

"HVCB Tourism Industry Update" is a bi-weekly briefing of travel news and developments affecting Hawaii's visitor industry, compiled by the HVCB Market Trends Department.

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1. FEATURE

➤ Big Island's Top City Markets Show Strong Growth Through the Third Quarter

The number of visitors to Hawaii's Big Island from nine of the top 10 U.S. metropolitan statistical area (MSA) markets topped previous-year levels through the third quarter of 2006, in keeping with the record high domestic arrivals year-to-date.

- The Big Island's top market, Los Angeles, was the source of some 133,300 visitors through September, up 10.5 percent from the same period in 2005. The second largest source market, the San Francisco Bay Area, reached nearly 98,000 visitors, up 7.5 percent during the same period.
- Some of the other top U.S. West markets that grew during the first nine months of the year include Seattle (+6.5%); San Diego (+5.5%); Phoenix (+37.4%); Portland (+10.8%); and Sacramento (+11.1%). These significant increases in preliminary arrivals were fueled in part by added air services, including America West Airlines' flights to Kona, which helped boost Phoenix arrivals 37 percent.
- The top U.S. East market, New York, decreased 2.0 percent during the nine-month period. However, both Chicago (+7.4%) and Washington D.C./Baltimore (+5.1%) experienced growth through the third quarter.

Preliminary 2006 Arrivals to the Big Island from Top 10 MSAs
January - September 2006

Metropolitan Statistical Area	Total YTD	
	Jan-Sep	% Change 2006/2005
LOS ANGELES-RIVERSIDE-ORANGE COUNTY, CA CMSA	133,348	10.5%
SAN FRANCISCO-OAKLAND-SAN JOSE, CA CMSA	97,663	7.5%
NEW YORK-NORTHERN NEW JERSEY-LONG ISLAND, NY-NJ CT-PA CMSA	37,010	-2.0%
SEATTLE-TACOMA-BREMINGTON, WA CMSA	33,885	6.5%
SAN DIEGO, CA	25,861	5.5%
PHOENIX-MESA, AZ	23,896	37.4%
CHICAGO-GARY-KENOSHA, IL-IN-WI CMSA	22,885	7.4%
WASHINGTON-BALTIMORE, DC-MD-VA-WV CMSA	22,500	5.1%
PORTLAND-SALEM, OR-WA CMSA	19,257	10.8%
SACRAMENTO-YOLO, CA CMSA	18,225	11.1%

Source: HVCB analysis of DBEDT data

- To compare Big Island figures with statewide numbers, visit HVCB's **Market Trends Online** website: <http://www.hvcb.org/trends>

2. BIG ISLAND MARKET UPDATE

➤ Domestic Visitor Arrivals to Big Island up 8.5 Percent Through the Third Quarter

According to preliminary figures published by the state [Department of Business, Economic Development and Tourism](#), domestic arrivals to the Big Island have reached nearly 954,000, up 8.5 percent year-to-date through September 2006. With international arrivals to the Big Island flat through the third quarter, total arrivals equaled 1.2 million (+6.6%) through the third quarter.

- U.S. West arrivals to the Big Island reached nearly 504,000 through September, up 10.4 percent.
- U.S. East arrivals are up 5.8 percent, totaling nearly 387,000 through the third quarter.
- Big Island arrivals from Canada are down 3.8 percent for the period, equaling 41,151.
- Arrivals to the Big Island from Japan totaled 181,161, up 2.4 percent through the third quarter.

Jan-Sep 2006	Big Island	% Chge
Total Arrivals	1,207,808	6.6%
Total Expenditures (\$mil.)	\$ 1,189.4	-2.4%
PPPD Spending (\$)	\$ 152.7	-5.9%
Domestic Arrivals	953,968	8.5%
Int'l Arrivals	253,840	0.0%
Domestic Length of Stay	7.04	-2.5%
Int'l Length of Stay	4.22	-7.5%

Source: DBEDT

➤ U.S. West Air Seat Capacity to Kona Up 25 Percent Through the Third Quarter

Scheduled air seats to Kona Airport equaled 454,556, up 25.3 percent through the third quarter of 2006 compared to the same nine months last year, according to a [Department of Business, Economic Development, and Tourism](#) (DBEDT) analysis of OAG flight schedules:

- In addition, ATA Airlines began nonstop service between Oakland and Hilo on April 27, 2006, further boosting air seats from the U.S. West to Hawai'i's Big Island.
- Scheduled international air seats to Kona declined sharply, down 35.7 percent year-to-date, through the third quarter 2006. Japanese air seats fell 36.8 percent (to 64,740 seats), and Canadian seats declined 2.5 percent (to 3,322).
- Total air seats to Kona equaled 522,618 through the third quarter, up 11.5 percent versus prior-year levels.
- Air carriers are expected to operate more than 701,000 scheduled air seats to the Big Island by the end of the year, an increase of 16 percent over CY 2005.

Scheduled Air Seats YTD Through September	Kona	%Chge	Hilo	%Chge
Domestic Seats	454,556	25.3%	27,475	N/A
U.S. West	454,556	25.3%	27,475	N/A
U.S. East	-	-	-	-
International Seats	68,062	-35.7%	-	-
Japan	64,740	-36.8%	-	-
Canada	3,322	-2.5%	-	-
TOTAL Scheduled Seats	522,618	11.5%	27,475	N/A

Source: Scheduled seats from OAG schedules, charter seats estimated based on reports from the State of Hawaii DOT Airports Division

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