Gmail by Google

BENJAMIN CRUZ <speaker@senatorbjcruz.com>

MC Fwd: GVB Board Packet: July 26, 2018

1 message

BENJAMIN CRUZ <speaker@senatorbjcruz.com> Thu, Jul 26, 2018 at 11:01 AM
To: 34th Guam Legislature Clerks <clerks@guamlegislature.org>
Cc: Rennae Meno <rennae@guamlegislature.org>

07/26/18	07/26/18	Guam Visitors Bureau	GVB board packet of July 26, 2018.*	34-18-2151

---------- Forwarded message ---------
From: **Maura Yi** <maura.yi@visitguam.org>
Date: Thu, Jul 26, 2018 at 10:05 AM
Subject: GVB Board Packet: July 26, 2018
To: BENJAMIN CRUZ <speaker@senatorbjcruz.com>

GL#) 34-18-2151
Speaker Benjamin J.F. Cruz

JUL 26 2018
Time: 1101 [ ] AM [ ] PM File No.
Received By:

Håfa Adai Speaker Cruz,

Pursuant to Title 5 Ch 8 Section 8113.1. of the Guam Code Annotated, attached is the board packet of July 26, 2018.

Thank you!

--
Senseramente,
Maura Yi
Executive Secretary

GUAM VISITORS BUREAU
401 Pale San Vitores Road | Tumon, Guam 96913 | (671) 646-5278
maura.yi@visitguam.org | http://www.visitguam.com

GUAM VISITORS BUREAU 55TH ANNIVERSARY 1963 - 2018 | GUAM

Like us on Facebook: http://www.facebook.com/guamvisitorsbureau

Follow us on Instagram: @visitguamusa

Go GREEN - keep it on the SCREEN!
Think before you print...

2018 JUL 26 AM 11:05

--

OFFICE OF SPEAKER BENJAMIN J.F. CRUZ

Committee on Appropriations and Adjudication

I Mina'trentai Kuattro na Liheslaturan Guahan

Guam Congress Building | 163 Chalan Santo Papa | Hagatna, GU 96910

T: (671) 477-2520/1 | F: (671) 477-2522 | www.senatorbjcruz.com

7 attachments

- **Agenda_Jul262018.pdf** 626K
- **Exhibit_A_MINUTES_Jun282018.pdf** 4014K
- **Exhibit_B_CashPostion_Jul252018.pdf** 43K
- **Exhibit_C_TestimonyBill314-34.pdf** 256K
- **Exhibit_D_TestimonySBill237-34andBill323-34_Draft.pdf** 631K
- **Exhibit_E_JMCMinutes_Jun192018.pdf** 1500K
- **Exhibit_F_JMCMinutes_Jul172018.pdf** 1148K

2151

REGULAR BOARD OF DIRECTORS MEETING
Thursday, July 26, 2018 – 4:30pm
Guam Visitors Bureau Main Conference Room

A G E N D A

I. CALL TO ORDER

II. MINUTES OF THE PREVIOUS MEETING Exhibit A

Approval of minutes of the previous Board of Directors meeting dated June 28, 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

FY2019 JAPAN STRATEGIC PLANNING MEETING IN GUAM

Motion to ratify travel for the GVB Japan Acting Director Hiroshi Kaneko to travel to Guam to participate in the July Japan Marketing Committee meeting and FY2019 Japan marketing strategic meeting from July 16-18, 2018. Estimated cost is$1,687.50; funding source to be identified by management.

Airfare:	$1,000 x 1 pax					$1,000.00
Per Diem:	Guam	Hotel	Nights	M&IE	Days	
	GVBJ Acting Director	$150.00	2	$62.50	3	$487.50
Japan Transportation:	To and from airport			$100.00	1	$100.00
Guam Transportation:	Rental car			$100.00	1	$100.00
					TOTAL:	$1,687.50

Background: As the final quarter of fiscal year 2018 begins, the Japan marketing team would like to have time to strategically discuss next year's sales and marketing plan. GVB Japan Acting Director Hiroshi Kaneko has worked closely with the Japan Guam Tourism Council and other travel trade partners in Japan to develop a sales plan to include target markets and new campaign ideas from FY2019. Furthermore, it is important to consider recent Japan market conditions in order to effectively plan for next year. Also, Director Kaneko-san will participate in July's monthly Japan Marketing Committee meeting.

Issue: Board approval required for travel.

GUAM VISITORS BUREAU
55th ANNIVERSARY
1963 - 2018

GOVERNOR TAIWAN TRADE MISSION

Motion to ratify travel for GVB Chairman of the Board to travel to Taipei, Taiwan from July 29 - August 4, 2018 to represent GVB in the Governor's Trade Mission. Cost of travel is approximately $3,467.50 to be taken from the Taiwan Sales & Market Development Account No. SMD-019.

Airfare:	$1,300.00					$1,300.00
Per Diem:	Taipei	Lodging	Nights	M&IE	Days	
	BOD Chairman	$226.00	6	$135.00	6	$2,167.50
					TOTAL:	**$3,467.50**

Background: Taiwan continues as one of GVB's source markets and with ongoing efforts to establish new business, airline development efforts for new routes and maintaining strong partnerships with the travel trade, this trade mission provides an excellent opportunity to meet these goals. During the Governor's trade mission, Guam delegates would be meeting with Taiwan President Tsai Ing-Wen, the Mayor of Taipei to commemorate 45 years of sister city relations between Taipei and Guam and other high-level governmental officials as well as potential investors.

The trade delegation will also be meeting with China Airline executives to continue to assure them of Guam's support for the airline especially for adding a fifth flight to its current Guam route. Talks will also resume to encourage China Airlines to consider servicing southern Taiwan by opening up a direct route from Kaohsiung to Guam.

Issue: Board approval required for travel.

GUAM ECO WAVE ART EXHIBITION

Motion to ratify travel for GVB Director of Global Marketing, one (1) GVB marketing staff, and local artist Dr. Judy Flores to attend the Guam Eco Wave Art Exhibition Press Conference at the Lotte Gallery in Youngdeungpo, Seoul, Korea. Travel dates are from July 31 – August 2, 2018. Cost is approximately $5,112.00 from Acct #KO-SMD023.

Airfare:	$800x 3 pax					$2,400.00
Per Diem:	**Seoul**	**Hotel**	**Nights**	**M&IE**	**Days**	
	DoGM	$230.00	2	$148.00	3	$904.00
	Marketing Staff	$230.00	2	$148.00	3	$904.00
	Dr. Judy Flores	$230.00	2	$148.00	3	$904.00
					TOTAL:	**$5,112.00**

Background: The Guam Visitors Bureau (GVB) conducted a Guam Eco Wave from May 26 – 30, 2018. The event was a co-op project with Lotte, which was geared towards promoting Guam as an eco-friendly destination using artwork produced by selected artists from Korea. GVB hosted 8 artists and photographers to collaborate with a local artist Dr. Judy Flores to create murals in the historic village of Inarajan.

The artwork developed during their visit to Guam will be featured in an art exhibit in 3 Lotte Department Store Galleries (Youngdeungpo, Anyang, Busan) between August – October. In addition to the artists' work, GVB has also negotiated to have Dr. Judy Flores and Guam Family Ambassador Hyun Jin Lee's artwork displayed at the exhibit. Lotte will also promote the event through their website and SNS channels. On August 1, 2018, GVB will conduct a press conference at the Lotte Department Store Gallery in Youngdeungpo displaying inspirational artworks by the Korean artists, local artist Judy Flores and Hyun Jin Lee.

Issue: Board approval for travel required.

GVB TESTIMONY ON BILL 314-34 Exhibit C

Motion to ratify GVB testimony on Bill 314-34.

B. ADMINISTRATION & GOV'T RELATIONS

GVB TESTIMONY ON SBill237-34 & Bill 323-34 Exhibit D

Motion to approve GVB testimony on FY2019 Budget Bill 237-34 and Bill 323-34.

C. RESEARCH

D. NORTH AMERICA & PACIFIC MARKETS

E. GREATER CHINA

F. RUSSIA & NEW MARKETS

G. KOREA

MODE TOUR TRAVEL MART 2018

Motion to approve travel for one (1) GVB Board Member, GVB President & CEO or designee, GVB Director of Global Marketing, one (1) GVB Marketing Staff, GVB Director of Tourism Research, GVB Senior Research Analyst, GVB Culture & Heritage Officer or designee, Miss Guam, two (2) musicians, and four (4) dancers to attend the Mode Tour Travel Mart from August 30 – September 2, 2018 in Seoul, Korea. Cost is approximately $46,086.00 from Accts #KO-SMD023 ($13,406.00), #RES-104 ($6,136.00), and CPO-004 ($26,544.00).

Marketing:

Airfare:	$800x 4 pax					$3,200.00
Per Diem:	**Seoul**	**Hotel**	**Nights**	**M&IE**	**Days**	
	BOD Member	$230.00	6	$148.00	6	$2,835.00
	President & CEO	$230.00	6	$148.00	6	$2,835.00
	DoGM	$230.00	6	$148.00	6	$2,268.00
	Marketing Staff	$230.00	6	$148.00	6	$2,268.00
					TOTAL:	**$13,406.00**

Research:

Airfare:	$800x 4 pax					$1,600.00
Per Diem:	**Seoul**	**Hotel**	**Nights**	**M&IE**	**Days**	
	DTR	$230.00	6	$148.00	6	$2,268.00
	Research Staff	$230.00	6	$148.00	6	$2,268.00
					TOTAL:	**$6,136.00**

Culture & Heritage:

Airfare:	$800x 8 pax					$6,400.00
Per Diem:	**Seoul**	**Hotel**	**Nights**	**M&IE**	**Days**	
	Culture & Heritage Officer	$230.00	6	$148.00	6	$2,268.00
	Miss Guam	$230.00	6	$148.00	6	$2,268.00
	Musicians (2pax)	$230.00	6	$148.00	6	$4,536.00
	Dancers (4pax)	$230.00	6	$148.00	6	$9,072.00
Prof. Fee	Miss Guam	$100 x 4 days				$400.00
	Musicians	$100 x 4 days x 2 pax				$800.00
	Dancers	$50 x 4 days x 4 pax				$800.00
					TOTAL:	**$26,544.00**
					GRAND TOTAL	**$46,086.00**

Background: The Guam Visitors Bureau (GVB) plans to attend the 5th Annual Mode Tour Travel Mart that will be held at the COEX in Seoul, Korea from August 30 – September 2, 2018. Mode Tour is one of Korea's top travel wholesalers, and like Hana Tour, host its annual event to promote their travel products to respective trade partners and consumers. Last year, the Travel Mart welcomed 290 institutes including overseas embassies, tourism boards, local governments, airlines, hotels and resorts, optional tours, and insurance companies.

This year's Travel Mart is expected to welcome over 80,000 visitors consisting of travel trade and consumers during the 4-day event. The Mode Tour Travel Mart provides an opportune time to promote Guam's offerings, upcoming events, and highlight our island as a unique destination. GVB will continue to have a Guam Pavilion in an effort to brand Guam and its member partners under one umbrella. GVB also plans to conduct courtesy visits with trade partners and conduct interviews while in Seoul to provide updates on Guam and promote Guam's theme "InstaGuam".

Issue: Board approval for travel required.

H. JAPAN

Committee minutes dated June 19, 2018 **Exhibit E**

Committee minutes dated July 17, 2018 **Exhibit F**

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

- HERO Awards Friday, July 27, 2018 at 11:30am – 1:30pm, Hyatt Regency Grand Ballroom

Upcoming Board Meetings:

- Thursday, August 9, 2018 at 4:30pm, GVB Main Conference Room
- Thursday, August 23, 2018 at 3:30pm, GVB Main Conference Room

XI. ADJOURNMENT

GUAM VISITORS BUREAU
55th ANNIVERSARY
1963 - 2018

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

BOARD OF DIRECTORS PRESENT:

Director Milton Morinaga	Director Monte Mesa
Director Brad Kloppenburg	Director Young Hong
Director Theresa Arriola	Director Samuel Shinohara
Director William Nault	Director Bartley Jackson
Director Robert Hofmann	Director Satoru Murata

BOARD OF DIRECTORS TELEPHONICALLY:

BOARD OF DIRECTORS ABSENT:

Director Eduardo "Champ" Calvo	Director Tatsuo Takano
Director Katarina Sgro	

GVB MANAGEMENT & STAFF PRESENT:

Jon Nathan Denight	Antonio Muna Jr.	Maura Yi
Pilar Laguaña	Nadine Leon Guerrero	Nakisha Garrido
Laurette Perez	Dee Hernandez	Gabbie Franquez
Meriza Peredo	June Sugawara	Karida Brennan
Nico Fujikawa	Doris Ada	Josh Tyquiengco
Regina Nedlic	Elaine Pangelinan	Breeana Garrido
Mark Manglona	Maria San Nicolas	

GVB MANAGEMENT & STAFF TELEPHONICALLY:

GUESTS:
Joann Camacho, T-Galleria DFS
Sam Ilesugam, Payuta, Inc.

I. CALL TO ORDER

Chairman Morinaga called the meeting of the board to order at 3:32 pm.

II. MINUTES OF THE PREVIOUS MEETING — Exhibit A

Director Jackson made a motion, seconded by Director Kloppenburg, to approve the minutes of the previous board of directors meeting dated May 10, 2018.
Motion unanimously approved (Subject to minor revisions)

III. CHAIRMAN'S REPORT

- Chairman Morinaga apologized for the cancellation of the past two scheduled board meetings, due to travel schedules. He expressed in his absence and Vice Chairman Mesa's absence the board should still try and meet.
- Chairman Morinaga recently traveled to Korea for the Hana Tour Travel Show and CAPA LCCs Summit. He shared LCC companies are looking into long haul flights. If North Korea and South Korea moves forward with their peace treaty, it will open up a new way for travel over the Korean peninsula.
- Young Entrepreneur Group (YEG) from Kashiwa, Japan came to visit earlier in the week.

GUAM VISITORS BUREAU
55TH ANNIVERSARY
1963 - 2018

IV. PRESIDENT & CEO'S REPORT





May 2018

May 1-31, 2018 — Total: 113,804 (-4.2%)

% Market Mix	Origin	2017	2018	% to LY
32.0%	Japan	47,140	36,403	-22.8%
53.2%	Korea	51,576	60,517	17.3%
1.5%	Taiwan	3,395	1,736	-48.9%
1.0%	China	1,638	1,098	-33.0%
6.1%	US/Hawaii	6,380	6,973	9.3%
0.4%	Hong Kong	1,679	458	-72.7%
1.5%	Philippines	1,518	1,723	13.5%
0.2%	Russia	175	234	33.7%

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

June 2018

June 1-25, 2018 — Total: 100,916 (-1.0%)

% Market Mix	Origin	2017	2018	% to LY
28.8%	Japan	41,427	29,056	-29.9%
56.0%	Korea	45,605	56,513	23.9%
2.1%	Taiwan	2,117	2,136	0.9%
0.7%	China	1,220	733	-39.9%
6.3%	US/Hawaii	5,316	6,319	18.9%
0.4%	Hong Kong	1,152	399	-65.4%
1.1%	Philippines	1,242	1,123	-9.6%
0.3%	Russia	244	329	34.8%

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

Note: June 2018 Daily Arrivals reflect Civilian Air arrivals on

Calendar Year to Date

January – June 25, 2018 — Total: 728,888 (-3.3%)

% Market Mix	Origin	2017	2018	% to LY
34.9%	Japan	321,178	254,384	-20.8%
49.3%	Korea	309,610	359,328	16.1%
1.9%	Taiwan	19,033	13,487	-29.1%
1.3%	China	12,344	9,144	-25.9%
5.8%	US/Hawaii	37,887	42,590	12.4%
0.4%	Hong Kong	10,542	2,826	-73.2%
1.2%	Philippines	8,732	8,520	-2.4%
0.3%	Russia	1,674	2,315	38.3%

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

Note: June 2018 Daily Arrivals reflect Civilian Air arrivals on

Fiscal Year to Date

October 2017 – June 25, 2018 — Total: 1,104,399 (-3.5 %)

% Market Mix	Origin	2017	2018	% to LY
34.6%	Japan	502,767	382,177	-24.0%
49.5%	Korea	461,612	546,345	18.4%
1.8%	Taiwan	28,754	19,443	-32.4%
1.2%	China	17,731	13,209	-25.5%
5.5%	US/Hawaii	55,793	61,258	9.8%
0.4%	Hong Kong	14,040	4,886	-65.2%
1.3%	Philippines	15,754	14,853	-5.7%
0.3%	Russia	2,621	3,463	32.1%

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

Note: June 2018 Daily Arrivals reflect Civilian Air arrivals on

GUAM VISITORS BUREAU
55TH ANNIVERSARY
1963 - 2018

MARKETING

Japan Marketing News

School Visits in Osaka, Japan

- Osaka Prefectural Board of Education – May 16
- Shiga Prefectural Board of Education – May 16
- Hyogo Prefectural Board of Education – May 17
- Higashi Nada High School – May 17
- Amagasaki-City Amagasaki High School – May 17
- Agenda: Plans for upcoming school trips, destination selection process, travel budget, local programs for students and reassurance that Guam is a safe destination







Japan Marketing News

Kanku Tabihaku Travel Fair (KIX)

- May 19-20, 2018
- Kansai International Airport, Osaka, Japan
- 43,000 attendees
- GVB operated a booth, met with consumers, administered surveys, held photo sessions with Miss Guam and Guamzilla, and distributed promotional materials throughout the duration of the two-day event

関空旅博
KANKU TABIHAKU 2018



Japan Marketing News

Air Service Development Meeting with Japan Airlines

- June 5, 2018, GVB Main Conference Room
- Participants: JAL, GVB, GVBJ, GIAA, GEDA
- Agenda: Sales update, air service development program, plans for winter period onward





Japan Marketing News

Courtesy visit with Kashiwa Chamber of Commerce Young Entrepreneurs Group

- June 26, 2018, GVB Main Conference Room
- Participants: GVB, UOG, GEDA
- Follow-up to April 2018 meeting with GVB and GEDA
- Agenda: Made in Guam products, 40th Anniversary Overseas Exchange Project: Beyond the YEG to be held on Guam from November 16-21, 2018



Japan Marketing News

Treasure Hunting Campaign

- Campaign period: July 1 – October 7, 2018
- Total prizes received from members: 3,760+; Total prize value: $61,000+
- 15 treasure hunt points such as GPO, Two Lovers Point, Chamorro Village, Jeff's Pirates Cove
- Treasure maps will be distributed at the following locations: TA desks at the airport, JTB Conch Lounge, HIS Lea Lea Lounge, HIS GPO Lea Lea Kiosk, T-Cat Kiosk, TA desks at hotels
- Participation prize: gold coins
- Campaign website: http://www.takarush.jp/promo/guam2018/







GUAM VISITORS BUREAU
55TH ANNIVERSARY
1963 - 2018

Japan Marketing News

VIP/CEO Familiarization Tour

- July 9-11, 2018
- 26 confirmed participants
- Targeting executives who hold top-level management positions at some of Japan's best-known travel agencies and airline companies currently servicing Guam
- Itinerary: Welcome reception, Guam golf experience, optional tours

Japan Marketing News

JEJU Air to launch Guam – Kansai service

- Beginning July 21, 2018
- Six round-trip flights per week
- 5,700 direct flight seats per month
- Aircraft: B737-800 with 189 economy seats

United Airlines resumes Boeing 777 service between Tokyo/Narita and Guam

- Beginning October 28, 2018 through March 30, 2019
- UA will resume operating Boeing 777-200 aircraft on two of its three daily flights
- Offers nearly 900 daily seats each way between Tokyo and Guam, increasing seat capacity between the two countries by 80%

Japan Airlines maintains double daily service through March 30, 2019

- Period previously announced: March 25, 2018 to October 27, 2018
- Route features JAL Sky Suite 767-300ER aircraft with 24 fully-flat Business Class seats and 175 JAL Sky Wider Economy class seats
- Reservations and ticket sales will begin on June 27, 2018

Japan Marketing News

Summer Charter Update

- Period: July to September 2018
- Capacity by port:
  - Narita: 26,330 seats; Nagoya: 6,947 seats; Fukuoka: 390 seats
  - Total: 33,667 seats
  - Comparison with last year: 202% (July to September)

Airline	Dep. Port	Dep. Date/Period	Aircraft	Capacity
Tway	Narita	July 21, 2018 – September 17, 2018	B737-800	188
JINAIR	Narita	July 21, 2018 – October 24, 2018	B737-800	189
Uzbekistan	Nagoya	July 27, 2018 – August 29, 2018	A320-200	148
Jeju Air	Nagoya	August 10, 2018 – August 14, 2018	A737-800	189
United	Narita	August 2/4/7/9/13/16/20/22/23/25/27, 2018	B737-700 or 800	118 or 166
United	Nagoya	August 8/11/12/15/18/19/21, 2018	B737-700 or 800	118 or 166
JINAIR	Fukuoka	August 11, 2018	B777-200	390

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





Korea Marketing News



GVB conducted a Guam Eco Wave project with (4) Korean artists from May 27-31, 2018.
The artists contributed art murals in the village of Inarjan.
Special thanks to Department of Parks & Recreation and Dr. Judy Flores

Korea Marketing News





(Left) Guam had the largest booth at the Hana Tour International Travel Show (June 7-10, 2018) among 1,140 booths from 600 destinations and partners that were represented.

(Right) Following Hana Tour International Travel Show GVB participated at KOTFA (June 14-17, 2018) and received the "Best Booth Design" award our of 60 countries.

GUAM VISITORS BUREAU
55TH ANNIVERSARY
1963 - 2018







- Director Arriola and the Director of Gumamami, Sam Ilesugam, both board members of Payuta, Inc. (non-profit organization) presented GVB with the "Decade Award to the Outstanding Government Agency in support of Non-Profit". Both Directors thanked GVB for their continued support as they presented the award to Chairman Morinaga and President Denight.

GUAM VISITORS BUREAU
55TH ANNIVERSARY
1963 - 2018

V. TREASURER'S REPORT

Exhibit B

EXHIBIT B

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)	

June 25, 2018

- Director Shinohara reports allotments are up to date but worries about receivables in the upcoming months.

- Post GVB's budget hearing, Director Shinohara wants to discuss the Legislature's stance on increasing the customs' fee by 100% and their push for GVB's support. He is concerned with the consequence of increasing the cost of visitors when Guam is already an expensive destination. Chairman Morinaga agrees and states GVB needs to come up with a suggestion positive for both GVB and the government. He proposes management and the board come up with some proposals to discuss at the next board meeting.
- The other topic for discussion is the challenges faced in the Japan. The board agrees that GVB needs to argue about protecting the resources necessary to promote our destination in the ever-growing competition for the same source market. Director Jackson suggests looking into our competitors' spend in comparison to the amount GVB is spending to make the argument, as well as look into the cost for visitors relative to the other cheaper destinations.
- President Trump's tax cuts has put GovGuam at a loss of over $100 million in tax revenue. There will be a need for revenue enhancements in order to make up for the loss, the Legislature is still looking into it before they can decide the FY19 budgets.

VI. REPORT OF THE BOARD COMMITTEES

A. EXECUTIVE COMMITTEE

JOEY CEPEDA MEMORIAL SERVICE

Vice Chairman Mesa made a motion, seconded by Director Jackson, 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).
Motion approved

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.

- Director Arriola made it clear GVB needs to be consistent in these matters so no issues are faced in the future for previous general managers, etc.

AIR SERVICE DEVELOPMENT MEETINGS

Vice Chairman Mesa made a motion, seconded by Director Hofmann, 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.
Motion approved

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

Vice Chairman Mesa made a motion, seconded by Director Jackson, 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.

Vice Chairman amended the motion, seconded by Director Jackson, to approve travel for Governor Calvo to Okinawa and Tokyo, Japan from June 27 – July 1, 2018 with the amount up to $4,000.00.
Motion approved as stated and amended

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.

- Director Nault stated the motion was originally approved for Governor Calvo, Mayor Matanane and himself but he will not be attending. The meeting has been postponed and GVB will only cover the cost of travel for Governor Calvo.

GUAM FOOD FESTIVAL – SEOUL, KOREA

Vice Chairman Mesa made a motion, seconded by Director Kloppenburg, 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
Motion approved

Airfare:	$895.00 x 2 pax					$1,790.00
Prof. 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.

- President Denight stated this year they took Chef Lingo and his Sous Chef from Kitchen Lingo and they were well received. Last year they took a chef from Hyatt, next year they will take a different chef to showcase.
- Director Jackson noted some challenges were faced when no chefs responded to the invitation to join the food festival at their expense. This caused a delay in the next step and consequently was managed poorly due to time constraints. Moving forward the team needs to strategize better ahead of time.

B. ADMINISTRATION & GOV'T RELATIONS

- President Denight said the budget is up with the Legislature now and GVB has made all its arguments for the FY2019 budget request.

C. RESEARCH

- President Denight updated the board on the impact study, the draft was missing some critical information so Tourism Economics went back to include data with tables. Once revised the study will be shared with the board for discussion. Director Shinohara suggested having the discussion during a Research Committee meeting as opposed to calling a special working session.

D. NORTH AMERICA & PACIFIC MARKETS

E. CHINA

Committee minutes dated May 11, 2018	**Exhibit C**
Committee minutes dated June 12, 2018	**Exhibit D**

WORLD ROUTES 2018 – GUANGZHOU, CHINA

Director Shinohara made a motion, seconded by Director Jackson, 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 $21,098.00 to come from Acct No. CI-SMD023).
Motion approved

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.

- Director Shinohara stated the committee has been working hard to put out promotions with companies like Expedia and Beautiful Destinations even through the challenge of reduced seat capacity.

TAIWAN SALES MISSION

Director Shinohara made a motion, seconded by Director Jackson, 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, 2018. 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.
Motion approved

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	$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.

- Vice Chairman Mesa expressed concern with the drop in numbers for all of Greater China market due to issues with seat capacity. He advises the team needs to actively pursue other airlines during their sales missions and at World Routes 2018. There is demand so the team needs to capture the potential market. China has the numbers and a high spending yield.
- Chairman Morinaga pointed out the importance in creating and maintaining the relationship with China. If their outbound to Guam is suffering, we might be able to assist in encourage outbound from Guam to China.

F. RUSSIA & NEW MARKETS

Committee minutes dated June 12, 2018 **Exhibit E**

G. KOREA

Committee minutes dated May 8, 2018 **Exhibit F**

- Director Jackson reported having a successful trip to Korea for the two major travel shows. During the visit, the team made a courtesy call to Jeju Air, who just opened a Kansai to Guam route. He added Korean LCC companies are open and willing to fly anywhere there is opportunity.

H. JAPAN

Committee minutes dated May 15, 2018 **Exhibit G**

- Director Nault assured the board the team is doing everything they can to increase seat capacity to and from Japan and are constantly meeting with airline companies. As a result, Jeju Air starting service from Kansai to Guam, UA bringing back their Boeing-777, and JAL extending their double daily service through the winter schedule.

GUAM VISITORS BUREAU
55TH ANNIVERSARY
1963 - 2018

JEJU AIR INAUGURAL FLIGHT FOR GUAM – KANSAI SERVICE

Director Nault made a motion, seconded by Director Jackson, 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.
Motion approved

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.

- Vice Chairman Mesa commended the team for their work and stated same needs to be done for all of Greater China market to find possible airlines interested in flying to Guam.

JAPAN MISSION: AIRLINE MEETINGS

Director Nault made a motion, seconded by Director Kloppenburg, 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.
Motion approved

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.

- President Denight with GIAA will meet with two potential airlines executives at SkyMark and JetStar. He pointed out Saipan had announced their potential partnership with SkyMark to charter flights. They will discuss the possibility of starting business with Guam.

I. DESTINATION MANAGEMENT

- Vice Chairman Mesa brought up the bus shelter proposals that was present during the last board meeting and agrees the bus companies should assist with its maintenance and costs. Costs should be inclusive for insurance but other funding source might be needed.
- Director Jackson reminded the board on the agreement to no ads on the bus shelters. Therefore, shelters with ads from the company that built them need to be removed.
- Vice Chairman Mesa updated the board on the flood mitigation project, some of the properties are privately owned so the team is working with the consultants to reach out to the owners and work out the issue. Some of these properties do not have the proper outlets to catch and expel the excess water causing the overflows in Tumon.
- Chairman Morinaga asked for the progress on the road resurfacing by Sheraton, President Denight reported that DPW needs to provide the estimated cost in writing in order to move forward and get approval from the board.

J. MEMBERSHIP & COMMUNITY OUTREACH

RESOLUTION NO. 2018-003

Director Kloppenburg made a motion on the floor, seconded by Director Jackson, to approve GVB Board Resolution No. 2018-003 relative to commending Mr. Roy Abraham as General Manager of the Pacific Star Resort & Spa in Guam, USA, in recognition of his upcoming retirement; and to expressing Un Dångkolo na Si Yu'os Ma'åse' for his critical contributions on Guam and to its visitor industry; and to wish him all the best in his future endeavors, on behalf of the People of Guam.
Motion approved

- Roy Abraham made a great effort to participate and make contributions to Guam and he will be missed.

K. VISITOR SAFETY & SATISFACTION

- Director Hong commended LMS for a job well done on keeping the Tumon beaches clean. As well as the VSOs on the homeless issue along the beach and abandoned buildings.
- Yona will be hosting their first village festival on Friday, June 29, 2018 at 6:30 – 10:00pm through Sunday, July 1, 2018 from 1:00 – 10:00pm.

GUAM VISITORS BUREAU
55TH ANNIVERSARY
1963 - 2018

L. CULTURAL & HERITAGE

- Gupot CHamoru – War Survivor Remembrance Day: CHamoru Singers & Local Performers Live on Stage, Thursday, June 28, 2018 at 5:00pm, Sheraton Laguana Guam, Director Arriola shared with the board four tickets were available for anyone interested in attending.

M. SPORTS & EVENTS

VII. OLD BUSINESS

VIII. NEW BUSINESS

- The Guam Daily Post reached out to GVB to start a monthly column, the recommendation is to have each committee take a column every month to give a short report on the latest committee has been doing. First column will start with Chairman Morinaga around the second Tuesday of July.

IX. EXECUTIVE SESSION

X. ANNOUNCEMENTS

- United Stated Department of Commerce – Deputy Assistant Secretary (DAS) for Asia Guam visit, Thursday, July 26, 2018 Board of Directors to meet with DAS before the board meeting
- Bill Gibson Memorial Service on Sunday, July 1, 2018 at 10:00am – 2:00pm, Fiesta Hotel
- VIP Fam Tour – Japan
  - Welcome Reception on Monday, July 9, 2018 at 7:00pm, Guam Museum
  - Golf experience on Tuesday, July 10, 2018 at Leo Palace Guam Resort

Upcoming Board Meetings:

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

XI. ADJOURNMENT

Director Shinohara made a motion, seconded by Director Kloppenburg, to adjourn the meeting. Meeting adjourned at 5:03pm.
Motion unanimously approved

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

Board Minutes respectively submitted by Maura Yi, Executive Secretary

FY 2018

	Appropriation	Received to Date		Balance	
Operations	$ 18,750,216.00	$ 14,203,571.07	76%	$ 4,546,644.93	24%
Sustained Marketing - Korea	$ 4,000,000.00	$ 2,909,091.03	73%	$ 1,090,908.97	27%
Destination Development	$ 1,085,000.00	$ 813,749.99	75%	$ 271,250.01	25%
GVB Cruise Ship Industry Development Program	$ 50,000.00	$ 37,499.99	75%	$ 12,500.01	25%
Rainy Day Fund	$ 200,000.00	$ 149,999.99	75%	$ 50,000.01	25%
Cultural & Sports Ambassador Fund	$ 200,000.00	$ 149,999.99	75%	$ 50,000.01	25%
Pass-Thru	$ 790,000.00	$ 592,499.84	75%	$ 197,500.16	25%
TOTAL RECEIVABLES FY 2018	**$ 25,075,216.00**	**$ 18,856,411.90**		**$ 6,218,804.10**	

Accounts	
RESTRICTED	
Bank of Guam - Rainy Day Fund[1]	$ 1,707,770.48
Cultural & Sports Ambassador Fund[2]	$ 325,461.41
GVB Cruise Ship Industry Development Program	$ 25,133.91
TOTAL RESTRICTED	**$ 2,058,365.80**
UNRESTRICTED	
Bank of Guam - Operations	$ 12,253,284.78
First Hawaiian Bank - Membership	$ 54,738.20
Resona	$ 793,075.67
Bank of Guam - TAF	$ 520,796.92
Raymond James - CD value as of 6/30/2018[3]	$ 2,553,470.32
TOTAL UNRESTRICTED	**$ 16,175,365.89**
TOTAL CASH as of 7/25/2018	**$ 18,233,731.69**

Current Payables	
Asatsu Invoices (APR - MAY)	$ 859,909.95
Japan Invoices	$ 175,554.68
Guam Invoices	$ 209,915.73
Pass-Thru	$ 34,583.33
Encumbered Contracts	$ 2,177,201.79
Encumbered Purchase Orders	$ 203,934.46
TOTAL PAYABLES as of 7/25/2018	**$ 3,661,099.94**

NOTES

NOTE 1

$1,707,770.48	Rainy Day Fund
($513,558.76)	Rainy Day expenses Japan - reimburse Operations
$1,194,211.72	

NOTE 2

$325,461.41	Cultural and Sports Ambassador Fund
($51,487.50)	Cultural and Sports Ambassador expenses - reimburse Operations
$273,973.91	

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)	

July 25, 2018

Doc. No. 34GL-18-2151.*

GUAM VISITORS BUREAU
55TH ANNIVERSARY
1963 - 2018

July 16, 2018

The Honorable Benjamin J.F. Cruz
Speaker
I Mina'trentai Kuattro Na Liheslaturan Guåhan
Guam Congress Building
Hagåtña, Guam 96910

RE: Bill 314-34

Håfa Adai Speaker Cruz:

Thank you for the opportunity to submit testimony on Bill No. 314-34 An Act To Increase The Excise Tax On Occupancy of Hotels And Similar Lodging House Facilities by Adding a new Subsection (3) to §30101(a) of Title 11, Guam Code Annotated.

As tourism continues to be our island's primary economic driver, it is the responsibility of GVB, as a representative of our members and the local community, to provide essential information to our elected leaders when considering laws and regulations that directly affect our visitor industry.

Tourism's Importance to Guam

The importance of Guam's tourism industry cannot be overstated.

GVB conducts the Tourism Economic Impact Study in order to measure the effects of tourism on our island. This TSA (Tourism Satellite Account) report provides valuable key performance indicators relative to visitor expenditures, government revenues and job creation. GVB conducted the study every five years, but the information is so valuable that it has become an annual study. The latest 2016 report, presents a direct correlation between tourism expenditures and overall visitor arrivals. For FY2016, total tourism economy sales or the total impact of our visitors equated to around $1.85 billion, a 32.1% increase from FY2010. For that same time period our visitor arrivals grew by 29.1%.[1]

This growth in the tourism industry along with visitor spending supported around 21,100 jobs, an additional 2,696 jobs for our economy compared to 2010. In other words, tourism supports around 34% (1 in every 3 jobs) of all employment on Guam. The TSA report stated that visitor spending directly supported 100% of employment in hotel lodging, 50% of retail employment and about 42% of employment in the food and beverage industry. This equates to around $617 Million dollars in the form of tourism labor income or the compensation to our workforce.

The 2010 study stated Tourism Expenditures contributed $150 Million in taxes to the general fund. As of 2016, those tax revenues grew significantly by 73.3% to $260 Million, an additional $110 Million to the Government of Guam. Tourism is doing its part to contribute to the overall

[1] Source: Tourism Satellite Account Study (attached).

ability of the government to provide essential services to the public. There is a direct correlation between the growth in tourism and the increase in government revenues.

For FY2018, the Tourist Attraction Fund is projected to collect $44.6M, which is utilized for the following services:

- HOT Bond - $6,995,775 or 15.7% of the FY2018 TAF for the Guam Museum and Other Captial Improvement project enhancements throughout the island.
- UOG, GCC & other Educational Programs - $334,154 or 0.75% of the TAF.
- GPD & GFD - $4,166,834 or 9.3% of the TAF.
- Department of Administration, Agriculture and the EPA - $628,789 or 1.4% of the TAF.
- Department of Parks & Recreation & the Mayor's Council - $6,566,937 or 14.7% for beautification, maintenance of public parks and restrooms, and operations.
- Department of Chamorro Affairs, Chamoru Language Commission, HRRA and other cultural groups - $4,005,033 or 8.9% of the TAF for cultural preservation and operations.
- GVB - $24,085,216 or 53.9% of the TAF for operations, marketing, destination maintenance, sports and cultural grants, visitor safety and satisfaction, and research.

Challenges Facing the Tourism Industry

In May of 2017, the Guam Visitors Bureau submitted its request for its FY2018 budget. In GVB's submission letter, GVB outlined several issues facing our tourism industry due to external factors that remained out of Guam's control.

In June of 2017, at our budget hearing, GVB reiterated our concerns and provided a detailed roadmap to turn the tide and to reverse the declines experienced in our Japan arrivals, Guam's top visitor source market at the time.

In August of 2017, Guam was threatened by North Korea as heated rhetoric increased between the U.S. and North Korea. This triggered a negative impact to an already struggling Japanese market. In fact, arrivals from every source market except for South Korea saw decreases due to the North Korean rhetoric towards Guam.

With the changing landscape of today's global traveling public, there is still much work to be done to ensure a sustainable industry on Guam for future generations.

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

- Increased competition from Southeast Asia, Okinawa and Hawaii
- Guam is a more expensive destination because of a weakened Japanese Yen
- Decrease in air seat capacity servicing Japan and Guam

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

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

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

Guam's Affordability & Taxes on Hotel Room Nights

Guam is primarily considered an affordable, short-haul, leisure destination to many of our major source markets. Our proximity to Asia enables our visitors to conveniently experience "America" in their backyard. However, our island's affordability and convenience also suggests that we are highly sensitive to price changes and costs. In a recent letter to GVB, the Japan Outbound Travel Council (JOTC), Guam is seen as a relatively expensive destination for what it has to offer stating, "Although there is no sudden fluctuations in the exchange rate, the yen remains weak and overall there is a sense of services, including accommodations, being expensive[2]."

According to GVB's economists at Tourism Economics, the hotel industry on Guam may experience an average price elasticity of -1%. This means that any 1% increase in price will cause a -1% fall in demand. For our visitors, any increase in the price of hotel rooms is evident upfront as part of their advance travel planning. This increase in costs to accommodations may influence visitors to shift to another destination or shorten their length of stay.

Bill 314-34 seeks to increase the Hotel Occupancy Tax (HOT) from the current 11% to 15%. However, when combined with the current Business Privilege Tax, a hotel room is already taxed at 16%. Should the proposed BPT increase to 5.5% combined with the increase to the HOT at 15%, each hotel room would be taxed at a rate 20.5% per room night. Guam's current hotel room Average Daily Rate is estimated at $207.75 per night. A 20.5% tax amounts to $42.59 making the total per room night $250.34.

In comparison, Hawaii's transit accommodation tax rate, which is similar to Guam's hotel occupancy tax, is set at 10.25%. Combine this with Hawaii's general excise tax of 4%, which is similar to Guam's business privilege tax, a room night stay is taxed at a rate of 14.25%. This is 1.75% less than Guam's current taxes on a room night stay and 6.25% less than the proposed tax rates.

Economic Impact of Tax Increases to Guam Tourism[3]

To provide further background on the risk that tax increases may deter tourists by raising costs, the Guam Visitors Bureau engaged Tourism Economics, an Oxford Economics company, to independently research the potential impacts on visitor spending and Guam's broader economy. As summarized in this report, the research consists of a scenario analysis in which drew on Tourism Economics' experience modeling inbound visitor arrivals and prior research to estimate potential impacts to visitor spending. They estimated the impacts to

[2] JOTC Letter dated July 10, 2018 (attached).
[3] Economic Impact of Tax Increases to Guam Tourism Study, July 2018 (attached).

Guam's broader economy using the tourism satellite account study, which they conduct for GVB:

- A combined increase to the occupancy tax and BPT could cause Guam to lose approximately $201.1 to $525.4 million in visitor spending over its first five years of implementation. This represents the loss of 2.9% to 7.5% of visitor spending on a stabilized year basis, equivalent to the loss of 175,900 to 459,800 visitors over a five-year period. This loss of visitor spending will lead to a decrease of $271.1 million to $708.5 million of total economic output (Guam business sales), resulting in the loss of $40.3 to $105.4 million of total wages and salaries for local residents. On average, 200 to 523 fewer jobs will be supported by Guam's visitor economy. To maintain job levels, Guam would need to replace these losses with growth in other sectors.

- Due to decreased visitor spending, Guam is estimated to realize a loss of between $23.4 million and $59.1 million of tax revenues over the first five years, excluding the impact of the tax revenue that would be generated as a result of the tax increases. In other words, these tax revenue decreases would represent a partial offset to the overall tax revenues expected to be raised through the increased taxes.

- In an alternative scenario, in which the business privilege tax (BPT) is raised by 1.5 percentage points on its own, without increasing the occupancy tax, we estimate smaller negative impacts.

- Guam's visitor economy is not only the largest industry on Guam measured on the basis of employment, but also Guam's most important export industry, and therefore brings new dollars into the local economy. Tax alternatives, such as replacing lost corporate income and individual income tax revenues with similar taxes, or by increasing property taxes, would be expected to less negatively impact such a crucial export industry.

GVB Position on Bill 314-34

GVB is opposed to Bill 314-34 for the reasons outlined below:

1. GUAM IS GENERALLY SEEN AS AN EXPENSIVE DESTINATION: As outlined in the JOTC letter, Guam is already seen as a "relatively expensive destination for what it has to offer."

2. CONTRACTS WITH TRAVEL WHOLESALERS: Hotels negotiate contracts with travel wholesalers in advanced for up to one (1) year. Most contracts are signed and in place beginning April 1 through March 30 of the following year. These contracts include all current applicable taxes including the current gross receipts tax and the hotel occupancy taxes. These contracts would force hotels to absorb the cost associated with the increase in hotel occupancy taxes through the end of their current contracts, which may affect a hotel's ability to hire or the current number of jobs they support.

3. TAXES ON HOTEL NIGHT STAY: Currently, each hotel assesses the gross receipts tax of 5% on the room rate and charges the 11% Hotel Occupancy Tax on top of that. The HOT is visible on the receipt given to a visitor at check out. This totals a 16% tax on the hotel room night. Should the hotel occupancy tax be increased to 15%, the taxes paid on a hotel room night will be 20.5%.

Alternatives

We respectfully propose and are ready to discuss less impactful solutions as a way to mitigate the shortfall caused by the Tax Cut and Jobs Act, which include increasing efforts to aggressively collect taxes owed to the government, replacing lost income tax revenues with similar income-based taxes and increasing another broad-based tax, such as property taxes.

While the bureau understands the need and urgency for revenue enhancement options for our government operations, we cannot provide support for Bill No. 314-34. An increase in hotel occupancy taxes will have the reverse affect Bill 314-34 intends, leading to a decrease in arrivals, a decrease in jobs and a decrease in tax revenue to the general fund.

Si Yu'os Ma'åse' again for allowing GVB to testify against this measure and for your continued commitment in making Guam a better place to live, work and visit.

Senseramente',

JON NATHAN DENIGHT
President & CEO

July 25, 2018

The Honorable Benjamin J.F. Cruz
Speaker
I Mina'trentai Kuattro Na Liheslaturan Guåhan
Guam Congress Building
Hagåtña, Guam 96910

RE: Testimony on SBill 237-34 and Bill 323-34

Håfa Adai Speaker Cruz:

Thank you for the opportunity to submit testimony on SBill 237-34 and Bill 323-34 both titled, "An Act Making Appropriations for the Operations of the Executive, Legislative and Judicial Branches of the Government of Guam for Fiscal Year ending September 30, 2019, Making Other Appropriations and Establishing Miscellaneous and Administrative Provisions."

GVB understands the difficult task the legislature has in funding government operations and services, especially in light of revenue shortfalls caused by the Tax Cut and Jobs Act. We do not support SBill 237-34, which provides no specific funding for the Bureau's operations and thus would have a negative impact on our island's tourism industry. The remainder of this testimony will focus on Bill 323-34.

Tourism Works

The importance of Guam's tourism industry to the island's economy cannot be overstated. Between FY2010 and FY2016, which are the years covered by GVB's Tourism economic impact study, visitor arrivals increased by 29.1%. During this period, tax revenue to the government went from $150Million to $260Million, a 73.3% increase; jobs supported by tourism increased by 2,696 going from 18,413 to 21,100; and tourism business sales went from $1.4Billion to $2.5Billion. As you can see, there is a direct correlation between the growth in tourism and an increase in government revenues, jobs and economic activity.

With this in mind, GVB respectfully asks this body to prioritize Guam's number one industry, and requests that the Bureau be provided a roll over budget that reflects our FY2018 level of funding of $23.8Million. We understand if our budget request of $26.5Million is not possible in the current fiscal situation, but Bill 323-34 reduces GVB's budget by $1.5Million at a time when those resources are needed more than ever. With this support from the Legislature, GVB feels confident that we can achieve the $44.8 Million Tourist Attraction Fund Projection contained in Bill 323-34.

Japan struggles, but hope on horizon

For FY2018, total arrivals to Guam are -3.2% versus last year. This decline highlights the challenges the island faced from the effects from the negative North Korea news and a loss of air seat capacity from Japan, Taiwan and China. Japan was especially hard hit with almost a

30% loss in seat inventory, mainly due to the exit of Delta Airlines from the region. Our Japan market is projected to end the year with a 25% decline in arrivals, now only representing around 35% of total arrivals to Guam.

Yet, there is light at the end of the tunnel, thanks to the collaborative recovery efforts by the GVB and GIAA, with the support of the Governor and Legislature. Below is a list of all the new flight service from Japan announced just in the last few weeks.

- Jeju Air launched its inaugural daily flight service between Japan's Kansai International Airport (KIX) and Guam on July 21, 2018, adding 5700 seats a month to Osaka
- United Airlines is resuming its twice-daily Boeing 777 service between Guam and Narita beginning October 28, 2018, an 80% increase in available seats
- United Airlines is restoring four weekly flights between Guam and Nagoya from December 2, 2018, adding 1,000 seats per week
- Japan Airlines will be extending its second daily flight service from Narita to Guam through March 30, 2019.

These announcements are direct results of GVB's effective air service development programs. In addition, thanks in part to the Bureau's Japan charter support program, the island will welcome 481 charter flights in 2018, versus 196 flights in 2017, and only 100 in 2016. We need the funding to continue these effective initiatives, plus the resources to stimulate demand so these flights are successful.

In addition to recovering in Japan, we must continue to develop the record setting Korean market. Funding is needed to maintain its growth and support the following:

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

<u>Destination Development Cuts</u>

As mentioned, marketing funds will be critically needed in FY19 to support the additional flight service from Japan and Korea. If Bill 323-34 passes in its current form with $1.5Million in cuts to GVB's budget, we would be forced to prioritize marketing at the expense of the destination development and research departments of the Bureau. Some of the projects and programs that would be either reduced or cut include:

- Sports & Cultural capacity building grants
- Island wide road maintenance
- Beach Safety Program
- Korean Concierge Program
- Car rental safety outreach program

- Village Festivals support
- Ko'ko Road Race
- Annual Christmas Village in Tumon
- Exit Surveys

This is why we respectfully request that GVB be given a roll over budget that reflects our FY2018 level of $23.8Million, as these are important programs to our local community as well as visitors.

Other Provisions

GVB is also concerned with the travel prohibition contained in the budget bills. It states that travel is restricted to the President or his designee. This will hamper our ability to effectively promote Guam in our source markets. Throughout the year, GVB schedules road shows to many cities where we meet with travel agents, media and consumers to promote Guam as the destination of choice. Our Board Directors, Director of Global Marketing and our Marketing Managers for the different markets conduct these road shows.

Additionally, this provision would prohibit GVB from bringing cultural practitioners to our consumer trade shows, which helps us promote and perpetuate the Chamorro Culture. This includes cultural dancers, musicians, weavers, carvers, etc. We respectfully request that GVB exempted from this travel prohibition.

GVB is also concerned with the prohibition on funding the position of our Vice President. This role plays a vital part in the effective delivery of destination development enhancements and projects, overseeing research studies and assisting in the operations of GVB in the absence of the GVB President & CEO. The loss of this position will especially limit our destination development department, as there is no director overseeing this important part of GVB.

A Better Place to Live, Work and Visit

GVB has shown its ability to responsibly utilize the resources given to us, as recognized by the OPA who gave us our 8th consecutive clean audit this year. In addition, the Bureau continues to win national and international recognition for the innovative and effective work we do. Last year GVB became the first US Tourism Office to with the President's E Award, and most recently the Bureau won the 2018 PATA Gold Award for the "InstaGuam" social media campaign.

In conclusion, we respectfully request that Bill 323-34 be revised to provide the Bureau with same funding level as FY18 and to exempt GVB from the detrimental provisions mentioned above. We believe that if GVB is provided the requested resources, Guam's tourism industry will thrive again in FY19, with record-breaking arrivals, more jobs and an increase of tax revenues to the government.

Si Yu'os Ma'åse' again for allowing GVB to testify on these measures and for your continued commitment in making Guam a better place to live, work and visit.

Senseramente,

JON NATHAN DENIGHT
President & CEO

CC: All Senators of the 34th Guam Legislature

DRAFT

JAPAN MARKETING COMMITTEE MEETING
1:30 PM – Tuesday, June 19, 2018
GVB Main Conference Room

JAPAN MARKETING COMMITTEE MEETING – Tuesday, June 19, 2018

JMC MEMBERS PRESENT: Bill Nault, Terry Debold, Kiyoshi Kawano, Daisuke Tsuchiya, Toshio Akigami, Mike Lee

OFF-ISLAND: Satoru Murata

ABSENT: George Johnson, Bunichi Yamashita, Terry Debold, Milton Morinaga, Tak Takano, Monte Mesa, Norio Nakajima

OBSERVERS/GUESTS PRESENT: Bonnie Alig, Kyoichi Aoki, Kazu Atsuta, Eilis Baldevia, Akiko Futakami, Asher Goldenberg, Akihiko Gondo, Megumi Butler, Yuki Motoda, Koji Nagano, Mari Oshima, Yoshihisa Otani, Kimi Passeur, Kenji Sekine, Nobuyo Certeza, Hiromi Matsuura, Daisuke Sato

ABSENT: Mark Anderson, Tomoyuki Goto, Kazunori Hotta, Ayisha McKinnon, Naomi Miyama, Simon Odoca, Mitsunori Takahashi, Sachiyo Tanimoto, Miwa Bravo, Dave Duenas, Yusuke Imazu, Dan Mormon, Russell Ocampo, Shizuyo Okabe, Mai Perez, Suzanne Perez, Akihiro Tani, Hajime Fujiwara, Katsuhiko Yoshida, Masayo Ibay, Yoshiaki Kanemitsu, Yoshinori Oshita, Osamu Takahashi, Keisuke Kamamura

GVB: Brian Borja, June Sugawara, Karida Brennan

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

CALL TO ORDER

The meeting was called to order at 1:32 PM.

APPROVAL OF MINUTES

Motion made by Mr. Lee and seconded by Mr. Akigami to approve the minutes of May 15, 2018. Minutes approved.

REPORT OF CHAIRMAN

Chairman Nault made the following announcements:

- There was a legislative hearing on May 29 regarding GVB's FY2019 budget; some of the budget will go towards air service development
- We have record breaking charter flights to Guam, mostly during the busy season
- The team is continually working with airline partners on pricing
- GVB met with Japan Airlines on May 5 and they informed the team that they are looking into extending their double daily schedule
- JAL has plans to create an LCC
- Jeju Air will begin servicing Guam from Osaka six times a week beginning on July 21
- United Airlines informed GVB that they will be increasing their flights out of Tokyo
- International artists are working with the Mayor's Council and UOG to come to Guam to paint murals
- The United Airlines Plane Pull is scheduled for September 15
- The team will be working with United Airlines to play local music and/or videos on flights from Japan to Guam
- Guam weddings have been decreasing; management will work with wedding companies to determine how we can help the market
- Saipan announced that Skymark Airlines will service Saipan from Narita during the winter period
- Thousands of reservations have been cancelled in Japan due to the new BnB law

REPORT OF MANAGEMENT

Report by Mr. Kaneko:

- Statistics
- Three Month Forecast
- Japan Seat Capacity
- Air Service Development
- Price Comparison (Guam, Taiwan, Korea, Cebu, Honolulu)
- Japan Market Update
- Kanto Update
- Chubu Update
- Kansai Update
- Kyushu Update
- PR & Marketing
- Homepage & SNS

GUAM

Japan Marketing Committee
June 19, 2018

June 2018

June 1-14, 2018 — **Total: 55,923 (+0.7%)**

% Market Mix	Origin	2017	2018	% to LY
28.9%	Japan	21,750	16,175	-25.6%
55.8%	Korea	25,262	31,208	23.5%
1.9%	Taiwan	1,231	1,080	-12.3%
0.7%	China	631	376	-40.4%
6.5%	US/Hawaii	2,843	3,636	27.9%
0.4%	Hong Kong	727	231	-68.2%
1.3%	Philippines	734	727	-1.0%

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

Note: June 2018 Daily Arrivals reflect Civilian Air arrivals on

Calendar Year to Date 2018

January–June 14, 2018 — **Total: 683,895 (-3.3%)**

% Market Mix	Origin	2017	2018	% to LY
35.3%	Japan	301,501	241,503	-19.9%
48.8%	Korea	289,267	334,023	15.5%
1.8%	Taiwan	18,147	12,431	-31.5%
1.3%	China	11,755	8,787	-25.2%
5.8%	US/Hawaii	35,414	39,907	12.7%
0.4%	Hong Kong	10,117	2,658	-73.7%
1.2%	Philippines	8,224	8,124	-1.2%

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

Note: June 2018 Daily Arrivals reflect Civilian Air arrivals on

Fiscal Year to Date 2018

October 2017 – June 14, 2018 — **Total: 1,059,406 (-3.5%)**

% Market Mix	Origin	2017	2018	% to LY
34.9%	Japan	483,090	369,296	-23.6%
49.2%	Korea	441,269	521,040	18.1%
1.7%	Taiwan	27,868	18,387	-34.0%
1.2%	China	17,142	12,852	-25.0%
5.5%	US/Hawaii	53,320	58,575	9.9%
0.4%	Hong Kong	13,615	4,718	-65.3
1.4%	Philippines	15,246	14,457	-5.2%

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

Note: June 2018 Daily Arrivals reflect Civilian Air arrivals on

GUAM VISITORS BUREAU
グアム政府観光局

JAPAN MARKETING COMMITTEE MEETING
1:30 PM – Tuesday, June 19, 2018
GVB Main Conference Room

3 Month Forecast

(as of 19Jun. 2018)

Month	2018 Arrival Forecast	2018 Capacity	2018 LF	2017 Arrival	2017 Capacity	2017 LF	Diff Arrival	Diff Capacity
June	38,000	45,008	84%	48,971	71,063	69%	-22%	-37%
July	46,000	52,941	86%	51,811	78,285	66%	-11%	-32%
August	61,000	72,128	85%	68,351	87,074	78%	-11%	-17%

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

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)
7C: 7 flights per week (1,323)
Fukuoka
UA: 7 flights per week (826)

Aug 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)
7C: 7 flights per week (1,323)
Fukuoka
UA: 7 flights per week (826)

Charter Flight Information

Jul
Narita : 22 flights (4,147)
Nagoya : 5 flights (740)

Aug
Narita : 75 flights (13,317)
Nagoya : 41 flights (6,207)
Fukuoka : 1 flight (390)

G/Total : 144 flights, (24,801 seats)

Japan Seat Capacity

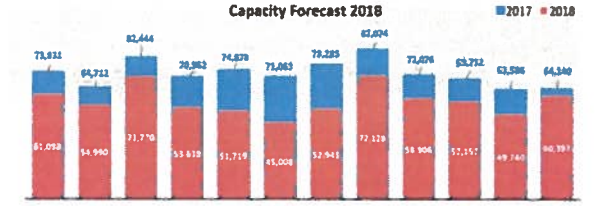
(as of 19Jun. 2018)

Overall capacity 2018

Data Source : Diio Mi & other MI

Total : 689,472 seats.
vv. LY : -183,311 seats (-21%)

Capacity Forecast 2018 ■2017 ■2018



Total capacity	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
2017 (3,594 times)	61,058	54,990	71,770	53,618	51,719	45,008	52,941	72,128	58,904	57,157	49,740	60,397	689,472
Diff (-846 times)	12,733	-9,722	-10,874	-17,344	-25,159	-30,055	-25,344	-14,946	-13,170	-12,575	-12,845	-3,743	-183,311

Confidential and subject to change

Japan Seat Capacity

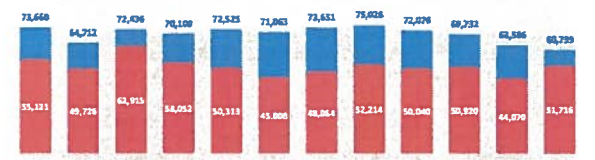
(as of 19Jun. 2018)

Regular capacity 2018

Data Source : Diio Mi & other MI

Total : 613,149 seats.
vv. LY : -226,166 seats (-27%)

Regular capacity comparison 2017-2018 ■2017 ■2018



Regular capacity	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
2018 (3,578 times)	55,121	49,726	62,915	54,052	60,313	45,008	68,054	72,214	60,048	60,920	44,870	51,716	613,149
Diff (-796 times)	-10,539	-14,988	-8,521	-17,067	-22,212	-26,055	-25,577	-22,812	-22,028	-19,812	-15,516	-8,023	-226,166

Confidential and subject to change

Japan Seat Capacity

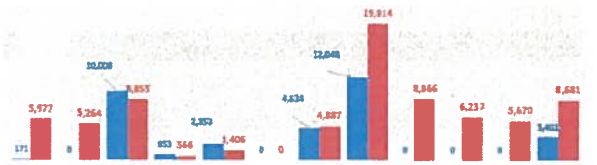
(as of 19Jun. 2018)

Charter capacity 2018

Data Source : Diio Mi & other MI

Total : 76,323 seats
vv. LY : + 42,885 seats (+228%) 2017 : 33,468 seats, 2016 : 20,515 seats

Charter capacity comparison 2017-2018 ■2017 ■2018



Charter capacity	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
2018 (416 times)	5,977	5,264	8,855	553	1,406	0	4,887	19,814	8,866	6,237	5,670	8,681	76,323
Diff (+ 220)	5,868	5,264	-1,153	-267	-947	0	253	7,866	8,866	6,237	5,670	5,290	+ 42,885

Confidential and subject to change

Air Service Development

(as of 19Jun. 2018)

1. Charter Update 2018

- Summer charter flights : more than 190.
- More than 400 charter are planned to operate throughout a year.
- Capacity growth rate : more than 200%. (Jul to Sep)

2. Regular operation

- JEJU Air will start a new operation from Kansai to Guam on July 21.
- Time : KIX GUM 10:10 14:40
  GUM KIX 15:40 17:55 (Tue, Thu, Sat)
  GUM KIX 15:40 18:20 (Wed, Fri, Sun)
- Capacity : 189 seats (B737-800)
- Capacity growth: about 5,700 seats a month.



Confidential and subject to change

Air Service Development

(as of 19Jun. 2018)

Summer Charter Update:
Period : July to September, 2018

Airline	Dep. port	Dep. Date/period	Aircraft	Capacity
Tway	Narita	21 July 18 – 17Sep 18	B737-800	188
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	B777-200	390

Capacity by port:

- Narita: 26,330 seats, Nagoya: 6,947 seats, Fukuoka: 390 seats
- Total: 33,667 seats Comparison with LY: 202% (Jul to Sep)

Confidential and subject to change

Price Competition

(as of 19Jun. 2018)

Package Price:
Condition:
Destination: Guam
Departure month: August 2018
Product: Package Product (web)
Duration: 3 nights 4 days
Carrier: JL/TW/7C/UA

GUAM	lowest	Highest	lowest	Highest
Dep port	Narita (NRT)	Narita (NRT)	Kansai (KIX)	Kansai (KIX)
Airline	UA/JL	UA/JL	UA/TW/7C	UA/TW/7C
Hotel Grade	Economy grade	Economy grade	Economy grade	Economy grade
Duration	3 nights 4 days	3 nights 4 days	3 nights 4 days	3 nights 4 days
HIS	¥89,800	¥358,000	¥79,800	¥434,000
NTA	¥65,900	¥394,900	¥70,900	¥418,900
KNT	¥85,800	¥415,000	¥79,800	¥419,800
JTB	¥85,800	¥437,800	¥73,300	¥491,000
JALPAK	¥86,000	¥487,000	¥86,000	¥487,000
	(JL only)	(JL only)	(JL only)	(JL only)

Data source : TRAVELKO & subject change

Price Competition

(as of 19Jun. 2018)

Package Price:
Condition:
Destination: Taiwan
Departure month: August 2018
Product: Package Product (web)
Duration: 3 nights 4 days
Carrier: JW/BR/CX/NH/CI/JL/MM/PR/3K/IT/GK/TR

Taiwan	lowest	Highest	lowest	Highest
Departing port	Narita or Haneda	Narita or Haneda	Kansai (KIX)	Kansai (KIX)
Airline	Any	Any	Any	Any
Hotel Grade	Economy grade	Deluxe grade	Economy grade	Deluxe grade
Duration	3 nights 4 days	3 nights 4 days	3 nights 4 days	3 nights 4 days
HIS	¥27,800	¥257,800	¥39,800	¥192,000
NTA	¥43,900	¥316,900	¥53,900	¥251,900
KNT	¥62,800	¥283,000	¥64,700	¥304,800
JTB	¥39,800	¥218,800	¥45,800	¥203,800
JALPAK	¥63,000	¥149,000	¥62,000	¥163,000
	(JL only)	(JL only)	(JL only)	(JL only)

Data source : TRAVELKO & subject change

Price Competition

(as of 19Jun. 2018)

Package Price:
Condition:
Destination: Korea
Departure month: August 2018
Product: Package Product (web)
Duration: 3 nights 4 days
Carrier: any (direct)

Taiwan	lowest	Highest	lowest	Highest
Departing port	Narita or Haneda	Narita or Haneda	Kansai (KIX)	Kansai (KIX)
Airline	Any	Any	Any	Any
Hotel Grade	Economy grade	Deluxe grade	Economy grade	Deluxe grade
Duration	3 nights 4 days	3 nights 4 days	3 nights 4 days	3 nights 4 days
HIS	¥ 24,800	¥ 161,800	¥ 208,00	¥ 114,000
NTA	¥ 37,900	¥ 169,900	¥ 33,900	¥ 158,800
KNT	¥ 34,800	¥ 194,000	¥ 36,800	¥ 158,800
JTB	¥ 24,800	¥ 208,800	¥ 36,800	¥ 212,800
JALPAK (via MNL)	¥ 56,000	¥ 321,000	¥ 62,000	¥ 336,000
	(JL only)	(JL only)	(JL only)	(JL only)

Data source : TRAVELKO & subject change

Price Competition

(as of 19Jun. 2018)

Package Price:
Condition:
Destination: Cebu
Departure month: August 2018
Product: Package Product (web)
Duration: 3 nights 4 days
Carrier: PR/JW/5J

Taiwan	lowest	Highest	lowest	Highest
Departing port	Narita or Haneda	Narita or Haneda	Kansai (KIX)	Kansai (KIX)
Airline	Any	Any	Any	Any
Hotel Grade	Economy grade	Deluxe grade	Economy grade	Deluxe grade
Duration	3 nights 4 days	3 nights 4 days	3 nights 4 days	3 nights 4 days
HIS	¥ 45,800	¥ 299,000	¥ 67,800	¥ 159,000
NTA	¥ 85,900	¥ 320,900	¥ 76,900	¥ 231,900
KNT	¥ 99,000	¥ 34,9000	¥ 84,800	¥ 216,800
JTB	¥ 62,800	¥ 233,800	¥ 65,800	¥ 231,800
JALPAK (via MNL)	¥ 81,000	¥ 334,000	—	—
	(JL only)	(JL only)	(JL only)	(JL only)

Data source : TRAVELKO & subject change

Price Competition

(as of 19Jun. 2018)

Package Price:
Condition:
Destination: Honolulu
Departure month: August 2018
Product: Package Product (web)
Duration: 3 nights 5 days
Carrier: JL/NH/DL/HA/UA/D7/TR/KE

Honolulu	lowest	Highest	lowest	Highest
Departing port	Narita or Haneda	Narita or Haneda	Kansai (KIX)	Kansai (KIX)
Airline	Any	Any	Any	Any
Hotel Grade	Economy grade	Deluxe grade	Economy grade	Deluxe grade
Duration	3 nights 5 days	3 nights 4 days	3 nights 4 days	3 nights 4 days
HIS	¥134,000	¥459,800	¥99,800	¥604,000
NTA	¥134,900	¥489,900	¥124,900	¥490,900
KNT	¥119,700	¥545,800	¥129,000	¥478,000
JTB	¥119,800	¥587,000	¥89,800	¥573,000
JALPAK	¥114,000	¥697,000	¥128,000	¥657,000
	(JL only)	(JL only)	(JL only)	(JL only)

Data source : TRAVELKO & subject change

Japan Market Update

(as of 19Jun. 2018)

LCCs Summer Sales Campaign:

- **SCOOT Sales Campaign**
  The company has started sales campaign from May 29 to boost sale for the period of May 29 to end of January next year. The price includes taxes and fuel surcharges.
  Narita - Taipei ¥ 7,900 - (OW)
  Narita - Singapore ¥ 13,900 -(OW)
  Kansai – Honolulu ¥ 12,900 - (OW)
  Kansai – Singapore ¥ 13,900 - (OW)

- **AIR Asia Sales Campaign**
  AirAsia is implementing Super Summer Sale from May 28th for their international route from Japan. The price includes taxes and fuel surcharges.
  Narita – Jakarta ¥ 12,900 - (OW)
  Haneda – Kuala lumpur ¥ 12,900 - (OW)
  Kansai – Honolulu ¥ 12,900 - (OW)

- **EVA AIR Sales Campaign**
  EVA Air has just started a Summer Holiday Taiwan campaign for Haneda to Taipei route.
  Travel period: July 1st to August 31st
  Haneda – Taipei ¥ 28,500 - (RT)

Japan Market Update

(as of 19Jun. 2018)

JAL Meeting June 5th

- GVB Top management team, Chairman Morinaga, JMC Chairman, Bill Nault and President & CEO, Nathan Denight and GIAA management team have met with Japan Airlines at GVB HQ in early June.
- GVB has expressed gratitude for 2nd operation and both parties have discussed about future operation.





Japan Market Update

(as of 19Jun. 2018)

JEJU Air Sales Campaign:

- Sales period: Jun 7th - Jun 13th, 2018
- Travel period: July 21st - October 27th, 2018
- Product: Booking Engine (Direct booking)
- Incentive: LOTTE DFS 15% discount coupon.
- Price:
  July to Aug dep: ¥ 22,500 OW.
  Sep to Oct dep: ¥ 17,500 OW.
- Capacity: 189 seats.
- Time :
  KIX GUM 10:10 14:40
  GUM KIX 15:40 17:55 (Tue, Thu, Sat)
  GUM KIX 15:40 18:20 (Wed, Fri, Sun)



Kanto

(as of 19Jun. 2018)

Guam Sales campaign:

GVB x Rakuten 2nd campaign:

- Sales period: May - Jun.
- Travel period: July - September.
- Product: Dynamic package.
- Incentive: Rakuten coupon.
- Target: 110% v.v. LY.





Kanto

(as of 19Jun. 2018)

JAL Guam Campaign:

- JAL Campaign.
- Travel period: June to December.
- Port: Narita.
- Purpose: increase pax volume.
- Incentive: competitive price.
  JAL millage.
  Duration.
  Cabin product & service.
  Limited time sales.



Kanto

(as of 19Jun. 2018)

Summer Sale:

HIS Supper Summer Sale:

- Area: Kanto
- Sales Period: 5/23 - 6/18
- Travel period: Jun - Oct.18
- Product: Web
- Sales target: Kanto, 107%.
- Carriers: UA/JL
- Charter business: JINAIR.
- Price: ¥ 39,800 (bottom)
- Main product: ¥ 59,800 (JIN)
- 7.8 million line users.





Kanto

(as of 19Jun. 2018)

Summer Sale:

JTB Ultra Bargain :

- Area: Kanto
- Sales Period: 5/25 - 6/8.
- Travel period: July - Sep.18
- Product: Web
- Sales target: Kanto, 90%.
- Carriers: UA/JL
- Main product: ¥ 14,0000
- Charter: ¥ 73,700 -





Chubu

(as of 19Jun. 2018)

Seminar in Chubu

GVB Japan held seminar as below.

- Sales Promotion Seminar in Shizuoka and Hamamatsu on May 16, 2018.
  13 travel agent staffs each city + 13 Guam vendors attended.
- HIS In-house Seminar for freshman in Nagoya on May 17, 2018.
  32 freshmen + 11 experienced workers + 15 Guam vendors attended.
  - Most of participant are counter staff.
  - GVB , United Airlines Chubu and Guam vendors.
- Points to highlight:
  - Benefit for traveling to Guam.
  - Product information by each vendor.




Kansai

(as of 19Jun. 2018)

School & Education Board Visit & KIX Travel Fair:

May 16 (Wed)
15:00 Meeting with Osaka Board of Education
17:00 Meeting with Shiga Board of Education

May 17 (Thu)
11:00 Meeting with Hyogo Board of Education
14:00 School visit : Higashi Nada High School
16:30 School visit : Amagasaki High School

May 18 (Fri)
B to B seminar & workshop held by JATA Kansai

May 19-20 (Sat-Sun) : KIX Travel Fair
May 19 - Guam Chamorro Dance Show
May 20 - Guam seminar

Number of visitors : 43,000 pax for 2 days
GVB distributed 4,200 bags in total.





Kyushu

(as of 19Jun. 2018)

Guam Event in Fukuoka:

Joint Promotion (GVB x United x TAs)

Participants agent: JTB, HIS, NTA and KNT.
Venue: IMS Plaza (Shopping center)
Travel period: July to August.
Schedule & Product:
- Opening event.
- Brochure & flyer distribution.
- Talk Show.
- Lucky drawing.





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

(as of 19Jun. 2018)





JUNE

TYPE OF MEDIA	NAME OF MEDIA	MEDIA TARGET	LAUNCH DATE
WEB	GOLF DIGEST TV	GOLF FANS	Early June (TBC)
RADIO	FM NORTH WAVE	HOKKAIDO AREA	23-Jun-18
Sky Perfect TV	AKB48 NEMOUSU TV	AKB FANS	24-Jun-18

JULY

TYPE OF MEDIA	NAME OF MEDIA	MEDIA TARGET	LAUNCH DATE
TV TOKYO	Sekai Mig:kata Agari ! ! Ryokosha	ALL TARGET	7-Jul-18
TV TOKYO	Sekai Mig:kata Agari ! ! Ryokosha	ALL TARGET	14-Jul-18
FUJI TV	NON-STOP! (Nationwide)	F2, F3	16-Jul-18

AUGUST

TYPE OF MEDIA	NAME OF MEDIA	MEDIA TARGET	LAUNCH DATE
RADIO	FM NORTH WAVE	HOKKAIDO AREA	8-Aug-18

Homepage & SNS

(as of 19Jun. 2018)

GVB Website MAY 2018
User Total : 44,439
Page View Total : 118,841

TOP3 pages
1 Immigration To Guam
2 Question
3 Weekly Guam

GVB SNS Fans
Facebook Total : 23,945 (+25)
Twitter Total : 5,365 (+19)
Instagram Total : 12,666 (+17)

SNS engaging contents TOP3 (Facebook, Twitter, Instagram)



NO.1 GVB x JAL Campaign
Facebook
Day: MAY 7 LIKE 447 Comment 2



NO.2 Beachin Shrimp
Facebook
Day: MAY 23 LIKE 412 Comment 10



NO.3 Blue Sky
Facebook
Day: MAY 4 LIKE 416 Comment 1

NEW campaign page

Guam Treasure hunting
http://www.takarushi.jp/roms/guam2018/



Homepage & SNS

(as of 19Jun. 2018)

Let's go to Guam next time ! !
Four consecutive weeks present campaign
JUN4, 2018 - JUN 30, 2018

http://www.visitguam.jp/special/twitter2018/

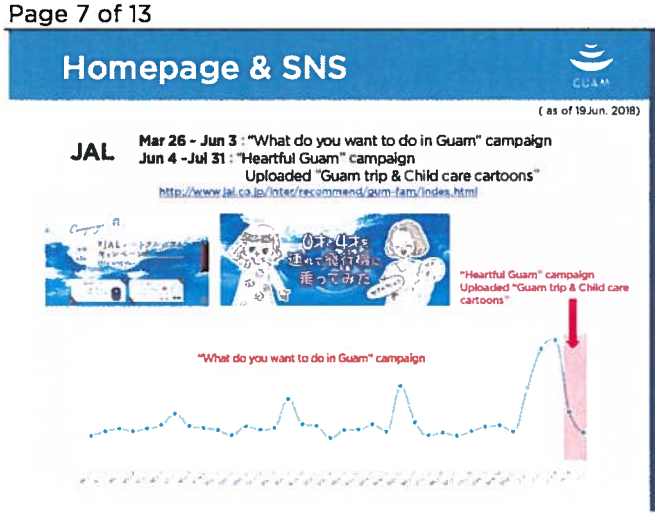


Fanbase Growth



Twitter follower number
JUN 4, 12:00PM : 5365
JUN 5, 12:00PM : 6381 (+1161)
JUN 6, 12:00PM : 7273 (+1908)
JUN 7, 12:00PM : 7545 (+2180)
JUN 10,23:59PM : 7841 (+2476)







- Mr. Lee asked for Japan arrivals by destination. Mr. Kaneko presented the following:

Outbound Departures from Japan by Destination: January 2018						
Destination	Jan-17	Jan-18	Changes (%)	Jan.2017	Jan.2018	Change (%)
Guam	57,037	41,250	-27.7%	57,037	41,250	-27.7%
Saipan	4,058	3,716	-8.4%	4,058	3,716	-8.4%
Hawaii	123,390	118,767	-3.7%	123,390	118,767	-3.7%
Korea	154,862	167,083	7.9%	154,862	167,083	7.9%
Taiwan	129,403	161,912	n/a	129,403	161,912	n/a
Hong Kong	86,100	105,771	n/a	86,100	105,771	n/a
Singapore	53,377	64,080	n/a	53,377	64,080	n/a
Thai	129,505	n/a	n/a	129,505	n/a	n/a
Vietnam	66,394	71,832	8.2%	66,394	71,832	8.2%

(Data source: JTB Tourism Research & Consulting)

2 Statistics

Outbound Departures from Japan by Destination: April 2018						
Destination	Apr-18	Apr-18	Changes (%)	Jan. – Apr. 2017	Jan. – Apr. 2018	Change (%)
Guam	49,834	39,934	-19.9%	232,611	188,925	-18.8%
Saipan	3,857	4,631	20.1%	17,159	18,076	5.3%
Hawaii	109,604	n/a	n/a	493,306	n/a	n/a
Korea	165,748	213,853	29.0%	780,120	843,653	8.1%
Taiwan	126,712	127,138	0.3%	602,047	619,270	2.9%
Hong Kong	78,433	90,170	15.0%	398,205	416,815	4.7%
Singapore	46,245	n/a	n/a	254,569	n/a	n/a
Thai	111,490	n/a	n/a	519,754	n/a	n/a
Vietnam	59,981	46,375	-22.7%	261,571	261,802	0.1%

(Data source: JTB Tourism Research & Consulting

Outbound Departures from Japan by Destination: March 2018						
Destination	Mar-17	Mar-18	Changes (%)	Jan. – Mar. 2017	Jan. – Mar. 2018	Change (%)
Guam	71,384	61,142	-14.3%	182,777	148,991	-18.5%
Saipan	4,913	5,004	1.9%	13,302	13,445	1.1%
Hawaii	136,735	139,250	1.8%	383,702	382,664	-0.3%
Korea	274,478	294,476	7.3%	614,372	629,800	2.5%
Taiwan	197,824	n/a	n/a	475,335	n/a	n/a
Hong Kong	131,082	n/a	n/a	319,772	n/a	n/a
Singapore	82,293	n/a	n/a	208,324	n/a	n/a
Thai	141,708	n/a	n/a	408,264	n/a	n/a
Vietnam	71,917	77,730	8.1%	201,590	215,427	6.9%

(Data source: JTB Tourism Research & Consulting

Outbound Departures from Japan by Destination: February 2018						
Destination	Feb-17	Feb-18	Changes (%)	Jan. – Feb. 2017	Jan. – Feb. 2018	Change (%)
Guam	54,356	46,599	-14.3%	111,393	87,849	-21.1%
Saipan	4,331	4,725	9.1%	8,389	8,441	0.6%
Hawaii	123,577	124,647	0.9%	246,967	243,414	-1.4%
Korea	185,032	168,241	-9.1%	339,894	335,324	-1.3%
Taiwan	148,108	124,290	-16.1%	277,511	286,202	3.1%
Hong Kong	102,590	76,165	-25.8%	188,690	181,936	-3.6%
Singapore	72,654	n/a	n/a	126,031	n/a	n/a
Thai	137,051	n/a	n/a	266,556	n/a	n/a
Vietnam	63,279	65,865	4.1%	129,673	137,697	6.2%

(Data source: JTB Tourism Research & Consulting

REPORT OF ADK

Report by Mr. Hoshino:

- Web Ad Performance – InstaGuam & AKB
- Traceable Traffic to TA & Airlines Sales Sites
- KPIs for Advertising & PR
- TV and Web Ads Comparison
- Guam's Popularity Ranking
- PR/Promotion
- InstaGuam Campaign
- Guam Treasure Hunting Promotion

GUAM

JMC Meeting – June

FY 18 Plan for Japan Market

GUAM

KPIs for Advertising and PR

June 19, 2018

ADK

ASATSU-DK INC.

ADK

GUAM

WEB AD Performance- InstaGuam + AKB48

● Still image (2018/01/22-02/28)

➢Planned

Menu	imp	click	CTR	CPC	Click to Travel Agent
GDN	9,523,810	28,571	0.30%	¥140	
Face book	3,076,923	21,538	0.70%	¥186	
Instagram	2,857,143	11,429	0.40%	¥350	
Twitter	6,666,666	13,333	0.20%	¥150	
Yahoo SP Brand panel vision ※For free	15,000,000	75,000	0.50%	¥0	
Total	37,124,542	149,871	0.40%	¥55	

➢Results

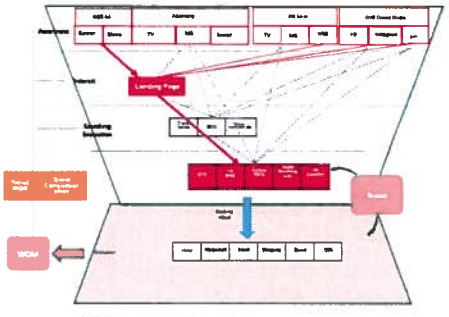
Menu	imp	click	CTR	CPC (Cost per click)	Click to Travel Agent	Conversion Rate(%)	CPC (Cost per conversion)
	KPI						
GDN	58,839,904	132,780	0.25%	¥30	3,218	2.4%	$11.4
Face book	2,555,079	46,374	1.18%	¥73	440	0.9%	$83.4
Instagram	4,933,140	12,412	0.25%	¥242	670	5.4%	$54.8
Twitter	4,605,597	28,640	0.62%	¥70	824	2.9%	$22.3
Yahoo SP Brand panel vision ※For free	15,473,075	176,904	1.14%	¥0	2,043	1.2%	0
Total	81,406,795	397,110	0.49%	¥35	7,195	1.8%	$25.6

ADK

GUAM

Traceable Traffic to TA and Airlines Sales Sites

Conversion (Traffic) to TA sales sites are countable only when consumers click TA logos through GVB campaign landing pages



ADK

KPI for AD and PR

What kind of KPIs are Possible for AD and PR

	Reach		Awareness		Intention to Visit Guam		Search/ Evaluation		Booking = Goal	
TV	81.5%	→	25.1%	→	60.3%	→	X %	→	?	Kanto 2,000 GRP / $1,500,000
MG	1.5%	→	0.3%	→	0.1%	→	X %	→	?	National 600,000 circ., 4C1P / $18,500
NP	7.0%	→	1.6%	→	0.7%	→	X %	→	?	Kanto, Full 1 page 3,600,000 Cir. / $70,000
Transit	21.0%	→	5.2%	→	1.9%	→	X %	→	?	Shinjuku St. Poster, 40 posters set 3,670,000 passengers/day X 2 weeks / $150,000
WEB	20.5%	→	6.4%	→	2.2%	→	X %	→	?	Yahoo SP Brand Panel 15,000,000 imp. / $150,000
	15,473,975 imp.				132,780 clicks		2,043 TA site visit	→	?	

ADK

KPI for AD and PR

AD

- TV Spot
- Magazine
- Newspaper
- Transit

Number of Reach <= Calculable
Intention to visit Guam<= Need further research

PR

- TV Tie-in (Nationwide program)
  ROI: more than 10 times (Ad value/Tie in cost)
  TV Tie-in (Local Program)
  ROI: More than 2 times (Ad value/Tie in Cost)
- Magazine Tie-in
  ROI: More than 2 times
- Number of Reach: For all PR tie-ins

ADK

KPI for AD and PR

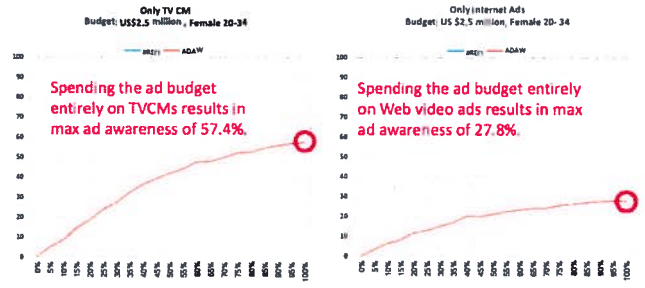
WEB AD (Still Banner)

- Number of Clicks
- CTR (Click Through Rate) = No. of Clicks / Impression
- Cost Per Clicks= Ad Spending / Clicks
- Clicks to TA sites
- Conversation rate to TA Sales Sites= No. of Clicks to TA sites / Clicks
- Cost per conversion= Ad Spending / No. of Clicks to TA sites

Appendix

ADK

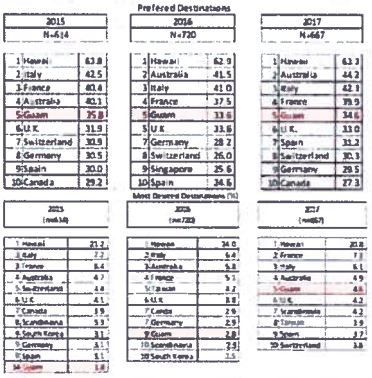
TV and Internet Ads Comparison



Internet media alone can only deliver a certain level of ad awareness.
A media mix involving TV is necessary to attain high awareness.

ADK

Guam's popularity ranking by JTB Report



Source: JTB Report 2017. Survey of 1,200 Japanese, aged 15 to 79

ADK

Result Reports

PR : Upcoming _ May.

- UGM Media Fam Tour -



Media Category: Running Magazine + Web
Circulation: 100,000
Target : 30s-40s male & female runners
Issue date May 22th
Ad Rate: 4C1P \700,000
Ad Value: 1,400,,000JPY
(Color, 2 pages + Web)





PR : Past _ May~Jun.

- UGM Media Fam Tour -



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: 2,100,,000JPY
(Color, 3 pages + Web)

Running Style & Courir
Total ROI: 2.6

● Courir Website
Issued Jun 1 , 2018





PR : Past_ Jun.



TV Station: TBS (Nationwide)
Program title: King's Brunch
On Air Date & Times: June 16, 2018
Approx. No. of viewable households: 34,987,536
Audience rate: 5.2%
No. of expected viewers : 1,819,455
Exposure: 20 minutes in total
Ad Value: $1,414,285

ROI: 35 times

PR : Past_ Jun. Kings Brunch Aired June 16, 2018





PR : Past_ Jun. Jun. Kings Brunch Aired June 16, 2018

Instaguam camping as well as Treasure hunt campaign were introduced at Kings Brunch website.





2018 Current and upcoming programs

PR : Upcoming_ Jul.





Program title: Sekai Migikataagari↑↑Ryokosha
TV station: TV Tokyo + TXN network (5 local TV stations)
Audience rate: Approx. 1.5 ～2.0 %
Number of viewable households: Approx. 39,846,000 household
Category: Travel Information Program
On Air: Every Saturday 23:55 p.m. – 24:20 p.m.
Ad Rate: 88,430 JPY/sec
Exposure: July 7th & 14th (or 21th) ,2018
Exposure Length: Approx. 22 minutes × 2 times

Ad Value: $142,786

ROI: 19.5 times

PR : Upcoming_ Jul.



Media title: Non-Stop (TV Program)
TV station: CX + 19 local TV stations
Category: CX Variety Information Program
On air Time: 9:50am – 11:25 am
Length: 1.5 hours
Ad Rate: 3,560,000JPY/15sec.
Audience rate: Approx. 4 ～ 5 %
Number of viewable households: : Approx. 57,476,000 households
Exposure: Jul. 16 (National Holiday) TBD
Exposure Length: 30min.

Ad Value: $391,137.54

ROI: 152 times

PR : Upcoming_ Aug.



Media Title: mamagirl (Magazine)
Circulation: 110,322
Target : F2, F3
Issue date Quarterly/August
Ad Rate: 4C1P \1,600,000
Exposure: Color, 4~6pages

Ad Value: $87,896.00

ROI: 19.2 times

PR: InstaGuam _CP Posted Photos

GVG current SNS followers:
Instagram: 12,000 <= 0 (a year ago)
Facebook: 23,945 <= 8,700 (a year ago)

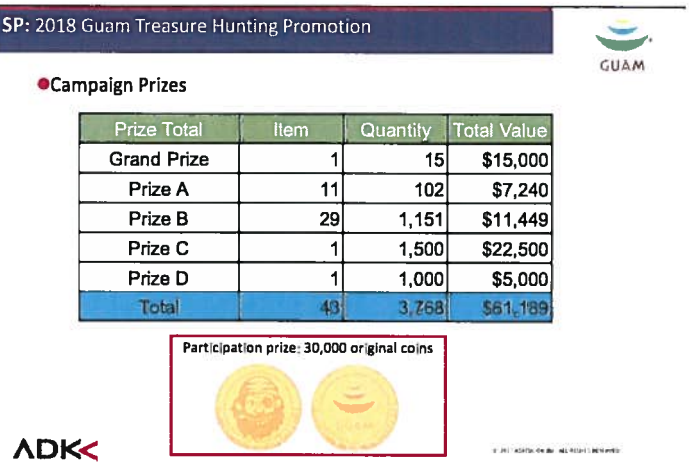


PR: InstaGuam Campaign Prize Application Result

● As of May 27, 2018

		Instagram	Twitter	Facebook	Total
50,000 JPY JCB coupon	1/22-4/29	1,787	20	24	1,831
	4/30-5/6	110	0	0	110
	5/7-5/13	66	0	0	66
	5/14-5/20	79	0	0	79
	5/21-5/27	49	5	1	55
	Sub Total ①	2,091	25	25	2,141
10,000 JPY JCB coupon	1/22-4/29	183	243	3	429
	4/30-5/6	3	13	0	16
	5/7-5/13	2	14	1	17
	5/14-5/20	1	20	0	21
	5/21-5/27	1	17	2	20
	Sub Total ②	190	307	6	503
Grand Total (①+②)		2,281	332	31	2,644





Prize Total	Item	Quantity	Total Value
Grand Prize	1	15	$15,000
Prize A	11	102	$7,240
Prize B	29	1,151	$11,449
Prize C	1	1,500	$22,500
Prize D	1	1,000	$5,000
Total	43	3,768	$61,189

- Mr. Kawano asked what prizes will be distributed during the Treasure Hunting Campaign. To name a few, Mr. Akigami stated souvenirs, T Galleria coupons, coins, and others that can be availed of on Guam.

REPORT OF SUBCOMMITTEES

Discussion / Comments:

OLD BUSINESS

- Rotary District Conference 2019 (to be held on Guam in February 2019)
- VIP Familiarization Tour – July 9-11 (Welcome Reception with JMC on July 9, details TBA)

NEW BUSINESS

ANNOUNCEMENTS

- Next JMC meeting will be on JULY 17, 2018 at 1:30 PM.
- 6th Annual Guam BBQ Block Party – July 7, 5:30pm–10:00pm at Pleasure Island
- 2018 Guam Liberation Festival – July 11-22 at the Paseo de Susana Festival Village and the Guam Museum

ADJOURNMENT

Moved by Mr. Lee and seconded by Mr. Debold to adjourn the meeting at 2:58 PM. Motion approved.

Minutes prepared by: _____
Karida Brennan, Marketing Officer I

Minutes approved by: _____
Brian Borja, Marketing Officer II

Minutes approved by: _____
June Sugawara, Marketing Officer II

JAPAN MARKETING COMMITTEE MEETING – Tuesday, July 17, 2018

JMC MEMBERS PRESENT: Bill Nault, Satoru Murata, Terry Debold, Kiyoshi Kawano, Toshio Akigami, Mike Lee, Norio Nakajima

OFF-ISLAND: Tak Takano

ABSENT: George Johnson, Milton Morinaga, Monte Mesa, Daisuke Tsuchiya

OBSERVERS/GUESTS PRESENT: Kyoichi Aoki, Kazu Atsuta, Miwa Bravo, Nobuyo Certeza, Masayo Ibay, Yoshiaki Kanemitsu, Mari Oshima, Yoshinori Oshita, Mai Perez, Kenji Sekine, Hajime Fujiwara, Mitsue Nakamura

ABSENT: Mark Anderson, Tomoyuki Goto, Kazunori Hotta, Ayisha McKinnon, Naomi Miyama, Simon Odoca, Mitsunori Takahashi, Sachiyo Tanimoto, Dave Duenas, Yusuke Imazu, Dan Mormon, Russell Ocampo, Shizuyo Okabe, Suzanne Perez, Akihiro Tani, Katsuhiko Yoshida, Osamu Takahashi, Keisuke Kamamura, Bunichi Yamashita, Bonnie Alig, Eilis Baldevia, Akiko Futakami, Asher Goldenberg, Akihiko Gondo, Megumi Butler, Yuki Motoda, Koji Nagano, Yoshihisa Otani, Kimi Passeur, Hiromi Matsuura, Daisuke Sato

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

GVBJ: Hiroshi Kaneko

ADK: Koichi Hoshino, Yukie Okutsu, Tomoko Yokoyama

CALL TO ORDER

The meeting was called to order at 1:34pm.

APPROVAL OF MINUTES

Motion made by Mr. Murata and seconded by Mr. Akigami to approve the minutes of June 19, 2018. Minutes approved.

REPORT OF CHAIRMAN

Chairman Nault made the following announcements:

- There was legislative hearing yesterday regarding two bills: one to increase the HOT from 11% to 15% and another to repeal the law to implement a 2% sales tax in October. The legislature upheld the veto for the second bill, meaning a sales tax will not be implemented in October and the BPT will go back to 4%. Regarding the first bill, GVB testified to oppose the increase in the HOT. Chairman Nault emphasized that if this bill passes, it will affect everyone on Guam, not just Japanese business owners and hoteliers.
- GVB hosted a VIP Fam Tour from July 9-11. There was a welcome reception for tour participants and industry members on July 9 at the Guam Museum. The tour also included an island tour, optional tours, and a round of golf. Chairman Nault then asked the committee how the tour could have been improved. The following suggestions were made: better arrival experience at the airport, provide a prize for the golf winner, invite more than one representative from local companies to the reception (if budget allows).
- Last October when Chairman Nault assumed chairmanship of the committee, the goal was to "stop the bleeding" from the decrease in arrivals. After much hard work, the team was able to increase seat capacity in several different ways, such as: Japan Airlines adding an extra flight in March for the summer

period, record breaking charter programs, Jeju Air adding the Kansai flight, United Airlines bringing back the 777 aircraft out of Narita, Tway's additional flight from Nagoya, United Airlines adding another flight from Osaka and Nagoya in December.

- The Treasure Hunt Campaign started on July 1. He asked for the committee's continued support for this campaign and similar campaigns in the future.
- Chairman Nault asked management to schedule a meeting with wedding companies to see what we can do to improve the market.
- The team needs to revisit the free Wi-Fi project.
- The team will participate in the ceremony for Jeju Air's inaugural flight for their Kansai-Guam service this weekend in Osaka.
- The team will travel to Kashiwa to participate in the Kashiwa Festival next weekend.

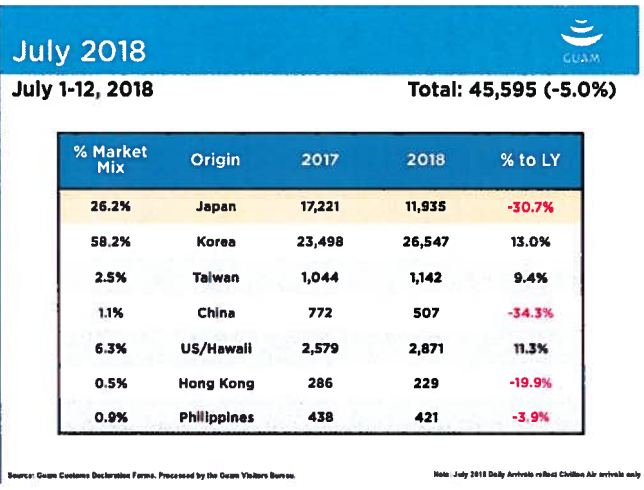
REPORT OF MANAGEMENT

President Denight thanked everyone who supported the VIP Fam Tour. He also announced that the team met with JATA and the Japan Outbound Tourism Council (JOTC) where they requested for GVB to work more in advance with agents to promote Guam. GVB also met with JAL, Tway, and United Airlines during the tour.

Report by President Denight and Mr. Kaneko:

- Statistics
- Three Month Forecast
- Air Service Development
- Japan Seat Capacity
- Japan Market Update
- Kanto Update
- Hokkaido Update
- Chugoku/Shikoku Update
- FY2019 Target
- FY2019 Plan
- PR & Marketing
- Homepage & SNS
- VIP Fam Tour
- Price Comparison





% Market Mix	Origin	2017	2018	% to LY
26.2%	Japan	17,221	11,935	-30.7%
58.2%	Korea	23,498	26,547	13.0%
2.5%	Taiwan	1,044	1,142	9.4%
1.1%	China	772	507	-34.3%
6.3%	US/Hawaii	2,579	2,871	11.3%
0.5%	Hong Kong	286	229	-19.9%
0.9%	Philippines	438	421	-3.9%

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

Calendar Year to Date 2018

January – July 12, 2018 **Total: 798,978 (-2.8%)**

% Market Mix	Origin	2017	2018	% to LY
34.1%	Japan	345,943	272,364	-21.3%
49.7%	Korea	342,536	397,355	16.0%
1.9%	Taiwan	20,505	15,221	-25.8%
1.2%	China	13,478	9,820	-27.1%
6.0%	US/Hawaii	42,127	47,742	13.3%
0.4%	Hong Kong	10,917	3,173	-70.9%
1.1%	Philippines	9,326	9,165	-1.7%

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

Fiscal Year to Date 2018

October 2017 – July 12, 2018 **Total: 1,174,489 (-3.2%)**

% Market Mix	Origin	2017	2018	% to LY
34.1%	Japan	527,532	400,157	-24.1%
49.8%	Korea	494,538	584,372	18.2%
1.8%	Taiwan	30,226	21,177	-29.9%
1.2%	China	18,865	13,885	-26.4%
5.7%	US/Hawaii	60,033	66,410	10.6%
0.4%	Hong Kong	14,415	5,233	-63.7%
1.3%	Philippines	16,348	15,498	-5.2%

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

3 Month Forecast

(as of 17Jul 2018)

Month	2018 Arrival Forecast	2018 Capacity	2018 LF	2017 Arrival	2017 Capacity	2017 LF	Diff Arrival	Diff Capacity
July	46,000	52,941	86%	51,811	78,285	66%	-11%	-32%
August	60,000	72,128	83%	68,351	87,074	78%	-12%	-17%
September	45,000	59,098	76%	43,870	72,076	61%	+2.6%	-18%

(Data Source : Dilo MI, JGTA and other MI.)

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)
7C: 7 flights per week (1,323)
Fukuoka
UA: 7 flights per week (826)

Aug 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)
7C: 7 flights per week (1,323)
Fukuoka
UA: 7 flights per week (826)

Sep 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)
7C: 7 flights per week (1,323)
Fukuoka
UA: 7 flights per week (826)

Charter Flight Information:

Jul
Narita : 22 flights (4,147)
Nagoya : 5 flights (740)

Aug
Narita : 75 flights (13,317)
Nagoya : 41 flights (6,207)
Fukuoka : 1 flight (390)

Sep
Narita : 47 flights (8,866)

G/Total : 191 flights,
(33,667 seats)

Air Service Development

(as of 17Jul 2018)

1. Japan Airlines Winter Schedule 2018
   - 2nd flight has extended up to March 2019.
   - Period : October 28, 2018 to March 30, 2019.
   - More than 30,000 seat capacity has secured.
   - Support from GVB and GIAA.
   - Time : NRT GUM 09:25 14:05
     GUM NRT 16:40 19:25
   - Daily operation.
   - Capacity : 199 (B763-300)

2. JEJU Air
   - Daily operation from Kansai to Guam on July 21.
   - 6 times regular and 1 charter : total daily
   - 5th freedom right (no limited period).
   - Capacity growth: about 5,700 seats a month.
   - Time : KIX GUM 10:10 14:40
     GUM KIX 15:40 17:55 (Tue, Thu, Sat)
     GUM KIX 15:40 18:20 (Wed, Fri, Sun)
   - Capacity : 189 seats (B737-800)



Confidential and subject to change

Air Service Development

(as of 17Jul 2018)

- Skymark and Jetstar Japan Meeting July 2nd & 3rd.

Guam Top management team, President & CEO, Nathan Denight, Pedro Roy Martinez, Deputy Executive Manager, Rolenda Faasuamalie, Airport Marketing Administrator and Nigel Mayes, Senior Air Service Development Consultant ASM have met with Skymark and Jetstar Japan to discuss about regular operation to Guam.

Skymark:
- Another 2 aircrafts coming in next May in 2019.
- No decision has been made yet whether to operate Saipan or Guam.
- There is an opportunity for charter service to Guam.

Jetstar Japan:
- Opportunity to operate from Japan to Guam to increase aircraft utilization.
- Lack of Pilot.
- ETOPs issue.



Air Service Development

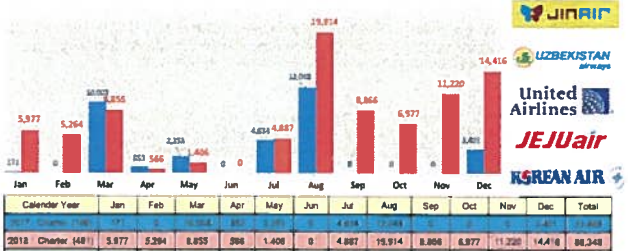
(as of 17Jul 2018)

Charter capacity 2018

Data Source : Dilo MI & other MI

Total : 88,348 seats
vs. LY : + 54,880 seats (+245%) 2017 : 33,468 seats, 2016 : 20,515 seats

Charter capacity comparison 2017-2018 ■2017 ■2018



Calendar Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
2018 Charter (48 F)	5,977	5,264	8,855	986	1,406	0	4,887	15,914	8,866	6,977	11,220	14,416	88,348
Diff (+285 times)	5,808	5,264	-1,153	-367	-947	0	253	7,868	8,866	6,977	11,220	11,815	54,880

Confidential and subject to change

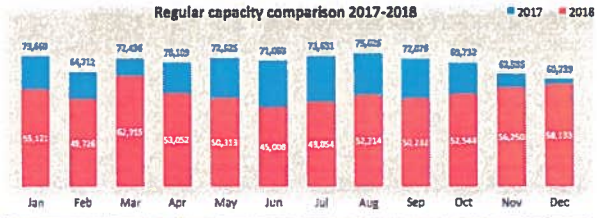
Japan Seat Capacity

(as of 17Jul. 2018)

Regular capacity 2018

Total : 633,562 seats
vv. LY : -205,753 seats (-25%)

Data Source : Diio MI & other MI



Calendar Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
2017 Regular (4,345)	73,668	64,712	72,436	78,109	72,525	71,083	73,831	75,625	72,878	69,732	63,536	69,739	839,314
2018 Regular (3,527)	55,121	49,726	62,915	53,052	50,313	45,008	46,054	52,214	50,232	52,544	56,250	58,133	633,562
Diff (817 times)	-18,538	-14,986	-9,521	-17,057	-22,212	-26,055	-25,397	-23,412	-21,844	-17,188	-7,336	-2,606	-205,753

Confidential and subject to change

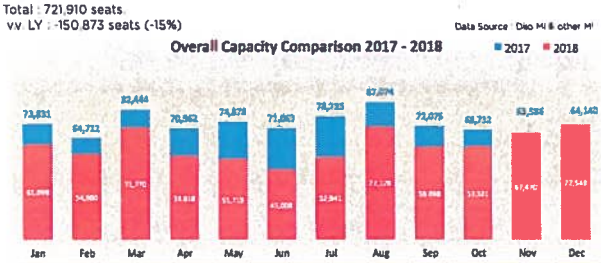
Japan Seat Capacity

(as of 17Jul. 2018)

Total capacity 2018

Total : 721,910 seats
vv. LY : -150,873 seats (-15%)

Data Source : Diio MI & other MI



Calendar Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
2017 (4,345 times)	73,831	64,712	82,444	70,962	74,878	71,083	78,725	87,874	72,075	69,732	63,536	64,140	872,763
2018 (4,008 times)	61,098	54,990	71,770	53,618	51,719	45,008	52,941	72,128	59,098	59,521	67,470	72,549	721,910
Diff (532 times)	-12,733	-9,722	-10,674	-17,344	-23,159	-26,058	-25,344	-14,846	-12,978	-10,211	3,934	8,409	-150,873

Confidential and subject to change

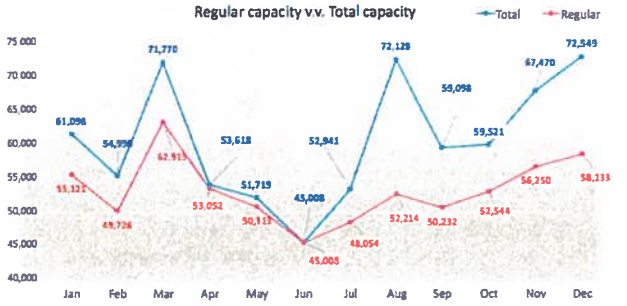
Japan Seat Capacity

(as of 17Jul. 2018)

Regular v.v. Total capacity 2018

Regular capacity : 633,562 seats
Total capacity: 721,910 seats
Diff : 88,348 seats = charter

Data Source : Diio MI & other MI



Confidential and subject to change

Japan Seat Capacity

(as of 17Jul. 2018)

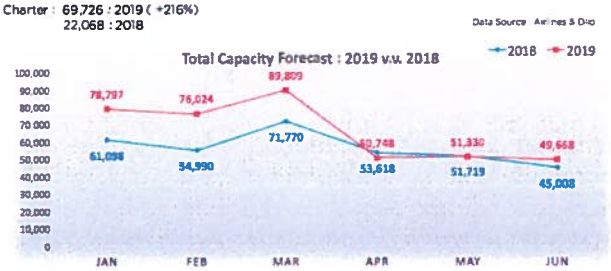
Capacity Forecast : 2019 v.v. 2018 (Jan - Jun period)

Total : 396,376 : 2019 (+17%)
338,203 : 2018

Regular : 326,650 : 2019 (+3%)
316,135 : 2018

Charter : 69,726 : 2019 (+216%)
22,068 : 2018

Data Source : Airlines & Diio



Confidential and subject to change

Japan Market Update

(as of 17Jul. 2018)

- **Japanese overseas travel in May 2018.**
  Japan National Tourism Organization reported that the number of Japanese overseas traveler was up 5.0% year on year, reaching 1,383,800 in May 2018. Total for the first five months of 2018 has reached 7,361,800 (+3.9%).
- **EVOLABLE ASIA.**
  EVOLABLE ASIA, a rapidly growing Japanese OTA, has signed a stock transfer basic agreement with DeNA to own DeNA TRAVEL, a subsidiary of DeNA, as a 100% subsidiary at about 1.2 billion JPY. The company develops the OTA business focusing on domestic air ticket distribution with annual sales of about 70 billion JPY.
- **LINE.**
  Line is the most popular communication app in Japan and has entered the travel market as a meta-search platform. LINE will extend the meta-search fields from accommodation booking in both Japan and overseas in the beginning to air tickets in October 2018 and package tours in December 2018, linking with 250 booking site.
- **Smart phone user in Japan**
  Digital survey finds that smart phone users in Japan were up 10% year on year to 67.52 million in May 2018. The largest growth by age segment was 27% in 50 years old or older, which was much higher than 3% in 35 to 49 years old and 1% in 18 to 34 years old.

Kanto

(as of 17Jul. 2018)

Guam Sales campaign by Expedia:

GVB x Expedia: Just started !!

- Sales period: July 15 - September 14, 2018.
- Travel period: July - October.18.
- Product: Air & DP.
- Target: 100%+
- Port : NRT,NGO,KIX, FUK, CTS.
- Carrier: JL/UA/LJ/KE.





Kanto

(as of 17Jul 2018)

JAL Guam Campaign:

- JAL Campaign.
- Travel period: July - December.
- Port: Narita and online ports.
- Purpose: Increase pax volume.
- Incentive: competitive price.
  JAL millage.
  Duration.
  Cabin product & service.
  Limited time sales.



Hokkaido

(as of 17Jul 2018)

Seminar in Hokkaido

- JATA and Airline Joint Seminar in Kitami on June 19, 2018.
  16 travel agent staffs attended.
- JATA and Airline Joint Seminar in Asahikawa on June 20, 2018.
  30 travel agent staffs attended.
  GVB, United Airlines, JATA and some other online carriers.
  Joint seminar in main six cities of Hokkaido since 2014.




Kitami Seminar


Asahikawa Seminar

Chugoku/Shikoku

(as of 17Jul 2018)

Seminar in Chugoku & Shikoku Area

6/20 (Wed) Guam seminar in Okayama
Participants – 14 travel agents, 6 Guam vendors,
1 UA, 1 T'way and 1 GVB, TTL 23

6/21 (Thu) Guam seminar in Hiroshima
Participants – 13 travel agents, 5 Guam vendors,
1 UA, 1 T'way and 1 GVB, TTL 22

6/22 (Fri) B to B workshop in Matsuyama
Participants – 33 travel agents in Matsuyama

6/23~24 (Sat~Sun) Travel Fair in Matsuyama





FY2019 Target

(as of 17Jul 2018)

Target Segment FY19
Target: Young female segment, especially 19-29 age group.

Background: No.1 market share for the past financial years.
FY17 : 31% share against total.
FY16 : 33% share against total.
Most potential segment and business driver.

Purpose: Maintain and increase young female segment. (35%)
Generate additional business like family and three generation family trip.
Lead to overall arrival growth.

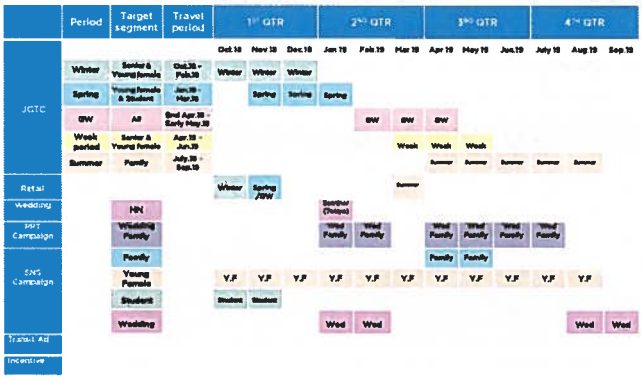
Action plan: Sales campaign with JGTC members.
Retail shop campaign.
PPT Campaign.
SNS Campaign.
Transit AD etc.
Ticket Sale campaign with airlines.
Incentive plan (Air seat capacity, regular & charter, MICE)

Justification: Oct.16: 36%, Nov.16: 32%, Dec.16: 24%, Jan.17: 30%, Feb.17: 48%,
Mar.17: 33% Apr.17: 23%, May.17: 30%, Jun.17: 31%, Jul.17: 21%,
Aug.17: 21%, Sep.17:43%.

FY2019 Plan

(as of 17Jul 2018)

Action FY19



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

(as of 17Jul 2018)







↑ Okarina's Instagram (235,000 followers) ↑



JULY			
TV (TOKYO)	Sekai Meisaku Agee ' ' Ryokoshu	ALL TARGET	7 Jul 18
TV (TOKYO)	Sekai Meisaku Agee ' ' Ryokoshu	ALL TARGET	14 Jul 18
FUJITV	NON-STOP! Kotonendo!	F2 F3	16 Jul 18

AUGUST			
RADIO	FM NORTH WAVE	HOKKAIDO AREA	8 Aug 18
WEB/INFLIGHT	JAL WEB SITE/INFLIGHT MOVIE 'GOLF ISLAND GUAM'	GOLFERS	TBC

NEGOTIATING FOR FY 19			
MAGAZINE	GLITTER	GL	November
CABLE TV	FAB CHANNEL 'CARTOON CHANNEL'	FAMILY	November

Homepage & SNS *As of 5July*

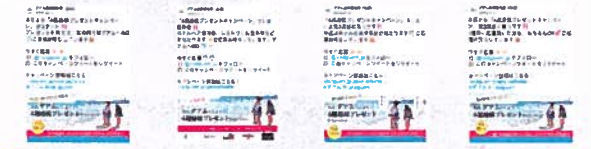
(as of 17Jul. 2018)

GVB Website JUN 2018
User Total : 62,307 (+17,868)
Page View Total : 172,191 (+53,350)

TOP3 pages
1: Immigration To Guam
2. Question
3. Money

GVB SNS Fans
Facebook Total : 23,964 (+19)
Twitter Total : 9,564 (+4199)
Instagram Total : 12,721 (+55)

SNS engaging contents TOP4 (Facebook, Twitter, Instagram)



NO.1 4 weeks present campaign 1st week
Twitter
Day: June 4
Comment: 114
RT: 2,789
Like: 430

NO.2 4 weeks present campaign 4th week
Twitter
Day: June 25
Comment: 69
RT: 1,799
Like: 309

NO.3 4 weeks present Campaign 3rd week
Twitter
Day: June 18
Comment: 34
RT: 1,774
Like: 268

NO.4 4 weeks present Campaign 2nd week
Twitter
Day: June 11
Comment: 51
RT: 1,537
Like: 269

Homepage & SNS *As of 5July*

(as of 17Jul. 2018)

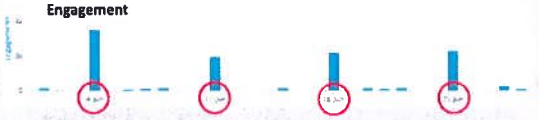
Let's go to Guam next time ! !
Four consecutive weeks present campaign
JUN4. 2018 – JUN 30. 2018
http://www.visitguam.jp/special/twitter2018/



Follower number



Engagement



Event Information:

(as of 17Jul. 2018)

Japan VIP/CEO Fam Tour 2018

Period: July 9th – 11th, 2018
Participants : 26 President & Executive member from TAs, Wedding, OTAs and airlines
July 9 : GVB official reception
July 10 : Golf, lunch and optional tour
July 11 : Return to Japan



Price Competition

(as of 17Jul. 2018)

Package Price:

Condition:
Destination: Guam
Departure month: August 2018
Product: Package Product (web)
Duration: 3 nights 4 days
Carrier: JL/TW/LJ/7C/UA

Guam	Lowest	Highest	Lowest	Highest
Dep port	Narita (NRT)	Narita (NRT)	Kansai (KIX)	Kansai (KIX)
Airline	UA/JL/LJ/TW	UA/JL/LJ/TW	UA/TW/7C	UA/TW/7C
Hotel Grade	Economy grade	Economy grade	Economy grade	Economy grade
Duration	3 nights 4 days	3 nights 4 days	3 nights 4 days	3 nights 4 days
HIS	¥69,800	¥438,800	¥41,800	¥366,000
NTA	¥66,900	¥362,900	¥70,900	¥343,900
KNT	¥73,700	¥409,700	¥79,800	¥387,800
JTB	¥59,800	¥428,800	¥49,800	¥501,800
JALPAK	¥66,000	¥487,000	¥66,000	¥487,000
	(JL only)	(JL only)	(JL only)	(JL only)

Data source : TRAVELKO & subject change

Price Competition

(as of 17Jul. 2018)

Package Price:

Condition:
Destination: Taiwan
Departure month: August 2018
Product: Package Product (web)
Duration: 3 nights 4 days
Carrier: JW/BR/CX/NH/CI/JL/MM/PR/3K/IT/GK/TR

Taiwan	Lowest	Highest	Lowest	Highest
Departing port	Narita or Haneda	Narita or Haneda	Kansai (KIX)	Kansai (KIX)
Airline	Any	Any	Any	Any
Hotel Grade	Economy grade	Deluxe grade	Economy grade	Deluxe grade
Duration	3 nights 4 days	3 nights 4 days	3 nights 4 days	3 nights 4 days
HIS	¥35,800	¥298,000	¥45,800	¥213,000
NTA	¥43,900	¥258,900	¥31,900	¥246,900
KNT	¥62,800	¥283,000	¥64,700	¥304,800
JTB	¥39,800	¥223,800	¥36,800	¥221,800
JALPAK	¥63,000	¥320,000	¥62,000	¥275,000
	(JL only)	(JL only)	(JL only)	(JL only)

Data source : TRAVELKO & subject change

Price Competition

(as of 17Jul. 2018)

Package Price:

Condition:
Destination: Korea
Departure month: August 2018
Product: Package Product (web)
Duration: 3 nights 4 days
Carrier: any (direct)

Korea	Lowest	Highest	Lowest	Highest
Departing port	Narita or Haneda	Narita or Haneda	Kansai (KIX)	Kansai (KIX)
Airline	Any	Any	Any	Any
Hotel Grade	Economy grade	Deluxe grade	Economy grade	Deluxe grade
Duration	3 nights 4 days	3 nights 4 days	3 nights 4 days	3 nights 4 days
HIS	¥ 30,800	¥ 161,800	¥ 328,00	¥ 114,000
NTA	¥ 45,800	¥ 169,900	¥ 30,900	¥ 129,900
KNT	¥ 34,800	¥ 194,000	¥ 36,800	¥ 158,800
JTB	¥ 25,800	¥ 193,800	¥ 31,800	¥ 188,800
JALPAK (via MNL)	¥ 56,000	¥ 279,000	¥ 56,000	¥ 279,000
	(JL only)	(JL only)	(JL only)	(JL only)

Data source : TRAVELKO & subject change

Price Competition

(as of 17Jul. 2018)

Package Price:

Condition:
Destination: Cebu
Departure month: August 2018
Product: Package Product (web)
Duration: 3 nights 4 days
Carrier: PR/JW/5J

Cebu	Lowest	Highest	Lowest	Highest
Departing port	Narita or Haneda	Narita or Haneda	Kansai (KIX)	Kansai (KIX)
Airline	Any	Any	Any	Any
Hotel Grade	Economy grade	Deluxe grade	Economy grade	Deluxe grade
Duration	3 nights 4 days	3 nights 4 days	3 nights 4 days	3 nights 4 days
HIS	¥ 49,800	¥ 299,000	¥ 64,800	¥ 239,000
NTA	¥ 85,900	¥ 320,900	¥ 78,900	¥ 231,900
KNT	¥ 99,000	¥ 34,9000	¥ 78,700	¥ 216,800
JTB	¥ 62,800	¥ 238,800	¥ 65,800	¥ 241,000
JALPAK (via MNL)	¥ 95,000	¥ 305,000	—	—
	(JL only)	(JL only)	(JL only)	(JL only)

Data source : TRAVELKO & subject change

Price Competition

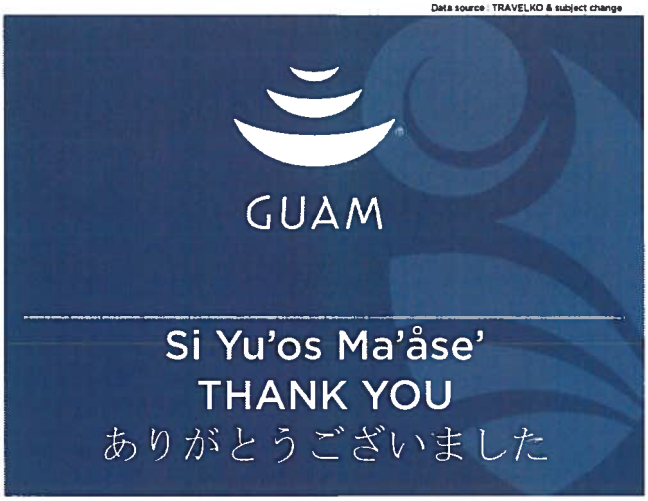
(as of 17Jul. 2018)

Package Price:

Condition:
Destination: Honolulu
Departure month: August 2018
Product: Package Product (web)
Duration: 3 nights 5 days
Carrier: JL/NH/DL/HA/UA/D7/TR/KE

Honolulu	Lowest	Highest	Lowest	Highest
Departing port	Narita or Haneda	Narita or Haneda	Kansai (KIX)	Kansai (KIX)
Airline	Any	Any	Any	Any
Hotel Grade	Economy grade	Deluxe grade	Economy grade	Deluxe grade
Duration	3 nights 5 days	3 nights 4 days	3 nights 4 days	3 nights 4 days
HIS	¥898,000	¥749,800	¥99,800	¥644,000
NTA	¥148,900	¥439,900	¥749,00	¥471,900
KNT	¥106,700	¥543,800	¥129,000	¥478,000
JTB	¥89,800	¥589,000	¥78,800	¥573,000
JALPAK	¥133,000	¥547,000	¥141,000	¥507,000
	(JL only)	(JL only)	(JL only)	(JL only)

Data source : TRAVELKO & subject change



REPORT OF ADK

Report by Mr. Hoshino:

- PR/Promotion
- InstaGuam Campaign
- Guam Treasure Hunting Promotion

GUAM

JMC Meeting – June

FY 18 Plan for Japan Market

GUAM

2018 Current and upcoming programs

July 17, 2018
ASATSU-DK INC.

ADK

PR : Past and Upcoming_ Jul.

GUAM





Program title: Sekail Migikataagari↑↑Ryokosha
TV station: TV Tokyo + TXN network (5 local TV stations)
Audience rate: Approx. 1.5 ～2.0 %
Number of viewable households: Approx. 39,846,000 household
Category: Travel Information Program
On Air: Every Saturday 23:55 p.m. – 24:20 p.m.
Ad Rate: 88,430 JPY/sec
Exposure: July 7th ,14th and 21th ,2018
Exposure Length: Approx. 22 minutes × 3 times

Ad Value: $213,747

ROI: 29.2 times



ADK

PR : Upcoming_ Jul.

GUAM



Media title: Non-Stop (TV Program)
TV station: CX + 19 local TV stations
Category: CX Variety Information Program
On air Time: 9:50am – 11:25 am
Length: 1.5 hours
Ad Rate: 3,560,000JPY/15sec.
Audience rate: Approx. 4 ～ 5 %
Number of viewable households: : Approx. 57,476,000 households
Exposure: Jul. 16 (National Holiday) TBD
Exposure Length: 30min.

Ad Value: $391,137.54

ROI: 152 times

ADK

PR : Upcoming_ Nov.

GUAM



Media Title: mamagirl (Magazine)
Circulation: 110,322
Target : F2, F3
Issue date Quarterly/November
Ad Rate: 4C1P \1,600,000
Exposure: Color, 4~6pages

Ad Value: $87,896.00

ROI: 19.2 times

ADK

PR: InstaGuam _CP Posted Photos

GUAM

GVG current SNS followers as of June 30, 2018
Instagram: 12,000 <= 0 (a year ago)
Facebook: 23,964 <= 8,700 (a year ago)



ADK

PR: InstaGuam Campaign Prize Application Result

GUAM

● As of June 24, 2018

		Instagram	Twitter	Facebook	Total
50,000 JPY JCB coupon	1/22-5/27	2091	25	25	2141
	5/28-6/3	55	0	0	55
	6/4-6/10	71	0	0	71
	6/11-6/17	78	1	0	79
	6/18-6/24	71	1	1	73
	Sub Total(①)	2366	27	26	2419
10,000 JPY JCB coupon	1/22-5/27	190	307	6	503
	5/28-6/3	2	11	0	13
	6/4-6/10	6	20	1	27
	6/11-6/17	2	8	1	11
	6/18-6/24	6	11	0	17
	Sub Total(②)	206	357	8	571
Total(①+②)		2572	384	34	2990

ADK

SP: 2018 Guam Treasure Hunting Promotion – 1 min. movie

GUAM



ADK

REPORT OF SUBCOMMITTEES

Treasure Hunting Campaign report by Mr. Akigami:

- Duration: July 1 through October 7
- Designated area at DFS for prize redemption
- 305 participants have claimed prizes at DFS to date
- Jeff Pleadwell from Jeff's Pirates Cove donated bandanas as prizes
- Summer period in Japan is approaching and air seats are filling up during this time. We look forward to more participants during summertime.

President Denight thanked the subcommittee, JMC members, and ADK for their work on this campaign.

OLD BUSINESS

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

- President Denight announced that the conference will be held at Dusit Thani.

NEW BUSINESS

K-Pop Concert in Guam report by President Denight:

- This concert will be a global promotion for Guam.
- The Korea team works with MBC TV station in Korea on an annual golf tournament featuring professional baseball players and professional female golfers. The event is aired on TV over the course of 12 episodes. This event usually generates about $30 million in media value.
- MBC suggested this K-Pop concert and the tentative date is December 1, 2018.
- The concert will feature 5 groups and the headliner will be Twice.
- Concept: free concert at Ypao Beach that will be filmed by MBC. MBC will produce a 90-minute special of the concert and air it in Korea at least 10 times. MBC will share the footage with their affiliates in other countries and will post it on YouTube for viewers across all source markets. The footage can also be used for future promotions for the different markets. The team will work with partners to sell packages for the concert.
- The budget is $1.5 million; cost to be split 50/50 by KMC and JMC (KMC has already given approval).

Mr. Debold expressed his concern that the concert might not be as beneficial to the Japan market as it will be to the Korea market, so perhaps the cost should be split with that in mind. Mr. Debold also mentioned that the AKB concert didn't deliver the results the committee was expecting. Chairman Nault shared that the team has been receiving positive feedback from the Japanese community because of the talent that will be featured and President Denight added that Twice is a more current group than AKB. Regarding budget, he stated a 50/50 split is fair since Twice has a large following in Japan.



Motion made by Mr. Debold and seconded by Mr. Lee to proceed with the K-Pop Concert in Guam with the budget of $750,000 from the Japan Market.

Note: Motion made under the condition that more information will be provided to the committee.

President Denight gave brief updates on the flood mitigation project and the homeless issue in Tumon.

ANNOUNCEMENTS

- GVB will be closed in observance of Liberation Day on Friday, July 20, 2018.
- Next JMC meeting will be on August 14, 2018 at 1:30pm.
- 2018 Guam Liberation Festival - July 11-22 at the Paseo de Susana Festival Village and the Guam Museum

ADJOURNMENT

Chairman Nault adjourned the meeting at 3:14pm.

Minutes prepared by: _____
Karida Brennan, Marketing Officer I

Minutes approved by: _____
Brian Borja, Marketing Officer II

Minutes approved by: _____
June Sugawara, Marketing Officer II