

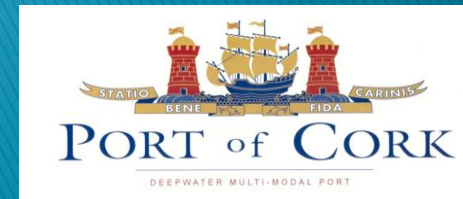
# Implementing the Atlantic Action Plan

## Priority 4 of INTERREG Atlantic Area Programme 2<sup>nd</sup> Irish National Event Galway

**Captain Michael McCarthy**  
**Chairman Cruise Europe**  
**Commercial Manager Port of Cork**  
**24<sup>th</sup> November 2015**



Winner of World Cruise  
Awards for Best Port  
Welcome and Best  
Experience 2013





Isle of Anglesey, Cork, Dublin, Milford Haven, Swansea and Waterford are participants in a three-year project called the Celtic Wave, which is funded by the European Regional Development Fund (ERDF) **through the Ireland-Wales Programme (INTERREG 4A) until June 2012.**

The 'Celtic Wave' project is a highly innovative project which has developed a strategic working partnership between Ireland & Wales within the cruise tourism market. Innovation combined with creative & entrepreneurial flair to encapsulate the **cultural uniqueness of the Welsh/ Irish coalition** is the key element to research and capitalise on the defined target audience of cruise passengers by creating an attractive new cruise product.



Ireland's EU Structural Funds Programmes 2007 - 2013

Co-funded by the Irish Government and the European Union



EUROPEAN REGIONAL DEVELOPMENT FUND



INTERREG IVA Ireland Wales  
Programme 2007 – 2013

ERDF Approved Projects

The Celtic Wave initiative addresses the added values of the brand, cultural synergy, location, shared values & unique selling points of the regions. It also capitalises and shares in the existing high profile of the Irish Ports among the cruise companies offering a globally competitive product on the Irish Sea with the ultimate aim of regeneration of the areas



Ireland's EU Structural Funds  
Programmes 2007 - 2013

Co-funded by the Irish Government  
and the European Union



EUROPEAN REGIONAL  
DEVELOPMENT FUND



**The aim of the project is to facilitate a collaborative approach to the further development and growth of the cruise ship industry in the Irish Sea.**

**This will be delivered by the following objectives:**

**To create one managed brand for the Irish Sea cruise ground.**

**To promote & raise the profile of the Irish Sea as a cruise ship destination.**

**To create a consistent welcome for cruise passengers who visit the Irish Sea cruising grounds.**

**To create a strong working coalition of all cruise industry partner organisations of both Ireland and Wales.**



Ireland's EU Structural Funds  
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- ▶ Cruise Atlantic Europe is a **trans-national cooperation project**, involving a group of seven ports on the Atlantic front which **comprises Lisbon, Porto, A Coruña, Bilbao, Brittany Ports (St. Malo and Brest), Cork and Dover**, and it is supported by the Atlantic Area Programme.
- ▶ The Atlantic Area comprises the most important maritime coastline in Europe, approximately 2.500 km in length, encompassing close to 70 million inhabitants.

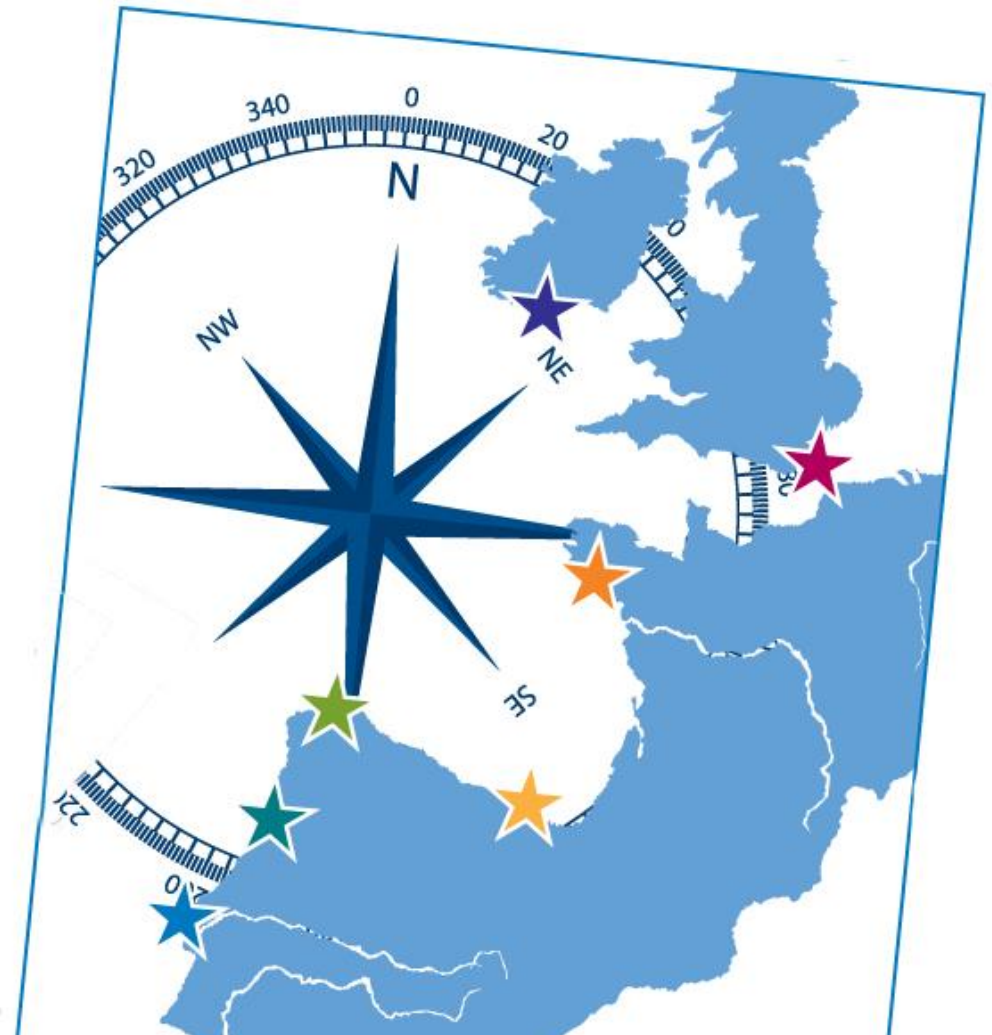




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### *Vision*

Strengthen the position of the Atlantic area within the European cruise tourism market



ATLANTIC AREA  
Trans-national Programme



EUROPEAN COMMUNITY

European Regional  
Development Fund



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## Cruise Atlantic Europe a new Cruise Destination

- ▶ *CAE must develop a Global Brand to promote its unique tourism and cultural identity.*
- ▶ *The essential ingredient is to attract global passengers/guest.*
- ▶ *CAE embraces European cultural heritage with five different countries, different languages, food and drink and unique experiences*
- ▶ *The CAE itinerary offers up to ten world heritage sites*



EUROPEAN COMMUNITY

European Regional  
Development Fund



## Cruise Atlantic Europe a new Cruise Destination

- ▶ *New cruise itinerary option on its own and yet complimentary to other itineraries*
- ▶ *Opportunity to grow Shore-Excursion revenues*
- ▶ *Reduce fuel cost, competitive port charges and shorter steaming distances between ports*
- ▶ *Tourism Source Market opportunity of developing new markets for Brazil, Canada and the USA*







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## To Promote CAE into a Global Deployment Product

- ▶ *CAE must enter the e-jungle of Facebook, Twitter, U-Tube, Blog, MySpace, Flickr*
- ▶ *Passengers search for services on-line at “Social Media”.*
- ▶ *We must promote a clear, reliable and unambiguous message to the Cruise Lines and passengers.*
- ▶ *Must utilize Search Engine Marketing (SEM) and Search Engine Optimization (SEO)*





# Can Cruise Atlantic Europe provide a New Cruise Destiny in Europe?

## Cruise Atlantic Europe Itinerary Planning:

Table 5. 1: Distances between Cruise Atlantic Europe ports

Port Distances (nm)	A Coruña	Bilbao	Brest	Cork	Dover	Leixões	Lisbon	Lorient	St Malo
A Coruña	0	262	352	520	639	182	338	341	471
Bilbao	262	0	352	574	639	430	586	276	471
Brest	352	352	0	281	345	511	667	110	177
Cork	520	574	281	0	440	665	821	353	321
Dover	639	639	345	440	0	798	954	415	231
Leixões	182	430	511	665	798	0	181	506	630
Lisbon	338	586	667	821	954	181	0	662	786
Lorient	341	276	110	353	415	506	662	0	247
St Malo	471	471	177	321	231	630	786	247	0

# Vision and Mission of CRUISE EUROPE



## The Vision for Cruise Europe:

*To be the most successful cruise destination and network in the World*

## The Mission of Cruise Europe:

*Promote and develop our area as a world class destination representing its members to the cruise industry*

- ▶ **Irish Members** : *Port of Cork, Dublin Port Company , Dun Laoghaire, Belfast and Warren Point*
- ▶ **Total Number of N&W European Port Members** : 122

# Cruise Industry Today



- ▶ *During the past 25 years the core dynamics of the cruise industry's management structure and way of doing business have remained essentially intact.*
- ▶ *Today however we are witnessing the beginning of the modern cruise industry- entrepreneurial, expansionist and creative.*
- ▶ *An era where every decision is tested against what is now the most crucial of all criteria – **Return on Investment***
- ▶ *It will be a more analytics-based business focusing equally on minimising costs and maximising revenue.*
- ▶ *This has driven the development of the Mega Cruise Ship.*

# Cruise Industry Today



- ▶ *This new era is driving the deployment and itinerary planning decision making.*
- ▶ *Everything is now taken into account from Port Charges, Sailing Distances, Steaming Times, Shore Excursion Revenue, Local economic situations etc..*
- ▶ *This is to ensure that the ship is operating where it can earn the most revenue and return at any given time.*
- ▶ *Balancing Steaming Times/Distance vs Shorex Revenue and time spent in port.*
- ▶ *As a result there is more volatility in capacity levels from region to region, year to year and season to season.*
- ▶ *Royal Caribbean is about to take a long lead over Carnival Cruise Line as the largest brand followed by Norwegian Cruise Lines and MSC.*

# Cruise Industry Today– Challenges for Ports

- ▶ *42 new ships on order in next 7 years- 25 will exceed 100,000 gt and ship lengths increasing to 330-360 metres LOA.*
- ▶ *It is anticipated that within the next 7 years, 65% of ships will be 300m-360 LOA*
- ▶ *ECA, including LNG fuel, Cold Ironing and Environmental costs to the Industry.*
- ▶ *Port Infrastructure including berths, water depth, Under-Keel Clearances, Ship turning circles*
- ▶ *Security/ISPS*
- ▶ *Training for Pilots as new technology and BRM Training requirements*
- ▶ *Marshalling areas for coaches etc..*

# Shared Strategy to Maximise the Economic Growth of Cruise Tourism across the Island of Ireland– 2015 (on-going)

## Vision, Strategy and Recommendations

Prepared for Cruise Ireland and



# Demand for Cruise Tourism

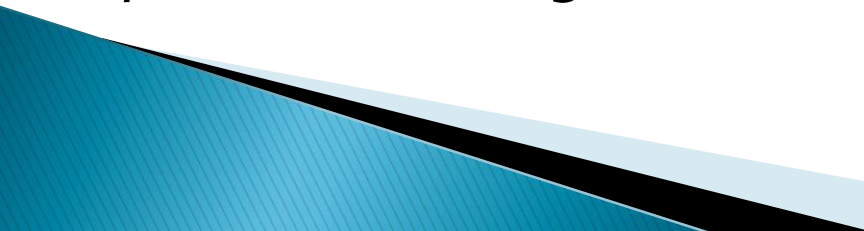
- ▶ *Cruise tourism has achieved average annual growth of 5.6% between 2003 – 2014*
- ▶ *Cruise tourism in Europe has grown at a significantly faster rate – 8% p.a. between 2007 – 2015*
- ▶ *British Isles segment – 14% average annual growth rate between 2007 – 2015*
- ▶ *Two broad categories of cruise liner size represent realisable targets for Ireland*
  - *Major cruise vessels*
  - *Smaller/boutique/themed cruises*



# Competitor Best Practice

## Overview

*The three common components of success across the four ports have been:*

- ▶ *an extensive programme of possible shore excursions offering a variety of experiences and effectively marketed, both through websites and in print form*
  - ▶ *extensive port facility investment*
  - ▶ *strong public: private sector collaboration*
  - ▶ *professional organisation*
- 

# S.W.O.T.

## Strengths

- ▶ *Ireland's strongly positive image among tourist markets*
  - ▶ *Cruise lines' perception of Ireland being a safe operational destination*
  - ▶ *Not covered by EU emissions regulations (until 2020)*
  - ▶ *Three well-established ports with good infrastructure and clear plans for further development*
- 

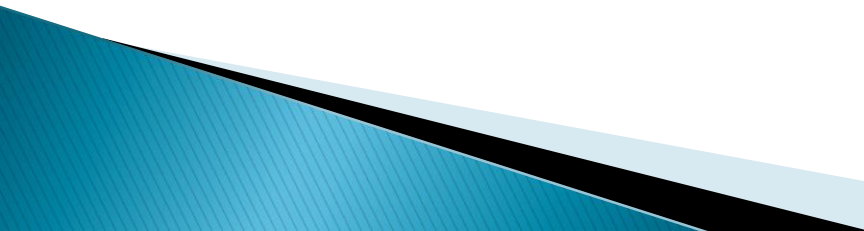
# S.W.O.T.

## Weaknesses

- ▶ *Frequent inclement weather making tendering difficult and unpleasant*
- ▶ *Lack of cooperation between ports*
- ▶ *Lack of coordination between stakeholders, Public and private*
- ▶ *Inconsistent offer in ports (i.e. facilities, visitor information)*
- ▶ *Lack of standardised protocols for visitor greeting/servicing*

# S.W.O.T.

## Opportunities (1)

- ▶ *Close collaboration between ports that can complement each other in terms of the types of cruise they cater for i.e. between Belfast and Derry, between Cork and Waterford, and between Dublin and Dun Laoghaire*
  - ▶ *The development of new, attractive port calls e.g. Valentia Island*
  - ▶ *New developments at Dublin, Belfast and in the longer term Galway, the latter serving to open up a maritime gateway to the Wild Atlantic Way*
- 

# Cobh Cruise Terminal

<u>Year</u>	<u>Calls</u>
2016	65
2015	55
2014	62
2013	60
2012	58
2011	53
2010	52
2009	54
2008	51



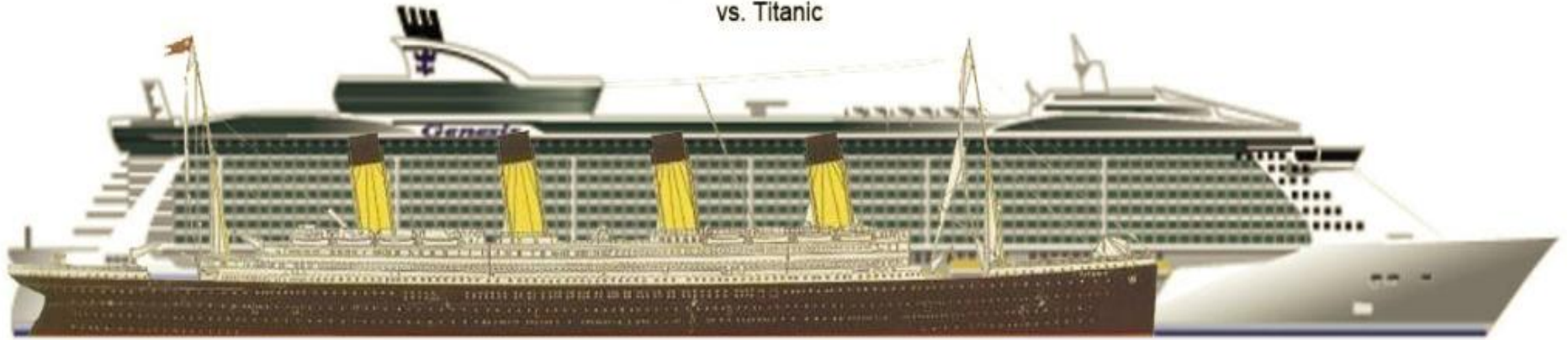
# Cobh Cruise Terminal



Ireland's Only Dedicated Cruise Berth



Oasis Of The Seas  
vs. Titanic



## “Oasis of the Seas” vs “Titanic”



Winner of World Cruise  
Awards for Best Port  
Welcome and Best  
Experience 2013





# Conclusion. Priority 4 Atlantic Action Plan

- ▶ Priority 4 of *INTERREG* has proved to be a very effective programme for the Port of Cork with increased vessel calls and increased revenue.
- ▶ It has enabled the Port to broaden our product and add value to our brand.
- ▶ The projects through Celtic Wave and Cruise Atlantic Europe helped develop cultural synergies, location definition, shared values & unique selling points of the regions.
- ▶ It also capitalised and shared in the existing high profile of the Irish Ports among the cruise companies
- ▶ Enabled us to develop a globally competitive product.
- ▶ In an extremely competitive market it drew together the shared expertise and shared contact list of key personnel in the industry.
- ▶ In a business known for “Mobile Assets” and the sentiment: “The Only Certainty is There is No Certainty”..... It has given the Port of Cork confidence in the future of the Cruise Industry and confidence in investing in Port Infrastructure to capitalise on this growth sector.



Thank You