2015-02

Boston Hospitality Review: Winter 2015

Foster, Andrea
School of Hospitality Administration, Boston University

http://hdl.handle.net/2144/17856
Boston University
The steamship Britannia arrived in Boston Harbor on a July evening in 1840. This concluded the inaugural voyage for the flagship of the newly established Cunard Line, which has since become one of the oldest and most distinguished travel companies in the world. To commemorate the occasion, Cunard will send its current flagship Queen Mary 2 along the same route — from Liverpool to Halifax to Boston — during July of 2015. This will not only serve as the capstone event for the 175th anniversary celebrations of the Cunard brand, but it should also remind us about the special relationship that existed between Bostonians and the Cunard Line during its early years.

The Cunards

The company founder Samuel Cunard was born in Halifax, Nova Scotia in 1787. His parents were of German and British descent, but had come to Canada from what is now the United States, during the Loyalist Emigration of 1783. His father Abraham was a native of Pennsylvania and his mother Margaret was born in South Carolina. They met aboard a ship from New York, which was part of a larger fleet that carried Americans who remained loyal to the monarchy toward their new lives in Canada. When they arrived in Halifax, they were joined by former residents of many British colonies to the
south, including a large number of loyalists from Boston.

Abraham eventually became involved in international trade and invested in real estate, including a waterfront parcel and several thousand acres of wooded property inland. The early career of Samuel included appointment as a clerk at the government lumber yard in Halifax. He also lived for a while in Boston, where he served as a clerk for a ship brokerage.

The father and son founded a business together around 1812 to exploit their timber holdings, expand their trading activities throughout the northern Atlantic and the Caribbean, and operate a growing fleet of sailing ships. A few years later, they secured a valuable contract to carry mail for the British government between Halifax and Bermuda. This was soon expanded to include the route from Bermuda to Boston.

**Cunard Line**

Vehicles equipped with the new technology of steam propulsion were becoming increasingly common during the first quarter of the nineteenth century. Samuel Cunard was among those who understood that steamships could deliver passengers and cargo – particularly mail – much faster and more reliably than ships powered by sail alone. However, he also knew these would be much more expensive vessels to build, and that operations would require more sophisticated systems of management and logistics.

In 1838, the British government requested proposals from private ventures to carry mail by steamship from England to North America, via Halifax and Boston. Cunard aptly perceived that a significant contract from a stable government would provide the guaranteed revenue necessary to ensure the success of his new company and instill confidence in an extended network of investors. He was determined to secure this contract for himself.

Cunard first approached investors in Halifax and Boston, but with little success. He then traveled to Britain, where he spent several months lobbying the government, appealing to investors, and developing plans with shipbuilders. Eventually, he was awarded a seven-year contract to commence in 1840. He subsequently convinced several investors to support the venture, which enabled him to establish the ‘British and North America Royal Mail Steam Packet Company.’ This company would be renamed several times over the following century, eventually becoming the ‘Cunard Line’ we know today.

The contracted route would depart from Liverpool in northwestern England, proceed non-stop to Halifax in eastern Canada, and then continue onward to Boston in the northeastern United States. For this, Cunard would need fast vessels that would be seaworthy on the open ocean, with capacity for relatively large amounts of cargo and numerous passengers. He subsequently ordered four new steamships from shipyards on the River Clyde in Scotland.

*Above, Britannia icebound in Boston Harbor (1844)*
The flagship would be Britannia. The vessel resembled a clipper ship, with a wood hull 207 feet in length and three masts for sails, two of which were square-rigged. The ship was also equipped with steam engines fueled by coal, which powered two enormous paddle wheels amidships. It had a single funnel or smoke stack, which was painted bright red with a black band at the top to conceal the soot. This color scheme would become a distinctive design feature of subsequent Cunard vessels, including the funnel on the current flagship Queen Mary 2.

Cunard was also contracted to provide mail service inland from Nova Scotia to Quebec, along a route that included the St. Lawrence River. Cunard would need smaller and less expensive vessels for this role. He subsequently acquired the existing ship Unicorn, which was a sail-steam hybrid resembling his larger ships still under construction. This became the first vessel in the new Cunard fleet. It would serve as an advance scout for logistics on the transatlantic route, and then be transferred to the shorter Quebec route after Britannia was ready.

The Arrival

The first transatlantic voyage for the Cunard Line occurred in 1840. Contrary to popular opinion, Britannia was not the first Cunard liner to enter Boston Harbor. Unicorn departed from Liverpool, traveled to Halifax, and then continued onward to Boston, arriving on June 3. Samuel Cunard was not aboard. His son Edward was leading the contingent, which was charged with planning for the subsequent arrival of Britannia.

The welcome celebration for Unicorn was impressive, with thousands of people turning out to view the arrival. A few days later, the mayor hosted a banquet for the ship’s captain and several hundred guests. The latter included Henry Wadsworth Longfellow, who opined: “Steamships! The pillars of fire by night and cloud by day, which guide the wanderer over the sea.”

Britannia departed Liverpool one month later on July 4. It followed the same route to Halifax, and then proceeded southwest to its final destination in Boston, arriving on the evening of July 18. Samuel Cunard was aboard his flagship during the journey, which is now considered the official inaugural voyage for the company.

The civic and business leaders of Boston orchestrated a ‘Cunard Festival Day’ shortly thereafter to celebrate the occasion. This included a parade with two thousand participants, who marched from the Cunard pier at East Boston to a grand banquet under a tent connected to the Maverick House hotel. The attendees included Samuel Cunard, the British Consul in Boston, the Governor of Massachusetts, and the Mayor of Boston.

The citizens of Boston subsequently presented an enormous trophy to Samuel Cunard, crafted by a firm that later evolved into the famous jeweler Shreve, Crump & Low. This ornate silver cup, which stands almost three feet tall, remains in the own-
ership of the Cunard Line and is currently displayed aboard the flagship Queen Mary 2. It serves as the primary historical artifact from the founding era and it offers tangible authentication of the Cunard brand legacy.

A Special Relationship

The arrival celebrations signified the beginning of a close relationship between the people of Boston and the Cunard Line. In most cases, this connection manifested itself in a multitude of unheralded interactions with passengers arriving and departing, citizens receiving mail, and merchants arranging for the shipment and receipt of cargo.

Sometimes these interactions would become public events. One such incident occurred in February 1844, when Britannia became icebound in Boston Harbor. A group of merchants quickly became involved, motivated by a sense of civic duty and also concern about the reputation of Boston as a reliable port. They financed the excavation of a path through the ice to the open ocean, which reportedly involved 1,500 people working over three days, and resulted in a channel seven miles long and a hundred feet wide. The achievement was captured for posterity in a famous engraving by prominent sculptor John Crookshanks King, which has been duplicated by numerous artists over the years.

The outpouring of affection and material support for a transportation company may seem odd to modern sensibilities, especially if compared to the recent addition of new carriers at Logan Airport. However, it can be explained in several ways.

Transportation powered by steam was a technological and financial sensation during the nineteenth century. Much has been written about the influence of railroads on the American civilization and economy, but steamships had a similar effect. The establishment of Boston as the anchor point for a new transatlantic steamship line would perhaps be the equivalent today of Google or Apple moving its headquarters to the Bay State.

This enthusiasm can be attributed partly to the significant practical benefits that steamships offered to individuals and business firms. The duration of travel across the Atlantic was reduced from about six weeks by sail to about two weeks by steam. Although the cost of building and operating these vessels was significantly higher than those under sail, the proportional cost was sometimes lower, because of greater capacity and the distribution of expenses across a larger number of customers. As a result, the pace of leisure and commerce accelerated significantly.

The cultural icons of the era were also much different than today. The discord of the American Revolution was fading, while the British Empire was ascending politically and economically. Anglophilia was on the rise. Meanwhile, America was in the midst of the Industrial Revolution. People were fascinated by leaders in technology and enterprise who were generating new inventions and amassing huge fortunes. Samuel Cunard would perhaps be the equivalent today of Hollywood director Stephen Spielberg or business tycoon Donald Trump, in terms of his popularity and social status.

The relationship with Boston was also important to the Cunard Line. Boston was the terminus for its transatlantic route and its primary point of access for the American marketplace. There were numerous critical moments both small and large, exemplified by the icebound incident, when Bostonians and Cunard employees worked together to ensure their mutual success. It would be no exaggeration to conclude that, without the enthusiastic support of Bostonians, the Cunard Line would not have been
successful during its infancy and would not have survived its first decade.

The Early Years

Cunard was soon conducting biweekly transatlantic service with four ships of similar design, including the original flagship Britannia and the newer ships Acadia, Caledonia, and Columbia. Samuel Cunard stressed safety and reliability in his operations, which became a hallmark of Cunard during the following century and offered a point of competitive advantage. During the early years, Cunard also enjoyed a near monopoly on fast transportation to and from Europe, especially from ports in New England.

Cunard steamers instantly became a popular way to cross the Atlantic, attracting an array of wealthy and famous passengers. Among these was the English novelist Charles Dickens, who made his first visit to the United States aboard Britannia, arriving at Boston in January 1842. He subsequently mentioned the ship in his travelogue American Notes.

Although its first generation of ships focused on ‘cabin class’ passengers, Cunard eventually also served a more humble clientele. During the second half of the nineteenth century, the population of the United States quadrupled, due in large measure to immigration from Europe. About one-third of the total immigrants from all countries passed through the port of Liverpool. Although Cunard was certainly not the only shipping line to embark such immigrants, it did handle a substantial number, due to the size of its vessels and the frequency of its departures. A notable proportion of Cunard revenue derived from passengers in ‘steerage’ class who were traveling to new lives in America.

Within two decades, the inaugural route via Halifax was abandoned. The majority of Cunard ships traveling from Liverpool to Boston would thereafter make their intermediate stop in Queenstown, Ireland (Cobh) on the eastern side of the Atlantic. This change can be attributed to the shifting demand for mail and cargo, but also to patterns of immigration. Passenger traffic from Ireland accelerated significantly during the 1840s and continued unabated for several decades thereafter.

The population of Boston doubled during this era and its ethnic complexion changed. Although fewer than 30% of Bostonians were foreign born in 1840, more than 60% were first generation Americans by 1880. The vast majority of this increase can be attributed to Irish immigrants, many of whom arrived aboard Cunard vessels.

A Changing Seascape

Although Samuel Cunard had personal experience with Boston, the port was selected for inclusion on the original route by the British Admiralty, and it was specified in the government contract that enabled him to secure investors. The reasons for this were twofold.

The primary purpose of the contract was to convey mail to North America, especially the British possession of Canada. Halifax was the major port in the maritime provinces of Canada. Boston was the major port in the New England region, and was about 200 nautical miles closer to Halifax than its nearest American rival, New York.

Boston had also been the traditional capital of British America. Established in 1630, it developed into the largest city and the busiest seaport during the century from 1650 to 1750. Although it was thereafter eclipsed in population by Philadelphia and New York, the transition was still a recent phenomenon when the mail contract was devised. Boston retained strong associ-
ations in the collective memory of England, and the British Admiralty was a conservative institution.

Nonetheless, the ascendancy of New York would have been unmistakable to anyone paying attention on this side of the Atlantic. As evidence, consider the dollar value of export cargo conveyed through the two ports. In 1821, export activity was nearly identical in Boston and New York. Four decades later in 1860, exports moving through New York were valued at more than eight times those of Boston. Furthermore, by this time, the vast majority of passengers who were new immigrants were also arriving in the port of New York.

Samuel Cunard was a visionary adept at detecting emerging trends in technology and commerce. He was also an ambitious builder intent on growing his company and gaining advantage over his competitors. One of the unsuccessful competing bids for the original mail contract came from the Great Western Steamship Company, which operated the grandest steamship of its era Great Western. Cunard had personally traveled aboard this ship from Britain to New York, toward his ultimate destination of Boston, to make arrangements for his own service after winning the mail contract. He was undoubtedly aware of the growing importance of New York.

Two related events occurred during 1847. The Great Western Company failed, resulting in sale of Great Western to a new firm, which transferred the ship to its India route. That same year, the initial term of the contract between the British government and Cunard expired. Cunard perceived an opportunity and arranged for the contract renewal to include the conveyance of mail to New York City.

The steamship Hibernia was the first Cunard liner to arrive at New York in 1847. Cunard was soon operating a second flotilla in weekly service between Liverpool and New York. Edward Cunard, who had been managing all operations in the United States from an office in Boston, moved his headquarters to New York.

The strategy was immensely successful. In 1848, customs duty collections for cargo conveyed aboard Cunard vessels in Boston were about three times those in New York. Only two years later, the proportion had reversed. The focus of Cunard operations in the United States had permanently shifted from Boston to New York. The people of Boston maintained their enthusiasm for Cunard, but the company had its own priorities driven by business results.

The biweekly service between Liverpool and Boston was suspended on several occasions during the last quarter of the nineteenth century due to weak or inconsistent demand. As an example, the company considered withdrawing service in 1874, due to disappointing financial results from the port. This was caused partly by the local system for billing inland freight charges, which was unfavorable in comparison to New York. The withdrawal was averted when rates charged by the Boston & Albany Railroad were renegotiated and various parties in Boston agreed to improve the pier facilities used by Cunard.

The growth of railroads also affected the comparative advantage of port facilities. When Cunard founded his company, there were about 3,000 miles of railroad track in the United States. Fifty years later, there were more than 150,000 miles of track in active use. As a result, it became increasingly feasible and affordable to quickly move cargo or passengers from coastal ports to distant points inland. Even destinations near Boston could now be reached effectively from New York by rail transfer.

The Edwardian Era
Despite its diminished status, Boston continued to be an important secondary port for Cunard through the early part of the twentieth century. Between 1900 and 1914, four new ships were assigned to Boston. These included two that were built especially for the purpose – Franconia and Laconia – and two that were transferred from other routes – Caronia and Carmania.

The piers used by Cunard were always located across the harbor in East Boston. The surrounding waterfront experienced a series of fires over the years, which threatened the Cunard facilities repeatedly. A major fire in 1895 destroyed several piers and damaged the Cunard liner Cephalonia, while a similar blaze in 1908 destroyed three warehouses and four piers, including the one used by Cunard. Its replacement, which was completed in 1909, was briefly that largest pier on the Atlantic coast.

The Cunard management and sales offices, which were originally located on Lewis Wharf, had been moved to a succession of locations on State Street. Early in the twentieth century, the company moved into its own building at 126 State Street, near the Custom House Tower and Quincy Market. Although this building was sold by Cunard a few decades later, and recently has been converted to residential condominiums, it still displays the name ‘Cunard Building’ in its carved stone facade.

A Turbulent World

During the first half of the twentieth century, Cunard experienced two prolonged interruptions of shipping traffic during wartime. These affected operations in Boston much more profoundly than those in New York.

The first interruption occurred in 1914, when the British Admiralty requisitioned numerous private vessels for service as troop ships during the First World War. Cunard continued to operate in New York, but responded to the equipment shortage by suspending regular service to Boston.

Consumer demand was also suppressed by concerns about safety, after the Cunard liner Lusitania was torpedoed and sunk by a German submarine in 1915. Although the ship had departed from New York, several passengers were from Boston and the incident cast a shadow upon all transatlantic travel. In subsequent years, two Cunard liners associated with service in Boston – Franconia and Laconia – were also destroyed by submarine attack. Cunard did not resume consistent weekly transatlantic service from Boston until 1922.

Operations were similarly halted during the Second World War. Again, capacity evaporated as ocean liners were requisitioned to transport ground forces, and consumer demand was diminished by concerns about attacks from German submarines.
operating off the coast of Massachusetts. Cunard vessels did still visit on occasion. The flagship Queen Mary, which had been converted into a troop ship, was damaged during a collision with a British destroyer during convoy operations in 1942. It subsequently arrived at Boston Naval Shipyard for repairs to its bow section.

By the time that peacetime service could be resumed, it was readily apparent to the executives that Boston was a secondary port. Although the company had recurrent plans to continue operations, and despite offering special voyages periodically, the Cunard Line never again offered weekly transatlantic service from the port of Boston.

Decline and Renaissance

The demand for travel by ocean liner declined precipitously following the introduction of transatlantic passenger service by jet aircraft in 1958. The passenger shipping industry was devastated and numerous companies were eventually driven into bankruptcy. A few survived by repositioning themselves from operators of transportation to purveyors of leisure.

Cruising was nothing new. The Peninsular & Oriental Steam Navigation Company (P&O) introduced the idea of cruising in 1837, when it offered itineraries to the Mediterranean as part of the ‘Grand Tour’ experience. The difference was one of emphasis. In the previous era, revenues were generated from the necessary conveyance of people, mail and cargo from one point to another. Now passengers were making discretionary voyages as a form of entertainment and indulgence.

Cunard had itself been offering leisure voyages to exotic locations for decades. However, the exclusive focus on cruising represented a momentous shift in strategy, operations and culture that proved overwhelming. The Cunard Line eventually foundered and was acquired by the British diversified conglomerate Trafalgar House in 1971.

Cunard operated under its new corporate parent during the next two decades. For the most part, it preserved its reputation
for luxury and tradition, and maintained an avid following among older cruise passengers and historical brand aficionados. It even offered weekly transatlantic service during the summer months, from New York to Southampton aboard Queen Elizabeth 2. However, the financial performance of the company continued to be both inconsistent and disappointing. Eventually in 1996, Cunard was sold again, this time to the Norwegian shipbuilding firm Kvaerner.

During the Trafalgar House era, the cruise industry had been revolutionized by the American upstart Carnival Cruise Lines, which pioneered economy cruising from Miami starting in 1972. Two decades later, Carnival had become the largest passenger shipping company in the world, with annual revenues of about $2 billion. It operated more than 30 major ships within every significant cruise segment and region, and its portfolio included the upscale brand Holland America and the luxury brand Seabourn.

The heir to the Carnival empire, Micky Arison, had always been interested in Cunard, in part because his family had immigrated to the United States years earlier aboard the Cunard liner Mauretania. He was also inspired by the recent release of the blockbuster movie Titanic, which generated enthusiasm for historic ocean liners among its young audience.

Arison seized the moment and acquired Cunard from Kvaerner in 1998. He proceeded to reinvigorate the brand by building a new ship with the style and grandeur of the classic ocean liners. The immense Queen Mary 2, which cost nearly $1 billion to construct, was designated as the flagship of Cunard for its maiden voyage in 2004. It also assumed the transatlantic itinerary for which Cunard had become famous, traveling from New York to Southampton on a weekly basis during the summer months.

The Cunard fleet was subsequently expanded with the construction of Queen Victoria and Queen Elizabeth (the third Cunard liner with this name). Although these smaller ships have periodically been dispatched along the transatlantic route, they spend much their time in the Mediterranean, the Caribbean and the Pacific.

**Boston Today**

The era of weekly transatlantic ocean travel from Boston is now a distant memory. Limited schedules of roundtrip cruises have been offered recurrently for decades by a variety of cruise lines to destinations such as Canada, Bermuda, the Bahamas, and the Caribbean. Last year, the port of Boston hosted more than 100 cruise departures with more than 300,000 passengers embarked.

Boston is no longer a point of embarkation for Cunard ships, which typically start and end their voyages elsewhere. However, it does remain a popular interim stop for occasional Cunard voyages, especially those on the route between New York and Canada. These typically include a cruise every summer by Queen Mary 2, which departs from New York and then returns via Halifax and Boston, reproducing the final segment of the original voyage of Britannia. Boston also represents an important source of passengers who travel by air to embark on Cunard vessels departing from ports elsewhere.

The role of Boston in the founding of Cunard has been featured repeatedly in Cunard advertising and public relations campaigns. Anniversary reminders started to appear in Boston Globe articles during the 1930s and continued through the 1960s. Boston was also occasionally mentioned in advertisements placed in national magazines, including a starring role in a series of advertisements promoting the 90th anniversary in 1930.

The tradition of recognizing such an-
niversaries has been renewed this year, with Cunard taking full advantage of its history for marketing purposes. The current website and recent paper brochures make prominent mention of the 175th anniversary, feature a special ‘175’ logo and a painting of the original flagship Britannia, and offer several anniversary events to prospective customers.

The capstone of these celebrations will be a re-enactment of the first voyage of Britannia. Cunard will send Queen Mary 2 from Southampton to New York as usual, but the itinerary will be altered to include interim stops along the original route in Liverpool, Halifax and Boston. This special journey will occur during the same month as the original voyage, but on slightly different dates, with Queen Mary 2 scheduled to arrive in Boston Harbor on July 12, 2015.

Perspective

Every so often, a new venture fits perfectly with the economic, technological, and cultural conditions of its era. The value proposition for such a company often extends beyond the utilitarian benefits that are offered, to include a variety of psychological and sociological dynamics in consumer behavior. If such a company is well capitalized, managed adroitly, and fortunate in its circumstances, then it may survive over extended periods of time. As it grows older, the firm becomes laden with associations that are interlinked with powerful cultural narratives and its brand achieves iconic status. Brand heritage becomes an important element of competitive advantage, and corporate anniversaries offer moments to promote and celebrate the unique status of such organizations.

The Cunard Line is certainly one of these companies. It was an instantaneous sensation on both sides of the Atlantic upon its founding, it subsequently became symbolic of glamorous travel, and over time it attained an enduring position in our collective memory. Although its prominence among consumers and investors is more limited...
today than it was a century ago, the Cunard brand continues to have a strong following among enthusiasts throughout the world. Despite the facts that most Americans now travel to Europe by air, and that most transatlantic voyages now depart from New York, the historic relationship between Bostonians and the Cunard Line continues.

The arrival of Queen Mary 2 in Boston Harbor later this year will commemorate the 175th anniversary of the Cunard Line. The event should remind Cunard executives of the important role that Boston played in assuring the existence of their company during its infancy. It should also remind Bostonians, albeit perhaps in bittersweet fashion, about the historic prominence of the city in population, commerce and transportation. Together, the company and the city will celebrate nearly two centuries of seafaring tradition.

Bradford Hudson is Associate Professor of the Practice of Marketing in the Carroll School of Management at Boston College. He is also Assistant Chairperson of the Marketing Department at Boston College. Previously, he was Associate Professor of the Practice of Marketing in the School of Hospitality Administration at Boston University. He is also a former corporate executive and management consultant. His clients with historic brands included AT&T, Cadbury Schweppes, Cunard Line, Harley-Davidson, and Nestlé. He holds a Ph.D. in business history from Boston University, a master’s degree in services marketing from the Cornell Hotel School, and a certificate in strategy from Harvard Business School. He is a former Fulbright Scholar to Canada. Email bradford.hudson@bc.edu

ABOUT THE RESEARCH
Primary sources for this article included published proceedings of the British parliament (1839), the census of Boston (1845), timetables from the Cunard Line (1880 and 1901), and Cunard promotional brochures such as Franconia and Laconia (1912) and Historic Boston (1914). Other historical sources included articles and advertisements from newspapers and periodicals (1840 onward) such as Boston Globe, Boston Post, Merchants Magazine and New England Magazine. Primary sources also included the recent website and brochures from the Cunard Line (2014), and the recent website of the Massachusetts Port Authority (2014). The author was also informed by his personal experience as a management consultant to Cunard during the Trafalgar House era (1992), which included interviews with Cunard executives at the corporate headquarters and two transatlantic crossings aboard Queen Elizabeth 2. Some years later, the author was also a regular passenger aboard Queen Mary 2, during a voyage from Halifax to Boston (2008). Secondary sources for this article included the books Cunard and the North Atlantic by Francis Hyde, Steam Lion by John Langley, Devils on the Deep Blue Sea by Kristoffer Garin, Portrait of a Port by W.H. Bunting, Rise of New York Port by Robert Albion, and Historical Statistics of the United States from Cambridge University Press. Secondary sources also included the articles “Reinventing Boston” by Edward Glaeser in Journal of Economic Geography (2005) and “Brand Heritage and the Renaissance of Cunard” by Bradford Hudson in European Journal of Marketing (2011).