



MICHIGAN[®]
BOATING
INDUSTRIES
ASSOCIATION



CELEBRATING 60 YEARS!

2017 ANNUAL REPORT



THE VOICE OF
BOATING IN MICHIGAN

*Advancing, Promoting & Protecting the
marine industry in Michigan*



From the Chairman

Fellow Michigan Boating Industries Association members: The MBIA Board of Directors and Staff are pleased to present to you the 2016/2017 MBIA Annual Report. As we celebrate MBIA's 60th anniversary, we're proud to present many achievements in the past year to add to the successful legacy of our Association. Our accomplishments are thanks to many, including the MBIA Board, our Members, the MBIA staff, our lobbyists in Lansing and many other people and partners who have come together under the MBIA umbrella.

MBIA's boat shows, conferences, membership, and overall value have grown again in 2017 due to another strong year for the economy and the industry. Michigan continues to rank 3rd nationally in boat and accessory spending and 3rd in boat registrations. We are proud to promote the fact that recreational boating has a \$7.4 billion annual economic impact to our great state!

With your support and input we were able to achieve many things in 2017. They are documented within this report. A few of which I am most proud would be:

- Establishing new benefit programs and continuing to increase membership support and retention with the hiring of a new Membership Engagement Specialist on staff
- Reviewing more than 3,000 new bill introductions and keeping legislators informed and educated about boating, our businesses and protecting our freshwater resources
- Creating new and maintaining current relationships with legislative partners and elected officials in Michigan and Washington, D.C.
- Providing quality education programs & networking opportunities to build knowledge and skills related to the core competencies required of a successful marine business owner/operator in Michigan
- Negotiating lower bottomland lease rates for Michigan marinas with the MI DNR
- Providing \$12,000 in scholarships through our education foundation to our members
- Continuing the process to build a state-wide marine education program and bring awareness to tech careers in the marine industry

Moving into 2018, I want to assure you that as an Association, we will constantly strive to raise the bar, exceeding expectations of our membership. I thank you for your continued support as we work together to advance, promote and protect boating here in Michigan, and encourage you to contact me at any time with ideas on how MBIA can bring more value to you and your business.

Sincerely,

Tom Haag
MBIA Board Chairman

2017 Board of Directors

Chairman:

Tom Haag
Colony Marine
St. Clair Shores, MI

Vice Chairman:

Mike Apling
Devil's Lake Watersports
Manitou Beach, MI

Secretary/Treasurer:

Tom Den Herder
Yacht Basin Marina
Holland, MI

Directors:

Jim Adams
Freeway Sports Center
Fenton, MI

Jim Coburn
Coburn & Associates
Macomb, MI

Amy Crouchman
Toledo Beach Marina
LaSalle, MI

Andy MacLachlan
Jefferson Beach Yacht Sales
St Clair Shores, MI

Torre Miller - Associate
Diesel Fuel Doctor
Grand Ledge, MI

Patti Smith
Silver Spray Sports
Fenton, MI

Regional Directors:

Tom Haag - Southeast

Tom Ervin - Northern
Walstrom Marine
Harbor Springs, MI

Warren Wolf - Southwest
Wolf's Marine
Benton Harbor, MI



Executive Director's Letter

2017 was an exceptional year in exceptional times. Our industry finished a 7th consecutive growth year, and MBIA reached a milestone celebration of 60 years of advancing, promoting and protecting boating in Michigan. Through these years we have shared many challenges and celebrated many successes, and ultimately, I believe our industry, our state, and our businesses have all benefited immensely from our United Voice.

The MBIA Board and Staff are excited to head into 2018, and are prepared to Raise the Bar to achieve higher expectations, embrace new trends, and pave the way for further growth and prosperity for our industry. We welcome your input as we advance through education, promote the boating lifestyle, and protect through legislation.

Our legislative representation is one of our top-rated member services. It has value that is highly apparent to our members, but also value that is difficult to communicate to potential members. On your behalf, MBIA retains a full-time lobbying firm in Lansing to monitor 24/7 legislation that is being proposed to assure no negative impact on our industry. Some examples of current legislation MBIA is opposing include: increased dealer plate fees, increased MIOSHA fines, attempts to stop Daylight Savings Time and Post Labor Day School start, and to weaken federal and state ballast water laws protecting the nation's waters from aquatic invasive species, to name a few. This past year we also addressed several issues related to wake boat and ski course operation and successfully lowered bottomland lease rates for our members. We also worked to protect the Michigan Waterways Fund and assuring boating access throughout Michigan.

At the Federal level our interests lie in assuring Ethanol-free fuel for boaters, protecting the Great Lakes from Asian carp and other invasive species, stopping Algae Blooms, and the Ontario Power Generation attempts to build a nuclear waste depository along the shores of Lake Huron. We are keeping up the pressure at both the state and federal levels to monitor and assure the safety of oil pipelines flowing under and near our waterways in Michigan, and we work to support the Water Resources Development Act (WRRDA), as this federal funding is critical for dredging and infrastructure maintenance.

Each year MBIA heads to the American Boating Congress in Washington on your behalf, and meets with state and U.S. Reps here at home to educate them on how important our industry is to their districts and our state, and to explain the issues that are important to boating in Michigan. If you are interested in helping with this effort, please let us know.

Our 60th anniversary celebrations are also an opportunity to honor the vision of our founders. They would be pleased to see their vision for MBIA has not changed. What they would want now is to instill their passion into the next generation of boating industry leaders here in Michigan, so they will continue to support and lead the MBIA into the future. With them, we will achieve many more successes together in the next 60 years.

Thank you for your support and your passion. I look forward to another strong year for boating and your business.

Sincerely,

Nicki Polan
MBIA Executive Director



MBIA Staff

Executive Director

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noviboatshow.net
metroboatshow.net

MBIA MISSION STATEMENT

The purpose of the Michigan Boating Industries Association is the general ethical, educational, communicative and promotional advancement of the boating industry in the State of Michigan. The Association shall be the voice of the industry in dealing with government agencies, affiliated national and local organizations, and national or local issues affecting the boating industry. MBIA, founded in 1958.

AWARDS | ACHIEVEMENTS | ACCOLADES



MBIA honored **Jim Krause**, Marina Manager at Belle Maer Harbor for his outstanding contribution to the marine industry through leadership, dedication, innovation, and personal motivation with the Ray L. Underwood Lifetime Achievement Award for 2017.

Krause is still the full-time Harbormaster at Belle Maer Harbor, and has held the position since 1984. He is a life-long boater, living on Lake St. Clair in Harrison Township. He used to race offshore boats and was Vice-President and Director for the Lake St. Clair Offshore Racing Assoc. He has many affiliations with maritime associations, including the Boat Town U.S.A., Belle Maer Harbor Condominium Association, North Channel Yacht Club and Michigan Offshore Cruising Association.

“Jim Krause has lived his entire life in the boating industry and has done it all, from selling boats, repairing boats, marine construction and marina management,” said Eric Foster, owner of Belle Maer Harbor. “He is truly deserving of the Ray L. Underwood Lifetime Achievement Award from MBIA.”

“Because of Jim’s longevity, dedication and personal integrity, he has earned wide recognition within our industry and the respect of his professional peers,” said MBIA Executive Director Nicki Polan. “At this time, at the pinnacle of this profession, we are pleased to honor Jim’s contributions with this award.” ~ ~ ~ ~ ~

Eric Foster, a pillar in the Michigan boating industry, the Harrison Township & Macomb County communities, and owner of Belle Maer Harbor in Harrison Township has been inducted into the MBIA Hall of Fame for the year 2017.

“Eric has been vital to the MBIA, his community, and recreational boating in his long career in the industry,” said MBIA Executive Director Nicki Polan. “We are proud to induct him into the MBIA Hall of Fame, he’s well deserving of the honor.”

Foster has been a member of MBIA for 34 years, served on the MBIA’s Board of Directors for 6 years, and was Chairman of the Board for two years. He is a founding Director of the Michigan Clean Marina Foundation, and Belle Maer Harbor was one of the first marinas certified as a Michigan Clean Marina. He is also a member of the Detroit Athletic Club, Boat Town USA, Aquapalooza Committee, and the Selfridge Air National Guard Base Community Council.

Foster purchased Belle Maer Harbor in 1984, with his business partner Marc Howard, with the dream to build a resort-like marina out of a crumbling marina. More than thirty years later, the marina is one of the largest in Michigan, and is thriving, nearing the end of a \$4 million renovation with 100% occupancy.

Marc Howard had been inducted to the MBIA Hall of Fame in 2002, but was too ill to attend the presentation. Marc passed 4 months after the induction. At the luncheon, Foster took the opportunity to recognize Phyllis Howard, his partner’s widow, who attended to help recognize Eric Foster and honor her late husband Marc Howard. ~ ~ ~ ~ ~

The MBIA honored two great contributors to the marine industry with prestigious Lighthouse Awards in appreciation for their extraordinary efforts to the marine industry. Specifically, for their work in helping MBIA build and grow the Metro Boat Show. The individuals were:

- **Pete Beauregard, Jr.** of Colony Marine – Pete is additionally being recognized for his more than 42 years of MBIA membership and leadership as a past Board Director, as well as his integral part in creating a partnership between MBIA and GPYC for the use of floating docks at the Metro Boat Show.
- **Jim Morrow**, of Grosse Pointe Yacht Club – Jim is additionally recognized for his dedication to the community with the Grosse Pointe Youth Nautical Educational Foundation, and the Recreational Boating Industries Educational Foundation through fundraising efforts at GPYC.



Lifetime Achievement Award

Hall of Fame

Phyllis Howard

Lighthouse Awards

Michigan Clean Marina Program

The Michigan Clean Marina Program saw another successful year, with 4 new certified marinas: **Fayette State Harbor** - Fairbanks Township, **East Tawas State Dock** - East Tawas, **Pier 1000 Marina** - Benton Harbor, and **Toledo Beach Marina** - LaSalle. 55 marinas are currently certified in Michigan.



michigancleanmarina.org

2017 CMP Directors:

President

Mark Breederland
MSU Sea Grant
Traverse City, MI

Secretary

Eric Foster
Belle Maer Harbor Marina
Harrison Twp., MI

Treasurer

Nicki Polan, MBIA
Livonia, MI

Devon Dodge, MI DEQ
Lansing, MI

Greg Klang
Marina Safety Training
Traverse City, MI

Gerry Santoro
Macomb County, MI

Kathleen Torresen
Torresen Marine
Muskegon, MI

Nine marinas were re-certified for another 5-year period. **Algonac Harbor Club** - Algonac, **Bouvier Bridge Marina** - Fair Haven, **Cedar River State Harbor** - Cedar River, **Edward C. Grace Memorial Harbor** - Elk Rapids, **Hammond Bay State Harbor** - Millersburg, **Howe Interlakes Marina** - Indian River, **Lexington State Dock** - Lexington, **Milliken State Harbor** - Detroit, and **Straits State Harbor** - Mackinaw City.

The MICMP received grants through the Michigan Sea Grant and the DEQ / NOAA Coastal Zone Management, to help fund the program in 2017, and encourage marinas in the state to become certified as an ambassador for clean waters.

RBIEF Directors:

President

James A. Coburn
Coburn & Associates, LLC.
Macomb, MI

Vice President

Robert G. Liggett Jr.
Grosse Pointe Shores, MI

Treasurer

Rob McCarthy
Skipper Bud's
Harrison Township, MI

Secretary

Nicki Polan, MBIA
Livonia, MI

Matt Anderson
Global Marine Ins. Agency
Traverse City, MI

Amy Krueger-Malow
Jefferson Beach Yacht
Sales
St. Clair Shores, MI

Horst Sherriff
PNC Bank
Troy, MI

Recreational Boating Industries Educational Foundation

The Recreational Boating Industries Educational Foundation awarded \$12,100 in scholarship funds to 13 students for the 2017/2018 school year. The RBIEF scholarship fund was developed in 1986 by the MBIA as a support program for students interested in pursuing careers in the recreational boating industry. Scholarships are awarded to college students interested in a career in the marine industry, as well as current MBIA members and their employees for conferences, certifications, and other continuing education programs. With this granting, the fund will have distributed \$366,496 to deserving students.

"We are very pleased to award 13 different individuals who possess connections and a deep interest toward working within or managing the recreational boating industry in the future," said RBIEF President Jim Coburn of Coburn & Associates. "Our Foundation is an outstanding economic benefit to the great state of Michigan and the recreational boating industry."

For more information visit, mbia.org/rbief.

2017 RBIEF scholarship recipients:

Cedes Powers, Fenton	Tia Esposito, Harbor Springs
Adam Dombrowski, Casco	Elena Esposito, Harbor Springs
Chase Geruver, Wayland	Kira English, Port Sanilac
Kash Geruver, Wayland	Samuel Bailey, Harbor Springs
Shelby Macuga, St. Clair	Abby Ottenhoff, Grosse Pointe Park
Margaret Mitter, Howell	<i>(Gregory P. Krueger Scholarship)</i>
Sarah Carney, Traverse City	Joshua Lucas, Alpena





Recreational Boating Educational Conference

MBIA's Board increased the speaker budget for the 2017 conference significantly to bring in the *Disney Institute* Customer Service Training, and it paid off. Setting a new record, 195 marine businessmen and women convened in Lansing for 2 days of highly targeted, quality education, networking, and a whole lot of fun. "Our members and industry partners really saw the value of this year's event. Our Board of Directors approved a significant budget increase to 'raise the bar' and provide an extraordinary event that was extremely beneficial to all who attended," said Nicki Polan, executive director of MBIA. "We were delighted to bring the Disney Institute to RBECC for Michigan's marine industry."



MSU Athletic Director and avid boater, Mark Hollis shared stories of boating in Michigan.

Mark your calendar for the **2018 Recreational Boating Educational Conference, December 5 & 6, 2018.**



REPRESENTATION & PARTNERSHIPS

MBIA Works Closely With National and State Organizations

In our commitment to offer continued education, industry statistics and timely industry news, MBIA maintains membership and partnerships with many related associations, and maintains working relationships with many industry experts in order to provide information to our members that will help them manage their businesses more effectively. MBIA works closely with these local and national groups:

- Michigan Society of Association Executives
- Great Lakes Small Harbors Coalition
- US Army Corps of Engineers
- Michigan Secretary of State's Office
- Lake St. Clair Tourism Initiative
- Michigan Waterways Commission
- Michigan Natural Resources Commission
- Michigan Economic Development Corp.
- Michigan Inland Lakes Partnership
- DNRE Land & Water Management Division
- DNRE Law Enforcement Division
- Grow Boating Initiative/Discover Boating
- Michigan Port Collaborative
- Tourism Industry Coalition of Michigan
- National Marine Manufacturers Association
- Recreational Boating Leadership Council
- Advisory Council of Marine Associations
- National Marine Trades Council
- Marine Retailers Association of America
- Michigan Clean Marina Foundation
- Michigan Sea Grant (MSU & UofM)
- Metro Detroit Convention and Visitor's Bureau
- Pure Michigan/Travel Michigan
- Marine Bankers Association
- Association for Marina Industries
- American Boat and Yacht Council
- Boat U.S.
- Recreational Boating & Fishing Foundation
- Michigan Charter Boat Association



MBIA Works with Partners at the DEQ to lower bottomland lease rates for Michigan Marinas

The Michigan Boating Industries Association worked diligently with our partners at the DEQ and the Michigan State Waterways Commission, to decrease bottomland lease fees for our members and all privately owned commercial marinas in Michigan. Those conversations started more than a year ago and MBIA received confirmation that our efforts have paid off!

Moving forward Michigan marinas can expect lower rates helping them better compete in the market. Including:

1. 25% reduction beginning in 2018 – 7.5 percent for all new applicants and all renewals of existing leases/agreements. This is retroactive and will reduce the current annual fees to current lease holders beginning with the 2018 payment.
2. Upon lease renewal, DEQ will use only existing dockage in the open water areas of the marina to determine the most efficient use.

3. Continue to offer a 5-year phase-in of the annual fee increase for either the initial lease/agreement or for a renewal for marinas moving up to the 7.5 percent.

Michigan Waterways Commission

The Michigan State Waterways Commission was established by the Michigan legislature in 1947. The Commission is responsible for the acquisition, construction, and maintenance of recreational harbors, channels, docking and launching facilities, and administration of commercial docks in the Straits of Mackinac. The Commission members are appointed by the Governor, with the advice and consent of the Senate, to serve three-year terms. MBIA Executive Director Nicki Polan, and MBIA members Mary Rising, Action Watersports, and Ward Walstrom, Walstrom Marine are all currently Michigan Waterways Commissioners.

PROTECTING - LEGISLATIVE OVERVIEW



Bret Marr, Muchmore Harrington Smalley & Associates (MHSA)

The 99th Michigan Legislature begins the second year of their two-year session on Wednesday, January 10, 2018 at the constitutionally required time of noon. This year session will be held until June with a break over July and August and then

fall session starts up again in September. At the end of 2018, at least 28 of the 38 Senate members will leave that chamber due to term limits or other races and at least 38 of the 110 House members will do the same. With that many legislators termed out and Governor Rick Snyder leaving due to term limits, the lame duck session after the November 6, 2018 election will be one of the most robust we've seen in recent years.

Governor Snyder has set his final State of the State address for Tuesday, January 23, 2018 at 7:00 p.m. Traditionally, a Governor's final address is very introspective on what he/she has accomplished over the course of their terms of office. He will also give his final budget message on Thursday, February 1, 2018 before a joint House/Senate Appropriations Committee. This budget proposal kicks off the state budget setting process for the fiscal year beginning October 1, 2018. The budget will consume most of the agenda for the spring session. We don't expect too many large proposals to be discussed outside of the those in the budget deliberations. With that in mind, let's take a quick look at what happened in 2017.

State government spent some time in early 2017 evaluating what would happen in D.C. with the regime change there. Changes in health care, taxes, and immigration were quickly evaluated for their impact on Lansing. The Michigan House took up an income tax phase-out package but failed to muster the votes due to concerns on the impact to the budget. The House and Senate debated multiple funding issues in the state budget that Governor Snyder proposed and that budget was adopted with changes by early June. The fall session was dominated by a debate over auto no-fault insurance reform changes.

Boating related issues – With more than 2,000 bills already introduced this session in both chambers, MHSA and MBIA track them all for their impact on boating issues in the state. We began the year by helping advocate for an increase in Pure Michigan funding during the budget process. Our efforts prevailed with an increase of \$1 million, bringing the total Pure Michigan program to \$35 million. MBIA will again encourage the Legislature to continue to expand this strong ROI program for the state.

MBIA also participated in a coalition of other tourism groups to fight back legislation intended to repeal Michigan's Post Labor

Day School Start. Legislation was started in the House but never passed the committee. The Senate moved SB 271 out of the Senate Education Committee but the issue remains stalled on the floor. MBIA Executive Director Nicki Polan testified against the bill along with a number of other tourism officials.

The last big issue for MBIA and MHSA did not involve the Legislature. Some local MDNR officials were reinterpreting the historical interpretation of slalom courses on inland lakes. Some were considering requiring each course be taken down every night. MHSA and MBIA are engaged with top decision makers at the department and will continue to monitor this issue.

MBIA and MHSA have tracked many bills pertaining to the following subjects: aquaculture in the Great Lakes, wind farms, bills to exempt small HP boats from registration, mandated skier flags, aquatic nuisance species funding and other natural resources issues.

It goes without saying that MBIA is as strong as it is legislatively because of the involvement of its members. Thank you for taking the time to reach out to your local elected officials. With 43 new state reps, it is critical to again begin the education process with them. Invite them out during the down months, let them know how important Sales Tax on the Difference is for our industry, and show them all the great things that you do!



MBIA-PAC
c/o Michigan Boating
Industries Association

Donate today to support your industry!

Your Association has worked hard to establish itself as "the voice" of both the marine industry and its consumers here in Michigan. Through this voice, and the MBIA Political Action Committee (PAC), the MBIA has taken a leadership role in making the leaders of our state and local government more responsive to the recreational boating community.

Every individual who works in the marine industry and/or enjoys boating in Michigan should make an annual contribution to the MBIA PAC. It is the single most effective method by which we can make our voice more powerful, and through our united voice and our PAC, your association works to make the leaders of our state and local government more responsive to the recreational boating community.

PROMOTING

Boat Shows

All three MBIA produced boat shows, the **Detroit Boat Show**, **Novi Boat Show** and **Metro Boat Show** had a successful run in 2017, with exhibitors telling MBIA staff that sales leads were up and new prospects were strong, both great signs for the industry. Throughout the year, more than 80,000 consumers visited the shows and were introduced to new model introductions and hundreds of exhibiting boating companies. Attendance at all three shows increased over the year prior, with an impressive jump at the Novi Boat Show by 17% and a 16% increase at the Metro Boat Show. At the Detroit and Novi shows, a popular boaters safety course is held to increase awareness of boating rules and regulations. Media and PR efforts highly publicized the events to bring boating to TV and radio news outlets all year long.



Detroit Boat Show

Social Media & Websites

A summer-long social media campaign on MBIA's consumer and industry social media pages garnered hundreds of new followers, captured by the promotion of boating in Michigan. The MBIA also maintains consumer, industry and boat show websites with hundreds of thousands of visitors annually. These sites heavily promote MBIA members, exhibitors, industry partners and the boating lifestyle.



Novi Boat Show

Creating Positive Boating Press

MBIA works year-round to promote boating, our members, boat shows and the lifestyle to Michiganders. In 2017, Paul W. Smith from WJR Radio hosted his 2nd annual Harbor Tour, highlighting MBIA member locations and boating communities around the state in July. Other 2017 headlines read:

Polan Celebrates 30 Year Anniversary with MBIA

Boat sales expected to rise through 2018

Detroit Boat Show lures millennials into boating

Hot weather and boating market increase attendance and sales at Metro Boat Show

MBIA promotes safe boating on Michigan waters Michigan boating accidents down

The Michigan Clean Marina Program boasts 53 marinas across the state

Michigan Clean Marina Program provides 14 new discounts to Certified marinas

MBIA Recreational Boating Educational attendance up 20%

Boating sees 7th consecutive year of growth

Michigan remains 3rd largest marine market in the country

MBIA reaches 60 year anniversary milestone



Metro Boat Show