

The Case Study of Ferry Operating System around the World

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ABSTRACT : In Korea there are Passenger ships on 106 routes running out of 10 port cities. These cities, such as Mokpo, Masan, Incheon, are the main transportation hubs the island residents today. But most passenger ship companies in Korea are limited in income and mostly small in size. These small companies have many challenges to overcome and are slow to improve services. Frequent service cancellations, aging sailors and a decline in service are contributing factors.

KEY WORDS : Passenger ship, Ferry operating system, Transportation, Ferry company

1. Introduction

Most passenger ship companies in Korea are limited in income. The major problem passenger ship companies confronted is lack of the independent ability of adaption and innovation as most of the small size companies are affected environmentally. Therefore it contains some subjects that remain stagnant in growth development resulted from management efficiency and competition. The decrease in boarding rate is based on the lessening demand for passengers. The competition between companies is getting sharp due to unchanging number of the companies while present demand of the ferry service is decreasing.

Also frequent service cancellations, aging sailors and an increasing deficit in ship service are major factors to make the improvement of ferry services slow.

So authors think Korean ferry system need to try to find the solutions of these problems which make ferry services low.

In this research, it can be seen case studies on how the famous ferry companies have been managed to find efficient ways for operating passenger ships..

Marine Highway System, BC Ferries, CalMac Ferries Ltd..

2. Literature review

For many years ferry companies in coastal regions like Alaska and Washington State have maintained and operated a vehicle-ferry service that provides critical transportation needs. There are many study results to keep services providing.

Raymond G.Deardorf(1997) suggested Washington State ferries 20year long plan and Joseph P. Savage (1997) Compared among ferry routes and between ferry routes and alternate modes such as highway and other transit systems. Pascale Soumoy(2000) studied Effects of enhanced ferry service on Golden Gate Corridor Transportation.

3. The examples of the developed countries for ferry's operation

Hong Kong is to provide transport services for the outlying islands. Most of these services are operated by licensed ferry operators. Currently, there are about 30ferry routes and two franchised routes(operated the Star Ferry Company Limited) running between the outlying islands and either side of the Victoria Harbor(Hong Kong transport 40 years,2008).

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There are 39 counties in the U.S. state of Washington. Washington is home to a number of public and private ferry systems, most notably the state-run Washington State Ferries.

Washington State Ferries, owned and operated by the Washington State Department of Transportation.

Washington State Ferries operates the largest ferry fleet in the United States which is serving eight counties within Washington and the Province of British Columbia in Canada. WSF existing system has 10 routes and 20 terminals that are served by 28 vessels. (Long-Term Ferry Finance study,2008).

The ferry system started small steamer lines serving the Puget Sound area during the later part of the nineteenth century and early part of the 20th century. A strike in 1935 forced the KCTC to close, leaving only the Black Ball Line. Toward the end of the 1940s the Black Ball Line wanted to increase its fares, to compensate for increased wage demands from the ferry workers' unions, but the state refused to allow this, and so the Black Ball Line shut down. Washington State recognized that the ferries were a life line for many communities and there was a need for reliable ferry service to meet growing demand.

In 1951, the state bought substantially all of Black Ball's ferry assets for \$5 million to a newly created Washington Toll Bridge Authority, now known as Washington State Ferries(WSF).

The Alaska Marine Highway System(AMHS) is a ferry service operated by the government of the U.S. state of Alaska.

It is part of the National Highway System and receives federal highway funding. It is also a form of transportation of vehicles between the state and the contiguous United States without going through Canada.

The Alaska Marine Highway was founded in 1948 by Haines residents Steve Homer and Ray Gelotte. Their business was purchased by the territorial government in 1951 and renamed the Alaska Marine Highway System in 1963.

In September 2005, the Alaska Marine Highway was named an All-American Road by the Federal Highway Administration.

The British Columbia Ferry System(BC Ferries) operates 25 routes serving 48 locations on the British

Columbia Coast. The business history of BC Ferries is divided into three phases: up to 1960, which is the period preceding government operations; the period 1960 through 2003 when the province operated the ferry system either directly through the Ministry of Highways or through a crown corporation; and from 2003 onwards, when the status of BC Ferries was changed under an arrangement which can be described as "publicly owned but private-functioning".

4. Summary and Conclusions

Public operated ferry service is for the primary purpose of transportation but most of people think that ferry services are irregular and expensive compared to other transportation methods

Most of Korea ferry companies are small so the improvement of services is not easy.

As we have seen, companies such as Star Ferry in Hong Kong, Washington State Ferries, are operated by large company regulated by government. we think this kind of company is one of good ways to solve the difficulty of the ferry service in Korea.

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