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Hawaii's fight for
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checking in

Monahan and the HVCB

Calling the Islands “a battlefield for market share,” John Monahan, president of the Hawaii Visitors and Convention Bureau, talks to *Hawaii Hospitality* about HVCB’s promotions and marketing efforts to help boost the visitor industry.

Monahan also discusses how Hawaii’s residents and elected leaders must work together to “fix the issues facing our community as a result of tourism.”

Also in this issue, we take a look at the ways hotels and resorts are meeting the challenges of social media and the rise of the “foodie culture” to enhance guests’ experiences.

This month Buzz’s Original Steakhouse in Lanikai is celebrating its 55th anniversary and columnist Don Chapman talks story with co-founder Bobby Lou Schneider.

There no absolute guarantee against having your hotel’s computer system getting hacked, but we talk to experts who offer tips on prevention and emphasize the need for adequate cyber liability insurance.

Aloha!

Editor
david@tradepublishing.com

HAWAII hospitality

Editor

David Putnam

Associate Editor

Brandon Bosworth

Assistant Editor

Brett Alexander-Estes

Contributing Editors

Don Chapman

Cathy Cruz-George

Director of Advertising

Barry Redmayne

Advertising Manager

Charlene Gray

Senior Account Executives

Ann Marie Ingham

Mike George-Sanchez

Advertising Administrator

Lorraine Cabanero

Controller

Tracy Kalahiki

Commercial Operations Manager

Piilani Kaalekahi

Creative Director

Davin Iyamatsu

Creative Manager

Darrell Ishida

Art Director

Ursula A. Silva

Circulation Manager

Chelse Takahashi

Production Superintendent

Abe Popa

Senior Press Operators

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

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The 'Diamond of All Islands'

Hawaii luxury resorts meet growing demand among elite global travelers

BY BRETT ALEXANDER-ESTES

The Alohilani Resort Waikiki Beach opens its doors in December, and guests will spend as much as \$1,000 a night to bask in its luxury—the result of a \$115 million renovation of the former Pacific Beach Hotel.

The five-star Alohilani has a soaring lobby, a 280,000-gallon saltwater oceanarium, indoor pocket gardens, five “concept” restaurants, a destination pool deck and custom furnishings that reflect Hawaii’s rich cultural heritage—a 37-foot-long coral sculpture by famed artist Nina Helms being just one.

But champagne tastes aside, what will a new luxury resort do for Hawaii’s visitor count? How important is the luxury market to Hawaii’s visitor industry?

The answer might come soon.

3 Continents and Counting

The supply of luxury travelers is expanding, say many Hawaii Tourism Authority (HTA) offshore division managers.

Japan

Eric Takahata, managing director for HTA’s Hawaii Tourism Japan, says the Japan market is seeing a rise in luxury travelers

in 2017, and that he expects the trend to continue next year.

China

Says Reese Ho-Phang, managing director of Hawaii Tourism China and BrandStory Inc., which oversees



Eric Takahata



Reese Ho-Phang



Jay Talwar



Amanda Hills

Europe

Amanda Hills, CEO of HTA’s Hawaii Tourism Europe, says “luxury tour operators across Europe are all reporting growth in bookings to Hawaii” in 2017 and “have witnessed an immediate influx of bookings for 2018 and beyond.”

Rising Incomes

Sharp economic growth—as in China—is fueling luxury travel. Ho-Phang

mainland China, Singapore and Taiwan: “We are observing an increasing trend in Chinese luxury travel” in 2017 and 2018.

U.S. Mainland

Jay Talwar, the senior vice president of HTA and chief marketing officer, Hawaii Tourism United States, says that while his division doesn’t track the U.S. Mainland luxury market, “luxury-level (Hawaii) properties are seeing a slight increase in occupancy this year . . . which aligns with the global trend.” Talwar expects this momentum to extend into 2018.





Oceanarium at the new Alohilani Resort Waikiki Beach
RENDERING COURTESY ALOHILANI RESORT WAIKIKI BEACH

says that China currently has 1.3 million millionaires “with 89,000 who are billionaires. This is a very exciting market Hawaii Tourism China is actively targeting.”

Rising incomes create high expectations. Among China’s elite travelers, says Ho-Phang, “great service is the main point of consideration.” Ho-Phang says these clients have an average accommodation budget of around \$594 per night, “while 32 percent have a budget of over ... \$781 per night.”

European tour operators, says Hills, report that current average booking value to Hawaii has increased. Europe’s luxury travelers, she says, are “a very established, mature market with huge potential spending power across 500 million people.”

‘Aspirational Positioning’

Luxury travel is viewed as a “shoulder”—that is, support—for Hawaii’s visitor industry during off-peak periods. But increasingly, luxury travel is defining Hawaii’s status in the global market.

Citing the possible downside of attracting more Hawaii visitors with less purchasing power, Takahata says “luxury hospitality properties are key to attracting higher-spending visitors to the Islands.”

Luxury hotels, says Talwar, “do a terrific job in marketing the allure of a once-in-a-lifetime vacation, thus maintaining the ‘aspirational positioning’ of travel to Hawaii”—that is, maintaining Hawaii as a top global destination.



The pool at the future Tahiti Mahana Beach Resort and Spa
RENDERING COURTESY G70

Waikiki—in French Polynesia

A consortium of international developers will break ground in 2018 on the approximately \$3 billion Tahiti Mahana Beach Resort and Spa.

When the resort is complete in 2024, its 130 acres will offer five international-class hotels, a timeshare, condominiums, a marina, an aquatic park, a casino, a convention center, theaters

and luxury retail shops.

What is Tahiti Mahana’s target market? “Families and FITs (free independent travelers),” says Francis Oda, the resort’s designer and chairman of G70, a leading Hawaii architectural firm.

Oda adds that the Tahiti Mahana is designed for “up to 500,000 annually at stabilization.”

The four-to-five-star resort, he says, “will provide a base and platform for tourism in French Polynesia, much as Waikiki does for Hawaii.”

“By helping to attract luxury travelers in varied market segments from families to romance travelers,” he explains, “these properties play a vital role in boosting visitor spending.”

‘Beyond the Walls’

For many guests at luxury Isle resorts,

opulence inspires further exploration.

Japan’s elite travelers, Takahata emphasizes, “are looking for unique experiences they can only get in Hawaii.” Likewise, in (Europe’s) luxury market, says Hills, “tailor-made itineraries, experiential travel and going off the beaten track are really trending.”

Hawaiian culture, pan-Pacific cuisine,



Chef Masaharu Morimoto’s future signature restaurant at Alohilani Resort
RENDERING COURTESY ALOHILANI RESORT WAIKIKI BEACH



ALOHILANI RESORT WAIKIKI BEACH
PHOTOS COURTESY OF ALOHILANI RESORT

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Alohilani Resort poolside cabana
RENDERING COURTESY ALOHILANI RESORT WAIKIKI BEACH

adventure and eco-tourism, health and wellness, refined personal service, unique settings—all are on luxury checklists.

Says Talwar: “Today’s luxury travelers—especially those in the growing millennial demographic—are looking beyond the walls.”

What they are seeking, he says, is “an authentic sense of place that touches everything from menu offerings to staff and programming.”

An Elite Enclave

“Luxury hotels in Hawaii are today developing a more customer-centric

engagement strategy to drive higher loyalty and lifetime customer value to destinations,” says Hills.

Nowhere is this more evident than on Maui, where the Wailea Community Association manages Wailea’s manicured beachfront enclave.

The WCA, like a municipal government, maintains common areas “to the levels required



Bud Pikrone

by a luxury resort along with providing overview of development standards, as well as risk management,” says Bud Pikrone, general manager of the WCA.

The WCA’s second duty is to market Wailea’s many venues and organize “resort partners in providing events for the community and visitors,” including the Maui Film Festival and the Maui Jazz Festival. These efforts, says Pikrone, ensure that Wailea remains “the premier resort community in Hawaii.

“Wailea,” he says, “is ever-evolving.”

Moving Targets

“Competition and investment is fierce among all luxury properties in the Pacific Rim to attract affluent guests, all with the goal of increasing spending—and profit—in mind,” says Takahata.

Therefore, “Hawaii must update its hospitality inventory on an on-going basis,” says Francis Oda, chairman of Hawaii architectural firm G70 and designer of a new \$3 billion luxury resort in Tahiti. “The renovation of existing buildings and complexes is an economical and necessary way to stay attractive and relevant to the luxury traveler.”

China’s elite visitors often prefer “specific hotel brands like Ritz-Carlton, Four Seasons, Sheraton, Marriott and unique boutique hotels as their favored brands,” says Ho-Phang. “In China, we position Hawaii as a diamond of all islands.”



Francis Oda

Luxury Demands

What matters most to Hawaii’s luxury travelers, according to Hawaii Tourism Association offshore market managers:

Japan

- Authentic Hawaiian cultural experiences
- Eric Takahata, Managing Director, Hawaii Tourism Japan

China

- A variety of customized, “high-touch” services: personalized services and concierges; high-quality travel itineraries
 - Relaxing atmosphere
 - Luxurious décor
 - Suites with great views
 - Fine dining: Hawaii’s local cuisine, followed by Japanese, Cantonese, French, Italian and Sichuan
- Reene Ho-Phang, Managing Director, BrandStory Inc.

U.S. Mainland

- Lavish amenities and facilities
 - “Insider” experiences
 - Top culinary attractions
- Jay Talwar, Chief Marketing Officer, Hawaii Tourism United States

Europe

- Transformational travel: physical and mental wellbeing, spiritual opportunities
 - Tailor-made itineraries
 - Experiential travel: going off the beaten track
 - Authenticity
 - Attention to detail
 - Client-centric, personalized services
 - Increased booking value by upgrading rooms, flights and amenities
- Amanda Hills, CEO, HTA Hawaii Tourism Europe



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A painting (above) of the site of Buzz's Original Steakhouse in Lanikai. The restaurant is a family affair for Bobby Lou Schneider (inset, third from right) and her Buzz's ohana.

Buzz's Celebrates 55 Fabulous Years

Patrons including a pair of presidents respond to Bobbie Lou's famous 'friendly factor'

With Buzz's Original Steakhouse in Lanikai celebrating its 55th anniversary in November, I've been trying to recall the first time I visited. It was in the early 1980s when I was writing a daily column at *The Honolulu Advertiser*, and may have been with a late female friend whose mother had dated **Donnie Lord** when he ran the place as Lord's of Lanikai before selling to **Buzz** and **Bobby Lou Schneider** in 1962.

Whenever it was, all it took was one visit for Buzz's to join my pantheon of favorite dining establishments, mixing as it does great food with a laidback Kailua beach vibe. When my children were growing up, Buzz's was the place for birthdays and other special occa-

sions. When I retired from *MidWeek* last year, first stop was the bar at Buzz's.

Speaking of the bar, there's a good story about the transaction that brought Buzz and Bobby Lou to Kailua.

"We had no money," recalls Bobby Lou. "None." But they were able to obtain financing. Then, on the day they were to sign the papers and take over, Donnie Lord suddenly threw a sort of wrench into the works. More specifically, a blender.

"Donnie wanted to exclude a blender from the purchase and take it with him, and we said no," says Bobby Lou, who gained sole ownership of the restaurant when she and Buzz divorced in 1987. "Our Realtor, **Mike McCormack**, was so worried he'd lose a sale, he went out and bought us a new blender."

Buzz would use that blender to concoct cocktails that, as legend has it, both Don the Beachcomber and Trader Vic would "borrow" for their namesake Waikiki establishments. Similarly, it's said former employee **Joey Cabell** relied heavily on Buzz's formula—steak, seafood, salad bar and a big

"friendly factor"—when starting the Chart House. And in starting Chuck's Steakhouse in Waikiki, **Chuck Rolles** was unabashed in borrowing from Buzz's. Likewise for **Hugo** and **Shirley von Platen Luder** at Huggo's in Kona.

The restaurant Buzz and Bobby Lou bought (it had been Florence's before it was Lord's) had a thatched roof and an outrigger canoe parked in front. It was about half the size of the current 28-table Windward landmark, which in the past fiscal year did about \$5 million in revenue, blending a loyal local clientele with visitors who learn via various social media about the coolest dining spot in Kailua where two presidents (Clinton, Obama) have noshed.

Doing business in the same place for five and a half decades under the ownership of one family is a great accomplishment. But considering The Family Firm Institute's finding that on a national basis about 30 percent of businesses survive into the second generation, just 12 percent into the third generation, and with Bobby Lou having put in 55 years, it also begs the

question: How do you continue?

The answer seems to be already in place. Bobby Lou's daughter **Kaleo Schneider** has been running operations for a while now, though Bobby Lou comes in every day when she and husband **Stan Yeackel** are in town from their second home on Bainbridge Island, Wash.

Other family members also are heavily involved: Kaleo's sister **Mani Schneider** is GM; Mani's daughter **Whitney Schneider-Furuya** (her father is master sommelier Chuck Furuya) waits and tends bar; **Rex Huetter**, Kaleo's son, is kitchen manager; Rex's wife **Ali Crighton** is floor manager; Ali's brother **Matt Battaglia** buses; Kaleo's daughter **Tahiti Huetter** handles media and advertising. Each got their start at Buzz's.

The restaurant biz runs deep. The former Bobby Lou Furtado's family had several restaurants on Maui. Buzz Schneider worked at the Red Vest and was maître d' at the infamous Canlis, and opened Bully Hayes at the Marco Polo.

"I grew up in this restaurant," says Kaleo, surveying the restaurant from a perch at the bar. She's a graduate of the City College of San Francisco culinary program who later worked for **Roy Yamaguchi** at his Big Island eatery. "I'd come in after school and set tables, then go across the road to play at the beach. I was washing dishes at 12, bus-sing at 15, waiting at 18."

"We are," says Bobby Lou, "a different breed of people."

She is referring in broad terms to all who work in the restaurant business, but in this case more specifically to her own family—hard-working, detail-oriented, hands-on, working for a common goal, which is basically tending to the golden goose that Buzz's has become (including its Pearl City hillside counterpart).

But Bobby Lou is big on sharing her family's success with others.

"We do well, but we also like to do things in the community," says Kaleo. Indeed, Buzz's contributed \$50,000 last year to charitable causes. (Kaleo's volunteer work includes serving as head of donor outreach and education for Ho'ola Na Pua, which works with victims of sex trafficking.)

Bobby Lou has been known to get creative—literally—to raise funds, including Buzz's lunar phases calendar. She recalls that shortly after coming to

Lanikai she realized the full moon rose between the twin peaks of the Moku-lua islets just off shore, and had the idea of creating a calendar.

"It didn't happen overnight," she writes in the introduction to a book she's produced, "Calendars Remembered," to celebrate the previous editions and introduce the 55th anniversary calendar. "It was 30 years later when we found our first artist, **Tom Sellers**, and in 1993 we created our first calendar. I had always believed a calendar had a limited lifespan: January through December. However, I have learned this isn't necessarily so."

Indeed, fans collect and frame the distinctive calendars.

The latest calendar was created by Maui artist **Avi Kiriatty**, and proceeds from sales of the book and calendar will benefit the Hawaii Food Bank.

"Kailua has changed a lot in 55 years," Bobby Lou writes, "but two things remain the same: Buzz's is still here and the full moon always rises over the Moku-lua islands."



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A Gala that Salutes, Inspires

HLTA to host 2018 Na Po'e Pa'ahana Awards in January

BY BRETT ALEXANDER-ESTES

Being chosen the Manager of the Year at the 2017 Na Po'e Pa'ahana Awards "has inspired me to work with my team even more closely to help them achieve their professional and personal goals," says Precy Burbano, director of housekeeping at the Mauna Lani Bay Hotel & Bungalows. "It has been an incredible year and I am extremely grateful."

According to Mauna Lani's nominating statement, Burbano's motivation "comes from the joy in making others happy, and she always gives without expecting anything in return. Her reward is seeing others achieve their goals."

On Jan. 11, a new group of award-winners will be celebrated at the 2018

Na Po'e Pa'ahana Awards, which recognizes outstanding achievement by Hawaii hospitality professionals and staff during the previous year. The event will be held at the Hilton Hawaiian Village Coral Ballroom.

"Each year, the Hawaii Lodging & Tourism Association honors the individuals who have contributed to the visitor industry through their exceptional service, professionalism and

"These are the hard-working employees who continue to make Hawaii a premier destination..."

aloha spirit," says Mufi Hannemann, president and CEO of the HLTA, which sponsors the award program. "These are the hard-working employees who continue to make Hawaii a premier destination and continuously keep the



Precy Burbano, 2017 Na Po'e Pa'ahana Manager of the Year

industry *no ka oi*."

Na Po'e Pa'ahana, Hannemann says, has served to recognize and honor the hard-working and dedicated individuals of the hospitality industry since the awards' inception in 1991.

The Department of Business, Economic Development & Tourism reports that as of Q3 2017, Hawaii tourism is posting another banner year, with 9,231,424 visitor arrivals—a 3.2 percent increase over the same period in 2016.

Hannemann says the 2018 awards will introduce a new component. "We will be recognizing finalists in groups of small, medium and large-size properties in the categories of Bell/Valet, Housekeeper, Security Officer, Front Desk, Food & Beverage and Engineer & Maintenance Person of the Year," he says. "We will continue to award one class of finalists for the categories of Manager of the Year and Outstanding Lodging Employee of the Year, as these winners are submitted each year to the national Stars of the Industry event."

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Traffic Picks Up on Lanai

With new lodgings and attractions, the island is enjoying an uptick in visitor arrivals

BY DAVID PUTNAM

There are only about 30 miles of paved roads on Lanai, and its major hub, Lanai City, has no traffic lights. And these days, when people talk about Lanai they most likely associate it with tech billionaire Larry Ellison, who owns about 98 percent of the island.

Since 2012, Ellison has spent millions of dollars to infuse his ideas of building a more sustainable community on the tiny mass of land about nine miles from Maui. First, he built luxury resorts to attract more tourists, and is reportedly planning to mass-produce and import agricultural products from the state's smallest inhabited island (population

Guests at the Four Seasons Resort Lanai can play at the Jack Nicklaus signature Manele Golf Course, where the Pacific Ocean looms as a water hazard.

PHOTOS COURTESY FOUR SEASONS RESORT LANAI



3,102, according to the 2010 census).

Ellison's grand plan appears to be working. There were 42,773 visitor arrivals on Lanai through August, a 1.4 percent increase over the same period last year, according to a report by the Hawaii Tourism Authority (HTA).

"We have an interesting mix of clientele of all ages," says Alastair McAlpine, gen-

eral manager of Ellison's Four Seasons Resorts Lanai, "including many millennials who are celebrating their nuptials, honeymoon or even baby-moon."

McAlpine says the hotel is popular with "experienced travelers who are celebrating milestone birthdays or anniversaries or visiting with extended family."

Lanai's busiest months, according to

the HTA report, were March and May, with 6,150 and 6,033 tourists, respectively. Its slowest month was February, with 4,360 visitors.



Alastair McAlpine



The view from the lanai at a suite at the Four Seasons Resort Lanai

While many visitors are overnights, others are day tourists who take a short helicopter flight or hop aboard the ferry from Maui. Lanai boasts myriad attractions: golf, bouncing around the rugged terrain in four-wheelers, taking in various water activities, horseback riding, clay shooting and archery and revelling in the island's privacy.

"Yes, we are seeing an increase of visitors since we reopened, as guests once again come to experience the hospitality of the island," McAlpine says.

Bill Caldwell, president of Expeditions Ferry, says he's seeing more riders. "It's starting to pick up a little bit, especially the last year or two," he says.

The ferry service, which makes five

round trips daily, has been operating between Maui and Lanai for 27 years. A ticket from Maui to Manele Harbor costs \$30 for adults and \$20 for children each way.

Despite the increase in numbers of

"We have an interesting mix of clientele of all ages, including many millenials who are celebrating their nuptials, honeymoon or even baby-moon."

— ALASTAIR McALPINE

guests to Lanai, visitor spending there during the first eight months of 2017 dipped almost 3 percent to \$375 per person per day, according to the HTA report. In comparison, visitors to Maui County, which also includes Molokai, spent \$215 per person daily.

Lanai's total visitor dollars also were down slightly through August, from \$54.9 million in 2016 to \$53.3 million,



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Visitors to the Island can bask in the scenic pool at the Four Seasons Resort Lanai.

according to the HTA.

McAlpine says many of the hotel's guests are seasoned Hawaii tourists who "have traveled to other Hawaiian islands. Some have heard about Lanai but never yet visited, while others are only hearing about it now. Others say they are seeking the more laid-back ambiance we offer.

"While we do have some guests that island-hop, what is interesting is that we are seeing a longer length of stay on average, up to 4-5 days now—and we have a number of guests that stay seven or 10 days."

Should tourists over-exert themselves with the island's physical attractions?

"We just introduced a series of new sports-tailored massages so that if you work out a little too hard, we'll get you recovered and ready for the next day in our Hawanawana Spa," McAlpine says.

He adds that "our second property," The Lodge at Koele, a Four Seasons Resort, is "closed for renovations and will reopen as a destination spa in December 2018. That reopening will allow our Four Seasons tourism offerings to be fully operational. As well, Hotel Lanai is open for guests staying overnight, and we continue to welcome day guests



The attractions of Lanai City beckon travelers and locals.

visiting via Expeditions Ferry or even flying over for the day, who partake of our activity offerings."

Along with off-road tours in Polaris sport vehicles, the Four Seasons Resort Lanai has a 14-station Sporting Clay course for guests. Visitors to Lanai also can go sailing and whale watching in the winter months.

"And the island's Fifth Friday events in Dole Square are quite popular," McAlpine says, "especially as Maui County helped facilitate a later ferry so visitors to the island could enjoy the festivities organized by our Chamber of Commerce."

Another lodging choice on the island is the The Artist's House in Lanai City. The vacation home is close to the Manele Golf Course and the red-rock landscape of Keahiakawelo, known as Garden of the Gods. Puu Pehe (The Sweetheart Rock) and Shipwreck Beach are only a few miles away, as are the ruins of the ancient Kaunolu Fishing Village.



An ocean view from one of the suites at the Four Seasons Resort Lanai

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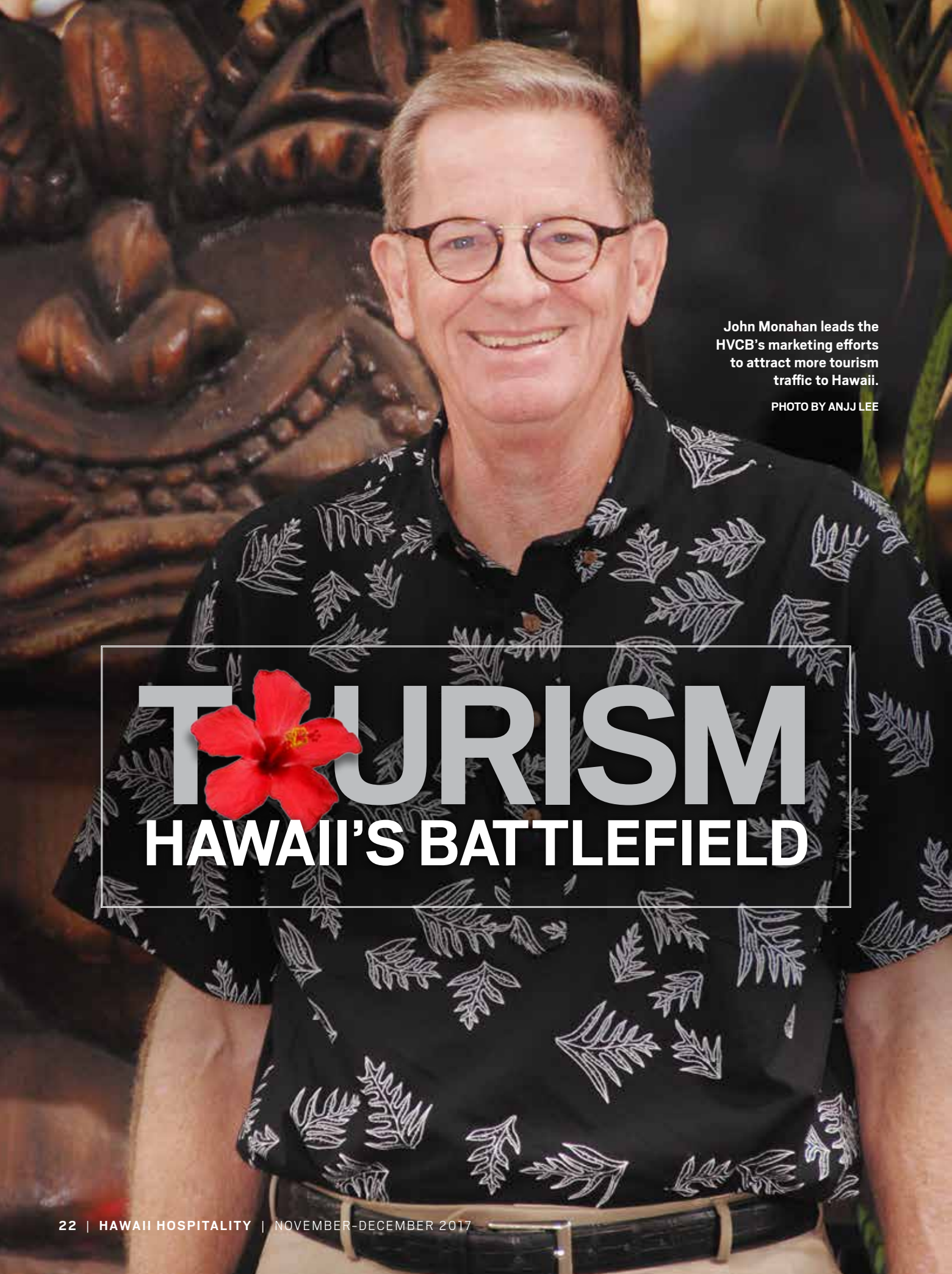
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John Monahan leads the
HVCB's marketing efforts
to attract more tourism
traffic to Hawaii.

PHOTO BY ANJJ LEE



TOURISM

HAWAII'S BATTLEFIELD

Monahan guides HVCB's efforts to maintain the Islands' market share in the hospitality industry

BY CATHY CRUZ-GEORGE

Since becoming president and CEO of the Hawaii Visitors and Convention Bureau more than 14 years ago, John Monahan has witnessed the volatility of Hawaii's tourism industry, from economic downturns to record-breaking visitor arrivals.

"Hawaii has become a battlefield for market share," says Monahan, 66. "The ever-changing nature of this industry reminds us that we constantly have to stay on top."

Through the highs and lows, however, one aspect that has remained constant is Monahan's level-headed ability to lead teams through just about

anything, including adversity.

This skill was evident two decades ago, when he, newly appointed CEO of Liberty House department stores, guided the homegrown company through a three-year, Chapter 11 bankruptcy reorganization from 1998 to 2001. He then directed the sale of Liberty House to Federated Department Stores Inc. (parent of Macy's).

"When I look back now, it was an education of a lifetime," he says. "There were so many twists and turns, two boards of directors and a lawsuit to determine who were the rightful owners of the company."

After the sale to Macy's, Monahan launched a consulting company to lead other companies through reorganization, including a stint as bankruptcy trustee for Hawaiian Airlines (he resigned after one month due to health reasons).

Fortunately, Hawaii's visitor industry remains strong with no signs of slowdown.

HVCB's savvy marketing efforts in North America—including the popular #LetHawaiiHappen campaign—have contributed to year-after-year increases in total visitor arrivals to Hawaii. Overall arrivals in 2017 are on track to

JOHN MONAHAN

President and CEO, Hawaii Visitors and Convention Bureau

Age: 66

Education: Brigham Young University, business management, marketing and finance

Family: Wife, Nancy; three daughters and one son; 11 grandsons and one granddaughter

Hobbies: A self-described "golf fanatic" who plays almost every Saturday. He serves as chair of the greens committee at Waialae Country Club.

Travel: "My wife and I love the South, that area from Jacksonville, Fla., to Charleston, S.C. We don't travel much, but when we do, we visit the grandkids."

Food: Mediterranean and Mexican cuisine. "I'm not much of a meat eater and was told to do that (special diet) for health reasons."



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“The ever-changing nature of this industry reminds us that we constantly have to stay on top.”

—JOHN MONAHAN

exceed last year’s arrivals of 8.9 million.

Monahan is optimistic about the industry’s performance in 2018 and looks forward to creating new marketing opportunities. In the first quarter of 2018, approximately 320,000 additional seats are scheduled to fly from the Mainland to Hawaii, a 16.1 percent increase over 2017 first-quarter levels.

Southwest Airlines announced its intention to service Hawaii beginning in 2018. United Airlines also plans to add 160,000 more seats in the first three months of 2018.

“It’s unbelievable,” Monahan says. “I hope we have the demand. If we have a 7 to 8 percent increase in tourists, that’s great.”

His enthusiasm, however, is overshadowed by his concern for Hawaii’s residents. “We need to fix the issues facing our community as a result of tourism,” he says, listing deteriorating roads, transit rentals, aging airports and tourism’s impact on the environment, among top issues.

Monahan hopes to see more public and private leaders, community members and “everyone involved in Hawaii, solve the internal problems that cause our residents angst.”

Lower Fares, More Seats on the Horizon

Surge in travel to Hawaii has HVCB’s Monahan optimistic about future of the hospitality industry

BY CATHY CRUZ-GEORGE

John Monahan, president and CEO of the Hawaii Visitors and Convention Bureau, sat down with *Hawaii Hospitality* to discuss the Islands’ growing hospitality industry. He talked about how social media is supporting tourism and factors that are influencing today’s travelers, from the weather to recent tragedies on the U.S. Mainland and elsewhere.

Total visitor arrivals to Hawaii in 2017 are on track to beat last year’s record of 8.9 million. What’s causing the surge?

JM: First, U.S. air leisure travelers have greater interest in travel, more time for travel, better perceptions about the affordability of travel and stronger personal finances compared

to years past. This has resulted in higher demand for a Hawaiian Island vacation than ever before. At the end of 2016, nearly half of U.S. air leisure travelers said they planned to visit Hawaii in the next two years. This has translated into a record number of U.S. arrivals in the first eight months of 2017.

Second, air access to Hawaii from the U.S. Mainland has grown at a rapid rate over the past six years, with more than 8.3 million seats bound for the state in 2017, a 28 percent increase compared to 2011. More than 45 percent of these seats are headed directly to the Neighbor Islands, giving travelers better access to Maui, Kauai and the island of Hawaii than ever before.

And finally, the HTUSA’s #LetHawaiiHappen campaign has been successful. Just over four in 10 of Hawaii’s target travelers (44 percent) recall seeing at least one element of HTUSA’s #LetHawaiiHappen marketing campaign, such as paid advertising, social media or news articles. The campaign has had a positive impact on perceptions of Hawaii among targeted travelers and has significantly boosted travel intentions among those exposed to the marketing.

Continued on Page 34



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Critical Coverage

Why a cyber insurance policy is 'absolutely vital' for hotels and resorts in the new era of phishing and fake news

BY DAVID PUTNAM

No one is immune to cyber attacks. Equifax, Target, Sony and Yahoo are a few of the more well-known victims of hackers who have stolen private data on hundreds of millions of people as well as accessing vital business information.

"Nowadays, it's absolutely vital for hotels to have cyber insurance, regardless of the size," says Henry Perez, general manager of Hilton Waikiki Beach on Kuhio. "Not only does cyber insurance protect the property from a major liability should there be a data or security breach," he adds, "it also protects the guests."

According to reports, 500 million accounts were hacked at Yahoo in 2014, which is among the largest data breaches on record. In a study by the Ponemon Institute and IBM, the average data breach in 2016 was 29,611 records, although the number of breach records per typical incident range from 5,125 to 101,520 records.

The average cost of a cyber breach involving fewer than 10,000 records was nearly \$5 million, according to that study, while a breach of more than 50,000 records had an average cost of \$13 million.

Hotels and resorts, like any business that takes in financial and personal information about customers, must be prepared to face liability for theft of credit card or personal information.

"We treat our guests' information with the highest degree of confidentiality," Perez says. "In addition, guests should take additional care with their private information at all times and be mindful of how they share their information. For example, never email credit card, social security or bank account numbers."

It's a lesson hard-learned by busi-

PROTECT YOUR GUESTS' DATA

Cyber security should be ingrained as part of a property's culture. Here are steps hotels can take:

1. Limit the information you collect to the information you need, and do not hold on to it longer than you have to. This procedure will help hotels to limit their potential exposure.
2. Get compliant. The Payment Card Industry Data Security Standards (PCI DSS) provide a comprehensive set of guidelines to bolster data security, and their compliance is required by the five major card brands.
3. Conduct an informal audit: Gauge your employees' use of and ability to access information. Who has access to what information? Do they need that information to do their jobs? And make employees have their own usernames and passwords for tracking purposes.
4. Reset passwords. A good timeline is to reset passwords every 90 days, never using the same password more than once in a two-year span. Also, make sure you reset default passwords.
5. Make information security a written policy in the workplace.
6. Shore up remote access. There are various types of authentication and encryption, and users should have their own usernames and passwords. The remote access channel should be cut off after each use.
7. Create a network divide. There should be two sides to every hotel network: One side allows guests to access the internet, and the other allows hotel associates to access the necessary programs and information to run that same property.
8. Enable wireless security. A WiFi connection has become a must in hotels, but what about the security systems protecting it? Access your router, enable its encryption setting, enable password protection and have guests log on using the password.
9. Invest in firewalls that require authentication every time a user moves from one side of the network to another. These security systems can be expensive, but help to isolate and contain breaches.
10. Plan for a breach. Have a protocol for addressing the breach, and identifying a response team, including attorneys, security experts, executives, public relations professionals and others who can act immediately.

Source: National Specialty Underwriters Inc. (nsui.com)

nesses, including the hospitality industry. In early 2010, Wyndham Hotels and Resorts had one of its data centers hacked, which the cyber thief used to access information from 37 properties.

Personal data, such as guest names and credit card numbers, including expiration dates, were exposed.

Cyber liability insurance can ease the burden hotels might face in the event of a data breach. The costs might

include expenses involved in notifying each of the individuals who had their card information stolen, along with any compliance fines levied by credit card companies and even hiring a public relations outfit to do damage control.

Russell J. Park, senior vice president at Atlas Insurance Co., says the best approach for potential clients is to craft cyber coverage that is customized to their particular needs. He says the

insurance industry as a whole is still adapting to the newness of the internet and has an overall lack of experience in providing cyber protection.



Russell J. Park

Park points to three factors: "This is all new to customers. It's a new field, so the insurance agents don't know, and three, there is no actual standard policy

form for cyber coverage, unlike other (forms of insurance)."

Park says "there's guys in a garage in Russia, they do it all day, they're not dumb—working full time to make easy money."

In the breach at Equifax, one of the nation's three major credit reporting agencies, 143 million American consumers' personal information was exposed. The cyber attack ran from mid-May through July, according to media reports, as names, Social Security numbers, birth dates, addresses and even driver's license numbers were stolen. They also stole personal information of people in Canada and the UK.

As more data breaches occur at point-of-sale systems in hotels, the immediate need for cyber insurance has become more imperative.

Park says that if a major hotel chain—many of which are in Hawaii—gets hit "and it's across the nation, think about all the reissued credit cards, the bank sending bills to the hotel and other third-party liability costs."

Loren Aquino, COO and principal analyst at HI Tech Hui, tells *Building Management Hawaii* magazine, a sister publication of *Hawaii Hospitality*, that if businesses take payments "dig-



Loren Aquino

dirty laundry," Park says.

He adds that "no matter what, the hotelier can be held liable" in a data breach. "It is difficult to pinpoint the actual

azine.com's report, at least eight major hotel companies, including Omni Hotels & Resorts and the Trump Hotel Collection were hacked.

"No one wants to disclose their

"Nowadays, it's absolutely vital for hotels to have cyber insurance, regardless of the size. Not only does cyber insurance protect the property from a major liability should there be a data or security breach, it also protects the guests." — HENRY PEREZ

itally or store credit card information, you are vulnerable. If you maintain data on tenants, hackers may use your system as a sidedoor to obtain valuable information."

In 2016, according to lodgingmag-

damages, but what I'm telling clients is, we can adapt coverages as we go. But it's a no-brainer that hotels must purchase some coverages to help them through.

"Get something in place," Park advises, "and let's evolve."

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Instacart Launches Delivery Service

Same-day grocery delivery service Instacart recently began operating in Honolulu and Kahului. Customers can place orders to such retailers as Foodland, Times Supermarkets, Costco, CVS/Longs, Safeway and Petco.



Joseph Benz

Customers can go online to Instacart.com or open the Instacart mobile app on their iPhone

or Android device, select their city and store, add items to a virtual cart, then choose a delivery window (within one hour, within two hours, or up to seven days in advance) and check out.

An Instacart personal shopper accepts the order on his or her smartphone, uses the Instacart shopper app to guide them through shopping and delivers the order to the customer in the designated delivery timeframe. The delivery fee is \$5.99 for orders of \$35 or more.

"It's going great," says Joseph Benz,



Instacart personal shopper makes a delivery.

operations manager for Instacart. "We're getting great feedback from our customers and shoppers."

Benz says both residents and tourists are using the service. "Visitors use Instacart because they don't want to eat out all the time," he says. "We also get calls from managers ordering items for their office."

If there is a sufficient demand, Benz says Instacart would like to expand to additional Hawaii locations.



Lobby of Kings Hawaiian corporate office in Los Angeles, ASID Hawaii Chapter's 2017 Grand Overall Award winner.

Philpotts Excels in 2017 ASID Awards

Kings Hawaiian Corporate Office, designed by Philpotts Interiors, won the American Society of Interior Designers Hawaii Chapter's Grand Overall Award at ASID's 2017 Design Excellence Awards gala on Sept. 23. Philpotts garnered awards for each of its six entrants in ASID's annual competition.

"We are so grateful and honored to be recognized by the ASID jurors for our work submitted to this year's ASID Design Excellence Awards," said Philpotts Interiors partners Lowell Tom, Marion Philpotts-Miller and Holly Boling Ruiz in a joint statement. "None of this would have been possible without the trust and support of our clients, the collaborative spirits of our project design partners and the efforts of our team of talented designers."

Hawaiian Airlines Adds New Plane to Fleet

Hawaiian Airlines took delivery of its first Airbus A321neo narrow-body aircraft on Oct. 27. A team of company employees traveled to the Airbus facility in Hamburg, Germany, to pick up the new aircraft and begin its journey home to Honolulu.

The airline's 18 A321neo aircraft will be used primarily to expand its U.S. West Coast network, with a focus on adding nonstop flights to the Neighbor Islands. On Jan. 18 Hawaiian will launch daily non-stop service between Portland and Kahului, Maui. A321neo flights between Oakland and Lihue on Kauai will begin on April 11, followed by service between Los Angeles and the Kona Coast on the Island of Hawaii next summer.

Additional routes will be announced as Hawaiian welcomes the A321neo fleet through 2020.



Hawaiian Airlines employees traveled to Germany to take delivery of the company's new Airbus A321neo aircraft.

Westin Princeville Appoints Itoga



Jon Itoga

Jon Itoga has been appointed director of finance at The Westin Princeville Ocean Resort Villas, where he will lead strategic financial planning and execution at the 18.5-acre Kauai resort.

Most recently, Itoga lectured in finance at the University of Hawaii. Previously, he was first financial analyst and then director of finance at Turtle Bay Resort on Oahu. Itoga holds master's degrees in business administration and financial engineering from the University of Hawaii.

Lava Lava Beach Club Names Brun Executive Chef

Kim Brun has been promoted to executive chef at Lava Lava Beach Club Kauai, a



Kim Brun

250-seat open-air restaurant and bar serving breakfast, lunch and dinner daily. She brings 18 years of culinary management experience to her new position.

Brun developed her culinary skills at Tiki's Bar and

Grill in Waikiki and Kona Brewing Company at Koko Marina. Most recently, she appeared on the Travel Channel's "Food Paradise" series where she was featured at Lava Lava Beach Club creating signature Kauai cuisine with local ingredients.

Perez New GM at Hilton Waikiki Beach on Kuhio

Henry Perez is the new general manager of Hilton Waikiki Beach on Kuhio. Perez has served as director of operations at 16 hotels for Aqua Hotels and Resorts, and GM for Marriott Courtyard Waikiki, Hilton Grand

Vacations at Hilton Hawaiian Village, Aqua Palms and Embassy Suites Resort.

Perez' priorities include increasing food and beverage revenues, cultivating relationships with the local kamaaina



Henry Perez

market and perpetuating the Hawaiian culture.

A resident of Hawaii for more than 25 years, sharing the history and culture of Island destinations is important to Perez. "This is an area that I will be

putting a greater emphasis on," he says. "Hawaii's culture is beautiful, and it has an important history worth sharing. It is our responsibility to share this with the local and visiting community."

Sword Leaves Outrigger

Max Sword, vice president of industry affairs at Outrigger Enterprises Group and who managed Outrigger's government and community activities for thirty years, has retired.



Max Sword

Sword, first hired in July 1978 by legendary Outrigger founder Richard 'Doc' Kelley said "I have been a part of the Outrigger ohana for half my life,

and have so many wonderful memories that I will always cherish. I especially want to extend a sincere mahalo to Doc Kelley for believing in me and bringing me on board when I was still very new to government affairs. He literally changed my life for the better, and I will always be grateful to him for being a great boss, mentor and friend.

"I'd also like to thank the Kelley family and former president and CEO David Carey for their leadership, support, and friendship."

Sword will continue with Outrigger as a consultant on government affairs as Max J. Sword & Associates LLC.

WBIDA Promotes Barbour

Brandon Barbour has been promoted to vice president of operations for the



Brandon Barbour

Waikiki Business Improvement District Association, effective Aug. 25.

Previously, Barbour was operations manager for the nonprofit corporation.

Barbour will lead WBIDA's daily operational programs, its service contractors and possible expansion of current programs. He will also analyze best practices used by other business improvement districts for possible implementation in Waikiki.

Prior to joining WBIDA in 2014, Barbour held positions in government and community affairs with the Hawaii Lodging and Tourism Association (HLTA), where he coordinated the annual Visitor Industry Charity Walk, and with U.S. Congressman Brian Schatz.

Barbour holds a bachelor's degree from Brigham Young University-Provo and a master's from the University of Hawaii-Manoa.

Kahala Nui Names New Dining Room Manager

Kahala Nui, a continuing care retirement community, named **Adam Kerr** as dining room manager. He will manage the front-



Adam Kerr

of-the-house operations of the community's full-service dining room, casual dining area and catering functions.

Kerr has more than 25 years of food and beverage experience.

He began as a

dishwasher at Nicholas Nikolas, where he worked his way up through the ranks. His career then took him to Philadelphia, Napa Valley and Santa Fe. Most recently, he served as food and beverage director at the Historic Taos Inn in New Mexico.

A graduate of Fresno State University, Kerr earned his sommelier certification through the Court of Master Sommeliers in 2010.

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HILTA Goes Retro at Turtle Bay Resort



Holly Nakasone, Jocelyn Kimura, Alex Roth, Jared Higashi

PHOTOS BY ANJJ LEE

The attire was throwback Aloha at the Hawaii Lodging and Tourism Association's General Membership Meeting and 70th anniversary celebration on Oct. 19-21 at Turtle Bay Resort.



Pohai Ryan, Lester Kodama, Jan and William "Buddy" Moore III, Mufi Hannemann



Elton and Nadine Murata



Conchita Malaqui, Tim Doxzon, Joslyn Bantilan



Rob Robinson, Bob and Sue Berges



Jeff Knight, Jaycie Abe Cameron, Eric Chan



Earl Cachola, Jei and Greg Matsui, Bill Countryman



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Tiffany Trang, Ray Bickson, Jodi Uehara, John Hulihee



Yoshiko and JP Cercillieux



Heidi Kamana, Kum Kim, Nelson Okumura



Jacquelyn and Aaron Kotarek



Peter and Theresa Wiederoder, Sarah and Sean Knox



Allison and Wes Kawakami, Pam Yagi, Rachel Lii



Continued from Page 24

How have millennials responded to the #LetHawaiiHappen campaign?

JM: The use of the social hashtag continues to grow and resonate with our target audience of avid travelers, who rely more on friends and family recommendations as part of their trip-planning process. With the growth and success of the #LetHawaiiHappen program, we have refined our target audience from the avid traveler (25-54) of 26.7 million potential target visitors to the avid explorer (25-35) of 5.9 million potential target visitors and also evolved the marketing campaign.

This small, hard-to-impress group listens to friends and “real people”—not media—with 50 percent relying on “people like them” to research trips; 84 percent plan trips based on other people’s photos and social posts. Interacting with locals tops the list when it comes to trip consideration, and 42 percent agree holiday photos posted by friends influence their own plans.

How have the recent hurricanes in the South and Puerto Rico affected tourism in Hawaii?

JM: For the FIT (free independent traveler), it’s too early to tell as there’s no data to back this up. For the MCI (meetings, conventions and incentive) market, while it’s difficult to measure

the movement of individual bookings, our Meet Hawaii/MCI team reports that numerous meeting planners are inquiring as to availability on the Islands. There is definitely a need to book events that have to be relocated due to the disastrous weather conditions and destruction. Our team is working to assist those requests with our hotel partners.

How will the Las Vegas shooting in October affect visitor-industry events that draw crowds to Hawaii? Particularly in places like Waikiki?

JM: We offer our thoughts of aloha to the people of Las Vegas in this time of unimaginable tragedy. A tragedy like this reminds us why the safety and security of everyone—visitors, residents and industry workers—is always our top priority. Our tourism industry is close-knit and collaborates extremely well when hosting large events, and also on a daily basis. We must continue to keep the lines of communication open, which is key to swift and effective action in times of a crisis.

The Hawaii Tourism Authority works hard to ensure that the tourism industry is prepared to respond to emergencies, recover from them and mitigate against impacts. HTA actively collaborates with various federal, state and county agencies; visitor industry businesses and associations; and global marketing partners.

Clear, established procedures aim to keep visitors informed and safe in the event of a crisis situation. Visitors Assistance Programs are available in each county. Because of these efforts, Hawaii is one of the cleanest, healthiest, safest and most welcoming destinations in the world.

What is HVCB’s forecast for tourism in 2018?

JM: More than one-third of U.S. air leisure travelers said they were very or extremely likely to visit the Hawaiian Islands in the next two years. Nonstop air seats from the U.S. Mainland to Hawaii are expected to reach record levels in 2017 with even further growth for the first quarter of 2018.

United Airlines alone is adding 160,000 additional seats in the first three months of the year, while 320,000 additional seats are scheduled to fly from the Mainland to Hawaii in the first quarter of 2018, a 16.1 percent increase over 2017 first-quarter levels.

The record volume of air seats to Hawaii suggests that the cost of a vacation will ease in the coming year since added air-seat capacity typically correlates to a drop in fares. The last major drop in fares happened in the second quarter of 2015, when air seats grew 13 percent year-over-year. With a 16 percent increase in capacity scheduled for the first quarter of 2018, we are likely to see an easing of fares and influx of passengers.



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The HLTA presented a check to Aloha Festivals. Attending were, from left, HLTA Vice Chairperson Glenn Vergara, Debbie Nakanelua-Richards of Aloha Festivals, HLTA President and CEO Mufi Hannemann, Rick Egged of Aloha Festivals and HLTA Chairperson Scott Ingwers.

HLTA Gifts 128 Oahu Charities

Annual Charity Walk raises record \$2.27M across the Islands

The Hawaii Lodging & Tourism Association (HLTA), which raised a record \$2.27 million with its 39th annual Charity Walk in May, presented funds to 128 Oahu charities at a ceremony on Sept. 22 at the Ala Moana Hotel's Hibiscus Room.

The HLTA reports that 6,500 walkers trekked through Waikiki, enjoying food, refreshments and entertainment along the 5.25-mile route.

Statewide, the \$2.27 million raised by the walkers will benefit 363 charities. This year's Charity Walk topped last year's records for both the number of charities helped (346) and money raised (\$2 million in 2016).

"The Charity Walk allocation ceremony really is the culmination of all the hard work and generosity put forth



by the visitor industry," says Mufi Hannemann, HLTA president and CEO. "The good these charities do for our communities is why we continue this tradition of giving, and it's so great to see that many of them are getting more involved with

our Charity Walk year after year."

Since its inception, the Charity Walk has raised more than \$32 million. The funds are distributed through the Hawaii Hotel Industry Foundation (HHIF), the HLTA's nonprofit arm. The HLTA says money raised on each island stays on that island to benefit local charities.

This year's recipients included such long-time beneficiaries as Make-a-Wish Foundation, the National Kidney Foundation of Hawaii, VASH and Special Olympics Hawaii. Funds also were presented to first-time participants, such as Youth for Christ USA and Hui O Momilani PTSO and second-year participant Honolulu Community Action Program (HCAP).

"The good these charities do for our communities is why we continue this tradition of giving, and it's so great to see that many of them are getting more involved with our Charity Walk year after year." — MUFI HANNEMANN

Festive Gathering at Turtle Bay One to Remember

The Hawaii Lodging and Tourism Association (HLTA) held its 190th General Membership Meeting in October at Turtle Bay Resort, and boy, did we have a wonderful time, especially since it is also the 70th anniversary of our organization.

General Manager Danna Holck and the staff at Turtle Bay did an incredible job serving our members and ensuring that the weekend was an extraordinary affair. Highlights of the three-day conference included educational panels on strengthening the voice of hospitality and on sustaining Hawaii's tourism industry, themed evening receptions on Friday and Saturday nights and an information-packed meeting on the state of our industry as well as a game plan for our association going into 2018.

Our educational panel on "Strengthening the Voice of Hospitality" featured Hawaii government officials from all counties: Sen. Kai Kahele from the Big Island, Rep. James Tokioka from Kauai, Councilmember Ernie Martin of Oahu and Council Chair Mike White of Maui.

The panelists, all strong supporters of

HO'OKIPA

See photos from the HLTA's weekend gathering at Turtle Bay Resort on page 30.

George Ariyoshi, former Gov. John Waihe'e, Outrigger Resorts Area General Manager Kelly Hoen and Bickson Hospitality Group President and CEO Ray Bickson, who shared their perspectives on Hawaii tourism's future by discussing the sustainability of our tourism industry.

Bickson skillfully led the conversation through topics including possibilities for economic diversity, keeping the Hawaiian culture alive, regulating transient vacation rentals and the question of how much tourism is too much tourism. The panelists challenged the audience to get involved in coming up with the solutions for our industry's future rather than relying on government to find the answers.

Hoen shared her up-close views of her involvement in the industry's push to get

ly in advocating on behalf of Hawaii's No. 1 industry.

With 2018 being an election year, I'm proposing to all members of HLTA that we strengthen our endorsement process and provide more meaningful and substantive opportunities and activities for the candidates that we identify as strong supporters to solicit and garner our support. Tourism also should partner more with other economic development organizations that share our positions to create a broad coalition of pro-jobs advocates that are prepared to stump for candidates that support our mutual positions and objectives.

The conference was certainly educational, but we also had fun, especially during the evening receptions. In addition to a welcome reception on Thursday evening, members dressed up for Friday's "Out on the Farm" reception and Saturday's "Vintage Aloha" celebration of HLTA's 70th anniversary.

Friday night's event highlighted local agriculture with bites from North Shore food trucks and vendors, fresh pumpkins for décor, games and even horses for those picture-perfect moments. On Saturday night, we took members back to the era in which we were founded—the 1940s, '50s and '60s—and featured an amazing performance by Raiatea Helm and her seven-member band. The timing was perfect for Raiatea, as this event primed her for her retro tour circa 1940s and beyond at Blue Note Waikiki a week later.

We thank all our members, sponsors and guests for making the 190th General Membership Meeting a huge success, and are already looking forward to next year's meeting.



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

"We need to work harder, smarter and more creatively in advocating on behalf of Hawaii's No. 1 industry."

— MUFU HANNEMANN

tourism, discussed ways the hospitality industry can be more effective in government. They encouraged members to become more civically engaged, especially leading up to the next legislative session and the 2018 elections, by keeping track of measures they are concerned with on the state capitol website, supporting candidates who support the hospitality industry and even consider running for office to make sure our industry is represented. Kauai Mayor Bernard Carvalho also shared his mana'o highlighting his positive experiences in working with HLTA in his county.

As if the four legislators weren't heavy hitters enough, we had an educational panel the next day with former Gov.

lawmakers to be responsive and sensitive to tourism concerns during the special legislative session in August.

Gov. Waihe'e decried "the passive-aggressive view" that too many lawmakers have toward hospitality, and emphasized that tourism has to be integrated into every discussion about Hawaii's future. Gov. Ariyoshi summed up the challenge for the tourism industry, saying: "If you can't figure out the solutions to your problems, how do you expect the legislature to solve the problems in 60 days?"

Both the legislative panel and the tourism sustainability panel reinforced key points that I shared during my "State of the Industry" report: We need to work harder, smarter and more creative-

Programs Support Hawaii's Sustainability

More than any other initiative involving the Hawaii Tourism Authority, the support we provide community groups and kamaaina who have pledged to help Hawaii's future gives us the greatest satisfaction.

Success at sustainability with tourism—our state's leading industry—is vital to ensuring a quality of life we want as residents, and to be shared with visitors coming from around the world to experience our aloha spirit, culture and beautiful islands.

With that in mind, HTA is pleased to award funding of more than \$3.5 million to 124 nonprofit groups, community organizations and individuals statewide to support various programs that will help sustain our environment, cultural heritage and community traditions in 2018.

Seeing the proposals submitted by awardees is inspiring. They were submitted by residents and volunteers who are resolute in their dedication to making Hawaii a better place to live, and advancing the ideals that elevate our Island home above any other destination.

The programs earning HTA's support

honor Hawaii's legacy and instill within broader segments of communities statewide both knowledge and a stronger appreciation of the core attributes that distinguish the Hawaiian Islands.

The awardees come from all islands and each program is distinct in its purpose, but all of them share a single goal: to improve Hawaii for the benefit of future generations. Recipients were selected from three program categories that HTA has identified as fundamental to Hawaii's future:

- Thirty-three awardees perpetuating Hawaiian culture are sharing funds of \$1,240,000 through our Kukulu Ola program.

- Twenty-six awardees protecting Hawaii's natural resources are sharing funds of \$1,150,000 through our Aloha Aina program.

- Sixty-five awardees presenting community-based events are sharing funds of \$1,153,300 through our Community Enrichment program.

Congratulations to HTA's 124 awardees for 2018. Mahalo for your commitment to caring for Hawaii's future.

Mahalo for everyone's hard work

in 2017. It has been a superb year for Hawaii's tourism industry and we are hopeful for continued success in 2018.

2018 Global Tourism Summit

This year's Global Tourism Summit was a great success and has generated positive feedback from participants on the quality of speakers, range of sessions, topics covered and opportunities for industry partners to network and collaborate on new business.

Next year's Global Tourism Summit is Oct. 1-3. Mark your calendar and plan to join us for invigorating discussions about tourism's future in Hawaii and worldwide. If you want information about the

2018 Summit, please email info@global-tourismsummithawaii.com.

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



Know the Costs of Foodborne Illness

Being a foodservice owner or manager comes with great responsibility, and one of the most important is the responsibility to keep the food you serve safe. You simply can't afford not to.

A foodborne-illness outbreak can cost an operation thousands of dollars, or even result in closure. More important than the monetary costs, though, are the human costs. Victims of foodborne-illnesses have been known to experience sickness, lost work, medical costs and long-term disability.

The state Department of Health, Sanitation Division, will start auditing restaurants in September 2018 to ensure that one person in charge (PIC) per shift is Food-Handler Safety Certified. This gives all restaurants one year to become compliant. There are a number of options to become certified.

Before you start to schedule those classes, think about having your entire staff attend the basic Food Handler Safety Certification and require your managers and chefs to get the Manager level of Food Handler Certification. Can you afford not to be prepared?

Thankfully, the foodservice industry has been working hard to minimize the chances for foodborne illnesses. The ServSafe program was developed by the National Restaurant Association with the help of foodservice industry experts who face the same risks you do every day.

At the Hawaii Restaurant Association, your concerns are our concerns. Our years of experience and inside knowledge of the foodservice industry are at the core of the ServSafe courses, exams and materials. We can prepare you to handle food sanitation risk because we

have direct experience with it. We also have reliable materials, flexible options and expert food safety educators. ServSafe has tools and best practices for preventing foodborne illnesses and the costs associated with them.

Now it's a law, but we should all do what we can to keep our customers and employees safe. Contact us for more information about Food Handler Safety Training.

Gregg Fraser, executive director of the Hawaii Restaurant Association, can be reached at gregg.fraser@hawaii-restaurant.org or 944-9105. For information, visit hawaii-restaurant.org.



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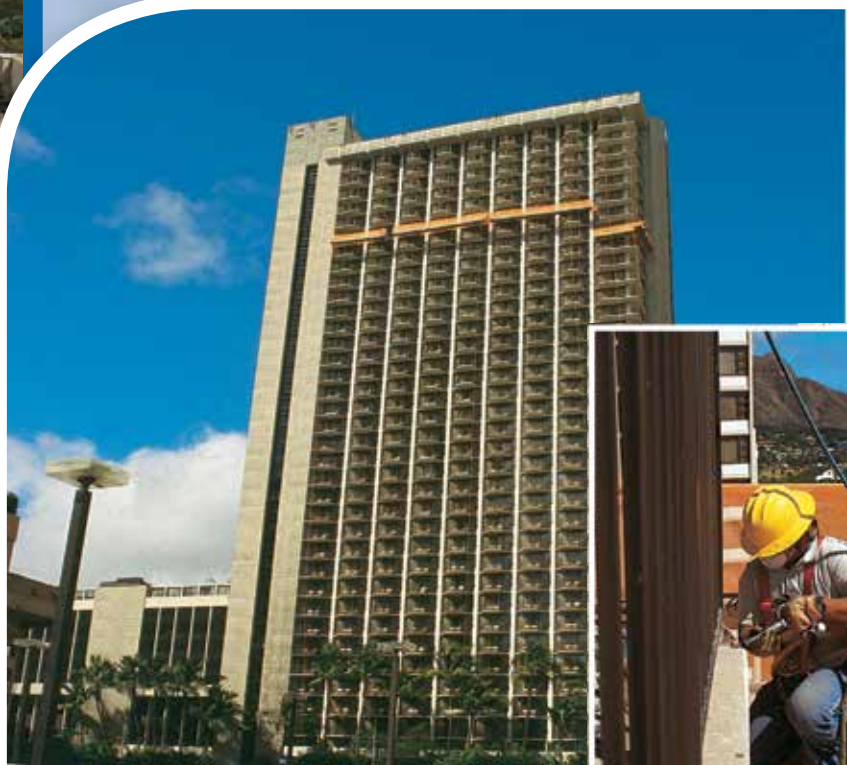


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