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Alaska Steamship Co.

Cruising to Alaska has a long history that all started with a single ship, the Willapa.

In 1894, thanks to the growth of Alaska's fishing and cannery business, the Alaska Steamship Company (ASC) was born. Charles Peabody, Capt. George Roberts, Capt. Melville Nichols, George Lent, Frank Burns and Walter Oakes formed the company that would eventually enjoy a near monopoly of freight and passenger service to Alaska.

The group's timing was impeccable. Just three years later, Alaska, then an organized territory, began reaping the economic benefits of the Yukon gold rush after gold was discovered along the Klondike River near Dawson City, Canada.

ASC initially ran service between Skagway and Seattle. A second company, the Northwest Steamship Co., serviced Valdez, Cook Inlet and the Bering Sea ports. The Alaska Syndicate, with funds from J.P. Morgan and the Guggenheim Co., bought both companies in 1909 and retained the ASC name, increasing the fleet to 18 ships and expanding service to ports from Ketchikan to Kotzebue.

The ships primarily hauled fish and minerals until the late 1930s, when many of the mines closed and fishing became a seasonal operation.

ASC never quite recovered.

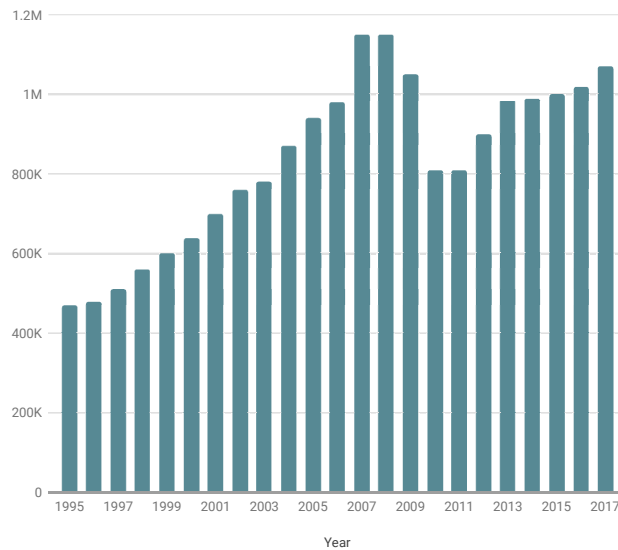
The company's 15 vessels were taken over by the federal government in 1942 to augment the war effort. In 1953, the company expanded into container service, but due to high fuel and insurance costs, increased competition and union demands, the company was forced to shut down. It officially ceased operations in January 1971.

[Read more.](#)

History of the Alaska cruise industry

Tourists have cruised north to Alaska to sightsee for more than a century. The business was pioneered by Pacific Coast Steamship Co. of San Francisco in the 1880s. Pacific launched monthly voyages to Alaska and Alaska's beauty has captivated tourists ever since. Alaska will greet more than 1 million cruise visitors this year, thanks to the support of Alaska residents and its elected officials.

Number of Alaska passengers rebounds



Source: Cruise Lines Agencies of Alaska.

*2017 number estimated.

Here are highlights over the past few years:

2008

Alaska enjoyed a record peak of cruise visitors in 2008, when 1,032,074 cruise passengers sailed Alaska waters. Despite a strong global cruise industry, however, the next two years saw a decline in Alaska cruise ship passengers and revenue, due in part to a citizens' initiative that significantly raised the cost of coming to Alaska through the imposition of four new taxes, including a \$50 per person head tax, and new environmental regulations.

2009

In early 2009, it was announced that Alaska would lose three cruise ships and approximately 142,000 passengers in the 2010 season – a 17 percent decline in cruise business after 30 years of growth. That loss equated to:

- \$165 million/year in lost revenues, cruise line purchases, passenger spending, jobs and payroll
- 51,000 fewer crew visits to Alaska ports



- 1,800 fewer full-time jobs for Alaskans

2010

In April 2010, the Alaska State Legislature passed SB 312, paving the way to a comeback for the state's cruise businesses. The bill adjusted the cruise passenger excise tax from \$46 to \$34.50, with a credit for head taxes charged by other ports.

Reducing operating costs through adopting a more competitive tax structure has been key to putting Alaska back on a path for growth, and SB 312 had a swift, positive effect on Alaska's visitor industry.

2011

While cruise passengers were down in 2009 and 2010, signs of improvement began to appear in 2011. Disney and Oceania added Alaska cruises to their itineraries, along with four new ships – Disney Wonder, Crystal Symphony, Oceania Regatta and Silversea Silver. Nearly 940,000 cruise passengers visited Alaska in 2012.

2012

In 2012, Alaska received approximately 65 percent of all port-of-call cruise passenger visits in the U.S. Passenger and crew onshore spending was an estimated \$520 million. The cruise industry in Alaska employed 22,632 residents, contributing \$1 billion in total income.

2013

Cruise ship passengers accounted for just over half of the estimated 1.9 million out-of-state visitors who traveled to Alaska between October 2012 and September 2013. The legislature passed SB 80, which allows the Department of Environmental Conservation to permit wastewater discharge from large commercial vessels in a manner consistent with other dischargers.

2014

Some 51 percent of Alaska's record high of 1.96 million visitors in 2014 came to the Last Frontier aboard a cruise ship. Travel Leaders Group says Alaska cruises topped visits to Las Vegas as America's top domestic vacation in 2014.

2015

Alaska's cruise industry continues to fuel tourism in the Last Frontier, but the state still presents challenges for operators. Higher Alaska fuel prices, some of the highest passenger head taxes in the world and increased demand for Asian cruises have impacted Alaska's worldwide share of cruise visitors. The ships that call on Alaska begin installing super scrubbers, which remove 98 percent of particulates. French luxury yacht company Ponant sends two ships to Alaska.

2016

Alaska continued to see larger ships as 31 vessels made 477 voyages and carried 1,015 visitors. Many of the ships had been retrofitted with exhaust gas cleaning systems that remove more than 98 percent of the particulate matter.

