

Cruisers Yachts in Oconto finds foothold in smaller boat market

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Cruisers Yachts product manager Jon Viestenz walks between the company's 328 sport series boats that were recently crowned Boat of the Year by Boating Magazine. / Lukas Keapproth/Press-Gazette Media

Think of them as smaller, more price-friendly yachts.

Oconto-based boat and yacht builder Cruisers Yachts is putting a push on showing off its new 32-foot sport boat, the 328 S/S sport series bowrider, at boat shows around the nation and Canada this winter.

The goal: get the boat in front of more people and, ideally, get them to buy bigger boats and yachts down the road.

The sport boat is the manifestation of a move Cruisers made several years ago to tap into the market for smaller boats aimed at hooking new consumers and offering dealers a spectrum of boat designs from 20-foot sport boats to 54-foot yachts.

“The strategic move to be in the sport series-sized boats is really a gateway and a feeder to the yacht business,” said Brad Andress, vice president of marketing and sales with KCS International, the parent company of Cruisers Yachts. “The 32-foot (boat) is also making us a player in that category.” By offering a smaller boat, company officials say consumers will get a look at the Cruisers product and may eventually trade up to larger, more expensive vessels. It also allows dealers to team up with a manufacturer offering a broad range of boat sizes. Cruisers hasn’t been shy about promoting Boating Magazine’s decision to award the 2013 Boat of Year Award to the 328 series. The 32-foot 328 series launched over the summer and the company

is working to get it in front of dealers and consumers through the winter boat show season. “When dealers see we cannot only be competitive in this segment, but an industry leader, it’s going to go a long way to landing some of the dealer prospects,” said Mark Pedersen, president of KCS. “We’re in this for the long run.” Prices on the sport boat line range from \$45,000 to about \$220,000. The yacht line starts at about \$230,000 for a 30-foot boat and extends up to about \$1.4 million for a 54-foot vessel. “The 328 stands out in a new and

burgeoning category of extra-large bow riders,” Boating wrote about the award. “These possess open-water ride capability. They feature enormous, amenity-laden cockpits ideal for day cruising with a large crowd. Despite the ‘day boat’ moniker often used to describe them, these boats also boast overnight accommodations below decks.”

The boating industry suffered through the great recession as credit dried up and buyers pulled back with many manufacturers chopping production and or falling by the wayside. A number of area builders, Cruisers, Marquis Yachts in Pulaski, Palmer Johnson in Sturgeon Bay, and Burger Boat Co. in Manitowoc are among those that have managed to keep afloat through the recession.

Cruisers said it continued to invest in its yacht designs during the slowdown and purchased Azure boats, moving production from South Carolina to Oconto in early 2012. That purchase eventually formed the basis for its sport series of boats, and the 328 which is an all-new design from Cruisers. KCS International builds boats and yachts under the Cruisers and Rampage sport fishing yacht names.

The company said it entered the smaller boat market with the idea it would build the vessels with the same attention to detail that is applied larger, more expensive, yachts. The company describes that idea as “building to one standard.”

Cruisers expect to add 70 employees this year, additions tied directly to the acquisition and relocation of Azure and the subsequent establishment of the sport series of boats.

Pedersen said the industry has seen slow, but consistent, growth over the last three years as it continues to recover from the Great Recession.

“We’re happy with where we are and for 2014 everyone is pretty optimistic, if the economy keeps staying the way it is, that we should continue to grow,” he said. “Coming out of a downturn we’ve got good product, but we’re not resting on our laurels.”