

INSIDE: HLHF EXPO * SUMMER FESTS * TIPPING LEGISLATION

HAWAII *hospitality*

JULY/AUGUST 2016

**HAWAII HOTEL
RENOVATIONS**

Aloha
on YouTube

China Explosion

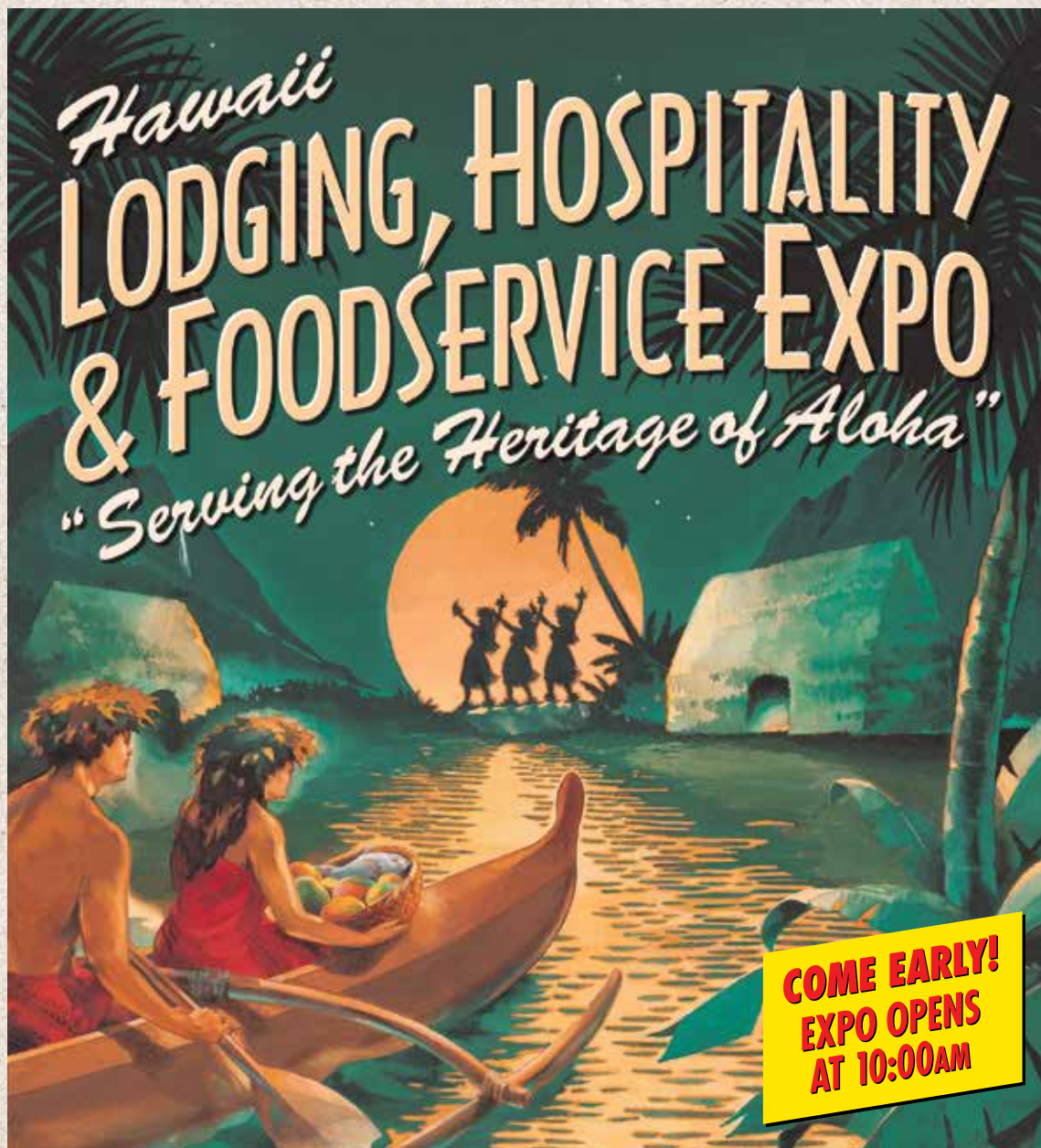
Visitors from China spent a whopping
\$438.8 million in Hawaii last year,
a record that will be broken in 2016

Owners Eric & Jackie Wong Shi,
of Hawaii Global Holiday Inc.

PRST STD
U.S. POSTAGE
PAID
PERMIT NO. 583
HONOLULU, HI



Official 2016 Expo Co-Sponsors



HAWAII LODGING
& TOURISM
ASSOCIATION

530 EXHIBITOR BOOTHS! • DOOR PRIZES!
WED. & THUR. • JULY 13TH & 14TH, 2016 • 10AM - 5PM
FREE! • BLAISDELL CENTER • 777 WARD AVENUE • HONOLULU
TEL: 808-261-3400 (OAHU) • www.douglashow.com
Open to industry only. Those under 18, children and guests not admitted.



Las Vegas travel prizes provided by *Vacations Hawaii*



The Spirit of the islands begins with a lei

THE  Orchid Lei Company

819 MOOWAA STREET SUITE 202

HONOLULU, HI 96817

Phone: 808.847.1107 | Facsimile: 808.843.2225

WWW.THEORCHIDLEI.COM

Proudly serving Hawaii since 2003

QUALITY | SERVICE | PROMISE

contents

july/august 2016_vol. 31/no. 4

- 6 Hookipa: HYPE Mixer
- 8 Annual ukelele, sake fests draw global crowds
- 12 HLHF Expo to showcase an epic array of products, services
- 16 China's a top priority in Hawaii's diverse tourism market
- 22 Q&A: Eric Shi of Hawaii Global Holiday on travelers from China
- 24 Aloha That Sells: HTA videos spell it out
- 26 Visitors in distress get a helping hand and a lot of heart
- 28 Culinary Institute of the Pacific
- 30 Renovation: An innovative investment by Hawaii hotels
- 33 West Oahu hotels attracting workers from Honolulu
- 34 IL Gelato Hawaii whips up tasty profits from *ono* treats
- 36 Tipping Point: Restaurateurs weigh in their options
- 39 News Briefs
- 44 HLTA reports record-breaking 2016 Charity Walk
- 45 HTA: George Szigeti
- 46 HLTA: Mufi Hannemann
HRA: Gregg Fraser



30

ON THE COVER: Eric and Jackie Wong Shi of Hawaii Global Holiday • Photo by Anji Lee • Design by Davin Iyamatsu

checking inn

More visitors from China are arriving in Hawaii every year in numbers “so vast” that the Islands’ travel agencies are hard-pressed to keep up. From providing luxury tours to affluent travelers from Hong Kong visitors or trying to satisfy savvy, young Taiwanese tourists, members of the Hawaii Chinese Tourism Association in this issue discuss the ways they are handling the influx of diverse arrivals.

Also, we take a look at the Culinary Institute of the Pacific, a high-tech education facility that is being built on the northern slopes of Diamond Head as an addition to Kapiolani Community College. It will be the first school to offer a three-year program and an advanced professional certificate.

The topic of tipping has become a hot potato for restaurants. Between dealing with a highly competitive job market while anticipating raising minimum wages, Hawaii’s eateries chat about their plans to heed new labor laws.

Words you never hear in Hawaii: Geesh, there’s nothing to do! If you want to party this summer, here are a couple of hot events you might want to add to your calendar: the Ukulele Festival Hawaii on July 17 and the Joy of Sake Honolulu on July 22.

Another major event to gear up for is the 2016 Hawaii Lodging Hospitality & Foodservice Expo on July 13-14. Check out our preview on the two-day Expo.

Aloha!

Editor
david@tradepublishing.com

HAWAII hospitality

Editor

David Putnam

Assistant Editor

Brett Alexander-Estes

Contributing Editor

Cathy Cruz-George

Associate Editor

Priscilla Pérez Billig

Director of Advertising

Barry Redmayne

Advertising Manager

Charlene Gray

Senior Account Executives

Jennifer Dorman,
Sara Schell, Richard De Gutis

Advertising Administrator

Lorraine Cabanero

Controller

Tracy Kalahiki

Commercial Services Director

Piilani Kaalekahi

Creative Director

Davin Iyamatsu

Art Director

Ursula A. Silva

Designer

Daniel Pereira

Circulation Manager

Chelse Takahashi

Production Superintendent

Abe Popa

Senior Press Operators

Bill Yiulin, Dean Onishi

Post Press Manager

Chris Castelli

Chairman & President

Carl Hebenstreit

Publisher & CEO

Ken Berry

Associate Publisher

Barry Redmayne

Associate Publisher

Karen Sayuri Berry

287 Mokauea St., Honolulu, Hawaii 96819
Tel: (808) 848-0711 | Fax: (808) 841-3053
www.tradepublishing.com

© 2016. No reproduction without permission. Statements of fact and opinion made in stories, columns or letters submitted by freelance writers and other contributors are the responsibility of the authors alone and do not necessarily reflect the opinion of Trade Publishing Co. Materials within this publication are not to be construed as professional advice; Trade Publishing disclaims any and all responsibility/liability for health or financial damages arising from its content.



Embassy Carpets®

LUXURY LVT | CARPET TILES

COAST-TO-COAST QUALITY SINCE 1985

Manufacturing — Hospitality Designs



SUCCESS by *Design*

Embassy Carpets have a multitude of unique features that mean affordable quality to you.

100% true solution-dyed nylon produces bleach-proof and colorfast carpets that are **guaranteed** not to fade for the life of the carpet. Continuous filament 2-ply heat-set yarns retain a newer look, longer.

Dense construction, 110 stitches per square inch, resists wear.

Embassy Carpets offers you quality, service, and beautiful carpets at an affordable price.

For more information about carpets guaranteed to last,
contact us (800) 366-7847 or www.embassycarpets.com

HYPE Networking

PHOTOS BY
HAWKINS BIGGINS

Hospitality's Young Professionals & Entrepreneurs held a seminar and mixer on June 23 in the Pua Melia Ballroom at the Hyatt Place Waikiki Beach. The theme was "Network Like a Boss." HYPE is the Hawaii Lodging and Tourism Association's (HLTA) newest committee.



Mufi Hannemann, James Koivunen



Cassie Simpson, Marie Kozuma, Michelle Domingo, Molly Phillips



Nicole Lee, Kevin Cherek



Rebekah Ellis, Christina Gillespie, Celina Trujillo



Nicole Rombaoa, Chelsea Tsuchida, Megan Tabata



Alison Tomisato, Winnie Nguyen



Moses Nakao, Yusuke Matsuda



Michelle Calanog, Julia Dilts, Malia Campbell



Alexa Conching, Kyle Souza, Luis Lopez



Eric Tomiyasu, Brice Okubo, Nicole Mau



James Koivunen, Kelly Kitashima, Anisah Ahakuelo,
Alison Tomisato, Corey Campbell



Dayna Lee, Lauren Rim, Asari Tashima, Robert Hsu



Alex Roth, Michelle Calanog, Jared Hayashi, Joslyn Bantilan, Kelli Kajuwara



Natalie Wells, Evan Patek, Haylee Faustin



The annual all-day Ukulele Festival is set for July 17 at Queen Kapiolani Park.

Summer Fests Draw Global Crowds

**Ukulele, sake
celebrations bow to
Hawaii's culture and
traditions in Waikiki**

BY CATHY CRUZ-GEORGE

This summer, Waikiki will host two major events celebrating culture and craftsmanship: the Ukulele Festival Hawaii on July 17 and the Joy of Sake Honolulu on July 22. Both are expected to draw hundreds of visitors to the tourist district from across the globe.

The ukulele festival will be an all-day celebration at Kapiolani Park Bandstand with performances, ukulele displays and a children's orchestra of nearly 700 players. "They'll perform Hawaiian, oldies, pop, reggae, jazz, country, rock, classical—tunes that you never imagined could be played

Ukulele Festival 2016

Saturday, July 17
10:30 a.m.-5 p.m.
Queen Kapiolani Park

on the ukulele," says Roy Sakuma, who organized the first free concert in 1971. The Oahu tradition has spread to the Big Island, Maui and Kauai, where similar events are held.

The ukulele festival is free to the public, thanks to proceeds from a formal gala on July 15 in the Pacific Beach Hotel, featuring Willie K and "Ambassador of Aloha" Danny Kaleikini. The gala also supports a

PLANNING, PROCUREMENT & PROJECT MANAGEMENT
Congratulations to the team at Surfjack!



SUMMA
INTERNATIONAL

www.summainternational.com 808.254.8200

Joy of Sake

Friday, July 22

6:30-9 p.m.

Hawaii Convention Center

college scholarship program for high school students.

As soon as the ukulele festival ends, The Joy of Sake Honolulu kicks off

In Honolulu, which had a respected sake brewery for 80 years, people love sake, and always have.

July 22 in the Hawaii Convention Center, featuring premiere sakes and appetizers from top local restaurants. The event doubles as the public tasting



The Joy of Sake Festival will be at the Hawaii Convention Center.

for winners of the U.S. National Sake Appraisal in Honolulu, where more than 160 international breweries compete for top honors.

The Joy of Sake Honolulu is the first in a three-city tour that includes New York on Sept. 16 and Tokyo on Nov. 2.

Hawaii is fortunate to be a major player in the sake industry, say industry leaders. "In Honolulu, which had a respected sake brewery for 80 years (the Honolulu Sake Brewery), people love sake, and always have," says organizer Chris Pearce.



Building Dreams.



Four Seasons Resort at Ko'Olina



Striving to exceed client expectations!

CAPABILITIES

- AM Best A XV Surety
- AM Best A VIII Insurance
- Unionized Contractor

New / Re-roof / Roof Rehabilitation

(Asphalt shingle, concrete tile, single-ply, metal, modified bitumen, wood shake & shingle)

Waterproofing

(Below-grade waterproofing, roof coatings, pedestrian deck coatings, vehicular deck coatings)



READY, SET, EXPO!

Hawaii's biggest B2B visitor venue offers an epic array of products, services

BY BRETT ALEXANDER-ESTES

For Amy Fong, Starwood Hotels purchasing director, the 2016 Hawaii Lodging, Hospitality & Foodservice Expo means business—big business.

“My department purchases everything that is delivered to the docks of our four Waikiki properties,” Fong says.

At the 2016 HLHF Expo on July 13-14, Fong can view hundreds of products and services that will enhance visitor bookings and guest satisfaction.

2016 Hawaii Lodging, Hospitality & Foodservice Expo

July 13-14
10am-5pm

Neal S. Blaisdell Center

Amy Fong



“This Expo is the largest of its kind offered each year in Hawaii, and is a great resource,” she says.

HLFH Expo Director Ken Kanter says this year the event features more than 340 exhibitors and 530



PHOTO COURTESY AMERICAN HOTEL REGISTER COMPANY

American Hotel Register Company

Rachel Montoya, an American Hotel spokesperson, says the national company's Expo booth "will feature OS&E, FF&E and our new luxury offering." She says booth visitors will also have a chance to win a luxury product, and take advantage of show specials on Paya Amenities and other items.

American Hotel Register Company's Paradise procurement program, she adds, offers great incentives for customers in Hawaii, including a local distribution center and easy-to-read web indicators for online ordering.



Big Island Bees

"We are presenting 100 percent Hawaiian gourmet honeys beautifully packaged for the gift and amenity market as well as offering single varietal honeys for discerning chefs," says Whendi Grad, Big Island Bees spokesperson. *The New York Times* described BIB's honeys as "dark and rich" and *House & Garden Magazine* pronounced them "quite fabulous." Products include samplers, gift sets and honey sticks.



PHOTO COURTESY BIG ISLAND BEES

Electro Freeze®
of the Islands



We have
machines
that serve
Flavors

- Gelato
- Frozen Yogurt
- Italian Ice
- Frozen Custard
- Ice Cream



Come by the booth, and taste for yourself
the difference



FOR MORE INFORMATION, PLEASE
CALL 1 888 98 "SWIRL"



Seven Blends • Vegan • Gluten Free • Peanut Free • No MSG • No Preservatives

A First Place Winner and Much More!

Ka'iulani® SPICES

USDA ORGANIC

Add "Flavor without the Labor" to
Meat, Seafood, Veggies...You Name it!

FIRST PLACE WINNER
EXOTIC CURRY FRIED RICE WITH MANGO
MOANA SURFRIDER HOTEL
MANGO FESTIVAL 2014

Available in Bulk • Stove-size Bottles, 8 oz., 1 lb. and 5 lb. Bags
Sales@KaiSpices.com • 808.946.9202 • KaiSpices.com • KaiRecipes.com

booths. Hundreds of new products ranging from gourmet foodstuffs to cutting-edge security systems are on display in the Blaisdell Center, he says.

2016 Expo vendors include Hawaii Gas, Embassy Carpets, American Hotel Register Co., ChefTec, Ohana Control Systems, ENPRO Environmental, Admor HVAC Products, 3M, Brown Jordan, Ferguson, Ghiradelli Chocolate Co., the City and County

that the event offers new exhibitors “an immediate opportunity to enter the Hawaii market and meet potential buyers very quickly, efficiently and economically in a way that could never be done by individual appointment or through passive advertising.” Last year’s



PHOTO COURTESY
ANCHOR PACKAGING

The Expo is a dynamic, active and responsive market venue for commerce to take place among Hawaii’s lodging, hospitality and foodservice businesses.

of Honolulu, the HLTA and scores of other national firms and leading Hawaii companies and agencies.

“The Expo is a dynamic, active and responsive market venue for commerce to take place among Hawaii’s lodging, hospitality and foodservice businesses,” Kanter says, and notes

count of Expo visitors, Kanter says, was 5,547.

Fong was one of them. “I don’t think I’ve missed any of the Expos since its inception (in 1995),” she says.

See HLTA CEO Mufi Hannemann’s column on page 46.



Linen and Uniform Rental Services

Servicing Hawaii Since 1964

**Hotel Linen | Restaurant Linen | Uniforms
Dust Control | Janitorial Supplies | Healthcare Linen**

www.alsco.com | 808-834-7500

Anchor Packaging Inc.

Safe Pinch tamper-evident hinged food containers were “introduced to the market (a few) weeks ago,” says Denis Vales, Anchor Packaging director of sales (U.S. West). Vales says Anchor’s new container “was tested in focus groups throughout the country and was the overwhelming first choice.”



Derrick DeMello, AlSCO sales consultant
PHOTO COURTESY ALSCO

AlSCO

“We have recently rolled out first-aid kit service as part of our weekly rental program,” says Derrick DeMello, sales consultant for AlSCO Inc., a 125-year-old national company specializing in linens, uniforms and washroom supplies. “For a nominal weekly fee, AlSCO will provide, manage and maintain your first-aid supplies to ensure proper inventory levels and OSHA compliance.”

ENPRO Environmental

A comprehensive environmental consulting and remediation firm with more than 500 associates in Hawaii and the U.S. mainland, ENPRO Environmental assessed asbestos and lead paint throughout Honolulu International Airport for support in long-term renovation planning.

Restore your floor with

SaniGLAZE®

NEW TILE & GROUT WITHOUT REPLACEMENT



- Choose from 24 different grout colors
- Reduce floor maintenance costs
- Save thousands and avoid replacing tiles
- Eliminate grout stains and bathroom odors
- Overnight applications

SaniGLAZE® is offered in Hawaii exclusively by Tile & Grout Solutions, LLC

CALL TODAY FOR FREE DEMO 808-839-9919 www.kleencogroup.com/saniglaze

Visit the City and County of Honolulu's
Storm Water Quality Branch's
booth to learn more.

Businesses and property owners are responsible for all work that may affect storm water quality whether that work is performed in-house or contracted out.



We'll have some fun prizes too!

Department of Facility Maintenance



AEI
COMMUNICATIONS
COMMUNICATIONS

AEi BRINGS BACK THE IN-ROOM PHONE WITH STATE OF THE ART TECHNOLOGY



ADVANCED
IP AND ANALOG
SOLUTIONS

SERVING THE HOSPITALITY INDUSTRY WITH

www.aeicomms.com

Happy Valley Sales & Service
www.HappyValleyService.com

Statewide Service



Route • Sales • Service • Parts

Coin Operated & Industrial Laundry Equipment For:
• Hotels & Resorts • Condominiums
• Apartments • Hospitals
• State & Federal Facilities

Direct Distributors For:
• Unimac • ESD
• Girbau • Primus
• G.A. Braun

Maui: 244-4677

42 Kaniela St. • Wailuku

Oahu: 833-0800

2696 Kilihaui St., #F • Honolulu

plastekcards.com | 888.762.2737

Quality Cards. Affordable Prices.

- Key Cards
- Gift Cards
- Door Hangers
- Table Tents
- And More...

Request your free sample pack today.



PLASTEK CARDS®
PLASTIC CARD SOLUTIONS



Solar lighting solutions for low level residential, commercial and architectural applications.

808.833.6020 x 1
support@solarbollards.com
www.solarbollards.com

Wireless, Compact, No Trenching or Electrical Lines





Wooing The Diverse Chinese Visitor Market

What Hawaii can do to sustain the rising number of tourist arrivals from Mainland China

BY CATHY CRUZ-GEORGE

Several times a year, Hawaii Chinese Tourism Association members meet over lunch to swap industry news about the fastest-growing market on the planet: Chinese travelers.

The shoptalk isn't always about Mainland China, however. HCTA members, 40 or so, cater to a dynamically diverse group of travelers with Chinese bloodlines: Those from Hong Kong, Taiwan, Singapore and even Vietnam, Malaysia and other South Asian nations.

"The Chinese market is so vast that sometimes it's hard to separate the different areas," says Albert Nihipali, director of the HCTA. "We're doing the best that we can."

Doing one's best despite differences is the mantra for these industrious HCTA folks, wheth-



Albert Nihipali

er they're selling luxury tours to affluent Hong Kong visitors, shuttling first-time Chinese visitors to the North Shore or posting on Facebook to reach savvy, young Taiwanese travelers.

Of course, Mainland China sits high on everyone's priority list. It's not easy to ignore the country's growth and travel potential. Last year alone, Hawaii hosted a record 179,868 visitors from Mainland China, up 12.4 percent over 2014.

The Hawaii Tourism Authority projects a 3 percent increase in 2016.

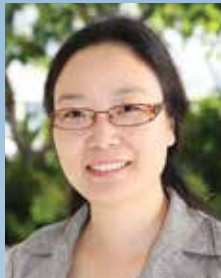
For the market to fully reach potential, however,

Update on Hong Kong

From Jadie Goo, brand manager, Hawaii Tourism Authority:

The HTA recently announced plans to market to Hong Kong, based on industry feedback. Please explain.

We see Hong Kong as a prime emerging market for Hawaii's visitor industry. The HTA conducted a survey of attendees at the 2015 Hawaii Tourism Conference and found that Hong Kong ranked highest of new markets they wanted to see developed for tourism growth to Hawaii.



Jadie Goo

Passenger traffic from Hong Kong to Hawaii increased by 42 percent over the past two years. The airport is a key gateway hub for travelers from Southern China's Pearl River Delta

Region and is less than a five-hour flight from most cities in Asia, making it strategically positioned to receive passengers on connecting flights from other affluent consumer markets. We felt the timing was good to increase our market presence in Hong Kong.



How does the HTA and contractor BrandStory China plan to market to Hong Kong?

A key priority for this market is developing nonstop service between Honolulu and Hong Kong, which is an initiative we are pursuing. We will expand our digital marketing efforts through online and social media platforms to engage Hong Kong consumers and stimulate their interest in Hawaii.

The Hong Kong tourism industry is excited about Hawaii's increased presence, evident at the launch press conference we held on May 24 with 31 news media representatives and more than 70 top industry executives in attendance.

Hong Kong Travelers Are ...

Among the most well-traveled group in the region and typically visit the Neighbor Islands and Oahu for a minimum of four nights. They crave flexibility and unique, once-in-a-lifetime experiences but splurge on dining and luxury shopping. Hong Kong millennials, even low-income college students, are avid travelers who interact with local residents, sample local foods and visit off-the-beaten paths.

2015 Hong Kong Arrivals: 4,691
(down 11.4 percent from 2014)

Taiwanese Travelers Are ...

Hawaiian culture enthusiasts with an affinity for ukulele, hula, the outdoors and healthy lifestyles. In 2015, Taipei hosted the first annual Hawaii Run half-marathon for 5,300 participants. Taiwanese millennials are tech-savvy, social media-users who frequently post travel updates; free Wi-Fi is a must for this group.

2015 Taiwan Arrivals: 17,671
(down 13.6 percent from 2014)

Mainland Chinese Travelers Are ...

Economically and culturally diverse. Travelers from the major cities of Shanghai, Guangzhou, Shenzhen and Beijing are more sophisticated and prefer independent travel on multiple islands, focused on romance, shopping, self-drive, adventure and family. First-time travelers from smaller cities prefer group excursions that promise value-for-money.

2015 Mainland Chinese Arrivals: 179,868 (up 12.4 percent from 2014)

SOURCE: Jadie Goo, Hawaii Tourism Authority

The Year of Chinese Tourism

Sino-U.S. government leaders declared 2016 the "China-U.S. Tourism Year" to boost ties between the two countries. What is Hawaii's status on a global scale? Take a look:

- Approximately 2.5 million Chinese visited the United States in 2015, a
- fraction of the country's 120 million outbound travelers in the same year.
- In 2015, Hawaii hosted a record 179,868 arrivals from China, up 12.4 percent from the previous year.
- Chinese travelers in 2015 spent more than \$215 billion overseas, a 53 percent increase over 2014.
- In 2015, Chinese visitors in Hawaii spent a record \$438.8 million, up 7.4 from 2014.

NOW YOUR GUESTS CAN EXPERIENCE WORLDVUE™



HD TV



INTERNET



VOICE



Aloha to 100% HD

Custom branding

100% maintenance

Remote monitoring

All hours technical support

Competitive rates

No upfront capital



Contact us today **1.800.997.2705** | worldcinemainc.com

At a Glance: Mainland Chinese Visitors

2012 Arrivals 78,888
2014 Arrivals 160,077
2015 Arrivals 179,868
Change In Arrivals 2014-15 +12.4%

Per Person Per-Day Spending

2014 \$399
2015 \$388
Change in Spending 2014-15 -2.7%

2016 Forecast in Per-Day Spending:

\$415 per person, an increase of
7 percent over 2015.

First-Time Visitors To Hawaii... 84.3%

Independent Travelers..... 27%

Group Tours 51%

Source: Hawaii
Tourism Authority



The International Travel Expo in Hong Kong
PHOTO COURTESY HAWAII TOURISM AUTHORITY

The Chinese market is so vast.
We're doing the best we can.

— Albert Nihipali

Hawaii's industry leaders say more work must be done. It's the same wish list from years past: More direct flights between Honolulu and major Asian markets; more Mandarin speakers in the travel industry; and more ways to make Chinese feel welcome.

The thrill of uncharted territory keeps industry leaders excited.

There are rumors about direct flights between Hawaii and major airport hub Hong Kong. The Hawaii Tourism Authority's marketing contractor BrandStory Inc. now represents Hong Kong as well as China. And travel is much simpler between the U.S. and China, thanks to 10-year, multiple-entry visas between the two nations.

"There are so many facets to the industry," Nihipali says. "Everyone is so busy trying to increase revenues for their businesses."

EGG SAFETY: IT'S SIMPLE.

Raw or undercooked shell eggs cause 4 out of 5 cases of Salmonella enteritidis foodborne illnesses. Protect your reputation with naturally pasteurized Davidson's Safest Choice® eggs.



© 2016 National Pasteurized Eggs, Inc. V7825

PASTEURIZED = PEACE OF MIND™
Egg safety resources & recipes:
SafeEggs.com/shelleggsafety



ULTRA PREMIUM ALKALINE ARTESIAN VOLCANO WATER FROM THE SOURCE OF LIFE



Recycled Plastic

Crystal Glass

KA WAI OLA * WATER FOR LIFE

To order call Paradise Beverages 808-678-4000
or email us at: info@hawaiiivolcanic.com

www.hawaiiivolcanic.com

Bathtub Restoration with the Environment in Mind



No Spraying
No Drips or Runs
No Lingering Odors
No Down Time
No Callbacks

Lifetime Warranty*
Against Peeling

Environmentally Friendly Bathtub Restoration

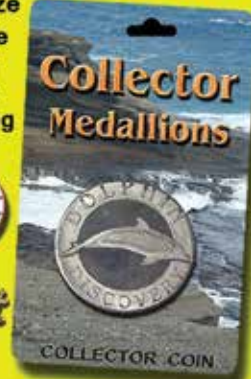
Anti-Slip Patch Removal & Installation • Complete Tile Installation Services
Grout Renewal, Replacement, or Recoloring • Low-VOC Bathtub Coating
Clean & Repair Glass Shower Doors and Enclosures • Sealants & Waterproofing
Jacuzzi & Whirlpool Cleaning • Boat Decks & Hulls Cleaned • Pressure Washing and More!
Serving All Islands of Hawaii (808)294-5230

Custom Collector Coins

Silver Dollar Size



Available
with or
without
packaging



Medallion Mint

405-222-1133

www.MedallionMint.com

Hal Steinhoff

Business Development Representative

E hsteinhoff@swsh.com
T 877.779.4743
M 808.306.4249

91-1004 Kanihaalilo St.
Kapolei, Hawaii 96707



SWSH.com



**Aloha Food
Service**

808-987-3310

Sales@alohafoodservice.com

• SALES OF NEW & USED FOOD
EQUIPMENT AND SUPPLIES

• INSTALLATION OF KITCHEN
EQUIPMENT

• SERVICE AND REPAIR OF ALL
BRANDS OF EQUIPMENT

• COMMERCIAL KITCHEN DESIGN

• FACTORY TRAINED WITH
20 YEARS OF EXPERIENCE



"E.Coli Loves Your Customers, Too"

Complete Food Safety Consulting

Food Safe Pacific
(808) 753-7265

jan@foodsafepacific.com

EVENT GROUP INC

Staging
Wireless LED Lighting
Airstar Lighting

808.497.8834

Talk Story with Eric Shi

Owner, Hawaii Global Holiday Inc.

PHOTO BY ANJJ LEE



If there's anyone in Hawaii who has contributed to the growth in Chinese visitor arrivals, it's Eric Shi, owner and founder of Hawaii Global Holiday Inc., the state's largest travel agency serving visitors from Mainland China.

Originally from Shanghai, he launched the company 20 years ago after graduating from the University of Hawaii's School of Travel Industry Management. Today, Eric and wife, Jackie Wong Shi, manage the agency from their Honolulu office and employ 50 people.

Eric is candid—and sometimes comical—about the Chinese visitor industry. Here's his take:

How did you start Hawaii Global Holiday?

When I was in the TIM school (in the mid-1990s), doing practical training, I was able to know some of the tourists from China. But in those days, they were more like high-rank officials, here for meetings or business.

While I was looking for a hotel job after college, people referred their friends to me. They asked me: "Can you help me take care of them (Chinese visitors to Hawaii)?"

Between looking for a job and doing my own business, eventually I was getting more and more referrals. I just gave up looking for a job and concentrated on doing my own. I got more busy, and I could not handle by myself, so I called my brother and hired some people to do a formal business. I started Hawaii Global Holiday in 1996 and incorporated in 1999.

Why does Hawaii appeal to Chinese travelers?

Hawaii is a paradise for Chinese people. They all have a positive image toward Hawaii. Beautiful. Nice. All the hula girls. The coconut trees. But Hawaii appears to

be very expensive for some, and that's not a good sign. The problem is we have to compete with lots of other tropical destinations.

Name one of those destinations, and its appeal.

Places like Thailand, Phuket, much cheaper. We see \$150 is the price of a budget hotel in Hawaii. For \$150 in Thailand, you're almost staying in a five-star hotel. In Thailand, they have 5 million Chinese visitors. In Hawaii, we have less than 200,000 a year. We have a much bigger potential than that.

Looking back, how has the China market changed since you started your tour agency 20 years ago?

Several years ago, the more financially rich Chinese were coming. To get a visa to come to the USA was a big thing, very difficult. You needed a strong background (to qualify) so you didn't stay here and become a refugee.

When Obama signed the visa waiver, it became easier for anybody to get a visa. But it created lots of problems for us, too. Culturally different backgrounds.

Now, the high-end travelers don't join travel agents. They come on their own, FIT, book their own and travel by themselves. This number is getting bigger. Hawaiian Airlines is doing a good job providing special programs like "two-way, one free destination to the Neighbor Island" to see more Hawaii. That attracts a lot of people. But the majority of Chinese still come with groups.

Describe those Chinese visitors who travel in groups.

They go to the USA for 14 days, and only stop over in Hawaii. They don't have too much impression of Hawaii yet. They stay in lower-budget hotels and eat very basic meals. I don't think they are tasting Hawaii. The Chinese consider Hawaii a transient destination, not a travel destination. They don't see the ocean

from their rooms because they stay at the back of the hotels.

Earlier, you mentioned problems. What problems have you seen with Chinese visitors?

It's a culture conflict. As a tour company, we carefully guide and educate them: "Here in the USA we do it this way." An example, when we go to restaurants, they're talking a bit loud. Very typical. They shout at each other across the tables. We have a careful way to tell them, "You're not supposed to shout in the restaurants because it's a quiet place."

Another thing is tipping. The other day, someone told me, "I'm debating whether I should give a tip." In the U.S., income is based on tips. We provide you the service. We deserve the tip. But they think, "It's up to me, I decide how much I give."

Mainland Chinese aside, your company also brings visitors from other markets. Who are they?

We do Asian immigrants living in the USA. Vietnamese and Malaysians, etc. They come to Hawaii with an Asian tour company because they feel more comfortable, same kind of people. We speak some English to those people.

Back to Mainland Chinese visitors. How can Hawaii's residents help grow this market?

Everybody knows the Chinese market is very big. All the hotels, the different restaurants might need more Chinese characters, even though the employees don't speak the language, to tell the Chinese what kind of restaurants there are, or to tell them the guidelines in Hawaii. On the streets, I notice more brochures and maps are coming out for the Chinese. KCC and UH have some courses to provide training in Chinese. But not too many Chinese are on the front line, the front desk. The market is getting big.



"Hawaii's Air Duct Cleaning Professionals"

- HVAC SYSTEMS
- KITCHEN EXHAUST
- DRYER EXHAUST
- BATHROOM EXHAUST
- TRASH CHUTE CLEANING & REPAIR
- CAMERA INSPECTION

**Avoid fire hazards,
Maintain indoor air quality,
Save energy.**

Serving All Islands

Phone (808)832-1178



ASCS, VSMR, CVI, CECS,
NADCA & IKECA Member



www.AIRPROHAWAII.com



ALOHA That Sells

HTA's friendly \$18,000 reminder on Youtube

BY CATHY CRUZ-GEORGE

"Take care of tourism. It's a family business."

That's the tagline for a trio of videos that the Hawaii Tourism Authority recently launched, featuring local families dependent on the visitor industry.

The cost of the campaign: \$18,000 per 30-second video.

The goal of the campaign: To remind local residents that tourism is good for Hawaii.

The first two videos posted in April to HTA's YouTube channel are of Renee Kimura of Kimura Lauhala Shop and Chef Mark "Gooch" Noguchi of Mission Social Hall and Café.

The Kimura family's video traces their Big Island shop's history to 1914 with the message, "Without tourists, no more Kimura Lauhala." Noguchi's segment, shot in downtown Honolulu, features family members with tourism-related jobs. "We've got a lot of tourism in our family, and we take care of family," he says at the end of the video.

The third video posted to YouTube in June and is of Paul and Noelani Pomroy of the Kauai Museum. Their message, "Most of our visitors are tourists. The Kauai family museum depends on them."



Leslie Dance

The idea for the video campaign was not in response to some anti-tourism backlash. The HTA simply wanted to

"share a perspective with the public that tourism benefits many families and locally owned businesses statewide," says Leslie Dance, HTA's vice president of marketing and product development.

But not everyone thinks the HTA videos are needed.

"It's slick advertising," says Jonathan Kay Kamakawiwo'ole Osorio, a Hawaiian studies professor at the University of Hawaii at Manoa.

If anything, the video campaign ought to trigger serious discussions and studies measuring tourism's impact on the economy, culture and natural resources and infrastructure, he says.

Some local groups have called out the visitor industry on these issues. "The AiKea Movement" and the Hawaiian-Environmental Alliance also known as "Kahea," for instance, have spoken out against resort development and have helped Waikiki hotel em-

ployees form unions.

Tourism can be a touchy subject, Osorio says. "When people talk about needing to limit tourism, it creates a certain amount of apprehension in the community because so much money comes in as a result of tourism," he adds.

The HTA supports the notion that "tourism's growth does not detract from Hawaii's environment, culture and quality of life," Dance says.

To gauge the public's love—or disdain—for tourism, the HTA regularly conducts a "Hawaii Resident Sentiment Study." The most recent survey, released in 2015, found that the majority of local residents favored tourism, giving it a score of eight out of 10 (the highest score). Oahu residents were more positive about tourism than Neighbor Isles respondents.

Also in the 2015 survey, approximately 64 percent of

HTA YouTube videos: Kauai Museum (top); Chef Mark Noguchi (bottom)





respondents said tourism “brought more benefits than problems to Hawaii.” Interestingly, that number was higher when the study was conducted during the Great Recession.

When times were tough, 80 percent of respondents in 2010 and 78 percent in 2009 said tourism “brought more benefits than problems” to Hawaii.

Malu Productions Inc.
 (808) 585-7388
www.maluproductions.com
info@maluproductions.com

Malu Productions is an award-winning entertainment company and a preferred vendor for Hawaii and Polynesia show spectaculars. Recognized for fine quality presentations, our services for conventions, corporate events, and special affairs include performances of Fire Knife, Hula, Tahitian, and live instrumentation from the island's top performers. Contact us for your upcoming event.

Leis by Ron, Inc.

THE HAWAIIAN DREAM
 BEGINS WITH THE
Aloha
 OF LEIS

Hawaii's Largest Bulk Lei Distributor
Serving Hawaii's Tourist Industry

- * Hotels
- * Timeshares
- * Travel Agencies
- * Luaus
- * Cruise Ships
- * Conventions

Sharing Aloha since 1989

851 Mapunapuna Street | Honolulu, HI 96819
 Call 808-838-1455 | Toll-free 1-844-838-1455 | Fax: 808-838-1424
leisbyron@aol.com | leisbyronhawaii.com

ORCHID LEIS | KUKUI NUT LEIS | SHELL LEIS

When the Going Gets Tough

Visitors in distress get a helping hand and a lot of heart

BY PRISCILLA PÉREZ BILLIG

When Edna and Bob Hanlon arrived in Honolulu last year, it was on an emergency flight from Kauai headed for the Moanalua Medical Center Helipad.

Ten days earlier the Hanlons, both in their 80s, had packed to return to their Denver home after a two-week dream vacation when Edna found her husband moaning on the bathroom floor. Paramedics rushed the couple to Wilcox Memorial Hospital on Kauai. Over the next several days, however, Bob's kidneys began to fail and the decision was made to fly him to Kaiser Moanalua's critical care unit.

"I'd never been to Hawaii in my life, certainly not to Honolulu," Edna says. "I didn't know where the hotel was or anything else. I was totally alone."

At Moanalua Medical Center, Edna met medical social worker Berna Cabilao who told her, "Mrs. Hanlon, I think you need to talk to a friend of mine." Cabilao put in a call to Jessica Lani Rich, CEO and president of the Visitor Aloha Society of Hawaii (VASH).

"Jessica came five minutes later," Edna says. "It was like she dropped out of heaven, saying 'I am not here to persuade you to do anything, but I'm here to help you if you want me to.' This was unheard of. I said I need all the help I can get."

VASH provides short-term emergency assistance until visitors can contact family or friends. Rich, trained

by the International Critical Incident Stress Foundation, says the services most in demand by Hawaii visitors are moral support and information.

The nonprofit organization is a member of Travelers Aid International and collaborated with the Hawaii Tourism Association to create a free brochure on safe traveling.

"If a visitor has a bad experience and uses social media, they can reach thousands of people regarding their unpleasant experience," Rich says. "We have helped thousands of people deal with emergencies and have created goodwill and received testimonials from many of our visitors."

Rich found a reasonably priced hotel on a bus line for Edna, sent a VASH staffer to escort her to Kaiser's Honolulu clinic where she could take a free daily shuttle to Moanalua, introduced her to ministers, signed her up with an airport shuttle so she

you just love being with them because they make you feel good."

The Rotary Club of Honolulu founded VASH in 1997 after recognizing a need for assistance to visitors in distress. The initial intent was to

VASH is an important part of tourism.

could stay with Bob into the night and took lunch, snacks and groceries to the hospital. One day Rich brought a chocolate-covered donut and French pastry to help the couple celebrate their 57th wedding anniversary.

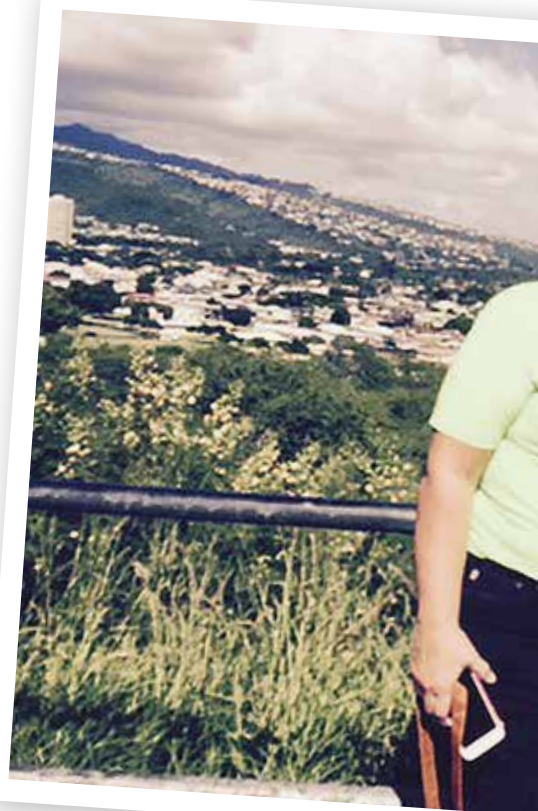
On Sept. 29, after eight weeks in Hawaii, Bob Hanlon died of total renal failure. When the Hanlons' daughter, Paula Williams, came to Honolulu to take her parents home, Rich drove Edna to the airport, got them a bigger hotel room, took them to eat and introduced them to the mortician who would handle the cremation.

"She did everything for us," Edna Hanlon says. "Had it not been for Jessica I truly do not know what I would have done. She saved my life, she certainly did. I just can't say enough about her. She is wonderful. It's a treat to meet her. Just being in her presence is such a calming influence. People like that ...

provide help to travelers who were traumatized by crime or other adversities while visiting Hawaii. Since then, VASH has expanded its program to include medical emergencies and assisting with visitors who pass away while in Hawaii.

"VASH is an important part of tourism," says Garrett Grace, Rotary Club of Honolulu president. He adds that VASH has become one of the most successful programs started by the Rotary Club, providing help to several thousands of tourists every year.

"Visitors to Hawaii are not alone," Rich says. "We made sure Edna did



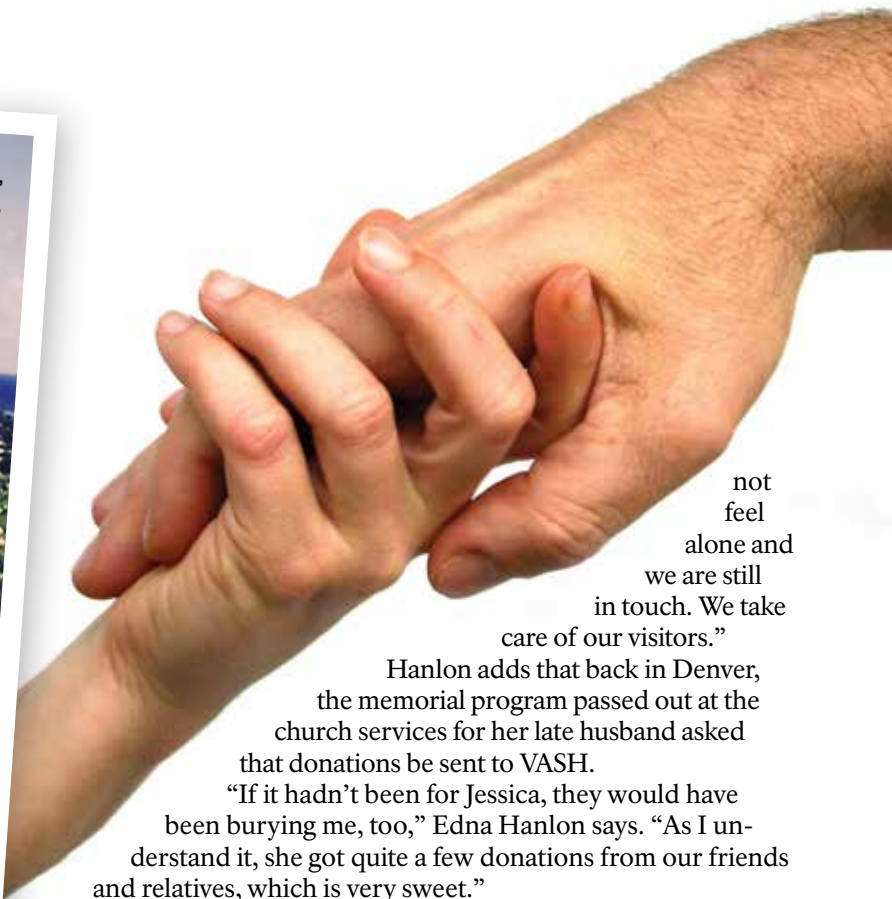
Jessica Lani Rich



Garrett Grace



Paula Williams with her mother, Edna Hanlon, at Diamond Head lookout.



not
feel
alone and
we are still
in touch. We take
care of our visitors.”

Hanlon adds that back in Denver, the memorial program passed out at the church services for her late husband asked that donations be sent to VASH.

“If it hadn’t been for Jessica, they would have been burying me, too,” Edna Hanlon says. “As I understand it, she got quite a few donations from our friends and relatives, which is very sweet.”

Transportation...Let us help you service all your guests

*Wheelchair accessible transportation-
Let ALL your guests enjoy the ride.*



An estimated 3% of the US Population utilizes a wheelchair to be mobile. That means that there is the potential that 240,000 of our approximate 8 million visitors each year will need wheelchair accessible transportation to go to dinner or shopping or sightseeing while on vacation! Shouldn't they have an accessible and affordable alternative?

Soderholm Bus & Mobility is the only fully licensed, full-service bus and mobility dealer in Hawaii and the Pacific. We can meet All of your GUEST'S transportation needs with our product mix of accessible passenger vehicles and small and mid-sized buses/vans. All of our vehicles can be made ADA Compliant!



Soderholm Sales & Leasing, Inc.
2044 Dillingham Blvd. Honolulu, HI 96819
808-834-1417



A Recipe for Success

A new culinary arts facility gets ready to meet increasing needs of the hospitality industry

BY PRISCILLA PÉREZ BILLIG

A 44,000-square-foot education facility devoted to advanced culinary studies will soon be open for business on the northern slopes of Diamond Head. The campus addition to Kapiolani Community College's popular Culinary Arts program is being constructed on nearly eight acres at the site of the former Fort Ruger Cannon Club.

The Culinary Institute of the Pacific will be the eighth culinary facility in the state, but the first and only one to offer a three-year program and an advanced professional certificate. From here, students can advance to the University of Hawaii at West Oahu for a bachelor's degree in culinary

management or to UH-Manoa for a degree in food science.

KCC's advanced program will require an associate degree. Chefs without degrees, but already certified by the American Culinary Federation, may go through the new program for additional certifications or to broaden their skills in various culinary areas.

"Having this program in place gives a full spectrum of educational opportunities to anybody in the Islands," says John Richards, KCC career and technical education dean of culinary, hospitality, business, legal and technology studies. "It will entice anyone in the world to come to Hawaii for advanced culinary training."

One track leads to a "culinology" degree, a combination of chef and scientist. Richards says the advanced degree program will graduate culinarians who have learned a deeper sense of the skills needed to operate a business, especially in Hawaii.

"Through its advanced degree program, the Culinary Institute of the Pacific will prepare the next generation of culinary leaders as well as a broader range of culinary specialists," says Richards.

Following the first phase





of construction, the Culinary Institute will open its doors in August 2017 with two kitchens and all support infrastructure for the entire project in place. Phase 2, designed and under development, will add two additional culinary kitchens, a culinary auditorium, a fine-dining restaurant and classrooms. Outside will be an *imu* pit and three garden theme plots to allow for cultural instruction.

“Our intent here is to put together a great picture of what Hawaiian cuisine is and the culture that has evolved to create what it is today,” Richards says. “We are being careful to ensure cultural design in everything we do—from building to the connection of our people to land.”

Richards adds that experts from KCC’s Hawaiian Studies program will work with culinary instructors to ensure that elements of Hawaiian culture are threaded through every facet of the program. He says he would also like to include elements of food innovation that integrate with farmers to move increasingly toward becoming a food-sovereign state where Hawaii grows more of what it needs.

“We have many degrees and are constantly evolving to meet the demand of the hospitality industry here in Hawaii,” Richards says. “Our next focus will be a restaurant management program for those who specifically want to go learn management requirements of food service facilities.



Rendering of the new Culinary Institute of the Pacific

About John Richards

The career and technical education dean of culinary, hospitality, business, legal and technology studies at Kapiolani Community College, John Richards hails from Louisville, Ky. He spent a career as an entrepreneur with ownership and management experience in foodservice, entertainment and educational enterprises in Louisville, Los Angeles and Miami.

Richards is an American Culinary Federation Certified Executive Chef, Certified Culinary Administrator, Certified Working Pastry Chef and is Serv-Safe Certified. Prior to moving to Hawaii, Richards was the founding director of the Miami Culinary Institute for Miami Dade College’s Wolfson campus.

“It was a ground-up opportunity to build the next level of culinary excellence and education,” he says. “That was a tremendous experience that really prepared me to be here today to bring together this incredible opportunity that is the Culinary Institute of the Pacific. To be a part of this team and bring it to life, making it the absolute best that it can be is very exciting for me.”

RENOVATION

AN INNOVATIVE INVESTMENT

Investing in hotel renovations is crucial to attracting guests, say industry leaders

BY DAVID PUTNAM

More than 90 percent of guests read reviews before deciding on which hotel to spend their vacation dollars, according to industry estimates. Making it easier for them to make the right decision—choosing your hotel—likely means following a cycle of renovations to keep the property fresh and attractive.

“With the growing number of travelers worldwide, increasing visitor arrivals to Hawaii, the changing needs of travelers and the increasing number of newcomer properties to the Islands, it is critical that hotel managers and owners stay on top of their game,” says Julie Arigo, general manager of the Waikiki Parc Hotel. “There are too many choices



Julie Arigo

for travelers, including the rise of vacation rentals available which now compete with hotels.”

Investing in renovations is crucial to attracting guests, she says.

“To maintain destination appeal, hoteliers in Hawaii need to ensure ‘healthy and friendly’ competition on the Islands as well as with other destinations,” Arigo says. “A hotel financial plan that allows for a renovation cycle, combined with a hotel’s internal practices—such as a well-managed preventive maintenance program, consistency in service training and creativity in development of hotel experiences—all help to revivify the product and make for long-term business success.

“Renovation allows for innovation; much needed in this constantly evolving industry.”

Hotels reflect the economic status of their communities, and in times of an economic downturn, they are likely to postpone renovation work until better times—and more cash is available.

Two key factors favor renovations: The expense—a “gut” renovation generally costs 30 percent less than

building from the ground up—and the lack of prime space or sites.

With sparse real estate available in Hawaii, renovation and rebranding is the favored option across the Islands.

“It’s encouraging to see Hawaii’s hotel partners continuously evolving

their offerings to stay ahead of competing destinations while staying current with the demands of today’s travelers,” says George Szigeti, president and CEO of



George Szigeti

the Hawaii Tourism Authority. “The business model for travel has changed dramatically on a global scale the past few years. Competition has increased from emerging international destinations, and alternative accommodations are attracting more travelers.”

The blessing for the \$115 million Hilton Garden Inn Waikiki Beach, formerly the Ohana Waikiki West, was held on June 20. Redeveloping the 623-room hotel, the largest of 700 Hilton Garden Inns worldwide and managed by Evolution Hospitality, began in December 2015. The hotel’s features include a living-room style



Rendering of the
Hilton Garden Inn Waikiki Beach

PHOTO COURTESY
HILTON GARDEN INN
WAIKIKI BEACH

lobby with communal seating and classic Hawaiian design.

“Opening our second Hilton Garden Inn-branded hotel in Hawaii, the first in the capital of Hawaii, is a major feat for the brand, which is expanding at a rapid pace,” says John Greenleaf, Hilton Garden Inn global head, in a recent statement.

According to Hilton, all guest-rooms, including one- and two-bedroom suites, have a 48-inch HDTV with premium channels, and an in-room “hospitality center” with a microwave, mini-refrigerator and Keurig coffee/tea maker. Most rooms will include a walk-out lanai with seating.



John Greenleaf

“We’re proud to present this upscale hotel brand in true, friendly Waikiki style to our guests planning leisure vacations, as well as business meetings and conferences on the Island of Oahu,” Greenleaf says.

The hotel includes a full-service restaurant and bar, grab-and-go café, market and gift shop, complimentary Wi-Fi, two state-of-the-art fitness centers, outdoor swimming pool and poolside food and drink service.



John Taffin

“From the modern guest rooms to the grand, light and airy lobby space, the Hilton Garden Inn Waikiki Beach has been completely re-envisioned,” says John Taffin, general manager.



FREE FF&E

FURNITURE, FIXTURES & EQUIPMENT

REMOVAL



Ross' Appliance & Furniture

Mokauea St. 841-7336 • Dillingham Blvd. 841-7331

GreenBedCompany.com

The renovation of the Surfjack Hotel & Swim Club on Lewers Street, formerly the Hokele Suites, was completed in April. The goal was to bring a “North Shore” ambiance into the heart of Waikiki. The job included upgrading the 112 guestrooms and restaurant and shopping areas of the property owned by Komomai Hospitality II LLC and managed by Aqua-Aston Hotels.

“Retro Hawaii with an urban chic twist,” says Greg Liu of general contractor Design Trends Construction Inc., “and all modern conveniences with wireless access throughout, video projector poolside and a fully equipped restaurant and bar. Everyone is really happy to have this property in operation again, and looking great.”



Greg Liu

The Studio Collective handled the interior design for the four-star boutique hotel, producing a “place where guests can be immersed in the spirit of ’60s beach culture and modern aloha.” The Surfjack also added a restaurant, Mahina and Sun’s by Chef Ed Kinney, and a retailer, Olive & Oliver, which offers men’s and women’s apparel and hosts an on-site artisanal coffee bar.

An ongoing renovation is at the Pacific Beach Hotel. Work began in May, and its Oceanarium Restaurant will be closed in September for balcony restoration and exterior painting. The 837-room hotel also shut down its iconic three-story, 280,000-gallon saltwater aquarium located in the restaurant. The hotel, which is owned by HTH Corp., says it plans to reopen the aquarium in 2017.

In other hotel renovations and rebrandings on Oahu:

- **The Hilton Grand Vacations** in 2014 began work on a \$200 million vacation ownership tower, the Grand Islander, as part of the growth and renovations at Hilton Hawaiian Village. The project is set for a

Hawaii’s resorts and hotels have always maintained a world-class standard for hospitality and quality of service that enhances the enjoyment of coming to the Islands.



Studio Collective’s designs for the Surfjack encapsulate the laid-back aloha vibe of local surf shacks from the 1960s and ’70s, inspired by bungalows on the North Shore in and around Haleiwa.

December completion.

- **The Hawaii Prince Hotel Waikiki** has begun major renovations to its lobby, guestrooms, pool area and restaurants. The project is expected to be completed in March 2017.
- The 247-room **Aqua Waikiki Wave’s** \$46 million renovation project got underway in early 2015 and was sold to Rockbridge Partners in January.
- The **Imperial Hawaii Resort** updated its front desk and lobby, with the project scheduled to be completed on July 1.
- Work at the **Luana Waikiki Hotel and Suites** began in May to refresh its guestrooms. The project is expected to wrap by the end of September.
- The **Maile Sky Court** is doing a makeover of its 598 guestrooms along with the lobby, pool and parking areas. Work is expected to continue through November.

Many hotels on the Neighbor Islands also are undergoing renovations.

Among them are the Aston at Papakea Resort and Aston Maui Kaanapali Villas which are expected to be completed in late 2016. Also on Maui, the Hale Kai O Kihei will begin renovation this month to its oceanside area, and plans to reopen in early October.

On the Big Island, the Fairmont Orchid is expected to begin renovations in August, with the job expected to be completed on Sept. 10.

The HTA’s Szigeti notes that “the quality of the experience is a big reason why many visitors keep coming back” to Hawaii.

“We are on track for a fifth consecutive year of record-setting visitor arrivals and expenditures, but it’s also come during this period of evolution in travel habits, especially by millennials,” he says.

“The fact that Hawaii has enjoyed such success is due in large part to how our resorts and hotels are continually improving their facilities and on-property experience. Maintaining this approach is key to strengthening Hawaii’s value and appeal as a destination to travelers worldwide.”

West Oahu Hotels Attract Honolulu Workers

Jobs closer to home appeal to many employees who have spent years commuting to Waikiki

BY CATHY CRUZ-GEORGE

Before 5 a.m., Leeward resident Penny Carter catches The Bus to town, where she is guest services manager for the Aston Waikiki Sunset. The one-hour journey allows her and fellow passengers—mainly hotel housekeepers from Ewa Beach—to catch up on sleep before work. As dawn breaks, thousands more hospitality employees leave their West Oahu nests for jobs in Waikiki.

“Everyone else in their cars is stressing in traffic, and we’re sleeping on the bus, playing games and reading articles on our phones,” Carter says.

The return trip home to West Oahu can take up to two hours, depending on afternoon road conditions. That might change for some hospitality workers, who are seeking employment at new hotels scheduled to open in Kapolei and Ko Olina.

Here’s a snapshot of some of the properties:

- **Embassy Suites** by the Hilton brand is slated to open a 180-room hotel by 2018 on the lot bordered

by Manawai Street, Kapolei Parkway and Fort Barrette Road. The seven-story property sits on a lot that includes the Ilima at Leihano retirement community.

- **Hampton Inn & Suites**, another Hilton brand, is on track to open a 175-room hotel in September 2016 adjacent to the Ka Makana Alii shopping center in Kapolei Parkway, featuring 75 stores and a cinema. The hotel will employ 28 full-time workers plus part-time contractors.
- **Four Seasons Resort Oahu at Ko Olina** opened in June with 371 rooms after a 17-month renovation of the former JW Marriott Ihilani. The hotel employs about 700 people. The next phase of construction will add 150 luxury units to the Four Seasons property.
- Developers recently scrapped plans to build a Marriott-brand hotel on the lot bordered by Kealakapu Street and Kapolei Parkway, near Costco and the Kapolei Court complex. Other groups including hotels have expressed interest in the site, says Chuck Hill, vice president of sales and leasing for Kapolei

Properties LLC.

“As Kapolei continues to grow, new employment opportunities to the region will allow more of our workforce



Kiran Polk

to work close to home,” says Kiran Polk, executive director of the Kapolei Chamber of Commerce. “This will bring traffic relief and improve the quality of life for our families in West Oahu.”

The Hire Leeward Job & Career Fair was held on June 25 to recruit thousands of employees for businesses in West Oahu and the Leeward coast. Participating employers included the Hampton Inn, Four Seasons, Hilton Grand Vacations, Marriott Ko Olina Beach Club and about a dozen restaurants.

Carter is excited for her neighbors vying for new jobs on Oahu’s west side. But she makes it clear that she enjoys working in Waikiki, the epicenter of Hawaii tourism.

“Commuting into town by bus doesn’t bother me at all,” she says.

Besides, she’s been riding The Bus to Waikiki for the past 28 years.





IL Gelato Hawaii's upscale gelato bar at Kahala Mall
PHOTO COURTESY CARLOTA CALDEIRA



GelatoCommando

IL Gelato Hawaii founder Dirk Koeppenkastrop scores a coup during world competition

BY BRETT ALEXANDER-ESTES

Lifting the lid of the “Mystery Box” at the 2016 Gelato World Cup competition, Dirk Koeppenkastrop, U.S. team captain, felt his heart sink.

“When our team manager pulled sour sop green tea—actual green tea buds—we were a little shocked at first,” says IL Gelato Hawaii’s owner.

“It is very difficult to extract a strong flavor out of a green tea unless you have a matcha green tea—and particularly sour sop green tea has a fruity but very mild fragrance.”

Gelato Team USA’s new dessert also had to shine “outside the box.”

“The jury evaluates the gelato based on taste, texture and creativity of the recipe,” says Koeppenkastrop.

With about two hours to create a

crowd-pleaser from scratch, the team took a gamble. “We made a hot green tea fusion into a Fior di Latte (flower of the milk) gelato base,” Koeppenkastrop says. The bubbling concoction was strained, frozen and finally spun in a gelato maker.

Out came a silky, tea-tinted snow that was swirled into cones for the judges. Holding its breath, Team USA waited for the verdict.

“It came out great,” says Koeppenkastrop. “All the judges liked it.”

The new treat placed third in the “Mystery Box Gelato” challenge. Team USA placed seventh overall in the Rimini, Italy international competition, making an impressive showing against traditional World Cup champions Italy and Spain.

“I am a little disappointed with

New Summer Flavors

Cool new treats to beat the heat:

Gelato

- Key-Lime Pie
- Almond Joy
- Stracciatella

Sorbetto

- Hawaii (fusing mango, pineapple, papaya and strawberry)
- Mountain Apple
- Watermelon
- Papaya-Lime
- Summer Iced Tea
- Gingerade

the overall placement as our goal was to be under the top five,” says Koeppenkastrop.

From Pushcart to Michel's

Koeppenkastrop, who holds a doctorate in physical chemistry and is German-born, brings the relentless focus of a scientist and his heritage to IL Gelato Hawaii.

"We started our gelato production in 2010 at our Sumner Street location in the Iwilei Business Center," he says, noting that in 2010 most Hawaii retail gelateria were failing. Undeterred and armed with a 42-page business plan, Koeppenkastrop sold gelato wholesale to leading Hawaii hotels, restaurants and upscale grocers.

"We started 'Eat The Street' events with our authentic gelato cart 'IL Carrettino,' which we imported from Europe," he says. "I went from restaurant to restaurant, giving out samples."

The gelato's zing gave Koeppenkastrop an edge.

Best-sellers like Hawaii Sea Salted Caramel Gelato, which fuse onolicious Island flavors with European recipes, are enhanced by their purity, Koeppenkastrop says, noting that his gelato and sorbetos (sherbetts) are low-fat and free of preservatives, artificial colors and artificial flavoring.

"Chefs loved our high-quality taste and textures," he says, "and we started making gelato for restaurants like Michel's, Azure, Japengo and Roy's Waikiki, which still offer IL Gelato Hawaii gelato and sorbetos."

A Win-Win

When Hawaii's eateries put IL Gelato's low-cal desserts on their menu, what's in it for them—besides a likely purchase by Hawaii's increasingly health-conscious patrons? Gelatos and sorbetos offer high gross sales margins of up to 85 percent for hotels and restaurants,

Koeppenkastrop says, estimating a typical 300-guestroom Hawaii hospi-



Jason Ichiki



Koeppenkastrop and wife Nicole at IL Gelato Cafe Haleiwa

PHOTO COURTESY CARLOTA CALDEIRA

tality property consumes 200 to 250 liters of gelato per month.

"We have seen our restaurant customers' dessert sales go up, and that is a win-win situation for all," Koeppenkastrop says. Roy's Waikiki Executive Chef Jason Ichiki says the premier restaurant's most popular gelatos are Coconut Soy, Kona Coffee and Macadamia Nut, as well as Lilikoi, Mango and Lychee sorbetos. Roy's goes through about 12 1.5-liter containers of IL Gelato products a month, Ichiki says.

Meeting Benchmarks

Back in Iwilei, Koeppenkastrop monitors costs as closely as sales.

Every month, he and his staff go through monthly profit and loss statements, analyze all expenses and hours and

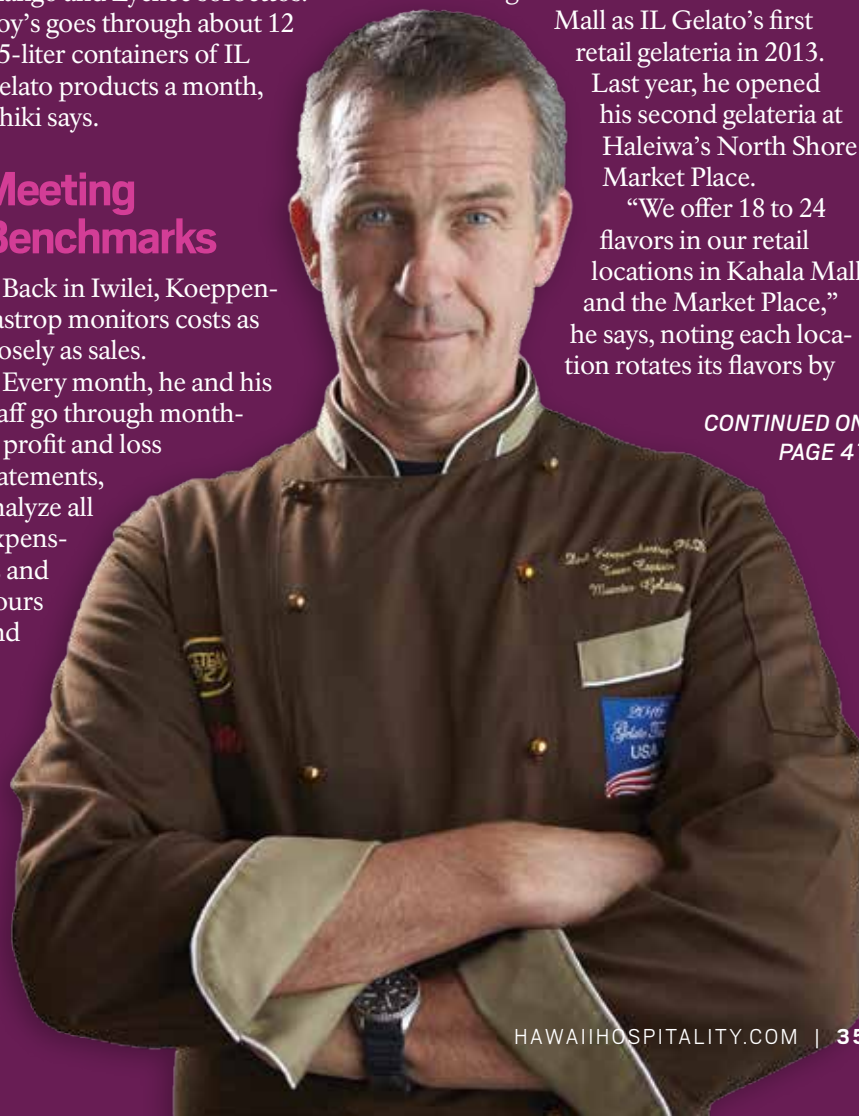
compare these against budgets and industry-specific benchmarks. Koeppenkastrop says this is critical in businesses that depend on a high sales volume of small-ticket items—like IL Gelato Hawaii's 150 flavors.

Plotting Point-of-Sale

Koeppenkastrop's critical eye guided the selection of Kahala Mall as IL Gelato's first retail gelateria in 2013. Last year, he opened his second gelateria at Haleiwa's North Shore Market Place.

"We offer 18 to 24 flavors in our retail locations in Kahala Mall and the Market Place," he says, noting each location rotates its flavors by

CONTINUED ON
PAGE 41





Hawaii's TIPPING Point

In light of a court ruling banning tip pools,
the Islands' restaurateurs weigh their options

BY CATHY CRUZ-GEORGE

In the second quarter of this year, Highway Inn posted signs about a new “kitchen service charge” that adds to each bill, 3 percent (Waipahu location) or 5 percent (Kakaako location) of the final cost of food, excluding drinks. The add-on is given to kitchen staff and back-of-house employees who traditionally do not receive tips from customers. Servers keep their own tips, separate from the service charge.

Gyotaku restaurants and AGU ramen bistros this year also began adding a service charge of 4 percent to each bill. The restaurants advise customers to tip servers 4 percent less than what they normally would. So far, the response has been positive. Gyotaku has locations in Pearl City, Niu Valley, Kailua and Moiliili; and AGU operates in Kapolei, Kakaako, Moiliili and soon-to-open Pearlridge Center.

The new fees at these restaurants are in response to a Feb. 23 Ninth Circuit Court rule that regulates the tip pooling practices of employers who don’t take the tip credit. It also prohibits employers from including back-of-house employees in tip pools, a practice that was common in most restaurants.

“Hawaii has always been an *ohana* state, if you will, and so there’s a lot of restaurants that lend themselves to sharing,” says Tom Jones, co-owner of Gyotaku and AGU. “Some

defined and carved out a certain percentage, and kitchen staff shared in a significant portion, and in some cases, the arrangement was less formal.”



Tom Jones

The court decision not only affected businesses in Hawaii but also in Alaska, Arizona, California, Idaho, Montana, Nevada, Oregon and Washington, and the Northern Mariana Islands and Guam.

Per law, employers can pay a traditionally tipped employee less than the minimum wage if that employee receives more than \$20 a month in tips, and if the employee’s combined wages and tips exceed the minimum wage.

The court ruling comes at a time when Hawaii’s restaurants already face two major financial hurdles. First is the shortage of qualified, reliable kitchen employees. The drought is a nationwide problem, but Hawaii’s is unique. A line cook from a small, local restaurant, for example, can easily land a similar job at a Waikiki hotel or Neighbor Island resort, where competitive salaries and benefits are backed by the labor unions.

Tip Credit Chart

Combined Wage + Tips Must Equal at Least \$ per Hour	Maximum Allowed Tip Credit Toward Minimum Wage	Adjusted Minimum Wage Less Tip Credit	Effective
\$7.25 + \$0.50 tips = \$7.75 per hour	25 cents	\$7.00	Through Dec. 31, 2014
\$7.75 + \$7.00 tips = \$14.75 per hour	50 cents	\$7.25	Jan. 1, 2015 to Dec. 31, 2015
\$8.50 + \$7.00 tips = \$15.50 per hour	75 cents	\$7.75	Jan. 1, 2016 to Dec. 31, 2016
\$9.25 + \$7.00 tips = \$16.25 per hour	75 cents	\$8.50	Jan. 1, 2017 to Dec. 31, 2017
\$10.10 + \$7.00 tips = \$17.10 per hour	75 cents	\$9.35	Jan. 1, 2018

SOURCE: STATE OF HAWAII, DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS WAGE STANDARDS DIVISION

The other issue is wages. Hawaii's current \$8.50 minimum wage is set to increase to \$9.25 and \$10.10 per hour in 2017 and 2018, respectively.

The wage hikes concern an Oahu restaurant manager who asked not to be identified. "The laws are in conflict with the financial realities," he says. "I cannot pay my cooks what I pay my servers, which is a full minimum wage. They make tips on top of that. That puts them three to four times over what my kitchen staff is making."

That's the nature of the economics, say industry leaders.

"Front of house employees do make the highest hourly rate for hourly employees because of tips, both before and after the recent changes in law," says Ryan Russell, chief financial officer of Highway Inn.



Russell Ryan

Before it implemented the kitchen service charge, Highway Inn previously had a tip pool arrangement and did not take any tip credit.

Given the wage and employment issues, plus the court's new ruling, Hawaii's restaurant operators now share a common mission. And that is: How do they comply with the new law while being fair to their customers, their servers and back-of-house employees?

"Tip credit and tip pooling has got everyone running in different directions, with different answers to the big questions," says Gregg Fraser, executive director of the Hawaii Restaurant Association. "We're working hard with our members to come up with solutions for operators to stay in business."



Gregg Fraser

Here are some options:

• Have a voluntary tip pool.

Industry leaders say voluntary pools work only if employers require servers to share a certain percent of their tips with colleagues. Even then, the pooling concept is an honor system that sometimes causes tension in the workplace.



Clayton Kamida

"There will be employees who don't want to voluntarily tip out the back of the house," says Clayton Kamida, president and chief executive officer of the Hawaii Employers Council.

"There will be employees

who don't want

Front of house employees do make the highest hourly rate for hourly employees because of tips, both before and after the recent changes in law.

The manager who asked not to be named has worked with voluntary tip pools in Hawaii and the U.S. Mainland. He recalls, "Most servers did not share with the people who prepare the food, the same proportion as the customers who tipped them, and there was no law that said they must share tips."

• Increase food prices and eliminate tips.

To manage the rise in labor costs, some restaurants in major U.S. cities have moved to the gratuity-free model and hiked their menu prices. The concept is thriving in a handful of restaurants (The Modern in New York) while other companies have abandoned it, due to customer complaints and disgruntled employees who've quit (national chain Joe's Crab Shack).

Even Highway Inn considered banning tips earlier this year. "We re-evaluated everything under the law, including no tipping, and after running through

a cost analysis, including how to do taxes, ended up on the kitchen service charge," says Monica Toguchi, president and chief executive officer of Highway Inn.

Another restaurateur who asked to go off-record wants to eliminate tips but worries about employee backlash. His restaurants range from casual to upscale dining.

Local restaurateurs say that perhaps the biggest hurdle would be the diners themselves, especially the loyal folks who visit their favorite servers. Changing their mindset won't be easy.



Monica Toguchi

"Most customers tip all the time," Jones says.

Plus, a restaurant could be subject to higher taxes if it eliminated tips and raised food prices.

• Add a service charge or kitchen tip.

It still is too early to measure the effects of the new service charges at Gyotaku, AGU ramen bistros and Highway Inn. These restaurants are guinea pigs for Hawaii's restaurant industry.

Before local operators make any change, industry leaders have this advice: Review operational finances and profits with a certified accountant. Consult an attorney or labor-relations specialist to weigh the pros and cons. And hold workshops and meetings for restaurant employees to inform them of the new decisions. Make them feel valued and appreciated.

At first, "most employees won't understand it and might develop all sorts of odd theories, facts and behaviors, even when their paychecks look the same as prior to the change and if you do your math right," Russell says.

MVCB Names Clark PR Director

The Maui Visitors and Convention Bureau has appointed **Carol Clark** director of public relations. Most recently, Clark served as the director of communications and community relations for Maui Memorial Medical Center. She is experienced in public relations and community outreach, especially in healthcare, hospitality,



Carol Clark

food and beverage and various activities throughout Maui and the state of Hawaii.

Clark is a graduate of the University of Hawaii at Manoa with a bachelor of arts degree in journalism. She is a long-time volunteer for organizations such as the Maui Arts and Cultural Center, Maui Youth & Family Services, Seabury Hall and the Maui Academy of Performing Arts.

Hyatt Hosts 'Buying Spree'

Rainbow Buying Spree, an annual retail and foodservice operator expo, runs Aug. 3-4 at the Hyatt Regency Waikiki Beach Resort & Spa.

The two-day event features hundreds of retailers, foodservice operators and distributors, including Tyson, C&H, Kimberly-Clark, Nestle, Lyons, Ocean Spray and American Food Groups.

Manufacturers unveil new products at the event, which also offers one-on-one meetings with manufacturers, industry marketing sessions and event-only promotional discounts. Attendees are also eligible for prizes and giveaways.

The Spree begins Aug. 3 at 9 a.m. at the Hyatt Regency Waikiki Beach Resort & Spa, 2424 Kalakaua Ave. On Aug. 4, the event runs from 8 a.m. to 8:30 p.m. More information is available at <http://www.rsmhawaii.com/buying-spree/>.

Iolani Palace Hires New Shop Manager

Iolani Palace has named **Joseph Valencia**

as its new shops manager. He will oversee all aspects of the Palace's retail operations



Joseph Valencia

including proprietary product development, merchandise sourcing, presentation and sales, e-commerce initiatives and inventory control. Previously, Valencia was assistant manager at Lands End Lookout, one of the National Parks in the San Francisco Bay area. He was also supervisor at the Golden Gate Bridge Pavilion and sales associate at the Alcatraz Visitor Center. He received his undergraduate degree from the University of Colorado.

Moana Surfrider Appoints Kermabon

The Moana Surfrider, A Westin Resort & Spa, announces the appointment of **Tom Kermabon** as hotel manager.



Tom Kermabon

Kermabon is a Westin veteran, having most recently served as general manager of the Omni Tucson National Resort in Arizona. Prior leadership positions include management of three departments at the Westin St. Francis Hotel in San Francisco, front office manager at the Westin Miyako Kyoto Hotel in Japan and director of rooms at the Sheraton Dongguan in the People's Republic of China. Kermabon also has experience working in the San Diego and Washington, D.C. markets.

Kermabon is a fifth-generation San Franciscan and enjoys golfing and spending time with his family in his spare time.

Four Join Hapuna Beach Culinary Team

The Hapuna Beach Prince Hotel has appointed **Peter Abarcar Jr.** as director of the resort's culinary and beverage operations, **Marla Dunn** as director of

restaurants, **Michael Quanan** as executive sous chef and **Moses "Moki" Tavares** as chef de cuisine at the resort's Coast Grille.

Abarcar will oversee the resort's Coast Grille, Ocean Terrace, The Beach Bar, Let's Go Crabbing Buffet, banquets and room service. Previously, he was the hotel's executive chef and was voted "2015 Chef of the Year"



Peter Abarcar Jr.

by the American Culinary Federation Kona-Kohala Chefs Association.

Dunn will manage the resort's food and beverage operations, focusing on service, staff and overall guest experience. She



Marla Dunn

has more than 20 years of hospitality experience that includes positions at Starwood Hotel & Resorts, Fairmont Orchid, Westin Maui Resort & Spa, and most recently Aulani, A Disney Resort & Spa.



Michael Quanan

Quanan will manage the resort's culinary team as well as product purchasing, menu pricing and development. Previously, he has held positions at the Mauna Kea Beach Hotel, the



Moses Tavares

Four Seasons Resort Hualalai, Hokulia, Nanea and Suisan.

Tavares will direct the Coast Grille kitchen operations and garden and the resort's Locavore dinner series. Tavares' culinary experience includes positions at the Canoe House, Le Soliel and Café Pesto.

Westin Maui Appoints Stoltz

Tracy Stoltz has been appointed hotel manager at The Westin Maui Resort & Spa.



Tracy Stoltz

"Tracy possesses a wealth of leadership qualities that align well with her appointed role at The Westin Maui," says Tony Bruno, the resort's general manager, adding that Stolz's extensive hospitality and

property management experience will support the resort's efforts in "surpassing service standard expectations, increasing guest loyalty, and inspiring resort management and associates in creating visionary experiences while achieving optimal financial gain."

Stolz's more than two decades of executive hospitality experience includes recent Hawaii management positions at Starwood Hotels & Resorts Worldwide Inc. and Starwood Vacation Ownership properties as well as earlier appointments at resorts in Vail, Colo., the Bahamas and the Turks and Caicos Islands.

Ah Moo is New Hilton VP

Hilton Hawaiian Village Waikiki Beach Resort has appointed **Duke Ah Moo** as



Duke Ah Moo

vice president and commercial director for Hawaii. He will oversee sales, marketing, revenue management and catering and events.

Previously Ah Moo was corporate vice president of product development, partner relations and e-commerce with Pleasant Holidays where he oversaw the administration and negotiation of all travel products, developed sales and marketing strategies and spearheaded a multi-million dollar project to redesign, redevelop and launch new websites.



Four Seasons Resort Lanai

Four Seasons Resort Lanai Achieves AAA Five Diamond Rating

Four Seasons Resort Lanai has received the AAA Five Diamond designation, the travel authority's highest rating. Hotels at this level employ experienced, highly qualified staff to provide the custom service luxury hotel guests expect, according to AAA.

"The AAA Five Diamond Award is a true testament not only to the incredible amenities our resort and the island of Lanai offer, but to our first-rate team of employees who go above and beyond every day delivering exceptional guest service and who warmly and genuinely share their island home, the spirit of aloha and hospitality with our guests," says Tom Roelens, general manager. "We are all very proud of their hard work and dedication."

Miranda Tapped as Embassy Suites GM

Simeon Miranda, who returns from his Guam post as Outrigger Hotels and Resorts' corporate director of operations-Pacific, is the new general manager for the Outrigger-managed Embassy



Simeon Miranda

Suites by Hilton-Waikiki Beach Walk.

In his new role, Miranda will continue Embassy Suites' management tradition of guest and stakeholder satisfaction while meeting Hilton's brand standards.

While on Guam, Miranda oversaw the Outrigger Guam Beach Resort through its general manager, helped to complete an extensive two-year capital improvement plan, expanded the resort's Japanese and Korean markets and explored development opportunities.

Previously, Miranda's positions included general manager for Outrigger-managed properties Holiday Inn-Waikiki Beachcomber Resort, Airport Honolulu Hotel and the Best Western-The Plaza Hotel, as well as resident manager at the Hilton Waikoloa Village and as general manager for Embassy Suites-Hotel Lake Tahoe Resort.

Miranda holds a bachelor's degree in business administration and marketing from Seattle University.

Portuondo Promoted at Royal, Heads New Bakery

Carolyn Portuondo, an award-winning Starwood Hotels pastry chef and cake designer, has been promoted to executive pastry chef at the Royal Hawaiian resort by Executive Chef Colin Hazama.

"We look forward to having her leadership in growing our Bake Shop," says Hazama of the Royal Hawaiian's new bakery slated for late 2016. "We have seen Carolyn's



Sheraton Splash

Mermaid Citrine is splashing her way around Sheraton Waikiki's Helumoa Playground each Monday, Wednesday and Saturday this summer from 2-3 p.m. The Sheraton Waikiki welcomes everyone to join in for storytelling, songs, games and mermaid tricks.

CONTINUED FROM PAGE 35

season and serves approximately 100 to 300 customers per day. The Iwilei outlet offers scoops from nine daily rotating flavors, and also sells pints, quarts and 1.5-gallon tubs.

IL Gelato Cafe Haleiwa is introducing a "super-popular crêpe," Koepenkastrup says. The brand's "sweet crêpes with or without gelato are now available at IL Gelato Cafe in Kahala Mall" and offers nine new gelato and sorbetto summer flavors.

IL Gelato treats are also sold at Whole Foods Market in Kahala and Kailua and at Foodland Farms.

Market Maneuvers

Koeppenkastrup is expanding his market by diversifying his client list.

Besides restaurants like Roy's, caterers, clubs and event planners now offer IL Gelato treats. "Larger events are traditionally catered as 'all you can eat gelato' with IL Gelato's authentic gelato cart 'IL Carrettino,'" Koeppenkastrup says. 'Gelato Cool Boxes' deliver smaller orders to intimate events like weddings and baby showers.

More IL Gelato retail outlets are planned for Oahu and possibly the Neighbor Islands.

"For over five years, we have been working on securing a location in Waikiki and Kailua," says Koeppenkastrup. "Long-term, we are also interested to expand internationally through partnerships. We already have a minority partnership in Thailand where our partner is operating three retail locations on Phuket."

Fine Dining Faves

Dirk Koeppenkastrup says gelato and sorbetto top sellers at Hawaii's upscale restaurants include:

- Tahitian Vanilla Gelato
- Kona Coffee Gelato
- Double Roasted MacNut Gelato
- Hawaii Sea Salted Caramel Gelato
- Coconut Haupia Gelato (made for President Obama's APEC luncheon)
- Mango Sorbetto (made for the Dalai Lama and his entourage)



Team USA at the 2016 Gelato World Cup



And in June, the company announced plans to open a new retail outlet in Brazil.

IL Gelato Hawaii's world-class victory in Rimini is matched by its balance sheet. "IL Gelato has enjoyed double-digit growth every year since we started," Koeppenkastrup says.

That's no surprise to Ichiki. "My personal favorite is Lilikoi sorbetto, and I don't like sweet stuff," he says. "But I could eat that all day."



Carolyn Portuondo

impressive creations surprise and delight guests time and time again.”

Portuondo joined Starwood in 2014 as a pastry chef with more than 11 years of patisserie experience, including five years heading her own Las Vegas bakery and stints as a pastry chef at the Venetian Resort & Casino in Las Vegas and Alan Wong's Restaurant in Honolulu. Her accolades include a “Top Wedding Cake Bakery Las Vegas” award by *Brides' Magazine* and “Best of Weddings” in *The Knot Magazine*.

Fairmont Names Two

Fairmont Hotels announces the appointment of **Aulani Kealoha** and **Ben Shih** as regional

directors of leisure sales for Fairmont's Hawaii and San Diego markets. Kealoha and Shih will provide regional account management and development for key wholesale and leisure accounts

Aulani Kealoha

served by the Fairmont Kea Lani and Orchid resorts in Hawaii and San Diego's Fairmont Grand Del Mar resort.

Kealoha brings 26 years of luxury sales experience to her new position. Prior to joining Fairmont Kea Lani in 2006

as leisure sales director, she held sales positions with Four Seasons Hawaii.

Shih, transitioning from director of sales and marketing at Fairmont San Jose, has advanced in sales and marketing positions since joining Fairmont Hotels & Resorts in 2004.

He also has more than 16 years of hospitality sales experience that include both city and resort properties.



Ben Shih

Hyatt Honors Chef

Hyatt Regency Waikiki Beach Resort and Spa recognizes Chef **Sven Ullrich** as the 2016 Executive Chef of the Year. The award is given to individuals within the Hyatt family who consistently demonstrate,



Sven Ullrich

through their actions, their ability to care, serve, learn, adapt and achieve.

Ullrich's passion is in creating dishes that enhance natural flavors found in local foods. He works closely

with ranchers and farmers to ensure only the best quality foods are served in Hyatt Regency Waikiki Beach Resort and Spa's three restaurants, SHOR, Japengo and SWIM as well as banquet services.



Joseph Rose

Taste of the Hawaiian Range.

Also, **Joseph Rose** has been named chef de cuisine at the Hyatt Regency Waikiki Beach Resort and Spa's Japengo restaurant.

Rose joins the resort from The Gwen hotel in Chicago where he served as executive chef. He honed his skills at a variety of Chicago hotel kitchens, including at

Sixteen, where he was running day-to-day operations when the restaurant received its first Michelin star in 2011.

Rose began his culinary career as chef de cuisine for Westin Hotel & Resorts. Rose served as chef de cuisine for Jean-Georges Vongerichten's The Pump Room at Public Chicago, was executive chef for the AAA Four Diamond-awarded Lockwood Restaurant and Bar at the Palmer House Hilton and helped create a new restaurant concept at the luxury Arista hotel in Naperville, Ill.

An underwater view of manta rays in Keauhou Bay



Rays on the Bay

At Sheraton Kona's Manta Learning Center guests and residents can learn about



Matthew Grauso

Keauhou's resident giant manta rays whose wing span reaches up to 20 feet and weigh as much as 3,000 pounds.

“Our resident manta rays in Keauhou Bay are a unique, globally recognized icon of

the Kona Coast,” says **Matthew Grauso**,

Sheraton Kona general manager. “We believe it’s our *kuleana* to support the Manta Pacific Research Foundation.”

HLTA Launches HIP

“Hospitality Industry Pau Hana,” a new Hawaii Lodging and Tourism Association fellowship and networking event scheduled for the first Wednesday of every month, held its inaugural gala at Sky Waikiki in July. The HLTA will recognize the achievements



of Hawaii’s visitor industry professionals at each HIP event. July’s conferee was **Thelma “Kehaulani” Kam**, director of cultural services at Starwood Hotels & Resorts Waikiki. Kam was lauded by the HLTA “for her extraordinary fundraising and coordinating efforts through the years on behalf of the Charity Walk,” an annual HLTA fundraiser.

HIP events are open to employees and guests of HLTA members. Various event-related fees apply to all HIP attendees, both HLTA members and nonmembers, who can join the HLTA through HIP.

For HIP registration and RSVP information, go to www.hawaiilodging.org.



PHOTO COURTESY THE FAIRMONT KEA LANI

Calling All Kids

It’s Keiki Tea Time on The Veranda at the Moana Surfrider, A Westin Resort & Spa. The new afternoon tea party for children and parents offers settings with grilled ham-and-cheese and Nutella-and-banana tea sandwiches, focaccia pepperoni toast with melted mozzarella cheese, grilled chicken salad, desserts, fruit, juice and soda.

Fun décor includes balloons, floral and butterfly decorations, teddy bears in large teacups, candy jars and a kids’ colorful tea set.

Fairmont Kea Lani Installs PV

A 500-kW rooftop PV installation at the Fairmont Kea Lani, a luxury beach resort in Wailea, Maui, was completed in June. The resort’s 1,528 PV solar panels are expected to offset over 10 percent of current energy demand and reduce CO₂e emissions annually by 457 metric tons.

The project is in partnership with Fairmont Hotels & Resorts, Host Hotels and Resorts, Maui Electric Co. and is designed by Resort Energy Ventures. HNU Energy is the contractor.

Keiki Tea Party on The Veranda at the Moana Surfrider



Topping \$2 Million

HLTA says 2016 Charity Walk breaks donation record

BY BRETT ALEXANDER-ESTES

More than 7,000 HLTA Charity Walk participants on Oahu and hundreds of others throughout Hawaii helped raise more than \$2 million in 2016 donations for the state's most deserving residents.

"This year, through a variety of media partners, we have been able to ramp up public awareness and really underscore our theme of 'A tradition of giving' and that 'We're all in this together,'" says Mufi



Mufi Hannemann

Hannemann, president and CEO of the Hawaii Lodging & Tourism Association, which has sponsored the annual event for 38 years.

More than 300 local charities will receive funding from 2016 Charity Walk donations, including Big Brothers and Big Sisters of Hawaii, Hale Kipa, Talk About Curing Autism and VASH (Visitor Aloha Society of Hawaii).

Home-Based Help

Karen Wataru-Nakaoka, HLTA vice president, says that since its inception the Charity Walk has raised approximately \$30 million to support local charities, and that last year's donation total—\$1.8 million—was distributed to 300 charities throughout the state.

"The monies raised on each island



Karen Wataru-Nakaoka



PHOTO COURTESY BBBS HAWAII

BBBS Hawaii "Big Sister" Bren Lowrey (left) and "Little Sister" Cherry at the 2016 HLTA Charity Walk finish line.

Walk the Walk

2016 Charity Walk donation totals island-by-island:

Oahu: \$450,000 +
Hawaii Island: \$305,000
Kauai: \$250,000
Maui: \$976,500
Lanai: \$30,000
Molokai: \$40,200

(by the Charity Walk) stay on that respective island," says Nakaoka, adding that donation funds do not benefit the visitor industry.

A leading factor in "this year's great success is due to the Neighbor Islands' phenomenal performances," says Hannemann. "The Neighbor Islands take this event seriously as the industry's major fundraising event to help the nonprofits, and continue to make it fun and refreshing for the community."

Fun aside, Charity Walk fundraising benefits are felt far and wide. As a Hawaii Hotel Industry Foundation—a 501(c)(3) nonprofit organization—Charity Walk grants to Hawaii

nonprofits range from \$250 to \$10,000 on average.

Big Steps for Hawaii's Smallest

"HLTA's annual Charity Walk is one of the best funding sources Big Brothers Big Sisters Hawaii has," says Dennis Brown, BBBS Hawaii president and CEO. "Besides providing a wonderful and healthy activity for our



Dennis Brown

Big (mentors) and Littles (mentees) to enjoy together on a Saturday morning, the funds we receive allow us to enroll and support children from our waiting lists. We're so

fortunate that the HLTA uses their skill and resources to raise many more dollars from the hospitality industry than we could as an individual charity."

"This event is for the community," says Hannemann, "and we are deeply touched and inspired when... we witness firsthand the results of our efforts."

An Amazing Week in Washington

The week of May 16 was a week to remember for Hawaii in Washington, D.C., filled with events and memories that I will always treasure.

The biggest highlight was seeing *Hokulea* on the Potomac River and greeting the crew at the Washington Canoe Club on May 18.

Among the dignitaries present were U.S. Sen. Brian Schatz, U.S. Sen. Mazie Hirono and U.S. Secretary of the Interior Sally Jewell.

It was an emotional moment watching the welcoming ceremony unfold and hearing Nainoa Thompson speak about the global impact of *Hokulea*'s worldwide voyage.

Everywhere *Hokulea* sailed, nations and peoples learned about the Native Hawaiian culture and were reminded of the need to preserve our ocean resources.

The week of *Hokulea*'s arrival coincided with the presentation of the President's E Awards on May 16.

HTA was one of only 123 organizations nationally to earn the President's E Award in 2016. This is the highest recognition any U.S. entity can receive for making a significant contribution to expansion of U.S. exports. Four successive years of export growth is required to win the award.

HTA earned its first-ever E Award for Export Service of Tourism. More than 40 percent of Hawaii's total visitor expenditures in each of the past four years have been generated by in-



HTA President and CEO George D. Szigeti is presented the President's E Award for Export Service of Tourism. Also attending were, from left, U.S. Secretary of Commerce Penny Pritzker, HTA Director of Communications Charlene Chan and U.S. Rep. Tulsi Gabbard.

ternational visitors, showing the value of exporting tourism worldwide.

Presenting the E Award to HTA was U.S. Secretary of Commerce Penny Pritzker, who was joined by U.S. Rep. Tulsi Gabbard.

All of Hawaii's tourism industry shares in the earning of the E Award, as everyone's collaborative efforts made this distinguished honor possible.

HTA is committed to strengthening Hawaii's tourism base to benefit residents and businesses statewide by expanding our reach to travelers worldwide. The E Award is a good sign we are on the right track.

HTA made the most of its week in

the nation's capitol by meeting with members of Hawaii's congressional delegation and staff to brief them on the Islands' tourism and discuss federal issues important to the industry's future.

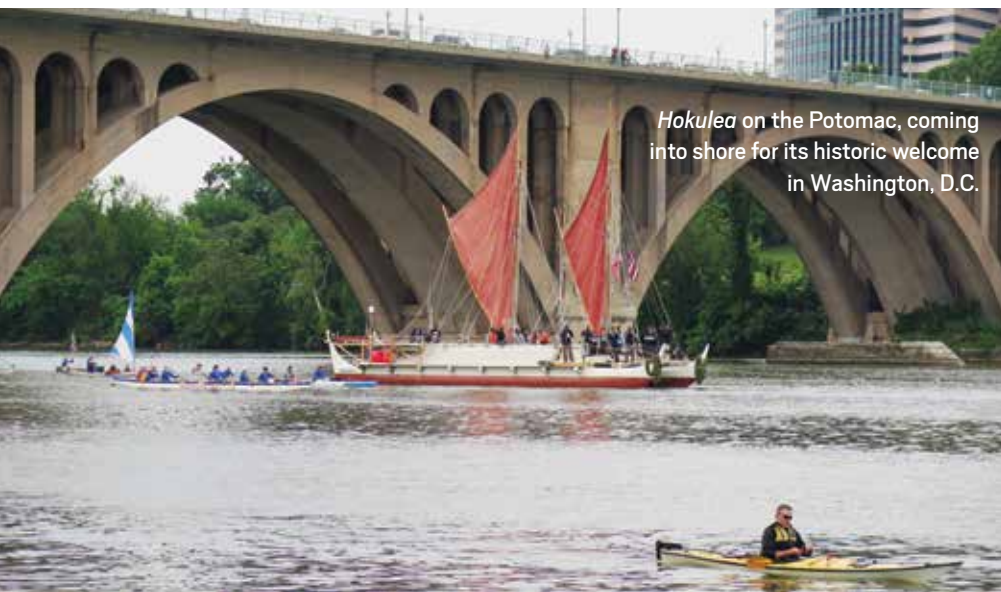
Among the topics we addressed were seeking an international designation for Kona Airport, establishing pre-clearance waivers for Narita and Haneda airports in Japan, and expediting the visa waiver process for visitors from China.

We also had a great meeting with the U.S. Travel Association, which asked HTA to support their national initiative, "Project: Time Off." This is a movement to encourage America's workers to take a vacation and realize the personal wellbeing that comes with escaping the job and enjoying life.

USTA is right. Everyone needs a vacation during the year. Plan a trip, explore the world and come back happier with new memories to share.



George Szigeti is president and CEO of the Hawaii Tourism Authority (HTA), the state's tourism agency.



Hokulea on the Potomac, coming into shore for its historic welcome in Washington, D.C.

Expo: A Market for Buyers, Sellers

The 22nd annual Hawaii Lodging, Hospitality & Foodservice Expo, Hawaii's largest annual business-to-business trade show, returns July 13-14 to the Neal S. Blaisdell Center in Honolulu.

The Expo provides hotels, resorts, restaurants and foodservice establishments with immediate and direct access to more than 330 vendors. Admission is free and only open to the hospitality and foodservice industries.

The Expo this year will honor Douglas A. Williams, founder and CEO of Douglas Trade Shows, who passed away on April 18 at age 73. Doug was a much-admired man who always exhibited kindness, generosity and humor throughout his life. His business acumen and legacy of bringing countless trade shows to Hawaii will live on.

Since its inception in 1995, the Expo has brought buyers and sellers together, and has created opportunities for innumerable Hawaii vendors to enter the market. Each year, nearly 5,000

industry professionals with purchasing authority or influence attend the Expo. In addition to the attendees, an additional 2,500 individuals attend to represent over 330 exhibitors in the Blaisdell Arena and Exhibition Hall. More than 90 of these exhibitors are allied members of the Hawaii Lodging & Tourism Association (HLTA).

The HLTA exhibit will have an expanded exhibit in our usual location in the foyer between the exhibition hall and the arena with information about the association and our activities at the Expo. Please make every effort to drop by and visit with us—we'd love to see you.

Some of our activities at the Expo include an HLTA Women in Lodging & Tourism committee education and networking event starting at 11:30 a.m. on July 13, after our first HLTA board meeting of the new term in which our new officers take office. On the second day of the Expo (July 14), our HLTA

Government Affairs committee in collaboration with our Oahu Chapter will host a Honolulu Mayoral Forum in the morning, with the major candidates invited to participate.

Not only is the Expo, which is produced and presented by Douglas Trade Shows in partnership with the HLTA, an efficient one-stop shopping opportunity to meet with current and new vendors, it's also a great opportunity to reconnect with colleagues and network, gain knowledge about trends and what's new in products and resources and learn about potential solutions specific to your company's needs.



Mufi Hannemann is president and CEO of the Hawaii Lodging and Tourism Association (HLTA).

Taking the 'L' Out of the P&L

If you are a restaurant operator serious about making more profit, you and your managers need to know how to identify your biggest problems in the operation to prevent any unnecessary loss of profit.

Many operators will prepare a profit and loss (P&L) statement, but by the time you get it and identify the issues, the month is over and you hope not to make the same mistake again. By having a daily report of sales and major costs, you will know when something is out of line you and your managers can immediately get the problem resolved. You should, at the very least, do a weekly P&L analysis to catch the problems before it's too late.

In addition to cost of goods sold, operators deal with the rising costs of employee-related expenses. In Hawaii, we have an incremental annual minimal

wage increase already in effect. By the year 2020, our minimum wage in Hawaii will be \$10.10 per hour. We need to reduce our payroll expenses.

The first thought is to raise menu prices. But at what point does that affect your business and turn away customers?

So what else can be done? One answer is a strict labor control system that tracks your man-hours based on fluctuating sales periods. For instance, your lunch meal period is from 10:30 a.m. until 2 p.m., but your peak time is 11:30 a.m. to 1 p.m. There are two hours of the lunch period that are not generating as much sales, therefore should not have as much staff on the floor. By staggering your shifts, you could cut down on a couple of man-hours per meal period, times 365 days a year, and it can really add up.

The other factor in controlling labor costs is cross-training. What else is the employee able to do to cover the work needed to be done?

The last thing that you want to do is cut down on service. If you feel the need to reduce the number of employees on the floor, then you should consider training programs that will make the remaining number of staff more efficient.

There are a couple of things that could be done in the back-of-house as well: Create a less labor-intensive menu and cut down on the prep time. Again, cutting a couple of hours a day adds up; do what you can to analyze every hour.



Gregg Fraser is executive director of the Hawaii Restaurant Association. He can be reached at gregg.fraser@hawaiiirestaurant.org

Hawaii's **LARGEST** Media

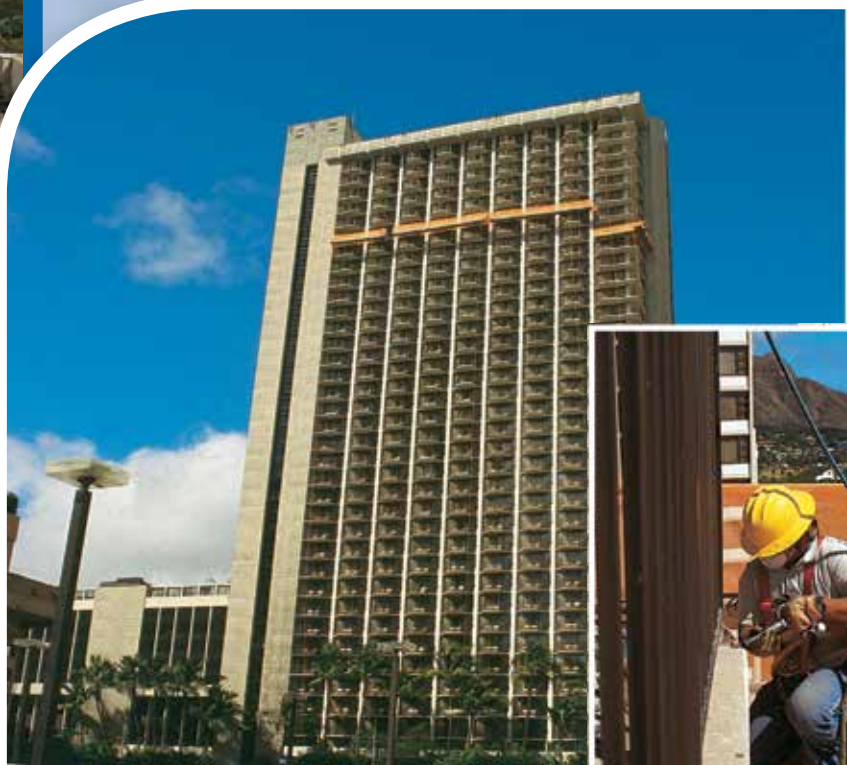
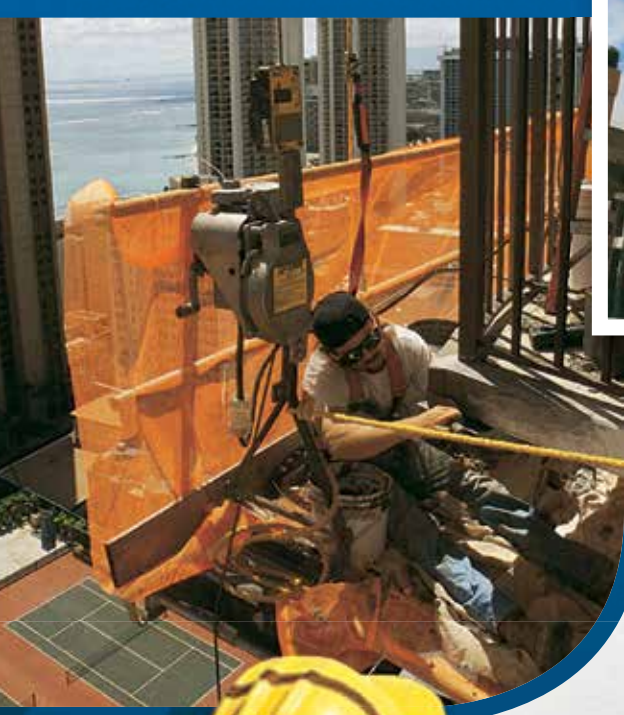


OPI owns and publishes newspapers,
luxury and hotel magazines and
the NEW Hawaii.com

Oahu Publications Inc.

Hawaii's Largest Media Company

Complete media kits available at www.oahupublications.com



ROOM SERVICE

You'll find RCM Construction Corp. checking into some of Waikiki's finest hotels. RCM's restoration specialists perform quality concrete repairs to walls, lanais, decks and railing systems damaged by the elements.

Minimizing disruptions. Bringing rooms back online quickly. Neatly, Efficiently, Effectively.

Call RCM Construction for Room Service. We provide solutions for a wide range of concrete problems.

THE CONCRETE RESTORATION SPECIALIST

Put RCM Construction's extensive experience to work for you. Call us to schedule a survey of your building's needs and references on our past projects.



CONSTRUCTION CORPORATION

Phone: 545-2177 | Fax: 538-1914
866 Iwilei Road, Bay 219, Honolulu, HI 96817

LIC.NO. ABC 13668