

Cruise line CEO looking favorably at Alaska market

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SEATTLE (AP) — Holland America Line is going to look far more favorably at bringing more vacationers to Alaska now that the state's passenger head tax has been reduced, the president and CEO of the company said Monday.

The Seattle-based cruise line has long since decided how many ships to devote to Alaska this year and next. But CEO Stein Kruse said pro-business actions this year by Alaska Gov. Sean Parnell and the state Legislature "will certainly be a positive influencing factor" as the company makes its deployment decisions for 2012.

"I can't say right here and today what we will do because those decisions haven't been made, but I can tell you that it's a far more positive outlook than it has been for the last couple of years," Kruse said.

He spoke in an interview with The Associated Press on the bridge of the Holland America liner MS Amsterdam, which made a half-day call in Seattle as it wraps up a world cruise. Kruse stopped by to visit with Capt. Olav van der Waard and crew members of the 1,380-passenger ship, which next week begins a series of 14-day cruises from Seattle to Alaska.

A few hours before adjourning last week, Alaska lawmakers passed a bill to lower the state head tax from \$46 a passenger to \$34.50. The measure was heavily pushed by Parnell and was key to settling a federal lawsuit filed by the Alaska Cruise Association against the state.

The association has blamed state regulations and tax costs for the expected loss of three ships and about 142,000 passengers this season.

Cruises are booked far in advance, and Kruse said figures indicate the total Alaska business will be down about 16 percent to 17 percent this year. He said that when 2010 deployment decisions were made two years ago, the recession was less a factor than Alaska's business climate.

"Alaska went through the hoops of trying to make it complicated for businesses like ours to operate up there," he said.

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Holland America will have eight ships on Alaska runs from Seattle and Vancouver, British Columbia, one more than in 2009, and 149 total departures from the two cities. Next year it will deploy seven ships making 125 total departures.

Seattle's cruise business is growing, with a record 223 port calls scheduled this year, five more than in 2009. Much of that stability has been at the expense of Vancouver as cruise lines seek to cut costs.

The Port of Seattle says cruise ships and passengers account for \$425 million in annual business revenue for the region and nearly \$19 million annually in state and local tax revenues.