CANADA – MARKET FOR GROWTH 2009

OCTOBER 2009

2 USTRYCANADA

Special Marine Industry Research BIC's Three-year Benchmark

The Boat Shop

- Offshore Marine's Herman **Bolger Shares Best Practices**
- Introducing Green and Safe Epoxy Solutions

Selling Excitement with Roch Lambert, BRPs Go-To-Guy

www.boati gindustr da Post Mail Agreement 40065481 ISS postage guaranteed A RERRWIL PUBLICATION





NEW-GENERAT

DF70/80/90 GO FURTHER, FASTER FOR LESS

While the new DF70/80/90 Suzuki 4-stroke outboards are stunning to look at, the really beautiful details are under the cowling. They're a showcase of more innovative advances and achievements from Suzuki - New Lean Burn System, new streamlined gear case, larger propeller, digital sequential fuel injection and a powerful 2.59:1 final drive ratio. All this technology delivers outstanding power and performance with outstanding fuel efficiency, allowing you to go further, faster, for less.

DISCOVER THE POWER. DISCOVER THE PERFORMANCE. DISCOVER THE SUZUKI WAY OF LIFE!

suzuki.ca

Specifications, product features and colours are subject to change without notice. Read your owners manual carefully and always make responsible boating your #1 priority on the water. Respect the environment and always ensure everyone on your boat wear an approved personal floatation device. See your participating Authorized Suzuki Marine dealer for details on the complete Suzuki line up of four stroke outboard engines. Suzuki Way of Life.

INSIGHT

By Andy Adams

The **Lost** Year?

AS WE PASS Labour Day 2009 marking the end of high season in the boat industry, some are calling 2009 the "lost year".

Every October, we publish a special feature entitled, "Canada – Market for Growth". Canada has offered the marine industry a strong and resilient market for decades – we love boats and boating! Canada has always been blessed with fabulous waterways and coastlines, abundant lakes and rivers and thousands of miles of shoreline for the many waterside camps and cottages that are such an established part of Canadian culture.

Starting on page 6, our Third Annual Marine Research Benchmark Update brings our industry a series of research benchmarks against which to measure and plan your business. This is very valuable data covering the period 2006-2008 and it is exclusive to *Boating Industry Canada*.

There are very few other data sources available to help us view the big picture. NMMA has product shipment data that is tight and specific from year to year. You can look to them for boat and motor data.

Since 2007, we have been receiving data about vessel registrations through Service Canada. Service Canada registration data however, only reports "new" vessel registration and "transfer" registration which we refer to as "used vessel" registration. Reviewing the year-to-date information, Service Canada is reporting a decline of total registrations from January to August 2008 to 2009 of just -6.42%.

The year-to-date 2009 "new" registrations are down -23.6% but used boat registrations are actually up.

It seems very likely that the auctions and liquidators who have been clearing up the US marketplace selling used and new non-current model boats have found a ready market in Canada where our banks remain solid, real estate values have held up and consumer financing is available.

Add to that a Canadian dollar that is still in the \$0.92 US range and those "fire-sale" US boats may well be driving the Canadian vessel registration numbers to near-average levels. On registration data alone, we seem to be having a good year. Some dealers have capitalized on the non-typical market conditions and anecdotally, we are hearing of dealers reporting 2009 as their best year ever!

So, possibly those who read the market conditions and adapted quickly may not see 2009 as a lost year at all. But our domestic boat builders certainly see it that way.

The US market is so large and has suffered so great a disruption that it is possible that the Canadian market, which is just a short drive away, has absorbed lots of US boats in 2009. We need a little help here.

The Canadian marine industry should know how many boats are imported from the US each year but *Boating Industry Canada* has not been able to access that data from the Canadian government.

Also, Service Canada has far more registration information than they are releasing. The data exists. There should be no privacy concerns about reporting boat size, type, engine type and horsepower by province and nationally. The Canadian marine industry needs to know!

If many Canadian buyers have capitalized on buying cheap imported boats this year, could 2010 become the lost year?

Share your perspective on this? Please *e-mail me directly at aadams@kerrwil.com.*

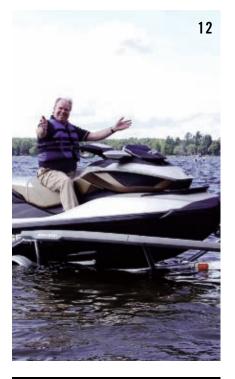


CONTENTS

VOLUME 6 = NUMBER 5 = OCTOBER 2009

Features

RESEARCH: CANADA – MARKET FOR GROWTH Exclusive 3rd Annual Boating Industry Canada 2009 Marine Research Benchmark Update	6
PRODUCTS & INNOVATION Revolutionary New iCatch Trailer from BRP and Sea-Doo	12
ONLINE MARKETING Working with Mass Audience Web Sites – How You Can Benefit	16
THE BOAT SHOP I Best Practices – Herman Bolger Shares His Success at Offshore Marine	25
THE BOAT SHOP II Solvents in the Boat Shop	28



Departments





Insight	
Impact	
Advertis	sing
Industr	y News
Forum	

On the Cover: Roch Lambert is a Canadian industry leader and one of the main Go-To-Guys at BRP. His track record of business management and product development has few equals. Read about it on page 20. PUBLISHER John Kerr

johnkerr@kerrwil.com

MANAGING EDITOR Andy Adams aadams@kerrwil.com

CONTRIBUTORS Andy Adams, Sara Anghel, Glen Cairns, Ian Gilson, David McPhail and John Morris

> ADVERTISING SALES lan Gilson igilson@kerrwil.com • 905-719-5152 Greg Nicoll gnicoll@kerrwil.com • 416-620-9373

ART DIRECTOR Allan S. Bates CIRCULATION

Elissa Campbell

ADMINISTRATION Mary Nicoll mnicoll@kerrwil.com • 905-535-2866



538 Elizabeth Street, Midland, ON L4R 2A3 Tel: 705-527-7666 Fax: 705-527-7662 www.kerrwil.com

> Elizabeth A. Kerr President Greg Nicoll Vice President

John W. Kerr, Jr Chief Executive Officer



Boating Industry Canada is published six times annually. To subscribe, go to: www.boatingindustry.ca

The contents of this publication are the property of Kerrwil Publications Limited and may not be reproduced in whole or in part without prior written consent. We encourage letters to the editor, submissions and query letters from writers and our readers. For material to be returned, please include a stamped, self-addressed envelope.

Occasionally, we allow the use of mailing lists to firms offering products and information that we feel may be of interest to you. If you do not want your name made available, please return your mailing label to us marked DO NOT RELEASE.

Send all address changes, post office returns and subscription inquiries to:

Boating Industry Canada 538 Elizabeth Street, Midland, ON L4R 2A3 Tel: 705-527-7666 Fax: 705-527-7662 E-mail: elissacampbell@kerrwil.com

Don't go it alone...

Committed to the marine industry for more than 30 years, the professionals at GE Capital, Commercial Distribution Finance are proud to have earned the name both you and your customers have come to know and trust. Whether it's seasonal demand or a changing economic climate, our team of experts can show you how floorplan financing can help your business improve cashflow, reduce risk, maintain inventory levels and keep your customers coming back.

Let us show you how to chart a course – not just for today, but for the future.

Call us today at 800-387-5916.

You'll be glad you did!



CANADA – MARKET FOR GROWTH 2009

Exclusive 3rd Annual Boating Industry Canada 2009 Marine Research Benchmark Update

By John Kerr and Andy Adams

THIS ISSUE MARKS our 3rd Annual *Boating Industry Canada* review of Canadian Marine Industry Data. There has long been a lack of "big picture" data on our industry to facilitate setting benchmarks, challenging the norms and promoting the Canadian market and its capabilities.

Providing research and information to the industries we serve has long been a driving principle behind Kerrwil, all the way back to its founding in 1964.

We noted in the 2008 review that research data has never been more important. This year, it has to be doubly important as we all struggle to find our feet after the dramatic global economic turmoil of the past 12 months.

We saw the US banking and financial system in free-fall until the new Obama administration bailed it out. Interest rates have slid to the lowest levels in a lifetime while the US dollar rose strongly as it became a haven only to drop again in recent months. The massive

TABLE 1: BOAT COVERS, CANVAS AND UPHOLSTERY

A CONTRACTOR OF A CONTRACTOR	2006	2007	2008	% Change
Total Firms Reporting	452	423	393	2007-2008
SALES (\$)				
Largest Sales Volume	30,000,000	28,750,000	23,350,000	
Smallest Sales Volume	125,000	135,000	145,000	
Average Sales Volume	1,075,734	1,043,654	1,023,000	
Median Sales Volume	15,062,500	14,442,500	11,900,000	
Total Sector Sales Volume	496,989,000	441,465,642	309,025,949	-30.00%
EMPLOYEE SIZE				
Total Employees in Sector	1,637	1,575	1,150	
Largest Employee Size	150	135	110	
Smallest Employee Size	1	1	1	
Average Employee Size	4	3	4	
Median Employee Size	76	76	63	
Revenues per Employee	303,597	280,296	268,718	-4.10%

bail-out spending raises new uncertainty. What looked like a promising fiveyear future could be severely curtailed by rising taxes and government debt to pay for 2009 spending.

Leading the economic turnaround by what may be a very long way, it now appears that the stock market, particularly the Canadian TSX that bottomed out in March has since performed strongly. Forgetting that we fell from a TSX at 14,000 in 2008 down to 7,000 in 2009, since March of 2009 the market is up about 40% and Canadian bank stocks have basically doubled in value.

Our banking system turned out to be the most solid among the Western nations accounting for that amazing 100% rise since March. The Canadian housing market has rebounded (and never really declined as the American market did). The Bank of Canada announced some time ago, that the recession was technically over in Canada. Recent news stories suggest Canadian consumer confidence is returning.

Unemployment, however, remains a major concern. Business was quick to shed people this time and re-hiring takes a lot more time and a lot more confidence. Across the various sectors in this year's Canadian Marine Industry Data review, Revenue per Employee is down very little and, in fact, even up in some sectors. This seems to prove that fewer people are doing more work.

While boating as an activity (Table 7: Marinas) has lost little ground at all, Canadian Boat Builders (Table 8: Boat Builders) shows a combined decline from 2006 to 2008 of 42%.

Over that time, the Canadian dollar rose about 40% showing an apparently clear and direct correlation. Of course, that smoothes out the fluctuations. The short cycle fluctuations in currency values make the long lead times of parts ordering and boat building, a highstakes gamble every time. Buy wrong and the profit disappears in exchange value fluctuations.

Understanding the market and being able to set benchmarks for your performance has always been extremely valuable. In the economic environment of the past 12 months, such benchmarks become a vital tool for analysis.

This is our third annual survey, again the broadest reaching one of its kind in Canada. Patterned after a similar study in the electrical market, it reports again on the ranges and touch points that many often debate. Presenting these mileposts is just the start of what our industry really needs and the members of the *Boating Industry Canada* team have set themselves the goal of being the industry statisticians.

As 2009 finally winds down, these numbers show a telling forecast, one that clearly companies such as Brunswick Corporation saw before many of us. They show erosion in

TABLE 2: BOAT COVERS EXCLUSIVELY

	2006	2007	2008	% Change
Total Firms Reporting	212	198	162	2007-2008
SALES (\$)				
Largest Sales Volume	1,989,000	2,800,567	2,689,000	
Smallest Sales Volume	125,000	135,000	145,000	
Average Sales Volume	1,445,261	1,579,545	1,505,833	
Median Sales Volume	1,057,000	1,467,784	1,417,000	
Total Sector Sales Volume	304,950,000	312,750,000	243,945,000	-22.00%
EMPLOYEE SIZE				
Total Employees in Sector	789	737	597	
Largest Employee Size	8	9	9	
Smallest Employee Size	2	1	1	
Average Employee Size	4	4	4	
Median Employee Size	5	5	5	
Revenues per Employee	386,502	424,355	408,639	-3.70%

TABLE 3: SAILMAKERS				
	2006	2007	2008	% Change
Total Firms Reporting	42	38	32	2007-2008
SALES (\$)				
Largest Sales Volume	5,303,000	5,678,000	4,750,000	
Smallest Sales Volume	204,000	258,988	210,000	
Average Sales Volume	1,096,049	1,176,000	1,333,688	
Median Sales Volume	2,753,500	2,968,494		
Total Sector Sales Volume	44,938,000	44,688,000	42,678,000	-4.50%
EMPLOYEE SIZE				
Total Employees in Sector	217	198	165	
Largest Employee Size	26	22	12	
Smallest Employee Size	1	1	1	
Average Employee Size	5	5	5	
Median Employee Size	14	12	7	
Revenues per Employee	207,088	225,697	258,655	14.60%

	2006	2007	2008	% Change
Total Firms Reporting	805	782	721	2007-2008
SALES (\$)				
Largest Sales Volume	31,000,000	38,750,980	34,750,000	
Smallest Sales Volume	620,000	578,980	473,000	
Average Sales Volume	3,893,914	3,978,667	3,746,340	
Median Sales Volume	15,810,000	19,664,980	17,611,500	
Total Sector Sales Volume	3,286,966,049	3,111,317,594	2,701,111,099	-13.20%
EMPLOYEE SIZE				
Total Employees in Sector	5,372	4,999	3,899	
Largest Employee Size	38	36	26	
Smallest Employee Size	1	2	2	
Average Employee Size	6	6	5	
Median Employee Size	20	19	14	
Revenues per Employee	611,870	622.388	692,731	11.30%

CANADA – MARKET FOR GROWTH 2009

TABLE 5: BOAT EQUIPMENT & SUPPLIES

	2006	2007	2008	% Change
Total Firms Reporting	345	323	313	2007-2008
SALES (\$)				
Largest Sales Volume	4,835,500	4,563,450	4,435,789	
Smallest Sales Volume	219,000	257,780	237,654	
Average Sales Volume	5,137,000	4,987,657	5,064,361	
Median Sales Volume	2,527,250	2,410,615	2,336,722	
Total Sector Sales Volume	1,772,265,000	1,611,013,211	1,585,145,000	-1.60%
EMPLOYEE SIZE				
Total Employees in Sector	3,245	3,189	3,015	
Largest Employee Size	25	23	18	
Smallest Employee Size	1	2	2	
Average Employee Size	9	10	10	
Median Employee Size	13	13	10	
Revenues per Employee	546,153	505,178	525,753	4.00%

TABLE 6: BOAT REPAIR					
	2006	2007	2008	% Change	
Total Firms Reporting	376	322	297	2007-2008	
SALES (\$)					
Largest Sales Volume	12,105,000	11,456,732	10,765,000		
Smallest Sales Volume	192,000	176,000	167,000		
Average Sales Volume	900,339	899,567	737,645		
Median Sales Volume	6,148,500	5,816,366	452,322		
Total Sector Sales Volume	338,527,464	289,660,574	219,080,547	-24.30%	
EMPLOYEE SIZE					
Total Employees in Sector	1,403	1,223	1,098		
Largest Employee Size	50	39	33		
Smallest Employee Size	1	1	1		
Average Employee Size	4	4	4		
Median Employee Size	26	20	17		
Revenues per Employee	241,288	236,844	199,527	-15.70%	

TABLE 7: MARINAS					
	2006	2007	2008	% Change	
Total Reporting	2,123	2,197	1,891	2007-2008	
SALES (\$)					
Largest Sales Volume	18,158,000	21,345,678	17,245,000		
Smallest Sales Volume	241,000	256,760	201,200		
Average Sales Volume	795,670	767,543	887,544		
Median Sales Volume	9,199,500	10,801,219	8,723,100		
Total Sector Sales Volume	1,689,207,410	1,686,291,971	1,678,345,000	-0.50%	
EMPLOYEE SIZE					
Total Employees in Sector	4,981	4,878	4,123		
Largest Employee Size	75	71	69		
Smallest Employee Size	1	2	2		
Average Employee Size	6	2	2		
Median Employee Size	38	37	36		
Revenues per Employee	339,130	345,693	407,069	17.70%	

employment size and sales and they also show improving productivity (measured as Revenue by Employee) over all 2008 versus 2007. 2009 will definitely show another industry-wide drop but what will be more telling, is how productive we might have become.

TABLE 1: BOAT COVERS, CANVAS AND UPHOLSTERY

Replacement covers, canvas and upholstery have experienced sales volumes that are down significantly. Total sector sales volume is down 30% from 2007 to 2008 but in a reflection of what we are seeing in other sectors of the industry, the Revenue per Employee has held fairly steady, or even increased. In the case of Boat Covers, Canvas and Upholstery, while total sector sales volume is down 30%, revenue per employee is only off 4.1%.

TABLE 2: BOAT COVERS

Considering just Boat Covers alone, total sector sales volume was down 22% in 2008 from 2007 yet Revenues per Employee were only down 3.7%.

TABLE 3: SAILMAKERS

Is the sailboat market different, or are sailors different from the rest of the industry? Among sailmakers, total sector sales have held remarkably steady dropping only .05% from 2006 to 2007 and dropping a mere 4.5% from 2007 to 2008. The total number of sailmakers reporting into our survey database has certainly declined through the three-year research period, but not to the extent that some other industries have dropped. It is interesting to note that the measure of Revenue per Employee is actually up 14.6% yearover-year to 2008.

TABLE 4: BOAT DEALERS

Remembering how strong a year 2008 was for many boat dealers, driven by the high Canadian dollar that made imported boats and motors much more affordable, you may be surprised to find that even from 2007 to 2008, the sector still dropped 13.18%. Looking at Revenues per Employee however, increasing volumes (probably sold by higher volume dealers) shows an increase of 11.3% for Revenue per Employee.

TABLE 5: BOAT EQUIPMENT & SUPPLIES

Table 5 covers Boat Equipment and Supplies. The total sector volume is very substantial and only declined 1.6% from 2007 to 2008 suggesting that people were already beginning to move from new boat purchases to maintaining existing boats or buying used boats and fixing them up. So, boating continues to be a popular activity in Canada and repairing existing boats helps to keep the numbers up in Boat Equipment and Supplies. Again we see the trend to increasing Revenue per Employee. This sector is up 4% from 2007 to 2008.

TABLE 6: BOAT REPAIR

Table 6 covers Boat Repair and here we see a different story from Boat Equipment and Supplies. Revenues for Boat Repair are down and the total sector sales volume in Canada is off 24.3% from 2007 to 2008. Unique in this wave of research, the Revenues per Employee for the boat repair industry also declined 15.7% from 2007 to 2008. It seems as though the repair market in general has suffered significantly and that comes as a surprise. However, recent strong sales of used boats and the factor (not measured here) of Canada's significant shortage of skilled marine technicians may account for the decline in Boat Repair.

TABLE 7: MARINAS

Boating as an activity certainly remains strong and total sector sales volumes reported by Yacht Basins, Yacht Clubs and City Marinas in Table 7: Marinas has held steady for the past three years while Revenue per Employee has actually increased 17.7% just from 2007 to 2008.

We see this as good news. Boating has remained popular even as the economy dropped.

TABLE 8: BOAT BUILDERS

As you might expect, when the Canadian dollar approaches parity levels with the US dollar, Canadian-built boats suffer a substantial price disadvantage going into export markets, especially the US. Parts and materials have always cost more to the Canadian boat builders so an even playing field places the Canadian builder at a disadvantage. This, plus the currency swing has made the American-built products significantly less expensive by comparison.

The Canadian boat builders have been hit hard with a 29% decline in total sector sales volume from 2006 to 2007 followed by a 19% decline from 2007 to 2008. It's interesting to note that the combined three-year decline at 42% almost exactly mirrors the percentage change in the value of the Canadian dollar. While revenues for employee have remained similar from year to year, the boat building industry in Canada has plainly suffered substantially since 2006 and we have to



CANADA – MARKET FOR GROWTH 2009

TABLE 8: BOAT BUILDERS					
	2006	2007	2008	% Change	
Total Firms Reporting	160	133	124	2007-2008	
SALES (\$)					
Largest Sales Volume	118,816,000	96,538,000	49,153,749		
Smallest Sales Volume	329,000	187,555	198,000		
Average Sales Volume	7,077,050	6,047,339	5,976,879		
Median Sales Volume	3,703,025	3,117,447	3,087,440		
Total Sector Sales Volume	1,132,328,000	804,296,117	651,479,855	-19.00%	
EMPLOYEE SIZE					
Total Employees in Sector	3,222	2,545	2,100		
Largest Employee Size	250	178	125		
Smallest Employee Size	1	1	1		
Average Employee Size	20	19	17		
Median Employee Size	126	90	63		
Revenues per Employee	351,436	315,983	310,229	-1.80%	

TABLE 9: DOCK BUILDERS					
	2006	2007	2008	% Change	
Total Firms Reporting	123	98	89	2007-2008	
SALES (\$)					
Largest Sales Volume	35,000,000	32,175,000	27,687,000		
Smallest Sales Volume	267,000	245,000	189,000		
Average Sales Volume	2,515,553	2,312,980	2,560,562		
Median Sales Volume	17,633,500	16,210,000	13,938,000		
Total Sector Sales Volume	301,870,000	226,672,040	227,890,000	0.05%	
EMPLOYEE SIZE					
Total Employees in Sector	1,052	978	890		
Largest Employee Size	120	98	42		
Smallest Employee Size	1	1	1		
Average Employee Size	9	10	10		
Median Employee Size	61	50	22		
Revenues per Employee	286,949	231,771	256,056	-1.80%	

TABLE 10: OVERALL					
	2006	2007	2008	% Change	
Total Firms Reporting	4,638	4,514	4,022	2007-2008	
SALES (\$)					
Largest Sales Volume	118,816,000	96,538,000	34,750,000		
Smallest Sales Volume	125,000	135,000	145,000		
Average Sales Volume	2,019,845	1,889,268	4,834,111		
Median Sales Volume	59,470,500	48,336,500	6,685,727		
Total Sector Sales Volume	9,368,040,923	8,528,155,149	7,658,700,450	-10.20%	
EMPLOYEE SIZE					
Total Employees in Sector	21,918	20,322	14,047		
Largest Employee Size	250	178	125		
Smallest Employee Size	1	1	1		
Average Employee Size	5	5	6		
Median Employee Size	126	90	24		
Revenues per Employee	427,413	419,644	545,212	29.92%	

assume that the 2009 year model year will continue this unfortunate decline.

TABLE 9: DOCK BUILDERS

On Table 9 we report on Dock Builders. The 25% decline recorded there from 2006 to 2007 in total sector sales volume has leveled out in 2008 while the Revenues per Employee have improved by 10.5%.

TABLE 10: OVERALL

Looking at our overall chart, Canada's marine industry suffered a 9% decline in total sector sales volume from 2006 to 2007 and then a further year-over-year decline of 10.2% from 2007 to 2008. Combining these numbers, the total industry is down 18.2% over the past two years.

Certainly the most serious number in this 2009 Marine Research Benchmark Update Review is the fact that of the total firms reporting in the three-year period from 2006 to 2008, the industry has seen a decline of 13.3% fewer firms reporting.

Likely, the firms that have disappeared or stopped reporting are likely to be the smaller or weaker ones and this, in turn, probably influences the total data by sector.

Demographically speaking, with Canada's enormous wave of baby boomers set to retire over the next 20 years and with substantial real estate action and development throughout cottage country coast-to-coast, one would expect that the boat industry would at least be performing well and might even be poised for a boom in the future. The statistics that we're seeing here from 2006 to 2008 however, show an industry in significant decline.

Will the lower levels continue into 2010 or will we rebound? Anecdotally, many in the industry are now speaking of 2009 as the "lost year". It will be very interesting next October, to see the next wave of data in *Boating Industry Canada*'s October 2010 issue, Canada – Market for Growth.



[PRODUCTS & INNOVATION]



It's radical but very good-looking. The welded tube frame is accented by the plastic walk-around. You can clearly see the new post system with the rubber "snubber" and at the back of the trailer, plastic guards over angled frame members help guide the machine on.



Road Warrior[™] by Unified Marine, Inc. proudly presents an industry first with the ALL-IN-ONE Safety 800 Trailer Tongue Weight Jack. This is the only device on the market today that instantly tells you if your trailer load is properly balanced for safe, efficient, and proper towing. Come out of trailering's dark days and see the light with the all-new Safety 800! e2009 Unified Marine, Inc. Call us at 800-282-8725 for more internation. STANDUCCOM nything that makes it easier for new people to get into boating (and have instant fun with no hassles) is a great step forward for the industry.

Canada's BRP has a great history of inventiveness and product innovation and the newly introduced iCatch Trailer is another solid step ahead. Their goal was to make the launch and retrieval of their Sea-Doo personal watercraft much, much easier and they have succeeded.

When launching, we have all seen people walking around the edge of their trailer frame, trying to keep their feet dry, struggling to get up onto their PWC to drive it off and occasionally, slipping and falling into the water or hurting a leg or knee. Imagine the impression that leaves with a novice boater!

Once the ride has ended, they face the challenge of loading their machine back onto their trailer, cranking it along the bunks with the winch strap as tight as a string on a violin and frequently with the machine crooked when it finally gets up the ramp.

Now, for an extra \$500 over the price of a regular trailer, you can put all that grief behind you.

The BRP iCatch Trailer has a series of roller bunks that automatically align the machine and catch it in a new nose clip as you drive up the trailer and apply a little bit of power.

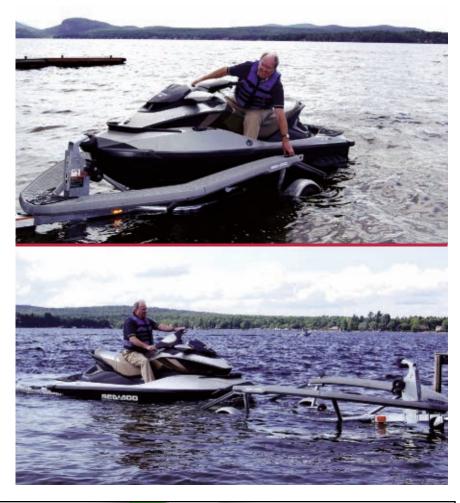
The iCatch Trailer has a new torsion bar type suspension that delivers a softer ride and therefore better handling but at the same time, it lowers the overall ride height of the trailer. The benefit of course is that the iCatch Trailer requires less water to launch or retrieve. Large pads at the nose and a big rubber snubber stops and holds the machine in place as the nose clip mechanism automatically clicks and holds it. The mechanism has several adjustment points for different height Even fully dressed I was easily able to walk along the trailer's side decks to step on board the RXT. My left hand is holding the release catch. As soon as I pull it, I can use reverse to back right off the trailer. I don't need any help.

tow vehicles and to help accommodate different ramp profiles.

The iCatch Trailer is a simple design and yet it's quite revolutionary to look at and highly efficient to use. There are guards on the side rails, a metal cap protecting the brake lights and the plastic walkway all around the perimeter means that you can literally walk right off your boat to the winch as you tighten and secure it.

One of the best features is that there is a release point by the helm position so

As I come back from my ride, the wind catches me and blows me badly off course, yet the angled side load guides still caught the bow and centered the machine perfectly on the trailer.





[PRODUCTS & INNOVATION]

Just a gentle bit of throttle is all that is needed for the roller bunks and side load guides to center the Sea-Doo on the iCatch Trailer. With a gentle bump, the bow hits the rubber "snubber" on the winch post and the bow clip makes an audible "click".

you can release yourself off the iCatch Trailer without any help.

The iCatch system is patented and replaces the old winch post and bow eye with the nose clip system. Perhaps one of the most beneficial features is a fully grounded wiring harness to eliminate those annoying lighting problems. All the rollers are on plastic bushings to smoothly and easily launch and retrieve. Special twisted safety cables stay clear of the roadway. In total, it's simply a beautifully worked out design that dramatically reduces the effort needed to trailer your Sea-Doo.

The iCatch Trailer perfectly suits the fact that 50% of Sea-Doo buyers are new to boating. If a buyer starts with an iCatch Trailer, they'll probably never realize how difficult a normal trailer can be at times. The iCatch Trailer is a tremendous advance in user convenience.

Congratulations to BRP!

Ratea

It's that easy! The machine is perfectly centered, I'm ready to turn the engine off and you can see how easy it is going to be for me to step off the machine and walk up the side decks without slipping, to step off into the shallow water.

SPORT MARINE TEC

Best





There is no better way to improve the performance and fuel economy of your boat. Get on plane 50% quicker with the SE Sport and save your gas Money!

Optional Drill-Free Sport Clip

The New Sport Clip Fits most Outboards and Sterndrives 25HP and larger Installs Your New High Performance SE Sport 200/300 Hydrofoil

Where Quality Matters Get your marine equipment in one place. Save your time and your money.

CON-O-LIFT Marine Equipment by Kropf Industrial Inc.



Strength & Stability for a Lifetime

Con-o-lift manufactures a full line of versatile **Marine Equipment** that will improve your operations and **increase your bottom line**. Available in 3 – 100 Tonnes.

Galvanized Boat Stands Highway Trailers Yard Trailers Self-Propelled Trailers Sling Lift Trailers Mobile Straddle Carriers







Kropf Marine Floating Dock Systems by Kropf Industrial Inc.

We have been providing quality steel tube floating dock systems to discerning clients **for over 25 years**. Our commitment to **superior workmanship** and conscientious customer service has allowed Kropf to become an **industry leader** in the floating dock market.



If you can imagine it, we can build it!

Contact us today for a full line of versatile Marine Equipment and Quality Steel Tube Floating Dock Systems. Kropf Industrial Inc., Parry Sound, ON, Canada



[ONLINE MARKETING]

Working with Mass Audience Web Sites

BY DAVID MCPHAIL

OVER THE PAST FEW YEARS, boat dealers of all sizes have set up their own web sites and many have invested significant amounts.

Web sites offer an important new marketing and sales opportunity but they need to be fed through a major source of traffic. Being realistic, the web site for almost any single dealer will have a small position in the total marine mar-

ketplace. It's simply a matter of critical mass. Without many, many listings, articles and support content to attract visitors, the numbers will be small and you will find yourself down at a low position on the web search engines.

When you "Google" something yourself, do you read past the first page? How often have you seen the search page say "Result 1 of 32,045,978 results"! Your web site can be very valuable but it needs an "on-ramp" to feed you bigger traffic numbers.

Before we get too deeply into that, let's back up a bit and ponder the question: why have a site at all?

On-the-water dealers and retailers, generally know, or can find out, who their customers are. There are cheaper and more powerful ways to talk to customers who you are already doing business with. Phone them in person, mail something relevant to them, or maybe just send off an e-mail. Smart strategic marketing always says that you should serve your main base of customers first – you don't necessarily need a web site for that. Remember that gaining a new customer is usually expensive, so you don't want to lose that investment.

(Note: On page 22 of this issue, John Morris raises the related question of what the "lifetime value" of a customer is. Consider that when planning your marketing and advertising strategies. – Ed.)

The best purpose of your web site is to reach out to a larger market than just your traditional store trading area. Assuming that you are carefully looking after your primary base of existing customers, incremental sales through the web can be very profitable. Also, the reach of the web may help you to sell a boat or marine product that may be slow to move in your local store trading area.

This is the idea behind the leads generated by the Discover Boating program or the leads that come through services like Channel Blade or even enquiries sent by the boat manufacturers you sell.

To directly increase your own web traffic and to move up on the search engines, you can put your ads and your new and used boat listings onto a specialized Canadian site (like www.boatcan.com) where the international exposure, the web site structure itself and the critical mass of many, many listings, will attract the big traffic scores.

www.boatcan.com is an on-line advertising web site that allows you to place your boats and marine products for sale in front of over 60,000 visitors per month. Your ad or listing there is the "on-ramp" to big traffic numbers.

Visitors come to a site like www.boatcan.com because in addition to the many listings for boats and boat brands, visitors can also read boat reviews, find out about boating events and much more. Your potential customers go to www.boatcan.com because they can read what others have thought about a boat, they can

search for it, buy it, finance it, arrange for a survey and even have a boat delivered simply and easily...all from one site!

Those are a few reasons why there is so much traffic. To build that even more, Boatcan runs regular ads in Canadian Yachting – Canada's largest audited circulation, paid, home delivered boating magazine – as well as in Trailer Boating Canada Digital and Boating Industry Canada. Boatcan also participates in many Canadian boat shows. We exhibit with our computers live and online for show visitors. Our staff has often been able to match a buyer and seller right at the show.

Other Boatcan marketing support is generated through our alignment with CPS, Channel Blade and other updated advertising enhancements. These connections add to the value provided to you by the Boatcan staff who update the listings regularly and completely to allow you, the advertiser, to focus on your main function and source of revenue...selling.

These activities all serve to build traffic and critical mass.



When you "Google" something yourself, do you read past the first page? How often have you seen the search page say "Result 1 of 32,045,978 results"! Your web site can be very valuable but it needs an "on-ramp" to feed you bigger traffic numbers. The Boatcan site has a large number of listings; visitors explore a large number of possible matches. This, in turn, leads to viewing a large number of pages per visit and results in longer times spent on each page – all moving Boatcan up on the search engines.

Boats listed can be found on the site in various ways. They can be searched by brand name, model name, size, price range, age and/or year built. Boats listed on www.boatcan.com can also be found from the search engines themselves boats listed since on www.boatcan.com are automatically submitted to search engines. This is an important benefit because www.boatcan.com ranks extremely high in search engine listings.

In addition to the listings on www.boatcan.com, broker's and dealer's boats can be found on their own individual listing page with e-mail and web site links. Since each ad is live – linking directly back to you as the broker or dealer through instant e-mail and through other contact information – traffic is not limited to only one or two methods.

As a broker/dealer who advertises on www.boatcan.com, Dave Harris, the owner of Harris and Ellis Yachts has recently stated, "Boatcan is an important arm of our advertising services and is responsible for a major source of our leads and sales. It deserves significant credit for our

outstanding success."

Using the Boatcan web site as your on-ramp has proven value. Boatcan is easy to find, easy to navigate and with its full, multiple photo ads, including unlimited text and descriptions, it is the favourite of many recreational boating enthusiasts....60,000 of them monthly, in fact!

The listings you would put on your own web site, whether for boats, products, services, can link right to your site from www.boatcan.com. You can also increase your impact by buying banner ads or click through buttons. Our Boatcan staff can customize a plan to suit your company's needs...and budget. Although bundling options are available, you can pick and choose what elements you need and want in your program. The flexibility is built-in!

www.boatcan.com

Roch Lambert BRP's "Go to Guy"

IMPACT



TO CONTINUE the steady stream of innovation and development that has historically characterized the many power sports products from Bombardier Recreational Products, (BRP) there has to be tireless, fearless team leadership.

BRP was founded on the legacy of innovation left by Joseph Armand Bombardier who in 1937 created the first "snowmobile" in his rural community of Valcourt, Quebec. Today, BRP is known worldwide for its Ski-Doo and Lynx snowmobiles, Sea-Doo – which was the first personal watercraft, Rotax engines, the Can-Am line of motorcycles and ATVs and the development of the Sea-Doo Sport Boats. Most recently, BRP acquired the Johnson and Evinrude outboard engine brands and in 2007 introduced their first road-going vehicle, the unique Can-Am Spyder Roadster.

Over the past 60 years, BRP has become established as a world leader in the design, manufacture, distribution, and marketing of motorized recreational vehicles and power sports engines. The company is still headquartered in Valcourt, but BRP owns manufacturing facilities in Canada, the United States, Mexico, Finland, Austria, and China, with a total workforce of about 5,500 people. BRP products are distributed in approximately 80 countries by over 5,000 dealers and distributors.

In the marine industry, BRP is a top performer with an enviable track record, especially for attracting new people into boating through their Sea-Doo personal watercraft. But the substantial resources and talents of Yamaha, Honda and others constantly challenge BRP and Sea-Doo.

BY ANDY ADAMS

That is where the tireless and fearless leadership is severely tested, and never more than in a global downturn like the industry has suffered in 2009. Getting an interview appointment with Roch Lambert, one of the best known leaders within BRP was not easy. His time is scheduled down to a matter of minutes and I wanted to meet with him just days





World's largest exhibition of equipment, materials and systems for the international marine leisure industry







Join the market leaders and innovators!

Register NOW for your free entry via metstrade.com Please use this code: MEI05300

metstrade.com

For more information: T +31 20 549 12 12 | F +31 20 549 18 89 | E mets@rai.nl

 Member of: IFBSO THE WORLD'S LEADII Organised by:



IMPACT



ahead of BRP's annual North American dealer meeting. When I arrived, Roch was deeply involved in a high-level team meeting to finalize pricing for the dealer conference.

Pricing is a critical marketing element and Roch Lambert and his management team were expecting to work well into the night to get it right for the dealers. When my appointment time came up though, he politely excused himself from the meeting, put on a smile and greeted me with a warm handshake.

I was ready with a list of questions, starting with the basics. Roch Lambert was born in Thetford Mines, Québec, married to Guylaine and has a 20-yearold son Alexandre in university and a 17-year-old daughter Claudia who's in her high school graduation year.

He studied mechanical and aerospace engineering at the Polytechnique in Montréal and later obtained a business degree from Laval University. The mix of business and engineering is well suited to launching new projects or rescuing business units that have come under pressure. The engineer's methodical approach to business and the marketers creativity applied to manufacturing challenges seem to have been just right for Roch's talents.

Although he had held other positions before joining BRP, he has become the consummate corporate "Go-To-Guy". The excitement started when Roch joined BRP as the plant engineering manager in 1994, in Sherbrooke, Québec. BRP had bought a Lowney's candy manufacturing plant in 1992 and Roch had come on board for six months to remodel the facility.

At that time, BRP had a number of expansion programs. Their office in Melbourne, Florida was the main sales office and 1994 was a boom year for Sea-Doo. In fact, sales boomed from '94 to '97 when they suddenly hit a wall, but within 7 to 8 months of starting at the plant in Sherbrooke, Roch found his scope of responsibility broadening quickly.

He went into parts manufacturing in Valcourt for Ski-Doo as well as Sea-Doo early in 1995 through to October. At that point BRP was developing "SAP" – the enterprise management IT system that replaced their old system. Roch was responsible for helping to integrate this, leading a team from 1995 to 1997.

Before that he had other roles and in April of 1997 he was named a vice president of BRP – just in time to hit the wall!

He was still fairly new to BRP and wondered if he would survive that downturn, but in August of 1997, José Boisjoli asked him to move to Benton, Illinois to the Sea-Doo Sport Boat factory and made him the VP of Operations. By 1998, he had been made the Vice President and General Manager of the entire business unit.

Things got a lot more exciting in 2000. In early December of that year, Pierre Beaudoin told Roch that Outboard Marine Corp., OMC was for sale. BRP had tried to buy OMC in '94 and again in '97 without success. This time, they sent Roch with their chief financial officer and a BRP management team to investigate the opportunity.

The conclusion that Roch and the team came to was that OMC had been severely mismanaged and his recommendation was to stay away from it. The sellers wanted \$250 million and Roch questioned the value. However, he led the team with a BRP VP of Strategic Development in developing a purchase plan as quickly as possible and in January of 2001 he moved to Chicago to start working on the project. With what was becoming trademark speed, by March 9 they had concluded the transaction to buy OMC.

That was good but on March 10 Roch woke up with no plan for how to drive the new business unit forward. He still had Sport Boat responsibilities and now this new outboard division.

Obviously though, his flair for leadership was very evident.

On March 9, 2001, they acquired OMC but their global facilities were in disarray. Things were moving all

around. Roch's investigations located a facility in Sturtevant, Wisconsin and they bought it in late May. It had been a printing company. GE Capital Finance owned all the equipment. On June 21 they started moving machinery and remodeled the plant to get manufacturing moving. On August 17, the first engines came off the line. They immediately began testing and by October 16, BRP shipped their first Evinrude engines out to dealers.

In December 2003, Roch became Executive VP Product Development with responsibilities for sales, marketing and strategic planning for all BRP lines; in fact, everything but manufacturing which at that time included ATVs.

He did that for a year but Evinrude still needed his attention. At the end of 2004, Roch went back to manage the Evinrude division in Sturtevant.

He and his family are still living there. Today, Roch is Vice President and General Manager of North American Sales and Marketing for Ski-Doo and Evinrude.

If that doesn't qualify Roch as the BRP Go-To-Guy I can't imagine what would. But, he is not just a corporate boardroom or factory floor type of person. The dealers know him and rely on him.

Roch appreciates the critical role that the dealers play in BRP's success. We asked him how BRP is helping its smaller dealers, particularly because Sea-Doo is such an entry point to boating and the industry needs more new boaters!

His answer was that although the last two years have been very tough, they've been very aggressive with promotions, especially to help the network retail the units that are currently in the pipeline.

Having a great product is always critical. They continued the new product innovations such as the intelligent throttle control (iTC), intelligent braking, (iBR) and intelligent suspension, (iS) systems on Sea-Doo and this year, they will introduce their new iCatch Trailer to continue the process of making PWC riding accessible and easy.

This year, many dealers have had floorplanning challenges. Roch answered that BRP has always done floorplan financing for their dealers for 6 to 9 months after which the dealer goes to their local bank or to GE. For customer retail they are now using Sheffield in the United States as their banking partners and TD Financial in Canada to ensure that BRP dealers are able to stock the inventory they need and to finance their buyers.

2009 may be a down year and Roch uses the expression, "there is some pressure" but I saw no empty staff parking spaces in Valcourt and the factory was humming as workers shifted to Ski-Doo production for the fall.

BRP is clearly a well-run, world-class enterprise and you can expect that with leadership from executives like Roch Lambert, the future will be bright.

Roch ended our session by saying that boating is an aspirational activity that is not going to go away. He says it's in our genes – people want to be out on the water and BRP will continue to make that time exciting and accessible.

ANNOUNCING

2009 **Canadian** Marine trade show

www.marinedealershow.ca

SUNDAY, NOVEMBER 1ST

9:00 AM - 6:00 PM 6:00 PM - 7:30 PM DINNER HOLIDAY INN SELECT Dinner sponsored by

Boating Business

at the

Holiday Inn

MONDAY, NOVEMBER 2nd 9:00 AM - 5:00 PM

1.800.524.8436

Group Rate: \$112.00 /night, plus taxes Includes Free Parking for In-House Guests, Free Shuttle Bus (Scheduled) to the International Centre

Come meet hundreds of manufacturers representing thousands of marine accessories,engine parts, electronics and water sport products

SPONSORED BY



C.C.MARI

TEL: 905-830-0000 FAX: 800-617-6121 Esterline CMC Electronics 905-607-4262

[ADVERTISING & MARKETING]

Ad Nauseam THE FUNDAMENTAL QUESTION

By John Morris



IT'S 3:30 A.M. You cannot sleep. You went to bed after a long day, a nice meal and a walk by the water. But now a WWI biplane is circling overhead and behind it trails a huge banner that reads, "Is my advertising reaching anyone?"

Twenty-two hundred dollars. Fifteen hundred dollars. Six hundred dollars. These are the signs carried by the sheep you're trying to count as they jump over the fence, and then disappear into the distance. But counting them is making you more sleepless.

The Serta solution to this problem is multifold. That is, we need to set some goals for advertising that will help us determine the critical question – is this an expense or an investment?

THE SPECIAL OFFER

The question appears so obvious, but how can you tell what impact your ads are having. A coupon or redemption offer is one obvious measurement means. But only in the sense of immediate measure. You offer \$25 off a VHF, 10 people take you up on that offer, but what is the number of people who notice the ad yet already own a perfectly fine VHF. What is the number who could use a new VHF but would rather spend their money on a mapping GPS this year? Perhaps most importantly, what is the number of GPS buyers who tuck away the thought that yours is a good place to purchase electronics?

The other impact comes from the

value of your coupon – if the \$25 off still makes your VHF more expensive than the shop across the road, are you measuring the impact of the coupon? No, you are testing your pricing threshold.

We could do some complicated tree and branch analysis of the decision and impact but the bottom line is that these are subtle concepts that require some complex analysis.

TRACKING

For many of us, the summer is a time of madness. The phone is ringing, customers are in the showroom, and accessories are in hot demand. Is this the time to methodically ask customer 'where did you hear about us?'





... 10 Years and Still Growing

10 Year Milestones

- Newly Designed Web Site
- High Search Engine Rating
- Listings Auto-loaded to Search Engines
- Channel Blade Technology
- Lead Generation Technology
- 65,000 Page Viewers per Day... and Growing
- Electronic and Print Platform Ad Options



Why enter all of your own data on advertising sites? Let the Boatcan staff do it for you at no extra cost!

> Boatcan offers Custom Solutions, not Cookie Cutter Bundles.

Allied with Canada's leading marine publications

Boating

Yachting

Trailer Boating

[ADVERTISING & MARKETING]

It's great if you can ask because customer response clearly is an indication of what ads are working. And while I am prone to hyperbole, it wouldn't be an exaggeration to say vast forests of trees have given their lives to publish the endless books and university psychological papers that have been written about the relationship between advertising and consumer action. The bottom line: gathering data and responses is a good idea if you can find the opportunity to ask.

But don't necessarily believe it all. Think of your own response – do you go to Sobeys for 99 cent strawberries in their weekly flyer or because the store is closer to your home than Zehrs. Irrespective of what they say when asked, consumers may not actually know where they first heard of you. Or your business.

CONSIDERING THE LONGER RUN

As noted above, studies are studies, but here's a recent one of interest. The Recreational Marine Research Center (RMRC) at Michigan State University conducted the "Owner's Lifetime Boat Purchasing Value Survey" in March 2008. The primary purpose was to gather information about number, types and sizes of power and sailboats that respondents owned in their adult life in order to estimate an aggregate lifetime purchasing value of all those boats. Data was gathered from owners at a number of boat shows including the Toronto International Boat Show.

The study shows a number of trends, but what I found significant was this:

Over 75% of the respondents currently own power and/or sailboats and they used to own other power and sailboats as an adult. They sold or otherwise disposed of their previously owned boats. On average, they have owned 4.8 power and/or sailboats with a combined value of \$162,280 and an average boat value of \$32,799. They have been power and/or sailboat owners for an average of 28.6 years.

The other numbers in the study



showed similar results – boaters are boaters for

life and spend a considerable amount of money over their ownership. Where this leads is to advertising for the long run. Win over the customer for his or her boat owning years and you have quite a good customer. Think about the lifetime value of gaining that customer.

OPTIMIZING LONGER-TERM INVESTMENT VS. SALES RIGHT NOW

It's difficult to be patient, although if you have been in the marine business for even a decade, you know the market is up and down like a bride's nightgown. Still, "more customers today" is always the marching order, even if you are able to temper your vision (or your boss' vision) with a longer perspective.

Here are some simple guidelines for assessing whether your advertising is working.

- 1. Spend your money wisely. To paraphrase Warren Buffet: if it doesn't make sense, then it probably doesn't warrant your spend.
- 2. Ask for verification. Publications that audit can provide pretty useful numbers, but at least get mailing proof or printing numbers from publications that are not audited. Do the math: CPM (cost per thousand) or cost per impression allows you to compare publications – rate divided by reach!
- **3.** Make sure your creative is noteworthy. It stands to reason that if you're buying ad space, it's sensible to maximize the impact.
- 4. #3 applies to the web and radio too!
- 5. Be realistic about your proposition. Café racers or overpriced equipment cannot sell huge volumes no matter how sexy the ad. Consumers shop around, know their needs and sit on their wallets until they are motivated.
- **6.** Do as much analysis of customer feedback as possible, recognizing it may not be absolutely reliable.
- 7. Be patient.

•

A Conversation with Herman Bolger, Offshore Marine

BY GLEN CAIRNS

AFTER MORE THAN 25 years in the fibreglass boat repair business, Herman Bolger **(HB)** has some definite ideas of what can be done to raise industry standards. He has recently developed a seminar on "best practices" for boat shop owners and employees that allows him to share this experience.

Boating Industry Canada **BIC:**: How did you get started in this business?

HB: Straight out of high school I started a three-year semester apprenticeship as a Collision Repair Technician, through Fanshaw College in London, Ontario. Then, as now, there was no program for boat specific repair technicians. Not long after graduation, I had my own body shop and it wasn't long before someone came to the door and said, "Can you paint boats?" The technology of marine paints was not as sophisticated then as it is now, so we said, "Sure". These small jobs lead to others and eventually to more complicated repair work. We began to develop an expertise with jobs that other shops shied away from. Today we do very little purely cosmetic work.

BIC: How has the type of work you do changed over the years? **HB:** As our skills have expanded, so has the scope of work. The vast majority of our jobs now are structural repair such as rotten engine beds, stringers or bulkheads and transoms and, of course, collision damage.

BIC: So you really don't do much paintwork?

HB: We do have paintwork as part of the repair process and to get the best results we prefer to use coloured base coats and cover them with a clear coat, which we sand and polish for a good finish.

BIC: When did you decide to share your ideas for repair shop "best practices"?

HB: At last year's Toronto International Boat Show we had a booth next to the Nova Scotia Boatbuilder's Association. In talking with the executive director, Tim Edwards, we discussed some of the "best practices" which I have developed over the years. Tim thought it would be a good idea for me to share some of this with builders in Nova Scotia so I was invited down east to give a couple of presentations. This was the push that got me to create a clear and concise presentation of ideas for "best practices" in boat repair.

For me it all comes down to quality and on this I will not compromise. More than once we have lost jobs to lower bidders when we know the job will not be done the way it should be.

BIC: How do you deal with the "unknowns"? Boats almost always reveal new or unexpected problems in a major repair.



Bottom paint removed.



Pealing off old gelcoat.

[THE BOAT SHOP PART I]

HB: I take a great deal of trouble with the original quote and this is usually pretty accurate. Inevitably, however, unexpected problems can come up. I always take detailed photos of every job and in the case of an unbudgeted problem, I immediately send photos to the owner along with my recommendations for how to proceed. We never just go ahead and do what needs to be done without the owner's consent, something that almost always leads to problems.

BIC: Do you ever refuse to repair a boat? I'm thinking of a case where your idea of a proper repair and the owner's idea are too far apart.

HB: Sure. Some owners do not want to face up to what is needed to make a proper repair. I try to work with what the owner can afford but we do not compromise when safety is involved. When you have your car repaired at the dealership, the mechanic has to be certified in his trade, yet when it comes to boats there are absolutely no requirements. When you think that people venture offshore with their families in a poorly or improperly repaired boat, you realize that this is putting lives at risk.

BIC: Do you follow ABYC or another code such a TP1332?

HB: These codes are not usually relevant to the type of work we do. However, we are familiar with them and have developed our own best practice methods for the type of work that is most common. I have always believed in keeping up with the latest developments in fibreglass technology. At this time, we are working on becoming certified through the American Composites Association. It is important to educate the consumer to look for qualified and reputable companies for their boat repair work. If the shop can't supply references, then it's "buyer beware".

BIC: In this recession, has the repair business been affected?

HB: Absolutely. We are in a pretty good boating area here at the mouth of the Detroit River on the western end of Lake Erie. But things have become quieter as a direct result of the slow down in automotive and related manufacturing and the slow down of the economy in general. We have diversified and now have a boat transport division, an RV repair division and a HotVac system for osmosis treatment.

BIC: The inventory of older glass boats is growing fast. Do you advise a client when repairs are not worth it?

HB: We do try to discourage boat owners from spending more on repairs than the boat will be worth, but some people love the boat they have and just want it fixed and that's what we're here for.

BIC: Do you think "remanufacturing" has the potential to expand? Here I'm thinking about the complete rebuilding of old but desirable boats.

HB: I know that some companies are doing this sort of thing. Old Bertrams and such, but I don't think this will ever be more



HotVac system at work.



Applying barrier coat.



Project complete - good to go.

than a tiny niche market.

BIC: How hard is it to find qualified personnel?

HB: It's just about impossible. Poorly trained workers can cost you a lot of money in a very short time. I am focusing on getting the right sort of young person and training them myself, in my way of doing things, before they have time to develop bad habits. This takes patience and I have to be careful whom I select, but at this time it's the only way to get the skill set I need. I know the Nova Scotia Boatbuilders Association is doing work in developing a recognized trade for boat repair and I hope this will eventually lead to something similar in my part of the world.

BIC: What is the main point you want people to take away from your seminars? **HB:** In the end I don't care who does the repair as long as the job is done properly. Insurance companies may inadvertently end up paying for shoddy work, because they base their criteria on the



lowest price, not the best value, or the most qualified repair. We never try to compete on price and this can put us at a disadvantage at least in the short run. But if you want be in this business for the long haul then quality control is the only way to go. To encourage professionalism in the boat repair industry,

A variety of boats at Offshore Marine.

some sort of licensing or certification process is needed. That way, boaters will know whether the shop they are dealing with is qualified to perform the work they require.

www.offshoregroup.net



Solvents in the Boat Shop

WE'RE ALL FAMILIAR with it – the distinctive smell of solvent in the boat shop. Just how strong the smell is depends on the work practices of the particular shop. Acetone has been in use for a long time and with proper care most of the risks are mitigated to an acceptable level, but it is worthwhile to be clear on what the risks are. While acetone is considered safe in normal use - as long as the proper precautions are taken - some people are much more susceptible to a negative reaction than others. Eye irritation and breathing problems are the most common complaints and are usually the result of improper use and storage. According to the collective wisdom at Wikipedia, here are some of the other risks associated with acetone.

"The most common hazard associated with acetone is its extreme flammability. At temperatures greater than acetone's flash point of -20 °C (-4 °F), air mixtures of between 2.5% and 12.8% acetone, by volume, may explode or cause a flash fire.Vapours can flow along surfaces to distant ignition sources and flash back. Static discharge may also ignite acetone vapours."

"When oxidized, acetone forms acetone peroxide as a byproduct, it becomes a highly unstable compound. It may be formed accidentally, e.g. when waste hydrogen peroxide is poured into waste solvent containing acetone. Acetone peroxide is more than ten times as friction and shock sensitive as nitroglycerine."

In short, if you are sloppy, you can start a fire or blow yourself up.

Aside from safe handling, the health and safety risks associated with solvents such as acetone can be addressed in two ways; one is preventing contact and the other is using a non-toxic substitute. West System has for many years been develop-



ing a range of products for the boat shop and MAS Epoxy is distributing Bio Solv as a green solvent alternative.

It is much easier and safer to keep epoxy and solvents off of skin than it is to clean them off. West System® skin creams, gloves, coveralls and sleeves are designed to help boatbuilders and do-ityourselfers stay spotless and protected. To soothe minor skin irritations and help prevent dermatitis, West System offers 830 Medicated Skin Cream. The 831 Protective Skin Cream forms a barrier between skin and irritants. It should be used with protective gloves. Both creams come in .5 fl. oz. tubes. Lightweight, seamless neoprene gloves are more chemically resistant than latex gloves. West System 832 Disposable Gloves provide excellent protection while retaining good finger sensitivity and dexterity. They're also more puncture resistant than conventional disposable gloves. Used by West System technicians for years, the 836 Coverall is made from Tyvek spun-bonded Olefin and available in sizes large and extralarge. The coverall is inexpensive enough to be disposable, yet durable enough to be reused again and again. Finally, West System 838 Sleeves are convenient for when only arms need to be covered. These Tyvek sleeves are 18" long with an elastic top and cuff. They're great to pair with a coverall and gloves for additional protection.

www.westsystem.com

BIO SOLVE, A GREEN SOLVENT ALTERNATIVE

There is no doubt that the common solvents used in boat shops, such as Acetone and Xylene, get the job done, but nowadays many people are looking for safer alternates. There are a growing number of so-called "Green Solvents" on the market. One of these products is Bio Solv distributed by MAS Epoxies. According to the manufacturers, while Bio Solv will perform the same tasks as Acetone, Xylene, MEK or general-purpose thinners, it is also non-toxic and nonflammable. Bio Solv can be reused by filtering or distillation and with a low evaporation rate it should reduce overall solvent use. Unlike some other green solvents, Bio Solv contains no water and is completely reactive. According to the makers, Bio Solv is recommended for spray gun cleaning, paint line flush and general paint clean up. It is also good for removing adhesive caulking and bedding compounds. Because Bio Solv is 100% bio-based it is biodegradable and carbon neutral and requires no special storage arrangements for dangerous goods.

www.masepoxies.com



INDUSTRY NEWS

Dealer Floor Plan Financing Issue Continues to be Reviewed with Government

By Sara Anghel, Vice President, Government Relations & Public Affairs, NMMA Canada

Following the update in the last issue, NMMA Canada along with a group of marine manufacturers participated on a call with Jeremy Rudin, Assistant Deputy Minister, Financial Sector Policy Branch, Finance Canada. Mr. Rudin, responded to our industry's ongoing efforts to communicate with the government on the critical issue of dealer floor plan financing. Mr. Rudin was very informed of the issues and participants on the call were pleased to receive the level of interest on the issue from Finance Canada. The issue does to date remain unresolved, but it is important to note that NMMA Canada has worked to raise the industry's profile on this matter and they have received extensive attention from senior government officials on the matter since April of this year. NMMA Canada will continue working with members to resolve the financial issue this fall. The problem remains that more competition is needed in wholesale floor plan financing. There are opportunities for a lender to leverage funds from the Credit Asset Secured Facility which rests with the Business Development Bank of Canada. If you have ideas about potential lending partners, contact Sara Anghel at 905-951-4048.

You Are The Canadian Safe Boating Council's Eyes and Ears

By Ian Gilson

Each January, stakeholders in recreational boating safety assemble to honour the people, programs, organizations and marinas that help to make boating in Canada safer and better for all of us, and to keep the environment clean.



Those new to this gala event call them the Canadian Safe Boating Awards. But the many who each year make this evening an essential outing on their post-Christmas calendars, simply refer to them as the CASBAS.

Of special significance to award recipients is that, with the exception of the Canadian Safe Boating Council's Special Recognition Award, their nomination came from people like you; those in the industry, boating safety organizations and the general public.

As we progress through the 2009 boating season, the Canadian Safe Boating Council (CSBC) asks that we keep our eyes peeled and ears tuned for persons or organizations that deserve nomination in one of the award categories listed below.

Canadian Power and Sail Squadron's "Rescue of the Year"

An award to recognize a heroic deed or rescue executed on the water in Canada.

"Marine Professional of the Year"

An award to recognize an outstanding act of boating safety by a marine organization professional.

"Top Volunteer Dedicated to Safe Boating"

An award to recognize an individual who consistently practices and pro-

motes safe boating in Canada.

"Best Boating Safety Initiative"

This award honours a successful safe boating initiative that was conducted in Canada in 2009

"Safeguarding the Environment"

Awarded to the company that has introduced to Canada a boating product or campaign that reduces marine pollution and makes the sport of boating more environmentally friendly.

"Marine Industry"

Awarded to a company or individual who has introduced to Canada a boating product or technology improving boating safety.

"Green Marina Environmental Award"

This award honours the marina demonstrating the best environmental practices.

Visible PFD Wear in Advertising

Awarded to an advertiser that consistently or innovatively promotes visible PFD wear.

Best Media Contribution to Boating Safety

Awarded to a media representative that promotes boating safety in some fashion.

"Special Recognition"

Awarded at the discretion of the CASBA Nominations Review Committee for special recognition.

If you become aware of a person, program or organization that in 2009 have distinguished themselves in any of these categories, please go to the CSBC website www.csbc.ca and submit your nomination for consideration. Nominations close on November 5th, 2009. Also, plan to attend the 2009 CASBA Awards in Toronto on January 11th, 2010. (Specific venue to be finalized.)

RESOURCE Directory



FORUM

Survive and Thrive

ONE OF THE BEST and most focused forums in the Canadian marine industry is the annual conference held by the Ontario Marine Operator's Association. It is now called the 2009 Boating Ontario Conference & Trade Show. While the conference is for members, any one in the marine industry can register to attend.

"Survive & Thrive" is the theme of the 2009 Boating Ontario Conference with a focus on how your company can not only survive during these tough economic times but even thrive by learning new ideas, best practices, and shared experiences.

The Ambassador Conference Centre & Hotel in Kingston will host the Conference from Sunday November 29th to Tuesday, December 1st; and Portsmouth Olympic Harbour will host the Trade Show on Tuesday, December 1st.

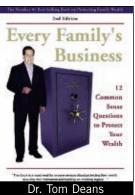
Perhaps the greatest value in attending is to participate in the many opportunities for talking to your peers and associates at meals, social gatherings and between sessions. However, it will be the famous "Shirt Sleeves Q&A sessions and the seminars where the interactive research system is used that will give you an immediate measure of how the industry plans to go on various topics.

Brainstorming sessions have been designed to help resolve issues for specific special interest groups within the industry. The breakout groups will be Dealers and Brokers, Marinas, Municipal Marinas and Trade Members.

Professional presenters at the conference will share innovative and informative ways to manage, market, use the Internet and protect your wealth. The conference will also provide a forum for owners, managers, and key employees to share accomplishments, discuss ideas, and develop plans for future growth.



Among the high-profile professional sessions, the conference will feature an address by Donald Cooper who has been both a world-class manufacturer (think Cooper Sporting Goods) and an award-winning retailer. Another special presenter is Dr. Tom Deans. He is the President of Détente Financial Corp., which specializes in teaching business wealth protection strategies to advisors and business owners. By combining humour and his experience as president of a family-owned, multinational corporation for almost a decade, Tom has shown thousands of business owners how to protect the retained earnings in their businesses.





the most successful companies. There is no way you will listen to this group and not leave with at least one new idea for your business.

www.conference.omoa.com

Tackling an expensive and critical business aspect, Heather Robertson will help you make informed web marketing decisions. In her presentation titled "Grow your Business Using Effective Web Marketing Tools" you will learn the relevance of Google Ad Words; web analytics; web tags; keywords; social media and more.

The Conference & Trade Show will draw marine professionals from all over the province and suppliers from all over Canada. We encourage everyone to participate in this important and exciting event. We are confident that this will be a beneficial opportunity for you and your company.

Come to this year's Boating Ontario Conference in Kingston and learn the secrets of some of



Built For A Lifetime Designed For The Moment

Yamaha engineers work year round to ensure that you are providing your customers with the safest, most technologically advanced products. Award winning technology and unfailing commitment to every last detail means we understand what it takes to be the best on the water.

Whether it's outboards, sport boats or personal watercrafts, trust that your Yamaha partnership will widen the gap between you and the competition. Experience the difference that only Yamaha can deliver.

For more information about selling reliable Yamaha marine products, email: marinesales@yamaha-motor.ca

yamaha-motor.ca What Kind of Yamaha Are You?

