



Report  
on the  
Sales Tax Repeal  
2007

 **RHODE ISLAND**  
MARINE TRADES ASSOCIATION

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Founded in 1964, the Rhode Island Marine Trade Association represents all aspects of the marine industry. Our member companies and organizations are dedicated to the growth in recreational boating and the creation of jobs for our industry in an environmentally friendly, safe and responsible way.



RIMTA has formed alliances with the Occupational Safety and Health Administration (OSHA), the Rhode Island Department of Health and Safety Consultation Program. OSHA, RIDOH 21(d) and the RIMTA formed an Alliance to provide the RIMTA members with information, guidance, and access to training sources that will help them protect employees' health & safety, particularly in reducing and preventing exposure to chemical, respiratory protection, noise, fall and electrical hazards.

RIMTA has also been working with the Rhode Island Resource Recovery Corporation (RIRCC) and the Institution for Recycling (IRN). Over a million pounds of shrink wrap were sold in Rhode Island last year. Our goal is to recycle as much of this as we can. In 2005 we ran a pilot project with 15 marinas, and the program was a great success. We recycled nearly 40,000 pounds of shrink wrap. In 2006, we more than doubled the number of participating marinas, and recycled over 90,000 pounds of shrink wrap. In 2007, over 100,000 pounds were recycled.

One of greatest achievements of 2007 was a series of Compliance seminars, held in cooperation with the Environmental Protection Agency (EPA), Rhode Island Department of Environmental Management (RIDEM) and the Rhode Coastal Resource Management Agency (RICRMC). The three (3) Seminars, which were held in April, August and December, 2007 were attended by over one hundred Rhode Island marine businesses. The Seminars focused on compliance of State and Federal Regulations.

Boat building has become one of the only sectors of the Rhode Island manufacturing industry that is growing. The Marine Industry in Rhode Island is the only blue collar industry which is growing. The Rhode Island Marine Industry includes over 2,300 businesses provides over 6,600 jobs, paying nearly \$260 million in wages. These marine related businesses account for over 7% of all private employers in Rhode Island, and the jobs and wages they provide account for 2% of Rhode Island's total employment and payroll. The average salary for these jobs amounts to \$39,400, well above the average \$38,100 average

pay for all industries in the State. Around the world, increased demand for custom-made boats is on the rise, and to meet that demand, manufacturers are increasing their workforce. Our experience over the last twenty years indicate that one (1) 40 foot or larger power boat create one (1) direct and one (1) indirect job. This year's report continues to demonstrate the ever-growing marine industry in the State of Rhode Island.



The numbers of individuals working in the industry has also seen an increase from 1992. Since 1992 to 2005 employment has grown 53%. Unfortunately, there is still a need for skilled workers. It has been difficult for the Industry to locate workers, but with many training programs in place, the burden should lessen.

### **Training and Education**

The Rhode Island Marine Trade Association has ramped up its efforts to offer training and education to the population of Rhode Island. This education effort will span high school students and well as the under and unemployed residents of Rhode Island.

Through a Grant received through the Rhode Island Department of Labor and Training (RIDLT) the Association hired a company to examine the needs of the Marine Industry in Rhode Island. This Skill Gap analysis will be published in February, 2008 and will be available to the RIMTA membership. Also, the Skill Gap Study will enable the Association to begin to market the job opportunities to schools to inform students of the State of Rhode Island of the job opportunities which the Industry has to offer.

### **Partnerships**

#### **MOSAICO CDC**



The mission of Mosaico CDC is to understand and respond proactively to the evolving physical, social and economic needs of the towns of Bristol and Warren. Their newest endeavor is for job training to target the low and moderate income families of those communities to provide

job training in the Marine Industry. Mosaico CDC has received a Grant through Community Development Block Grant monies to develop a Program to target the Marine Industry. The general idea of the Program is to have the International Yacht Restoration School (IYRS) teach a nine (9) day introductory course that will introduce students to the myriad of jobs in the Marine Industry. The class will be taught at IYRS's Bristol location. A kick off open house will be held on January 9, 2008 at Mount Hope High School and will include various employers from the Marine Industry. The class will be held February 19-29 culminating with a Career Day with participating employers at IYRS.

### **New England Technical Institute (NEIT)**



NEIT has entered into an Agreement with OSHA to develop a ten (10) hour Maritime Industry Program. The Program is intended to provide a variety of Maritime safety and health training to entry level employees. NEIT has also developed a new Boat Construction and Composite Repair Course. This Course will consist of 208 hours of lecture and lab activities which will include boat construction and repair following industry standards. NEIT currently has 90 students in the Marine Industry Program.

### **International Yacht Restoration School (IYRS)**

Through the RIMTA partnership with IYRS, RIMTA was able to receive a Grant from RIDLT. This Grant has been used to hire a full time RIMTA Director as well as perform an Industry Skill Gap Study.

IYRS continues it's inroads to the Marine Industry in Rhode Island. IYRS now offers a Certificate in Marine Systems. Developed in response to the marine industry's demand for skilled labor in the growing and rapidly changing field of marine system, IYRS has partnered with the American Boat and Yacht Council (ABYC) to develop a state-of-the-art Marine Systems training program. This intensive full-time 10-month program has been designed to teach students how to install, maintain and repair the major systems found in both power and sail boats. Classes include a balance of classroom and hands-on study.

## **My Turn, Inc.**

My Turn, Inc. is a non profit organization who has partnered with the Rhode Island Economic Development Corporation (RIEDC) and IYRS to develop an after school program at Mt. Hope High School. This Program will expose the students to the Marine Trades and offer them opportunities within the industry for training and employment. Each month, the participants attend a variety of field trips to marine industry sites such as marine academies, boat yards, marinas. Boat builders, etc.

With growth comes expansion, several large-scale marine related projects may be developed over the next five (5) years. One is the conversion to boat service capabilities of twenty three (23) acres of former Navy land located near the existing operations of Melville in Portsmouth. This Project could occur sometime in 2008. Another Project is in Weaver Cove where property has been zoned for a 1,500 slip marina. The final Project, which is still in the planning stage, would be the creation of a Mega –Yacht service center in North Kingstown. If these three (3) projects come to fruition, they would create an additional demand for between 700 – 800 new workers over the next five (5) to six (6) years. Many companies have continued to look for larger space. Bristol Marine has continued to grow in the East Bay, as well as welcome additions of Hunt Yachts and Oyster Harbor.

## **Peter Van Lancker, Hunt Yachts' President tells his Rhode Island success story:**

“We just outgrew our original facilities in Padanaram (South Dartmouth, MA) and needed not only more space to meet the strongly growing demand for our highly personalized yacht building but more functional space as well to improve efficiency and boost productivity. Each of our boats carries a high degree of owner personalization which also requires extra space when we’re putting them together.”



Hunt Yachts now has more than 24,000 square feet of production space, and 5,000 square feet of office space enough to increase their capacity by over 100% as well as to take on larger sizes than their current line of 25-to-36 foot (7.6 - 11 meter) high-performance Deep-V yachts. The new RI

Location has also greatly increased our presence in the industry and supports our plans to increase distribution both nationally and internationally

Since the move to Rhode Island, the Company has already increased employment from 30 to 50 jobs. The facility also enables them to offer service, repair, fuel, dockage, and winter storage for both power and sail up to 100 feet to our customers.

Hunt Yachts builds a line of authentic Hunt Deep-V boats, each designed by C. Raymond Hunt Associates (New Bedford). These include Surfhunter 25, 29 and 33 plus Harrier 25 and 36. A new 25 center consol is being introduced this spring. Van Lancker has been thoroughly involved in all five models, in developing plans for a additional versions and new models, and in implementing methods to further improve Hunt products and production.

### **Tourism**

Rhode Island is host to two (2) of the most prestigise boat shows on the circuit, The Providence Boat Show and the Newport International Boat Show.



The Providence Show is annually held in January at the Rhode Island Convention Center. The Show draws approximately 25,000 attendees and over 270 merchants bringing in hundreds of thousands of dollars into the City of Providence to its restaurants, stores and other City businesses.

The Newport International Boat Show is held annually in September. One of the five largest in-water boat shows in the country, the Newport International Boat Show covers over 15 acres along America's Cup Avenue, stretching from the Newport Yachting Center to Newport Harbor Hotel & Marina. More than 850 exhibitors with over 700 boats ranging in size from 16 to 85 feet are on display.



## **Conclusion**

It has been an extremely busy year for the Rhode Island marine industry. Businesses in the Ocean State can not stress enough, how important the sales tax repeal of 1995 has been to their businesses. We look forward to the years ahead when Rhode Island sets the precedent for the nation, as a State that fully supports its marine industry with training and other programs to enhance economic development and job creation and the continued growth of one of the Ocean State's major industry.

## **Methodology**

RIMTA again sent surveys to approximately 50 firms in the industry, of which 29 responded. The sample is relatively small because most firms are privately held and are very reluctant to provide financial information on their business.

## **List of Respondents**

Alden Yachts	Portsmouth
Avondale Marine	Westerly
Bassett	Warwick
Boat World	Warwick
Brewer Cove Haven	Barrington
Brewer Cowesett	Warwick
Brewer Sakonnet	Portsmouth
Brewer Street Boatworks Ltd.	Newport
Brewer Wickford	Wickford
Conanicut Marine	Jamestown
DePaul Diesel	Providence
Goetz Custom Boats	Bristol
Holby	Bristol



J Boats	Newport
Jamestown Boatyard	Jamestown
Jamestown Distributors	Bristol
Megrew's Boats	Charlestown
New England Boatworks	Portsmouth
Newport Shipyard	Newport
Newport Yachting Center	Newport
Norton's Marina	East Greenwich
Ocean House Marina	Charlestown
Old Port Marine	Newport
Point Judith Marina	Wakefield
Promet Marine	East Providence
Silver Spring Marina	Wakefield
Stone Cove Marina	Wakefield
Warwick Cove	Warwick
Wharf Marina	Warwick