



REGULAR BOARD MEETING
HAWAII TOURISM AUTHORITY
Friday, September 23, 2016
Hawai'i Convention Center
1801 Kalākaua Avenue, Honolulu, Hawai'i 96815

MINUTES OF REGULAR BOARD MEETING

MEMBERS PRESENT: Rick Fried (Chair), Jack Corteway, Sean P. Dee, Gerald De Mello, George Kam, Ku'uipo Kumukahi, Denise Hayashi Yamaguchi

MEMBER NOT PRESENT: Fred Atkins, Donna Domingo, David Rae, Craig Nakamura, Lorrie Stone

HTA STAFF PRESENT: George Szigeti, Randy Baldemor, Marc Togashi, Leslie Dance, Daniel Nahoopii, Charlene Chan, Laci Goshi, Jadie Goo, Kalani Kaanaana, Caroline Anderson, Jennifer Chun, Lawrence Liu, Minh-Chau Chun, Ronald Rodriguez, Chris Sadayasu, Chika Miyauchi, Carole Hagihara, Denise Kahalekulu, Noriko Sloan, Vengie Talaro

GUESTS: Hawai'i Tourism Europe: Amanda Hills Balfour, Sabrina Hasenbein; Hawai'i Tourism Korea: Irene Lee; Hawai'i Tourism Oceania: Darragh Walshe, Kerri Anderson; Hawai'i Tourism Japan: Eric Takahata; Hawai'i Visitors & Convention Bureau: John Monahan, Jay Talwar; Hawai'i Southeast Asia: Kelvin Ong; Hawai'i Tourism Taiwan: Andrew Koh; Hawai'i Tourism Hong Kong: Yvonne Ma; Hawai'i Tourism China: Reene Ho Phang; Hawai'i Tourism Canada: Susan Webb, John Marraffino

LEGAL COUNSEL: Gregg Kinkley

1. Call to Order and Pule

Presiding Officer Rick Fried called the meeting to order at 9:30 a.m. Mr. Fried acknowledged Mr. Kaanaana, who offered a pule as HTA moves forward to the Hawai'i Tourism Conference. He also noted the beginning of the Aloha Festival activities and a floral parade on Saturday.

2. Approval of the Minutes of the August 25, 2016 Board Meeting

Mr. Corteway moved to approve the minutes of the Board meeting held on August 25, 2016. Mr. Dee seconded the motion, which was unanimously approved by all the members present.

3. Review of Recent and Upcoming Permitted Interactions

There was no report of any permitted interaction by a Board member.

4. Report of the CEO Relating to HTA's Programs

Mr. Szigeti referred to the Report of the CEO included in the board packet previously distributed to the Board. He introduced Carole Haghara as HTA's Executive Administrator. He noted the prior distribution of the CEO Report to the Board members. He returned last week after visiting industry partners and government officials in the Oceania market area. He reported that visitor arrivals in July were at an "all time high" and all other visitor market measures reflect an upward trend. He expressed "kudos" to the HTA team for "weathering the storm" by preparing for all contingencies when Hawai'i experienced its recent adverse weather conditions. The IUCN conference was well attended with over 10,000 attendees. It also offered an opportunity for Hawai'i to showcase itself as being able to conduct a worldwide event. He noted his speaking engagements at the Maui Hotel and Lodging Association and the Japan/Hawai'i Friendship Association.

Mr. Szigeti expressed appreciation to the HTA "team" for its work on the Hawai'i Tourism Conference. He is expecting attendance to be doubled from previous years. There will be 62 trade partners from China and approximately 100 local Japan representatives attending the Conference.

5. Presentation and Discussion of Market Insights and Current Market Conditions

Mr. Nahoopii referred to the research reports, which were previously distributed to the Board members, entitled "Market Insights-July 2016." The monthly research reports provide current data on the key performance indicators HTA uses to measure success and help to gauge if HTA is successfully attaining its goals. Additional information may be viewed on the Board's "online portal." He reported that through the first seven months of 2016, total visitor arrivals and expenditures exceeded the monthly totals for the same time last year by 2.5% and 2.9%, respectively. The month of July was the best month ever on record for visitor arrivals (835,417 visitors). Total visitor expenditures increased in July 2016 by 1.5% as compared to July 2015.

He noted, however, that “expenditures are a concern” because it is “not as strong as we would like it to be.” The hotel’s average daily rate is “growing slower than the past” and “hope that expenditures will come from other sources.” Finally, he reported additional research information, studies, and reports would be discussed at the upcoming Hawaii Tourism Conference.

Mr. Dee referred to the “fact sheets” for each major market area that were in the board folder previously distributed to the Board. He stated it was a “great reference point.” He also asked whether the monthly transient accommodations tax (“TAT”) revenue collections were available. Mr. Nahoopii responded that he reports the TAT collections on a “quarterly basis” and the Department of Taxation reports collections on a monthly lag. He also noted that within HTA’s monthly financial reports, the monthly TAT collections are also reported to the Board.

6. Presentation and Discussion and Approval of HTA’s Financial Reports

Mr. Togashi presented for Board approval the HTA’s financial statements as of July 31, 2016. He reported that following the close of the fiscal year, there was “not much activity in July.”

Mr. Corteway made a motion to approve the HTA’s financial statements as of July 31, 2016. Mr. Dee seconded the motion, which was unanimously approved by all the Board members present.

7. Presentation of the Global Marketing Team’s 2017 Brand Management Plans, Including Strategies, Key Activities, Target Audiences, and Key Performance Indicators

Mr. Baldemor noted the presence of the various marketing representatives in HTA’s global marketing team and that their respective presentations will require a discussion in executive session.

Ms. Kumukahi made a motion to discuss the global marketing team’s presentation in executive session. Mr. Kam seconded the motion, which was unanimously approved by all the Board members present.

The meeting was recessed for an executive session at 9:55 a.m.

The meeting was reconvened at 10:13 a.m.

Mr. Fried noted that information being presented by representatives of HTA’s global marketing team must be kept confidential to protect Hawai‘i’s competitive advantage as a visitor destination. He also expressed a need for the presence of all the representatives to be present during the executive session.

Mr. Kam made a motion to discuss information presented by representatives of the global marketing team in executive session that must be kept confidential to protect Hawai‘i’s competitive advantage as a visitor destination under section 201B-4(a), HRS. Mr. Corteway

seconded the motion, which was unanimously approved by all the Board members present. Mr. Kinkley reminded the Board members that only confidential competitive information could be discussed in executive session.

The meeting was recessed for an executive session at 10:14 a.m.

The meeting was reconvened at 12:38 p.m.

8. Adjournment

The meeting was adjourned by consensus at 12:39 p.m.

Respectfully submitted,



Winfred Pong
Recorder