

Cruise traffic represents untapped potential

By Frank Wagner
Guest columnist

The Hampton Roads economy has always been based on three primary drivers: the military, the port and tourism.

The Virginia Tourism Corporation annual report for tourism has some very encouraging news for Virginians and our economy. In 2023, visitors spent \$33.3 billion with a total economic impact of \$50.6 billion. This spending supports more than 321,000 jobs and generates \$3.1 billion in state and local taxes.

What does \$3.1 billion in tax revenue equate to? To make up to \$3.1 billion in tax revenue, every household in Virginia would need to come up with another \$1,000 in taxes. So tourism is supporting hundreds of thousands of jobs and easing the tax burden on all Virginians.

The Virginia Tourism Corporation works tirelessly to draw additional tourists in Virginia, along with local government and tourism boards, Colonial Williamsburg, Jamestown/Yorktown Foundation and other public and private groups. However, the overall headcount of tourists visiting Virginia was up only 3.2%. If Virginia is to build on our tourism successes, it must increase the numbers of visitors to our historic and beautiful state.

The VTC's annual report talks of airline flights and ground transport, but glides over one of the largest potential sources for new tourists, the cruise ship industry. In Virginia, Cruise Line International Association (CLIA), the trade association for the cruise industry, issues an annual report regarding the cruise industry. It details passenger count totals, passenger counts by cruise destinations, and industry spending and employment among a host of other data. Consider some of these facts: 50% more passengers went on cruises in 2023 than 2022, more than 30 million passengers went on cruises in 2023, and based on ship construction and itineraries, more than 40 million passengers will take cruises by 2027. And perhaps the most important fact of all: "More than 6 in 10 passengers say they have returned to a destination they first visited by cruise ship." The take away from this fact is, the more tourists that visit us by cruise ship, the more tourists will come back for a longer stay.

While the Virginia Port Authority has done an excellent job increasing container shipments through our port and our shipyards are full to the brim, only Norfolk



The Carnival Legend is docked at Norfolk's Half Moore Cruise Center in late March. Former state lawmaker Frank Wagner argues that making our region more accommodating for cruise liners represents a lucrative opportunity. **BILL TIERNAN/FREELANCE**

has shown any interest in attracting the cruise industry — and those investments have paid off. The Carnival Magic is now homeported in Norfolk and will return to Half Moore Cruise Center in 2025 when renovations are complete. This ensures that a steady stream of more than 3,000 tourists will show up in Norfolk every week to board the ship. Other cruise lines have also called on Norfolk for just a day visit, including Princess Cruise Lines and Royal Caribbean. This is just the tip of the iceberg.

Given that we reside by one of the largest natural harbors in the world and that tourism remains one of the principal drivers of our economy, perhaps we need to take a much closer look at getting a larger share of the cruise ship industry. Norfolk has gone

out on a limb and made a strategic investment that is starting to really pay off. The opportunity is much larger.

Due to the geography of our region, many of our region's major tourist attractions are located on the Peninsula (Colonial Williamsburg, Jamestown, Yorktown Battlefield and Victory Museum, Busch Gardens). Our current traffic situation precludes running buses from Norfolk to these locations, which opens up opportunities for cruise ships to call on Newport News or on the York River.

The cruise ship industry has shown a great deal of interest in providing historical themed cruise packages, and it is very interested in participating in Virginia's 250th celebration of our nation's independence. We should take advantage of this oppor-

tunity. A coordinated strategy between local leaders, local tourism authorities, the Virginia Tourism Corporation, and the Port Authority to market our port to the cruise industry will bear results. Cruise schedules are put together a year or two in advance. The time to act is now.

Does Virginia, with our wonderful cultural heritage and world's largest natural harbor, want to participate in one of the fastest growing industries in the world? Given the importance to our regional and state economy, we cannot afford not to.

Frank Wagner represented Virginia Beach in the General Assembly for 28 years. He spent his career in the maritime industry and works as a lobbyist for Princess Cruise Lines.