

SUCCESS STORIES IN CANADIAN BOATING BUSINESS TODAY ALSO MAKE LONG-TERM OUTLOOK POSITIVE

TORONTO: January 9, 2012 - In the depths of winter, common sense might suggest that the business of boating in Canada would be in hibernation mode. But that wouldn't explain why some Canadian boating enterprises are busier now than ever, and positioning themselves for an exceptional 2012.

With the launch of the 2012 Toronto International Boat Show upcoming on Friday, January 13, the boating industry is mobilizing for the kind of successful sales year that runs contrary to the conventional wisdom on a slowing economy. With interest rates low, dealer inventory levels well monitored and innovative management practices, there are quite a number of very bright lights in the boating business, three of which are shining right here in Ontario.

"The recreational boating industry in Canada represents close to 400,000 jobs, directly and indirectly, across the country. The Canadian recreational boating industry exports more than \$600 million worth of product to international markets, including the U.S. The industry is definitely a positive economic driver, especially here in Ontario," said , Toronto Boat Show Director.

One Parry Sound, ON company in particular is not only gearing up for an even bigger presence at the Toronto Boat Show, plans are well advanced to turn sod this spring on the fourth expansion to its premises in 11 years. Connor Industries is the innovator and manufacturer of the welded aluminum Stanley Boat line plus a variety of other products including custom trailers, truck boxes, landscape accessories, docks and waterfront structures.

The company's debt-free status and 10-15 per cent annual growth rate over the last decade is due in greatest part to the famous Stanley line of boats -- more than 300 of which owner Bill Connor and his 40 employees turn out every year. At the same time, the company produces at least 120 heavy-duty galvanized trailers along with a number of unique projects that Bill says his company can do simply because they have the knowledge and the equipment.

"We have always put a minimum of five per cent of sales into research and development, and tried to focus on at least one new product or project per year," said Bill. "But it's often hard to devote time to new product when we're trying to meet international commercial orders as well as local recreational demand in the boat and trailer business. This past year was our best ever."

Perhaps it's no wonder the Canadian boating business, similar to the real estate business, is in relatively good shape compared to some pockets of the United States. A recent survey found that approximately 10.2 million Canadians (38 per cent of the population) went boating in 2010 -- a significant increase over the most recent study conducted in 2006 by Genesis Research that suggested six million Canadians participate in boating. The new survey also found 5.1 million Canadians (19 percent of the population) currently own a boat.

Feeding that consumer demand is Legend Boats out of Whitefish, ON just west of Sudbury. Originally founded by Vic Duhamel and Carl Dewar as a tire dealership in Sudbury, the company created the Legend line of aluminum boats in 1985 and success has followed ever since.

"We've been growing steadily every year since we started," said co-General Manager Jamie Dewar, son of one of the founders. "The growth of our dealer network has been a constant build and this year we have an even stronger focus on expansion."

The company has added more than a dozen new dealers in the last six months bringing its distribution network to more than 50. Legend has expanded from an eight-acre facility to 25 acres enabling them to store up to 1,000 boats at a time. Their own fleet of customized trucks ensures dealer needs are met.

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While the aluminum hulls of Legend boats are custom manufactured at three plants in Northern Indiana, they are shipped to Duhamel & Dewar where final assembly takes place. By outsourcing component manufacturing, and performing all final assembly, sales, service and warranty only here in Canada, the company takes great pride in being able to say "designed by Canadians...for Canadians." The company has 70 employees, including those at their own retail outlet just outside of Barrie, ON, with more to be added in 2012.

Another company that's enjoyed consistent success over the last three years is full-service marine company Southwinds Marine, based on the shores of southern Georgian Bay in Collingwood, ON. Offering new boat sales, yacht brokerage and mechanical service, the company has been open for a decade and has seen three years straight of successive sales records.

"Sure, it's partly our location that's contributed to our growth, as Collingwood has definitely grown. But it's all about customer service, knowing your customer and just being smart about your standard business elements like inventory and expenses," said Dean Norberg, Sales Manager.

With the majority of revenue stemming from sales, service and storage, Southwinds is enjoying a profitable head wind and looks forward to 2012 bringing more of the same. Employing up to 20 people in peak season, about the only down side of the business is the lack of skilled, certified marine mechanics. The engine service capability of the company is flat out with five mechanics working full time.

"In terms of sales, the Fall was very strong so we have to believe that this year's Boat Show and the balance of the 2012 season is going to be strong as well," Norberg said.

Canada's baby boomers will retire over the next 10 - 20 years, and with substantial real estate action and development throughout cottage country coast-to-coast, demographics suggest a great deal of potential and continued growth in boating. The Canadian marine industry should be poised for a boom in future.

These are just three success stories of the 550 marine exhibits that are getting ready for the boating industry's premier annual event, the 54th Toronto International Boat Show.

SHOW DETAILS:

WHEN: January 14 – 22, 2012

Saturdays 10am - 7pm

Sundays 10am - 6pm

Weekdays 11am - 8pm

Special Preview Night Friday, January 13

WHERE: Direct Energy Centre, Exhibition Place
100 Princess Blvd., Toronto, ON

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