



**U.S. Department of Transportation
Maritime Administration**



North American Cruise Statistical Snapshot, 4th Quarter 2008



Office of Policy and Plans

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**North American Cruise
Statistical Snapshot,
4th Quarter 2008**

Office of
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Maritime Administration

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Transportation



U.S. Department of Transportation

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Preface

This report contains cruise statistics for seventeen major cruise lines that offer North American cruises with a U.S. port of call. The statistics include passengers booked and capacities offered by the cruise lines. Capacities are based on two passengers per stateroom. The statistics are presented in terms of passengers and passenger nights.

Notes and Sources

Destinations:

Alaska
Bahamas
Bermuda
Canada (CA)/New England
Eastern Caribbean
Hawaii
Mexico
Nowhere
Pacific Coast
South America
South Pacific/Far East
Southern Caribbean
Trans-Panama Canal
Transatlantic
Western Caribbean

Cruise Lines:

Carnival
Celebrity
Costa
Crystal
Cunard
Disney
Holland America
MSC
Norwegian (NCL)
Oceania
Princess
Regent
Royal Caribbean
Seabourn
Seadream
Silversea
Windstar

Destination Notes:

Eastern Caribbean – South of the Bahamas to St. Martin, as far west as Haiti.

Southern Caribbean - South of St. Martin to northern coast of South America as far as Aruba.

Western Caribbean - West of Haiti, includes ports in Mexico, Central America and Columbia.

Nowhere - Cruises that begin and end at the same port with no intervening calls.

Sources:

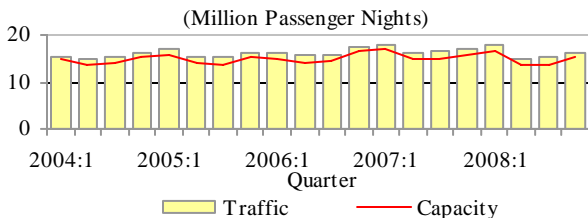
Cruises, cruise passengers and departure ports are derived from the U.S. Customs and Border Patrol Vessel Entrance and Clearance documents. Destinations are derived from the Official Steamship Guide International and cruise line brochures.

North American Cruise Statistics

Highlights

During the fourth quarter of 2008, 16.1 million passenger nights were booked on North American cruises, down 4.4 percent from a year earlier (Figure 1 and Table 1). About 2.4 million passengers were carried on 1,023 cruises by the seventeen largest cruise lines.

**Figure 1. North American Cruises,
Traffic and Capacity, 2004-2008**



For the year, cruise capacities, and passengers booked were down significantly from the year before. The North America cruise market has been capacity driven; that is, cruise lines discount fares to fill ships. But, unlike land based resorts, cruise ships can be moved to markets that have higher yields. While the number of cruise ships offering North American cruises increased, the number of cruises (per ship) declined as the ships spent more time overseas where yields were higher.

The fact that capacities and bookings (passengers and passenger nights) are highly correlated explains the relative stability of occupancy rates.¹ On an annual basis, there has been less than 1 percent year-to-year variation in occupancy rates over the last five years.

¹ For the period 2004:1-2008:4, the correlation coefficient for passenger-nights offered and passenger-nights booked was 0.96. A coefficient can range from 0 to 1 with 0 being no correlation and 1 being perfect correlation.

North American Cruise Statistics

Table 1. North American Cruises, Key Statistics, 2004-2008

(Capacity and Traffic in Millions)

Year/Qtr.	Vessels		Capacity [^]			Traffic		Occupancy %	
	No.	Cruises	Pass.	Pass. Nights	Avg. Nights	Pass.	Pass. Nights	Pass.	Pass. Nights
2004	112	4,465	8.66	57.61	6.65	9.42	61.63	109	107
1	99	1,173	2.17	14.80	6.82	2.31	15.41	106	104
2	95	1,068	2.11	13.72	6.50	2.32	14.83	110	108
3	87	1,097	2.17	13.83	6.37	2.44	15.31	112	111
4	107	1,127	2.20	15.27	6.94	2.36	16.07	107	105
2005	114	4,463	8.88	59.03	6.65	9.75	63.73	110	108
1	102	1,209	2.35	15.84	6.74	2.54	16.92	108	107
2	101	1,096	2.18	14.19	6.51	2.41	15.41	110	109
3	84	1,063	2.16	13.71	6.35	2.42	15.22	112	111
4	100	1,095	2.20	15.28	6.95	2.37	16.18	108	106
2006	110	4,435	9.09	60.21	6.62	9.97	65.03	110	108
1	99	1,118	2.25	15.10	6.71	2.42	16.01	108	106
2	99	1,065	2.18	14.32	6.57	2.44	15.70	112	110
3	82	1,091	2.26	14.39	6.37	2.53	15.94	112	111
4	103	1,161	2.40	16.40	6.83	2.59	17.38	108	106
2007	116	4,464	9.35	62.15	6.65	10.29	67.20	110	108
1	104	1,205	2.46	16.87	6.86	2.65	17.84	108	106
2	104	1,063	2.25	14.81	6.58	2.50	16.12	111	109
3	79	1,098	2.33	14.71	6.31	2.63	16.39	113	111
4	100	1,098	2.31	15.75	6.82	2.51	16.85	109	107
2008	118	4,211	8.98	58.99	6.57	9.91	64.01	110	109
1	98	1,180	2.48	16.49	6.65	2.70	17.73	109	108
2	90	993	2.13	13.63	6.40	2.38	14.99	112	110
3	76	1,016	2.16	13.57	6.28	2.45	15.15	113	112
4	100	1,023	2.21	15.29	6.92	2.39	16.14	108	106

Source: Maritime Administration.

[^] Capacity is based on 2 passengers per stateroom.

Cruise Passengers and Cruise Lengths (Nights)

An increase in cruise lengths (average nights) is likely to increase passenger-nights, but suppress passengers. Passenger-nights measures supply/demand for cruises while passengers measures supply/demand for U.S. port services. An increase in supply/demand for cruises does not necessarily mean an increase in demand for port services, and vice versa.

North American Cruise Statistics

The 5-year relation between cruise passengers, cruise capacity and cruise length is shown in the equation below. The coefficients are elasticities: % change passengers/% change capacity The equation explains about 97 percent (R^2) of the quarterly variation in cruise passengers. For the period, each 1 percent increase in cruise passenger capacity resulted in about a 1 percent increase in cruise passengers, while each 1 percent increase in cruise length resulted in about a 0.5 percent decline in cruise passengers.¹

$$\text{Passengers} = 1.11 + 0.99 (\text{Capacity}) - 0.53 (\text{CruiseNights})$$

(11.32) (24.28) (-9.67)

$$R^2 = 0.97 \quad DW = 1.96$$

Cruise lines tend to remove vessels from North America during the second and third quarters. The remaining vessels are deployed on shorter itineraries than the vessels that were removed, moderating the seasonal decline in cruise passengers. In 2008, the shortened itineraries increased North American cruise passengers by about 2-3 percent during the second and third quarters (Table 2).

Table 2. Impact of Cruise Lengths (Nights) on North American Cruise Passengers 2008

(Passengers in Millions)

Exchange	2008				
	1	2	3	4	Annual
Actual Lengths	2.70	2.38	2.45	2.39	9.91
2008:1 Length	2.70	2.33	2.37	2.42	9.82
Difference	0.00	0.05	0.08	-0.03	0.09
% Difference	0.0	2.1	3.3	-1.2	0.9

Source: Maritime Administration.

¹ As a rule of thumb, if the t-statistics (numbers under the elasticities) are greater than 2 in absolute value, the elasticity is statistically significant.

North American Cruise Statistics

Destinations

Cruise passenger departures for Hawaii declined by 49 percent from 2007 to 2008 as NCL removed the PRIDE OF HAWAII and PRIDE OF ALOHA from the trade (Table 3). In addition to Hawaii, there were significant declines in departures for Western Caribbean destinations.

Table 3. North American Cruise Passengers by Destination, 2007–2008

(Passengers in Thousands)

Destination^	2007			2008				Year	
	2	3	4	1	2	3	4	2007	2008
Alaska	403	611	0	0	413	602	0	1,014	1,015
Bahamas	392	372	334	327	335	366	420	1,442	1,448
Bermuda	67	111	32	0	97	98	29	211	224
CA/New Eng.	30	123	36	0	31	146	54	189	231
Eastern Carib.	289	281	404	476	296	251	384	1,409	1,407
Hawaii	121	120	129	89	55	37	69	495	250
Mexico (Pac.)	237	260	388	382	296	272	315	1,215	1,265
Nowhere	10	9	12	0	9	9	11	31	29
Pacific Coast	30	7	22	3	25	22	8	59	58
S. America	3	0	3	2	2	0	10	14	14
S. Pacific/FE	2	9	2	5	6	13	4	19	27
Southern Carib.	119	93	283	396	135	72	255	805	859
Transatlantic	68	35	50	14	61	42	51	162	168
Trans-Canal	24	9	42	24	27	8	44	117	102
Western Carib.	700	593	773	980	593	509	735	3,107	2,817
Total	2,496	2,634	2,510	2,699	2,380	2,448	2,387	10,289	9,915

Source: Maritime Administration.

^ See Destination Notes.

North American Cruise Statistics

Concentration

The North American cruise market is highly concentrated with the top four firms (Carnival, Royal Caribbean, Norwegian and Disney) accounting for 99 percent of the 2008 passenger nights (Table 4). By itself, Carnival accounted for 6 brands and 55 percent of the passenger nights. NCL accounted for 11 percent of the passenger nights, down from 13 percent a year earlier.

Table 4. North American Cruise Passenger Nights by Cruise Line, 2007-2008

(Passenger Nights in Millions)

Corp./Cruise Line	2007			2008				Year	
	2	3	4	1	2	3	4	2007	2008
Carnival Corp.	8.88	9.27	9.22	9.35	8.38	8.42	9.14	36.31	35.29
Carnival	4.82	5.11	4.93	5.08	4.89	4.72	5.01	19.51	19.71
Costa	0.20	0.00	0.28	0.44	0.10	0.00	0.06	0.88	0.59
Cunard	0.21	0.23	0.23	0.43	0.20	0.21	0.17	0.87	1.00
Holland America	1.23	1.41	1.38	1.28	1.16	1.28	1.66	5.36	5.38
Princess	2.43	2.52	2.39	2.10	2.03	2.21	2.23	9.65	8.57
Seabourn	0.00	0.00	0.02	0.02	0.00	0.00	0.01	0.04	0.04
Royal Caribbean	4.63	4.58	4.80	5.48	4.40	4.37	4.52	19.67	18.77
Celebrity	3.92	3.93	4.06	4.51	3.73	3.74	3.70	16.35	15.69
Royal Caribbean	0.71	0.65	0.74	0.97	0.67	0.63	0.82	3.32	3.08
NCL	2.05	2.09	2.05	2.00	1.63	1.82	1.72	8.44	7.17
Disney Cruise	0.36	0.37	0.47	0.48	0.48	0.43	0.46	1.66	1.85
Other	0.20	0.08	0.31	0.42	0.11	0.12	0.29	1.12	0.94
Crystal	0.00	0.03	0.11	0.08	0.00	0.03	0.07	0.22	0.19
MSC	0.11	0.00	0.08	0.16	0.00	0.00	0.13	0.47	0.28
Oceania	0.00	0.00	0.00	0.05	0.00	0.00	0.00	0.06	0.05
Regent	0.07	0.05	0.07	0.07	0.08	0.06	0.06	0.27	0.27
Seadream	0.00	0.00	0.01	0.02	0.00	0.00	0.01	0.02	0.03
Silversea	0.01	0.00	0.03	0.02	0.03	0.03	0.02	0.06	0.10
Windstar	0.00	0.00	0.01	0.01	0.00	0.00	0.01	0.02	0.02
All Cruise Lines	16.12	16.39	16.85	17.73	14.99	15.15	16.14	67.20	64.01

Source: Maritime Administration.

North American Cruise Statistics

Departure Ports

In 2008, 435 thousand cruise passengers departed from Seattle, up 12.7 percent from a year earlier (Table 5). For the first time in five years, departures from Seattle to Alaska exceeded those from Vancouver.

Table 5. North American Cruise Passengers by Departure Port, 2007-2008

(Passengers in Thousands)

Departure Port	2007			2008				Year	
	2	3	4	1	2	3	4	2007	2008
Miami	437	383	506	632	459	456	552	1,890	2,099
Port Canaveral	323	311	316	311	307	300	309	1,298	1,226
Seattle	142	224	20	0	174	254	8	386	435
Vancouver, CA	181	279	3	0	154	252	0	462	406
New York	143	234	85	48	135	217	78	525	477
Los Angeles	126	125	191	188	150	124	146	626	607
Long Beach	94	99	88	92	92	98	83	367	365
Tampa	83	67	97	124	85	79	105	368	393
Galveston	140	115	96	132	102	73	96	529	403
San Juan	99	93	156	209	108	72	131	534	521
Whittier	40	73		0	39	66	0	113	104
San Diego	43	53	164	141	86	54	135	341	416
Seward	28	48	0	0	28	52	0	76	80
Mobile	32	34	32	29	32	52	33	130	146
Fort Lauderdale	230	142	417	557	167	50	414	1,289	1,187
Cape Liberty	24	51	39	31	46	47	40	115	163
Boston	21	30	2	0	18	36	16	52	69
Honolulu	98	97	88	61	43	30	31	382	166
Norfolk	22	5	3	0	13	22	6	31	41
San Francisco	35	19	0	3	27	22	21	74	72
Baltimore	17	28	16	0	18	19	10	62	46
New Orleans	58	46	61	73	46	13	53	258	185
Houston	3	0	0	0	0	10	0	27	10
Philadelphia	7	17	6	0	0	7	7	30	14
Jacksonville	34	33	33	32	5	6	43	130	87
Charleston	5	0	20	21	19	0	13	44	53
Other Ports	30	28	72	18	29	37	59	149	143
All Ports	2,496	2,634	2,510	2,699	2,380	2,448	2,387	10,289	9,915

Source: Maritime Administration.

