

How international is the IMTEC show?

Each year, autumn brings IMTEC, the International Marine Trades Exhibit & Convention, to Chicago. But how international is IMTEC? What are the international markets, and how do they differ from the domestic market? Which foreign visitors attend IMTEC, and what problems do they experience with American suppliers?

IMTEC is generally acknowledged as the boat show drawing the largest numbers of international trade members in the world. The NMMA's figures show that 10 percent, or 4,500 of IMTEC's 45,000 visitors come from 88 foreign countries. The show seems to be the most productive place for Europeans and those from Asia and the Pacific region to meet.

For the first time, Outboard Marine Corp. set aside separate exhibit space for its international customers at last year's show. International Sales Manager Ron Jenson remarked afterward that it seemed to be a good place for international dealers to discuss local issues with dealers from other foreign countries.

However, IMTEC does have competition for international attendees. Miami is known as the U.S. show that attracts more Latin American visitors because it's closer than Chicago. Also, some European visitors attend Miami because they

enjoy the climate there in February. Roger Miller, international vice president for Mercury Marine, notes also that Miami is a better venue for yachts, big boats and sailboats. In addition, annual dealer meetings and the Marine Equipment Trade Shows (METS) in Amsterdam and Singapore provide opportunities for international representatives to gather.

There are a few manufacturers who troll the International Visitors Center at IMTEC and make their deals right there. Javier García, sales manager for Inoxmarine, a manufacturer of shackles and fittings in Barcelona, Spain, was found seeking representatives in the Asia/Pacific area as well as the Americas. Steve Riehl, export sales and marketing manager of Marysville Marine Distributors Inc. in Marysville, Mich., does business with 60 customers in 36 countries without ever leaving the U.S.—and without any assistance from the government.

Market differences

The United States has particular advantages in the marine industry, perhaps even more than in many other American industries. As the largest consumer market in the world, U.S. firms have economies of scale, and hence cost ad-

vantages, enabling us to be the world leader in the boating industry.

One unique advantage the U.S. possesses is that we have the most fresh-water rivers and lakes. Bruce Pratt, managing director of BEP Marine Ltd., a manufacturer and designer of switch panels and wiring harnesses in Auckland, New Zealand, points out that although New Zealanders boat more per capita than residents in most other countries, they have fewer fresh-water opportunities and virtually no inland waterways. The same is true in most other countries.

Also, the types of boats preferred in different places vary. Americans love fiberglass open-bow runabouts, while some Europeans prefer classic steel closed-bow boats that run at a speed of only 16 knots. Diesel and more fuel-efficient engines are more popular in Europe because fuel costs are higher there. And stricter environmental laws, especially on Lake Constance, which borders Germany, Austria and Switzerland, eliminate the bass-boat market there.

Boating is also looked upon differently in different countries. In Europe, it is a sport engaged in by the upper classes. In contrast to U.S. boaters, who concentrate on lake fishing, Jon Ramleth, technical manager of Seatronics in Moss, Norway, notes that many Norwegians buy small boats to live in on their vacations. Other Europeans enjoy combining boating with camping.

International population densities also vary: Europe, for example, is more densely populated than the U.S., while Australia has fewer people per square mile. Peter Buckingham, director of Golden Seal Marine Products, a distributor of marine parts and reconditioned motors in Victoria, Australia, does not find it unusual to serve customers as far away as 2,500 miles.

Right now, few American firms are significantly committed to foreign markets. Few have taken the time to concentrate on generating foreign sales of more than a few percent of their gross. Only the engine manufacturers have developed a substantial percentage of foreign sales.

There are only about eight boatbuilders that send representatives to exhibit at boat shows throughout the world, perhaps because it requires a large initial investment and can take two or three years of constant travel to develop the personal relationships required to do international business well. Mike Okola, for example, president of American Marine Sales, which represents Donzi/Pro-Line internationally, is on the road constantly from September to February servicing foreign dealers at local shows.

American firms face competition from Europe and Asia. Typically, U.S. firms supply no more than 50 percent of a foreign distributor's sales. Although the U.S.