



December 7, 2022

Board of Directors  
Hawaii Tourism Authority  
1801 Kalakaua Avenue, First Floor  
Honolulu, HI 96815

**Subject: Testimony regarding RFP 22-01 Hawai'i Tourism Destination Brand Marketing and Management Services for the U.S. Major Market Area**

Dear Board of Directors,

Thank you for your consideration of my testimony related to the RFP 22-01 Hawai'i Tourism Destination Brand Marketing and Management Services for the U.S. Major Market Area.

My company KHON has been serving the State of Hawaii for 70 years, and I have had the honor of working as Vice President and General Manager for the last 10 of these 70 years. Our company has evolved greatly, and especially under our current ownership, Nexstar Media Group. Nexstar Media Group is the largest television and media company in the U.S., with 200 broadcast stations and a dominant digital media operation. However, we operate in Hawaii as a local business, serving the needs of our community, our employees, and our advertisers.

During the pandemic I was extremely concerned about the impact of Covid on Hawaii's tourism industry and our entire economy. At that time, KHON was struggling along with many other Hawaii based businesses. We have 107 local employees here at KHON, and I wanted to make sure that I was doing everything I could to serve the community and generate revenue to ensure that we could retain our staff and continue to do the work which was needed by our residents here in the State. I wanted KHON to help and be part of the positive solution in bringing tourism back, by using our company's tremendous resources.

In October of 2021, my team partnered with CNHA to utilize our collective resources, skills, and human capital to present a proposal which would address the goals and objectives identified in the RFP for HTA Destination Brand Marketing and Management Services, and support the HTA Strategic Plan. Unfortunately, the first RFP process had some serious flaws which resulted in a cancellation of the contract due to a valid protest. The new/updated RFP was later issued on April 15, 2022. After additional collaboration and teamwork, we presented the updated proposal and ultimately, our team under CNHA was awarded the contract on June 2, 2022.

Now, the State of Hawaii is rescinding the Award and cancelling the RFP claiming "that it is no longer in the best interest of the State of Hawaii to have one single contract to support both Marketing and Destination Management."



**This is unlawful due to the following reasons:**

- 1) Statute does not allow an RFP to be cancelled due to a change in criteria after an award is issued.
- 2) Statute does not allow the rescinding of an Award due to a change in Criteria.
- 3) Former DBEDT Director is unilaterally changing the criteria of the RFP, yet he is not using the HTA Strategic Plan to guide this decision. In addition, he is not taking feedback/guidance from the HTA Board.
- 4) The decision and requirements of the RFP should come from HTA, not DBEDT. HTA is the organization responsible for Hawaii tourism and the decision to change the RFP should have come from them prior to the new updated RFP being released on April 15, 2022.

KHON/Nexstar, CNHA, and all of our partners have followed all of the State of Hawaii rules. We have done our part in answering the RFP. We were named as the vendor who could best achieve the goals and objectives identified in the RFP. We scored higher than our competition during the judging and have done everything possible to put the needs of the State of Hawaii first. We have waited patiently for a resolution, and it seems that the rules keep changing to accommodate HVCB, who has lost the award. Furthermore, their expired contract continues to get extended well beyond the 5-year limit, while we continue to wait.

Now as we approach 2023, the tourism industry is more important than ever before in rebuilding our economy. The local sentiment towards tourism is also worse than ever before. Our group has presented a solution which addresses the goals outlined in the Strategic Plan and in the RFP. We want to work, and we want to make a difference and create real solutions to help elevate the State of Hawaii, and move us forward. We have brought together key business leaders who are experts in the industry and will continue to drive the branding message to support our #1 industry and manage our natural resources to protect and preserve Hawaii and do it the right way. I am confident that our plan to support the HTA Strategic Plan and create the ultimate regenerative tourism model will enhance the visitor experience and improve the resident lifestyle.

Lastly, on behalf of Nexstar Media Group, we support CNHA's award. We intend to protect our rights and use all of our collective resources to ensure that our group is treated fairly. It is time for change and time to work together to support our residents, our tourism industry, and the future of the State of Hawaii.

With Respect and Aloha,

Kristina Lockwood  
Vice President and General Manager