Global Destination Campaign with Guam. The MOU details the specific responsibilities of each party and must be discussed thoroughly among all parties involved. It is crucial for GVB to work with and foster relationships with travel industry partners, especially JTB whom Guam has had a longstanding relationship with for decades.

In addition, GVB has been invited to meet with T'way Air management in Tokyo to discuss new air service opportunities for Guam. GVB must to continue to work closely with their management team during this developmental stage to address the concerns they have raised and the challenges they are facing to ensure the success of new air routes.

Finally, GVB has scheduled meetings with GVB Japan staff to discuss administrative issues that need to be resolved before the end of the calendar year.

**Issue:** Board approval required for all travel.

**B. ADMINISTRATION & GOV'T RELATIONS**

**TRAVEL AUTHORIZATION**

Exhibit C & D

Director Jackson made a motion, seconded by Director Kloppenburg to approve the travel calendar for FY2019 as presented.

**Motion unanimously approved**

**Issue:** Board approval required for travel.

**C. VISITOR SAFETY & SATISFACTION**

- o Director Hong reported a male was apprehended, with the help of VSO, who was looking through visitors' belongings on the beach. A male body was recovered from the waters between the Westin Resort Guam and Lotte Hotel Guam, he is confirmed to be a member of the air force. Lastly, VSOs removed the squatter camp site in the jungles by Guma Trankilidat.
- o Director Hong suggested posting an ad on the paper on tips for driving in Tumon or use President Denight's column to educate the public on driving etiquette along the major X-crosswalk. President Denight will follow-up with GEDA on the pedestrian crosswalk regulation.

**D. CULTURAL & HERITAGE**

**E. DESTINATION MANAGEMENT**

- o GVB will assist DPW on Farenholt Avenue pavement, DPW to do the subsurface work and GVB will fund the asphalt, which will be outsourced through a bid.
- o The right of way is being worked on for the Ypao road, another possibility could be to add a stairway from the top of the hill to the bottom.

**F. SPORTS & EVENTS**

- o The Sports & Events committee will have their committee meeting tomorrow.



- o The committee made a \$10K sponsorship to the Marianas Pro as they will be having jiu-jitsu tournaments in Nevada, USA, Japan, and Korea.

**G. MEMBERSHIP & COMMUNITY OUTREACH**

- o Membership election to be held January 8, 2019.

**H. RESEARCH**

- o President Denight informed the board of the Korea visitor profile trend, which shows some interesting data such as more repeat visitors, larger families, longer stays. Top three motivating factors for Korean visitors were beach, safety, and relaxation but now it is beach, shopping, and price, respectively.

**I. KOREA**

Committee minutes dated October 22, 2018

Exhibit E

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**GVB RFP 2018-003**

Director Jackson 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 2018-003 Tourism Destination Marketing Representation Services in Korea, and if successful, to enter into a contract.

**Motion unanimously approved**

**Background:** The solicitation period for this RFP was August 1 – October 24, which included an evaluation of all offers and a presentation exercise by the top 2 rated offerors on November 6.

This contract shall commence January 1, 2019 through September 30, 2019, along with two one-year options to renew (FY 2020 and FY 2021); and is subject to fiscal year-end performance reviews, availability and certification of funds from fiscal year to fiscal year.

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- o Director Jackson stated the team will be preparing departure to participate in the Hana Tour Travel Show in Busan for the end of the month.

**J. JAPAN**

Committee minutes dated October 9, 2018

Exhibit F

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- o Director Nault reminded the board the Rotary Club will be visiting February 2019, hotels and flights are filling up.
  - o Airline seat capacity for Japan flights are consistently increasing compared to last year. Seat capacity for the next year is continually being discussed. Load factor is also going up.
  - o Post JATA research data shows that sightseeing has become the number one motivating factor for Japanese visitors. And they tend to plan their itinerary via guidebooks rather than online on through websites.

**K. NORTH AMERICA & PACIFIC MARKETS**

**L. GREATER CHINA**

- o President Denight stated the team is looking at the best marketing strategies for China with the current environment.





**M. RUSSIA & NEW MARKETS**

Committee minutes dated October 16, 2018

Exhibit G

- o The Russian asylum community is continuing to grow, asylum seekers are coming to stay and it needs to be addressed.

**VII. OLD BUSINESS**

**VIII. NEW BUSINESS**

**IX. EXECUTIVE SESSION**

**X. ANNOUNCEMENTS**

- o The GVB office is a One Marianas CNMI Drive drop off station for Super typhoon Yutu relief efforts.

**Upcoming Board Meetings:**

- o **CANCELED** (due to Thanksgiving holiday) - Thursday, November 22, 2018 at 3:30pm, GVB Main Conference Room
- o Thursday, December 13, 2018 at 3:30pm, GVB Main Conference Room

**XI. ADJOURNMENT**

Director Arriola made a motion, seconded by Director Jackson, to adjourn the meeting. Meeting adjourned at 4:44 pm.

**Motion unanimously approved**

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

Board Minutes respectively submitted by Maura Yi, Executive Secretary

