ANNUAL & REGULAR BOARD OF DIRECTORS MEETING
Thursday, January 12, 2017 – 3:00 p.m.
Guam Visitors Bureau Main Conference Room

MEETING AGENDA

I. CALL TO ORDER

II. PRESIDENT AND CEO'S WELCOME

III. ELECTION OVERVIEW

1. Article VI. Directors/Management
2. Article VII. Officers
3. Article VIII. Executive Committee
4. Process Review

IV. ELECTION OF 12TH DIRECTOR

V. ELECTION OF OFFICERS & EXECUTIVE COMMITTEE

1. Chairman
2. Vice Chairman
3. Treasurer
4. Secretary
5. Executive Committee Director

VI. ELECTION OF COMMITTEE CHAIRS Schedule A

1. North America & Pacific Markets
2. Russia & New Markets
3. Greater China
4. Japan
5. Korea
6. Membership & Community Outreach
7. Research
8. Visitor Safety & Satisfaction
9. Culture & Heritage
10. Sports & Events
11. Administration & Government Relations
12. Destination Management

VII. BOARD PROTOCOL

VIII. MINUTES OF THE PREVIOUS MEETING Exhibit A

Approval of minutes of the previous Board of Directors meeting dated December 14, 2016.

IX. CHAIRMAN'S REPORT

X. PRESIDENT & CEO'S REPORT

XI. TREASURER'S REPORT Exhibit B

XII. MOTIONS

A. EXECUTIVE COMMITTEE

GVB MEMBERSHIP MIXER

Motion to ratify Executive Committee's approval to authorize funds of up to $8,500.00 from the Membership Account for the GVB Membership Mixer to be held on Friday, December 30, 2016 at the Banyan Point, Hilton Guam Resort & Spa.

Background: GVB traditionally hosts a Membership Appreciation party as an expression of thanks to members for their support of the Bureau.

Issue: Board approval required.

B. CULTURE & HERITAGE

Motion to approve travel for the GVB Director of Global Marketing, one (1) GVB Marketing Staff, GVB Cultural Heritage Officer, Master Frank Rabon and 2 assistants to attend the Pacific Cultural Center's 19th Annual Asia Pacific New Year Celebration in Seattle, Washington from February 9 – 13, 2017. (Estimated cost up to $13,920.00 from Acct No. DM-CPO006 and up to $8,000 from Acct. No. US-SMD023).

Airfare	2	$2,000.00		$4,000.00
Per Diem				
Lodging	2	$167.00	5	$1,670.00
M&IE	2	$74.00	5	$740.00
Misc. Expense				$1,590.00
Acct No. US-SMD023				**$8,000.00**

Airfare	4	$2,000.00		$8,000.00
Per Diem				
Lodging	4	$167.00	5	$3,340.00

M&IE	4	$74.00	5	$1,480.00
Prof Fee				
Master	1	$100.00	3	$300.00
Assistant	2	$50.00	3	$300.00
Car Rental	1	$100.00	5	$500.00
Acct No. DM-CPO006				**$13,920.00**

Background: The Asia Pacific Center (APCC) will host the 19th Annual Asia Pacific New Year Celebration, honoring and celebrating the vibrant cultures of Asia and the Pacific Islands with over 70 booth holders. This year, Guam will be the host country at this celebration.

The Bureau will continue to work closely with various active stateside Chamorro dance groups with the continuation of the US-Guam Chamorro Dance Academy workshop, which was launched in 2014.

Issue: Board approval required for all travel.

C. JAPAN

TRIP ADVISOR

Motion to approve travel for two (2) Japan staff to attend the training by Trip Advisor and following the training a familiarization tour will be conducted from January 22-26, 2017 in Guam. (Estimated Cost: $1,997.00 Account # JA-SMD003)

Background: The GVB training with Trip Advisor will include destination trend data and types of marketing in the digital environment, digitial evolution, destination trend for Guam, rise of mobile and online reputation and how to manage your business.

Travel Expenses	
Airfare: $600.00 x 2 pax	$1,200.00
JP Transportation to/from airport: 2 pax	$172.00
Guam Per Diem: $62.50 x 5 nights x 2 pax	$625.00
Total:	$1,997.00

Issue: Board approval required for travel.

XIII. OLD BUSINESS

XIV. NEW BUSINESS

XV. EXECUTIVE SESSION

XVI. ANNOUNCEMENTS

Upcoming Board Meetings:

- Thursday, January 26, 2017 at 3:00 p.m., GVB Main Conference Room
- Thursday, February 9, 2017 at 3:00 p.m., GVB Main Conference Room

XVII. ADJOURNMENT

GUAM VISITORS BUREAU
SETBISION BISITAN GUÅHAN

BOARD OF DIRECTORS REGULAR MEETING
Wednesday, December 14, 2016 – 3:00 p.m.
Guam Visitors Bureau – Main Conference Room

BOARD OF DIRECTORS PRESENT:

Chairman Mark Baldyga	Director Bruce Kloppenburg
Director Sam Shinohara	Director Katarina Sgro
Director Theresa Arriola	Director Hong Soon Im
Director Clifford Guzman	Director Robert Hofmann
Director Bart Jackson	Director Eduardo "Champ" Calvo
Director Milton Morinaga	

BOARD OF DIRECTORS TELEPHONICALLY:

BOARD OF DIRECTORS ABSENT:
Director Norio Nakajima

GVB MANAGEMENT & STAFF PRESENT:

Jon Nathan Denight	Antonio Muna	Karida Brennan
Rose Cunliffe	Brian Borja	Russell Ocampo
Regina Nedlic	Nico Fujikawa	Dee Hernandez
Mark Manglona	Doris Ada	Lisa Linek
Meriza Peredo	June Sugawara	Gina Kono
Josh Tyquiengco		

GVB MANAGEMENT & STAFF TELEPHONICALLY:

GUESTS:

I. CALL TO ORDER

Chairman Baldyga called the meeting of Board to order at 3:05 p.m.

II. MINUTES OF THE PREVIOUS MEETING **Exhibit A**

Chairman Baldyga made a motion to approve the minutes of the previous Board of Directors meeting dated November 23, 2016.
Motion unanimously approved (Subject to minor revisions)

III. CHAIRMAN'S REPORT

- Being the last Board meeting of the year, Chairman Baldyga thanked the team for all their hard work.
- He stated that his term is coming to an end and as Director Kloppenburg has served almost every position on the Board except Chairman, he resigned from his position as Chairman and made the following motion:

Chairman Baldyga made a motion, seconded by Director Jackson, to accept the resignation of the Chairman and nominate Director Kloppenburg officially as the Chairman of the Guam Visitors Bureau for the next two weeks.
Nomination unanimously approved. Director Kloppenburg accepted.

IV. GENERAL MANAGER'S REPORT

- On behalf of the Board, management, and staff of GVB, President Denight presented Chairman Kloppenburg with a photomontage depicting some of his time and service with the bureau, as his final term is coming to an end. Chairman Kloppenburg thanked the team. He stated that as long as he's been with GVB, he's been fortunate to work with strong boards and strong management teams. He also touched on the exceptional leadership of Director Baldyga as Chairman. He wished all the best for the team moving forward.
- As Director Baldyga tendered his resignation, President Denight presented him with a stained glass Guam seal to commemorate his time and leadership with the bureau. Director Baldyga mentioned that he interviewed President Denight for the Deputy General Manager position and he has come a long way since and has done a tremendous job. He thanked everyone for all their hard work and expressed how proud he is to be apart of the team.
- Lastly, President Denight presented everyone with a short video presentation in honor of all the Directors.

GUAM VISITORS BUREAU
SETBISION BISITAN GUÅHAN

V. TREASURER'S REPORT

Exhibit B

FY 2016

	Appropriation	Received to Date		Balance	
Operations	**$ 21,044,191.00**	**$ 20,753,941.00**	**99%**	**$ 290,250.00**	**1%**
Destination Development	**$ 1,235,000.00**	**$ 1,015,000.00**	**82%**	**$ 220,000.00**	**18%**
Rainy Day Fund	$ 200,000.00	$ 200,000.00	100%	$ -	0%
Cultural & Sports Ambassador Fund	$ 200,000.00	$ 160,000.00	80%	$ 40,000.00	20%
Pass-Thru	$ 750,000.00	$ 683,750.00	91%	$ 66,250.00	9%
Guam Football Association	$ 400,000.00	$ 400,000.00	100%	$ -	0%
Pilot Program Korean Visitor Market	$ 250,000.00	$ 250,000.00	100%	$ -	0%
FESTPAC	$ 1,300,000.00	$ 1,300,000.00	100%	$ -	0%
Capital Improvement Projects	$ 1,000,000.00	$ 1,000,000.00	100%	$ -	0%
TOTAL	**$ 26,379,191.00**	**$ 25,762,691.00**		**$ 616,500.00**	
TOTAL RECEIVABLES FY 2016				**$ 616,500.00**	

FY 2017

	Appropriation	Received to Date		Balance	
Operations	**$ 21,282,472.00**	**$ 2,433,185.00**	**11%**	**$ 18,849,287.00**	**89%**
Destination Development	**$ 1,085,000.00**	**$ -**	**0%**	**$ 1,085,000.00**	**100%**
Rainy Day Fund	$ 200,000.00	$ -	0%	$ 200,000.00	100%
Cultural & Sports Ambassador Fund	$ 200,000.00	$ -	0%	$ 200,000.00	100%
Pass-Thru	$ 885,000.00	$ 113,750.00	13%	$ 771,250.00	87%
TOTAL	**$ 23,652,472.00**	**$ 2,546,935.00**		**$ 21,105,537.00**	
TOTAL RECEIVABLES FY 2017				**$ 21,105,537.00**	
TOTAL RECEIVABLES				**$ 21,722,037.00**	

Accounts

RESTRICTED

Bank of Guam - Rainy Day Fund	$ 2,084,038.34
Bank of Guam - FESTPAC Trust Account[1]	$ 371,532.88
Cultural & Sports Ambassador Fund	$ 329,250.00
TOTAL	**$ 2,784,821.22**

UNRESTRICTED

Bank of Guam - Operations	$ 10,204,725.89
First Hawaiian Bank - Membership	$ 141,000.40
Resona	$ 153,361.59
Bank of Guam - TAF	$ 2,379,128.71
Raymond James - CD value as of 11/30/2016	$ 2,525,773.44
TOTAL	**$ 15,403,990.03**
TOTAL as of 12/13/2016	**$ 18,188,811.25**

Current Payables

Asatsu invoices	$ 234,119.05
Japan Invoices	$ 50,231.72
Guam Invoices	$ 454,986.76
FY 2016/FY 2017 Pass-thru appropriations	$ 56,250.00
Encumbered Contracts	$ 4,806,042.73
Encumbered Purchase Orders	$ 100,834.46
FESTPAC Trust Account	$ 371,532.88
TOTAL as of 12/13/2016	**$ 6,073,997.60**

NOTES

NOTE 1

$371,532.88	FESTPAC
($72,635.19)	FESTPAC expenditures - reimburse Operations
$298,897.69	

NOTE 2

$1,407,282.57	Morgan Stanley/Raymond James CD
($86,542.00)	Board approved $86,542 on 07/23/15 for Department Revenue & Tax Auditors
($700,000.00)	Board approved $700,000 on 02/25/16 for Pale San Vitores Road Bus Shelter Project
($150,000.00)	Board approved $150,000 on 07/14/16 for Pale San Vitores Road Bus Shelter Project
$470,740.57	

- Director Shinohara reported that we are on track for 2017. We have a few outstanding items but the accounting team is working with DOA to get the balance of our allotments. We are hoping to receive the balance before the end of the year.
- He also asked to briefly talk about closing out FestPac. President Denight stated that the team had the opening meeting with the Public Auditor where they were provided with all requested documents. He also mentioned that the final FestPac Organizing Committee meeting is scheduled for December 23. President Denight stated that meeting has proven to be a challenge as four senators are committee members. He reported that we have over $300k in the bank. He wants to present the committee with a few final details on the 23rd but he foresees a clean audit from the time GVB took over. The only outstanding item is with Healing Hearts, which will be addressed at the final committee meeting.

VI. REPORT OF THE BOARD COMMITTEES

A. EXECUTIVE COMMITTEE

Director Baldyga made a motion, seconded by Director Jackson, to ratify Executive Committee's approval to authorize the President & CEO to sign the Only On Guam Trademark Coexistence Agreement and to identify the funding for the monetary payment of $10,000 included in the agreement.
Motion approved

B. MEMBERSHIP & COMMUNITY OUTREACH

- Director Guzman reported that the Board of Directors Election Meeting is scheduled for January 3rd from 11:30am-1:30pm at Sheraton. He said that we need to encourage members to attend the meeting and vote.
- He asked for clarification regarding the election ballots. Director Jackson stated that the team agreed the ballots will be numbered for the upcoming election.
- Director Guzman announced the names of the Board nominees: Roy Abraham, Roberto Fracassini, Brad Kloppenburg, Satoru Murata, Sam Shinohara, and Tak Takano.
- President Denight stated that the annual Membership Mixer is tentatively scheduled for Friday, December 30. Director Shinohara's only concern is that we may not get the turnout we are hoping for with the mixer being so close to the holidays.

C. NORTH AMERICA & PACIFIC MARKETS

- Director Arriola congratulated DoGM Pilar Laguana on retaining the chairmanship of PATA Micronesia for 2017-2018.
- She also reported that Paula Monk from United Airlines is an alternate director for the officers of PATA Micronesia.

D. RESEARCH

E. RUSSIA & NEW MARKETS

- Director Jackson reported that there was a committee meeting yesterday. He stated that the price of oil is continuing to rise which is good for the Russian economy and the Ruble and for Guam. He believes this positive Ruble environment will continue to attract Russians to Guam.

F. VISITOR SAFETY & SATISFACTION

- Director Im reported that we have 22 CCTV cameras in Tumon but two are out of commission. Areas lacking surveillance are the Kmart/JFK hill (Route 14A), across Hilton, and the road near Westin. He stated that he will bring this up to Commander Santos from the GPD Tumon Precinct at an event tomorrow. President Denight stated that Docomo provided the cameras wherever there was existing infrastructure. He said he will work with Docomo and GPD on this.
- Director Im also reported that the live entertainment will start at the airport again sometime around January 1. He is hoping we can share the cost with the airport (7 months paid by GVB, 4 months paid by the airport, 1 month hiatus). The airport's Board will also be meeting today where he hopes they will discuss funding. Chairman Kloppenburg suggested that Director Im discusses this with his committee then bring a proposal back to the Board. Director Morinaga inquired about the cost of live entertainment. Director Im stated that initially, GVB paid $40,000. He also mentioned that if we do not have the budget, we can decrease the frequency of the entertainment to cut costs.

G. CULTURE & HERITAGE

H. SPORTS & EVENTS

I. ADMINISTRATION & GOV'T RELATIONS

J. DESTINATION MANAGEMENT

Director Hofmann made a motion, seconded by Director Jackson, to approve Signage Law Modifications drafted by Dan Swavely and for submission to the Executive and Legislative branches for review and approval. Signage recommendations, as presented, are subject to further stakeholder and GovGuam input.
Motion approved

Background: The DMC Tumon Bay Improvement District subcommittee has worked on objectives to create a plan that aligns with the GVB 2020 Plan. The signage issue is a precursor to establishing Covenants, Conditions & Restrictions (CC&Rs) and engaging property owners and businesses a part of a collective effort to improve Tumon.

- Director Shinohara asked what the next step should be. Director Guzman stated that it can be submitted directly to the Governor's office. From there, he believes the Governor will share it with other agency heads before turning it over to the Legislature. Director Baldyga suggested that Management first sends it to the Chamber of Commerce and other stakeholders to have them modify it and then submit it to the Legislature. Director Guzman recommended discussing it at Board level first. Director Arriola feels it would be beneficial to entertain all suggestions now; from the Board and other appropriate parties. The Board was unanimous that the modifications are ready for circulation. President Denight agreed with Director Guzman that the next step should be to submit it to the Governor's office and disseminate it to the appropriate agency heads and the Chamber of Commerce.

Director Hofmann made a motion, seconded by Director Jackson, to approve authorization of the President and CEO as Chief Procurement Officer of the Bureau to enter into a contract with the most responsive and lowest responsible bidder for the Tree Mitigation Project.
Motion approved

Background: Due to a lack of "true standards-based" tree management plant, trees in Tumon have degraded in structure, health and vigour to a state where many now pose a threat to public safety and infrastructure. Large trees are now coming into full form and are beginning to damage the surrounding infrastructure. It is necessary that they are removed or trimmed to prevent further damage.

Issue: Board approval required.

- President Denight stated that basic tree trimming (10 feet from the sidewalk) in Tumon is part of GVB's contract with LMS but this bid is for a more comprehensive and extensive process to be performed by an arborist.
- Director Hofmann reported that these trees are located on easements and it will take about a week to complete the job.

K. GREATER CHINA

Committee minutes dated December 12, 2016 **Exhibit C**

Director Baldyga made a motion, seconded by Director Jackson, to transfer $100,000 from FY2017 China marketing budget to the FY2017 Hong Kong marketing budget resulting in total budget changes: (1) China - $1.8 million and (2) Hong Kong - $312,000 for Fiscal Year 2017.
Motion approved

Background: Hong Kong market conditions will change with increased airlift direct from HK to Guam. HK Express will begin 4x a week direct flights on December 15, 2016. Opportunity for an increase in visitor arrivals from HK and its surrounding area will drastically improve. Travel from HK does not only include HK residents, but has the potential to reach Chinese citizens from the Pearl River Delta in China. This potential will require increased sales and marketing resources in order to compete in this mature market.

- Director Baldyga reported that with HK Express now servicing to Guam, discussions about being able to support the airline have been coming into the market. The committee Chair advised the team to be cautious because United Airlines will be coming with more frequency. At the end of the discussion, the team felt this was the best choice.

HONG KONG TRADE MISSION – AVIATION DEVELOPMENT

Director Baldyga made a motion, seconded by Director Hofmann, to approve travel for the Governor, (1) Governor Security Staff, and GVB President & CEO to participate in the Hong Kong 2017 trade mission from January 5-8, 2017. Cost is approximately $12,000 to come from Acct No. HK SMD-023.
Motion approved

Airfare:	$1,000 x 3 pax	$3,000.00

Per Diem:	Hong Kong	Lodging	Nights	M&IE	Days	
	Governor	$461.50	4	$234.00	4	$2,782.00
	Governor Security Staff	$355.00	4	$180.00	4	$2,140.00
	GVB President & CEO	$443.75	4	$225.00	4	$2,675.00
Misc. Expenses:	Business communication costs & excess baggage fees					$1,403.00
					Total	$12,000.00

Background: Aviation development for direct service to Guam remains a priority of GVB as we intend to strengthen our current presence in the travel industry and diversify our source markets. The Governor and GVB President & CEO will have scheduled meetings with United, HK Express and Peach Air. Each meeting will involve strategic discussion about improving or starting direct air service to Guam. Markets of discussion with include Japan, Hong Kong and China:

- United currently provides direct air service these three markets and improving the frequency and flight schedule will be the main topic of discussion.
- HK Express is the first low-cost carrier to fly to Guam from Hong Kong. Main discussion point will be the expansion of the their target customers to include areas of southern China (Pearl River Delta) as well as Taiwan. Of course, the need to improve promotions in Hong Kong will also be addressed.
- Peach Air is a low-cost carrier that GVB continues to work with to start direct service from Japan to Guam. High-level executives are based in Hong Kong and this is the most opportune time to meet with them again and discuss plans to begin flying to Guam.

- President Denight stated he that wants to use this time with the Governor to meet with United Airlines to work more closely with them in Hong Kong. They also have the opportunity to meet HK Express executives and the primary investor for Peach Air as they plan to expand their fleet. He stated that we will also be extending an invitation to the airport.

Issue: Board approval needed for all travel.

L. JAPAN

- Director Morinaga reported that Japan is experiencing a high level of norovirus symptoms and numbers are rising everyday. He advised everyone to be cautious, especially those in the food and beverage industry. If cases arise locally, we should notify Public Health.

M. KOREA

- Director Jackson reported that the team recently attended a tour agent seminar appreciation party in Korea. They had a good year end session with HIC and he feels they are doing a good job. He stated that arrivals continue to do well as the market moves forward.

VII. OLD BUSINESS

VIII. NEW BUSINESS

IX. EXECUTIVE SESSION

X. ANNOUNCEMENTS

Upcoming Board Meetings:

- **Annual and Regular Meeting:** Thursday, January 12, 2017 at 3:00 p.m., GVB Main Conference Room
- Thursday, January 26, 2017 at 3:00 p.m., GVB Main Conference Room

Announcements:

- Chairman Kloppenburg encouraged all Directors who won't be sitting on the Board beginning in January to continue to be active within the committees. He plans to play a role in the Japan Marketing Committee.

XI. ADJOURNMENT

Chairman Kloppenburg made a motion to adjourn the meeting. Meeting adjourned at 3:41 p.m.
Motion unanimously approved

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

Board Minutes respectively submitted by Karida Brennan, Executive Secretary

Action Items:

- President & CEO to talk to Docomo about installing CCTV cameras along JFK hill and the road near Westin.

- Vice President to work on having the rusty, sunken vessels removed near Atlantis/Apra Harbor.

- Staff to look into sinking a vessel and creating a natural wreck diving pathway.

~~- Director of Global Marketing/Marketing team to determine if they can make one trip to Korea for HANA Tour and KOTFA instead of two separate trips. The team will determine if other business can be conducted between the two events. → Per Marketing team, events are scheduled for the same time so we will send two separate delegations~~

- Staff to provide a short recap of 2016 Smart Goals: Where we are and where we are going → Management and staff to submit 3rd quarter calendar year recap and in December, a 4th quarter calendar year recap to be used as transition tools for new Board → Partial recap given during November 23rd Board Meeting

- Management/staff to work with GPD and Legislature to create legislation enabling VSOs to issue citations for hand billing, illegal beach activities, etc. → Met with GPD; GPD raised serious concerns regarding liability and training; need to meet with AG

- Research Department to produce a key statistics report at the end of the year to distribute to membership

-Management to set up workshop regarding GuestHouse issue – open to public → Management will schedule a meeting with DRT and 2 new hires in the next few months → Planning for 1st quarter

- Update Tourism 2020 Plan → Working session held on 9/29/16 → Chairman Baldyga will work with management to update plan based on comments from working session and submit back to Board to finalize

- Tumon District Improvement Plan
    - Finalize signage / touting / abandoned-building / hand-billing legislation No internal experience to draft this → need to outsource
    - Incorporate into a capital request for funding via a bond
    - Submit draft plan → Director Guzman / Doris Ada
    - Adjust the bill we are putting forward to include a budget for MasterPlan
    - Management to develop a budget, timeline, and action plan for each item on the "JGTA Concerns relates [sic] to Visitor Safety/Capital Improvement" list.
    - Management/staff to develop a proposed budget to update signage to include Korean language.

FY 2016

	Appropriation	Received to Date		Balance	
Operations	**$ 21,044,191.00**	**$ 20,753,941.00**	**99%**	**$ 290,250.00**	**1%**
Destination Development	**$ 1,235,000.00**	**$ 1,015,000.00**	**82%**	**$ 220,000.00**	**18%**
Rainy Day Fund	$ 200,000.00	$ 200,000.00	100%	$ -	0%
Cultural & Sports Ambassador Fund	$ 200,000.00	$ 160,000.00	80%	$ 40,000.00	20%
Pass-Thru	$ 750,000.00	$ 683,750.00	91%	$ 66,250.00	9%
Guam Football Association	$ 400,000.00	$ 400,000.00	100%	$ -	0%
Pilot Program Korean Visitor Market	$ 250,000.00	$ 250,000.00	100%	$ -	0%
FESTPAC	$ 1,300,000.00	$ 1,300,000.00	100%	$ -	0%
Capital Improvement Projects	$ 1,000,000.00	$ 1,000,000.00	100%	$ -	0%
TOTAL	**$ 26,379,191.00**	**$ 25,762,691.00**		**$ 616,500.00**	

TOTAL RECEIVABLES FY 2016 **$ 616,500.00**

FY 2017

	Appropriation	Received to Date		Balance	
Operations	**$ 21,282,472.00**	**$ 4,220,685.00**	**20%**	**$ 17,061,787.00**	**80%**
Destination Development	**$ 1,085,000.00**	**$ 271,250.00**	**25%**	**$ 813,750.00**	**75%**
Rainy Day Fund	$ 200,000.00	$ 50,000.00	25%	$ 150,000.00	75%
Cultural & Sports Ambassador Fund	$ 200,000.00	$ 50,000.00	25%	$ 150,000.00	75%
Pass-Thru	$ 885,000.00	$ 113,750.00	13%	$ 771,250.00	87%
TOTAL	**$ 23,652,472.00**	**$ 4,705,685.00**		**$ 18,946,787.00**	

TOTAL RECEIVABLES FY 2017 **$ 18,946,787.00**

TOTAL RECEIVABLES **$ 19,563,287.00**

Accounts

RESTRICTED

Bank of Guam - Rainy Day Fund	$ 2,134,251.08
Bank of Guam - FESTPAC Trust Account[1]	$ 371,570.64
Cultural & Sports Ambassador Fund	$ 375,650.00
TOTAL	**$ 2,881,471.72**

UNRESTRICTED

Bank of Guam - Operations	$ 10,397,221.42
First Hawaiian Bank - Membership	$ 139,003.62
Resona	$ 75,260.03
Bank of Guam - TAF	$ 2,373,845.93
Raymond James - CD value as of 12/31/2016	$ 2,525,664.87
TOTAL	**$ 15,510,995.87**

TOTAL as of 1/10/2017 **$ 18,392,467.59**

Current Payables

Asatsu invoices	$ 402,501.35
Japan Invoices	$ 37,441.15
Guam Invoices	$ 137,430.83
FY 2016/FY 2017 Pass-thru appropriations	$ 63,750.00
Encumbered Contracts	$ 5,819,644.64
Encumbered Purchase Orders	$ 103,372.69
FESTPAC Trust Account	$ 371,570.64
TOTAL as of 1/10/2017	**$ 6,935,711.30**

NOTES

NOTE 1

$371,570.64	FESTPAC
($72,635.19)	FESTPAC expenditures - reimburse Operations
$298,935.45	

NOTE 2

$1,409,377.55	Morgan Stanley/Raymond James CD
($86,542.00)	Board approved $86,542 on 07/23/15 for Department Revenue & Tax Auditors
($700,000.00)	Board approved $700,000 on 02/25/16 for Pale San Vitores Road Bus Shelter Project
($150,000.00)	Board approved $150,000 on 07/14/16 for Pale San Vitores Road Bus Shelter Project
$472,835.55	

GVB RUSSIA & NEW MARKETS COMMITTEE MEETING
Tuesday, December 13, 2016, 10:00 a.m.
GVB Main Conference Room

PRESENT:	Bart Jackson, Echo Man, Amilyn Salas, Neil Urbano, Olga Tonkikh, and Nadia Romanenko
ABSENT:	Chris Yang, Roy Abraham, Akiko Futakami, Trina Cruz, Elisha Lee, Matthew Martin, Mari Buensuceso, Rolenda Faasuamalie, Jenny Kim, Ekaterina Sablan, Olga Green, Rita Jackson, Jenny Cheon, Jane Koo, Joanna Sablan, Seong-uk Jo, and Sheena Tiamzon
GVB STAFF AND MANAGEMENT:	Pilar Laguana, Mark Manglona, and Haven Torres

CALL TO ORDER

Chairman Bart Jackson called the Russia & New Markets meeting to order at 10:21 a.m.

APPROVAL OF PREVIOUS MEETING MINUTES

Mr. Neil Urbano made the motion seconded by Ms. Amilyn Salas to approve the minutes of October 25, 2016. Motion approved unanimously, subject to minor corrections.

REPORT OF THE CHAIRMAN

Chairman Jackson greeted the committee members and thanked them for attending today's meeting. He announced this would be his last Russia and New Markets meeting, as he will no be running in the upcoming GVB Board of Directors election next month. However, he will continue to support GVB. He thanked and asked the committee to continue to support the mission of GVB and the committee in particular.

REPORT OF MANAGEMENT

A. Visitors Arrival Statics

GUAM VISITORS BUREAU

MONTH-TO-DATE ARRIVAL COMPARISON
DECEMBER 1 - 8, 2015/6

	2015	2016	% frm LY
Japan	15,697	15,881	1.2%
Korea	10,971	14,220	29.6%
Taiwan	615	657	6.8%
China, P.R.C.	189	478	152.9%
U.S. Mainland	1,173	1,116	-4.9%
Hawaii	272	303	11.4%
CNMI	390	380	-2.6%
Palau	119	67	-43.7%
FSM	303	324	6.9%
RMI	41	39	-4.9%
Philippines	384	418	8.9%
Australia	41	21	-48.8%
Canada	20	17	-15.0%
Europe	45	66	46.7%
Hong Kong	231	227	-1.7%
Thailand	11	9	-18.2%
Vietnam	-	-	#DIV/0!
Russia	69	59	-14.5%
Other	90	150	66.7%
Total	30,661	34,432	12.3%

Note: December 2016 daily arrivals reflect Civilian Air arrivals only.
Source: Guam Customs Declaration Forms, Customs & Quarantine Agency.
Processed by the Guam Visitors Bureau.

GUAM VISITORS BUREAU

FISCAL YEAR-TO-DATE ARRIVAL COMPARISON
DECEMBER 2016

	FISCAL YEAR	FISCAL YEAR-TO-DATE OCTOBER - NOVEMBER*			MONTH-TO-DATE DECEMBER 1 - 8			FISCAL YEAR-TO-DATE OCTOBER - DECEMBER 8		
	2016	2016	2017*	% frm LY	2015	2016	% frm LY	2016	2017	% frm LY
Japan	752,757	120,790	115,554	-4.3%	15,697	15,881	1.2%	136,487	131,435	-3.7%
Korea	519,430	80,336	96,809	20.5%	10,971	14,220	29.6%	91,307	111,029	21.6%
Taiwan	41,534	5,892	6,744	14.5%	615	657	6.8%	6,507	7,401	13.7%
China, P.R.C.	26,271	3,551	3,732	5.1%	189	478	152.9%	3,740	4,210	12.6%
U.S. Mainland	62,479	8,302	8,834	6.4%	1,173	1,116	-4.9%	9,475	9,950	5.0%
Hawaii	14,248	2,065	2,516	21.8%	272	303	11.4%	2,337	2,819	20.6%
CNMI	17,390	2,526	2,625	3.9%	390	380	-2.6%	2,916	3,005	3.1%
Palau	5,028	956	735	-23.1%	119	67	-43.7%	1,075	802	-25.4%
FSM	11,027	1,700	1,790	5.3%	303	324	6.9%	2,003	2,114	5.5%
RMI	1,146	133	213	60.2%	41	39	-4.9%	174	252	44.8%
Philippines	18,704	2,660	4,903	84.3%	384	418	8.9%	3,044	5,321	74.8%
Australia	2,258	332	279	-16.0%	41	21	-48.8%	373	300	-19.6%
Canada	952	129	154	19.4%	20	17	-15.0%	149	171	14.8%
Europe	2,010	339	311	-8.3%	45	66	46.7%	384	377	-1.8%
Hong Kong	8,397	1,401	1,319	-5.9%	231	227	-1.7%	1,632	1,546	-5.3%
Thailand	463	73	75	2.7%	11	9	-0.1818	84	84	0.0%
Vietnam	183	28	17	-39.3%	-	-	#DIV/0!	28	17	-39.3%
Russia	2,488	443	515	16.3%	69	59	-14.5%	512	574	12.1%
Other	5,484	786	913	16.2%	90	150	66.7%	876	1,063	21.3%
Sea Arrivals	18,695	1,602	244	-84.8%	n.a.	n.a.	n.a.	1,602	244	-84.8%
TOTAL	1,510,944	234,044	248,282	6.1%	30,661	34,432	12.3%	264,705	282,714	6.8%

*Note: December 2015/6 daily arrivals reflect Civilian Air arrivals only.Source: Guam Customs Declaration Forms, Customs & Quarantine Agency. Processed by the GVB. * Preliminary*

GUAM VISITORS BUREAU

CALENDAR YEAR-TO-DATE ARRIVAL COMPARISON
DECEMBER 2016

	CALENDAR YEAR	CALENDAR YEAR-TO-DATE JANUARY -NOVEMBER*			MONTH-TO-DATE DECEMBER 1 - 8			CALENDAR YEAR-TO-DATE JANUARY - DECEMBER 8		
	2015	2015	2016*	% frm LY	2015	2016	% frm LY	2015	2016	% frm LY
Japan	773,019	705,143	679,645	-3.6%	15,697	15,881	1.2%	720,840	695,526	-3.5%
Korea	427,900	381,761	489,764	28.3%	10,971	14,220	29.6%	392,732	503,984	28.3%
Taiwan	42,205	39,071	39,252	0.5%	615	657	6.8%	39,686	39,909	0.6%
China, P.R.C.	23,698	22,604	25,358	12.2%	189	478	152.9%	22,793	25,836	13.4%
U.S. Mainland	56,744	51,327	57,594	12.2%	1,173	1,116	-4.9%	52,500	58,710	11.8%
Hawaii	13,502	12,359	13,556	9.7%	272	303	11.4%	12,631	13,859	9.7%
CNMI	14,334	12,787	15,942	24.7%	390	380	-2.6%	13,177	16,322	23.9%
Palau	3,917	3,499	4,389	25.4%	119	67	-43.7%	3,618	4,456	23.2%
FSM	9,893	8,859	10,083	13.8%	303	324	6.9%	9,162	10,407	13.6%
RMI	902	803	1,127	40.3%	41	39	-4.9%	844	1,166	38.2%
Philippines	12,427	11,013	19,533	77.4%	384	418	8.9%	11,397	19,951	75.1%
Australia	2,675	2,520	2,050	-18.7%	41	21	-48.8%	2,561	2,071	-19.1%
Canada	928	831	880	5.9%	20	17	-15.0%	851	897	5.4%
Europe	1,743	1,508	1,747	15.8%	45	66	46.7%	1,553	1,813	16.7%
Hong Kong	8,406	7,288	7,197	-1.2%	231	227	-1.7%	7,519	7,424	-1.3%
Thailand	505	463	423	-8.6%	11	9	-18.2%	474	432	-8.9%
Vietnam	178	163	157	-3.7%	-	-	#DIV/0!	163	157	-3.7%
Russia	3,081	2,677	2,156	-19.5%	69	59	-14.5%	2,746	2,215	-19.3%
Other	4,340	3,934	5,205	32.3%	90	150	66.7%	4,024	5,355	33.1%
Sea Arrivals	8,653	8,021	16,705	108.3%	n.a.	n.a.	n.a.	8,021	16,705	108.3%
TOTAL	1,409,050	1,276,631	1,392,763	9.1%	30,661	34,432	12.3%	1,307,292	1,427,195	9.2%

*Note: December 2015/6 daily arrivals reflect Civilian Air arrivals only. Source: Guam Customs Declaration Forms, Customs & Quarantine Agency. Processed by the GVB. * Preliminary*

Chairman Jackson presented to the committee the latest GVB visitor arrival report, citing that for the first eight days in December, Russia arrivals are down 14.5% compared to the same period in the previous year. He added that for fiscal year to date comparison, we are up 12.1% compared to the previous year.

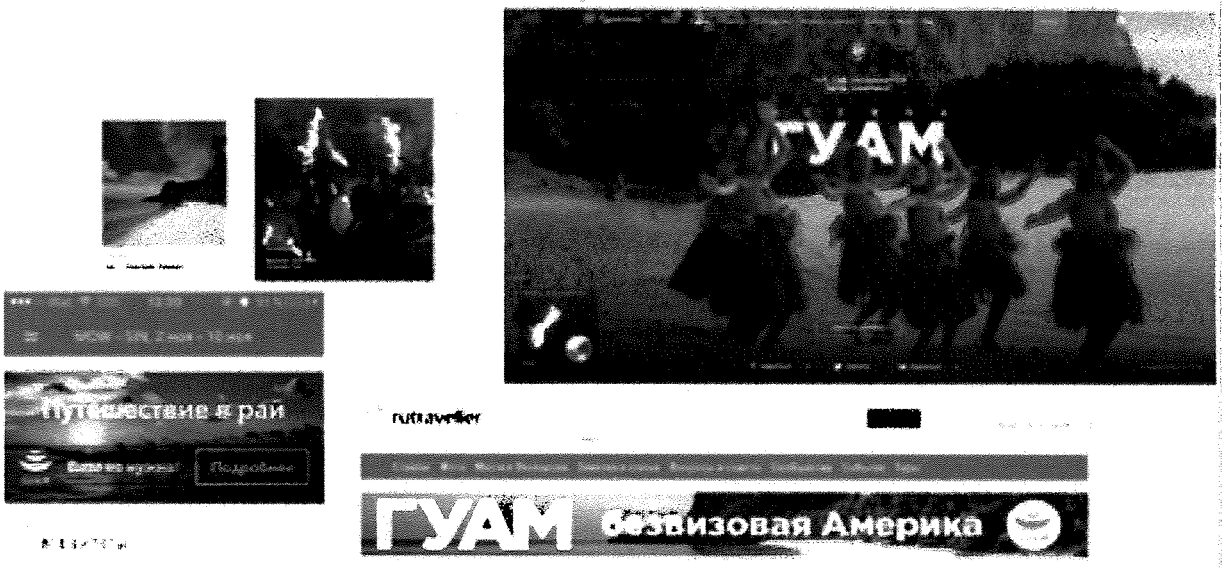
B. Monthly Activity Presentations for October, November, and December 2016

Exhibit C

GUAM VISITORS BUREAU

October 2016 activities

Online advertisement
Visa Free America // European Russia



Offline advertisement
SGF // Far East of Russia

Magazines



Outdoor



Indoor (premium fitness centers)





Far East Roadshow

Vladivostok, October 18
Total number of participants: 43 TA representatives
Number of individual meetings: 13
Number of Workshop attendees: 34

Khabarovsk, October 19
Total number of participants: 49 TA representatives
Number of individual meetings: 23
Number of Workshop attendees: 36

Yuzhno-Sakhalinsk, October 20
Total number of participants: 28 TA representatives



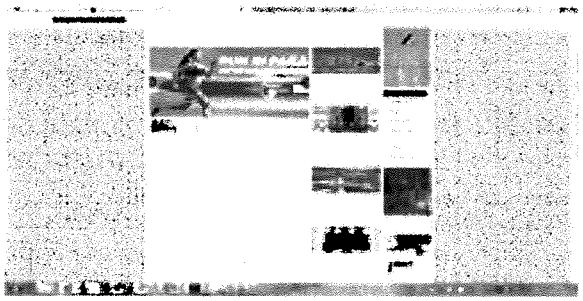


GUAM VISITORS BUREAU

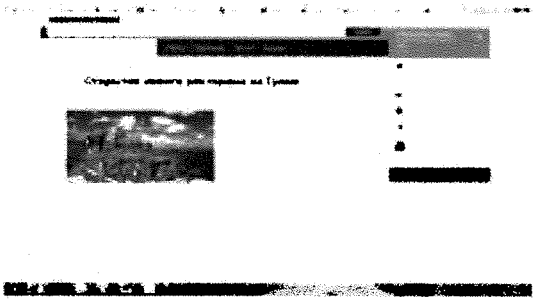
November2016 activities

RUSAPAI

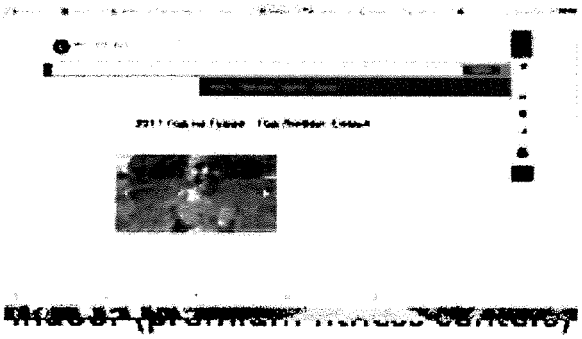
Press-releases



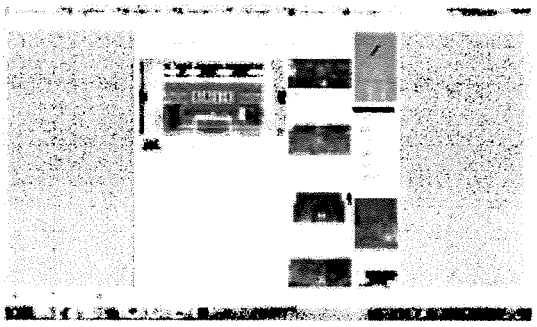
United Airlines Marathon



New restaurant on Guam



Year of Love on Guam: Family



SGF 2017

RUSAPAI

SGF promotion (indoor and outdoor)



Irkutsk



Khabarovsk



Vladivostok



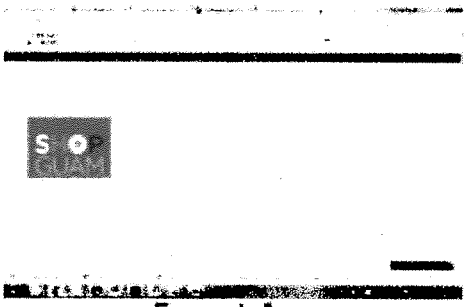
Yuzhno-Sakhalinsk

RUSAPAI

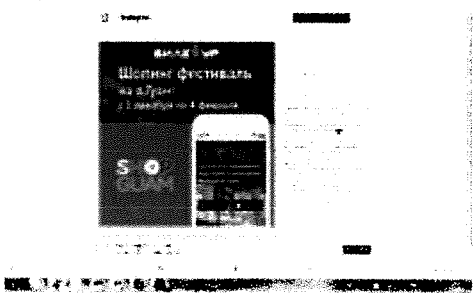
SGF promotion by TAs



PrimClub



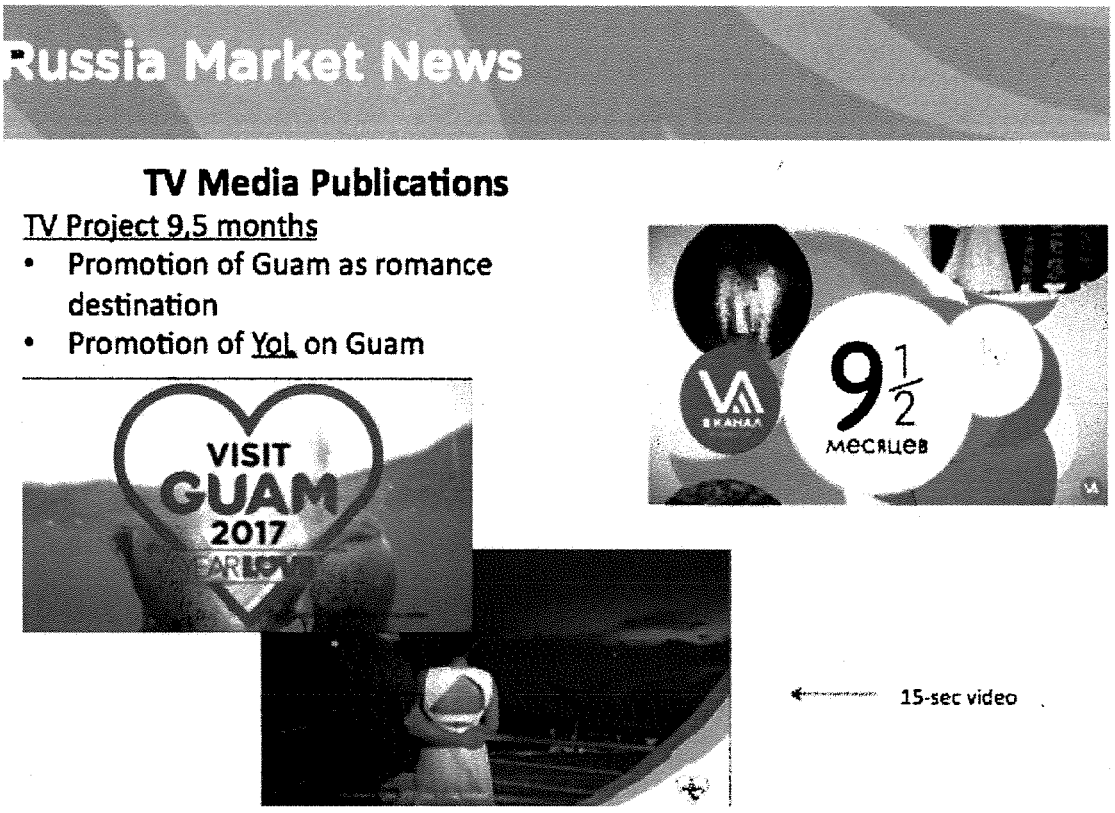
Fregat Aero



Biletour

Dream Travel





Mr. Manglona shared the October, November, and December 2016 activities report by our GVB Russia representatives.

Mr. Manglona explained that GVB has collaborated with a TV show called 9.5 months. The TV show will be awarding the winning couple a dream vacation to Guam. We are working with the TV program to promote the Year of Love Campaign. The concept of the show is that you have several couples competing for a prize package to Guam. Mr. Manglona mentioned that it is currently ongoing and will update the committee of when it is completed.

Ms. Nadia Romanenko made a comment regarding the outdoor advertising done in the Far East cities. Her comment was that GVB should focus on a 'paradise destination' during the winter season instead of sales and shopping. She feels that when it starts getting cold in Russia, people want to see more warm, tropical destination which would make Guam more appealing to Russians rather than sales and shopping. She understands that it is GVB way to promote the Shop Guam Festival on Guam during that period.

OLD BUSINESS

A. Moscow International Travel & Tourism Exhibition (MITT) | March 14-16, 2017

Mr. Manglona invited the committee members to participate with the Guam Visitors Bureau f the Moscow International Travel & Tourism Exhibition (MITT) from March 14-16, 2017. There w be a MICE event the day prior to the MITT event.

NEW BUSINESS

A. FY2016 SMART Goal Accomplishment & FY2017 SMART Goals

Mr. Manglona shared with the committee the recap of the FY16 SMART goals and the result Also, he shared the FY17 SMART goals.

EXHIBIT D

FY 2016 RUSSIA SMART GOALS		FY 2017 RUSSIA SMART GOALS
Goal	**Results**	**Goal**
Achieve at least 3,500 Russian visitors to Guam in FY2017 through engagement with TAs, airlines, corporate partners, and key media.	Goal not achieved. FY 2016 total arrivals are at 2,488.	Achieve at least 3,500 Russian visitors to Guam in FY2017 through engagement with TAs, airlines, corporate partners, and key media.
Participate in 3 exhibitions	Achieved. GVB participated in MITT, PITE and SITT.	Participate in at least three (3) exhibitions: MITT, PITE and another travel expo.
Conduct 2 Guam Product Updates	Achieved. GVB conducted product updates in Vladivostok, Khabarovsk and Yuzhno-Sakhalinks.	Conduct at least three (3) Guam Product Update Workshops for TAs: Far East of Russia, Siberia and Moscow.
Establish close relationship with airline partners.	Achieved. GVB collaborated with Korean Air in the promotion of the Shop Guam Festival.	Establish close working relationship with Korean Air and engage in co-op activities such as with the promotion of the Shop Guam Festival.
Conduct at least three (3) familiarization tours for Media to participate in GVB's signature events.	Achieved. Fam tours were conducted for SGF in November, FESTPAC and SGF in September.	Conduct at least three (3) familiarization tours for Media to participate in GVB's signature events.
Conduct social media campaign with popular Russian website.	Achieved. A family contest was conducted with popular website Vladmama to promote Guam's unique culture.	Conduct three (3) social media campaigns with popular Russian website/ forum to stimulate discussion and interest for Guam in Russia.
Foster relationship with airlines to provide regular direct air service	Goal not achieved. Need to wait for stabilization of economic situation in Russia.	Promote Guam and Micronesia to dive organizations throughout Russia.
		Increase Guam awareness in the Far East of Russia, Siberia and Moscow through continued advertising and through GVB Russia's social media outlets.
		Work with institutions on Guam, such as the University of Guam, and with travel agents, to develop packages promoting Guam's English Language Programs.
		Increase GVB Russia's social networking reach and develop independent online campaigns to promote on island annual signature events and engage followers.

ANNOUNCEMENTS

GVB Board of Directors membership and elections are on January 3, 2017 at the Sheraton Laguna Beach Hotel from 11:30am to 2:00pm. Chairman Jackson encouraged all committee members to attend the meeting and vote.

"Christmas Love from Guam" across the street from GVB office will run from December 10 to January 15, 2017. GVB encourages family visits but businesses are also encouraged to take advantage by bringing associates to the park as well. Other Christmas light displays ongoing for viewing includes the Peace Festival at the Government House and the Guam Friary Christmas Village display at the Agana Shopping Center.

Shop Guam e-Festival is now in effect from December 1 through February 4, 2017. This year is a paperless festival and is run through a mobile app. All participating companies are being marketed through a beacon device that is fixed at each participating business

establishment. This is a new way of technology. GVB is experimenting with and is very excited to move into this realm of mobile marketing. The beauty of this new type of campaign is that it's never too late to sign up so if any business would like to participate they can do so at anytime but with a good offer to run through February 4, 2017.

Ms. Pilar Laguana, Director of Global Marketing presented a wood carving and certificate honoring Chairman Jackson for his participation, support, and leadership in contributing to GVB and the Russia market for several years.

Ms. Nadia Romanenko mentioned that Pacific Islands Club would be hosting another Russian Christmas Party on January 6, 2017 with a special guest a famous DJ from Vladivostok and a Russian chef to help educate the local PIC chefs.

ADJOURNMENT

There being no further business to discuss, Ms. Nadia Romanenko made a motion and Mr. Neil Urbano seconded to adjourn the meeting at 10:45am.

Prepared by: _____
Haven Torres, Marketing Coordinator – Russia & Philippines

Reviewed by: _____
Mark Manglona, Marketing Manager – Russia & Philippines

Approved by: _____
Piliar Laguana, Director of Global Marketing

EXHIBIT

JAPAN MARKETING COMMITTEE MEETING - TUESDAY, DECEMBER 13, 2016

JMC MEMBERS PRESENT: Milton Morinaga, Sam Shinohara, Yoshiaki Kanemitsu, Kiyoshi Kawano, Tadashi Echikawa, Shuichi Kato, Bill Nault, Yoshihisa Otani

OFF-ISLAND: Norio Nakajima, Satoru Murata, Bunichi Yamashita, Miwa Bravo, Tak Takano

OBSERVERS/GUESTS PRESENT: Tomoko Takahashi, Akiko Futakami, Shizuyo Okabe, Kazu Atsuta, Tomoyuki Goto, Kenji Sekine, Koji Nagano, Yusuke Imazu, Maki Matsui, Akihiro Tani

ABSENT: Chie Takase, Mitsunori Takahashi, Akio Tsuna, Mark Anderson, Suzanne Perez, Simon Odoca, Mike Lee, Kimi Passeur, Terry Debold, Katsuhiko Yoshida, Mai Perez

GVB: Nathan Denight, Nadine Leon Guerrero, June Sugawara

ADK: Koichi Hoshino

SKYPE:

CALL TO ORDER

The meeting was called to order at 1:35 PM.

APPROVAL OF MINUTES

Motion made by Mr. Shinohara and seconded by Mr. Otani to approve the minutes of November 8, 2016. Minutes approved.

REPORT OF CHAIRMAN

Chairman Morinaga reported to the committee members that the Korea market had the "Hafa Millionth" arrival event at the airport. Also, GIAA had completed the moving of the TSA equipments to the backside of the counter. According to the preliminary report, November numbers for Japan looks good and as for December the Ken Corp hotels are looking good. Today will be the last JMC meeting for the year and thanked all the members for their support. New board members will be elected next year so please come out to vote for the election on January 3, 2017.

REPORT OF MANAGEMENT

Mr. Denight reported to the committee members that GVB had sponsored the Japan Festival. We also launched the Christmas Village light up on December 10th, right across GVB Office. On New Year's Eve, we will have the fireworks. GHRA used to handle the fireworks but now GVB took over. We are still looking for sponsors for the firework. Right now, we have Matsons, DFS and PIC from the hotel side. GVB is seeking $5,000.00 sponsorship from hotels. If any of the hotels are interested in sponsorship, please let us know. This year, the fireworks vendor will be hired from off-island for a spectacular show. United Airlines is helping in getting the crew out to Guam and Matson will bring in the fireworks. There will be three barges together or spread throughout Tumon Bay area for a more spectacular show.

Japan Marketing News
Three Months Forecast

- December is 69,000 up 1.66%

- January is 59,000 down 5.93%
- February is 71,796 down 24.79%

Year End 2016 Charter Flights

- Narita: CI 5 flights December 27-31 (1,535)
  KE 2 flights December 29-30 (496)
- Kansai: CI 2 flights December 29-30 (465)
- Takamatsu: CI 1 flight December 30 (158)
- Hiroshima: CI 1 flight December 29 (158)
- Fukuoka: TW 2 flights December 27 & 30 (378)
- Nagoya: UA 2 flights December 30-31 (236)
  CI 1 flight December 29 (307)
- Okayama: KE 1 flight (159)
- Total: 3,892 seats

Year-end Charter: Sales Updates

Future Charter / Extra Flights

- H.IS. Chubu / Charter from Nagoya / Airline: Uzbekistan / March 2017 30 flights
- JTB Tokyo / T'Way from Narita / March 17-31, 2017 15 flights
- United Extra Flights / March 16-April 3, 2017 22 flights
  - Narita/Guam 13 flights
  - Osaka/Guam 5 flights
  - Nagoya/Guam 4 flights
  - 3,652 seats (166 seats per aircraft)

Japan Office Activity Updates

- Introduction of FY2017 Sales Plans
- PR: Media fam for Shop Guam e-Festival, updating of Time Out Map and Guam Guide

Japanese Overseas Travelers October 2016

- Up 3.2% year on year to 1,458,00 in October 2016
- Total for the first ten months was up 4.8% to 14,176,600
- By destination, most Asian destinations including South Korea, Taiwan, Hong Kong, Macau, Thailand and Vietnam saw an increase from Japan compared to October 2015. Hawaii saw an increase of 27% after three months of decreasing

Competitors

- Tourism Authority of Thailand (TAT) sets a goal of 1.5 million Japanese visitors in 2017
- Under a new tourism promotion "Unique Local Experience", targeting golfers, females, students, sports, seniors and romance
- TAT expecting to receive 1.4 million Japanese visitors in 2016
- JTB World Vacations (JTBWV) announced Singapore as an emphasis destination due to variety of events including 50th anniversary of Japan-Singapore diplomatic partnership
- Hawaii is one of the most important market appealing to neighboring islands for the first half of 207 during their product launch on December 2.

Market Update

- Latest Phocuswright Japan's survey on online travel market finding was up 15.6% to 9.7 trillion JPY compared to FY2013
- Online travel bookings reached 39.4%, six higher points than FY2013
- Online sales by agents expanded about 50% to 2.4 trillion JPY
- Large growth mainly resulted from rapid growths of travel information offering and merchandising on mobile devices and also new technologies such as mobile travel chat to in-traveling or after-traveling
- JTB announced that it ended the first six months of FY2016 (April to September) with the first year-on-year reduction of half year revenue and income in the past five half terms
- Outbound travel businesses reduced revenue by 4/7% to 305 billion yen and by 5/9% to 233.8 billion yen respectively
- JTB announced that they will enforce drastic reorganization of purchase and producing systems in April 2017

- JTB World Vacations (JTBWV) started selling LOOK JTB package tour products for the first half of FY2017 on December 2 extending targets for its cancellation fee exemption rule for health reasons for 60 or older who make cancellations 14 days before departure and book LOOK JTB products again within the next three months
- JTWV strengthens its dynamic package brand "Airho" for FIT and increases product lineups in Hawaii, Micronesia and Asia applicable to the price variability rule depending on purchase conditions of hotel rooms or air seats
- JTBWV continues taking its own risks in buying out hotel rooms or an air seats and creating charter flight products for Switzerland, Spain, Northern Europe or Canada. JTBWV ensuring around 200,000 seats in total throughout FY2017 same as FY2016
- LOOK JTB customer goal for FY2017 is 1,180,000, 4% more than FY2016
- JTBWV estimates that the final result of LOOK JTB customers for FY2016 may reach 1,138,000, 5% more than the previous fiscal year
- Customer estimation by destination in FY2016, Micronesia as 215,000, -1% from FY2015
- For FY2017 customer goals by destination as 212,000, 12% from FY2016
- Peach Aviation and Airbus signed a contract on purchase of ten A320neos (188 seats) and three A320ceos (196 seats)
- Peach flies to Korea, Hong Kong, Shanghai and Taipei. Their main customers on the international services are 20's to 30's and foreign passengers account for about 70% total
- H.I.S. travel booking trend for the New Year holiday period finds that the most popular destination is Hawaii for both FIT and package tour for five years in a row
- For short-haul destinations, Seoul, Taipei or Guam are still preferred
- Hawaii is selected not only because of its rooted popularity but also due to Hawaiian Airlines new Haneda-Kona service and additional Haneda-Honolulu service
- Guam ranked #5 for top 10 popular destination for FIT, #1 is Honolulu and #2 & #3 is and Seoul and Taipei, respectively
- Guam ranked #3 for top 10 popular destination for Package Tour, #1 is Honolulu and #2 is Taipei, Seoul ranked #4

REPORT OF ADK

Report by Mr. Hoshino:

FY2017 PR Current Activities
2016 Koko Race Exposure – Pre-Announcement of UAGM
Koko Road Race 2016 – Summary of Key Points

- 10K is very potential category
- 76% respondents would like to see Halloween theme repeated next year
- Positive: Staff support was so great
- Negative: 4am start is too early, beachfront course is desirable

FY2017 Communication Approach
Marketing Goal

- 760,000 pax (5% market share, 73% load factor)
- 640,000 pax Package/FIT + 120,000 MICE/Group

Strategy

- Fact based approach
- Unique sales points by target

Target

- Family, OL, Silver and Wedding + MICE/Group

Tone and Manner

- Impactful

Overall Theme

- I've always wanted to "THIS"

Media and Initiatives

- Online (Banner, movie clips, editorials)

- PR

Whole Communication Structure
FY2017 Marketing Calendar
FY2017 GVB Web Ad Plan (January 30-March 26, 2017)
Online Traffic Flow Image – Linked to the Guam Purchase Sites
Guam Koko Road Race – Pre & Pose Event Questionnaire Results

- Results: Half 115, 10K 66, Ekiden 40 (10 teams) Total: 221 pax
- Number of entry by region
- Number of entry by age

GUAM

FY 17 JMC MEETING

- December 13, 2016 -

ADK

ASATSU-DK INC.

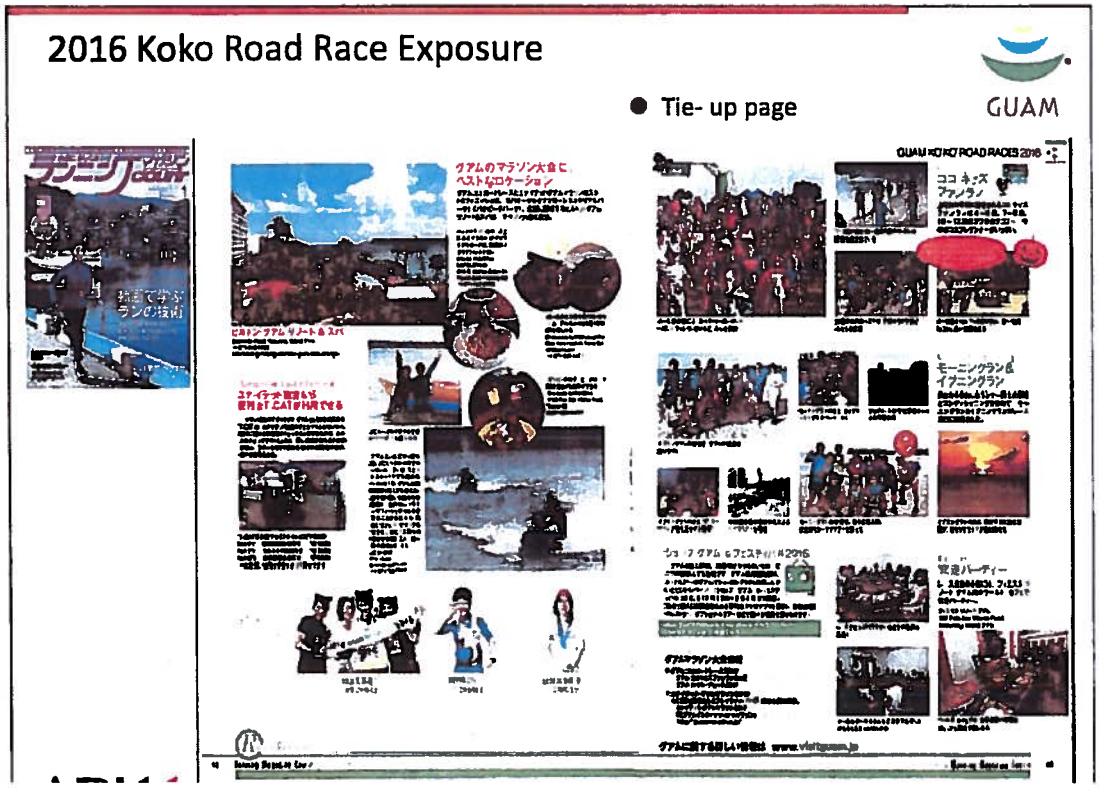
FY2017 PR Current Activities

GUAM

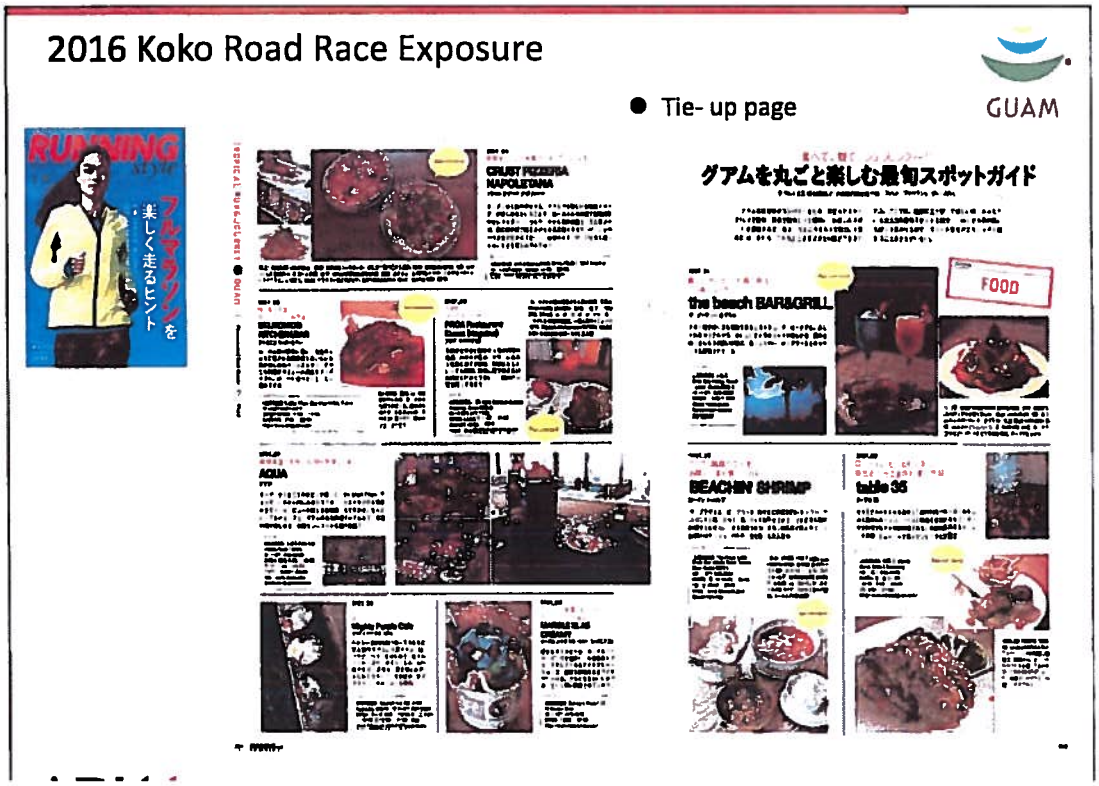
Media		OCT	NOV	DEC
Tie-in Exposure	TV	 AB Chan ZOO (TV TOKYO + 7 networks): OA Date & Time: Saturday 25:15 -25: 45 (TOKYO) OA date: 9/17, 10/1, 10/8, 3 times = total of 75 minutes	 Summer Resort (TV/Regional) On air Date & Time: Sat. 0:00am – 0:30am OA date: 10/29, 11/5 = Total of 2,400 sec.	
	MG		 KOKO Post report Issue Date: 21st every month circulation: 100,000 Exposure page: 4C4P  KOKO Post report Issue Date: 21st every month circulation: 100,000 Exposure page: 4C2P	
AD Value		TV (2)	MG (2)	
	Cost	$5,744,680.84	$38,750.48	

Part of whole Koko exposure


2016 Koko Road Race Exposure
● Tie- up page
GUAM
GUAM KOKO ROAD RACES 2016
南の国のハロウィンパーティー
FINISH
ADK
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2016 Koko Road Race Exposure
● Tie- up page
GUAM
GUAM KOKO ROAD RACES 2016


2016 Koko Road Race Exposure
● Tie- up page
GUAM
RUNNING STYLE
フルマラソンを楽しく走るヒント
FANTASTIC RAINBOW
BEAUTIFUL SUNRISE
グアム ココロードレース 2016
BEFORE DAWN
ADK
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2016 Koko Road Race Exposure
● Tie- up page
GUAM
RUNNING STYLE
フルマラソンを楽しく走るヒント
CRUST PIZZERIA NAPOLETANA
AQUA
グアムを丸ごと楽しむ最旬スポットガイド
FOOD
the beach BAR&GRILL
BEACHIN' SHRIMP
table 36

KoKo Road Race 2016 - Summary of key points

GUAM

- 10K is very potential category
  - ✓ 66 participants for the first year more than Ekiden runners
- 76% of respondents would like to see Halloween theme repeated next year.
  - ✓ I think a fun run tied to Halloween would get people more into the event than before. I also hope they continue awarding prizes to the costume category next year and beyond, too.
  - ✓ Wearing costumes was more fun than I imagined. There's no shame in dressing up for Halloween.
- Positive: (Staff support was so great)
  - ✓ Despite the heat and humidity, there were many volunteers out providing aid. I'm truly grateful for their efforts.
  - ✓ •Unlike in Japan, staff and volunteers were all enthusiastic and made things upbeat. People cheered us on at watering stations. I felt uplifted by their support during the race. The completion medal was big and colorful. It's good. Free gifts and services after the race like sunglasses, food, and beverages made be happy, too.
- Negative: (4:00 am start is too early, beachfront course is desirable)
  - ✓ I wish I could have enjoyed the scenery more. Towards the end, I wish there were more helpful signage indicating the distance left, like 5km and 3km. That made things really tough.
  - ✓ •It's a shame you couldn't have done more with that beachfront course. I wish I could have run (walked) while taking in the beautiful scenery.

ADK

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FY17 Communication Approach

GUAM

- Marketing Goal
  - ✓ 760,000 pax (5 % MS, 73% LF)
  - ✓ 640,000 Package/FIT + 120,000 MICE/GROUP
- Strategy:
  - ✓ Fact based approach
  - ✓ Unique sales points by target
- Target:
  - ✓ Family, OL, Silver and Wedding + MICE/Group
- Tone and Manner:
  - ✓ Impactful
- Overall Theme:
  - ✓ I've always wanted to THIS.
- Media and initiatives
  - ✓ Online (Banner, movie clips, editorials)
  - ✓ PR

Whole Communication Structure

GUAM

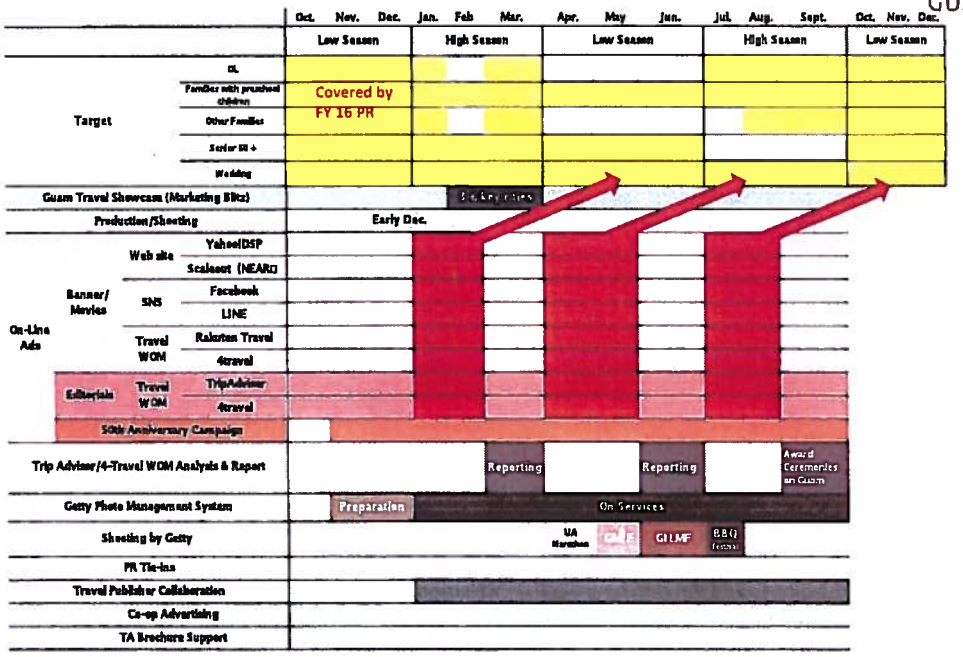
Fact Based Communication	Family OL Smart Senior Wedding	• Online AD • PR (TV, Mag, NP, Online) Tie ins
Brand Value Development Projects	All Targets	• Trip Advisor/4 Travel Collaboration • Getty Collaboration • Travel Publisher Collaboration • 50th Anniversary - Instagram promotion

ADK

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FY17 Marketing Calendar

GUAM



FY17 GVB Web Ad Plan (Jan. 30, 2017- Mar. 26, 2017)

GUAM

Target	AD type	Media type	AD menu	Period	Device	Imp	Unit	Click(CTR)	The site list of visits
Family (Mama)	Banner	Web site	YDN Search Targeting	1/30~3/26	PC&SP	8,410,256	imps	6,410	-
			Scaleout	1/30~3/26	PC&SP	500,000	imps	1,500	-
			Sphere	1/30~3/26	PC&SP	4,000,000	imps	3,000	-
		SNS	Facebook Link AD(FB)	1/30~3/26	PC&SP	769,231	imps	3,077	-
			LINE AD Platform	1/30~3/26	SP	1,875,000	imps	7,500	-
	Movie	SNS	Facebook Link AD(FB)	1/30~3/26	Mar	833,333	imps	4,167	33,333
			LINE AD Platform	1/30~3/26	SP	1,500,000	imps	750	30,000
		Movie ads	YouTube Search Targeting	1/30~3/26	PC&SP	102,043	imps	42	20,409
OL	Banner	Web site	YDN Search Targeting	1/30~3/26	PC&SP	3,378,378	imps	4,054	-
			Scaleout	1/30~3/26	PC&SP	500,000	imps	1,500	-
			Sphere	1/30~3/26	PC&SP	4,545,455	imps	3,500	-
		SNS	Facebook Link AD	1/30~3/26	PC&SP	333,333	imps	1,333	-
			Twitter Promo tweet	2/1~2/28	PC&SP	800,000	imps	1,600	-
			Facebook Link AD(Instagram)	1/30~3/26	PC&SP	142,857	imps	286	-
			LINE AD Platform	1/30~3/26	SP	1,159,420	imps	3,478	-
	Movie	SNS	Facebook Link AD(FB)	1/30~3/26	PC&SP	384,615	imps	1,923	15,385
			Twitter Promo tweet	2/1~2/28	PC&SP	66,667	imps	7	13,333
			Facebook Link AD(Instagram)	1/30~3/26	PC&SP	181,818	imps	545	3,636
			LINE AD Platform	1/30~3/26	SP	800,000	imps	240	16,000
		Movie ads	YouTube Search Targeting	1/30~3/26	PC&SP	158,731	imps	63	31,746
Senior	Banner	Web site	YDN Search Targeting	1/30~3/26	PC&SP	7,285,874	imps	8,744	-
			Scaleout	1/30~3/26	PC&SP	500,000	imps	1,500	-
		SNS	Facebook Link AD(FB)	1/30~3/26	PC&SP	384,615	imps	1,538	-
			LINE AD Platform	1/30~3/26	SP	1,111,110	imps	3,333	-
	Movie	Web site	YahooPrime Vision	1/30~3/26	PC	416,667	imps	292	41,667
		SNS	Facebook Link AD(FB)	1/30~3/26	PC&SP	454,546	imps	2,273	18,182
			LINE AD Platform	1/30~3/26	SP	800,000	imps	240	16,000
		Movie ads	YouTube Search Targeting	1/30~3/26	PC&SP	142,857	imps	57	28,571
						39,536,908	imps	62,953	234,929

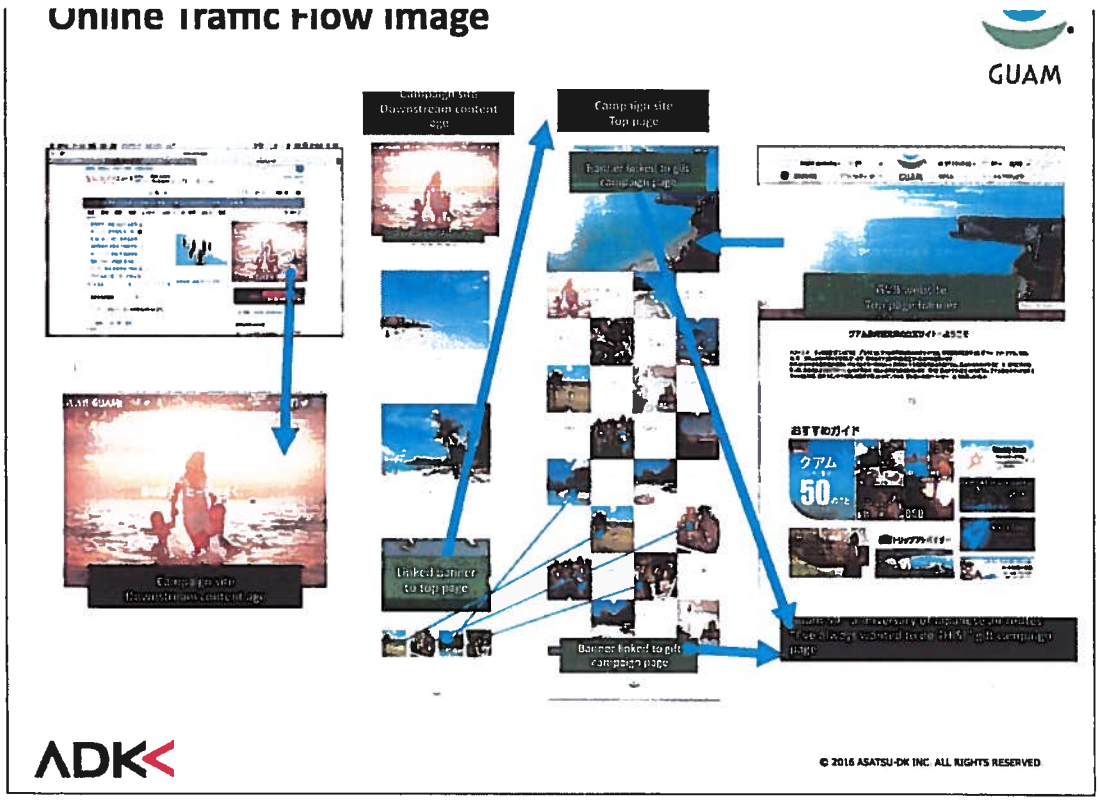
ADK

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The shooting was so successful

GUAM




Online Traffic Flow Image
GUAM
Campaign site Top page
Linked banner to top page
Banner linked to gift campaign page
ADK
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Linked to the Guam Purchase sites
Welcoming more participants.
Link Logo deadline is January 13, 2017
UNITED
JAL
DELTA
Rakuten Travel
JTB
H.I.S
JALPAK
Expedia
YAHOO! TRAVEL

GUAM

Appendix

ADK

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GUAM KO'KO' ROAD RACES
HALF MARATHON
10K RUN/WALK | EKIDEN RELAY

GUAM KO'KO'
ROAD RACES
HALF MARATHON
10K RUN/WALK EKIDEN RELAY
Pre & Post event Questionnaire Results

2016.12.1

2016.10.29

Results

Half	115
10K (New Category)	66
Ekiden	40 (10 teams)
Total	221 pax

2016 GUAM K'OK'O ROAD RACES
Pre-event Questionnaire Results

(192 respondents)

2016.10.29

1.Which hotel will you stay in on Guam?

PIC	37
Hilton	30
The Westin Resort Gum	28
Grand Plaza	15
Outrigger	10
Royall orchid	6
Verona Resort & Spa	6
Holiday Resort & Spa Guam	5
Garden Villa	5
Leo Palace Resort	2
Guam Reef & Olive SPA Resort	2
Fiesta Resort Guam	1
Hotel Santa Fe Guam	1
Hyatt Regency Guam	1
Nikko	1
Sheraton Laguna	
Total	151

2.Which airline do you use?

UA	91
Delta	22
JAL	17
ANA	4
T-way	3
China Airlines	1
Korean Air	1
Ship	1
Total	140

3.How did you know this race and apply?

HP	47
Company Event	22
RUNNET	13
Participated last time	13
Invited from friends	7
Magazine	5
Pamphlet	4
Guest runner	4
City Living	3
Courier	1
Jognote	1
TV	1
International marathon Flyer	1
WOM	1
Tokyo marathon	1
Book	1
Daughter	1
SNS of Friends	1
Total	127

4. How many people are you traveling with?

(people)	
1	16
2	46
3	7
4	12
5	6
6	12
7	2
9	8
16	11
20	1

5. How many nights and days will you stay on Guam?

1night 2days	3
2nights 3days	23
3nights 4days	68
4nights 5days	44
5nights 6days	8
6nights 7days	2
7nights 8days	4
Total	

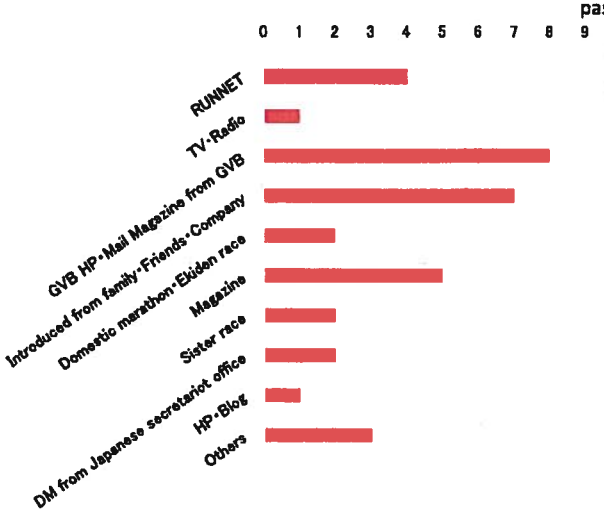
6. During your stay on Guam will you need a prepaid SIM card?

Yes	15
No	132
Total	147

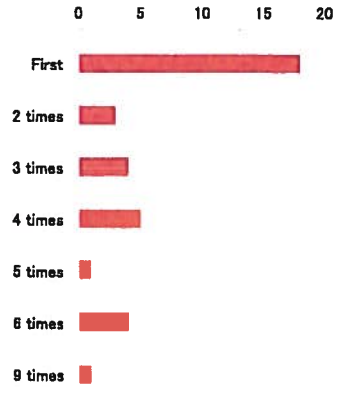
7. . During your stay on Guam will you need Wi-FI?

Yes	100

【 How did you know this race? 】



【 How many times have you participated in past?】



2016 GUAM K'OK'O ROAD RACES — **Result of Post questionnaire** (36 respondents) 2/7

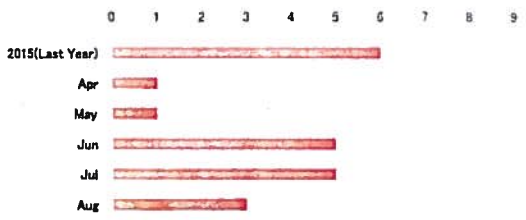
【 What was your motivation for entering?】

• Invited by Family • Friends • Company/co-workers	7
• I like Guam	7
• Wanted to run in an overseas race	11
• For the memories	10
• I've entered or wanted to enter the Guam Koko Road Race or the Guam K'ok'o Half Marathon and Ekiden Relay from before	3
• It's close to Japan	12
• I wanted to test the results of my daily training	6
• I like to run	8
• I want to run in various different races	2
• For my health	2
• For the prize money	1
• Other	5

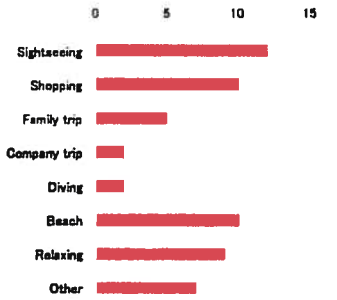
Those who selected "other" above

• I am excited to join this race every year
• To earn mileage
• As a family event during family trip

【When did you decide to enter?】



【 Objectives other than race】 (Person)



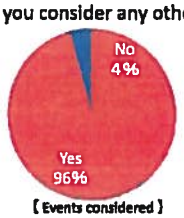
【 Have you participated in any other running events in the past year?】



【 Events participated in 】

Ise Marathon
Tokyo Marathon
(Nagoya Women Marathon)(SEOUL NIKE WOMAN VICTORY TOUR2016)
Honolulu Marathon
Sado Toki Marathon
Gold Coast Marathon
Honolulu Trail Run
Nagai Marathon
Guam International Marathon
Satte cherry blossom
Marathon
Toyama Marathon
Macau International
Marathon
Bubble run
Water run
Shiga Kogen Trail run
Kobe Marathon
Sasayama Marathon
Mitsuzuka Marathon
Uozu shinkirou Marathon

【 Did you consider any other races?】



【 Events considered 】

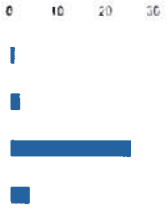
Chiba Aqua line Marathon
Kashiwazaki Marathon
Osaka Marathon

2016 GUAM K'OK'O ROAD RACES **Result of Mail questionnaire** (36 respondents) 4/7

【 What timing would make it easier to participate?】



【What date did you depart for Guam? 】



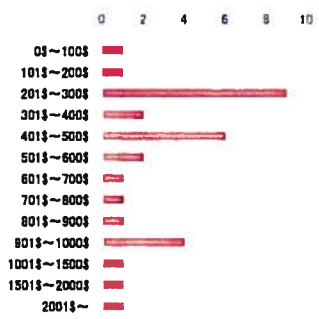
【 How many times have you ever been to Guam? 】



【 What spots are you interested in visiting? 】

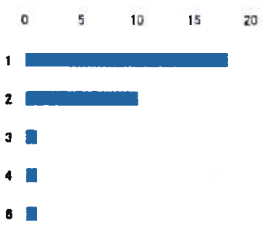
Inarajan natural pool
Cocos Island
Want to see Koko Bird
Jangle tour
Dededo
Hagatna
Beach
Mr. Yokoi's cave
Fishing
Renovated Two Lovers Point
Natural pool
Nothing special
Southern area
History and culture of Southern area
Uncrowned Beach
Two Lovers Point

【 How much did you spend on Guam? 】

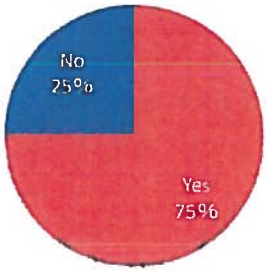


How many people are included in your spending

(Person)



This year's race was organized with a Halloween theme. Would you like to see it repeated next year?



Positive comments
It's not something you see in Japan often, so it was fun.
Everyone had unique costumes. It was fun.
I won a cash prize for coming in third in the originality category.
People were very into it. It was fun.
I liked it because I won a prize.
The costumed fun run was fun.
I think it would be better if the costumes weren't limited to Halloween.
People were into it. It was fun to see, not just run. When people are in costume, they're easier to approach, too. It was fun communicating with others.
I think a fun run tied to Halloween would get people more into the event than before. I also hope they continue awarding prizes to the costume category next year and beyond, too.
I won a cash prize for coming in third in the originality category.
It's a rare event that can be enjoyed only once a year.
It was good to see all the adorable costumes of kids.
Wearing costumes was more fun than I imagined. There's no shame in dressing up for Halloween.
It's fun to watch.
It was fun seeing all the different costumes.
It was festive and fun in town.
I didn't dress up, but it was fun seeing other runners in costume.
It was fun seeing people in costume.
It was a lot of fun.

Negative comments
It doesn't matter either way.
I didn't get a sense of Halloween this year.
I didn't know it was a Halloween-themed event.
Why not keep things the way they were? I thought the old tie-in with Micronesian Fair was fun.
It's hard to see at night.

2016 GUAM K'OK'O ROAD RACES — Result of Post Questionnaire Results (N = 36) — 6/7

Would you like to participate again next year?



Reasons for participating/not, and post-race comments

Positive comments
•Completing a race gives me a sense of achievement. It motivates me.
•Runners were better supplied with water than last year. Ekiden has always had an image of having troublesome baton-passing, but I think that was improved this year, too.
•Unlike in Japan, staff and volunteers were all enthusiastic and made things upbeat. People cheered us on at watering stations. I felt uplifted by their support during the race. The completion medal was big and colorful. It's good. Free gifts and services after the race like sunglasses, food, and beverages made be happy, too.
•I think adding the costume category was a big success. I thought it would be easier to attract runners by promoting races in Guam as fun runs and encouraging participants to enjoy running in their favorite costumes for Halloween. I hope you continue awarding cash prizes to the costume category into the future. Next year, our firm hopes to conduct tours with single focus on "Halloween fun run in Guam." We hope for your continued support.
•I actually took part on an invitation from a magazine publisher.
•It was fun.
•My kids enjoyed it.

Negative comments
•There were many hills, making the course challenging. In the first half, there were parts cordoned off with ropes. Even then, the route wasn't marked well enough, so I ended up going off course.
•It's disappointing that the event has been scaled down.
•I wish I could have enjoyed the scenery more. Towards the end, I wish there were more helpful signage indicating the distance left, like 5km and 3km. That made things really tough.
•The up-and-down elevation changes were harder than expected.
•The temperature wasn't too high, but the humidity was pretty high. It was hot.
•It was hot. Very hot.
•White T-shirts are unfortunate. They get discolored easily, so I stop wearing them.
•Watering stations were only on the right. It's impossible to get any water on the return leg. There should be watering stations for the way back.
•It's a shame you couldn't have done more with that beachfront course. I wish I could have run (walked) while taking in the beautiful scenery. Since it's hot and humid at night anyway, why not run the race early in the morning? Some parts of the course are essentially pitch black. I don't think one can deny the possibility of being attacked out of the blue.
•I ran once six years ago, so I imagine it was the same course. But this time, being my first challenge in my forties, I thought the course was quite hard.
•It's great that one can finish while it's still cool out. But it is somewhat disappointing not being able to see the surroundings.
•Customs & immigration processing took a long time. I couldn't make it to the 6:00 p.m. registration. Information was vague, so I couldn't get a proper meal or sleep. As a result, my conditioning was off for the race. I only got my entry bib an hour before the race.
•On the return leg, the watering stations were hard to get at because of the outbound runners.
•It was my first try at a 10km race. The steep inclines made things tough.

Reasons for participating/not, and post-race comments

Positive comments
•The leg out was fun. The uphill climb at the end was rough. The downhill part from K Mart made things easy. I'm grateful for the kindness of the staff and volunteers.
•The final uphill climb was very hard. But the people cheering us from the roadside really kept me going. Thank you so much.
•I felt a sense of accomplishment. It felt good.
•It's a good race. Also, I was invited. So, I put in a lot of effort with an eye on winning a prize for my costume.
•Despite the heat and humidity, there were many volunteers out providing aid. I'm truly grateful for their efforts.
•It's a good race. Also, I was invited. So, I put in a lot of effort with an eye on winning a prize for my costume.
•The race itself was fun. I'm thankful for the work of the staff, watering station people, and the cheering crowds.
•I thought it was the hottest in my four races. I wanted to get back to my hotel and get a shower as soon as I could, so I was glad I got my race-completion certificate right after I finished.
•Next year will be my last in my forties. I plan on training with an eye on being in peak condition for the Guam K'OK'O Road Races every year. It's out of my desire to keep fit and even improve myself, if even a little.
•It's attractive overall.
•Guam's whole atmosphere is relaxed. It's perfect for soothing the soul.
•I came in third in the originality category! Thank you!
•I want to challenge a different race next year.
•It's because I can enjoy running on Guam, the scenic place just three-and-a-half hours from Japan.
•The mist showers en route were very effective for cooling down.
•Unlike Japan, it was hot and the course was dark. However, we took part as one event in our family vacation, so it was good we could run together in a casual way. We amply enjoyed it.
•It's a hobby for me to take part in overseas marathons. Guam is just a short flight away, and it has reasonable hotels. I'll be running in the April Guam Marathon, too.
•It's an event that people can get festive together.

Negative comments
•I wish the race would start at 5 like before.
•There were watering stations on the return leg that couldn't keep up with the demand. If these were improved, the race would be even better. Also, if one is running in a pack, it is difficult to get at the water. I would like to see water placed on tables as well. That said, I hadn't experienced having water handed to me very much—I thought it was wonderful. I'm very thankful for the kind volunteers who were passing over water by hand.
•The main site's music is too loud.
•I wish there were Ko'Ko' bird trophies for other age categories.
•Given the climate, I can understand why the race starts at four in the morning. However, I think there needs to be more consideration given to safety.
•It was a little hard physically.
•There were few runners. It doesn't feel fun anymore.
•PowerAde's flavor is too strong.
•Because of the 4 o'clock start, I finished the race before sunrise. I couldn't see any scenery. The stars were beautiful, though.
•In hopes of seeing K'OK'O Road Races improve, I will deliberately not write about its positives. Instead, I will cite issues which should be improved.
•First, the 4 o'clock start. Being so early in the morning, there were naturally few locals to cheer us on. It felt a little forlorn. I guess that is a good time for running on Guam, but couldn't the race's start be delayed a little to even 5 o'clock?
•Because it was dark, it felt as if there was no scenery to be enjoyed. However, I was impressed by a lit-up location on the way. I think that could be a selling point if the races are to be run at this early hour. While illuminated displays are also seen during the Honolulu Marathon, they are all Christmas themed. Perhaps Guam can adopt a Halloween theme and expand the scale of lighting to ten, even hundred times what it is now? I think it would be a huge draw for a race event held at night.
•While there are many race events with cash prizes, they are earmarked only for a small group of elite athletes. Why not make categories in which ordinary people can win prizes? Why not expand the field of cash prizes and the raise the rate of returns to participants like you did with the costume category? I understand that the increased costs will have to be reflected in the entry fee, but isn't Guam on the inexpensive side for even half marathons? I don't think an entry fee hike of two to three thousand yen more would hurt.
•If the course were to go through the center of Tumon, I think there would be more spectators offering encouragement. The neon signs in town will also act as attractive illumination.
•This year's event coincided with big urban marathons in Japan—Osaka, Toyama, and Mito. If you're going to hold your race in October, I think it would be better to delay it by one week.
•If possible, I would like photos from the race and the finish line. It would be great if there were to be photo services even if I have to pay. I really hope you would consider supplying photos from this year's event, too.

OLD BUSINESS

NEW BUSINESS

ANNOUNCEMENTS

- Hong Kong Express inaugural flight will be this Thursday, December 15, 2016.
- JGTC meeting is scheduled for February 17, 2017.
- Guam Tourism Summit scheduled for late February.
- Next JMC meeting to be announced.

ADJOURNMENT

Moved by Mr. Nault seconded by Mr. Kawano to adjourn the meeting at 2:20 p.m. Motion approved.

Minutes prepared by: _____
June Sugawara, Marketing Officer II

Approved by: _____
Nadine Leon Guerrero, Marketing Officer II