Cruise Industry Issues and the Cruise Line – Port Partnership

AAPA Cruise Workshop

Grand Cayman

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Port Issues

Economic Development

- Providing facilities and services to meet customer and community needs
- Environmental protection
- Safety and Security
- Market growth
- Financial Return
Cruise Line Issues

Maximizing financial return

• Creating compelling value and experience for passengers
• Providing a safe and secure vacation product
• Protecting the environment
• Delivering new products to grow the market
How do we work better together?

Providing facilities and services to meet customer and community needs

- Involve cruise lines early and often in the planning
- Keep it simple
- Get Government Regulatory Agencies on board early
- Educate and advocate to key community stakeholders
Environment

• Get informed about cruise line technological advances and BMPs
• Educate and advocate for cruise industry broadly
• Assess:
  – local environmental regulatory policies and enforcement
  – The political situation and community/business climate
  – Discharge capabilities – all waste streams
  – Shore Power capabilities – city grid and shore side
Environment (cont.)

• Port environmental plan should:
  - Incorporate ICCL standards
  - Be based on assessment of capabilities
  - Avoid unnecessary duplication of regulatory jurisdiction

• Are you ready for the worse case scenario?
  - Limited political or regulatory acknowledgement of cruise industry environmental focus
  - Legislation directing how ports and cruise lines operate without regard for cost-benefit or logic
Safety and Security

• FSP and VSP should complement each other
  - Understand impacts when things go wrong
  - Keep customer service in mind

• CBP and Coast Guard relationships are key
  - Involvement in planning as early as possible and
    regular updates and communication
  - Continue to strive for more consistency
  - Push to get increased manning if needed
Market Growth

- Cruising is a vacation product within the tourism industry
  - Understand tourism dynamics
  - Cruise vs. land based products
  - Consumers and travel agents spread the word and drive demand
  - Partner with CVB and cruise lines so that new products are marketed and potential product successes come to fruition
Threats to Cruise line profitability and Port economic development

- Targeted Taxes
- Unjustified or non-science based environmental regulations
- Congestion caused by inadequate facilities, embark or debark processes, and/or transportation access plans
- Security or environmental mishaps
- Maintaining value of cruising to the cruise line passenger
Opportunities for Growth

• Aligning port efforts with CLIA, FCCA, NWCA, AAPA and other port/industry orgs

• Industry strength in working collaboratively to change negative perception
  – CVBs, Chambers, business and local government

• Spread positive stories:
  – Economic Impact
  – Environmental advances
  – Safety and Security Record
  – The value of cruising to vacation consumers over land based vacations and strength of demographic outlook