

ENTREPRENEUR: Leo Guzman Sr. carves out a Wall Street niche from a South Florida base.

CORPORATE STRATEGY: Onboard Media makes a business of shopping.

business monday

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Giving cruisers a hand — on deck and off

Miami Beach's Onboard Media offers advice on shopping at liners' ports of call

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Robert Eichner has a *really* rough job. He gets to sail on European cruises, stroll around Caribbean resorts, drop in on Las Vegas casinos.

Well, someone has to do it.

"This is a cool company," said the tieless general manager of Miami Beach's Onboard Media, a custom media company where the conference room leads to a terrace garden complete with a koi-filled pond.

As its name suggests, much of Onboard Media's business revolves around ships. The company organizes cruise shopping programs and produces promotional books and videos for cruise lines as well as hotels and resorts.

Cruise shopping programs?

"We promote shopping at ports of call," Eichner explained.

Getting cruise passengers to spend is, in fact, at Onboard's core and was the original business that founder Philip Levine established 14 years ago.

Levine, who sold the company to Paris-based LVMH Moët Hennessy Louis Vuitton in 2000, left in January to pursue new entrepreneurial endeavors.

Eichner, the former vice president of operations and finance, took over with plenty of ideas as to how to expand Onboard's successful shopping-promotion business.

ONBOARD LECTURES

Eichner declined to divulge the company's revenue but said Onboard had been growing steadily at about a 7 percent clip annually.

"We're looking at new markets where we can leverage our model," said Robin Rosenbaum, the publisher.

The model involves providing cruise lines like Royal Caribbean, Disney, Princess, Celebrity and Sun Cruises with port and shopping guides who offer passengers lectures as each land destination approaches.

The talks are filled with historical and cultural details, things to do and, not incidentally, where to buy everything from rum cakes to Rolex watches, as well as tips on how to buy such items as gemstones.

Retailers pay a fee to be included in the seminar, and Onboard pays a percentage of the revenue to the cruise line.



CHUCK FADLEY/HERALD STAFF

NICHE FOUND: Onboard Media, whose staff includes, above from left, publisher Robin Rosenbaum, general manager Robert Eichner and Sara Beth Reno, associate vice president for port shopping programs, aims its publications, top right, at cruise-ship and resort customers.

'A lot of people have heard about bargains, especially jewelry in the Caribbean. They want guidance.'

— David Stanley, Royal Caribbean's vice president of fleet operations/revenue

Guests, meanwhile, get a 30-day money-back guarantee, in case what they buy is not to their liking or gets damaged, as well as an assurance that the merchants are aboveboard, selling genuine articles, not pirated brands, for example.

The programs are popular, said David Stanley, Royal Caribbean's vice president of fleet operations/revenue, who has contracted Onboard guides for a decade now. Royal Caribbean also uses Onboard for in-cabin promotional publications and videos.

"A lot of people have heard about bargains, especially jewelry in the Caribbean," Stanley said. "They want

guidance, and they do want that guarantee when they're spending a lot of money."

Onboard uses a similar business model with its custom publishing unit, which produces the slick hard cover and softback guide books often found on tabletops in upscale hotel rooms and cruise-ship cabins as well as promotional videos that appear when a guest turns on the room television.

IN-HOUSE PRODUCTION

Clients, which receive a percentage of the ad revenue, include such sprawling Las Vegas hotels as the

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Venetian and such Caribbean getaways as Sandals Resorts.

The books and videos are produced in house. Onboard boasts its own video-editing suite and production facilities and has its own editorial staff and sales reps who sell the ads.

Keeping everything under one roof allows the company, which employs about 105 people, to maintain strict control over quality, Eichner said.

That's important to a company like Sandals, which uses its in-room quarterly magazine, *Escapades*, as a take-home marketing tool for guests at its 20 Caribbean resorts.

Onboard, which has been producing the magazine for about seven years, has turned the publication into much more than a promotional brochure with interesting articles about, for example, resort décor, recipes for dishes served in its restaurants and the local culture, said Maggie Rivera, Sandals public-relations director.

"They're very creative, very sharp and progressive," she said. "We're very proud of our publication. The best thing is to see guests take it out on the beach and reading it. They take it home with them."

BRANCHING OUT

Eichner hopes to capitalize on Onboard's track record by moving into other big tourist spots, like Atlantic City and Hawaii, and European cruise destinations with land-based directed shopping programs and custom publications.

On the video side, he's thinking of producing segments for television on travel destinations throughout the world.

In fact, his bags are packed.

"There are a lot of places," he said, "that are natural for us."