From: "Annette Stellhorn" <ans@accentontravelinc.com>
To: <secretary@fmc.gov>
Date: Fri, May 30, 2003 4:32 PM
Subject: Federal Maritime Commission LetterFMC Docket 02-15 Passenger Vessel Financial Responsibility

To: Bryant L. VanBrankle, Secretary
Federal Maritime Commission
800 North Capitol Street, NW., Room 1046
Washington, DC 20573-001

Dear Mr. VanBrankle,

It has been brought to my attention that the Federal Maritime Commission (FMC) is seeking to require cruise lines to post bonds equal to or above the unsailed booked revenue to cover consumers in the event of a cruise line default. Since our agency has been selling millions of dollars of cruises to passengers for over 15 years and our agents have combined over 134 years of selling and working with cruise lines, we consider ourselves experienced in the fears and losses of cruise passengers and the financial concerns of cruiselines.

Quite honestly, any American industry could be overly required to bond against default. But, when there is already a probably vehicle to cover these losses... ie credit card companies and bankruptcy procedures, would this be another frivolous charge that would be passed on to the consumers? Very few of our clients have ever lost money because we are actively watching cruise lines and other vendors for signs of financial fragility.

Unfortunately, not all travel agents do this, AND some consumers prefer to go directly to a cruise line either of which could put the consumer at higher risk. I agree that there should be some type of bonding for ANY American business that serves consumers for a quicker way to recoup losses than through bankruptcy litigation. However, structuring it based on a 'per ship capacity' penalizes the more solvent and successful cruise lines which are "less at risk" verses putting in safety measures for the consumers on those cruise lines that are a high risk. Cruise lines have real tell tale signs - unpaid agent commissions, unpaid advertising, nonexistent or minimal maintenance work being done, continual rock-bottom pricing that are obviously below costs, change to a low grade food service - when they are within a year or even two of going under. I would suggest that a cruise line should, by law, have to add this type of coverage once certain other successful business criteria has failed to have been met. Thereby making the cruise line management make a conscious decision to continue to offer services at the additional cost of protecting the consumer.

Since 911, those of us that plan on being in the travel industry for the long run, such as the mega cruise lines, have to watch every cost to get through this difficult time... every time an 'code orange' is called, hundreds of travel personnel are laid off around the country. Do you want to add an additional, across the board, financial burden at THIS time?

Thank you for considering these thoughts.

Sincerely,
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