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HEADQUARTERS

GUAM VISITORS BUREAU
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BOARD OF DIRECTORS

George Chiu
Chairman of the Board

Joaquin Cook
Vice Chairman of the Board

Ho Eun
Treasurer of the Board

Jeff Jones
Secretary of the Board

Total of 13 Board of Directors
For more information go to
guamvisitorsbureau.com/about/board-of-directors

MANAGEMENT

Carl T.C. Gutierrez
President & CEO

Gerald (Gerry) S.A. Perez
Vice President

Rudd Gudmalin
Financial Controller

Nadine Leon Guerrero
Director of Global Marketing

Dina Rose Hernandez
Director of Destination

Nico A.C. Fujikawa
Director of Tourism Research & Strategic Planning

MISSION:

The mission of the **Guam Visitors Bureau** is to efficiently and effectively promote and develop Guam as a safe and satisfying destination for visitors and to derive maximum benefits for the people of Guam.



STRATEGIC GOALS:

- Maintaining visibility in our major source markets and communicating travel aspirations for Guam.
- Retooling the tourism business model by increasing the use of technology, up skilling human resources (HR) capabilities, and developing touchless experiences.
- Preparing for economic recovery by improving Guam's tourism physical plant and attractions, and eliminating or mitigating visual blight along the island's scenic corridors.

ABOUT US:

In 1983, Public Law 17-32 (The Guam Visitors Bureau Act) was enacted, reorganizing the Bureau as a public, nonprofit, membership corporation. Public Law 17-65 was passed in 1984, which established the Tourist Attraction Fund (TAF). Separate from the General Fund, the TAF is the source for the Bureau's budget. Funds in this account are derived from hotel occupancy taxes collected from room nights sold. The occupancy tax is currently assessed at 11 percent. Guam's tourism industry is considered to be the top economic contributor to Guam's economy that provides over 21,000 jobs in the local community, which is a third of Guam's workforce.

OUR DYNAMIC TEAM

DEPARTMENT	COUNT
DESTINATION DEVELOPMENT	24
FINANCE & ADMINISTRATION	13
MARKETING DEPARTMENT	15
TOURISM RESEARCH	5
TOTAL	57

OUR MEMBERS:

TYPE	2022	2021	2020
INDIVIDUAL	16	14	20
BUSINESS PARTNER	121	123	134
TOTAL	137	137	154

OUR VISION:

The Bureau's vision is for Guam to become a world-class destination of choice in a safe, clean, family-friendly environment set amidst a unique 4,000-year-old culture. The Bureau takes pride in "making Guam a better place to live, work and visit."



ANNUAL REPORTS SCAN ME!

More interesting statistics like Hotel Occupancy Collection, Visitor Profiles and specifics in each source market can be found in our comprehensive digital annual report at <https://www.guamvisitorsbureau.com/reports/annual-reports> - OR scan the QR CODE!



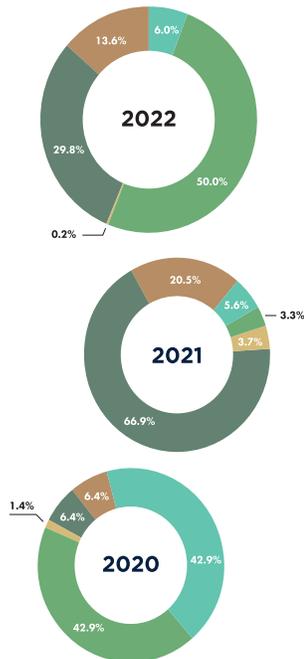
RESULTS FROM VISITOR SURVEYS

FISCAL YEAR ARRIVALS BY ORIGIN

AIR ARRIVALS	2021	2022	% CHANGE LY	VISITOR MIX
Japan	3,454	13,022	277.0%	6.0%
Korea	2,063	108,454	5,157.1%	50.0%
Taiwan	2,253	423	-81.2%	0.2%
China P.R.C.	124	416	235.5%	0.2%
U.S. Mainland	41,239	64,572	56.6%	29.8%
CNMI	3,178	12,625	297.3%	5.8%
Palau	314	1,779	466.6%	0.8%
FSM	2,486	3,345	34.6%	1.5%
RMI	49	166	238.8%	0.1%
Philippines	2,262	6,230	175.4%	2.9%
Australia	360	1,079	199.7%	0.5%
Europe	697	826	18.5%	0.4%
Hong Kong	31	125	303.2%	0.1%
Russia	67	63	-6.0%	0.0%
Singapore	914	562	-38.5%	0.3%
India	153	78	-49.0%	0.0%
Malaysia	25	68	172.0%	0.0%
Other/Unknown	1,014	2,095	106.6%	1.0%
Air Arrivals	60,683	215,928	255.8%	99.5%
Sea Arrivals	924	987	6.8%	0.5%
TOTAL ARRIVALS	61,607	216,915	252.1%	100.0%

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

VISITOR MIX



MARKETING PROJECTS:

JAPAN

Japan arrivals continues to be limited due to travel restrictions placed by the Japanese government. In response, GVB shifted marketing activities and focused on programs that raised awareness, promoting security, safety and shifting the brand image for Guam to Free Independent Travelers (FIT) and online bookings.



GVB also focused on utilizing creative campaigns such as the #HereWeGuam branding and new marketing platforms such as TikTok to strengthen women and Gen Z travel-related marketing activities.

SOUTH KOREA

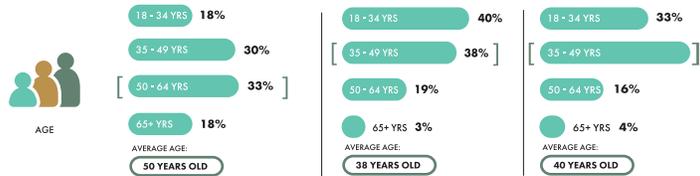
South Korea continues to be the strongest visitor market, accounting for 50% of all visitor arrivals for FY2022. GVB capitalized on the market interest by launching marketing promotions such as the #GuamAgain campaign through powerful media platforms and effectively targeted focus groups by distributing advertisements.

GVB also launched the Tasty Guys crew, a popular show Korean show, where Guam was featured as a gourmet-food destination by showcasing the island's best restaurants, unique cuisine and tourist attractions.

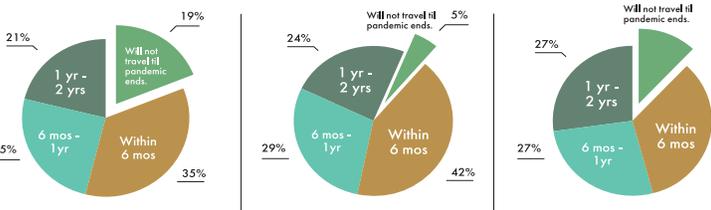


showcasing the island's best restaurants, unique cuisine and tourist attractions.

VISITOR PROFILE



When, if at all, do you intend to take an international trip for vacation purposes outside of your country to Guam?



When considering a destination to visit, how important are each of the following in your decision of where to go?



Source: May 2022 Market Insights Profile

DESTINATION PROJECTS

GVB continue to invest in programs to enhance visitor experience and improve the quality of life for island residents, acknowledging the importance of keeping Guam a safe island. These programs involved improving tourism attractions, providing safety and ensuring satisfaction.



In FY2022, GVB continued its Visitor Safety Officer program to provide safety along Tumon and deter crime. GVB also invest in the upkeep and maintenance of beaches and infrastructure along Tumon.

REVENUES:

Continued recovery of Guam’s tourism economy attributed to an increase in GVB’s total revenue, from \$5.4M in FY 2021 to \$21.5M in FY 2022. A significant portion of GVB’s revenues are derived from government appropriations, which increased by 178%, from \$5.3M in FY 2021 to \$14.5M in FY 2022. The Government of Guam tax collections benefited from the lifting of travel restrictions from key market sources and steady increase tourism arrivals on island. This allowed the Legislature to appropriate more funds to GVB as it continues efforts on the recovery of Guam’s tourism economy. In addition, GVB received federal funds from the Coronavirus State and Local Fiscal Recovery Fund, resulting to an increase in federal grant revenues from \$436K in FY 2021 to \$5.9M in FY 2022.

Other notable increases in revenue are shown as operating revenues and non-operating revenues. Operating revenues increased from \$139K in FY 2021 to \$281.5K in FY 2022, an increase of 102%. These revenues are derived from consumption tax refunds and other income in the form of sponsorships, in-kind donations, and membership dues. The increase in operating revenues is largely attributed to a \$70K, or 123%, increase in consumption tax refund which GVB receives from the Japanese treasury on certain marketing expenditures incurred in Japan. These non-operating revenues include grants-in-aid, federal contributions, in-kind contributions, and interest income.

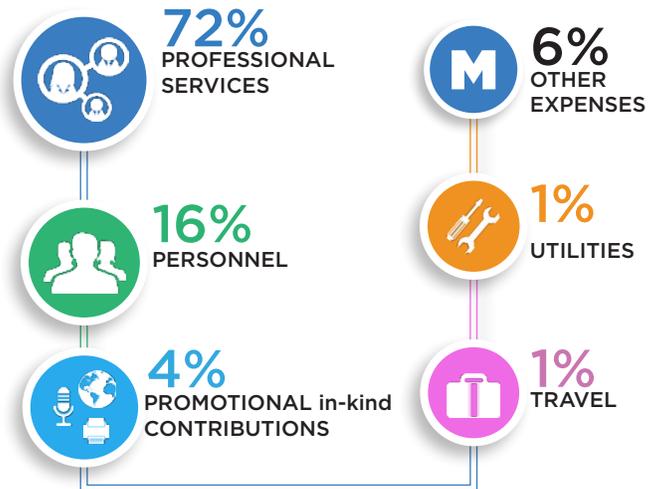
Revenue	FY21	FY22
TAF Appropriation	\$5,324,249	\$14,528,287
Federal Grants	\$436,028	\$5,919,554
Operating Revenues	\$139,299	\$281,459
Non-operating revenue	\$(447,415)	\$744,193
Total Revenue	\$5,452,161	\$ 21,473,493

EXPENSES:

In FY2022, GVB concentrated 72% of its expenses on marketing initiatives and destination development projects, which are recorded as professional services in the financial statements. The necessary investment to these projects aimed to revitalize Guam’s tourism economy and prepare the island for the resumption of international travel. These projects included raising awareness through various media platforms, digital campaigns, and engagement in tourism fairs across Japan, South Korea and Taiwan. Additionally, GVB initiated projects involving improvements and maintenance of popular tourism sites. GVB is confident that the investment made will result in an upward trajectory for both visitors and island residents.

Expenses	FY21	FY22
Professional Services	\$3,909,894	\$14,640,836
Personnel	\$3,158,025	\$3,165,812
Promotional in-kind contributions	\$70,121	\$802,368
Travel	\$14,764	\$226,906
Utilities	\$125,778	\$117,711
Other Expenses	\$1,044,611	\$1,457,156
Total Expenses	\$8,323,193	\$20,410,789

FY2022 EXPENSES



The Bureau continues to demonstrate fiscal accountability by receiving another unmodified (clean) audit for FY 2022. The Bureau also underwent a federal grant audit which also resulted to a clean audit.

The audit noted process improvements for the completeness of disclosure for related parties, reconciliation of receivables from Gov. Guam, board approvals and eligible use categories for federal grant activities. The Bureau has since taken steps to remedy the findings and improve its internal controls.



SCAN THESE QR CODES with your mobile phone for details on the CLEAN AUDIT OPINION.





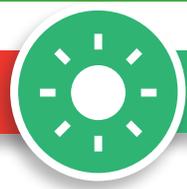
CHALLENGES

CHALLENGES

GVB recognizes the following challenges in its ongoing efforts to restoring Guam’s pre-pandemic tourism arrivals. The largest challenges are the rising cost of airfare from Japan and reduction in flight availability from Japan, Korea and Taiwan. While Korean carriers will expand the frequency of flights, GVB is engaging in discussions to offer flights with low-cost carriers from Japan and Taiwan. Other challenges include macroeconomic factors such as global inflation. GVB continues its work to decrease the impact of these issues by investing on marketing campaigns and enhancing tourism safety and experience.

CHALLENGES IN RESTORING TOURISM

- 1) WEAK YEN (150) AND RISING COST OF JAPANESE AIRFARE
- 2) REDUCED NO. OF FLIGHTS FROM JAPAN, KOREA AND TAIWAN
- 3) GLOBAL INFLATION
- 4) IMPROVEMENT OF VISITOR SAFETY AND SATISFACTION



FUTURE OUTLOOK

ONE VILLAGE, ONE ATTRACTION PROJECT

The Bureau has allocated the remainder of its federal grant, approximately \$14.5M, to the One Village, One Attraction project. The project aims to develop an immersive destination environment that encourages the preservation of the CHamoru culture through education, technology, entertainment and activities.



DEVELOPMENT OF STREET LIGHTS



To enhance safety for tourist and local residents, the Bureau initiated pilot projects to improve streetlights along Tumon. The lights are solar-powered and will be funded by the Hotel Occupancy Tax (HOT) bond.

RETURN OF TOURISM ON GUAM



As travel restrictions are lifted across Asia, estimated tourism arrivals for the following fiscal year is 650k, or 40% of pre-pandemic levels. This will bring much needed boost of the island’s economy. Unfortunately, Typhoon Mawar left Guam -5% short of the forecast.



WE WANT TO HEAR FROM YOU! (671) 646-5278/9
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