

Aquariums: Economic Engines for Our Communities but How Do We Help the Planet also?



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Zoos and aquariums have traditionally been animal focused living collections, museum-like even in our terminology, such as curating our collections. Today, a number of zoological facilities are no longer animal only but have added rides, such as roller coasters, carousels and zip lines, as well as catering services, and even schools to their campuses. When the Hong Kong Jockey Club first conceived of Ocean Park in 1975, it was to be a place of education and entertainment for the people of Hong Kong with a focus on oceanic animals. A saltwater aquarium, a whale and dolphin performance pool and a sea lion and seal exhibit were the main attractions at the new Park when it opened in 1977 with 1.85 million visitors. In 1984, after six years of deficit financial results, the Park added roller coasters, flume rides and a new gate, Water World, thus becoming one of the first hybrid zoological parks. Visitor numbers began to stabilise and a surplus was realised for the first year since opening. With the Park on firmer ground financially, the Hong Kong Jockey Club donated the Park to the Hong Kong Government in 1987. It became a not-for-profit, statutory body under the Hong Kong Government but was independently managed and financed under the leadership of a Chief Executive that answered to a Hong Kong Government appointed Board. Another economic challenge arrived with the Asian economic crisis in 1997. The Hong Kong dollar was pegged to the USA dollar, thus making Hong Kong a very expensive city for Asians to visit. Ocean Park visitor numbers fell from 3.7 million visitors to 2.8 million visitors after the Handover in 1997, resulting in deficits 5 of the next 6 years until after Hong Kong recovered from the Severe Acute Respiratory Syndrome (SARS) outbreak in the second half of 2003. The announcement in 1999 that Disneyland would build a park in Hong Kong further raised concerns that Ocean Park would not survive the economic downturns, SARS and Disneyland's arrival in Hong Kong. The Hong Kong Government appointed Dr. Allan Zeman, well respected entrepreneur, to chair Ocean Park's Board. He hired Mr. Tom Mehrmann, formerly of Knott's Berry Farm, Six Flags Animal Kingdom and Warner Bros. Movie World Madrid as the Chief Executive to lead the team to develop a strategy to counter Disney's arrival and transform Ocean Park into a global zoological theme park. Visitor numbers recovered from a low of 2.8 million in 1998-1999, to 7.7 million in 2012/2013 after a period of rapid expansion and growth within the Park. This talk will share the variety of economic models under which aquariums are run and share the strategy and tactics that took Ocean Park from a Park with 2.8 million visitors and a deficit of HK\$80.5 million (US\$10.3 million) in the fiscal year of 1998/1999 to the visitor attendance of 7.7 million and surplus of HK\$127.3 million in fiscal year of 2012/2013. Lesson learned and future trends will also be explored.