

Consumer Fireworks Industry in Hawaii

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American Promotional Events

Presented to the Illegal fireworks Task Force on 10/19/2010

- **Legal Fireworks Industry**

- Estimated 2010 Licenses**

- Importers (14 Statewide) 13 approved / 1 pending
 - » 7 Display Companies
 - » 7 Consumer Fireworks (3 are Fireworks only companies)
 - Wholesalers (7 Statewide)
 - » 3 - Fireworks only Companies
 - » 4 – Fireworks is a secondary business
 - Retailers (221 Statewide) *_{2010 Estimates with NY #'s}
 - » Oahu 135 Locations
 - » Hawaii 40 Locations
 - » Maui 24 Locations
 - » Kauai 22 Locations
 - Independent Retailers *_{2010 Estimates with NY #'s}
 - Tent & Store operators (28 Statewide)
 - » Non- Profit Groups
 - » Individuals

Fireworks Retailers

FOODLAND

WAIANAE STORE

Take's Market

Malama Markets

Don Quijote

Misaki Market

TIMES Supermarkets

WALMART

Pine Isle Market

COSTCO

KMART

SAFEWAY

SAM'S CLUB

CITY MILL

WALGREENS

LONGS DRUGS

TARGET

COST U LESS

BIG SAVE MKT.

TAMURA'S

NANAKULI SUPER

CHOICE MART

PINKY'S 5 EIGHT

KTA STORES

PAHOA CASH N CARRY

WIKI WIKI MART

K. Takata Store

J. Hara Store

Mizuno Superette

T. Kaneshiro Store

Kaya's Store

Golden Dragon

K. Nakahara Store

Legal Fireworks Industry

– Past Perception

Previous to 1994 county ordinances did little to prohibit selling illegal fireworks.

- Penalties were minimal. Enforcement was next to none.

Fireworks Industry became known as a way to make fast easy money

- Stands were everywhere.
- Everyone had a friend selling Fireworks (Legal and Illegal)

Stands were all believed to be a front for illegal fireworks sales

– Present (2000 – 2010)

Law changes increased the licensing fee on importer ,storage , and retailers licenses, as well as imposed a permit fee to purchase firecrackers

- This lead to fewer retailers & wholesalers in the first couple years
- (3-4) years later Individuals found a way to sell firecrackers illegally
- In 2009 an estimated 3,000 counterfeit permits appeared in the market

The Variety of fireworks Items in the market Increased

- Legal retailers had to stock more items to make up for loss sales
- New items enter the market that created more smoke and noise.
- Retailers found ways to sell items cheaper creating a larger demand

Fireworks tents started to pop up more and more.

- Some tent operators got around the law by using small tents not required to be permitted by fire and building code.
- TNT fireworks with tents operated by non profit groups entered the market and consequently eliminated small questionable operators. TNT tents followed building and fire codes.

Legal Fireworks Industry

– Future of fireworks in Hawaii is uncertain

Two types of fireworks wholesalers in Hawaii.

- Fireworks only wholesalers (3) will leave Oahu and 1 or 2 may leave Hawaii
- Brokers (Importers of other goods) will rely more on their core business

Retailers will adapt by selling items that are legal and not considered fireworks by law.

- Firecrackers will be sold on Oahu. The question is by whom & at how many location? There will not be many.
- The Firecracker market may grow and there will be more different brand names .

Some consumers will turn to the larger firecracker market to fill their desire for some kind of Fireworks

- There may be an increase on firecracker permit sales on Oahu mostly.
- The illegal counterfeit permit firecracker market and the reselling of those firecrackers and permits will probably increase.
- the cost of firecrackers will go up.
- Criminal activities including burglaries of display and consumer fireworks storage facilities will probably increase as criminals look for more options to make money.

Outer islands residents will see an increase in cost of fireworks due to a limited supply of legal consumer fireworks being imported to those counties that are still allowed to sell fireworks.

Conclusion -

The best solution is allowing all citizens of the state of Hawaii to purchase non-aerial consumer fireworks and firecrackers and tougher enforcement to push out all individuals that are selling illegal fireworks .

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MORNING GLORY
30/12/5 0981AN

AFSL
380246



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30/12/5

MORNING GLORY TORCH 14"-PACK 5

G.W: 8 KG

N.W: 7 KG

SIZE: 42.5X37X20 CM

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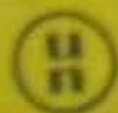
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MORNING GLORY TORCH 14"-PACK 5

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4G/Y20/S/10

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MADE IN CHINA

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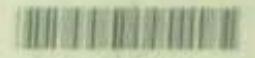
MORNING GLORY TORCH 14"-PACK 5

FIREWORKS UN0336

EX: 2009060031



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MORNING GLORY TORCH 14"-PACK 5

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**HANDLE CAREFULLY
KEEP FIRE AWAY**

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