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BY ANDY ADAMS

# Recovering Slowly and Solidifying?

**THE OVERALL** business environment is what most people focus on and they can almost feel it as much as demonstrate or quantify what is happening.

Call it a herd mentality or a collective consciousness – masses of people are never wrong. If they feel there's a recovery, we'll have a recovery. If they think it's going slowly, it'll proceed slowly. At a trade publication like *Boating Industry Canada*, we feel what the herd is feeling. Advertisers continue but they are cautious.

We are just back from the IBEX 2010 show as this issue goes to press and the feeling was positive for almost all the exhibitors we interviewed. For a top-line on IBEX 2010, see page 29 in this issue. We will report in greater detail in December.

I've just returned from a junket to a hotbed of American boatbuilding in Wisconsin. Cruisers Yachts has recalled many employees now and boats are in production. A spectacular new 48-footer called the 48 Cantius is about to have its global debut in the November issue of *Canadian Yachting*; the company is already hard at work on other new models.

Down the road, I visited the Marquis Yachts facility where almost 400 workers are now back on the payroll and yachts are being built here too. They had five new 50 Marquis' at various stages of completion, and a new 72 leaving on delivery. VP Marketing Erik Nelson pointed at the line of 50s (average price about \$1.3 million) remarking that the 500 Sport Bridge is Marquis' most popular model.

Popular? A 50-foot, Italian-styled luxury yacht? What happened to the market for entry-level family 28-foot express cruisers or even the 36-foot flying bridge cruisers? That's where the big volumes used to be. Can the industry recover by sell-

ing 48 and 50 foot yachts? Maybe...maybe very well.

Also nearby is Mercury Marine and the employee parking lot is nice and full, transport trucks are at the loading docks and things look generally prosperous around Fond du Lac as a community but I stop short of saying it's hummin'.

The middle class boat buyer looking for a new fishing boat or family runabout does not yet seem a big contributor to the recovery. (I wonder if media stories about major global swings and threats have them on the sidelines.)

As an example, the Globe and Mail published this RBC report on the economy on Friday, September 10, 2010.

Royal Bank of Canada has downgraded its forecast for the Canadian economy this year and next, blaming concerns about the United States and 'nervousness' about the global economy as key factors.

So, the reader gets the news that economic forecasts have been downgraded but in fact, RBC said that Canadian gross domestic product will grow 3.3 per cent this year and 3.2 per cent next year. Technically, that's down from the 3.6 per cent and 3.5 per cent growth rates it had expected just three months ago but it is still strong growth.

Further on, the Globe & Mail writer quotes RBC chief economist Craig Wright who says the recovery remains firmly on track citing that GDP has returned to pre-recession levels and 94 per cent of lost jobs have been replaced. The bank also cut its forecast for the U.S. economy to 2.7 per cent this year and 3 per cent in 2011. That's down from estimates of 3.1 per cent and 3.4 per cent respectively. So, it was a downgrade but the RBC prediction still calls for solid growth. That will help our industry but only if people see the glass as half full. ●



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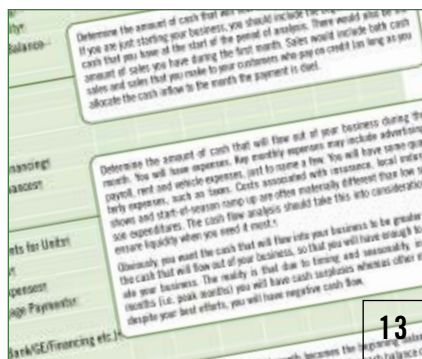
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**On the Cover:** Rob Barkley of Esterline CMC Electronics/NavComm poses on the deck of a patrol craft they have equipped with a Raymarine suite. Few in marine electronics have charted a better personal and professional path through the ever-changing industry than Barkley as he works to continue the great legacy of innovation that characterizes CMC Electronics, originally Canadian Marconi Company. See page 19.

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# Outstanding Performance

## Makes MetalCraft Marine Internationally Successful

BY ANDY ADAMS



The speed and maneuverability the MetalCraft Firestorm 70 delivers is industry-leading. Notice the MetalCraft crew member relaxing on the front deck during sea trials! With the Hamilton jet drive system, you can spin this 70-footer like a Sea-Doo Sport Boat!

**M**etalCraft Marine Inc. has become yet another remarkable Canadian marine success story whose main business is welded aluminum construction. They only make custom-built boats for law enforcement, firefighting, C.B.R.N. Emergency, work boats, rigid inflatable and barge uses. Canada has an innovative and international industry-leading group of welded aluminum builders manufacturing exceptional boats. MetalCraft Marine is among them.

The MetalCraft Marine in-house design team is particularly adept with high speed craft and as my guide, Project Manager/Engineer Ted Splinter, said, "No one else has a boat that goes this fast and still has this pumping capacity".

I also met Tom Wroe, the president. Tom is obviously a hands-on guy and the leader of a very dedicated team. These can be life-or-death boats. It is a

no-compromise team of men. Of course, they have to work to the customers' specifications and this fabulous new Firestorm 70 fireboat for Jacksonville, Florida truly represents the design and construction skills at MetalCraft Marine.

Now on board, Ted led me straight to the bridge deck of the new and fully completed Firestorm 70 that was about to leave for Jacksonville. MetalCraft Marine occupies a true working waterfront location in beautiful downtown Kingston, Ontario on Lake Ontario. Their US offices are just across the lake in Clayton, New York.

On the bridge deck, the helm is the control center for the entire boat and is equipped with Bostram seats for long hours of action. The Firestorm 70 is designed around having a three-man team at the controls. There is a captain, a navigator and a pump control opera-

tor. For actual firefighting operations, the port side is dedicated to this!

We were struck by the similarity to the latest video games! The controls are all laid out with lots of space. A Furuno NavNet 3D multifunction screen enables the firefighter to monitor depth, radar, GPS, other onboard cameras and more. The whole boat operates on an NMEA 2000 system and much of the navigation equipment is from Furuno but there's lots more specialized equipment too. There is a Furuno universal AIS system with a separate screen that allows them to recognize any Class B AIS-equipped boat on the radar. It's a real safety feature when heavy smoke is

blanketing the fire scene.

The next thing to catch our eye is the joystick that controls the huge Stang Industries Counterfire roof canon. This has a 6,000 gallon per minute capacity! Two other joysticks control the bow monitors (another name for water canons) and they put out 2,000 gallons per minute each. They are made by Elkhart Industries.

Then, there are two engine governors. There are four engines in the boat, all Caterpillar C-18 diesels. When they go into firefighting operations, they take the two inboard engines off-line and use

air system so that smoke or toxic fumes that may be in the fire area do not injure or overcome them. This runs off an eight-bottle cascade breathing air system located in the equipment room cabin aft of the bridge deck. This has the field station to refill the one-hour breathing air bottles that the firefighters wear on their backs when they are moving around the vessel.

MetalCraft Marine makes their own panel which has a fire pump shift to engage the pump, port and starboard; it indicates that the helmsman has taken those engines out of gear to go through

panel modules; the Firestorm 70 is equipped with Hamilton HJ 403 water jets. The Hamilton MECX control system manages the throttle and bucket control. This includes a joystick system similar to the ones that we're now finding on pod drive pleasure craft; the helmsman can position the boat and actually move it sideways or spin it to position it to best fight the fire. Not only is it good for maneuvering and docking, but you can also use the system to maintain your station for firefighting, holding the boat in the optimum position.

The system also has double redun-



This 123,000 lb. boat can hit 41 knots and pump 14,000 gpm. It is a combination of speed and firefighting capacity that is unmatched.

them to run the pumps for the firefighting equipment. The operator can then control the engine RPMs and pump pressures on those inboard engines. At the same time, the helmsman maintains control of the boat using the two outboard engines.

There are four different flow meters which track the four pumps. There is a DC electrical panel on the dash; the AC panel is behind on the bulkhead.

At each of the three helm positions, there is a fitting that enables each crew member to plug into a clean breathing

the sequence of shifting the engines to engage the pumps.

For the helmsman, there are a matched pair of even larger Furuno NavNet 3D multifunction 15-inch screens. In the centre, there are four ignition setups, one for each of the four Caterpillar C18s which are rated at 1015 hp each. These are in-line, six-cylinder engines with 18 L displacement!

Next comes the Hamilton control

dancy; if for some reason one system stopped working, the captain can actually go back and control the boat in a manual mode.

Adding to maneuverability, there is also a Sidepower bow thruster system. To maintain visibility from the helm, they have Decca Linear wipers on the three windshield sections. These run directly across on a track, clearing a much larger area of glass. Ted Splinter says, "They are pretty much top of the line. An ordinary pantographic type wiper cannot cover as large an area."

## [MANUFACTURING & FABRICATION]



This is the helm on the bridge deck seen from the firefighter's seat on the port side. If you love electronics and equipment, this should be your playground!

The galley is spacious and well-equipped to sustain the crew during an extended session on the water. The dinette (opposite) is large enough for six big guys to eat a meal. Forward in the bow is a cabin with four single berths.

Also, the raised bridge deck has 360° glass so you can see in all directions with almost no obstructions and there are roof panels as well so you can see up for firefighting and safety.

The navigator sits on the starboard side of the boat where he has access to the largest Furuno screen of all, a 17-inch. He also has control of the radios and communication with VHF, single side band and a touch screen controlled Oceanview Night Vision camera system (which on its own is a \$160,000 piece of equipment). Not only can they see in the dark, they can see right through fog. There are three cameras feeding one piece of equipment: a normal colour camera; a thermal camera (that can detect differences as little as 0.1 of a degree); and a lowlight camera.

Of course, there's air conditioning as well, including four roof-mounted units. This boat is going to Jacksonville, Florida where it can be extremely hot especially near a fire combined with wearing firefighting equipment. Alternatively, a seawater cooled version can be specified.

The overall specifications are impres-



sive with a combined total of 4,060 hp driving a vessel that full up displaces 123,000 lb. Top speed is 41 knots! The boat also has a 14,000 gallon per minute pumping capacity at 150 PSI and the total flow of the pumping system at 120 PSI is 18,000 gallons per minute. None of their competitors can match this level of performance. The Stang Industries Counterfire roof top canon can spray water 450 feet. The boat took a total of 32,000 man hours to construct (16 man years of work). This is a major accomplishment, even considering the near 100-man team at MetalCraft.

Incidentally, Jacksonville has a very large petroleum facility on its waterfront, as well as a lot of commercial shipping, many pleasure craft and of course, a lot of valuable waterfront property that needs to be protected. Jacksonville purchased a 50-foot boat from MetalCraft



The engine room is simply sensational with an impressive amount of room to maintain the C-18 Caterpillar engines, drives and pumps. Notice the enormous sea chests (boxes in foreground) that feed the water supply lines. MetalCraft has a specially designed grate to minimize turbulence or drag that could slow the boat down.

just four years ago. Obviously, they like the MetalCraft boat's performance!

After everything else, it is performance that sets the MetalCraft Firestorm apart from its competitors but we asked Ted Splinter how the company managed to be so competitive in the US market.

"First, we have devoted a lot of effort to understanding the customer's needs. The grant process has also helped many cities to acquire new equipment." Ted explained. "We have really had to sharpen our pencils but hedging and doing most transactions in US dollars has also helped."

For the other builders in Canada, it is a tough business environment to succeed in but MetalCraft continues to prove that success is possible. Markets further away may also offer opportunities. Europe and the UK have a vast number of ports where a MetalCraft fire boat would be beneficial. ●



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# Don't Underfund Your Insurance Values

With rising business costs, marina owners – like many business owners – are looking at ways to cut expenses. The temptation to cut back on insurance premiums by reducing values may seem like a good idea at the time, but it can have a devastating effect on the continuation of your business. Maintaining the appropriate limit of coverage is not only a good idea, it is a requirement of the policy.

Most policies contain a "Co-insurance" clause which is not well understood by many policy holders.

Let's look at the following example: A marina owner dealing with a wide range of boats from cottage runabouts up to large cruisers has stock valued at his main location of \$1,000,000. His building and equipment are valued at an additional \$1,000,000 for total value of \$2,000,000.

The marina owner has a policy that includes a 90% co-

## EXAMPLE

Amount of Insurance Carried	Amount of Loss	Claim Payment	Co-Insurance Penalty
\$1,400,000	\$700,000	\$546,000	\$154,000
\$1,800,000	\$700,000	\$700,000	0

insurance provision which means that he must maintain coverage up to 90% percentage of the value of the property he is insuring. The clause – stated on your policy form – is generally set at 80%, 90% or 100%.

While there is a cost saving to insure less than 100% of your values, it is not recommended. A shortfall in meeting the policy co-insurance requirement could single-handedly bankrupt a small marina owner.

If the amount of insurance carried meets the minimum co-insurance percentage requirement, the loss is paid in full, up to the policy limits. If however, the amount of insurance carried is below the agreed percentage, the marina owner will share in the loss.

**EXAMPLE:** Based on the above values, the insured should be carrying \$2,000,000 of coverage. If his policy contains a 90% Co-Insurance clause, he can insure to \$1,800,000. If the marina only carried \$1,400,000 coverage and a fire in the building resulted in a loss valued at \$700,000, the Insurance Company would pay based on the following formula. In this example, the policy holder would suffer a \$154,000 Co-Insurance penalty! If you were the marina owner in this example, would you have the financial stability to withstand a \$154,000 loss?

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The above example clearly shows the risk associated with underinsuring values and misunderstanding the co-insurance clause in your insurance contract. Marina owners need to consult with their insurance brokers to make sure their values meet with the policy requirements.

We would like to thank James Heintzman of the Dalton Timmis Insurance Group for his contribution to this article. For more information about the Dalton Timmis Insurance Group.

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# Future Watch:

## Is Your Marketing Looking to the Marketplace Ahead?

By JOHN MORRIS

**TIME TO BREAK OUT** the marketing binoculars and peer into the future. This is no minor peek – the whole Canadian marine industry is in the midst of an enormous sea change and while we've been talking about this for years, the future is very much unfolding on our doorsteps. Where are our future customers going to come from and how are we going to reach them?

The nature and makeup of the people who are boating and more important, of those who could be boating has changed as many of us continue to do what we do so well – not much. In the meantime the customer base is changing in age, working commitment, cultural/ethnic character and sex.

I say most of us are doing little, but there are exceptions, a few of which we will visit in the next issue.

**DATELINE** – Port Credit, Ontario: On a hot summer evening, your fearless reporter heads for a cocktail at Snug Harbour, a fairly charming waterfront eatery right where the Port Credit Yacht Club used to sit before the silting Credit River forced them to move.

**OBSERVATION** – Port Credit is no longer the sleepy hamlet it was 25 years ago. On the very handsome pier, overlooking the Port Credit Marina, were hundreds of people enjoying the view of the water and (note this, please) looking longingly at the boats. But the people looking and the people on the boats were more than the width of the channel apart. The people on the boats are mostly aging, white, straight and established. Yes, they are

like your customers. The people on the pier doing the looking were from all over (their overheard discussions infrequently included English), had children and as evidenced by the laughing and fun, are enjoying life.

**DATELINE** – Pacific Mall: Lots of well dressed people, many quite affluent as evidenced by ringing cash registers and mostly Asian. Similar observation at Taste of India buffet in Brampton. Money is being spent, fun being had, mostly South Asian.

OK, you get the picture. The nature of Canadian society is changing, but what isn't yet crystallizing very much in our marketing plans is that many affluent Canadians who could well be our customers are shut out of the process.

A lot has been made of the importance of women in boating – it's a start. In his "The Future of Recreational Boating" presentation to NASBLA, (National Association of State Boating Law Administrators in the US) thinker Geoffrey Godbey makes some very good observations, although they reflect the US reality, which is somewhat different from ours. Godbey notes that the demographics of his nation are changing: fewer married couples with children, more blended families, more gay and lesbian families, more interracial families. Here in Canada, cultural and ethnic diversity is likely even more of a consideration to the boating industry because of economics. In the mall, in the restaurant, in the medical school graduation photo, the crowd has a very diverse face.

On our docks and in our showrooms, it does not. It's that simple.

Not only are we missing that opportunity, we are doing little to promote it. Can those new families in Brampton head to Granny's cottage? Probably not. Back in wherever he lived 50 years ago, Grandpa didn't have the foresight to buy 300 feet of Lake Rosseau and there's none for sale any more. BUT, they could buy a boat and keep it at a lovely marina, or on a trailer.

However, they don't know that. They didn't grow up on Highway 400, they didn't visit their cousin's fishing boat in Bobcaygeon and they just know boats as those beautiful, unreachable dreams in the Loto 649 TV ads.

While the time constraints of work and life, aging and other interests are eroding the bank of legacy boaters, the growing population in Surrey, Markham, Newmarket, Brampton, Richmond and downtown Montreal offers a huge potential of professionals, entrepreneurs and well-paid workers – groups that can best afford to take up boating. The population of Mississauga included 137,000 people (let's call it 30,000 families) of South Asian heritage and that was according to the 2006 census. I bet that most don't yet own cottages, RVs, or even golf clubs. But they will, as will their contemporaries all across the country. They could own boats too, if we showed them how. Imagine if just 1% of Mississauga's South Asian families bought a boat, that would be 300 new sales plus lifejackets, VHF's and fuel from a community yet untapped! ●

# Do You Have a Monthly Cash Flow Analysis? You Should!

**REGARDLESS OF** your business' outlook for 2011, doing a monthly cash flow analysis delivers a vital source of information for planning and overall business management. It also prepares you for any discussions you may have with suppliers or financial partners.

Cash flow refers to the movement of cash into and out of a business. Positive cash flow along with profits are two critical measures of your business' financial health. Maintaining a financial plan is important in order to keep your business out of financial trouble in any economic environment.

This exercise allows you to measure the implications of financial policies such as what Curtailment policies may have on your business' cash flow. A cash flow analysis will help you manage these proactively and address any other changing liquidity requirements. If you are a GE Capital, Commercial Distribution Finance (CDF) customer, your CDF Account Manager may ask to complete a cash flow analysis for your business with you in order to assess your ongoing credit needs.

Over the past year, the CDF account management team has been working collaboratively and proactively with all their customers to assist in forecasting cash flow requirements to help customers better manage future liquidity requirements. In doing so, they have observed a broad spectrum of cash flow management practices. The purpose of this article is to share some of these best practices with you.

A couple of points are important to remember: First, cash is money in the bank or in the business. Cash is not inventory, nor is it accounts receivable or real estate. These assets can be converted into cash, but you cannot immediately use them to pay suppliers, rent,

employees or other like expenses.

Also, your business can grow its profit, but that does not necessarily mean it will have more cash on hand. In simple terms, profit is an accounting measure of the amount of money you have made over a given period of time, while cash is what you have on hand at any given time to keep your business running. Over time, a business' profits and positive net cash flow are important measures of financial health.

## WHAT IS CASH FLOW?

Cash flow refers to the inflows and outflows of cash from your business. A cash flow analysis is a vitally important tool to help you manage the long-term financial health of your business.

The outflows of cash include the cheques you write each month to pay salaries, suppliers and creditors.

The inflows include the cash you receive from customers, lenders and investors. A cash flow analysis is the

	January	February	March	April	May	June	July
<b>Opening Cash Balance/ Total Available Liquidity</b>							
Opening Credit Line Balance (Amount Used)							
<b>Cash In</b>							
Sales							
Service							
Other Sales							
Proceeds from Financing							
Shareholder Advances							
<b>Total Cash In</b>							
<b>Cash Out</b>							
CDF Settlements for Units							
Curtailments							
Employee Expenses							
Rent/Mortgage Payments							
Utilities							
Interest (Bank/GE/Financing etc.)							
Taxes							
Insurance							
General, Selling & Administrative Expenses							
Other Financing Payments (CDF PAS/Curtailments)							
Shareholder Loan Repayments							
<b>Total Cash Out</b>							
<b>Cash Flow Increase/(Decrease)</b>							
<b>Total Available Liquidity</b>							
<b>Operating Line Limit</b>							

Determine the amount of cash that will flow into your business during the month. If you are just starting your business, you should include the beginning balance in cash that you have at the start of the period of analysis. There would also be the amount of sales you have during the first month. Sales would include both cash sales and sales that you make to your customers who pay on credit (as long as you allocate the cash inflow to the month the payment is due).

Determine the amount of cash that will flow out of your business during the month. You will have expenses. Key monthly expenses may include advertising, payroll, rent and vehicle expenses, just to name a few. You will have some quarterly expenses, such as taxes. Costs associated with insurance, local industry shows and start-of-season ramp up are often materially different than low season expenditures. The cash flow analysis should take this into consideration to ensure liquidity when you need it most.

Obviously, you want the cash that will flow into your business to be greater than the cash that will flow out of your business, so that you will have enough to operate your business. The reality is that due to timing and seasonality, in some months (i.e. peak months) you will have cash surpluses whereas other months, despite your best efforts, you will have negative cash flow.

Your ending balance for the first month becomes the beginning balance for the second month. You need to decide on the month ending cash balance cushion you find acceptable for your business and aim toward that figure each month.

If your cash flow turns negative for any one month, you need to make adjustments to your credit facilities to have enough cushion or liquidity for that month.

Get into the habit of going through the exercise monthly. Follow it as precisely as possible, and take actions as both positive and negative events occur to ensure a good liquidity position for your business. Comparing actual results to forecasted results also helps improve your understanding of the cash trends of your business and represents the ultimate payoff of the exercise.

# ANNOUNCING

## 2010 Canadian Marine trade show

[www.marinedealershow.ca](http://www.marinedealershow.ca)

**SUNDAY, OCTOBER 31<sup>ST</sup>**

10:00 AM - 6:00 PM

Dinner sponsored by

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at the



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6:00 PM - 7:30

**MONDAY, NOVEMBER 1<sup>ST</sup>**

9:00 AM - 5:00 PM

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## [BUSINESS MANAGEMENT]

study of the movement of cash through your business to determine patterns of how you take in and pay out money. The goal, of course, is to maintain sufficient cash for your business' operations from month to month, both for today and in the future.

### HOW DO YOU PERFORM A CASH FLOW ANALYSIS?

There is no need for any sophisticated equipment. A simple worksheet is enough to track the monthly cash that will flow into your business and the cash that will flow out of your business. The success of the exercise lies in taking the time to do it thoroughly and thoughtfully. If you are not sure how a certain scenario will play out, create two or more versions to account for the different scenarios. For example, you can run a 'best case' and a 'worst case' scenario. That way, you will be prepared for either situation.

You should also give some consideration to stress testing your forecasts, such as defining the parameters in which cash flow is acceptable. (e.g., what happens if sales drop by 10%? 20%?).

One of the lessons we all learned from the recent economic downturn is to be prepared. Cash flow analyses, along with other measures such as bank deposit reviews, are ways to determine dealer health, which, in turn, helps to ensure stable and available access to capital.

We encourage you to conduct your own periodic cash flow analyses for your business as part of your own ongoing operations (as you may well already do), and to engage your CDF Account Manager proactively if you identify any periods of negative cash positions so as to better plan for them.

While this article attempts to simplify and explain cash flow analyses, it is by no means exhaustive. Certain facts specifically related to your business may render the completion of the cash flow analysis more complex. This may require the assistance of a financial professional. Please consult with your accountant or other financial professional for questions relating to the completion or understanding of a cash flow analysis.

If you require any further information on our Cash Flow Analysis, please contact your CDF Account Manager. ●

*Boating Industry Canada has re-produced this information from GE's publication "Spotlight", which is furnished as a means of providing their clients with a general guide to, and broad outline of, certain practices and procedures employed by GE Commercial Distribution Finance Canada ("CDF"). It is by no means exhaustive and shall not be considered or construed in a way whatsoever to be exhaustive as to the policies, procedures or practices of CDF with respect to your financing arrangements with CDF. There may be events, circumstances or any other reason whatsoever that may require a change or an alternate application of, the information provided in this Spotlight by CDF. CDF reserves the right, in its sole and absolute discretion, to amend or alter the application of the practices and procedures described in this Spotlight at any time.*

- Editor

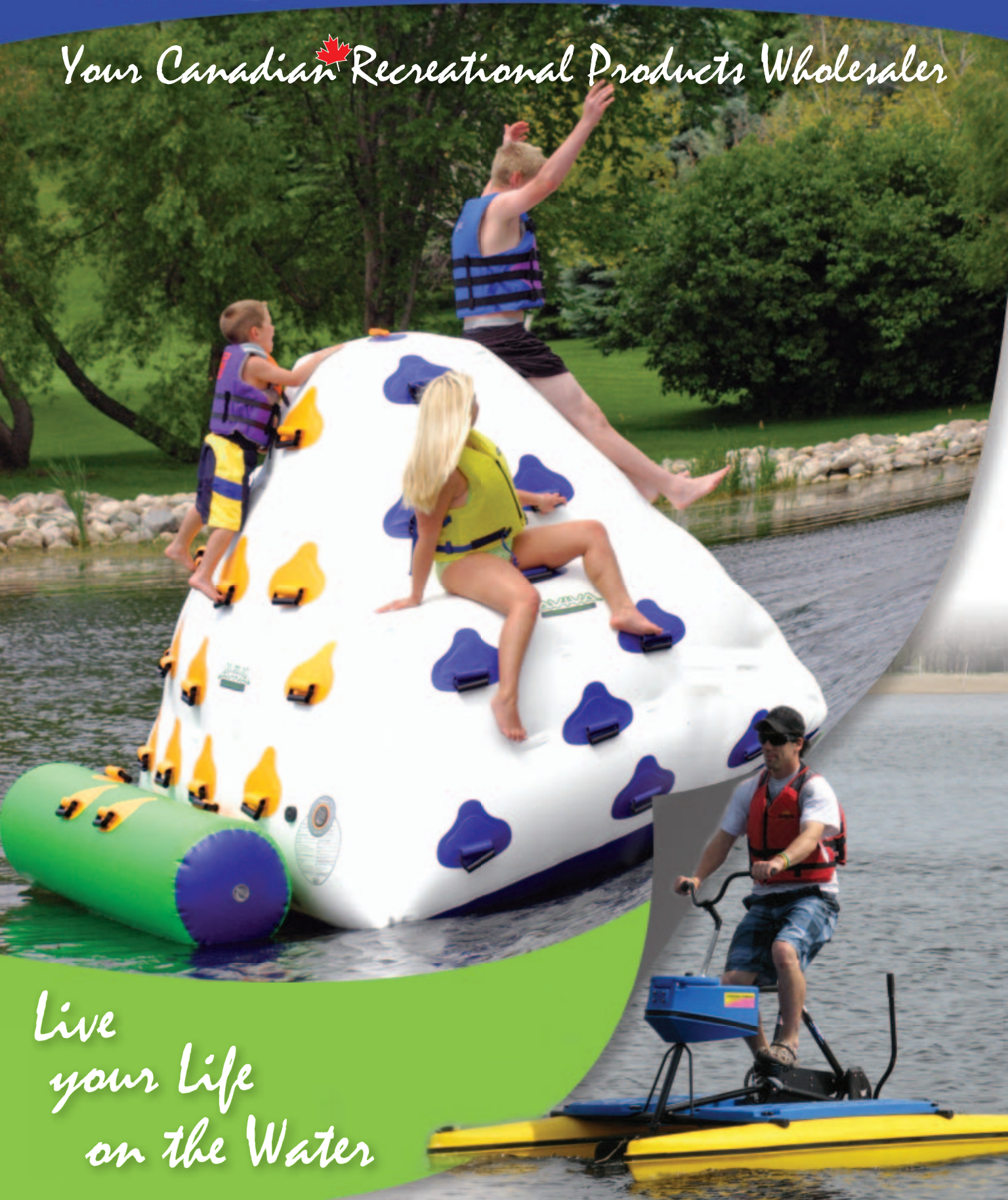




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# Rob Barkley and CMC Electronics Inc.

## Continuing the Canadian Marconi Company Legacy



**WE OFTEN SEE** acronyms and logos in business, but we rarely stop to think what the acronym stands for. “CMC” is an acronym that was developed from the company’s name of “Canadian Marconi Company”. Yes, the same Marconi who made the world’s first transatlantic radio transmission. The company that bore the Marconi name went on to create and innovate like very few companies in the world. And, they did it right here in Canada. Marine radio and electronics was its original core business and to this day, CMC Electronics continues to grow and expand in the Canadian marine business through its NavComm Electronics Group.

As Rob Barkley, Director of the Recreational Division of NavComm (of



1902	1912	1921	1931	1951	1956	1960s-1970s	1980s-1990s
1903	Marconi Wireless Telegraph Company of Canada incorporated						
1912	Marconi wireless station receives S.S. Titanic’s distress signal						
1921	First home radio receivers in Canada						
1931	Establishment of the Canadian radio network, which became the CBC						
1951	Transatlantic telecommunications services later known as Teleglobe Canada, acquired by Canadian Government						
1956	First Canadian company to design a complete microwave radio relay system, the Mid-Canada Defence Line						
1960s-1970s	Focus on aircraft navigation, monitoring and display systems, tactical radio communications, radar systems and multi-processor telex switching systems						
1980s-1990s	High-end aviation, communications, infrared sensing, marine electronics, and positioning markets Avionics supplier						



# IMPACT

what is now Esterline – CMC Electronics) says, “No other company can claim that they had radio equipment that went down with the Titanic!” Check out the CMC Canadian Marconi Company track record of industry firsts in this article.

Barkley was once the co-owner of another electronics distribution business that he sold to CMC Electronics. They kept Barkley on as the manager and while he later left for a five-year stint at Land ‘N’ Sea, they drafted him back to captain the CMC recreational electronics team. Here then, is how Rob Barkley came to continue the Canadian Marconi Company legacy in the Canadian boating marketplace.

Rob Barkley’s father was a professional sports photographer who lived in Oakville, Ontario, giving Rob the opportunity to attend sailing school where he developed a lifelong love for sailing, the water and competition. Whether he is swinging a hockey stick, a golf club or a keel, Rob is always up for a little friendly competition.

In time, that led him to a career in the marine industry starting in retail, man-

aging the historic Tom Taylor store in Toronto.

Rob left there to become a partner with Hans Fogh, forming North Marine and becoming the Canadian distributor for Harken. Rob came to realize that the sailboat market was a lot smaller than the powerboat market and felt it was time to serve that market too. In what has proven to be a great talent for merger, acquisition and deal making, Barkley entered the market by acquiring the Autohelm distributorship for Canada.

At the time, other electronic distributors had the bigger share of the powerboat market. However, implementing an aggressive strategy to pursue the market and hire some of the competitive players, the groundwork was laid to make CMC Electronics a major player in the powerboat market.

Once well established with the Autohelm distributorship, Rob identified another recreational electronics line – Raytheon – that was not being sold effectively in Canada. Raytheon had been with CMC Electronics since the 1980s when CMC stopped making their

own radar systems, but CMC’s interest was mainly in Raytheon’s commercial products and markets.

Looking for knowledge and expertise in the powerboat market, Barkley turned to Rob Hudson who was, at the time, with Yachter’s Choice. So, to build the team, Rob and Hans recruited Hudson to come in as the third partner. Hudson and Barkley then met with Raytheon and convinced them to open up North Marine as a non-exclusive Canadian distributor for the recreational market.

Raytheon went for the deal. First, because other players had a stranglehold on the Canadian market and they needed to counter that, and second, because CMC Electronics was focused on the commercial market and not the recreational market where Raytheon saw a growth opportunity.

In that first meeting, Raytheon realized that North Marine was keen, had some money behind them and it helped that the Autohelm people spoke well of them.

At the same time, JRC in Japan was manufacturing Raytheon products while



1980s-1990s   2001   2002   2003   2004   2005   2006   2007   2008   2009

- 2001** Company name changed to CMC Electronics Inc., following purchase of company shares by investor group led by ONCAP
- 2002** Acquired Flight Visions; Launch of EVS I-Series
- 2003** Launch of Helihawk HUD and KAI XKT-1C cockpit prototype
- 2004** Launch of PilotView EFB, FMS CMA-9000 and T-6B demonstrator
- 2005** Launch of Electro-optic hybrids, New GPS WAAS sensor and M-311 demonstrator
- 2006** Launch of FMS CMA-4000 and Panel switch technology. Selection of Cockpit 4000 for T-6B
- 2007** CMC acquired by Esterline
- 2008** Launch of TacView Portable Mission Display and PilotView EFB with 10.4” Display
- 2009** FAA/Transport Canada certification of Cockpit 4000 on T-6B



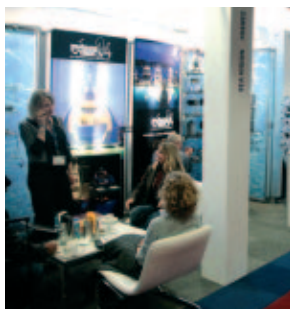
# METS 2010 – NOT TO BE MISSED!

## Why METS?

METS and its associated SuperYacht Pavilion (SYP) is the biggest and best attended business-to-business (B2B) leisure marine equipment show in the world. Now in its 23rd year, it attracts upwards of 18,000 visitors from over 85 countries on an annual basis. International Council of Marine Industry Associations (ICOMIA) Secretary General, Tony Rice, sums up: "It is the global destination for all those with an interest in marine equipment – a cannot be missed event if you are a serious business in this industry."

## Are you serious?

Yes. You're serious about wanting to keep up to date with what's new and what's being planned. At METS – in just three days – you have access to around 1260 exhibitors from all over the world. Everyone's at METS to do business, everyone's keen to network and if you haven't visited before, one would ask "Where have you been all these years?" As a long term exhibitor, Paul Zonjee, CEO of Epifanes gets to the core of things. "At METS anybody or any company that matters in the marine industry, whether buying or selling, is present. So, one can benefit to the max from their presence..."



## What's the max?

Networking, networking - and literally thousands of new and proven products of interest to all kinds of professionals in the leisure marine industry. The gallery of products is unrivalled, offering everything from propulsion, navigation, construction materials, communications and safety equipment to furniture, fittings, electrical installations, clothing and marine paints. Specialist pavilions for superyacht equipment and services (the SYP), composites and marina equipment further enrich the visitor experience; saving time and boosting networking opportunities. And these are not the only prizes...

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## What's the top prize?

The Design Award METS (DAME Award), with design as main factor, is the design accolade of the year in the leisure product field. It's awarded to the most innovative new product as assessed by an independent jury and, along with all submitted products, it is displayed at METS so that you can be amongst the first to see it.



## What are you waiting for?

Just for some logistics, perhaps. METS is held in the modern Amsterdam RAI exhibition halls just 15 minutes from Amsterdam's Schiphol International Airport and a ten minute drive from the historic city centre. You can attend – for free – if you pre-register as a trade professional. Show organiser, Amsterdam RAI, can also book hotel rooms for you and help with other travel requirements if you wish. Go to [metstrade.com](http://metstrade.com) for all the details. And get ready for an international experience. Tom Douglas, vice president global sales and marketing for exhibitor Teleflex Marin, puts it succinctly: "Many marine industry trade shows have come and gone, but METS has created a venue that brings the world together all in one place. How could you not attend this show if you are serious about international business?"

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- 15 national pavilions
- 3 specialist pavilions including the SYP
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Raytheon itself did the marketing and technical development. Raytheon's line included two radars, one VHF and a few other products suited to the recreational market, but the competition had a more complete line.

By 1994, Raytheon decided to get more active in the recreational market, do its own manufacturing, and end the relationship with JRC. Coincidentally, Autohelm was doing very well here and in Europe. The Raytheon people suddenly realized that they had a Canadian distributor who was handling both lines in the recreational market and they flew Rob Barkley and Rob Hudson down to the US several times to discuss an opportunity.

It turned out that Raytheon was planning an acquisition. As Barkley told *Boating Industry Canada*, "We were incredibly lucky. We had Autohelm and Raytheon...and Raytheon bought Autohelm; it was a dream come true."

Raytheon was already getting good traction and then the Gulf War came along. Raytheon and the Patriot missile became heroes in the famous "television war". Barkley laughed when he told *Boating Industry Canada* that it resulted in the worst boat show they've ever had, but the best business year ever. "Media coverage of the TV war it made it look as though the Patriot missile never missed a target. We even had coffee mugs made up showing Patriot missiles. The Raytheon brand recognition (and sales) went through the roof," Barkley said.

It might look like dumb luck but remember, Barkley and Hudson had seen the Raytheon recreational market opportunity years before the war. Rob's good fortune was backed up by hard work and clear thinking.

Hans Fogh – an Olympic sailor and medalist – preferred to specialize in high performance sailing so he continued the North Marine business and Rob Barkley and Rob Hudson secured a new source of financing and started their own new company called Ocean Distribution, with tremendous support from Raytheon.

It was 1996, at the IMTEC Show in Chicago, they met Bill Coady, now General Manager with CMC Electronics.

Coady quickly recognized a good symbiotic relationship. CMC Electronics was focused on the military and commercial markets while Rob Barkley and Rob Hudson were recreational.

Coady realized that there was a unique opportunity to appeal to Raytheon to give the exclusive distributorship for Canada to Ocean Distribution.

*"The saving grace through good times and bad is that we are very diversified. Our service side represents 20% of our business. Then, we have the commercial sales business, the recreational business and also the high seas/project business."*

**Esterline**  
CMC Electronics

Again, Barkley's intuition leads him to success. In 1996, just one year later, Barkley and Hudson sold Ocean Distributing to CMC and gained the exclusive Raytheon deal for Canada, selling servicing and installing the Raytheon, Apelco and Autohelm brands.

Taking his share, Rob Hudson joined Mercury Marine while Rob Barkley stayed with CMC. In 2000, Barkley left CMC Electronics to work with Land 'N' Sea – then entering the Canadian market – to help with the integration of Barclay Marine, a Midwestern US distributor who had previously bought Yachter's Choice.

Barkley was there for five years but in 2005 CMC Electronics recruited Rob back to take over the sales and marketing for their Recreational Marine division with branches across Canada.

"The saving grace through good times and bad is that we are very diversified. Our service side represents 20% of our business. Then, we have the commercial sales business, the recreational business and also the high seas/project business." So again, to diversify and add to its technical product portfolio, CMC entered the HVAC market with Webasto in 2005. They were already in the marine refrigeration market with Isotherm. Wouldn't you know it? In 2008 Webasto bought Isotherm!

2009 turned out to be one of CMC's best years ever in the marine business. This surprised many others in the industry, but the NavComm success was partly because of the Olympics in Vancouver, partly because of new ship construction and partly because of government spending for the Department of National Defense, Department of Fisheries and Oceans and the Canadian Coast Guard (as well as some municipal police departments). They also benefited from marine upgrades required for the G20 Summit held in Toronto.

A key factor was that some government agencies standardized on Raymarine equipment so that their officers could freely move from boat to boat with equipment they could easily recognize and be able to operate.

On the recreation side, 2009 and 2010 have been very good as lots of people decided to do refits of their boats. Rob is concerned about the prospects for 2011 with many key projects now fulfilled, but they already have opportunities and growth plans that will offset the continuing economic downturn.

CMC also had become the FLIR distributor for Canada. FLIR is an innovator in the Marconi tradition with a range of thermal imaging night vision products for military and commercial applications. In 2010, FLIR acquired Raymarine and once again, one of Barkley's key suppliers bought another key supplier.

That was only a few months ago.

Since then, Navico has decided to transfer the Canadian Lowrance, Simrad and B&G business to CMC Electronics. Navico had a location in Canada for 23 years but they are now merging them into the existing CMC NavComm organization's recreational marine business. This fills a big hole that CMC had in their freshwater business. Freshwater is the biggest part of the Canadian marine electronics market and CMC electronics planned to hire Navico Canada's former employees.

*"The secret of my success is always looking for opportunities and always having a Plan B if Plan A doesn't pan out."*

Barkley said, "This is a great fit for us. We gained a fantastic crew from the Lowrance Canada branch that will improve our support and service for all segments across Canada. It gives us the ability operationally to do things we weren't in a position to do before".

We asked Barkley how he managed to keep on top of the myriad of changes in the electronics industry. He responded, "The secret of my success is always looking for opportunities and always having a Plan B if Plan A doesn't pan out. Canada doesn't allow the critical mass for many smaller players in our business, so it's very important to align yourself with top suppliers in each market segment. The marine business is also a big cottage industry where relationships with strong suppliers and solid customers are paramount. In a compressed boating season, it is our job to take the mystery and apprehension out of technical products through service, support and inventory. Being one point of entry with national coverage, available with one call and a solid financial partner is the foundation of our success."

He continued, "Customers don't see it. The suppliers do. They know how diversified Esterline CMC Electronics is. Marine was where the CMC Electronics business started and it has always been changing and growing with the times."

Perhaps the greatest impact Rob Barkley has had on Canada's marine electronics industry is how he pays such close attention to other people and their particular talents. He is always looking to build the team up, pass the puck when that is the smart thing to do and where some people keep stick handling, Barkley is not afraid to take a shot at the net.

Rob Barkley mused, "I am blessed to have such a talented team to work with and the support of a great company and management team. Working for a forward thinking company with 100 plus years of history is "unique" to say the least."

While some might think that he enjoys amazing luck, in fact, the play is always changing. If Plan A doesn't click, you just go to Plan B! ●



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# Going Green Going WebSTIR

By SKIP BURDON, ABYC PRESIDENT

**NOT A DAY** goes by without important green announcements, environmentally responsible advertisements and eco-friendly encouragement to conserve and protect our resources. ABYC recognizes and agrees that the citizens of today need to be concerned about the world of tomorrow – while providing timely and easy access to our ABYC standards for all our members at the lowest possible annual membership service fee.

With the importance of ‘going green,’ while minimizing costs without minimizing service grows each day, ABYC has reviewed its operations to determine what part we can play in the pro-earth movement. As a membership organization, however, whatever action we take to protect and conserve our planet must also ensure that our members’ interests are not sacrificed. Our internal environmental review uncovered multiple opportunities for improvement. For instance, the Membership Division primarily e-mails receipts for dues payments, the Technical Division relies heavily on the electronic E-Z PTC to reduce travel and paper, and the Education Division is developing extensive webinar and online certification programs to deliver the ABYC message. These initiatives contribute to a better, more environmentally responsive way of doing business. But without question, our greatest use of our world’s resources has been the printing, publication and distribution of the annual ABYC Standards!

Last year, ABYC contracted a vendor to produce 4,000 ABYC Standards and

Technical Information Reports manuals and 1,200 CDs. We also made available unlimited access to WebSTIR and Rulefinder – our online methods to access ABYC Standards. Consider this: each current ABYC manual weighs approximately

*“Treat the earth well.  
It was not given to  
you by your parents,  
it was loaned to you  
by your children.  
We do not inherit  
the Earth from our  
Ancestors, we borrow  
it from our  
Children.”*

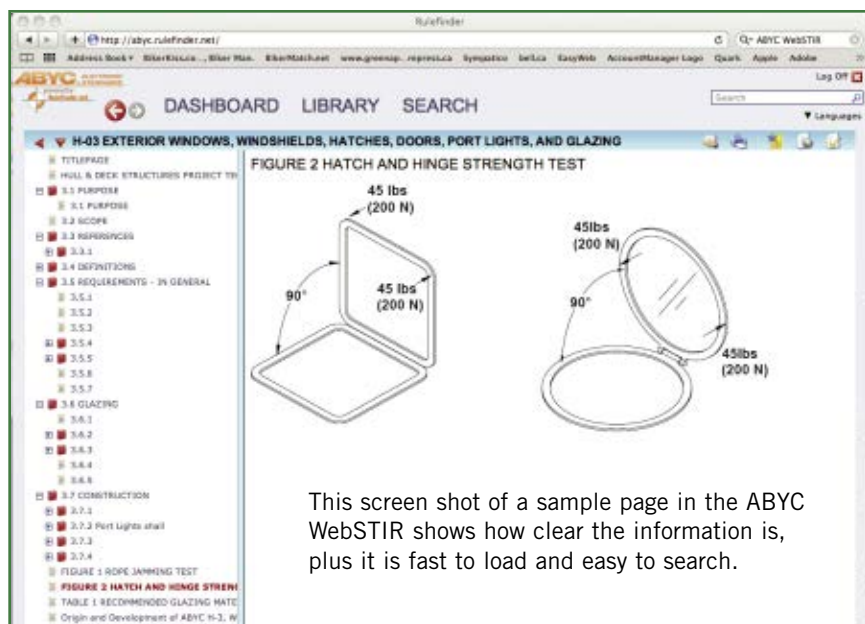
4 pounds, 3 ounces, almost the weight of an entire ream of paper. Four thousand manuals total more than 8 tons of paper and by our calculations, over several hundred trees! That’s a lot of paper and a lot of trees! But perhaps even more importantly from a cost perspective, those 4,000 manuals that must be individually shrinkwrapped and mailed to ABYC members across the country and in some cases around the world. The carbon foot-

print for the delivery of those manuals would make Paul Bunyan’s logging boots look like baby booties! The staff and Board of Directors agreed that there had to be a better way to upgrade ABYC Standards access to the membership while promoting a greener world.

The obvious answer to our ABYC Standards delivery conundrum was to look hard at using the progressive and environmentally friendly WebSTIR (Web – Standard and Technical Information Reports) as the primary access point. WebSTIR was launched in 2004 to an initially lukewarm reception. As time passed, however, WebSTIR has developed a dedicated, strong and growing following. Why did long time manual users become WebSTIR devotees? There were a variety of factors, but the one that was mentioned most frequently was convenience and easy access. WebSTIR access is available anywhere there is an Internet connection.

You can’t misplace WebSTIR; no one can borrow WebSTIR and fail to return it. It is easy to copy and paste relevant sections of WebSTIR into surveys, reports, customer orders, etc. As WebSTIR is electronic, the search capabilities make using the ABYC Standards easier and more efficient. Because the space limitations of paper are not a consideration, extra and valuable information is included in WebSTIR such as the USCG’s Rules and Regulations for Recreational Boats, the USCG’s Companion Compliance Guidelines and the new EPA Regulations for Recreational Boats.

Because WebSTIR has been around



appreciate the new WebSTIR and we are pleased to be able to contribute to the greening of our world. To those ABYC members who remain skeptics and non-believers, please keep an open mind and try WebSTIR out. It grows on you. Also remember, ABYC is one of the last standards organizations on the planet to still offer you the option of paper. It's just one we can no longer afford to offer without a reasonable fee to cover costs. ●

*"Treat the earth well. It was not given to you by your parents, it was loaned to you by your children. We do not inherit the Earth from our Ancestors, we borrow it from our Children."*

*Ancient Indian Proverb*

for almost six years, we were aware not only of its many advantages but also a few of its challenges. WebSTIR was created using the sometimes cranky and creaky Adobe. Adobe can cause problems in some systems and we didn't want that for our members. WebSTIR needed to be updated and upgraded and it has been! The new WebSTIR will operate on an XML platform, much like the slick operation of Rulefinder.net. MAC users will now be able to use WebSTIR, a definite improvement over past versions that were not compatible. WebSTIR will be able to offer valuable add-ons for an additional purchase such as all the archived ABYC Standards with more add-ons as WebSTIR develops.

Will the manual totally disappear? Not in the foreseeable future. Is there still a need for the CD? Absolutely! After all, oars and paddles still have their place in our motorized world. We don't expect that the manuals and CDs will disappear overnight. In fact, the annual supplement will continue to be free and downloadable at the ABYC web site. Manuals and CDs will remain available as additional purchases but at a greatly reduced price.

Access to WebSTIR will be easy and convenient. Members can simply log in to the "Members Only" area of the ABYC web site to access WebSTIR.

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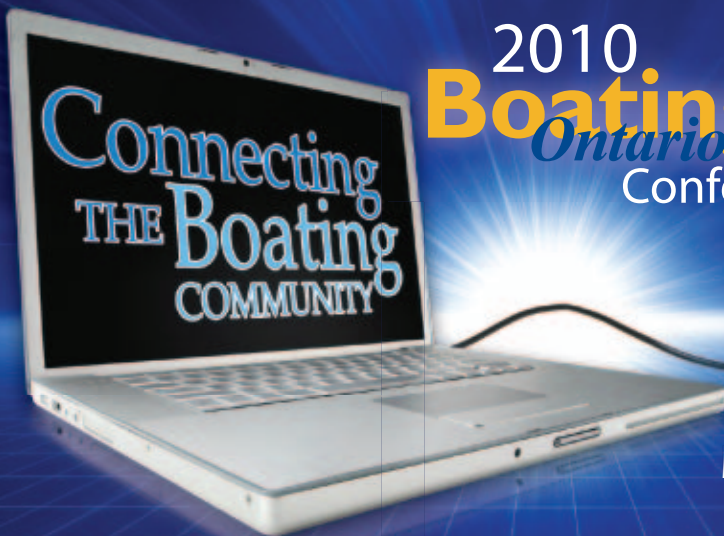
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# 2010 Boating Ontario

Conference & Trade Show



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## Dusty McCoy

Chairman & CEO Brunswick Corporation



From 2008 to the present time Mr. McCoy has led the Brunswick group through one of the most difficult financial times in the recent history of the recreational boating industry. No stranger to making the difficult decisions he has managed to maintain the shareholder value for his stockholders while others in the industry were going bankrupt. Dusty McCoy has been with Brunswick Corporation since 2000. Be sure to attend the conference for his keynote address on Monday to hear his views on the future of recreational boating. Find out from a pro where the industry is headed over the next decade.



## Gil Blutrigh

President & CEO Skyline International Development Inc.

Gil Blutrigh will share his vision of the development of Port McNicoll. The plan is to transform 6.5 miles of Georgian Bay shoreline, a mile-long slip and waterfront land into a world-class resort village with docks, restaurants, cafes and shops.

## Martin Waxman

Riding the Social Media Wave; A Strategic Approach to Keep you Afloat

From blogs, Twitter and Facebook to podcasts, crowd-sourcing and online conversations, how does a company dip its toe into the social media ocean and at the same time make sure it doesn't get in too deep and drown? Martin Waxman will demystify and ease you into the social media sphere.

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# NMEA 2000 Q&A

with Larry Anderson of Maretron

*Boat owners across Canada are upgrading their boats to new NMEA standards but the successful installation requires understanding and applying the standards correctly. Boating Industry Canada shares the following Q&A session between NMEA's Marine Electronics Journal magazine and Larry Anderson of Maretron.*

**Q:** What do you hear from boatbuilders and marine electronics dealers about their experiences with NMEA 2000?

**Anderson:** It is a mixed bag if we speak generally. For those who have been working with NMEA 2000 for several years and have taken the time to become educated through seminars and hands-on experience, it is phenomenal. For those who have heard things about it but have no actual experience they are like a deer in the headlights. They don't have a realistic understanding of the "how to" or its benefits.

But probably the most disappointing and scary are those who have assumed (mistakenly) that it is like installing products in the past and that they can wing their way through it. They don't understand the underlying technology of CANbus and that one must follow very detailed and specific rules. Nor do they understand that every device or cable and connector should carry an NMEA-certified stamp of approval.

**Q:** Some builders we talked to have had problems making all of the equipment work together on the network. In your experience with boat builders and dealers who are installing NMEA 2000 networks, what tends to be the most common problem?



**Anderson:** The most common problem is similar to what I said earlier. Some assume that past experience is good enough and they don't want to take time to understand the standard, its purposes and its rules for ensuring a successful installation. It reminds me of the days of VCRs when you would go into a home and see the display flashing 12:00. Owners couldn't be bothered with correctly setting up the unit as long as they could play a tape – that was enough. Some boatbuilders have thought that just having the cable laid and some devices connected was good enough, but it isn't. If one doesn't take the time to correctly configure the devices and efficiently lay the cables for the network, it may work partially but they have rendered it hopeless to add to or to connect diverse manufacturers' products.

**Q:** In a similar vein, what are the most challenging problems that builders and dealers must overcome to give customers a net-

work that performs well?

**Anderson:** Spend enough time correctly planning a network and ensuring that they are using NMEA-approved cabling. By the way, all approved cabling and certified devices are listed at [www.nmea.org](http://www.nmea.org). Also, they must correctly configure devices with logical naming and location information so the equipment can be easily identified.

**Q:** It seems that a lot of boaters who are shopping for electronics see that a device is NMEA 2000 compatible and buy it. The dealer installs it – and it doesn't work. That's bad for the customer, but it's also a black eye for the entire industry, especially the dealer who is on the hook to make things right. Is the solution better education of consumers and/or dealers and manufacturers that NMEA compatible is not the same as NMEA certified? Or is the solution better policing by NMEA? Or is it something else?



**Anderson:** Well, policing is very difficult to actually motivate improvement. People tend to become defensive and not interested to learn a better way. The most important change that could occur is for every manufacturer of NMEA 2000 products to make certain they receive product certification and be committed to following the intended rules as laid out in the standard. There are still, 10 years later, electronics manufacturers that aren't taking NMEA 2000 seriously and thereby seem to carelessly implement it with flaws. It is my opinion that they have been doing things the same way for years and don't believe they have to learn from anyone how to be better at implementing NMEA 2000.

Educating dealers and have them talk to manufacturers about their products' shortcomings could be another way to motivate change.

Whenever you see the words "compatible" it almost ensures that it isn't certified. It is a code word for "we don't need to certify because we are smarter than the standard's designers."

**Q:** We hear from some builders and dealers that standardization of NMEA 2000 hardware – connectors and cables – is a problem. What's your take on this? What role can and should NMEA play to improve standardization?

**Anderson:** Standardization isn't the problem; having people actually follow the standard is the problem. NMEA 2000 is a very robust physical layer based on Device Net cable and connectors. It has been designed for the rough, wet environment of our marine world. It also has eliminated a huge problem known as EMI, which are electrical/electronic interferences between devices.

NMEA could consider publicizing approved cables and connectors more aggressively and policing the actual products being delivered after approval has been given. It is going to take more education within the industry at all levels to demonstrate that this standard's requirements have been carefully

designed by experts and deserve full compliance. When designed correctly to the standard and when installed correctly to the standard, there are minimal issues and these can be easily resolved by trained people. If we want the tremendous advantages of this new technology, we must take the time to learn how to do it well and at all levels of the industry.

**Q:** In many instances it seems that techs aren't aware that they don't have the specialized information necessary to get a NMEA 2000 network up and running properly. Do you find that's true? What can NMEA do to make sure they have the installation information they need?

**Anderson:** Yes, you are right – this is a significant issue but I must say that every time we hold a technical seminar the attendance and participation from dealers and boatbuilders is significant. It just takes time and then it takes experience. We have a tech support group that is continually on the phone handling new and experienced installers through their configurations and setup. In time, and I believe it is well along, we will have techs comfortable with NMEA 2000.

**Q:** How important is it for dealers to complete the NMEA 2000 training course if they intend to install and service NMEA 2000 networks?

**Anderson:** Very. They can't receive enough training and education and NMEA continues to provide very high quality training.

**Q:** What help and support does Maretron provide to the boatbuilders and dealers it works with to make sure the electronics perform as advertised?

**Anderson:** Two very important things: 1) several vital software and hardware tools to aid in the design and installation of a network, and then for troubleshoot-

ing the network, and; 2) tech support personnel to walk through issues and problems on the phone or by e-mail.

**Q:** Maretron distributes products internationally. Can you bring us up to date on NMEA 2000's acceptance and popularity outside the US?

**Anderson:** Actually, I would say that Europe and Asia embraced the NMEA 2000 technology sooner than many American dealers and boatbuilders became aware of its importance. NMEA 2000 technology is demanded globally, and I doubt there is any new boat being designed or considered that isn't planning some level of NMEA 2000 networking. Whether it is navigation, total vessel monitoring of security issues, such as engines, tanks, etc. or switching, most purchasers of new boats and boatbuilders want the convenience and security of this "open-industry" standard and not be reliant on a single manufacturer's proprietary network. ●

*Larry Anderson is originally from Maine, where his business experience began as a 50% owner in a retail electronic business. He is a graduate of Raytheon Company's Advanced Management Program and spent 13 years with Raytheon Marine Company in various sales and marketing management roles. After Raytheon, he held management positions at other marine electronics companies, including Seafarer, Robertson-Shipmate and Datamarine-SEA.*

*From 1999-2004, Anderson served as NMEA's Standards Committee chairman, where he spearheaded development of the NMEA 2000 standard through to release. The task involved leading engineers from 12 different marine manufacturers through the detailed and tedious process of making a marine-purposed protocol based on CANbus technology.*

*Since 2004, he has been a principal and vice president of sales & marketing with Maretron LLP, which is based in Phoenix, AZ, and a part of Carling Technologies. Maretron manufactures an extensive line of NMEA 2000-certified products.*

## IBEX 2010 Opens to Positive Reviews

**THE HOTELS** filled up and the first morning was very busy at the 20th Anniversary IBEX, the International BoatBuilders Exhibition and Conference, held for the first time this year in Louisville, Kentucky. We interviewed Carl Cramer, publisher of Professional BoatBuilder magazine and IBEX show co-coordinator about how the new venue was being received and how the industry was responding.

Carl said that the move to Louisville has worked out very well and that the NMMA has joined in to hold their MAATS show at IBEX. "It's like having a show within a show," Cramer remarked, "We think it will work out to be an efficient use of people's time. The STEP program which was previously a part of MAATS is produced by the NMMA and they held it earlier this summer as a stand-alone event in order to maintain optimum timing for their members. On the other hand, IBEX is ideally held during October and in fact next year the dates are October 17-19, 2011; again in Louisville.

The move to Louisville has been an appreciated cost-saving measure given the US boat business climate at the present time. Carl Cramer said that approximately half of the total US population could get to Louisville in a day's drive. More importantly, perhaps 70% of America's boatbuilders could drive there in a day.

The show offered some clear signs that the boat businesses is turning itself around. Cramer said that pre-registrations had returned to the 2008 level which is very positive. Although the outdoor demonstrations were scaled back, crowds were still gathering to watch demonstrations of closed molding techniques, get hot tips for effective shrink-wrapping and more.

Thom Dammrich of the National Marine Manufacturers Association (NMMA) again hosted the Industry Breakfast, this year held on the opening

morning. He delivered his NMMA state of the nation address with a positive tone and the Recreational Boating and Fishing Foundation, (RBFF) also made a presentation of new research that organization has commissioned. While the data shows a clear and major decline, it reveals opportunities and logical next steps for businesses to promote boating.

Also at the Industry Breakfast, thirteen products were honored at the IBEX 2010 Innovation Awards by the NMMA and Boating Writers International (BWI) at the Kentucky Exposition Center.

The Innovation Awards, organized by NMMA and judged by BWI, recognize those products that best meet the fol-



Although the outdoor demonstrations were scaled back, crowds were still gathering to watch demonstrations of closed molding techniques, get hot tips for effective shrink-wrapping and more.

lowing criteria: innovative distinction from other products currently being manufactured; benefit to the marine industry and/or consumer; practicality; cost-effectiveness; and availability to the consumer within 60 days of award receipt. A total of 67 new products were entered in this year's IBEX Innovation Awards program – 44% more product entries than in 2009.

We will cover the winning products in detail in the December issue of *Boating Industry Canada*.

Out on the show floor, the displays for new tanks, fillers and fuel systems were attracting a lot of attention because the EPA has mandated limits for evaporative emissions and fuel system design to stop fuel being spilled.

Canadian boatbuilders will need to



We interviewed Carl Cramer, publisher of Professional BoatBuilder magazine and IBEX show co-coordinator about how the new venue was being received and how the industry was responding.

be in compliance with these regulations and systems and they will certainly have a cost implication to go with the environmental improvements.

Incidentally, last month, NMMA Canada met with Environment Canada (EC) in Ottawa to discuss their proposed draft emissions regulation. Sara Anghel of the NMMA joined a meeting with a working group that is responsible for drafting the marine engine emission regulations. She reported that there is not yet an official policy from EC, just the following recommendations from the working group and that EC is changing its targets for the effective dates of new regulations for stern drive/inboard engines, outboards, PWCs, and boat evaporative emissions systems for Canada. The following proposed emissions regulations are to align the Canadian emissions requirements with what is required by US EPA.

The new target dates for these regulations are as follows:

- Outboard, PWC, and Stern drive/Inboard up to 500 Hp - January 1, 2012.
- Stern drive/Inboard over 500 Hp - January 1, 2013.
- Boat Evaporative Emissions Systems - January 1, 2015.

In comparison to the US EPA regulations, this new timing means the Canadian regulations take effect after all of the phase-in and small business provisions expire in the US rule. As a result, this will greatly simplify the implementation of a Canadian regulation but exporters will need to work to the US timing.

Watch the December issue of *Boating Industry Canada* for more news and new products from IBEX 2010! ●



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