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GVB Board Packet: August 10, 2017

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Thu, Aug 10, 2017 at 11:36 AM

8/10/2017	8/10/2017	Guam Visitors Bureau	GVB board packet of August 10, 2017."	34-17-866

OFFICE OF SPEAKER BENJAMIN J.F. CRUZ

Committee on Appropriations and Ways and Means

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Speaker Benjamin J.F. Cruz

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7 attachments

- Agenda_August102017.pdf 121K
- Exhibit_A_MINUTES_July272017.pdf 5472K
- Exhibit_B_CASH POSITION_Aug072017.pdf 20K
- Exhibit_C_GVBTestimony_SBill 22-34.pdf 159K
- Exhibit_D_NAP_Minutes_Aug022017.pdf 1111K
- Exhibit_E_RNMC_Minutes_Aug012017.pdf 327K
- Exhibit_F_DMC_Minutes_July112017.pdf 69K

0866

REGULAR BOARD OF DIRECTORS MEETING
Thursday, August 10, 2017 – 3:30pm
Guam Visitors Bureau Main Conference Room

A G E N D A

I. CALL TO ORDER

II. MINUTES OF THE PREVIOUS MEETING Exhibit A

Approval of minutes of the previous Board of Directors meeting dated July 27, 2017.

III. CHAIRMAN'S REPORT

IV. PRESIDENT & CEO'S REPORT

V. TREASURER'S REPORT Exhibit B

VI. REPORT OF THE BOARD COMMITTEES

A. EXECUTIVE COMMITTEE

TESTIMONY ON SBILL 22-34 Exhibit C

Motion to ratify Executive Committee's approval of GVB's testimony on SBill 22-34, "An act making appropriations for the operations of the executive, legislative, and judicial branches of the Government of Guam for fiscal year ending September 30, 2018 and for fiscal year ending September 30, 2019, making other appropriations, and establishing miscellaneous and administrative provisions."

B. JAPAN

Motion to approve travel for the Governor of Guam, his Security Officer, and the GVB President & CEO or his designee to participate in meetings in Tokyo, Japan from September 8-10, 2017. Estimated cost of travel is $8,942.70 to be paid from JA-SMD008.

Airfare:	$1,000 x 3 pax					$3,000.00
Per Diem:	Tokyo	Lodging	Nights	M&IE	Days	
	Governor of Guam	$345.80	3	$284.70	4	$2,176.20
	GVB President & CEO / Designee	$332.50	3	$273.75	4	$2,092.50
	Governor's Security Officer	$266.00	3	$219.00	4	$1,674.00
Total:						$8,942.70

Background: The Honorable Eddie B Calvo Governor of Guam will travel to Tokyo, Japan to participate in meetings with Japan travel trade industry to address the continue to address the concerning situation of Japan visitor arrivals. While in town, Governor Calvo will once again connect with airline executives to discuss the business case for sustaining, developing or starting service from Japan to Guam. It is the aggressive goal of GVB to directly tackle the challenges of the Japan market and to maintain and grow air seat capacity from this important source market.

Issue: Board approval required for all travel.

Motion to approve travel for the GVB President & CEO to participate in meetings in Tokyo, Japan from August 20-21, 2017. Estimated cost of travel is $1,880.00 to be paid from JA-SMD008.

Airfare:	$1,000 x 1 pax					$1,000.00
Per Diem:	Tokyo	Lodging	Nights	M&IE	Days	
	GVB President & CEO	$332.50	1	$273.75	2	$880.00
					Total:	$1,880.00

Background: The GVB President & CEO will travel to Tokyo to meet with Guam's key airline partner, United. Discussions will take place about how to strengthen Guam's promotions in the declining Japan market in order to increase demand and awareness. In addition, GVB President & CEO will participate in a media interview with Wing Travel to discuss GVB's upcoming programs and promotions to attract more Japanese visitors to our island paradise. While in town, continued follow-up discussions will also take place with GVB Japan and ADK about the aggressive marketing approach for Japan in the upcoming fiscal year.

Issue: Board approval required for all travel.

C. KOREA

D. MEMBERSHIP & COMMUNITY OUTREACH

E. NORTH AMERICA & PACIFIC MARKETS

Committee minutes dated August 2, 2017 **Exhibit D**

<u>73RD GUAM LIBERATION</u>

Motion to approve airfare support for two (2) visiting WWII Liberators who are also the Grand Marshals for this year's Guam Liberation event in July 2017. Cost is $2,000.00 per Liberator totaling up to $4,000.00 from the FY2017 U.S. Sales Marketing Development Acct# SMD023.

Background: Governor Eddie B. Calvo selected Mr. Gene Bell and Mr. Donald Hughes as this year's Grand Marshals. The visiting liberators participated in official ceremonies and festivities for the commemoration of the 73rd Liberation events. Both over 90 years of age, this may serve as their last visit to Guam.

Mr. Bell was apart of the replacement force following the first wave of Marines in 1944 and helped to alleviate enemy forces. Mr. Hughes was a Seaman First Class in the Navy aboard the USS Magoffin APA-199 and piloted a landing craft mechanized during the invasion of Okinawa.

To show support for their WWII contributions in liberating Guam, and as a gesture of goodwill and prosperity of historical preservation, the North America Marketing Committee recommends extending up to $2,000.00 per Liberator to help off-set the cost of their airfare to Guam.

Issue: Board approved for travel required.

F. RESEARCH

G. RUSSIA & NEW MARKETS

Committee minutes dated August 1, 2017 **Exhibit E**

H. VISITOR SAFETY & SATISFACTION

I. CULTURAL & HERITAGE

Motion to authorize the President and Chief Executive Officer as Chief Procurement Officer of GVB to enter into negotiations with the highest-ranking qualified Offeror in response to GVB RFP 2017-011 COMMUNITY BRAND BUILDING SUPPORT SERVICES, and if successful, to enter into a contract.

Background: GVB requires assistance from professional consulting services ("Offeror") to provide full service public relations communications and graphics services for GVB with emphasis on strengthening Guam's brand identity, coordinating and unifying marketing themes used by GVB and advancing Guam's destination image through community participation, strategic brand marketing and public relations activities.

Issue: Board approval required.

J. SPORTS & EVENTS

K. ADMINISTRATION & GOV'T RELATIONS

Motion to approve up to $10,000 to host a retirement appreciation reception for Ms. Gina Kono on August 18, 2017, up to $5,000 to come from FY2017 Membership Account and up to $5,000 to come from Marketing, of which accounts will be identified by Management.

Background: From Marketing Secretary to Marketing Officer I to Marketing Manager, Ms. Gina Kono has risen through the ranks of the Bureau's marketing department since 1983. She was responsible for the planning development, implementation and coordination of the Bureau's local and overseas travel trade related promotional programs and activities in the various markets she served.

Her contributions to the growth of tourism has been exceptional and has supported the bureau and the marketing department's mission with unwavering commitment and leadership beyond her call of duty. During her 33 years at the Bureau, she has been instrumental in the

development of emerging markets of the Russia, China, Philippines, Korea, North America, Taiwan, and Hong Kong.

L. DESTINATION MANAGEMENT

Committee minutes dated July 11, 2017 **Exhibit F**

M. GREATER CHINA

2017 INTERNATIONAL ISLANDS TOURISM CONFERENCE IN ZHOUSHAN, CHINA & IMG COLOR RUN SHANGHAI

Motion to approve travel for (1) GVB Board Director and (1) GVB Marketing Staff to participate in the Zhoushan City International Islands Forum in Zhoushan City, China and the IMG Color Run in Shanghai, China from September 21-25, 2017. Estimated cost is $9,248.75. Account: CI-SMD023: $4,555.00 and Account: AS-ESP001: $4,693.75.

Airfare:	$1,500 x 2 pax					$3,000.00
Per Diem:	Shanghai	Lodging	Nights	M&IE	Days	
	GVB Board Director	$323.75	6	$178.75	7	$3,193.75
	Marketing Staff	$259.00	6	$143.00	7	$2,555.00
Misc. Expenses:	Business communication costs & excess baggage fees					$500.00
					Total	$9,248.75

Background: The 2017 International Island Tourism Conference is an important platform for strengthening the civil diplomacy and establishment of friendly relations with the island countries and coastal cities. It is an important platform to learn and share the advance experiences of island tourism while enhancing international exchanges.

Known as the happiest 5K on the planet the Shanghai Color Run is a unique paint race that celebrates healthiness, happiness and individuality. This IMG organized event attracts over 40,000 people and provides us with a unique opportunity to promote the United Guam Marathon in celebration of United Airlines 3rd Anniversary of flights from Shanghai. United Airlines and agents will be invited to participate with GVB at the color run and have an opportunity to sell packages to Guam. The Color Run continues to draw affluent international travelers to over 200 events held globally. While there a meeting with IMG will be conducted.

VII. OLD BUSINESS

VIII. NEW BUSINESS

IX. EXECUTIVE SESSION

X. ANNOUNCEMENTS

- Quarterly membership meeting: Tuesday, August 15, 2017 at Westin Resort and Spa

Upcoming Board Meetings:

- Thursday, August 24, 2017 at 3:30pm, GVB Main Conference Room
- Thursday, September 14, 2017 at 3:30pm, GVB Main Conference Room

XI. ADJOURNMENT

Action Items:

1. VSS Committee to find solution for lighting issue along beaches
   - Lighted sidewalks
   - Lights provided by hotels, but not projected over water

   → Included in HOT Bond projects

2. Assignment of the Chairperson for the Administration and Government Relations Committee

3. ~~Management to look into drafting rules and regulations for signage in bus shelters~~ → Board policy: Bus shelter signage is for GVB use only

4. Management to facilitate meeting with GVB, GIAA, and GEDA regarding the current situation in the Japan market

5. ~~Management to schedule a board working session to discuss tourism capital improvements~~ → Completed on June 22, 2017

GUAM VISITORS BUREAU
SETBISION BISITAN GUÅHAN

BOARD OF DIRECTORS REGULAR MEETING

Thursday, July 27, 2017 – 3:30pm
Guam Visitors Bureau – Main Conference Room

BOARD OF DIRECTORS PRESENT:

Director Milton Morinaga	Director Monte Mesa
Director Brad Kloppenburg	Director Satoru Murata
Director William Nault	Director Theresa Arriola
Director Bart Jackson	Director Tak Takano
Director Young Hong	Director Robert Hofmann

BOARD OF DIRECTORS TELEPHONICALLY:

BOARD OF DIRECTORS ABSENT:

Director Katarina Sgro	Director Eduardo "Champ" Calvo
Director Sam Shinohara	

GVB MANAGEMENT & STAFF PRESENT:

Antonio Muna	Karida Brennan	Dee Hernandez
Brian Borja	Doris Ada	Josh Tyquiengco
Laurette Perez	Lisa Linek	Nico Fujikawa
June Sugawara	Elaine Pangelinan	Nakisha Onedera Garrido
Meriza Peredo	Colleen Cabedo	Nadine Leon Guerrero
Sydney Leon Guerrero		

GVB MANAGEMENT & STAFF TELEPHONICALLY:

GUESTS:
Jayde Bello – Market Research and Development
Fred Schumann – University of Guam
James Servino – Senator Regine Biscoe Lee's Office
Joe Mesngon – Senator Dennis Rodriguez's Office
Alex Aguon – GVB Intern

In the absence of President Denight due to travel, Vice President Muna served as Acting President & CEO.

I. CALL TO ORDER

Chairman Morinaga called the meeting of the board to order at 3:30pm.

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

Vice Chairman Mesa made a motion, seconded by Director Hofmann, to approve the minutes of the previous board of directors meeting dated June 22, 2017.
Motion unanimously approved (Subject to minor revisions)

III. CHAIRMAN'S REPORT

- Chairman Morinaga reported that the Japan market still needs work.
- He also mentioned that he attended a workshop with the FBI. A special agent requested to be invited to all meetings GVB has with GPD moving forward. This would help the FBI in their efforts to prevent terrorist activity. Chairman Morinaga asked that we share a calendar of events with them as well.

- Lastly, he reported that we are still in discussions with JMC and JGTA to resolve the bus shelter maintenance issue.

IV. PRESIDENT & CEO'S REPORT



July 2017
July 1-25, 2017 — **Total: 101,392 (+4.6%)**

% Market Mix	Origin	2016	2017	% to LY
37.8%	Japan	42,070	38,315	-8.89%
47.4%	Korea	39,469	48,107	21.9%
1.6%	China	1,660	1,635	-1.5%
0.7%	Hong Kong	613	681	11.1%
2.0%	Taiwan	3,160	2,061	-34.8%
5.3%	US/Hawaii	4,936	5,402	9.4%
1.0%	Philippines	1,368	991	-27.6%

GUAM VISITORS BUREAU

Source: Guam Customs Declaration Forms. Processed by the Guam Visitors Bureau. Note: July 2017 Daily Arrivals reflect Civilian Air arrivals only

Fiscal Year to Date 2017
October 2016 – July 25, 2017 — **Total: 1,266,676 (+4.9%)**

% Market Mix	Origin	2016	2017	% to LY
43.3%	Japan	595,730	548,637	-7.9%
41.0%	Korea	418,922	519,151	23.9%
1.6%	China	21,969	19,728	-10.2%
1.2%	Hong Kong	7,105	14,810	108.4%
2.5%	Taiwan	33,857	31,243	-7.7%
5.0%	US/Hawaii	61,145	62,851	2.8%
1.3%	Philippines	15,331	16,906	10.3%

GUAM VISITORS BUREAU

Source: Guam Customs Declaration Forms. Processed by the Guam Visitors Bureau. Note: July 2017 Daily Arrivals reflect Civilian Air arrivals only

RESEARCH

Calendar Year to Date 2017
January-July 25, 2017 — **Total: 875,747 (+4.3%)**

% Market Mix	Origin	2016	2017	% to LY
41.9%	Japan	407,064	367,037	-9.8%
41.9%	Korea	292,447	367,145	25.5%
1.6%	China	17,324	14,341	-17.2%
1.3%	Hong Kong	4,586	11,312	146.7%
2.5%	Taiwan	24,831	21,522	-13.3%
5.1%	US/Hawaii	44,218	44,950	1.7%
1.1%	Philippines	11,257	9,879	-12.2%

GUAM VISITORS BUREAU

Source: Guam Customs Declaration Forms. Processed by the Guam Visitors Bureau. Note: July 2017 Daily Arrivals reflect Civilian Air arrivals only

MARKETING

GUAM VISITORS BUREAU
SETBISION BISITAN GUÅHAN

Marketing News

Håfa Adai Study Tour

- Dates: Jun 28-July 3, 2017
- 132 Participants:
  - Japan: 84 Korea: 11
  - PHL: 12 China: 32
- Welcome Receptions, Trade Show and focus on local Signature Event BBQ Block party
- Would not have been possible without a GREAT response and support from industry!
- Comp rooms with breakfast, comp and discounted optional tours
- Agents able to pick tours that could appeal to their client base





Marketing News

Håfa Adai Study Tour

- 52 Booth holders at Trade Show
- Site inspections conducted at 13 different hotels by multiple groups
- Participants included MICE planners, product developers, media and airline representatives
- Comp rooms with breakfast, comp and discounted optional tours



Marketing News

Dångkulo na Si Yu'os Ma'åse'

Guam Hotel & Restaurant Association (GHRA), Japan Guam Travel Association (JGTA), United Airlines, Japan Airlines, t'way, Korean Air, Jin Air & Cebu Pacific, Dusit Thani Guam Resort, Garden Villa Hotel, Guam Reef & Olive Spa, Hilton Guam Resort, Hotel Nikko Guam, Lotte Hotel Guam, Onward Beach Resort, Outrigger Guam Beach Resort, Pacific Star Resort and Spa, Sheraton Laguna Guam Resort, The Westin Resort Guam, Alupang Beach Club, Baba Corporation, Baldyga Group, DFS Guam, Discover Guam, Fiesta Resort Guam, Fish Eye Marine Park, Guam Plaza Hotel, Hard Rock Café, Joe's Jet Ski, Jungle Jim Island Adventure, Kloppenburg Enterprises, Lam Lam Tours & Transportation, LeoPalace Guam Resort, Micronesia Mall, Ocean Jet Club, Pacific Historic Parks, Encore, Starts Guam Golf Resort, Sea Grill & Underwater World, Two Lovers' Point, Zip Guam Inc., Agana Shopping Center, Ameri-Guam International Company, China International Travel, Easy Travel, Enterprise Rental, Guam Premier Outlets and Tumon Sands Plaza, Holiday Resort, Hotel Santa Fe, Mariana Ocean, PHR Ken Micronesia, PIC Guam, Royal Orchid Guam Hotel, Taico Automotive, UmiTrip Guam, the University of Guam, and the Guam Museum

Special Thanks to Chairman Morinaga, Vice Chairman Mesa, Mayor Hofmann, Director Kloppenburg, and Director Nault

Japan Marketing News

July	51,000	54,625	-6.64%	78,170	77,043	+1.46%
August	69,000	79,342	-13.03%	86,826	96,987	-10.48%
September	54,000	65,130	-17.09%	72,076	82,757	-12.91%

(Data Source : Diio Mi, JGTA and other MI.)

July 2017
Narita
UA: 21 flights per week (6,258)
DL: 12 flights per week (2,028)
JL: 7 flights per week (1,659)
Nagoya
UA: 14 flights per week (1,988)
Kansai
UA: 14 flights per week (2,324)
TW: 7 flights per week (1,323)
Fukuoka
UA: 7 flights per week (826)
Sapporo
UA:2 flights per week, (236) (Mon & Fri)
Sendai
UA: 2 flights per week, (236) (Thu & Sun)

August 2017
Narita
UA: 21 flights per week (6,258)
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Sapporo
UA:2 flights per week, (236) (Mon & Fri)
Sendai
UA: 2 flights per week, (236) (Thu & Sun)

Charter & Extra Flight Information:
July : (26 flights) : 4,490 seats
Narita : TW 18 flights 14-31Jul (3,384)
Nagoya : HY 4 flights 28-31Jul (592)
7C 1 flight 14Jul (160)
Kansai : UA 3 flights 28/30/31Jul (354)

August : (76 flights) : 11,638 seats
Narita : TW 27 Flights 01-27Aug (5,076)
UA 12 Flights 1/3/5/6/8/10/12/15/17/19/22/24/26Aug. (1,416)
Nagoya : HY 26 Flights 01-26Aug (3,848)
Kansai : UA 11Flights 2/4/6/7/9/11/13/14/16/18/20Aug. (1,298)

G/Total 102 flights, 16,128 seats

Japan Marketing News

JATA Tourism Expo 2017

- Dates: September 21-24, 2017
- Location: Tokyo Big Sight
- 8 booth spaces



Korea Marketing News

June 2017 Update
Travel Trade Support

Hana Tour – Celebrity Chef Tour

- Travel period: June 25 ~ 30, 2017
- Dinner show: June 28 ~ 30, 2017
- Venue: Hilton Hotel Guam
- Actual Sales: 338pax

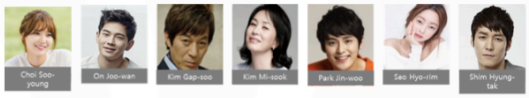


GUAM VISITORS BUREAU
SETBISION BISITAN GUÅHAN

Korea Marketing News

June 2017 Update
MBC Drama Shooting (June 22 – July 5)

- Title: Man Who Sets the Table
- Genre: Family Comedy Drama
- Channel & length: MBC's weekend TV series, 50 episodes * 60 minutes
- Airing date: Every SAT and SUN (20:45pm) from September 2, 2017
- Main characters: Soo Young & On, Joo Wan





China Marketing News

3 month Forecast

Month	Forecast Pax	Last Year	%Change	Seat Forecast '17	Seat Data '16	% Change Seats
July	1800	1660	8.4 %	3226	4014	-19.6%
August	1700	2077	- 18 %	3226	4014	-19.6%
September	1500	1624	- 7.6%	3608	3726	-3.2%

July

Shanghai UA : 9 flights this month=1062 (B737-700)

Nationwide
KE, estimated 2000 seats per month for China market (A330-300)

Hong Kong
-UA:4 flights per week, estimated 664 seats per month for China market (A737-88)

August

Shanghai UA : 9 flights this month=1062 (B737-700)

Nationwide
KE, estimated 2000 seats per month for China market (A330-300)

Hong Kong
-UA:4 flights per week, estimated 664 seats per month for China market (A737-88)

September

Shanghai UA : 8 flights this month=944 (B737-700)

Nationwide
KE, estimated 2000 seats per month for China market (A330-300)

Hong Kong
-UA:4 flights per week, estimated 664 seats per month for China market (A737-88)

China Marketing News

Fliggy Alibaba Joint Promotion

- Dates: Jun 10-15 and Sept 10-14, 2017
- Personnel: 22 travel bloggers and media
- Travel bloggers have been invited to experience Guam and posted or live streamed about this "mysterious journey" on social media with a total impression of 100 millions
- IQiyi filming crew filmed 4 episodes of Guam. Two episodes have been released, 2 more to be released in August

Partners: United Airlines, Valley of the Latte, Fish Eye Marine Park, Skydive Guam, Arluis Wedding, Hyatt Regency Guam, The Westin Guam Resort, Guam Reef & Olive Spa Resort, and Fiesta Guam Resort, Umitrip



China Marketing News

"Beautiful Accident" Movie

- Cross media promotional tie-in
- Weibo, Bluegogo, Huayi, WeChat, Vivi magazine and at movie premiere night
- Reached 15,804,000 with #MeetBeautifulGuam on weibo
- Leading actresses Gui Lunmei and Ouyang Nana recorded promotional videos of Guam.
- Supported by United Airlines

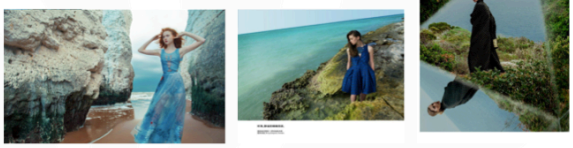


China Marketing News

COSMO Bride Shooting Project in Guam

- Magazine read by nearly 89% of all wedding professionals in China
- Consumers looking for the latest wedding trends
- Guam scheduled to be covered in September issue

COSMObride 时尚新娘





- STAR Report by Dr. Fred Schumann (University of Guam), assisted by Jayde Bello (Market Research and Development)

GUAM VISITORS BUREAU
SETBISION BISITAN GUÅHAN



Survey of Tourism Attitudes of Residents 2017

GUAM VISITORS BUREAU

MR&D Market Research & Development, Inc.

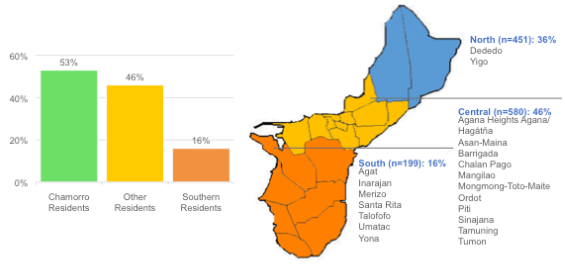
Prepared by Market Research & Development, Inc.
June 2017

Survey Design 2

- The last STAR survey was conducted by GVB in 2010. In conducting the survey in 2017, GVB was interested in tracking changes in attitudes recorded in prior surveys and investigating current issues, concerns and developments within the tourism industry. To accomplish this the project had three elements:
  1. **Qualitative Assessment**: Two focus groups were convened to explore issues important to residents today. The first group was comprised of "cultural stakeholders" to discuss issues about tourism that may be effecting the culture of Guam. The second group was among local private and public stakeholders representing local government and business interests.
  2. **Quantitative Survey:** More than 1,200 local residents inclusive of 600 Chamorros were interviewed over a four week period. Survey quantitatively assessed Issues identified through the focus groups and tracked changes in items of importance to GVB from prior surveys.
  3. **Drivers Analysis:** The quantitative survey provided the means to identify what is most important in shaping the attitudes of residents regarding tourism. A two stage regression analysis was conducted and key drivers of local attitudes were identified.

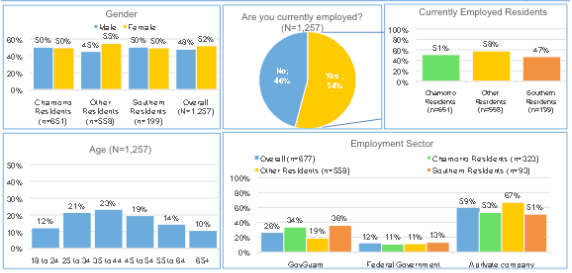
June 2017 GVB STAR Study MR&D

Sample Construction 3



June 2017 GVB STAR Study MR&D

Demographics 4



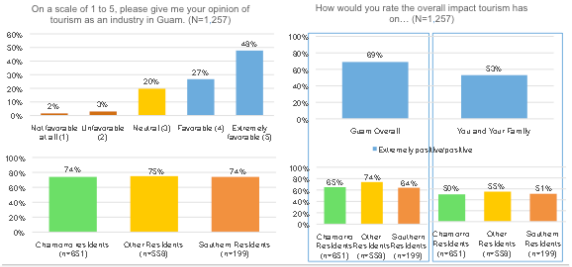
June 2017 GVB STAR Study MR&D

General Observations: Economic and Tourism Indicators 5

- Majority of residents view tourism favorably as an industry on Guam.
- Residents also have a positive outlook for the growth of Guam's economy.
- This year's survey indicated a greater tendency than in previous years to state that Guam has too many visitors.

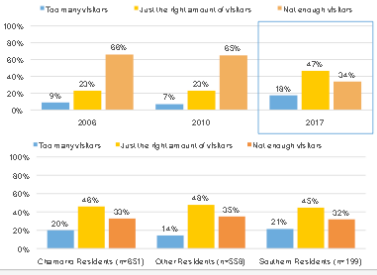
June 2017 GVB STAR Study MR&D

Favorability Towards Tourism 6



June 2017 GVB STAR Study MR&D

Number of Visitors to Guam 7



June 2017 GVB STAR Study MR&D

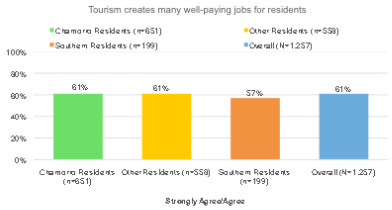
General Observations: Employment Indicators 8

- Most residents agree that tourism creates many well-paying jobs.
- Although there is a marked increase in residents agreeing that most industry managers are from Guam these days, there is an increase in the perception that most tourism jobs "don't offer much chance for advancement."

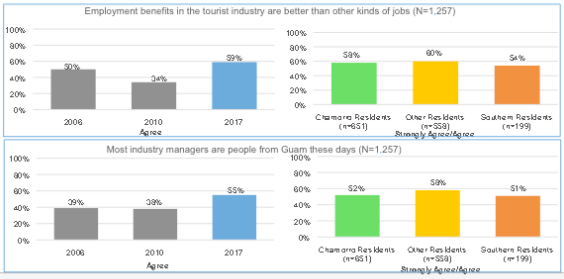
June 2017 GVB STAR Study MR&D

GUAM VISITORS BUREAU
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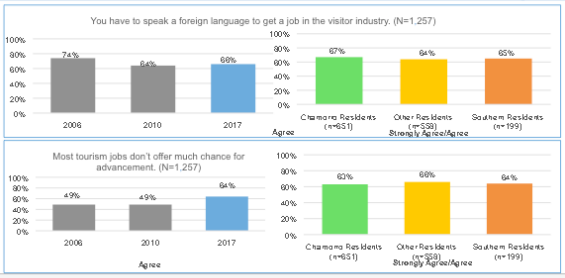
Employment Indicators 9



Employment Indicators 10



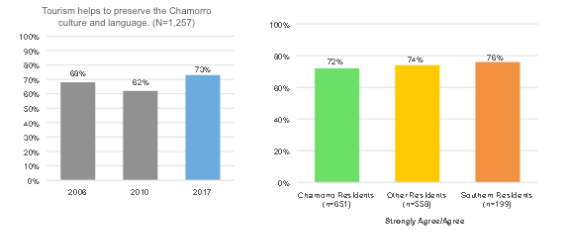
Employment Indicators 11



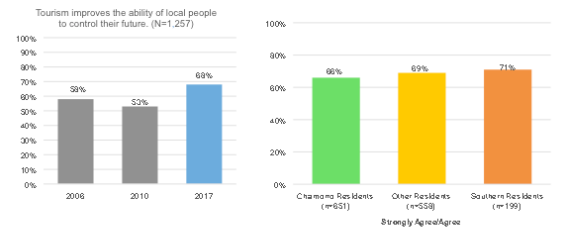
General Observations: Social, Cultural and Environmental Indicators 12

- Residents perceive there is balance between the benefits from tourism and the preservation of culture, environment, and quality of life.
- Perception concerning the number of visitors coming to Guam and the way tourism industry workers are perceived to be treated by visitors show a negative trend.
- Results this year show an increase in the proportion of residents agreeing with the statement that Guam has too much crime.

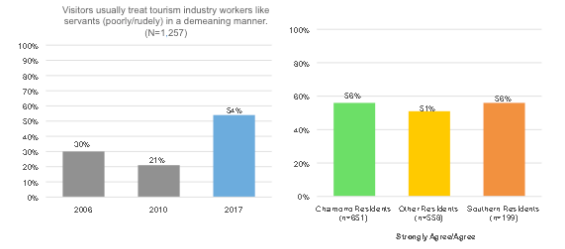
Social, Cultural and Environmental Indicators 13



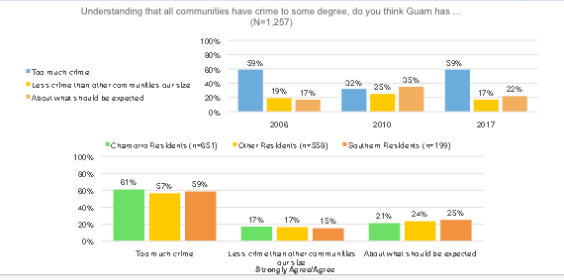
Social, Cultural and Environmental Indicators 14



Social, Cultural and Environmental Indicators 15



Social, Cultural and Environmental Indicators 16



GUAM VISITORS BUREAU | SETBISION BISITAN GUAHAN
401 Pale San Vitores Road I Tumon, Guam 96913 I Ph: (671) 646-5278 I Fax: (671) 646-8861 I www.visitguam.com

GUAM

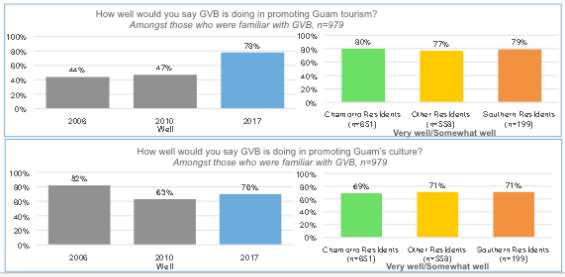
GUAM VISITORS BUREAU
SETBISION BISITAN GUÅHAN

General Observations: GVB 17

- Ratings of GVB's performance has increased significantly since 2010.
- Residents believe that GVB is doing a good job in promoting Guam and in promoting Guam's Culture.
- Residents indicated that GVB should focus on traditions, history and food when promoting Guam's culture to visitors.
- Residents surveyed were familiar with various "Hot Bond" projects and highly agree with the use of Hotel Occupancy Tax revenues for these purposes.
- For future GVB-sponsored community events, residents indicated high interest in Food, Traditions, and Arts/Craft events.

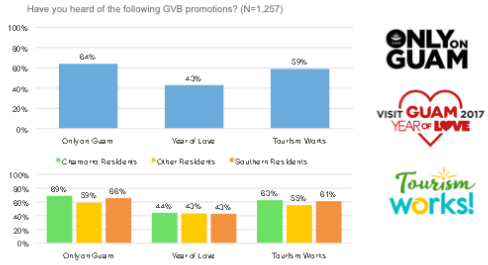
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Performance of GVB 18



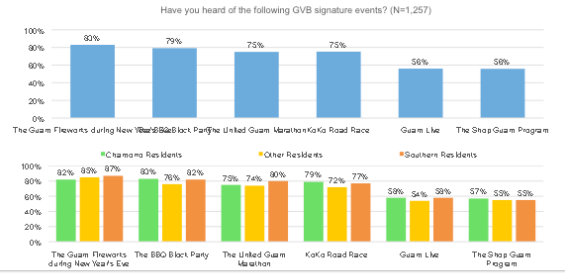
June 2017 GVB STAR Study MR&D

GVB Promotion Awareness 19



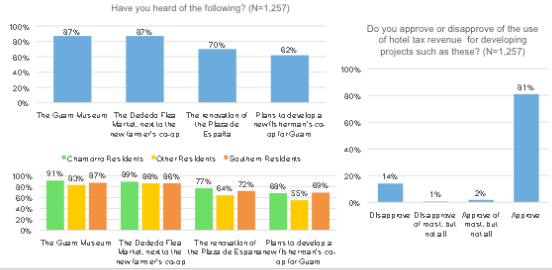
June 2017 GVB STAR Study MR&D

GVB Signature Events 20



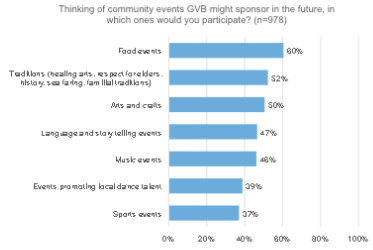
June 2017 GVB STAR Study MR&D

HOT Bond Projects 21



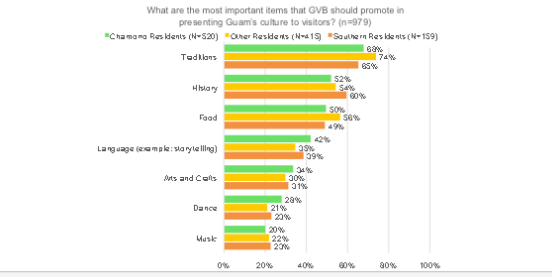
June 2017 GVB STAR Study MR&D

Future GVB-Sponsored Events Interest 22



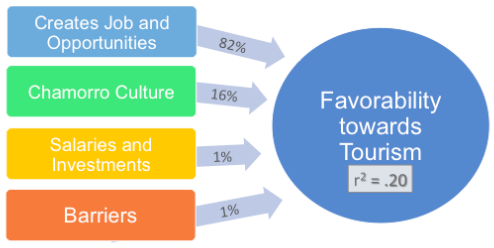
June 2017 GVB STAR Study MR&D

Top Cultural Elements of Guam 23



June 2017 GVB STAR Study MR&D

Drivers Analysis 24



June 2017 GVB STAR Study MR&D

- Director Jackson asked about the accuracy of the results considering 46% of participants were unemployed. Dr. Schumann agreed that while this is a valid point, other members of the unemployed participant's household might be employed. Director Kloppenburg added that some of the unemployed participants could also be retired.
- Director Jackson then asked about the Number of Visitors to Guam questions. Dr. Schumann explained that answers were based on perception. The point of this part of the

survey is that there more people who feel that there are just the right amount of visitors than those who feel that there are not enough visitors. Director Hofmann added that this perception may come from road traffic.

V. TREASURER'S REPORT

Exhibit B

FY 2016

	Appropriation	Received to Date		Balance	
Pass-Thru	$ 750,000.00	$ 712,500.00	95%	$ 37,500.00	5%
TOTAL RECEIVABLES FY 2016				**$ 37,500.00**	

FY 2017

	Appropriation	Received to Date		Balance	
Operations	**$ 21,282,472.00**	**$ 17,735,528.32**	**83%**	**$ 3,546,943.68**	**17%**
Destination Development	**$ 1,085,000.00**	**$ 904,166.66**	**83%**	**$ 180,833.34**	**17%**
Rainy Day Fund	$ 200,000.00	$ 166,666.66	83%	$ 33,333.34	17%
Cultural & Sports Ambassador Fur	$ 200,000.00	$ 166,666.67	83%	$ 33,333.33	17%
Pass-Thru	$ 1,085,000.00	$ 953,333.27	88%	$ 131,666.73	12%
TOTAL	**$ 23,852,472.00**	**$ 19,926,361.58**		**$ 3,926,110.42**	
TOTAL RECEIVABLES FY 2017				**$ 3,926,110.42**	
TOTAL RECEIVABLES				**$ 3,963,610.42**	

Accounts

RESTRICTED	
Bank of Guam - Rainy Day Fund[1]	$ 2,252,217.33
Cultural & Sports Ambassador Fund[2]	$ 511,143.82
TOTAL RESTRICTED	**$ 2,763,361.15**
UNRESTRICTED	
Bank of Guam - Operations	$ 12,806,367.92
First Hawaiian Bank - Membership	$ 108,820.45
Resona	$ 233,045.95
Bank of Guam - TAF	$ 911,599.35
Raymond James - CD value as of 06/30/2017[3]	$ 2,534,831.14
TOTAL UNRESTRICTED	**$ 16,594,664.81**
TOTAL CASH as of 07/24/2017	**$ 19,358,025.96**

Current Payables

Asatsu invoices MAR - MAY	$ 1,610,465.35
Japan Invoices	$ 64,506.67
Guam Invoices	$ 782,097.24
Pass-Thru	$ 29,166.67
Encumbered Contracts	$ 2,467,894.44
Encumbered Purchase Orders	$ 125,370.30
TOTAL as of 07/24/2017	**$ 5,079,500.67**

NOTES

NOTE 1

$2,252,217.33	Rainy Day Fund
($242,547.00)	Reimbursable Rainy Day Expenses - Japan
$2,009,670.33	

NOTE 2

$511,143.82	Cultural and Sports Ambassador Fund
($39,500.00)	Cultural and Sports Ambassador expenses - reimburse Operations
$471,643.82	

NOTE 3

$1,418,543.82	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
($150,000.00)	Board approved $150,000 on 02/02/17 for Planning, Architectural and Engineering Services for Tumon Bay Improvement
($50,000.00)	Ex Com approved $50,000 on 04/07/17 for Streetlight Project Management
($142,528.00)	Board approved $142,528 on 4/12/17 for VSS Supplemental Budget Request
($75,000.00)	Board approved $75,000 on 6/8/17 for Guam Basketball Federation FIBA U17 Championship Hosting
$64,473.82	

July 24, 2017

- Acting President Muna reported that we are on track with our appropriations.
- Director Jackson received word that some members of the legislature feel expenditures from the Tourist Attraction Fund are too focused on tourism when they need to be used to benefit the island more.
- Vice Chairman Mesa was concerned that the cash position did not reflect all expenditures approved by the board. He specifically asked about the balances of the Rainy Day Fund and Morgan Stanley/Raymond James – CD as the Accounts section and the NOTES section of report do not match. Acting President Muna explained that the NOTES section illustrates encumbrances made by the board, but they have yet to be paid. Director Jackson suggested adding the word 'Encumbered' to the NOTES section of the cash position moving forward.

VI. REPORT OF THE BOARD COMMITTEES

A. EXECUTIVE COMMITTEE

Vice Chairman Mesa made a motion, seconded by Director Jackson, to ratify Executive Committee's travel approval for Lt. Governor and one staff from Lt.'s Office to attend the Kashiwa Festival from July 28-30, 2017. (Estimated cost of travel $4,835.90 from Account# JA-TTC009).
Motion approved

Airfare:	$1,000.00 x 2 pax			$2,000.00
Per Diem:	Lodging $276.00 x 2 nights + 30%	x 1 pax		$ 717.60
	M&IE $227.00 x 3 days + 30% x 1 pax			$ 885.30
	Lodging $276.00 x 2 nights x 1 pax			$ 552.00
	M&IE $227.00 x 3 days x 1 pax			$ 681.00
			Total:	$4,835.90

Background: In keeping with our Friendship Agreement signed in 1991, a group of students from Kashiwa comes to Guam every year. Promoting cultural exchange programs, a delegation will be sent to Kashiwa to share Guam's culture with the Kashiwa International Relations Association. This group in turn comes to Guam.

Issue: Board approval needed for all travel.

PATA EXECUTIVE BOARD MEETING IN JULY 2017

Vice Chairman Mesa made a motion, seconded by Director Jackson, to ratify Executive Committee's approval to amend previously approved travel for President & CEO Jon Nathan Denight to attend the PATA Executive Board meeting on July 2017 in Bangkok, Thailand to include travel to Tokyo, Japan for GVB Japan Administrative Meetings. (Cost is approximately $1,541.25 from account no. JA-SMD008.)
Motion approved

Per Diem:	Tokyo	Lodging	Nights	M&IE	Days	
	President & CEO	$345.00	2	$283.75	3	$1,541.25
					Total:	$1,541.25

Background: GVB President & CEO will travel to Bangkok, Thailand via Tokyo, Japan to attend the PATA Executive Board meetings. While in Tokyo, Nathan is scheduled to meet with GVB Japan Director Satomi Yamamoto, the GVB Japan Sales Team, and GVB's Japan PR/Advertising agency, ADK, to address current FY2017 performance, sales activities, and PR/Advertising campaigns. Additionally, Nathan will maximize this opportunity to discuss the strategic direction of FY2018's sales and marketing promotions and campaigns per the GVB BOD and the GVB Japan Marketing Committee. FY2018 is fast approaching and now is the most opportune time for planning ahead in order to keep Japan market's activities aggressive and dynamic.

Issue: Board approval required for all travel.

B. GREATER CHINA

Committee minutes dated July 14, 2017 **Exhibit C**

Director Jackson made a motion, seconded by Vice Chairman Mesa, to authorize the President and CEO as Chief Procurement Officer of GVB to negotiate with the highest-ranking qualified Offeror in response to GVB RFP 2017-007, Tourism Destination Marketing Representation Services in China, and if successful, to enter into a contract.
Motion approved

Background: This agency will act as GVB's representative and liaison office in China for the purpose of promoting Guam tourism and achieving visitor arrival goals. The renewal of the Agency's contract after the first fiscal year will be based on the Agency's receipt of a satisfactory performance evaluation from GVB, the availability of funds, and a determination of need. The budget amount may vary year to year and is subject to change. The contractual obligation of both parties in each fiscal period succeeding the first is subject to appropriation and availability of funds.

Issue: Board approval required.

- Director Jackson asked what is budgeted for representation services for China. Marketing Manager for China Nadine Leon Guerrero stated that we currently pay $236,000.

Director Jackson made a motion, seconded by Vice Chairman Mesa, to authorize the President and CEO as Chief Procurement Officer of GVB to negotiate with the highest-ranking qualified Offeror in response to GVB RFP 2017-009, Travel Trade Incentives and Events Performance Audit Services, and if successful, to enter into a contract.
Motion approved

Background: During certain months of the fiscal year, GVB offers incentive plans within target market areas that require validated reports to track sales and monitor arrival numbers from their respective country to Guam. GVB therefore requires auditing services to validate the numbers submitted.

Issue: Board approval required.

C. JAPAN

Committee minutes dated July 11, 2017 **Exhibit D**

- Director Nault reported that in the most recent JMC meeting, Mr. Yamashita of Arluis shared that there is a decrease in the wedding market, but the team will continue to promote it with new chapels set to open this year.
- The team also discussed the new hotel being built next to Tumon Sands Plaza. The hearing for this hotel was initially scheduled for July but it has been postponed until September. The hotel will feature 250-300 rooms.
- JMC and JGTA have also been discussing the bus shelter maintenance issue. Vice Chairman Mesa and Acting President Muna noted that all bus shelters should be completed by the end of September.
- Director Jackson suggested that we have a board session solely for the Japan team to explain to the rest of the directors what is being done to improve the current state of the Japan market. The board needs to be more informed about what is being done to resolve this issue because they are accountable. Moreover, Guam cannot survive without a strong Japan market. Director Arriola added that she would like to know what strategies are being used to increase numbers in a different segment of the population in Japan and/or to slow the decline. Chairman Morinaga agreed that a board session would be beneficial but needs to discuss the details with President Denight.

D. KOREA

Committee minutes dated June 20, 2017 **Exhibit E**

Committee minutes dated July 11, 2017 **Exhibit F**

- Director Jackson reported that the team has a number of upcoming activities including a US Commercial Service Officer from the US Embassy in Korea who will be coming to Guam and speaking at the GVB membership meeting in August.
- He touched on the events around the Air Seoul launch that is scheduled for September and a couple upcoming missions in Korea.

E. MEMBERSHIP & COMMUNITY OUTREACH

- Director Kloppenburg reported that our next quarterly membership meeting will be on August 15 at the Westin Resort and Spa.
- We are currently accepting 2018 membership renewals and applications.
- As of today, we have 393 members.

F. NORTH AMERICA & PACIFIC MARKETS

G. RESEARCH

Director Jackson made a motion, seconded by Director Hofmann, to authorize the President and CEO as Chief Procurement Officer of GVB to enter into a contract with the lowest responsible and responsive bidder for GVB IFB 2017-006.
Motion approved

Background: The project consists of furnishing all necessary labor, materials, equipment, tools and services for the PRINTING OF GUAM CUSTOMS AGRICULTURE DECLARATION FORMS as generally described in the Scope of Work to print, package and deliver the Guam Customs/Agriculture Declaration Form on an as needed basis as directed by the GVB Research Department.

Issue: Board approval required.

H. RUSSIA & NEW MARKETS

- Director Jackson reported that the Russia market picks up in the summer. We have a regular Russian presence so business is somewhat like last year. With Donald Trump and Vladimir Putin's relationship, we can expect good things from this market.

I. VISITOR SAFETY & SATISFACTION

- Director Hong reported that the RFP for the Visitor Safety Officer Program will be announced during the first week of August.
- Video production for the Visitor Industry Professional Program commenced and the first set of drafts will be submitted during the first week of August.
- We will be providing financial support for the Southern Guam Soil and Water Conservation District.
- Tour Guide Certification will take place from August 7 to August 14 at GCC.
- The HERO Awards will be on Friday, July 28 at the Hilton Resort and Spa. Seventy-nine individuals have been nominated.
- New crosswalk signs will be installed throughout San Vitores Road. Signs will be translated for all source markets. The deadline to respond for this RFQ is July 31.

J. CULTURAL & HERITAGE

K. SPORTS & EVENTS

- Director Nault reminded the board that the Ko'ko' Half Marathon will be on October 29 in Agana.

L. ADMINISTRATION & GOV'T RELATIONS

- Director Jackson touched on the possible minimum wage increase. He stated that the Guam Chamber of Commerce and the Guam Hotel and Restaurant Association have been working directly with Speaker Cruz on this issue. Director Jackson stated there will either be a $0.45 or $0.50 increase to Guam's minimum wage effective January 1. Furthermore, tip credit will be adjusted to $8.25 meaning restaurant servers will not be impacted by the increase if their tips can be offset by the same amount.

M. DESTINATION MANAGEMENT

- Vice Chairman Mesa reported that of the 495 streetlights that need repairs, 374 have been completed. He advised the board to report any issues they come across to Destination Specialist for Infrastructure and Maintenance Doris Ada.
- He also thanked the team for their expediency in fixing the damaged road near T Galleria. The team will need to put out an RFQ for a more permanent solution for the road issues.
- Lastly, he reported that the signage proposal that was submitted to the legislature and the Governor's Office is for the hotel zone only.

VII. OLD BUSINESS

VIII. NEW BUSINESS

IX. EXECUTIVE SESSION

X. ANNOUNCEMENTS

Announcements:

- Quarterly membership meeting: Tuesday, August 15, 2017 (Tentative)

Upcoming Board Meetings:

- Thursday, August 10, 2017 at 3:30pm, GVB Main Conference Room
- Thursday, August 24, 2017 at 3:30pm, GVB Main Conference Room

XI. ADJOURNMENT

Director Hofmann made a motion, seconded by Director Kloppenburg, to adjourn the meeting. Meeting adjourned at 4:33pm.
Motion unanimously approved

Action Items:

1. VSS Committee to find solution for lighting issue along beaches
   - Lighted sidewalks
   - Lights provided by hotels, but not projected over water

2. Assignment of the Chairperson for the Administration and Government Relations Committee

3. Management to look into drafting rules and regulations for signage in bus shelters

4. Management to facilitate meeting with GVB, GIAA, and GEDA regarding the current situation in the Japan market

5. ~~Management to schedule a board working session to discuss tourism capital improvements~~ → Completed on June 22, 2017

FY 2016

	Appropriation	Received to Date		Balance	
Pass-Thru	$ 750,000.00	$ 712,500.00	95%	$ 37,500.00	5%

TOTAL RECEIVABLES FY 2016 **$ 37,500.00**

FY 2017

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Destination Development	**$ 1,085,000.00**	**$ 904,166.66**	**83%**	**$ 180,833.34**	**17%**
Rainy Day Fund	$ 200,000.00	$ 166,666.66	83%	$ 33,333.34	17%
Cultural & Sports Ambassador Fu	$ 200,000.00	$ 166,666.67	83%	$ 33,333.33	17%
Pass-Thru	$ 1,085,000.00	$ 953,333.27	88%	$ 131,666.73	12%
TOTAL	**$ 23,852,472.00**	**$ 19,926,361.58**		**$ 3,926,110.42**	

TOTAL RECEIVABLES FY 2017 **$ 3,926,110.42**

TOTAL RECEIVABLES **$ 3,963,610.42**

Accounts

RESTRICTED

Bank of Guam - Rainy Day Fund[1]	$ 2,252,217.33
Cultural & Sports Ambassador Fund[2]	$ 511,143.82
TOTAL RESTRICTED	**$ 2,763,361.15**

UNRESTRICTED

Bank of Guam - Operations	$ 14,295,721.27
First Hawaiian Bank - Membership	$ 110,227.12
Resona	$ 213,804.65
Bank of Guam - TAF	$ 787,149.36
Raymond James - CD value as of 06/30/2017[3]	$ 2,534,831.14
TOTAL UNRESTRICTED	**$ 17,941,733.54**

TOTAL CASH as of 08/07/2017 **$ 20,705,094.69**

Current Payables

Asatsu invoices MAR - JUN	$ 1,787,066.02
Japan Invoices	$ 116,234.14
Guam Invoices	$ 802,418.56
Pass-Thru	$ 29,166.67
Encumbered Contracts	$ 2,225,878.88
Encumbered Purchase Orders	$ 137,919.77
TOTAL as of 08/07/2017	**$ 5,098,684.04**

NOTES

NOTE 1

$2,252,217.33	Rainy Day Fund
($257,300.91)	Reimbursable Rainy Day Expenses - Japan
$1,994,916.42	

NOTE 2

$511,143.82	Cultural and Sports Ambassador Fund
($49,600.00)	Cultural and Sports Ambassador expenses - reimburse Operations
$461,543.82	

NOTE 3

$2,534,831.14	Raymond James - CD
($1,169,250.98)	PAID - China airline incentive program and market advertising
($300,000.00)	PAID - Sponsorship Guam Football Association
($20,000.00)	PAID - GEDA Imagine Guam Masterplan Overlay
($471,902.53)	PAID - Pale San Vitores Road Bus Shelter Project
($28,783.52)	PAID - Planning, Architectural and Engineering Services for Tumon Bay Improvement
($75,000.00)	PAID - Sponsorship Guam Basketball Federation FIBA U17 Championship
($10,295.00)	PAID - Hagatna maintenance and streetscape project for GMIF
($338,382.63)	BALANCE - Pale San Vitores Road Bus Shelter Project
($121,216.48)	BALANCE - Planning, Architectural and Engineering Services for Tumon Bay Improvement
0.00	

GUAM VISITORS BUREAU
SETBISION BISITAN GUÅHAN

August 7, 2017

The Honorable Benjamin J.F. Cruz
Speaker
I Mina'trentai Kuattro Na Liheslaturan Guåhan
Guam Congress Building
163 Chalan Santo Papa
Hagåtña, Guam 96932

RE: Biennial Budget Bill Testimony

Håfa Adai Speaker Cruz,

Thank you for the opportunity to submit testimony on SBill 22-34, "the Biennial General Appropriations Act of 2018 and 2019."

The Guam Visitors Bureau realizes that resources available are tight and appreciates your work in putting together a budget proposal that strives for the adequate delivery of government services to the people of Guam.

The Tourist Attraction Fund (TAF) has reached the highest levels in history with the growth of tourism on Guam, and over the last several years, has been tapped to fund an increasing number of central government operations. GVB believes that in order to maintain the growth of Guam's number one industry, we need to invest additional resources into product development and marketing of our island destination.

As it currently stands in the biennial budget bill, we are concerned at the rollover of resources to GVB over the next two years.

Administration

In the proposed budget bill, GVB's administration was given $3,600,000 for FY2018 and a slight increase to $3,672,000 in FY2019. This figure does not take into account, increased personnel costs due to annual salary increments and the increased costs associated with paying GVB's retirees. GVB would have to eliminate training programs for employees and decreased maintenance of our building.

We are requesting to raise the GVB Administration's FY2018 appropriation by $250,000 to reflect a total appropriation of $3,850,000 and by $328,000 to reflect a total appropriation of $4,000,000 in FY2019.

Marketing

Over the last several years, Guam has been experiencing major challenges in Japan. We are looking for additional resources to stem the decreases in arrivals from our largest source market. The reason for the decline in Japanese arrivals from our top visitor source market was due in part to:

- Increased competition from Southeast Asia, Okinawa and Hawaii

- Guam is a more expensive destination
- The weakening of the Japanese Yen

Japan is a mature market for Guam and needs additional investments to maintain our market share and long standing relationships we have built over the last fifty years.

The Korean market is experiencing unprecedented growth that contributes to the increase in overall arrivals to our island. It is a young market for Guam and additional funding is still needed to support and maintain that growth. Some of the challenges we foresee in Korea are namely:

- Developing repeat visits from Korea through product enhancement
- Sustaining current air seat capacity while developing additional capacity
- Attracting different traveling segments to include educational groups, MICE and eco-tourism visitors

We are also experiencing exponential decreases from the Taiwan and Hong Kong market due to the suspension of service of Eva Air and HK Express this last year.

Should additional funds not be made available to combat these issues, GVB is not confident that the projection for the TAF will be realized.

We are requesting that the FY2018 GVB Marketing appropriation be raised by $2,000,000 to reflect a total appropriation of $16,570,216 and by $3,000,000 to reflect a total appropriation of $17,887,320 in FY2019.

Visitor Safety & Satisfaction

The 33rd Guam Legislature approved in FY2017 the Korean Concierge pilot program. With the success and positive feedback provided by our community and visitors, GVB included it in our budget submission under Visitor Safety & Satisfaction. This included expanding the program to serve all markets.

The call center associated with this program is E911 certified and currently assists the 911 call center at Guam Homeland Security should translation services be required.

This program would be eliminated should it not be funded in FY2018.

In addition to this, GVB would consider the following:

- Reducing the scope and area of responsibility for the Visitor Safety Officers.
- Eliminating the beach safety program.

We are requesting that the GVB's Visitor Safety & Satisfaction's FY2018 appropriation be raised by $500,000 to reflect a total appropriation of $1,450,000 and to rollover that amount into FY2019 to reflect a total of $1,450,000.

Destination Management

In FY2016, GVB was given a budget of $1,235,000 for maintenance projects such as Hagatna & Tumon Bay Beach Cleaning and the Island Road Maintenance. In FY2017, GVB was given

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$1,085,000 for these projects – a reduction of $150,000. Because of this, GVB had to reduce the scope of the island road maintenance project, cutting out major routes for grass cutting and trash pick-up. For FY2018, GVB proposed to restore these routes and to add new hardscape maintenance to fix some of the safety issues throughout Tumon.

Should we be given a rollover for Destination Management, GVB is considering the following:

- Reducing or eliminating the island roadway maintenance project.
- Removing Hagatna Bay from the Beach cleaning project.

While GVB prefers not to, there are serious concerns along sidewalks and roadways throughout Tumon that need to be addressed to ensure the safety of our local community and visitors that go to the Tumon tourist district.

We are requesting that the GVB Destination Maintenance FY2018 appropriation be raised by $415,000 to reflect a total appropriation of $1,500,000 and by $893,300 to reflect a total appropriation of $2,000,000 in FY2019.

Tourism Works for Guam

In order to continue the success the tourism industry on Guam has been experiencing over the last several years, GVB needs the necessary resources. This keeps tourism working for our community.

To this end we are proposing that the following categories in GVB's section of the biennial budget be increased in FY2018 by the amounts shown:

Category	FY2018 Budget Bill Current Amount	FY2018 GVB Proposed Increase	FY2018 GVB PROPOSED TOTAL
Administration	$3,600,000	$250,000	$3,850,000
Marketing	$14,570,000	$2,000,000	$16,570,216
Visitor Safety & Satisfaction	$950,000	$500,000	$1,450,000
Destination Management	$1,085,000	$415,000	$1,500,000

Secondly, we are proposing to increase GVB's Budget for FY2019 by the amounts shown:

Category	FY2019 Budget Bill Current Amount	FY2019 GVB Proposed Increase	FY2019 GVB PROPOSED TOTAL
Administration	$3,672,000	$328,000	$4,000,000
Marketing	$14,887,000	$3,000,000	$17,887,320
Visitor Safety & Satisfaction	$969,000	$481,000	$1,450,000
Destination Management	$1,106,700	$893,300	$2,000,000

The increases requested will give GVB a total FY2018 appropriation of $25,570,216 and $27,581,320 in FY2019. This reflects an eight percent (8%) increase between the two years.

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Lastly, after GVB's initial analysis of the budget bill, we noticed that the TAF in FY2018 is slightly over the amount projected to be collected.

We appreciate the support the Guam Legislature has given to us over the years and will continue to work with you to ensure a vibrant, growing and sustainable tourism industry for the people of Guam.

Si Yu'os Ma'ase,

JON NATHAN DENIGHT
President & CEO

CC: All Senators of the 34th Guam Legislature
GVB Board of Directors

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NORTH AMERICA/PACIFIC MARKETING COMMITTEE
WEDNESDAY, AUGUST 2, 2017 – 2:00PM
GVB MAIN CONFERENCE ROOM

PRESENT:
Mayor Robert Hoffman, Ana Marie Franquez, Susan Fryer, and Gary Cruz

ABSENT:
Theresa Arriola, Barbara Taitano, Katie Black, Emily Wallace, Sheila Shedd, Valerie Blas, Joanna Sablan, Rolenda Faasuamalie, John Calvo, Mai Perez, Paula Monk, Blessie Cruz, Joann Camacho

GVB STAFF AND MANAGEMENT:
Pilar Laguaña, Regina Nedlic, Gabbie Franquez

CALL TO ORDER
Chairman Mayor Robert Hoffman called the North America & Pacific meeting to order at 2:30p.m.

APPROVAL OF PREVIOUS MEETING MINUTES
Ms. Susan Fryer made a motion and seconded by Gary Cruz to approve the minutes of April 5, 2017. Motion approved unanimously.

REPORT OF THE CHAIRMAN
Chairman Hoffman proceeded to the Report of GVB Management.

REPORT OF GVB MANAGEMENT

A. VISITOR ARRIVALS

Philippines

Visitor Arrivals as of July 27, 2017

MARKET	CY-2016	CY-2017	MTD	TOTAL CYTD	% FROM LY
Philippines	21,657	8,888	1,108	9,996	-12.0%

MARKET	FY-2016	FY-2017	MTD	TOTAL FYTD	% FROM LY
Philippines	18,704	15,915	1,108	17,023	10.3%

GUAM VISITORS BUREAU

Source: Guam Visitors Bureau Visitor Exit Surveys

Pacific Markets

Calendar Year Arrivals as of July 27, 2017

MARKET	CY-2016	MTD	TOTAL CYTD 2016	TOTAL CYTD 2017	% FROM LY
GNMI	17,582	1,933	10,453	10,859	3.9%
RMI	1,219	130	750	744	-0.8%
FSM	11,120	1,010	6,402	6,144	-4.0%
Palau	4,792	400	2,821	2,110	-25.2%
Australia	2,197	208	1,446	1,580	9.3%

GUAM VISITORS BUREAU

Source: Guam Visitors Bureau Visitor Exit Surveys

Pacific Markets

Fiscal Year Arrivals as of July 27, 2017

MARKET	FY-2016	MTD	TOTAL FYTD 2016	TOTAL FYTD 2017	% FROM LY
GNMI	17,390	1,933	14,526	15,124	4.1%
RMI	1,146	130	982	1,049	6.8%
FSM	11,027	1,010	9,136	8,971	-1.8%
Palau	5,028	400	4,195	3,248	-22.6%
Australia	2,258	208	1,933	2,006	3.8%

GUAM VISITORS BUREAU

Source: Guam Visitors Bureau Visitor Exit Surveys



MARKET	CY-2016	CY-2017	MTD	TOTAL CYTD	% FROM LY
US Mainland	62,961	31,677	4,674	36,351	0.7%
Hawaii	14,740	7,871	1,078	8,949	5.8%
Canada	982	550	64	614	9.4%



MARKET	FY-2016	FY-2017	MTD	TOTAL FYTD	% FROM LY
US Mainland	62,479	45,878	4,674	50,552	1.5%
Hawaii	14,248	11,571	1,078	12,649	8.4%
Canada	952	806	64	870	10.5%

Ms. Pilar Laguaña presented to the committee the latest Philippines, Pacific, and North America visitor arrival numbers for both fiscal year and calendar year.

B. Monthly Activity Presentations

- **PHILIPPINES**



In June 21, 2017 GVB hosted a Guam - Cebu Pacific product update in Clark, Pampanga. This event was to share Guam's offerings but also to assist Cebu Pacific in our efforts to boost Philippine arrivals to Guam.



In July 4, 2017 GVB Philippines Representative Carmel Carpio attended the UA 35th Anniversary Gala Dinner in honor of the Manila-Guam service route. In addition, on July 5, 2017 GVB assisted with shell lei greeting service by Mr. & Miss Guam and cultural performances at the GIAA arrival gate to commemorate 35 years.

PHILIPPINE MARKET

JULY

The Travel Madness Expo at the SMX Convention Center - Mall of Asia remains to be the biggest travel fair held during the second half of the year. Organized by Travel Innovators, Inc., in partnership with the Tourism Promotions Board, Travel Madness Expo was held last July 6 – 9, 2017.

Now on it's sixth year, the show has evolved into a much awaited annual industry event covering practically all segments of the travel and tourism industry in the Philippines. With the objective of encouraging business activity in the travel industry during the low season, this expo gathers a number of reputable and trusted travel partners and providers that will ultimately offer both inbound and outbound tour products, accommodations, airfare and other travel-related services.

There were approximately 40,000 visitors this year.





The GVB delegation recently completed the Travel Madness Expo, which took place at the SMX Convention Center in Manila, Philippines on July 5-9, 2017. It was a very successful event and was the first consumer show to promote the Shop Guam eFestival 2017 with its booth design and flyers. There were about 40,000 attendees at the Travel Madness Expo.

PHILIPPINE MARKET

Media Event

July 6, 2017 – TPI / GVB PH Lounge

Attendees:

1) Gianna Maniego – Manila Bulletin
2) Dinna Vasquez – Business Mirror
3) Ed Uy – Standard Today
4) Ian Bacungan – AFP Radio

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1) Kazunori Atsuta – DFS Tgalleria
2) Audre Dela Cruz – Miss Guam
3) Pilar Laguana – GVB
4) Regina Nedlic – GVB
5) John Paul Calvo – GVB PH
6) Carmel Carpio – GVB PH



NORTH AMERICA/PACIFIC MARKETING COMMITTEE
WEDNESDAY, AUGUST 2, 2017 - 2:00PM
GVB MAIN CONFERENCE ROOM

GVB hosted a Media Event on the Wednesday before the Travel Madness Show. Media such as Manila Bulletin, Business Mirror, Standard Torday, and AFP Radio attended the media event, which we provided an update on the Guam presentation (Top 10 Things to do on Guam) and presented the SGeF.

PHILIPPINE MARKET

Trade Event







July 7, 2017 – TPI / GVB PH Lounge

Attendees:

1) Mareezelle Pangilinan – Aboex Travel
2) Jhaylee Wong – MTTA Travel / PTAA
3) Dolly Santos – Golden Sky Travel / PTAA
4) Lax Mendoza – Le Voyageur Int'l Travel / ATTA
5) Arjun Shroff – Shroff Travel
6) Susan Virtucio – Gurus Guides Travel / ATTA
7) Aileen Armando – City Destinations / QCTAA
8) Karen Santos – Aboex Travel
9) John Giray – US Commercial Services

–

1) Kazunori Atsuta – DFS Tgalleria
2) Audre Dela Cruz – Miss Guam
3) Pilar Laguana – GVB
4) Regina Nedlic – GVB
5) John Paul Calvo – GVB PH
6) Carmel Carpio – GVB PH

GVB also hosted a Trade Event on July 7, 2017 and met Mr. John Giray, from the U.S. Commercial Service along with other Travel Agents.

PHILIPPINE MARKET

July 6, 2017 – Meeting with Cebu Pacific Air



Attendees:

1) Blessie Cruz – Advertising & Promotions Director
2) Leopoldo Coronel – Sales Distribution Manager
3) Chat Alo – Corporate Sales Manager
4) Roland Rubio – Area Sales Manager
5) Cherrie Asuncion – Sales Supervisor
6) Ila Sison – International Market Specialist

–

1) Pilar Laguana – GVB Global Marketing Director
2) Regina Nedlic – GVB Marketing Manager – PH & Russia
3) Carmel Carpio – Market Account Director – GVB PH

Discussed were:

1) Ex Guam
   - Guam Liberation Day – CEB to join the Liberation Day parade on July 21. Regina to send CEB event details.
   - CEB to send a representative from HQ to attend monthly NAP Committee Meeting
   - GVB to endorse CEB to consulate offices of Micronesian islands
   - CEB should be listed on the Telephone Directory in Guam
   - 2017 events that CEB should be part of: Ka'ko Road Races and Shop Guam e-Festival

2) Ex Philippines
   - CEB to participate in the 2017 Shop Guam e-Festival as vendor
   - CEB gave an update on Digital Coop Campaign
   - CEB to conduct a VizMin Road Show / Product Update: Cebu, Bacolod, Iloilo, Davao – No confirmed dates yet.
   - GVB to confirm with USCS why we cannot promote Cebu Pacific

NORTH AMERICA/PACIFIC MARKETING COMMITTEE
WEDNESDAY, AUGUST 2, 2017 – 2:00PM
GVB MAIN CONFERENCE ROOM

On July 6, 2017, GVB had a meeting with Cebu Pacific Air and their Marketing & Sales Department to discuss our aggressive media campaign that is on-going and provided an update. Cebu also connected with the Filipino Community of Guam and assisted with their Liberation Day Parade float, which placed 3rd place. Also discussed was the Shop Guam eFestival, upcoming media fam tours and co-op campaigns with Cebu Pacific.

PHILIPPINE MARKET

US Commercial services - Platinum Key Services



In working with the U.S. Commercial Service, GVB is participating in the USCS program called the Platinum Key Service, which is targeted to help promote our events through the USCS Facebook, key travel agents, and contacts. Ms. Susan Fryer noted, that a hardship that Filipino travelers experience is when applying for a visa. The process is long and most of the time unfavorable. Ms. Regina Nedlic noted that Cebu Airlines, USCS, and GVB are working together to get the information about Guam and the visa procedures to the to their key agents and their travel partners to make the visa process smoother.

PHILIPPINE MARKET

Digital Coop Campaign with Cebu Pacific

Tasks	Dates
Approval from GVB and cost	May 22 – June 16
Finalize mechanics and prepare for DTI application	Week of June 19
DTI application	Until July 15
Teasers	July 15-30
Launch (seat sales)	Aug – December
Launch (FB contest)	2nd week of August
Shoot with winner	September
Baggage Allowance promo	August - December
Testimonials from real passengers and vloggers	September - October
Release of winner's video/slideshow	October
FA of website design creatives	September - October
Development of webpage	October
Launch of interactive webpages	November

Ms. Regina Nedlic shares the list of upcoming tasks between GVB and Cebu Pacific. Currently GVB and Cebu Pacific is working to offer a free baggage promotion. Also, we plan to set up a Travel Agent Seminar. Dates will be shared as soon as they are confirmed.

PHILIPPINE MARKET

MICE Groups for August:

1) Manulife Annual Incentive Trip
- August 18 to 21
- 135 pax
- Sheraton Laguna Guam Resort
- Philippine Airlines

2) United Laboratories Doctors Conference
- Total of 230 pax. 10 batches of 23 pax per batch
- August – September
- Holiday Resort
- Philippine Airline

MICE groups coming in August: Manulife Annual Incentive Trip and United Laboratories Doctors Conference

❖ PACIFIC

PACIFIC MARKET

PATA Micronesia Chapter 2nd Tri-Annual Meeting
Yap, FSM
June 14-17, 2017





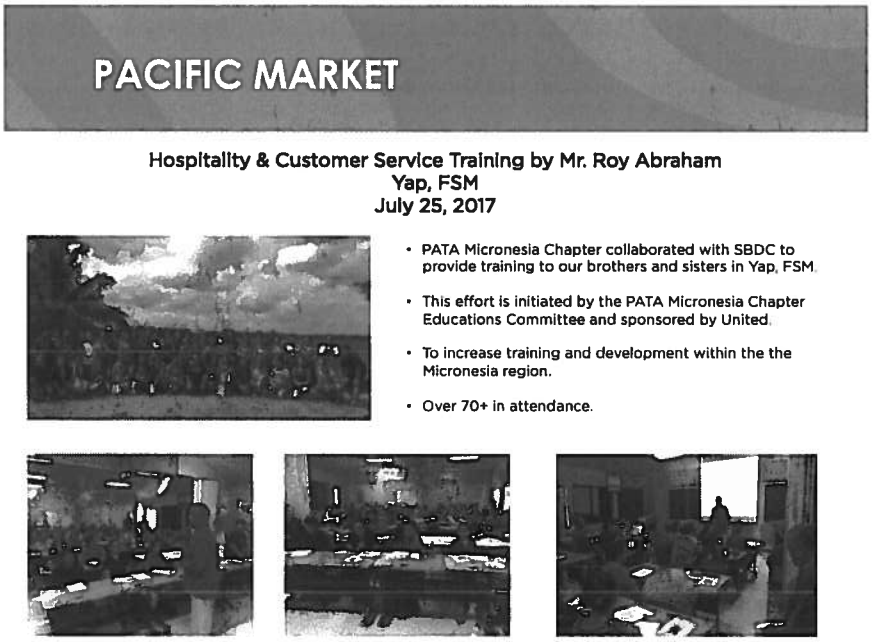


- GVB Delegates: Pacific Markets Manager, Mark Manglona and Marketing Admin Assistant, Gabbie Franquez attended the 2nd Tri-Annual Meeting in Yap, FSM.
- Productive meeting that also allowed for members to participates in the Yap Homecoming Summer Festival from June 16-17, 2017.
- Immediate Past Chairman, Mr. Andrew Jones attended the General Membership meeting and was the keynote speaker at the Yap Homecoming Summer Festival.



NORTH AMERICA/PACIFIC MARKETING COMMITTEE
WEDNESDAY, AUGUST 2, 2017 – 2:00PM
GVB MAIN CONFERENCE ROOM

PATA Micronesia 2nd Tri-Annual Meeting took place in Yap, FSM on June 14-17, 2017 in conjunction with the Yap Homecoming Summer Festival. GVB delegates in attendance were Mr. Mark Manglona, Pacific & North American Marketing Manager and Ms. Gabbie Franquez, Marketing Administrative Assistant. Also in attendance was PATA's Immediate Past Chairman, Mr. Andrew Jones who was the keynote speaker for the Yap Homecoming Summer Festival. The next PATA Micronesia Chapter meeting will take place either in September or December this year.



Hospitalilty and Customer Service Training was conducted by Mr. Roy Abraham, General Manager of Pacific Star Hotel & Spa on July 24, 2017 in Yap, FSM. Pacific Star is an active member within the PATA Micronesia Chapter and Mr. Roy Abraham works closely with the Chapter's Education Committee. The training has over 70 participants.

NORTH AMERICA/PACIFIC MARKETING COMMITTEE
WEDNESDAY, AUGUST 2, 2017 - 2:00PM
GVB MAIN CONFERENCE ROOM



PATA Travel Mart 2017,
Macao, SAR - Micronesia Pavilion
September 13-15, 2017



PATA New Tourism Frontier Forum
Palau, Micronesia
November 15-17, 2017

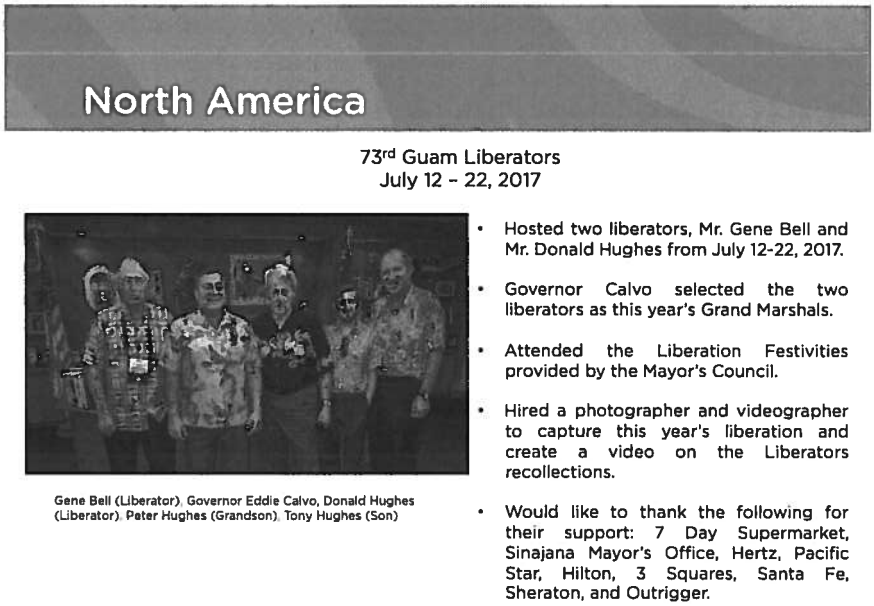


The PATA Travel Mart (PTM) 2017 is set to take place in Macau, SAR on September 13 -15, 2017. From the Micronesia region, Guam, Palau, and CMNI are participating booth holders. We welcome our members to participate and join one of the largest B2B shows. PATA Executive Board Meeting will also take place in Macao, SAR on September 15-17, 2017. Both Nathan Denight and Pilar Laguana serve on the PATA EB Board.

PATA New Tourism Frontiers Forum will be in Koror, Palau on November 15-17,2017. Since the 2016 PATA Annual Summit, which was held in Guam, we have been actively promoting the Micronesia region and engaging PATA to host more events in the Pacific region. Visit PATA.org website to sign up to join the B2B conference.

NORTH AMERICA/PACIFIC MARKETING COMMITTEE
WEDNESDAY, AUGUST 2, 2017 - 2:00PM
GVB MAIN CONFERENCE ROOM

❖ **NORTH AMERICA**



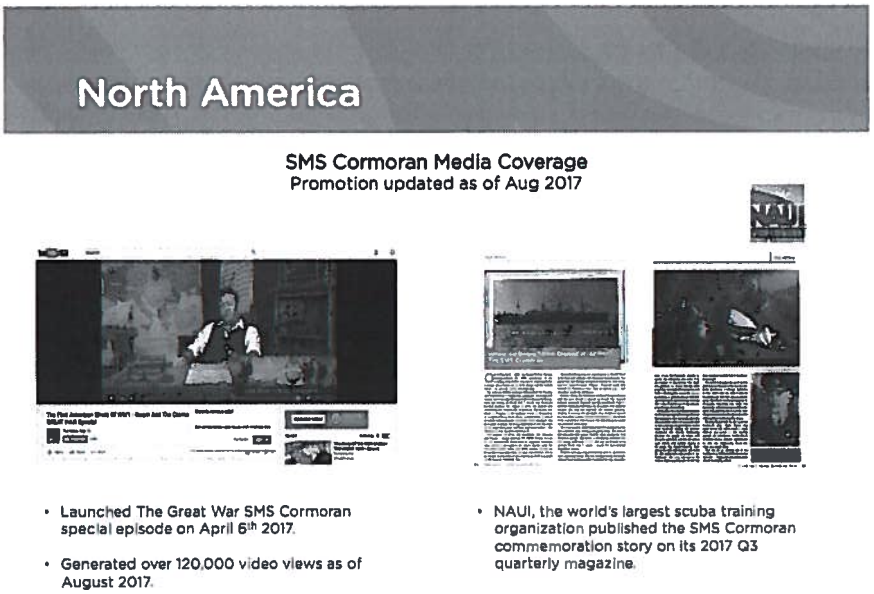
73rd Guam Liberation

Moved by Ms. Fryer and seconded by Ms. Ana Marie Franquez to approve the airfare support for two (2) visiting WWII Liberators who are also the Grand Marshals for this year's Guam Liberation event in July 2017. Cost is $2,000.00 per Liberator totaling up to $4,000.00 from the FY2017 U.S. Sales Marketing Development Acct# SMD023. Motion approved unanimously.

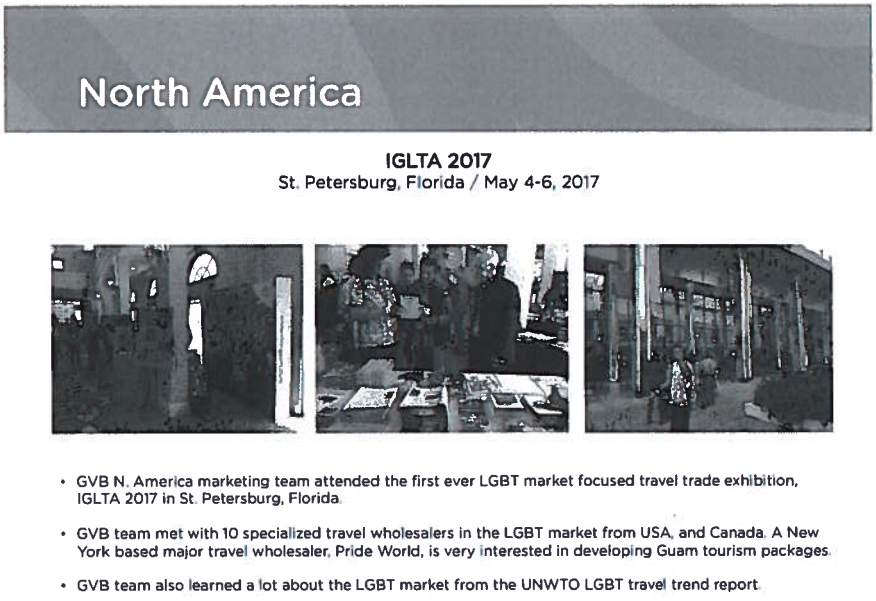
Background: Governor Eddie B. Calvo selected Mr. Gene Bell and Mr. Donald Hughes as this year's Grand Marshals. The visiting liberators participated in official ceremonies and festivities for the commemoration of the 73rd Liberation events. Both over 90 years of age, this may serve as their last visit to Guam.

Mr. Bell was apart of the replacement force following the first wave of Marines in 1944 and helped to alleviate enemy forces. Mr. Hughes was a Seaman First Class in the Navy aboard the USS Magoffin APA-199 and piloted a landing craft mechanized during the invasion of Okinawa.

To show support for their WWII contributions in liberating Guam, and as a gesture of goodwill and prosperity of historical preservation, the North America Marketing Committee recommends extending up to $2,000.00 per Liberator to help off-set the cost of their airfare to Guam.

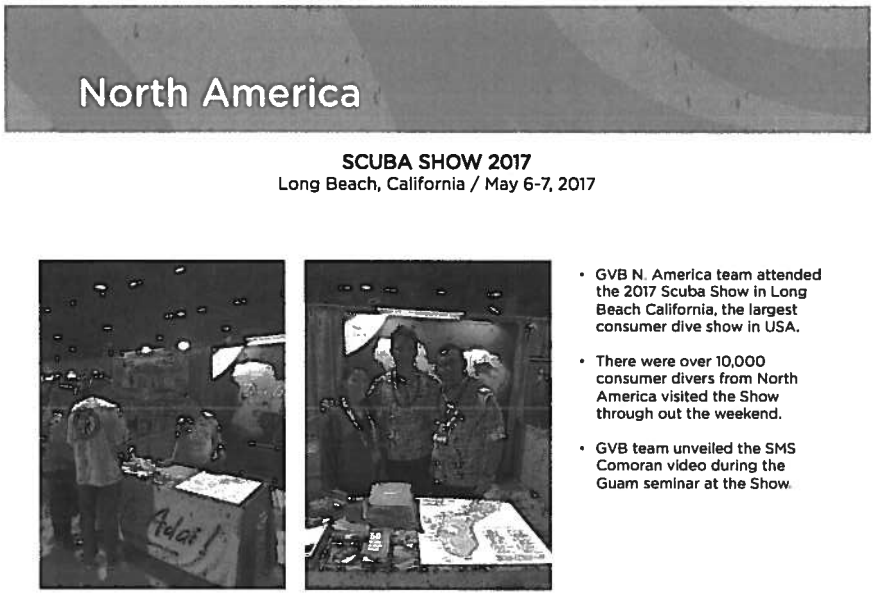


GVB commemorated the 100th year of the scuttling of the SMS Cormoran. The event took place on April 7, 2017. GVB North America office collaborated with the Great War to launch an episode on the SMS Cormoran. Currently the Youtube video has generated over 120,000 views as of August 2017. Additionally, NAUI, the world's largest scuba training organization published the SMS Cormoran commemoration story on it 2017 Quarter 3 magazine.



NORTH AMERICA/PACIFIC MARKETING COMMITTEE
WEDNESDAY, AUGUST 2, 2017 - 2:00PM
GVB MAIN CONFERENCE ROOM

IGLTA 2017 took place in St. Petersburg, Florida in May 4-6, 2017. The GVB delegation consisted of Ms. Pilar Laguana, Director of Global Marketing and Mr. Mark Manglona, Pacific & North America Marketing Manager. The delegation learned a lot abou the LGBT market from the UNWTO LGBT travel trend report. GVB's membership for IGLTA is expiring and Ms. Pilar Laguana has reached out to Mr. Jason Lin, Account Executive for GVB North America to renew membership for GVB ($245.00). The CEO of IGLTA is very interested in Guam as an IGLTA destination. Ms. Pilar Laguana noted that the 2017 IGLTA Award winning journalist has agreed to visit Guam with his significant other to experience Guam as well as write feature stories from LGBT point of view. This will be a great start in collecting marketing collateral from a LGBT expert.



Scuba Show took place in Long Beach, California on May 6-7, 2017. The GVB North America team attended the show along with Mr. Mark Manglona, Pacific & North America Marketing Manager. There were over 10,000 consumer divers that visited the Guam booth. GVB team also unveiled the SMS Cormoran video during the Guam seminar at the show.

NORTH AMERICA/PACIFIC MARKETING COMMITTEE
WEDNESDAY, AUGUST 2, 2017 – 2:00PM
GVB MAIN CONFERENCE ROOM

North America

IPW 2017
Washington DC, June 3-7, 2017





- GVB global team attended the IPW Pow Wow 2017 in Washington, DC. The delegation included the Director of Global Marketing (Pilar Laguana), GVB N. America committee chairman (Mayor Robert Hoffman), China marketing manager (Nadine Leo Guerrero), N. America and Pacific marketing manager (Mark Manglona), Korean marketing assistant (Colleen Cabedo) and GVB N. America rep (Jason Lin).
- More than 120 media and travel trade appointments were conducted by GVB delegation team through out the IPW 2017.

GVB global team attended the IPW Pow Wow 2017 in Washington, DC on June 3-7, 2017. The delegation included Pilar Laguana, Director of Global Marketing, Mayor Robert Hoffman, GVB North America committee chairman, Nadine Leo Guerrero, China Marketing Manager, Mark Manglona, Pacific & North America Marketing Manager, Colleen Cabedo, Korea Marketing Coordinator and Jason Lin, GVB North America Account Executive.

IPW is the largest USCS for buyers an sellers. More than 120 media and travel trade appointments were conducted by GVB delegation team through out the IPW 2017. IPW is also a great show to notice how much competition Guam faces. The Media Marketplace, is also a good tool to connect with the media to promote Guam. Ms. Pilar Laguana shared that IPW is a great place connect with all the federal agencies and to ask any questions. There is a section that is easily accessible dedicated to all federal agencies.

North America

Hafa Adai Night & WITTI
Washington DC, June 3-7, 2017




- GVB delegation hosted a Hafa Adai night in partnership with the Guam Society in Washington, DC. 20 senior leaders from the Guam Society DC attended the function.
- GVB Director of Global Marketing, Pilar Laguana, won the prestigious lifetime career award by Women in Travel and Tourism International Washington, DC

NORTH AMERICA/PACIFIC MARKETING COMMITTEE
WEDNESDAY, AUGUST 2, 2017 - 2:00PM
GVB MAIN CONFERENCE ROOM

GVB delegation hosted a Hafa Adai Night in partnership with the Guam Society in Washington, DC. 20 senior leaders from the Guam Society attended the function. In addition, the delegation also attended Women in Travel and Tourism International (WITTI), in which Ms. Pilar Laguana won the prestigious lifetime career award by WITTI.

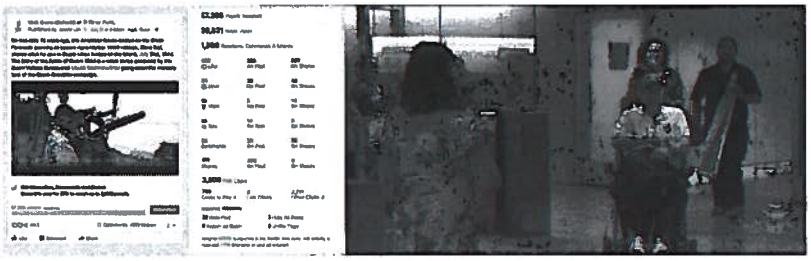


Guam is launching a TripAdvisor promotion for North America market from August to September 2017. The campaign will target adventure travelers and VFR travelers to visit Guam. TripAdvisor will help GVB to build a premium destination page in English. The TripAdvisor partnership comes with three (3) phases: First, GVB invited Ms. Sarah Mathews to come to Guam and introduce members about TripAdvisor and what the platform has to offer. Second, GVB invited Mr. Gary Chang to conduct an all day training and teach our industry partners how to utilize TripAdvisor as a positive marketing tool. Third, is the GVB investment with TripAdvisor and advertising.

NORTH AMERICA/PACIFIC MARKETING COMMITTEE
WEDNESDAY, AUGUST 2, 2017 - 2:00PM
GVB MAIN CONFERENCE ROOM

North America

2017 Liberation & Video Campaign



- GVB N. America team once again brought the liberators back to Guam to celebrate the 73rd Liberation in 2017. Gene Bell and Donald Hughes were the two liberators GVB brought back.
- In conjunction with the Liberation, GVB N. America also launched a social media video campaign called "The Battle of Guam 1944" to feature small episodes of the 73rd Guam Liberation documentary. The episodes went viral online and already captured more than 60,000 views.

GVB North America team once again brought WWII Veterans back to Guam to celebrate the 73rd Liberation. In conjunction with the Liberation, GVB North America also launched a social media video campaign called "The Battle of Guam 1944" to feature small episodes of the 73rd Guam Liberation documentary. The episodes went viral online and already captured more thank 60,000 view. Ms. Pilar Laguana share that GVB hired videographers to capture the WWII Veterans visit to Guam. Ms. Nedlic shared the draft video of the Veterans visit. Ms. Laguana commented that the video volume needs to be louder. Additionally, we showed the SMS Cormoran video to members.

Ms. Laguana also shared two upcoming events in the Nprth America Market: PIFA Sand Diego, California - September 22-23, 2017 & DEMA 2017 Orlando Florida, November 1-4, 2017

OLD BUSINESS
No old business.

NEW BUSINESS
No new business.

ANOUNCEMENTS

Shop Guam eFestival 2017 starts on November 11, 2017 and ends on February 28, 2018.

The next NAP Committee Meeting will be on Wednesday, September 6, 2017 at 2:00p.m. in GVB Main Conference Room.

GVB Membership Renewal deadline is October 2017.

Ms. Susan Fryer shared that the first week of September is the opening brand called Kenzo at Tumon Sands Plaza.

Ms. Pilar Laguana noted on the importance of staying on track with monthly NAP committee meetings.

ADJOURNMENT
Chairman Hoffman made a motion and seconded by Mr. Gary Cruz to adjourn the meeting at 3:40 p.m. Meeting adjourned.

Prepared by: _____
Gabbie Franquez, Administrative Assistant – Marketing

Reviewed by: _____
Regina Nedlic, Marketing Manager – Russia & Philippines

Approved by: _____
Pilar Laguana, Director of Global Marketing

GVB RUSSIA & NEW MARKETS COMMITTEE MEETING
Tuesday, August 1, 2017, 10:00 a.m.
GVB Main Conference Room

PRESENT:	Bart Jackson, Bill Nault, Ekaterina Sablan, Neil Urbano, Nadia Romanenk, Olga Tonkikh
ABSENT:	Akiko Futakami, Chris Yang, Echo Man, Elish Lee, Jane Koo, Jenny Cheon, Jenny Kim, Mari Buensuceso, Matthew Martin, Rolenda Faasuamalie, Roy Abraham
OBSERVER:	Kenji Sekine – Holiday Resort Guam
GVB STAFF AND MANAGEMENT:	Pilar Laguaña, Regina Nedlic, Breeana Quitugua, and Iana Komirnaia (GVB Russia Offie via skype call)

CALL TO ORDER

Chairman Bart Jackson called the Russia & New Markets meeting to order at 10:09 a.m.

APPROVAL OF PREVIOUS MEETING MINUTES

Ms. Nadia Romanenko made the motion seconded by Mr. Neil Urbano to approve the minutes of April 4, 2017. Motion approved unanimously.

REPORT OF THE CHAIRMAN

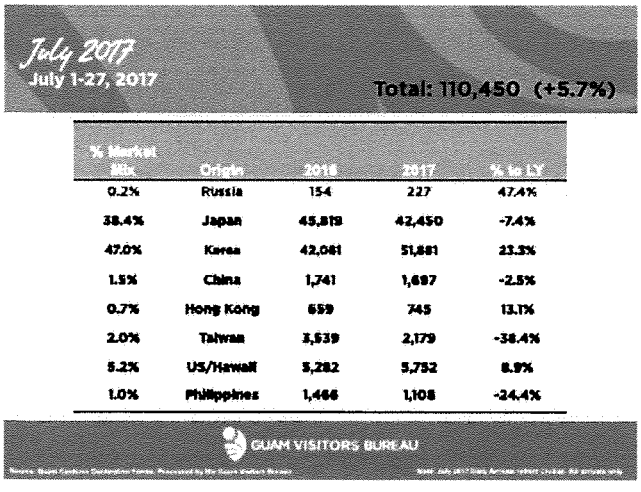
Chairman Jackson noted that airline seats and high load factors challenge the Russia market.

Air Seoul, the LCC of Asiana Airlines will begin flights to Guam in September four times a week with an opportunity for daily flights. Chairman Jackson was approached by t'way regarding flights from Vladivostok. Chairmain Jackson also notes that direct flights are needed in order for the Russia market to grow and encourages DV Region (GVB Russia office) to connect with Kazakhstan Air in regards to once a week charters.

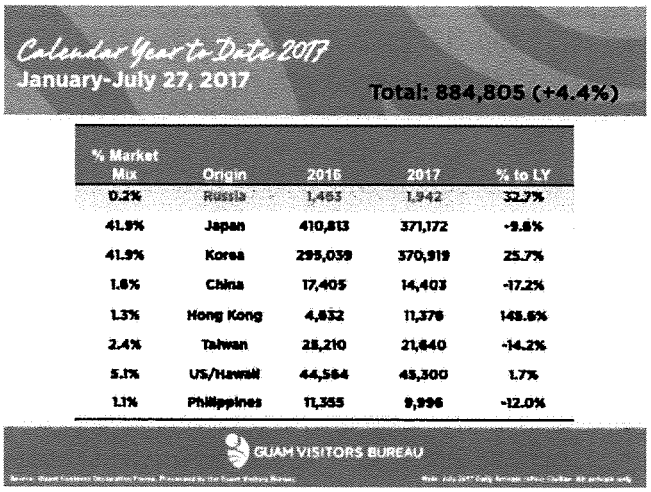
Direct service from Vladivokstok to Guam via Jeju Air will be a great opportunity to increase Russian visitor arrivals. To be discussed at a later time. Chairman Jackson suggested we delicately promote Guam as a visa free destination.

REPORT OF MANAGEMENT

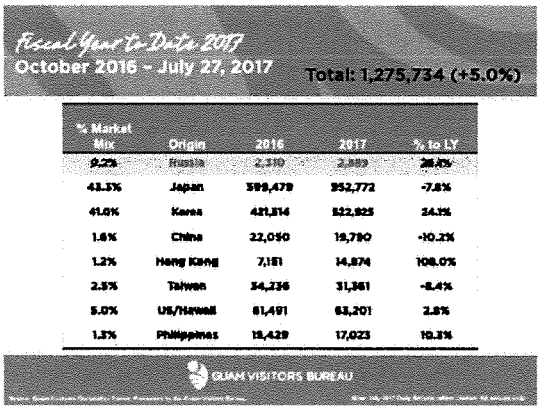
A. Visitors Arrival Statics



% Market Mix	Origin	2016	2017	% to LY
0.2%	Russia	154	227	47.4%
38.4%	Japan	45,819	42,450	-7.4%
47.0%	Korea	42,081	51,881	23.3%
1.5%	China	1,741	1,697	-2.5%
0.7%	Hong Kong	659	745	13.1%
2.0%	Taiwan	3,539	2,179	-38.4%
5.2%	US/Hawaii	5,282	5,752	8.9%
1.0%	Philippines	1,466	1,108	-24.4%

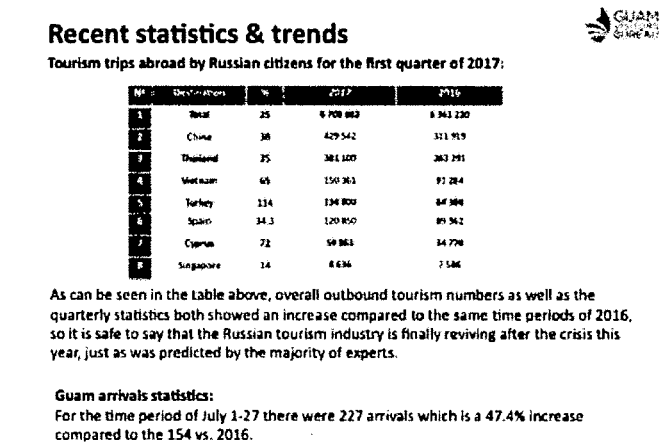


% Market Mix	Origin	2016	2017	% to LY
0.2%	Russia	1,463	1,942	32.7%
41.9%	Japan	410,813	371,172	-9.6%
41.9%	Korea	295,039	370,919	25.7%
1.8%	China	17,405	14,403	-17.2%
1.3%	Hong Kong	4,832	11,378	148.6%
2.4%	Taiwan	25,210	21,640	-14.2%
5.1%	US/Hawaii	44,564	45,300	1.7%
1.1%	Philippines	11,355	9,996	-12.0%



% Market Mix	Origin	2016	2017	% to LY
9.2%	Russia	2,330	2,889	24.0%
43.5%	Japan	599,479	552,772	-7.8%
41.6%	Korea	421,814	522,925	24.1%
1.6%	China	22,050	19,790	-10.2%
1.2%	Hong Kong	7,181	14,874	108.0%
2.5%	Taiwan	34,236	31,361	-8.4%
5.0%	US/Hawaii	61,491	63,201	2.8%
1.3%	Philippines	15,429	17,023	10.3%

Ms. Regina Nedlic presented the most recent GVB visitor arrival report to the committee. Goal pax for FY17 is 3,500 and as of July 27th Guam has welcome 2,889 Russian visitors. The committee is hopeful we can reach our goal pax of 3,500 before the end of FY2017.

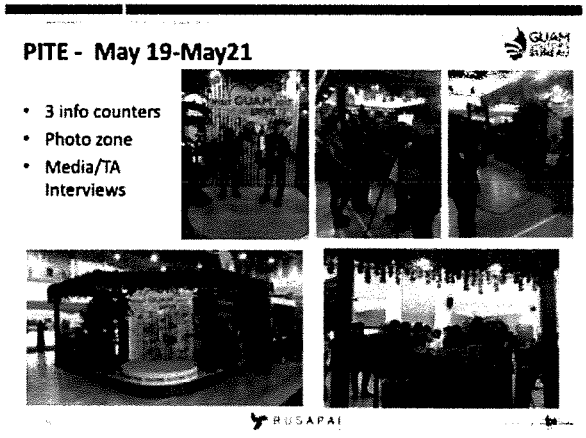


Ms. Nedlic also shared official Russian statistics and trends provided by Iana, DV Region (GVB Russia). Pilar Laguaña asked Iana to provide a more comprehensive data listing via e-mail.

OLD BUSINESS

A. PITE & joint promo with Ocean Day





After PITE publications

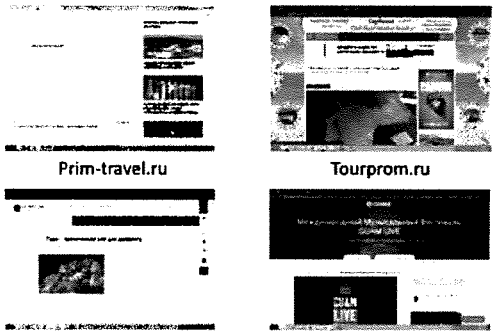


Participation at the Ocean's Day – June 8th

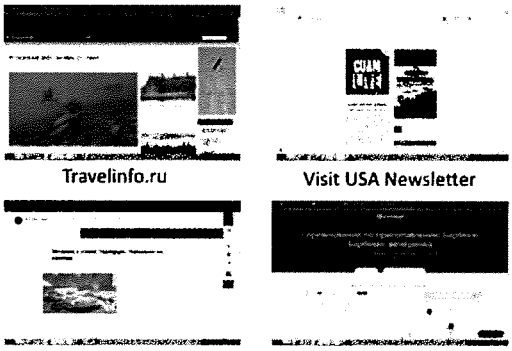
The event was held in cooperation with Diving Center DivePrim. Guam branded hats and guidebooks were distributed during the event among divers and their families



Press-releases



Press-releases



Ms. Nedlic added information on PITE. GVB received 2nd place overall for booth design. She also shared that GVB participated in a coastal cleanup with DivePrim, a top dive company in Vladivostok. GVB provided collateral to participants and promoted Guam as an ideal dive destination.

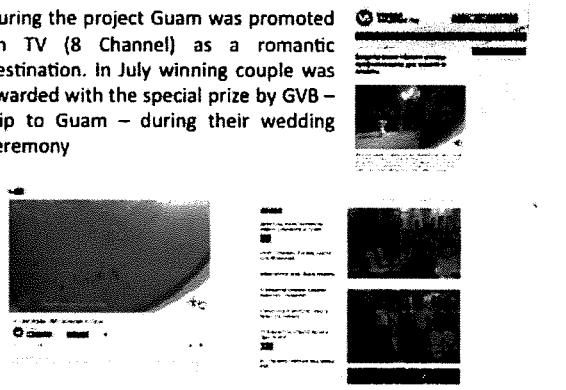
Promotion of Guam during celebration of Independence Day Reception

Promotion of Guam during celebration of Independence Day organized by the US Consulate in Vladivostok using Guam branded roll-up banner and by distributing collateral materials



9.5 months project completion

During the project Guam was promoted on TV (8 Channel) as a romantic destination. In July winning couple was awarded with the special prize by GVB – trip to Guam – during their wedding ceremony



Ms. Nedlic thanked PIC for their support in providing complimentary accommodations to the honeymoon couple and winners of the 9.5 months project.

Photo contest in SMM "Discover Guam"

Total SNS Fans increase 350 – Instagram; 34 - Facebook
Total Organic Post Impression 5052
Total Engagement 177
Total Clicks 289



Concept:
To promote Guam more aggressively among citizens of the European part of Russia

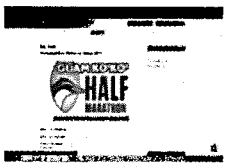
Rationale:
European part of Russia has a significant potential as a market got Guam as number of wealthy people who can afford trip to Guam is much higher in the European part of Russia

Main Idea:
Creating of landing page promoting Guam as Visa Free America:

- Experience America without visa
- Experience unique exotic culture but in safety environment

Press-releases


Travelinfo.ru



www.trilife.ru


Unitravel.pro


Tourprom.ru

Ms. Nedlic shared Visa Free Campaign with the committee. The campaign will occur in two phases and targets European area of Russia.

NEW BUSINESS

A. OTM Exhibition 2017

OBJECTIVES :

- Share Guam's upcoming campaigns and events for 2017/2018
- Promote Guam in the European part of Russia
- Promote MICE tourism on Guam
- Industry contacts collection and update
- Industry feedback, comments, questions

FORMAT

The "Silver" participation package includes:

- Presence of the Destination Information
- Opportunity to engage tourist business of the destination in participating (up to 2 co-exhibitor companies)
- 1 hour online presentation (up to 2 speakers/presenters)
- „Small" virtual exhibitor booth webpage
- Database of Business contacts of professionals registered at the exponent's presentation

SAMPLES

- Exhibitor webpage sample: *http://profi.travel/companies/1345/stand/visitsweden_OTMSummer17*
- Co-exhibitor webpage sample: *http://profi.travel/companies/21/stand/pac_OTMSummer17*
- Expert sample: http://profi.travel/profile/details/77987
- Article sample: *http://profi.travel/articles/26529/details*
- Presentation sample: *http://profi.travel/events/webinars/show/144791*

DATES & DEADLINES:

- **August 11th, 2017** – deadline for Guam companies to provide all necessary materials for being featured on Guam's "virtual booth webpage"
- **August 14th, 2017** – deadline for part 1 of "virtual booth webpage" (including co-exhibitor companies' materials) information to be sent to organizers
- **August 21st , 2017** – deadline for part 2 of "virtual booth webpage" information to be sent to organizers
- **August 21st , 2017** – date visitor registration begins at website, so all exhibitors' information will become available for visitors to view from this day onwards
- **September 4th - September 17th , 2017** – OTM Winter 2017 exhibition dates

Ms. Nedlic introduced the Online Travel Mart Winter Exhibition 2017 with the committee and advised that she will share registration form and information via email.

B. STI Workshop/Roadshow
Pre-preparation for the STI Workshop/Roadshow is ongoing and is scheduled for October 17-19, 2017.

C. KE Media FamTour
Ms. Regina Nedlic shared that GVB will host agents from Moscow during a fam tour tentatively scheduled for September. More information will be provided at a later date.

OTHER NEWS

Iana from GVB Russia office shared that Jeju Air, an independent LCC will begin flights from Vladivostok to Korea beginning September 29th. Ticket sales are scheduled to begin in mid-August. Chairman Jackson added that this was positive news for direct competition, which will allow more seat availability with better rates for our Russian visitors traveling through Korea.

ANNOUNCEMENTS

- Next Russia & New Markets Meeting | Sept. 5, 2017 | 10:00 a.m.| GVB Main Conference Room
- STI Workshop Roadshow | Oct. 17-19, 2017 | Please contact GVB if interested in attending.
- Membership Dues Reminder/Update | Due October 2017 | Not election year

ADJOURNMENT

There being no further business to discuss, Ms. Ekaterina Sablan, made a motion and Director Bill Nault seconded to adjourn the meeting at 10:54am.

Prepared by: _____
Breeana Quitugua, Marketing Associate

Reviewed by: _____
Regina Nedlic, Marketing Manager - Russia

Approved by: _____
Pilar Laguana, Director of Global Marketing

DESTINATION MANAGEMENT COMMITTEE (DMC)
FY17 MEETING MINUTES – July 11, 2017

Present: DMC Chairman Monte Mesa, Baldyga Group Robert Pereda, Bureau of Planning Edwin Reyes & Carl Dominguez, Dept. of Public Works Felix Benavente, Dept. of Parks & Recreation Bill Reyes & John Taitano, Galaide Group Clifford Guzman, GWA Mauryn McDonald, JGTA/Lam Lam Tours Jun Hiyoshi, Swavely Associates Dan Swavely, GVB Nathan Denight & Doris Ada.

A. CALL TO ORDER
Chairman Mesa called the meeting to order at 08:40.

B. UPDATES

FY18 DMC BUDGET
Mr. Mesa reported that GVB submitted its FY18 budget of $27M for legislative review and approval. The TAF revenue for FY18 is projected at $42 million.

DMC's proposed FY18 budget is $2M, an increase from the FY17 budget of $1,085,000. Mr. Guzman added that regardless of the outcome of the proposed CIP Hot Bond submitted to the legislature last month, the DMC budget request underscores the need for consistent maintenance of softscape and hardscape infrastructure.

1. Tumon Hardscape Maintenance/Mitigation/Repair (new project) $ 283,000.00
Hardscape Maintenance/Mitigation/Repair along San Vitores Boulevard is needed to prevent infrastructure deterioration of sidewalks, crosswalks/curbsides/medians, concrete furniture, bus shelters and streetlights, etc.

2. Island Roadway Maintenance $ 443,000.00
Scope of work (bush cutting, trash collection, edging/scraping and tree trimming) covers approximately72 miles or 145 miles both sides of road, 10' from road edge including medians. Contracted Routes: 1 (AAFB - Nvl Station), 2A (Nvl Station - Agat fork road), 2 (Agat fork rd - Cetti Bay), 4 (Rt 1 to Inarajan Chl Laman), 14 (Chln San Antonio), 14B (Ypao Rd from SDA Clinic), 30 (Gov. Camacho Rd), 30A (Farenholt), 8 (Rt 1 to Rt 10), 16 (Rt 1 to Rt 10), 27 (Harmon Loop), 34 (Rt. 1 to 2 Lvrs Pt). Added SOW includes Chamorro Village median bush cutting at pedestrian crossing, roadside bush cutting District Court to House of Chin Fee, median bush cutting at Cabras Island entrance.

3. Tumon Landscape Maintenance $ 405,000.00
Landscape maintenance along San Vitores Boulevard medians and sidewalks (approximately 5' inland from sidewalk). Includes grass, shrub and tree maintenance at shoulders and medians from Bishop Flores Rotunda to Hotel Nikko, including Rt. 14 (Santos Hill at Westin Resort intersection to Rt. 1), Rt. 14A (JFK Road) and GVB office grounds. Includes trash collection and irrigation water usage.

4. Tumon & Hagatña Beach Maintenance $ 277,000.00
Beach maintenance from Hotel Nikko/Gun Beach to East Hagatña Beach (across Shell Gas Station) seaward covering 10' from water edge to inland boundary of 50' beyond the mean high water mark or up to private property boundary. Includes mechanical & manual beach raking; trash collection (retaining walls, trees, plants, obstacles within beach areas); underwater area cleaning 10' seaward; trimming of trees, groundcover and shrubs.

5. Contract Administration & Inspection Services $ 60,000.00
Contract Administrator ensures successful implementation of Tumon & Hagatna Beach Maintenance, Tumon Landscape Maintenance and Island Road Maintenance projects. Infrastructure inspections and follow up with appropriate agencies are also included.

6. Holiday Illumination $ 232,000.00
GVB will add median lighting to this year's project. The Village location will be at the corner of Royal Orchid Hotel.

7. Additional Trash Collection Services (new project) $ 300,000.00
The Board added additional trash collection along Tumon & Hagatna to address increasing illegal dumping issues at beach parks.

TOTAL FY2018 REQUEST: $2,000,000.00

Added to the DMC budget were Tumon Hardscape Maintenance/Mitigation/Repair and Additional Trash Collection as well as an increase to other existing projects. Mr. Mesa & Mr. Denight encouraged DMC members to address a letter to Legislative Tourism Chairman Dennis Rodriguez in support of GVB's proposed budget, in particular the DMC budget. Mr. Mesa stressed the importance of a cohesive industry and GovGuam team effort.

BUS SHELTERS
* A total of 12 shelters are under construction along San Vitores Road: GVB, PIC, PIC across, Fountain Plaza, Holiday Resort, Pacific Bay, Tumon Sands across, Hyatt across, Sandcastle, Pacific Place, Westin and Lotte. As of 7/11/17, 3 shelters have been completed.
* Pending at each shelter: (1) Contract for trash bin maintenance; (2) Contract with transportation companies regarding bus schedule postings.
* Contract awarded to Citi Development; Construction Management contracted to Taniguchi Ruth Makio Architects.
* Expected completion date: September 2017.

TUMON BAY LIGHTING IMPROVEMENT

* As of July 6, 2017: Of the 495 streetlights, over 230 lights have been repaired. Expected project completion is September 2017.
* Contract awarded to Polyphase Systems, Construction Management contracted to AmOrient
* One of the surprising and unexpected challenges Polyphase has encountered is discovery of cemented conduits, making it difficult to pull lines for repair.

S.V. FLOODING MITIGATION

* Construction awarded to Maeda Pacific Corporation, Construction Management is contracted to Stanley Consultants,
* Maeda is currently working on the construction of 22 inlets.
* Estimated project completion is November 2017.

HOT BOND PROPOSAL (PowerPoint Presentation Attached)

* Mr. Guzman delivered a detailed presentation on the proposed Hot Bond projects. He started out by commending GVB management for hiring WB Flores Architectural and Engineering & Associates to help give structure to the cost of DMC's proposed projects. He reported that the proposal was submitted to the legislature and given a good vetting process, separate and apart from the FY18 budget request.
* Funding for the projects will be the gap between normal maintenance operations and $42 million in potential receipts from the Tourist Attraction Fund. GVB's proposed Hot Bond also refinances the previous Hot Bond, thus reducing the overall finance cost. Mr. Guzman stated that the projects go beyond Tumon and stressed that Guam has to remain competitive by continually improving its overall product.
* Following are the proposed Hot Bond Capital Improvement Projects totaling $59,000,000.

~ FLOOD MITIGATION ($12M): Although GEDA is currently addressing Flood Mitigation by constructing additional inlets, DMC is concerned the inlets do not entirely resolve the problem. The Hot Bond proposes improvements at Matapang and Fujita as well as interception of sheet flows from private properties and unimproved rights-of-ways. DMC believes that flooding is attributed to at least 30% of the runoff from private property onto San Vitores Road. The Fujita Pond was built to absorb water from Rights-of-Way and not necessarily overflow from private property. Mr. Denight added that two options are being considered – purchase of a nearby 1 acre land or creation of filtration chambers underneath Fujita Road. Also proposed is developing the Fujita Ponding Basin into a walking and sightseeing attraction.

~ HARDSCAPE ($20M): Existing San Vitores road conditions are in dire need of repair, resurfacing and restriping. Mr. Guzman stated that any future road improvements should take into consideration federal highway compliance in order to avail us of potential highway grants. In addition to ensuring the best possible road plan to handle both traffic and pedestrian traffic, Mr. Swavely stressed the need for GVB to manage its expectations and decide exactly what we envision within realistic means.

~ LIGHTING & SIGNAGE ($6M): Plans to develop a more cohesive streetscape include signage, lighting and other streetscape elements. Mr. Mesa added that lighting would also be considered along the beach and other dark areas in Tumon.

~ SOFTSCAPE ($4M): Development of a streetscape framework that reflects both the cultural and native landscape as well as providing better vehicular and pedestrian amenities.

~ MT. LAM LAM NATURE TOUR ($1M): Creation of an eco-tourism attraction - installation of trail "walkway" with informational and directional signage.

~ YPAO & MATAPANG BEACH PARKS ($3M): Improvements to unify the shoreline and enhance recreational activity for park users. In addition, providing integration of storm water best-management practices.

~ FISERMAN'S CO-OP ($4M): Construction of a larger modern facility to support existing and expanding market needs. Mr. Ed Reyes encouraged tapping into potential matching federal grants for additional financial support.

~ HISTORIC INALAHAN ($7M): Major improvements to better preserve one of Guam's most historic district while also expanding potential opportunities for cottage industry businesses and development of new residential or mixed-used structures in the District. Design plans are already in place; the Hot Bond and other potential funding opportunities would support implementation. Mr. Guzman pointed out that keeping certain guidelines in this preservation effort would serve as a good model for Codes, Covenants and Restrictions that the Tumon Business Improvement District could apply in its endeavor for more uniformity in Tumon.

~ F.Q. SANCHEZ E.S. REVITALIZATION ($2M): Revitalization includes renovation of the old school to Humatak Community Heritage Center & Museum. Mr. Mesa stated that the Board made an adjustment to this project by also including improvement at other high-visibility tourist sites.

ADJOURNMENT: Motion was made and carried to adjourn meeting at 09:45 A.M.

Approved by DMC Chairman Monte Mesa / Prepared by Doris Ada