

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

**FOR IMMEDIATE RELEASE**

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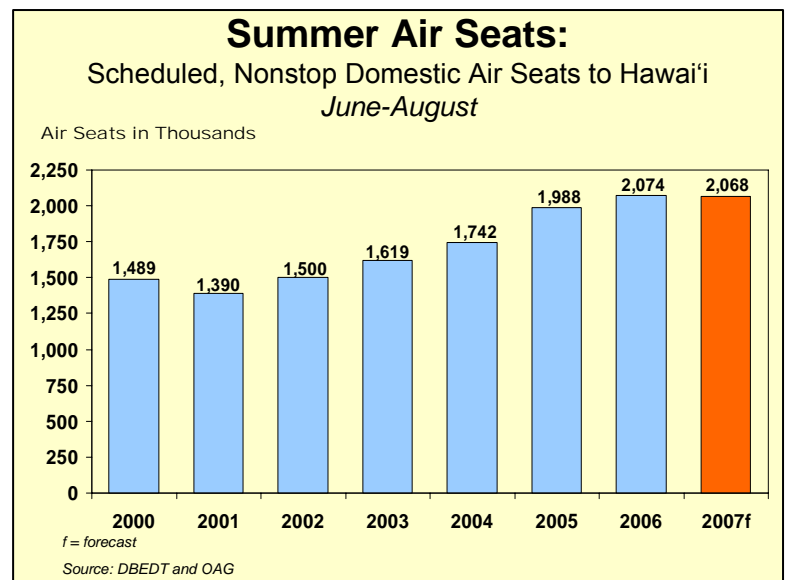
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### 1. FEATURE

#### ➤ Hawai'i Summer Domestic Air Seat Capacity Projected to Decrease Nominally

After reaching a record-high during the summer season last year, scheduled, non-stop domestic air seats to Hawai'i are projected to decline nominally (-0.3%) this summer (June-August), according to the state [Department of Business, Economic Development, and Tourism](#) (DBEDT) summer air seat forecast based on OAG flight schedules.

- Scheduled non-stop air seats to Hawai'i from the U.S. West are projected to set another record this summer, reaching nearly 1.8 million seats, up 2.1 percent over prior-year levels.
- This gain is offset by a projected decline of 13.1 percent in U.S. East capacity, with significant drops expected in Chicago (-10.7%) and Atlanta (-36.0%), the MMA's top and fourth largest gateways, respectively.
- Honolulu air seat capacity is set to regain some market share this summer, accounting for 62 percent of all domestic seats, up two percentage points from summer 2006 figures. However, Honolulu market share of seats is still below 2000 levels, when the port-of-entry accounted for 72 percent of all seats to the state.



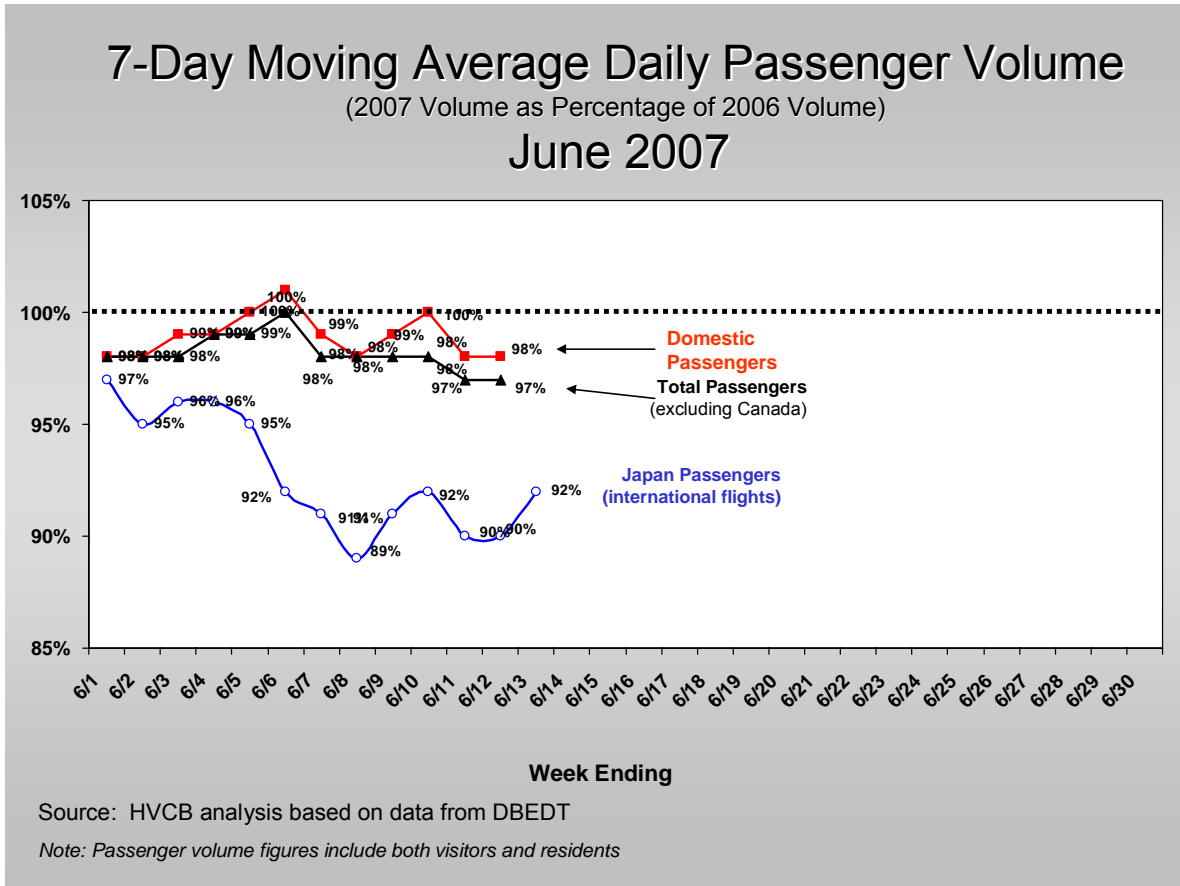
## 2. HAWAI'I

### ■ CONSUMER TRAVEL BEHAVIORS

#### ➤ Domestic Passenger Volume to Hawai'i Down Two Points for the Week

According to statistics published by the state [Department of Business, Economic Development and Tourism](#), total domestic passenger volume on nonstop flights to Hawai'i were two percentage points below prior-year levels for the seven-day period ending June 13, 2007. Total domestic and international (excluding Canada) passenger volume ended the period down three points, while nonstop passenger volume from Japan to Hawai'i was down eight points for the week.

For the most recent Seven Day Moving Average chart, visit HVCB's Market Trends Online: <http://www.hvcb.org/trends>



### ■ CURRENT INDUSTRY DEVELOPMENTS

#### ➤ New Nonstop Service to Hawai'i Begins in June

[United Airlines](#) began new daily nonstop service to Kahului from Denver on June 7, 2007. The new flight complements United's scheduled non-stop service between Denver and Honolulu. United is using a Boeing 767 aircraft on the new route.

[ATA Airlines](#) is also scheduled to begin new nonstop service to the Islands this month. Effective June 14<sup>th</sup>, ATA will fly three nonstop flights per week between Oakland and Kona. Effective June 15, ATA is scheduled to fly four nonstop flights per week between Oakland and Līhu'e; and provide daily nonstop service between Las Vegas and Kahului.

## ➤ Each of Hawai'i's Top U.S. West Markets Up Through April

The number of visitors from each of Hawai'i's top 15 U.S. West metropolitan statistical area (MSA) markets topped previous-year levels through April 2007, in keeping with the record high U.S. West arrivals year-to-date.

- Hawai'i's top market, Los Angeles, was the source of nearly 204,000 visitors through April, up 4.3 percent from prior-year levels. Hawai'i's second largest source market, the San Francisco Bay Area, increased 7.9 percent.
- Other top U.S. West markets that grew during the period include Seattle (+10.6%); San Diego (+9.9%); Portland (+8.4%); Phoenix (+4.8%); Sacramento (+9.4%); Denver (+1.4%); and Salt Lake City (+4.7%).
- Despite the growth in the west, each of the top U.S. East markets declined during the four-month period:
  - New York (-1.1%)
  - Chicago (-10.0%)
  - Washington D.C. (-6.6%)
  - Minneapolis (-8.0%)
  - Boston (-3.7%)
  - Dallas (-4.9%)

### Preliminary 2007 Arrivals to Hawai'i from Top 20 MSAs January - April 2007

Metropolitan Statistical Area	Total YTD Jan-Apr	% Change 2007P/2006P
LOS ANGELES-RIVERSIDE-ORANGE COUNTY, CA CMSA	203,975	4.3%
SAN FRANCISCO-OAKLAND-SAN JOSE, CA CMSA	175,736	7.9%
SEATTLE-TACOMA-BREMINGTON, WA CMSA	98,107	10.6%
NEW YORK-NORTHERN NEW JERSEY-LONG ISLAND, NY-NJ CT-PA CMSA	50,855	-1.1%
SAN DIEGO, CA	50,582	9.9%
PORTLAND-SALEM, OR-WA CMSA	48,047	8.4%
CHICAGO-GARY-KENOSHA, IL-IN-WI CMSA	42,251	-10.0%
PHOENIX-MESA, AZ	40,559	4.8%
SACRAMENTO-YOLO, CA CMSA	39,840	9.4%
WASHINGTON-BALTIMORE, DC-MD-VA-WV CMSA	33,944	-6.6%
DENVER-Boulder-Greeley, CO CMSA	32,885	1.4%
MINNEAPOLIS-SAINT PAUL, MN-WI	31,720	-8.0%
SALT LAKE CITY-OGDEN, UT	23,135	4.7%
BOSTON-WORCESTER-LAWRENCE-LOWELL-BROCKTON, MA-NH NECMA	23,032	-3.7%
DALLAS-FORT WORTH, TX CMSA	22,094	-4.9%

Source: HVCB analysis of DBEDT data

Additional statistics on Hawai'i's top MSA markets are posted on HVCB's Market Trends Online website: <http://www.hvcb.org/trends>

## 3. NATIONAL / INTERNATIONAL

### ■ CURRENT INDUSTRY DEVELOPMENTS

#### ➤ WHTI: Temporary Travel Flexibility Within Western Hemisphere Allowed for U.S. Citizens

The [U.S. Departments of State](#) and Homeland Security jointly announced temporary travel flexibility within the Western Hemisphere Travel Initiative (WHTI) for U.S. citizens traveling to Canada, Mexico, the Caribbean, and Bermuda who have applied for but not yet received passports. Through September 20, 2007, U.S. citizens traveling by air can temporarily enter and depart from the U.S. to these destinations with a government-issued photo identification, and Department of State official proof of application for a passport. The Federal Government is making this accommodation for air travel due to longer-than-expected processing times for passport applications in the face of record-breaking demand. WHTI's passport requirements for air travel took effect on January 23, 2007.

*We welcome any suggestions or comments that you may have that will help us improve the quality of the Tourism Industry Update. Please feel free to share your ideas:*

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