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## Ocean Passenger Vessels: *migrating south for the winter*

by Matthew Chambers

In response to consumer demand, the passenger vessels that operate from seaports along the Atlantic, Gulf, and Pacific coasts alternate between north and south. Passenger vessels that sail out of ports such as New York, Baltimore and Seattle in the summer, lift anchor and steam for departure ports such as Miami, Tampa and Los Angeles, or overseas markets during the cold winter months. This phenomenon has grown in recent years as cruise lines increased the number of “close-to-home” departure ports<sup>1</sup> in the north.

### Box 1: The Latest Numbers for U.S. Departures

In the 2nd quarter of 2009, the 17 largest passenger vessel operators carried 2.4 million voyagers on 996 voyages. The volume remained essentially unchanged from the same quarter in 2008, when 2.38 million passengers sailed on 993 voyages.

The winter when capacity operates from the southerly ports, is the peak quarter for total passengers boarded. Over the last 5 years, except in 2006, the fourth quarter has been the lowest overall quarter for U.S. cruise passenger departures. See figure 1. In addition to the seasonal

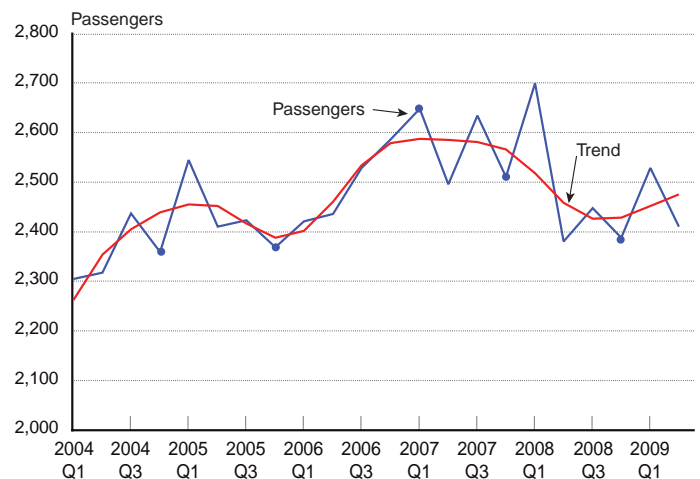
shifting of capacity to the south to meet increased demand for warm weather destinations, operators also shift some capacity to southern Europe. Additionally, operators often use the lower volume fourth quarter as a time to put ships into dry dock for maintenance.

### North v. South Atlantic, Including Gulf Departure Ports

On the East Coast of the United States, passenger vessels migrate from northern ports<sup>2</sup> to southern departure

ports, primarily in Florida, on both the Atlantic<sup>3</sup> and Gulf<sup>4</sup> Coasts. At the same time, some passenger vessels move from North American to the southern European market where higher fares allow cruise ship operators to generate more revenue than in the North American market<sup>5</sup>. Figure 2 shows how cruise departures from ports in northern Atlantic Coast cities move in opposite cycles from port cities in Florida—departures peak in the north when they are low in the south. More specifically, peak season for the Atlantic Ocean ports in the north is third quarter, and the low is first quarter. Atlantic ports in the south and Gulf coast experience the opposite, with their peak in first quarter and a low in the third quarter.

**Figure 1: U.S. Cruise Passenger Departures: 1Q04–2Q09 (in thousands)**



**NOTE:** Trend calculated through X-12-ARIMA. For more information on X-12-ARIMA, go to <http://www.census.gov/srd/www/x12a/>.

**SOURCE:** U.S. Department of Transportation, Research and Innovative Technology Administration, Bureau of Transportation Statistics, based upon U.S. Department of Transportation, Maritime Administration; North America Cruise Summary Data; available at <http://www.marad.dot.gov/> as of Oct. 14, 2009.

<sup>3</sup> South Atlantic includes ports from Alexandria, VA, to Miami, FL.

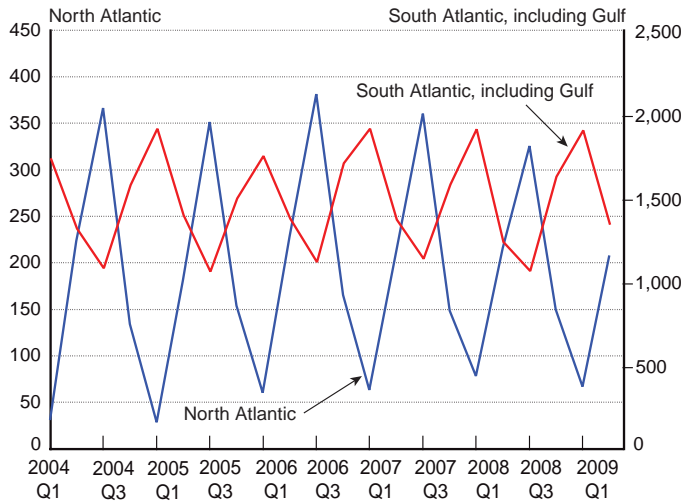
<sup>4</sup> Gulf includes ports from Key West, FL, to Brownsville, TX.

<sup>5</sup> U.S. Department of Transportation, Maritime Administration; *Cruise Statistical Snapshot: 2<sup>nd</sup> Quarter 2009*; available at <http://www.marad.dot.gov/> as of Oct. 14, 2009.

<sup>1</sup> Cruise Lines International Association; *2008 Cruise Market Profile Study*; available at <http://www.cruising.org> as of Sept. 25, 2009.

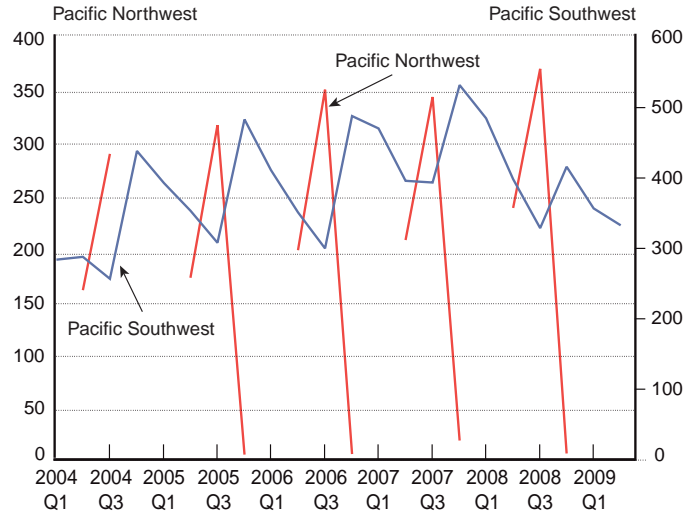
<sup>2</sup> North Atlantic includes ports from Eastport, ME, to Baltimore, MD.

**Figure 2: North v. South Atlantic, including Gulf  
Passengers From U.S. Departure Ports:  
1Q04-2Q09 (in thousands)**



**SOURCE:** U.S. Department of Transportation, Research and Innovative Technology Administration, Bureau of Transportation Statistics, based upon U.S. Department of Transportation, Maritime Administration; North America Cruise Summary Data; available at <http://www.marad.dot.gov/> as of Oct. 14, 2009.

**Figure 3: Pacific Northwest v. Pacific Southwest  
Passengers From U.S. Departure Ports:  
1Q04-2Q09 (in thousands)**



**NOTE:** Zeros are not shown.

**SOURCE:** U.S. Department of Transportation, Research and Innovative Technology Administration, Bureau of Transportation Statistics, based upon U.S. Department of Transportation, Maritime Administration; North America Cruise Summary Data; available at <http://www.marad.dot.gov/> as of Oct. 14, 2009.

**Table 1: Number of Passengers Departing From North American Departure Ports,  
by Destination, 2008 (in thousands)**

| Destination            | 2008, total by quarter |         |         |         | Annual<br>total<br>2008 | 2008, percent of annual total<br>attributed by quarter |     |     |     |
|------------------------|------------------------|---------|---------|---------|-------------------------|--------------------------------------------------------|-----|-----|-----|
|                        | 1                      | 2       | 3       | 4       |                         | 1                                                      | 2   | 3   | 4   |
| Western Caribbean      | 979.9                  | 592.7   | 509.3   | 734.7   | 2,816.6                 | 35%                                                    | 21% | 18% | 26% |
| Bahamas                | 326.9                  | 335.3   | 365.9   | 419.6   | 1,447.7                 | 23%                                                    | 23% | 25% | 29% |
| Eastern Caribbean      | 475.9                  | 295.7   | 251.3   | 384.3   | 1,407.3                 | 34%                                                    | 21% | 18% | 27% |
| Mexico (Pacific)       | 382.3                  | 296.3   | 272.0   | 314.5   | 1,265.1                 | 30%                                                    | 23% | 21% | 25% |
| Alaska                 | 0.0                    | 413.4   | 602.0   | 0.0     | 1,015.4                 | 0%                                                     | 41% | 59% | 0%  |
| Southern Caribbean     | 396.4                  | 134.8   | 72.5    | 255.2   | 858.8                   | 46%                                                    | 16% | 8%  | 30% |
| Hawaii                 | 89.2                   | 55.3    | 37.3    | 68.7    | 250.5                   | 36%                                                    | 22% | 15% | 27% |
| Canada/New England     | 0.0                    | 31.0    | 145.6   | 54.2    | 230.8                   | 0%                                                     | 13% | 63% | 23% |
| Bermuda                | 0.0                    | 97.3    | 98.0    | 28.8    | 224.2                   | 0%                                                     | 43% | 44% | 13% |
| Trans-Atlantic         | 14.3                   | 60.6    | 42.1    | 50.9    | 167.9                   | 9%                                                     | 36% | 25% | 30% |
| Trans-Panama Canal     | 23.6                   | 27.1    | 7.8     | 43.8    | 102.2                   | 23%                                                    | 27% | 8%  | 43% |
| Pacific Coast          | 3.5                    | 24.9    | 22.2    | 7.9     | 58.4                    | 6%                                                     | 43% | 38% | 13% |
| Nowhere                | 0.0                    | 8.6     | 8.9     | 11.3    | 28.9                    | 0%                                                     | 30% | 31% | 39% |
| South Pacific/Far East | 5.3                    | 5.6     | 12.9    | 3.7     | 27.4                    | 19%                                                    | 20% | 47% | 13% |
| South America          | 2.2                    | 1.6     | 0.0     | 9.8     | 13.6                    | 16%                                                    | 12% | 0%  | 72% |
| Total Passengers       | 2,699.4                | 2,380.2 | 2,447.7 | 2,387.5 | 9,914.8                 | 27%                                                    | 24% | 25% | 24% |

**SOURCE:** U.S. Department of Transportation, Research and Innovative Technology Administration, Bureau of Transportation Statistics, based upon U.S. Department of Transportation, Maritime Administration; North America Cruise Summary Data; available at <http://www.marad.dot.gov/> as of Oct. 14, 2009.

## Pacific Northwest v. Pacific Southwest Departure Ports

On the Pacific coast, passenger vessels migrate from the Pacific Northwest (PNW)<sup>6</sup> to the Pacific Southwest (PSW)<sup>7</sup> departure ports as well as to overseas markets. Figure 3 shows how PNW and PSW cruise departures move in opposite cycles—departures peak in the PNW when they bottom in the PSW, and vice versa. Peak season for the Pacific Northwest is in the third quarter and the low is in first quarter. The Pacific Southwest has its high in the first quarter and its low in the third quarter.

<sup>6</sup> Pacific Northwest includes U.S. ports from Barrow, AK, to Coos Bay, OR.

<sup>7</sup> Pacific Southwest includes ports from Crockett, CA, to San Diego, CA.

## Scheduled Destinations

Table 1 shows the seasonality in scheduled destinations. Repositioning cruise ships allows lines to offer different destinations seasonally while keeping an average cruise length of 7.2 days<sup>8</sup>.

Pacific Northwest departure ports support Alaskan cruises. Pacific Southwest ports feature Mexican cruises. Cruises from Northeast ports generally sail to Bermuda and Canada/New England, while Southeast and Gulf departures are en route primarily to Caribbean destinations. 🔄

<sup>8</sup> Business Research and Economic Advisors Study prepared for the Cruise Lines International Association; *Executive Summary: The Contribution of the North American Cruise Industry to the U.S. Economy in 2007*; available at <http://www.cruising.org> as of Sept. 25, 2009.

### About This Report

Matthew Chambers, a Senior Transportation Specialist, in the Bureau of Transportation Statistics (BTS) prepared this report. BTS is a component of the U.S. Department of Transportation's Research and Innovative Technology Administration. Special thanks to Edwrena Brown, Russ Byington, and Gail Perkins of the Maritime Administration for their assistance.

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#### Publications –

- U.S. Department of Transportation, Research and Innovative Technology Administration, Bureau of Transportation Statistics; *U.S. Ocean Passenger Terminals: serving larger vessels closer to home and central transit connections*; available at <http://www.bts.dot.gov/>.