



## REGULAR BOARD OF DIRECTORS MEETING MINUTES

Thursday, June 26, 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 meeting to order at 1:31 pm.

### II. ROLL CALL

**In-Person:** George Chiu, Jeff Jones, Milton Morinaga, Ho Eun, Robert Hofmann, Michelle Merfalen, Ken Yanagisawa, Joanne Brown

**Online:** Mike Sgro, Nathan Denight (1:30-2:01 pm)

**Absent:** Kin Cook

### III. MINUTES OF THE PREVIOUS MEETING

Director Hofmann made a motion, seconded by Director Jones, to approve the previous Board of Directors Meeting minutes dated May 22, 2025. **Motion Approved.**

### IV. ACTION BY THE BOARD

### V. CHAIRMAN'S REPORT

- The Chairman reordered the agenda to address housekeeping items first.

### VI. OLD CORPORATION BUSINESS

#### Appointment of Committee Chairs:

Director Jones made a motion, seconded by Director Hofmann, to reappoint the existing committee chairs as follows:

- Korea – Director Ho Eun
- Japan – Director Ken Yanagisawa
- Taiwan – Director Milton Morinaga, with the Philippines added to this committee assignment.

The North America Committee was assigned to Director Hofmann following the resignation of the previous committee chair. **Motion approved.**

**Election of Chairman of the Board:**

Director Hofmann made a motion, seconded by Director Ho, to nominate George Chiu to continue serving as Chairman of the Board. Chairman Chiu accepted the nomination. Hearing no further nominations, Director Hofmann moved to close nominations. The motion to close nominations was seconded and carried unanimously. A vote was then held, and George Chiu was elected to continue as Chairman of the board.

**Motion approved.**

**Election of Vice Chairman of the Board:**

Director Hofmann made a motion, seconded by Director Chiu, to nominate Joaquin Cook to continue serving as Vice Chairman of the Board. Hearing no further nominations, Director Hofmann moved to close nominations. The motion to close nominations was seconded and carried unanimously. A vote was then held, and Joaquin Cook was elected to continue as Vice Chairman of the board.

**Motion approved.**

**Election Secretary of the Board:**

Director Hofmann made a motion, seconded by Director Ho, to nominate Jeffrey Jones to continue serving as Secretary of the Board. Hearing no further nominations, Director Hofmann moved to close nominations. The motion to close nominations was seconded and carried unanimously. A vote was then held, and Jeffrey Jones was elected to continue as Secretary of the board. **Motion approved.**

- Chairman Chiu placed the election of the 12<sup>th</sup> board member on hold.

**Chairman's remarks:**

- Acknowledged the completion of 100 days under the new President's leadership.
- Expressed deep gratitude for her willingness to take on the role and described it as a thankless job.
- Praised her performance as fantastic, citing her international outreach and efforts to organize the bureau.
- Personally, gave her an "A" grade and encouraged her to continue the good work.
- Emphasized the importance of team support, noting she cannot do it alone.
- Thanked the team for their continued support and collaboration.

**Korea Market & Media Update:**

- Addressed negative press coverage related to known seat reductions from Korea.
- Clarified that the drop in Korea seats was anticipated and discussed internally.
- Thanked the GVB marketing team, Korea team, and Director of Korea Marketing for their efforts.
- Reported strong recovery: additional seats since June 1, performing with load factors over 90% in the first week.
- Announced Air Busan will be added, continued collaboration with Jin Air and Jeju Air.
- An estimated 1,000 additional seats are expected per day over the next month.
- Next paper done a good job working with our Guam team.
- Jay Park has done a great job.

**Resolution Presentation:**

- Recognized and thanked Senator Chris Duenas for joining us at the board meeting.
- Senator Duenas, on behalf of the 38<sup>th</sup> Guam Legislature, presented Resolution 57-38 (COR) sponsored by Senator Jesse Lujan, Relative to recognizing the month of May 2025 on the observance of "Tourism Month"; and commending the Guam Visitors

Bureau and those who serve in the visitor industry for their commitment and dedication to the development, improvement, and promotion of tourism to our island paradise Guam.

## **VII. MANAGEMENT'S REPORT**

- The Management Report can be found on the GVB website.

**Director Hofmann made a motion, seconded by Director Yanagisawa, to approve the request for RFP 2025-11 - the Integrated Marketing and Community Engagement. Motion Approved.**

### **Financial Report**

#### **Audit Finding – Related Party Transactions**

- Director Brown noted past allegations against board members, and it's unclear if they are true or what their status is.
- Emphasized the need to protect the board's credibility, especially given the public nature of these allegations.
- Raised concerns about transactions and stated that the board doesn't conduct transactions directly; the Guam Visitors Bureau does.
- There is concern about potential conflicts of interest if board members are involved in business dealings that could be represented at the table.
- Expressed the need for clear protocols; suggested that the Guam Visitors Bureau create a clear process for handling potential conflicts of interest to avoid compromising the board's credibility.
- It was emphasized that necessary clearances should be obtained before any transactions involving board members.
- She mentioned the importance of having a solid mechanism in place to ensure transparency and accountability.
- It is crucial to ensure that all necessary signatures are obtained to avoid compromising the board's credibility; once credibility is damaged, it can be challenging to regain trust.
- The GVB's infrastructure should be equipped to handle these concerns, as they manage contracts on the board's behalf.
- Chairman Chiu shared with board members that the Tourist Attraction Fund will be short \$ 5 million.
- Will attempt to secure additional funding for infrastructure improvements related to the HOT bond for destination development.

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

### **A. Executive Committee**

- Nothing to Report.

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

- Nothing to report.

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

- Nothing to report

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

- Liberation Day event – July 21

#### **E. Research**

- Nothing to report.

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

- Nothing to report.

#### **G. Japan**

- Director Yanagisawa mentioned that the committee is considering whether to continue with the current “Go Go Pay and Hāfa Adai Bonus, model, which seems to be working well.
- There was a suggestion that they could enhance this by adding value through another promotion.
- The Shop Guam initiative may serve as a valuable tool to support the upcoming campaign.
- Further discussions will be held in future meetings to explore how Shop Guam can be leveraged effectively.
- Need to determine the best timing for the winter promotion and how it can complement our current strategies.
- Suggestions for a full-time promotion were encouraged to optimize the outreach.
- An event related to Japan took place from June 10 to July 3, featuring a Yokai parade.
- Chairman Chiu would like to get the Japan Airlines numbers.
- Director Morinaga shared the following:
  - Senior Program**
    - There is an untapped market opportunity; seniors are not currently targeted in regional tourism, despite having strong disposable income.
    - The market already responds well to senior discounts.
    - Guam's advantage – Just 3.5 hours from Japan; a short, manageable flight compared to 6-8 hour routes elsewhere.
    - Proposed “Senior Travel Privilege Program” with faster immigration and dedicated lines.
    - It can boost positive perception, support independent senior travel, and tap into the growing demand for inclusive tourism.

#### **H. Korea**

Director Eun reported the following:

- Korea team is targeting senior travelers, similar to Japan, which presents a growing opportunity.
- 2024 vs 2025 tourism outlook:
  - The first five months of 2024 were not successful.
  - Even with a projected 35-36% increase from June to December, overall year-on-year growth is approximately 9%.
- Should maximize current flight availability.

- Korea marketing team may launch promotions to help boost travel.

#### **Visa complications for Korean travelers:**

- Korean visitors to Guam face confusing visa options: ESTA, Guam-CNMI visa waiver, or paid K-ETA.
- Processing delays (7-10+days) are common and can discourage last-minute travel. Many end up paying for expedited visa processing due to frustration.
- Recommended a push for a true visa waiver for Korean (and Japanese) travelers – no forms or pre-clearance required.
- This could be a game changer for tourism from both markets.
- President Lee met with U.S. Customs and Border Protection (CBP) during the D.C. trip.
  - Had promising initial discussions and made valuable contacts.
  - Will continue the dialogue to push the visa waiver issue forward.

#### **Visa challenges are global:**

- Not only is this a U.S. issue, but other countries also face similar complications.
  - Ex: China now offers a 10-day transit visa for U.S. passport holders.
    - No visa needed, but travelers must enter from one city and exit through another.
    - Not a true visa waiver, it is inconvenient and restrictive.
    - Transit-style policies create unnecessary barriers for tourism.

#### **I. Taiwan**

Director Morinaga reported the following:

- Business travelers from Taiwan, Korea, and Japan with valid visas can now apply for Global Entry, regardless of their nationality or passport type.
- Allows for faster entry into the U.S. without the need for paper forms.
- Easy access to appointments
  - There are no long wait times for Global Entry appointments; they're generally available.
- Could be a great incentive for business travelers to visit more frequently.
- Promotes ease of travel and avoids long lines at arrival.
- FYI for marketing and outreach: Useful info. To include in business travel promotions.

#### **J. North America, Pacific, Philippines & New Markets**

- Nothing to report.

#### **K. Membership**

- Nothing to report.

#### **L. Recovery Committee**

- The committee continues to work and is moving toward the HOT bonds.

## **IX. EXECUTIVE SESSION**

- None

## **X. OTHER BUSINESS**

### **UOG Collaboration with GVB – Creation of Visitors App**

#### **UOG Student App Framework**

- UOG students created a complete framework for an app (though not fully developed).
- Framework and documentation are complete and usable.
- Decide whether to develop in-house (a labor-intensive approach) or outsource.
- App could support education, cultural tourism, or event promotion.

#### **Shop Guam App Discussion**

- Director Yanagisawa mentioned revitalizing Shop Guam as part of Japan marketing efforts.
- The Shop Guam app already has industry buy-in and an existing user base.
- The discussion included the possibility of integrating elements from the student app.
- Noted that the student project and Shop Guam use different frameworks, so merging would require careful planning.

#### **Request for Further Review**

- Director Brown requested that President Lee review the student proposal more closely.
- Suggests meeting with Dr. Rivera (UOG) to fully understand the app's potential.
- Emphasized importance of community involvement in the app's future use.
- Highlighted the app's potential to go beyond shopping, events, activities, and real-time visitor information.

#### **Proposal Background**

- The proposal was initially submitted to GVB years ago but received no follow-up, possibly due to the pandemic.
- The group behind the proposal is now seeking feedback from GVB.

## **XI. AGENDA ITEMS FOR THE NEXT MEETING**

### **• Visitor Safety**

- It is a top priority, but current coverage is limited to Tumon and the Plaza.
- Concerns have been raised about recent safety incidents and the need for a broader presence island-wide.
- Director Brown proposes using any unallocated GVB funds to expand safety efforts.
- Consider coordinating with the Legislature or park rangers for support at popular locations.
- Aim is to provide visible safety support (e.g., officers or rangers) at key sites from 8:00 AM to 6:30 PM.
- Visitor comfort and perception of safety are essential to tourism promotion.

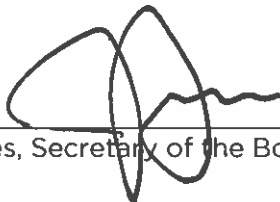
## **XII. ANNOUNCEMENTS**

### **Chairman Chiu announced the upcoming Board Meetings:**

- July 24, 2025
- August 28, 2025
- September 25, 2025

### **XIII.ADJOURNMENT**

Chairman Chiu adjourned the Board of Directors meeting at 2:56 pm.



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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