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# Cruise Ship to set sail from New Orleans

By Alan Sayre

NEW ORLEANS - The answer to a big question - the future of New Orleans' cruise ship industry - will begin to unfold Sunday when the first regularly scheduled liner to sail since Hurricane Katrina leaves the city's docks.

Before Katrina, four cruise ships were homeported in New Orleans. The industry was rapidly expanding, with more than 700,000 passengers leaving and arriving in 2004 through the Port of New Orleans.

But Katrina, which struck in August 2005, shut down the usually strong fall season. Only 308,000 passengers sailed from New Orleans during the first eight months of the year, according to the International Council of Cruise Lines, an industry group. The truncated year supported nearly 5,000 jobs in Louisiana as the industry spent \$241 million, a figure that was still higher than the \$208 million spent for all of 2004, according to ICCL.

Now, nearly 14 months since the last regular voyage - the Carnival Sensation just before Katrina hit - the business is starting over. On Sunday, the Norwegian Sun, an 853-foot Norwegian Cruise Lines vessel that can handle 2,000 passengers, leaves for the Caribbean. Three other cruise ships are expected to return later this year and in 2007.

There have been several one-time liner stops at New Orleans since Katrina, but Sunday's voyage marks the return of regularly scheduled service of four- to seven-day voyages. For a time after Katrina, two cruise ships docked at New Orleans to provide housing for emergency workers. The port is opening a third cruise terminal and a 1,000-vehicle garage at a cost of \$38 million that will give the facility the ability to handle two large passenger ships at once. It is bullish enough to be making plans for a fourth terminal.

But Bob Wall, owner of the New Orleans-based travel agency Vacations at Sea, said the first year probably would only be modest as the ships get re-established. He believes bookings will increase steadily in the coming months.

"Once they (the public) see the ships docked, I think that's going to provide a nice bump of sales," he said.

Next in line at the Port of New Orleans is Carnival Cruise Lines' Fantasy, which sails on Oct. 26, followed by Royal Caribbean International's Grandeur of the Seas on Dec. 7. Carnival is

expected to begin sailing it Carnival Triumph next September. **All the voyages will be bound to the western Caribbean.**

New Orleans' return to the vacation cruise business comes during a heady time for the industry worldwide, according to the Cruise Lines International Association, another industry group. The industry has averaged an 8.5 percent annual growth rate in passengers since 1980, according to the group. ICCL put total U.S. economic impact in 2005 at \$32.2 billion.

After an industry record 11.2 million passengers in 2005, the business is expecting 11.7 million this year, said CLIA spokesman Brian Major.

Before Katrina, New Orleans was one of the fastest-growing cruise ports in the country, Major said. That was fueled by the attraction of the city itself. Passengers often toured the French Quarter and other attractions before or after a cruise, he said. No figures are available on collateral spending specifically by cruise passengers.

**However, the New Orleans Convention and Visitors Bureau said the average domestic visitor spent \$196 per day in the city in 2004, the latest year for which figures are available, while an international visitor put down \$244 per day on average.**

But that was before Katrina. Since the storm, the city has struggled with losses in its convention business and a very slow summer, in part affected by widespread concern outside the region about the city's condition.

Wall said Sunday's cruise is near capacity, but like airlines, cruise companies offer various ticket deals in hopes of filling up all the cabins. "The question is on-board revenue, such as shore excursions, the casinos, the bars," he said.

Ticket prices for the cruise were the lowest in several years, Wall said, ranging from about \$500 per passenger for an interior cabin to \$1,200 for luxury accommodations. "That's great for the consumer, though, of course, it keeps the cruise line officials nervous," he said. Norwegian Cruise Lines in an e-mail would only say that bookings on the Norwegian Sun were strong.

One of those booked for the cruise is retired airline employee and travel agent Carl Ricketts of New Orleans, who put together a group of about a dozen friends from all over the South to join him.

"One of the big reasons we're going now is to help the city and the cruise lines," said Ricketts.

As the cruise ships start returning, another cog in the people-moving business is still lagging: airline service at Louis Armstrong New Orleans International Airport has not rebounded to pre-Katrina levels. The number of flights is now about 65 percent of pre-storm levels, indicating steady growth, but not enough to keep Microsoft Corp. from recently canceling three meetings that were expected to bring 30,000 people to New Orleans in 2007.

Wall said cruises typically are sold on a nationwide basis, including air fare. Currently, the airport has restored 105 of its 162 daily pre-Katrina flights with another four to start by the end of October. Airport spokeswoman Michelle Duffourc said the return of the cruise industry could further boost flight service.

"We're expecting that once the airlines see demand because of the regular cruises, they'll be adding more flights," Duffourc said.