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## Leaders in Industry Discuss Effects of Economy on Industry

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The Marine Dealer Conference & Expo presented two engaging sessions with leaders in the industry. The Industry Giants Forum was moderated by Liz Walz, Boating Industry magazine. The panelists included Clint Moore with Volvo Penta, John Dorton with MasterCraft Boat Company, Phil Dyskow with Yamaha Motor Corp, Irwin Jacobs with Genmar Holdings, Paxson St. Clair with Cobalt Boats and Dusty McCoy with Brunswick Corp. The first question posed to the panel related to inventory management. It was generally felt that manufacturers and dealers need to keep their communication open and active. Manufacturers need to protect their dealers. They need to work together to prevent unused boats from going to liquidators.

The manufacturers were asked how the dealers can help the manufacturers become better partners. The dealers need to count on the manufacturers more. They may not have all the answers, but communicating with each other is vital. There was discussion on delivering boats to dealers &quot;just in time&quot; rather than yearly. Bank financing is one of the problems. Managing manufacturing of the boats for &quot;just in time&quot; sales is another. The financing issue might be solved if the industry had their own retail financing company for dealers. It was felt that this is not a good time to change the process; it would be better discussed when the market is stable. The financing issue led to the question of the availability of credit for the dealers. Dusty McCoy of Brunswick noted that they are in the wholesale boat financing business in partnership with GE. He believes that more work needs to be done to help the retailers. Irwin Jacobs of Genmar Holdings believes that the &quot;single most important tool for dealers is retail financing&quot;.

Marketing to the consumer was another vital topic. Dealers need to become more creative in their techniques to bring customers into their store. It is better to talk more positively about how to improve business rather than how dismal the economy is. Perhaps manufacturers can help the dealers with local promotions. The dealers can plan events with the help of the manufacturers to bring more people out to become interested in the boating lifestyle.

There was discussion on how to use the funds from the Grow Boating campaign. It was felt that it should go toward marketing, developing an interest in more people who might enjoy boating. Perhaps some of the money could go toward shows, lowering the entrance fee and thus enticing more people to attend. It also could be used for activities such as fishing tournaments or other water-related activities.

The dealers wanted to know what they can do now rather than wait until spring. There seems to be no perfect solution. They need to take a closer look at their own shop and their own community. They need to manage their overhead, cutting costs wherever possible. One solution might be consolidation with another store.

When questioned about the length of this downturn, there was a difference of opinion, ranging from late in the first quarter of 2009 to the last half of 2009. It was noted that there are people who are buying boats. Dealers need to get more creative on how to find them and sell to them. They need to focus on the consumer rather than the boat.