Gmail

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## MC Fwd: GVB Board Packet: June 28, 2018

1 message

**BENJAMIN CRUZ** <speaker@senatorbjcruz.com>
To: 34th Guam Legislature Clerks <clerks@guamlegislature.org>
Cc: Rennae Meno <rennae@guamlegislature.org>

Thu, Jun 28, 2018 at 10:29 AM

| | | | | |
|---|---|---|---|---|
| 06/28/18 | 06/28/18 | Guam Visitors Bureau | GVB packet of June 28, 2018.* | 34-18-2029 |

GL# 34-18-2029
Speaker Benjamin J.F. Cruz

JUN 28 2018
Time: 1029 [ ] AM [ ] PM File No. ____
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From: **Maura YI** <maura.yi@visitguam.org>
Date: Thu, Jun 28, 2018 at 9:00 AM
Subject: GVB Board Packet: June 28, 2018
To: BENJAMIN CRUZ <speaker@senatorbjcruz.com>

Håfa Adai Speaker Cruz,

Pursuant to Title 5 Ch 8 Section 8113.1. of the Guam Code Annotated, attached is the board packet of June 28, 2018.

Thank you!

–
*Senseramente,*
**Maura YI**
*Executive Secretary*

**GUAM VISITORS BUREAU**
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*Think before you print...*

2018 JUN 28 AM 10:41 S.C.

–

OFFICE OF SPEAKER BENJAMIN J.F. CRUZ
Committee on Appropriations and Adjudication
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**8 attachments**

- **Agenda_Jun282018.pdf** 703K
- **Exhibit_A_MINUTES_May102018.pdf** 8264K
- **Exhibit_B_CashPosition_Jun252018.pdf** 43K
- **Exhibit_C_GCMCMinutes_May112018 .pdf** 2540K
- **Exhibit_D_GCMCMinutes_Jun082018.pdf** 1413K
- **Exhibit_E_RNMMinutes_Jun122018.pdf** 344K
- **Exhibit_F_KMCMinutes_May082018.pdf** 1292K
- **Exhibit_G_JMCMinutes_May152018.pdf** 1443K

2029

GUAM VISITORS BUREAU
55th ANNIVERSARY
1963 - 2018

REGULAR BOARD OF DIRECTORS MEETING
Thursday, June 28, 2018 – 3:30pm
Guam Visitors Bureau Main Conference Room

AGENDA

I. CALL TO ORDER

II. MINUTES OF THE PREVIOUS MEETING Exhibit A

Approval of minutes of the previous Board of Directors meeting dated May 10, 2018.

III. CHAIRMAN'S REPORT

IV. PRESIDENT & CEO'S REPORT

V. TREASURER'S REPORT Exhibit B

VI. REPORT OF THE BOARD COMMITTEES

A. EXECUTIVE COMMITTEE

JOEY CEPEDA MEMORIAL SERVICE

Motion to ratify the catering service for the former General Manager Joey Cepeda's memorial service on May 19, 2018 at the Life in the Son Christian Fellowship. (Cost approximately $3,175.00, Account # MEM100).

| | |
|---|---|
| Food | $2,640.00 |
| Beverages | $535.00 |
| TOTAL: | $3,175.00 |

**Background:** Joey Cepeda served as Deputy General Manager of the Guam Visitors Bureau from 1978-1983 and then the General Manager from 1987 to 1994.

Joey was instrumental in bringing new airlines and new markets to Guam as he oversaw the start of visa waivers for Hong Kong, Taiwan, and Korea.

He continued his service to Guam at the Guam Economic Development Authority but was forced to move to San Diego, CA for medical reasons. Joey continued to perpetuate and promote our island and her culture on the U.S mainland and was instrumental with starting the Chamorro "Chelu" festival in San Diego, the Sakman organization and the House of Chamorro at Balboa Park, San Diego, CA.

*Note: Expenses will be paid out of GVB Membership account and not utilize government funding.*

**Issue:** Board approval required.

GUAM VISITORS BUREAU
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## AIR SERVICE DEVELOPMENT MEETINGS

**Motion to ratify travel for GVB Japan Acting Director Hiroshi Kaneko to Guam from June 4-6, 2018 to participate in air service development meetings with Japan Airlines. Estimated cost $1,875.00, JA-SMD008.**

| | | | | | | |
|---|---|---|---|---|---|---|
| Airfare: | $1,000 x 1 pax | | | | | $1,000.00 |
| Per Diem: | Guam | Lodging | Nights | M&IE | Days | |
| | GVB Japan Director | $250.00 | 2 | $62.50 | 2 | $625.00 |
| *R/T Airport Transportation (roundtrip)* | | | | | | $200.00 |
| | | | | | TOTAL: | $1,875.00 |

**Background:** Japan Airlines (JAL) started a second daily flight from Narita International Airport to Guam on March 25. 2018. The second flight is scheduled to operate until end of October 27, 2018. Current sales and operations for this additional air service continues to be evaluated by the Japan Airlines route planning and business development team. GVB continues to aggressively develop air service from Japan and had a follow-up meeting with JAL on April 27, 2018. At this meeting, discussion took place on performance of the daily flights by JAL and opportunities to continue the service to Guam. GVB expressed appreciation and value of the Japan market to Guam and would like to support these development efforts.

Now, JAL top executives from their International Network Planning Division have requested a meeting with GVB and the Guam International Airport Authority in Guam on June 5, 2018. Discussion topics will be a second review of the performance of the JAL flights and opportunity to continue the second daily service.

It is important to gather all the key partners for this meeting in order to clearly present partnership opportunities and identify a strategic approach to a successfully sales and marketing plan for the remainder of the year.

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

## MEETINGS WITH JAPANESE GOVERNMENT OFFICIALS AND AIRLINE PARTNERS

**Motion to ratify travel for Governor Calvo, Yigo Mayor and Chairman of NPO - Espiritu I Taotao-Ta Yan Todos Mr. Rudy Matanane, and JMC Chairman to participate in meetings with the Japanese House of Representatives, other government officials and key airline partners from June 5 – June 13, 2018 in Okinawa, Japan and Tokyo, Japan. Estimated cost: $13,778.90; Account #: 100-5998-JAOFF-ADM001.**

| | | | | | | |
|---|---|---|---|---|---|---|
| Airfare: | $1,200 x 3 pax | | | | | $3,600.00 |
| Per Diem: | Okinawa | Lodging | Nights | M&IE | Days | |
| | Governor Calvo | $425.10 | 4 | $154.70 | 4 | $2,319.20 |
| | Mayor Matanane | $425.10 | 4 | $154.70 | 4 | $2,319.20 |
| | JMC Chairman | $408.75 | 4 | $148.75 | 4 | $2,230.00 |
| | Tokyo | Lodging | Nights | M&IE | Days | |
| | Governor Calvo | $358.80 | 1 | $295.10 | 2 | $949.00 |
| | Mayor Matanane | $358.80 | 1 | $295.10 | 2 | $949.00 |
| | JMC Chairman | $345.00 | 1 | $283.75 | 2 | $912.50 |
| *Miscellaneous expenses (Excess baggage, communication, etc.):* | | | | | | $500.00 |

| | |
|---|---|
| TOTAL: | $13,778.90 |

**Background:** Governor Calvo, Mayor Matanane, and GVB have been invited to meet with Mikio Shimoji, a member of the Japanese House of Representatives, in Okinawa to discuss opportunities on how the Japanese Government can support Guam. Mr. Shimoji will also arrange meetings in Tokyo with other Members of Parliament and Ministers at the Japanese Diet (Congress). The Governor will have the chance to advocate for Guam's tourism industry with these high-level Japanese officials, especially in regards to air service development. GVB will also be scheduling important meetings with airline partners and the Governor in Tokyo.

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

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GUAM FOOD FESTIVAL – SEOUL, KOREA

**Motion to ratify travel for (1) Executive Chef and (1) Sous Chefs to participate in the Guam Food Festival in Seoul, Korea on June 12, 2018. Estimated cost is approximately $4,954.00 from Account #0KO-SMD023**

| | | | | | | |
|---|---|---|---|---|---|---|
| Airfare: | $895.00 x 2 pax | | | | | $1,790.00 |
| Professional Fee: | $100.00 x 2 pax x 3 days | | | | | $600.00 |
| Per Diem: | Seoul, Korea | Lodging | Nights | M&IE | Days | |
| | Executive Chef | $230.00 | 3 | $148.00 | 4 | $1,282.00 |
| | Sous Chef | $230.00 | 3 | $148.00 | 4 | $1,282.00 |
| | | | | | TOTAL: | **$4,954.00** |

**Background:** The Guam Visitors Bureau will hold its second annual food festival at the Grand Hyatt in Seoul, Korea on June 12, 2018. The festival will showcase Guam's unique cuisine and culture by presenting local food and showcasing cuisines crafted by a local restaurant and chef. This event provides an opportunity to introduce Guam's culture and cuisine to 200 attending travel trade and media.

This year's highlighted restaurant is Kitchen Lingo, a local restaurant that is committed to quality, sourcing the best local ingredients possible and serving innovative, chef-driven and value focused craft food and drinks in a chic, intimate atmosphere driven by our island hospitality. Kitchen Lingo's cuisine profile will help showcase Guam as an affluent and diverse food-destination. To successfully execute their style of food and presentation, Executive Chef Lingo Quichocho and his sous chef will personally prepare signature Guam dishes in Seoul, Korea. Prior to the festival the team will also be meeting with the Grand Hyatt's Executive Chef and kitchen staff to coordinate logistical operations needed to serve 200 pax.

Chef Lingo Quichoco received his certification in Culinary Arts from National Culinary and Baking School in San Diego, California. He has over 12 years of experience managing several high-profile kitchens from San Diego to Massachusetts and worked as a sous chef under world-renowned Chef Roy Yamaguchi.

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

B. ADMINISTRATION & GOV'T RELATIONS

C. RESEARCH

GUAM VISITORS BUREAU
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D. NORTH AMERICA & PACIFIC MARKETS

E. GREATER CHINA

Committee minutes dated May 11, 2018 — Exhibit C

Committee minutes dated June 12, 2018 — Exhibit D

WORLD ROUTES 2018 – GUANGZHOU, CHINA

Motion to approve travel for one (1) GVB Board Director or designee, President & CEO or designee, GVB Director of Global Marketing, and the Marketing Manager – China, to participate in World Routes 2018 in Guangzhou, China from September 15-18, 2018. (Cost is approximately $18,598.00 to come from Acct No. CI-SMD023).

| | | | | | | |
|---|---|---|---|---|---|---|
| Airfare: | $2,500 x 4 pax | | | | | $10,000.00 |
| Per Diem: | Guangzhou | Lodging | Nights | M&IE | Days | |
| | Board Director/Designee | $307.50 | 5 | $211.25 | 6 | $2,805.00 |
| | President & CEO/Designee | $307.50 | 5 | $211.25 | 6 | $2,805.00 |
| | Director of Global Marketing | $246.00 | 5 | $169.00 | 6 | $2,244.00 |
| | Marketing Manager | $246.00 | 5 | $169.00 | 6 | $2,244.00 |
| *Miscellaneous expenses (Excess baggage, communication, etc.):* | | | | | | $1,000.00 |
| | | | | | TOTAL: | $21,098.00 |

**Background:** World Routes presents an unrivalled platform for route development professionals to discuss, develop and plan network strategy. Providing unique cost and timesaving benefits, World Routes is a 'must attend' event and attracts the most senior decision makers from the world's leading aviation organizations.

In 2018, World Routes is expected to attract over 300 airlines, 700 airports and over 3,000 delegates to discuss air service development. The event consists of three elements: (1) business to business pre-scheduled meetings, (2) networking events, and (3) a conference focusing on issues for route development.

GVB will be attending with the A.B. Won Pat International Airport Authority Guam. Together, during this mission, Guam will address the air seat capacity issues for Japan and the developing markets to include China, Taiwan, and Hong Kong.

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

TAIWAN SALES MISSION

Motion to approve travel for GVB BOD Chairman or designee, the Director of Global Marketing, (1) GVB Marketing Staff, (1) Cultural & Heritage Staff and (6) cultural talent to travel to Taiwan to conduct a Guam Sales Mission in the cities of Taipei and Kaohsiung from August 15-19, 2019. Cost is approximately $24,347.50 of which $7,845.50 is to be taken from Taiwan Sales Market Development Account No. TA-SMD019 and $16,502.00 to be taken from Destination Account No: DM-CPO007

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Marketing

| | | | | | | |
|---|---|---|---|---|---|---|
| Airfare: | $1,000 x 3 pax | | | | | $3,000.00 |
| Per Diem: | KAOHSIUNG (Aug 15-16) | Lodging | Nights | M&IE | Days | |
| | BOD Chair or designee | $146.25 | 1 | $126.25 | 2 | $398.75 |
| | Director of Global Marketing | $117.00 | 1 | $101.00 | 2 | $319.00 |
| | GVB Marketing Staff (1 pax) | $117.00 | 1 | $101.00 | 2 | $319.00 |
| | TAIPEI (Aug 16-19) | | | | | |
| | BOD Chair or designee | $226.25 | 3 | $135.00 | 3 | $1,083.75 |
| | Director of Global Marketing | $181.00 | 3 | $108.00 | 3 | $867.00 |
| | GVB Marketing Staff (1 pax) | $181.00 | 3 | $108.00 | 3 | $867.00 |
| *Misc.* | *Business communication costs & excess baggage fees* | | | | | $1,000.00 |
| | | | | | TOTAL | $7,845.50 |

Cultural Delegation

| | | | | | | |
|---|---|---|---|---|---|---|
| Airfare: | $1,000 x 7 pax | | | | | $7,000.00 |
| Per Diem: | KAOHSIUNG (Aug 15-16) | Lodging | Nights | M&IE | Days | |
| | Cultural & Heritage Staff | $117.00 | 1 | $101.00 | 2 | $319.00 |
| | Cultural Performers (6 pax) | $117.00 | 1 | $101.00 | 2 | $1,914.00 |
| | TAIPEI (Aug 16-19) | | | | | |
| | Cultural & Heritage Staff | $181.00 | 3 | $108.00 | 3 | $867.00 |
| | Cultural Performers (6 pax) | $181.00 | 3 | $108.00 | 3 | $5,202.00 |
| Prof. Fee | Musicians (2 pax) | $100.00 x 3 days | | | | $ 600.00 |
| | Dancers (4 pax) | $50.00 x 3 days | | | | $ 600.00 |
| | | | | | TOTAL | $16,502.00 |

**Background:** GVB continues to focus its sales and marketing efforts in Taiwan and with third quarter forecast, we will be seeing a rebound in arrival numbers since the pullout of Eva Air. China Airlines as the sole carrier providing direct air service from Taipei, has implemented increased frequency (5x weekly) for a limited time (March 25, 2018 – October 25, 2018). It is crucial for GVB to continue strengthening its efforts in this region and sustain the demand for more seats to Guam to support China Airline's and the added schedule. GVB has also been active in air routes development to secure direct service from Kaohsiung and during this sales mission, the Board Chairman being instrumental in our efforts would meet with key trade officials and showcase our consistency and seriousness to bring our initiative to fruition.

The Taiwan sales mission is designed to enhance the networking and business ties between the Guam tourism industry and the travel trade in both Taipei and Kaohsiung. Through face-to-face meetings planned for both Taipei and Kaohsiung, Guam stakeholders will have the opportunity to meet with Taiwanese travel trade who are currently selling Guam products or have a strong potential to sell Guam products.

In addition to the trade aspect of this 2-city sales mission, GVB will also be participating in courtesy meetings with government tourism officials and key trade officials as well as to participate in interviews with influential media in each city. GVB will also do a consumer promotion during this mission and schedule Guam's cultural entertainers to perform during the Taipei City Music Festival to bring awareness of Guam to the general public.

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

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F. RUSSIA & NEW MARKETS

Committee minutes dated June 12, 2018 — Exhibit E

G. KOREA

Committee minutes dated May 8, 2018 — Exhibit F

H. JAPAN

Committee minutes dated May 15, 2018 — Exhibit G

## JEJU AIR INAUGURAL FLIGHT FOR GUAM – KANSAI SERVICE

Motion to approve travel for GVB Board Chairman or designee, one GVB staff, and one Miss Guam to attend the inaugural flight greeting for Jeju Air's Guam – Kansai service in Osaka, Japan on July 21, 2018. Estimated cost: $6,120.75; Account # 100-5995-JAOFF-ADM001.

| | | | | | | |
|---|---|---|---|---|---|---|
| Airfare: | $1,200 x 3 pax | | | | | $3,600.00 |
| Per Diem: | Osaka | Lodging | Nights | M&IE | Days | |
| | Board Chairman | $356.25 | 1 | $191.25 | 2 | $738.75 |
| | GVB Staff | $285.00 | 1 | $153.00 | 2 | $591.00 |
| | Miss Guam | $285.00 | 1 | $153.00 | 2 | $591.00 |
| *Professional fee for Miss Guam* | | | | | | $100.00 |
| *Miscellaneous expenses* | | | | | | $500.00 |
| | | | | | TOTAL: | $6,120.75 |

**Background:** Korea's largest low cost carrier (LCC), Jeju Air, recently announced the inaugural flight service between Japan's Kansai International Airport (KIX) and Guam launching on July 21, 2018. This new service increases air seat capacity out of Japan by 5,700 direct flight seats per month with six round-trip flights per week. The new KIX/GUM route will provide much needed capacity from KIX with a very convenient schedule.

At the request of Jeju Air, GVB will be sending the Board Chairman, one GVB staff, and one Miss Guam to take part in the inaugural flight festivities. The Board Chairman will meet with Jeju Air executives to express our appreciation for their continued support and partnership. He will also deliver brief remarks prior to the departure of the inaugural flight to Guam. Miss Guam will greet passengers with shell leis as they board the aircraft to commemorate this momentous occasion with a touch of the Chamorro culture.

Airfare costs noted above are based on current rates from Guam to Osaka, Japan.

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

## JAPAN MISSION: AIRLINE MEETINGS

Motion to approve travel for the GVB President & CEO or designee to attend airline meetings in Tokyo, Japan from July 2-4, 2018. Estimated total cost is $2,741.25; Account # JA-SMD008.

| | | | | | | |
|---|---|---|---|---|---|---|
| Airfare: | $1,000 x 1 pax | | | | | $1,000.00 |
| Per Diem: | Tokyo | Lodging | Nights | M&IE | Days | |
| | GVB President & CEO | $345.00 | 2 | 283.75 | 3 | $1,541.25 |
| *Miscellaneous:* | *Business meetings and communications expense* | | | | | $200.00 |
| | | | | | TOTAL: | $2,741.25 |

**Background:** GVB continues to aggressively meet and work with airlines to that can potentially start direct air service from Japan. For this mission, GVB will be attending two important meetings: (1) SkyMark and (2) JetStar along with the A.B. Won Pat Guam International Airport Authority. The overall mission is to present the updated business case for these partners to start service to Guam. Each meeting will have participants with corporate strategy / advisory level executives. The team ensures meetings are arranged with key decision makers for business in the Asia Pacific / America market.

Meeting participants include Mr. Tetsuya Okuno, Corporate Strategy Section, Corporate Planning Department, SkyMark and Mr. Nicolas Rorhlach, Chief Executive Advisor, JetStar. Both GIAA and GVB have met with these airlines over the past several years. During these meetings, there will be continued joint efforts by GIAA and GVB to incentivize them to start business to Guam.

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

I. DESTINATION MANAGEMENT

J. MEMBERSHIP & COMMUNITY OUTREACH

K. VISITOR SAFETY & SATISFACTION

L. CULTURAL & HERITAGE

M. SPORTS & EVENTS

VII. OLD BUSINESS

VIII. NEW BUSINESS

IX. EXECUTIVE SESSION

X. ANNOUNCEMENTS

- United Stated Department of Commerce – Deputy Assistant Secretary for Asia Guam visit, Thursday, July 26, 2018

**Upcoming Board Meetings:**

GUAM VISITORS BUREAU
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- Thursday, July 12, 2018 at 3:30pm, GVB Main Conference Room
- Thursday, July 26, 2018 at 3:30pm, GVB Main Conference Room

XI. ADJOURNMENT

EXHIBIT

**JAPAN MARKETING COMMITTEE MEETING – Tuesday, May 15, 2018**

**JMC MEMBERS PRESENT:** Bill Nault, Kiyoshi Kawano, Toshio Akigami, Mike Lee

**OFF-ISLAND:** Tak Takano, Satoru Murata, Monte Mesa, Norio Nakajima

**ABSENT:** George Johnson, Bunichi Yamashita, Terry Debold, Milton Morinaga, Daisuke Tsuchiya

**OBSERVERS/GUESTS PRESENT:** Kyoichi Aoki, Kazu Atsuta, Masayo Ibay, Yoshiaki Kanemitsu, Mari Oshima, Yoshinori Oshita, Kenji Sekine, Osamu Takahashi, Daisuke Sato, Keisuke Kamamura

**ABSENT:** Bonnie Alig, Mark Anderson, Eilis Baldevia, Akihiko Gondo, Tomoyuki Goto, Kazunori Hotta, Ayisha McKinnon, Naomi Miyama, Yuki Motoda, Koji Nagano, Simon Odoca, Mitsunori Takahashi, Sachiyo Tanimoto, Katsuhiko Yoshida, Miwa Bravo, Dave Duenas, Akiko Futakami, Asher Goldenberg, Yusuke Imazu, Dan Mormon, Russell Ocampo, Shizuyo Okabe, Yoshihisa Otani, Kimi Passeur, Mai Perez, Suzanne Perez, Akihiro Tani, Hajime Fujiwara

**GVB:** Jon Nathan Denight, Brian Borja, June Sugawara, Karida Brennan

**VIDEO CONFERENCE:** Hiroshi Kaneko (GVBJ), Koichi Hoshino (ADK)

## CALL TO ORDER

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

## APPROVAL OF MINUTES

Motion made by Mr. Lee and seconded by Mr. Akigami to approve the minutes of April 10, 2018. Minutes approved.

## REPORT OF CHAIRMAN

Chairman Nault made the following announcements:

- Some of the air seats that were lost have been recovered through charter flights. We're look at around 26,000 charter seats for the summer period.
- In a few weeks, JAL will be able to take reservations on their website.
- GPA gave a presentation to the BOD regarding the new power plant that will go up across the Micronesia Mall.
- The BOD are reviewing rules for BnB vacation rentals.
- We had a visit from the city of Okayama last week.
- The bus shelter project is almost complete. The team is still in discussions regarding maintenance.
- Skymark has not made an official announcement about their Saipan route yet; they are still considering other destinations.
- The team went to Tokyo recently to meet with JAL and thank them for the second daily flight. They also expressed their desire to JAL to continue the service into the winter period. They will get back to us by June or July.
- The team is still working on the Treasure Hunting Campaign.

## REPORT OF MANAGEMENT

Report by President Denight and Mr. Kaneko:

- Statistics
- Three Month Forecast
- Air Service Development
- Japan Market Update
- Kanto Update
- Hokkaido and Niigata Update
- Kyushu Update
- PR & Marketing
- Homepage & SNS
- Recent Events




## Calendar Year to Date 2018

**January–April 30, 2018** **Total: 514,168 (-3.5%)**

| % Market Mix | Origin | 2017 | 2018 | % to LY |
|---|---|---|---|---|
| 36.7% | Japan | 232,611 | 188,925 | -18.8% |
| 47.1% | Korea | 212,439 | 242,298 | 14.1% |
| 1.9% | Taiwan | 13,521 | 9,615 | -28.9% |
| 1.4% | China | 9,486 | 7,313 | -22.9% |
| 5.7% | US/Hawaii | 26,191 | 29,298 | 11.9% |
| 0.4% | Hong Kong | 7,711 | 1,969 | -74.5% |
| 1.1% | Philippines | 5,972 | 5,674 | -5.0% |

Source: Guam Customs Declaration Forms. Processed by the Guam Visitors Bureau.

## April 2018

**April 1-30, 2018** **Total: 117,689 (-4.0%)**

| % Market Mix | Origin | 2017 | 2018 | % to LY |
|---|---|---|---|---|
| 33.9% | Japan | 49,834 | 39,934 | -19.9% |
| 51.2% | Korea | 53,517 | 60,266 | 12.6% |
| 1.9% | Taiwan | 3,208 | 2,241 | -30.1% |
| 0.9% | China | 1,720 | 1,050 | -39.0% |
| 5.9% | US/Hawaii | 6,091 | 6,931 | 13.8% |
| 0.5% | Hong Kong | 2,052 | 593 | -71.1% |
| 1.6% | Philippines | 2,185 | 1,846 | -13.5% |

Source: Guam Customs Declaration Forms. Processed by the Guam Visitors Bureau.

## Fiscal Year to Date 2018

**October 2017 – April 30, 2018** **Total: 889,679 (-3.7%)**

| % Market Mix | Origin | 2017 | 2018 | % to LY |
|---|---|---|---|---|
| 35.6% | Japan | 414,211 | 316,718 | -23.5% |
| 48.3% | Korea | 364,435 | 429,315 | 17.8% |
| 1.8% | Taiwan | 23,242 | 15,571 | -33.0% |
| 1.3% | China | 14,873 | 11,378 | -23.5% |
| 5.4% | US/Hawaii | 44,092 | 47,966 | 8.8% |
| 0.5% | Hong Kong | 11,209 | 4,029 | -64.1% |
| 1.3% | Philippines | 12,999 | 12,007 | -7.6% |

Source: Guam Customs Declaration Forms. Processed by the Guam Visitors Bureau.

## 3 Month Forecast

( as of 15May 2018)

| Month | 2018 Forecast | 2017 Arrival | Arrival Diff | TY LF Forecast | LY LF Result | 2018 Seats | 2017 Seats | Capacity Diff |
|---|---|---|---|---|---|---|---|---|
| May | 38,000 | 47,140 | -9,140 (-19%) | 75% | 63% | 51,719 | 74,878 | -23,159 (-31%) |
| June | 37,000 | 48,971 | -11,971 (-24%) | 83% | 69% | 45,008 | 71,063 | -26,055 (-37%) |
| July | 42,000 | 51,811 | -9,811 (-19%) | 86% | 66% | 50,862 | 78,285 | -27,423 (-35%) |

(Data Source : D to M: JGTA and other MI )

May 2018
Narita
UA 21 flights per week (3,486)
JL 14 flights per week (2,786)
Nagoya
UA 7 flights per week (1,162)
Kansai
UA 7 flights per week (1,162)
TW 7 flights per week (1,323)
Fukuoka
UA 7 flights per week (826)
Sendai
UA 2 flights per week, (236)
(Thu & Sun)

June 2018
Narita
UA 21 flights per week (3,486)
JL 14 flights per week (2,786)
Nagoya
UA 7 flights per week (1,162)
Kansai
UA 7 flights per week (1,162)
TW 7 flights per week (1,323)
Fukuoka
UA 7 flights per week (826)

July 2018
Narita
UA 21 flights per week (3,486)
JL 14 flights per week (2,786)
Nagoya
UA 7 flights per week (1,162)
Kansai
UA 7 flights per week (1,162)
TW 7 flights per week (1,323)
Fukuoka
UA 7 flights per week (826)

Charter Flight Information
May
Narita 1 flight (246)
Nagoya 4 flights (753)
Fukuoka 1 flight (189)
Kansai 1 flights (218)
Narita 22 flight (4,147)
Nagoya 5 flights (740)
GTotal 34 flights
( 6,293 seats)

## Air Service Development

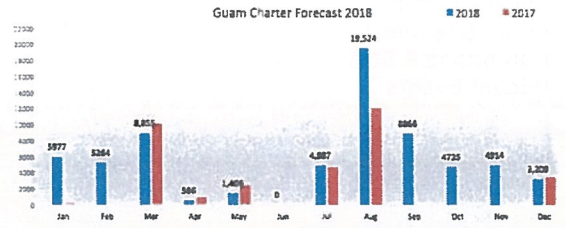
( as of 15May 2018)

**Charter Business in 2018**

Forecast in 2018 :

2018 68,000 seats or more
2017 33,468 seats
2016 20,515 seats

Data Source : MI & Airlines




Confidential and subject to change

## Air Service Development

( as of 15May 2018)

**Summer Charter Update:**

Long-term charter program has been conducted

| Airline | Dep. point | Dep Date/period | Aircraft | Capacity |
|---|---|---|---|---|
| Tway | Narita | 21 July 18 - 17Sep 18 | B737-800 | 189 |
| JINAIR | Narita | 21 July 18 - 24Oct 18 | B737-800 | 189 |
| Uzbekistan | Nagoya | 27 July 18 - 29Aug 18 | A320-200 | 148 |
| Jeju Air | Nagoya | 10 Aug 18 - 14Aug 18 | A737-800 | 189 |
| United | Narita | 2/4/7/9/13/16/20/22/23/25/27Aug 18 | B737-700 or 800 | 118 or 166 |
| United | Nagoya | 8/11/12/15/18/19/21Aug 18 | B737-700 or 800 | 118 or 166 |
| JINAIR | Fukuoka | 11Aug 18 | B737-800 | 189 |

July - September :

- Narita : 26,330 seats
- Nagoya : 6,947 seats
- Fukuoka : 189 seats
- Total : 33,277 seats

Comparison to LY: 199%



## Japan Market Update

( as of 15May 2018)

**Capacity Forecast in 2018**

Data Source : D to M & other MI

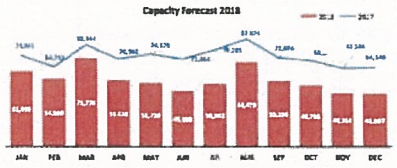
**Forecast as of 01May.18**

Total about 64 6000 seats
about 3,750 flights

Schedule 578 000 seats
3,380 flights

Charter 68 000 seats
370 flights

vv 2017 -26% (-226 000 seats)

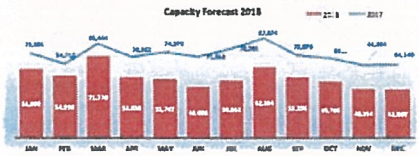



**Forecast as of 01Apr.18**

Total about 640 000 seats
about 3,650 flights

Schedule 575,000 seats
3,300 flights

Charter 64,000 seats
350 flights




Confidential and subject to change

## Japan Market Update

( as of 15May 2018)

- **Japanese overseas travel in March 2018.**
  Japan National Tourism Organization reported that the number of Japanese overseas traveler was up 3.5% year on year, reaching 1,807,000 in March 2018.

- **Asiana Charter in August.**
  According to the Marianas Visitors Authority, Asiana Airlines is planning to operate five charter flights between Narita and Saipan in August
  Departure date NRT-SPN August 5 8 11,14,17 SPN-NRT August 9,12,15,18,21
  Capacity:250 (B767-300) , Total 1,250 seats

- **JAL Charter in summer holiday period.**
  Japan airlines is planning to operate two charter flights from Narita to Palau in July and August. The flight between Narita and Palau on Delta Air Lines will be the last flight on May 6th. Direct flights are only available for this JAL charter flight.
  27Jul & 01Aug : NRTROR 10 00 14 45
  01Aug & 05Aug : ROKNRT 16 15 20 40

- **JINAIR Charter in summer holiday period.**
  JINAIR (LJ) will operate 96 charter flights between Narita and Guam this summer.
  HIS is a charterer for the charter program and operation period will cover from July 21 to October 24. The equipment used is B737-800 seat of economy class 189 seats.
  LJ says that it is the largest scale in the past as a charter from Japan

## Japan Market Update

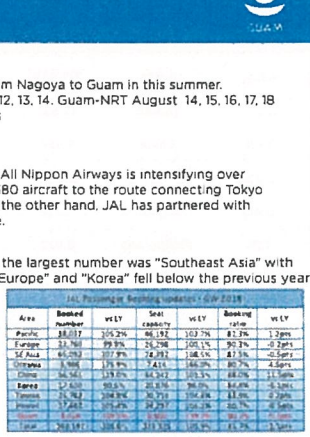
- **JEJUAIR Charter in August.**
  JEJU AIR will operate 5 charter flights from Nagoya to Guam in this summer.
  Departure date NRT-Guam August 10, 11, 12, 13, 14. Guam-NRT August 14, 15, 16, 17, 18
  Capacity:189 (B737-800) , Total 945 seats
  Charter products has been on sale

- **JAL vs. ANA on Hawaii route.**
  Competition between Japan Airlines and All Nippon Airways is intensifying over Hawaii route. ANA will introduce three A380 aircraft to the route connecting Tokyo and Honolulu from the spring in 2019. On the other hand, JAL has partnered with Hawaiian Airlines to enhance convenience.

- **JL GW Result.**
  In terms of the number of JL passengers, the largest number was "Southeast Asia" with 60,992 people, an increase of 7.9%. Both Europe" and "Korea" fell below the previous year

The highest utilization rate was "Guam" which is 90.7% with an increase of 0.2pts
Top 3 Load Factor:

Guam: 90.7%
Europe 90.3%
China 88%



## Japan Market Update

- JAL & HIS Meeting April 27th

  - GVB Top management team, Chairman Morinaga, JMC Chairman Bill Nault and President & CEO Nathan Denight made a courtesy visit to HIS HQ to discuss their sales plan including a long-term charter program in the summer.

  - The team attended a business dinner with JAL's top sales and route planning team in Tokyo to express our gratitude for the second flight operation and request the continuation of operation.




## Kanto

(as of 15May 2018)

**JAL Guam Campaign:**

- JAL Fly to Guam Campaign.
- Sales period: May 7 to 18.
- Travel period: June to July 12.
- Dep port: Narita.
- Purpose: increase pax volume.
- Incentive: free stay at 13 hotels.




## Kanto

(as of 15May 2018)

**HIS Guam Sales Campaign:**

**HIS :**

- Sales Promotion (HIS x GVB)
- Area: Kanto
- Sales Period: started. (up to Oct.18)
- Travel period: Jun.18 - Oct.18
- Product: Brochure & Web
- Target: 103%. (nationwide)
- Sales growth: Kanto, 107%.
- Carriers: UA/JL.
- Charter business: JINAIR.
- Retail shops: 282 (178, Kanto)
- Mail magazine: about 70,000 user.






## Kanto

(as of 15May 2018)

**Charter Sales in Summer:**

**JTB:**

- Port : Narita
- Carrier : T'way
- Period : 21Jul - 17Sep.18
- Target : 90% or above.
- Product: pamphlet & web.
- Capacity: about 11,000 seats.




**HIS :**

- Port : Narita
- Carrier : JINAIR
- Period : 21Jul - 24Oct.18
- Target : 90% or above.
- Product: pamphlet & web.
- Capacity: about 18,000 seats.




## Kanto

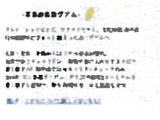
(as of 15May 2018)

**Air Ticket Guam Sales campaign:**

**Korean Air :**

- Joint Promotion (GVB x Korean Air)
- Sales period: April - May.
- Travel period: April to September
- Dep port : Sapporo, Aomori, Niigata.
- Price : ¥ 48,000 -
- Sales tool : Korean Air Booking engine.
- Promotion: Google.
- Mail magazine: 9,400 (three area)
- Page viewer : more than 10,000.







## Hokkaido & Niigata

(as of 15May 2018)

**Event (GW 2018)**

Guam delegation attended two sister marathon races as below and announced Ko'ko' Road Race held on December 2, 2018.

Sado Toki Marathon in Sado, Niigata Pref. April 22.
Total 2,268 runners
Guam Delegation:
Ms. Manami Iijima, Local Elite Runner (10K, first place of female)
Mr. Brian Borja, Japan Marketing Manager, GVB
(5K, first place of under 39 years of male)


Left: Mr. Miura, Mayor of Sado
Right: Mr. Hamada, Chairman of Sado City Sports Association

Toyohiragawa Marathon in Sapporo, Hokkaido on May 5.
Total 4,570 runners
Guam Delegation:
Ms. Myana Welch, Miss Universe Guam 2017 (10k)
Mr. Kraig Camacho, Destination Specialist Sports & Events, GVB (5K)
Mr. Josh Tyquiengco, PIO, GVB (Half)





## Kyushu

( as of 15May 2018)

**Charter Sales in Summer:**

HIS :

Sales Promotion (HIS x GVB)
Area: Kyushu.
Sales Period: started. (up to Oct.18)
Travel period: Jun.18 - Oct.18
Product: Brochure & Web
Target: 116%.
Carriers: UA.

Charter business: JINAIR.
Period: 8/11 - 8/15.
Retail shops: 282 (40, Kyushu)
Mail magazine: about 30,000 user.




## PR & Marketing -Latest & Upcoming Exposures (GVB/J collaboration)

( as of 15May 2018)

April : Print 4 / Cable TV 6 / Radio 1
May : Magazine 1/ Web 3/ Cable TV 1/ Radio 1
June : Cable TV 1

APRIL

| KIND OF MEDIA | NAME OF MEDIA | MEDIA TARGET | LAUNCH DATE |
|---|---|---|---|
| CABLE TV | Shona RUN | Runners | 08 Apr 18 |
| CABLE TV | Shona RUN | Runners | 12 Apr 18 |
| RADIO | FM NORTH WAVE | HOKKAIDO AREA | 16 Apr 18 |
| CABLE TV | Shona RUN | Runners | 19 Apr 18 |
| PRINT | Travel with a Child Guam Guidebook | Family | 20 Apr 18 |
| PRINT | GENIC Colorful Guam Guidebook | OL, Instagrammers | 20 Apr 18 |
| CABLE TV | Shona RUN | Runners | 21 Apr 18 |
| CABLE TV | Shona RUN | Runners | 27 Apr 18 |
| CABLE TV | Shona RUN | Runners | 28 Apr 18 |
| PRINT | Golf Digest Traveler | Golfers | 30 Apr 18 |
| PRINT | Sandy Magazine | OL, Instagrammers | 30 Apr 18 |

MAY

| KIND OF MEDIA | NAME OF MEDIA | MEDIA TARGET | LAUNCH DATE |
|---|---|---|---|
| MAGAZINE | GINZA | FUJI | 1 May 18 |
| WEB | HOKKAIDO | FUJI | 2 May 18 |
| CABLE TV | ANDER HEMBUSU TV | ANIMALS | 5 May 18 |
| WEB | UFA FAN | TRAVEL FANS | 7 May 18 |
| WEB | ASIA SHOPPING TRAVEL | TRAVEL FANS | 10 May 18 |
| RADIO | FM NORTH WAVE | HOKKAIDO AREA | 12 May 18 |

JUNE

| KIND OF MEDIA | NAME OF MEDIA | MEDIA TARGET | LAUNCH DATE |
|---|---|---|---|
| CABLE TV | ANIMAL PLANET | APH FANS | 24 Jun 18 |




TRAVEL with a Child, GUAM Guidebook (circulation: 30,000)
A fashion editor who fell in love with Guam produced a guidebook from a mother's point of view, based on her experience of traveling to Guam with her son for 12 times

## Homepage & SNS

( as of 15May 2018)

**GVB Website APR 2018**
User Total 42,338
Page View Total 117,010

**TOP3 pages**
1 Immigration To Guam
2 Question
3 Weekly Guam

**GVB SNS Fans**
Facebook Total 23,920 (+46)
Twitter Total 5,346 (+34)
Instagram Total 12,649 (+52)

**SNS engaging contents TOP3 (Facebook, Twitter, Instagram)**

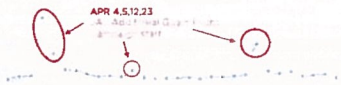
NO.1 Facebook
Day APR 2
LIKE 461
Comment 1
Double Rainbow

NO.2 Facebook
Day APR 29
LIKE 461
Pool at Hyatt

NO.3 Facebook
Day APR 10
LIKE 427
Comment 7
UA × Ken corporation campaign

**Popular topics related to Guam**
All social media
(Twitter, Facebook, Instagram, Youtube, Blog etc.)






## Homepage & SNS

( as of 15May 2018)

**Imoto no WIFI "Nine Stars" TVCM**

**Top page slide banner**
**LINK: 1) TVCM Youtube**
**2) Imotono WIFI official site**
**3)Nine Stars official site**









**Top page banner**
**link to the shooting spot page**

**TVCM shooting spot page**
http://www.visitguam.jp/special/imotonowifi/

## Event Information:

( as of 15May 2018)

**Tokyo Rainbow Pride 2018 Date: June 5 and 6**

- Total Audience 150,000pax (Day1 60,000pax Day2 80,000pax Parade 7,000pax Week events 5,000pax with 70 events including pre party)
- Guam Pride 2018 with Pre events on June 3rd and 5th
- Distribution of 1,000 leaflets and aired InstaGuam movies



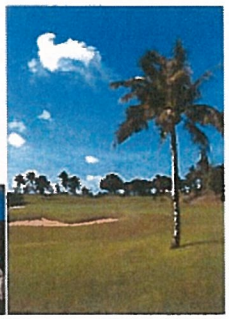
## Event Information:

**Japan VIP/CEO Fam Tour 2018**

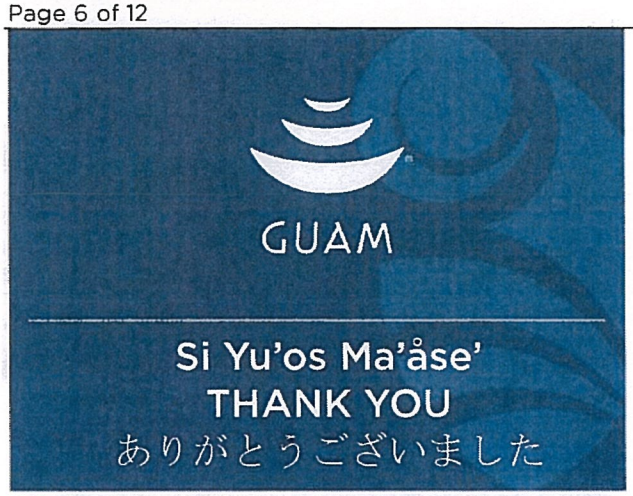
Period: July 9th – 11th, 2018

Number : 30 pax
Participants : President & CEO at travel agents
Guam stakeholder
Partner airlines

July 9 : Arrive Guam/ GVB official reception
July 10 Golf, Lunch and VIP Special Tour
July 10 Return to Japan








President Denight then made the following announcements:

- GVB supports air service development in two ways: one is for charter flights and the other is for regular scheduled service. This year, the support was in the amount of $250k and the required timeline was one year of service. Next fiscal year, we will be more aggressive and increase that amount to $500k with a timeline of six months or beyond.
- JAL will be coming to Guam on June 5 for a meeting and other airlines are looking to fly out of Japan as early as summertime.
- The team is working hard to attract new air service.
- Director Nault added that we are also working with GIAA on possibly reducing airport costs for these airlines.

## REPORT OF ADK

Report by Mr. Hoshino:

- FY2018 Communication Plan
- PR/Promotion
- InstaGuam + AKB48 Media Exposure
- FY2018 Media Plan
- InstaGuam Campaign
- Guam Treasure Hunting Promotion

GUAM

# JMC Meeting – May

FY 18 Plan for Japan Market

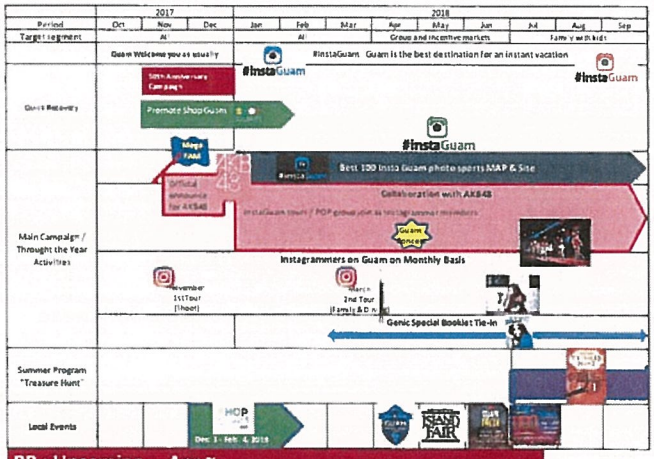
May 15, 2018
ASATSU-DK INC.

ADK

GUAM

# FY18 Communication Plan

## Result Reports




## PR : Upcoming _ Apr ~




- **Golf Digest Package PR Tie Ins**

**1) Magazine title: Golf Digest Traveler**
Issue date Published quarterly (Jan・Apr・Jul・Oct)
Exposure: 4C5P
Circulation 50,000
Ad Value $ 30,707.14

**2) Media title: Minnano Golf Digest Web & Golf Digest TV**
**Minna no Golf Digest**
Golf information site operated by Golf Digest
Monthly PV 7,300,000 Article CTR 1.5% average

**Golf Digest TV (YouTube)**
Golf related movie site operated by Golf Digest
The latest Channel subscribers: 54,346
Ad Value. $ 13,160.20

**3) Japan airlines Official site**
Guam General Golf promotion video will be posted as contents on JAL Guam site
Ad Value. $ 21,933.67

- Total AD Value: $65,801

## PR : Upcoming _ May ~




- **Golf Digest Package PR Tie in – 8 pages**
- **Issued April 30, 2018**

## PR : Upcoming _ May.

- UGM Media Fam Tour -

- **Running Magazine Courir**

| | |
|---|---|
| Media Category | Running Magazine + Web |
| Circulation: | 100,000 |
| Target : | 30s-50s serious & runners |
| Issue date | Monthly Issue / 20th |
| Ad Rate: | 4C1P \700,000 |
| Ad Value: | 2,800,,000JPY (Color, 4 pages + Web) |



- **Running Magazine Running Style**

| | |
|---|---|
| Media Category | Running Magazine + Web |
| Circulation: | 100,000 |
| Target : | 30s-40s male & female runners |
| Issue date | Monthly Issue / 20th |
| Ad Rate: | 4C1P \700,000 |
| Ad Value: | 2,000,,000JPY (Color, 4 pages + Web) |




ADK

- Total AD Value: $43,948

## PR : Upcoming _ Jun. ~



TV Station: TBS (Nationwide)
Program title: King's Brunch
On Air Date & Times: June (TBD)
Approx. No. of viewable households: 34,987,536
Audience rate: 5.2%
No. of expected viewers : 1,819,455
Exposure: 15 minutes in total
Ad Value: $1,060,714.28

ADK

## AD/PR/ Promotion:
*InstaGuam + AKB48 Guam Special Live - Media Exposure*

- ✓ NP & Web: $119,379.13
- ✓ Press Release: $81,258.80
- **Total: $200,637**

**Nemousu TV (AKB exclusive TV program) covered the event and will air sometime in May.**

- ✓ Around 60 min. exposure.
- **AD Value: $300,000**

- **Instagram posting:**
- ✓ Outreach number: 2,935,000
- ✓ No. of LIKES: 305,005
- ✓ No. of comments: 2,436

ADK

## AD/PR/ Promotion:
*InstaGuam + AKB48 Media Exposure – News Paper*




Sankei Sports (Apr. 24, 2018)



Sports Nippon (Apr. 24, 2018)

ADK

## AD/PR/ Promotion:
*InstaGuam + AKB48 Media Exposure – NP & Web media value*

| NO. | DATE | MEDIA TYPE | MEDIA CATEGORY | TARGET | MEDIA NAME | CIRCULATION/ VIEWERS | ARTICLE AMOUNT | AD PRICE | VALUE (¥) |
|---|---|---|---|---|---|---|---|---|---|
| 1 | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] |
| [illegible] | | | | | | | | | |
| Total | | | | | | | | | ¥13,038,588.57 |
| | | | | | | | | | US$119,379.13 |

ADK

## AD/PR/ Promotion:
*InstaGuam + AKB48 Media Exposure - News Release*

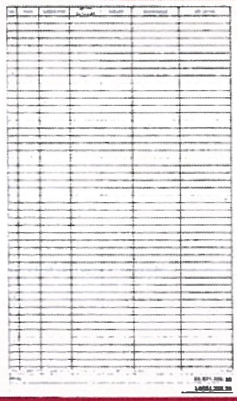
- **News Release**





ADK

## AD/PR/ Promotion:
*InstaGuam + AKB48 Media Exposure – News Release*



48 Web media: $81,258.80 media value

ADK

## AD/PR/ Promotion:
*InstaGuam + AKB48 Media Exposure – Nemouse TV*

**Nemousu TV: Media Value: $300,000**
1st air: 30 min. exposure on May 6th
2nd air: 30 min. exposure on June 24th



ADK

## AD/PR/ Promotion:
*InstaGuam + AKB48 Media Exposure- SNS by AKB members*



| | |
|---|---|
| Outreach number | 2,835,000 |
| No. of likes | 305,005 |
| No. of comments | 2,436 |

ADK

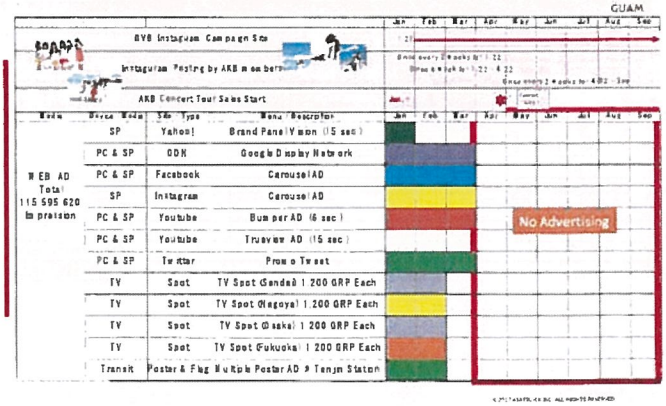
## AD/PR/ Promotion:
*InstaGuam + AKB48 'Comments from Fans after the Guam Special*



ADK

## 2018 Current and upcoming programs

## FY2018 Media Plan




ADK

## PR: InstaGuam _CP Posted Photos

GVG current SNS followers:
Instagram: 12,000 <= 0 (a year ago)
Facebook: 23,882 <= 8,700 (a year ago)




ADK

## PR: InstaGuam Campaign Prize Application Result

- As of April 29, 2018

| | | Instagram | Twitter | Facebook | Total |
|---|---|---|---|---|---|
| 50,000 JPY JCB coupon | 1/22-4/1 | 1440 | 18 | 17 | 1475 |
| | 4/2-4/8 | 75 | 1 | 0 | 76 |
| | 4/9-4/15 | 110 | 1 | 0 | 111 |
| | 4/16-4/22 | 101 | 0 | 0 | 101 |
| | 4/23-4/29 | 61 | 0 | 7 | 68 |
| | Sub Total(①) | 1787 | 20 | 24 | 1831 |
| 10,000 JPY JCB coupon | 1/22-4/1 | 153 | 190 | 3 | 346 |
| | 4/2-4/8 | 1 | 5 | 0 | 10 |
| | 4/9-4/15 | 2 | 14 | 0 | 16 |
| | 4/16-4/22 | 12 | 14 | 0 | 26 |
| | 4/23-4/29 | 15 | 16 | 0 | 31 |
| | Sub Total(②) | 183 | 243 | 3 | 429 |
| Total(①+②) | | 1970 | 263 | 27 | 2260 |

ADK

## SP: 2018 Guam Treasure Hunting Promotion

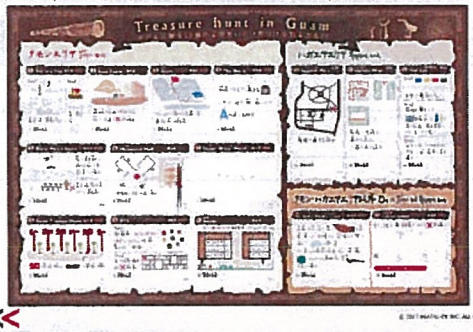
- ✓ **100,000 copies of Pamphlet delivered (under development)**
- ✓ **Delivering points:**
  - TA counters at airport, JTB conch lounge, HIS Lea Lea lounge,
  - HIS GPO Lea Lea counter, T-Cat counter, TA counters at hotels




ADK

## SP: 2018 Guam Treasure Hunting Promotion

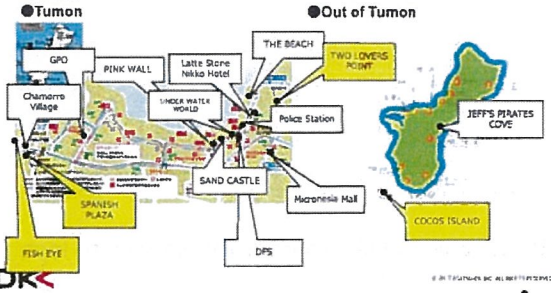
- Campaign Period: July 1 ~ Oct. 7, 2018
- ✓ 100,000 copies of Pamphlet delivered (under development)




ADK

## SP: 2018 Guam Treasure Hunting Promotion

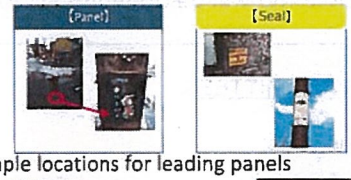
- **Treasure Hunt Points**
- ✓ A total of 15 points.
- ✓ 4 points (yellow marked) out of 15 providing double chance of #instaguam campaign)



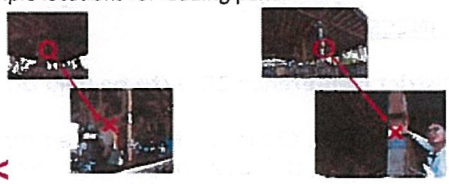

ADK

## SP: 2018 Guam Treasure Hunting Promotion

- ✓ Leading Panels (Hint panel) to the treasure boxes




- ✓ Sample locations for leading panels



ADK

**SP: 2018 Guam Treasure Hunting Promotion**

- Campaign Period: July 1 ~ Oct. 7, 2018

✓ Quiz answers attest stations (candidates)
- Concha Lounge
- HIS Lea Lea Lounge
- HIS Lea Lea Lounge at DFS
- HTM at DFS desk

✓ Prize lottery (redemption) station
- DFS (Exact location is to be decided)

ADK

**SP: 2018 Guam Treasure Hunting Promotion**

- Prize redemption method: Lottery by the number of correct answers

| No. of correct answers | Lottery chances |
|---|---|
| Three or more | One lottery chance |
| Five or more | Two lottery chances |
| Ten or more | Three lottery chances |
| Distant spots | One lottery chance per additional spot found |

ADK

**SP: 2018 Guam Treasure Hunting Promotion**

- Campaign Prizes
- Deadline for donating prizes to GVB: May 16, 2018

| Description | Quantity (envisioned) |
|---|---|
| Special Prize: Guam travel vouchers of ¥100,000 value | 15 vouchers (five/a unit) |
| A Prize: ¥3,000 – ¥10,000 value (approx.) | Total 3,000 prizes combined (A to E) |
| B Prize: ¥2,000 value (approx.) | |
| C Prize: ¥1,000 value (approx.) | |
| D Prize: ¥500 value (approx.) | |
| E Prize: ¥300 value (approx.) | |

Participation prize: 300,000 original coins



ADK

**SP: 2018 Guam Treasure Hunting Promotion**

- Campaign Period: July 1 ~ Oct. 7, 2018

✓ Banner in GVB HP: Final campaign site start from June 1st




ADK

Mr. Akigami made the following correction: 30,000 gold coins will be given away as prizes, not 300,000. He also mentioned that Docomo will be donating 1,000 cards with 500 dpoints each.

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REPORT OF SUBCOMMITTEES

Discussion / Comments:

OLD BUSINESS

**Rotary District Conference 2019 (to be held on Guam in February 2019)**

Regarding free WiFi, Chairman Nault stated that Senator Rodriguez would like to offer this service to locals and tourists. The team is still looking into what the different providers can offer.

NEW BUSINESS

Mr. Kawano asked about participants for the VIP Fam Tour. Mr. Kaneko announced the names and titles of those who have confirmed their participation to date (total 22-26 pax). Chairman Nault shared that we're hoping to bring decision makers from these important companies in Japan to Guam to familiarize them with our destination and offerings. We will not have a HAST this year.

Chairman Nault shared that there was a volcanic eruption in Hawaii recently, causing some cancellations to that destination.

He also mentioned that there is a Measles outbreak in Okinawa.

Marketing Manager Brian Borja announced that the team will be participating in KIX in Osaka this weekend along with Miss Guam, Guamzilla, and cultural dancers from Japan. Prior to the fair, a GVB team will meet with schools and education boards in the area as another effort to regain the losses in the school market.

## ANNOUNCEMENTS

- Next JMC meeting will be on JUNE 12, 2018 at 1:30 PM.

## ADJOURNMENT

Moved by Mr. Lee and seconded by Mr. Kawano to adjourn the meeting at 2:40 PM. Motion approved.

Minutes prepared by: _____
Karida Brennan, Marketing Officer I

Minutes approved by: _____
Brian Borja, Marketing Officer II

**KOREA MARKETING COMMITTEE MEETING MINUTES**
**11:00AM - Tuesday, May 8, 2018**
**GVB Main Conference Room**

| **Members Present:** | **Members Absent:** |
|---|---|
| Akihiro Tani – Fish Eye Marine Park<br>Chris Yang – Westin Guam Resort<br>Daisuke Sato – Watabe Guam Inc.<br>Esther Kim – Hyatt Regency Guam Visitors Bureau<br>Gun Park – Dusit Thani Guam<br>Jason Joo – Lotte Hotel<br>Jae Yu – Tumon Bay Lobster & Grill<br>Katsutoshi Kabasawa – Lam Lam Tours & Transport<br>Keiko Hirao – Royal Orchid Guam<br>Mark Anderson – Nissan Rent a Car<br>Soohyun Lee – Tumon Aquarium LLC<br>Stephen Gatewood – Alupang Beach Club<br>Susan Fryer – Tumon Sands Plaza<br>Tae Oh – Baldyga Group<br>Terry Chung – T-Galleria<br>Yoshinori Oshita – Guam Reef & Olive Spa Resort<br>Young Min Kim – Pacific Islands Club | Ayisha McKinnon – Red Door Productions<br>Bonnie Lee – Anthology Research<br>Do Hyung Kim – Zeus Tours<br>Jason Lee – Sheraton Laguna Guam Resort<br>Jennifer McFerran – International Dining Concepts<br>Jenny Cheon – Hotel Nikko Guam<br>Jennifer Chae – Onward Beach Resort<br>Jenny Song – Outrigger Beach Resort<br>John Ko – Net Enterprises<br>Kyu Sik Kim<br>Sunardi Li – Sentry Hospitality |
| **Guests/Alternate Members:** | **GVB Korea Office/GVB Chairs/Mgmt. /Staff Present:** |
| Kaori Sablan – Fish Eye Marine Park<br>Moo Heon Lee – Lotte Hotel<br>Olga Tonkikh – HIS Guam Inc.<br>Neil Urbano – HIS Guam Inc.<br>Julia Kondo – Guam Plaza Hotel<br>Annie Joo – Balydyga Group<br>Ji Eun Kim – Pacific Islands Club<br>Takashi Kano – Guam Reef & Olive Spa Resort<br>Jasmin Quimbao – Bayview Hotel | Bartley Jackson – KMC Chairman<br>Young Sook Hong – KMC Vice Chairwoman<br>Brad Kloppenburg – KMC Vice Chairman<br>Colleen Cabedo – Korea Marketing Manager<br>Nakisha Garrido – Korea Marketing Coordinator<br>Jay Park - GVB Korea Account Director |

I. CALL TO ORDER
Chairman Bart Jackson called the meeting to order at 11:02AM.

II. APPROVAL OF COMMITTEE MINUTES
Chairman Bart Jackson called for the approval of the minutes from the last committee meeting held on April 10, 2018. KMC Vice-Chairwoman Ms. Hong motioned to approve and was seconded by Vice-Chairman Brad Kloppenburg. With no oppositions the committee unanimously approved the minutes.

III. REPORT OF THE CHAIRMAN

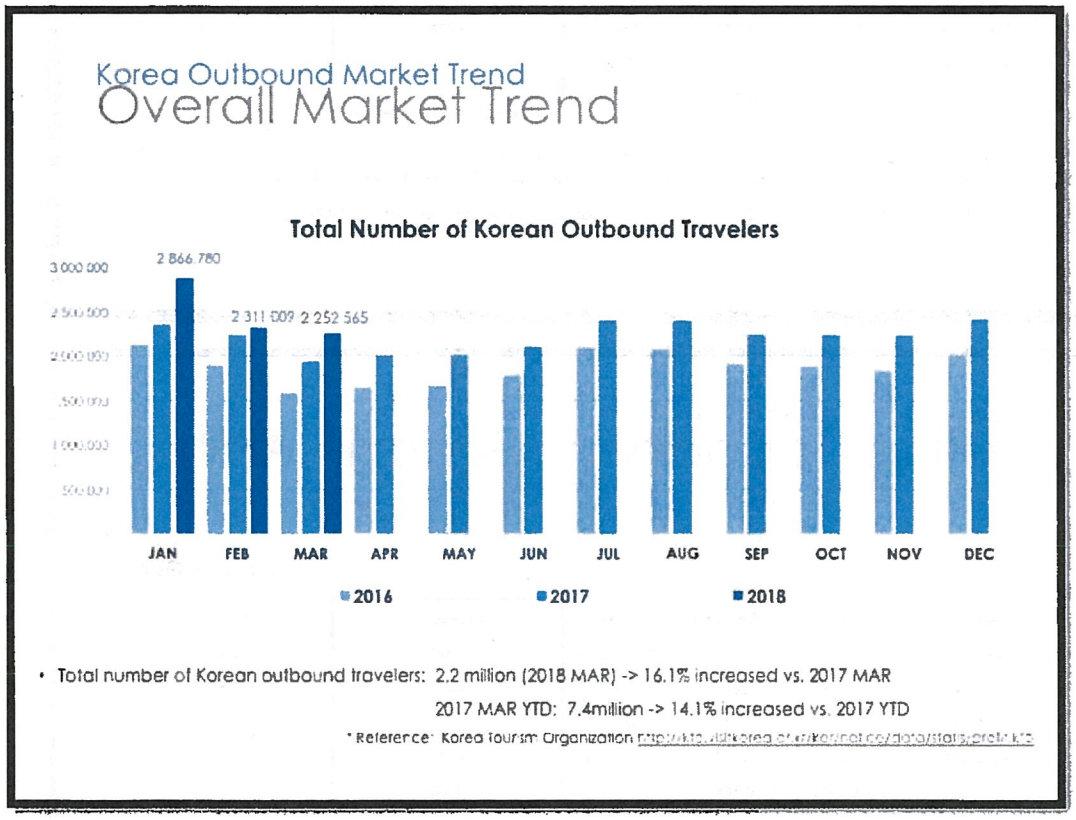
Chairman Jackson encouraged committee members to visit the newly opened permanent exhibit at the Guam Museum. He deferred report to GVB management.

IV. REPORT OF MANAGEMENT

Management deferred report to later in the agenda when they would present the FY2019 budget and smart goals.

V. KOREA MARKETING NEWS

GVB Account Director Jay Park delivered the updates telephonically.



## Korea Outbound Market
# Airline Capacity to Guam in APR

**Incheon – Guam**

| Airline | Flight No. | DEP. Time | Days | 2018 April | 2017 April |
|---|---|---|---|---|---|
| Korean Air | KE113 | 09:15 | Daily | 8,730 | 8,280 |
| | KE111 | 19:35 | Daily | 8,280 | 8,730 |
| Jeju Air | 7C3102 | 10:05 | Daily | 5,670 | 5,670 |
| | 7C3106 | 20:10 | Daily | 5,670 | 5,670 |
| | 7C3108 | 21:50 | Daily | 4,914 | NA |
| Jin Air | LJ641 | 09:35 | Daily | 5,670 | 11,790 |
| T'Way Air | TW301 | 18:00 | Daily | 5,670 | 5,670 |
| Air Seoul | RS102 | 20:45 | Daily | 5,850 | NA |
| TOTAL SEAT CAPACITY | | | | 50,454 | 45,810 |

- Jeju Air is re-operating 7C3108 flight after the aircraft maintenance.
- Jin Air replaced LJ641 aircraft from B772 (393 seats) to B738 (189 seats) due to the aircraft maintenance.
- Outbound seat capacity from ICN to GUM = 50,454 seats (4,644 seats more than 2017 APR)

## Korea Outbound Market
# Airline Capacity to Guam in APR

**Busan – Guam**

| Airline | Flight No. | DEP. Time | Days | 2018 April | 2017 April |
|---|---|---|---|---|---|
| Korean Air | KE2115 | 22:05 | 4times/week | 2,346 | 2,484 |
| Jeju Air | 7C3154 | 22:00 | Daily | 5,670 | 5,670 |
| Jin Air | LJ647 | 08:00 | Daily | 5,670 | 3,213 |
| Air Busan | BX612 | 22:05 | 5times/week | 4,095 | 3,510 |
| TOTAL SEAT CAPACITY | | | | 17,781 | 14,877 |

- Jin Air (LJ647) & Air Busan (BX612) increased number of flight to daily basis and 5 times per week respectively
- Outbound seat capacity from PUS to GUM = 17,781 seats (2,904 seats more than 2017 April)

**Daegu – Osaka – Guam**

| Airline | Flight No. | DEP. Time | Days | 2018 April | 2017 April |
|---|---|---|---|---|---|
| T'Way Air | TW311 | 08:35 | Daily | 5,670 | 5,670 |
| TOTAL SEAT CAPACITY | | | | 5,670 | 5,670 |

- Outbound seat capacity from TAE to GUM = 5,670 seats (same as 2017 APR)
  - It includes a certain portion of Japanese traveler's

## Korea Outbound Market
# Airline Capacity to Guam in APR

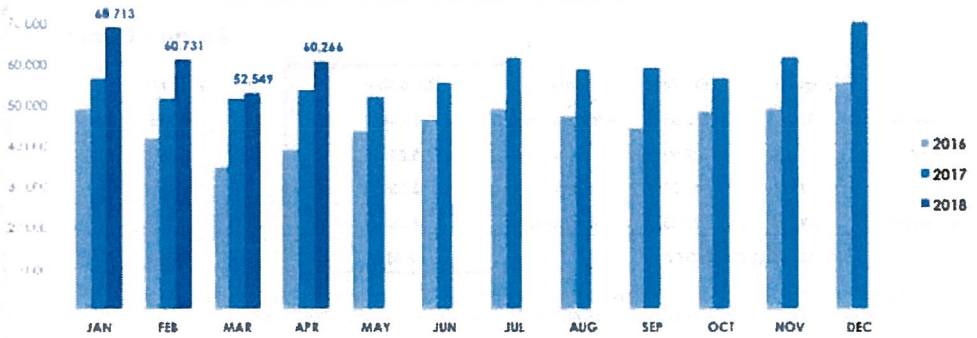


**Total Outbound Seat Capacity (April)**

| Origin | 2018 | 2017 |
|---|---|---|
| ICN – GUM | 50,454 seats | 45,810 seats |
| PUS – GUM | 17,781 seats | 14,877 seats |
| TAE – GUM (via KIX) | 5,670 seats | 5,670 seats |
| **TOTAL** | **73,905 seats (max) +11.3%↑** | **66,357 seats (max)** |

## Korea Outbound Market Trend
# Korean Visitors to Guam

**Number of Korean Outbound Travelers – to Guam**




| Guam Arrival | JAN | FEB | MAR | APR | MAY | JUN | JUL | AUG | SEP | OCT | NOV | DEC | YTD |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 2018 | 68,707 | 60,768 | 52,549 | 60,266 | | | | | | | | | 242,292 |
| 2017 | 56,341 | 51,183 | 51,383 | 53,517 | 51,576 | 55,033 | 61,097 | 58,411 | 58,880 | 56,292 | 61,093 | 69,632 | 212,233 |
| | | | | | | | | | | | | | 14.6%↑ |

- Total number of Korean travelers to Guam 60,266 (2018 APR) > 13.0 % increased vs. 2017 APR
  [illegible] > 14.2% increased vs. 2017 APR CYTD

## Korea Outbound Market Forecast
# Airline Capacity to Guam in MAY

### Incheon – Guam

| Airline | Flight No. | DEP. Time | Days | 2018 May | 2017 May |
|---|---|---|---|---|---|
| Korean Air | KE113 | 09:45 | Daily | 9,021 | 9,021 |
| | KE111 | 19:35 | Daily | 8,556 | 8,556 |
| Jeju Air | 7C3102 | 10:35 | Daily | 5,859 | 5,859 |
| | 7C3106 | 20:20 | Daily | 5,859 | 5,859 |
| | 7C3108 | 21:50 | 5times/week | 4,158 | NA |
| Jin Air | LJ641 | 09:35 | Daily | 5,859 | 12,183 |
| T'Way Air | TW301 | 18:00 | Daily | 5,859 | 5,859 |
| Air Seoul | RS102 | 20:45 | Daily | 6,045 | NA |
| TOTAL SEAT CAPACITY | | | | 51,216 | 47,337 |

- Jeju Air 7C3108 flight has been decreased the number of flight to 5 times per week
- Jin Air replaced LJ641 aircraft from B772 (393 seats) to B738 (189 seats) due to the aircraft maintenance
- Outbound seat capacity from ICN to GUM = 51,216 seats (3,879 seats more than 2017 MAY)

## Korea Outbound Market Forecast
# Airline Capacity to Guam in MAY

### Busan – Guam

| Airline | Flight No. | DEP. Time | Days | 2018 May | 2017 May |
|---|---|---|---|---|---|
| Korean Air | KE2115 | 22:05 | 4times/week | 2,484 | 2,346 |
| Jeju Air | 7C3154 | 22:00 | Daily | 5,859 | 5,859 |
| Jin Air | LJ647 | 08:00 | Daily | 5,859 | 3,402 |
| Air Busan | BX612 | 22:05 | 5times/week | 4,485 | 3,315 |
| TOTAL SEAT CAPACITY | | | | 18,687 | 14,922 |

- Jin Air (LJ647) & Air Busan (BX612) increased number of flight to daily basis and 5 times per week respectively
- Outbound seat capacity from PUS to GUM = 18,687 seats (3,765 seats more than 2017 May)

### Daegu – Osaka – Guam

| Airline | Flight No. | DEP. Time | Days | 2018 May | 2017 May |
|---|---|---|---|---|---|
| T'Way Air | TW311 | 08:10 | Daily | 5,859 | 5,859 |
| TOTAL SEAT CAPACITY | | | | 5,859 | 5,859 |

- Outbound seat capacity from TAE to GUM = 5,859 seats (same as 2017 May)
  It includes a certain portion of Japanese traveler's

## Korea Outbound Market Forecast
# Airline Capacity to Guam in MAY

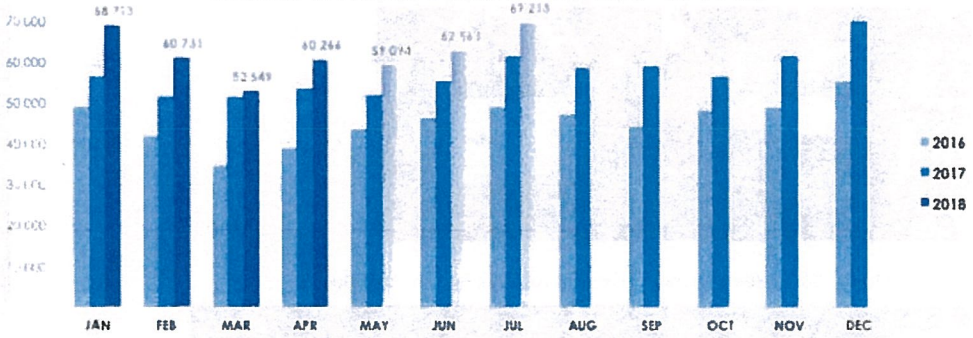


**Total Outbound Seat Capacity (May)**

| Origin | 2018 | 2017 |
|---|---|---|
| ICN – GUM | 51,216 seats | 47,337 seats |
| PUS – GUM | 18,687 seats | 14,922 seats |
| TAE – GUM (via KIX) | 5,859 seats | 5,859 seats |
| **TOTAL** | **75,762 seats (max) +11.2%** | **68,118 seats (max)** |

## Korea Outbound Market Forecast
# Korean Visitors 3months Forecast

**Number of Korean Outbound Travelers – to Guam**




| Guam Arrival | JAN | FEB | MAR | APR | MAY | JUN | JUL | AUG | SEP | OCT | NOV | DEC |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 2018 | 68,707 | 60,748 | 52,549 | 60,266 | 59,094 | 62,563 | 69,213 | | | | | |
| 2017 | 56,341 | 51,181 | 51,383 | 53,321 | 51,576 | 55,033 | 61,097 | 58,411 | 58,880 | 56,292 | 61,093 | 69,632 |
| Growth Rate (%) | 21.9 | 18.7 | 2.3 | 13.0 | 14.6 | 13.7 | 13.3 | | | | | |

## April 2018 Update
# Travel Trade Support

Airtel.com – Naver Banner Advertisement




## April 2018 Update
# Travel Trade Support

Mode Tour – HomePlus DID Advertisement (Jeju Air & Air Seoul + Dusit Thani Guam Resort)



Very Good Tour – GS TV Home Shopping (Jin Air & Air Seoul + Nikko Hotel Guam)



## April 2018 Update
# Travel Trade Support

Tour Baksa – TMON TV ON (Korean Air & Jin Air & T'way & Air Seoul + PIC Guam)




## April 2018 Update
# Travel Trade Support

Bomulsum Tour – Hyundai TV Home Shopping (Air Seoul + PIC Guam)



KRT – Lotte One TV Home Shopping (Air Seoul & T'way + Guam Sheraton)



May 2018 Update

## 2018 GMIF Media Project with Olympus & AB Road

- ✓ Project Period: May 1 - 5, 2018
- ✓ No. of participants: 14pax (7 Digital influencer / 1 Next Paper / 2 Olympus / 2 AB Road / 2 GVB Korea)

* *The contents generated from the FAM tour will be included in AB Road's June2018 Special Guam Edition, where Guam will receive 18 pages worth of exposure.*




Exposure@ Olympus Korea Instagram




Exposure@ Olympus Korea Facebook




Exposure@ Olympus Website

March 2018 Update

## Travel Trade Support

Sharp TEC&L - Incentive Group Support

- Period April 06 – April 10, 2018
- Travelers: AIA Insurance Group (300pax)
- Venue: Dusit Thani Guam Resort
- GVB's support Welcome shell lei with Miss Guam &Cultural Performance





May 2018 Update

## 2018 GMIF Media Project with Olympus & AB Road

*GMIF postings will have been uploaded on each digital influencers' blog and SNS channels until June 6, 2018*




May 2018 Update

## Guam Promotional Video Filming co-op with Jin Air

*"Mother & Daughter Luxurious Tour to Guam"*



## Major Upcoming Projects

**MAY 2018**

| Sun | Mon | Tue | Wed | Thu | Fri | Sat |
|---|---|---|---|---|---|---|
| | | 1 | 2 | 3 | 4 | 5 |
| | | | 2018 GMIF Media Project | | | |
| 6 | 7 | 8 | 9 | 10 | 11 | 12 |
| | Public Holiday | KNC Meeting | New Balance Project Shooting | | | |
| 13 | 14 | 15 | 16 | 17 | 18 | 19 |
| Mother's Day | | | | | | |
| 20 | 21 | 22 | 23 | 24 | 25 | 26 |
| | | Buddha Day | | | | |
| 27 | 28 | 29 | 30 | 31 | | |
| | 2018 Guam Eco Wave | | | | | |
| | Memorial Day | | | | | |

## Major Upcoming Projects

**JUNE 2018**

| Sun | Mon | Tue | Wed | Thu | Fri | Sat |
|---|---|---|---|---|---|---|
| | | | | | 1 | 2 |
| 3 | 4 | 5 | 6 | 7 | 8 | 9 |
| | | KNC Meeting | Public Holiday | 2018 Hana Tour Travel Fair | | |
| 10 | 11 | 12 | 13 | 14 | 15 | 16 |
| | | 2018 Guam Food Festival | Election Day | 2018 KOTFA | | |
| 17 | 18 | 19 | 20 | 21 | 22 | 23 |
| Father's Day | | | | | | |
| 24 | 25 | 26 | 27 | 28 | 29 | 30 |

**Discussion:**

- Committee members inquired if the seat capacity from T'way's route service in Daegu is accurate, as most of the passengers are from Japan. GVB Korea's account director Jay Park responded that the airline reported that 90% of the passengers are from Korea. Chairman Jackson asked for Jay to go back to the airline and reconfirm this number.

- Committee members brought up the current volcano situation in Hawaii, which is a major competitor. They inquired if this would have an impact to Hawaii's tourism and whether this would cause Korean visitors to change their trip to Guam. Jay responded that he would look into this and get back to the committee.

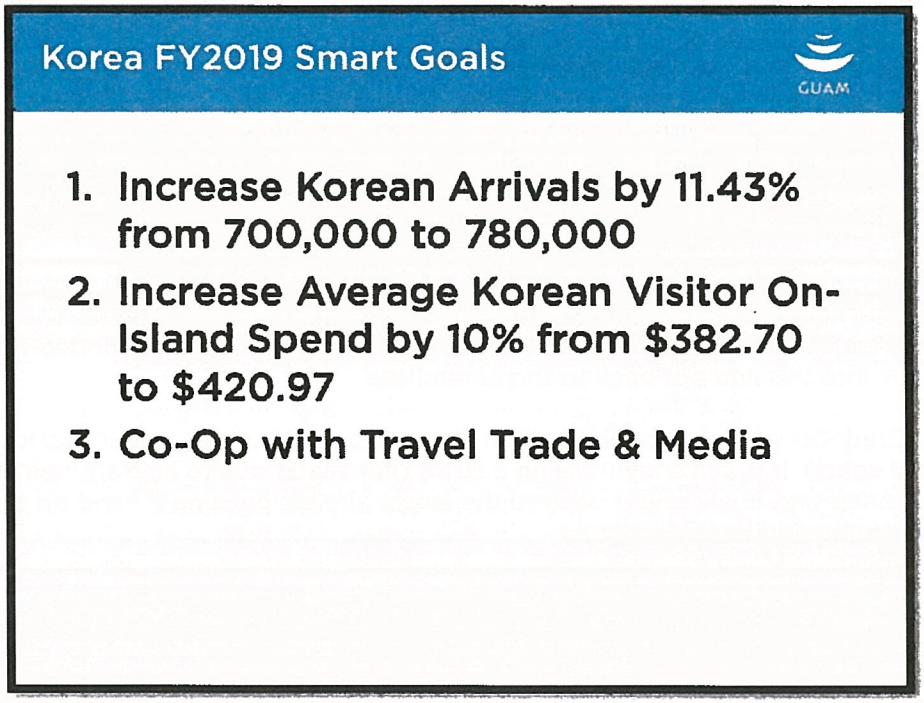
- Director Brad Kloppenburg inquired when Jin Air would revert its aircraft back to the B772 (393 seats). It is currently utilizing a B738 (189 seats) due to aircraft maintenance. Jay responded that it will revert back to the larger aircraft on June 7th and on June 18th they will add an additional flight.

- Director Kloppenburg asked if Jeju's flight decrease to 5x a week is permanent or will it go back to daily. Jay said although it is not officially announced, Jeju will be decreasing its flight service and allocating its the flight to Danang, Vietnam.

- Chairman Jackson asked to include expenditures and return on investment (ROI) in project reports.

VI. SMART GOALS

Chairman Jackson explained to committee members that all markets would have smart goals, which are specific, measurable, attainable, realistic and timely.







**Discussion:**

- Committee members suggested making Kakao emoji stickers.
- When discussing the smart goal to increase visitor spend, committee members asked to see the GVB Korea exit survey to review what is being asked.

VII. FY2019 BUDGET

# Korea FY2019 Budget Request

(As of 5/8/18)

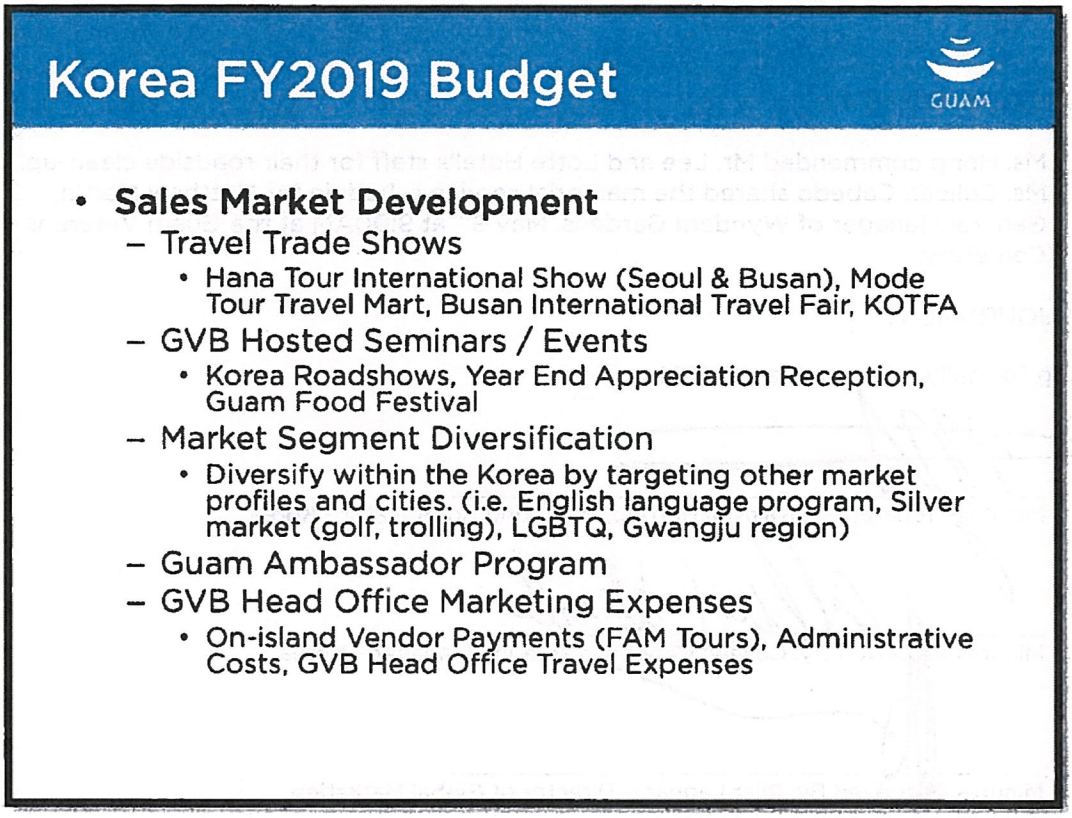
| Account | Description | Amount | Totals |
|---|---|---|---|
| PRE001 | Representative Services | $480,000.00 | $480,000.00 |
| SMD019 | Travel Trade Support | $900,000.00 | $900,000.00 |
| | Airline Co-Op Promotions | $300,000.00 | |
| | Travel Trade Co-Op Promotions | $300,000.00 | |
| | Website Operations & Maintenance | $60,000.00 | |
| | Sales Calls & Marketing Activities | $60,000.00 | |
| | MICE Support Program | $120,000.00 | |
| | Guam Expert Program | $60,000.00 | |
| TTC018 | Trade & Media FAM Tours | $200,000.00 | $200,000.00 |
| | Hafa Adai Study Tour | $60,000.00 | |
| | Niche Market FAM Tour | $30,000.00 | |
| | Digital Influencer FAM Tour | $50,000.00 | |
| | Trade & Media FAM Tour | $60,000.00 | |
| ADV011 | Advertising & Social Media | $1,080,000.00 | $1,080,000.00 |
| | Advertisement with Trade Partners | $120,000.00 | |
| | Media Advertorials | $60,000.00 | |
| | Digital SNS Campaigns | $480,000.00 | |
| | TV Opportunities | $350,000.00 | |
| | Shop Guam e-Festival Promotion | $70,000.00 | |
| SMD023 | Sales Market Development | $1,340,000.00 | $1,340,000.00 |
| | Travel Trade Shows | $270,000.00 | |
| | GVB Hosted Seminars / Events | $140,000.00 | |
| | Market Segment Diversification | $286,455.00 | |
| | Guam Ambassador Program | $200,000.00 | |
| | Collateral Printing / Promo Items | $80,000.00 | |
| | GVB Head Office Marketing Expenses | $363,545.00 | |
| Total | | | $4,000,000.00 |

## Korea FY2019 Budget

- **Representative Services**
  - Marketing Representation Services
- **Travel Trade Support**
  - Airline Co-Op Promotions
    - Sales Contests, Study Tour Support
  - Travel Trade Co-op Promotions
    - TV Homeshopping, Social Commerce Support, Study Tour Support
  - Website Operations & Maintenance
  - Sales Calls & Marketing Activities
  - MICE Support Program
  - Guam Expert Program

## Korea FY2019 Budget

- **Trade & Media FAM Tours**
  - Hafa Adai Study Tour
  - Niche Market FAM Tour
  - Digital Influencer FAM Tour
  - Trade & Media FAM Tour
- **Advertising & Social Media**
  - Advertisement with Trade Partners
    - Out-of-Home Advertisement Support with trade partners
  - Media Advertorials
    - Print with Digital Publications
  - Digital SNS Campaigns
    - i.e. Naver, Kakao, Google/YouTube, Facebook & Instagram maintenance, advertisement, promotional events
  - TV Opportunities
  - Shop Guam e-Festival Promotion




**Discussion:**

- Chairman Jackson presented the FY2019 budget request. He clarified that in comparing the FY2018 budget with the FY2019 budget request, it may seem like a flat amount. However, there are three line items that were covered by the FY2018 Korea budget that will not be covered in FY2019. This means an additional $600,000.00 in the Korea budget.

- Chairman Jackson said it was important to note that we have been conservative in our arrival estimates for Korean visitors and have exceeded our visitor arrival smart goals for the past five-years. There is no reason we wouldn't exceed our goal next year as well.

- Chairman Jackson stated that this is a healthy and reasonable request and we are making efficient use of our budget as well as providing the monetary commitment to solidify and sustain the market.

VIII. OLD BUSINESS

N/A

IX. NEW BUSINESS

If you have not registered for the Hana International Travel Show or KOTFA please do so.

X. ANNOUNCEMENTS

- Ms. Hong commended Mr. Lee and Lotte Hotel's staff for their roadside clean-up.
- Ms. Colleen Cabedo shared the memorial service schedule for Matthew Martin, General Manager of Wyndam Gardens. May 9th at 9:00AM at the Guam Veterans Cemetary.

XI. ADJOURNMENT

Meeting formally adjourned at 12:11PM.

Minutes Prepared By: Nakisha Garrido, Marketing Coordinator - Korea

Minutes Reviewed By: Colleen Cabedo, Marketing Manager – Korea

Minutes Approved By: Pilar Laguana, Director of Global Marketing

**GVB RUSSIA & NEW MARKETS COMMITTEE MEETING**
**Tuesday, June 12, 2018, 10:00 a.m.**
**GVB Main Conference Room**

| | |
|---|---|
| **PRESENT:** | Nadia Romanenko |
| **ABSENT:** | Bartley Jackson, Roy Abraham, Echo Man, Ekaterina Sablan, Jane Koo, Jenny Cheon, Elisha Lee, Gary Cruz, Jenny Kim, Kenji Sekine, Mari Buensuceso, Neil Urbano, Olga Tonkikh, Rolenda Faasuamalie, Trina Cruz, Chris Yang, Yoshinori Oshita, Carina Su, Akiko Futakami, Sheena Tiamzon Yuki Motoda, |
| **GVB STAFF AND MANAGEMENT:** | Regina Nedlic, Gabbie Franquez |

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## CALL TO ORDER

Ms. Regina Nedlic, GVB Marketing Manager for Russia and Philippines market, called the Russia & New Markets Committee meeting to order at 10:08 a.m.

## APPROVAL OF PREVIOUS MEETING MINUTES

Ms. Nadia Romanenko made the motion and seconded by Ms. Gabbie Franquez to approve the minutes of May 1, 2018. Motion approved unanimously.

## REPORT OF THE CHAIRMAN

Ms. Nedlic extends Chairman Bartley Jackson apologies as he is unavailable to attend the committee meeting. Ms. Nedlic shared that Chairman Jackson recently attended the Hana International Tour in Seoul, South Korea. While in Korea, along with GVB Management, he met with top executives from Korean Airline and Jeju Air to further discuss key points, GVB promotions, and connectivity to Russia.

## REPORT OF GVB MANAGEMENT

A. Visitor Arrival Statistics

Ms. Nedlic reported on the visitor arrivals as of May 31, 2018 and we continue to see the Russia numbers are doing well. Month-to-date is up by 33.7% as compared to last year. Calendar year to date is seen to have increased by 38.9% and fiscal year to date 31.8% as compared to last year.

# Russia

GUAM

**Visitor Arrivals as of May 31, 2018**

| Market | Total MTD 2017 | Total MTD 2018 | % to LY |
|---|---|---|---|
| Russia | 175 | 234 | 33.7% |

| Market | CY 2017 | Total CYTD 2017 | Total FYTD 2018 | % to LY |
|---|---|---|---|---|
| Russia | 3,352 | 1,430 | 1,986 | 38.9% |

| Market | FY 2017 | Total FYTD 2017 | Total FYTD 2018 | % to LY |
|---|---|---|---|---|
| Russia | 3,151 | 2,377 | 3,134 | 31.8% |

Source: Guam Customs Declaration Forms. Processed by the Guam Visitors Bureau.

Note: May 2018 Daily Arrivals reflect Civilian Air arrivals only

Ms. Nedlic shared that from May 1-31, 2018 we see an increase of 33.7% as compared to last year. This makes up 0.2% of the market mix.

# May 2018

GUAM

**May 1-31, 2018** **Total: 112,560 (-3.4%)**

| % Market Mix | Origin | 2017 | 2018 | % to LY |
|---|---|---|---|---|
| 0.2% | Russia | 175 | 234 | 33.7% |
| 32.2% | Japan | 46,993 | 36,269 | -22.8% |
| 53.8% | Korea | 51,576 | 60,515 | 17.3% |
| 1.5% | Taiwan | 3,395 | 1,736 | -48.9% |
| 1.0% | China | 1,614 | 1,098 | -32.0% |
| 5.6% | US/Hawaii | 5,815 | 6,347 | 9.1% |
| 0.4% | Hong Kong | 1,679 | 458 | -72.7% |
| 1.5% | Philippines | 1,506 | 1,723 | 14.4% |

Source: Guam Customs Declaration Forms. Processed by the Guam Visitors Bureau.

Note: May 2018 Daily Arrivals reflect Civilian Air arrivals only

Calendar year to date, there was a total of 626,728 visitor arrivals, which is a -3.5% decrease as compared to last year. Russia arrivals specifically have increased 38.9% as compared to last calendar year and make up 0.3% of the market mix. The slide also displays how our other source markets are doing with their visitor arrivals.

## Calendar Year to Date 2018

GUAM

**January - May 31, 2018** **Total: 626,728 (-3.5%)**

| % Market Mix | Origin | 2017 | 2018 | % to LY |
|---|---|---|---|---|
| 0.3% | Russia | 1,430 | 1,986 | 38.9% |
| 35.9% | Japan | 279,604 | 225,194 | -19.5% |
| 48.3% | Korea | 264,015 | 302,813 | 14.7% |
| 1.8% | Taiwan | 16,916 | 11,351 | -32.9% |
| 1.3% | China | 11,100 | 8,411 | -24.2% |
| 5.7% | US/Hawaii | 32,006 | 35,645 | 11.4% |
| 0.4% | Hong Kong | 9,390 | 2,427 | -74.2% |
| 1.2% | Philippines | 7,478 | 7,397 | -1.1% |

Source: Guam Customs Declaration Forms. Processed by the Guam Visitors Bureau.

Note: May 2018 Daily Arrivals reflect Civilian Air arrivals only

Fiscal year to date, there was a total of 1,002,239 visitor arrivals, which is a -3.6% decrease as compared to last year. Russia arrivals have increased 31.8% as compared to last fiscal year.

## Fiscal Year to Date 2018

GUAM

**October 2017 - May 31, 2018** **Total: 1,002,239 (-3.6%)**

| % Market Mix | Origin | 2017 | 2018 | % to LY |
|---|---|---|---|---|
| 0.3% | Russia | 2,377 | 3,134 | 31.8% |
| 35.2% | Japan | 461,204 | 352,987 | -23.5% |
| 48.9% | Korea | 416,011 | 489,830 | 17.7% |
| 1.7% | Taiwan | 26,637 | 17,307 | -35.0% |
| 1.2% | China | 16,487 | 12,476 | -24.3% |
| 5.4% | US/Hawaii | 49,907 | 54,313 | 8.8% |
| 0.4% | Hong Kong | 12,888 | 4,487 | -65.2% |
| 1.4% | Philippines | 14,505 | 13,730 | -5.3% |

Source: Guam Customs Declaration Forms. Processed by the Guam Visitors Bureau.

Note: May 2018 Daily Arrivals reflect Civilian Air arrivals only

## OLD BUSINESS

A. PITE 2018 (May 18-20, 2018)

Ms. Nedlic thanked Pacific Islands Club and Ms. Romanenko for their continued support with the Russian market and for attending PITE. Ms. Nedlic shared that GVB won best booth award from the PITE organizers. Many contacts were made with media to reaffirm the Guam's presence in-market. GVB also met with air carriers to discuss future partnership and promotions. Ms. Romanenko shared her comments that even though the PITE event is down-sizing, many people in Vladivostok are well familiar with Guam. GVB will be emailing a survey to all participants to get general feedback on how to improve next year.

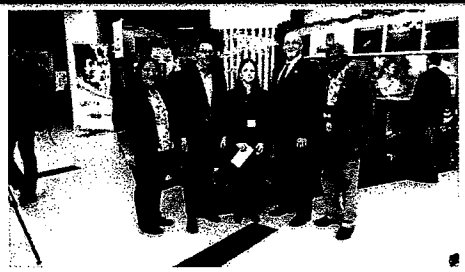



**Official Statistics:**

- 10 foreign destinations participated at the expo
- 400 companies in total participated at the expo
- Around 20 000 ppl visited the expo

**Accomplishments:**

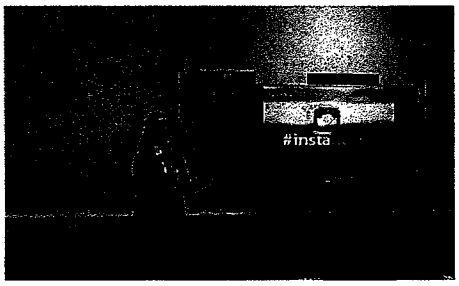
- GVB received the best booth award
- Guam product seminar was conducted for PITE participants
- Cooperation between running club from Vladivostok and United Guam Marathon was established
- Strategic meetings with Air Carriers were conducted
- Meeting with the biggest representative of local Travel trade Industry were conducted
- Information about Guam, Guam's upcoming campaigns and events for 2018 was shared with the expo participants (professional and non-professional visitors)




*Meeting with RunDNSRun at Guam PITE booth*



*Reception at Consul General's Residence*




*Guam seminar during PITE*



*Interview of Chairman Jackson at PITE*

## NEW BUSINESS

A. Quarter 4 Plans

Ms. Nedlic shared our upcoming FY2018 Quarter 4 plans, which include the Shop Guam Festival (SGF), SGF Fam Tour, Far East Roadshow, and participating at the Online Travel Mart




- July-September: Trip Advisor Campaign
- August-September: SGF 2018/2019 Campaign (will take place in November 2018-February 2019)
- September: Preparation for SGF Fam Tour (will take place in November 2018)
- September: Preparation for Far Eats Road Show (will take place in October 2018)
- September: Participation at Online Travel Mart

## ANNOUNCEMENTS

- Next Russia & New Markets Committee Meeting will be on July 3, 2018 in the GVB Main Conference Room. GVB will notify members should this meeting be cancelled.
- The Guam BBQ Block Party is set for July 7th at Pleasure Island.
- Guam Liberation Day is July 21st.

## ADJOURNMENT

Ms. Romanenko made a motion, seconded by Ms. Franquez to adjourn the meeting at 10:28am.

Prepared by: _____
Gabbie Franquez, Marketing Coordinator – Russia & Philippines

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

Approved by: _____
Pilar Laguana, Director of Global Marketing

GCMC MEMBERS IN ATTENDANCE: Joann Camacho, Charlene Chen, Stephen Gatewood, Sunardi Li, Mitsue Nakamura, Olga Tonkikh, James Valencia, Jessica Chan, Sarah Zhang, Akihiro Tani, Maryann Weymouth, Elton Koo

OBSERVERS: Yuki Motoda, Guam Reef Hotel

GVB Head Office: Nadine Leon Guerrero, Breeana Garrido

I. CALL TO ORDER
Vice Chairwoman Joann Camacho called the meeting to order at 11:02AM.

III. Approval of Minutes
Motion made by Mr. Stephen Gatewood seconded by Ms. Jessica Chan to approve the GCMC minutes of May 11, 2018. Motion approved by acclamation.

IV. Report of the GCMC Chairman
Vice-Chairwoman Camacho reported that she and Chairman Shinohara attended GVB's FY2019 Budget Hearing. While the hearing went well, it is important that the committee protects the Greater China portion of the budget. Chairman and Vice-Chairwoman intend to request for more funding for the Greater China markets.

V. Visitor Arrivals Update
Ms. Nadine Leon Guerrero shared the updated visitor arrival statistics for China, Taiwan and Hong Kong with the committee. Hong Kong and Taiwan are still in the same situations with the pull out of Hong Kong Express and Eva Air, respectively. Korean Airlines and Philippine Airlines are supportive in cooperating with GVB. Ms. Leon Guerrero added that Ms. Pilar Laguana, GVB Director of Global Marketing is currently in Korea and met with Korean Airlines to discuss new concepts and cooperatives. Vice-Chairwoman Camacho added that while in Manila for the instaGuam Fair last week, GVB met with Philippine Airlines to discuss improving services and the airport terminal concern.

# May 2018

**May 1-31, 2018** **Total: 112,560 (-3.4%)**

| % Market Mix | Origin | 2017 | 2018 | % to LY |
|---|---|---|---|---|
| 1.0% | China | 1,614 | 1,098 | -32.0% |
| 0.4% | Hong Kong | 1,679 | 458 | -72.7% |
| 1.5% | Taiwan | 3,395 | 1,736 | -48.9% |
| 32.2% | Japan | 46,993 | 36,269 | -22.8% |
| 53.8% | Korea | 51,576 | 60,515 | 17.3% |
| 5.6% | US/Hawaii | 5,815 | 6,347 | 9.1% |
| 1.5% | Philippines | 1,506 | 1,723 | 14.4% |

Source: Guam Customs Declaration Forms. Processed by the Guam Visitors Bureau.

Note: May 2018 Daily Arrivals reflect Civilian Air arrivals only

# Calendar Year to Date 2018

**January–May 31, 2018** **Total: 626,728 (-3.5%)**

| % Market Mix | Origin | 2017 | 2018 | % to LY |
|---|---|---|---|---|
| 1.3% | China | 11,100 | 8,411 | -24.2% |
| 0.4% | Hong Kong | 9,390 | 2,427 | -74.2% |
| 1.8% | Taiwan | 16,916 | 11,351 | -32.9% |
| 35.9% | Japan | 279,604 | 225,194 | -19.5% |
| 48.3% | Korea | 264,015 | 302,813 | 14.7% |
| 5.7% | US/Hawaii | 32,006 | 35,645 | 11.4% |
| 1.2% | Philippines | 7,478 | 7,397 | -1.1% |

Source: Guam Customs Declaration Forms. Processed by the Guam Visitors Bureau.

Note: May 2018 Daily Arrivals reflect Civilian Air arrivals only

# Calendar Year to Date 2018

GUAM

**January–May 31, 2018** **Total: 626,728 (-3.5%)**

| % Market Mix | Origin | 2017 | 2018 | % to LY |
|---|---|---|---|---|
| 1.3% | China | 11,100 | 8,411 | -24.2% |
| 0.4% | Hong Kong | 9,390 | 2,427 | -74.2% |
| 1.8% | Taiwan | 16,916 | 11,351 | -32.9% |
| 35.9% | Japan | 279,604 | 225,194 | -19.5% |
| 48.3% | Korea | 264,015 | 302,813 | 14.7% |
| 5.7% | US/Hawaii | 32,006 | 35,645 | 11.4% |
| 1.2% | Philippines | 7,478 | 7,397 | -1.1% |

Source: Guam Customs Declaration Forms. Processed by the Guam Visitors Bureau.

Note: May 2018 Daily Arrivals reflect Civilian Air arrivals only

# June 2018

GUAM

**June 1-6, 2018** **Total: 23,358 (-3.6%)**

| % Market Mix | Origin | 2017 | 2018 | % to LY |
|---|---|---|---|---|
| 0.7% | China | 267 | 172 | -35.6% |
| 0.4% | Hong Kong | 354 | 102 | -71.2% |
| 2.2% | Taiwan | 525 | 503 | -4.2% |
| 29.8% | Japan | 9,334 | 6,952 | -25.5% |
| 54.7% | Korea | 11,172 | 12,786 | 14.4% |
| 6.7% | US/Hawaii | 1,320 | 1,571 | 19.0% |
| 1.1% | Philippines | 335 | 257 | -23.3% |

Source: Guam Customs Declaration Forms. Processed by the Guam Visitors Bureau.

Note: June 2018 Daily Arrivals reflect Civilian Air arrivals only

VI. Greater China Market Updates

a. China - Ms. Leon Guerrero presented updates for the China market.

i. 3-month Airlift Forecast

## China Marketing News

GUAM

### 3 Month Airlift Forecast

| Month | Forecast Pax | Last Year | %Change | Seat Forecast '18 | Seat Data '18 | % Change Seats |
|---|---|---|---|---|---|---|
| June | 1184 | 1481 | - 20% | 3164 | 3726 | -28% |
| Jul | 1590 | 1988 | - 20% | 3164 | 3726 | -28% |
| August | 1595 | 1773 | - 10% | 3164 | 3726 | -28% |

**June**

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

**PR, estimated 500 seats per month for East-China market (A320-100)**

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

**Jul**

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

**PR, estimated 500 seats per month for East-China market (A320-100)**

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

**Aug**

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

**PR, estimated 500 seats per month for East-China market (A320-100)**

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

ii. instaGuam Sales Co-op with Ctrip

## China Marketing News

GUAM

### instaGuam Sales Co-ops with Ctrip

April-August 2018

- Description: "InstaGuam, share every moment" will position Guam as the closest U.S. destination to China with Novel Romance& Paradise of Fun, and various optional tours choices on Ctrip platform.
- Estimated ROI:
- PV > 1,400,000
- PAX > 1500






iii. Xiaomi Co-branding Campaign Film Tour

## China Marketing News

GUAM

### Xiaomi Co-branding Campaign Filming Tour

April 28 - May 30, 2018

GVB China launched co-branding campaign with XIAOMI, smart lifestyle technology company founded in 2010. In cooperation with United HK, Three Key TOs will launch special offers for Mi FANS

Social media campaign on Xiaomi MiUI, Weibo and WeChat official account is on going, showcasing Guam charm and below are the highlight samples:



iv. Shenyang Sweet Tour Consumer Gathering

## China Marketing News

GUAM

### Shenyang Sweet Tour Consumer Gathering

- **May 19, 2018**
- **Description: Sweet Tour.com, the biggest "to Consumer" tour operator in Liaoning Province, hosted a Guam consumer gathering with Korean Air in May 19, 2018. The location was at Jiuwu Culture Mall of Shenyang City, the nearby residents were affluent families. There were over 200 participants who were the members of sweet tour. During the gathering, Sweet tour promote Guam packages; GVB China staff introduced Guam to all the audiences, and did lucky draw--3-night stay on Guam, which was sponsored by Pacific Island Club.**
- **Status: program is completed; further cooperation follow-up by GVB China team.**





Ms. Leon Guerrero thanked Pacific Islands Club (PIC) for providing the 3-night stay voucher for the lucky draw.

v. instaGuam Kids Visa Free Program

## China Marketing News

GUAM

### #instaGuam Kids Visa Free Program
### VIPKID Filming Group

- May 24 - December 30, 2018
- Description: VIPKID, the leading Chinese online education firm that offers an American elementary education experience to Chinese Students, is currently filming on Guam for the campaign "Field Trips Live-instaGuam" from June 4-11. VIPKID will be the major channel to promote Guam and expose the Summer Kids Program. Meanwhile, registered key tour operators will sell Guam packages with $160 #instaGuam pack. The main goal for this campaign is to increase FIT-family visitors (campaign targeting 500 kids=over 1,000 visitors in total).






Media from VIPKID is currently on Guam collecting content. Ms. Leon Guerrero thanked all the members for their support with this program and media fam tour.

vi. Shanghai Trade Fam Tour

## China Marketing News

GUAM

### Shanghai Trade FAM

- May 26 - May 31, 2018
- Description: Mr. Jeongki Hong from Korean Air Shanghai, Mr. Jianxiao Xie from Jin Jiang Travel, Ms. Gloria Gu from Spring Tour joined this fam. They visited optional tours, University of Guam, St. John's School, Onward Mangilao Golf Course, Harvest Christian Academy, GVB office and so on, so that they can learn and promote Guam better when they came back to Shanghai.





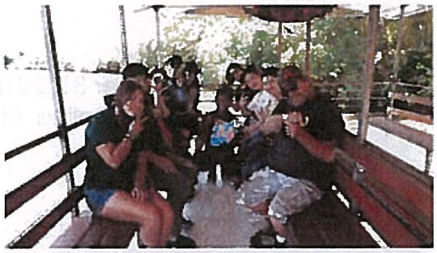
vii. Shanghai Radio 101 Media Fam Tour

## China Marketing News

GUAM

### Shanghai Radio 101 Media FAM

- May 25-30, 2018
- This is a cooperated media fam trip with Korea Air (KE). Targeting the young generation and through the cooperation with one of the top radio programs in Shanghai, we are aiming to increase destination awareness in Shanghai and Eastern China markets and highlight the light outdoor offerings in Guam and the GIM event
- Media coverage for Guam has already be generated in radio and social media. During the trip, 3 connected radio onsite report is produced. Now China team is following up with full project report.






viii. instaGuam Sales Co-op with Jin Jiang Travel – Promotion on Shanghai World Travel Fair

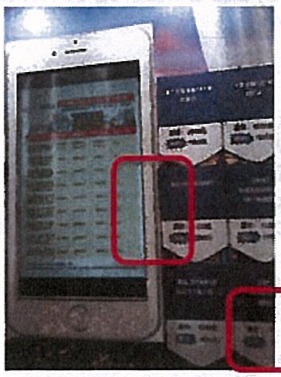
## China Marketing News

GUAM

### instaGuam Sales Co-ops with Jin Jiang Travel
### Promotion on SWTF (Shanghai World Travel Fair)

- May 24-27, 2018
- Target Segment: Offline exhibition sales
- Estimated ROI:
- Visitor Number > 45,000







ix. KE Guam Route Business Class Promotion with Joying E-commerce (China Merchants Bank)

## China Marketing News

GUAM

### KE Guam Route Business Class promotion with Joying E-commerce (China Merchants Bank)

- Promotion Period:
  May 1 - December 31, 2018
- Target Segment: Online high-end FITs
- Estimated ROI:
  PV > 100,000
  PAX > 50

- Remarks : Joying E-commerce applied to join GVB Summer Visa Rebate Program , still waiting for package details to be published online.




x. TTWG Quarterly Meeting

## China Marketing News

GUAM

### TTWG Quarterly Meeting

June 4, 2018

- Venue: 8th floor, West Tower, Residence Building, Shanghai Center
- Meeting Objective: plans and initiatives of this year's TTWG, also a wrap-up of TTWG April road show.

EVALUATION:
-GVB have a deep communication with members of US TTWG
- The promotion direction of 2018 has been determined, will have tourism industry association of each main cities to launch sales mission.
- The US TTWG will organize visits to direct selling companies, establish contacts, and invite Visa colleagues to come together to encourage market confidence.





xi. Da- Guam Contents Production Project

## China Marketing News

GUAM

### Da – Guam Contents Production Project

- 2018 - 2019
- Project Description: produce high quality and attractive destination photos and videos (200+photos and 16 videos) to be used by GVB's source markets
- Increase Guam's charms on social media, Lure potential travelers visually
- First filming trip completed. China team is following up with 2nd and 3rd trip and filming details.






xii. World Routes 2018

## World Routes

GUAM

### World Routes 2018

- Platform for route development
- B2B meetings
- Work with airlines, airports on network strategy
- Guangzhou, China, Sept 15 – 18
- GVB to attend with GIAA and possibly GEDA

b. Taiwan – Ms. Joyce Wu, GVB Taiwan Office Overseas Representative called in for the GCMC meeting and shared updates for the Taiwan market.

i. 3-month Review

## 3 Month Review

GUAM

| Month | Forecast Pax | Actual Seats provided by GVB | Number of Passengers from Taiwan Ministry of Transportation & Communications | Total Seat Capacity from Taiwan Ministry of Transportation & Communications | China Airlines L/F |
|---|---|---|---|---|---|
| **March** | 2,062 | 2,434 | 2,526 | 3,011 | 83.9% |
| **April** | 2,116 | 2,241 | 2,274 | 3,324 | 68.4% |
| **May** | 2,217 | 1,736 | N/A | N/A | N/A |

ii. 3-month Forecast

## 3 Month Forecast

GUAM

| Month | Forecast Pax | Last Year | %Change | Seat Forecast '18 | Seat Data '17 | % Change Seats |
|---|---|---|---|---|---|---|
| **June** | **2,114** | **2,058** | **2.72%** | **3,410** | **2,395 (As of Jun. 29 '17)** | **42.4%** |
| **July** | **2,116** | **1,976** | **7.09%** | **3,255** | **2,443** | **33.2%** |
| **August** | **2,216** | **2,093** | **5.88%** | **3,410** | **2,300** | **48.3%** |

**Flights**

**June**
**Taipei**
- **China Airlines :** 5 per week = 3,410 (B737-800,738)
- 22 flights * 155 seats = 3,410

**Total 3,410**

**July**
**Taipei**
- **China Airlines :** 5 per week = 3,255 (B737-800,738)
- 21 flights * 155 seats = 3,255

**Total 3,255**

**August**
**Taipei**
- **China Airlines :** 5 per week = 3,410 (B737-800,738)
- 22 flights * 155 seats = 3,410

**Total 3,410**

Note: EVA Air suspended its flight on June 3, 2017 resulting in the drastic drop in seat capacity & arrival number

iii. MICE Groups

# Taiwan Marketing News

GUAM

## MICE Group

| Group | Date | Number of People |
|---|---|---|
| Biomedical Company | Jan. 5 | 36 |
| Construction Company | Jan. 20 | 40 |
| ShengYang Internet | Jan. 31 | 114 |
| AIA | Feb. 10-15 | 110 |
| Biomedical Company | Feb. 20 | 40 |
| News Image Asia | Mar. 9 & 10 | 220 |
| Luck Cat Micro-enterprise System Co. Ltd. | Mar. 27 | 110 |
| JihSun Holdings | May | 26 |
| (TBC) Michelin Tires | Sep. 11 or 18 | 104 |
| (TBC) Real Estate Company | September | 75 |
| Total PAX | | 696 (Does not include TBC) |

iv. ANTOR Table Mart

# Taiwan Marketing News

GUAM

## Sales Market Development

ANTOR Table Mart

- 2018 ANTOR Table Mart was held in Hsinchu and Tainan. GVB engaged with 60+ TAs from Southern Taiwan
- Promoted Guam's latest news and MICE program to the TAs and received inquiries from TAs after the event
- Other attending destinations: Brand USA, France, Solomon Islands, Hong Kong, Marianas, Philippines, Singapore, Sultanate of Oman



v. DAC Quarterly Gathering

## Taiwan Marketing News

GUAM

### Sales Market Development

DAC Quarterly Gathering

- DAC Q2 Gathering went smoothly. GVB engaged with many trade partners
- 3 AIT HQ would leave Taiwan office due to job rotation
- As DAC is enhancing their official website, members can embed photos, travel news, video, and AD in the website home page for free





vi. TILSCA Member Convention

## Taiwan Marketing News

GUAM

### Sales Market Development

TILSCA Member Convention

To engage with more MICE opportunities, GVB Taiwan attended the 6th Taiwan International Logistics & Supply Chain Association (TILSCA) Member Convention and delivered a presentation about Guam.





vii. 2018 American Weeks

## Taiwan Marketing News

GUAM

### Sales Market Development

2018 American Weeks

- The American weeks will be held on June 15-24 in Taipei's popular department store with large visitor volume
- Brand USA especially offered DAC members to provide marketing collateral and video for displaying during the event




viii. New Taipei City Government Joint Wedding

## Taiwan Marketing News

GUAM

### New Taipei City Government Joint Wedding

- 120 newlyweds dressed up in costumes to join the wedding ceremony
- After the ceremony, the winning couples and many other couples in attendance were very interested in Guam's honeymoon packages and contacted GVB Taiwan for more details.
- Co-op with Lion Travel and provided NTCG employees exclusive Guam package deals for them to visit Guam





ix. Golf Promotion with Pacific Links International (Taiwan)

## Taiwan Marketing News

GUAM

### Golf Promotion with Pacific Links International (Taiwan)

- The golf fam tour for PLI Taiwan went smoothly with support from GVB members. PLI Taiwan was introduced to Guam's Golf Association, China Airlines Guam, and DFS and the conversations went really well. They also conducted site inspections/meetings at Dusit Thani, Sheraton, Hotel Nikko, Baldyga Group, Leo Palace, Meskla, and Proa.
- PLI's two stage promotion will start from July or August:
  - Taiwan golfers will go to Guam for Golf Tour
  - China golfers will go to Taiwan then to Guam for a Golf Tour (expand into Greater China market)



c. Hong Kong – Ms. Nadine Leon Guerrero presented updates for the Hong Kong market.

i. 3-month Forecast

## Hong Kong Marketing News

GUAM

### 3 Month Visitor Forecast

| Month | Forecast Pax | Last Year | %Change | Seat Forecast '17 | Seat Data '16 | % Change Seats |
|---|---|---|---|---|---|---|
| June | 447 | 1241 | -64% | 2822 | 4442 | -36.5% |
| July | 740 | 822 | -10% | 2822 | 2822 | 0% |
| Aug | 771 | 735 | +5% | 2822 | 2822 | 0% |

| Air Capacity HKG - GUM | | | | | |
|---|---|---|---|---|---|
| Feb | | Mar | | Apr | |
| Airline | United | Airline | United | Airline | United |
| Aircraft | Boeing 737-800 | Aircraft | Boeing 737-800 | Aircraft | Boeing 737-800 |
| Seats | 2822 (4 flights per week) | Seats | 2822 (4 flights per week) | Seats | 2822 (4 flights per week) |

ii. 3-month Comparison

## Hong Kong Marketing News

GUAM

### 3 Month Visitor Comparison

| 2017-18 | Forecast | | | Actuals | | |
|---|---|---|---|---|---|---|
| Month | Forecast Pax | Last Year | %Change | Actual Pax | Last Year | % Change |
| Mar 18 | 731 | 1,924 | -60% | 570 | 1,924 | -69% |
| Apr 18 | 718 | 1,924 | -60% | 593 | 2,052 | -71.1% |
| May 18 | 640 | 2,052 | -62% | 458 | 2,052 | -77.6% |

Vice Chairwoman Camacho inquired about the load factor for the United Airlines Hong Kong (UA HK) flight. Ms. Leon Guerrero stated the numbers shown only reflect residents of Hong Kong. Therefore, they do not reflect the load factor of the flight. That information is considered proprietary. United Airlines will be contacted and asked about the load factor for the UA HK flight.

iii. TV Program "FunAbroad" Media

## Hong Kong Marketing News

GUAM

### TV Program "Fun Abroad"

Filming Period: April 30–May 8, 2018

Format:
1. The TV Episode is under production and scheduled to broadcast late June/early July
2. 2 artists produced posts on Instagram and TVB BigBig Channel

Media Exposure: 18 photo posts on Instagram with a total 94,633 likes and 748 comments
2 video posts on Instagram with a total of 33,764 views
BigBig Channel had 5 video livestreams with 96,332 views and 220 comments

Cost: US$20,000
**(included the TVB "Fun Abroad" filming project)**



iv. Expedia Hong Kong Sales Campaign

## • Hong Kong Marketing News

GUAM

### Expedia Hong Kong Sales Campaign

| | |
|---|---|
| Promo Period: | May 22- June 20, 2018 |
| Format: | 100 discount coupon codes each with a face value of HK$500 that can be used for flight + hotel package bookings from Hong Kong to Guam ("Vouchers"). |
| Estimated Impression: | 500,000 times |
| Cost: | US$20,000 (included the TVB "Fun Abroad" filming project) |




VII. Other

Mr. Elton Koo recommends installing WiFi throughout the Guam Airport, most especially in the arrival and customs areas. Mr. Stephen Gatewood suggested that GVB create an MOU with a telecom company, giving the telecom company first contact to the visitor as they arrive on Guam.

VIII. Announcements

a. The next Greater China Marketing Committee Meeting is scheduled for Friday, June 8, 2018 at 11:00AM in the GVB Main Conference Room.
b. Guam BBQ Block Party is scheduled for July 7, 2018.

IX. Adjournment

Mr. Stephen Gatewood made a motion to adjourn the meeting at 11:38AM seconded by Ms. Jessica Chan. The meeting was adjourned by acclamation.

Prepared by: _____
Breeana Q. Garrido, Marketing Coordinator – Greater China

Reviewed & Approved by: _____
Nadine Leon Guerrero, Acting Director of Global Marketing

GCMC MEMBERS IN ATTENDANCE: Joann Camacho, Charlene Chen, Kenneth Hill, Letitia Law-Byerly, Echo Man, Mitsue Nakamura, Olga Tonkikh, Neil Urbano, James Valencia, Jessica Chan, Sarah Zhang, Akihiro Tani, Maryann Weymouth

GVB Head Office: Nadine Leon Guerrero, Elaine Pangelinan, Breeana Garrido

I. CALL TO ORDER
Vice Chairwoman Joann Camacho called the meeting to order at 11:05AM.

III. Approval of Minutes
Motion made by Ms. Letitia Law-Byerly seconded by Ms. Jessica Chan to approve the GCMC minutes of April 24, 2018. Motion approved by acclamation.

IV. Visitor Arrivals Update
Ms. Nadine Leon Guerrero shared the updated visitor arrival statistics for China, Taiwan and Hong Kong with the committee. The decline in China is expected with United Airlines pull out from Shanghai. April is the first full month since United's pull out. Hong Kong and Taiwan are in the same situations with the pull out of Hong Kong Express and Eva Air, respectively.

# April 2018

GUAM

**April 1-30, 2018** **Total: 117,689 (-4.0%)**

| % Market Mix | Origin | 2017 | 2018 | % to LY |
|---|---|---|---|---|
| 0.9% | China | 1,720 | 1,050 | -39.0% |
| 0.5% | Hong Kong | 2,052 | 593 | -71.1% |
| 1.9% | Taiwan | 3,208 | 2,241 | -30.1% |
| 33.9% | Japan | 49,834 | 39,934 | -19.9% |
| 51.2% | Korea | 53,517 | 60,266 | 12.6% |
| 5.9% | US/Hawaii | 6,091 | 6,931 | 13.8% |
| 1.6% | Philippines | 2,135 | 1,846 | -13.5% |

Source: Guam Customs Declaration Forms. Processed by the Guam Visitors Bureau.

# Calendar Year to Date 2018

GUAM

**January–April 30, 2018** **Total: 514,168 (-3.5%)**

| % Market Mix | Origin | 2017 | 2018 | % to LY |
|---|---|---|---|---|
| 1.4% | China | 9,486 | 7,313 | -22.9% |
| 0.4% | Hong Kong | 7,711 | 1,969 | -74.5% |
| 1.9% | Taiwan | 13,521 | 9,615 | -28.9% |
| 36.7% | Japan | 232,611 | 188,925 | -18.8% |
| 47.1% | Korea | 212,439 | 242,298 | 14.1% |
| 5.7% | US/Hawaii | 26,191 | 29,298 | 11.9% |
| 1.1% | Philippines | 5,972 | 5,674 | -5.0% |

Source: Guam Customs Declaration Forms. Processed by the Guam Visitors Bureau.

# Fiscal Year to Date 2018

GUAM

**October–April 30, 2018** **Total: 889,679 (-3.7%)**

| % Market Mix | Origin | 2017 | 2018 | % to LY |
|---|---|---|---|---|
| 1.3% | China | 14,873 | 11,378 | -23.5% |
| 0.5% | Hong Kong | 11,209 | 4,029 | -64.1% |
| 1.8% | Taiwan | 23,242 | 15,571 | -33.0% |
| 35.6% | Japan | 414,211 | 316,718 | -23.5% |
| 48.3% | Korea | 364,435 | 429,315 | 17.8% |
| 5.4% | US/Hawaii | 44,092 | 47,966 | 8.8% |
| 1.3% | Philippines | 12,999 | 12,007 | -7.6% |

Source: Guam Customs Declaration Forms. Processed by the Guam Visitors Bureau.

# May 2018

**May 1-5, 2018** **Total: 19,461 (-17.4%)**

| % Market Mix | Origin | 2017 | 2018 | % to LY |
|---|---|---|---|---|
| 0.9% | China | 144 | 175 | 21.5% |
| 0.3% | Hong Kong | 304 | 49 | -83.9% |
| 1.2% | Taiwan | 189 | 240 | 27.0% |
| 41.1% | Japan | 11,827 | 8,063 | -31.8% |
| 46.1% | Korea | 9,421 | 8,976 | -4.7% |
| 4.5% | US/Hawaii | 825 | 878 | 6.4% |
| 1.8% | Philippines | 216 | 349 | 61.6% |

Source: Guam Customs Declaration Forms. Processed by the Guam Visitors Bureau. Note: May 2018 Daily Arrivals reflect Civilian Air arrivals only

V. Beautiful Destinations – Ms. Leon Guerrero shared that GVB collaborated with Beautiful Destinations, an award winning creative agency behind one of the world's largest travel communities on social media. The first Instagram and Weibo story and photo was launched yesterday afternoon and is the first over the next several months.

# Global Campaign



# Beautiful Destinations

GUAM

- Beautiful Destinations is the award winning creative agency behind one of the world's largest travel communities on social media, spanning 15 million people across 180 countries. They create and distribute "social first" content for a mobile audience and were voted by FAST COMPANY as one of the world's most Innovative companies in 2017.
- Social Media Stats:
  - Instagram: 10.8M
  - Facebook: 1.2M
  - YouTube: 140K
  - Weibo: 2M

# Beautiful Destinations

GUAM

CALENDAR

| DATE | Channel | Asset | Note |
|---|---|---|---|
| May 10<br>3pm GUAM TIME | Instagram | 1 Photo<br>Instagram Story | *Re-post directly from BD |
| May 10<br>3pm GUAM TIME | Weibo | 1 Photo<br>Weibo Story | *Re-post directly from BD |
| May 10<br>3PM GUAM TIME | Facebook | 1 Photo | *Share directly from BD |
| May 11<br>3PM GUAM TIME | Instagram | 1min HERO VIDEO | *Re-post directly from BD |
| May 11<br>3PM GUAM TIME | Weibo | 1 min HERO VIDEO | *Re-post directly from BD |
| May 11 | Facebook | 1 min HERO Video | *Share directly from BD |
| May 17 | Instagram/FB | 1 Photo | *Share directly from GVB |
| May 24 | Instagram/FB | 1 Photo | *Share directly from GVB |
| May 31 | Instagram/FB | 1 Photo | *Share directly from GVB |
| June 7 | Instagram/FB | 1 Photo | *Share directly from GVB |
| June 14 | FB | 1 Min VIDEO #2 | *Share directly from BD |
| June 21 | Instagram/FB | 1 Photo | *Share directly from GVB |
| June 28 | Instagram/FB | 1 Photo | *Share directly from GVB |
| July 5 | FB | 30 CULTURE VIDEO | *Share directly from BD |

VI. Greater China Market Updates

a. China - Ms. Leon Guerrero presented updates for the China market.

i. 3-month Airlift Forecast

## China Marketing News

GUAM

### 3 Month Airlift Forecast

| Month | Forecast Pax | Last Year | %Change | Seat Forecast '18 | Seat Data '17 | % Change Seats |
|---|---|---|---|---|---|---|
| May | 1129 | 1614 | - 30% | 3164 | 3726 | -28% |
| June | 1184 | 1481 | - 20% | 3164 | 3726 | -28% |
| Jul | 1590 | 1988 | - 20% | 3164 | 3726 | -28% |

**May**

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

**PR, estimated 500 seats per month for East-China market (A320-100)**

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

**June**

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

**PR, estimated 500 seats per month for East-China market (A320-100)**

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

**Jul**

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

**PR, estimated 500 seats per month for East-China market (A320-100)**

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

ii. Da – Guam Contents Production Project

## China Marketing News

GUAM

### Da – Guam Contents Production Project

- **Dates: 2018 – 2019**
- **Project Description:**
- **Produce high quality and attractive destination photos /videos bank (200+photos and 16 videos)to be used by global market**
- **Increase Guam's charms on social media, Lure potential travelers visually**
- **First trip with GMIF completed**






iii. Xiaomi Co-Branding Campaign Film Tour

## China Marketing News

GUAM

### Xiaomi Co-branding Campaign Filming Tour

**Date: April 28- May 30, 2018**

- GVB China launched co-branding campaign with XIAOMI, smart lifestyle technology company founded in 2010. In cooperation with United HK, Three Key TOs will launch special offers for Mi FANS
- Completed Filming Tour on Guam, will be followed up by social media campaign "Mi Fans Moments on Guam"









iv. USCS TTWG Road Show in Jiangsu & Anjui

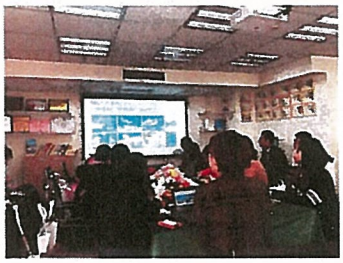
## China Marketing News

GUAM

### USCS TTWG Road Show in Jiangsu & Anhui

- Dates: Apr 09- 13, 2018
- Detailed arrangement:

09APR Arrival Zhenjiang
Training for Zhenjiang CTS
10APR Training for Jiangsu CTS
Training for Jiangsu CITS
11APR Training for JSBC Itour
Salon for Nanjing Agents
12APR Training for Anhui CTS
Training for Anhui CYTS
13APR Training for Wuhu ITS
Training for Wuhu Yinfa





v. #instaGuam Sales Co-op with Ctrip

## China Marketing News

GUAM

# instaGuam Sales Coops with Ctrip

**Date: 2018 APR-AUG**

**Description:**
**"InstaGuam, share every moment" will position Guam as the closest U.S. destination to China with Novel Romance& Paradise of Fun, and various optional tours choices on Ctrip platform.**

**Estimated ROI:**
**PV > 1,400,000**
**PAX > 1500**




vi. #instaGuam Sales Co-op with Jin Jiang Travel

## China Marketing News

GUAM

# instaGuam Sales Coops with Jin Jiang Travel

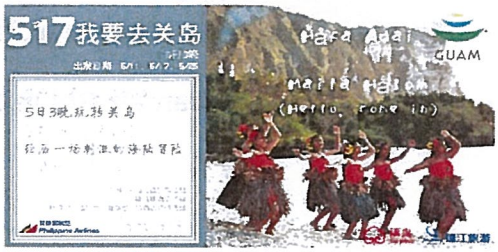
**Date: 2018 APR-AUG**
**Target Segment: FITs**
**Estimated ROI:**
**PV > 600,000**
**PAX > 300**









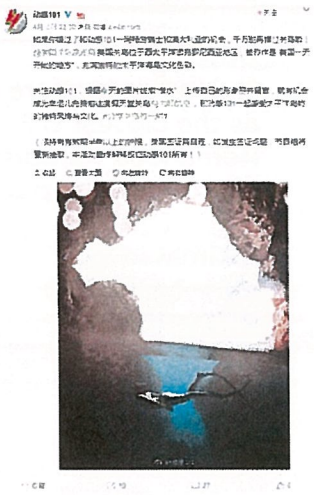
vii. Shanghai Radio 101 Media Fam

China Marketing News

GUAM

## Shanghai Radio 101 Media Fam

- Dates: May 27- May 31, 2018
- This is a cooperated media fam trip with Korea Air (KE). Targeting the young generation and through the cooperation with one of the top radio programs in Shanghai, we are aiming to increase destination awareness in Shanghai and Eastern China markets and highlight the light outdoor offerings in Guam and the GIM event
- Now we are in the process of arrange program for this group and plans to send this media group to Guam on 27 May.
- Media coverage for Guam has already be generated in radio and social media.



viii. Joint Sales Visit with Korean Air in Shenyang

China Marketing News

GUAM

## Joint Sales Visit with Korean Air in Shenyang

Date: May 9 to 11, 2018

- In-house training for seven major TOs : Liaoning Huayi International Travel, Shenyang Youth International Travel Service Co, Ltd, Shenyang Overseas International Travel Service, CCT.cn, Lucky Tour, and Sweet Tour, and Caissa
- Meeting with USCS Commercial Assistant
- Meeting with Korean air GM in Shenyang

b. Taiwan – Ms. Joyce Wu, GVB Taiwan Office Overseas Representative called in for the GCMC meeting and shared updates for the Taiwan market.

i. 3-month Review

## 3 Month Review

GUAM

| Month | Forecast Pax | Actual Seats provided by GVB | Number of Passengers from Taiwan Ministry of Transportation & Communications | Total Seat Capacity from Taiwan Ministry of Transportation & Communications | China Airlines L/F |
|---|---|---|---|---|---|
| **February** | 2,228 | 2,682 | 2,646 | 2,835 | 93.3% |
| **March** | 2,062 | 2,434 | 2,526 | 3,011 | 83.9% |
| **April** | 2,116 | 2,241 | N/A | N/A | N/A |

ii. 3-month Forecast

## 3 Month Forecast

GUAM

| Month | Forecast Pax | Last Year | %Change | Seat Forecast '18 | Seat Data '17 | % Change Seats |
|---|---|---|---|---|---|---|
| **May** | **2,387** | **3,682** | **-35.2%** | **3,410** | **5,845** | **-41.7%** |
| **June** | **2,455** | **2,058** | **16.5%** | **3,410** | **2,395 (As of Jun. 29 '17)** | **42.4%** |
| **July** | **2,441** | **1,976** | **7.09%** | **3,255** | **2,443** | **33.2%** |

**Flights**

**May**
**Taipei**
- **China Airlines :** 5 per week = 3,410 (B737-800,738)
- 22 flights * 155 seats = 3,410

**Total 3,410**

**June**
**Taipei**
- **China Airlines :** 5 per week = 3,410 (B737-800,738)
- 22 flights * 155 seats = 3,410

**Total 3,410**

**July**
**Taipei**
- **China Airlines :** 5 per week = 3,255 (B737-800,738)
- 21 flights * 155 seats = 3,255

**Total 3,255**

Note: EVA Air suspended its flight on June 3, 2017 resulting in the drastic drop in seat capacity & arrival number

iii. MICE Groups

## Taiwan Marketing News

GUAM

### MICE Group

| Group | Date | Number of People |
|---|---|---|
| Biomedical Company | Jan. 5 | 36 |
| Construction Company | Jan. 20 | 40 |
| ShengYang Internet | Jan. 31 | 114 |
| AIA | Feb. 10-15 | 110 |
| Biomedical Company | Feb. 20 | 40 |
| News Image Asia | Mar. 9 & 10 | 220 |
| Luck Cat Micro-enterprise System Co. Ltd. | Mar. 27 | 110 |
| (TBC) Wedding | July 11 | 26 |
| (TBC) Michelin Tires | Sept. 11 or 18 | 104 |
| (TBC) Real Estate Company | September | 75 |
| Total PAX | | 670 (Does not include TBC) |

iv. InstaGuam Campaign

## Taiwan Marketing News

GUAM

### SM Campaign

***#instaGuam Campaign***

**May Theme: Culture**

**Event Promotion on SM Platforms**

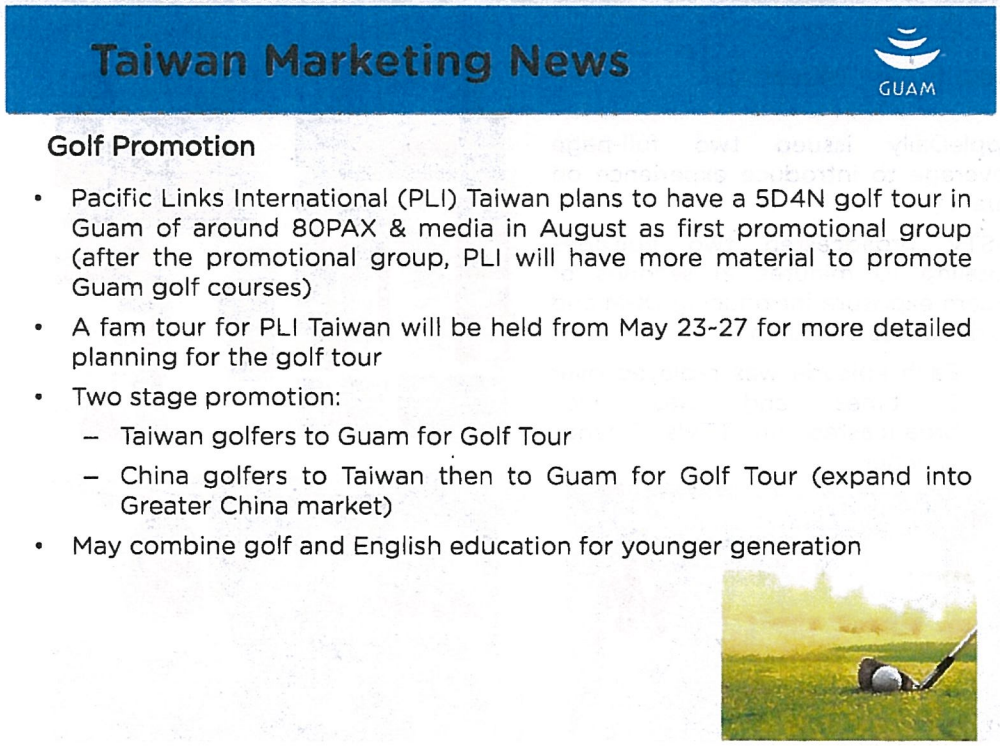


v. LINE@ Social Media Campaign




Ms. Wu shared that LINE@ is a business account used to provide information to Line App users. The LINE@ account followers are able to view anything posted on GVB Taiwan's account. During the 2018 TTE, LINE@ was launched and promoted. The account had 1, 185 followers in four days. 64.7% of users are female while 35.5% of users are male.

vi. Golf Promotion



vii. United Airlines Guam Marathon

## Taiwan Marketing News

GUAM

### United Guam Marathon

- Molly uploaded 13 posts on IG with hashtag #MollytravelinGuam , receiving 199K+ likes and over 1,200 comments
- Molly uploaded a video of her experience in Guam, receiving over 48K views




## Taiwan Marketing News

GUAM

### United Guam Marathon

- AppleDaily issued two full-page coverage to introduce experience on Guam
- USTV broadcasted two episodes totaling 10 minutes 21 seconds of Guam exposure introducing UGM and experiences on Guam
  - Each episode was replayed over 5 times and was even broadcasted on TTV's Finance channel









viii. Taipei Tourism Expo 2018

## Taiwan Marketing News

GUAM

### 2018 Taipei Tourism Expo

- Cooperated with MVA and PVA to form the Micronesian Pavilion and launched the Ultimate Grand Prize – free vacation to Guam, Mariana and Palau
- Ms. Joann G. Camacho was invited to participate in the TTE ribbon cutting ceremony during the Opening
- GVB Taiwan distributed press releases on both the TTE pre-event press conference and TTE opening ceremony days







## Taiwan Marketing News

GUAM

### 2018 Taipei Tourism Expo

- Held in-depth meeting with travel agencies to understand the frontline needs and situation
- Maintained relationship with China Airlines and EVA Air by visiting their booth and office during TTE
- A total of 43 Guam tour packages were sold by onsite travel agencies at the Micronesia Pavilion during TTE






# Taiwan Marketing News

GUAM

## 2018 Taipei Tourism Expo

- Chamorro musical duo Jesse & Ruby performed at the TTE and Micronesia Pavilion Opening Ceremony and on the Micronesian Pavilion stage, even collaborated with Mariana & Palau performers
- People were dancing with along during Jesse & Ruby's performances



ix. New Taipei City Government Joint Wedding

# Taiwan Marketing News

GUAM

## New Taipei City Government Joint Wedding

- With the high support from Guam hotels, a lottery draw took place to decide which hotel offers would be included in the grand prize. Dusit Thani and Westin were drawn. Lotte and Pacific Star's offer will still be provided, but with no air ticket and free car rental.
- Introduced Guam, AVIS, and hotels to the 120 chosen couples on May 6 and many of them seem interested in having their Honeymoon in Guam



## Taiwan Marketing News

GUAM

### CI Sunday Flight promotion

***Wedding Promotion & NTCG Exclusive Packages***

- Leverage the NTCG Joint Wedding program and extend Guam's Honeymoon packages to couples that were not chosen to receive the Grand Prize
- Provide NTCG employees exclusive Guam package deals for them to visit Guam
- Lion Travel will create a special package with the hotels that are sponsoring accommodation for the couples and NTCG employees
- NTCG will include the additional prizes on their May 20th NR
- GVB Taiwan will issue a second NR regarding the additional accommodation prize information and be onsite for the couple lottery draw





c. Hong Kong – Ms. Elaine Pangelinan shared updates for the Hong Kong market. Guam is still seeing the results of the loss of Hong Kong Express, a LCC that proved valuable in visitor arrivals to Guam. Ms. Echo Man added that Hong Kong Express has 6 flights per week to Saipan.

i. 3-month Forecast

## Hong Kong Marketing News

GUAM

### 3 Month Visitor Forecast

| Month | Forecast Pax | Last Year | %Change | Seat Forecast '18 | Seat Data '17 | % Change Seats |
|---|---|---|---|---|---|---|
| May | 640 | 2052 | -62% | 2822 | 4442 | -36.5% |
| June | 447 | 1241 | -64% | 2822 | 4442 | -36.5% |
| July | 740 | 822 | -10% | 2822 | 2822 | 0% |

| Air Capacity HKG - GUM | | | | | |
|---|---|---|---|---|---|
| Feb | | Mar | | Apr | |
| Airline | United | Airline | United | Airline | United |
| Aircraft | Boeing 737-800 | Aircraft | Boeing 737-800 | Aircraft | Boeing 737-800 |
| Seats | 2822 (4 flights per week) | Seats | 2822 (4 flights per week) | Seats | 2822 (4 flights per week) |

ii. 3-month Comparison

## Hong Kong Marketing News

GUAM

### 3 Month Visitor Comparison

| 2017-18 | Forecast | | | Actuals | | |
|---|---|---|---|---|---|---|
| Month | Forecast Pax | Last Year | %Change | Actual Pax | Last Year | % Change |
| Feb 18 | 667 | 1,688 | -60% | 395 | 1,688 | -76.6% |
| Mar 18 | 731 | 1,924 | -60% | 570 | 1,924 | -69% |
| Apr 18 | 718 | 1,924 | -60% | | 1,924 | |

iii. TV Program "FunAbroad" Media

## Hong Kong Marketing News

GUAM

### TV Program "Fun Abroad"

Promo Period: May – July 2018

Format:
1. United Airlines will work together with OTA to promote Guam route with special fare.
2. TV Program "Fun Abroad" came to Guam from 30 April to 7 May.

Viewers per Airing: 975,000 pax

Cost: US$20,000









Ms. Pangelinan reported that Hong Kong TV production with Television Broadcast Limited "Fun Abroad" concluded. The TV series will be aired in June to coincide with summer sales efforts. GVB has engaged in a cooperative with United Airlines Hong Kong and three major OTA'

VII. Announcements

a. The next Greater China Marketing Committee Meeting is scheduled for Friday, June 8, 2018 at 11:00AM in the GVB Main Conference Room

VIII. Adjournment

Ms. Letitia Law-Byerly made a motion to adjourn the meeting at 11:51AM seconded by Mr. Kenneth Hill. The meeting was adjourned by acclamation.

Prepared by: _____
Breeana Q. Garrido, Marketing Coordinator – Greater China

Reviewed by: _____
Nadine Leon Guerrero, Marketing Manager - China

Reviewed by: _____
Elaine Pangelinan, Marketing Manager – Hong Kong & Taiwan

Approved by: _____
Pilar Laguana, Director of Global Marketing

## FY 2018

| | Appropriation | Received to Date | | Balance | |
|---|---|---|---|---|---|
| Operations | $ 18,750,216.00 | $ 11,139,141.11 | 59% | $ 7,611,074.89 | 41% |
| Sustained Marketing - Korea | $ 4,000,000.00 | $ 2,181,818.16 | 55% | $ 1,818,181.84 | 45% |
| Destination Development | $ 1,085,000.00 | $ 632,916.65 | 58% | $ 452,083.35 | 42% |
| GVB Cruise Ship Industry Development Program | $ 50,000.00 | $ 29,166.65 | 58% | $ 20,833.35 | 42% |
| Rainy Day Fund | $ 200,000.00 | $ 116,666.65 | 58% | $ 83,333.35 | 42% |
| Cultural & Sports Ambassador Fund | $ 200,000.00 | $ 116,666.65 | 58% | $ 83,333.35 | 42% |
| Pass-Thru | $ 790,000.00 | $ 460,833.00 | 58% | $ 329,167.00 | 42% |
| TOTAL RECEIVABLES FY 2018 | $ 25,075,216.00 | $ 14,677,208.87 | | $ 10,398,007.13 | |

| Accounts | |
|---|---|
| RESTRICTED | |
| Bank of Guam - Rainy Day Fund[1] | $ 1,674,272.01 |
| Cultural & Sports Ambassador Fund[2] | $ 292,096.38 |
| GVB Cruise Ship Industry Development Program | $ 16,800.57 |
| TOTAL RESTRICTED | $ 1,983,168.96 |
| UNRESTRICTED | |
| Bank of Guam - Operations | $ 10,631,307.65 |
| First Hawaiian Bank - Membership | $ 56,959.94 |
| Resona | $ 86,129.59 |
| Bank of Guam - TAF | $ 520,745.56 |
| Raymond James - CD value as of 5/31/2018[3] | $ 2,553,470.32 |
| TOTAL UNRESTRICTED | $ 13,848,613.06 |
| TOTAL CASH as of 6/25/2018 | $ 15,831,782.02 |

| Current Payables | |
|---|---|
| Asatsu Invoices (MAR - APR) | $ 1,205,671.02 |
| Japan Invoices | $ 175,554.68 |
| Guam Invoices | $ 192,625.92 |
| Pass-Thru | $ 24,166.65 |
| Encumbered Contracts | $ 2,483,915.56 |
| Encumbered Purchase Orders | $ 181,532.49 |
| TOTAL PAYABLES as of 6/25/2018 | $ 4,263,466.32 |

NOTES

NOTE 1

| | |
|---|---|
| $1,674,272.01 | Rainy Day Fund |
| ($488,156.74) | Rainy Day expenses Japan - reimburse Operations |
| $1,186,115.27 | |

NOTE 2

| | |
|---|---|
| $292,096.38 | Cultural and Sports Ambassador Fund |
| ($26,100.00) | Cultural and Sports Ambassador expenses - reimburse Operations |
| $265,996.38 | |

NOTE 3

| | |
|---|---|
| $2,553,470.32 | 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 |
| ($842,642.84) | 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 |
| ($10,000.00) | PAID - Hagatna maintenance and streetscape project for GMIF |
| ($57,357.16) | BALANCE - Pale San Vitores Road Bus Shelter Project |
| ($50,435.82) | BALANCE - Planning, Architectural and Engineering Services for Tumon Bay Improvement |
| (0.00) | |

GUAM VISITORS BUREAU
55th ANNIVERSARY
1963 - 2018

BOARD OF DIRECTORS REGULAR MEETING
Thursday, May 10, 2018 – 3:30pm
Guam Visitors Bureau – Main Conference Room

BOARD OF DIRECTORS PRESENT:

| | |
|---|---|
| Director Milton Morinaga | Director Eduardo "Champ" Calvo |
| Director Brad Kloppenburg | Director Young Hong |
| Director Theresa Arriola | Director Katarina Sgro |
| Director William Nault | Director Bartley Jackson |
| Director Robert Hofmann | Director Tatsuo Takano |

BOARD OF DIRECTORS TELEPHONICALLY:

BOARD OF DIRECTORS ABSENT:

| | |
|---|---|
| Director Samuel Shinohara | Director Satoru Murata |
| Director Monte Mesa | |

GVB MANAGEMENT & STAFF PRESENT:

| | | |
|---|---|---|
| Jon Nathan Denight | Maura Yi | Rose Q. Cunliffe |
| Brian Borja | June Sugawara | Karida Brennan |
| Nico Fujikawa | Colleen Cabedo | Josh Tyquiengco |
| Regina Nedlic | Elaine Pangelinan | Breeana Garrido |
| Mark Manglona | Maria San Nicolas | |

GVB MANAGEMENT & STAFF TELEPHONICALLY:

GUESTS:
Joseph Mesngon - Office of Senator Dennis Rodriguez
Tricee Limtiaco – Guam Power Authority

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I. CALL TO ORDER

Chairman Morinaga called the meeting of the board to order at 3:53 pm.

II. MINUTES OF THE PREVIOUS MEETING Exhibit A

Director Arriola made a motion, seconded by Director Jackson, to approve the minutes of the previous board of directors meeting dated April 26, 2018.
Motion unanimously approved (Subject to minor revisions)

III. CHAIRMAN'S REPORT

- Chairman Morinaga reported having a good meeting with Korean Consul General Lim, Director Jackson, Director Hong, and President Denight in efforts to grow and support the Korean market.

IV. PRESIDENT & CEO'S REPORT

GUAM VISITORS BUREAU
55th ANNIVERSARY
1963 - 2018

GUAM VISITORS BUREAU

# PRESIDENT'S REPORT
# 05-10-2018

# RESEARCH

## April 2018

**April 1-30, 2018** — **Total: 117,689 (-4.0%)**

| % Market Mix | Origin | 2017 | 2018 | % to LY |
|---|---|---|---|---|
| 33.9% | Japan | 49,834 | 39,934 | -19.9% |
| 51.2% | Korea | 53,517 | 60,266 | 12.6% |
| 1.9% | Taiwan | 3,208 | 2,241 | -30.1% |
| 0.9% | China | 1,720 | 1,050 | -39.0% |
| 5.9% | US/Hawaii | 6,091 | 6,931 | 13.8% |
| 0.5% | Hong Kong | 2,052 | 593 | -71.1% |
| 1.6% | Philippines | 2,135 | 1,846 | -13.5% |
| 0.3% | Russia | 232 | 315 | 35.8% |

Source: Guam Customs Declaration Forms. Processed by the Guam Visitors Bureau.

## Calendar Year to Date 2018

**January – April 30, 2018** — **Total: 514,168 (-3.5%)**

| % Market Mix | Origin | 2017 | 2018 | % to LY |
|---|---|---|---|---|
| 36.7% | Japan | 232,611 | 188,925 | -18.8% |
| 47.1% | Korea | 212,439 | 242,298 | 14.1% |
| 1.9% | Taiwan | 13,521 | 9,615 | -28.9% |
| 1.4% | China | 9,486 | 7,313 | -22.9% |
| 5.7% | US/Hawaii | 26,191 | 29,298 | 11.9% |
| 0.4% | Hong Kong | 7,711 | 1,969 | -74.5% |
| 1.1% | Philippines | 5,972 | 5,674 | -5.0% |
| 0.3% | Russia | 1,255 | 1,752 | 39.6% |

Source: Guam Customs Declaration Forms. Processed by the Guam Visitors Bureau.

## Fiscal Year to Date 2018

**October 2017 – April 30, 2018** — **Total: 889,679 (-3.7%)**

| % Market Mix | Origin | 2017 | 2018 | % to LY |
|---|---|---|---|---|
| 35.6% | Japan | 414,211 | 316,718 | -23.5% |
| 48.3% | Korea | 364,435 | 429,315 | 17.8% |
| 1.8% | Taiwan | 23,242 | 15,571 | -33.0% |
| 1.3% | China | 14,873 | 11,378 | -23.5% |
| 5.4% | US/Hawaii | 44,092 | 47,966 | 8.8% |
| 0.5% | Hong Kong | 11,209 | 4,029 | -64.1% |
| 1.3% | Philippines | 12,999 | 12,007 | -7.6% |
| 0.3% | Russia | 2,202 | 2,900 | 31.7% |

Source: Guam Customs Declaration Forms. Processed by the Guam Visitors Bureau.

## May 2018

**May 1-5, 2018** — **Total: 19,461 (-17.4%)**

| % Market Mix | Origin | 2017 | 2018 | % to LY |
|---|---|---|---|---|
| 41.1% | Japan | 11,827 | 8,063 | -31.8% |
| 46.1% | Korea | 9,421 | 8,976 | -4.7% |
| 1.2% | Taiwan | 189 | 240 | 27.0% |
| 0.9% | China | 144 | 175 | 21.5% |
| 4.5% | US/Hawaii | 825 | 878 | 6.4% |
| 0.3% | Hong Kong | 304 | 49 | -83.9% |
| 1.8% | Philippines | 216 | 349 | 61.6% |
| 0.2% | Russia | 10 | 47 | 370.0% |

Source: Guam Customs Declaration Forms. Processed by the Guam Visitors Bureau.

Note: May 2018 Daily Arrivals reflect Civilian Air arrivals only

GUAM VISITORS BUREAU
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## Calendar Year to Date 2018

**January – May 5, 2018** **Total: 533,629 (-4.1%)**

| % Market Mix | Origin | 2017 | 2018 | % to LY |
|---|---|---|---|---|
| 36.9% | Japan | 244,438 | 196,988 | -19.4% |
| 47.1% | Korea | 221,860 | 251,274 | 13.3% |
| 1.8% | Taiwan | 13,710 | 9,855 | -28.1% |
| 1.4% | China | 9,630 | 7,488 | -22.2% |
| 5.7% | US/Hawaii | 27,016 | 30,176 | 11.7% |
| 0.4% | Hong Kong | 8,015 | 2,018 | -74.8% |
| 1.1% | Philippines | 6,188 | 6,023 | -2.7% |
| 0.3% | Russia | 1,265 | 1,799 | 42.2% |

Source: Guam Customs Declaration Forms. Processed by the Guam Visitors Bureau. Note: May 2018 Daily Arrivals reflect Civilian Air arrivals only

## Fiscal Year to Date 2018

**October 2017 – May 5, 2018** **Total: 909,140 (-4.0%)**

| % Market Mix | Origin | 2017 | 2018 | % to LY |
|---|---|---|---|---|
| 35.7% | Japan | 426,038 | 324,781 | -23.8% |
| 48.2% | Korea | 373,856 | 438,291 | 17.2% |
| 1.7% | Taiwan | 23,431 | 15,811 | -32.5% |
| 1.3% | China | 15,017 | 11,553 | -23.1% |
| 5.4% | US/Hawaii | 44,917 | 48,844 | 8.7% |
| 0.4% | Hong Kong | 11,513 | 4,078 | -64.6% |
| 1.4% | Philippines | 13,215 | 12,356 | -6.5% |
| 0.3% | Russia | 2,212 | 2,947 | 33.2% |

Source: Guam Customs Declaration Forms. Processed by the Guam Visitors Bureau. Note: May 2018 Daily Arrivals reflect Civilian Air arrivals only

## MARKETING

## Japan Marketing News

**Air Service Development Meetings**

- Japan Air Lines
  - April 27 in Tokyo, Japan
  - Agenda: Second daily flight operation, sales update, and opportunities for winter period
- HIS
  - April 27 in Tokyo, Japan
  - Agenda: Charter flights, sales plan, support from GVB, current market situation, and VIP Fam Tour





## Japan Marketing News

**Tokyo Rainbow Pride**

- May 4-7, 2018 at Yoyogi Park
- 100,000+ attendees
- GVB operated a booth, met with consumers, and distributed promotional materials throughout the duration of the two-day event
- The Guam delegation participated in the Pride March alongside 7,000 other festival goers
- Guam collateral will be distributed in Tokyo, Osaka, Nagoya, and Fukuoka through a sponsorship opportunity










## Japan Marketing News

**Okayama Citizens Delegation**

- 23 pax from Okayama, Japan visited Guam from May 6 – 9, 2018 as part of a friendship agreement signed in 2010 by Governor Felix Camacho and former Mayor of Okayama, Shigeo Takaya
- VIP guests
  - The Honorable Masao Omori, Mayor of Okayama
  - Mr. Hiroshi Miyatake, Chairperson of Okayama City Council
  - Mr. Takeshi Wake, Chairperson of the Congressional Association for Friendship Between Okayama and Guam
- Itinerary
  - Dinner reception hosted by GVB
  - Guam Micronesia Island Fair
  - Courtesy calls to Consul-General of Japan and University of Guam
  - Various national parks, optional tours, and tourist attractions



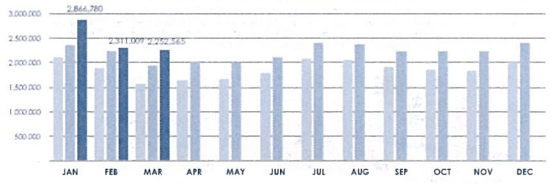




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## Korea Marketing News

### Total Number of Korean Outbound Travelers




- Total number of Korean outbound travelers: 2.2 million (2018 MAR) -> 16.1% increased vs. 2017 MAR
  2017 MAR YTD: 7.4million -> 14.1% increased vs. 2017 YTD
  * Reference: Korea Tourism Organization http://kto.visitkorea.or.kr/kor/notice/data/statis/profile.kto

## Korea Marketing News

### Airline Capacity to Guam
**MAY 2018**

Incheon - Guam

| Airline | Flight No. | DEP. Time | Days | 2018 May | 2017 May |
|---|---|---|---|---|---|
| Korean Air | KE113 | 09:45 | Daily | 9,921 | 9,021 |
| | KE111 | 19:35 | Daily | 8,556 | 8,556 |
| Jeju Air | 7C3102 | 10:35 | Daily | 5,859 | 5,859 |
| | 7C3106 | 20:20 | Daily | 5,859 | 5,859 |
| | 7C3108 | 21:50 | 5times/week | 4,158 | NA |
| Jin Air | LJ641 | 09:35 | Daily | 5,859 | 12,183 |
| T'Way Air | TW301 | 18:00 | Daily | 5,859 | 5,859 |
| Air Seoul | RS102 | 20:45 | Daily | 6,045 | NA |
| TOTAL SEAT CAPACITY | | | | 51,216 | 47,337 |

- Jeju Air 7C3108 flight has been decreased the number of flight to 5 times per week.
- Jin Air replaced LJ641 aircraft from B772 (393 seats) to B738 (189 seats) due to the aircraft maintenance.
- Outbound seat capacity from ICN to GUM = 51,216 seats (3,879 seats more than 2017 MAY)

## Korea Marketing News

### Airline Capacity to Guam

Busan - Guam

| Airline | Flight No. | DEP. Time | Days | 2018 May | 2017 May |
|---|---|---|---|---|---|
| Korean Air | KE2115 | 22:05 | 4times/week | 2,484 | 2,346 |
| Jeju Air | 7C3154 | 22:00 | Daily | 5,859 | 5,859 |
| Jin Air | LJ647 | 08:00 | Daily | 5,859 | 3,402 |
| Air Busan | BX612 | 22:05 | 5times/week | 4,485 | 3,315 |
| TOTAL SEAT CAPACITY | | | | 18,687 | 14,922 |

- Jin Air (LJ647) & Air Busan (BX612) increased number of flight to daily basis and 5 times per week respectively.
- Outbound seat capacity from PUS to GUM = 18,687 seats (3,765 seats more than 2017 May)

Daegu - Osaka - Guam

| Airline | Flight No. | DEP. Time | Days | 2018 May | 2017 May |
|---|---|---|---|---|---|
| T'Way Air | TW311 | 08:30 | Daily | 5,859 | 5,859 |
| TOTAL SEAT CAPACITY | | | | 5,859 | 5,859 |

- Outbound seat capacity from TAE to GUM = 5,859 seats (same as 2017 May)
  - It includes a certain portion of Japanese travelers

## Korea Marketing News



| Total Outbound Seat Capacity (May) | | |
|---|---|---|
| Origin | 2018 | 2017 |
| | 51,216 seats | 47,337 seats |
| | 18,687 seats | 14,922 seats |
| | 5,859 seats | 5,859 seats |
| | | |

## Korea Marketing News

### Number of Korean Outbound Travelers – to Guam




| Guam Arrival | JAN | FEB | MAR | APR | MAY | JUN | JUL | AUG | SEP | OCT | NOV | DEC |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 2018 | 68,707 | 60,768 | 52,549 | 60,266 | 59,094 | 62,563 | 69,213 | | | | | |
| 2017 | 56,341 | 51,181 | 51,383 | 53,321 | 51,576 | 55,033 | 61,097 | 58,411 | 58,880 | 56,292 | 61,093 | 69,632 |
| Growth Rate (%) | 21.9% | 18.7% | 2.3% | 13.0% | 14.6% | 13.7% | 13.3% | | | | | |

## Korea Marketing News

### 2018 GMIF Media Project with Olympus & AB Road

- ✓ Project Period: May 1 - 5, 2018
- ✓ No. of participants: 14pax (7 Digital influencer / 1 Next Paper / 2 Olympus / 2 AB Road / 2 GVB Korea)

* *The contents generated from the FAM tour will be included in AB-Road's June2018 Special Guam Edition, where Guam will receive 18 pages worth of exposure.*




Exposure® Olympus_Korea Instagram




Exposure® Olympus Korea Facebook

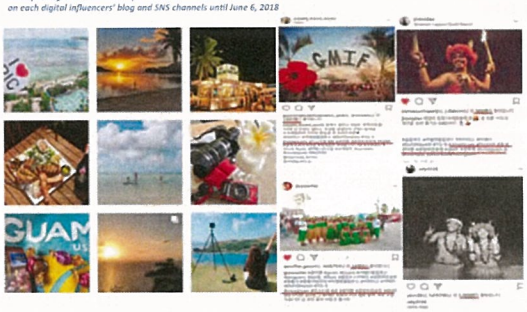



Exposure® Olympus Website

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## Korea Marketing News

*GMIF postings will have been uploaded on each digital influencers' blog and SNS channels until June 6, 2018*



## Korea Marketing News

### New Balance Kids Photo Shooting

- ✓ Period: May 8 ~ 11, 2018
- ✓ Co-Partner: New Balance Kids
- ✓ Objective: to promote Guam as a family friendly destination through pictorial, offline & online exposure co-op with one of the biggest consumer / sport global brand, New Balance Kids targeting the 2018 season.
- ✓ Promotion: the photos will be exposed in time for 2018 summer season from May to July through New Balance offline stores (120ea in Korea) and online (website, blog, SNS etc.)




## Korea Marketing News

### 2018 Hana Tour International Travel Show

- ✓ Period: June 7 ~ 10, 2018
- ✓ Concept: Guam Pavilion
- ✓ Process
  - Confirm the participating Guam local partners
  - Develop & finalize the Guam pavilion design
  - Operational logistics



- ✓ Co-exhibitors
1. PHR (Hilton / Sheraton / Nikko)
2. PHR (Hilton / Sheraton / Nikko)
3. Dusit Thani Guam Resort
4. Hyatt Regency Guam
5. Lotte Hotel Guam
6. Guam Reef & Olive Spa Resort
7. Onward Beach Resort Gaum
8. Guam Plaza Resort & Spa
9. Pacific Star Resort & Spa
10. Fiesta Resort Guam
11. Outrigger Guam Beach Resort
12. Westin Resort Guam
13. Bayview & Oceanview Hotel Guam
14. Royal Orchid Hotel Guam
15. Pleasure Island
16. Nissan Rent a Car
17. Sky Dive

## Korea Marketing News

### 2018 Guam Food Festival in Seoul

- ✓ Date: June 12, 2018
- ✓ Target Audience: approximately 130pax (Trade partners, Media, Guam partners, Digital Influencers)
- ✓ To introduce Guam local restaurants and to promote Guam food & culture by presenting Guam major restaurants' food and cultural performances during the festival.
- ✓ To provide an opportunity to network with Guam local partners and major travel trade partners & media in Seoul and to extend an opportunity to Guam local restaurants (GVB members)



### 2018 KOTFA – the 33rd Korea World Travel Fair Seoul

- ✓ Period: June 14 ~ 17, 2018
- ✓ Concept: GVB Independent Booth
- ✓ Process
  - Develop & finalize the Guam pavilion design
  - Operational logistics
  - Confirm the participating Guam local partners

## China Marketing News

### 3 Month Airlift Forecast

| Month | Forecast Pax | Last Year | %Change | Seat Forecast '18 | Seat Data '17 | % Change Seats |
|---|---|---|---|---|---|---|
| May | 1129 | 1614 | - 30% | 3164 | 3726 | -28% |
| June | 1184 | 1481 | - 20% | 3164 | 3726 | -28% |
| Jul | 1590 | 1988 | - 20% | 3164 | 3726 | -28% |

**May**

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

**PR, estimated 500 seats per month for East-China market (A320-100)**

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

**June**

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

**PR, estimated 500 seats per month for East-China market (A320-100)**

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

**Jul**

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

**PR, estimated 500 seats per month for East-China market (A320-100)**

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

## China Marketing News

### Shanghai Radio 101 Media Fam

May 25- May 30, 2018

- Cooperated media fam trip with Korean Air (KE)
- Target: Young generation
- Through the cooperation with one of the top radio programs in Shanghai, we are aiming to increase destination awareness in Shanghai and Eastern China markets and highlight the light outdoor offerings in Guam and the GIM event
- KE Shanghai General Manager Hong will accompany the group along with top KE Trade partners

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## China Marketing News

### New Products Launch after United Pulling Out

April-May, 2018

- In cooperation with Korean Air and Philippine Airlines, key TOs in Eastern Market (Shanghai and Nanjing) launched new products targeting low seasons and early summer.

**Early Summer Holiday**
**Series group by Spring Tour**






## China Marketing News

### Aviation Development Updates

- In discussion with Qulv.com to increase air capacity from China to Guam
  - ❑ Option A: Qulv is currently operating charters from HK to Saipan, making stop over on Guam and reallocate seats for Guam
  - ❑ Option B: Launch scheduled charters from National Day Holiday (Oct.1) to Chinese New Year (Feb.)
- Dalian agent – Shenyang Overseas International Travel
- Inquired with UA for charters for summer and October
- UA unable to provide service
- GVB China office will draft incentive program to attract Chinese carriers to fly to Guam
- Reach out to Chinese airports which provide monetary support for new international flights

## Taiwan Marketing News

### 3 Month Airlift Forecast

| Month | Forecast Pax | Last Year | %Change | Seat Forecast '18 | Seat Data '17 | % Change Seats |
|---|---|---|---|---|---|---|
| May | 2,387 | 3,682 | -35.2% | 3,410 | 5,845 | -41.7% |
| June | 2,455 | 2,058 | 16.5% | 3,410 | 2,395 (As of Jun. 29 '17) | 42.4% |
| July | 2,441 | 1,976 | 7.09% | 3,255 | 2,443 | 33.2% |

Flights

**May**
**Taipei**
- **China Airlines :** 5 per week = 3,410 (B737-800,738)
- 22 flights * 155 seats = 3,410

**Total 3,410**

**June**
**Taipei**
- **China Airlines :** 5 per week = 3,410 (B737-800,738)
- 22 flights * 155 seats = 3,410

**Total 3,410**

Note: EVA Air suspended its flight on June 3, 2017 resulting in the drastic drop in seat capacity & arrival number

**July**
**Taipei**
- **China Airlines :** 5 per week = 3,255 (B737-800,738)
- 21 flights * 155 seats = 3,255

**Total 3,255**

## Taiwan Marketing News

### MICE Group

| Group | Date | Number of People |
|---|---|---|
| Biomedical Company | Jan. 5 | 36 |
| Construction Company | Jan. 20 | 40 |
| ShengYang Internet | Jan. 31 | 114 |
| AIA | Feb. 10-15 | 110 |
| Biomedical Company | Feb. 20 | 40 |
| News Image Asia | Mar. 9 & 10 | 220 |
| Luck Cat Micro-enterprise System Co. Ltd. | Mar. 27 | 110 |
| (TBC) Michelin Tires | Sept. 11 or 18 | 104 |
| Total PAX | | 670 (Does not include TBC) |

## Taiwan Marketing News

### Golf Promotion

- Targeting high-yield niche market
- A fam tour was held on 3/24-28 to meet with Guam's golf courses and hotels for site-inspection
- Pacific Links International (PLI) Taiwan plans to have a 5D4N golf tour in Guam of around 80PAX & media in August as first promotional group (after the promotional group, PLI will have more material to promote Guam golf courses)
- A fam tour for PLI Taiwan will be held in May for more detailed planning







## Taiwan Marketing News

### New Taipei City Government Joint Wedding

- Will provide two 6D5N hotel+flight packages as the grand prize of the event
- Obtained sponsorship of 6-days car rental in Guam from Avis Taiwan on the grand prize and several discounts for all participated couples, and 5-days hotel sponsorship from Nikko Hotel Guam, Lotte Hotel Guam, Pacific Star Resort & Spa, The Westin Resort Guam, and Dusit Thani Guam Resort
- Attended the press conference on 4/2 and issued NR, receiving 19 coverages and attracted more couples to inquire about the grand prize
- On the event rehearsal on 5/6, will introduce Guam and strongly promote CI's Sunday Flight and sponsors to the 120 chosen couples

April 2 April 14 May 6 May 20

AVIS 安維斯租車

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## Hong Kong Marketing News

### 3 Month Visitor Forecast

| Month | Forecast Pax | Last Year | %Change | Seat Forecast '17 | Seat Data '16 | % Change Seats |
|---|---|---|---|---|---|---|
| Apr | 718 | 1924 | -65% | 2822 | 4442 | -36.5% |
| May | 640 | 2052 | -62% | 2822 | 4442 | -36.5% |
| May | 447 | 1241 | -64% | 2822 | 4442 | -36.5% |

| Air Capacity HKG - GUM | | | | | |
|---|---|---|---|---|---|
| Feb | | Mar | | Apr | |
| Airline | United | Airline | United | Airline | United |
| Aircraft | Boeing 737-800 | Aircraft | Boeing 737-800 | Aircraft | Boeing 737-800 |
| Seats | 2822 (4 flights per week) | Seats | 2822 (4 flights per week) | Seats | 2822 (4 flights per week) |

## Hong Kong Marketing News

### TV Program "Fun Abroad"

| | |
|---|---|
| Promo Period: | May – July 2018 |
| Format: | 1. United Airlines will work together with OTA to promote Guam route with special fare.<br>2. TV Program "Fun Abroad" will send the crew for TV production from 30 April to 7 May. |
| Viewers per Airing: | 975,000 pax |
| Cost: | US$20,000 |






## Taiwan Marketing News

### 2018 Taipei Tourism Expo

- Cooperated with MVA and PVA to form the Micronesian Pavilion and launched the Ultimate Grand Prize – free vacation to Guam, Mariana and Palau
- Ms. Joann G. Camacho was invited to participate in the TTE ribbon cutting ceremony during the Opening
- GVB Taiwan distributed press releases on both the TTE pre-event press conference and TTE opening ceremony days
- Held in-depth meeting with travel agencies to understand the frontline needs and situation







## Taiwan Marketing News

### 2018 Taipei Tourism Expo

- Maintained relationship with China Airlines and EVA Air by visiting their booth and office during TTE
- A total of 43 Guam tour packages were sold by onsite travel agencies at the Micronesia Pavilion during TTE
- Chamorro musical duo Jesse & Ruby performed at the TTE and Micronesia Pavilion Opening Ceremony and on the Micronesian Pavilion stage, even collaborated with Mariana & Palau performers
- People were dancing with along during Jesse & Ruby's performances






## Russia Marketing News

### GMIF Media Fam Tour

*May 2-6, 2018*

**GVB hosted** two social media bloggers/influencers from the European part of Russia.

**Objective** was to increase awareness of Guam as a visa free tourism destination, display Guam's culture and uniqueness, and experience GMIF.

Polina Brzhezinskaya (@polinabrz) is one of the most influential Instagram blogger and YouTube vlogger. Her audience is 351k followers in Instagram and 262k followers in YouTube.

Emma Bairamova (@mugglebai) is a very influential travel blogger in Russia with more than 101k subscribers in Instagram. In addition she acts as an exclusive TA and organizes tours to different countries.





**Special thanks to all GVB members who provided complimentary accommodations:**
Fish Eye Marine Park, SeaWalker Tours, Valley of the Latte, Sandcastle, Two Lovers Point, Three Squares, Pacific Islands Club, and Pacific Star Resort & Spa.

## Pacific Marketing News

### PATA MICRONESIA CHAPTER 1ST TRI-ANNUAL MEETING
### SAIPAN | APRIL 4-5, 2018







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## Pacific Marketing News

MICRONESIAN ISLAND FORUM
SAIPAN | APRIL 5-8, 2018



## Pacific Marketing News

ASIA DIVE EXPO – SINGAPORE
APRIL 3-8, 2018




## Philippines Marketing News

GVB & PAL– SINGAPORE
APRIL 4, 2018



FAM Trip tentatively being planned for 1st week of June 2018.

## Philippines Marketing News

2nd Quarter Summary

**PTAA Travel and Tour Expo**
**February 9-11, 2018**

- 7 members participated in **B2B** from Guam: Sheraton / Hilton, Pacific Star, PIH, DFS, Guam Reef, PacTours, Tumon Sands
- Guam won Best Performance Award

**Closure of Boracay Island**
**March to April 2018**

- News about Boracay's closure started mid-March
- PH Government made a decision to close Boracay starting April 26 for 6 months
- Travel Agents now looking at Guam to offer as an alternative destination

## Philippines Marketing News

**InstaGuam Fair | June 1 to 3, 2018 | Bonifacio Highstreet**



- GVB is preparing for its upcoming #instaGuam Fair on June 1-3, 2018 at Bonifacio Global City.
- The #instaGuam Fair will be the first of its kind in the Philippines. Organized GVB in partnership with the Guam Economic Development Authority, this three day consumer targeting event will enhance and strengthen the presence and branding of Guam in the Philippines as a top class tourist and investment destination.

**Confirmed Guam Partners:**
- Guam Economic Development Association (GEDA)
- Bank of Guam
- Discover Guam
- Two Lovers Point
- Hafaloha
- Capitol Kitchen

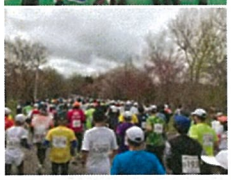
**Confirmed PH Media Partners:**
- ABS-CBN / ABS CBN Lifestyle
- TraveLife
- DiscoverMNL
- Magic 89.9
- Business Mirror
- When in Manila

## SPORTS & EVENTS

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## Toyohiragawa Marathon 2018





- Guam delegation represented the island and ran the Toyohiragawa Half Marathon in Sapporo, Japan on May 5, 2018
- Event is the sister race to the Ko'ko' Half Marathon with winners being sent to Guam to run the Ko'ko' Run in December 2018
- Over 5,000 runners participated
- Weather conditions ranged between 48-56°F
- Miss Universe Guam 2017 Myana Welch gave a welcome speech in Japanese and invited runners to Guam, also running the 10K race
- Guam friend and veteran top

## Guam Micronesia Island Fair

- GVB celebrated 30th Guam Micronesia Island Fair from May 2-6 at Paseo de Susana in Hagåtña
- Delegations from CNMI, Chuuk, Kosrae, Marshall Islands, Palau, Pohnpei and Yap returned
- Theme: "We are Micronesia"
- Estimated 50K people attended five day event
- Okayama City delegation visited
- Featured attractions included:
  - Food & Beverages/ Food trucks
  - Arts & crafts
  - Storytelling & Live Art
  - CAHA Masters
  - Sakman Chamorro w/ Mario Borja
  - Free wi-fi courtesy of GTA
  - Heineken Beer Garden
  - Wall Garden
  - Games & rides
  - Live cultural performances and local entertainment from our region





## Beautiful Destinations Launch




Social Media Stats:
Instagram: 10.8M
Facebook: 1.2M
YouTube: 140K
Weibo: 2M

2,019 likes in 2 minutes

- GVB and Beautiful Destinations launched global campaign on Guam at 3 p.m. May 10, 2018
- Beautiful Destinations is the award winning creative agency behind one of the world's largest travel communities on social media, spanning 20 million people across 180 countries. They create and distribute "social first" content for a mobile audience and were voted by FAST COMPANY as one of the world's most innovative companies in 2017.
- GVB will be re-posting directly from the BD channels, taking the "GLOBAL" mindset approach to share and strengthen the authenticity of GVB's digital presence. BD greatly influences people's travel decision-making process,

## Beautiful Destinations Launch

CALENDAR

| DATE | Channel | Asset | Note |
|---|---|---|---|
| May 10 3pm GUAM TIME | Instagram | 1 Photo Instagram Story | *Re-post directly from BD |
| May 10 3pm GUAM TIME | Weibo | 1 Photo Weibo Story | *Re-post directly from BD |
| May 10 3PM GUAM TIME | Facebook | 1 Photo | *Share directly from BD |
| May 11 3PM GUAM TIME | Instagram | 1min HERO VIDEO | *Re-post directly from BD |
| May 11 3PM GUAM TIME | Weibo | 1 min HERO VIDEO | *Re-post directly from BD |
| May 11 3PM GUAM TIME | Facebook | 1 min HERO Video | *Share directly from BD |
| May 17 | Instagram/FB | 1 Photo | *Share directly from GVB |
| May 24 | Instagram/FB | 1 Photo | *Share directly from GVB |
| May 31 | Instagram/FB | 1 Photo | *Share directly from GVB |
| June 7 | Instagram/FB | 1 Photo | *Share directly from GVB |
| June 14 | FB | 1 Min VIDEO #2 | *Share directly from BD |
| June 21 | Instagram/FB | 1 Photo | *Share directly from GVB |
| June 28 | Instagram/FB | 1 Photo | *Share directly from GVB |
| July 5 | FB | :30 CULTURE VIDEO | *Share directly from BD |

## Beautiful Destinations Launch

LOCAL LAUNCH:

Along with the release of the assets on MAY 10, Guam will release the following:

- Press Release via GVB, Joshua Tyquiengco
- InstaGuam E-newsletter: Share videos, photos and editorial version of press release.
- UNO Digital (KUAM): to share 1 min video under our InstaGuam Campaign
- Guam Weekly to re-post
- Connect with other Guam Influencers such as Juan Aguon to re-post
- Media Tour to hype Tourism Month and Global Collaboration

NEXT STEPS:
Brand team to provide full 30 week content calendar to include release date, asset and caption.





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## V. TREASURER'S REPORT

Exhibit B

EXHIBIT B

| FY 2018 | | | | | | | |
|---|---|---|---|---|---|---|---|
| | Appropriation | | Received to Date | | | Balance | |
| Operations | $ | 18,750,216.00 | $ | 9,606,926.14 | 51% | $ 9,143,289.86 | 49% |
| Sustained Marketing - Korea | $ | 4,000,000.00 | $ | 1,818,181.80 | 45% | $ 2,181,818.20 | 55% |
| Destination Development | $ | 1,085,000.00 | $ | 542,499.98 | 50% | $ 542,500.02 | 50% |
| GVB Cruise Ship Industry Development Program | $ | 50,000.00 | $ | 24,999.98 | 50% | $ 25,000.02 | 50% |
| Rainy Day Fund | $ | 200,000.00 | $ | 99,999.98 | 50% | $ 100,000.02 | 50% |
| Cultural & Sports Ambassador Fund | $ | 200,000.00 | $ | 99,999.98 | 50% | $ 100,000.02 | 50% |
| Pass-Thru | $ | 790,000.00 | $ | 394,999.68 | 50% | $ 395,000.32 | 50% |
| TOTAL RECEIVABLES FY 2018 | $ | 25,075,216.00 | $ | 12,587,607.54 | | $ 12,487,608.46 | |

| Accounts | | |
|---|---|---|
| RESTRICTED | | |
| Bank of Guam - Rainy Day Fund[1] | $ | 1,657,435.74 |
| Cultural & Sports Ambassador Fund[2] | $ | 275,403.56 |
| GVB Cruise Ship Industry Development Program | $ | 12,633.90 |
| TOTAL RESTRICTED | $ | 1,945,473.20 |
| UNRESTRICTED | | |
| Bank of Guam - Operations | $ | 12,135,253.42 |
| First Hawaiian Bank - Membership | $ | 65,071.34 |
| Resona | $ | 349,680.26 |
| Bank of Guam - TAF | $ | 520,692.49 |
| Raymond James - CD value as of 3/31/2018[3] | $ | 2,548,374.94 |
| TOTAL UNRESTRICTED | $ | 15,619,072.45 |
| TOTAL CASH as of 5/8/2018 | $ | 17,564,545.65 |

| Current Payables | | |
|---|---|---|
| Asatsu Invoices (JAN - MAR) | $ | 3,140,290.73 |
| Japan Invoices | $ | 150,750.88 |
| Guam Invoices | $ | 406,230.64 |
| Pass-Thru | $ | 20,833.32 |
| Encumbered Contracts | $ | 2,977,501.70 |
| Encumbered Purchase Orders | $ | 153,352.81 |
| TOTAL PAYABLES as of 5/8/2018 | $ | 6,848,960.08 |

NOTES

NOTE 1

| | |
|---|---|
| $1,657,435.74 | Rainy Day Fund |
| ($184,234.64) | Rainy Day expenses Japan - reimburse Operations |
| $1,473,201.10 | |

NOTE 2

| | |
|---|---|
| $275,403.56 | Cultural and Sports Ambassador Fund |
| ($26,100.00) | Cultural and Sports Ambassador expenses - reimburse Operations |
| $249,303.56 | |

NOTE 3

| | |
|---|---|
| $2,548,374.94 | 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 |
| ($842,642.84) | 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 |
| ($10,000.00) | PAID - Hagatna maintenance and streetscape project for GMIF |
| ($57,357.16) | BALANCE - Pale San Vitores Road Bus Shelter Project |
| ($45,340.44) | BALANCE - Planning, Architectural and Engineering Services for Tumon Bay Improvement |
| 0.00 | |

**May 8, 2018**

- President Denight reported March allotments have been received and the FY2019 Budget Request has been submitted to the Legislature.

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## VI. REPORT OF THE BOARD COMMITTEES

### A. EXECUTIVE COMMITTEE

### B. ADMINISTRATION & GOV'T RELATIONS

- GPA Presentation

1

New 180 Megawatt Power Plant

*Updated Informational Briefing to*
Guam Visitors Bureau
Board of Directors
May 10, 2018

John Benavente, PE
General Manager

Tricee P. Limtiaco
Asst. General Manger,
Administration

2

WHY WE NEED A NEW POWER PLANT

| OLD BASELOAD | | NEW BASELOAD |
|---|---|---|
| Degraded Due to Age | RELIABILITY & EFFICIENCY | Substantially Increased |
| Expensive | COST (O&M) | Low |
| Inadequate Capacity for Future Growth | PRODUCTION | Allows for 15 year Growth |
| Not Compatible with Solar PV Systems | RENEWABLE ENERGY | Compatible and Allows for more Solar PV |
| One Fuel Burning Capability | FUEL | Diversified with ULSD and Natural Gas Burning |
| Hazy & Non-Compliant | EMISSIONS | Clear, Clean & Compliant |
| Tsunamis, Storm Surge | VULNERABILITY | No Risk |

3

GPA Will Not Be Able To Meet Demand Without New Power Plant By 2021

| *Summary of System Generating Capacity With No New Baseload* | | | | | With New 180MW |
|---|---|---|---|---|---|
| **Description (MW)** | **FY 2015** | **FY2017** | **FY2018** | **FY2021** | **FY2022** |
| Baseload Capacity | 299 | 208 | 208 | 208 | 268 |
| Emergency/Standby Capacity | 120 | 200 | 200 | 200 | 200 |
| **Total Capacity** | **419** | **408** | **408** | **408** | **468** |
| | | | | | |
| Peak Demand (Customer Requirement) | 249 | 261 | 266 | 283 | 283 |
| Reserve Margin (Balance between Capacity and Requirement) | 170 | 147 | 142 | 125 | 185 |
| Loss of Two Largest Units (Overhaul + Forced Outage) | (132) | (120) | (120) | (120) | (88) |
| **Reserve After Loss of Two Largest Units** | **38** | **27** | **22** | **5** | ***97** |
| | | | | | |
| **Utility Scale Renewables Capacity (MW)** | **0** | **25** | **25** | **185** | **185** |
| | | | | | |
| % Energy from Baseload | 98.0% | 80.0% | 62.2% | 62.2% | **72.6%** |
| **% Energy from Renewables** | **0.0%** | **3.5%** | **3.5%** | **26.4%** | **26.4%** |
| % Energy from Emergency/Peaker | 2.0% | 16.5% | 16.5% | 11.4% | 1.0% |

**97MW – adequate reserve for 15 yr forecast*

4

*UPDATED*

Cost and Savings Per Scenario

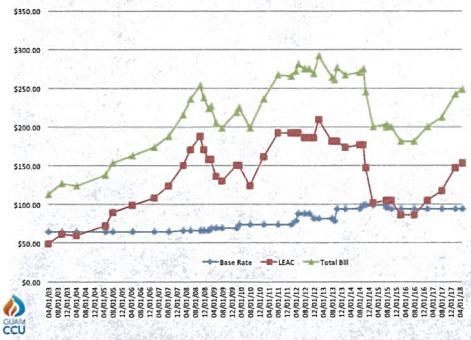
**FY 2018 Fuel Oil Prices:**
**$65/Barrel - Residual Fuel Oil (RFO)**
**$85/Barrel - Ultra Low Sulfur Diesel (ULSD)**
**$58/Barrel – Natural Gas Price Equivalent**

| SCENARIO | ANNUAL FUEL COST | (COST)/SAVINGS ($) | AVG $/kWh | OIL BARRELS CHANGE |
|---|---|---|---|---|
| Existing Generation Mix | $195,108,397 | | $0.121 | |
| USEPA Forced Compliance Excluding Penalties | $246,351,059 | **$51,242,662** | $0.153 | **127,917** |
| **New Power Plant (ULSD + 180 MW Renewables)** | **$185,399,918** | $9,708,478 | **$0.115** | 986,633 |
| **New Power Plant (Natural Gas + 180 MW Renewables)** | **$140,881,640** | $54,226,756 | **$0.088** | 2,551,538 |

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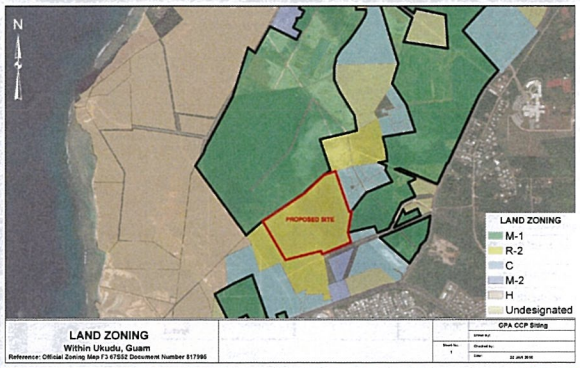
5

## Historical Residential Bill




6

## UPDATED: Preferred Site Identified




7

## Why Build A New Power Plant in Ukudu?

### Increased Reliability

- Near existing GPA substation with many underground transmission lines
- Close to villages with largest population
- Not subject to tsunamis, storm surges, sea level rise, and other climate change impacts
- Potential continuous plant operations through typhoons
- Quicker recovery for all customers after typhoons

### Environmental Benefits

- Divert up to 3 million gallons daily of treated sewer water for plant cooling
- Does not impact the aquifer

### Compatible With Surrounding Land Uses

- Industrial, commercial, residential and public uses already exist in the area
- The new plant's technology located throughout the US in many mixed-use developments without adverse community impacts

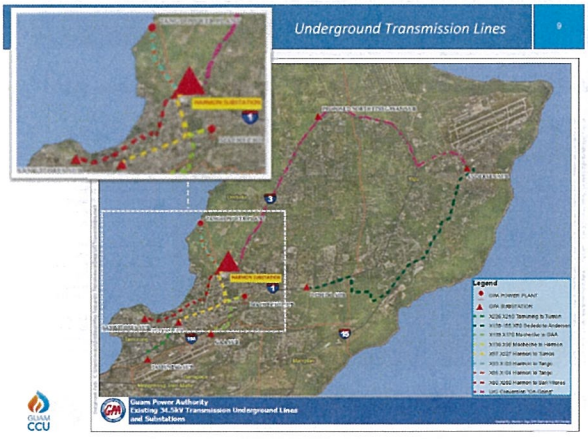
8

## Overhead Transmission Lines




9

## Underground Transmission Lines




10




Guam Power Authority
New Generation Infrastructure Lot 5010-1New&5042-R1&5042-1

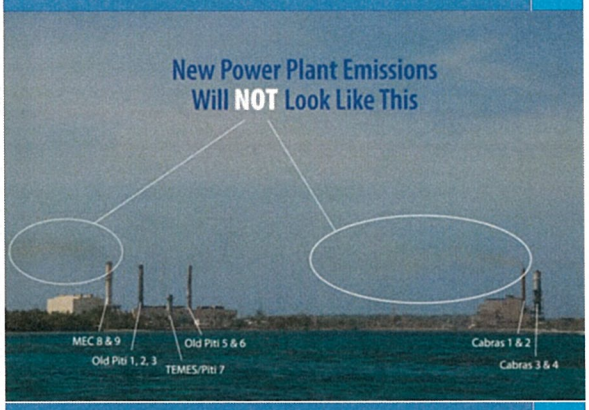
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## UKUDU IS THE BEST LOCATION

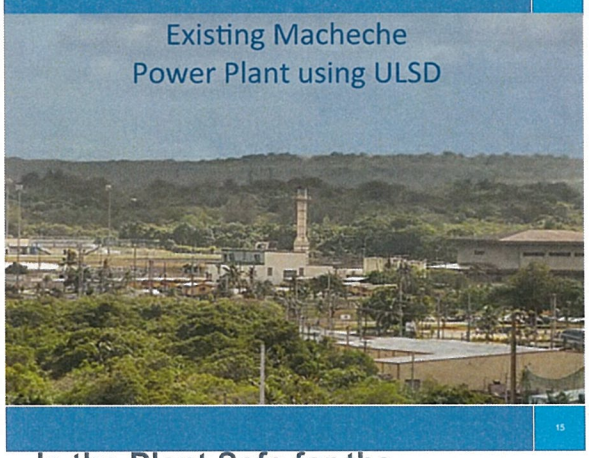
11

| PROPOSED POWER PLANT LOCATION PRESCREENING CRITERIA | UKUDU PROPOSED LOCATION | Northern WWTP | Tanguisson | Cabras-Piti |
|---|---|---|---|---|
| Access to 115 KV System (within 3.5 mi.) | EXCELLENT | GOOD | GOOD | EXCELLENT |
| 115 KV Interconnection Cost ( Ukudu - $80M < Northern WWTP ) | LOW | HIGH | HIGH | LOW |
| Tsunami and Storm Surge Risk | NONE | NONE | HIGH | HIGH |
| Environmental Permitting | VERY GOOD | VERY GOOD | MODERATE | DIFFICULT |
| Ability to Serve Central & North Area Through/Immediately After Typhoons | EXCELLENT | HIGH | Moderate | LOW |
| Access to Non-Seawater Cooling for Primary Cooling and Make-up Water | Grey Water Access. Aquifer Backup | Grey Water Access. Aquifer Backup | Aquifer | Aquifer |
| Space to Build Power Plant | ADEQUATE | ADEQUATE | INADEQUATE | INADEQUATE |
| Location Development Costs (Interconnection) | LOW | HIGH | HIGH | HIGH |
| Flat Terrain & Soil Conditions | YES – Limestone | YES – Limestone | YES – Limestone | YES |
| System Technical Losses | REDUCES | REDUCES | REDUCES | INCREASES |
| Physical Security Risk | LOW | LOW | MODERATE | MODERATE |
| Refueling Northern CT Generation | EXCELLENT | GOOD | No Room; Poor Access | Long Round-Trip Time |

12




13




14

## Being a Good Neighbor

**Noise & Vibration**
- Plant enclosed within building with noise reduction measures
- Plant will include a vibration monitoring system with central computer oversight
- Systems automatically and safely shuts down equipment

**Odor Emissions**
- ULSD emissions virtually non-odorous
- Stack height dilutes odors
- Lower with natural gas

**Fuel Fire & Spill Prevention & Control**
- Sophisticated leak detection, spill containment, fire detection and protection and monitoring systems installed and operated

15

## Is the Plant Safe for the Community?

**DEFINITELY YES!**
- Efficient units burning much cleaner fuel
- 30 acres of buffer around the 30-acre plant
- Aesthetically built with maximum safety in mind for the community, environment and personnel
- The new plant can co-exist with GRMC hospital as it does in many other communities in the nation, especially since the power reliability needs of a hospital is critical to patient care

16

## Medical Area Total Energy Plant (MATEP), Boston, MA



- 112 MW natural gas power plant, within 20' from Brigham and Women's Hospital
- A total energy facility and micro-grid. Serves the Longwood Medical and Academic Area (LMA) with steam, chilled water and electricity for approx. 30 yrs.
- Integral to the city's energy infrastructure, providing efficient, sustainable, reliable and resilient energy to a select group of prestigious clinical, research and teaching institutions. **These institutions, which include five hospitals provide care to more than 100,000 inpatients and 2.4 million outpatients each year.**

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No visible emissions plume from power plant stack.

UPDATED 18




UPDATED 19

## New Power Plant Contracting Model

**GPA Will Award an Independent Power Producer (IPP) a Contract under a Build-Operate-Transfer (BOT) Model where the IPP:**

- Finances and Builds/Constructs the Whole Project Including:
  - Power Plant
  - Fuel Storage Tanks
  - Natural Gas & ULSD Fuel Pipelines
  - Fuel Tanker Truck Gantries
  - Fiber Optic Communications
  - New 115 KV Substation & Transmission Lines
  - Harmon Substation Upgrades
  - Plant/System Protection Systems Upgrades
- Turns Over to GPA All Completed Systems and Infrastructure Except the Actual Power Plant
- Operates the Power Plant for a 25-Year Term with a Mutual 5-Year Negotiated Extension
- Transfers Ownership of the Power Plant in Excellent Condition to GPA After the Contract Terminates

UPDATED 20

Jun 2018 Approval → Dec 2018 Award → Dec 2021 Commission



UPDATED 21

## The New Plant Will Exceed All Clean Air Standards

| Pollutants | Cabras 1&2 | Proposed Power Plant Notional Emissions | NAAQ Standards (1-Hour) | Emissions Improvement over NAAQS | Emissions Improvement over Cabras 1&2 |
|---|---|---|---|---|---|
| | RFO | ULSD | | | |
| | μg/m³ | μg/m³ | μg/m³ | (%) | (%) |
| Nitrogen Oxides (NOx) | 80.8 | 6.51 | 188 | 2,888% | 1241% |
| Sulfur Dioxide (SO2) | 443 | 0.78 | 196 | 25,128% | 56795% |
| Carbon Monoxide (CO) | 8.6 | 9.42 | 40,000 | 424,628% | |
| Particulate Matter (PM) | 26.9 | 3.54 | 35 | 989% | 760% |

*New Power Plant will not have issues with smell or odor as experienced from existing base load plants*
***Emissions at 100 foot Stack height***

Source: Roger Pabunan (GPA) & Gale Hoffnagle (TRC)

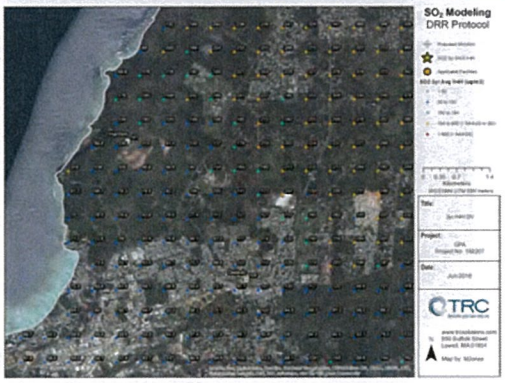
CURRENT AIR QUALITY MODELING 22

FINDING:
Current Cabras & Piti emission sources negatively affect the SO2 and particulate matter (PM) concentrations in Harmon & Tumon

In most cases, current emissions meet or exceed NAAQ standards.

Note:
For these sources the ratio of PM to SO2 is 10%.

E.g.: SO2 320 μg/m³ translates to PM 32 μg/m³



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## FUTURE AIR QUALITY MODELING WITH NEW 180MW PLANT

23

ANNUAL ISOPLETH PREDICTIONS

Particulate Matter (PM)
**New Plant: 2.5 µg/m3**
NAAQS: 12 µg/m3

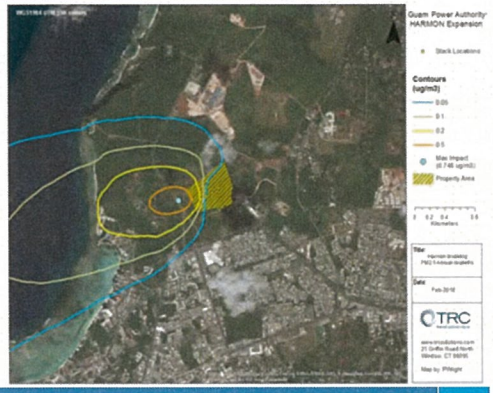
Air Quality (SO2 & PM)
Substantial improvement in west coast (Tumon Bay, Ukudu, Pitt, Orote) upon:

- Retirement of Cabras 1, 2, 3 & 4
- Conversion (ULSD) of MEC 8 & 9
- Operation of new Ukudu power plant

1/240th NAAQS

1/120th NAAQS (light grey-green)

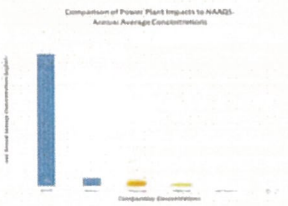
1/60th NAAQS (bright yellow)




## FUTURE TUMON AIR QUALITY MODELING

24

| Location | PM2.5 µg/m³ | |
|---|---|---|
| | Current | Projected |
| Northern Tumon | 7.2 | 0.1 < PM2.5 < 0.2 |
| Central Tumon | 7.2 | 0.05 < PM2.5 < 0.1 |
| South Tumon | 6.7 | <0.05 |







## Other Notable Updates

25

### REBATES

- $1.3M to date
- $1.5M additional budgeted

### GRID

- 87.8% of grid is concrete & steel poles
- 21% of customers have underground secondary feed
- Within 5 years, the distribution system adjacent to San Vitores Rd area will be underground. *Can run through storms!*

### SCADA

- New state-of-the-art SCADA system will be commissioned in October 2018

### RENEWABLE ENERGY

**120MW** Award Solar PV Power Purchase Agreement (PPA) pending March 2018 PUC approval at *$0.0825/kWh* avg

**40MW** Solar PV with Load Shifting Batteries on 164 acres (Navy land lease) under procurement. Expected award Summer 2018

**40MW** Energy Storage Batteries to be commissioned August 2018

GPA Renewable Energy Targets:
***25%** of all energy production by 2021*
***50%** of all energy production by 2025*

This hedges rates from rising fuel costs!

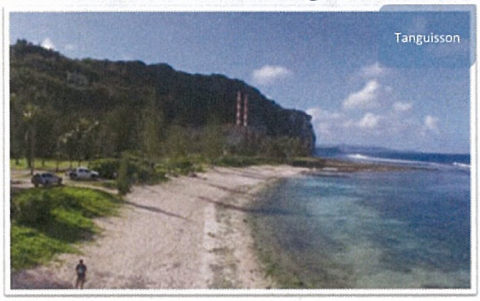
26

## Other Revenue-Producing Initiatives




27

## Other Revenue-Producing Initiatives




28

*UPDATED*

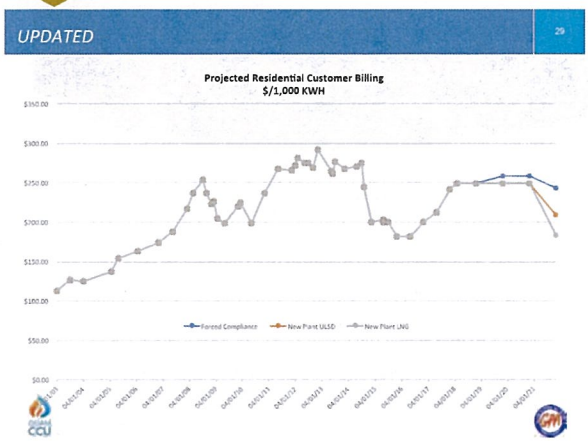
## Impact on Base Rates

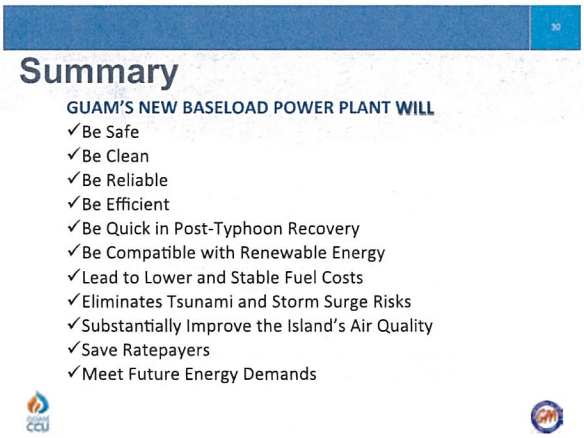
**NONE**

Base rates expected to stay at current levels through reduction of operating costs, and cost-savings initiatives

| | |
|---|---|
| Reduced O&M | Retirement of Cabras 1&2 *$10M/yr* |
| | Turnover of MEC 8&9 *$15M/yr* |
| | Turnover of TEMES 7 *$5M/yr* |
| | Aggreko Temporary Plant *$9M/yr* |
| Settlement | Insurance Settlement re. Cabras 3&4 *$80+M* |
| Right-Sizing | Reduced Overtime *FY17 $1.4M, previously $3.2M* |
| | Reduced FTE *current 465 FYTD; previously ~512 FY14* |
| Other Initiatives | Refinancing 2010 Bonds *$500K/yr* |
| | Demand Side Management Programs reduce Peak Demand |
| | Revenue-Producing Assets |

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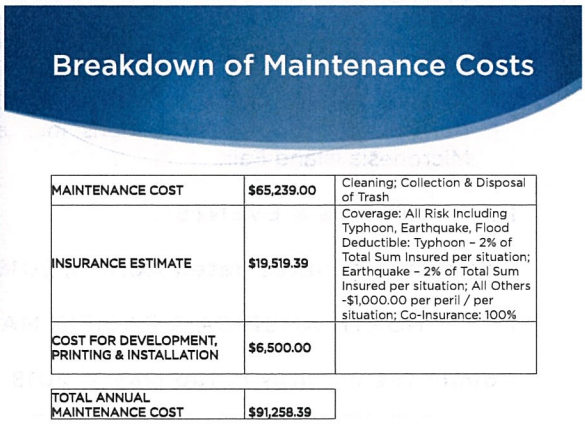

- Vacation rental and B&B fact sheet
  - President Denight shared the draft for establishing a vacation rental and B&B fact sheet, which is being finalized with DRT for the community outreach program.

C. RESEARCH

D. DESTINATION MANAGEMENT

- Bus shelter presentation




| | | |
|---|---|---|
| MAINTENANCE COST | $65,239.00 | Cleaning; Collection & Disposal of Trash |
| INSURANCE ESTIMATE | $19,519.39 | Coverage: All Risk Including Typhoon, Earthquake, Flood Deductible: Typhoon – 2% of Total Sum Insured per situation; Earthquake – 2% of Total Sum Insured per situation; All Others -$1,000.00 per peril / per situation; Co-Insurance: 100% |
| COST FOR DEVELOPMENT, PRINTING & INSTALLATION | $6,500.00 | |

| | |
|---|---|
| TOTAL ANNUAL MAINTENANCE COST | $91,258.39 |

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## Maintenance Proposal #1

- Bus Companies utilizing the shelters will be assessed a $100 fee per shelter per month. Totaling: $1200/month or $14,400/year.
- GVB would issue a license agreement to the companies which would outline GVB's responsibilities:
  - Insurance
  - Cleaning and Trash Collection
  - Production and Installation of Maps containing bus routes, logos and schedules.

## Maintenance Proposal #2

- Contract through an RFP process a master concession for the managing and selling of advertising with an annual license fee payable to GVB.
- The successful offeror will be allowed to sell advertising at all shelters, but shall not add additional advertising areas other than the single 4' X 4' light box in each shelter.
- Advertisements will prohibit displaying Alcoholic, Political and Adult Entertainment.
- Successful offeror will be responsible for maintenance and trash collection and must provide insurance for the replacement of amenities in case of damage or graffiti.

- President Denight shared two maintenance proposals and the consensus was towards proposal #1 with the possibilities of hotels adopting a bus shelter to maintain and insure.

E. MEMBERSHIP & COMMUNITY OUTREACH

- Director Kloppenburg reported the next quarterly membership meeting tentatively scheduled for mid June, details are forthcoming.

F. VISITOR SAFETY & SATISFACTION

- Chairman Morinaga warned the board of individuals still stealing cars following the incident at Hilton.

G. CULTURAL & HERITAGE

- Director Arriola gave a special thanks to President Denight, Destination Specialist Hernandez, Tropical Productions Inc., and GVB team for their hard work at the Guam Micronesia Island Fair.

H. SPORTS & EVENTS

Committee minutes dated April 11, 2018 — Exhibit C

I. NORTH AMERICA & PACIFIC MARKETS

Committee minutes dated May 2, 2018 — Exhibit D

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GUAM FAIR 2018

Director Arriola made a motion on the floor, seconded by Director Jackson, to amend approved travel to replace NAP Committee Chairman with GVB Marketing Staff to attend the 1st Annual Guam Fair on May 2018 in Manila, Philippines.
Motion passed as stated and amended

J. GREATER CHINA

Committee minutes dated April 24, 2018 — Exhibit E

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K. RUSSIA & NEW MARKETS

Committee minutes dated May 1, 2018 Exhibit F

- Director Jackson reminded the board of the PITE 2018 trade show in Vladivostok, Russia.

L. KOREA

- Director Jackson reminded the board of the two big trade shows and food festival in Seoul, Korea next month.

M. JAPAN

- Director Nault announced United Airlines will be celebrating their 50th Anniversary with Guam and GVB will co-host a dinner reception for VIP Japanese travel agents next week.
- The team is finalizing the Treasure Hunt Campaign with industry supporters.

VII. OLD BUSINESS

VIII. NEW BUSINESS

IX. EXECUTIVE SESSION

X. ANNOUNCEMENTS

Upcoming Board Meetings:

- Thursday, May 24, 2018 at 3:30pm, GVB Main Conference Room
- Thursday, June 14, 2018 at 3:30pm, GVB Main Conference Room

XI. ADJOURNMENT

Director Arriola made a motion, seconded by Director Kloppenburg, to adjourn the meeting. Meeting adjourned at 5:09pm.
Motion unanimously approved

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

Board Minutes respectively submitted by Maura Yi, Executive Secretary