



Carnival Corp. Interested in New Cruise Tourism Initiative in México

Written By Susan Young

Carnival Corporation may be coming through for México in a big way. According to Mexico tourism sources, the world's largest cruise company has signed a compromise to invest \$150 million in port infrastructure in Mexico's Pacific coast and Caribbean coast.

Carnival, which already has invested \$100 million in Mexico's tourism infrastructure, is apparently interested in possibly developing two new projects, including a cruise terminal at Calica and one at Puerto Cortes in South Baja California.

It couldn't have come at a better time for Mexican tourism and port officials, who are in south Florida for the Cruise Shipping Miami conference, seeking more cruise tourism and trying to get across the message that Mexico is safe for cruisers.

Still, the Carnival deal is not finalized, so there is no absolute investment as yet. But it's a move in the right direction, believe Mexican officials.

Carnival's Mexican Commitment

A statement issued today by Mexico said Carnival Corporation had committed to investing in Mexico within the framework of the National Agreement for Tourism.

The statement said Mexico's Secretary of Tourism Gloria Guevara Manzo and Carnival Cruise Lines President and CEO Gerard Cahill signed the compromise at Puerto Maya in Cozumel. The signing was witnessed by Mexican President Felipe Calderón Hinojosa.

It also said Cahill expressed his view that Mexico is an attractive destination for the development of tourist business and an important partner for Carnival.

After contacting Cahill's press office at Carnival Cruise Lines on Thursday afternoon, *Travel Agent* was told that Cahill met in Cozumel earlier this week with President Calderon, Minister of Tourism Manzo and Quintana Roo Governor Roberto Borge Angulo.

Carnival said Cahill provided the Mexican president, on behalf of the cruise line's parent company, Carnival Corporation & plc, a letter expressing Carnival's appreciation for the efforts of the Mexican tourism organizations and its interest in possible investments of \$150 million in port projects in Calica and Puerto Cortes, located within Mexico's Caribbean and Pacific coasts, respectively.

However, the cruise line said late Thursday that a final agreement had not yet been signed. Still, depending what happens moving forward, this could be a positive step for Mexico's tourism industry.

President Calderón affirmed that tourism is an important economic generator, but more importantly, that it is a source of higher-paying jobs. Tourism wages in Mexico are 30 percent higher than the average job in Mexico. And the tourism industry hires more women than other industries.

Calderón emphasized that the federal government has set the goal of becoming the fifth-most-visited country in the world by 2015. "For this reason, I congratulate Carnival and I recognize the significance of the decision that Carnival made to invest in our country," Calderón said.

Secretary Manzo said that Mexico is living an historic moment for tourism. She said that thanks to the National Agreement of Tourism, Mexico has become a model for other nations, and that has been manifested in international efforts from such countries as Spain, Germany, Colombia and Brazil.

Any new ports are likely to generate more direct and indirect jobs in the tourist sector and will increase the arrival of cruise passengers to Mexico.

Cruise Shipping Miami

Mexico's local, state and federal tourism officials were out in full force operating from a large Mexican Pavilion on the trade floor of Cruise Shipping Miami this week. Ninety participants in all, including officials from the Mexican Ministry of Tourism, the Mexico Tourism Board (MTB), state and local port and tourism officials, and other travel partners, were proactively telling cruise executives and cruise line staffers about their ports and tourism offerings.

And they were tackling "the safety issue" head on.

Mexico has a lot at stake. Cruise tourism adds \$500 million annually to Mexico's economy in both revenue and jobs. "Every year more than five million visitors dock at Mexico's luxurious ports of call to experience our rich culture, climate, beaches and UNESCO World Heritage listed gastronomical offering," said Secretary Guevara in a press statement earlier this week.

In January 2012, Mexico has seen strong growth in the cruise sector of 7.1 percent. But while Gulf of Mexico ports like Cozumel and Costa Maya remain strong magnets for cruising, ports on Mexico's Pacific Coast have had a rougher time the past year.

Major cruise lines have pulled ships from several West Coast ports, citing consumer safety concerns. Royal Caribbean International left the West Coast/Mexican Riviera market last year, saying it had a responsibility to its investors to use its ships in regions that commanded more advantageous cruise fares.

Earlier this year, numerous Carnival Cruise Lines passengers were robbed on a motorcoach as they returned from a line-sponsored eco-tour 40 miles outside Puerto Vallarta; that tour has since been suspended, but the line is still operating cruises that call at that port.

Violent crimes in Mexican Pacific Coast cities have not generally targeted cruise tourists. And, it's fair to say that some cities visited by cruise ships elsewhere in the world have comparable or worse crime rates.

Secretary Guevara said Monday that "the main shipping companies in the world believe in Mexico and are willing to invest resources in our country which will multiply the number of arrivals and passengers. We are here to further promote the exceptional growth of the cruise sector in Mexico, which remains the top destination for cruise arrivals globally."

Travel Agent spoke on Thursday with Governor Mario Lopez Valdez of Sinaloa, Mexico; Mazatlan is one of the main cities of Sinaloa state. The city was one of the original Pacific Coast destinations for cruising; cruise guests' fun times ashore played out weekly on the 1970s-1980s television series, "The Love Boat."

But escalating drug violence in the region and perceived safety concerns caused cruise lines to pull ships from Mazatlan last year. Holland America was one of those lines, but its ships are set to return to Mazatlan later this year and next; the line has said it will further evaluate the situation as the voyages near.

The governor stressed that the experience to Mazatlan is safe for cruisers and “nobody has more experiences and beautiful things to show cruise guests.” Echoing that thought were Alejandro Higuera, the mayor of Mazatlan, and Ernesto Coppel, an entrepreneur and investor of \$250 million in property and resorts in the region. He is the founder of Pueblo Bonito Resorts and Spas.

Oralia Rice, Sinaloa’s secretary of tourism, stressed that during Cruise Shipping Miami, she and other tourism officials have sought out options to chat with Carnival Cruise Lines, Royal Caribbean International, MSC Cruises, Costa Cruises and other cruise lines - talking with many executives at this week’s Florida-Caribbean Cruise Association gala dinner.

Rice also said Mexican officials have a meeting on Friday with Adam Goldstein, president and CEO, Royal Caribbean International. The officials say Mazatlan now has a protocol of security that it’s introducing to all of the lines. They stressed that there is now a downtown safety corridor from the piers to the downtown area with greater police presence.

Coppel said he’s “very optimistic about the future and the economy in Mexico,” which is generally growing at the pace of about 5 percent annually, something he said even China can’t match. It’s because of that growth, he says, that he has the confidence to invest, and otherwise, he simply wouldn’t do so.

The officials also stressed that there are 6,000 U.S. and Canadian citizens who live in Mazatlan on a permanent basis and can attest to its overall peacefulness for cruise tourists.

Officials also said that Mazatlan has put out bids for a new cruise terminal, something the lines have wanted. “I think this is a sign that we want to send to all the industry so they can say, ‘We’re ready to come back to Mazatlan,’” Rice said.

Carnival Cruise Lines has no ships calling at Mazatlan, but said Thursday that it’s constantly monitoring the situation and would like to return in the future if conditions warrant.

Promotion-wise, Secretary Rice said the Mexico Tourism Board is partnering with her organization to help promote the region, giving the example of a \$4.5 million campaign in November did just that. She said it’s needed to help prevent misperceptions in the U.S. market.

Elsewhere on the Pacific West Coast, Acapulco, also one of the oldest Mexican cruise tourism destinations, has also dealt with some safety issues. In the past at Cruise Shipping Miami, Mexican officials from Acapulco told Travel Agent that another challenge was assuring that such a traditional cruise port continues to refresh the shoreside experience for repeat cruisers, who may have gone ashore multiple times in the past.

Travel Agent spoke today to Julie Ruffini, undersecretary of tourism promotion for the State of Guerrero, home to Acapulco. “The cruise industry is very important to us,” Ruffini said, acknowledging the current challenges as cruise lines have reduced visits to the Pacific Coast. Only 14 cruise ships will visit Acapulco this year.

Yesterday, her group met with Michelle Paige, president and CEO, Florida-Caribbean Cruise Association. It’s just one example of the type of outreach being undertaken at Cruise Shipping Miami to bring back more ships.

What’s the message? “There has been lots of private and public investment in Acapulco,” she stressed. By year’s end, travelers will have a new sidewalk near the ocean, and a new bus system will provide better transport for cruise guests.

In addition, Fort San Diego and the famed cliff-diving show in Acapulco, both popular activities for cruisers, have both introduced evening lighting shows, which are helpful for those staying on ships with overnight or late night calls.

Eco-tourism options are also now attracting visitors, she said. “Acapulco is coming back and giving refreshment to its product,” Ruffini stressed.

To read the original article visit <http://www.travelagentcentral.com/cruises/carnival-corp-interested-new-cruise-tourism-initiative-mexico-34161>