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 Young Sook Hong
Director Brad Kloppenburg
Director Robert Hofmann

A quorum was met

BOARD OF DIRECTORS ABSENT:
Director Eduardo “Champ” Calvo
Director Tatsuo Takano
Director Samuel Shinchara

GVB MANAGEMENT & STAFF PRESENT:
Jon Nathan Denight
Pilar Laguana
Mark Mangiona
Nicole Benavente
Joshua Tyquingco
Maura Yi
Nico Fujikawa
Elaine Pangelinan
Colleen Cabelo
Gabbie Franquez

Rose Q. Cunliffe
Dee Hernandez
Nadine Leon Guerrero
Regina Nedli

GVB MANAGEMENT & STAFF TELEPHONICALLY:

I. CALL TO ORDER

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

II. MINUTES OF THE PREVIOUS MEETING

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

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 courtesy resignation before the start of the new administration or before the swearing in of the 35th Legislature, respectively.

IV. PRESIDENT & CEO’S REPORT
MBC Music K-Pop Concert

Total as of November 8, 2018: 8,544

<table>
<thead>
<tr>
<th>Market Mix</th>
<th>Origin</th>
<th>Pax</th>
</tr>
</thead>
<tbody>
<tr>
<td>58.3%</td>
<td>Guam</td>
<td>4,809</td>
</tr>
<tr>
<td>11.8%</td>
<td>Korea</td>
<td>1,099</td>
</tr>
<tr>
<td>28.3%</td>
<td>Japan</td>
<td>1,718</td>
</tr>
<tr>
<td>2.9%</td>
<td>USA</td>
<td>252</td>
</tr>
<tr>
<td>11%</td>
<td>Taiwan</td>
<td>90</td>
</tr>
<tr>
<td>0.4%</td>
<td>China</td>
<td>24</td>
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<tr>
<td>0.2%</td>
<td>Hong Kong</td>
<td>20</td>
</tr>
<tr>
<td>3.3%</td>
<td>Philippines</td>
<td>283</td>
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<tr>
<td>0.2%</td>
<td>Russia</td>
<td>17</td>
</tr>
<tr>
<td>3.4%</td>
<td>Other</td>
<td>293</td>
</tr>
</tbody>
</table>

Japan Marketing News

Saitama OK Club Courtesy Visit
- October 21, 2018
- 10th Anniversary
- itineraries: Matsukawa Elementary School, Senior Citizen Center, Chamorro Village

Japan Marketing News

30th Anniversary Reception for the Guam-Tokyo Town Two Loves Point Sister Point Agreement
- October 26, 2018
- Venue: Punta Mio in Amaterra
- VIPS: From Japan: Yutaka Kikuchi, Mayor of Iju City; Kazuyuki Goto, Branch Chief of the Iju Tourism Association; Takashi Nagai, Chairman of Toi Hotel Cooperative

Japan Marketing News

Launch of Jeju Air's Naha-Guam Charter Flight
- Partnership with Ken Real Estate and Jeju Air
- Operation began on October 28, 2018 and will continue for one year
- Operated daily on a Boeing 737-800 providing 185 economy seats

Japan Marketing News

Kyushu Rainbow Pride
- November 4, 2018
- Hasen Park, Nokudo
- Attendance: 9,000 Pax
- Flyer distribution: Rainbow Parade, joint effort with Guam-Kal

Korea Marketing News

ONGOING & UPCOMING PROJECTS
2018 SHOP GUAM E-FESTIVAL

Guam Visitors Bureau | Setbision Bisitan Guahan
401 Pale San Vitores Road | Tumon, Guam 96913 | Ph: (671) 646-5278 | Fax: (671) 646-8861 | www.visitguam.com
Korea Marketing News

**ONCOMING & UPCOMING PROJECTS**

**HANA TOUR INTERNATIONAL TRAVEL SHOW (HITS) IN BUSAN**

- November 30 - December 2
- 2nd annual show in Busan
- 36,000 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 Shenzen
- October 27 - 28, 2018
  - Guam musicans performance
  - Children band performance
  - Coloring Guam image

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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 brand Activation Program manager Jordan Knowles
- Co-sponsored the new WYND Hotel digital program with Las Vegas Convention & Visitors Authority, Las Vegas, Nevada, Raymond Smith, Americas Region, and the Travel Writers President, Richard L. Ogger
- As part of the Guam DMO Press Conference, the new Google partnership with IMEX, Las Vegas on October 27th, also talked about the success of the campaign and the strategy to introduce Guam to the U.S. East Coast's wide market

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North America Marketing News

**International MICE Expo (IMEX) 2018**

- 11,388 total participants including exhibitors
- 3,800 exhibitors representing 160 countries
- 6,000 pre-scheduled appointments
- 2,380 host buyers from 65 countries
- 1,686 trade attendees from 62 countries
- CVB conducted total of 34 total appointments

- China 2
- USA 7
- Taiwan 4
- Japan 9
- Mexico 2
- Russia 1
- Ho Chi Minh 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.

ITB Asia 2018, October 17-19, 2018
- GVB conducted over 50 pre-scheduled appointments.
- Participated with BrandUSA and US Commercial Services from Southeast Asia.

Shop Guam e-Festival

Visitor Safety & Satisfaction

The Coral Princess Cruise ship docked on Guam on November 4, 2018 & welcomed 1960 passengers and 810 crew members to the island.
V. TREASURER’S REPORT

- 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

<table>
<thead>
<tr>
<th>Food &amp; Beverages</th>
<th>$3,700.00</th>
</tr>
</thead>
<tbody>
<tr>
<td>TOTAL</td>
<td>$3,700.00</td>
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</tbody>
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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.

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

<table>
<thead>
<tr>
<th>Airfare: $1,000 x 2 pax</th>
<th>$2,000.00</th>
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</thead>
<tbody>
<tr>
<td>Per Diem:</td>
<td></td>
</tr>
<tr>
<td>Tokyo</td>
<td></td>
</tr>
<tr>
<td>Lodging</td>
<td></td>
</tr>
<tr>
<td>Nights</td>
<td></td>
</tr>
<tr>
<td>M&amp;IE</td>
<td></td>
</tr>
<tr>
<td>Days</td>
<td></td>
</tr>
<tr>
<td>President &amp; CEO</td>
<td>$332.50</td>
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<td></td>
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<td>$273.75</td>
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<td></td>
<td>$2,425.00</td>
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<tr>
<td>Marketing Staff – Japan</td>
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<tr>
<td></td>
<td>$219.00</td>
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<tr>
<td></td>
<td>4</td>
</tr>
<tr>
<td></td>
<td>$1,940.00</td>
</tr>
</tbody>
</table>
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 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 & GOVT 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**

- 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.

- 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**

- 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.

- 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**

- The Sports & Events committee will have their committee meeting tomorrow.
The committee made a $10K sponsorship to the Marlanas Pro as they will be having jiu-jitsu tournaments in Nevada, USA, Japan, and Korea.

G. MEMBERSHIP & COMMUNITY OUTREACH

- Membership election to be held January 8, 2019.

H. RESEARCH

- 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

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.

- 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

- Director Nault reminded the board the Rotary Club will be visiting February 2019, hotels and flights are filling up.
- 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.
- 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

- 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

- 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

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

Upcoming Board Meetings:

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