

Increasing Revenue from Cruise Facilities

AAPA Cruise Seminar—February 11, 2011



Generating Revenue from Dual Use and Advertising



Airport Facilities

Massport runs Logan International Airport. The Business Development Office has leased out:

- 17 restaurants
- 30 food and beverage outlets
- 27 shops
- 7 banks and ATM vendors
- Several miscellaneous services, such as a spa, barbershop, nail salon, car rental kiosks, etc.

The Business Development Office will help Cruiseport Boston set up similar facilities suitable to our passenger flow.

Cruiseport Facilities

Cruiseport Boston has two distinct lines of business:

- **Homeport calls: 160,000 embarking and debarking cruise line guests each year**
- **Port of Call traffic: 140,000 visiting guests each year**

Cruiseport Facilities

Homeport Calls:

- We and the cruise lines want to move guests as quickly as possible from ship to curb, and from curb to ship. Little time for shopping or eating, nor do we want to compete with the cruise lines for food and beverage revenue.

Port of Call visits:

- Here is an opportunity to provide limited shopping and F & B services to visiting guests.

Cruiseport Facilities

Appropriate to Homeport guests:

- **Soda and snack machines**
- **ATMs**
- **High-end electronics vending machines**

Appropriate to Port of Call guests:

Soda and snack machines

ATMs

High end electronics vending machines

Coffee and donuts (e. g., Dunkin Donuts)

Souvenir vendors

Rental Cars

Additional Revenue Opportunities and Challenges in Boston

Opportunities:

- Outdoor advertising**
- Indoor advertising**
- Event Rental**

Cruiseport Boston is located in the Boston Marine Industrial Park

All exterior signage is controlled by
The City of Boston

Black Falcon Cruise Terminal



ADDITIONAL REVENUE OPPORTUNITIES AND CHALLENGES IN BOSTON

Challenges:

- Outdoor advertising:

- The City of Boston's street and building signage plan;

- Community concerns

- Indoor Advertising:

- Limited season--May through October

- Relatively small number of passenger views (300,000 passengers)

ADDITIONAL REVENUE OPPORTUNITIES AND CHALLENGES IN BOSTON

Event Rental:

Opportunity:

- 3 rentable floors with over 50,000 s.f. space
- Can handle 25 to 1,400 people on 3 floors
- Bright, clean, newly refurbished
- The apron is available for outdoor parties
- Clients looking for something different

Guest Walkway



Renovated Ground Floor, 18,000 S.F. Second Floor: 11,000 S.F.

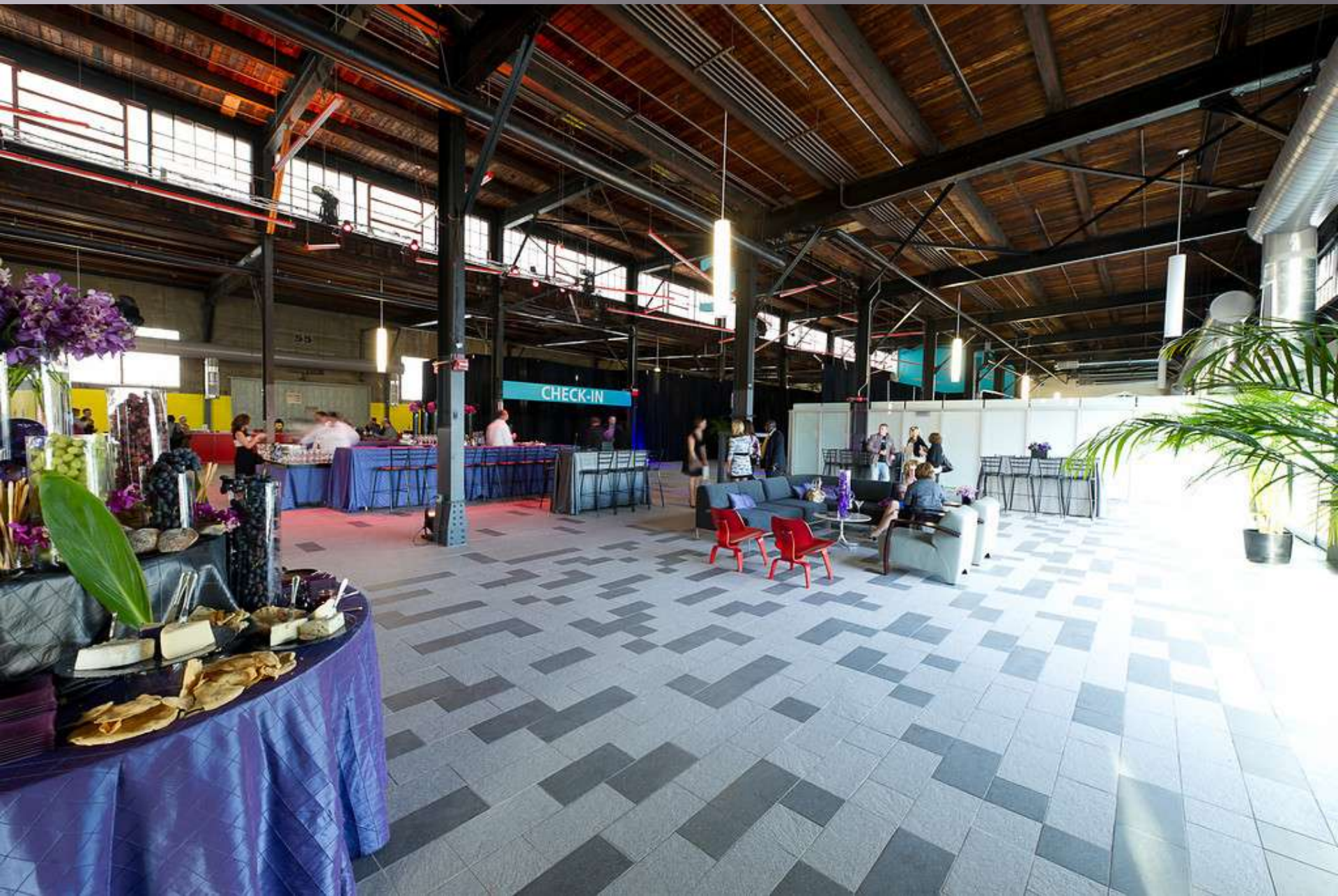


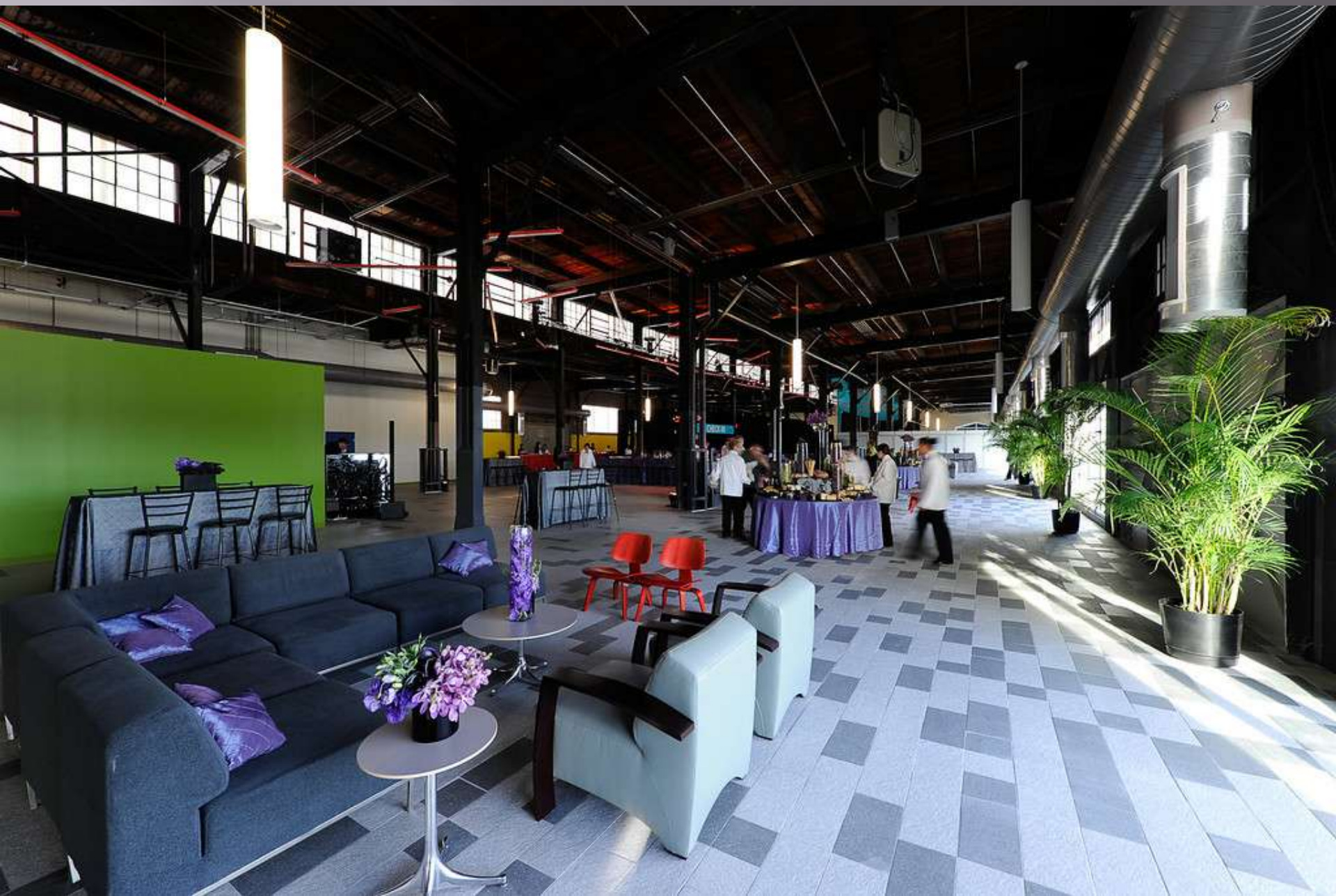
Newly Built Third Floor –20,000 S.F. Ready for cruise guests

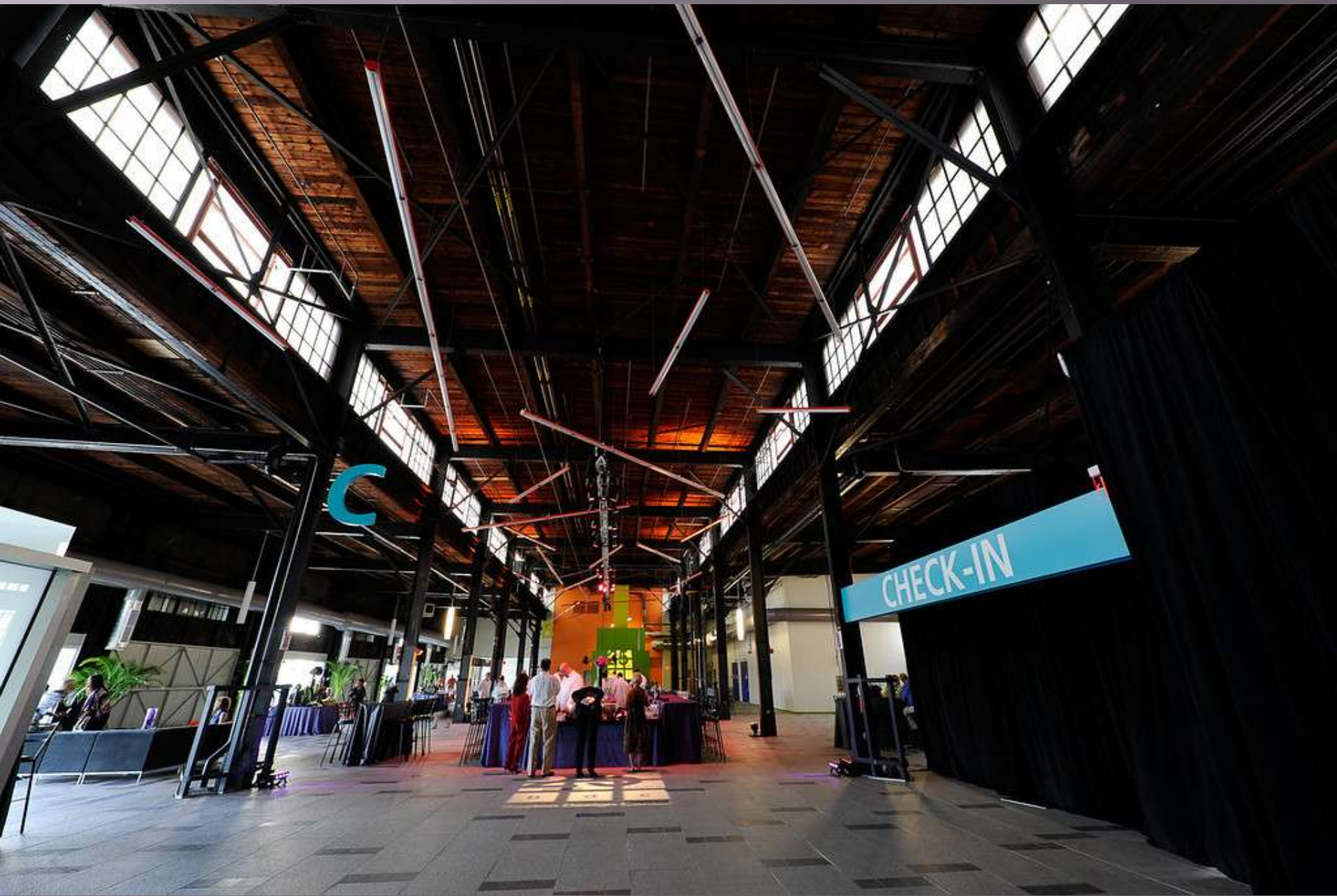


Newly built Third Floor—IT'S PARTY TIME!!!









ADDITIONAL REVENUE OPPORTUNITIES AND CHALLENGES IN BOSTON

Event Rental:

Challenges:

- Guest safety is the paramount concern
- Maritime security requirements limit events to times when there are no ships
- Boston fire laws prohibit indoor cooking with flame without approved ventilation and fire suppression
- No kitchen facilities – considering an RFP for a caterer to construct a kitchen in return for exclusive catering rights

SOURCES OF EVENT BUSINESS

Event Planners

Boston Convention and Visitors Bureau

State, local, and fraternal organizations

Massachusetts Convention Center

Authority for overflow business

Hotels, for overflow business, etc.



Summary

Good revenue opportunities exist

Challenges exist, but can be overcome

Find vendors to sell to guests

Issue RFPs to find companies interested in marketing the facilities and sharing revenue with Cruiseport Boston