



## REGULAR BOARD OF DIRECTORS MEETING MINUTES

Monday, March 31, 2025, at 1:30 p.m.

GVB Conference Room and Teleconference - Zoom

<https://us02web.zoom.us/j/89090779984?pwd=aeGojojPvOMoNDxc4fVCdfQluBHngK.1>

Meeting ID: 890 9077 9984

Passcode: visitguam

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### I. CALL TO ORDER

- Chairman Chiu called the Board of Directors meeting to order at 1:34 pm.

### II. ROLL CALL

**In-person:** George Chiu, Jeff Jones, Nathan Denight, Milton Morinaga, Robert Hofmann, Michelle Merfalen, Michael Sgro, Ken Yanagisawa, Joanne Brown

**Online:** Joaquin Cook, Sonny Ada

- Chairman Chiu welcomed Senator Joanne Brown and former General Manager Nathan Denight.

### III. MINUTES OF THE PREVIOUS MEETING

**Director Jones made a motion, seconded by Director Hofmann, to approve the previous Board of Directors meeting minutes dated January 13 & 14, 2025, and February 6 & 19, 2025. Motion Approved.**

### IV. ACTION BY THE BOARD

#### Resolution Support

- The board discussed the resolution to support Bill 67-38 (COR), Its Effect on Operations at the A.B. Won Pat International Airport, and its Benefits to the People of Guam.
- The bill involves a fifty-year lease and a 15-year concession.
- Management submitted testimony in support of the measure.
- Discussion followed on whether the Board needed to take further action. It was agreed that management's support was sufficient, and no additional motion was required.
- Board members expressed general support for the bill's long-term investment potential.
- Director Brown emphasized the importance and need for a proper review of the bill's final version due to potentially controversial provisions.
- Concerns were raised about past vendor issues at the airport and the importance of safeguarding public interest in long-term contracts.

- Director Brown requested that the record reflect her caution regarding the bill's implications and called for a transparent and clean procurement process.

## **V. CHAIRMAN'S REPORT**

- Chairman Chiu formally welcomed Régine Biscoe Lee as the new President & CEO/General Manager of GVB.
- Acknowledgments were extended to the three new attendees at their first board meeting.
- The primary purpose of the meeting was to introduce the Recovery Committee and hear its updates.
- Governor Leon Guerrero requested the formation of the Recovery Committee to help accelerate Guam's tourism and economic recovery. Mr. Mark Baldyga chairs the committee.
- The committee has been meeting weekly and engaging stakeholders across the tourism sector.
- Chairman Chiu emphasized that the Recovery Committee report is for informational and public awareness.
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## **VI. MANAGEMENT'S REPORT**

- Régine Biscoe Lee, President and CEO, thanked the Board for its support and expressed enthusiasm about working with the team.
- She provided highlights from her first three weeks with the bureau, noting a fast-paced and productive start.

*The management report can be found on the GVB Website.*

### **February 2025 Tourism Arrival Data**

- Korea remains the top market, making up 49.7% of visitors.
- Total monthly arrivals were 60,122; approximately 44% of pre-COVID (2019) levels.

### **Visitor Arrivals (2025 YTD)**

- Approximately 300K visitors, still dominated by Korea, followed by Japan, the US, Hawaii, the Philippines, Taiwan, and other Asian markets.

### **Marketing and Community Programs**

- *Waterblasting & Paint month*
  - Launched in March with Sherwin-Williams and other partners to support tourism-related businesses.
- *High School Mural Contest*
  - Local schools are participating; winners will receive a cash award for their senior class.

### **Airline and Market Updates**

- Korean Air unveiled a new corporate identity.

- Sono Group acquired T'way Air and two golf clubs in Guam - operations began March 1, 2025.
- Airline co-op marketing promotions with Korean Air, Jin Air, Jeju Air, and T'way concluded successfully.

### **Upcoming Events & Promotions**

- Busan International Education & Career Fair (April 18 & 19)
- "Ko'ko Weekend" included a media conference (April 10), the kids' fun run and Japan Festival (April 12), half Marathon and Ekiden (April 13).
- New Philippine Office launched. Two hundred seventy-six travel agents and 15 media attended this event. GVB selected Enderun as the new marketing representative.

## **VII.REPORT OF THE BOARD COMMITTEES**

### **A. Executive Committee**

- Nothing to report.

### **B. Administration & Government**

**Director Yanagisawa made a motion, seconded by Director Denight, to approve the Resolution to add the new General Manager to the list of bank signatories. Motion Approved.**

**Description:** Discuss and approve a resolution to add the newly appointed General Manager to the authorized bank signatories.

**Director Yanagisawa made a motion, seconded by Director Sgro, to certify and approve the hiring of Régine Biscoe Lee as President and Chief Executive Officer / General Manager of the Guam Visitors Bureau. Motion Approved.**

### **C. Destination Management / Visitor Safety & Satisfaction**

- Updates included in the management's report.

### **D. Cultural Heritage & Community Outreach**

- Nothing to report

### **E. Research**

- Nothing to report

### **F. Sports & Events**

- Update provided in the management's report.

### **G. Japan**

- Japan Airlines currently operates daily flights to Guam.

### **H. Korea**

- Update in the management's report.

### **I. Taiwan**

- United Airlines will begin twice-weekly service from Taipei starting April 2.

- GVB staff, including Nadine and the marketing team, coordinated arrival activities.
- J. North America, Pacific, Philippines & New Markets
- Committee Update Report dated March 10, 2025.
- K. Membership
- A general membership meeting will be organized for a detailed presentation of the Recovery Plan.
- L. Recovery Committee

**Committee Chairman Mark Baldyga presented the following:**

- Discussed primary issues facing Guam's tourism industry, including product decline and poor market performance.
- Outlined plans for destination improvement, focusing on urgent cleanup, waterblasting, painting, repairs, and marketing strategies.
- Proposed standardizing colors for various infrastructure elements and discussed implementing a graffiti removal strategy.
- \$300K will be allocated for immediate improvements while longer-term plans, including road resurfacing, trash can installation, and private sector incentives, are developed.
- Emphasized the need for private businesses to participate in destination improvement and suggested implementing minimum maintenance standards.

*Korean Carriers Aviation Industry Challenges*

- Korean carriers face challenges due to the increase in landing fees and the need for additional seats in the market.
- Carriers generally fill their planes, but the addition of seats is needed. The goal is to achieve 50K seats a month, with a stretch goal of 55 K.
- Expert advice on airline incentives is needed, and there is potential to add up to 10K seats a month with an additional airline.

*Data-Driven Marketing Strategies*

- There is a need for a data-driven program to track spending and provide insights to members and management.
- Emphasized the importance of fresh research to change marketing strategies.
- Proposed rebranding and repositioning, focusing on unique selling points such as the culture and warmth of the CHamoru people.
- Suggested new products and campaigns, including a premium Guam campaign and a new attraction, "Coco Village," to be launched on Sundays with entertainment and activities.
  - Emphasized the need for a uniform look and feel and the potential for a phase 2 using hotbond funds.

*Tourism Recovery Plan*

- Need to focus on high-impact, value-for-money initiatives that directly improve tourism.
- Ideas proposed: park quality manager, improved public restrooms, and enhanced airport transportation.
- Highlighted the need for legislative support, particularly the hot bond.

- Monthly updates on Recovery Committee progress will be reported at future GVB meetings.
- GVB will explore the possibility of allocating \$10M from the HOT bond for mayors to invest in village tourism promotion.
- The Recovery Committee will analyze the debt service capacity for the HOT bond.
- GVB will work with GIAA to address high landing fees and airport-related costs.
- GVB will consider hiring a project manager to assist with executing the Recovery Plan.
- The Recovery Committee will analyze the cost-effectiveness of outsourcing versus in-house services for Destination Management.
- Director Cook, Vice Chairman, publicly thanked Mr. Baldyga and the Recovery Committee team (including Nadine and Dee) for their hard work.
- Noted that the committee has been meeting weekly and making significant progress behind the scenes.
- A more in-depth update is planned for the next GVB membership meeting.

#### VIII. OLD CORPORATION BUSINESS

- Mark Baldyga reported an update on the Recovery Committee's progress.

#### IX. OTHER BUSINESS

- None to report

#### X. AGENDA ITEMS FOR THE NEXT MEETING

- Appointment of Committee Chairs
- Election of the 12<sup>th</sup> board member

#### XI. ANNOUNCEMENTS

##### Upcoming Board Meetings:

- April 28, 2025


#### XII. ADJOURNMENT

**Director Hofmann made a motion, seconded by Director Jones, to adjourn the Board of Directors meeting at 2:50 p.m. Motion Approved.**




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Jeffrey Jones, Secretary of the Board of Directors




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Board Minutes respectively submitted by Valerie Sablan, Executive Assistant