

# Marianas Visitors Authority General Membership Mtg.

JULY 3, 2014

SAIPAN WORLD RESORT



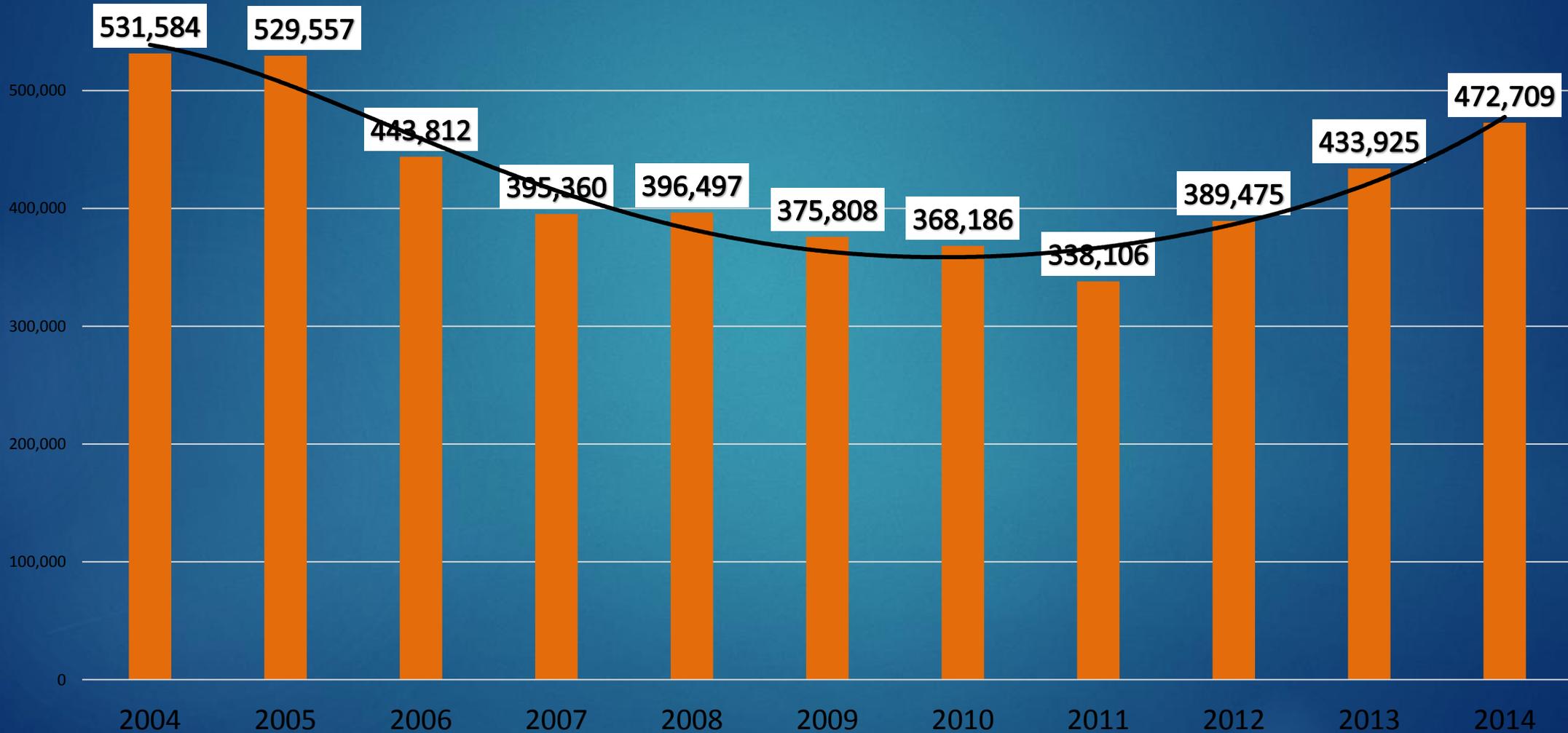
# Managing Director's Update

- ▶ Visitor Arrivals, Air Service, Hotel Room Summary
- ▶ Increase Funding for Promotions & Destination Enhancement
- ▶ Upcoming Developments

# Historic Visitor Arrivals



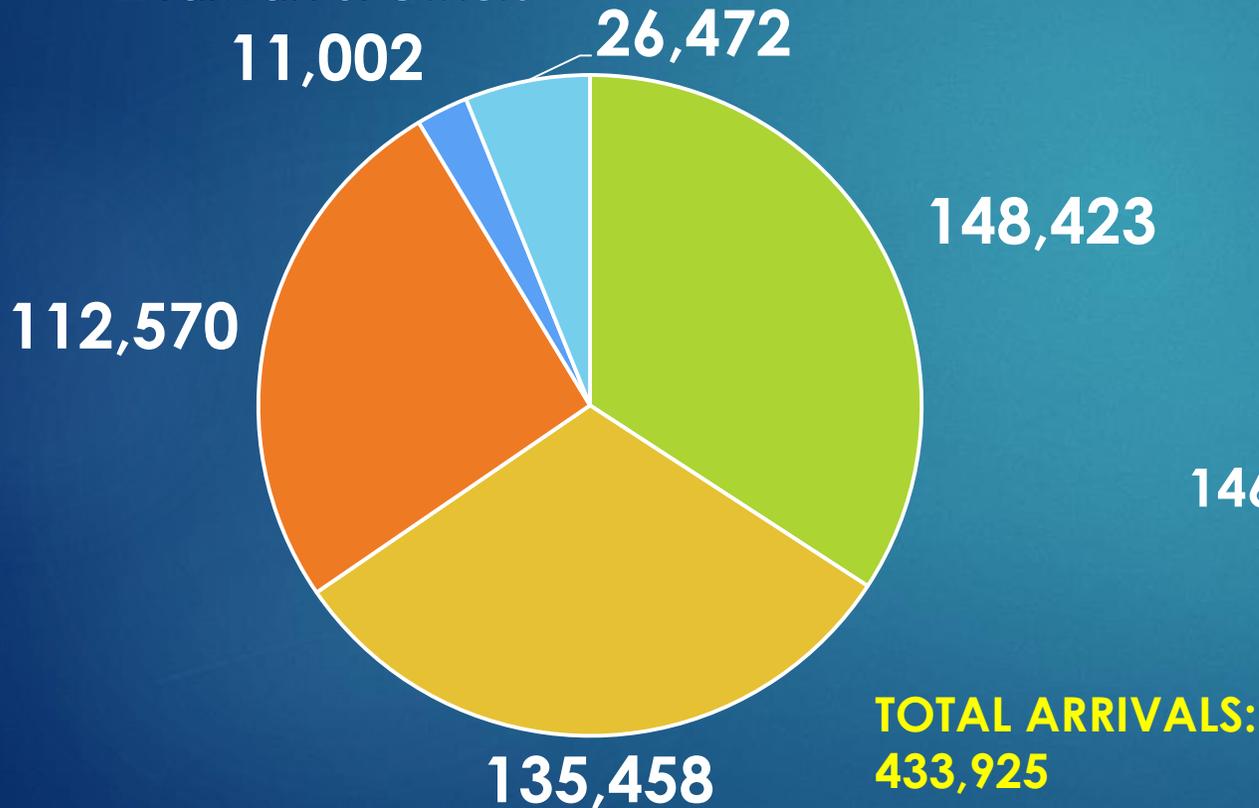
# Historic Visitor Arrivals



# FY13 v. FY14 (projected) Visitor Arrivals

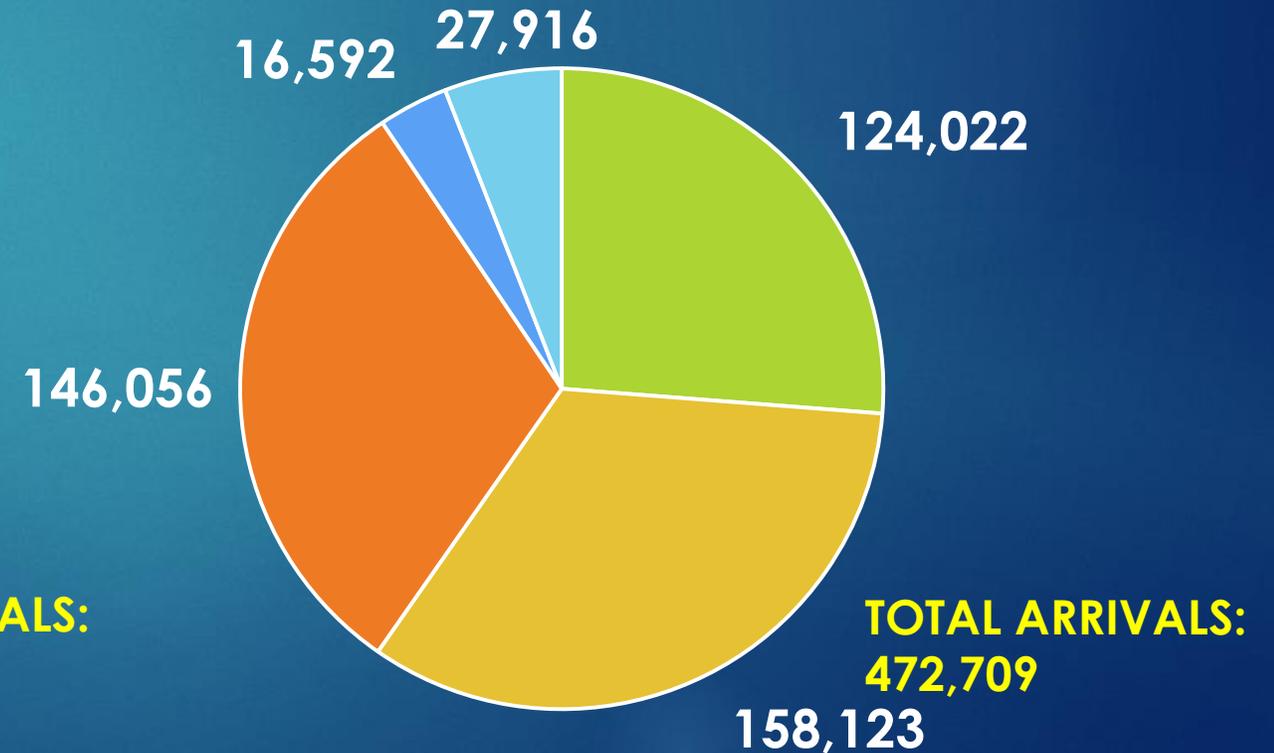
## FY 2013

- Japan
- China
- Taiwan & Others
- Korea
- Russia



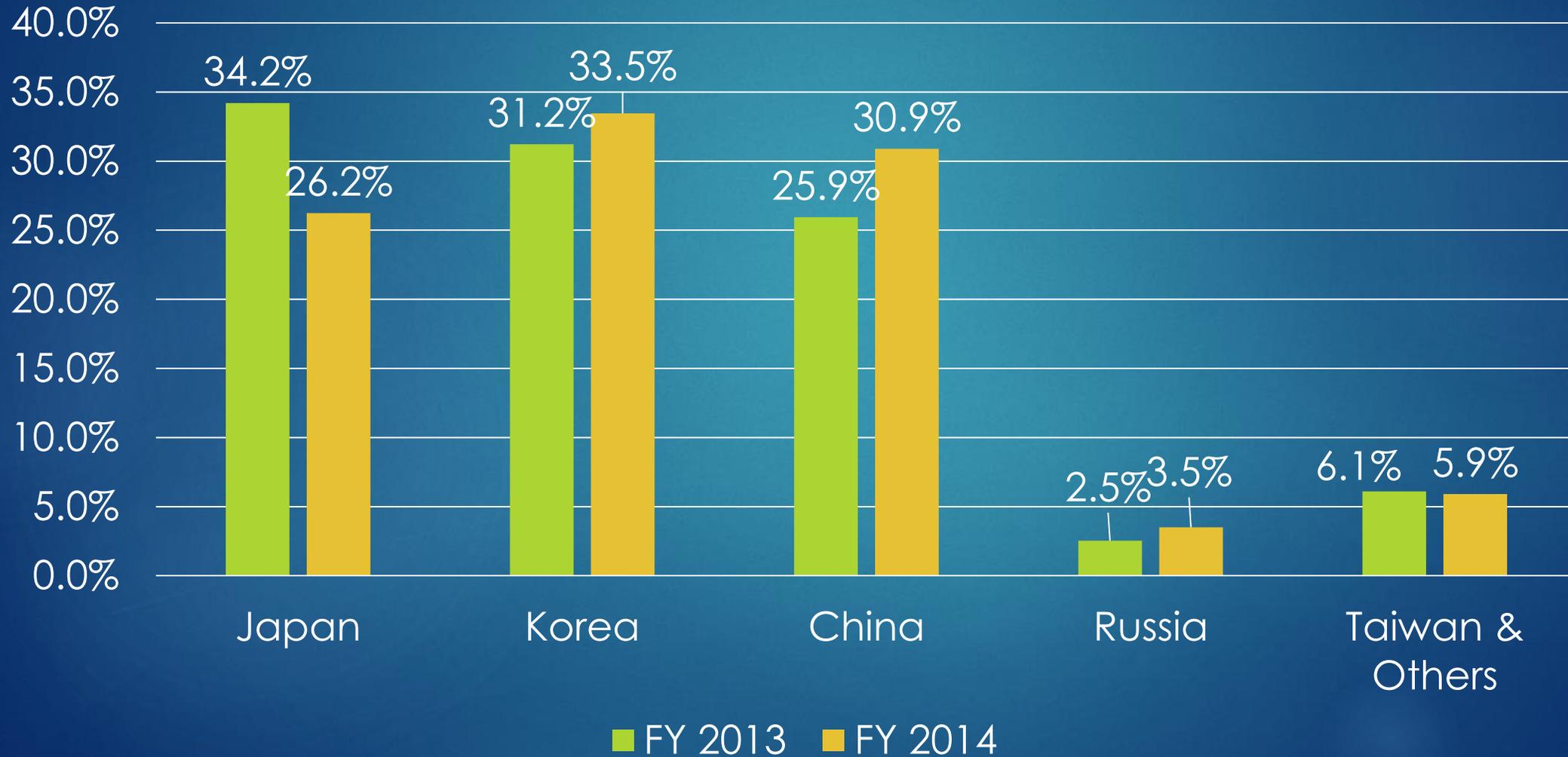
## FY 2014

- Japan
- China
- Taiwan & Others
- Korea
- Russia



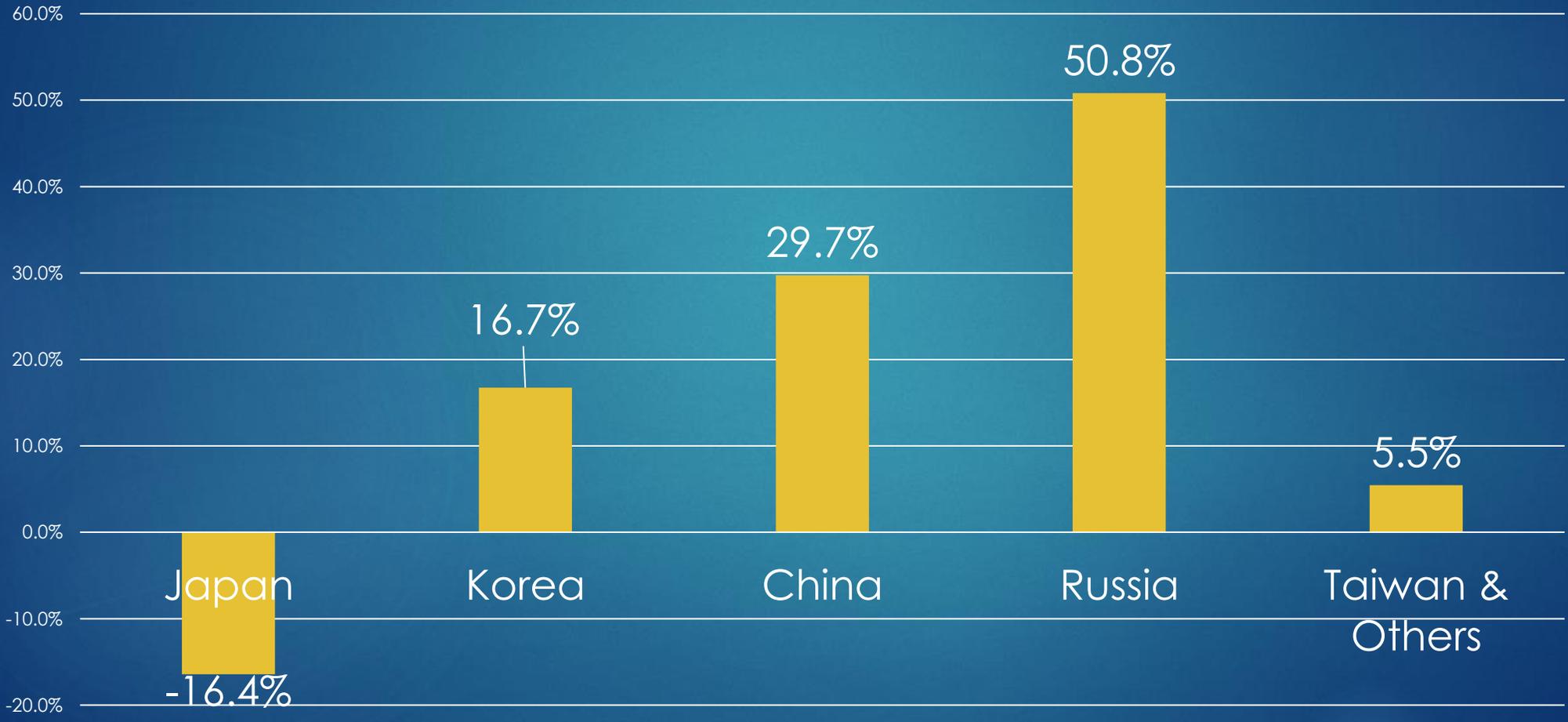
# FY13 vs FY14 (projected) Visitor Arrivals

## MARKET SHARE



# FY13 vs FY14 (projected) Visitor Arrivals

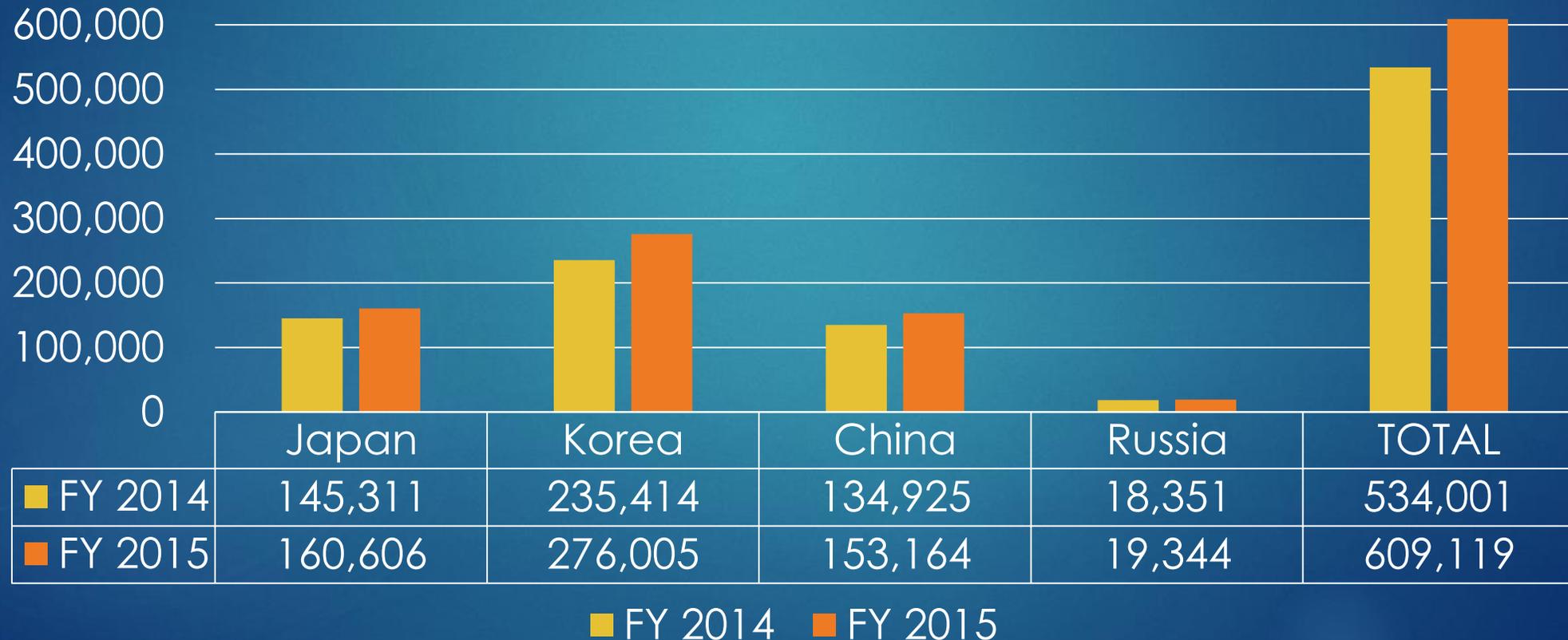
FY 2014 vs FY 2013  
Percentage Change



# Air Service

## FY14 vs FY15 projected

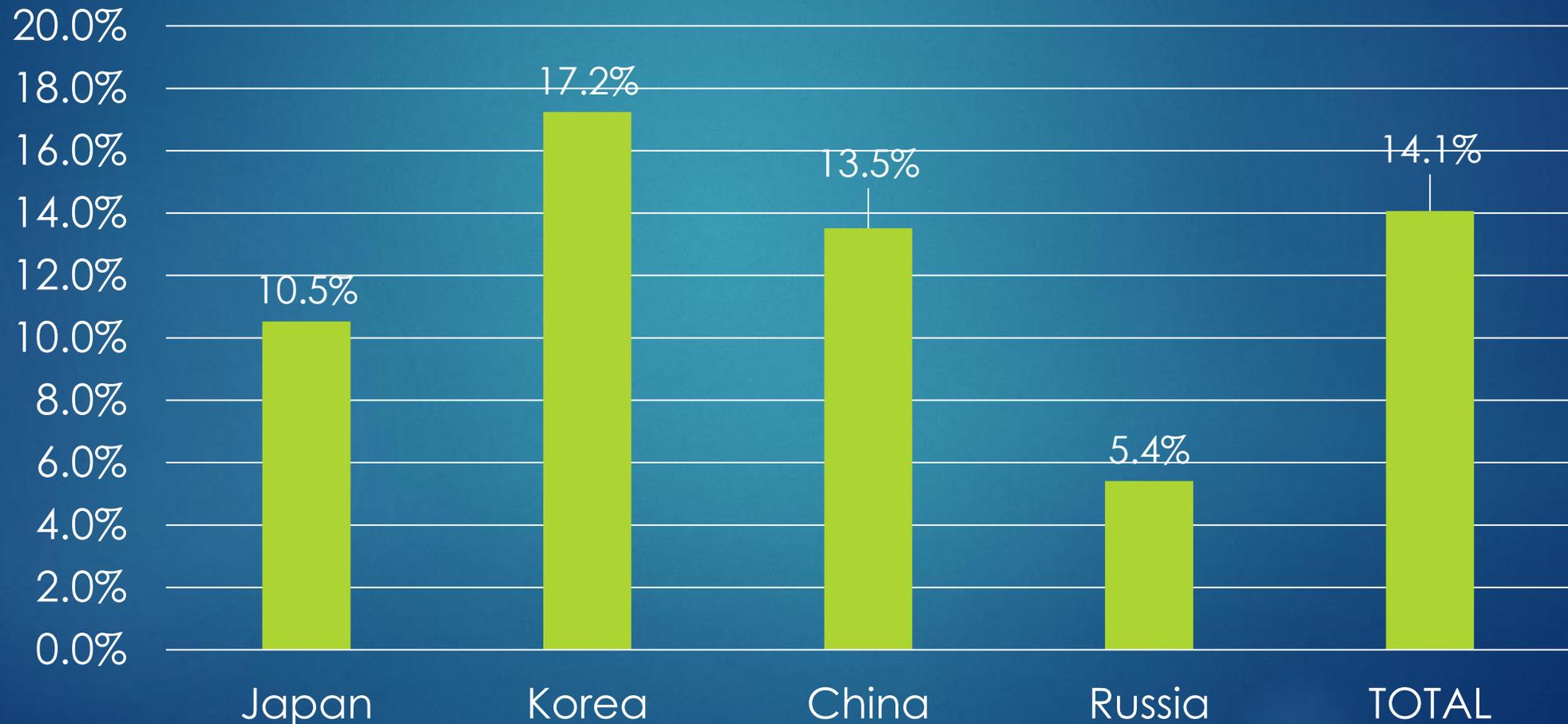
AIR SERVICE  
FY 2014 vs FY 2015 projected



# AIR SERVICE

## FY 2014 vs FY 2015 projected

Percentage Change



# FY14 HANMI Hotel Room Summary

	ACTUAL YEAR TO DATE		October to May			
	FY 2012		FY 2013		FY 2014	
	DAYS	244		243		243
OCCUPANCY AVG.	70.4%	8.17%	80.5%	14.28%	82.5%	2.55%
ROOM RATE AVG.	\$ 100.68	2.97%	\$ 108.00	7.27%	\$ 123.15	14.02%
ROOMS TOTAL	590,167	0.46%	583,686	-1.10%	563,396	-3.48%
ROOMS DAILY	2,419	0.05%	2,402	-0.69%	2,319	-3.48%
ROOMS SOLD	415,549	8.67%	469,673	13.02%	464,908	-1.01%
REVENUE	\$ 41,839,287	11.90%	\$ 50,725,989	21.24%	\$ 57,252,273	12.87%

	OCCUPANCY ANNUALIZED		October to September			
	FY 2012		FY 2013		FY 2014	
	DAYS	366		365		365
OCCUPANCY AVG.	70.2%		80.8%	14.99%	83.2%	3.06%
ROOM RATE AVG.	\$ 102.33		\$ 110.14	7.64%	\$ 121.68	10.48%
ROOMS TOTAL	883,211		876,667	-0.74%	856,377	-2.31%
ROOMS DAILY	2,413		2,402	-0.47%	2,346	-2.31%
ROOMS SOLD	620,278		707,953	14.13%	712,719	0.67%
REVENUE	\$ 63,472,642		\$ 77,976,434	22.85%	\$ 86,725,986	11.22%

# Increased Funding

## ▶ PL 18-1

- ▶ Collaborative legislation of the Office of the Governor, HANMI, and the NMI Legislature
- ▶ Effective April 2013, increased hotel occupancy tax from 10% to 15%
- ▶ MVA'S entitlement increased from 70% to 80%
- ▶ Tax increase designated for the MVA for promotions and destination enhancement

# Public Law 18-1 Entitlements

- ▶ **2.5%** for Department of Finance to enforce the provisions of PL 18-1 and other Commonwealth tax laws
- ▶ **5%** for Destination Enhancement Programs
- ▶ **2%** to the Municipalities of Tinian and Rota to be used to implement charter flights tourism incentives and promotional programs
- ▶ **90.5%** for marketing and operational use

# Increased Funding

- ▶ Opening of Representative Offices in Taiwan, Russia, and Guangzhou
- ▶ Destination Enhancement



▶ Ladder Beach



▶ Suicide Cliff



▶ World War II tank restoration



▶ New Grotto viewing deck

# Increased Funding

## ► Destination Enhancement



► Mt. Tapochau pathway



► Banzai Cliff



# Increased Funding

## ► Destination Enhancement



► Last Command Post



► Sugar King train restoration



# Increased Funding

- ▶ Destination Enhancement- Approved Projects

## **TINIAN PLANT NURSERY REHABILITATION**

Facility will house plants for island beautification projects

## **\$100,000 -- PASEO DE MARIANAS**

Installation of PA system, Stage, tiki torches and tree planting.

## **\$50,000 -- DEPARTURE AND ARRIVAL AREA AT AIRPORT**

CPA has approved the installation of approximately 20 video monitors in both the arrival and departure area. Due to safety reasons, CPA has removed the children's play station. Given the importance of the family market to the CNMI, the committee feels that it is important to have an area for children. The estimated area of the play station is 720ft.<sup>2</sup> (60ft by 12 ft.)

# Increased Funding

## ► Destination Enhancement- Approved Projects

### **\$25,000 -- BANZAI CLIFF**

New interpretive signs, landscaping and improvements to the bathroom.

### **\$50,000 -- GROTTO**

New interpretive sign, landscaping and repairs to structures and painting, bathroom.

### **\$50,000 -- MT. TAPOCHAU**

New interpretive welcome sign.

### **\$40,000 -- SUICIDE CLIFF AND LAST COMMAND POST**

New interpretive signage, landscaping, bathroom improvement.

# Increased Funding

- ▶ Destination Enhancement- Approved Projects

## **\$10,000 -- KALABERA CAVE**

New interpretive sign and repair to parking area.

## **\$2,500 -- FORBIDDEN ISLAND LOOKOUT**

Drawing and design work for new viewing deck/area. Further funding request may be done once the drawing is completed and an estimate is received.

## **\$35,000 -- BIRD ISLAND**

New interpretive signage and covered area or pavilion for security and tourists.

## **BEACH PATHWAY LIGHTING AND SIGNAGE**

Rewire and energize the beach pathway. Decorative fixtures – replacement of some pedestals, bulbs, and covers will be needed. Other considerations: Who will pay power costs? And replace current bulbs with a more energy efficient one.

# Increased Funding

- ▶ Flower Island Project
  - ▶ Provide a re-branding opportunity for Saipan, Tinian, and Rota
  - ▶ Initial areas of focus will be main tourist districts

# Upcoming Developments

- ▶ Tour Operator and Tour Guide Regulatory Act
  - ▶ Authorizes the MVA to conduct certification and enforcement for tour guides
  - ▶ Legislation passed by House of Representatives and Senate and now before Governor Inos
  - ▶ Aims to regulate the industry and improve quality of visitor experience
  - ▶ Requires development of curriculum and testing and promulgation of rules, so implementation would be approximately four months after enactment

# Upcoming Developments

- ▶ Car Rental
  - ▶ Meeting held this month with Lt. Governor Hofschneider, all car rental companies and the MVA
  - ▶ Goal is to improve road safety through management of car rentals and public education
  - ▶ MVA has approved funding to develop driving safety tips in Japanese, Korean, Chinese, and Russian to air on the Visitors Channel

# Upcoming Developments

## ▶ MVA Annual Signature Events

### ▶ Saipan

- ▶ Marianas Coffee Trail Run
- ▶ XTERRA Saipan Championship
- ▶ Tagaman
- ▶ Saipan Marathon
- ▶ Taste of the Marianas  
International Food Festival & Beer  
Garden
- ▶ Swimming Festival in Managaha  
(formerly Saipan International  
Open Water Flipper Race)
- ▶ Christmas in the Marianas

### ▶ Tinian

- ▶ Tinian Hot Pepper Festival
- ▶ Tinian Turquoise Blue & Reef Swim

### ▶ Rota

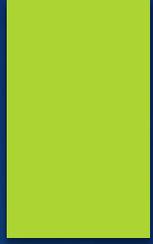
- ▶ Rota Blue Triathlon
- ▶ Rota Cliff Fishing Derby

# Upcoming Developments

- ▶ MVA Annual Signature Events
  - ▶ XTERRA Saipan Championship/Tagaman
    - ▶ 25<sup>th</sup> anniversary this year
    - ▶ Contractor Taga Inc. no longer available to continue
    - ▶ Seeking new contractor for 2015
  - ▶ International Festival of Cultures
    - ▶ New annual signature event
    - ▶ Every Saturday in September beginning this year
    - ▶ To showcase international cultures in the NMI, with emphasis on Micronesia culture
    - ▶ Proposed venue: Paseo de Marianas

# Upcoming Developments

- ▶ Visitor Exit Survey
  - ▶ Quarterly during high-peak and low-peak season
  - ▶ To cover Japan, Korea, China, and Russia
  - ▶ Notice to Proceed issued to Market Research & Development
  - ▶ To include demographics, purpose, frequency of visits, satisfaction and dissatisfaction, activities and expenditures, destination decision-making factors, travel group arrangements, effectiveness of MVA promotions, etc.



Thank You. *Si Yu'us Ma'ase. Olomwaday.*

## **Michael Merner**

Founder & Chairman, AVIAREPS Marketing Garden

Has represented the MVA overseas since 2002 Managing-Director

MVA Overseas Offices

## **Junichi Inada**

Managing Director

WIN Landscape Planning & Design

Registered Landscape Architect

Visiting Professor of Beijing Qing Hua University in China

Landscape Consultant for Garden City Singapore

Director of Planning & Development

National Parks Board of Republic of Singapore from 1989 to 1994