

REGULAR BOARD OF DIRECTORS MEETING MINUTES Thursday, January 23, 2020 – 3:30pm Guam Visitors Bureau Main Conference Room

### **BOARD OF DIRECTORS PRESENT:**

Vice Chairman Milton Morinaga Director Samuel Shinohara Director Robert Hofmann Director Stephen Gatewood Director Shun Matsumoto

Director Brad Kloppenburg Director Satoru Murata Director JoAnn Camacho Director Muna-Quinata

# **BOARD OF DIRECTORS TELECON/SKYPE:**

#### **BOARD OF DIRECTORS ABSENT:**

Director Therese Arriola (Off-island) Chairman Ada (Off-island) Director Flori-Ann Dela Cruz Director Paul Shimizu (Off-island)

#### **GVB MANAGEMENT & STAFF PRESENT:**

Bobby Alvarez
Pilar Laguaña
Annabel Certeza
Lisa Linek
Chris Lizama
Juanita Sablan
Valerie Sablan
Joshua Tyquiengco

Doris Ada Dee Hernandez Miranda Muñoz Nakisha Garrido Taylor Pangilinan Brian Borja Nicole Benavente Karida Brennan Colleen Cabedo Gabryel Franquez Breeanna Garrido Nadine Leon Guerrero

Nadine Leon Gue Mark Manglona Regina Nedlic Russell Ocampo Elaine Pangelinan Mai Perez Jamielyn Pinaula Maria San Nicolas Sydney Leon Guerrero Tonya Formano Sharlene Guerrero Brayan Simaman Kraig Camacho

#### **GUESTS:**

#### Willy Flores

#### I. CALL TO ORDER

The regular board meeting was called to order by Vice Chairman Morinaga at 3:34 p.m.

# II. MINUTES OF THE PREVIOUS MEETING

Exhibit A

Motion made by Director Kloppenburg, seconded by Director Gatewood to approve the minutes of the previous Board of Directors meeting dated January 9, 2020. Motion Approved.

## III. CHAIRMAN'S REPORT

 Vice Chairman Morinaga reported that the Coronavirus has affected countries that surround Guam and stated that management will have updates and a detailed report on the virus.

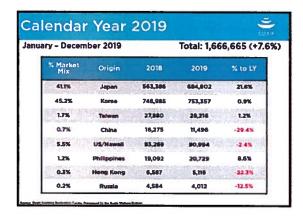


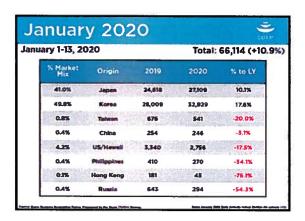
- A farewell recognition was presented to Counsel General of Japan, Ms. Izumi Seki on January 14, 2020 who will depart Guam next month.
- Former board member Norio Nakajima was celebrated with a farewell memorial at the Nikko Hotel on January 31, 2020. Mr. Nakajima passed away in Japan.
- An article posted on the Marianas Business Journal reported the liabilities of serving on the board.
   According to President & CEO, Pilar Laguaña, GVB's Board is indemnified and covered by Director's and Officer's Liability Insurance.
- Director Sam Shinohara requested to have an insurance representative present information on coverage and the risks associated with Directors and Officers Insurance by next board meeting.
- Management to explore travel insurance for employees.

### IV. PRESIDENT & CEO'S REPORT























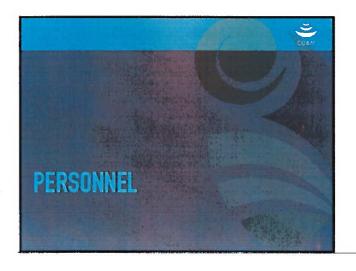
















#### V. TREASURER'S REPORT

Exhibit B

Motion made by Director Shinohara, seconded by Director Hoffman to allow the Director of Finance to proceed working with banking partners to access online banking. Motion approved.

Ms. Josie Villanueva, Director of Finance, reported that there is a surplus of \$383,546 which was not utilized in 2019. As of January 2020, the numbers do not reflect what is actually available. A deeper investigation into the 2019 is required and would need to be added to the 2020 budget. President & CEO, Ms. Pilar Laguaña communicated the desire to negotiate with DOA to retrieve the difference that is actually available.

# **Tourist Attraction Fund Tracking**



	FY20	FY19	FY18	FY17
October	3,126,802	3,491,511	3,117,363	3,645,108
November	3,201,496	3,147,390	2,851,304	3.056,702
December	3,305,847	3,277,741	3,035,574	3,399,476
January	4,285,076	4,201,286	3,922,838	4,465,705
February	4,460,702	4,575,021	4,395,390	4,135,417
March	4,277,020	4,302,124	4,047,195	4,216,841
April	3,941,590	4,017,332	3,666,966	3,896,347
May	3,250,817	3,125,362	3,133,749	3,291,997
June	3,280,274	3,248,954	3,069,071	3,319,630
July	3,365,324	3,250,871	3,686,719	2,949,948
August	3,592,957	3,392,504	3,526,348	3,637,488
September	4,609,358	5,100,012	4,386,221	4,002,049
Total	44,697,263	45,130,108	42,838,738	44,016,708
Public Law\$	44,941,131	44,746,562	44,662,497	41,502,455
Overage/(Shortage)	(243,869)	383,546	(1,823,761)	2,514,325
Public Law	35-36	34-116	34-42	33-185

Latest Report tracking BBMR is as of November 30, 2019

Director Shinohara suggested that additional analytics be made, to include pax and room numbers in order to reconcile and determine what is to be added or subtracted based upon their findings. The numbers are stagnant at this time and are not reflecting what is present. He requested that moving forward, the numbers through the years need to reflect profit and loss.

Director Hoffman inquired about the board approved funding provided to Revenue & taxation in 2018 for two (2) hires. According to President & CEO, Ms. Laguaña, a response was never given to GVB. Director Shinohara instructed management to set up a meeting with Revenue & Tax to discuss.

The following presentation slide shows the total allotment received from DOA in the amount of \$14,453,895. Our Travel Off-island account - out of \$1,077,352 we received \$72,900 to date. October-December 2019 cut-off date are combined.

<b>/</b>	Allotment Release Update											AM
	111/112/113	220	230	233	240	250	290	361	362	363	450	
Month	PERSONNEL SERVICES	TRAVEL- Off-	CONTRACTUAL SERVICES:	OFFICE SPACE RENTAL:	SUPPLES &	EQUIPMENT	MISCELLANEOUS	Power	Wateri Sewer:	Telephone/ Tolt	CAPITAL OUTLAY	TOTAL
TOTAL	2,885,450	1,077,352	15,183,008	141,667	111,663	23,241	2,803,125	62,315	20,000	59,815	123,015	22,490,650
31-Oct-19	(221,959)	•	(1,265,252)	(141,667)	(9,307)	•	(820,263)	(62,315)	(20,000)	(59,815)		(2,600,578)
30-Nov-19	(332,937)	•	(1,265,252)	•	(9,307)		(180, 263)	• :		or a lane	•	(1,787,759)
31-Dec-19	(332,937)		(1,265,252)	7.0	(9,307)		(180, 263)					(1,787,759)
31-Jan-20	(332,937)	(72,900)	(1,265,252)		(9,307)		(180, 263)	-			. "	(1,860,659)
trance To be Received	1,664,680	1,004,452	10,122,000	(0)	74,435	23,241	1,442,073	(0)		(0)	123,015	14,453,895

		\$ 22,490,650	
Month	TOTAL	Running Balance	Collection YTD
TOTAL	22,490,650	\$ 22,490,650	
31-Oct-19	(2,600,578)	\$ 19,890,072	2,600,578
30-Nov-19	(1,787,759)	\$ 18,102,313	4,388,337
31-Dec-19	(1,787,759)	\$ 16,314,554	6,176,096
31-Jan-20	(1,860,659)	\$ 14,453,895	8,036,755
Balance To be Received	14,453,895		

December 2019 & January 2020 will be submitted by Friday 01/24/20

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Page 4 of the Treasurer's presentation slide shows a breakdown of the Travel Authorization by Department. GVB to file 1st Quarter FY20 travels that transpired between October - December 2019.

# **Travel Authorizations Approved**



GVB Modifications - FY 2020										
	Dh ision:	Research	Gen. Admin.	Marketing	CHCO	Sports & Events	Visitor SS	TOTAL		
Request Number	Purpose of Travel		Requested Release	of Reserves (Round	up from Travel	Costs estimated)				
	Total Appropriation:	\$25.212	\$47,000	\$618,283	\$354,555	\$26,828	\$5,474	\$1,077.35		
GVB-MOID-20-001	PATA EB Mig - Thailand			2,100.00				- 2,100.00		
GVB-MOD-20-002	Chamorro Dance Academy - Japan				9,500.00			- 9,500.00		
GVB-MOD-20-003	Annual Andit - Japan			6,700.00				- 6,700.00		
GVB-MOD-20-004	Travel Trade Mission - Japan			9,900.00				- 9,900.00		
GVB-MOD-20-005	PTAA Travel Tour Expo - Manila -	2,100.00	-	6,300.00	17,600.00			-26,000.00		
GVB-MOD-20-006	PATA Adventure Travel Mart & Conference - Malaysia			10,100.00		- 3,300.00		-13,400.00		
GVB-MOD-20-007	Taipei Lantem Festival in Taiwan			5,300.00				- 5,300.00		
	US Guam Chamorro Dance Academy, Seattle									
GVB-MOD-20-008	Wishington									
GVB-MOD-20-020								_		
	Total Request to Date	-52,100	SO	-\$40,400	-\$27,100	-53,300	\$0	-\$72,90		
	Balance	\$27,312	\$47,000	\$658,683	\$381,655	\$30,128	\$5,474	\$1,150,25		

# Summary request excludes TA that is to be reimbursed between October 2019-December 2019

# VI. REPORT OF THE BOARD COMMITTEES

- A. EXECUTIVE COMMITTEE
- B. ADMINISTRATION & GOVERNMENT RELATIONS
  - The board approved funding for renovations at the Government House to welcome visiting tourists. Renovations are likely to be completed by mid-year.
  - Board directors will review the retaliation policy received from Legal Counsel. The policy will be discussed at the next board meeting.

# C. DESTINATION MANAGEMENT

• Committee Meeting scheduled for January 28, 2020 at 9:00 a.m.

#### **Outstanding Projects**

- Sidewalk cleaning is in progress. Cleaning began from the rotunda toward Lotte Hotel and will be completed by April.
- Tree Mitigation will begin in February. Old trees require removal due to safety hazards.
- A primary concern is the culvert cleaning from Rivera Ln. to Fujita Pond basin. In September 2019, DPW requested that they conduct this project. However, by December 2019 DPW did not have the resources to do so. GVB decided to move

forward through contracting. DPW will assist with the culvert cleaning; bid is currently in process.

- Ponding Basin IFB is ready for advertisement.
- DPW's Director Arriola allowed GVB to work with generic traffic control plans due to the transportability of work being conducted on the roadways and medians, sidewalks, etc.
- Long term improvements are being discussed for Matapang Beach park. It has been heavily damaged due to water drainage in the vicinity.
- The 20-year old electrical systems supplying power to median lights are being assessed and near completion.
- An emergency fund is recommended for damages incurred by reckless driving.
- Curb painting for visibility is part an upcoming project.
- An IFB was advertised for streetlight maintenance and crosswalks; there were no bidders. GPA agreed to do an emergency assessment and found underlying issues that need to be addressed. The dangerous crosswalk with poor visibility from Oka to Sheraton and the sidewalk toward Onward Hotel is part of the IFB.
- It was discussed that Kmart's intersection crosswalk should be consolidated and efficient lighting for pedestrians added to help provide safety for our visitors.

#### D. VISITOR & SAFETY SATISFACTION

- Committee Meeting is scheduled for January 27, 2020 at 1:00 p.m.
- GFD rescue equipment is greatly needed in Tumon. Equipment is currently stored in Dededo, with travel time up to 15 minutes should an emergency occur. The proposed location to house GFD's equipment is the former GPD Koban next to the Holiday Inn.
- Tumon Holiday illumination was a great success this year.

#### E. CULTURAL & HERITAGE

- The Chamorro Dance Academy will be in Tokyo with 66 participants. Seattle will be their next stop with 117 participants.
- Plans are in progress for Chamorro month in March.

# F. RESEARCH / MEMBERSHIP & COMMUNITY OUTREACH Committee Meeting Minutes – January 16, 2020

Exhibit C

- Discussions to be made with management in bringing back the Membership Coordinator.
- Upcoming Annual Membership meeting will take place in late March.

# G. SPORTS & EVENTS

- GVB hosted a very successful Ko'ko Kids Race last year for children ages 4-11. Guam can
  expect a second round of the kids sports festival on March 22, 2020.
- Sports & Events is working with the Japan Marketing Committee on the added value Olympics theme park for Guam this summer. We can look forward to possible obstacle courses and activities at the same time Japan hosts the 2020 Olympics.
- According to the Guam National Olympic Committee, branded Olympic merchandise cannot be sold. Co-branding with the Guam National Olympic Committee is a possibility for those who wish to purchase Guam brand products.
- Live broadcast of the 2020 Olympics competition will be available only to view on NBC;
   KUAM has exclusive rights to NBC.
- Guam is planning to participate and collaborate with other island nations in the Oceania Village in Takashiba, Tokyo. Our branded materials could be used at this village.
- The Governor will attend the Olympics for a few days and the Lt. Governor will attend the remaining days thereafter.
- Guam has no ambassador support for the Olympics.

### H. AIR SERVICE DEVELOPMENT

- Committee meeting scheduled for January 29, 2020.
- Vice Chairman Morinaga will provide an update on GIAA's Coronavirus emergency plan at a later time.
- President & CEO, Ms. Laguaña noted protocols are set in place to manage communication between government agencies and the general public. An official joint press release was issued by Homeland Security, Public Health and Customs & Quarantine on January 19 with regard to the Coronavirus. GVB has two staffers assigned to Homeland Security during a time of crisis and are in constant communication with the Government of Guam and federal agencies.
- If a person is noticeably sick on the plane, proper protocols and SOPs are followed. The
  airline will notify the control tower, followed by Customs & Quarantine an hour before
  the plane arrives. A sick individual is taken to a designated quarantine area for further
  evaluation by DPHSS.
- DPHSS is willing to conduct a workshop on the corona virus. The workshop will include a panel of experts to discuss facts and answer any questions that surface.
- Our overseas markets have been monitoring social media and noted that Guam is a good destination for travel. Vice Chairman Morinaga suggested that a standard message be provided for any inquires that may come in.
- According to the Chairman of the Marianas Visitors Bureau, there are no charter flights from Wuhan to Saipan.

# I. JAPAN Committee Meeting Minutes - January 14, 2020

Exhibit D

#### Summer Campaign 2020 for Japan Market

 Motion made by Director Murata, seconded by Director Hoffman to approve up to \$230,000 from the FY2020 Japan Advertising/PR Special Promotions Account JA-ADV008 for the 2020 Treasure Hunt Campaign & the "Sasuke" Ninja Park Campaign for Golden Week & Summer Campaign 2020. Motion approved.

#### Background:

The Japan Marketing Committee held a Special Meeting on January 21st at 1:30PM to discuss two proposals that were brought up for consideration for the Summer Campaign period for travelers. One presented by the JGTA (Mr. Toshio Akigami) and second proposal presented by Mr. Kaz Endo, founder of the Annual Konqer event (GVB signature event. now in its sixth year and a regional locally promoted program in the region).

The JGTA Treasure Hunt proposal, created to stimulate Summer travel demands and create event for the children/family market. This treasure hunt event was executed last year to create activities for the family market and provide incentives in the form of a search, find, and retrieve incorporating a Bingo style finish, enhancing the program with new prizes. This treasure hunt will help to create events for the family to enjoy and provide in brochures to promote from July to September 2020. This will be the 3<sup>rd</sup> year to execute this program and request to run this campaign is \$130,000.

The second proposal called the Guam Ninja Park Campaign also to begin from May to September was shared from Mr. Kaz Endo (Konqer founder) giving the concept and idea of creating a "family friendly" non-competitive, family, oriented obstacle course, small scale feature to promote to the visitors and engage the tourism industry to encourage visitors to experience and participate in. The obstacle course concept, which will not be as intense as the Annual Konqer event held every year, but more of a small-scale event to lead up to the big event in October 2020 is requesting a proposed amount of \$100,000.

The idea behind the Guam Ninja Park (similar to a Japanese "sasuke" park concept) was to create an activity/program from the Summer time to the end of September that would encourage "wellness through play" which can be tailored to a non-competitive or family event. It can be a physical activity to bring the kids, can be made less intense and not meant to compete with the

TA or Optional tours and their programs. It is slated to be a 20- week campaign and subject to the start of this event.

Both events were made to create activities on Guam and encourage travel activities to Guam especially for families who may want to experience outdoor, active type of park, which Guam currently does not have. Once approved, it will be shared to the Japan Travel trade and PR along with SM campaigns will be created to build the hype.

The JMC Members shared comments and various concerns from both programs. Some comments from the members included budget, safety, execution, timing and also suggestions of a joint collaboration of both events to be shared with the Japan travel trade to promote. There was considerable amount of deliberation that took place and members along with the GVB team recommended to present to the board for consideration. The bureau will have full engagement in the finalized details, specifics, and mechanics of both programs. Budget will be paid from the FY2020 JA-ADV008 account and both proposals which are time sensitive.

- The Japan Marketing Committee supported both campaigns.
- Vice Chairman Morinaga asked that Director Murata discuss whether the JMC supports Okinawa hosting JATA. The response of the committee's discussion should be reported back to management.
- Mr. Russell Ocampo stated that The JATA event will be divided into two parts. The B2B meeting will be held in Tokyo in September and the consumer show will be held in Okinawa in October.
- Director Shinohara suggests that they decide on a timeline to make a final decision based on participation. He questioned our return on investment and asked whether it added value to bringing more people to our island. Resources should be allocated strategically to places where Guam does not have a large presence.
- Director Camacho suggested management re-evaluate some marketing decisions, how and why we do them and whether our destination receives value from it.
- This year will be the first for the Guam Ninja Park. Providing this campaign will allow the team to test the participation level. If successful, the team Iwill look into continuing this event.

# J. NORTH AMERICA & PACIFIC MARKETS Committee Meeting Minutes – January 15, 2020

Exhibit E

- Director Hoffman reported that the team is gearing up for PI Show.
- Travel was affected by the volcano eruption. Drives have been held to help those in need
- A new marketing rep. office for the PI is underway. Partners will be announced and brought to Guam to familiarize themselves with our island and all that GVB promotes.

# K. NEW MARKETS Committee Meeting Minutes – January 14, 2020

Exhibit F

- Russia declined in numbers
- Apple Vacations started a Guam promotion in November 2019 and ends March 2020.
- MATA Fair scheduled for mid-March.
- Asia Dive Expo, April 2020. GVB will join NBA Palau and FSM to create a booth for the expo.
- There is a new rule for US visa policy aimed at women traveling from a visa waiver country to the US to give birth, effective Friday, January 24, 2020.
- The Russia parole authority was removed under New Markets. The Russia market is
  not as lucrative as before. Funds are very limited. President & CEO Laguaña requested
  the Board's guidance on whether GVB should continue to invest in the Russia market.
  It was decided that online presence should be kept and funds could be diverted to
  other markets such as Malaysia and Singapore.
- GVB sent out a RFP to maintain the website in December 2019.

# L. KOREA Committee Meeting Minutes – January 14, 2020

Exhibit G

#### **KIA TIGERS X HANA TOUR PROMOTION**

2. Motion made by Director Kloppenburg, seconded by Director Hoffman to approve Kia Tigers x Hana Tour Co-Op promotion at the Kia Tigers Champions Field in Gwangju, South Korea between March 28 – September 30, 2020. Estimated total cost is \$35,000.00 from account KO-ADV011. Motion Approved.

	TOTAL	\$35,000.00
	- booth decoration, giveaways, etc.	
Guam Naming Day	A representative from Guam to make the ceremonial first pitch and batting	\$4,400.00
	Exclusive promotional booth outside the stadium to conduct B2C promotions	
5 <sup>th</sup> or 7 <sup>th</sup> inning (72 games)	GVB can name the inning "Hafa Adai Guam inning" or "Guam inning" (as examples)	\$7,500.00
On-site event after	Mar ~ Sep 2020 on-site event operations, event prizes (Guam travel voucher)	
Outdoor Board Advertising	Mar ~ Sep 2020 (total 216 times: 72 games x 3 times/15 sec.) Billboard size: 35m x 15m	\$23,100.00
SNS Advertisement	Advertisement through Kia Tigers' SNS channels: Facebook (81,205 followers) and Instagram (559,000 followers)	N/A
	- Pop-up message on Kia Tigers official website	
Kia Tigers Website	- Direct mail to Kia tigers fan members (50,000) during the 2020 KBO Professional Baseball Season (Mar - Sep)	N/A
	- GVB's logo to be exposed on Kia Tigers main banner, event page, and sponsor page.	

Background: Kia Tigers, based in Gwangju, is one of the longest running baseball team in South Korea. The home stadium of the Kia Tigers is the Kia Champions Field that holds 20,500 seats. On average, the Kia Champions Field welcomes around 15,000 visitors each game and over 905,000 visited the stadium in 2019. The promotion is an opportunity to promote Guam in the Gwangju region during the KBO Professional Baseball Season between March - September 2020. GVB looks forward to co-op with Hana Tour on the promotion. Hana Tour is investing \$95,000 to support outdoor board advertising, event operations, travel vouchers, meal coupons for on-site event, giveaways, decorations, etc. GVB and Hana Tour plans to host a Guam Day at the stadium where there will be an exclusive promotional booth outside the stadium to conduct B2C promotions, events and giveaways. In addition, GVB will be able to have a representative from Guam participate in the ceremonial first pitch and batting.

**Issue:** Board approval required.

#### **SKYSCANNER KOREA CO-OP PROMOTION**

3. Motion made by Director Kloppenburg, seconded by Director Hoffman to approve Skyscanner Co-Op promotion between February - April 2020. Estimated total cost is \$50,000.00 from account KO-ADV011. Motion Approved.

**Background:** Skyscanner is one of the fastest-growing price comparisons OTA in South Korea specifically focused on helping FIT travelers to flight tickets deals. Based on the Skyscanner data in 2019, there are on average of 200,000 Guam flight booking interests per month on Skyscanner from Korean users with an average booking conversion ratio of -12%. Skyscanner booking represents a significant market share of Korean FITs' flight purchases to Guam. GVB Korea is working to launch a FIT campaign with Skyscanner from Feb to Apr 2020 to push for low season arrivals from Apr to June 2020, GVB also targets to work with Skyscanner to push for strategic routes from Muan, Korea to Guam operated by Jeju Airline to increase awareness and demand to sustain the operation of this newly launched route.

**Issue:** Board approval required.

#### SEOUL INTERNATIONAL TOURISM INDUSTRY FAIR (SITIF)

4. Motion made by Director Kloppenburg, seconded by Director Hoffman to approve GVB to participate in the Seoul International Tourism Industry Fair (SITIF) from May 21 – 24, 2020. Estimated total cost is \$30,900.00; Account # KO-SMD023. Motion Approved.

Booth Space	2 standard booth space (3m x 3m)	\$6,700.00
Booth Construction	Booth frame, booth wall and design, lighting and electricity, graphic work, booth decoration, furniture and AV system, TV monitor etc.	\$20,000.00
Transportation	Transportation for GVB delegation (charter bus)	\$2,200.00
Operational Cost	GVB Korea office logistics, staff meals, material delivery, etc.	\$2,000.00
	TOTAL	\$30,900.00

Background: Seoul International Tourism Industry Fair (SITIF), formerly known as KOTFA, is Korea's first and longest running inbound and outbound expo that is expected to welcome over 80,000 visitors during the 4-day event. GVB annually participates in SITIF to build strong relationships with travel trade partners and to promote Guam at the show. Last year, GVB won "Best Cultural Performance Award" at the show. GVB looks forward promoting the Guam destination and Chamorro culture at the show. Travel for the delegation participating in this show was previously approved at the January 9, 2020 board meeting.

Issue: Board approval required.

### SUNCHEON GUAM PRODUCT SEMINAR

5. Motion made by Director Kloppenburg, seconded by Director Gatewood to approve travel for GVB Director of Global Marketing or designee, one (1) Marketing Staff, Miss Guam, and (2) musicians to attend the Suncheon Guam Product Seminar in Gwangju, South Korea in March 2020. Estimated total cost is \$10,992.00 from accounts KO-SMD023 (\$4,500) and DM-CPO002 (\$6,492.00). Motion Approved.

## Suncheon, South Korea - March 2020

Airfare:	rfare: \$1,000.00 x 2 pax							
	Gwangju, Korea	Lodging	Nights	M&IE	Days			
Per Diem:	Director of Global Marketing (or designee)	\$154.00	3	\$134.00	3	\$864.00		
	One (1) Marketing Staff	\$154.00	3	\$134.00	3	\$864.00		

Unanticipated Expenses (Communications, excess baggage, meetings, etc.)	\$772.00
TOTAL	\$4,500.00

Airfare:	Airfare: \$1,000.00 x 3 pax							
	Gwangju, Korea	Lodging	Nights	M&IE	Days	- 1		
Per Diem:	Miss Guam	\$154.00	3	\$134.00	3	\$864.00		
	(2) Musicians	\$154.00	3	\$134.00	3	\$1,728.00		
	Honorarium (Miss Guam: \$100 x 1 pax x 3 days) Professional Fee (Musicians: \$100 x 2 pax x 3 days)							
	TOTAL							

**Background:** Suncheon is located in South Jeolla Province, about an hour away from Gwangju. To maximize participation, GVB selected this city to hold the Guam Product Seminar because it's proximity to other neighboring cities in the region. GVB looks to hold a Guam Product Seminar with travel trade partners to promote Guam and to promote Jeju Air's newest Muan-Guam route.

Issue: Board approval required for travel.

#### KOREA STUDY ABROAD & EMIGRATION FAIR IN SEOUL

 Motion made by Director Kloppenburg, seconded by Director Gatewood to approve travel for one (1) GVB Marketing Staff to attend the Korea Study Abroad & Emigration Fair in Seoul, South Korea from March 27-31, 2020. Estimated total cost is \$3,500.00 from account KO-SMD023. Motion Approved.

#### Seoul, South Korea - March 2020

Airfare:	\$1,000.00						
Per	Seoul, Korea	Lodging	Nights	M&IE	Days		
Diem:	One (1) Marketing Staff	\$230.00	5	\$136.00	5	\$1,830.00	
	Unanticipated Expenses (Communications, excess baggage, meetings, etc.)						
					TOTAL	\$3,500.00	

Background: GVB in partnership with the University of Guam plans to participate in the Spring Korea Study Abroad & Emigration Fair to promote educational tourism in South Korea. The Korea Study Abroad & Emigration Fair is the largest show study abroad fair in South Korea, which is held twice a year in both Seoul and Busan during the spring and fall season. Main participants in the show include schools, universities and graduate students from overseas. They come to provide information on enrollment, scholarships and educational programs. Embassies and tourism offices at the event also offer to provide information on career opportunities and application process. In 2019, it drew more than 10,000 visitors per day and over 200 companies and schools from 29 countries participated. This year, GVB in partnership with UOG, would like to attend the fair to open up the educational tourism market. The fair will take place in at the COEX in Seoul between March 28 – 29, 2020. The program will include exhibition, in which GVB looks to have 2 standard booth spaces, consultation sessions, and seminars.

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

#### **HONAM TRAVEL EXPO**

7. Motion made by Director Kloppenburg, seconded by Director Gatewood to approve travel for GVB Director of Global Marketing or designee, one (1) Marketing Staff, and Miss Guam

to attend the Honam Travel Expo in Gwangju, South Korea from June 18 - 22, 2020. Estimated total cost is \$8,240.00 from accounts KO-SMD023 (\$5,500) and DM-CPO002 (\$2,740.00). Motion Approved.

#### Gwangju, South Korea - June 2020

Airfare:	\$1,000.00 x 2 pax					\$2,000.00
	Gwangju, Korea	Lodging	Nights	M&IE	Days	
Per Diem:	Director of Global Marketing (or designee)	\$154.00	5	\$134.00	5	\$1,440.00
	One (1) Marketing Staff	\$154.00	5	\$134.00	5	\$1,440.00
	Unanticipated Exper meetings, etc.)	nses (Commu	nications, e	xcess bagga	ige,	\$620.00
					TOTAL	\$5,500.00

Airfare:	Airfare: \$1,000.00 x 1 pax							
Per	Gwangju, Korea	Lodging	Nights	M&IE	Days			
Diem:	Miss Guam	\$154.00	5	\$134.00	5	\$1,440.00		
	Honorarium (Miss Guam: \$100 x 1 pax x 3 days)							
	TOTAL							

**Background:** Honam International Travel Expo (HITE) is the first international travel expo held in Honam area. In 2018, five countries and 87 organizations participated at the expo with over 20,000 visitors during the three-day fair. To diversify in the marketplace and to promote within the nearby Gwangju region, GVB plans to participate in the HITE with two-standard booth spaces to promote the Guam destination.

Issue: Board approval required for travel.

#### **BUSAN INTERNATIONAL TRAVEL FAIR**

8. Motion made by Director Kloppenburg, seconded by Director Gatewood to approve travel for GVB Board of Director or designee, GVB President & CEO or designee, GVB Director of Global Marketing or designee, one (1) Marketing Staff, Culture & Heritage Officer, Miss Guam, (2) Musicians, and (2) Dancers to attend the Busan International Travel Fair in Busan, South Korea from September 16 - 21, 2020. Estimated total cost is \$35,456.00 from accounts KO-SMD023 (\$14,500.00) and DM-CPO002 (\$20,956.00). Motion Approved.

### Busan, South Korea - September 2020

Airfare:	\$1,000.00 x 4 pax					\$4,000.00
	Busan, Korea	Lodging	Nights	M&IE	Days	
	Board of Director (or designee)	\$291.25	6	\$172.50	6	\$2,782.50
Per Diem:	President & CEO (or designee)	\$291.25	6	\$172.50	6	\$2,782.50
	Director of Global Marketing (or designee)	\$233.00	6	\$138.00	6	\$2,226.00
	One (1) Marketing Staff	\$233,00	6	\$138.00	6	\$2,226.00
	Unanticipated Expenses (Communications, excess baggage, meetings, etc.)					\$483.00

Airfare:	\$1,000.00 x 6 pax					\$6,000.00
	Busan, Korea	Lodging	Nights	M&IE	Days	
Per Diem:	Culture & Heritage Officer	\$233.00	6	\$138.00	6	\$2,226.00
Diem.	Miss Guam	\$233.00	6	\$138.00	6	\$2,226.00
	(2) Musicians	\$233.00	6	\$138.00	6	\$4,452.00
	(2) Dancers	\$233.00	6	\$138.00	6	\$4,452.00
	Honorarium (Miss Guam: \$100 x 1 pax x 4 days) Professional Fee (Musicians: \$100 x 2 pax x 4 days) Professional Fee (Dancers: \$50 x 2 pax x 4 days)					\$400.00 \$800.00 \$400.00
					TOTAL	\$20,956.00

Background: The Busan International Travel Fair (BITF) is Busan's largest consumer travel show that will take place at the BEXCO between September 17 - 20, 2020. The four-day fair is organized by the Korea World Travel Fair (KOTFA). GVB's will provide Guam exposure to potential travelers from Busan and neighboring regions and to support current operations from Jeju Air, Jin Air, and Air Busan. While at the show, GVB will also prepare interviews with GVB management and dignitaries to build exposure of the Guam brand. In addition, the GVB delegation will conduct meetings with the industry.

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

#### KOREA STUDY ABROAD FAIR IN BUSAN

 Motion made by Director Kloppenburg, seconded by Director Gatewood to approve travel for one (1) GVB Marketing Staff to attend the Korea Study Abroad Fair in Busan, South Korea from September 17 - 21, 2020. Estimated total cost is \$3,500.00; Account # KO-SMD023. Motion Approved.

### <u>Busan, South Korea - September 2020</u>

Airfare:	\$1,000.00 x 1 pax					\$1,000.00
Per Diem:	Busan, Korea	Lodging	Nights	M&IE	Days	
	One (1) Marketing Staff	\$233.00	5	\$138.00	5	\$1,855.00
	Unanticipated Exper meetings, etc.)	nses (Commu	nications, e	xcess bagga	ige,	\$645.00
					TOTAL	\$3,500.00

Background: GVB in partnership with the University of Guam plans to participate in the Fall Korea Study Abroad & Emigration Fair to promote educational tourism in South Korea. The Korea Study Abroad & Emigration Fair is the largest show study abroad fair in South Korea, which is held twice a year in both Seoul and Busan during the spring and fall season. Main participants in the show include schools, universities and graduate students from overseas. They come to provide information on enrollment, scholarships and educational programs. Embassies and tourism offices at the event also offer to provide information on career opportunities and application process. In 2019, it drew more than 10,000 visitors per day and over 200 companies and schools from 29 countries participated. This year, GVB in partnership with UOG, would like to attend the fair to open up the educational tourism market. The fair will take place in at the BEXCO in Busan between September 19 - 20, 2020. The program will include exhibition, in which GVB looks to have 2 standard booth spaces, consultation sessions, and seminars.

Issue: Board approval required for travel.

#### DISCUSSION

- Director Kloppenburg reported that HANA Tour Expo is cancelled for 2020 due to a trade conflict between Korea and Japan.
- Mode Tour Travel Fair originally scheduled in September 2020 is postponed until November (FY2021)
- These two events were approved at the last board meeting with all FY2020 travel motions. Both shows combined were \$160K.
- The Busan International Travel Fair, a consumer fair and the Korea Study Abroad Fair, planners for student trips (Motions 8 & 9) will be held in one venue in two separate halls.
- KGTA First annual Gala on January 10<sup>th</sup>. Director Shun Matsumoto, Colleen and Nakisha attended. Nakisha gave a safety briefing at the gala.
- Colleen and Maria gave a presentation to Korean exchange students at the Okkodo High School on January 16, 2020. They were asked to give a presentation at the Bank of Guam's development team meeting on January 28, 2020.
- GVB was awarded for the Best Destination Marketing Organization by the Korean Travel News, GVB topped amongst over 20 other destinations and favored over 43% of the partner rating.
- GVB Korea accepted an appreciation award from Je'Ju Airlines for their marketing efforts and support.
- Next KMC meeting scheduled for Tuesday, January 28, 2020 at 11:00 am.

# M. GREATER CHINA Committee Meeting Minutes - January 10, 2020

Exhibit H

### **AIRLINE MEETINGS IN TAIWAN**

10. Motion made by Director Camacho, seconded by Director Kloppenburg to approve travel for the Air Service Development (ASD) Committee Chairperson or designee and 1marketing staff to partake in airline meetings in Taiwan from March 23-28, 2020. Cost is approximately \$5,987.00 to be taken from Account Number TA-SMD019. Motion approved.

Airfare:	\$1,000 x 2 pax	\$2,000.00			
		Lodging	M&IE	Nights/Days	
Per Diem:	ASD Chairperson or designee	\$1,305.00	\$910.00	6N/7D	\$ 2,215.00
	Marketing Staff	\$1,044.00	\$728.00	6N/7D	\$1,772.00
			l l	TOTAL	\$5,987.00

**Background**: GVB is aggressively cultivating the development of new air service and this initiative must continue to grow this highly potential market. Taiwan market is currently facing challenges with China Airlines, the only airline providing direct service between Taipei (Taoyuan Airport) and Guam. China Airlines recently announced that they will be adjusting their flight time from daytime to red-eye schedule, effective June 23, 2020.

Current schedule:

TPE - GUM 08:00-13:50 | GUM - TPE 15:20-17.45

Proposed schedule: TPE - GUM 21:10-03:10 +1 | GUM - TPE 04:20-06:30

This change would potentially affect Taiwan arrival numbers due to the inconvenient schedule and the added costs to travel to Guam, making it a less attractive destination from other competing destinations. China airlines earlier this fiscal year in October 2019 decreased its frequency from 5x to 4x weekly resulting in decreased capacity. It is critical for GVB to travel to Taiwan to meet with China Airlines to personally express concern and plea for their support of the Guam destination.

During this travel time frame, Government of Guam Protocol is attending the Smart City Summit & Expo and while there, meetings with high officials with the American Institute of Taiwan, the Ministry of Foreign Affairs as well as meeting with various airlines and key trade partners are being scheduled. It is pertinent for the ASD Committee to participate at these meetings and continue its mission to grow air capacity for Taiwan. GVB would leverage this opportunity and bring out a strong delegation to impact Guam's pursuit to bring in new business.

Issue: Board approval for travel required.

 China Airline's flight time adjustment schedule effective June 23, 2020 will jeopardize our tourism arrival.

#### VII. OLD BUSINESS

#### Funding for the Air Service Development Committee

- The Air Service Development Committee was formed without a budget. President & CEO, Ms. Laguaña, is working with our Accounting Department to find funding. She requested for Treasure, Director Shinohara's favor to allocate \$50,000 to the Air Service Development Committee. Director Shinohara said there should be no issue once the funds are confirmed.
- Funds will not be taken from other committees, according to Ms. Laguaña.

# VIII. NEW BUSINESS

#### Mexican construction workers on Guam

- New construction workers are coming from Mexico. Director Hofmann would like to find a way to welcome them into our community and figure out a way for them to participate.
- Cultural Heritage month is in March. We have common cultural ties with the Mexicans. As suggested by President & CEO, Ms. Laguaña, a master Chamorro month calendar of events could include opportunities for them to participate and share their culture as well.
- Vice Chairman Morinaga suggested we provide a welcome package.

#### Korea Market - Escort Service

 Vice Chairman Morinaga asked that the Korea Market keep an eye out for escort services via website page. A male individual is advertising services to take women out local parties, etc. The Vice Chairman would like this to be brought up at the next KMC meeting.

# **Doris Ada's Retirement**

- Management & Staff agreed and honored Doris Ada's wish to have an dinner for her retirement. Her last day with GVB is on January 31, 2020.
- Board to write a letter of appreciation, thanking Doris for her support and years of service to the Bureau.

#### <u>Jaimelyn Pinuala</u>

 Will be resigning from GVB and relocating to the US mainland for her husband's service in the military.

#### IX. EXECUTIVE SESSION

Motion made by Vice Chairman Morinaga to move into Executive Session at 4:29 pm.

Vice Chairman Morinaga called the regular meeting back to order at 5:40 pm.

Motion made by Director Kloppenburg, seconded by Director Gatewood to authorize Vice Chairman Morinaga, Directors Shinohara and Gatewood to meet with staff and senior management to finally decide how to address the letter given to the board from concerned staff. Motion approved.

Motion made by Director Hoffman, seconded by Shinohara to move the board meeting into recess and continue the following day (January 24, 2020) at 12:00 p.m. Motion approved.

#### X. ANNOUNCEMENTS

**Upcoming Board Meetings:** 

- Thursday, February 13, 2020 at 3:30pm, GVB Main Conference Room
- Thursday, February 27, 2020 at 3:30pm, GVB Main Conference Room

# XI. ADJOURNMENT

Motion made by Director Shinohara to adjourn the January 24, 2020 meeting at 1:38 p.m. Motion approved.

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

Neam 1

Board Minutes respectively submitted by Valerie Sablan, Executive Secretary

#### **ACTION ITEMS:**

- o Management to have an insurance representative present information on coverage and risks associated with Directors and Officers Insurance during next board meeting.
- o Management to explore travel insurance for employees.
- o Willy Flores to send out public service announcement prior to commencement of projects.
- o Director of Finance to provide reconciliation of pax report and room inventory.
- Director of Finance to add GVB budget for years discussed to reflect percentage of TAF allocation.
- In FY2018 the board approved funding for Rev & Tax to hire two people to assist with Air BNB collections. Per Director Shinohara, Nakisha to find out status during next meeting with Rev & Tax.
- o Board directors will review the retaliation policy received from Legal Counsel. The policy will be discussed at the next board meeting.
- At the next board meeting, Management to provide board directors an explanation of the value to participate in PATA and GVB's cost of investment.
- o Management to provide draft message on coronavirus and what GVB is doing about it.
- Management to provide financial impact report of the SARS virus and how it affected Guam financially.
- Management to reach out to Customs & Boarder Patrol regarding temporary visitor visas (B-1/B-20) for women hoping to travel to the US for the purpose of having a child. Obtain information.
- o Board to write a letter of appreciation, thanking Doris for her support and years of service to the Bureau.
- Vice Chairman Morinaga will provide an update on GIAA's Coronavirus emergency plan at a later time.
- Vice Chairman Morinaga asked that Director Murata discuss whether the JMC supports Okinawa hosting JATA. The response of the committee's discussion should be reported back to management.