



Style and Substance Of *Silver Spirit*

If you're reading this story Tuesday evening, January 5, imagine yourself in Madeira. There, in the Portuguese archipelago, the sparkling new *Silver Spirit* is giving passengers the opportunity to explore Funchal's primary attractions before pushing away. Only two more stops on the other side of the Atlantic, and it's on to America.

When she reaches Fort Lauderdale on January 19, the 540-passenger vessel will showcase to travel agents and media a few things no other ship of its size has had before: stateroom televisions hidden behind mirrors and controlled by a single remote; six restaurants (luxury contender Crystal has more, but its ships are larger); service enhancements, including luggage cleaning, complimentary laundry and dry cleaning, and two free hours use per day (per suite) of Internet for the entire cruise.

Also new (drumroll, please): *Silver Spirit* has introduced butler service in every suite. The service is being expanded fleetwide. As Silversea President & CEO Amerigo Perasso stated at a press conference just days before Christmas, "*Silver Spirit* is not a two-class ship."

Silver Spirit is, however, "an evolution of what Silversea is all about," says Ken Watson, Silversea's COO. Certainly, few competitors in the luxury segment have added to their fleet over the past decade as much as this brand. Silversea introduced four ships during that time period, so there are no huge gaps between the newest ships in the luxury line's fleet and the oldest ones.

Silver Spirit increases Silversea capacity 38% (or 60,000 pax), over the course of the year. Approximately 55% of those guests will be new to Silversea.

And while *Spirit* could potentially help bring down the average age of the Silversea guest, which is 58 years old, Perasso is quick to emphasize, "We're not unhappy with our demographics....Our passengers are very passionate; they are truly savvy; they know the world."

Ambiance & 'Foodainment'

Perhaps the most popular public room on *Silver Spirit* is the Reception/Bar area. On a sailing from Monte Carlo to Barcelona, the room was the hub and meeting point of the ship, and nowhere is the Art Deco design of the ship put to greater effect. Italian architect Giacomo Mortola (think *Queen Victoria* and several Princess ships) sought to achieve "inspiration from history's most romantic travel era" by using Art Deco design elements that evoke a sophisticated 1930's ambiance throughout *Silver Spirit*.

That's certainly true of the 1930s-style Stars Supper Club, inspired by Rockefeller Center's famed Rainbow Room. You'd have to be passing by on a gurney to resist walking into Stars. Defying categorization as a dining room, Stars is what Silverseas Culinary Director Rudi Scholdis calls "foodainment." The entertainment and food concept starts at 9 p.m. and goes into the late

hours. Food is bite-sized flavors representing all of the corners of the world where Silversea sails, but vying to outdo the food is a jazz vocalist known simply as Alfreda. From her soulful rendition of "When You Wish Upon A Star" to her sultry interpretation of "Killing Me Softly," the Morganton, North Carolina native quickly owns the room.

"We would love for people to go for a fresh pasta dish in Le Terrazza and then come to Stars for some foodainment to hear some great jazz music with some funky food," Scholdis says.

Silver Spirit will feature two, reservations-only restaurants that carry a service charge. Seating 24, Seishin (Japanese for "spirit") carries a \$40 cover charge for the 11-course degustation menu that includes such specialties as Beluga caviar sorbet, sushi, sashimi, carpaccio of king scallops and more. Seishin's main physical feature is the rounded and centered food prep station known as *la table du chef*.

Adding premium Sakes to the degustation menu is an additional \$40 per person, while the wine pairing menu goes for \$200 per person each.

Also seating 24 and situated across from Seishin, Le Champagne offers dining for only \$30 per person and a wine-pairing menu for \$200. Le Champagne represents the "closest a ship can get to a Michelin-starred restaurant shoreside," Scholdis says. Two years ago, Silversea's 10-year-relationship with Relais & Chateaux was elevated to that of a full culinary partner, which means that Relais & Chateaux has granted Silversea the privilege of being among Relais & Chateaux's Grand Chefs, an exclusive group to be sure.

One other venue new to Silversea is the evening Pool Grill. Scholdis created a concept called the Black Rock Grill, which involves cooking on hot lava rocks, at guest tables. "There's more and more demand from our guests for casual dining," he says. "The Pool Grill will be casual throughout."

As for burning off those calories consumed, don't worry: *Silver Spirit* also boasts Silversea's largest spa.--
Ralph Grizzle

Retail Concerns

You may have missed it over the holidays, as the temporary closing of a single travel agency is not unusual in this day and age, but Hobbit Travel in Minneapolis, which closed on December 22, is not just any agency. Indeed, Hobbit Travel and its president George Wozniak are widely respected among suppliers in this business; just recently, a key cruise supplier referred him to us as a valuable resource, and Hobbit was one of the Midwest's leading leisure travel providers and a top producer for many large cruise lines.

Despite its size, Hobbit's closing was not a big travel story, perhaps because Minneapolis is not on the na-



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tional media radar. Even the local news was fairly short lived. For example, on December 23, the Minneapolis Star Tribune ran a prominent article headlined "Hobbit Travel Customers are Left in the Lurch." But subsequent local coverage appears scant.

The explanation provided on Hobbit's website should sound familiar by now: "Like many of its peers and other companies, Hobbit Travel has been particularly hard hit by the recent recession and has suffered declining revenues and earnings."

George Wozniak apologized for the "inconvenience caused to our employees, customers and trade partners by this decision. We hope to find the additional financing or a strategic partner necessary to continue operations in the next few weeks."

Hobbit's website also lists the 800 phone numbers of vendors for their clients to contact, including 10 cruise lines: Carnival, Celebrity, Costa, Cunard, Disney, Holland America, MSC, NCL, Princess, and Royal.

As Hobbit Goes, So Goes....?

Hobbit Travel's temporary closing brings fresh concerns about the possible fragility of the retail distribution system. There've been amazingly few shutdowns to date, but for the last 18 months many have struggled. Volume has been strong of late, and there are a few retailers talking about how good business is, but for the most part, retailers and heads of agency groups we talk with say mainstream cruise-oriented retailers are facing unprecedented difficulties.

Most closings to date have involved one agency joining a larger retailer--bookings are protected, and the client base is moved to another trusted source. National sellers Cruise Value Center and Cruises of Distinction closed earlier in 2009, but both were in areas extremely hard hit by the recession--northern New Jersey and suburban Detroit, respectively.

The closing of Hobbit Travel could be yet another isolated case--a sad one-off, sad for the people at the agency who worked hard over the years, sad for their customers who were well served. However, if several more Hobbit-type closures follow shortly, it may signify travel agents with a mainly local client base are in danger. Many livelihoods are dependent on a solid 2010 to eliminate cash flow concerns.

Hopefully, suppliers are watching the situation carefully, as cruise lines truly need agents on a local, regional and national basis to sell their product.

As for where help for agents might possibly come, it won't be adjustment of noncommissionables, judging by comments (or lack of comments) from execs of the ma-

job lines. But suppliers could help with more robust positioning of agents in ad messages and beefing up agency locators on websites, for example.

While it would behoove cruise suppliers to do what they can to help agents, they are also beholden to Wall Street, whose analysts sometimes think of distribution as an area that can be trimmed ad nauseum with no consequences. Carnival Corp. recently reported "commissions, transportation and other" went from \$2.23 billion in 2008 to \$1.92 billion in 2009--a drop off of about 14%. While that sounds draconian, bear in mind that despite capacity growth, cruise revenues for Carnival Corp. (including onboard) dropped from \$14.45 billion in '08 to 13.16 billion in '09, a drop off of about 9%.

Whether or not the closing of a retailer like Hobbit registers with suppliers, it's going to be hard times until both revenue for cruise lines and commissions for agents go from negative growth to positive.

News Shorts

⇒ Agents report strong booking activity in the early days of 2010, perhaps aided by a nasty cold snap in much of the U.S. and Canada. Now the big TV campaigns are kicking in: Carnival's TV campaign started January 3 with new materials, while Royal Caribbean reports that their TV campaign will start airing on January 11.

⇒ Passport Requirements: Princess has updated notification for all Panama Canal cruises and Caribbean cruises calling in Roatan as all passengers are required to travel with a WHTI compliant document. These notices only apply to Panama Canal voyages (either round-trip Ft. Lauderdale or full transits) and Western Caribbean cruises calling in Roatan.

However, Carnival's web site says recent guidance received from the Department of Homeland Security indicates..."U.S. citizens calling on ports in Honduras, Panama, Costa Rica and Belize will also be exempt from the passport requirement."

⇒ Cherie Weinstein, who joined Carnival Cruise Lines back in June '74, when Micky Arison hired her away from Costa to handle groups at Carnival, retired on December 31. Over the years, CCL's group department has widely been hailed as either the best in the business or near the top, receiving numerous awards from agency groups.

"I'm excited about the changes that I've experienced at Carnival over the years--from as far back as building our first computer res system to our recent rollout of the online group booking and management system," says Weinstein. "I'm excited about the new talent that has joined Carnival over the past two years and will look forward to watching my colleagues continue to grow the company and the cruise industry."