

State of the Industry 2015



Boating Industry
WEBINAR

State of the Industry 2015



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Our panelists today

- * Vicky Yu, NMMA
- * Peter Houseworth, Info-Link
- * Noel Lais, Spader Business Management

2015 Market Data Book



Available at
BoatingIndustry.com

Boating Industry

NMMA INDUSTRY UPDATE

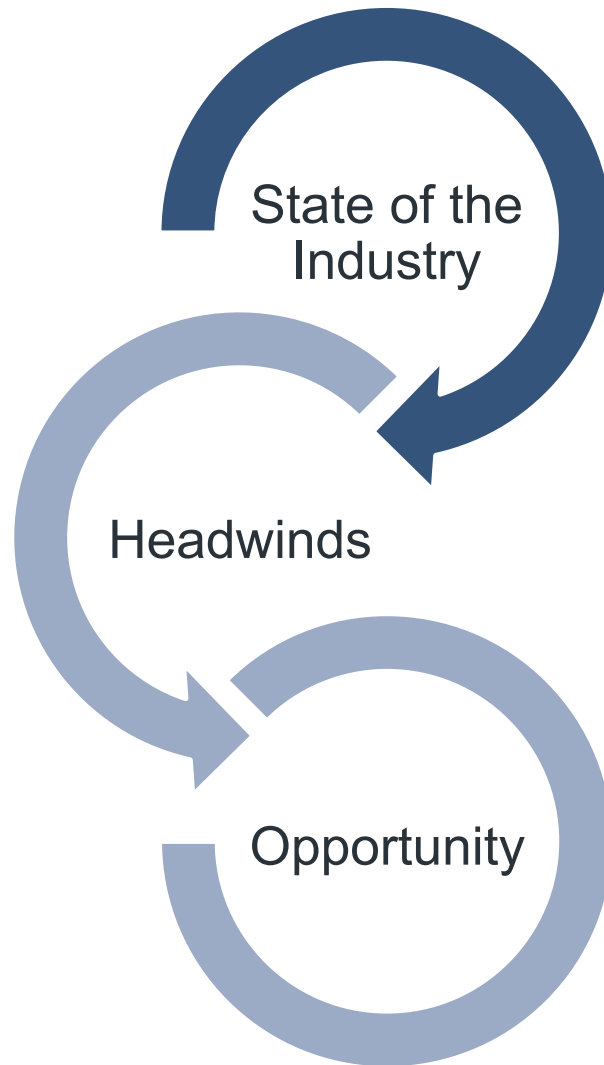


Vicky Yu

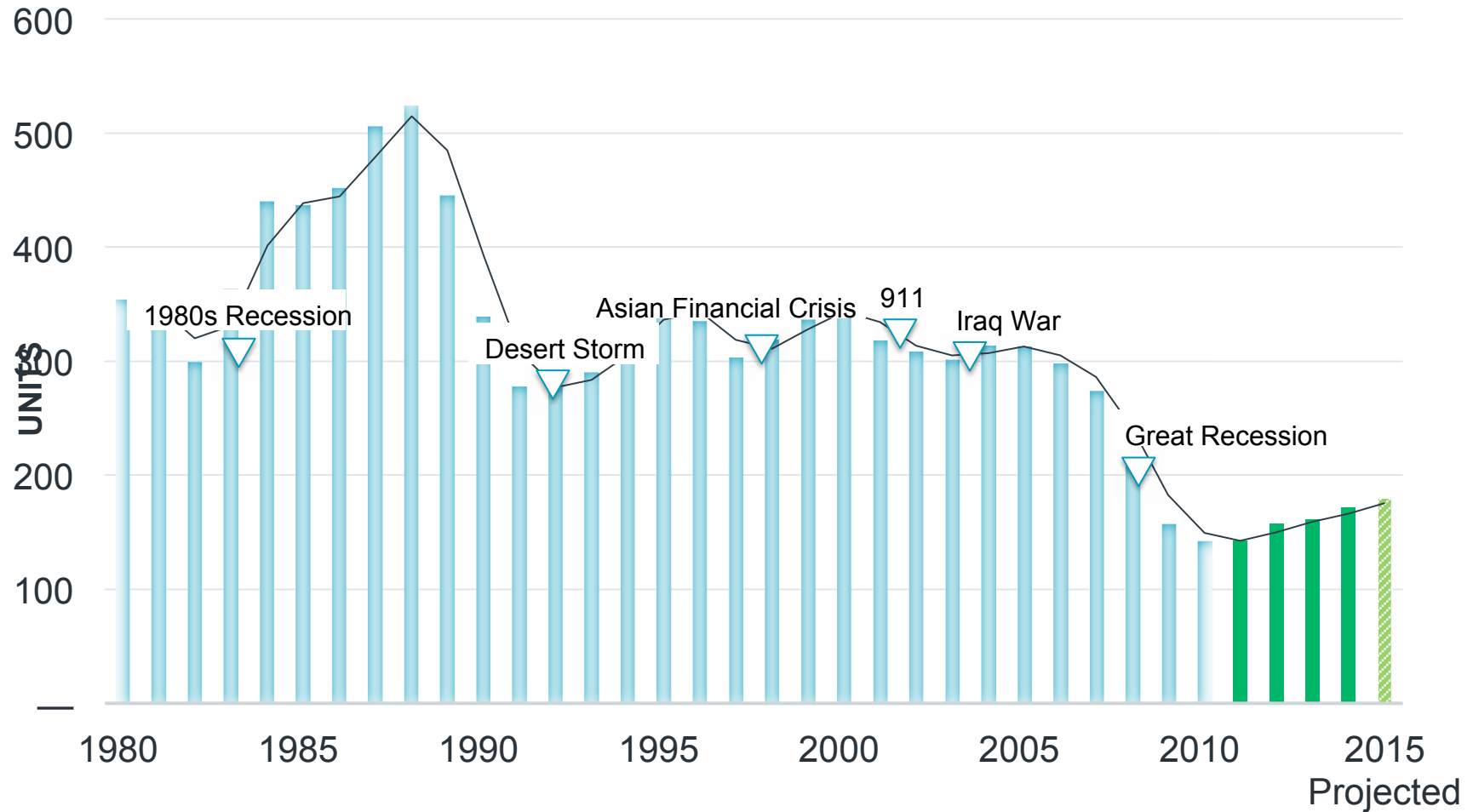
Director, Industry Statistics and Research



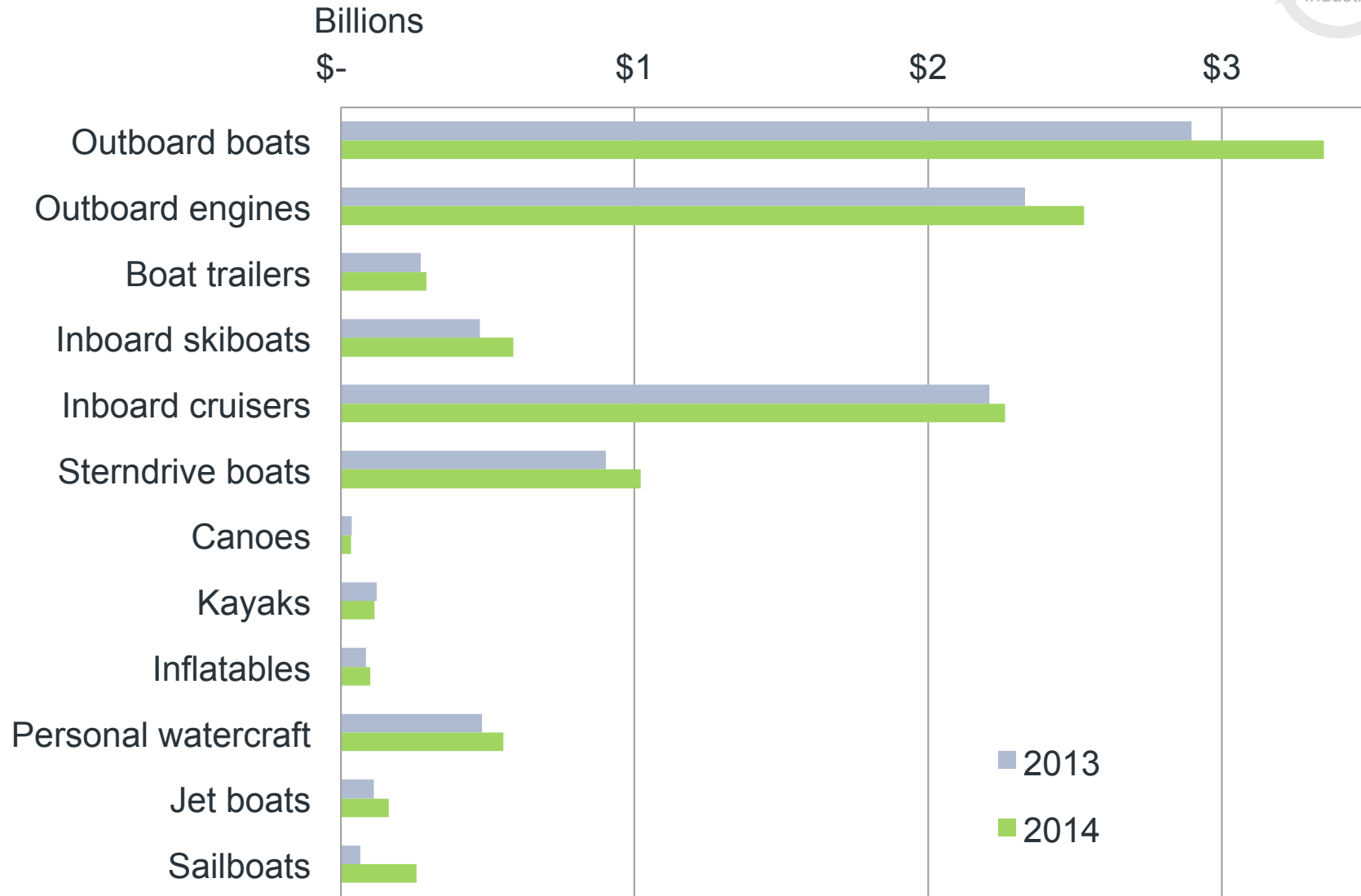
TODAY'S TALKING POINTS



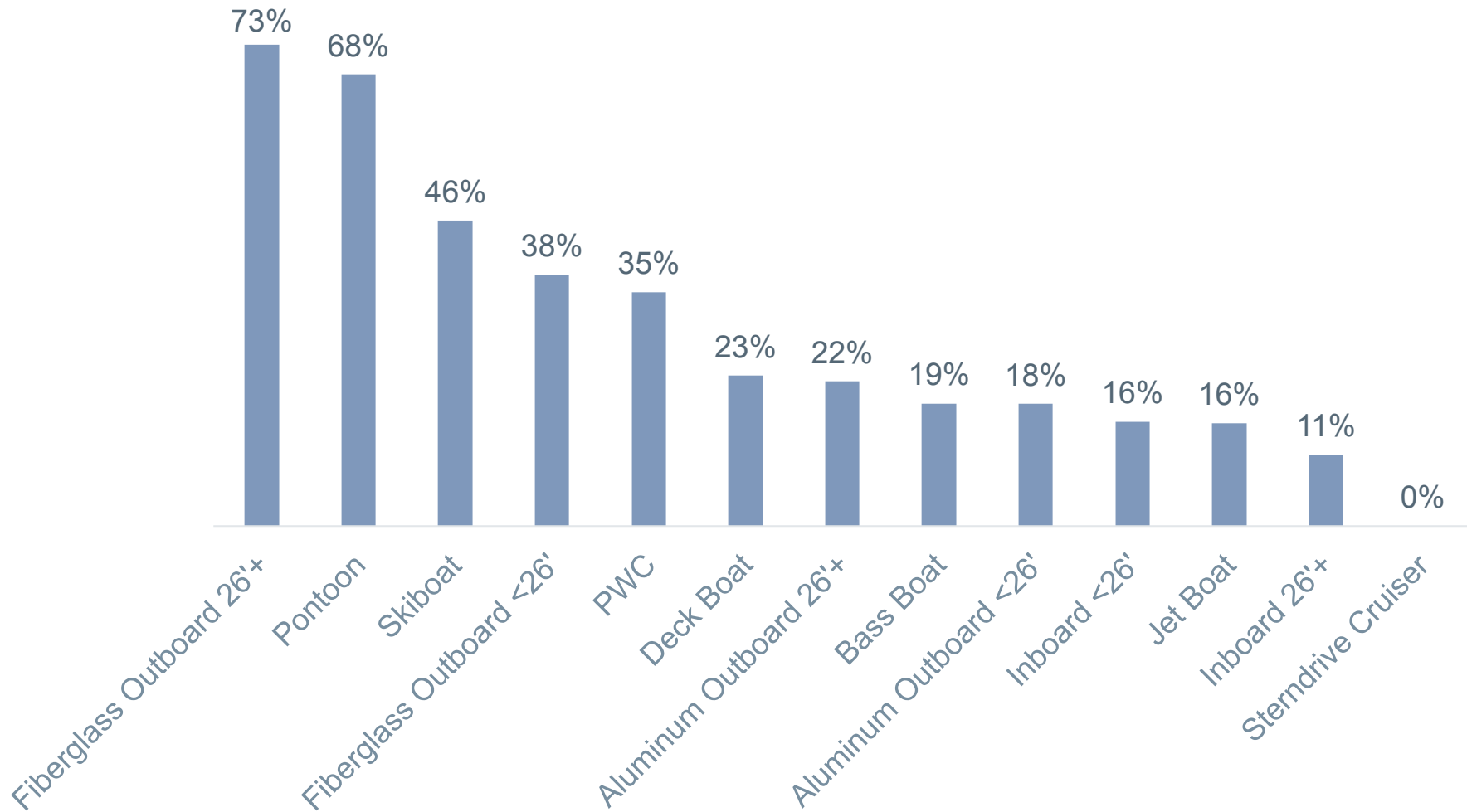
TRADITIONAL POWERBOAT RETAIL UNIT SALES



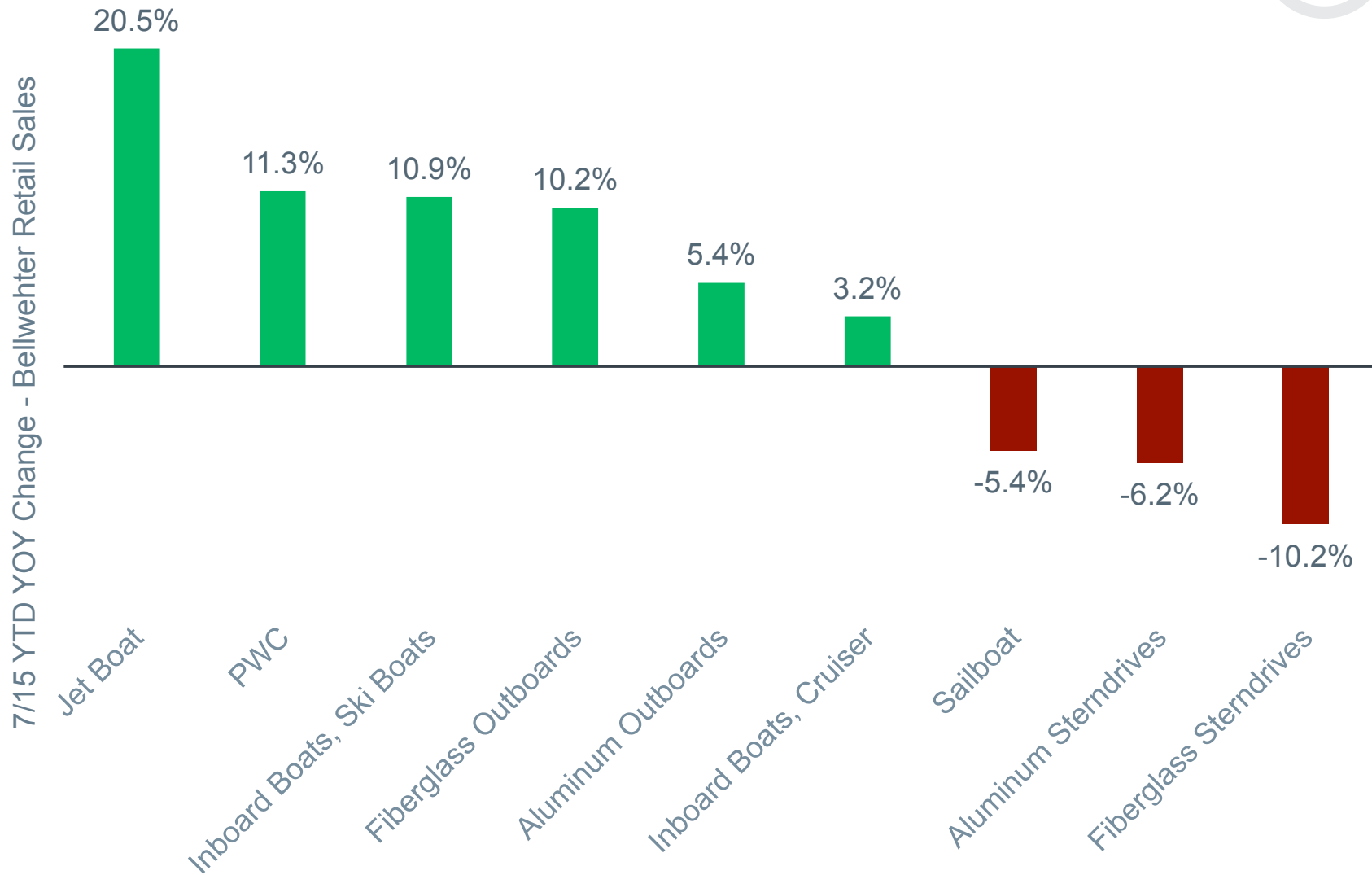
RETAIL SALES REVENUE



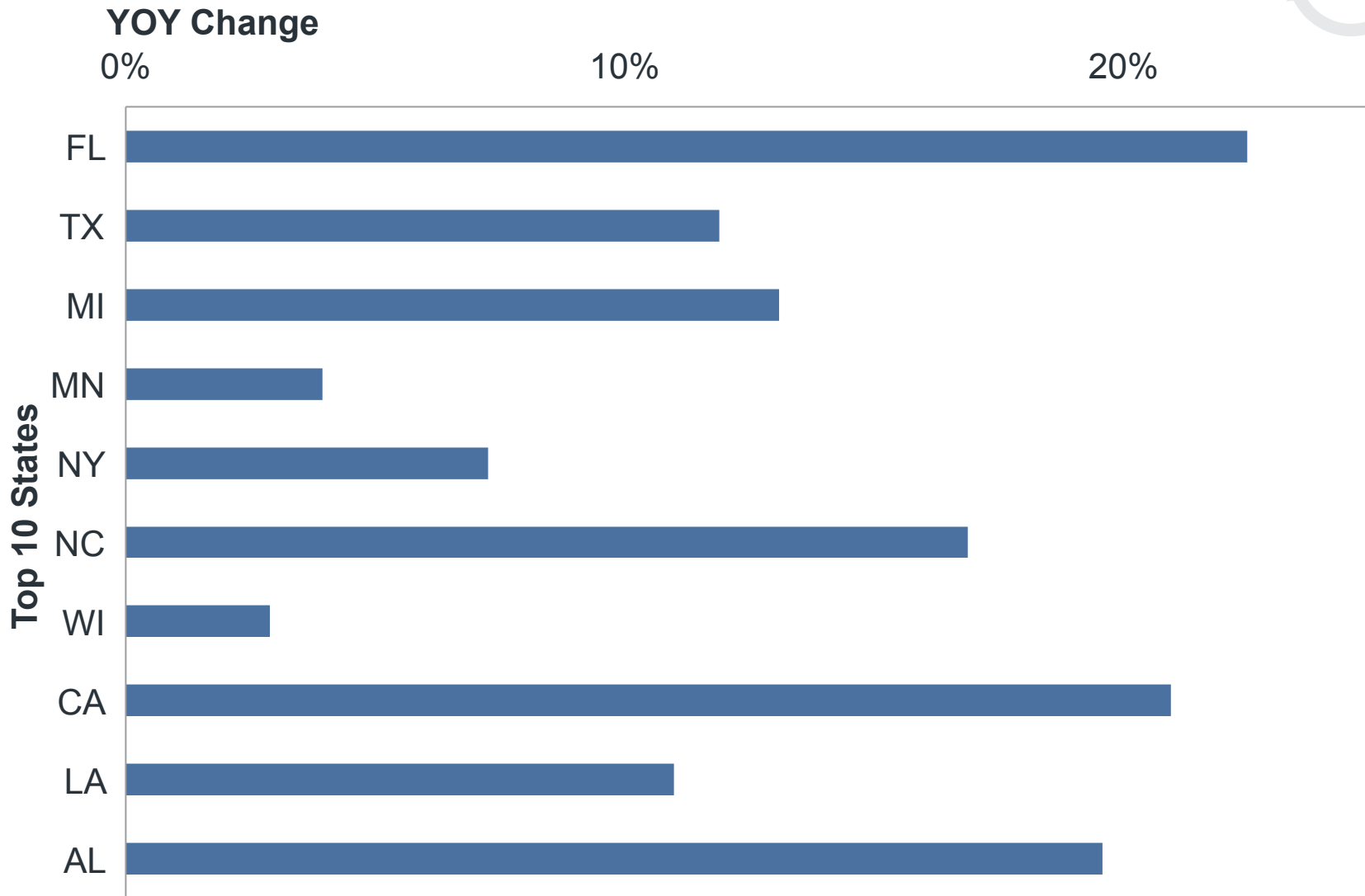
2014 UNIT SALES GROWTH SINCE RECESSION



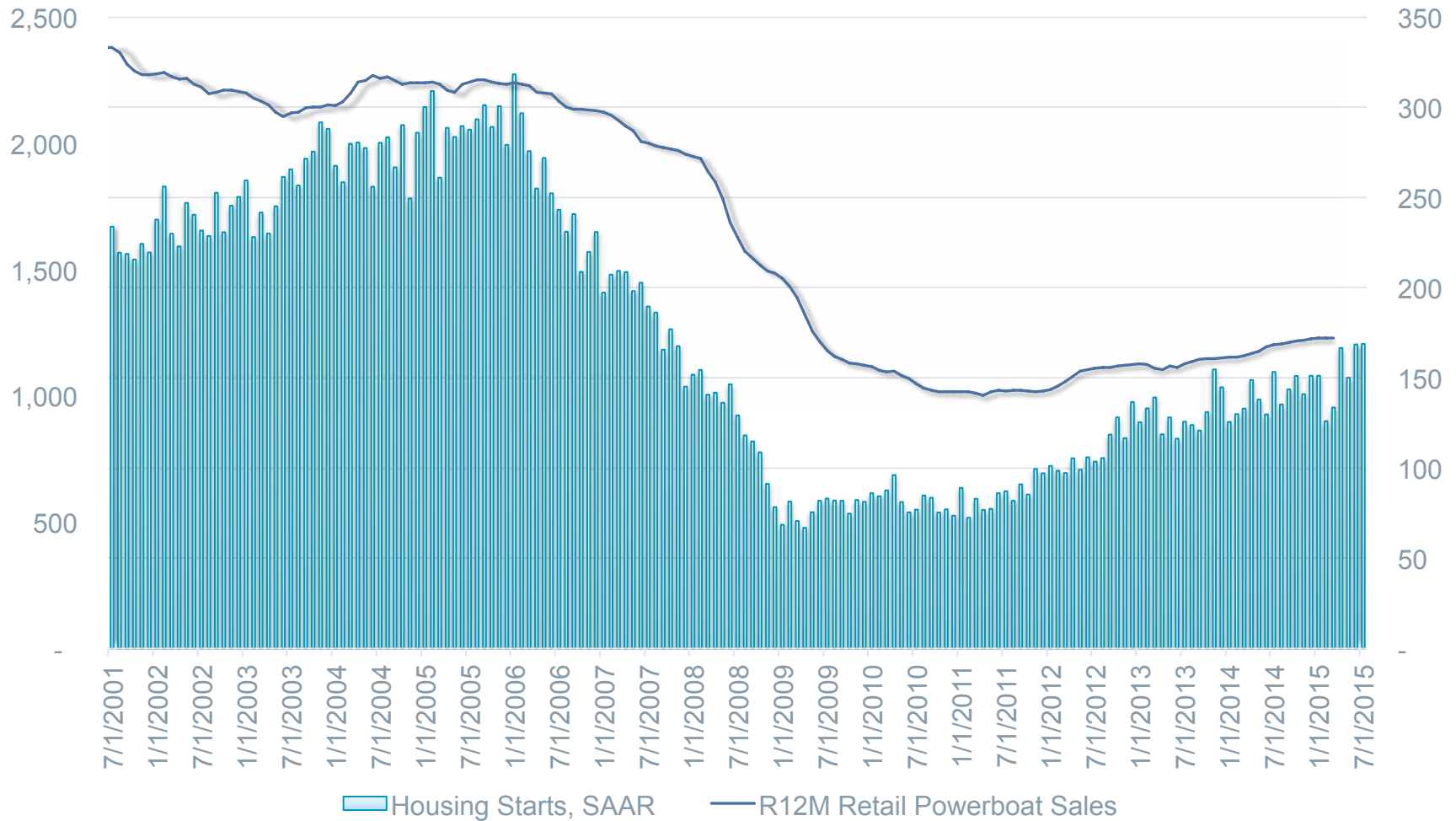
GROWTH IN 2015



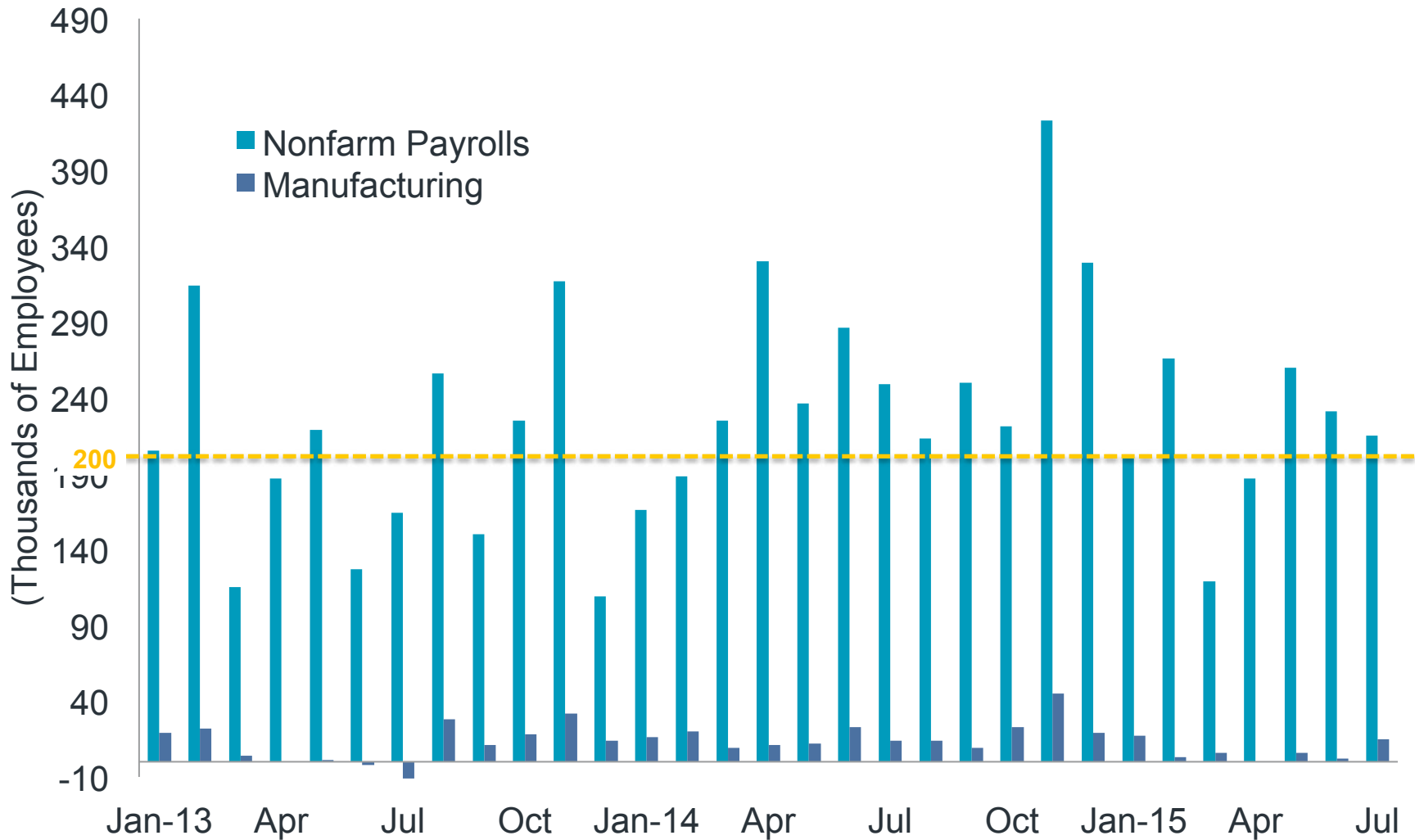
2014 NEW BOAT SPENDING



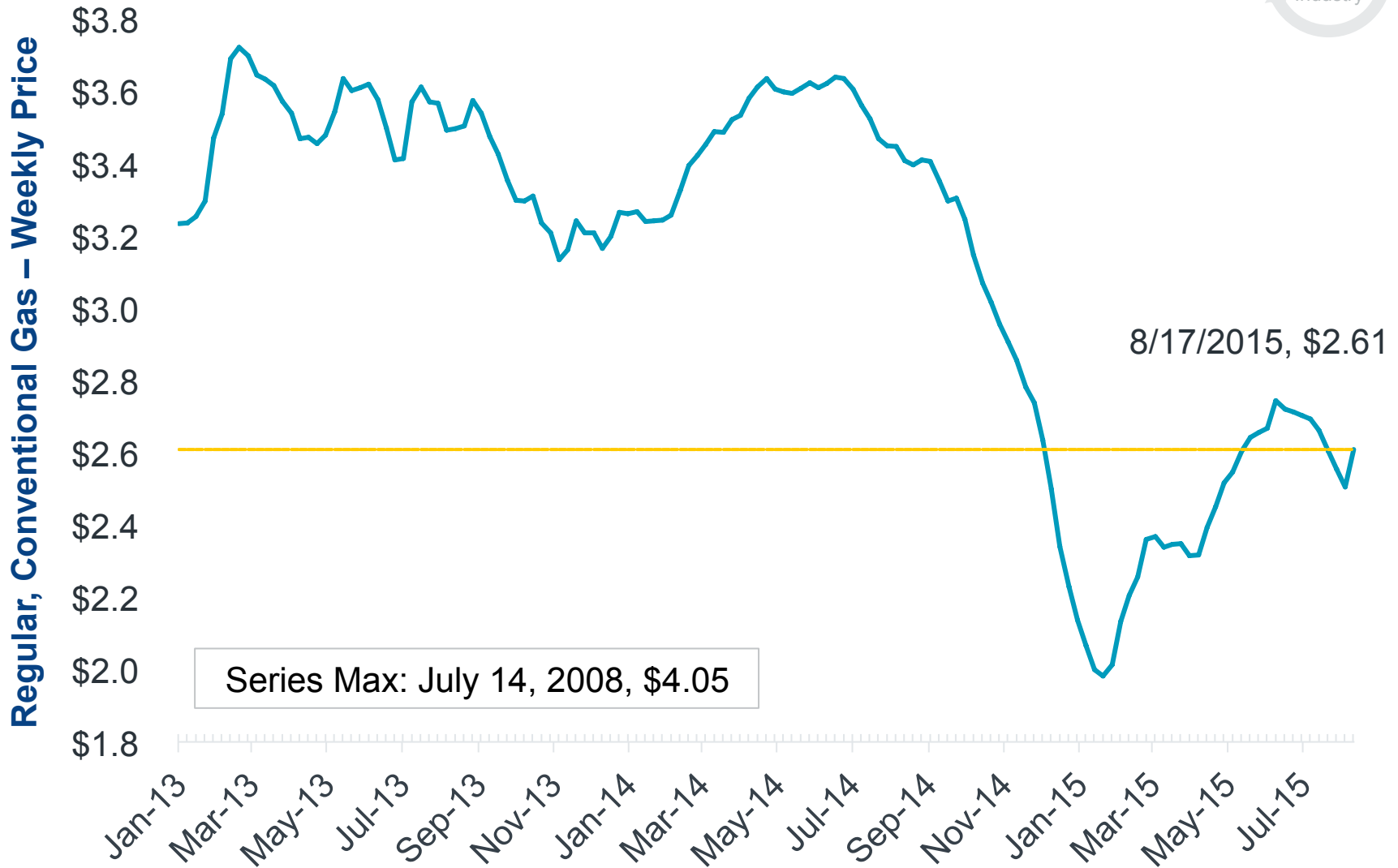
U.S. HOUSING STARTS V. BOAT SALES



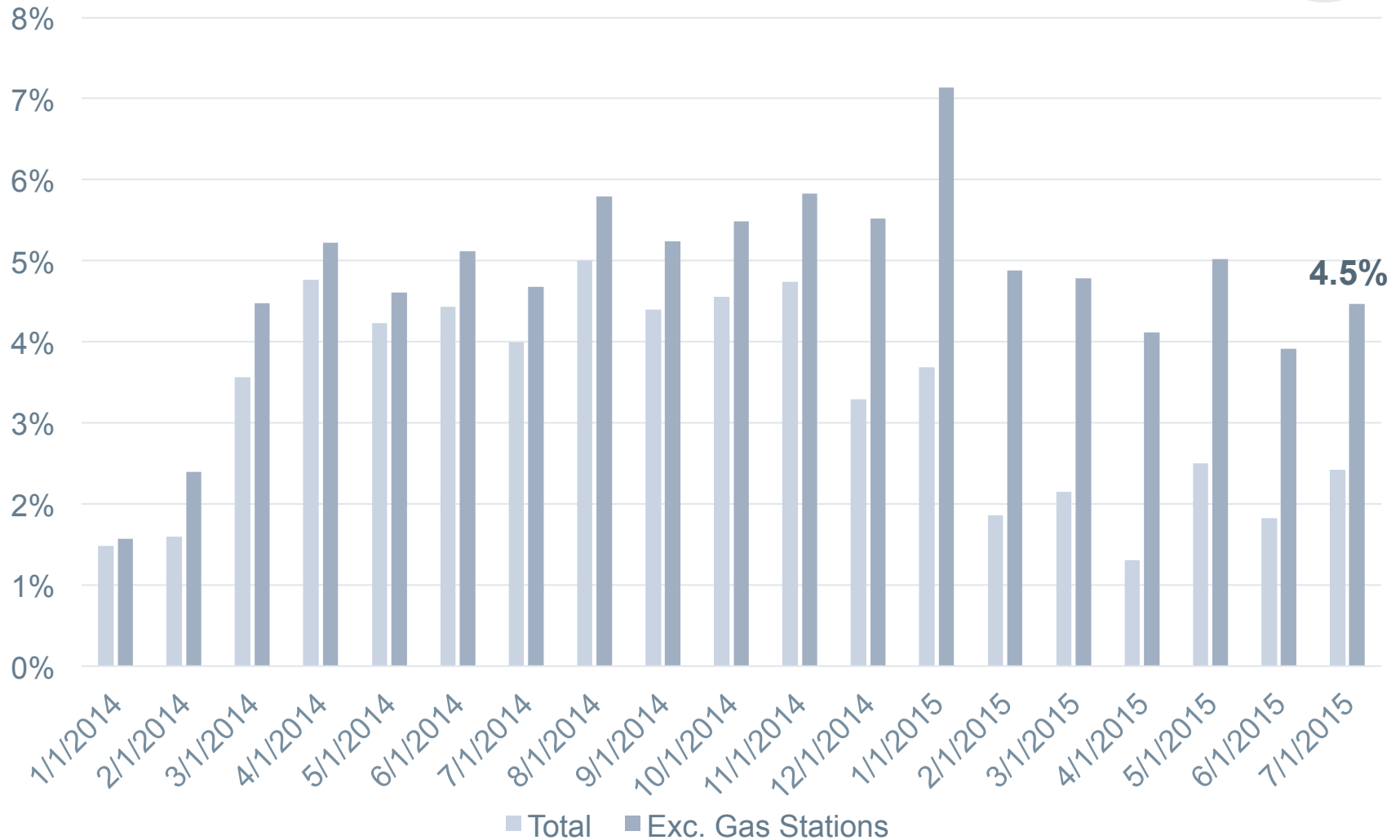
MONTHLY CHANGES IN EMPLOYMENT



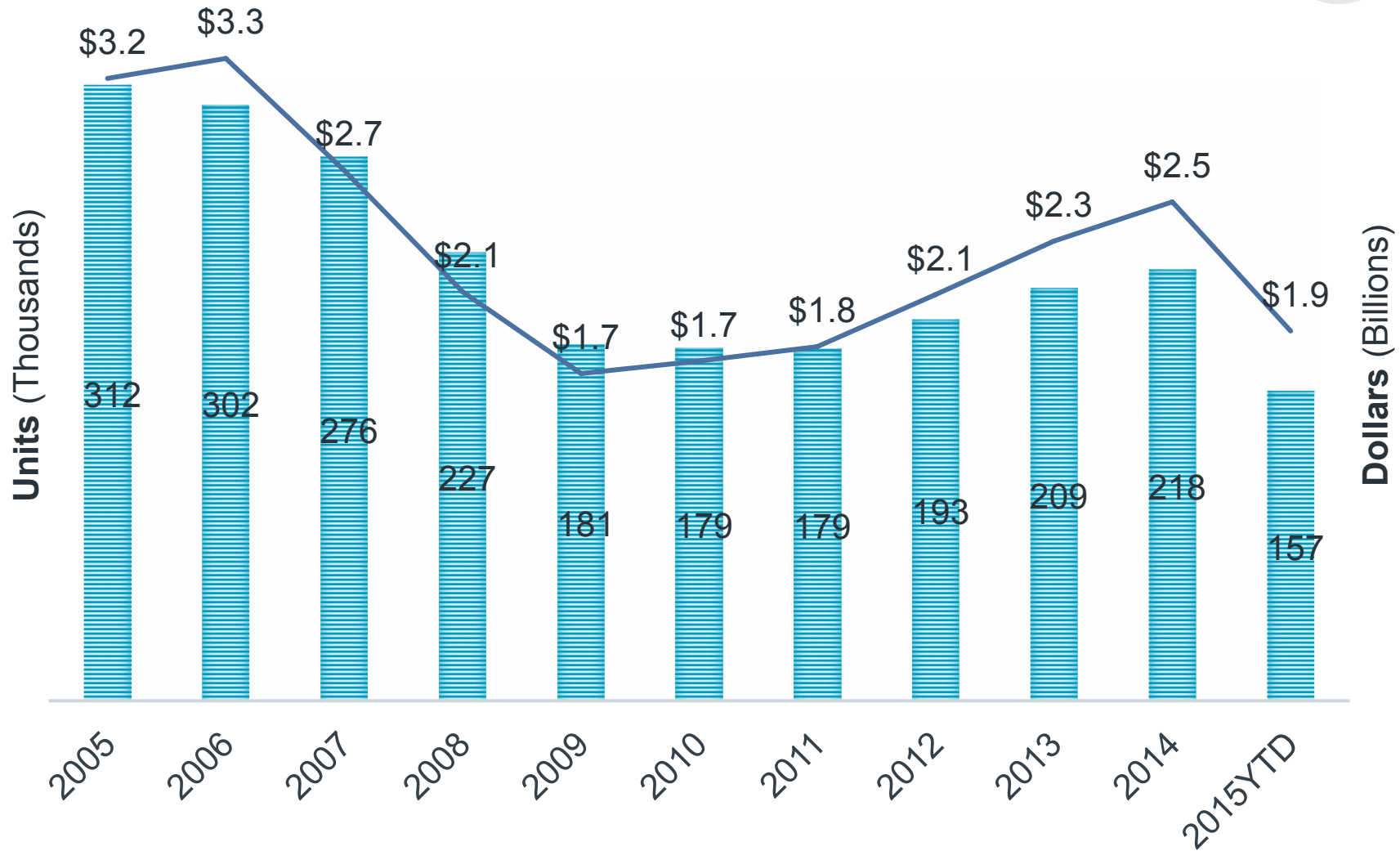
U.S. CITY RETAIL GAS PRICES



CONSUMER SPENDING



OUTBOARD ENGINE RETAIL SALES

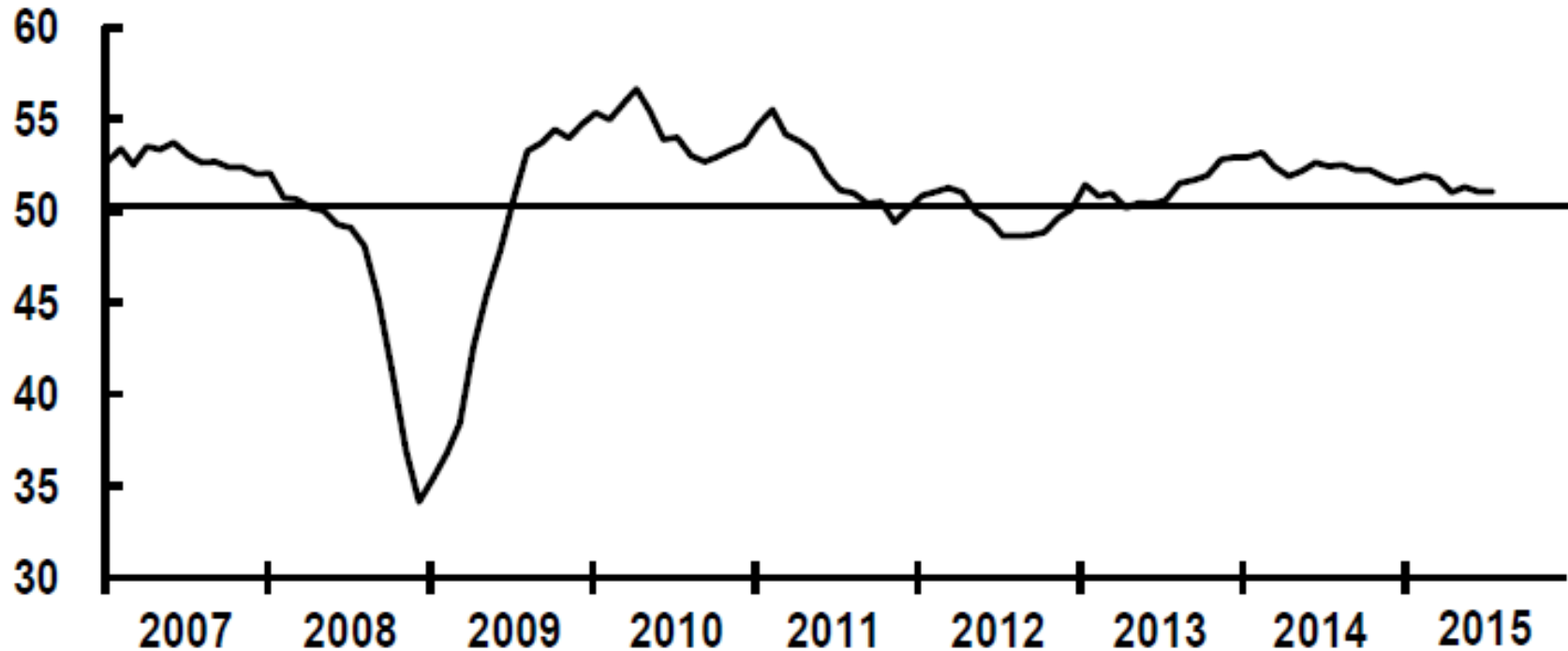


GLOBAL ECONOMY



JPMorgan Global Manufacturing PMI

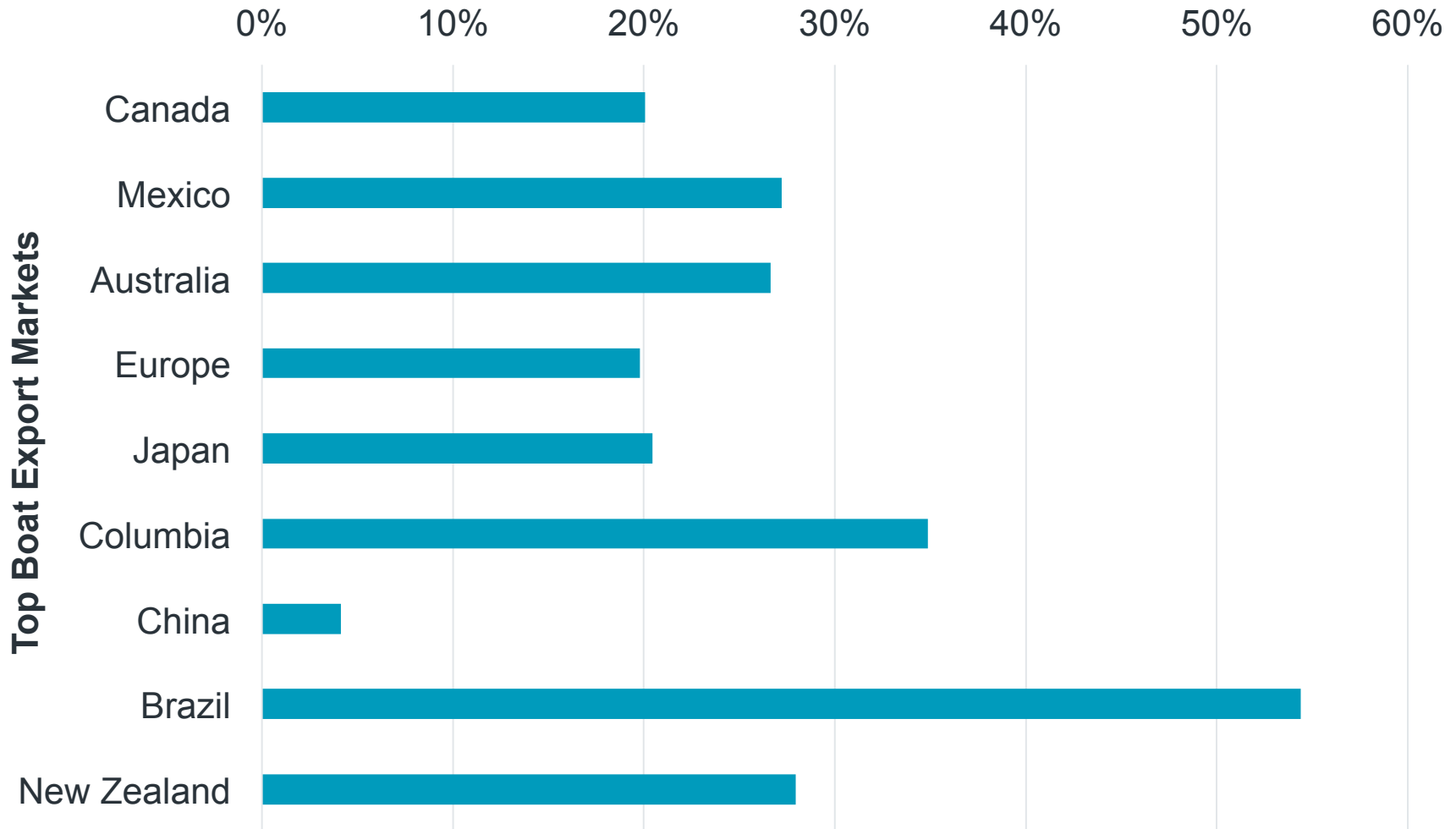
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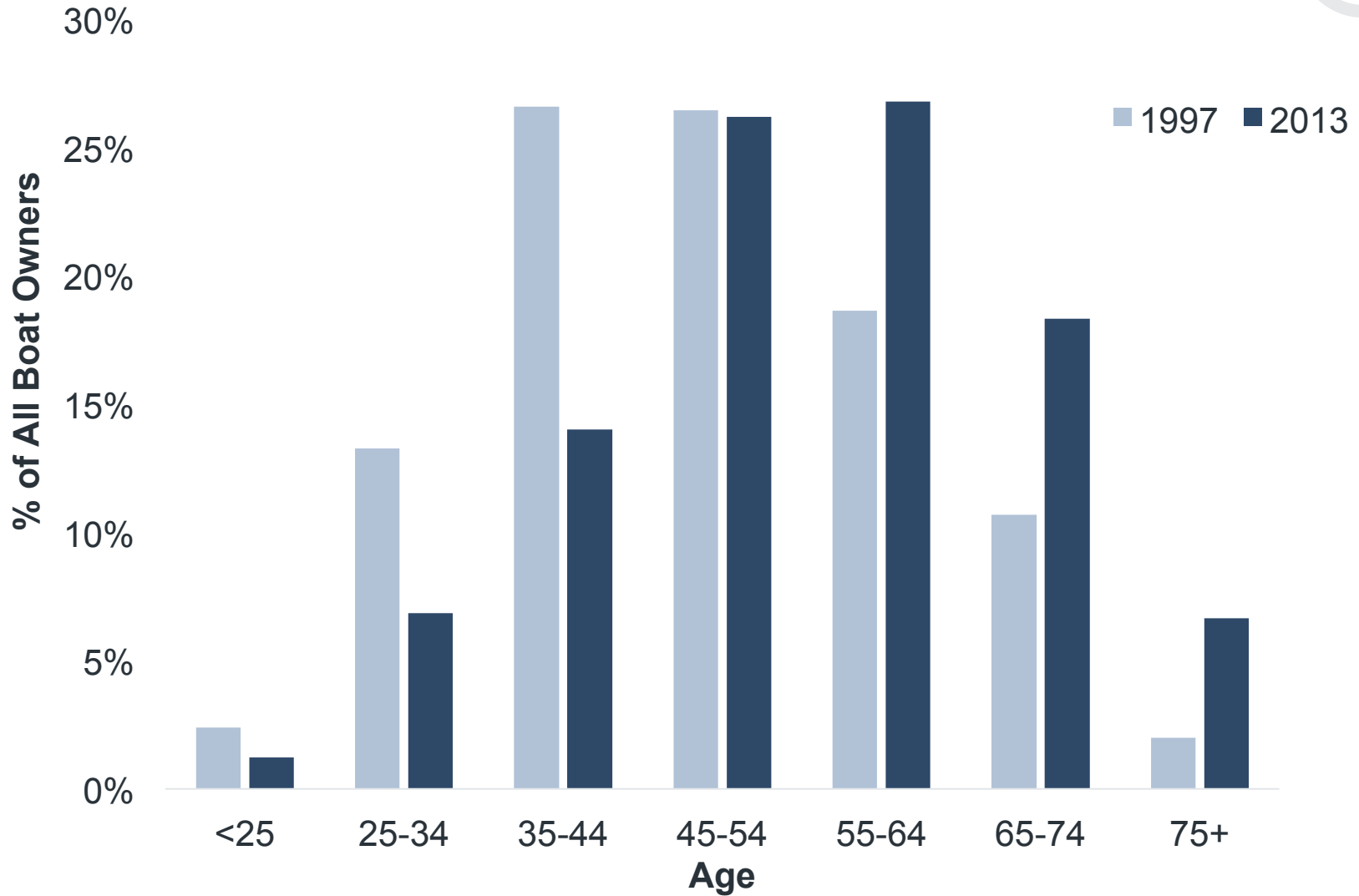
STRONG DOLLAR



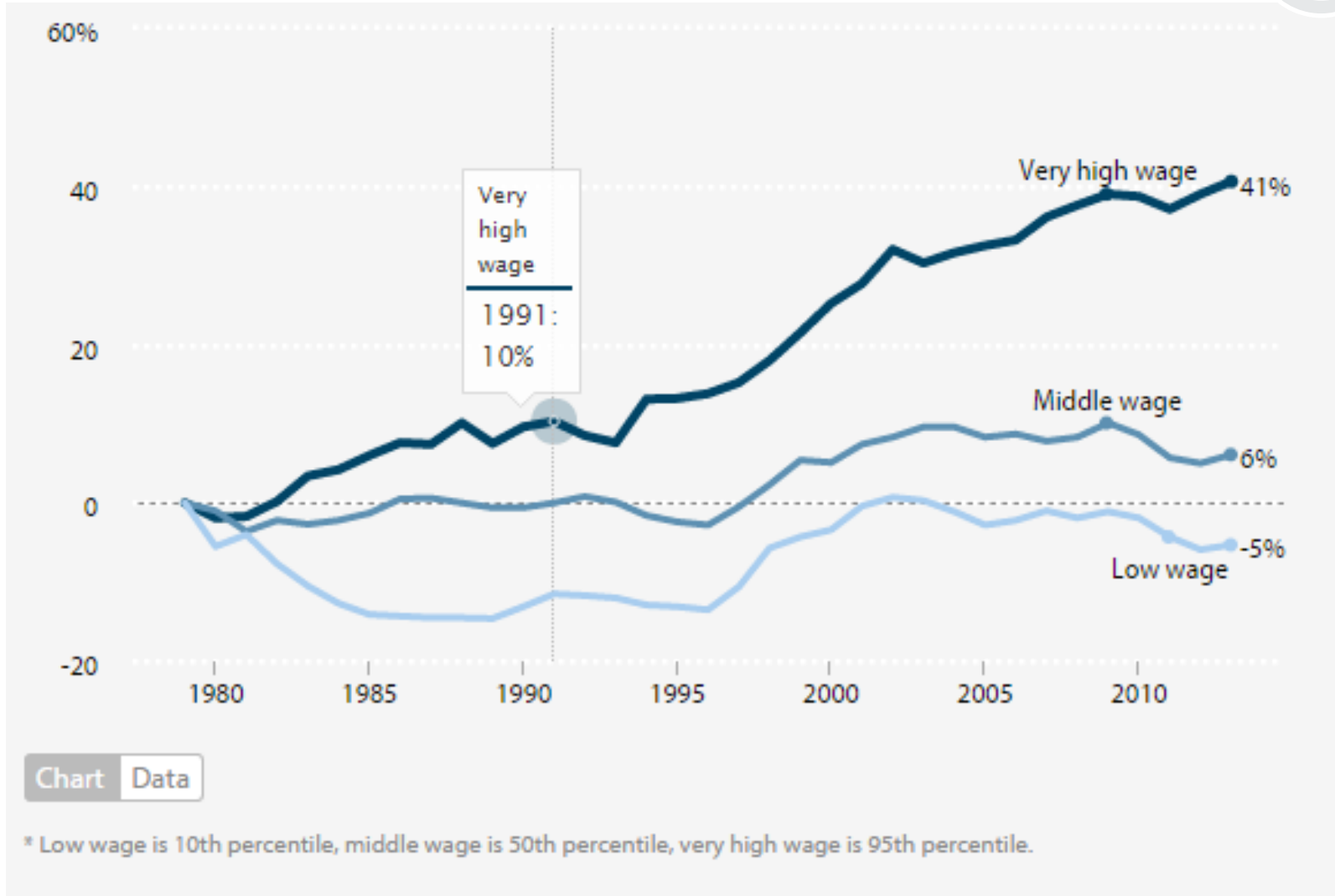
USD BUYING POWER YOY GROWTH



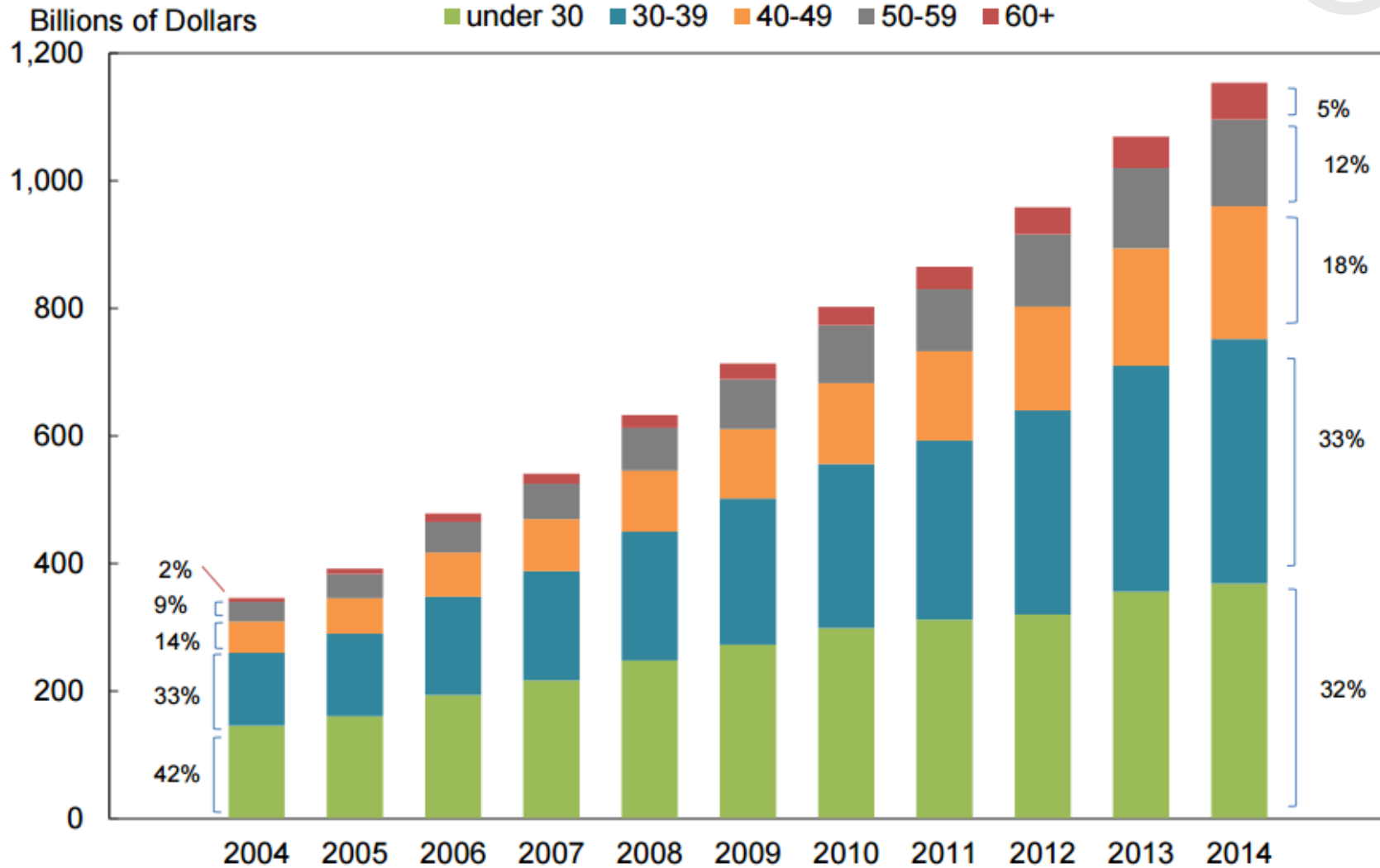
AGING BOATER



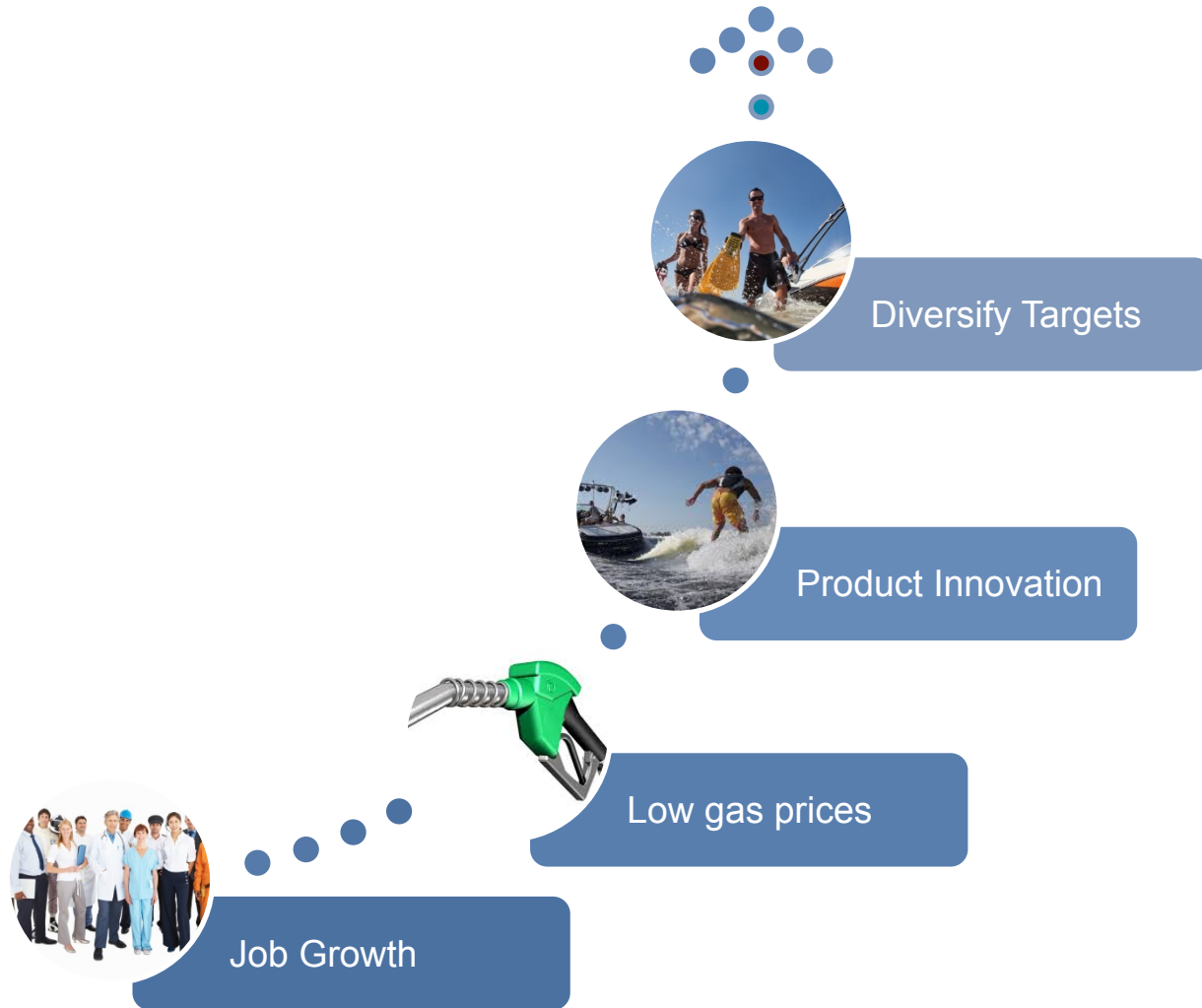
STAGNANT MIDDLE CLASS



RISING STUDENT DEBT



GROWTH DRIVERS



All data presented today can be found in the following publications.

[NMMA 2014 Recreational Boating Statistical Abstract](#)

[NMMA Data Dashboard](#)

Vicky Yu - vyu@nmma.org - 312.946.6261



State of the Industry

August 20, 2015



New boat sales growth in the mid to high single digits in line with expectations



National Powerboat Summary
12 Month Rolling Through June

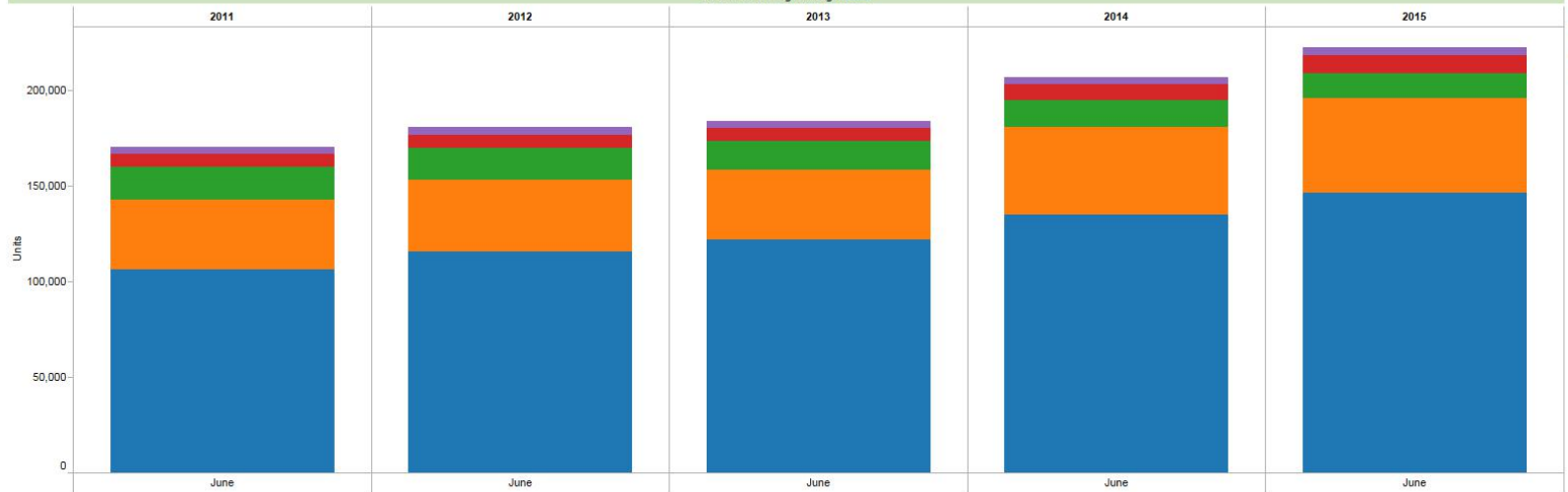
Propulsion	2011		2012		2013		2014		2015	
	Units	% Chg YOY	Units	% Chg YOY	Units	% Chg YOY	Units	% Chg YOY	Units	% Chg YOY
Outboard	106,093	0.8%	115,656	9.0%	121,731	5.3%	134,822	10.8%	146,221	8.5%
PWC	36,474	-15.7%	37,361	2.4%	36,364	-2.7%	45,577	25.3%	49,704	9.1%
Stern	17,433	-20.9%	16,606	-4.7%	14,981	-9.8%	14,218	-5.1%	12,780	-10.1%
Inboard	6,636	-16.2%	6,858	3.3%	7,233	5.5%	8,493	17.4%	9,216	8.5%
Jet	3,813	-9.0%	4,303	12.9%	3,629	-15.7%	3,579	-1.4%	4,154	16.1%
Grand Total	170,449	-6.7%	180,784	6.1%	183,938	1.7%	206,689	12.4%	222,075	7.4%

User Instructions
 1. To view % YOY change in bar chart, click on propulsion in table, bar chart or legend
 2. To deselect click on the white space in the graph
 3. To remove year(s) right click on year in table or bar chart and choose exclude or hide
 4. To return to original settings, click F12 or go to File then Revert to Saved

- Report Controls**
- Report Type
 3 Month Rolling
 12 Month Rolling
- Sales Through
 Most Recent Month (Est)
 Most Recent Quarter

- Vessel Characteristics**
- Boat Segment
 All
- Hull Type
 Aluminum
 Fiberglass
- Propulsion
 Inboard
 Jet
 Outboard
 PWC
 Stern
- Length Range
 < 15'
 15' - 19'
 20' - 24'
 25' - 29'
 30+'

Unit Sales by Propulsion
12 Month Rolling Through June



- Propulsion**
- Jet
 - Inboard
 - Stern
 - PWC
 - Outboard

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The Difference Between Guessing and KNOWING



Seeing continued weakness in the 15' – 19' category



- Report Controls**
- Report Type
 3 Month Rolling
 12 Month Rolling
- Sales Through
 Most Recent Month (Est)
 Most Recent Quarter

Vessel Characteristics

Boat Segment
 All

Hull Type
 Aluminum
 Fiberglass

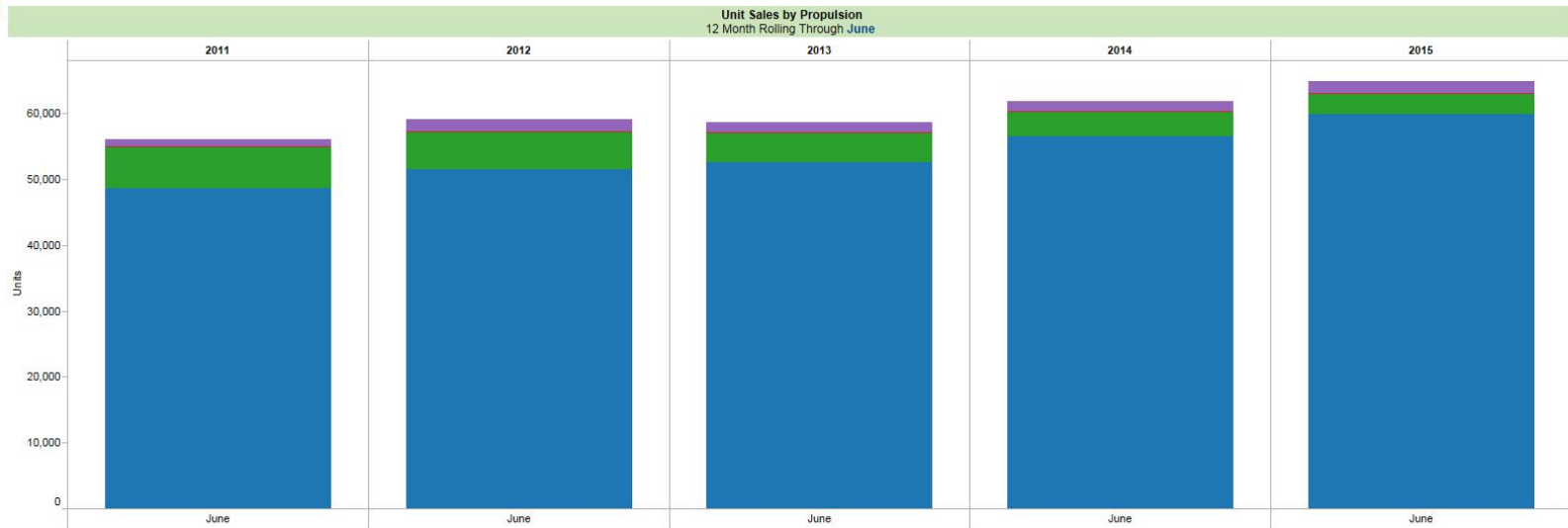
Propulsion
 Inboard
 Jet
 Outboard
 PWC
 Stern

Length Range
 < 15'
 15' - 19'
 20' - 24'
 25' - 29'
 30+'

National Powerboat Summary 12 Month Rolling Through June										
Propulsion	2011		2012		2013		2014		2015	
	Units	% Chg YOY	Units	% Chg YOY	Units	% Chg YOY	Units	% Chg YOY	Units	% Chg YOY
Outboard	48,698	0.7%	51,563	5.9%	52,599	2.0%	56,465	7.3%	59,912	6.1%
Stern	6,177	-15.6%	5,689	-7.9%	4,544	-20.1%	3,865	-14.9%	3,096	-19.9%
Jet	1,112	-22.0%	1,714	54.1%	1,402	-18.2%	1,435	2.4%	1,763	22.9%
Inboard	91	-22.2%	98	7.7%	68	-30.6%	75	10.3%	78	4.0%
Grand Total	56,078	-2.0%	59,064	5.3%	58,613	-0.8%	61,840	5.5%	64,850	4.9%

User Instructions

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- To remove year(s) right click on year in table or bar chart and choose exclude or hide
- To return to original settings, click F12 or go to File then Revert to Saved



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Weakness is more pronounced among small fiberglass boats



- Report Controls**
- Report Type
 3 Month Rolling
 12 Month Rolling
- Sales Through
 Most Recent Month (Est)
 Most Recent Quarter

Vessel Characteristics

Boat Segment

All

Hull Type

- Aluminum
 Fiberglass

Propulsion

- Inboard
 Jet
 Outboard
 PWC
 Stern

Length Range

- < 15'
 15' - 19'
 20' - 24'
 25' - 29'
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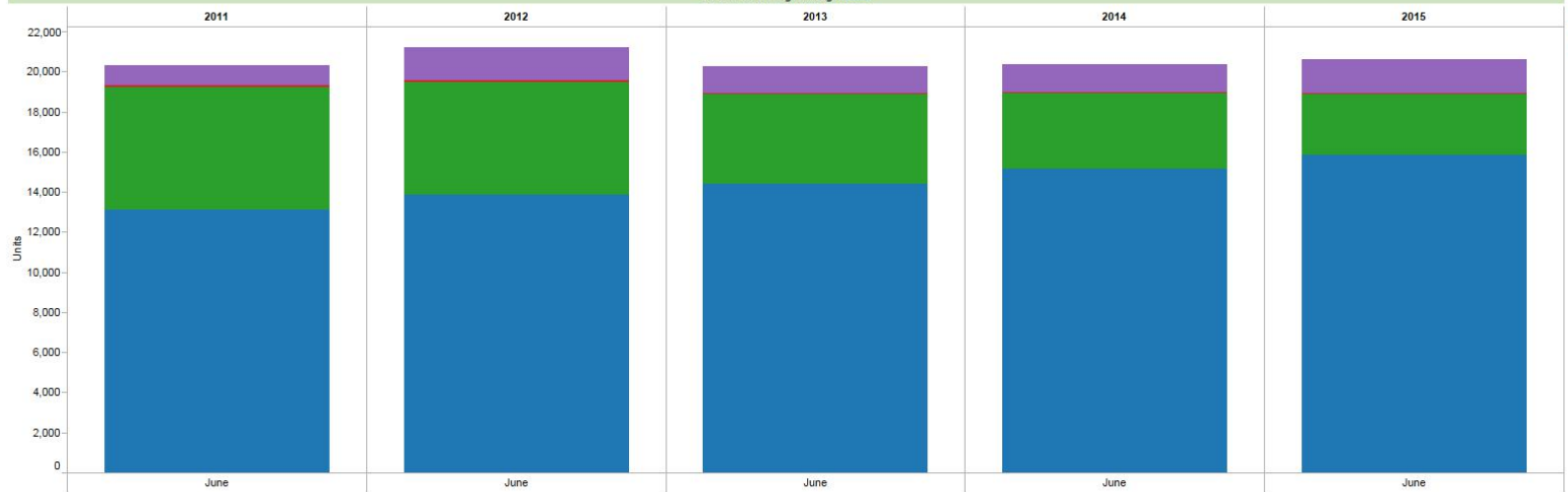
**National Powerboat Summary
12 Month Rolling Through June**

Propulsion	2011		2012		2013		2014		2015	
	Units	% Chg YOY	Units	% Chg YOY	Units	% Chg YOY	Units	% Chg YOY	Units	% Chg YOY
Outboard	13,106	-6.9%	13,836	5.6%	14,380	3.9%	15,123	5.2%	15,847	4.8%
Stern	6,116	-15.5%	5,642	-7.8%	4,497	-20.3%	3,811	-15.3%	3,018	-20.8%
Jet	1,002	-21.9%	1,627	62.4%	1,336	-17.9%	1,369	2.5%	1,703	24.4%
Inboard	75	-31.2%	85	13.3%	58	-31.8%	54	-6.9%	53	-1.4%
Grand Total	20,299	-10.6%	21,190	4.4%	20,271	-4.3%	20,357	0.4%	20,622	1.3%

User Instructions

- To view % YOY change in bar chart, click on propulsion in table, bar chart or legend
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- To remove year(s) right click on year in table or bar chart and choose exclude or hide
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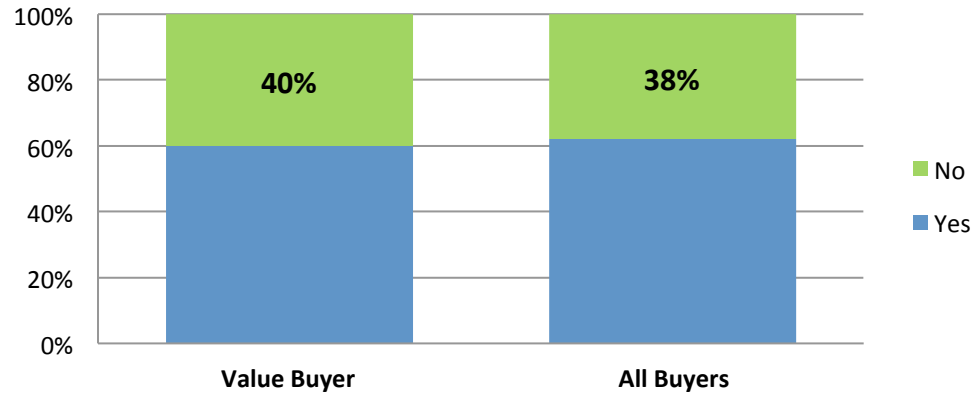
**Unit Sales by Propulsion
12 Month Rolling Through June**



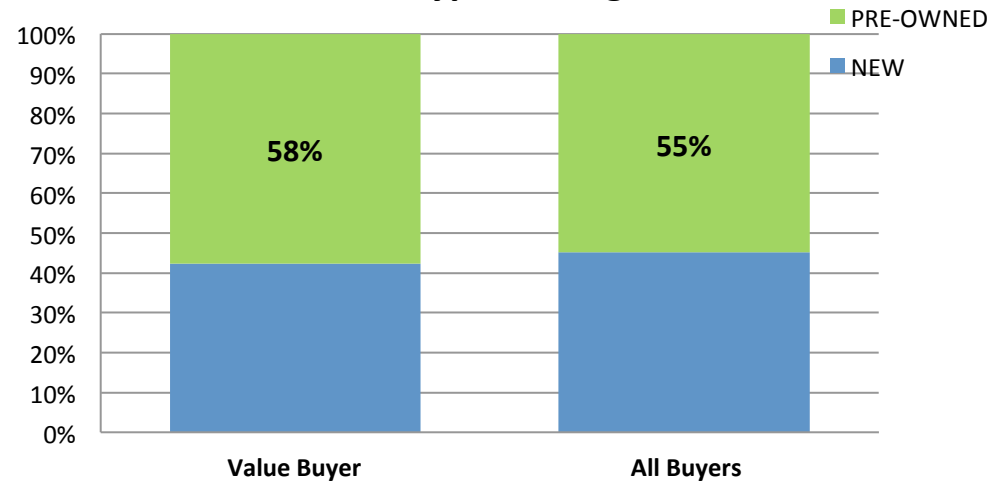
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Entry Level Value Buyers

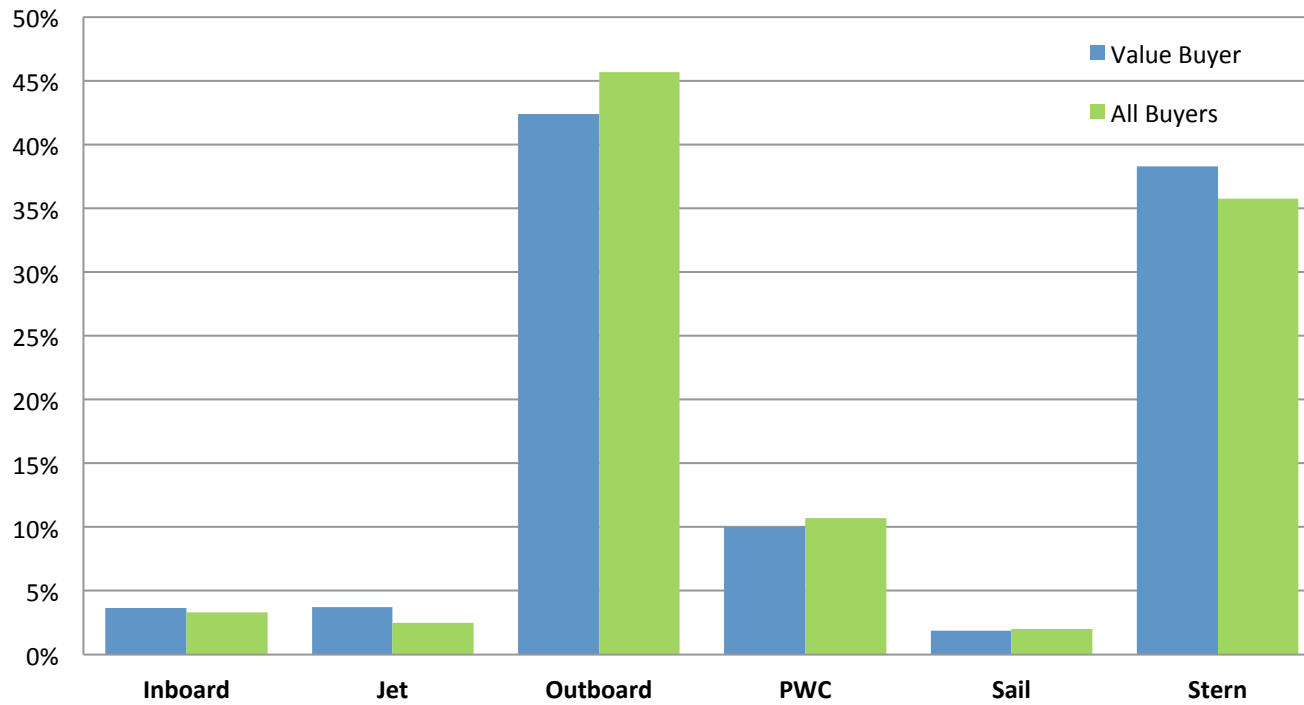
Entry Level Buyers and Prior Boat Ownership



Prior Purchase Type among Prior Owners



Prior Boat Ownership by Propulsion Type





Continued strength in Saltwater Fishing boats



National Powerboat Summary
12 Month Rolling Through June

Propulsion	2011		2012		2013		2014		2015	
	Units	% Chg YOY	Units	% Chg YOY	Units	% Chg YOY	Units	% Chg YOY	Units	% Chg YOY
Outboard	15,243	-9.7%	16,331	7.1%	18,600	13.9%	21,612	16.2%	24,450	13.1%
Grand Total	15,243	-9.7%	16,331	7.1%	18,600	13.9%	21,612	16.2%	24,450	13.1%

User Instructions
 1. To view % YOY change in bar chart, click on propulsion in table, bar chart or legend
 2. To deselect click on the white space in the graph
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- Report Controls**
- Report Type
 3 Month Rolling
 12 Month Rolling
- Sales Through
 Most Recent Month (Est)
 Most Recent Quarter

Vessel Characteristics

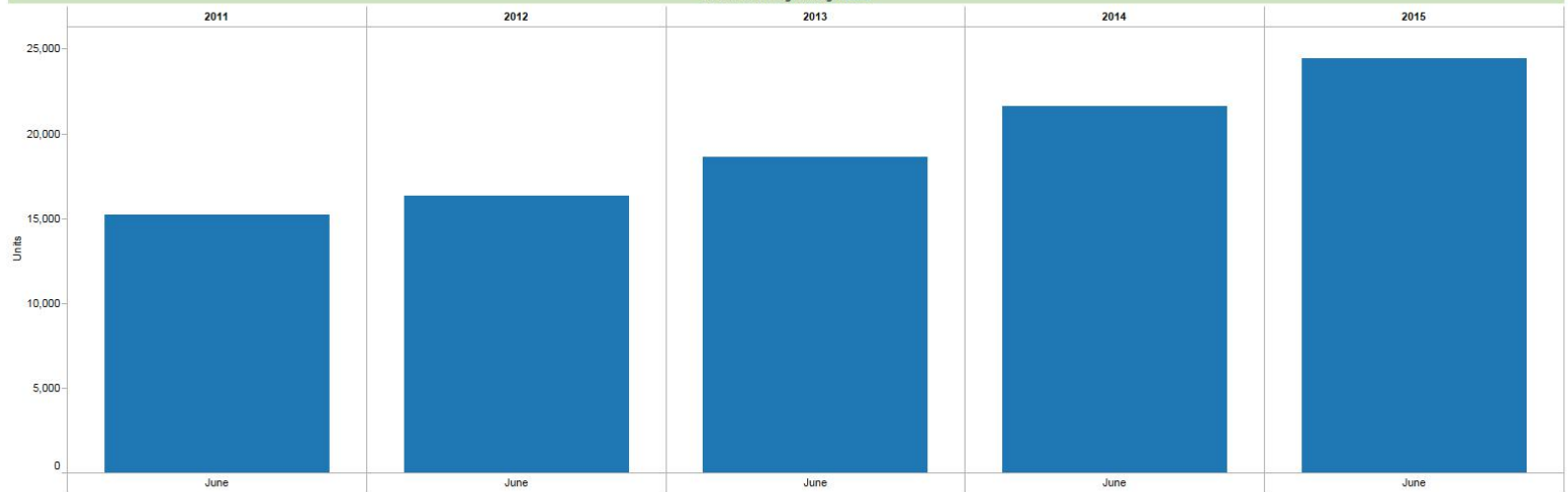
Boat Segment
 Multiple Values

- Hull Type
 Aluminum
 Fiberglass

- Propulsion
 Inboard
 Jet
 Outboard
 PWC
 Stern

- Length Range
 < 15'
 15' - 19'
 20' - 24'
 25' - 29'
 30+'

Unit Sales by Propulsion
12 Month Rolling Through June



Propulsion
 Outboard

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After years of driving growth, Pontoon boats sales appear to be slowing somewhat



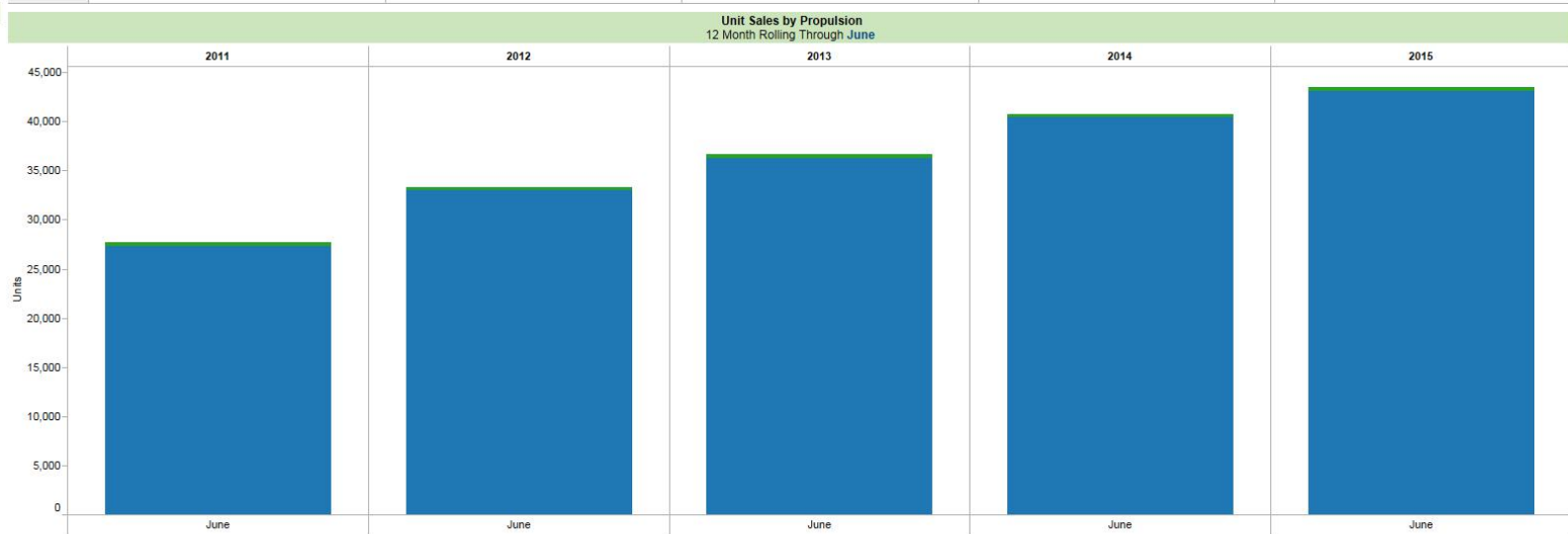
- Report Controls**
- Report Type
 3 Month Rolling
 12 Month Rolling
- Sales Through
 Most Recent Month (Est)
 Most Recent Quarter

- Vessel Characteristics**
- Boat Segment
 Pontoon
- Hull Type
 Aluminum
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- Propulsion
 Inboard
 Jet
 Outboard
 PWC
 Stern
- Length Range
 < 15'
 15' - 19'
 20' - 24'
 25' - 29'
 30+'

National Powerboat Summary 12 Month Rolling Through June										
Propulsion	2011		2012		2013		2014		2015	
	Units	% Chg YOY	Units	% Chg YOY	Units	% Chg YOY	Units	% Chg YOY	Units	% Chg YOY
Outboard	27,288	11.3%	32,995	20.9%	36,310	10.0%	40,420	11.3%	43,121	6.7%
Stern	441	-29.9%	363	-17.7%	348	-4.1%	335	-3.7%	339	1.1%
Grand Total	27,729	10.2%	33,358	20.3%	36,658	9.9%	40,755	11.2%	43,460	6.6%

User Instructions

- To view % YOY change in bar chart, click on propulsion in table, bar chart or legend
- To deselect click on the white space in the graph
- To remove year(s) right click on year in table or bar chart and choose exclude or hide
- To return to original settings, click F12 or go to File then Revert to Saved



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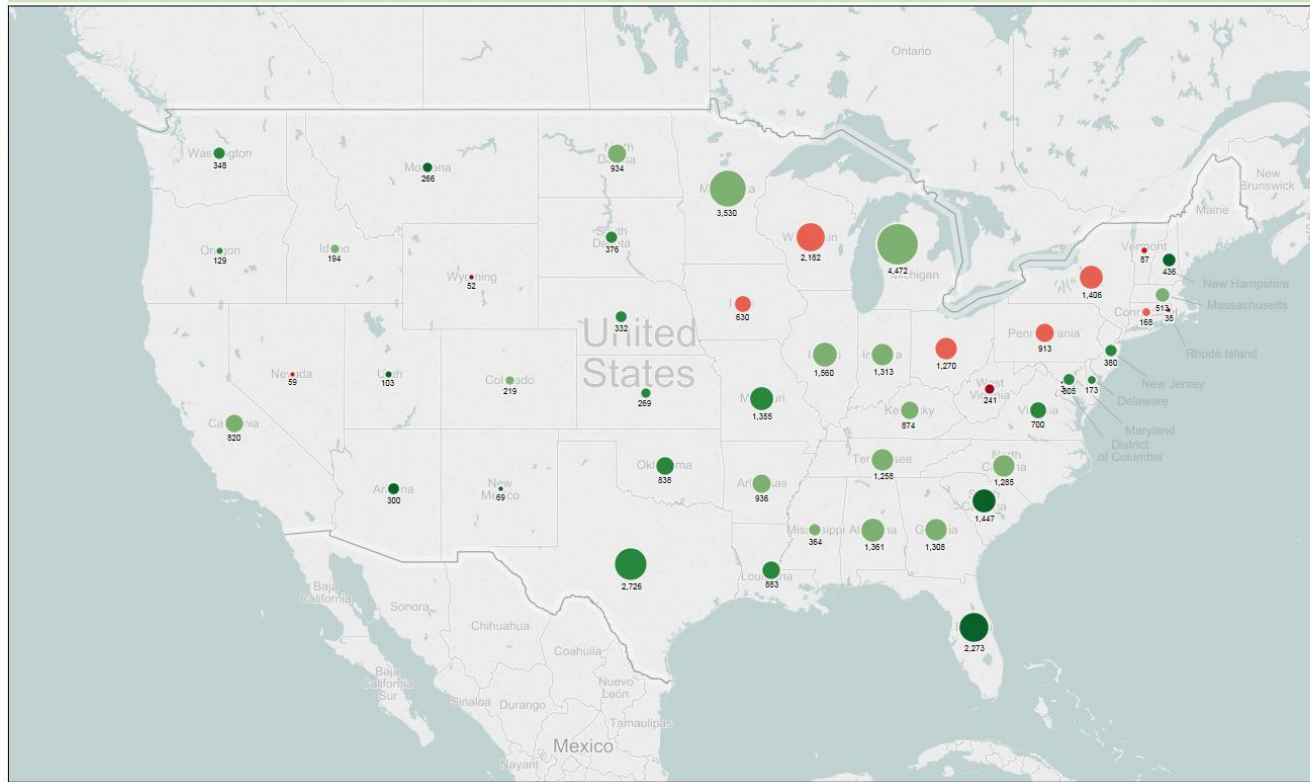


While still up YOY in most states, growth has moderated in a number of key states and a few states have shown small declines



Powerboat Sales by State
12 Month Rolling Through March 2015

- Report Contols**
- Report Type**
 3 Month Rolling
 12 Month Rolling
- Vessel Characteristics**
- Boat Segment**
Pontoon
- Hull Type**
 Aluminum
 Fiberglass
- Propulsion**
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 Jet
 Outboard
 PWC
 Stern
- Length Range**
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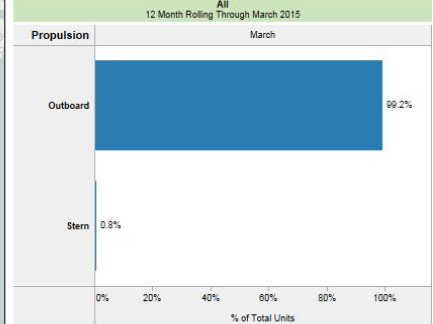


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User Instructions

1. To view data for single State click on State
2. To select multiple states, either hold down Ctrl while selecting states or draw box around multiple states with cursor. To deselect click ocean or Esc
3. To view data for single Propulsion Type, click on Propulsion in % by Propulsion bar chart.
4. To return to original settings, click F12 or go to File then Revert to Saved

% by Propulsion Type



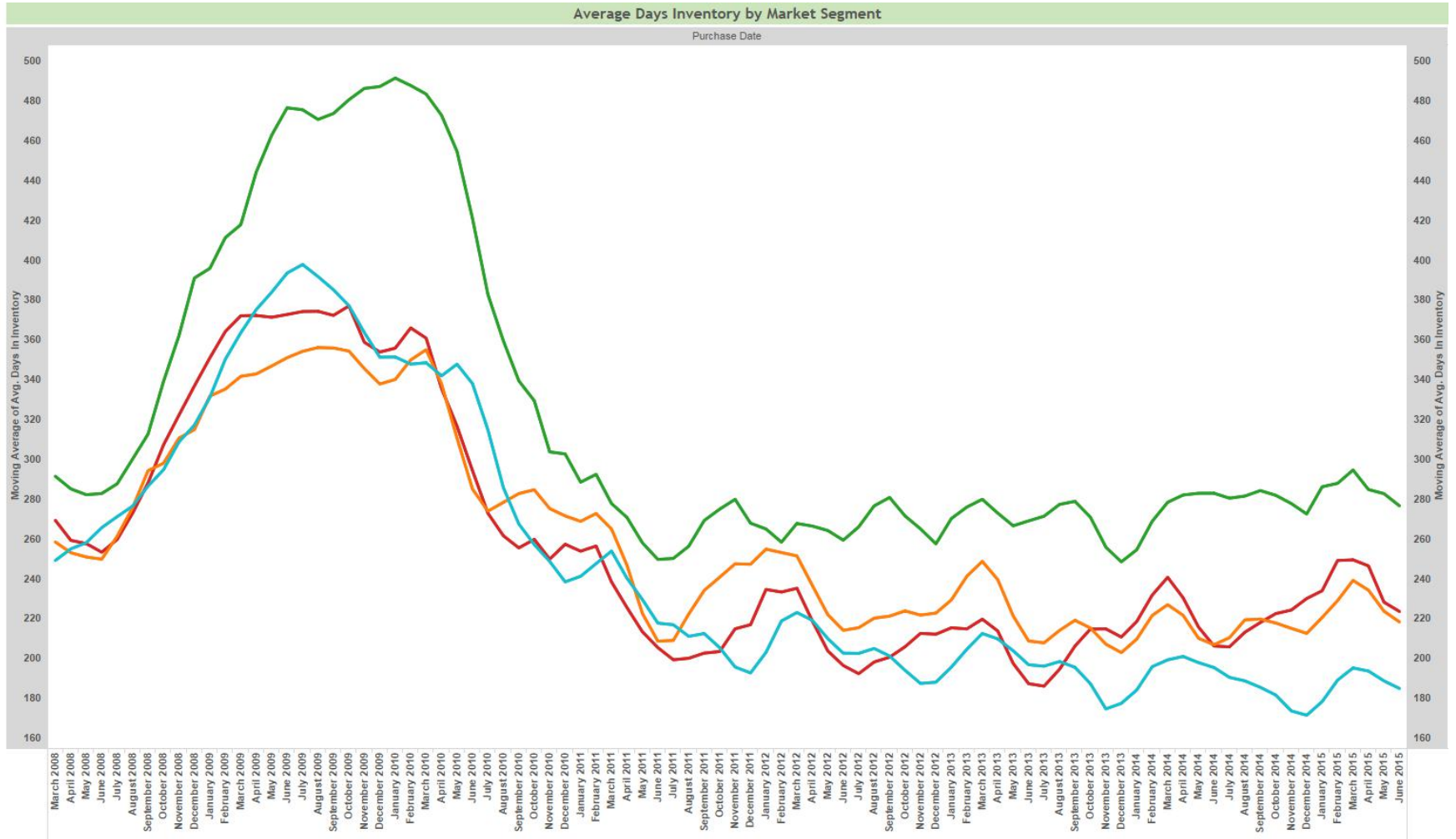
Unit Sales by Year

		12 Month Rolling Through March	
		All	
Propulsion		2014	2015
		March	March
Outboard	Units	38,783	41,419
	% Chg YOY		6.8%
Stern	Units	361	322
	% Chg YOY		-10.7%
Grand Total	Units	39,144	41,741
	% Chg YOY		6.6%

The Difference Between Guessing and KNOWING

The Pontoon distribution channel is clear for the time being

- Market Segment
- Flats/Bay & Inshore
 - FW Fishing
 - Pontoon
 - Runabout/Deck/Jet





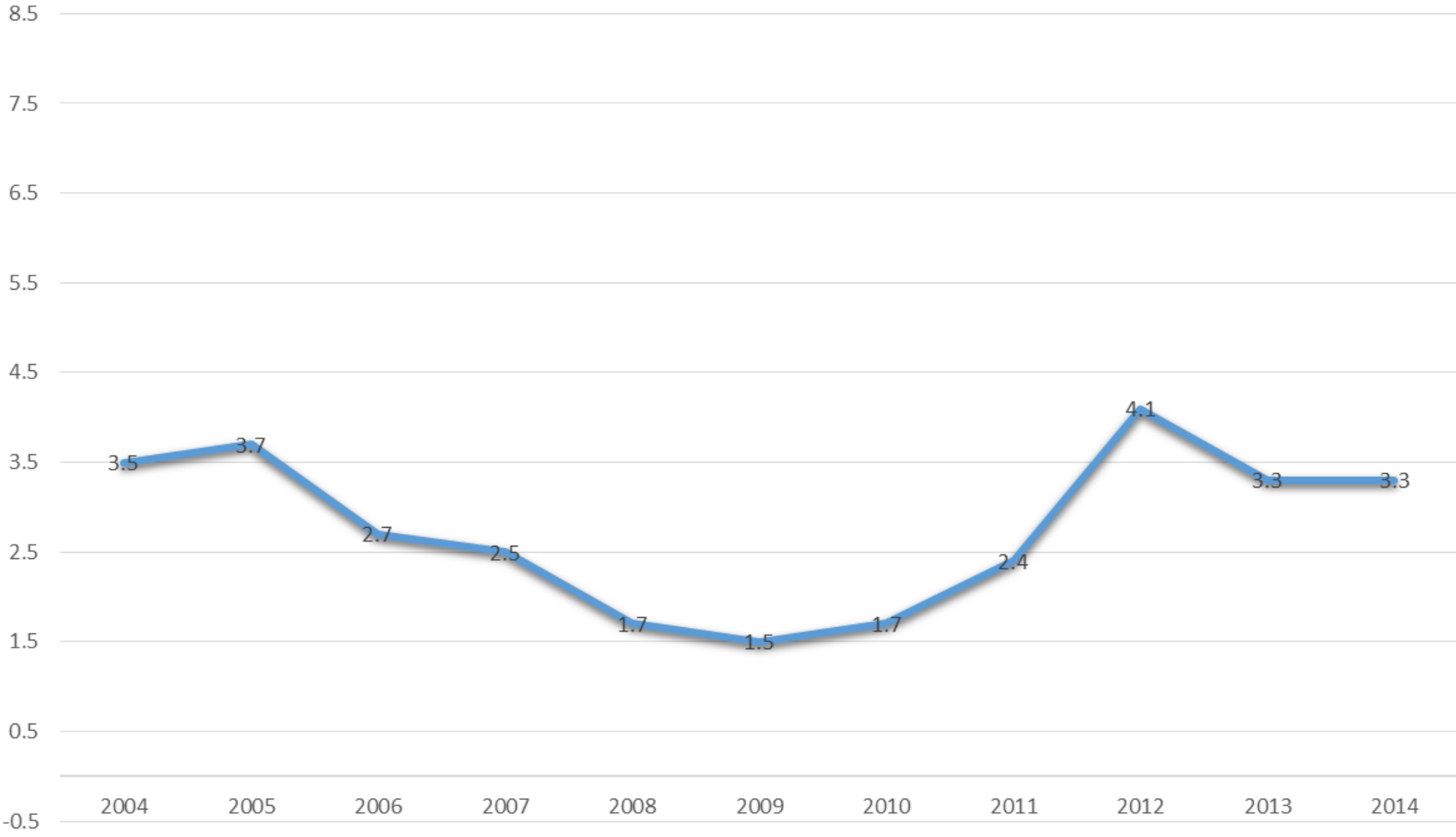
business management

Fulfilling. Success.

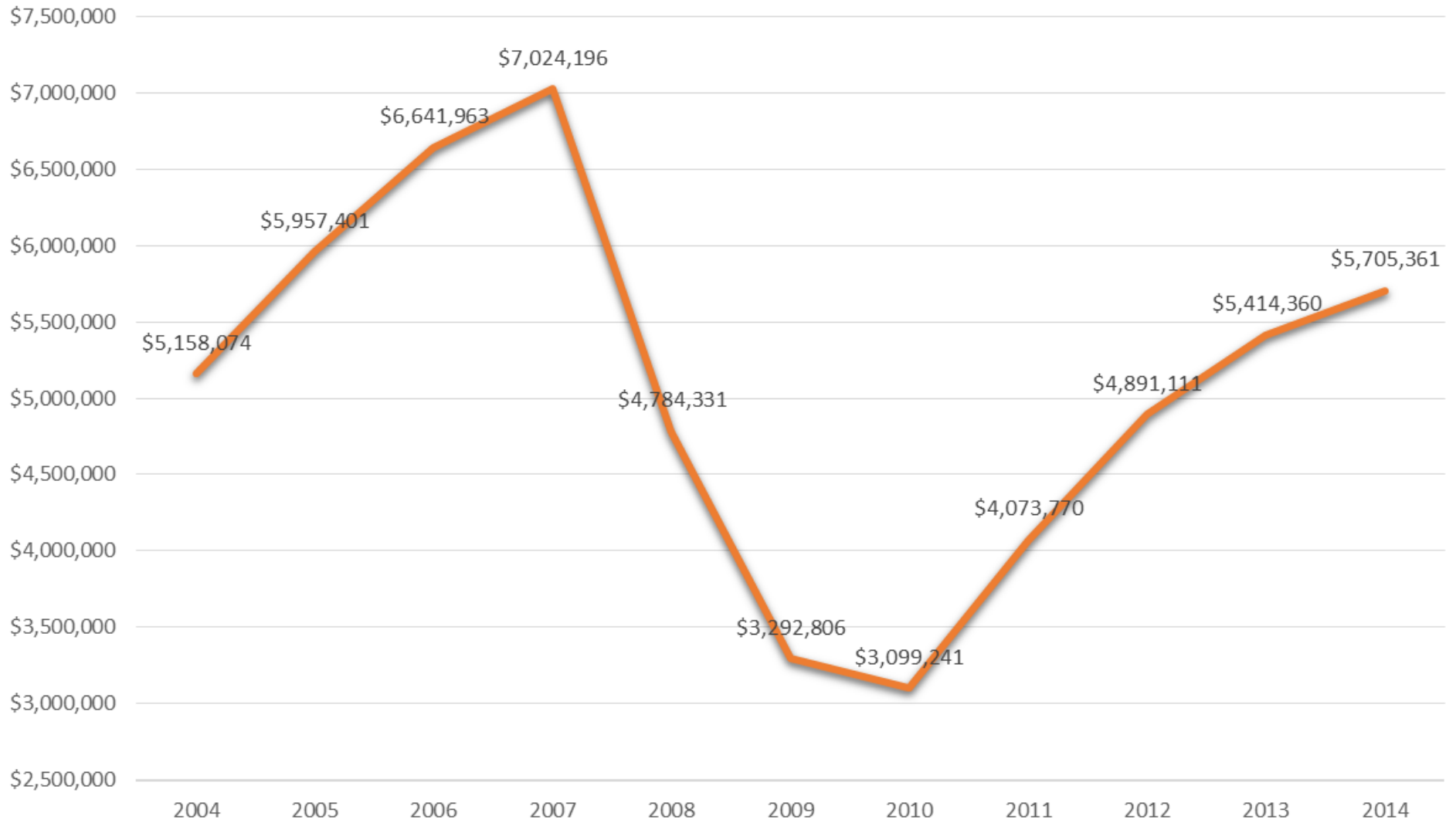
State of the Marine Industry

Noel Lais, Vice President of Operations

Net Profit % of Sales



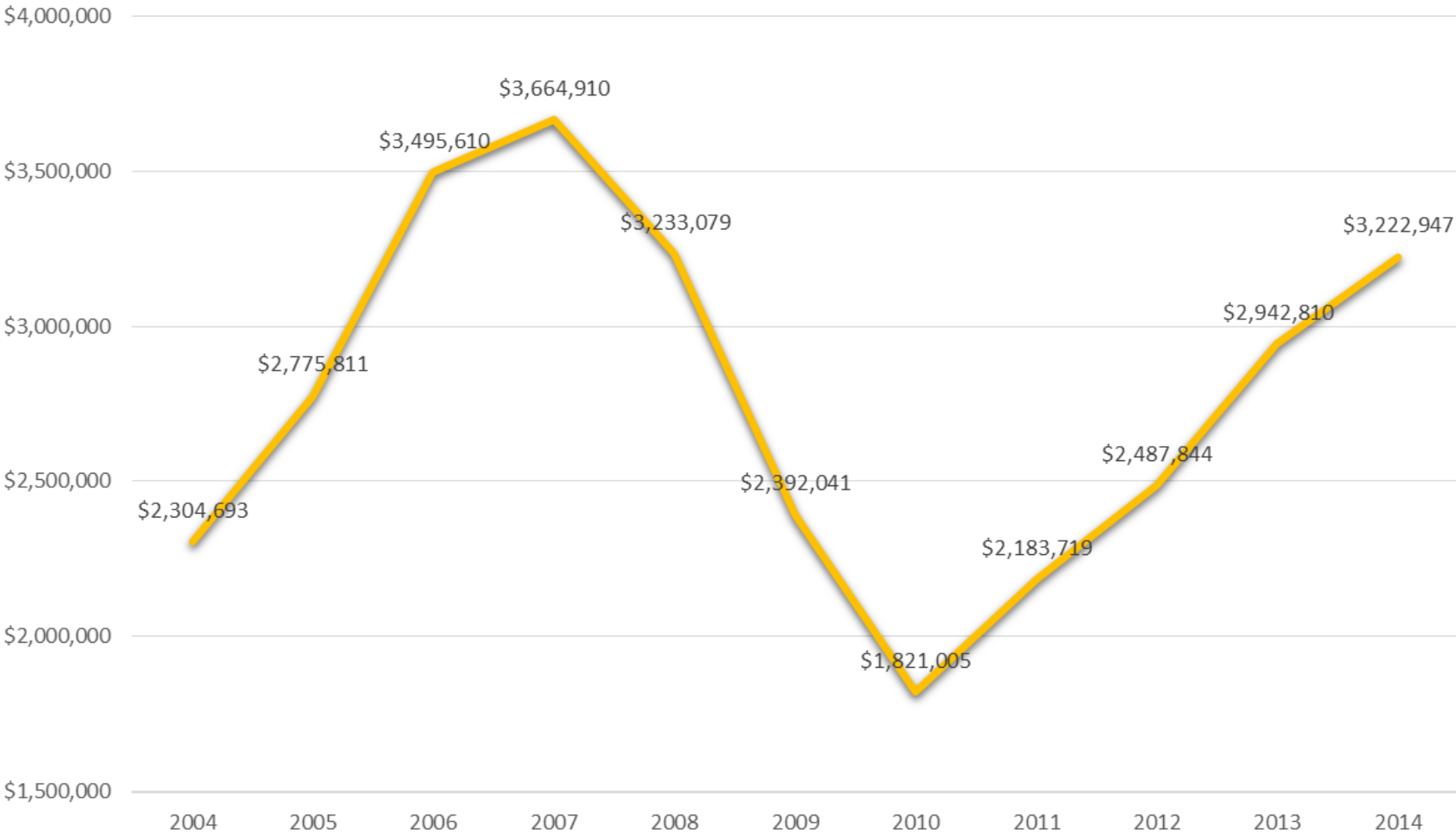
New Boat Sales



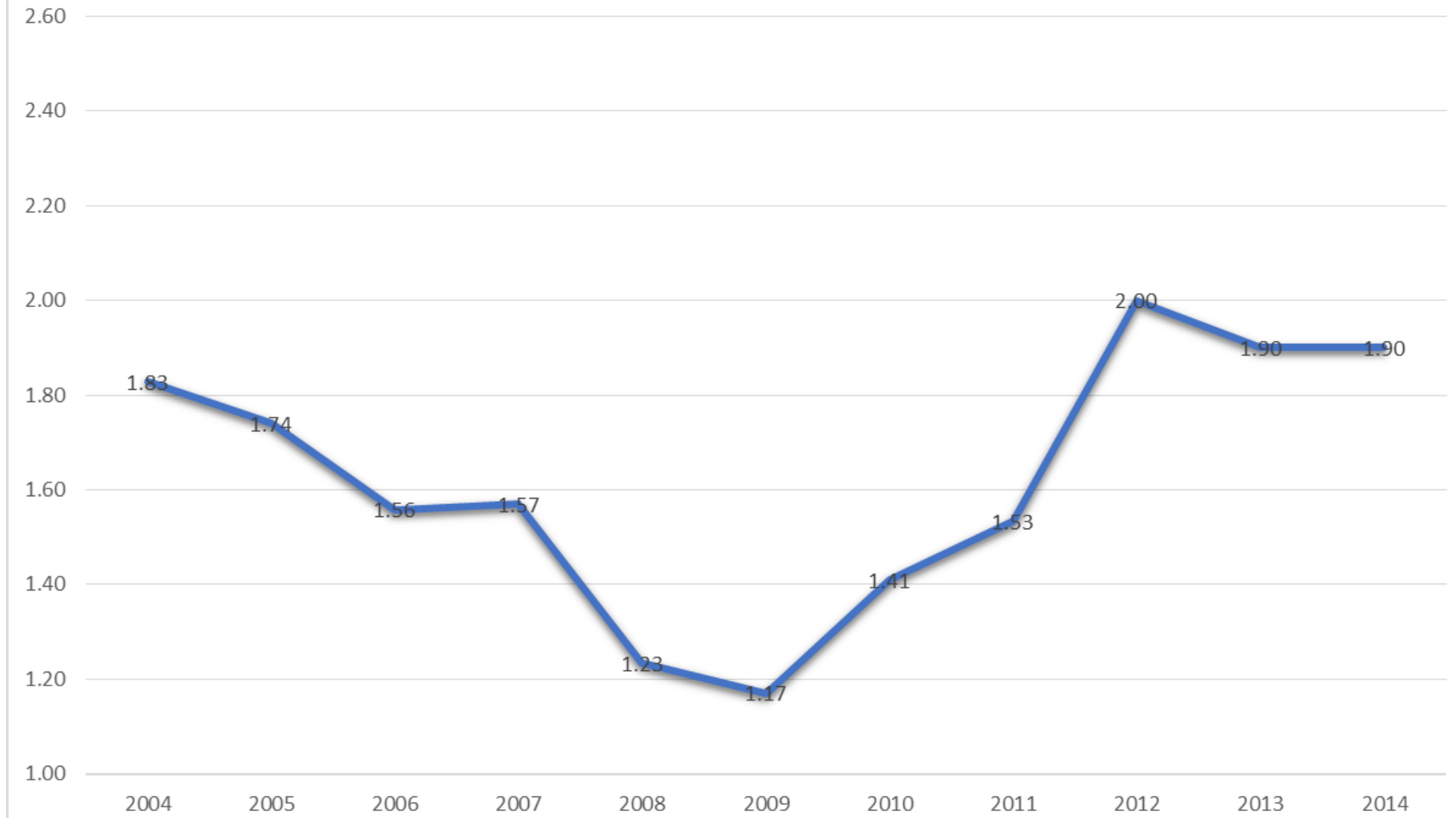
New Boat Gross Margin



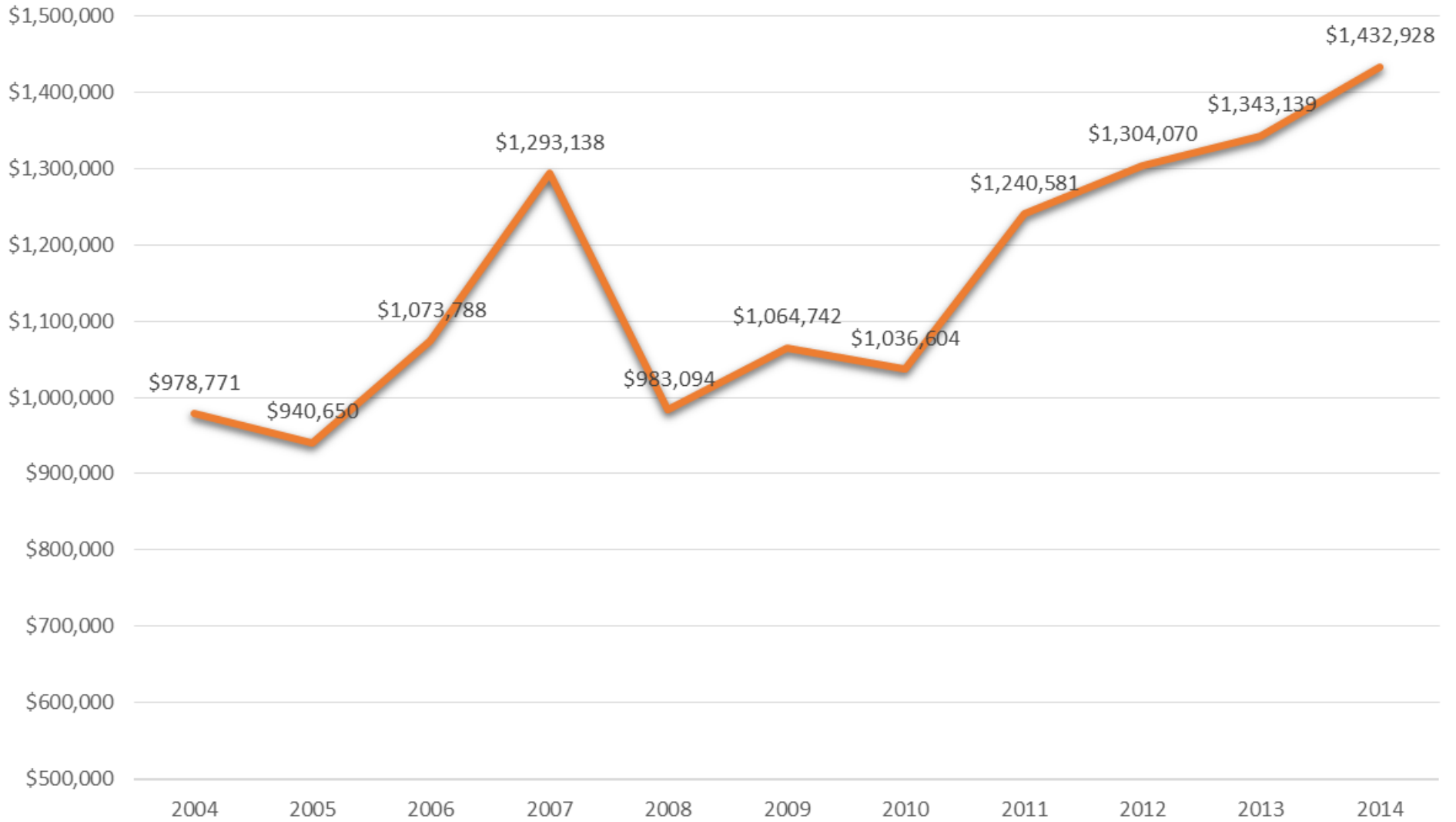
New Boat Inventory



New Inventory Turnover



Used Boat Sales

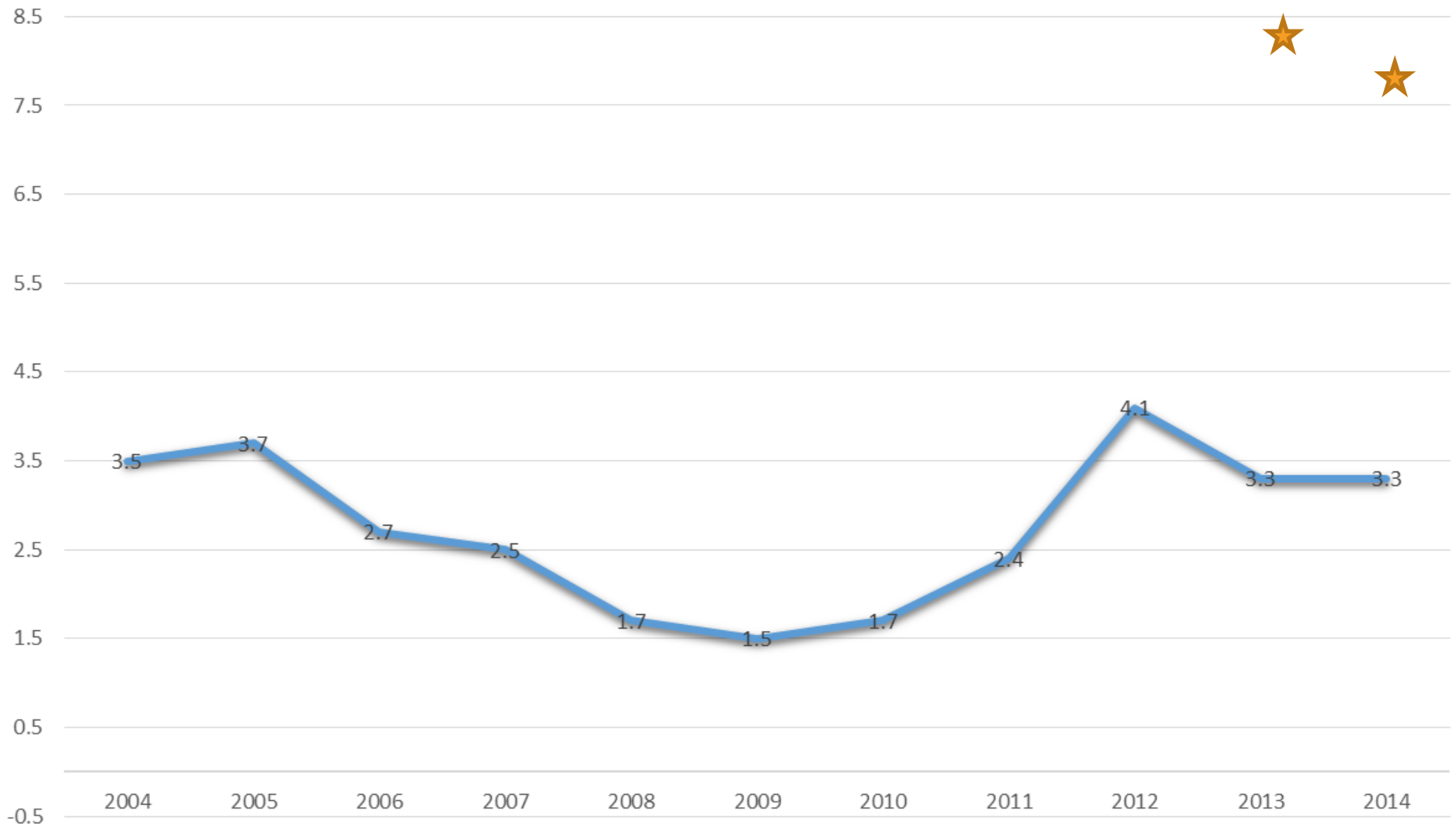


Marine Dealership Trends

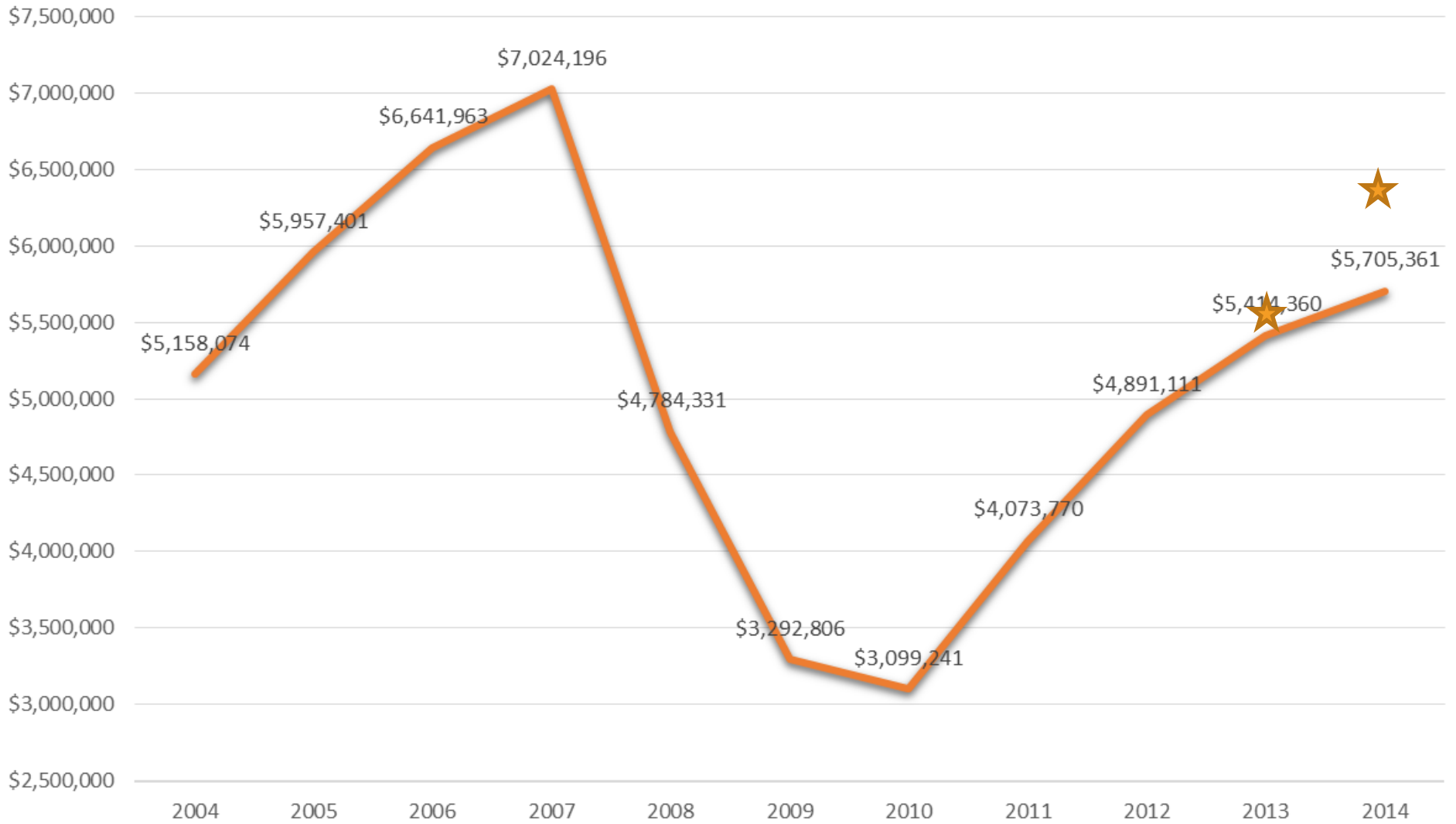
YTD Averages

	May 2015 compared to May 2014	July 2015 compared to July 2014
New Boat Sales	+15.1%	+16.4%
Used Boat Sales	+13.9%	+0.7%
New Boat Inventory	+17.9%	+16.9%
Used Boat Inventory	-0.5%	-8.5%
Total Spending	+7.7%	+11.1%
Net Profit	+45.7%	+25.8%

Net Profit % of Sales



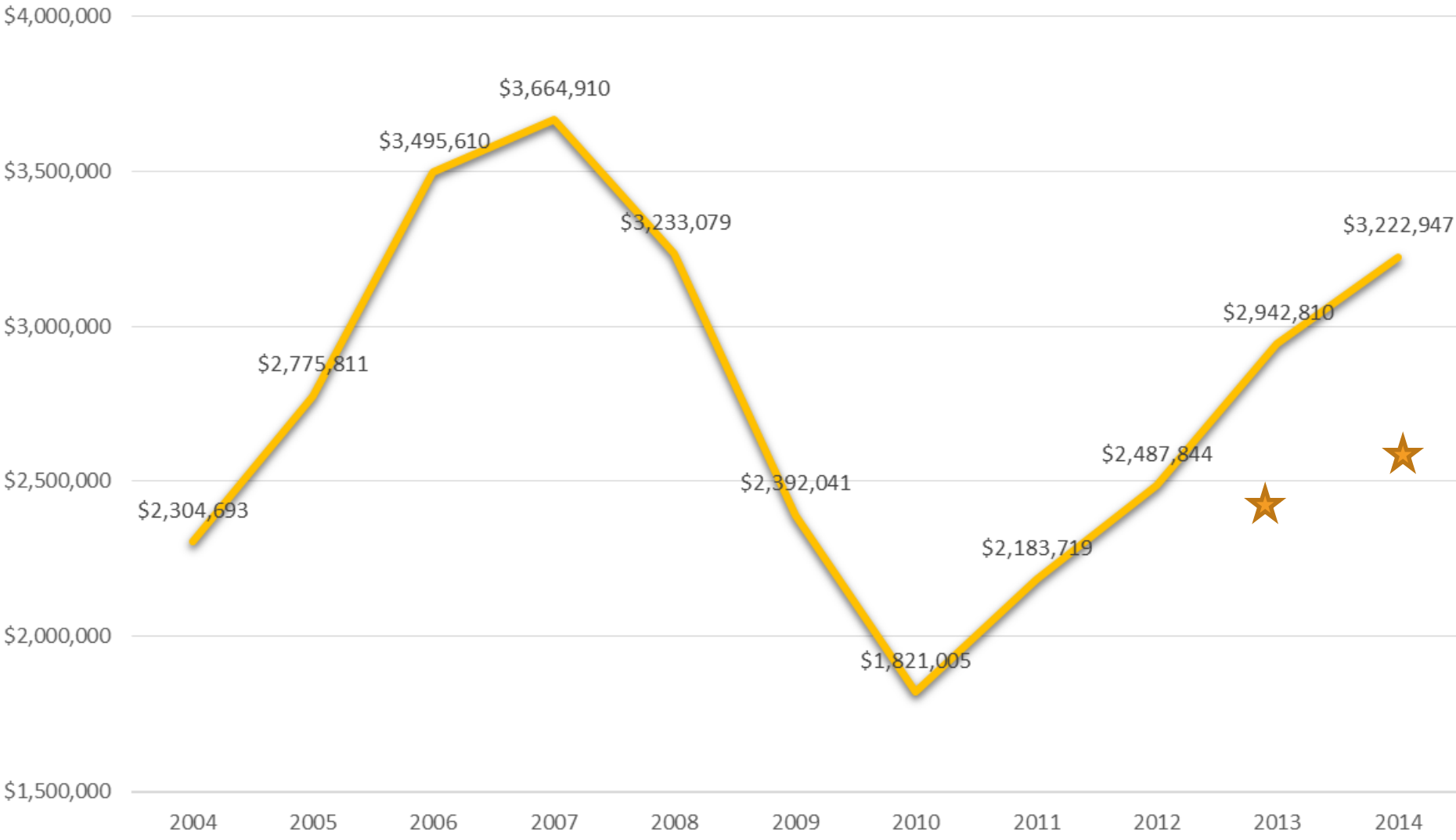
New Boat Sales



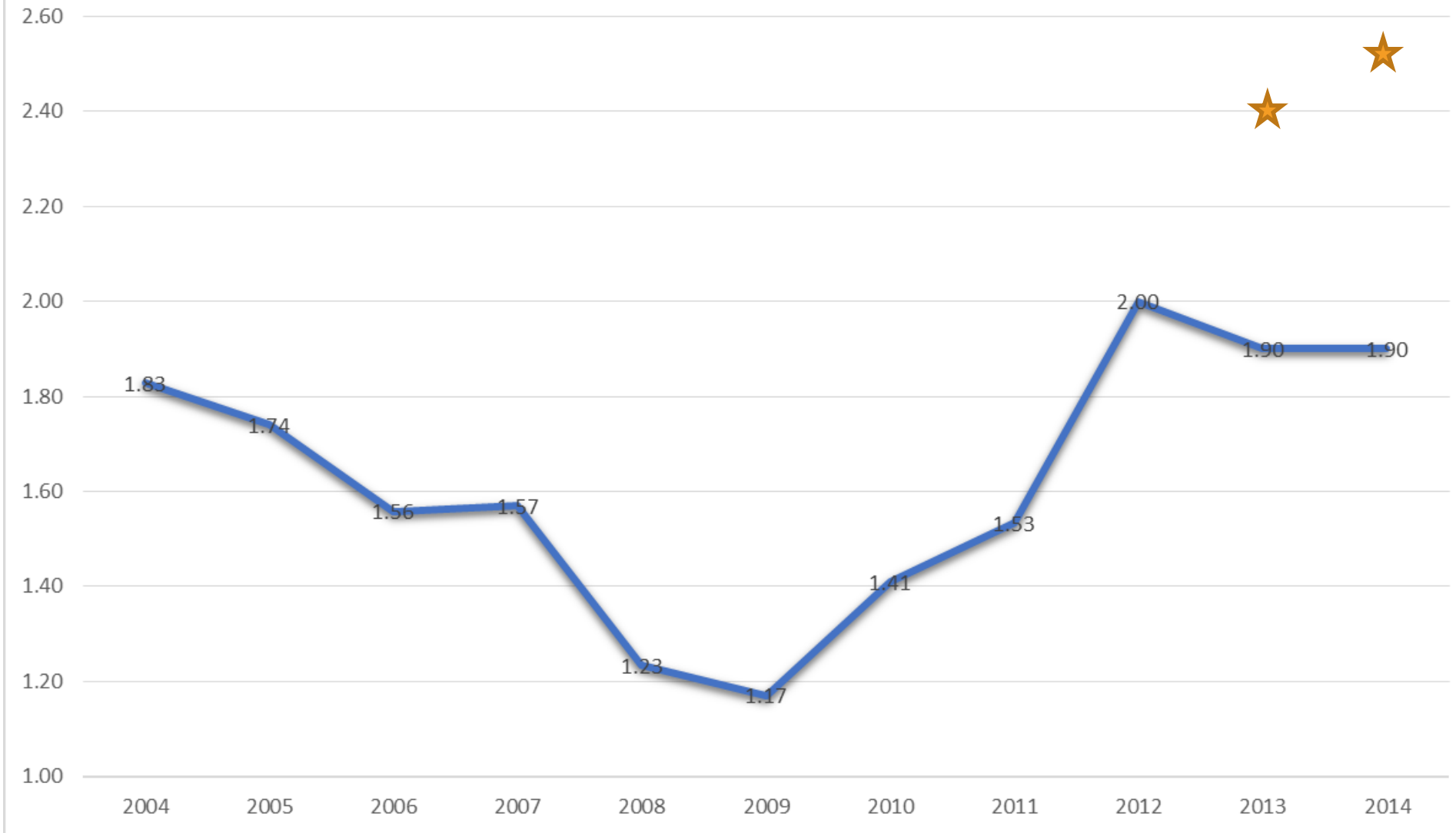
New Boat Gross Margin



New Boat Inventory



New Inventory Turnover





business management

Fulfilling. Success.

Thank you

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Questions?



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