



**BRANDING STANDING COMMITTEE MEETING  
HAWAII TOURISM AUTHORITY  
Wednesday, April 27, 2022, at 2:30 p.m.**

**Virtual Meeting**

**MINUTES OF THE BRANDING STANDING COMMITTEE MEETING**

**MEMBERS PRESENT:**

Fred Atkins (Chair), Dylan Ching (Vice-Chair), David Arakawa, Keone Downing, George Kam, Sherry Menor-McNamara, Kyoko Kimura, Sig Zane

**MEMBER NOT PRESENT:**

Ben Rafter

**HTA STAFF PRESENT:**

Keith Regan, Kalani Ka'anā'anā, Marc Togashi, Maka Casson-Fisher, Ross Willkom, Carole Hagihara, Iwalani Kahoohanohano, Ilihia Gionson, Jadie Goo, Laci Goshi, Dede Howa, Bryant Yabui, Todd Toguchi, Yvonne Lam

**GUESTS:**

Sean Aczon, Ross Birch, Maile Brown, Maile Carvalho, Caitlin Cho, Gina Chun, Jennifer Chun, Minh Chau Chun, Sherry Duong, Jeffrey Eslinger, Lei-Ann Field, Heidi Fujimoto, Kara Imai, Ayako Ishiwari, Sue Kanoho, Nathan Kam, Erin Khan, Susie Kim, Donna Kimura, Jennifer Kwag, Irene Lee, John Monahan, Darlene Morikawa, Karen Wataru Nakaoka, Barbara Okamoto, Teri Orton, Kimiko Quan, John Reyes, Allison Schaefer, Noelani Schilling-Wheeler, Dennis Suo, Eric Takahata, Jay Talwar, Luke Teramoto, Pris Texeira, Mitsue Varley, Co Vavul, Glenn Wakai, John White, Mike

White, Alexander Wong, Marisa Wong,  
Liam Yoon

**LEGAL COUNSEL:**

Gregg Kinkley

**1. Call to Order and Pule**

Mr. Casson-Fisher did the opening Pule. Chair Atkins called the meeting to order at 2:31p.m. Mr. Casson-Fisher did roll call. All the members confirmed attendance and that they were alone. Mr. Rafter was excused from the meeting.

Mr. Casson-Fisher confirmed they had presenters and special guests attending - Managing Director, Eric Takahata from Hawai'i Tourism Japan, Gina Chun, Senior Director of Advertising and Marketing Program from Hawai'i Tourism U.S. office, John Reyes, senior VP and Chief MCI sales officer from the Meet Hawai'i team, and Teri Orton, the Hawai'i Convention Center General Manager. There were no legislators online.

**2. Approval of Minutes of the March 30, 2022, Branding Standing Committee Meeting**

Chair Atkins asked for a motion to approve the minutes. Ms. Kimura made a motion, and Mr. Ching seconded. Mr. Casson-Fisher did roll call and the motion passed unanimously.

**3. Update by Chief Brand Officer Kalani Ka'anā'anā on HTA RFP NO. 22-01-HTA Hawai'i Destination Brand Marketing & Management Services for the United States Major Market Area**

Mr. Ka'anā'anā said one of their more important contracts is the U.S. major market area. HTA released the RFP 2022-01. He said anyone can view the RFPs on the Hawai'i Notices and Data Systems (HANDS) website, and the main points of contact are Mr. Regan and Tracey Fermahin.

Mr. Ka'anā'anā went through the relevant dates on the slide. The RFP was released on April 15. The pre-proposal conference was held on April 20. The intent to apply deadline was on April 22. He said they received over eight intents to submit as of April 22. The written questions deadline is on April 27. Staff would have to respond to the questions by May 3. The most important date is the final proposal due date is no later than 4:30 p.m. by May 17, Hawai'i standard time. The start of the contract would be June 30, 2022, and end on December 31, 2024, with the option to extend for two years, ending December 31, 2026.

Chair Atkins asked if there were questions, but there were none. Chair Atkins asked what the holding over period is. Mr. Ka'anā'anā deferred to Mr. Regan for the answer on the procurement timeline for protest. Mr. Regan said it should be five to seven days.

There were no questions or testimony from the public. Mr. Casson-Fisher recognized that Senator Wakai joined the meeting online. Chair Atkins thanked Senator Wakai for joining.

#### **4. Presentation, Discussion and/or Action on Approving Hawai'i Tourism Japan to Fully Implement it's 2022 Brand Marketing & Management Plan Effective May 1, 2022**

Mr. Ka'anā'anā said the ask on this agenda item would be to approve Hawai'i Tourism Japan to fully implement their BMMP, moving to green, effective May 1, 2022. There had been several reasons prompting this recommendation from the staff to the Board. He said Mr. Takahata would outline the reasons and turned the floor over to Mr. Takahata.

Mr. Takahata spoke about the current Japanese economic conditions. There are about 49.2% of the population had completed booster shots, and 79.9% are fully vaccinated (2 shots) as of April 20. Economic trend continued positive movement in goods consumption. GDP growth for 2022 is projected at 2.1%. Go-To-Travel will resume for domestic travel, post-Golden Week holiday in May 2022. Go-To-Travel is a government subsidized initiative to stimulate travel, first domestically, then internationally. The Consumer Confidence index has been the highest in the past five years. "Travel" and "car & motorcycles" have increased compared to previous months. This indicates that consumers are consciously planning for long-haul travel.

The exchange rate went as high as 129 yen, dropping to 127 yen recently. He reported that HTJ is aware of this, and in constant communication with the travel industry airlines. The travel industry does not see the current spike in the exchange rate a major impediment to Japanese travel returning. This is due to the overall pent-up demand and the yen exchange rate being less concerned.

The current conditions in the travel industry are as follows: Easing of border restrictions - On April 1, the Ministry of Foreign Affairs of Japan (MOFA) eased travel advisory to the U.S. from Level 3 to Level 2. This is a major step for Japanese travel agencies to start selling package tours. He mentioned the difference between package tours and Free Independent Travelers (FIT) segment. On average, package tours supply about 55% of the traffic from Japan to Hawai'i, and the FIT market is 45% - 50%. From April 10, The Japanese Government increased the entry capacity into Japan from international travel to 10,000, where it was 7,500 previously. The cap number is tied to their capacity to be able to test for COVID at the cost of the Japanese Government. The cap

should be lifted soon. The travel industry has said the number will get lifted. There are major organizations in Japan pushing for this. Once the cap is lifted there should be a move to significant pre-pandemic travel back from Japan. The oil surcharge is what is concerning, mainly tied to what is happening with Russia's invasion of Ukraine. What is projected to be the oil surcharge fuel surcharge for air tickets or air travel, is about \$390 extra on top of the ticket price for Japanese travel from Japan, in June.

Mr. Takahata spoke about the four major airlines servicing Japan to Hawai'i. Direct flights are ANA, Hawaiian Airlines, Japan Airlines (JAL), and ZIPAIR. He showed the flight and seat schedule from April 2022 into July 2022. The flights are ramping up. The discrepancy with April having 81 flights, and May having 79 flights is due to Golden Week, which starts in April 2022. They added a few more flights in April to accommodate the forecasted Golden Week traffic. After May, the flights trend up. The update for June 2022 and July 2022 seat count will be available later.

Mr. Takahata showed a roadmap from the Japan Association of Travel Agencies (JATA), the voice of the industry. They report directly to the Minister of Tourism. The roadmap showed airlines and travel companies who are members of JATA. He spoke about the border controls being a major impediment to travel.

Mr. Takahata reiterated the 10,000 per day inbound cap into Japan. He said JATA is forecasting that those border restrictions will be either eliminated or vastly reduced. When that count number goes up, there will be more travel back and forth from Japan to Hawai'i. JATA also has their activities planned to ramp up, moving into the summer and the end of 2022.

Mr. Takahata spoke about major initiatives that Hawai'i Tourism Japan (HTJ) is looking to accomplish in 2022. He reiterated the importance of mālama for Japan. It is a concept that is very welcomed by the Japanese consumer, and is understood by the Japanese consumer. It helps HTJ communicate the message to the Japanese market.

Mr. Takahata spoke about the four pillars - Natural Resources, Hawaiian Culture, the Community, and Brand Marketing. He said the concept of mālama is HTJ's platform to get all of this done. The Japanese words for mālama, omoiyaru and itawaru, carry a literal and a value meaning, and it makes connection with the Japanese market. He said they will continue with the promotion and the advertising of this mālama value in the newspaper and digital platforms. He mentioned they recently signed an agreement with a big influencer on digital media, but he could not disclose who it was, until the press release came out. The influencer came to Hawai'i and fell in love with Hawai'i and the messaging of mālama. She will help get the mālama message out to the Japanese public.

Mr. Takahata said their marketing initiatives would continue on social media. HTJ is getting into education. He spoke about the Gakken, much like the Scholastic Publishing. They have a partnership with the company and publisher who will help HTJ publish a Mālama series of books that will be placed in educational institutions, like school libraries. This series is a multi-year project and will attempt to reach from elementary education up to high school. February is the 'Ōlelo Hawai'i month; they will continue with the 'Ōlelo Hawai'i education which was successful for them. This is another angle for HTJ to speak about Hawai'i. He said HTJ is going to pay more attention to moving forward on community events support, events such as the Honolulu Festival, Pan-pacific Festival and the Okinawan Festival. HTJ sees many opportunities to engage the Hawai'i resident community and tie them closer to the Japanese visitor community. He said they want to increase or change how they do their PR and promotion for those community events.

Mr. Takahata spoke about more travel industry collaboration, creating tour packages with the travel agencies, for the Japanese to be able to participate in these events. He spoke about Okinawa Festival where they have the opportunity to promote Hawai'i Made Products. He said they will also have Hōkūle'a on display at some point. They anticipated a lot of local Okinawa's participation of this festival.

Mr. Takahata said they are looking to capitalize on golf because of the pent-up demand. He said there are opportunities for the niche golf market, especially for neighbor islands. There is a golf community in Japan that is willing to pay considerably higher ADRs on the neighbor islands as well as the green fees. He said they are working with the publications and golf media to create packages and get the market going.

Mr. Takahata said media relations would continue, and they will do press tours and continue their PR initiatives using Mālama Hawai'i as the platform. He said they have several projects in the pipeline with mālama as the base. Event marketing will continue. It is growing and becoming more in-person. In the cities they have in-person Hawai'i events. He said the events are great because a lot of them promote Made in Hawai'i Products. It gives them an extra opportunity to tell the Hawai'i story through Made in Hawai'i Products. He said they were working closely with DBEDT to do this. They are seeking an even closer working relationship with DBEDT to achieve their goals.

Mr. Takahata spoke about event marketing for the Hōkūle'a Project with Moananuiākea, which will be screened in Japan, in the fall and winter. He showed the cities where they will be screening the film. The translation into Japanese has also been completed. They will have PR events surrounding the screenings in the various cities. He mentioned Travel Trade Initiatives, supplying them 55% of their market, and said it is important to re-engage them in a way that they will produce as many customers as they can, to recover. Media ties up with the travel trade. He

mentioned the Tourism Expo, big travel shows in Japan, and showed those dates. It is a hybrid B2B and B2C event. He said every other destination would have a presence there, and they are planning to have booths with Hawai'i presence at the trade show.

He said partner collaborations would continue to foster, and they need to strengthen in various areas. He spoke about B2B workshops/the Mahalo Receptions, hallmark type of events they had in the past. The industry told HTJ they must get it back up and running as soon as possible.

For the Government Relations: HTJ will be assisting in a Government Delegation led by Governor Ige to Japan in May 2022. This is in direct response to Japan's initiatives for Hawai'i. HTJ had the Japan Association of Travel Agents come in earlier in April. They brought a delegation of their top executives to meet with government officials and HTJ's stakeholders, to get everybody ready for the return of the Japanese market. They are meeting with parliament members from the Japanese government the following day. He said there is a Governor led delegation in May, an initiative to help tourism return for Japan. HTJ will be talking and visiting with their government, the top stakeholders in the travel industry, and cover some economic development and renewable energy initiatives that the governor has. Mr. Takahata showed their budget. The annual budget was \$9 million. After what was expended, they were left with \$7.6 million in the remaining budget. He said that was the proposed allocation for the budget, and the industry and market is moving towards recovery, and they must move on to push Q3, Q4 and Q1 bookings.

Ms. Kimura asked if the lift of the 10,000 caps would happen in June 2022. As indicated by the airlines and travel companies, Mr. Takahata said it would probably be later in summer, hopefully in July. He showed the roadmap and said international travel resumed in late April/May 2022.

Ms. Kimura asked if the PCR testing before returning to Japan would be lifted. Mr. Takahata said the industry anticipates that. He said they hope to move the testing over to an antigen test, which will bring the cost of testing down.

Ms. Kimura asked about Go-To-Travel, how long it will carry on, and how much it will impact travel to Hawai'i.

Mr. Takahata said they spoke to the Japanese government about possibly extending out to international travel for Go-To-Travel. Still, they will not do this, as it is focused on domestic travel. He answered Ms. Kimura's question about Go-To-Travel helps HTJ. He said it helps get the travel psyche back into the general public for Japan. For the U.S., they domestically started traveling in-country. The next step is to travel out of the country or internationally. The industry partners say that it is a very positive step for them. Although the funding is directly tied to domestic, it does

open up the Japanese mentality and the Japanese psyche back to travel. It is a good initiative to get travel back, first and foremost, in people's minds.

Ms. Kimura asked about the golf initiative targeted to neighbor islands, and if there are any other initiatives where HTJ will stimulate more neighbor island travel. Mr. Takahata said they are starting with golf because the numbers on the neighbor islands, as far as occupancy, are significantly more than just coming to O'ahu. He said they want to grow this out to other initiatives as the market normalizes, but initially, HTJ wants to take advantage of this for the neighbor island's pent-up demand.

Ms. Kimura said the resident sentiment is that it is all U.S. market, and people want to replace that with the Japan market. She asked about the locations of the in-person events and mentioned the four major cities. Although Hokaido, Hiroshima and Okinawa are not as large, she asked if HTJ is picking those as a Sister City Relation Initiative. Mr. Takahata confirmed that as correct. He said it is the anniversary year for the sister cities. Ms. Kimura asked if HTJ is working with DBEDT and Senator Taniguchi, and Mr. Takahata confirmed it.

Ms. Menor-McNamara asked about the roadmap for the overseas travel resumption slide. She mentioned a minor correction under the infectious disease, the domestic situation should be lowering from Level 2 to Level 5, but Mr. Takahata said he would check on this.

Ms. Menor-McNamara asked if there will be a temperature check for the elections, as COVID cases have increased, or what they have planned to prevent the spread of COVID. Mr. Takahata said, as far as the government, they are not going backward unless a terrible COVID variant surfaces. If that happens, the rest of the world would be going backward. The sentiment they have is that they will continue this forward, even past the elections, with whatever the regime is post-July.

Mr. Arakawa said a pending bill at the Legislature to require performance-based contracts for certain HTA contractors. The State Procurement Officer confirmed to HTA that the Hawai'i State Law and the State Administrative rules do allow performance-based contracts. He asked if HTJ is willing to work with HTA to establish performance goals and incentives for such performance-based contracts in the future. Mr. Takahata said they would.

Mr. Arakawa asked about the budget or the proposal HTJ is starting. He asked if HTJ's strategy is not spending all their money upfront but starting slowly and ramping up to look at what the market is going to do. Mr. Takahata confirmed that as correct. He said as the months go by their expenditures would ramp up as the restrictions went on.

Mr. Arakawa suggested that when the JATA delegation is in Hawai'i again, Mr. Ka'anā'anā and Mr. De Fries should consider inviting more local tourism officials and local travel businesses to the JATA presentations and meetings if JATA allows that. He said people like the HTA Board members, the House and Senate Tourism Committee Chairs that are not included in those meetings, are also concerned about Japan tourism. Both of the Chairs happen to be Japanese Legislative Chairs. Local tour companies that do outbound business with Japan have some concerns about Japan tourism and when they will open up. They have expressed that they would have liked to be part of those meetings. Mr. Ka'anā'anā said they would do that.

Chair Atkins asked Mr. Takahata when he estimates visitors from the west going to Japan. Mr. Takahata said currently it is open for business travel. He said inbound travel is also tied to JATA. JATA has told them it will be later in the summer, somewhere in August/September, for tourism-related travel to be allowed back into Japan. He said this is a historically conservative country wanting to have these restrictions as much as possible from the outside, but they understand that for economic reasons, they cannot be doing that for too long.

Chair Atkins asked if the business travelers are included in the 10,000 cap/ceiling. Mr. Takahata confirmed it is part of the 10,000 cap/ceiling.

Mr. Casson-Fisher said there was a question from Senator Wakai. He asked if HTJ plans to spend \$9 million this year, the expectation for the total number of Japanese visitor arrivals, and their spending.

Mr. Takahata said they go with what the industry tells them because they know their business the best. Hawai'i is a really important destination for them. He said the industry is telling HTJ that they should expect 40% or more of the business pre-pandemic of 2019 to return back this year. So, if in 2019, HTJ has 1.57 million visitors, 40% or more of that are projected to return in 2022. The industry is expending many resources to get the numbers as high as possible for this year. Their projection for 2023 is back to pre-pandemic numbers in 2019 for arrivals from Japan to Hawai'i.

Mr. Ka'anā'anā added that one of the measures of performance for the current contract for all of HTA's GMTs does not include visitor arrivals. Visitor arrivals are not a KPI of the contract itself, nor are they a key performance indicator for the HTA overall. The HTA's overall key performance indicators are residents' sentiment, visitor satisfaction, per person per day spend, and total expenditure. There is no specific visitor arrival measure tied to the current contract.

Senator Wakai said that he understood they would not be fixated on the arrival numbers, but mentioned in 2019, that they paid HTJ \$9 million to bring in 1.6 million Japanese visitors. Mr.



Takahata confirmed it was \$220 million in tax revenues. Senator Wakai said that HTJ is expecting 40% of that figure, and will spend the same amount of \$9 million. He asked if it is a good investment for the State's people to pay HTJ the same amount for 2022, as they did in 2019, with the expectation that HTJ will bring in 60% fewer visitors.

Mr. Takahata responded by saying that it is not a one-to-one investment. He said it is an investment for the Japan market, not only for the year's arrivals but also for Q1 and Q2 of next year. He said the investment is side-by-side with their stakeholders in Japan. He said the stakeholders realize they have to invest more resources to get it started up again.

Senator Wakai said if they saw that in other markets, he could believe Mr. Takahata's response, but the U.S. mainland market is not the same scenario. He asked for clarity as to why HTJ's investment, which will pay them a 40% return based on 2019, is better than what is invested in the mainland market. He asked how the Japanese are different from the U.S. mainland market.

Mr. Takahata said they cannot compare the two. The domestic market is benefiting from a mini bubble. The other international destinations are not quite open yet. So, the domestic traveler is not able to go to some competitive destinations that are out there, in a normal pre-pandemic year. The U.S. contractor would be concerned. He said it is not HTJ's intent to compare themselves with the domestic market. He could not answer Senator Wakai's question of why HTJ is a better investment than the domestic market, as many factors feed into the domestic market experiencing this bubble.

Senator Wakai said he would discuss with the Board, as he did not think giving HTJ the same amount of money in 2022, as in 2019, with their current 40% expectations.

Mr. Arakawa built on Mr. Takahata's plan based on what JATA has projected - 40% to start off. JATA had also predicted that by 2023, they would exceed pre-pandemic numbers. He asked Mr. Takahata if he is relying on JATA, and Mr. Takahata confirmed this as correct as JATA is the voice of the industry. Mr. Arakawa said he concurred with Senator Wakai that HTA must discuss what to do on this.

Mr. Casson-Fisher said there were no further comments, questions, or testimony from the public.

Chair Atkins said Mr. Ka'anā'anā asked that HTA recommend to the Board to open up Japan, or green lighting as he refers to it. Chair Atkins asked Mr. Takahata if they get the green light halfway through the year if the percentage is higher than 40% as it will be spread over fewer months, not

12 months. Mr. Takahata said the percentage would be higher in the second half. Mr. Takahata confirmed that the ROI will be better in the second half of the year.

Mr. Takahata pointed out that the numbers are from JATA, so they are more package-focused. He said they still need to get their forecasts on what HTJ expects from the FIT market, the other 45%/50%.

Chair Atkins mentioned the surge on the west coast of California and said he hoped they get that surge too, so he understood part of what Senator Wakai said. Chair Atkins said he is pleased that Mr. Takahata is moving some of the dollars once encumbered by the end of the year but questioned if it will be effective going in and keeping this surge alive to hit the pre-pandemic levels of 2019.

Ms. Kimura responded to Senator Wakai's comment and asked if HTA does not spend the unencumbered TAT money by the end of 2022, will it go back to the general fund. Chair Atkins confirmed this as correct.

Chair Atkins said they are looking at a comprehensive plan they can fund. He said Mr. Takahata would be back on a monthly basis with updates. He said they are focused on getting awareness out for 2022 and 2023.

Mr. Ka'anā'anā clarified that the contract they are speaking about for 2022 activities is TAT, and any unencumbered funds will return to the general fund.

Chair Atkins asked for a recommendation to put Japan on the green light.

Ms. Kimura said that since Senator Wakai wanted the Board to discuss it further, she suggested the activity be resumed, but further discussion will be held amongst the Board.

Chair Atkins said it is up to the committee if they feel HTA should recommend based on what they heard from Mr. Takahata and the other comments.

Mr. Ching said he understood Senator Wakai's concern and echoed what he said. He said he would be willing to make a motion to recommend it to the Board.

Mr. Downing asked if the HTA's goal for money spent is that they have to have a visitor come in. He said to equate dollars to how many people come in, is what HTA did in the past that the Legislature did not want. He built on Mr. Takahata's information about the airplane flights coming in, and asked how many passengers that entails. He also spoke to Chair Atkin's comment about

exceeding 40% in the second half of the year. He asked if the community liked the domestic people going to their islands. He said the community seemed to rebel against the way their resources were trampled on. He thought the depth of those questions were very shallow.

Chair Atkins asked Mr. Ka'anā'anā to address Mr. Downing's questions. Mr. Ka'anā'anā said the Board, through its adoption in January of 2020, adopted four key performance indicators. Four of those key performance indicators were not directly tied to arrivals. They measure arrivals as it is important to know who is coming, where they are coming from, and when. He said they do track that through HTA's research partners. But it is not the key driver for measuring the efficacy of the branding that HTA does. A lot of emphasis HTA focuses on is the education in terms of pre-arrival and setting clear expectations about what they can experience in Hawai'i, but also how they can travel pono when they are in their destination. He said that looking at everything that HTA has pivoted toward, in terms of their messaging globally, Mālama Hawai'i has been the focus of HTA's messaging. It encourages visitors to take care of Hawai'i, how their trip can give back, and how they can learn HTA's story before sharing it with theirs. He spoke to Mr. Downing's point and said they are not concerned about the overarching, to drive volume. Volume is not the key driver for HTA, but the quality of the visitor.

Chair Atkins asked for a motion to recommend to the Board that HTA moves Japan marketing to the green light level, letting them have the budget with remaining. If HTJ's programs are worthwhile, they would be encumbered before the end of the year.

Mr. Ka'anā'anā clarified the motion to the Branding Standing Committee and would recommend to the full Board approval of the HTJ BMMP effective May 1, 2022, that they move to green.

Ms. Kimura suggested adding to the motion that the final budget will be discussed amongst the Board. She suggested inviting Senator Wakai back to the Board meeting to address his concern.

Chair Atkins encouraged that, and said Mr. Takahata would be ready to answer questions if needed. Mr. Ka'anā'anā said that was their intention, and he and Mr. Takahata would both be present.

Ms. Kimura said that the motion is to recommend to the Board that HTA approves moving the Japan market to green light subject to finalizing the budget for 2022.

Mr. Kinkley said HTA would need a separate segment for that or ask Mr. Ching if he is okay to adopt that as part of his original motion.

Mr. Ching said he agreed but questioned what the secondary budget would be. He said it seemed like after discussions they were not making the recommendation but just making the recommendation to talk about the budget the next day.

Chair Atkins recommended a recap of what they discussed and added, having Senator Wakai add his comments, and said the whole Board should hear that.

Mr. Ka'anā'anā suggested the recommendation to move Japan to green light, unlocking the \$7.6 million, and approving the BMMP that was shared in the meeting. If it is voted no, they can look at Q3 restricted spending.

Mr. Arakawa followed up on what Mr. Ka'anā'anā and Senator Wakai said. He said as they do every month, the committee and Senator Wakai can monitor what is going on with the Japanese market. He agreed with the green light suggested by Mr. Ka'anā'anā, and they should review it. He said it is an important market.

Chair Atkins asked for Mr. Kinkley to help with the wording.

Mr. Kinkley said they do not presently have a valid motion before the Board. There has been too much crosstalk. He said for a motion someone needs to make a new motion. He said if there is a full-throated vetting of this at the Board level, there is no need for the committee to do much of anything in terms of the motion. The committee is just there to expedite it. He said they might find as a smaller group that they cannot see their way through to completely expediting it, and it needs to be held at the Board. Failing that, if anyone wants to make a motion, it has to be agreed on by the majority.

Chair Atkins asked if they wanted to start over the following day for a motion. He asked if anyone wanted to make a motion on what Mr. Ka'anā'anā said. Mr. Ching made a motion, and Ms. Menor-McNamara seconded and agreed that they should have a full discussion at the Board level.

Ms. Menor-McNamara asked why they could not do a full presentation. Mr. Ching said it was not part of the motion. Chair Atkins confirmed that Mr. Takahata would have the presentation available if needed to make reference to something.

Mr. Downing said as a committee, they are supposed to make a recommendation one way or the other, or defer it to the full Board.

Chair Atkins asked Mr. Casson-Fisher to do roll call. The motion passed unanimously.

## **5. Update and Initial Feedback by Brand Manager Ross Willkom on the 2022 LPGA LOTTE Championship Event**

In their last meeting, Mr. Casson-Fisher said Brand manager Mr. Willkom spoke about HTA's sponsorship of the 2022 Ladies Professional Golf Association in Hoakelea. Mr. Willkom said they are 11 days away from completing the tournament. He said they are still in the gathering phase and will report the LPGA at the end of May 2022, hopefully before the next Board meeting, with a full update.

Mr. Willkom spoke about the marketing efforts and the global reach that HTA global teams invoked during the time, to ensure they reached the maximum amount of potential. He said it is important to be involved in the tournament to help control the mālama messaging.

The event was aired live and in primetime on the East Coast and Midwest markets Wednesday through Saturday. This golf event was the only nationally televised broadcast sporting events in the U.S. market. The combined four-day program coverage and marketing value associated preliminary calculated over \$3.4 million for the U.S. market. He said HTA also had over 9 million views of the mālama Hawai'i videos produced with the LPGA. HTA had six LPGA professional golfers who chose to be part of it, and they planted trees on the windward side of O'ahu. In addition to that, they had over 13,000 engagements with social media surrounding the event. There were four golfers from the U.S., including Punahou graduate and pro golfer Allisen Corpuz. One golfer from Taiwan and another from France participated in the mālama Hawai'i video efforts.

For Canada, although Brooke Henderson had to leave early due to an injury, the Canadian team got 50 articles mentioning the LPGA in Hawai'i, published across the country by media outlets, spanning a spectrum from the Toronto Star to Moose Jaw today. In Oceania HTO, the team shared HTA's press release and pushed it out to their media partners in the travel trade industry in publications that reached over 1 million people that weekend. Additionally, with a readership of roughly half a million, Golf Australia published two separate articles regarding the events and HTA's coverage.

In Korea, the partnership with Lotte was a topic of discussion. Lotte invited 130 key opinion leaders and VIPs representing the Korean market to Hawai'i, which positioned Hawai'i as a top-of-mind golf destination with Korean visitors. HTK also included that event with their CEO family itinerary with Asiana Airlines. CEO guests from companies such as HanaTravel, Lotte Hospitality, Yellow Balloon, and Interpark Tours witnessed Joo Kim's victory wearing a Lotte hat.

In Japan, HTJ coverage was high with Hinako Shibuno finishing second. They had 21 TV programs, and mentioned it with over 115 million impressions across the country. They had 80 newspaper articles with over 60 million impressions. On HTJ's own channels, AllHawai'i website had views of over 275,000 during the four-day weekend with LPGA Tournament Event page, a landing page for them.

HTC was similar. On Weibo China had 2.5 million viewers of Lotte coverage, as well as their social media accounts averaging 60,000 views per post. Mr. Willkom said more economical and marketing value numbers would come in the weeks ahead.

Mr. Ka'anā'anā said Mr. Willkom outlined it this way to ensure HTA members saw the global coordination amongst all of HTA's global marketing teams to leverage the investment with this event. He said many assets would have a long shelf life, and they will continue leveraging them over time. Their value continues to increase.

Ms. Kimura asked if the clinic had happened. Mr. Willkom said he had conversations with the LPGA, and set up a call the following week to conduct coordination for the clinic with their Girls Golf Chapter. He said those talks are in the works, and he should have more details in the following week. Ms. Kimura added that the process of residents having to show their ID to get free tickets was a lengthy process and thought it unnecessary for the next time. Mr. Willkom said they would sort the process out.

Mr. Casson-Fisher said there were no comments from Committee members, Board members or public.

Chair Atkins asked if LPGA and the golf course have entered into a multi-year contract. Mr. Willkom said he is not sure if it has been put on paper, but both sides are very interested in pursuing that. Chair Atkins said they should get the contract in writing sooner rather than later. He said Ko Olina also put up some nice events, and Mr. Willkom concurred.

Chair Atkins said Mike McCartney from DBEDT was able to talk to Lotte. He said it sounded like there are some projects that he could work on in the future to make the event more successful, not just from a golf standpoint but from an economic perspective.

## **6. Sports Brand Marketing & Management Update by Brand Manager Ross Willkom for the RFP**

Mr. Willkom said that the Director of this Board, they allocated \$1.5 million for sports programs to take place. The time performance for those sports programs will be 2022 in the remainder of

the year, with the strategy being to give HTA a bridge to the fiscal year (FY) 2023 funding. Events taking place in the calendar year 2022 would be eligible for the RFP that was released the previous day. HTA's pre-proposal conference will be on the morning of April 29.

Mr. Willkom noted that there would be no additional year options, as this is their bridge year to a formal strategy for HTA to go to a tiered system of the RFP for signature events, all the way down to Hawaiian cultural events of a sporting nature. There will be no minimum/maximum award amount for the RFP, nor will there be a minimum/maximum number of awards given. They will base them on their merit and hand them out as judged correctly.

Chair Atkins asked if the committee has been selected and Mr. Willkom confirmed that they had been selected.

#### **7. Presentation and Discussion by HVCB Senior Vice President, Chief MCI Sales Officer John Reyes and Hawai'i Convention Center General Manager Teri Orton on Global MCI Initiatives**

Mr. Casson-Fisher asked HVCB's Senior Vice President, Chief MCI Sales Officer, Mr. Reyes, and Hawai'i Convention Center General Manager, Ms. Orton for their presentation and update on the progress on upcoming global MCI initiatives. He noted that the global MCI initiatives presentation in the meeting packet is not current, but the updated version will be uploaded.

Mr. Reyes turned the floor over to Ms. Orton. He said what is important is the strong working relationship between the Hawai'i Convention Center and Meet Hawai'i.

Ms. Orton reported on recent events and short-term bookings for the Hawai'i Convention Center. She mentioned some of the most recent events at the Convention Center. The International Dairy Queen in January, a volleyball tournament in February, and closing March was the Association for Asian Studies. This was forecasted to have a 3,200 attendees.

They brought in 1,665 attendees, non-virtual attendees in March. This generated about \$88,000 in revenue at the Hawai'i Convention Center, \$9.5 million in State economic impact, and \$1.1 million in state tax revenue. She thanked Mr. Reyes and his team for that contribution. She said the number of events at the Convention Center continues to grow. Since January, they are close to pre-pandemic levels for local businesses.

Ms. Orton said the local sales team has signed contracts for the last few months. Many of their local meeting planners and organizers are wanting to get their business back on the books for the next 12 to 13 months. She said they are pleased with the increase in local sales activity, although the returns are smaller for the Convention Center because this was a very soft year for them for

city-wide and international business. Some of this was due to the pandemic. There were some cancellations as well as moving business out to future years. She said they are very optimistic about Mr. Reyes and his sales team. She said they have the Dream Team for city-wide sales now.

Ms. Orton mentioned they are putting a lot of tentative business on the books and turning some definite business for future years. She noted they had the Hawai'i Hotel & Restaurant Show, and the UH College of Engineers in-house.

Ms. Orton reported on FY2022 ending June 30. She showed some events they have for local definite business on the books. She noted in April, their first Kawaii Kon, with over 20,000 people in attendance for a three-day show. It was a lot more than the organizer expected and a lot more people than they anticipated at the Convention Center. She said they hit record numbers in food and beverage sales.

In April they also had a Volleyball Tournament. In May, they have about five or six high school commencement ceremonies. This was business picked up during the pandemic. In June through August, they have the Beyond Money Exhibit. She showed some of the tentative bookings that are anticipated to turn definite in the future months. She spoke about upcoming public events - the Hawai'i prayer service and more business they picked up during the pandemic due to social distancing. They have Material Research, their fourth city wide event coming up in May 2022, anticipating 4,000 attendees. She said they also have a Cheerleading Dance Convention in May 2022.

Ms. Orton highlighted some of the PR and advertising placements they have. They had a write up in PBN about business at the Convention Center coming out of the pandemic. They also had an advertisement placement, advising everyone that the Convention Center is open for business. She mentioned the nice pick-up piece for the Hawai'i Hotel Restaurant Show in March 2022.

Ms. Orton gave the floor to Mr. Reyes for an update on the long-term bookings. Mr. Reyes said the most important thing to remember is that it combines both local events and future and short-term events. Those local events can happen within thirteen months. He said they want to optimize the Convention Center because it is an asset, and there is a future investment. He noted Ms. Orton has a terrific service facilities team that works in conjunction with him in Meet Hawai'i on the sales side. He said they have not lost sight of single sales with their three sellers that book meetings, which did not happen within the Convention Center, and the three sellers that focus on city-wide sales.



Mr. Reyes mentioned a new aspect for getting the RFP: the global MCI with Asia and Oceania, headed up by Mr. Koh. He showed a slide with all the global MCI staff. He said there is city-wide interest coming out of Japan and Oceania. He said they have to service the city-wide conventions.

Mr. Reyes spoke about the priorities and activities. He said they have a short-term city-wide priority to book between 2023 and 2026, and that will be emphasizing some of the pace reports. For 2023 and 2026, they are focusing on city-wide customers. And the great thing about city-wide conventions is their structure. They are very respectful and participate in corporate social responsibility programs, whether they are associations or corporations. They are immersed in Mālama Hawai'i and want to give back.

Meet Hawai'i's focus is on Midwest and East Coast accounts with their key city-wide sellers located in Chicago and DC. Meet Hawai'i's corporate will be key for them as they move forward for very short-term booking opportunities within a three-year window. With the global team, they are starting to see opportunities coming out of Japan and Oceania regarding short-term and future long-term opportunities.

Mr. Reyes spoke about sports groups. He said Ms. Orton and her team have done a great job marketing the Hawai'i Convention Center, and Meet Hawai'i has invested there. He said they have not lost sight of long-term opportunities. He said it is an association market where they plan five to seven years out.

Mr. Reyes spoke about sales activities from the last report. They hosted the Corporate Event Management Association from April 3 to April 6. This was great for exposure and sights to the Convention Center and single property opportunities. Cvent Connect is another event that Meet Hawai'i just completed with Ms. Parkins. This was a single property show. Cvent is a technology platform that many meeting planners use to facilitate their site selection and hotel selection. Meetings Today met on the island of Hawai'i that week with 25 customers, and several Hawai'i MCI stakeholders participated in the show.

Mr. Reyes spoke about Material Research Society (MRS) happening in 2022. There are also opportunities for 2026. They are looking forward to having a lot of discussions with MRS. The first city-wide is happening in the next couple of weeks, and it is the first time in Hawai'i, so he said they are excited about that. He said they had worked hard on the American Medical Association to get support to the Hawai'i Medical Association. The American Medical Association had it in their bylaws to meet in Hawai'i every five years, which has now expired. Meet Hawai'i met with them on their recent site inspection and said they still want to have the business every five years. It is going to be critical to work with the Hawai'i Medical Association. They have started meetings

with Ms. Zimmerman, and Meet Hawai'i is doing three promotions. Hawai'i Medical will be there in November of 2022, but they will do a pre-promotion after the spring meeting, in Boston, in June 2022. He said they are working hard to ensure they book single property and future city-wide business that Ms. Orton spoke about.

Mr. Reyes spoke about pace and production. He said several years ago, they shifted to the Futurepace report. The great thing about Futurepace is that it takes data from their CRM system to get the relevant statistics. He showed that for 2024 and 2025, Meet Hawai'i is on pace. For the short term, 2023, and 2026, they ensure that they fill the Convention Center with short-term business. He said the bad news for 2022 is that they have a lot of tentative business. He said they are working hard to close those.

Mr. Reyes spoke about single property opportunities. For 2024 and 2025 they are doing well, but for 2023, 2026, and 2027 they need business. From a product production versus last year, city-wide tentative is struggling monthly from March 2022 to March 2021. He said they had a booking for Citywide for 2025 with the American Association of Immunologists, which is closed for 2025. From a single property side, a month to month from 2022 to 2021, the tentative business is strong, at only minus 16%. Single property definites are up. The tentative business has increased for last year to date, which is a great sign, and single property business will happen within the next two years. Total single property definites were up by 17%. He showed a slide comparing those figures to 2019. Since 2019 there has been a 90% increase in tentative business.

The definite room nights have increased compared to 2019. For single property, they are focused on converting tentative and generating new closing opportunities, but they are strong from month to month.

He showed a slide with the city-wide pace for 2023 to 2026. From 2022 to 2033, they have 41 groups in the pipeline.

Their goal is to book 67,000 definite room nights, and with these twelve events, between 2022 and 2033, they could get about 141,757 definite room nights. He is excited about 2026, as they have five events that are tentative with 81,149 room nights. He said they hope to close on four of those events at 41,002 room nights.

Mr. Casson-Fisher said there were no questions from committee board members or the public. Chair Atkins thanked Mr. Reyes for joining every month.

Mr. Reyes said they all work together as a great team and commended everyone for their work at the International Dairy Queen, and other events.

Mr. Ka'anā'anā said they must all continue to collaborate to make sure things go smoothly.

**8. Update by HTUSA Senior Director of Digital Marketing Kara Imai Senior Director of Advertising and Marketing Programs Gina Chun on Pono Travel Education Program by HTUSA.**

Mr. Casson-Fisher introduced Ms. Chun to speak on agenda item 8.

Ms. Chun gave an update from Hawai'i Tourism United States about their Pono Travel Visitor Education Program. She shared their newly launched airport signage and updated everyone on their Waze Program. She said it was a part of their larger Travel Education Program for visitors, which started pre-arrival. She said they are sharing their mālama messaging with visitors before they go to Hawai'i, and the messaging continues to be communicated to them in transit. HTUS works with many of its airline partners to have the mālama videos played in-flight. She said they also have multiple touchpoints for visitors when they are on the ground via social media. They have shuttles playing their videos.

Ms. Chun spoke about the airports and their Waze Program. She said they have several placements that just launched at Daniel K. Inouye (Clear Channel Airports) and the main airports on each of the neighbor islands for Hawai'i, Maui, and Island of Hawai'i. She highlighted that they are collaborating with HTA to ensure they extend that messaging with them through the year. There is digital messaging as well as static displays. The messaging stems from the community level up. Some themes will run statewide, but there will be differences for each island. They have worked with their island chapters to make sure they communicate clearly to the visitors what is pertinent for each island.

She showed the images at Daniel K. Inouye International Airport, which are based in domestic arrivals placements. They cover the areas of ocean safety, ocean conservation, and the natural environment. She said they also leverage video heavily. She showed a slide of the static displays at Līhu'e Airport (LIH). It is messaging to support the local business and preserve the natural environment. There are also videos focusing on ocean safety and land safety for the island of Hawai'i.

She showed the slide for the digital placements at Kahului Airport (OGG). Those focus on the theme of driving mindfully, staying and parking where you are supposed to, and being considerate about how and where you travel by car.

On the Island of Hawai'i, they have a few placements at Kona Airport. The videos tend to run ten to fifteen seconds long, with the mālama meaning videos. In Hilo, they have island-specific messaging to appreciate their natural resources.

She spoke about the On-Island Waze Banners. It is a great program because it is geo-targeted, reaching visitors while they are on the island.

On Kaua'i there are banners for ocean safety and land safety. On O'ahu they want to make sure they are conserving and eco-conscious for the environment. On Maui, there is a banner where they can talk about driving safely and how to drive the road to Hana. On the island of Hawai'i, there is a banner that asks visitors to interact responsibly and considerately when visiting Hawai'i.

Mr. Ka'anā'anā added that this runs through June 2022. Him and staff are working through procurement to continue this messaging through the busy summer season anticipated. He will be able to update the Board more fully on their strategy moving forward. HTA does have other programs they are partnering with the Department of Health, and some of the ocean safety organizations statewide, in terms of ocean safety messaging. He said they are all trying to pull all that together and maximize their buy, to make sure their placements are comprehensive.

Mr. Casson-Fisher said there were no questions from the committee or Board members.

Chair Atkins thanked everyone for a great job. He said it also shows collaboration with the airports, which is great, and shows that HTA is moving forward with a lot of these programs. He said communication is also getting better.

## **9. Update by Chief Brand Officer Kalani Ka'anā'anā on HTA's reinstated Industry Partners Group Meetings for each Major Market Area**

Mr. Ka'anā'anā spoke about HTA's recently reinstated industry partner group meetings for each MMA, Major Market Area. He talked about their industry partner group meetings. These meetings are convened at HTA's direction with GMTs for each market area. He said the purpose is: " we provide an added opportunity for industry partners, GMTs, and HTA to stay connected and have ongoing open dialogue to address market challenges and opportunities as we bring back tourism in a safe, responsible and regenerative manner."

The initial meetings were held in the first and second week of April. It is intended that these meetings be held quarterly. He showed the slide from the global MCI side: O'ahu - Monthly, Kaua'i /Maui/Hawai'i Island - every other month. He showed the slides of the industry partners. They

tried to ensure all segments were represented and that there was some diversity by island size. This information was in the meeting packet.

He showed a few photos of the in-person/Zoom hybrid meetings.

He updated them on their deepening of relationships and communication with industry partners to ensure that communication always stays open.

There were no questions from members or the public.

## **10. Adjournment**

Chair Atkins asked for a motion to adjourn. Mr. Ching made a motion to adjourn, and Ms. Kimura seconded. The motion passed unanimously.

Mr. Casson-Fisher concluded the meeting at 4:58 p.m.

Respectfully submitted,



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Sheillane Reyes  
Recorder