



Speaker Won Pat <speaker@judiwonpat.com>

Messages and Communications: GVB Board Packet: July 24, 2014

1 message

Speaker Won Pat <speaker@judiwonpat.com>

Thu, Jul 31, 2014 at 10:30 AM

To: Guam Legislature Clerks Office <clerks@guamlegislature.org>

7/31/2014 7/24/2014

Guam Visitors Bureau

GVB Board Packet: July 24, 2014

32-14-1898

Forwarded message

From: Colleen Cabedo <colleen.cabedo@visitguam.org>
Date: Thu, Jul 31, 2014 at 10:27 AM
Subject: GVB Board Packet: July 24, 2014
To: Speaker Won Pat <speaker@judiwonpat.com>
Cc: therese@judiwonpat.com

32-14-1898
Office of the Speaker
Judith T. Won Pat Ed.D.
Date 7.31.14
Time 10:30am
Received by [Signature]

2014 JUL 31 AM 10:37

Hafa Adai Speaker Won Pat,

Pursuant to Title 5 Ch 8 Section 8113.1. of the Guam Code Annotated, Attached is our board packet of July 24, 2014.

Senseramente,

Colleen Cabedo
Executive Secretary

GUAM VISITORS BUREAU
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Ufisinan I Etmás Ge'helo'Gi Liheslaturan Guåhan
Office of Speaker Judith T. Won Pat Ed.D.
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Committee on Education and Public Libraries & Women's Affairs
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6 attachments

- AGENDA_20140724.docx 561K
- CASHPOSITION_20140724.pdf 2067K
- 20140724_GMReport-BOD_2pg.pdf 6179K
- KMC_Minutes_20140715.docx 2525K
- CHINA_Minutes_20140711.pdf

1898



REGULAR BOARD OF DIRECTORS MEETING
Thursday, July 24, 2014 – 4:00 p.m.
Guam Visitors Bureau Main Conference Room

A G E N D A

- I) **CALL TO ORDER**
- II) **MINUTES OF THE PREVIOUS MEETING** **Exhibit A**
Approval of minutes of the previous Board of Directors meeting dated July 10, 2014.
- III) **REPORT OF THE CHAIRMAN** (*M. Baldyga*)
- IV) **REPORT OF THE GENERAL MANAGER** (*K. Pangelinan*) **Exhibit B**
- V) **REPORT OF THE TREASURER** (*Management*) **Exhibit C**
- VI) **REPORT OF THE BOARD COMMITTEES**
- A.** **EXECUTIVE COMMITTEE** (*B. Kloppenburg*) **E**
- Motion to ratify Executive Committee's approval for GVB's FY2015 budget ceiling request of \$23,700,000.00.**
- Background:**
The Guam Legislature Committee on Appropriations, requests GVB's FY2015 budget documents.
- Issue:**
Board approval required.
- B. ADMINISTRATION & GOV'T RELATIONS** (*J. Guthertz*)
- C. JAPAN MARKETING** (*N. Nakajima*)
- D.** **OREA MARKETING** (*Management*) **K**
Committee Minutes dated July 15, 2014 **Exhibit D**
- E. NORTH AMERICA & PACIFIC MARKETS** (*A. Muna*)

F. REATER CHINA MARKETING (*Management*)
Committee Minutes dated July 11, 2014

G

Exhibit E

G. USSIA & NEW MARKETS (*B. Jackson*)

R

H. ESTINATION MANAGEMENT (*R. Hofmann*)

D

I. ULTURAL HERITAGE & COMMUNITY OUTREACH (*T. Arriola*)

C

J. PORTS & EVENTS (*N. Taimanglo*)

S

K. MEMBERSHIP DEVELOPMENT (*Management*)

L. RESEARCH (*N. Taimanglo*)

VII) OLD BUSINESS

VIII) NEW BUSINESS

IX) EXECUTIVE SESSION

X) ANNOUNCEMENTS

Next Board Meeting:

- o Thursday, August 14, 2014 at 4:00PM, GVB Main Conference Room

XI) ADJOURNMENT



Action Items:

BY MANAGEMENT

- Management to consider a revised China incentive program and to provide a recommendation to the board (4/10/14).
- Chairman Baldyga mentioned that he would like to set meetings with GVB management and senators regarding the Tourism 2020 plan and 2015 budgets (4/10/14 and 2/27/14).
- Chairman Baldyga asked management to create a Destination Management Task List with quarterly goals (4/10/14).
- Chairman would like to have an update on the Tumon Flooding Mediation Plan and all capital projects. (2/27/14)
- Chairman Baldyga requested to create an online community calendar or to create a new page for a community events calendar in the GVB website. (5/8/2014)
- Chairman Baldyga requested the Task Management create a message to deliver to the media before June 9. (5/8/14)
- General Manager Pangelinan to come up with a plan and budget to improve the welcoming experience at the airport. (7/10/14)

**CASH, RECEIVABLES, & PAYABLES POSITION
FY 2013 & FY 2014 COMPARATIVE REPORT**

FY 2013 (07/23/2013)	Balance
CITIBANK OPERATION	\$428,481.28
BANK OF GUAM	\$10,301,047.47
FIRST HAWAIIAN BANK - Membership	\$55,325.50
RESONA BANK	\$316,049.64
CITIBANK - TAF	\$67,928.19
BOG - TAF ACCOUNT	\$585,310.66
BOG - RAINY DAY FUND	\$1,774,918.98
BOG - FESTPAC Trust Account	\$923,364.95
MORGAN STANLEY - CD **	\$2,505,151.24
BOG - 2/12 Memorial Fund	\$123,445.82
TOTAL CASH IN BANKS AS OF 07/23/2013	\$17,081,023.73

FY 2014 (07/22/2014)	Balance
BANK OF GUAM	\$5,854,192.33
FIRST HAWAIIAN BANK - Membership	\$50,991.86
RESONA BANK	\$111,912.44
BOG - TAF ACCOUNT	\$1,123,439.64
BOG - RAINY DAY FUND	\$1,826,854.89
BOG - FESTPAC Trust Account	\$1,501,339.66
MORGAN STANLEY - CD **	\$2,509,936.99
BOG - 2/12 Memorial Fund	\$693.60
TOTAL CASH IN BANKS AS OF 07/22/2014	\$12,979,361.41

**Morgan Stanley CD Market value as of 06/30/2014

**Morgan Stanley CD Market value as of 06/30/13 (value if withdrawn prior to maturity - Maturity Date October 2013)

FY 2013 BUDGET P.L. 31-233	\$16,018,239.00
GVB - \$15,238,239.00	
OPERATIONS - \$14,022,384.00	
TAF Special Projects - \$1,215,855.00	
PASS THRU APPROPRIATIONS - \$780,000.00	

FY 2014 BUDGET P.L. 32-068	\$ 18,262,134.00
OPERATIONS - \$15,487,134.00	
TAF Special Projects - \$2,000,000.00	
PASS THRU APPROPRIATIONS - \$775,000.00	

	OPERATIONS	TAF Special Projects	Pass-thru
11/15/12	\$1,420,199.55	\$121,585.00	\$ 55,253.00
12/17/12	\$1,362,725.00	\$121,585.00	\$ 55,253.00
01/14/13	\$1,011,749.00	\$121,585.00	\$ 19,834.00
02/14/13	\$ 842,725.00	\$121,585.00	\$-0-
03/13/13	\$1,602,237.00	\$121,585.00	\$ 55,253.00
04/16/13	\$1,891,749.00	\$121,585.00	\$ 55,253.00
05/17/13	\$1,262,725.00	\$121,585.00	\$ 19,834.00
06/12/13	\$2,060,995.00	\$121,585.00	\$ 97,756.00
06/19/13	\$ -0-	\$ -0-	\$ 14,126.00
07/12/13	<u>\$ 945,975.00</u>	<u>\$142,893.30</u>	<u>\$190,552.00</u>
	\$12,401,079.55	\$1,115,573.30	\$556,030.00

	OPERATIONS	TAF Special Projects	Pass-thru
11/14/13	\$1,161,535.00	\$ 150,000.00	\$ 58,125.00
11/15/13	\$1,161,535.00	\$ 150,000.00	\$ 58,125.00
11/29/13	\$ -0-	\$ -0-	\$ 7,500.00
12/11/13	\$1,161,535.00	\$ 150,000.00	\$ 63,750.00
12/24/13	\$ -0-	\$	\$ 3,750.00
01/10/14	\$1,032,535.00	\$ 150,000.00	\$ 26,250.00
01/21/14	\$ -0-	\$ -0-	\$ 2,500.00
02/11/14	\$ 386,100.00	\$ 150,000.00	\$ 22,500.00
03/17/14	\$1,936,970.00	\$ 150,000.00	\$ 96,000.00
04/17/14	\$1,290,535.00	\$ 150,000.00	\$ 80,250.00
05/09/14	\$ 649,017.55	\$ 150,000.00	\$ 56,250.00
06/19/14	<u>\$1,161,535.00</u>	<u>\$ 150,000.00</u>	<u>\$ 56,250.00</u>
	\$9,941,297.55	\$1,350,000.00	\$ 531,250.00

Total Allotment Received to Date:	\$14,072,682.85
Accounts Receivable FY 2013	\$1,945,556.15

Total FY 2014 Allotment Received to Date:	\$11,822,547.55
Accounts Receivable FY 2014	\$6,439,586.45

FY 2013 ACCOUNTS PAYABLE as of 07/23/13	Amount
Asatsu invoices Dec'12 - May'13	\$1,443,027.75
Japan Miscellaneous Invoices	\$53,671.60
Guam Miscellaneous Invoices	\$629,353.12
FY 2011/2012 Pass-thru appropriations	\$554,641.24
FY 2013 Pass-thru appropriations	\$91,383.00
Encumbered Contracts (not yet incurred)	\$1,532,306.50
Encumbered Purchase Orders (not yet incurred)	\$91,348.07
FESTPAC Trust Account	\$923,364.95
Total Payables to date	\$5,319,096.23

FY 2014 ACCOUNTS PAYABLE as of 07/22/14	Amount
Asatsu invoices June 2014	\$1,089,110.57
Japan Miscellaneous Invoices	\$53,812.77
Guam Miscellaneous Invoices	\$734,046.16
FY 2011/2012/2013 Pass-thru appropriations	\$292,842.24
FY 2014 Pass-thru appropriations	\$3,750.00
Encumbered Contracts (not yet incurred)	\$2,376,108.43
Encumbered Purchase Orders (not yet incurred)	\$179,488.92
FESTPAC Trust Account	\$1,501,339.66
Total Payables to Date	\$6,230,498.75

**Comparative Statements of Revenues & Expenses
June 2014, June 2013, & YTD**

OPERATIONS					SPECIAL PROJECTS				
	June 2014 Actual	June 2013 Actual	YTD as of June 2014	FY 2013 as of June 2013		June 2014 Actual	June 2013 Actual	YTD as of June 2014	FY 2013 as of June 2013
Revenue					Revenue				
GovGuam Allotments	1,176,535.00	2,075,162.00	10,106,297.55	11,554,273.55	GovGuam Allotments	150,000.00	121,585.00	1,532,378.00	972,680.00
GovGuam Allotments - Pass-thru	41,250.00	90,631.00	697,800.00	266,309.00	Interest Income	106.58	81.86	740.90	806.66
Federal	0.00	0.00	0.00	17,755.00	Miscellaneous NOTE 5	110,703.52	0.00	265,153.50	54,100.00
Membership NOTE 1	200.00	1,100.00	35,300.00	68,000.00	Total Revenue	260,810.10	121,666.86	1,798,272.40	1,027,586.66
Interest Income	987.14	1,333.58	10,748.42	11,092.32	Operational Expenses				
Foreign Exchange Gain/Loss	(363.40)	7,928.71	(34,339.14)	6,090.51	Utilities	7,478.88	5,782.33	37,861.09	32,993.35
CD Morgan Stanley Gain/Loss	984.40	187.35	1,641.46	5,151.24	Professional Services	7,382.50	6,250.00	60,666.50	50,000.00
Miscellaneous	16,537.59	32,211.87	201,389.59	366,431.60	Contractual Services NOTE 5	158,450.54	37,047.44	865,903.91	575,268.30
Consumption Tax	18,928.21	0.00	180,113.72	76,215.28	Advertising & Printing	0.00	0.00	0.00	0.00
In-kind Contributions	1,484.40	0.00	37,108.50	78,682.49	Miscellaneous	0.80	0.30	12.15	6.55
Total Revenue	1,256,543.34	2,208,554.51	11,236,060.10	12,450,000.99	Total Operational Expenses	173,312.72	49,080.07	964,443.65	658,268.20
Operational Expenses					Change in Net Assets	87,497.38	72,586.79	833,828.75	369,318.46
Personnel NOTE 2	250,324.66	251,847.02	1,727,888.70	1,448,496.16					
Travel	106,976.01	67,006.19	508,514.69	294,911.38					
Utilities	12,190.80	12,870.53	92,537.95	108,316.91					
Professional Services	577,193.82	723,706.41	5,958,583.66	4,103,942.11					
Materials & Supplies NOTE 3	9,744.53	15,358.92	77,658.28	48,570.17					
Equipment NOTE 4	8,937.09	671.29	59,325.20	19,675.19					
Contractual Services	6,140.25	0.00	40,992.51	59,701.01					
Rent/Lease	30,371.73	18,442.00	179,706.08	192,741.97					
Repairs & Maintenance	814.20	1,243.40	22,084.27	50,901.47					
Advertising & Printing	15,241.00	6,699.85	89,464.21	64,725.30					
Grants & Sponsorships	44,250.00	23,000.00	435,749.26	668,748.00					
Miscellaneous	35,214.65	63,444.83	260,432.52	283,770.11					
Total Operational Expenses	1,097,398.74	1,184,290.44	9,452,937.33	7,344,499.78					
Non-Operational Expenses									
Community Programs	0.00	0.00	1,888.00	0.00					
In-Kind Contributions	1,484.40	0.00	37,108.50	78,682.49					
Consumption Tax	0.00	0.00	18,030.18	13,803.56					
Pass-Thru Appropriations	42,875.00	63,005.00	324,175.00	233,693.85					
Depreciation	6,944.44	6,944.44	62,499.96	64,483.21					
Total Non-Operational Expenses	51,303.84	69,949.44	443,701.64	390,663.11					
Change in Net Assets	107,840.76	954,314.63	1,339,421.13	4,714,838.10					

NOTE 1: Decrease in Membership Revenue is due to FY 2013 being an election year.

NOTE 2: Increase in Personnel due to new positions filled, increase in benefits for both active employees and retirees.

NOTE 3: Increase in Materials & Supplies due to promotional reusable bags purchased.

NOTE 4: Increase in Equipment due to new computers purchased and equipment purchased for GPD.

NOTE 5: Increase due to GEDA QC funding for Special Projects



Comparative Balance Sheet
June 30, 2014 & 2013

OPERATIONS		
	June 30, 2014	June 30, 2013
Assets		
Current Assets		
Cash & Cash Equivalents	12,706,704.10	15,519,712.37
Accounts Receivable - Appropriations	5,789,586.45	3,856,259.45
Accounts Receivable - Other	127,445.90	141,968.35
Total Current Assets	18,623,736.45	19,517,940.17
Long-term Assets		
Property & Equipment	6,832,693.48	6,916,026.76
Total Long-term Assets	6,832,693.48	6,916,026.76
Total Assets	25,456,429.93	26,433,966.93
Liabilities		
Current Liabilities		
Accounts Payable	198,007.77	61,317.58
Accounts Payable - Pass-thru entities	292,842.24	558,442.27
Deferred Revenue - Appropriations	5,789,586.45	3,856,259.45
Deferred Revenue - Membership	0.00	0.00
Total Current Liabilities	6,280,436.46	4,476,019.30
Long-Term Liabilities		
Unfunded Pension Cost	0.00	0.00
Accrued Sick Leave	148,448.06	141,766.07
Accrued Annual Leave	123,646.07	104,915.14
Total Long-Term Liabilities	272,094.13	246,681.21
Total Liabilities	6,552,530.59	4,722,700.51
Net Assets		
Beginning Net Assets	17,564,478.21	16,996,428.32
Change in Net Assets	1,339,421.13	4,714,838.10
Total Net Assets	18,903,899.34	21,711,266.42
Total Liabilities and Net Assets	25,456,429.93	26,433,966.93

SPECIAL PROJECTS		
	June 30, 2014	June 30, 2013
Assets		
Current Assets		
Cash & Cash Equivalents	1,026,665.74	747,967.12
Accounts Receivable - Appropriations	800,000.00	243,175.00
Accounts Receivable - Other	0.00	0.00
Total Current Assets	1,826,665.74	991,142.12
Total Assets	1,826,665.74	991,142.12
Liabilities		
Current Liabilities		
Accounts Payable	0.00	0.00
Deferred Revenue	650,000.00	243,175.00
Total Current Liabilities	650,000.00	243,175.00
Total Liabilities	650,000.00	243,175.00
Net Assets		
Beginning Net Assets	342,836.99	378,648.66
Change in Net Assets	833,828.75	369,318.46
Total Net Assets	1,176,665.74	747,967.12
Total Liabilities and Net Assets	1,826,665.74	991,142.12

KOREA MARKETS COMMITTEE MEETING MINUTES
Tuesday, July 15, 2014, 11:00 a.m.
GVB Main Conference Room

Members Present:

Oscar Miyashita, Ernst & Young
Tae Oh, Sandcastle, Inc.
Janeen Kang, Underwater World & Sea Grill
Hyong Yi, Outrigger Guam Resort
Terry Chung, DFS Guam
Suzie Kim, Hilton Guam Resort & Spa
Cris Gamboa, Onward Guam Resort
Aaron Kim, Net Ent.
Young Min Kim, Pacific Islands Club
Elisha Lee, Lotte Hotel Guam
Eric Ji, Sheraton Laguna Guam
Yungjin Kong, HIT
Dongsin Choi, Speed Travel Way
Seonguk Jo, Leo Palace Resort

Members Absent:

Tak Takano, Pleasure Island Guam
Bartley Jackson, Hotel Santa Fe
Ken Yanagisawa, Pacific Islands Club
Cathleen Moore-Linn, University of Guam
Jace Kim, Jeju Air
Theresa Crucena, Royal Orchid Guam
Jennifer Chae, Hotel Nikko Guam
Mr. Sung-Hwan Wang, KTB
Man-soo Hyun, Hyatt Regency Guam
Rolenda Faasuamalie, Guam International Airport Authority
Jeremy Jung, Hana Tour
Hugh Shin, Korean Air
Sam H. Kim, Hana Tour
Jong Bok Lee, JIN Air
Jae Hong Lim, Mode Tour Network
Jenny Cheon, Holiday Resort & Spa Guam

Guests/Alternate Members Present:

GVB Korea GSA Present (Telephonically):
Henry Lee, TLK Korea

GVB Korea PR Present (Telephonically):
Adele Kim, Promac Partnership

GVB Staff:

Karl A. Pangelinan, General Manager
Pilar Laguana, Marketing Manager
Felix Reyes, Marketing Officer II
Victor Chung, Intern

CALL TO ORDER

General Manager Karl A. Pangelinan called the meeting to order at 11:04 a.m.

MINUTES OF THE PREVIOUS MINUTES

Motion to approve the minutes of the June 16, 2014 KMC Minutes was made by Mr. Tae Oh and was seconded by Mr. Aaron Kim. Minutes were approved subject to any minor corrections.

REPORT OF CHAIRMAN

REPORT OF MANAGEMENT

Mr. Pangelinan welcomed everyone and thanked all for attending the meeting.

Mr. Pangelinan reviewed the arrivals update data for CY and FY YTD. MTD arrivals from Korea for June was at +33.7% over LY, same period. FY YTD is at 28.9%. Other markets like Russia and China show slight increases as well. Japan is showing a -7.8% for June. Challenges remain in Japan due to the sluggish economy. He thanks those in the KMC for their hard work in keeping Korea numbers high.

Mr. Pangelinan said he had spent some time in Busan just last week and felt this secondary city was very nice. He also mentioned United has officially announced direct daily flights from Incheon to Guam starting October 27, 2014. United has been out of the Korea market for a number of years.

Lotte Hotel had their grand opening and brings another 200+ rooms to the inventory.



3 month Forecast

Month	Forecast Pax	Last Year	%Change	Seat Forecast '14	Seat Data '13	% Change Seats
July	27,000	22,006	22.7%	31,214	22,297	40.0%
August	28,000	23,145	21.0%	32,807	27,051	21.3%
September	24,000	19,686	21.9%	30,043	22,988	30.7%

Flights

July	August	September
- KE Flight : Incheon=7 per week = 11,155 (8747-400)	- KE Flight : Incheon=7 per week = 11,219 (8747-400)	- KE Flight : Incheon=7 per week = 10,950 (8747-400)
- KEE Extra (Wed, Thu, Sat, Sun) = (7/28)= 414 (8737-800)	- KE Extra (Wed, Thu, Sat, Sun) = (8/21)= 1,794 (8737-800)	- Busan KE (Wed, Thu, Sat, Sun) = 2,533 (8737-800)
- Busan KE (Wed, Thu, Sat, Sun) = 2,533 (8737-800)	- Busan KE (Wed, Thu, Sat, Sun) = 2,682 (8737-800)	- Jin Air : Incheon=7 per week = 5,400 (8737-800)
- Jin Air : Incheon=7 per week = 5,580 (8737-800)	- Jin Air : Incheon=7 per week = 5,580 (8737-800)	- Jeju Air : Incheon=14 per week = 11,160 (8737-800)
- Jeju Air : Incheon=14 per week = 11,532 (8737-800)	- Jeju Air : Incheon=14 per week = 11,532 (8737-800)	
Total 31,214	Total 32,807	Total 30,043

Mr.

Henry Lee briefed the committee on the details of the 3-month forecast for July – September. The storm that passed by Guam last week delayed some Korean flights but there were no cancellations.

He said Korea continues to reflect double-digit increases for these three months over last year.

About 1,000 U.S. military members are coming in September so rooms may become an issue.

KE Extra flights (4X/week) is helping with LF and seat capacity.

KOREA - Korea Marketing News

**Korea Outbound Travelers
Guam Market Share**

		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
2011	K Outbound	1,365,007	1,091,626	848,647	667,487	1,014,409	1,201,933	1,171,671	1,377,213	1,012,907	1,032,269	974,225	1,010,646	8,693,303
	Guam Arrival	14,359	12,018	5,379	4,828	8,779	11,758	14,837	17,728	8,809	10,646	8,224	12,466	149,073
	Market Share	1.1%	1.1%	1.0%	0.8%	1.1%	1.3%	1.4%	1.4%	1.1%	1.0%	1.0%	1.4%	1.3%
2012	K Outbound	1,200,728	1,180,224	1,018,967	1,018,445	1,046,960	1,093,370	1,202,116	1,224,651	1,067,809	1,124,743	1,117,220	1,149,900	8,734,976
	Guam Arrival	14,316	12,682	10,758	11,420	11,613	12,116	17,524	18,106	8,855	16,121	8,464	21,464	183,626
	Market Share	1.4%	1.3%	1.1%	1.1%	1.1%	1.4%	1.7%	1.7%	0.8%	1.6%	1.0%	1.8%	1.3%
2013	K Outbound	1,425,960	1,184,607	1,110,544	1,097,410	1,025,427	1,211,591	1,407,413	1,407,166	1,192,258	1,229,143	1,124,024	1,204,448	8,844,465
	Guam Arrival	22,963	18,908	16,337	15,224	8,513	20,234	22,004	22,146	19,666	19,247	22,967	24,873	246,243
	Market Share	1.6%	1.6%	1.5%	1.4%	1.4%	1.7%	1.8%	1.6%	1.8%	1.6%	1.7%	2.1%	1.7%
2014	K Outbound	1,448,963	1,211,823	1,150,979	1,179,825	1,220,000	1,220,000	1,470,000	1,470,000	1,340,000	1,280,000	1,220,000	1,240,000	12,223,430
	Guam Arrival	18,282	22,205	21,640	22,623	22,640	27,229	27,100	28,000	24,000	21,000	22,200	26,000	299,400
	Market Share	1.7%	1.8%	1.9%	2.0%	1.9%	2.1%	1.8%	1.9%	1.9%	1.6%	1.7%	2.1%	1.9%

- Blue K Outbound projection

If the 2.0

MS is maintained, GVB can achieve a 300,000 + Korean visitor arrivals during CY2014. This may be due to United's arrival into the market again.

KOREA - Korea Marketing News

3 month Activities/Programs

- **TV Home-shopping**
 - **Aug.** : Lotte JTB, Online
 - **Sep.** : Hanjin
 - On cable TV for an 1 hour
- **Golf Tournament**
 - **Aug.** : Hana Golf - 100 pax
- **Roadshow on September**
- **MICE Group**

MICE Monthly total

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
2014	650	850	1,200	3,500	1,100	1,125							8,325
2013	1,820	700	910	2,050	1,300	1,050							8,230

Mr. Lee briefed the committee on the 3-month activities and programs, including TV Home Shopping during August and September.

The Hana Golf Tournament is not a Hana Tour staff tournament but rather hosted by Hana Tour. This will be a first time tournament.

GVB will host a roadshow in Busan and Daegu in September around BITF.

Cheosuk Holiday is right before BITF.

Per Adele, the BITF is September 12-15 while Chuseok is 6-10.

Henry says he will review and perhaps plan for right after BITF for the roadshow.

MICE is showing slight increases between January and June 2014.

KOREA - Korea Marketing News

Jin Air Sales Contest

- **Jin Air 4th anniversary sales contest with Travel Agents**
 - Period : 2014. 05. 01 ~ 05. 31
 - Group portion winner : 1st prize Online
2nd prize Hana
3rd prize Very Good
 - FIT portion winner : 1st prize Interpark
2nd prize Hana
3rd prize Mode
 - Prize Group & FIT:
 - 1st prize GVB won 700,000 / Jin Air 2 round trip ticket to Guam
 - 2nd prize GVB won 500,000 / Jin Air 1 round trip ticket to Guam
 - 3rd prize GVB won 300,000 / Jin Air 1 round trip ticket to Guam

explained the process of the Jin air Anniversary Sales Contest to the committee.

Mr.

KOREA - Korea Marketing News

Dinner function with Guam Land Operator On Jul. 3, 2014



(1-0) : Mr. Kim Hyunjong, Busul.com, Mr. Han Gyuduk, D13, Mr. A Dongchun, LandSis, Mr. Lee Byongyong, HII, Mr. Lee Jaesun, Hana
(1-8) : Mr. ChoYunsook, P&J, YC Am, LLC, Mr. Lee Jonghwan, Happy, Mr. Gong Youngin, HII/CIAC President, Mr. KimSachul, JG Tour

Mr.

Kong, HIT Tour President, KMC member and KTAG President visited Korea recently. He joined the KGMC and discussed the new safety program being printed for Guam, as well as other issues on the Guam side.

KOREA - Korea Marketing News

BBQ Block Party

GVB invited Korean Chef Tae-Hyun Lee and Yong-Hyun Choi. He brings along years of experience with food and menu development.



Two popular Korean Chefs attended the annual BBQ Block Party during July 5. And although they did not win, there is hope next year will be much better with better preparation on what to bring and the process of the competition.

Mr. Lee requested management and KMC how many booths to secure for the upcoming Mode Tour Int'l Travel Fair in late October.

After some discussion, it was decided to have four booths forming a pavilion footprint and presentation with members joining GVB.

KOREA - Korea PR News

June 17 – July 10, 2014

- **Press Release, Feature Stories**

- ✓ [June 09] GVB with a large tourism delegation swept two awards at 2014 KOTFA.
- ✓ [June 12] Guam as a summer holiday destination - Woman Sense(major magazine)
- ✓ [June 16] Guam BBQ Block Party 2014 in July - Mom & Enfant(major family magazine)
- ✓ [June 17] 12 things to experience Guam – Kookje Golf (major sports magazine)
- ✓ [June 18] Guam for cover story of Sky News(bi-weekly inflight paper of Korean Air). To be distributed in all KE domestic and international flights and KE official blog. Also featured on Chosun.com(online site of No.1 media in Korea)
- ✓ [June 28] 2nd Guam BBQ Block Party and Korean chef to join
- ✓ [June 30] Join Ko'ko' Half marathon and relay event

- **Media Fam for Guam Live International Music Festival:**

- ✓ 6 media(1 national print, 1 travel magazine, two major media in Busan city, two bloggers visited Guam from June 5-9)

KOREA - Korea PR News

Consumer Events

- **Event with J Travel magazine**

- ✓ -J Travel is a monthly travel magazine by JoongAng Daily, a major daily in Korea, for young travelers in 25-45 in Seoul and Gyeonggi province with a claimed circulation of 200,000.
- ✓ - On the occasion of its anniversary, it is to print a special edition with 300,000 copies.
- ✓ - GVB offered a Guam Travel(air, 3 night hotel & rental car, a tour) as a grand prize
- ✓ - GVB PR office managed to get sponsorship from Garden Villa, Nissan Rent-A-Car and Ride the Duck

- **SNS event**

- ✓ -An online event was also posted on GVB's Korean SNS to support the BBQ Block party and the Korean chef
- ✓ Increase of "Like" and "Share" on GVB's Facebook

Adele briefed the KMC on the Press Releases and Consumer Events slides. J Travel gave GVB a full page ad.



Media Exposure in June

MONTH	June-14			TOTAL
CODING	1	2	3	TOTAL
Consumer	\$16,000.00	\$797,500.00	\$107,900.00	\$921,400.00
Trade	\$3,615.00	\$0.00	\$20,385.00	\$24,000.00
TOTAL	\$19,615.00	\$797,500.00	\$128,485.00	\$945,600.00

AD	DATE	AGENCY	REPORTING	HEADLINE	SIZE (cm)	CIRCULATION	COLOR	PAUSE
2	06/04/14	Transparency Information Dept.	Editorial Staff	Rising Guam Tourists: Arrivals lead new tour activities - Side the Dark, Sea Trek, DaliDa Cruise	22 x 15	20,000	2	\$40.00
4	06/04/14	Transparency Information Dept.	Editorial Staff	EDIFA, 50 worldwide countries and 500 companies participate	20 x 11	20,000	2	\$40.00
7	06/04/14	Global Travel News	Global Staff	Hot! Rent car - 4x4 (weekdays) takes your tasks to score convenient and fun	27 x 18	20,000	2	\$42.00
11	06/04/14	Asia Travel News	Editorial Staff	1. Double figure growth in the numbers of Korean travelers to Guam - increased 38% during 1st-5th compared to last year. 2. New Tour Activities, such as The Side Dark and Sea Trek are popular	17 x 20	20,000	2	\$40.00
13	06/04/14	Asia Travel News	Editorial Staff	Hanabou - Interview with Miss Vitor Suarez-Korea, Minister Julia Reyes	22 x 12	20,000	2	\$40.00
15	06/04/14	Global Travel News	Editorial Staff	EDIFA Interview with Mark Dalrymple: Users, growing Tourist Business	15 x 7	20,000	2	\$20.00
17	06/04/14	Asia Travel News	Editorial Staff	11 Guam Airline Inquiry News - Jeju Air, UA, 1W launches new routes to Guam (Guam - 21 Guam is welcoming tourists from HANA with the launch of HANA PR-1000 service and HA operation to Guam)	270 x 180	20,000	2	\$12,000.00
18	06/04/14	Asia Travel News	Editorial Staff	Enjoy the midsummer BBQ Party in Guam	18 x 11	20,000	2	\$36.00
19	07/04/14	Asia Travel News	Editorial Staff	Let's Get to Guam for the BBQ Steak Party in Guam	20 x 12	20,000	2	\$40.00
20	06/04/14	Transparency Information Dept.	Editorial Staff	Enjoy the midsummer BBQ Party in Guam	17 x 27 cm	20,000	2	\$20.00
21	06/04/14	Global Travel News	Editorial Staff	Enjoy the midsummer BBQ Party in Guam	22 x 7	20,000	2	\$42.00
22	06/04/14	Asia Travel News	Editorial Staff	Let's go to Guam for the BBQ Steak Party on 5th July	18 x 11	20,000	2	\$36.00
TOTAL (including 30 60 second TV ads)								\$24,000.00

Adele explained the details of the June Media Exposure slide.

Chairman Miyashita asked Adele to prepare a report showing a quantified report with actual measurement at the next KMC meeting, including the Friday SNS events.

KOREA - Korea PR News (Media Exposure Samples)

Hanatour June 2014



Outdoor June 2014



Sample of media coverage.

KOREA - Korea PR News

Top Golf June 2014



Maeil Business Newspaper June 9, 2014



Continuing coverage by media. This copy shows Vice Speaker BJ Cruz at KOTFA 2014.

KOREA - Korea PR News



Sample of media coverage from Busan.

KOREA - Korea

Busan Ilbo
June 26, 2014



KOREA - Korea PR News



Korea
Economic
Daily
June 30,
2014



Global Travel News
June 9, 2014



Korea Travel News
June 3, 2014



Korea Travel
Information
Times
June 27, 2014

Media outreach samples for GMIF and Guam Live. Media commented they would like to interview the talents.

KOREA - Korea News (2014 KOTFA)

- ✓ May 29 – June 01, 2014
- ✓ 59 countries; 494 booths; 491 organizations; 120,856 visitors
- ✓ Vice Speaker Ben Cruz; Senator Tina Rose Muna Barnes; GVB Chairman
- ✓ GVB received two awards:

- Best Booth Design
- Best Folklore Performance



KOTFA 2014 photos of awards won by GVB.

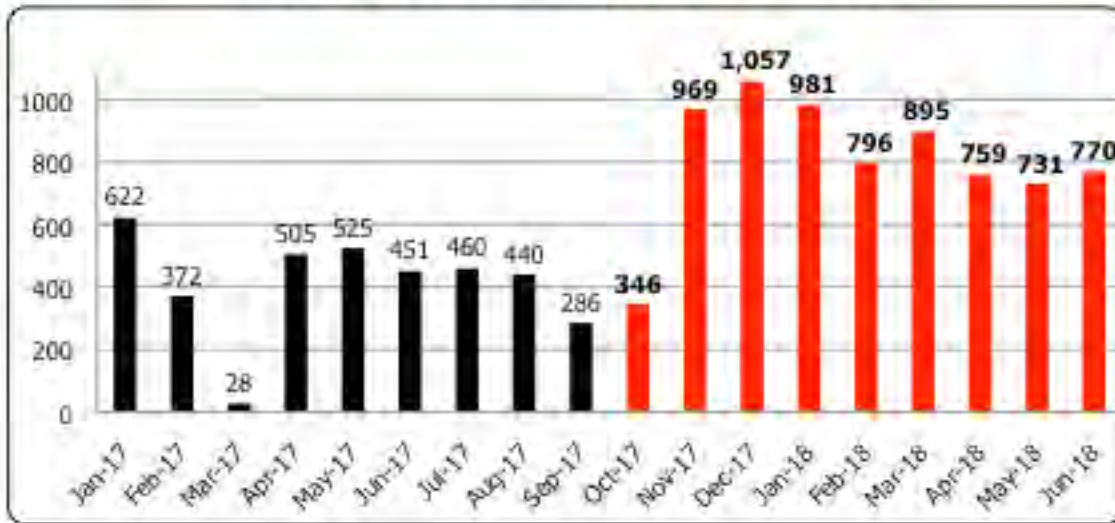
KOREA - Korea PR News (2014 KOTFA)

New leaflet: 12 Gates to Guam(8 pages)



KOTFA leaflet used at KOTFA.

Korean Website - New Members



Average daily number in June 2014: 25.7 pax

Graph showing Korea website new member registrations. Members must log on and register to view website information.

Chairman Miyashita asked Adele to show the bars in the graph with LY and TY next to each other.

Mr. Tae asked how many new members access the site as well as total hits.

General Manager Pangelinan asked if the new members are new numbers.

Adele said yes.

KMC members may want to compare GVB's Korea website to their own. And some may want to reach the database members as well.

The Global GVB website is still in the works.

Adele asked the KMC members to provide stories to be posted on the Korea website.

KOREA - Korea PR News

Join
GVB's SNS News & Event
Every Friday!

Like, Share or Gift!



KOREA - Korea PR News

Media Exposure (Accumulative month to month)

MONTH	1	2	3	4	5	6	7
	Advertising	Retail/In-Consumer	Publicity-Trade	Radio/Television	Website	TOTAL	ACCUMULATIVE
October-13	\$0.00	\$73,553.46	\$1,195.00	\$0.00	\$93,307.46	\$196,055.70	\$196,055.70
November-13	\$0.00	\$67,340.00	\$1,9075.00	\$0.00	\$134,115.00	\$330,170.70	\$327,465.70
December-13	\$30,000.00	\$53,430.00	\$14,945.00	\$133,000.00	\$13,99,535.00	\$1,934,910.00	\$333,3795.70
January-14	\$0.00	\$63,776.67	\$6,105.00	\$0.00	\$44,590.00	\$114,471.67	\$344,851.37
February-14	\$0.00	\$103,900.00	\$63,316.33	\$0.00	\$91,900.00	\$300,000.00	\$3,649,795.70
March-14	\$0.00	\$51,775.00	\$1,640.00	\$0.00	\$49,390.00	\$101,905.00	\$3,750,600.70
April-14	\$3,000.00	\$49,700.00	\$13,935.00	\$0.00	\$33,665.00	\$99,300.00	\$3,849,900.70
May-14	\$9,000.00	\$165,000.00	\$3,745.00	\$600,000.00	\$191,335.00	\$973,980.00	\$4,823,880.70
June-14						\$0.00	
July-14						\$0.00	
August-14						\$0.00	
September-14						\$0.00	
TOTAL	\$33,000.00	\$946,374.53	\$94,766.33	\$733,000.00	\$3,016,307.46	\$9,401,910.70	

Ms. Laguana briefed the committee on the event.

GVB is looking for sponsors for streetlight banners and is extending the opportunity for first refusal to the KMC members.

Mr. Pangelinan said several streetlights have no banner arms, especially along Farenholt Avenue.

Ms. Laguana said there will be scheduled vendor training to allow for staff turn-overs, changes, etc. She encourages vendors to conduct in-house training of staff as well and to put up stickers indicating their participation.

She said there will not be any street party or fashion show this time.

Chairman Miyashita asked if K-pax are still keen to not using coupons.

Some KMC members agree but some also said it should not be an issue.

Ms. Laguana said the use of mobile marketing will be much wider this year and the SGF app will be upgraded.

ANNOUNCEMENTS

Lotte Hotel Grand Opening was held earlier in the week.

NEXT KMC MEETING

Tuesday, August 12, 2014, 11:00 a.m.

ADJOURNMENT

Upon no further discussion, a motion was made by Mr. Tae Oh and seconded by Mr. Terry Chung to adjourn the meeting at 11:50 a.m..

PREPARED BY:

_____/s/
Felix Reyes, Marketing Office II

APPROVED BY:

_____/s/
Pilar Laguaña, Marketing Manager



REGULAR BOARD MEETING
GVB MAIN CONFERENCE ROOM - 4:00PM
THURSDAY; July 10, 2014

BOARD of DIRECTORS PRESENT:

Chairman Baldyga	Vice Chairman Kloppenburg
Judith Guthertz	Bartley Jackson
Eduardo "Champ" Calvo	Oscar Miyashita
Milton Morinaga	Norio Nakajima
Robert Hofmann	Nathan Taimanglo
Jennifer Camacho	Annamarie Muna

BOARD of DIRECTORS TELEPHONICALLY:

BOARD of DIRECTORS ABSENT:

Theresa Arriola

GVB MANAGEMENT & STAFF PRESENT:

Karl Pangelinan	Pilar Laguana	Joshua Tyquiengco
Colleen Cabedo	Nadine Leon GuerreroKraig Camacho	
Felix Reyes	Ana Cid	Regina Nedlic
Brian Borja	Dee Hernandez	June Sugawara
Elaine Pangelinan	Nakisha Onedera	Gina Kono
Laurette Perez	Mark Manglona	

GUESTS:

Victor Chung – GVB Marketing Intern

❖ Proceedings:

Chairman Baldyga called the regular meeting of the board to order at 4:08 p.m.

Approval of previous board minutes dated June 12, 2014.**Exhibit A**

Motion made by Director Guthertz, seconded by Vice Chairman Kloppenburg, to approve the minutes of June 12, 2014.

Motion approved (subject to correction).

❖ Chairman's Report:



- Chairman Baldyga reported that he had been off-island for the past month.
- While off-island, attended the Dynamic Airways Inaugural Press Conference and Gala in Beijing, China. He also reported that General Manager Pangelinan, Marketing Manager Pilar Laguana, Governor Calvo and himself had a very fruitful meeting with CITS and their Chairwoman, Madam Wu. They had a two-hour meeting for which they discussed how they would grow the market and the possibility of obtaining as much as 150,000 Chinese visitors within a few years. He went on to mention that he would share with the board his minutes from that meeting. Some key takeaways from the meeting were that they all agreed that it would be a multi-year commitment, recognizing that everyone would in the red for the first couple of years, and to make sure that there is appropriate signage at the destination.
- Chairman Baldyga reported that there was a lot of media at the press conference, with General Manager being the speaker. Mentioned to the board that some of the media at the press conference had been to Guam before. Furthermore, Chairman Baldyga reported that the gala was very nice. DFS was there as a sponsor of the event and gave out some prizes. He went on to report that Governor Calvo, Madam Wu, and General Manager Pangelinan gave brief speeches, and of those that attended, there were around 150 travel agents.
- Tracking back to what Madam Wu discussed in their meeting, Chairman Baldyga suggested that signage should become a priority and had stressed to the board that they would need to take the time and effort to plan and clean up the signs. Chairman Baldyga suggested having pictographic signs with different languages in small fonts at bus stops and crosswalks. He tasked **General Manager Pangelinan to come up with a plan and budget to improve the welcoming experience at the airport.**
- Chairman Baldyga called upon Marketing Manager Pilar Laguana to give the board a brief insight on the China market and how the board could help strengthen its efforts.
Marketing Manager, Pilar Laguana:
 - Started off by thanking their board for their support and also thanked the staff for handling the many inquires that they've had with the many media that were and are currently on island.
 - Reported that July would be a start up month for Dynamic flights. Went on to report that Dynamic has been bringing in many media from Beijing, including traditional media, social media, and more. She even mentioned that there is a team currently on Guam, creating a guidebook called NiHao Guam, in order to generate more promotional material.
 - She reported that when the media first arrived on Guam their reactions were remarkable. She reported that some consumers on YuKu (China's Youtube) and other social media outlets, couldn't believe how blue our sky was and how great the shopping is. This just makes the media so much more important, because the media can have the experience firsthand and transmit that experience to the consumers in China.
 - We have had several interviews at the GVB office with China media. She reported that she would ask the media for written questions, before the interview to assure that the media would get an accurate response.
 - She reported that those interviews are making their way into publications and stories in magazines, newspapers, and more. She mentioned that there are a lot of positive things that are coming out from China. Some key factors that the media had mentioned about Guam are its pristine environment and

fabulous shopping. She illustrated many of the media felt a sense of relaxation and clarity when they first stepped out of the airport. She also described that the media was very impressed with the value and variety they were getting for luxury goods. She mentioned that she had asked the media how much value they were getting and they reported back to her by saying around 40-50%.

- She went on to report that tourism industry relations would need more support. She mentioned to the board that she already had a meeting with ground tour operators and will discuss with Director Jackson on further addressing those issues to improve service levels.
- She said it ultimately comes down to preparedness. General Manager Pangelinan added by saying that we should be involved with more China symposiums, roundtables, workshops, and more.
- Ms. Laguna addressed the need to support more in the travel agents. She discussed with the board that the travel agents feel that they are taking a huge risk, especially this being a start-up.
- She also addressed that there is an increasing problem with visas being refused/rejected. She had mentioned that she had written to the U.S. Commercial Service, concerning this issue and is waiting a response.
- She answered a question on the visa process timeline by saying that it depends on the season, but would take as early as 3 and as long as 7 days.
- As Ms. Laguna wrapped up her report, Chairman Baldyga and the rest of the board recognized her and the rest of the China Marketing Staff, for a job well done.

- The board discussed different ways to differentiate Guam from other destinations, specifically Hawaii. They talked about possibly having a daily air quality measurement on our website, the possibility of promoting packages for fewer days, among others.

❖ General Manager's Report:
Budget Work Sheets

Exhibit B

- General Manager Pangelinan directed the board to Exhibit E, which GVB had made comments to the JGPO office in regards to the visa waivers. Thanked Chairman Baldyga for taking the lead on the letter and was very proud of how it turned out.
- Mentioned on Friday, July 11, 2014 at 10:00 a.m., there would be a hearing for 14 TAF Bills, mostly regarding FestPac. The board had looked over the copy of the testimony.



**PRELIMINARY Visitor Arrivals
June 2014
Total: 102,081 (3.7%)**

% Market Mix	Origin	Pax	% to LY
55.7%	Japan	57,275	-7.8%
26.5%	Korea	27,258	33.7%
5.6%	US/Hawaii	5,737	13.9%
4.6%	Taiwan	4,703	-7.4%
0.8%	China	820	14.8%
2.0%	Russia	2,078	327.6%

➤ Mentioned that United had announced direct flights from Shanghai and Incheon starting late October. Flights from Incheon would be daily and Shanghai would be twice weekly.

**PRELIMINARY FYTD Visitor Arrivals
October 2013 – June 2014
Total: 985,658 (0.2%)**

% Market Mix	Origin	Pax	% to LY
61.8%	Japan	609,401	-9.6%
21.9%	Korea	216,120	28.9%
4.7%	US/Hawaii	46,694	8.6%
3.5%	Taiwan	34,825	6.0%
1.0%	China	9,873	27.5%
1.5%	Russia	14,601	185.1%

**PRELIMINARY MTD Visitor Arrivals
July 1 – 3, 2014
Total: 9,149 (0.8%)**

% Market Mix	Origin	Pax	% to LY
49.1%	Japan	4,489	-21.4%
26.3%	Korea	2,403	26.4%
5.6%	US/Hawaii	511	-33.8%
9.3%	Taiwan	854	39.8%
2.7%	China	250	390.2%
2.3%	Russia	213	432.5%



TAF FY2015 BREAKDOWN

	TOTAL	% of Total
FY 2015 TAF Projection	\$32,000,000.00	100%
FY 2015 GVB Budget	\$21,450,520.00	67%
Bond Payments	\$6,997,819.00	22%
Balance	\$3,551,661.00	11%



➤ Reported that according to TAF collections year-to-date, we are well ahead of last year's pace. For the next 4 months, assuming that the numbers are the same from last year, we should track at \$31.2 million by the end of the fiscal year. Our projection for FY15 is \$32 million, which is quite conservative considering we will have more available rooms, with the opening of Lotte Hotel and Dusit Thani.

The board suggested sending out a press release on the TAF, indicating that although GVB supports those appropriations, we need to seek more funding to make up for those tourism dollars.

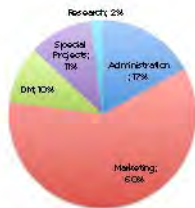
TAF FY2015 | **GVB BUDGET SUMMARY**

- About 600 rooms available with opening of Dusit Thani Guam Resort and Lotte Hotel Guam.
- 7% increase in rooms expected during FY15
- TAF projections could rise past \$34M
- \$32M is conservative

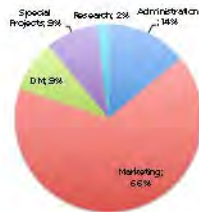
	FY 2014 REQUEST	FY 2014 BUDGET	FY 2015 MGMT REQUEST	% DIFF
Administration	2,917,120.00	2,917,120.00	3,017,120.00	3.4%
Marketing	10,158,000.00	10,158,000.00	13,800,400.00	35.9%
Printing Promotion	320,000.00	262,000.00	250,000.00	-4.6%
Research	430,014.00	430,014.00	448,000.00	4.2%
Destination Development	1,720,000.00	1,720,000.00	1,935,000.00	12.5%
TAF Special Projects - Destination Maintenance	2,500,000.00	2,000,000.00	2,000,000.00	0%
TOTAL	18,045,134.00	17,487,134.00	21,450,520.00	22.7%

GVB BUDGET | **GVB BUDGET - ADMINISTRATION**

FY 2014 BUDGET
TOTAL: \$17,487,134.00



FY 2015 BUDGET Request
TOTAL: \$21,450,520.00



	FY 2014	FY 2015 BUDGET REQUEST
TOTAL ADMINISTRATION	\$2,917,120	\$3,017,120

- Increase of \$100,00 over FY2014
- Additional personnel costs due to increments, merit bonuses, Medicare contributions and health insurance benefits.
- Increase in power and water costs

GVB BUDGET - MARKETING | **GVB BUDGET - MARKETING**

	FY 2014	FY 2015 BUDGET REQUEST
TOTAL MARKETING	\$10,158,000	\$13,800,400

- FY2014 Forecast: 1.35 Million Visitors
- FY2015 Projection: 1.427 Million
- **Refocus on Japan**
 - \$1.3M Budget increase to \$7M
 - FY15 Goal: 940,000 pax
 - Conduct low season promotions targeting family and group
 - Continue working with JGTC to improve yield
 - Improve share of voice from .5% to 1% with Co-op and TV advertising
- **Continued Growth in Korea**
 - \$600K Budget increase to \$2M
 - FY15 Goal: 280,000 pax
 - Build Brand Awareness through marketing campaigns
 - Additional Air Carriers and Gateways

	FY 2014	FY 2015 BUDGET REQUEST
TOTAL MARKETING	\$10,158,000	\$13,800,400

- **Diversify: Russia**
 - Russia budget Increase by \$101K to \$557K
 - Russia Goal: 15,000 pax
 - Foster relationship with airlines to provide regular direct air service
 - Increase Guam awareness through continued advertising & key campaigns
 - Participate in MITT and PITE 2015
- **Diversify: China**
 - China budget decrease by 592,500 to \$2M
 - China Goal: 25,000 pax
 - Increase direct air service
 - Comprehensively enhance Chinese travelers' awareness of Guam through travel trade, eye-catching advertisement campaigns, exhibitions and sales incentive programs.
 - Joint promotion with TAs and MICE companies

GVB BUDGET - MARKETING

	FY 2014	FY 2015 BUDGET REQUEST
TOTAL MARKETING	\$10,158,000	\$13,800,400

- **Hong Kong**
 - Budget status quo at \$215K
 - FY15 Goal Pax: 14,000
 - Engage in Joint Promotions, market development and increase media exposure in wedding/honeymoon, education, sports, and cultural tourism
- **Philippines**
 - Budget increased by \$70K to \$212,500
 - FY15 Goal Pax: 12,450
 - Increase Guam awareness through a sustained year-round publicity program and Media Fam Tours
 - Cultivate MICE market through Guam Product Seminars to corporate incentive planners and partnering with corporate account managers for Airlines and TAs
 - Engage airlines and travel agents for partnership in promotions and trade-related industry events
 - Increase GVB Philippines' social networking reach

GVB BUDGET - MARKETING

	FY 2014	FY 2015 BUDGET REQUEST
TOTAL MARKETING	\$10,158,000	\$13,800,400

- **North America/ Military**
 - Budget increase by \$40K to \$220K
 - FY2015 Goal Pax: 80,231
 - Attend LA Times Travel Show, LA Adventure & Travel Show & Che'lu Inc's Cultural Festival
 - VFR – Visiting Friends & Family; Expand outreach
 - 7th Liberation Day activities and travel
 - Attend Scuba Show and DEMA in June 2015
 - Social Media – Show Us Your Chamorro Campaign
- **Cruise Shipping**
 - FY2015 Goal Pax: 3,500
 - Work with the Port Authority to improve port arrival/departure experience, as well as MCA and regional ports to extend incentives
 - Create a cruise dedicated website with the MCA & sample cruise itinerary packages
 - Micronesia Roadshow w/ PATA MIC and other cruise events

GVB BUDGET - MARKETING

	FY 2014	FY 2015 BUDGET REQUEST
TOTAL MARKETING	\$10,158,000	\$13,800,400

- **Pacific/Micronesia/Australia/Europe**
 - Budget increase by \$22K to \$120K
 - FY15 Goal Pax: 41,800
 - Integrate & develop campaigns with MicronesiaTour.com with GVB Website
 - Increase Guam's Dive Market in Australia/Micronesia as a world class destination
 - PATA meetings and conferences. link in FestPac 2016/ GMIF
 - AIDE/Asia Dive Expo 2014
 - Bi-Annual Micronesian Chief Executive's Summit (MCES)
- **Taiwan**
 - Budget increase by \$16.4K to \$386.4K
 - FY15 Goal Pax: 54,338
 - Increase social media outreach efforts (i.e. facebook page to over 60,000 likes)
 - Promote M.I.C.E Market and key campaigns (Destination Weddings, Sports Tourism/ MICE, ITF/FESTPAC 2016)

GVB BUDGET - MARKETING

	FY 2014	FY 2015 BUDGET REQUEST
TOTAL MARKETING	\$10,158,000	\$13,800,400

- **Global Website: \$330,000**
 - In FY2014, GVB launched the new global website in English and will launch Japan and Mainland China by the end of the Fiscal Year. In FY 2015, GVB will launch the Russian, Korean and Traditional Chinese websites...
 - Showcase Chamorro Culture & What Guam has to offer visitors.
 - Cater to growing online audience seeking information about Guam.
 - Optimized Tablet and Smart Phone sites
 - Highlight Villages of Guam, history and cultural events.
 - Connect local businesses directly with the consumer.
 - Launch Microsites for specific campaign related events (i.e. ShopGuam, BBQ Block Party)

GVB BUDGET - Research, Printing Promotion

RESEARCH	FY2014 Approved	FY2015 Request
TOTAL REQUEST	\$430,014	\$448,000

- Slight Increase (4%)
- Include Russia & China Exit Surveys

PRINTING PROMOTION	FY2013 Approved	FY2014 Request
TOTAL REQUEST	\$262,000	\$250,000

- Budget decreased by \$12,000

GVB BUDGET - Destination Development

Cultural Heritage & Community Outreach	FY2014 Approved	FY2015 Request
TOTAL REQUEST	\$720,000.00	\$720,000.00

- Continuation of Guam Chamorro Dance Academy Program into Japan & North America markets
- Development of hotel outreach with cultural activities (i.e. weaving, language and dance)

➤ Chairman Baldyga requested that Special Projects and Destination Maintenance be made separate.

GVB Budget- Sports & Events

GVB Budget- TIR

Sports & Events	FY2014 Approved	FY2015 Request
TOTAL REQUEST	\$750,000.00	\$815,000.00

- Additional (\$50,000) to support the 3rd Annual Guam International Marathon April 2015.
 - Increase awareness, marketing and promotional support in Japan and Korea about Guam's leading Sports signature event
 - 2014 overseas participants: 1,310
 - 2015 overseas goal: 2,000
 - 2015 projected economic impact: \$4.6 Million

(Smart Goal: Focus resources on bigger Impact Signature Events)
- 2015 Pleasure Island BBQ Block Party (\$15,000)
 - Funding needed to execute 2015 BBQ event
 - Included Art exhibit (GAXVII) in 2014
 - Grow international field of grillers to compete
 - Include eating contest in 2015
 - Market and promote activities in our major source markets

(Smart Goal: Add another Signature event which highlights Guam's unique qualities)

Tourism Industry Relations	FY2015 Request
TOTAL REQUEST	\$400,000.00

- AIRPORT AMBASSADOR PROGRAM
 - This program is meant to provide passengers additional services at Customs & Quarantine/ Customs & Border Patrol during the peak arrivals periods.
- TOUR GUIDE CERTIFICATION PROGRAM
 - Public Law 23-136 requires the training and consequent certification of all Guam tour guides and establish guidelines regulating the conduct and operations of tour companies, inclusive of personnel.
- EXCELLENCE IN TOURISM AWARDS
 - This program was implemented in 1992 as the Excellence in Tourism Awards. The intent of the program is to recognize outstanding industry employees and organizations for their contribution to Guam's largest economic contributor.
 - IN FY13, GVB partnered with GHRA to put on what is now known as the Golden Latte Awards.
- WELCOME SERVICE
 - GVB's Welcome Service Program extends a true Hafa Adai welcome for airport and cruise ship passengers as well as for inaugural flights, dignitaries, media and other special groups and events.
- VISITOR SAFETY /SATISFACTION PROJECTS
 - In FY2015, GVB intends to accomplish the following goals: Security Camera System, Water Safety & Awareness Program, Industry Training, Tourism Safety Message Campaign and the Visitor Safety Officer Pilot Program (VSO).

TAF SPECIAL PROJECTS

	FY2014 Approved	FY2015 Request
Beach Cleaning	\$250,000.00	\$218,777.00
Tumon Landscape & Maintenance	\$300,000.00	\$351,223.00
Island Roadway Maintenance	\$200,000.00	\$285,000.00
Tourist District Infrastructure Improvement	\$640,000.00	\$375,000.00
Surveillance System Phase II	\$150,000	\$350,000.00
Holiday Illumination Project	\$140,000.00	\$140,000.00
Contract Administration & Inspection Services	\$90,000.00	\$80,000.00
TOTAL	\$2,000,000.00	\$2,000,000.00

- Budget stays the same
- Significant increase for Surveillance System improvements



➤ The board agreed to set a working session to have time to discuss the budgets in more detail next week Thursday, July 17, 2014 at 4:00pm.

❖ **Treasurer's Report:** (O. Miyashita)

Exhibit D

Cash Position Report:
Cash report as of July 7, 2014.
Total cash in banks report (as of 7/7/14) \$13,110,918.08
Total allotment received to date: \$11,822,547.55
Accounts Receivable FY2014: \$6,439,586.45
Accounts Payable to Date: \$4,958,637.32

➤ Director Miyashita reported that there is a reduction in cash from last year.

➤ Also reported that we are behind in collecting allotments. We should be expecting another \$1 million in the next week or so. Would hope to have a better report by next board meeting.

➤ Chairman Baldya asked General Manager Pangelinan about the story in the newspaper on how we didn't respond to a FOIA request on time.

General Manager Pangelinan replied by saying we had the material, unfortunately we lost track of time because everyone was busy with Fourth of July and the BBQ Block Party.

- Chairman Baldya also asked General Manager Pangelinan about the status of the protest with PDS. General Manager reported that the ruling seems to look in GVB's favor, so they are now able to negotiate with G4S.

❖ Report of the Board Committees:

A. EXECUTIVE COMMITTEE (B. Kloppenburg)

Vice Chairman Kloppenburg made a motion, seconded by Director Guthertz, to ratify Executive Committee's approval for the travel of Mr. Yuji Mitsumori, GVB Japan Manager, to attend the Special Japan Marketing Committee Meeting on June 24, 2014. Travel dates are from June 23 – 25, 2014. (Estimated Cost: \$1,325.00 from Account JA-SMD-004)

Motion Approved.

Travel Expenses:

Airfare (1 pax):	\$850.00
includes domestic/ground transportation and Airport Tax and Service charges	
Guam Per Diem (\$62.50 x 2 nights):	\$125.00
Lodging (\$175.00 x 2 nights):	\$350.00
Total	\$1,325.00

Background: The JMC has scheduled a special committee meeting for Tuesday, June 24, 2014 to act on Japan Market's FY2015 budget request. Japan is Guam's prime market and due to decreasing levels in visitor arrivals, the operations and promotional efforts for FY2015 necessitates are taken careful consideration in its budget requirements.

Issue: Board approval required for travel.

Vice Chairman Kloppenburg made a motion, seconded by Director Calvo, to ratify Executive Committee's approval for the travel of one GVB Osaka Marketing and Sales staff to assist with the Okayama City Delegation visit from July 3 - 6, 2014. (Travel duration during July 2-6, 2014. Estimated maximum cost \$1,799.00; account #SMD004).

Motion Approved.

Background: GVB Osaka staff will assist with Okayama City Delegation in their courtesy calls, commemorative lecture on recycle bins, and a lunch reception on July 5. Last year, City of Okayama donated 30 compartmentalized garbage bins to the Government of Guam.

Breakdown is as follows:	Total
Airfare (1 pax)	\$755.00

Per Diem - GVB Japan Staff \$62.5 x 4 nights x 1 pax	\$250.00
Round transportation to airport in Japan x 1 pax	\$94.00
Lodging \$175.00 x 4 nights	\$700.00
TOTAL	\$1,799.00

Issue: Board approval required for all travel

Vice Chairman Kloppenburg made a motion, seconded by Director Guthertz, to ratify Executive Committee's approval for the authorization of the General Manager as Chief Procurement Officer of the Bureau to negotiate and enter into a contract with the highest rated responsive offeror of GVB RFP 2014-003, Visitor Safety Officers Project.

Motion Approved.

Background: The Guam Visitors Bureau (GVB) has a vested interest in protecting and ensuring the safety and security of all visitors and the local community. There has been a rise in crimes against tourists in Tumon, which threatens Guam's image as a safe, family-friendly destination. Negative impacts to Guam's number one industry would have devastating effects on the local economy and lead to a loss of jobs and Government tax revenue.

In response to this, GVB will be launching the Visitor Safety Officer Pilot Program. The Bureau will contract Visitor Safety Officers (VSO) to patrol the Tumon area, both roadside and beachside. VSOs will serve dual roles as both a security guard and tour guide, able to respond to safety and security incidents and provide basic visitor information such as directions.

Issue: Board approval required.

Vice Chairman Kloppenburg made a motion, seconded by Director Jackson, to ratify Executive Committee's approval for the travel of CHaCO Chairwoman Theresa Arriola, one CHaCO staff, Master Frank Rabon and 2 assistants to attend the US-Guam Chamorro Dance Academy in Seattle, Washington from August 14 - 19, 2014. (Estimated cost up to \$20,076.50, Acct No. DM-CPO006).

Motion Approved.

Background: The US-Guam Chamorro Dance Academy workshop was launched in March of this year in California with 75 participants. The Bureau will be continuing to work closely with the various active stateside Chamorro dance groups that are in need of more training to be qualified for FestPac 2016. During the workshops, the CHaCO Chairwoman will be giving an update on FestPac 2016.

Airfare	\$2,500.00	5	\$12,500.00
Per Diem			
Seattle (4pax)	\$152.00	5	\$3,040.00
	\$71.00	6	\$1,704.00
Therese	\$190.00	5	\$950.00
	\$88.75	6	\$532.50
Prof Fees			
Master Frank	\$100.00	3	\$300.00

(2) Assistants	\$50.00	3	\$300.00
Car Rental			
	\$150.00	5	\$750.00
			\$20,076.50

Vice Chairman Kloppenburg made a motion, seconded by Director Jackson, to ratify Executive Committee's approval for the travel of the General Manager to attend meetings in Tokyo, Japan for the Guam Sports Events Incorporated on July 14, 2014. (Account No. JA-SMD008. Estimated cost of travel \$1,480.00)

Motion Approved.

Background: Pacific Islands Club, United Airlines and the Guam Visitors Bureau formed a non-profit organization to take over the Guam International Marathon. To ensure successful promotions within Japan the non-profit sent out a RFP to various PR companies. Presentations will be conducted on July 14 in Tokyo, Japan.

Per diem \$408 x 125% =	\$510.00
Airfare:	\$970.00
TOTAL:	\$1,480.00

Vice Chairman Kloppenburg made a motion, seconded by Director Jackson, to ratify Executive Committee's approval for the travel of one JMC Chair, Deputy General Manager, Miss Guam and one marketing staff to attend the Kashiwa Festival from July 23 – 28, 2014. (Account JA-SMD008; Estimated cost of travel \$11,348.00)

Motion Approved.

Background: This year marks the 23rd anniversary of the signing of our friendship agreement. This year in keeping with our Friendship Agreement signed in 1991, a group of students from Kashiwa come to Guam every year. In exchange Guam participates in the festival that includes a trip to Guam as a grand prize awarded on the main stage. In addition to the Kashiwa Festival the JMC Chair and Deputy General Manager will attend various meetings with travel industry officials.

Delegation	Per diem	Days		Airfare	Total
Milton Morinaga	\$510.00	5	\$2,550.00	\$950.00	\$3,500.00
Jon Nathan Denight	\$510.00	5	\$2,550.00	\$950.00	\$3,500.00
Miss Guam	\$408.00	3	\$1,224.00	\$950.00	\$2,174.00
Nadine Leon Guerrero	\$408.00	3	\$1,224.00	\$950.00	\$2,174.00
				TOTAL	\$11,348.00

B. ADMINISTRATION & GOV'T RELATIONS(J. Guthertz)

- the GM's report. TAF appropriations were discussed during

C. MILITARY BUILD-UP & SEIS(B. Kloppenburg)

GVB's Final Comments to Draft SEIS

Exhibit E

- Exhibit E was discussed in GM's report.

D. RESEARCH(N. Taimanglo)

- Nothing to report.

E. JAPAN MARKETING(M. Morinaga / N. Nakajima)

Committee Minutes dated June 18, 2014

Exhibit F

- Chairman Baldyga asked for feedback on the \$400,000.00 spent for additional advertisements in Japan (i.e. subway ads). MO2 Nadine Leon Guerrero replied by saying that there is an impact, but will now more with July figures.
- Vice Chairman Kloppenburg asked if there would be any increase in outboard with the typhoon in Okinawa. Director Nakajima replied by saying that it shouldn't have any affect.

F. KOREA MARKETING(O. Miyashita)

Committee Minutes dated June 17, 2014

Exhibit G

- Director Miyashita reported that Korean Air had announced 4 extra flights a week from July 26-August 27.
- Jin Air announced that they would upgrade to Boeing 777 by December 2014.
- Jin Air announced possible flights from Daegu to Guam by end of the year. (3rd largest city in Korea; with 2.5 million people)
- United-Korea announced daily flights from Incheon to Guam starting October 26.
- Director Miyashita reported that load factor out of Busan continues to be low. The Ferry sinking incident still has some impact.
- Emphasized that we need to be more tenacious for global market share in Korea.

G. NORTH AMERICA & PACIFIC MARKETS(A. Muna)

- Nothing to report.

H. GREATER CHINA MARKETING(B. Kloppenburg)

Amended Committee Minutes dated June 6, 2014

Exhibit H

VisitUSA China: Wuhan Road Show

Vice Chairman Kloppenburg made a motion, seconded by Director Calvo to approve travel for Marketing Manager & Staff to participate in the VisitUSA China: Wuhan Road Show in Wuhan, Hubei Province from July 22-28, 2014 and to conduct business meetings in Beijing with media, and airline/travel partners. (Cost approximately \$8,676.00 from FY2009 Excess Fund Account, CI-FY2009)

Motion Approved.

Note: Director Guthertz was out of the room for the vote.

Travel Expense:

Air Fare	Roundtrip: GUM/CI/GUM \$2000.00 x 2 pax	\$4,000.00
Registration	Non-Member = \$850.00 per city	\$850.00
Per Diem	GVB Marketing Staff	
	Wuhan Lodging: \$152.00 x 2 nights x 2 pax	\$608.00
	Wuhan M&IE: \$118.00 x 2 days x 2 pax	\$472.00
	Beijing Lodging: \$258.00 x 2 nights x 2 pax	\$1,032.00
	Beijing M&IE: \$119.00 x 3 days x 2 pax	\$714.00
	Total	\$2,826.00
Miscellaneous Expenses:	Excess baggage/Communication costs /Unanticipated expenses	\$1,000.00
TOTAL:		\$8,676.00

Background:

VisitUSA China: Wuhan Road Show is a VisitUSA China event offering great learning, media exposure and business development opportunities for Committee members. Member travel suppliers, destinations and CVBs will train client-facing staff from leading agencies on your products, and hold face to face matchmaking meetings with the Chinese travel agents, tour operators and media. VisitUSA China: Wuhan Road Show is an event of unique scope and importance in the outbound Chinese travel industry to the USA, presenting excellent networking and prime business opportunities with an eager and welcoming Chinese audience made up of travel trade. It is important for GVB to participate in this roadshow as a US consulate with the ability to process Chinese visas, which has opened in this region.

GVB shall conduct important business meetings in Beijing with media from Guam familiarization tours as well as with airline and travel trade partners. In addition GVB needs to conduct face-to-face meetings with Beijing media buyers to ensure that ad placements are in line with GVB's strategic goals as well as to ensure that cost efficiency of media buys.

Issue:

Board approval for travel required.

- Next Greater China Committee Meeting would be Friday, July 11 at 11:00 a.m.

I. RUSSIA & NEW MARKETS(B. Jackson)

- Director Jackson reported that the individual that was incarcerated for credit card fraud was not on Guam at the time. The Russian individual was brought to Guam from the Maldives and arrested here on U.S. soil.

**J. DESTINATION MANAGEMENT(R. Hofmann)
Committee Minutes dated June 24, 2014**

Exhibit I

- Director Hofmann reported that fire hydrants have been painted.
- Mentioned that anyone wants to know more, the minutes from the previous committee meeting are attached.

K. CULTURAL HERITAGE & COMMUNITY OUTREACH(T. Arriola)

- Nothing to report.

**L. SPORTS & EVENTS(N. Taimanglo / J. Camacho)
Committee Minutes dated June 25, 2014**

Exhibit J

- Director Camacho reported that their meeting minutes are included in the board packet. They are working on a financial and economic impact report for the board regarding the breakdown of the Guam Live and Guam BBQ Block Party.

M. MEMBERSHIP DEVELOPMENT(J. Camacho)

- Director Camacho reported that the next quarterly membership meeting would be Friday, July 18 at P.I.C. and announced that our guest speaker would be from Dynamic.

❖ **OLD BUSINESS**

- No old business.

❖ **NEW BUSINESS**

- No new business.

❖ **EXECUTIVE SESSION**



No executive session.

❖ ANNOUNCEMENT

- Board Working Session: Thursday, July 17, 2014 at 4:00PM, GVB Main Conference Room

Next Board Meeting:

- Thursday, July 24, 2014 at 4:00PM, GVB Main Conference Room

GVB Events:

- Hearing on TAF Bills – Friday, July 11, 2014 at 10:00am.
- Breakfast w/ Liberators - Thursday, July 17, 2014 from 7:30am – 9:00am in the GVB Main Conference Room.
- Membership Meeting, Friday, July 18, 2014 from 11:30am – 1:00pm at the Tasa/Isa Banquet Rooms, Pacific Islands Club.
 - Speaker: Yu Alicia Gao, Dynamic Airways, Greater China Director/Chief Representative, China Affairs
- Liberation Day Parade – Monday, July 21, 2014. (GVB CLOSED)

❖ ADJOURNMENT

Director Calvo made a motion, seconded by Director Hofmann, to adjourn the meeting. Meeting adjourned at 5:10pm.

Motion Approved.

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

Board Minutes respectively submitted by Colleen Cabedo, Executive Secretary

Action Items:

BY MANAGEMENT

- Management to consider a revised China incentive program and to provide a recommendation to the board (4/10/14).
- Chairman Baldyga mentioned that he would like to set meetings with GVB management and senators regarding the Tourism 2020 plan and 2015 budgets (4/10/14 and 2/27/14).
- Chairman Baldyga asked management to create a Destination Management Task List with quarterly goals (4/10/14).
- Chairman would like to have an update on the Tumon Flooding Mediation Plan and all capital projects. (2/27/14)
- Chairman Baldyga requested to create an online community calendar or to create a new page for a community events calendar in the GVB website. (5/8/2014)
- Chairman Baldyga requested the Task Management create a message to deliver to the media before June 9. (5/8/14)
- General Manager Pangelinan to come up with a plan and budget to improve the welcoming experience at the airport. (7/10/14)



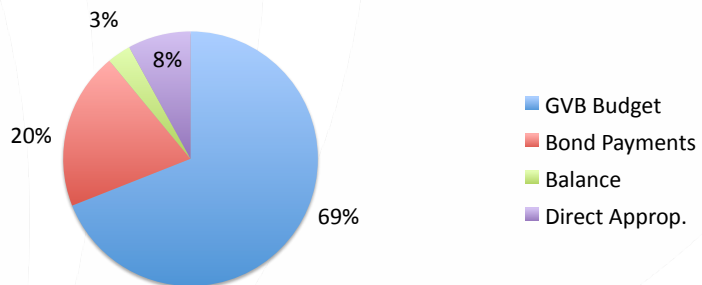
PRELIMINARY MTD Visitor Arrivals
July 1 - 22, 2014
Total: 76,444 (-1.7%)

% Market Mix	Origin	Pax	% to LY
55.6%	Japan	42,467	-14.8%
23.4%	Korea	17,873	19.2%
4.6%	US/Hawaii	3,530	11.3%
7.2%	Taiwan	5,472	24.8%
1.6%	China	1,217	101.8%
2.4%	Russia	1,858	419.0%



TAF FY2015 BREAKDOWN

	TOTAL	% of Total
FY 2015 TAF Projection	\$34,500,000.00	100%
FY 2015 GVB Budget	\$23,700,000.00	69%
Direct Appropriations	\$2,741,485	8%
Bond Payments	\$6,997,819.00	20%
Balance	\$1,060,696.00	3%



TAF COLLECTIONS



FY2011 - June 2014 Hotel Occupancy Taxes

	2011	2012	2013	2014
October	\$1,995,270.65	\$1,813,320.21	\$2,229,314.45	\$2,394,048.32
November	\$1,248,525.32	\$1,531,689.28	\$1,959,839.78	\$1,729,579.43
December	\$1,662,134.98	\$1,644,146.64	\$1,848,254.12	\$1,629,500.75
1st Quarter	\$4,905,930.95	\$4,989,156.13	\$6,037,408.35	\$5,753,128.50
January	\$2,021,235.50	\$2,703,694.50	\$2,624,702.41	\$3,349,662.45
February	\$2,416,005.07	\$2,697,697.61	\$2,832,715.29	\$3,128,965.37
March	\$2,304,934.86	\$2,292,825.58	\$2,629,475.48	\$3,688,994.55
2nd Quarter	\$6,742,175.43	\$7,694,217.69	\$8,086,893.18	\$10,167,622.37
April	\$2,062,094.17	\$2,424,740.37	\$2,705,727.25	\$3,100,809.86
May	\$1,512,829.67	\$1,710,483.38	\$1,965,832.45	\$2,361,488.43
June	\$1,554,241.98	\$1,737,013.72	\$1,894,239.16	\$2,404,283.49
3rd Quarter	\$5,129,165.82	\$5,872,237.47	\$6,565,798.86	\$7,866,581.78
July	\$1,304,006.04	\$1,785,387.33	\$2,057,586.60	\$2,057,586.60
August	\$1,980,407.69	\$2,214,837.44	\$2,544,554.07	\$2,544,554.07
September	\$2,816,686.74	\$3,498,639.13	\$3,313,955.15	\$3,313,955.15
4th Quarter	\$6,101,100.47	\$7,498,863.90	\$7,916,095.82	\$7,916,095.82
FYTD (Oct-Jun)	\$16,777,272.20	\$18,555,611.29	\$20,690,100.39	\$23,787,332.65
FY TOTAL	\$22,878,372.67	\$26,054,475.19	\$28,606,196.21	\$31,703,428.47

Source: Division of Account, Department of Administration, Government of Guam. Figures are unaudited
 Estimated

TAF ANALYSIS

	TAF	YOY DIFF
2011	\$22,878,373	
2012	\$26,054,475	\$3,176,103
2013	\$28,606,196	\$2,551,721
2014	\$32,000,000	\$3,393,804
2015	\$34,500,000	\$2,500,000

*Example of additional TAF contributions in 2014 & 2015

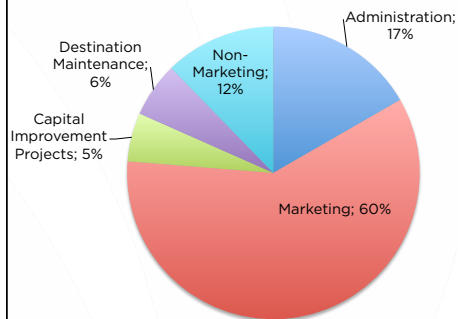
	LOTTE HOTEL	DUSIT THANI
Rooms	222	417
Room Nights	81,030	152,205
Avg Room Rate	\$200	\$200
Occupancy	70%	70%
Hotel Occupancy Tax	\$1,247,862 (1 year)	\$1,171,979 (6 months)

GVB BUDGET SUMMARY

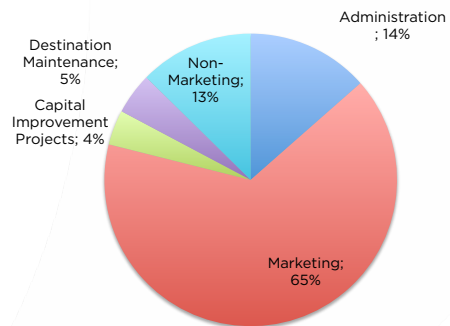
	FY 2014 REQUEST	FY 2014 BUDGET	FY 2015 MGMT REQUEST	% DIFF
Administration	2,917,120.00	2,917,120.00	3,200,000.00	9.7%
Marketing	10,478,000.00	10,420,000.00	15,502,000.00	48.8%
Non-Marketing (Research, Sports & Events, CHaCO, Visitor Safety & Satisfaction)	2,150,014.00	2,150,014.00	2,998,000.00	3.9%
Capital Improvement Projects	940,000	940,000.00	915,000.00	-2.7%
Destination Maintenance	1,060,000.00	1,060,000.00	1,085,000.00	2.4%
TOTAL	18,045,134.00	17,487,134.00	23,700,000.00	35.5%

GVB BUDGET

FY 2014 BUDGET
TOTAL: \$17,487,134.00



FY 2015 BUDGET Request
TOTAL: \$23,700,000.00



GVB BUDGET - ADMINISTRATION

	FY 2014	FY 2015 BUDGET REQUEST
TOTAL ADMINISTRATION	\$2,917,120	\$3,200,000

- Increase of \$282,880 over FY2014
- Additional personnel costs due to increments, merit bonuses, Medicare contributions and health insurance benefits.
- Increase in power and water costs
- Addition of 4 more new positions (FTEs)

GVB BUDGET - MARKETING

	FY 2014	FY 2015 BUDGET REQUEST
TOTAL MARKETING	\$10,420,000	\$15,502,000

- FY2014 Forecast: 1.35 Million Visitors
- FY2015 Projection: 1.427 Million
- **Refocus on Japan**
 - \$2.3M Budget Increase to \$8M
 - FY15 Goal: 940,000 pax
 - Conduct low season promotions targeting family and group
 - Continue working with JGTC to improve yield
 - Improve share of voice from .5% to 1% with Co-op and TV advertising
- **Continued Growth in Korea**
 - \$600K Budget Increase to \$2M
 - FY15 Goal: 280,000 pax
 - Build Brand Awareness through marketing campaigns
 - Additional Air Carriers and Gateways

GVB BUDGET - MARKETING

	FY 2014	FY 2015 BUDGET REQUEST
TOTAL MARKETING	\$10,420,000	\$15,502,000

- **Diversify: Russia**
 - Russia budget increased by \$220K to reach \$700K
 - Russia Goal: 15,000 pax
 - Foster relationship with airlines to provide regular direct air service
 - Increase Guam awareness through continued advertising & key campaigns
 - Participate in MITT and PITE 2015
- **Diversify: China**
 - China budget decrease by \$592,500 to \$2M
 - China Goal: 25,000 pax
 - Increase direct air service
 - Comprehensively enhance Chinese travelers' awareness of Guam through travel trade, eye-catching advertisement campaigns, exhibitions and sales incentive programs.
 - Joint promotion with TAs and MICE companies

GVB BUDGET - MARKETING

	FY 2014	FY 2015 BUDGET REQUEST
TOTAL MARKETING	\$10,420,000	\$15,502,000

- **Hong Kong**
 - Budget status quo at \$215K
 - FY15 Goal Pax: 14,000
 - Engage in Joint Promotions, market development and increase media exposure in wedding/honeymoon, education, sports, and cultural tourism
- **Philippines**
 - Budget increased by \$70K to \$220,000
 - FY15 Goal Pax: 12,450
 - Increase Guam awareness through a sustained year-round publicity program and Media Fam Tours
 - Cultivate MICE market through Guam Product Seminars to corporate incentive planners and partnering with corporate account managers for Airlines and TAs
 - Engage airlines and travel agents for partnership in promotions and trade-related industry events
 - Increase GVB Philippines' social networking reach

GVB BUDGET - MARKETING

	FY 2014	FY 2015 BUDGET REQUEST
TOTAL MARKETING	\$10,420,000	\$15,502,000

- **North America/ Military**
 - Budget increase by \$40K to \$220K
 - FY2015 Goal Pax: 80,231
 - Attend LA Times Travel Show, LA Adventure & Travel Show & Che'lu Inc's Cultural Festival
 - VFR - Visiting Friends & Family: Expand outreach
 - 71st Liberation Day activities and travel
 - Attend Scuba Show and DEMA in June 2015
 - Social Media - Show Us Your Chamorro Campaign
- **Cruise Shipping**
 - FY2015 Goal Pax: 3,500
 - Work with the Port Authority to improve port arrival/departure experience, as well as MCA and regional ports to extend incentives
 - Create a cruise dedicated website with the MCA & sample cruise itinerary packages
 - Micronesia Roadshow w/ PATA MIC and other cruise events

GVB BUDGET - MARKETING

	FY 2014	FY 2015 BUDGET REQUEST
TOTAL MARKETING	\$10,420,000	\$15,502,000

- **Pacific/Micronesia/Australia/Europe**
 - Budget increase by \$22K to \$120K
 - FY15 Goal Pax: 41,800
 - Integrate & develop campaigns with MicronesiaTour.com with GVB Website
 - Increase Guam's Dive Market in Australia/Micronesia as a world class destination
 - PATA meetings and conferences, link in FestPac 2016/ GMIF
 - AIDE/Asia Dive Expo 2014
 - Bi-Annual Micronesian Chief Executive's Summit (MCES)
- **Taiwan**
 - Budget increase by \$117K to \$487K
 - FY15 Goal Pax: 54,338
 - Increase social media outreach efforts (i.e. facebook page to over 60,000 likes)
 - Promote M.I.C.E Market and key campaigns (Destination Weddings, Sports Tourism/ MICE ,ITF/FESTPAC 2016)

GVB BUDGET - MARKETING

	FY 2014	FY 2015 BUDGET REQUEST
TOTAL MARKETING	\$10,420,000	\$15,502,000

- **Global Website: \$330,000**
 - In FY2014, GVB launched the new global website in English and will launch Japan and Mainland China by the end of the Fiscal Year. In FY 2015, GVB will launch the Russian, Korean and Traditional Chinese websites.
 - Showcase Chamorro Culture & What Guam has to offer visitors.
 - Cater to growing online audience seeking information about Guam.
 - Optimized Tablet and Smart Phone sites
 - Highlight Villages of Guam, history and cultural events.
 - Connect local businesses directly with the consumer.
 - Launch Microsites for specific campaign related events (i.e. ShopGuam, BBQ Block Party)

GVB BUDGET - MARKETING

	FY 2014	FY 2015 BUDGET REQUEST
TOTAL MARKETING	\$10,420,000	\$15,502,000

- **Social Media Support: \$290,000**
 - Budget remains the same.
 - Advanced software to monitor social media channels in 6 different markets.
 - Ability to respond, monitor or respond to complaints and trending topics.
- **Branding: \$470,000**
 - Budget increased by \$20K
 - Continue success of Håfa Pledge Program & Håfa Adai Rate Program
 - Support Guam Brand development
 - Provide community outreach on benefits of tourism
- **Printing Promotion: \$450,000**
 - Budget increased by \$188K
 - Supply promotional materials to key source markets and local campaigns about Guam.

GVB BUDGET – Research

RESEARCH	FY2014 Approved	FY2015 Request
TOTAL REQUEST	\$430,014	\$448,000

- Slight Increase (4%)
- Include Russia & China Exit Surveys

GVB BUDGET – CHaCO

Cultural Heritage & Community Outreach (CHaCO)	FY2014 Approved	FY2015 Request
TOTAL REQUEST	\$720,000.00	\$750,000.00

- Continuation of Guam Chamorro Dance Academy Program into Japan & North America markets
- Development of hotel outreach with cultural activities (i.e. weaving, language and dance)

GVB BUDGET- Sports & Events

Sports & Events	FY2014 Approved	FY2015 Request
TOTAL REQUEST	\$750,000.00	\$850,000.00

• **Additional (\$50,000) to support the 3rd Annual Guam International Marathon April 2015.**

- **Increase awareness, marketing and promotional support in Japan and Korea about Guam's leading Sports signature event**
- 2014 overseas participants: 1,310
- 2015 overseas goal: 2,000
- 2015 projected economic impact: \$4.6 Million

(Smart Goal: Focus resources on bigger impact Signature Events)

• **2015 Pleasure Island BBQ Block Party (\$15,000)**

- **Funding needed to execute 2015 BBQ event**
- **Included Art exhibit (GAXVII) in 2014**
- **Grow international field of grillers to compete**
- **Include eating contest in 2015**
- **Market and promote activities in our major source markets**

(Smart Goal: Add another Signature event which highlights Guam's unique qualities)

GVB BUDGET- Visitor Safety & Satisfaction

Visitor Safety & Satisfaction	FY2014 Approved	FY2015 Request
TOTAL REQUEST	\$250,000.00	\$950,000.00

• **TOURISM TRAINING INSTITUTE**

- Support the launch of a tourism training facility to further enhance the visitor experience.

• **AIRPORT AMBASSADOR PROGRAM**

- This program is meant to provide passengers additional services at Customs & Quarantine / Customs & Border Patrol during the peak arrivals periods.

• **TOUR GUIDE CERTIFICATION PROGRAM**

- Public Law 23-136 requires the training and consequent certification of all Guam tour guides and establish guidelines regulating the conduct and operations of tour companies, inclusive of personnel.

• **EXCELLENCE IN TOURISM AWARDS**

- This program was implemented in 1992 as the Excellence in Tourism Awards. The intent of the program is to recognize outstanding industry employees and organizations for their contribution to Guam's largest economic contributor.
- IN FY13, GVB partnered with GHRA to put on what is now known as the Golden Latte Awards.

• **WELCOME SERVICE**

- GVB's Welcome Service Program extends a true Hafa Adai welcome for airport and cruise ship passengers as well as for inaugural flights, dignitaries, media and other special groups and events.

• **VISITOR SAFETY /SATISFACTION PROJECTS**

- In FY2015, GVB intends to accomplish the following goals: Security Camera System Water Safety & Awareness Program, Industry Training, Tourism Safety Message Campaign and the Visitor Safety Officer Pilot Program (VSO).

Capital Improvement Projects

	FY2014 Approved	FY2015 Request
Tourist District Infrastructure Improvement	\$640,000.00	\$575,000.00
Tumon & Hagatña Bay Surveillance System Phase II	\$150,000.00	\$340,000.00
Visitor Safety Officer Pilot Program	\$150,000.00	*
<i>*FY15 Request to be funded under Visitor Safety and Satisfaction</i>		
TOTAL	\$790,000.00	\$915,000.00

- Significant increase for Surveillance System improvements

Destination Maintenance

	FY2014 Approved	FY2015 Request
Tumon & Hagatña Beach Cleaning & Maintenance	\$250,000.00	\$218,777.00
Tumon Landscape & Maintenance	\$300,000.00	\$351,223.00
Island Roadway Maintenance	\$280,000.00	\$295,000.00
Holiday Illumination Project	\$140,000.00	\$140,000.00
Contract Administration & Inspection Services	\$90,000.00	\$80,000.00
TOTAL	\$1,060,000.00	\$1,085,000.00

- Goals:
- Continue Island Beautification Projects
 - Continue Holiday Illumination Project





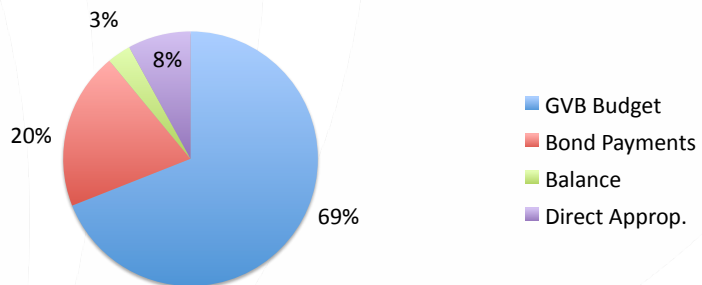
PRELIMINARY MTD Visitor Arrivals
July 1 - 22, 2014
Total: 76,444 (-1.7%)

% Market Mix	Origin	Pax	% to LY
55.6%	Japan	42,467	-14.8%
23.4%	Korea	17,873	19.2%
4.6%	US/Hawaii	3,530	11.3%
7.2%	Taiwan	5,472	24.8%
1.6%	China	1,217	101.8%
2.4%	Russia	1,858	419.0%



TAF FY2015 BREAKDOWN

	TOTAL	% of Total
FY 2015 TAF Projection	\$34,500,000.00	100%
FY 2015 GVB Budget	\$23,700,000.00	69%
Direct Appropriations	\$2,741,485	8%
Bond Payments	\$6,997,819.00	20%
Balance	\$1,060,696.00	3%



TAF COLLECTIONS



FY2011 - June 2014 Hotel Occupancy Taxes

	2011	2012	2013	2014
October	\$1,995,270.65	\$1,813,320.21	\$2,229,314.45	\$2,394,048.32
November	\$1,248,525.32	\$1,531,689.28	\$1,959,839.78	\$1,729,579.43
December	\$1,662,134.98	\$1,644,146.64	\$1,848,254.12	\$1,629,500.75
1st Quarter	\$4,905,930.95	\$4,989,156.13	\$6,037,408.35	\$5,753,128.50
January	\$2,021,235.50	\$2,703,694.50	\$2,624,702.41	\$3,349,662.45
February	\$2,416,005.07	\$2,697,697.61	\$2,832,715.29	\$3,128,965.37
March	\$2,304,934.86	\$2,292,825.58	\$2,629,475.48	\$3,688,994.55
2nd Quarter	\$6,742,175.43	\$7,694,217.69	\$8,086,893.18	\$10,167,622.37
April	\$2,062,094.17	\$2,424,740.37	\$2,705,727.25	\$3,100,809.86
May	\$1,512,829.67	\$1,710,483.38	\$1,965,832.45	\$2,361,488.43
June	\$1,554,241.98	\$1,737,013.72	\$1,894,239.16	\$2,404,283.49
3rd Quarter	\$5,129,165.82	\$5,872,237.47	\$6,565,798.86	\$7,866,581.78
July	\$1,304,006.04	\$1,785,387.33	\$2,057,586.60	\$2,057,586.60
August	\$1,980,407.69	\$2,214,837.44	\$2,544,554.07	\$2,544,554.07
September	\$2,816,686.74	\$3,498,639.13	\$3,313,955.15	\$3,313,955.15
4th Quarter	\$6,101,100.47	\$7,498,863.90	\$7,916,095.82	\$7,916,095.82
FYTD (Oct-Jun)	\$16,777,272.20	\$18,555,611.29	\$20,690,100.39	\$23,787,332.65
FY TOTAL	\$22,878,372.67	\$26,054,475.19	\$28,606,196.21	\$31,703,428.47

Source: Division of Account, Department of Administration, Government of Guam. Figures are unaudited
 Estimated

TAF ANALYSIS

	TAF	YOY DIFF
2011	\$22,878,373	
2012	\$26,054,475	\$3,176,103
2013	\$28,606,196	\$2,551,721
2014	\$32,000,000	\$3,393,804
2015	\$34,500,000	\$2,500,000

*Example of additional TAF contributions in 2014 & 2015

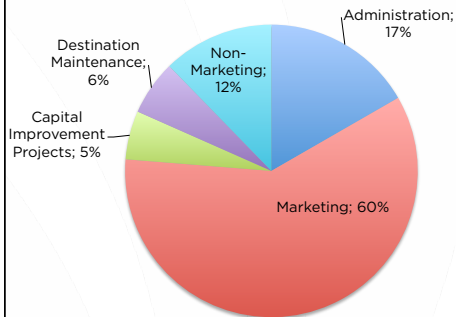
	LOTTE HOTEL	DUSIT THANI
Rooms	222	417
Room Nights	81,030	152,205
Avg Room Rate	\$200	\$200
Occupancy	70%	70%
Hotel Occupancy Tax	\$1,247,862 (1 year)	\$1,171,979 (6 months)

GVB BUDGET SUMMARY

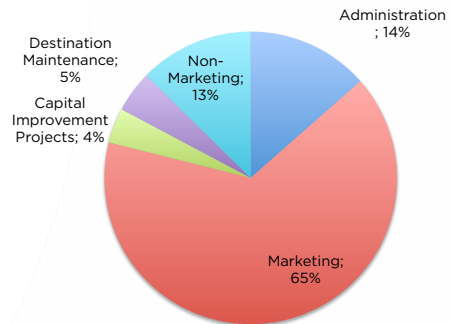
	FY 2014 REQUEST	FY 2014 BUDGET	FY 2015 MGMT REQUEST	% DIFF
Administration	2,917,120.00	2,917,120.00	3,200,000.00	9.7%
Marketing	10,478,000.00	10,420,000.00	15,502,000.00	48.8%
Non-Marketing (Research, Sports & Events, CHaCO, Visitor Safety & Satisfaction)	2,150,014.00	2,150,014.00	2,998,000.00	3.9%
Capital Improvement Projects	940,000	940,000.00	915,000.00	-2.7%
Destination Maintenance	1,060,000.00	1,060,000.00	1,085,000.00	2.4%
TOTAL	18,045,134.00	17,487,134.00	23,700,000.00	35.5%

GVB BUDGET

FY 2014 BUDGET
TOTAL: \$17,487,134.00



FY 2015 BUDGET Request
TOTAL: \$23,700,000.00



GVB BUDGET - ADMINISTRATION

	FY 2014	FY 2015 BUDGET REQUEST
TOTAL ADMINISTRATION	\$2,917,120	\$3,200,000

- Increase of \$282,880 over FY2014
- Additional personnel costs due to increments, merit bonuses, Medicare contributions and health insurance benefits.
- Increase in power and water costs
- Addition of 4 more new positions (FTEs)

GVB BUDGET - MARKETING

	FY 2014	FY 2015 BUDGET REQUEST
TOTAL MARKETING	\$10,420,000	\$15,502,000

- FY2014 Forecast: 1.35 Million Visitors
- FY2015 Projection: 1.427 Million
- **Refocus on Japan**
 - \$2.3M Budget Increase to \$8M
 - FY15 Goal: 940,000 pax
 - Conduct low season promotions targeting family and group
 - Continue working with JGTC to improve yield
 - Improve share of voice from .5% to 1% with Co-op and TV advertising
- **Continued Growth in Korea**
 - \$600K Budget Increase to \$2M
 - FY15 Goal: 280,000 pax
 - Build Brand Awareness through marketing campaigns
 - Additional Air Carriers and Gateways

GVB BUDGET - MARKETING

	FY 2014	FY 2015 BUDGET REQUEST
TOTAL MARKETING	\$10,420,000	\$15,502,000

- **Diversify: Russia**
 - Russia budget increased by \$220K to reach \$700K
 - Russia Goal: 15,000 pax
 - Foster relationship with airlines to provide regular direct air service
 - Increase Guam awareness through continued advertising & key campaigns
 - Participate in MITT and PITE 2015
- **Diversify: China**
 - China budget decrease by \$592,500 to \$2M
 - China Goal: 25,000 pax
 - Increase direct air service
 - Comprehensively enhance Chinese travelers' awareness of Guam through travel trade, eye-catching advertisement campaigns, exhibitions and sales incentive programs.
 - Joint promotion with TAs and MICE companies

GVB BUDGET - MARKETING

	FY 2014	FY 2015 BUDGET REQUEST
TOTAL MARKETING	\$10,420,000	\$15,502,000

- **Hong Kong**
 - Budget status quo at \$215K
 - FY15 Goal Pax: 14,000
 - Engage in Joint Promotions, market development and increase media exposure in wedding/honeymoon, education, sports, and cultural tourism
- **Philippines**
 - Budget increased by \$70K to \$220,000
 - FY15 Goal Pax: 12,450
 - Increase Guam awareness through a sustained year-round publicity program and Media Fam Tours
 - Cultivate MICE market through Guam Product Seminars to corporate incentive planners and partnering with corporate account managers for Airlines and TAs
 - Engage airlines and travel agents for partnership in promotions and trade-related industry events
 - Increase GVB Philippines' social networking reach

GVB BUDGET - MARKETING

	FY 2014	FY 2015 BUDGET REQUEST
TOTAL MARKETING	\$10,420,000	\$15,502,000

- **North America/ Military**
 - Budget increase by \$40K to \$220K
 - FY2015 Goal Pax: 80,231
 - Attend LA Times Travel Show, LA Adventure & Travel Show & Che'lu Inc's Cultural Festival
 - VFR - Visiting Friends & Family: Expand outreach
 - 71st Liberation Day activities and travel
 - Attend Scuba Show and DEMA in June 2015
 - Social Media - Show Us Your Chamorro Campaign
- **Cruise Shipping**
 - FY2015 Goal Pax: 3,500
 - Work with the Port Authority to improve port arrival/departure experience, as well as MCA and regional ports to extend incentives
 - Create a cruise dedicated website with the MCA & sample cruise itinerary packages
 - Micronesia Roadshow w/ PATA MIC and other cruise events

GVB BUDGET - MARKETING

	FY 2014	FY 2015 BUDGET REQUEST
TOTAL MARKETING	\$10,420,000	\$15,502,000

- **Pacific/Micronesia/Australia/Europe**
 - Budget increase by \$22K to \$120K
 - FY15 Goal Pax: 41,800
 - Integrate & develop campaigns with MicronesiaTour.com with GVB Website
 - Increase Guam's Dive Market in Australia/Micronesia as a world class destination
 - PATA meetings and conferences, link in FestPac 2016/ GMIF
 - AIDE/Asia Dive Expo 2014
 - Bi-Annual Micronesian Chief Executive's Summit (MCES)
- **Taiwan**
 - Budget increase by \$117K to \$487K
 - FY15 Goal Pax: 54,338
 - Increase social media outreach efforts (i.e. facebook page to over 60,000 likes)
 - Promote M.I.C.E Market and key campaigns (Destination Weddings, Sports Tourism/ MICE ,ITF/FESTPAC 2016)

GVB BUDGET - MARKETING

	FY 2014	FY 2015 BUDGET REQUEST
TOTAL MARKETING	\$10,420,000	\$15,502,000

- **Global Website: \$330,000**
 - In FY2014, GVB launched the new global website in English and will launch Japan and Mainland China by the end of the Fiscal Year. In FY 2015, GVB will launch the Russian, Korean and Traditional Chinese websites.
 - Showcase Chamorro Culture & What Guam has to offer visitors.
 - Cater to growing online audience seeking information about Guam.
 - Optimized Tablet and Smart Phone sites
 - Highlight Villages of Guam, history and cultural events.
 - Connect local businesses directly with the consumer.
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- **Social Media Support: \$290,000**
 - Budget remains the same.
 - Advanced software to monitor social media channels in 6 different markets.
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 - Continue success of Håfa Pledge Program & Håfa Adai Rate Program
 - Support Guam Brand development
 - Provide community outreach on benefits of tourism
- **Printing Promotion: \$450,000**
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 - Supply promotional materials to key source markets and local campaigns about Guam.

GVB BUDGET – Research

RESEARCH	FY2014 Approved	FY2015 Request
TOTAL REQUEST	\$430,014	\$448,000

- Slight Increase (4%)
- Include Russia & China Exit Surveys

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Cultural Heritage & Community Outreach (CHaCO)	FY2014 Approved	FY2015 Request
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- Continuation of Guam Chamorro Dance Academy Program into Japan & North America markets
- Development of hotel outreach with cultural activities (i.e. weaving, language and dance)



GVB BUDGET- Sports & Events

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TOTAL REQUEST	\$750,000.00	\$850,000.00

• **Additional (\$50,000) to support the 3rd Annual Guam International Marathon April 2015.**

- **Increase awareness, marketing and promotional support in Japan and Korea about Guam's leading Sports signature event**
- 2014 overseas participants: 1,310
- 2015 overseas goal: 2,000
- 2015 projected economic impact: \$4.6 Million

(Smart Goal: Focus resources on bigger impact Signature Events)

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- **Funding needed to execute 2015 BBQ event**
- **Included Art exhibit (GAXVII) in 2014**
- **Grow international field of grillers to compete**
- **Include eating contest in 2015**
- **Market and promote activities in our major source markets**

(Smart Goal: Add another Signature event which highlights Guam's unique qualities)

GVB BUDGET- Visitor Safety & Satisfaction

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TOTAL REQUEST	\$250,000.00	\$950,000.00

• **TOURISM TRAINING INSTITUTE**

- Support the launch of a tourism training facility to further enhance the visitor experience.

• **AIRPORT AMBASSADOR PROGRAM**

- This program is meant to provide passengers additional services at Customs & Quarantine / Customs & Border Patrol during the peak arrivals periods.

• **TOUR GUIDE CERTIFICATION PROGRAM**

- Public Law 23-136 requires the training and consequent certification of all Guam tour guides and establish guidelines regulating the conduct and operations of tour companies, inclusive of personnel.

• **EXCELLENCE IN TOURISM AWARDS**

- This program was implemented in 1992 as the Excellence in Tourism Awards. The intent of the program is to recognize outstanding industry employees and organizations for their contribution to Guam's largest economic contributor.
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• **WELCOME SERVICE**

- GVB's Welcome Service Program extends a true Hafa Adai welcome for airport and cruise ship passengers as well as for inaugural flights, dignitaries, media and other special groups and events.

• **VISITOR SAFETY /SATISFACTION PROJECTS**

- In FY2015, GVB intends to accomplish the following goals: Security Camera System Water Safety & Awareness Program, Industry Training, Tourism Safety Message Campaign and the Visitor Safety Officer Pilot Program (VSO).

Capital Improvement Projects

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<i>*FY15 Request to be funded under Visitor Safety and Satisfaction</i>		
TOTAL	\$790,000.00	\$915,000.00

- Significant increase for Surveillance System improvements

Destination Maintenance

	FY2014 Approved	FY2015 Request
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Contract Administration & Inspection Services	\$90,000.00	\$80,000.00
TOTAL	\$1,060,000.00	\$1,085,000.00

- Goals:
- Continue Island Beautification Projects
 - Continue Holiday Illumination Project

The Greater China Marketing Committee Meeting Minutes

EXHIBIT A

July 11, 2014, 11:00AM
GVB Main Conference Room
Page 1 of 8

Attendance:

- Bruce Kloppenburg, General Manager, Kloppenburg Enterprises, Inc. and Committee Chairman
- Charlene Chen, Chinese Sales Manager, PIC.
- Terry Chung, Sales & Marketing Manager, DFS Galleria
- Cris Gamboa, Director of Sales & Marketing, Onward Beach Resort
- Hyong Yi, Sales Manager, Outrigger
- Tomoyuki Goto, VP of Sales & Marketing, SandCastle, Inc.
- Gerald Perez, Managing Director, Leading Edge

GVB Staff:

- Pilar Laguaña, Marketing Manager
- Gina Kono, Marketing Officer II
- Regina Nedilic, Marketing Officer II
- Nakisha Onedera, Marketing Officer I

Absent:

- Christina Garcia, Business Development & Marketing Manager, GEDA
- Joanne Camacho, Director of Marketing Development, DFS Guam
- Jenny Cheon, Sales Manager, Holiday Resort Guam
- Tomoyuki Goto, VP of Sales & Marketing, SandCastle, Inc.
- Jeff Schweizer, General Manager, Fiesta Resort Guam
- Elisha Lee, Senior Sales Manager, Lotte Hotel Guam
- Vic Lo, Vice President, Micronesian Mall
- Rolenda Faasumalie, Marketing Administrator, GIAA
- Jennifer Chae, Sales & Marketing Manager, Nikko Hotel
- Elton Koo, Director, Favour Tour
- Sangheee Yoon, International Sales Manager, Westin
- Johnny Lee, Sales Manager, Hilton Guam Resort & Spa
- Ellen Chen, Assistant Sales Manager (Chinese Market), Hyatt Regency Guam
- Paula Monk, Director of Sales, United Airlines
- Carl Quinata, Industry Specialist, GEDA

AGENDA

I. CALL TO ORDER

Chairman Bruce Kloppenburg called the meeting to order at 11:05AM.

II. APPROVAL OF PREVIOUS MEETING MINUTES

Minutes were unanimously approved by the committee.

July 11, 2014, 11:00AM
GVB Main Conference Room
Page 2 of 8

III. REPORT OF THE CHAIRMAN

No report.

IV. REPORT OF GVB MANAGEMENT

Marketing Manager Pilar Laguana discussed the Inaugural Beijing Gala that was held in Beijing China on June 18, 2014. In attendance were Governor Eddie Calvo, Senator Tina Muna Barnes, GVB Board Director Mark Baldyga, GVB General Manager Karl Pangelinan, GVB Marketing staff as well as numerous travel agents and media.

The Guam Visitors Bureau had the opportunity to meet with CITS, the largest travel wholesaler in China prior to the gala where they were able to meet and hold discussions with CITS President Madame Wu as well as CITS department heads. Four key items were requested of the bureau as a result of the meeting:

- 1.) Work with the US Embassy on the visa rejection issue. Travel Agents have been giving feedback that they are seeing a high visa rejection rate in Beijing. Marketing Manager Pilar Laguana stated that she had already reached out to the US Consulate for assistance.
- 2.) Have CCTV (China television channel) available in hotel rooms. CITS feels this would give great comfort to the Chinese traveler.
- 3.) Participate in more marketing and promotions with travel agents
- 4.) Increase Chinese signage in more hotels, restaurants, and retailers.

Ms. Laguana stated that as per Madame Wu; if we all to our part in being sensitive to the needs of the Chinese traveler, Guam has a bright future ahead.

At the conclusion of the inaugural gala the delegation returned to Guam in time to be present at the greeting services for the inaugural flight that was executed by GVB and the Guam International Airport.

Ms. Laguana informed the committee that on the first three flights, Dynamic Air contributed in kind seats to ensure that Guam could publicize their destination in the market. Dynamic Airways invited a healthy list of influential media from all types of mediums: print, radio, television, and social media. Ms. Laguana thanked the industry for all the support that was shown during this period.

Ms. Laguana discussed the struggles travel agents in China are having with sales. These struggles are due to loss of money and visa rejection rates. Ms. Laguana informed the committee that there will be a string of support advertisements coming up and we are starting to see publicity and our advertisements in the market

VISITOR ARRIVALS UPDATE

Marketing Officer II Gina Kono reported latest snap shot of visitor arrivals updates

For the month of June 2014 in comparison to June 2013 Taiwan has seen an increase of 7.4%, China has seen an increase in 14.8% and Hong Kong has seen a decrease of 31.8%. For fiscal year to date, Taiwan has seen an increase of 6.0%, China has seen an increase of 27.5% and

July 11, 2014, 11:00AM
 GVB Main Conference Room
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Hong Kong has seen a decrease of -4.6%. For Calendar Year-to-Date, Taiwan has seen an increase of 5.4%, China has seen an increase of 22.3%, and Hong Kong has seen a decrease of -5.7%

	JUNE			FISCAL YEAR-TO-DATE			CALENDAR YEAR-TO-DATE		
				FYTD 2013	FYTD 2014		CYTD 2013	CYTD 2014	
	June '13	Jun-14	% DIFF	Oct-June '13	Oct-June '14	% DIFF	Jan - Jun '13	Jan - Jun '14	% DIFF
TAIWAN	5,078	4,703	7.4%	32,853	34,825	6.0%	22,678	23,901	5.4%
CHINA, P.R.C.	714	820	14.8%	7,743	9,873	27.5%	5,871	7,070	22.3%
HONG KONG	839	572	31.8%	7,142	6,814	-4.6%	4,362	4,113	-5.7%

CHINA MARKET UPDATE

China Smart Goals

FY13 Arrivals: 8,406

FY14 Goal Pax: 20,000

FY14 Budget: \$503,500 + \$1,034,000 + \$1,028,500

FY2014 SMART Goals

- Increase the total no. of direct charter flights by 67% to reach 17 flights, including 2 flights during non-peak periods; Increase the no. of non-charter visitors by travel agencies
- Trade sales Incentive Program;
- Develop more charters from 2nd tier cities such as Chengdu and Dalian
- Organize trade promotional events in Wuhan, Chengdu and Tianjin
- Co-operative advertising campaign with travel agencies and airlines in promoting Guam tour product
- Conduct joint ads with travel agents to promote travel product to Guam

Ms. Gina Kono reported on the status of FY2014 goals: We have now increased direct service with the five flights a week from Dynamic Airways. We are also currently working on a cooperative program and hope to work with United Airlines or Dynamic Airways to develop more charters in Chengdu and Dalian. She reported that in line with our goals, promotional events have been conducted in Chengdu and Tianjin, and later in the month Ms. Pilar Laguana and Marketing Officer II Brian Borj will be traveling to Wuhan.

July 11, 2014, 11:00AM
 GVB Main Conference Room
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Ms. Kono explained the current joint promotion being held with Ctrip to promote the five-hour direct flight from Beijing to Guam. The landing page links interested visitor to Guam packages from Dynamic Air's 5 key travel agents. The page also provides information, selling points of the island. Interested travelers are then invited to join Ctrip's SNS campaign where they submit an itinerary of what they would like to do on Guam. Respondents will be narrowed to 20 and one respondent will be chosen one to win a trip to Guam. Dynamic Air will provide tickets and GVB will cover ground support.

Mr. Terry Chung of DFS inquired about the delays in the first Dynamic flights. Ms. Gina Kono explained that the delay was caused by the closure of the Saipan airport.

Mr. Gerry Perez explained that there's a new law in China where a customer can pay travel agents only a portion of the tour and then upon satisfaction of the tour they can pay the rest. Delayed flights could ultimately affect delays.

TAIWAN MARKET UPDATE

Ms. Regina Nedlic presented the FY2015 smart goals

FY2015 Taiwan

FY2014 Goal Pax: 51,750

FY14 Budget: \$370,000

FY15 Goal Pax: 54,338

FY15 Budget: \$386,400

FY2015 SMART Goals

- Increase arrivals by 5% March - May/Sep- Nov
- Increase Guam's influence on SM Network elevate FB fan page to more than 60,000
- Promote M.I.C.E Market with 5 or more groups with over 100 pax
- Support FY2015 Key Campaigns
- Destination Weddings
- Sports Tourism/MICE
- ITF/FESTPAC 2016

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Increase SM Networks



Ms. Nedlic reported that GVB Taiwan cooperated with China Airlines for promoting the extra summer flights. The ad has been published on To'Go magazine July issue. In addition to the ad, there is a 8-pages Guam story in the magazine and it will be free.



Ms. Nedlic reported that Gala Television Corporation (GTV) was filming their TV show 'Taste the World' on Guam from Jul. 2-10. The host posted some Guam photos on his FB fan page when he stayed in Guam and the BBQ Block Party July 5th. GTV plans to have 2 whole episodes (120 mins) for Guam. The first episode will introduce wedding chapels; the second one will cover various outdoor activities in Guam. Expected Airing Date: Aug 21 & 28
HONG KONG MARKET UPDATE

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Ms. Gina Kono presented the FY2015 Smart Goals

Hong Kong

FY13 Arrivals: 8,936

FY14TD As of Jun 30 Arrivals: 6,814

FY15 Goal Pax: 14,000

FY15 Budget: \$215,000

FY2015 SMART Goals

- Engage in Joint Promotions with United, TAs, and GVB members
- Market Development in wedding/honeymoon, education, sports, and cultural tourism
- Increase Media Exposure
- FY2015 Key Campaigns
- Joint promotions with United HK
- Joint promotions with GVB members & TAs
- Joint promotion with TAs and media to promote wedding/honeymoon, education sports, and cultural tourism

V. OLD BUSINESS



The Guam Visitors Bureau and the Guam International Airport Authority executed an airport greeting service for Dynamic Airway's Inaugural flight from Beijing on June 21, 2014. The greeting service included a water salute on the tarmac, greeters at the arrival gate and arrivals section, cultural dancers, and two Ms. Guam's.

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VI. NEW BUSINESS

The following motion was approved by the board of directors on July 10, 2014

VisitUSA China: Wuhan Road Show

Motion to approve travel for Marketing Manager & Staff to participate in the VisitUSA China: Wuhan Road Show in Wuhan, Hubei Province from July 22-28, 2014 and to conduct business meetings in Beijing with media, and airline/travel partners. (Cost approximately \$8,676.00 from FY2009 Excess Fund Account, CI-FY2009)

Travel Expense

Air Fare	Roundtrip: GUM/CI/GUM \$2000.00 x 2 pax	\$4,000.00
Registration	Non-Member = \$850.00 per city	\$850.00
Per Diem	GVB Marketing Staff	
	Wuhan Lodging: \$152.00 x 2 nights x 2 pax	\$608.00
	Wuhan M&IE: \$118.00 x 2 days x 2 pax	\$472.00
	Beijing Lodging: \$258.00 x 2 nights x 2 pax	\$1,032.00
	Beijing M&IE: \$119.00 x 3 days x 2 pax	\$714.00
	Total	\$2,826.00
Miscellaneous Expenses:	Excess baggage/Communication costs /Unanticipated expenses	\$1,000.00
TOTAL:		\$8,676.00

Background

VisitUSA China: Wuhan Road Show is a VisitUSA China event offering great learning, media exposure and business development opportunities for Committee members. Member travel suppliers, destinations and CVBs will train client-facing staff from leading agencies on your products, and hold face to face matchmaking meetings with the Chinese travel agents, tour operators and media. VisitUSA China: Wuhan Road Show is an event of unique scope and importance in the outbound Chinese travel industry to the USA, presenting excellent networking and prime business opportunities with an eager and welcoming Chinese audience made up of travel trade. It is important for GVB to participate in this roadshow as a US consulate with the ability to process Chinese visas has opened in this region.

GVB shall conduct important business meetings in Beijing with media from Guam familiarization tours as well as with airline and travel trade partners. In addition GVB needs to conduct face-to-face meetings with Beijing media buyers to ensure that ad placements are in line with GVB's strategic goals as well as to ensure that cost efficiency of media buys.

Issue: Board approval for travel required.

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VII. ANNOUNCEMENTS

Ms. Gina Kono announced that the Governor has announced condition of readiness two and that the Government of Guam is closed.

VIII. ADJOURNMENT

Meeting adjourned at 12:00pm.



Minutes Prepared by:
Nakisha Onedera (Marketing Officer I)



Reviewed and approved by:
Nadine Leon Guerrero (Acting Marketing
Manager)