REGIONAL CRUISING AND TOURISM

PRESENTATION TO AAPA CRUISE WORKSHOP

APR 24, 2013

GREG WIRTZ, PRESIDENT
NORTH WEST AND CANADA CRUISE ASSOCIATION
Our Members
CLIA - Top Cruise Markets

Alaska 4.8%

Caribbean 34.4%

Europe (no Med) 10.9%

Mediterranean 21.7%

South America 3.9%

Asia 3.4%

Australasia 5%

Other Markets 15.8%
## CLIA - Cruise Markets

<table>
<thead>
<tr>
<th>Destination</th>
<th>2011 Share</th>
<th>5 Year Share shift</th>
<th>2011 Bed Days</th>
<th>5 Year Change</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>1. Caribbean</strong></td>
<td>33.7%</td>
<td>- 2.13 pts.</td>
<td>36.20 million</td>
<td>+ 13%</td>
</tr>
<tr>
<td><strong>2. Mediterranean</strong></td>
<td>20.4%</td>
<td>+4.00 pts.</td>
<td>21.99 million</td>
<td>+ 49%</td>
</tr>
<tr>
<td><strong>3. Europe</strong></td>
<td>7.9%</td>
<td>+0.29 pts.</td>
<td>8.47 million</td>
<td>+ 25%</td>
</tr>
<tr>
<td><strong>4. Alaska</strong></td>
<td>6.2%</td>
<td>- 1.54 pts.</td>
<td><strong>6.65 million</strong></td>
<td>- 4%</td>
</tr>
<tr>
<td><strong>5. Bahamas</strong></td>
<td>6.0%</td>
<td>+ 0.88 pts.</td>
<td>6.51 million</td>
<td>+ 40%</td>
</tr>
<tr>
<td><strong>6. Mexico (West)</strong></td>
<td>3.3%</td>
<td>- 3.36 pts.</td>
<td><strong>3.51 million</strong></td>
<td>- 41%</td>
</tr>
<tr>
<td><strong>7. Transatlantic</strong></td>
<td>2.9%</td>
<td>+0.42 pts.</td>
<td>3.10 million</td>
<td>+ 40%</td>
</tr>
<tr>
<td><strong>8. Australia/S. Pac</strong></td>
<td>2.7%</td>
<td>+1.58 pts.</td>
<td>2.92 million</td>
<td>+ 188%</td>
</tr>
<tr>
<td><strong>9. Trans Canal</strong></td>
<td>2.5%</td>
<td>- 0.47 pts.</td>
<td>2.69 million</td>
<td>+ 1%</td>
</tr>
<tr>
<td><strong>10. South America</strong></td>
<td>2.4%</td>
<td>+0.07 pts.</td>
<td>2.63 million</td>
<td>+ 23%</td>
</tr>
<tr>
<td><strong>11. Hawaii</strong></td>
<td>2.0%</td>
<td>-2.23 pts.</td>
<td><strong>2.19 million</strong></td>
<td>- 43%</td>
</tr>
<tr>
<td><strong>12. Canada/NE U.S.</strong></td>
<td>1.8%</td>
<td>-0.03 pts.</td>
<td>1.92 million</td>
<td>+ 18%</td>
</tr>
</tbody>
</table>
Hawaii
Hawaii Cruise Passenger Trend

- Domestic (US) flag operator
- International cruise lines
Domestic Flag Cruise Itinerary

7-day roundtrip Honolulu
Foreign Flag Cruise Itineraries
Alaska Itineraries

Vancouver – Round Trip

Seattle – Round Trip with Victoria Port Call

Vancouver – One Way
Alaska Itineraries

Alaska + Yukon Cruise Tour

San Francisco 10-day Alaska
Repositioning itineraries

Alaska - Asia

Pacific Coastal
Alaska Homeports

Vancouver:
- “Foreign homeport”
- Expensive and limited airlift
- 4 border clearances
- Inside passage cruising

Seattle:
- Domestic homeport
- Abundant, cheap airlift
- Minimal border clearances
- Further from Alaska
- “Foreign” port call required (usually Victoria)

San Francisco:
- 10-11 day niche market
Alaska and PNW Issues

**Sustainability**

- Economic - voter initiative issues:
  - Head taxes
  - Regulatory burden

- Environmental
  - Waste water
  - Air emissions (ECA)
“AWTS were designed to meet required criteria for conventional pollutants (i.e. biochemical oxygen demand, fecal coliform bacteria, and total suspended solids) and are the most advanced, effective, and proven treatment systems available. When compared to municipal treatment plants discharging to marine waters in Alaska, the AWTSs in operation on discharging cruise ships are significantly more effective than most municipal systems.”

Alaska DEC Commissioner Larry Hartig

Preliminary report to the Legislature, Jan 8, 2013
Reducing Air Emissions

- Shore power
- Low sulphur fuels
- ECA
- Exhaust gas scrubbers
North American ECA
THANK YOU