

Cruise industry commitment to sustainable growth

Resource Development Council

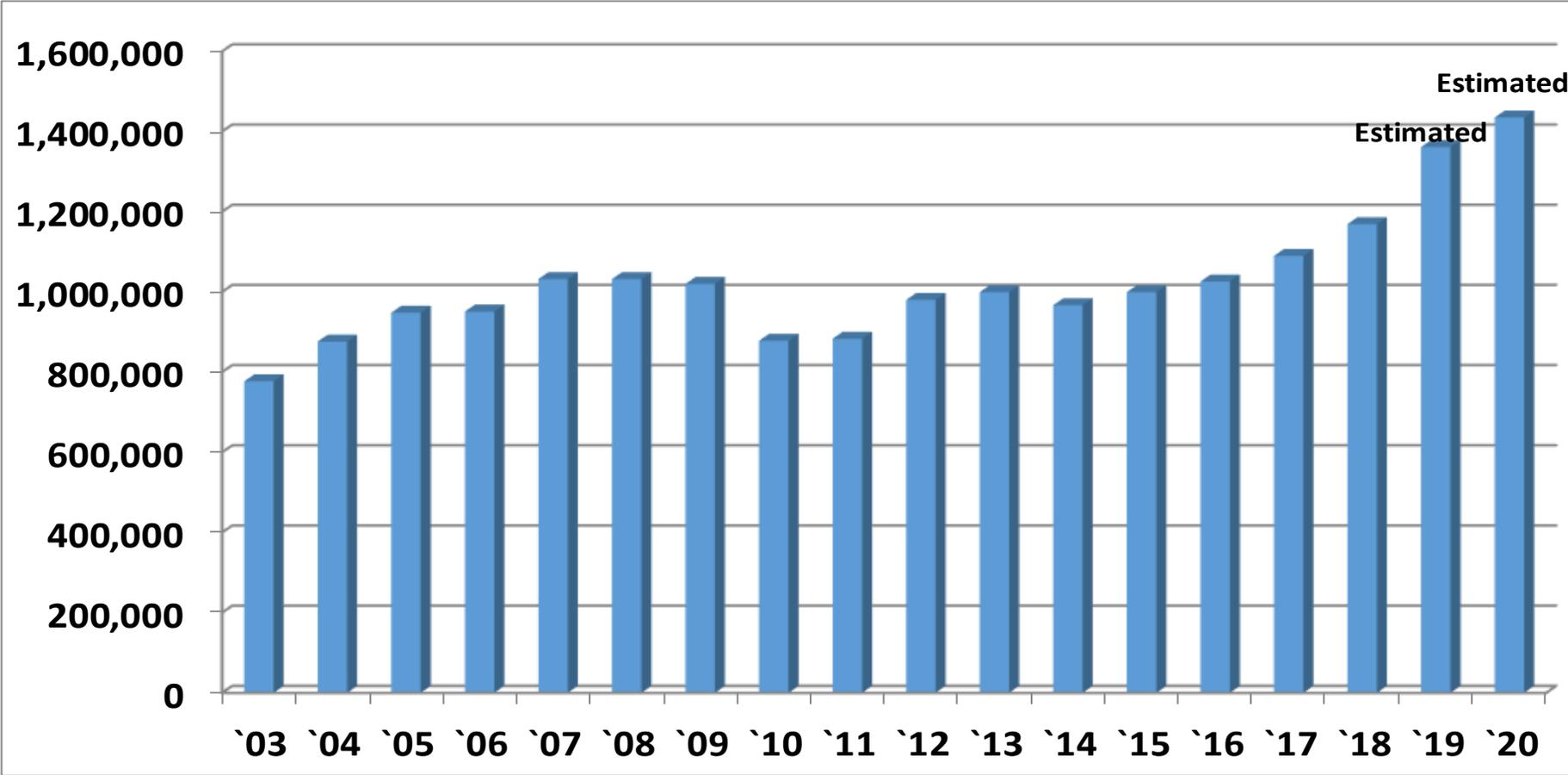
May 16, 2019



CLIA ALASKA MEMBERS



HISTORICAL CRUISE VISITORS TO ALASKA



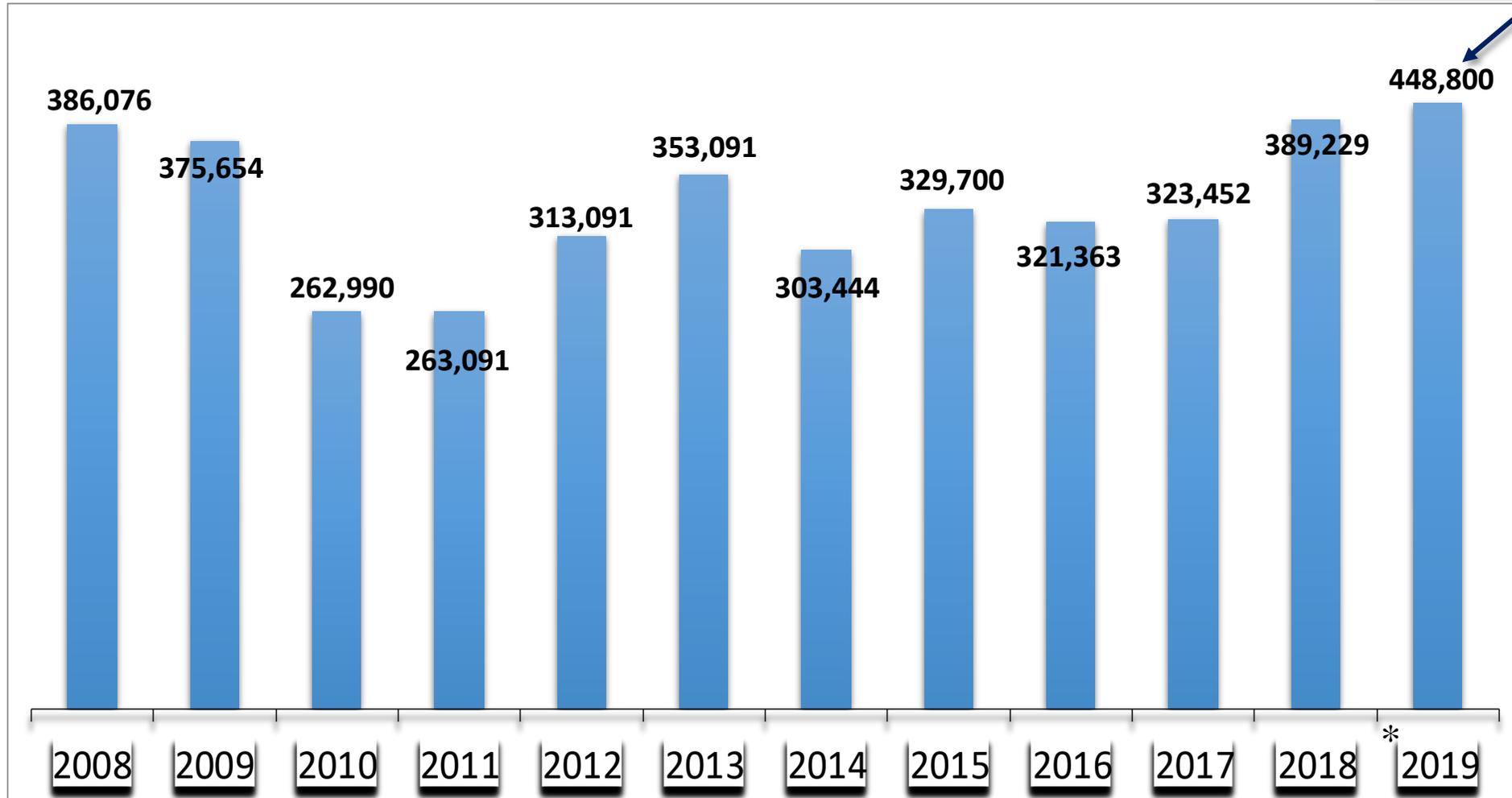
2017-2019 COMPARISON

	2017	2018	2019 (projected)
Ships	33	34	37
Voyages	497	519	567
Passengers	1,089,700	1,169,000	1,361,400

CROSS GULF PASSENGERS

Record year expected in 2019

1 Yr increase = 15.3%
2 Yr increase = 40.7%



GLOBAL OUTLOOK – NEW SHIPS 2019-2027

- 18 new ships entering market in 2019
- 124 ships on order
- \$69.3 billion value
- Total Berths: 268,736





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Alaska cruises are most booked US vacations, survey finds



Travel Leaders Group's travel advisers frequently recommend Alaska as a not-to-be-missed travel experience. Here, a Princess Cruises ship in Glacier Bay (Photo: Princess Cruises)

Alaska cruises jumped to the top spot from last year's fifth place to become the most booked domestic vacation for 2018, according to findings from Travel Leaders Group's 2018 Travel Trends Survey.

Orlando was bumped down a notch to second place. Las Vegas, Maui and New York City rounded out the Top 5.

Internationally, Caribbean cruises and Cancun, Mexico, respectively, maintained the top two spots, while European river cruises edged up one place to third. Mediterranean cruises and Punta Cana, Dominican Republic, were fourth and fifth, respectively.

Top 'up and coming' destinations include Iceland, New Zealand, Thailand, Vietnam and Croatia. Additionally, of the respondents who book travel to the Caribbean, 45.6% said their 2018 bookings to the Caribbean are about even with last year, while 13.3% said their bookings to the Caribbean are higher. When it comes to Caribbean cruises, 71.7% said these bookings are either higher than or equal to last year's bookings.

'It is important to note that interest in the Caribbean, whether it is a cruise or land-based travel, remains high,' said Travel Leaders Group CEO Ninan Chacko. 'Cruising overall, whether it's to the Caribbean, a European river cruise or a cruise in the Mediterranean, is a popular vacation pick for Americans due to the multiple destinations one can visit, along with the tremendous value and convenience cruises offer.'

Alaska cruises have been among the top 10 domestic trips booked by Travel Leaders Group travel advisers over the last several years, but this is the first year they have reached the No. 1 spot in the annual Travel Trends Survey. According to Cruise Lines International Association, 1,089,700 passengers cruised in Alaska last year, and that number is projected to grow another 7% to 1,165,500 passengers in 2018.

TRAVEL AGENT CENTRAL
DESTINATIONS HOTELS CRUISES TRANSPORTATION TOURS PEOPLE RUNNING YOGA
Luxury Travel Advisor's ULTRA Summit
Inspiring the luxury travel industry further. May 21-23, 2019 | Reunion Resort | Kissimmee, FL

Carnival Corp. Invests in Alaska With White Pass & Yukon Rail
by Adam Leposa | Jun 7, 2018 9:58am



Carnival Corporation just made a big investment in **Alaska** with the **Princess Alaska Tours**, the cruise company has entered retail operations in **Skagway, Alaska**. The transaction is subject to customary closing conditions, Carnival Corp. said.

Holland America Princess Alaska Tours has also entered retail operations in **Skagway, Alaska**. The transaction is subject to customary closing conditions, Carnival Corp. said.

Survey Point Holdings, Inc., an Alaskan company, has acquired **White Pass Scenic Railway** and the associated assets. The transaction is subject to regulatory review and approval.

Carnival Corp. says that the agreements with **White Pass Scenic Railway** and **Survey Point Holdings, Inc.** are the newest generation of cruise ships, and **WP&YR's** day-to-day terminal operations.

LUXURY
May 21-23, 2019 |
exclusive, invite-only event
for travel agents and managers



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Secure your stand at early-bird rates until 31 March

Cruise Industry News
Number 1 in Industry Reporting
2019 ANNUAL REPORT
11 - 13 September 2019 Hamburg
2019 EXECUTIVE GUIDE

Norwegian to Build Pier at Icy Strait Point in Alaska
December 06, 2018

Holdings today announced a partnership with the Huna Totem Corporation to build a pier in Icy Strait Point in Alaska.

The pier is expected to be completed for the summer 2020 Alaska cruise season and will be built to accommodate Norwegian Cruise Line's Breakaway Plus-class ships, the company said.

Norwegian Cruise Line Holdings' brands with preferential berthing rights in the area. Seven Seas Mariner, Norwegian Jewel and Norwegian Joy are among the ships that will use the pier in the 2019 season.

The pier will provide more cruise passengers with access to Icy Strait's newly upgraded amenities, including the world's largest ZipRider zip line, brown bear viewing, fishing excursions, local cultural dances accompanied by oral traditions, and more.

Huna Totem Corporation to construct a new pier at Icy Strait Point, one of the wilder and most scenic spots in the state. The pier will provide more cruise passengers with access to Icy Strait's newly upgraded amenities, including the world's largest ZipRider zip line, brown bear viewing, fishing excursions, local cultural dances accompanied by oral traditions, and more.

INDUSTRY'S FOCUS

Sustainability on Land and Sea

Improve
the quality of life
in the communities we
visit

Protect
the seas we sail

2019 SEASON STARTING LINEUP



**Norwegian
Bliss**



**Royal
Princess**



**Ovation
of the Seas**



**Norwegian
Joy**



**Celebrity
Eclipse**

2019 SEASON STARTING LINEUP



Celebrity Eclipse

3,100 pax

19 voyages

58,900 pax x \$640

=\$37.7 Million Spending



Royal Princess

4,000 pax

19 voyages

76,000 pax x \$640

=\$48.6 Million Spending

Calculations based on average number of passengers per ship.

2019 SEASON STARTING LINEUP



Ovation of the Seas
5,100 pax
18 voyages
91,800 pax x \$640
=\$58.75 Million Spending



Norwegian Joy
4,350 pax
22 voyages
95,700 pax x \$640
=\$61.2 Million Spending



Norwegian Bliss
4,700 pax
21 voyages
98,700 pax x \$640
=\$63.2 Million Spending

2019 SEASON STARTING LINEUP



**Norwegian
Bliss**

**Passenger spending from
the five largest ships
=\$269.45 Million
New Money
Into our Economy**



**Ovation
of the Seas**



**Norwegian
Joy**



**Royal
Princess**



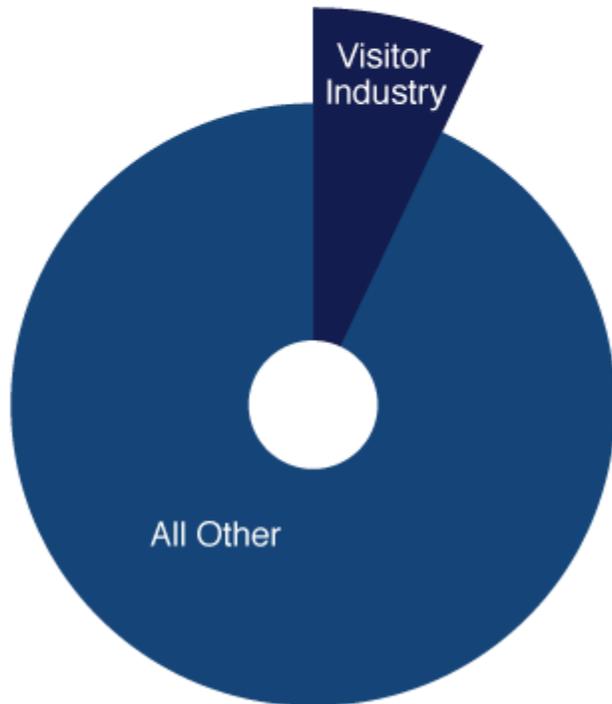
**Celebrity
Eclipse**

VISITORS BENEFIT SOUTHCENTRAL ALASKA

Southcentral greets more than **1M** visitors

Adds **\$960M** to our economy

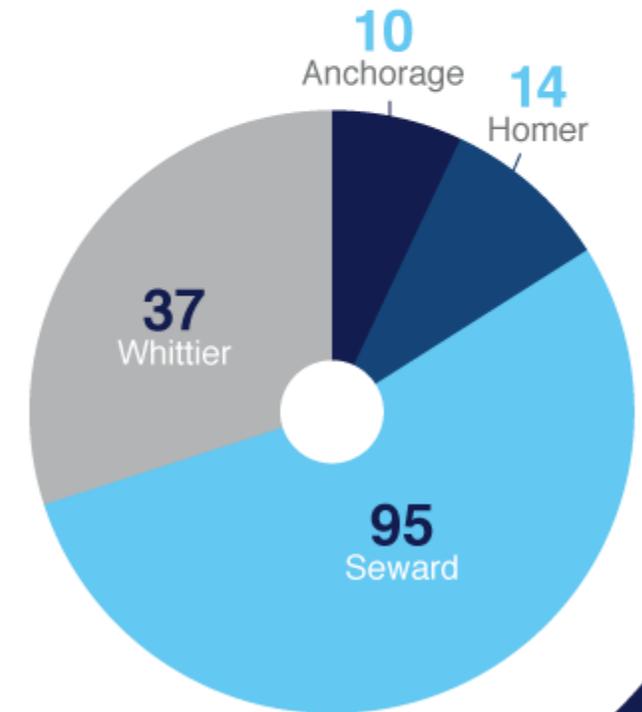
Creates **20,700** jobs



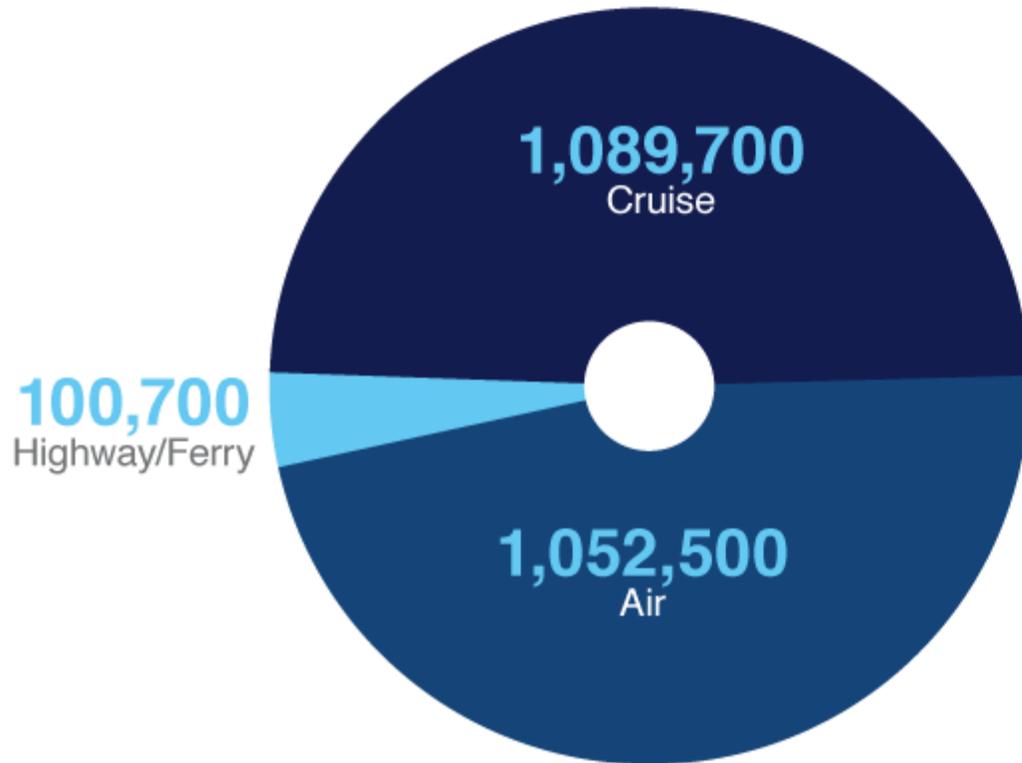
Adds **\$41.3M** to local governments



Region will greet **156** ships



VISITORS BENEFIT ALASKA



State greeted **2.24M** visitors in 2017

Almost half came by cruise ship

Visitors spend **\$2.8 Billion**

Support **52,000** jobs, **\$1.5 Billion** in payroll that's

1 out of **10** Alaska jobs

and a

\$4.5 Billion economic impact

WORKING WITH LOCAL COMMUNITIES

Community and Industry Partnerships Are Important



Juneau Examples

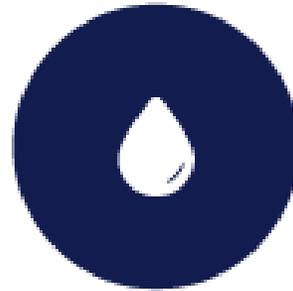
- 22 years of success with TBMP
 - Avenue for public to comment
 - Still identifying new ways to improve
 - Stanchions like Ketchikan
- CBJ and cruise lines partnership
 - Ship fees supporting local services
 - Crossing Guards
 - Police/Fire
 - Restroom/Downtown Cleaning
 - Bus staging

TO SUSTAIN THE ENVIRONMENT

We're focusing on 3 areas:



**Improving
Air Quality**



**Treating & Recycling
Waste Water**



**Reducing
Waste**

\$1B INVESTED IN *EGCS AND CLEAN FUELS

Dramatically reduced Alaska air emissions



- EGCS designed to meet ultra-low sulfur requirements
- Systems effectively remove 98 - 99% of sulfur

- Reduce NO_x and well over 50% of particulate matter – Catalytic filters can remove additional 30% of PM
- 70% ships have capability of running on alternative fuels
- Fuel cell and equivalent technologies being explored

NEW INITIATIVES TO REDUCE EMISSIONS

Industry rolling out LNG, Hybrid, Electric



1st hybrid ship visits Alaska this year

- 34% of new builds will rely on LNG as primary fuel for propulsion
- Roald Amundsen now in service is first hybrid vessel

OUR TREATED WATER IS FIT TO DRINK

Pioneering new technology and setting the highest water-quality standards in the world



Our advanced waste water treatment systems treat wastewater to a higher standard than most coastal cities' treatment systems.

ONE INDUSTRY. ONE VOICE.



REDUCING WASTE



Unrecyclable waste on cruise ships can be as little as 1.5 pounds per person a day compared to 4.5 pounds of waste that Americans produce while on land.

Waste that can't be recycled or reused is responsibly disposed of on-shore.

SUSTAINABILITY IN ALASKA COMMUNITIES

We need strong partnerships with port communities to:



- Protect Alaska's environment
- Sustain a high quality of life for local residents
- Maintain a high level of guest satisfaction

THANK YOU

