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Messages and Communications

Speaker Won Pat <speaker@judiwonpat.com>
To: Guam Legislature Clerks Office <clerks@guamlegislature.org>

Fri, Dec 12, 2014 at 11:24 AM

32-14-2324
Office of the Speaker
Judith T. Won Pat, Ed.D

2014 DEC 12 AM 11:50

Date: 12-12-14
Time: 11:26am
Received By: *[Signature]*

HAFU

12/12/2014 11/26/2014 Guam Visitors Bureau

Regular Board Directors Meeting
November 26, 2014 32-14-2324

----- Forwarded message -----

From: **Colleen Cabedo** <colleen.cabedo@visitguam.org>
Date: Fri, Dec 12, 2014 at 10:49 AM
Subject: GVB Board Packet: November 26, 2014
To: Speaker Won Pat <speaker@judiwonpat.com>
Cc: therese@judiwonpat.com

Hafa Adai Speaker Won Pat,

Pursuant to Title 5 Ch 8 Section 8113.1. of the Guam Code Annotated, Attached is the board packet of November 26, 2014.

Colleen Cabedo
Executive Secretary

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REGULAR BOARD OF DIRECTORS MEETING
 Wednesday, November 26, 2014 - 4:00 p.m.
 Guam Visitors Bureau Main Conference Room

AGENDA

- I) CALL TO ORDER

- II) MINUTES OF THE PREVIOUS MEETING Exhibit A
 Approval of minutes of the previous Board of Directors meeting dated November 13, 2014.

- III) REPORT OF THE CHAIRMAN (*M. Baldyga*)

- IV) REPORT OF THE GENERAL MANAGER (*K. Pangelinan*) Exhibit B

- V) REPORT OF THE TREASURER (*O. Miyashita*) Exhibit C

- VI) REPORT OF THE BOARD COMMITTEES

A. EXECUTIVE COMMITTEE (*B. Kloppenburg*)

Motion to ratify Executive Committee's approval for the travel of the GVB General Manager to attend meetings with the Korea Professional Baseball Association during December 1-2, 2014 in Seoul, South Korea. Cost is approximately \$1,607.50 from Acct# #KO-SMD023.

Marketing	Lodging/MI&E	Total
GVB General Manager	\$657.50	\$657.50
Airfare (\$950.00 x 1 Pax)		\$950.00
	TOTAL	\$1,607.50

Background: The Korea Professional Baseball Association (KPBA) is comprised of most of the top-level professional Korean baseball players, including top names that have played in the Major League Baseball in the states.

The General Manager will be meeting with the KPBA Board of Directors to discuss mutual support, including promotions, advertising and PR. These can include support of GVB Korea events with top baseball names and media outreach when the players visit Guam for practice or promotional events.

GVB sees great potential with this opportunity and hopes to use this organization to elevate its posture with professional team followings from Korea.

Issue: Board approval for travel required.





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

C. CULTURAL HERITAGE & COMMUNITY OUTREACH (*T. Arriola*)

D. SPORTS & EVENTS (*J. Camacho*)

E. MEMBERSHIP DEVELOPMENT (*J. Camacho*)

F. RESEARCH

G. JAPAN MARKETING (*M. Morinaga / N. Nakajima*)
 Committee Minutes dated November 19, 2014

Exhibit D

H. KOREA MARKETING (*O. Miyashita*)

Motion to amend the November 13, 2014 board approved motion for the travel of GVB senior management to attend the Busan City Christmas Festival / Jeju Air Pre-Inaugural Promotion Event in Busan, South Korea (December 6, 2014) and to add one night/two days for Seoul meetings. Cost is an additional \$468.75 from Acct# #KO-SMD023.

Original motion approved by BOD: Nov. 13, 2014

Marketing	Lodging-Busan	M&IE-Busan	Total
Deputy GM Nathan Denight	\$291.25 x 1 nite	\$188.75 x 2 days	\$668.75
Airfare	Domestic: Seoul/Busan		\$350.00
	TOTAL		\$1,018.75

Revised motion.

Marketing	Lodging	M&IE	Total
Deputy GM Nathan Denight	\$287.50 x 1 nite/Seoul	\$185.00 x 2 days	\$657.50
	\$291.25 x 1 nite/Busan	\$188.75 x 1 day	\$480.00
Airfare	Domestic: Seoul/Busan		\$350.00
	TOTAL		\$1,487.50

Background: The initial motion was for senior management to spend one night/two days in Busan.

This motion requests an additional night/two days to be spent in Seoul, prior to the Busan event.

The Deputy General Manager will travel to Seoul a day earlier to meet with the Korea GSA and his PR, Advertising and Promotions sub-contractor to review and discuss strategies for the remainder of FY2015.

Jeju Air has confirmed and scheduled its inaugural, direct flight from Busan to Guam on January 8, 2015.





To help drive travel from Busan to Guam, Jeju Air is requesting GVB's support with a cultural dance team and a Miss Guam to perform on stage at the Busan City Christmas Festival and where a pre-Inaugural Promotion Event is being scheduled.

In return, Jeju Air will provide round-trip tickets from Guam to Incheon for the Guam delegation, extensive Busan region media coverage before and after the event, and will have Guam travel promotions coverage on board all Guam bound Jeju Air in-flight pamphlets.

Issue: Board approval for travel required.

I. NORTH AMERICA & PACIFIC MARKETS (*A. Muña*)

J. GREATER CHINA MARKETING (*B. Kloppenburg*)

K. RUSSIA & NEW MARKETS (*B. Jackson*)

L. DESTINATION MANAGEMENT (*R. Hofmann*)

VII) OLD BUSINESS

VIII) NEW BUSINESS

IX) EXECUTIVE SESSION

X) ANNOUNCEMENTS

Upcoming Board Meetings:

- o Thursday, December 11, 2014 at 4:00pm, GVB Main Conference Room.
- o TENT: Wednesday, December 24, 2014 at 4:00pm, GVB Main Conference Room. (Thursday, GVB Closed in observance of Christmas)
- o Thursday, January 8, 2015 at 4:00pm, GVB Main Conference Room.
- o Thursday, January 22, 2015 at 4:00pm, GVB Main Conference Room.

Events:

- o November 27, 2014 = Thanksgiving Day (GVB Closed)
- o November 28, 2014 = Black Friday (GVB Closed)
- o December 3-5, 2014 = PATA Micronesia Executive Meetings
- o December 5, 2014 = Membership Mixer (Venue TBD)
- o December 25, 2014 = Christmas (GVB Closed)

XI) ADJOURNMENT



Action Items:

BY MANAGEMENT

- General Manager Pangelinan to come up with a plan and budget to improve the welcoming experience at the airport. (7/10/14) Also, to make a list of public signs that needs improvement. (7/24/14)
 - Ongoing. (9/11/14)
- ~~○ Management to make a presentation on the guest satisfaction research report. (8/14/14)~~
 - ~~▪ Was in General Manager's report on 9/11/14 board meeting, but will be presented at a later board meeting. (9/11/14)~~
- Management to schedule the breakfast briefing for incoming Senators after the elections (8/14/14).
 - Director Guthertz suggested that this breakfast briefing occur after the senators are sworn in. Swearing-in is on January 3, so she suggested to have this mid-January. (11/13/14)
- Management to make a presentation on the Christmas lights for this year (8/14/14).
 - General Manager Pangelinan mentioned that this would be saved for another board meeting. (9/11/14)
- Management to direct the vendor to utilize a single shade of gray and green and to paint a full surface when covering over graffiti to avoid "patches" of mis-matched color (8/14/14).
 - Ongoing. Waiting on GTA and GPA. (9/11/14)
- Management to accelerate and prioritize the cut offs and the bus shelters (8/14/14)
 - General Manager Pangelinan reported that the bus shelters are out and live. The bus cut offs should be out on the streets in the coming weeks. (9/11/14)
- Management to present bus shelter design ideas to the Board (8/14/14)
 - Ongoing and to present sometime in October 2014. Once we select the firm. The design will go out to the board. (9/11/14)
- Sports & Events Committee to brainstorm new major event ideas for next year (8/14/14)
 - Will be having a brainstorming session in the next couple of weeks. (9/11/14)
- ~~○ Chairman Baldyga noted that VSOs be introduced to the board at the next board meeting. (9/11/14)~~
 - ~~▪ VSOs were present at the membership meeting on 10/7/14.~~
- Chairman Baldyga noted that he would like to have a Paint Guam initiative when rainy season is over. Would like to take it upon us to spruce up retaining walls that need water-blasting/cleaning and painting. Would like to pick one or two colors to uniformly paint the retaining walls in Tumon. Perhaps, use this as a springboard to go to the Lieutenant Governor's Office to see if he could



support us by getting the paint stores to offer us discounts. Chairman Baldyga would like to see this take action from January - March 2015. (9/11/14)

- o Management to work with agriculture on replanting trees next spring. (9/11/14)
- o Chairman Baldyga would like to get a snapshot on the status of each committee's top 3-4 smart goals from the past year. He would like to know where we are at, what needs to be finished by the end of the year, and to start thinking about next year's goals. (10/9/14)
- o Chairman Baldyga would like to see a snapshot of each committee's budget breakdown for FY15. (10/9/14)
- o Addressed that we have \$1.5 million approved for capital improvement projects, but would like to have a breakdown of what our projects may be by next board meeting. (10/9/14)
- o He wants to make it a priority to have a banner and loiter law enacted by the end of the year. (10/9/14)
- o Vice Chairman Kloppenburg bought a smog-testing machine and has a group of bus companies that are willing to participate in testing their emissions. Chairman Baldyga requested that Vice Chairman Kloppenburg craft a proposed emission legislation. (10/9/14)
- o Chairman Baldyga suggested on coming up with a list of projects and to put together bills indicating that when the TAF money is available, it would be used to fund those projects. (11/13/14)
- o Chairman Baldyga commented for the next board meeting we should have a discussion on our finances. (11/13/14)
- o Chairman Baldyga would like to have all the FY15 Smart Goals from each committee be circulated to the board electronically and to be discussed at the next board meeting. (11/13/14)



REGULAR BOARD MEETING
Thursday; November 13, 2014

BOARD of DIRECTORS PRESENT:

Chairman Baldyga	Vice Chairman Kloppenburg
Bartley Jackson	Eduardo "Champ" Calvo
Robert Hofmann	Theresa Arriola
Milton Morinaga	Norio Nakajima
Judith Guthertz	

BOARD of DIRECTORS TELEPHONICALLY:

BOARD of DIRECTORS ABSENT:

Jennifer Camacho - Expectant mother
Oscar Miyashita - Off-island
Annmarie Muña

GVB MANAGEMENT & STAFF PRESENT:

Karl Pangelinan	Colleen Cabedo	Rose Cunliffe
Ana Cid	Doris Ada	Gabryel Franquez
Mark Mangloña	Joshua Tyquiengco	Felix Reyes
Nakisha Onedera	Meriza Peredo	Dee Hernandez
Nadine Leon Guerrero	June Sugawara	

Guests:

❖ Proceedings:

Chairman Baldyga called the regular meeting of the board to order at 4:51 p.m.

Approval of previous board minutes dated October 9, 2014.

Exhibit A

Director Guthertz made a motion, seconded by Vice Chairman Kloppenburg, to approve the minutes of October 9, 2014.

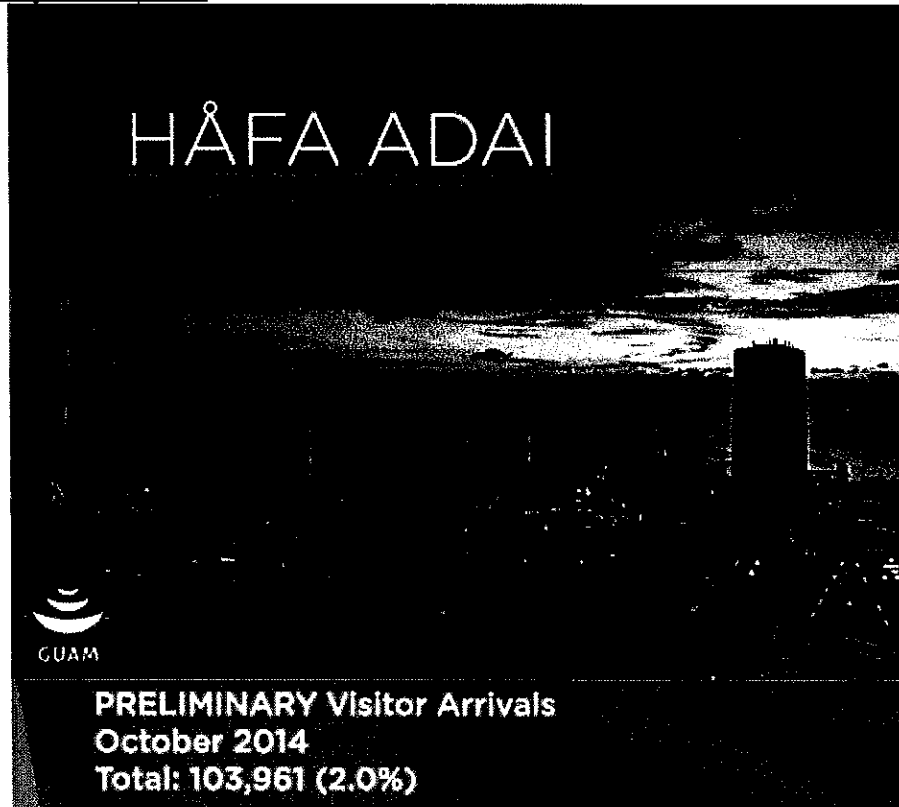
Motion approved (subject to correction).
Chairman Baldyga made the 8th vote.



❖ Chairman's Report:

❖ General Manager's Report:

Exhibit B



HAFADA

**PRELIMINARY Visitor Arrivals
October 2014
Total: 103,961 (2.0%)**

% Market Mix	Origin	Pax	% to LY
58.3%	Japan	60,637	-9.3%
23.5%	Korea	24,423	26.9%
5.2%	US/Hawaii	5,374	41.6%
3.3%	Taiwan	3,389	-17.5%
1.8%	China	1,904	25.3%
0.4%	Russia	374	-10.1%

- General Manager Pangelinan started off with the preliminary visitor arrivals of October 2014. He reported that we are up 2%, compared to the previous year.

- o He noted that we are still keeping a close eye on the reduction of the Japan market. With our diverse market mix, Korea has been keeping our numbers steady.
- o There was also an increase in US market, with some movement with military training and ship arrivals, which have also contributed with the overall number.

**PRELIMINARY Visitor Arrivals
CYTD 2014 (January - October)
Total: 1,117,109 (0.8%)**

% Market Mix	Origin	Pax	% to LY
60.6%	Japan	676,141	-9.8%
22.4%	Korea	249,773	26.9%
5.2%	US/Hawaii	57,711	18.8%
3.9%	Taiwan	43,389	3.7%
1.2%	China	13,648	37.3%
1.4%	Russia	15,362	195.6%

- o Calendar year to date is relatively flat, but almost up 1%. Our market mix is fairly consistent month to month. Once again, with Korea compensating the decline in Japan, with arrivals of about 250,000 visitors at this time.

**PRELIMINARY MTD Visitor Arrivals
November 1 - 9, 2014
Total: 30,219 (-4.0%)**

% Market Mix	Origin	Pax	% to LY
61.7%	Japan	18,634	-9.2%
24.8%	Korea	7,506	7.4%
4.5%	US/Hawaii	1,367	12.5%
3.1%	Taiwan	924	55.3%
1.1%	China	336	13.1%
0.6%	Russia	182	-60.0%

Japan Marketing News

Time out

- Overwhelming response to Time Out series
- 50 Things to Do
- Time Out Kids and Family
- Next version to be launched is Time Out Premium



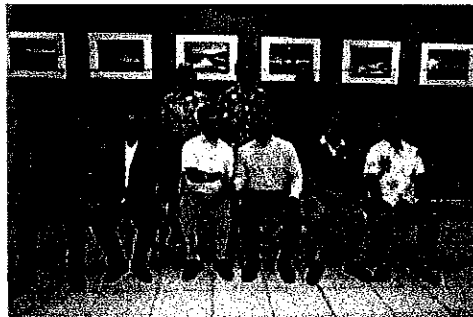
- General Manager Pangelinan reported that we have launched our third rendition of the Time Out Tokyo promotion. Since its inception we have received enormous feedback. We initially had a general 50 things to do on Guam, but later catered it towards senior travelers and families. This has been well received from our carriers and travel agents.
- Chairman Baldyga added that this is in-line with our 2020 plan, which we want to advertise Guam's many recreational activities.

Meeting w/ United:

- General Manager Pangelinan reported that he and Chairman Baldyga met with high-level executives from United. They had good discussions on things that they could do in the market and what things they are not currently doing. They themselves have mentioned that they take part in the same overseas events that GVB attends to and mentioned that they would like to optimize/maximize our time together at these events.
- Chairman Baldyga added that it was a good meeting with Wally Dias, Matt Miller, and Sam Shinohara. They walked through the Japan & China strategies and marketing plans, and what trade shows they are going to and how we could sync up.
- Chairman Baldyga and General Manager Pangelinan would like to include the Japan Committee Chairs, Japan marketing staff, GVB Japan office, & our Japan advertising rep, to be included in the next strategic meeting with United next week Thursday, November 20.

Japan Marketing News





- Visiting Travel Agent VIPs
- Organized by R&C Tours and Ken Corp.
- Presidents from Osakyu-Travel, Keio Travel, Tobu Travel, Entetsu Travel, Shizutetsu Travel currently on Guam



- General Manager Pangelinan reported that earlier in the day he had a courtesy visit from some travel agent VIPs. He added that GVB had hosted them the day before for a very nice golf outing. Earlier, they came back to our office for a courtesy visit and had good discussions regarding our 2020 plan, for which we received good feedback.

Japan Marketing News

- Official Japan Government "Guam" marriage registration form to be launched this month
- First international destination
- Working with Recuit and Zexy on PR campaign

	<p>Magazine Do-over Wedding</p> <p>Circulation 35,000 copies</p> <p>Publication April, August, December</p> <p>Topics All couples celebrating overseas wedding</p>		<p>Magazine Guam's Overseas Return Wedding Guide</p> <p>Circulation Silver: 60,000 Bronze: 40,000 Gold: 30,000</p> <p>Publication Feb, May, Oct.</p> <p>Topics All couples celebrating a return wedding after divorce or overseas.</p>
	<p>Magazine Love Traveler</p> <p>Circulation 1,000</p> <p>Publication Feb, May, Aug, Nov</p> <p>Topics Couples celebrating a wedding after divorce or overseas. All and overseas travelers. International couples.</p>		<p>Magazine Love International</p> <p>Circulation Silver: 60,000</p> <p>Publication Monthly</p> <p>Topics Overseas couples (20-30s)</p>

Korea Marketing News

3 Month Forecast

Month	Forecast Pax	Last Year	%Change	Seat Forecast '14	Seat Data '13	% Change Seats
October	24,000 (vs. 1-23/22,833)	19,247	24.7% (11.2%)	31,672	20,204	56.8%
November	28,000	23,967	16.8%	34,693	34,221	1.4%
December	29,000	24,873	16.6%	41,106	34,418	19.4%
January	32,000	28,583	12.0%	49,879	34,040	46.5%

Notes

<p>November -KE flights 7 per week = 10,850 (8747-400) -Busan KE/Wed, Thu, Sat, Sun = 2,833 (8737-800) -Jin Air flights 7 per week = 5,400 (8737-800) -Jin Air flights 14 per week = 11,160 (8737-800) -UA flights 7 per week = 4,850 (8737-800)</p>	<p>December -KE flights 7 per week = 11,315 (8747-400) -Busan KE/Wed, Thu, Sat, Sun = 2,833 (8737-800) (8737-800) -Jin Air flights 7 per week = 9,148 (8737-800, 8777-2014) -Jin Air Extra 12/A = 1,778 (8777-2014) -Jin Air flights 14 per week = 11,332 (8737-800) -UA flights 7 per week = 4,805 (8737-800)</p>	<p>January -KE flights 7 per week = 11,315 (8747-400) -Busan KE/Wed, Thu, Sat, Sun = 2,833 (8737-800) -Jin Air flights 7 per week = 11,905 (8737-800, 8777-2014) -Jin Air Extra = 7,100 (8777-2014) -Jin Air flights 14 per week = 11,332 (8737-800) -Busan KE/Wed, Thu, Sat, Sun = 2,833 (8737-800) -UA flights 7 per week = 4,805 (8737-800)</p>
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Total 34,693 **Total 41,106** **Total 49,879**
1 Air An 10/17*335 Seats

- General Manager Pangelinan reported that we do have additional supply coming in next month. Jin Air is changing their equipment to 777 wide bodies (1 out of 2 777's, which they have devoted one for Guam transit). Thus, our forecast gives us a 20% increase in seat capacity. With regard to our passenger forecast, we have been on track. This has come straight from KTGC membership.

Korea Marketing News

Korea Outbound Travelers Guam Market Share

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
2011													
KO Outbound	1,264,000	1,274,416	1,284,832	1,295,248	1,305,664	1,316,080	1,326,496	1,336,912	1,347,328	1,357,744	1,368,160	1,378,576	13,600,000
Guam Inbound	1,259	12,016	9,379	6,505	3,779	12,258	16,037	17,726	10,659	10,676	8,526	13,666	149,275
Market Share	1.1%	1.3%	1.0%	0.8%	1.1%	1.3%	1.4%	1.4%	1.0%	1.0%	1.4%	1.3%	1.3%
2012													
KO Outbound	1,305,700	1,316,116	1,326,532	1,336,948	1,347,364	1,357,780	1,368,196	1,378,612	1,389,028	1,399,444	1,409,860	1,420,276	13,700,000
Guam Inbound	16,318	15,681	10,728	11,480	11,813	12,116	12,228	13,106	8,852	16,121	8,006	21,404	128,618
Market Share	1.2%	1.3%	1.0%	1.0%	1.1%	1.4%	1.3%	1.4%	1.2%	1.4%	1.0%	1.8%	1.5%
2013													
KO Outbound	1,405,700	1,416,116	1,426,532	1,436,948	1,447,364	1,457,780	1,468,196	1,478,612	1,489,028	1,499,444	1,509,860	1,520,276	14,000,000
Guam Inbound	22,163	18,596	14,207	18,208	18,513	20,208	22,218	25,147	19,666	19,247	22,967	24,873	245,619
Market Share	1.6%	1.4%	1.0%	1.3%	1.3%	1.4%	1.5%	1.7%	1.3%	1.3%	1.5%	1.6%	1.7%
2014													
KO Outbound	1,446,300	1,456,716	1,467,132	1,477,548	1,487,964	1,498,380	1,508,796	1,519,212	1,529,628	1,540,044	1,550,460	1,560,876	14,400,000
Guam Inbound	28,700	28,200	21,400	25,633	23,640	27,298	24,412	27,247	23,807	26,900	28,000	29,600	286,256
Market Share	1.9%	1.9%	1.5%	1.7%	1.6%	1.8%	1.6%	1.8%	1.6%	1.8%	1.9%	2.0%	2.0%

- Blue Kaitiavana projection

- This is in-line with our smart goals. General Manager noted that we are up 2% outbound from last year. In previous years we've been hovering around 1.5%. The Korea outbound has increased tremendously.

Korea Marketing News

3 month Activities/Programs

- TV Home-shopping
 - Nov. : Bomulsum
 - Dec. : CJ Worldis
 - On cable TV for an 1 hour
- MICE Group
 - Nov. : Value in Korea - 170 pax (New), Fin Con - 200 pax (New)
Ace Insurance - 250 pax (New), Kwang Dong - 150 pax (New)
 - Dec. : Kumon - 130 pax (New), Computer society - 100 pax (New), Policy process - 100 pax
 - 31% increase over last year's MICE arrivals.

MICE Monthly total

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
2014	550	650	1,200	3,500	1,100	1,125	1,825	2,461	3,115	2,750			18,528
2013	1,820	780	910	2,050	1,300	1,250	1,430	1,542	1,350	1,670			14,092

- o General Manager Pangelinan focused on MICE, for which we are up 4,000 pax from year-over-year. He noted that we are getting the message out there and are pushing for MICE business. Our two top travel agents in Korea: Mode & Hana represents a big chunk of their business.

Korea Marketing News

3 month Activities/Programs

- Golf Tournament
 - Dec. : M. Ba Golf - 100 pax (Leo Palace)
- United Media Fam on Nov. 27 ~ Dec. 2
 - With 6 media
- UA Inauguration Flights Guam Study Tour
 - Hana Tour 20 pax on Nov. 19 - 23
 - Mode Tour 20 pax on Nov. 26 - 30
- KGTC Fam with JIn Air on Dec. 12
- Jeju Air Busan Inaugural flight from Jan. 8
 - 2 times per week, every Thur. & Sun.

Korea Marketing News

Shop Guam Festival Package



SK Tourvis



Hana Tour

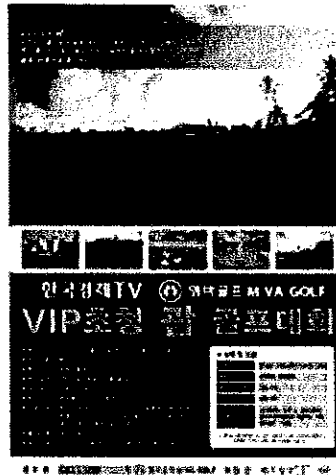


Banulsum Tour

- o Korea has been one of our biggest supporters in terms of our Shop Guam Festival. Last year they had more than doubled the next market in terms of app downloads. We are still seeing a strong push in the Korea market for the SGF. Three tour companies are coming out with these fliers and pushing the SGF in Korea.

Korea Marketing News

Golf Tournament - M Ba Golf on Dec. 4



Korea Marketing News

Busan Wedding Planner Fam Tour
Oct. 19 - 24 with 12 pax



- o General Manager Pangelinan noted that Guam is getting good recognition for our honeymoons. We had a wedding planner familiarization tour from Busan here in October.

Korea Marketing News

Korea National Sports Festival in Jeju on Oct. 27 - Oct. 29



- o This was GVB's first time at the Korea National Sport Fest. He went on to note that they bring back Korea nationals that live abroad to participate in this event. It pitches Guam as a sport destination. These people that come to Guam to participate, have offices all over the world. What we wanted to showcase was our cultural dancers and Miss Guam. This was very well received and came on the heels of another promotions, which was additional add-on.

Korea Marketing News

Mode International Travel Show on Oct. 30 - Nov. 2



- o Reported that he was invited to make welcoming remarks at the VIP grad opening ceremony. It was very well attended. VP of Mode International is a very good friend of GVB and has been a good ally in pushing for Guam. Mode Tour is in-line with our pax expectations of 2020.

Korea Marketing News

3 month Activities/Programs

- 2014 Seoul Lantern Festival - Nov. 7 - Nov. 23
 - Advertising GVB video clip on 400" LED at Chongea Plaza
 - GVB Booth with various events at Gwanggyo bridge
Facebook, GVB Korea Website and will visit Karl to announce event winner on Nov. 23
 - Shop Guam Festival:
 - Discussing about sending TV program on Nov.
 - Sports Event
 - Korea Professional Baseball Association on Dec.
Discussing MOU with GVB
 - Discussing about sending famous TV program on Jan.
XTM "주먹이 운다(Cryingfist)"
- o He will be attending the Seoul Lantern Festival, for which there should be about 1 million attendees. It has a lover's atmosphere, so we will be promoting Guam as a honeymoon/wedding destination.

Korea Marketing News

Ko'ko' Road Race/Shop Guam Festival Media Fam



* Total runner registration for KKRR 157 pax

- o Total runner registration from Korea was just under 160 pax, which is the largest that we've had from the Korea market for this particular race. Our events are definitely growing.

Pacific Marketing News

ITB Asia 2014 October 29-31, 2014 Singapore

- GVB Marketing Officers Mark Mangiona and Haven Torres met with Sam Ho, the United Sales Manager in Singapore.
- United Singapore wants to participate in a familiarization tour to Guam and Micronesia with their top agents.
- GVB had over 30 business appointments and entertained several dozen unscheduled appointments during the event.



Taiwan Marketing News

Taipei International Travel Fair November 7-10, 2014

- Guam won Best Booth Performance Award at ITF.
- Guam helped open travel fair during the ribbon cutting ceremony.
- GVB General Manager Kart Pangelinan & Miss Guam shook hands with Taiwan President Ma.
- Over 300,000 travel trade representatives and consumers attended the 4 day event with 60 countries represented and over 1,450 booths in the Taipei World Trade Center.
- GVB met with industry partners, including Eva Airlines and Taiwan media representatives.
- Guam delegation hosted a trade gathering reception and also encouraged participation in the 2016 Festival of Pacific Arts.



- Just got back from ITF this past weekend, along with Director Arriola. This is the one show a year that we attend in Taiwan, it's our third market, but we really got the red carpet treatment out there. This is the top trade show in Taipei, with a ton of opportunities. They met with airlines and addressed concerns with challenging flight times. The GVB team hosted leaders in travel trade. It was a nice event where we displayed our culture with Jesse & Ruby performing, dancers, and Miss Guam. We did an interactive presentation that was very helpful for all the agents involved.
- Director Arriola noted that although Taiwan may be our third market, it's still an important market because of our Austronesian connection to our people. As the cultural chairperson, she encouraged all markets to adopt the same booth design that Taiwan and Korea have. We were awarded best booth performance (which included our cultural aspects). She commended GVB Management, staff, Taiwan office, for doing a great job positioning Guam from a nook in the U.S. destination area to a mainstream accent.

China Marketing News

Shop Guam Fam Tour for Hong Kong Media
November 1, 2014



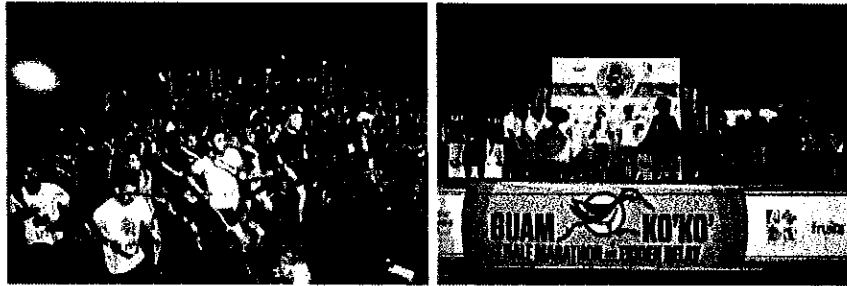
China Marketing News

United Airlines inaugural non-stop service between
Guam and Shanghai
October 28, 2014

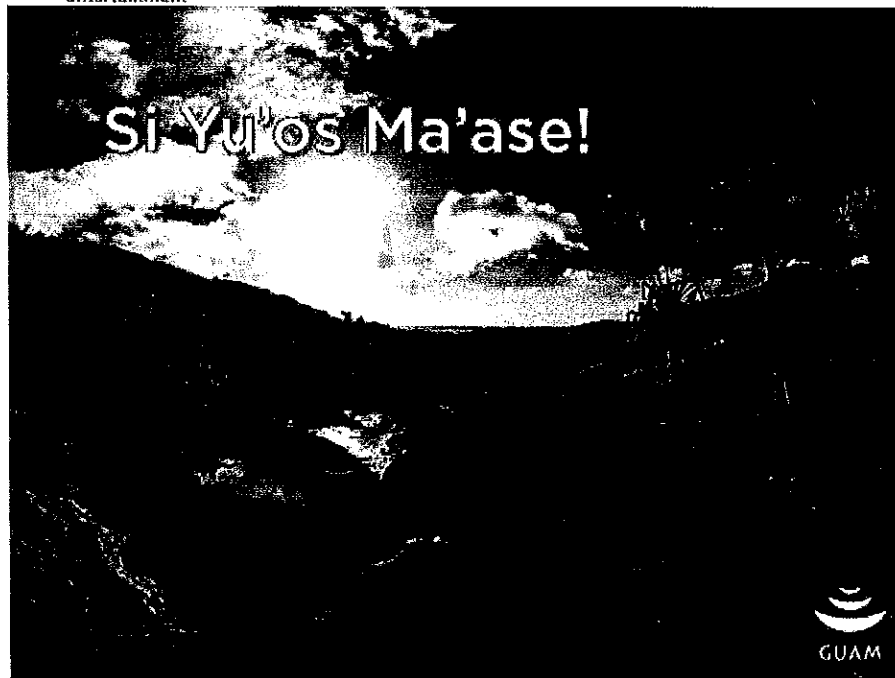


Guam Ko'ko' Half Marathon & Ekiden Relay

Sunday, October 19, 2014
Governor Joseph Flores Memorial Park



- Over 2,000 runners participated in 9th annual GVB Signature Event
- Largest half marathon turnout in Guam's history (1,145 half marathoners, 920 ekiden runners)
- Guam welcomed visiting runners from over 7 different countries including the Philippines, Taiwan, Hong Kong, Korea, Japan, the U.S., as well as runners from Oceania and the CNMI.
- Ko'ko' Roadies promoted event on social media and local media outlets
- Participants enjoyed hydration stations, cheer squads, a post race breakfast and entertainment



- Chairman Baldyga talked about the recent legislation that uses \$4million out of the TAF for overtime of police officers. He noted that that it was helpful for GVB that it was a loan rather than a direct appropriation. Chairman Baldyga discussed with some senators about putting guidelines around the TAF, but the senators said that his proposal would be unlikely to happen. The general feedback that he got from the senators was to be persistent and aggressive in accessing those monies.

- Chairman Baldyga noted that we had outperformed our TAF, giving us a surplus, which we were not made aware of. But, recently he had heard that there wasn't a surplus. He asked General Manager Pangelinan for clarification.
- General Manager Pangelinan commented that we were sitting on the 2013 receivables that BBMR hadn't paid.

- The FY13 receivables couldn't be released because BBMR needed the language in the budget law. In this year's budget, we included the language so we can have access to those monies.

- Chairman Baldyga suggested coming up with a list of things that we would like to do and put together bills indicating that when the TAF money is available, we want to use it for these different projects.

- Chairman Baldyga noted that he would like to go over the smart goals next board meeting.

- Chairman Baldyga commented that the \$4million would be better received by the legislature to be used for FestPac. He suggested about 50% to be used for FestPac and the other 50% to be used for capital improvement projects (payable in three years).

- Total amount of FestPac 2016 is \$5million. We have \$1.5million in the bank and we are still waiting to receive the addition \$2.5million from the TAF. As trustees, GVB must work on getting back those monies.

**CASH, RECEIVABLES, & PAYABLES POSITION
FY 2014 & FY 2015 COMPARATIVE REPORT**

FY 2014 (11/25/2013)		Balance	FY 2015 (11/10/2014)		Balance		
CITIBANK OPERATION		\$429,020.84	BANK OF GUAM		\$1,405,177.68		
BANK OF GUAM		\$6,018,244.89	FIRST HAWAIIAN BANK - Membership		\$105,813.63		
FIRST HAWAIIAN BANK - Membership		\$63,542.34	RESONA BANK		\$107,687.32		
RESONA BANK		\$558,679.48	BOG - TAF ACCOUNT		\$2,641,498.46		
CITIBANK - TAF		\$88,013.73	BOG - RAINY DAY FUND		\$1,914,912.14		
BOG - TAF ACCOUNT		\$367,667.34	BOG - FESTPAC Trust Account		\$1,580,298.43		
BOG - RAINY DAY FUND		\$1,675,460.19	MORGAN STANLEY - CD **		\$2,511,793.09		
BOG - FESTPAC Trust Account		\$150,311.63	BOG - 2/12 Memorial Fund		\$24,614.71		
MORGAN STANLEY - CD **		\$2,509,184.48	TOTAL CASH IN BANKS AS OF 11/10/2014		\$16,300,985.48		
BOG - 2/12 Memorial Fund		\$40,729.71	**Morgan Stanley CD Market value as of 09/30/2014				
TOTAL CASH IN BANKS AS OF 11/25/2013		\$12,889,833.63	FY 2014 BUDGET P.L. 32-068		\$ 19,422,134.00		
**Morgan Stanley CD Market value as of 10/01/13			OPERATIONS - \$15,487,134.00				
FY 2013 BUDGET P.L. 31-233		\$16,018,239.00	TAF Special Projects - \$2,000,000.00				
GVB - \$15,238,239.00			PASS THRU APPROPRIATIONS - \$1,935,000.00 (mandated per PL 32-181)				
OPERATIONS - \$14,022,304.00			OPERATIONS		TAF Special Projects	Pass-thru	
TAF Special Projects - \$1,215,865.00			11/14/13	\$1,161,535.00	\$ 150,000.00	\$ 58,125.00	
PASS THRU APPROPRIATIONS - \$780,000.00			11/15/13	\$1,161,535.00	\$ 150,000.00	\$ 58,125.00	
OTHER APPROPRIATIONS:			11/29/13	\$ -	\$ -	\$ 7,500.00	
PL 31-270/2011		\$320,958.00	12/11/13	\$1,161,535.00	\$ 150,000.00	\$ 63,750.00	
PL 32-067/058/059		\$227,000.00	12/24/13	\$ -	\$ -	\$ 3,750.00	
OPERATIONS			01/10/14	\$1,032,535.00	\$ 150,000.00	\$ 26,250.00	
11/11/12	\$1,420,189.55	\$121,585.00	\$ 55,253.00	01/21/14	\$ -	\$ -	\$ 2,500.00
12/11/12	\$1,362,725.00	\$121,585.00	\$ 55,253.00	02/11/14	\$ 386,109.00	\$ 150,000.00	\$ 21,500.00
01/14/13	\$1,011,740.00	\$121,585.00	\$ 19,834.00	03/17/14	\$1,936,970.00	\$ 150,000.00	\$ 96,000.00
02/14/13	\$ 842,725.00	\$121,585.00	\$ -	04/17/14	\$1,290,535.00	\$ 150,000.00	\$ 80,250.00
03/13/13	\$1,602,237.00	\$121,585.00	\$ 55,253.00	05/09/14	\$ 849,017.55	\$ 150,000.00	\$ 36,250.00
04/16/13	\$1,891,749.00	\$121,585.00	\$ 55,253.00	06/19/14	\$1,161,535.00	\$ 150,000.00	\$ 36,250.00
05/17/13	\$1,262,725.00	\$121,585.00	\$ 19,894.00	06/09/14	\$1,161,535.00	\$ 150,000.00	\$ 36,250.00
06/12/13	\$2,860,995.00	\$121,585.00	\$ 97,756.00	06/12/14	\$1,161,535.00	\$ 150,000.00	\$ 36,250.00
06/19/13	\$ -	\$ -	\$ 14,126.00	08/26/14	\$1,050,608.00	\$ 150,000.00	\$ -
07/12/13	\$ 945,975.00	\$142,893.30	\$190,552.00	09/09/14	\$1,161,535.00	\$ 150,000.00	\$ 36,250.00
08/12/13	\$1,082,237.00	\$ -	\$ 55,253.00	10/03/14	\$ 425,000.00	\$ -	\$ 25,000.00
09/11/13	\$ 570,000.00	\$ -	\$459,800.74	11/05/14	\$ -	\$ -	\$ 795,500.00
11/15/13	\$ -	\$ -	\$ 12,800.00		\$14,000,903.55	\$1,250,000.00	\$ 795,500.00
	\$14,093,316.55	\$1,115,973.30	\$1,083,043.74				
Total Allotment Received to Date:		\$18,201,973.59	Total FY 2014 Allotment Received to Date		\$17,646,403.55		
Less prior year appropriations received:		(\$1,297,250.04)	Accounts Receivable FY 2014		\$1,776,730.45		
Accounts Receivable FY 2013		\$1,661,473.45	FY 2015 BUDGET P.L. 32-181		\$ 23,847,696.00		
FY 2014 BUDGET P.L. 32-068		\$ 18,262,134.00	Operations - \$20,116,000.00				
OPERATIONS - \$15,487,134.00			Destination Development - \$1,085,000.00				
TAF Special Projects - \$2,000,000.00			Capital Improvement Projects - \$1,412,696.00				
PASS THRU APPROPRIATIONS - \$775,000.00			PASS THRU APPROPRIATIONS - \$1,236,000.00				
OPERATIONS			Operations		Destination	Cap	Pass-thru
11/14/13	\$1,161,535.00	\$ 150,000.00	\$ 58,125.00	10/09/14	\$ -	\$ -	\$ 150,000.00
11/19/13	\$1,161,535.00	\$ 150,000.00	\$ 58,125.00	11/09/14	\$3,274,437.00	\$ 230,562.00	\$1,109,792.00
	\$2,323,070.00	\$ 300,000.00	\$ 116,250.00		\$3,274,437.00	\$ 230,562.00	\$ 382,750.00
Total FY 2014 Allotment Received to Date:		\$2,739,320.00	Total FY 2015 Allotment Received to Date:		\$4,968,541.00		
Accounts Receivable FY 2014		\$16,522,814.00	Accounts Receivable FY 2015		\$16,879,165.00		
FY 2013/2014 ACCOUNTS PAYABLE as of 11/25/2013		Amount	FY 2014/2015 ACCOUNTS PAYABLE as of 11/10/2014		Amount		
Asatsu Invoices Dec12 - Sept13		\$0.00	Asatsu invoices		\$0.00		
Japan Miscellaneous Invoices		\$68,338.65	Japan Miscellaneous Invoices		\$68,680.00		
Guam Miscellaneous Invoices		\$321,014.86	Guam Miscellaneous Invoices		\$350,140.19		
FY 2011/2012 Pass-thru appropriations		\$356,582.27	FY 2011/2012/2013/2014 Pass-thru appropriations		\$286,592.24		
FY 2013 Pass-thru appropriations		\$0.00	FY 2015 Pass-thru appropriations		\$50,000.00		
Encumbered Contracts (not yet incurred)		\$0.00	Encumbered Contracts (not yet incurred)		\$6,280,406.76		
Encumbered Purchase Orders (not yet incurred)		\$35,580.00	Encumbered Purchase Orders (not yet incurred)		\$97,845.49		
FESTPAC Trust Account		\$1160,311.63	FESTPAC Trust Account		\$1,580,298.43		
Total Payables to date		\$1,910,938.21	Total Payables to Date		\$8,722,962.90		

- o Controller, Rose Cunliffe reported that staff is in the process of closing out FY14. She also reported that we are currently undergoing the audit.
- o Director Arriola commented that we haven't received all of FY13 receivable. As General Manager Pangleinan noted, BBMR needed the language in the budget law to give GVB access to the 2013 reserve. She noted that Accounting has been doing their best with receivables.

- o With time running short, Chairman Baldyga commented for the next board meeting we should have a discussion on the finances.

❖ Report of the Board Committees:

A. EXECUTIVE COMMITTEE (B. Kloppenburg)

Lotte FAM Tour Motion

Vice Chairman Kloppenburg made a motion, seconded by Director Guthertz, to ratify Executive Committee's approval for the travel of Masano Takeuchi, GVB Tokyo staff, to assist with the Lotte FAM Tour from October 26-28, 2014. (Estimated cost \$335.00; account#SMD008)

Motion Approved.

Chairman Baldyga made the 8th vote.

Travel Expenses

Airfare: (Airport Tax only)	\$130.00
R/T Transportation to airport:	\$ 80.00
<u>Guam Per Diem: \$62.50 x 2 nights</u>	<u>\$125.00</u>
Total:	\$335.00

Background: The Bureau has received a request for assistance from Lotte Hotel and Delta Airlines to participate in a familiarization tour with the top agents from Tokyo and Osaka. During their time on Guam, Ms. Takeuchi will conduct a presentation to the agents focusing on Premium Guam as well as escort the group while on island.

LIST COMPANIES ATTENDING.

- | | |
|---|---|
| 1. Mr. ITAGAKI, PMT Tokyo | 2. Mr. SHIMIZU, R&C Tours Tokyo |
| 3. Ms. SONODA, HIS Tokyo | 4. Ms. SHIMIZU, HIS Tokyo |
| 5. Ms. NAGASHIMA, JTB World Vacations Tokyo | 6. Mr. KABURAGI, JTB Tokyo |
| 7. Ms. TAKEDA, KNT Tokyo | 8. Ms. KONAKAWA, NTA Tokyo |
| 9. Mr. TAKASHIMA, Rakuten Travel | 10. Ms. YAMADA, JTB World Vacation
Osaka |
| 11. Ms. NAKAGAWA, PMT Osaka | 12. Ms. SHICHI, R&C Tours Osaka |
| 13. Ms. TAKAMURA, HIS Osaka | 14. Mr. TSUKAMOTO, NTA Osaka |
| 15. Ms. MOTO, KNT Osaka | 16. Mr. IRIE, Hankyu Travel Osaka |
| 17. TBA(DELTA staff from Tokyo) | 18. TBA(DELTA staff from Osaka) |

Issue: Board approval required for all travel.

Discussion/Comments:

- o Director Jackson questioned why they asked GVB to pay.
 - o Marketing Officer, Nadine Leon Guerrero replied by saying that they weren't planning on sending anyone, but just simply help. However, at the last minute they had a request from Lotte Japan for more support, because they weren't getting the support that they needed on Guam.
 - o Director Jackson questioned by they couldn't put up the funds to do it themselves and that they are the only ones benefiting.

- o Director Arriola commented that Lotte is a member, so in that respect, if any of our members need help, they could ask.
- o Chairman Baldyga commented that it's a new hotel and they need rooms, putting some effort in helping, shouldn't hurt.

Japan Guam Tourism Council Meetings

Vice Chairman Kloppenburg made a motion, seconded by Director Guthertz, to ratify Executive Committee's approval for the travel of the General Manager or his representative to attend the quarterly Japan Guam Tourism Council meetings held in Tokyo, Nagoya, and Osaka from November 4-7, 2014. (Estimated cost is \$2,135.00; account # SMD008).

Motion Approved.
Chairman Baldyga made the 8th vote.

Background: The Japan Guam Tourism Council holds quarterly meetings to discuss the current market situation. Meetings are held in the three major regions for Japan's outbound travel to Guam.

Breakdown is as follows:

Airfare		\$800.00
Nagoya Per Diem		\$329.00
Nagoya Train Fare	Yen 6,200	\$62.00
Osaka Per Diem		\$319.00
Osaka Train Fare	Yen 14,100	\$141.00
Tokyo Per Diem		\$396.00
Tokyo Train Fare	Yen 8,800	\$88.00
		<u>\$2,135.00</u>

Issue: Board approval required for all travel.

Discussion/Comments:

- General Manager Pangelinan commented that Japan Committee Chairman, Director Milton Morinaga had attended.

China International Travel Mart (CITM)

Vice Chairman Kloppenburg made a motion, seconded by Director Guthertz, to ratify Executive Committee's approval for the travel of two (2) delegates: the Lt Governor of Guam and one staff from the Office of the Lt Governor to attend the China International Travel Mart (CITM) 2014 in Shanghai, China from November 12-15, 2014. (Cost approximately \$6,490.90 to be paid from China FY2015 CITM Account.)

Motion Approved.

Background: As Shanghai-Guam direct flights will begin on October 28, 2014, it is important that GVB continue to promote and support our industry partners by participating in CITM 2014, one of the largest professional travel marts in Asia. CITM has drawn the attention of people in the tourism industry worldwide and is jointly organized by China National Tourism

Administration (CNTA), Civil Aviation Administration of China (CAAC), and Shanghai Municipal People’s Government.

Participants in CITM come from all sectors of the travel industry including international and domestic tourist organizations, travel agencies, hotels, airlines, and travel-related companies. Professional trade days will be arranged exclusively for registered delegates so as to ensure participation in CITM valuable. In the days open to the public, exhibitors can promote tourist products and show advantages of tourism resources to the mass directly. The CITM Organizing Committee will also invite a large number of correspondents of domestic and overseas media to cover the mart in an extensive and intensive way. Exhibitors may take the chance to increase their exposure and promote the reputation of their products.

It is essential for GVB personnel to attend CITM to: escort and assist the Guam tourism partners that will be accompanying GVB as delegates, network with Shanghai travel trade partners, man the GVB exhibition booth, and assist in orientating GVB’s new China office representatives. Lastly, in addition to large participation in CITM, GVB China will also host a travel trade and media event to establish new and build upon current relationships in the market. The marketing message of a safe and clean U.S. island resort destination with a variety of tax-free shopping, adventurous outdoor activities, beautiful beaches and unique and rich Chamorro culture and history will be heavily promoted at all CITM 2014 activities.

Travel Expense:

Airfare:	Roundtrip air tickets: \$1,500 x 2 pax	\$ 3,000.00
Per Diem:	Lt. Governor of Guam Lodging: \$308.10 x 3 nights = \$924.30 M&IE: \$120.90 x 4 days = \$483.60	\$1,407.90
	Lt. Governor of Guam Staff Lodging: \$237.00 x 3 nights = \$711.00 M&IE: \$93.00 x 4 days = \$372.00	\$1,083.00
Unanticipated expenses:	Excess baggage fees & communication fees	\$1,000.00
	Total	\$6,490.90

Issue: Board approval for travel required.

Discussion/Comments:

- Vice Chairman Kloppenburg added that this event is an add-on. The Guam delegation includes: the Lt. Governor, Austin Duenas (Lt. staff), Nathan Denight (Deputy General Manager), Pilar Laguana (GVB Marketing Manager), Gina Kono (Marketing Officer II), Amy Lee (GVB China Marketing Rep), along with United Airlines, Dynamic Air, Royal Orchid, LeoPalace, EZTravel.

Tour of Guam

Vice Chairman Kloppenburg made a motion, seconded by Director Calvo, to ratify Executive Committee's approval for the travel of Ai Nagasawa, GVB Osaka staff, to assist with the Tour of Guam on November 23, 2014. Travel dates are from November 20-24, 2014. (Estimated cost \$1,025.00; account#SMD008)

Motion Approved.

Travel Expenses

Airfare:		\$700.00
R/T Transportation to airport:		\$ 75.00
Guam Per Diem:	\$62.50 x 4 nights	\$250.00
Total:		\$1,025.00

Background: Initially named Guam Long Ride then officially changed to Tour of Guam in January 2014, and through the support of JTB and J Produce, Tour of Guam is a cycling event that essentially follows the contour of the island for a 121.6km ride. The first event was held in 2011 with 104 participants (71 Japanese, 33 local). In 2013 and 2014 Japanese participants remained steady at about 70. This sport has actively been promoted and we anticipate an increase in participants. The Bureau is a sponsor of the event through the Sports Committee. Ms. Nagasawa is the main point of contact for communication with J Produce.

Issue: Board approval required for all travel.

Shenyang Mission 2014

Vice Chairman Kloppenburg made a motion, seconded by Director Guthertz, to ratify Executive Committee's approval for the travel of the GVB General Manager to participate with the Government of Guam delegation comprised of GEDA, GIAA, and the Office of the Governor in visits with the Shenyang City Mayor, Shenyang Taoxian International Airport, and their tourism bureau in Shenyang, China from November 16-19, 2014 in preparation of a Governor-led tourism and trade mission scheduled for the first quarter of 2015. (Cost is approximately \$1,633.75, to be paid from China FY2015 CI-SMD023 Account.)

Motion Approved.

Travel Expense:

Per Diem:	GVB General Manager Lodging: \$241.25 x 4 nights = \$965.00 M&IE: \$133.75 x 5 days = \$668.75	\$1,633.75
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Background: The purpose of this mission to Shenyang is to strengthen government relations between Guam and Shenyang, explore air service opportunities to Guam, and continue tourism & public relations between Shenyang and Guam tourism bureaus.

The Shenyang Taoxian International Airport (SHE) is about 12 miles from the city and is a national first-class airport and an air transportation junction in northeast China. Presently, it has two terminal buildings, T1 and T2. There are about 70 domestic airlines and 35 international airlines operating at this airport. It is the goal of the delegation to meet with air

carriers and airport officials. The delegation will also meet with Shenyang's tourism bureau and travel agents.

While in Shenyang, Guam's delegation will meet with the Shenyang Tourism Bureau of the People's Republic of China to renew our contract on tourism cooperation that was established on May 23, 2002 to develop our tourism industries on the basis of co-development and mutual benefit.

Lastly, the Mayor of Shenyang will meet with the Guam delegation to re-activate our sister-city relationship that was established years ago. This travel is necessary in order to synchronize the Government of Guam's efforts to prepare for the Honorable Governor of Guam, Eddie Baza Calvo, to lead our Guam delegation for his official trade mission scheduled for first quarter of 2015.

Issue: Board approval for travel required.

Seoul Lantern Motion

Vice Chairman Kloppenburg made a motion, seconded by Director Guthertz, to ratify Executive Committee's approval for the travel of the GVB General Manager to attend the Seoul Lantern Festival during November 21-23, 2014 in Seoul, South Korea. Cost is approximately \$1,975.00 from Acct# #KO-SMD023.

Motion Approved.

Marketing	Lodging/Mi&E	Total
GVB General Manager	\$1,025.00	\$1,025.00
Airfare (\$950.00 x 1 Pax)		\$950.00
	TOTAL	\$1,975.00

Background: Since its inception in 2009, the annual Seoul Lantern Festival has managed to put on a remarkable display of lanterns along the famous Cheonggyecheon Stream in downtown Seoul. Hundreds of lanterns, each with a unique design and story are lit and floated on the stream. The event is co-sponsored by Seoul City, Korea Cultural Heritage Administration, UNESCO Korea, and KOBACO (Korea Broadcast Advertising Corp).

Many other activities are scheduled during this 13-day event in November and carries the theme "World Heritage of Seoul".

Over 3 million Koreans and international visitors are expected to attend the event.

GVB is sponsoring a tent along the stream to display Guam collateral, have a PR and marketing presence, encourage GVB Korea FB registration, increase social media outreach, and provide a platform for participant raffle prizes to the Guam booth visitors.

The General Manager will be joining the GVB Korea team at the event and to draw the special event give-away prizes.

Issue: Board approval for travel required.

Discussion/Comments:

- General Manager Pangellinan commented that this event takes place over a 13-day period. This event is a well-attended event with 1 million attendees during that duration. GVB has a booth set up and will be there at the end of the event to give the prize.

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

- Director Guthertz addressed the action item pertaining to schedule the breakfast briefing for incoming Senators after the elections. Director Guthertz suggested meeting with them after they get sworn-in, not after the elections. The get sworn-in on January 3rd, so she suggested that this meeting should be taken place mid-January.
 - Chairman Baldyga would like to lock in a date and time on the calendar.
- Director Guthertz commented that the legislature is looking towards utilizing the Tumon koban for VSOs.
 - Chairman Baldyga suggested that we go over this topic in the next board meeting.

C. DESTINATION MANAGEMENT (R. Hofmann)

Committee Minutes dated November 6, 2014

Exhibit D

- Director Hofmann reported that the committee minutes are included in the board packet and the FY15 Smart Goals are included in the minutes.
- Chairman Baldyga would like to have all the FY15 Smart Goals from each committee be circulated to the board electronically and to discuss the next board meeting.
- Chairman Baldyga mentioned that a route sign off the street had been hit and is dangling off the side of the sidewalk. He asked Doris Ada to make it a priority to get it checked on.

D. CULTURAL HERTITAGE & COMMUNITY OUTREACH (T. Arriola)

- Director Arriola asked the board to adopt the cultural booth design that is in Korea and Taiwan.

E. SPORTS & EVENTS (J. Camacho/N. Taimanglo)

Committee Minutes dated October 7, 2014

Exhibit E

- Nothing to report.

F. MEMBERSHIP DEVELOPMENT (J. Camacho)

GVB Staff Appreciation Party

Vice Chairman Kloppenburg made a motion, seconded by Director Arriola, to approve up to \$5,000.00 for the GVB Staff Appreciation Party on December 19, 2014 at the Lotte Hotel Guam. Funds will be taken from the Membership account.

Motion Approved.

Background: This past calendar year, with the many successful events, marketing promotions, hard work and dedication of the Management & Staff of the Bureau, an appreciation party is being requested.

Issue: Board approval required.

G. RESEARCH

- o Nothing to report.

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

Committee Minutes dated October 15, 2014

Exhibit F

Japan Marketing FY2015 Strategic Planning Meetings

Director Morinaga made a motion, seconded by Director Jackson, to approve travel for GVB Japan Manager, Yuji Mitsumori to attend the Japan Marketing Committee Meeting on Wednesday, November 19, 2014, as well as to participate in FY2015 Japan Market strategy meetings. Travel dates from November 18-21, 2014 (Estimated Cost: \$1,625.00 from Account JA-SMD-004)

Motion Approved.

Travel Expenses:

Airfare (1 pax):	\$850.00
Guam Per Diem (\$62.50 x 4 days):	\$250.00
Lodging (\$175.00 x 3 nights):	\$525.00

Total	\$1,625.00
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Background: The Japan Market is Guam's prime market and due to decreasing levels in visitor arrivals, the operations and promotional efforts for FY2015 necessitates careful planning. The Japan Manager is needed to participate in strategic discussions scheduled during travel dates.

Issue: Board approval required for travel.

Japan Guam Tourism Council (JGTC) Guam Meeting

Director Morinaga made a motion, seconded by Director Jackson, to approval travel for three (3) GVB Japan staff to attend the Japan Guam Tourism Council Guam meeting and the Korean Air FAM Tour on December 5, 2014. Travel dates are from December 3-7, 2014. (Estimated cost \$4,410.00; account # SMD003)

Motion Approved.

Travel Expenses:

Airfare: \$700.00 x 3 pax	\$2,100.00
Hotel (est., comp room will be requested) \$130.00 x 4 nights x 3 pax	\$1,560.00
Per Diem \$62.50 x 4 days x 3 pax	\$750.00
TOTAL:	\$4,410.00

Background: Annually, one of the Japan Guam Tourism Council quarterly meetings is held on Guam. In addition Korean Air is planning a FAM tour with management from travel agents from the Osaka area focusing on MICE travel.

Issue: Board approval required for travel.

I. KOREA MARKETING (O. Miyashita)

Committee Minutes dated October 14, 2014
Committee Minutes dated November 7, 2014

Exhibit G
Exhibit H

Busan City Christmas Fest/Jeju Air Pre-Inaugural Promo Event

Director Jackson made a motion, seconded by Director Guthertz, to approve travel for 8 pax to attend the Busan City Christmas Festival / Jeju Air Pre-Inaugural Promotion Event in Busan, South Korea (December 6, 2014). Cost is approximately \$7,513.75 from Acct# #KO-SMD023 (\$1,903.75), and Acct #DM-CPO-002 (\$5,610.00).

Motion Approved.

Background: Jeju Air has confirmed and scheduled its inaugural, direct flight from Busan to Guam on January 8, 2015.

To help drive travel from Busan to Guam, Jeju Air is requesting GVB's support with a cultural dance team and a Miss Guam to perform on stage at the Busan City Christmas Festival and where a pre-Inaugural Promotion Event is being scheduled.

In return, Jeju Air will provide round-trip tickets from Guam to Incheon for the Guam delegation, extensive Busan region media coverage before and after the event, and will have Guam travel promotions coverage on board all Guam bound Jeju Air in-flight pamphlets.

Marketing	Lodging/MI&E-Busan	Total
GM Karl Pangelinan	\$668.75	\$668.75
MOII Felix S. Reyes	\$535.00	\$535.00
Airfare (2 pax x \$350.00)		\$700.00
	TOTAL	\$1,903.75

CHaCO	Lodging/MI&E-Busan	Total
CP Staff	\$535.00	\$535.00
Miss Guam	\$535.00	\$535.00
Cultural Entertainers x 4	\$535.00 x 4	\$2,140.00
Professional Fee-MG	\$100.00	\$100.00
Professional Fees-Entertainers x 4	\$200.00	\$200.00
Airfare (6 pax x \$350.00)	Seoul-Busan R/T	\$2,100.00
Totals		\$5,610.00

Issue: Board approval for travel required.

Discussion/Comments:

- o Director Jackson commented that Jeju Air is about to start direct flights from Busan in January and that this motion received approval from the KMC earlier in the day.
- o Marketing Officer Felix Reyes later reported that the KGTC will be on-island December 12-13, 2014.
- o Vice Chairman Kloppenburg commented that he feels that the Korean market is not benefiting Guam to its full capacity. He feels that hotels and rent-a-car businesses are benefiting, but he doesn't feel that the industry as a whole is benefiting. From a lot of people that he has talked to in the industry, 20% of the market is Korean. Companies in the tourism industry should have some impact on business from the Korean market. He stated that currently it's not happening. The way the business model is designed, there's no sharing of customers from the tourism perspective. He feels that this is an issue that needs to be discussed at some kind of level.
- o Director Jackson commented that the companies that benefit from Korea are solely focused on the Korean market. It's a market that doesn't seem to leave any tracks on Guam. They come and they go, with little impact other than to Korea centric companies.
- o As an operator, Chairman Baldyga commented that they have good Korean business, but has not increased as the LCCs came in. Arrivals came up from 100,000 pax to 200,500 pax, but Korean impact has been flat. He added that he had discussed with Korean agents and their response were that they are either overwhelmed with many customers with many flying from LCCs or they're coming in on their own and bypassing everybody and not spending any money.
- o Vice Chairman Kloppenburg added that the bigger problem is that return business is minimal. Japanese repeaters are 40%, Korean repeaters is below 20%. The experience that they are having may not be enough.
- o The board discussed that the ground handlers need more improvement. They find that it's a problem that ground handlers are solely reliant on commission. With the China market opening up, we must improve the service from a ground handler standpoint.
- o Board members discussed having some type of stamp of approval or endorsement to ensure customers an ultimate service quality.

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

- Nothing to report.

K. GREATER CHINA MARKETING (B. Kloppenburg)

Committee Minutes dated October 10, 2014

Exhibit I

- Chairman Baldyga commented that China has just approved the extension of visas from one year to ten years and noted that this will change the playing field for the tourism of Guam.

L. RUSSIA & NEW MARKETS (B. Jackson)

- Director Jackson reported that charter flights have been scheduled to begin on February 10, 2015, with frequency every 10 days, from two main markets.

❖ OLD BUSINESS

- No old business.

❖ NEW BUSINESS

- No new business.

❖ EXECUTIVE SESSION

- No executive session.

❖ ANNOUNCEMENT

Next Board Meeting:

- Wednesday, November 26, 2014 at 4:00PM, GVB Main Conference Room.

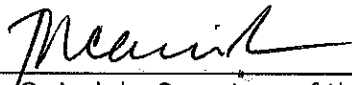
Events:

- November 27, 2014 = Thanksgiving Day (GVB Closed)

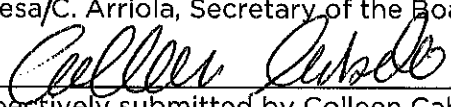
❖ ADJOURNMENT

Director Hofmann made a motion, seconded by Director Jackson, to adjourn the meeting. Meeting adjourned at 5:46 p.m.

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

- General Manager Pangelinan to come up with a plan and budget to improve the welcoming experience at the airport. (7/10/14) Also, to make a list of public signs that needs improvement. (7/24/14)
 - Ongoing. (9/11/14)
- ~~Management to make a presentation on the guest satisfaction research report. (8/14/14)~~
 - ~~Was in General Manager's report on 9/11/14 board meeting, but will be presented at a later board meeting. (9/11/14)~~
- Management to schedule the breakfast briefing for incoming Senators after the elections (8/14/14).
 - Director Guthertz suggested that this breakfast briefing occur after the senators are sworn in. Swearing-in is on January 3, so she suggested to have this mid-January. (11/13/14)
- Management to make a presentation on the Christmas lights for this year (8/14/14).
 - General Manager Pangelinan mentioned that this would be saved for another board meeting. (9/11/14)
- Management to direct the vendor to utilize a single shade of gray and green and to paint a full surface when covering over graffiti to avoid "patches" of mismatched color (8/14/14).
 - Ongoing. Waiting on GTA and GPA. (9/11/14)
- Management to accelerate and prioritize the cut offs and the bus shelters (8/14/14)
 - General Manager Pangelinan reported that the bus shelters are out and live. The bus cut outs should be out on the streets in the coming weeks. (9/11/14)
- Management to present bus shelter design ideas to the Board (8/14/14)

- Ongoing and to present sometime in October 2014. Once we select the firm. The design will go out to the board. (9/11/14)
- Sports & Events Committee to brainstorm new major event ideas for next year (8/14/14)
 - Will be having a brainstorming session in the next couple of weeks. (9/11/14)
- ~~○ Chairman Baldyga noted that VSOs be introduced to the board at the next board meeting. (9/11/14)~~
 - ~~▪ VSOs were present at the membership meeting on 10/7/14.~~
- Chairman Baldyga noted that he would like to have a Paint Guam initiative when rainy season is over. Would like to take it upon us to spruce up retaining walls that need water-blasting/cleaning and painting. Would like to pick one or two colors to uniformly paint the retaining walls in Tumon. Perhaps, use this as a springboard to go to the Lieutenant Governor's Office to see if he could support us by getting the paint stores to offer us discounts. Chairman Baldyga would like to see this take action from January - March 2015. (9/11/14)
- Management to work with agriculture on replanting trees next spring. (9/11/14)
- Chairman Baldyga would like to get a snapshot on the status of each committee's top 3-4 smart goals from the past year. He would like to know where we are at, what needs to be finished by the end of the year, and to start thinking about next year's goals. (10/9/14)
- Chairman Baldyga would like to see a snapshot of each committee's budget breakdown for FY15. (10/9/14)
- Addressed that we have \$1.5 million approved for capital improvement projects, but would like to have a breakdown of what our projects may be by next board meeting. (10/9/14)
- He wants to make it a priority to have a banner and loiter law enacted by the end of the year. (10/9/14)
- Vice Chairman Kloppenburg bought a smog-testing machine and has a group of bus companies that are willing to participate in testing their emissions. Chairman Baldyga requested that Vice Chairman Kloppenburg craft a proposed emission legislation. (10/9/14)
- Chairman Baldyga suggested coming up with a list of projects and put together bills indicating that when the TAF money is available, it would be used to fund these different projects. (11/13/14)
- Chairman Baldyga commented for the next board meeting we should have a discussion on our finances. (11/13/14)
- Chairman Baldyga would like to have all the FY15 Smart Goals from each committee be circulated to the board electronically and to be discussed at the next board meeting. (11/13/14)

**CASH, RECEIVABLES, & PAYABLES POSITION
FY 2014 & FY 2015 COMPARATIVE REPORT**

FY 2014 (11/25/2013)		Balance	FY 2015 (11/24/2014)		Balance		
CITIBANK OPERATION		\$429,020.84	BANK OF GUAM		\$6,643,773.73		
BANK OF GUAM		\$6,018,244.89	FIRST HAWAIIAN BANK - Membership		\$106,104.41		
FIRST HAWAIIAN BANK - Membership		\$63,542.34	RESONA BANK		\$628,571.89		
RESONA BANK		\$558,679.48	BOG - TAF ACCOUNT		\$2,343,162.53		
CITIBANK - TAF		\$68,013.73	BOG - RAINY DAY FUND		\$1,915,784.57		
BOG - TAF ACCOUNT		\$367,667.34	BOG - FESTPAC Trust Account		\$1,589,456.07		
BOG - RAINY DAY FUND		\$1,675,460.19	MORGAN STANLEY - CD **		\$2,512,062.72		
BOG - FESTPAC Trust Account		\$1,150,311.63	BOG - 2/12 Memorial Fund		\$0.00		
MORGAN STANLEY - CD **		\$2,509,164.48	TOTAL CASH IN BANKS AS OF 11/24/2014		\$15,738,915.92		
BOG - 2/12 Memorial Fund		\$49,728.71	**Morgan Stanley CD Market value as of 10/31/2014				
TOTAL CASH IN BANKS AS OF 11/25/2013		\$12,889,833.63	FY 2014 BUDGET P.L. 32-068		\$ 19,422,134.00		
**Morgan Stanley CD Market value as of 10/01/13			OPERATIONS - \$15,487,134.00				
FY 2013 BUDGET P.L. 31-233		\$16,018,239.00	TAF Special Projects - \$2,000,000.00				
GVB - \$15,238,239.00			PASS THRU APPROPRIATIONS - \$1,935,000.00 (amended per PL 32-181)				
OPERATIONS - \$14,022,384.00			OPERATIONS		TAF Special Projects	Pass-thru	
TAF Special Projects - \$1,215,855.00			11/14/13	\$1,161,535.00	\$ 150,000.00	\$ 58,125.00	
PASS THRU APPROPRIATIONS - \$780,000.00			11/15/13	\$1,161,535.00	\$ 150,000.00	\$ 58,125.00	
OTHER APPROPRIATIONS:			11/29/13	\$ -0-	\$ -0-	\$ 7,500.00	
PL 31-270/281		\$320,958.00	12/11/13	\$1,161,535.00	\$ 150,000.00	\$ 63,750.00	
PL 32-057/058/059		\$227,000.00	12/24/13	\$ -0-	\$ -0-	\$ 3,750.00	
OPERATIONS			01/10/14	\$1,032,535.00	\$ 150,000.00	\$ 26,250.00	
11/15/12	\$1,420,199.55	\$121,585.00	\$ 55,253.00	01/21/14	\$ -0-	\$ -0-	\$ 2,500.00
12/17/12	\$1,362,725.00	\$121,585.00	\$ 55,253.00	02/11/14	\$ 386,100.00	\$ 150,000.00	\$ 22,500.00
01/14/13	\$1,011,749.00	\$121,585.00	\$ 19,834.00	03/17/14	\$1,936,970.00	\$ 150,000.00	\$ 96,000.00
02/14/13	\$ 842,725.00	\$121,585.00	\$ -0-	04/17/14	\$1,290,535.00	\$ 150,000.00	\$ 80,250.00
03/13/13	\$1,602,237.00	\$121,585.00	\$ 55,253.00	05/09/14	\$ 649,017.55	\$ 150,000.00	\$ 56,250.00
04/16/13	\$1,891,749.00	\$121,585.00	\$ 55,253.00	06/19/14	\$1,161,535.00	\$ 150,000.00	\$ 56,250.00
05/17/13	\$1,262,725.00	\$121,585.00	\$ 19,834.00	08/04/14	\$1,161,535.00	\$ 150,000.00	\$ 56,250.00
06/12/13	\$2,060,995.00	\$121,585.00	\$ 97,756.00	08/12/14	\$1,161,535.00	\$ 150,000.00	\$ 56,250.00
06/19/13	\$ -0-	\$ -0-	\$ 14,126.00	08/26/14	\$1,050,000.00	\$ 150,000.00	\$ -0-
07/12/13	\$ 945,975.00	\$142,893.30	\$190,552.00	09/09/14	\$1,161,536.00	\$ 150,000.00	\$ 56,250.00
08/12/13	\$1,082,237.00	\$ -0-	\$ 55,253.00	10/03/14	\$ 425,000.00	-0-	\$ 25,000.00
09/11/13	\$ 520,000.00	\$ -0-	\$459,800.74	11/05/14	\$ -0-	\$ -0-	\$ 70,500.00
11/15/13	\$ -0-	\$ -0-	\$ 12,000.00		\$14,900,903.55	\$1,950,000.00	\$ 795,500.00
	\$14,003,316.55	\$1,115,573.30	\$1,083,083.74	Total FY 2014 Allotment Received to Date:		\$17,646,403.55	
Total Allotment Received to Date:		\$16,201,973.59		Accounts Receivable FY 2014		\$1,775,730.45	
Less prior year appropriations received:		(\$1,297,250.04)		FY 2015 BUDGET P.L. 32-181		\$ 23,847,696.00	
Accounts Receivable FY 2013		\$1,661,473.45		Operations - \$20,115,000.00			
FY 2014 BUDGET P.L. 32-068		\$ 18,262,134.00		Destination Development - \$1,085,000.00			
OPERATIONS - \$15,487,134.00				Capital Improvement Projects - \$1,412,696.00			
TAF Special Projects - \$2,000,000.00				PASS THRU APPROPRIATIONS - \$1,235,000.00			
PASS THRU APPROPRIATIONS - \$775,000.00				Operations	Destination	CIP	Pass-thru
11/14/13	\$1,161,535.00	\$ 150,000.00	\$ 58,125.00	10/09/14	\$ -0-	\$ -0-	\$ 150,000.00
11/15/13	\$1,161,535.00	\$ 150,000.00	\$ 58,125.00	11/05/14	\$3,274,437.00	\$ 230,562.00	\$1,100,792.00
	\$2,323,070.00	\$ 300,000.00	\$ 116,250.00		\$3,274,437.00	\$ 230,562.00	\$ 362,750.00
Total FY 2014 Allotment Received to Date:		\$2,739,320.00		Total FY 2015 Allotment Received to Date:		\$4,968,541.00	
Accounts Receivable FY 2014		\$15,522,814.00		Accounts Receivable FY 2015		\$18,879,155.00	
FY 2013/2014 ACCOUNTS PAYABLE as of 11/25/2013		Amount	FY 2014/2015 ACCOUNTS PAYABLE as of 11/24/2014		Amount		
Asatsu Invoices Dec'12 - Sept'13		\$0.00	Asatsu Invoices October 2014		\$208,962.61		
Japan Miscellaneous Invoices		\$56,338.65	Japan Miscellaneous Invoices		\$50,464.00		
Guam Miscellaneous Invoices		\$321,014.86	Guam Miscellaneous Invoices		\$569,604.70		
FY 2011/2012 Pass-thru appropriations		\$356,592.27	FY 2011/2012/2013/2014 Pass-thru appropriations		\$296,592.24		
FY 2013 Pass-thru appropriations		\$0.00	FY 2015 Pass-thru appropriations		\$42,475.00		
Encumbered Contracts (not yet incurred)		\$0.00	Encumbered Contracts (not yet incurred)		\$6,280,406.75		
Encumbered Purchase Orders (not yet incurred)		\$35,580.80	Encumbered Purchase Orders (not yet incurred)		\$82,703.49		
FESTPAC Trust Account		\$1,150,311.63	FESTPAC Trust Account		\$1,589,456.07		
Total Payables to date		\$1,919,938.21	Total Payables to Date		\$9,120,664.86		



GUAM VISITORS BUREAU

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

	OPERATIONS			SPECIAL PROJECTS			
	September 2014 Actual	September 2013 Actual	YTD as of September 2014	September 2014 Actual	September 2015 Actual	YTD as of September 2014	FY 2013 as of September 2013
Revenue							
GovGuam Allotments	1,621,536.00	548,163.00	15,130,903.55	150,000.00	0.00	2,132,376.00	1,115,573.30
GovGuam Allotments - Pass-thru	116,750.00	451,187.74	887,050.00	155.17	79.48	1,138.45	1,069.51
Federal	0.00	0.00	0.00	50.00	0.00	265,228.50	54,125.00
Membership	0.00	0.00	35,400.00	150,205.17	79.48	2,398,744.95	1,170,767.81
Interest Income	1,177.52	1,449.68	13,980.40				
Foreign Exchange Gain/Loss	(0.04)	30.47	(37,563.52)				
CD Morgan Stanley Gain/Loss	370.08	1,004.51	3,497.56				
Miscellaneous	47,944.77	30,014.82	310,880.94				
Consumption Tax	152,312.37	26,428.25	312,426.08				
In-kind Contributions	83,271.69	220,294.18	335,736.20				
Total Revenue	2,003,562.39	1,278,542.65	17,002,311.22	355,448.06	332,919.27	1,419,721.52	1,206,579.48
Operational Expenses							
Personnel	277,610.47	240,175.48	2,352,392.06				
Travel	166,491.50	133,935.37	797,542.29				
Utilities	19,067.71	16,159.89	135,667.82				
Professional Services	3,847,168.31	4,840,879.75	11,319,608.77				
Materials & Supplies	16,846.96	32,113.05	166,909.40				
Equipment	15,761.12	31,406.78	76,175.98				
Contractual Services	46,109.46	12,931.86	106,679.65				
Rent/Lease	11,166.72	13,294.06	226,098.35				
Repairs & Maintenance	4,520.30	25,777.11	42,241.83				
Advertising & Printing	15,208.60	19,763.06	126,932.76				
Grants & Sponsorships	51,875.00	42,410.00	592,574.46				
Miscellaneous	92,334.78	67,669.17	392,059.58				
Total Operational Expenses	4,564,160.93	5,476,515.58	16,334,882.95	(205,242.89)	(332,839.79)	979,023.43	(35,811.67)
Non-Operational Expenses							
Community Programs	0.00	0.00	1,888.00				
In-Kind Contributions	83,271.69	220,294.18	335,736.20				
Consumption Tax	396,114.48	0.00	416,004.44				
Pass-Thru Appropriations	103,625.00	312,589.00	483,300.00				
Depreciation	6,944.44	6,944.44	83,533.28				
Total Non-Operational Expenses	589,955.61	539,827.62	1,320,261.92	155,488.00	416,004.44	1,320,261.92	1,098,205.99
Change in Net Assets	(3,150,754.15)	(4,737,800.55)	(652,833.65)	(205,242.89)	(332,839.79)	979,023.43	(35,811.67)



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Comparative Balance Sheet
September 30, 2014 & 2013

	September 30, 2014	September 30, 2013
OPERATIONS		
Assets		
Current Assets		
Cash & Cash Equivalents	13,870,861.03	16,020,874.65
Accounts Receivable - Appropriations	2,246,230.45	19,520.00
Accounts Receivable - Other	262,595.02	179,457.12
Total Current Assets	16,379,686.50	16,219,851.77
Long-term Assets		
Property & Equipment	6,811,860.16	6,895,193.44
Total Long-term Assets	6,811,860.16	6,895,193.44
Total Assets	23,191,546.66	23,115,045.21
Liabilities		
Current Liabilities		
Accounts Payable	3,922,183.20	4,766,258.86
Accounts Payable - Pass-thru entities	321,592.24	503,014.01
Deferred Revenue - Appropriations	1,725,730.45	0.00
Deferred Revenue - Membership	18,500.00	9,200.00
Total Current Liabilities	5,988,005.89	5,278,472.87
Long-Term Liabilities		
Unfunded Pension Cost	0.00	0.00
Accrued Sick Leave	149,926.82	148,448.06
Accrued Annual Leave	141,969.39	123,646.07
Total Long-Term Liabilities	291,896.21	272,094.13
Total Liabilities	6,279,902.10	5,550,567.00
Net Assets		
Beginning Net Assets	17,564,478.21	16,996,428.32
Change in Net Assets	(652,833.65)	568,049.89
Total Net Assets	16,911,644.56	17,564,478.21
Total Liabilities and Net Assets	23,191,546.66	23,115,045.21

	September 30, 2014	September 30, 2013
SPECIAL PROJECTS		
Assets		
Current Assets		
Cash & Cash Equivalents	1,562,981.36	598,626.33
Accounts Receivable - Appropriations	50,000.00	0.00
Accounts Receivable - Other	0.00	0.00
Total Current Assets	1,612,981.36	598,626.33
Total Assets	1,612,981.36	598,626.33
Liabilities		
Current Liabilities		
Accounts Payable	241,120.94	113,801.93
Deferred Revenue	50,000.00	141,987.41
Total Current Liabilities	291,120.94	255,789.34
Total Liabilities	291,120.94	255,789.34
Net Assets		
Beginning Net Assets	342,836.99	378,648.66
Change in Net Assets	979,023.43	(35,811.67)
Total Net Assets	1,321,860.42	342,836.99
Total Liabilities and Net Assets	1,612,981.36	598,626.33



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

	OPERATIONS			SPECIAL PROJECTS			
	October 2014 Actual	October 2013 Actual	YTD as of October 2014	October 2014 Actual	October 2013 Actual	YTD as of October 2014	FY 2014 as of October 2013
Revenue							
GovGuam Allotments	0.00	0.00	0.00	0.00	0.00	0.00	0.00
GovGuam Allotments - Pass-thru	150,000.00	0.00	150,000.00	151.81	74.70	151.81	74.70
Membership	63,610.00	24,700.00	63,610.00	0.00	0.00	0.00	0.00
Interest Income	1,157.97	1,480.63	(2,145.46)	151.81	74.70	151.81	74.70
Foreign Exchange Gain/Loss	(2,145.46)	(1,400.88)					
CD Morgan Stanley Gain/Loss	269.63	868.95	269.63				
Miscellaneous	9,762.53	17,706.00	9,762.53				
Consumption Tax	0.00	0.00	0.00				
In-kind Contributions	3,061.47	0.00	3,061.47				
Total Revenue	225,716.14	43,354.70	225,716.14				
Operational Expenses							
Personnel	138,616.82	129,132.28	138,616.82				
Travel	45,669.73	42,743.48	45,669.73				
Utilities	1,177.44	1,573.06	1,177.44				
Professional Services	106,922.00	78,897.62	106,922.00				
Materials & Supplies	3,027.37	28,478.96	3,027.37				
Equipment	10,932.41	259.98	10,932.41				
Contractual Services	1,600.00	1,630.00	1,600.00				
Rent/Lease	23,922.35	23,373.14	23,922.35				
Repairs & Maintenance	400.16	741.31	400.16				
Advertising & Printing	610.00	479.00	610.00				
Grants & Sponsorships	38,750.00	11,500.00	38,750.00				
Miscellaneous	24,114.39	16,894.40	24,114.39				
Total Operational Expenses	395,742.67	335,503.23	395,742.67				
Non-Operational Expenses							
Community Programs	0.00	0.00	0.00				
In-kind Contributions	3,061.47	0.00	3,061.47				
Consumption Tax	0.00	0.00	0.00				
Pass-Thru Appropriations	150,000.00	0.00	150,000.00				
Depreciation	6,944.44	6,944.44	6,944.44				
Total Non-Operational Expenses	160,005.91	6,944.44	160,005.91				
Change in Net Assets	(330,032.44)	(299,092.97)	(330,032.44)				(299,092.97)



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Comparative Balance Sheet
October 31, 2014 & 2013

	OPERATIONS		SPECIAL PROJECTS	
	October 31, 2014	October 31, 2013	October 31, 2014	October 31, 2013
Assets				
Current Assets				
Cash & Cash Equivalents	10,616,338.60	15,197,599.41	1,322,011.53	476,351.01
Accounts Receivable - Appropriations	22,996,230.45	16,281,654.00	2,547,696.00	2,000,000.00
Accounts Receivable - Other	157,263.82	145,106.26	0.00	0.00
Total Current Assets	33,769,832.87	31,624,359.67	3,869,707.53	2,476,351.01
Long-term Assets				
Property & Equipment	6,804,915.72	6,888,249.00		
Total Long-term Assets	6,804,915.72	6,888,249.00		
Total Assets	40,574,748.59	38,512,608.67	3,869,707.53	2,476,351.01
Liabilities				
Current Liabilities				
Accounts Payable	482,667.57	4,238,676.40	0.00	133,440.02
Accounts Payable - Pass-thru entities	292,842.24	474,318.90		
Deferred Revenue - Appropriations	22,925,730.45	16,262,134.00	2,547,696.00	2,000,000.00
Deferred Revenue - Membership	0.00	0.00		
Total Current Liabilities	23,701,240.26	20,975,129.30	2,547,696.00	2,133,440.02
Long-Term Liabilities				
Unfunded Pension Cost	0.00	0.00		
Accrued Sick Leave	149,926.82	148,448.06		
Accrued Annual Leave	141,969.39	123,646.07		
Total Long-Term Liabilities	291,896.21	272,094.13		
Total Liabilities	23,993,136.47	21,247,223.43	2,547,696.00	2,133,440.02
Net Assets				
Beginning Net Assets	16,911,644.56	17,564,478.21	1,321,860.42	342,836.99
Change in Net Assets	(330,032.44)	(299,092.97)	151.11	74.00
Total Net Assets	16,581,612.12	17,265,385.24	1,322,011.53	342,910.99
Total Liabilities and Net Assets	40,574,748.59	38,512,608.67	3,869,707.53	2,476,351.01



JAPAN MARKETING COMMITTEE MEETING - WEDNESDAY, NOVEMBER 19, 2014

JMC MEMBERS PRESENT: Milton Morinaga, Norio Nakajima, Satoru Murata, Ken Yanigasawa, Shuichi Kato, Yuta Yokoyama, Mitsunori Takahashi, Yoshihisa Otani, Tadashi Echikawa, Kiyoshi Kawano

OFF-ISLAND: Tak Takano, Akio Tsuna, Tomoyuki Goto

OBSERVERS/GUESTS PRESENT: Koji Nagano, Maho Quinene, Kazu Atsuta, Nozomi Saito, Terry Debold, Bunichi Yamashita, Kenji Kawabe, Chie Takase

ABSENT: Masaaki Kawanabe, Jae Hong Park, Norman Aguilar, Akiko Futakami

GVB: Nathan Denight, Nadine Leon Guerrero, June Sugawara, Ana Cid, Nicolas Yasuhiro

GVB Japan: Yuji Mitsumori

ADK: Koichi Hoshino, Yumi Yabe

CALL TO ORDER

The meeting was called to order at 10:05 A.M.

APPROVAL OF MINUTES

Motion made by Mr. Yanagisawa and seconded by Mr. Otani to approve the JMC Minutes of November 19, 2014. Minutes approved.

REPORT OF CHAIRMAN

Chairman Morinaga reported to the committee on his recent trip for JGTC meeting in Tokyo, Nagoya and Osaka. The biggest issue was the ESTA line that CBP eliminated without notifying all parties concerned. Therefore, there is no exclusive line for the ESTA applicants. Due to CBP being federal government, we have to go through the Governor's Office and Congresswoman's Office for their assistance in intervening this issue. This is a very bad image for Guam and we would like to resolve this problem before we get more complaints. We had two groups that came in with ESTA and due to no ESTA designated line, they had to line up in the regular line. GVB will have a meeting with CBP tomorrow to discuss details regarding the ESTA issue.

REPORT OF MANAGEMENT

Mr. Denight reported that there are many events coming up. This Saturday will be the Japan Autumn Festival, Sunday is the Tour of Guam, Junko Baseball in December celebrating over 20 years, and Shop Guam Festival is on going until January 12. The mobile app has 5,000 download for Shop Guam and our goal is 8,000. If any member is still interested in participating they can apply for mobile app for Shop Guam Festival. The Membership Mixer is happening on December 5 the same day as the JGTC meeting. No alcohol at the Government House is allowed but there will be tuba. GVB was not able to get the lot across Hyatt, therefore, this year's Christmas Village will be held at the Government House. China announced 10-year visa from 1 year visa. Jeju Air will fly from Busan next week. In February, there will be a military exercise during the Chinese New Year. In Hong Kong Mr. Denight had a meeting with Arluis wedding company and Okinawa is pushing wedding market toward Asia. With JGTA, we have a new PSA with the Visitors Channel regarding safety tips. Re-launching of our website for English and Japanese in January.

Regarding Governor's Cup, GVB was requested for about \$15,000.00 funding for TV media coming in to cover the event. The event will be held at the LeoPalace. Ms. Leon Guerrero added as part of the \$15,000.00 funding, we also have the opportunity to air our commercials. This will be additional exposure.

Ms. Leon Guerrero distributed the FY2015 revised budget breakdown with 10% cut. The original budget breakdown was presented to the committee several months ago. Since then, we were instructed to cut 10% as a reserve.

REPORT OF ADK

Mr. Hoshino introduced a newest member of ADK Guam Team, Ms. Yumi Yabe, Project Supervisor / Project Development Division, who just joined ADK this month.

Mr. Hoshino updated the committee on FY2015 Plan & On-Going:

FY2015 PR Activities On-Going

- #1 to 10 exposure related on Koko Race activities
- #11 to 17 will be TV Tie-In activities and wedding and running magazines
- We have TV commercial in Kanto market, Osaka area and local area
- Total estimated ad value is \$5 million

GVB-Kodansha magazine tie-in awarded as one of the best advertising campaign in "Integrated Communication Division" in the 57th Japan Magazine Advertising Award

- Exhibition date is January 9-March 1, 2015 at Caretta Shiodome Ad Museum
- GVB-Kodansha Ad with on-line contents will be displayed

CM Performance

- Senior version was ranked top among travel related commercials in Oct.-Nov. in terms of CM favorability
- 283 place among total 3,319 CM's, or in the top 10%.

2014 GKKHE Results of the Questionnaire

- The survey is from the 10% of the total Japanese participants
- Age is mainly 30's and 40's
- Prefecture is mainly from Tokyo and Kanagawa
- More males than females
- Number of times participated was 24 for the first timer
- 23 responded participating in half marathon
- Most of the participants knew about the event through family, friends, colleague next was from Runnet (internet registration) and GVB website / direct mail
- Reason for participation most responded to participate in international race, love Guam, close from Japan and like running
- For the month in deciding to participate was in June
- Other purpose than race responded with sightseeing, shopping, beach and rest
- Past participation in running event – 27 responded yes
- The name of event – Honolulu Marathon, Guam International Marathon, Saipan Marathon and Domestic Marathon, etc.
- 41 said no for not considering participating in other races
- For the 3 who said yes for Guam International Marathon, Tokyo Marathon and Chiba Aqua Line
- Most participants responded October is good month for the event
- 42 out of 45 responded that they want to participate next year
- This year's weather was the best compared to other years
- This year's race was more organized and good comments from the participants

- Average spending on Guam is \$500.00

Otonano-Shumatsu Magazine

- First issue on Oct. 15 and next issue is Nov. 15
- Total 16 pages
- 30,000 supplements available

Time-Out Otona Guam (Seniors)

- Is done and started distribution in Japan

MICE Guidebook

- Available from December
- 5,000 copies available from January 2015

Agent Brochure Support (April~September 2015)

- Application has started
- Closing date is December 15, 2014

Co-op Ad Support Fund

- Increase share of voice
- Official announcement will be next week
- Co-op Ad Support proposal should follow the template prepared specifically for this funding
- Total Fund: \$250,000
- Condition: Ad should enhance Premium Image of Guam

Wedding Revitalize Plan

- Guam Original Marriage Registration Form design is finalized
- Guam Wedding PR in Zexy Wedding Magazines – Over 25 pages of Guam related information will be placed in overseas and resort wedding information magazines by Recruit

Communication Strategy

- TV / Train Channel / Internet ads by type and timing
- TVCM (Second Flight) from December 29~January 4, 2015 in Kanto area
- Train Channel (Second Flight) January 5~11, 2015 Kanto area
- FM Radio Program – To support key local markets (Hokkaido, Sendai and Fukuoka)
 - 20 second CM will be inserted besides the interview
- YouTube TrueView Ads (November 1-30) Guaranteed viewing numbers of CM's: 80,000 times

Due to 10% budget cut, we can still do the year end and new year campaign but will be difficult for the February campaign. The volume of TV commercial will not be enough.

REPORT OF GVB JAPAN MANAGER

Mr. Mitsumori showed some brochures by different agents. Guam package price is expensive compared to Seoul, Taipei, Shanghai, Ho Chi Ming, Hanoi and Singapore. Seoul three days is 14,000 yen by H.I.S. From Haneda is expensive than from Narita. Guam package is more than 50,000 yen. JTB made a real nice package for small group of family, friends and group of more than six people.

The student market started this month. For February we have a request from Japanese Air Force for about 400 coming to Guam for about three weeks. They have requested Customs form from GVB.

We have to be clear about ESTA line before the peak in December.

Japanese Market Goal for FY2015

- Market Goal: FY2015 will be 867,000 (+5%), FY2014 was 825,830
- Total Air Seat for FY2014 was 1,105,000
- Total Air Seat for FY2015 is 1,089,000 (-2.5%) as of Oct. 2014 (Excludes charter flights)
- Market Segments for FY2015
 - Family (with school child, with kids, Mr. & Mrs.) 40%
 - OL/Ladies and jyoshi group 23%
 - Wedding & Honeymoon 12%
 - Silver & Generation Family 10%
 - MICE / Group 15%
 - Number of stay (3 nights 65%, 4 nights 35%)
- Increase the number of Japanese tourist/FIT, wedding, package tour, long stay, event & sports and MICE/Group Tour with profitable guts?
- Focus profitable market with travel agent, airline and Guam company (hotel, optional tour and food industry)
- Improve the quality of service and facility
- Capture more attention to Guam (consumer and travel agent)

Market Strategy for FY2015

- How to keep the flight / seat and increase the flight / seat
- How to increase high revenue market by FIT Tour, Package Tour, Wedding Tour and MICE / Group Tour
- Key is communication and continue sales & promotion in Japan and Guam.
- Sales and promotion by sales call, Guam seminar, in-house seminar and MICE/Group seminar and study program
- Target City / Area by Market
 - Hokkaido: Sapporo, Asahikawa, Obihiro, Hakodate, Tomakomai
 - Tohoku: Aomori, Hachinohe, Akita, Morioka, Yamagata, Sendai, Fukushima, Koriyama
 - Niigata: Nagaoka, Tsubame Sanjyo, Shibata & Shounai, Niigata
 - Kanto: Mito, Utsunomiya, Chiba, Ohmiya, Takasaki, Kofu, Matsumoto, Hachioji, Machida, Kawasaki, Yokohama, West Tokyo, East Tokyo
 - Tokai & Chubu: Shizuoka, Hamamatsu, Iida, Toyosaki, Nagoya, Gifu, Ohtsu, Mie
 - Hokuriku: Toyama, Kanazawa, Fukui
 - Kansai: Kyoto, Kobe, Himeji, North Osaka and South Osaka
 - Chugoku & Shikoku: Tottori, Matsue & Yonagoa, Okayama, Fukuyama, Hiroshima, Yamaguchi, Matsuyama, Takamatsu, Tokushima, Kochi
 - Kyushu: Kita Kyushu, Ohita, Miyazaki, Kagoshima, Kumamoto, Nagasaki, Saga, Fukuoka
 - Continue in-house seminar at travel agents

Consumer Promotion by GLP & GLP Light, GCDA, JATA Travel Fair, Overseas Travel Fair by local prefecture

Premium Guam Campaign by Travel Agent brochure support

Group Support Campaign by Customs form support

FY2015 Sales and Promotion Plan

1) Guam Ko'ko Half Marathon & Ekiden

Sports: Also promote Guam signature sports event such as Tour of Guam, Guam Int'l Marathon, Ko'ko Kids Fun Run, Xterra Guam

-Feedback from agents that runners suggest to move event to first Saturday in December

October not low season

-Koko Race with other local event will be best such as Christmas lighting or shopping campaign

-Runners wants to see the ocean during the run and include 10k

Niche Market for December

- Focus on corporate team, university club and sports club sports program
- Approach companies that have strong running/Ekiden programs such as asahikasei, Tokyo Kyushu and Konica Minolta
- Invite host coaches, comp team entry fee

2) MICE Sales Plan

- MICE guidebook is almost done
- Migrating to smaller fam tours 15 to 20 pax of agents and corporate planners
- Specialized tours and special interest
- Allow one on one meetings
- Seminars for Guam sales managers with tips on how to attract MICE, expectations and requirements
- Increase MICE study time and customer satisfaction study time on Guam for sales person of travel industry
- Invite MICE consultant/coordinator for MICE study time in Guam 2 times a year
- focus and strengthen sales call in Tokyo Nagoya, Osaka and secondary cities such as Fukuoka, Sendai, and Sapporo
- Recommend kashikiri (chartered) for MICE program
- Continue group support campaign that GVB Japan provide custom form to group

3) Joint Promotion with Travel Agent

Front Line Agent

- Focus for FY2015 Hafa Adai Study Tour
- Strengthen communication with sales person
- Provide Guam sales and promotion tools
- Advise and support their sales and promotion
- Hold Guam seminar and Guam study time at agent
- Hold Guam wedding tour campaign and study time with sales person
- Create "Guam Specialist" training program (tie-in with Tourism Academy)

Travel Agent Brochure Support

- GVB messaging in TA brochure
- Continue to focus on "Premium Guam"
- Catch consumer eyes
- Travel agent sell more profitable tour with Premium Guam promotion
- This year focus is from April to September

JGTC

Feedback and suggestions

- GVB is doing good in working together and sharing information with JGTC
- continue sales and promotion with travel agent and airlines
- GVB should strengthen publicity and PR in Kanto, Chubu and Kansai
- good comment about Time Out - 50 Things to Do
- improve immigration matter "three hours flight and more than one hour immigration"
- GVB to negotiate with CBP about ESTA line
- travel agents need more room and international standard service for high quality tour
- need more air seat and flight by Haneda
- Guam should start Improvement campaign
- during JGTC Guam meeting, will discuss about how to increase Japanese tourist (package, FIT and group)
- JGTC recommended strongly on CS (customer satisfaction) campaign

Schedule from October 2014 to September 2015 was distributed to the committee members.

Mr. Mitsumori indicated that next year February will be a busy month due to Sapporo Tourism Association Sister Event. In addition, there will be Toi Town/ Two Lovers Point 25th Anniversary event which GVB is invited. Niigata Kashiwazaki will join this event.

If any member is interested in joining our seminars in Japan to please let us know. Mr. Mitsumori pointed out other major events happening next year:

January 2015 - JATA Hiroshima Travel Fair

February 2015 - Sapporo Tourist Association Sister Event / Toi Town - Two Lovers Point Anniversary event

March Nagoya Travel Fair

April - Marine Dive Fair

June - Guam Live Music Festival

July - BBQ Block Party / Kashiwa Festival

September - JATA

NEW BUSINESS

Mr. Echikawa presented a proposal for "Special Group Market Promotion" (Off-season campaign). JGTA believes in continuing Japan marketing campaign during the off-season. JGTA requests GVB to consider their proposal with increased budget of \$200,000. Last year was \$50,000.00 initially and added another \$20,000.00. Total of \$70,000.00.

Discussion: Mr. Kawano asked the duration of off-season period. Mr. Echikawa clarified same as last year; the duration will be from April to September excluding the summer peak period. Mr. Otani asked what was the usage of \$15.00 coupon from last year's campaign. Mr. Echikawa responded that more than 90% was used for banquet and 10% was for optional tours. Mr. Nakajima made a comment to encourage the coupon to be used for optional tours. After further discussion, GVB will have to check the budget and at this time, GVB can allocate for \$70,000 for now. For the additional \$130,000, GVB will need to find the money within the Japan market. In addition, GVB will need a more detailed plan from JGTA for this additional \$130,000 for the off-season campaign. Mr. Mitsumori commented that timing is very important. If we are moving forward with the campaign starting April, we need to announce soon. Mr. Denight informed the members that GVB will certainly consider JGTA's request but \$200,000 is a big chunk of money and may be difficult to find. This amount is more than double from last year's amount.

ANNOUNCEMENT

Ms. Peredo updated on Guam's preparedness on Ebola. GVB is part of a task force that the Governor has put out. There are two sub-divisions and one of them is public outreach and the other one is isolation quarantine. Training for first responders by Public Health was emailed to the agents. This will be a good training for those who will be in front line. GVB will send out another notice out as a reminder for this training. The training will be a four-hour course. Should there be any issues when signing up for this training to let her know. Chairman Morinaga suggested we do the same with the Narita airport where they ask a question if you have visited to areas affected by Ebola. Mr. Echikawa asked if there is any plan to have a temperature detector at the airport. Chairman Morinaga heard that GIAA is looking into purchasing temperature detector. Mr. Mitsumori informed that the Japanese government is concerned about China that we do not hear anything about Ebola preparedness and Guam has a direct flight from China.

GVB received a request to change JMC meeting to second Tuesday of the month. GVB will look into this and will advise the members.

ADJOURNMENT

Moved by Mr. Yanagisawa seconded by Mr. Otani, to adjourn the meeting at 12:20 p.m.

Minutes prepared by: _____ /s/ _____
June Sugawara, Marketing Officer II

Minutes approved by: _____ /s/ _____
Nadine Leon Guerrero, GVB Marketing Officer II