

## Carnival boss waves savings

THE UK boss of Carnival cruises said he plans to keep prices low for another month.

The world's biggest cruise operator, with P&O, Princess and Cunard amongst its ranks said even if numbers dropped 6%-10% it would have no major impact on his company's profits.

So, is Carnival starting to feel the UK credit crunch now, after all, it was only just before Christmas that some 3,300 passengers could not pay their full festive break with P&O, part of the Group, forcing P&O to dump cabins at rock bottom prices.

Speaking at an industry breakfast briefing this morning, Dingle said: "We have had a good start to the new year but we would like to see more evidence of how the year will turn out. It's a bit early to say that volumes are strong enough to start easing prices up.

"The lack of capacity growth in the UK market this year will also ease pressure on the industry and help it survive what will be an "extremely challenging" year, he said.

At the same briefing contender Royal Caribbean Cruise Lines UK managing director Robin Shaw was more upbeat about trading this year and said claims the sector would struggle to grow further were a "complete red herring". He said: "We are bullish about what rates and yields we achieve."

There is a real lack of US visitors to Europe this year because of the cost of air travel, Carnival has already pulled one of its ships from the UK, so there should be opportunity for other UK cruises to, at least, return healthier margins – and at the same time offer some "one-off" deals to loyal UK cruise customers.