

The business of boating

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BOOM TIMES ARE BACK BUT CAN GROWTH BE MAINTAINED?

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Exports and new product sector niches helping to maintain momentum

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X MARKS THE SPOT

New boat line and bold vision make 2020 a defining year for French brand Prestige Yachts Pages 28-33



Regardless of propulsion type – outboard, inboard, or the electric solutions of the future – we deliver a unique experience. Through a full-systems approach from helm to prop, Volvo Penta ensures integrated and intuitive handling. By teaming up with boatbuilders worldwide, our Easy Boating philosophy brings dreams to life in many shapes and sizes. For today and tomorrow.



Technology:

How innovation is driving new markets

66 Those refits include

major upgrades

to outdated

navigation

systems

Innovation and product leadership have been paths to success for Canadian electronics and electrical equipment manufacturers

WORDS: CRAIG RITCHIE



The Space Shuttle's conspicuously-branded Canadarm

> anada enjoys an enviable history as a technology leader, responsible for the development of numerous ground-

breaking innovations including the first telephone

in 1877; the first hydrofoil boat in 1908; the first functional sonar in 1918; plexiglass in 1931; the first functional walkietalkie in 1942; the first cardiac pacemaker in 1950; the track ball as an input device in 1953; the first alkaline battery in 1954; the first practical smartphone - the Blackberry - in 1984; and the first internet search engine - named Archie - in 1988. But perhaps the country's best-

known technological achievement was the Space Shuttle's unique articulated arm, used to deploy and retrieve payloads in space while also providing a means to inspect the exterior of the Shuttle for any damage to its thermal protection system. Properly named the Shuttle Remote Manipulator System but better known as the Canadarm, the iconic device affirmed Canada's position within

the space program as a key supplier of critical, high-tech components.

Nowhere is that heritage of technological innovation more in evidence today than in the leisure marine industry, where Canadian high-tech components are increasingly being used in boats manufactured all over the world.

Rudy Muller, international sales manager with British Columbia-based electronics manufacturer ComNav, says that demand for his company's thermal cameras, autopilots, AIS systems and precision GNSS equipment has been growing steadily - not just globally, but right on its doorstep in the Canadian domestic market. "The rebound of the luxury yacht market on Canada's Pacific coast in particular has been good to see," he says. "That's had an impact on the boat builders, the refit yards and the charter industry here, which ultimately trickles down to us. Our dealers and distributors are doing a ton of refitting and maintenance work, and that has been driving sales in this market."

In many cases those refits include major

upgrades to outdated navigation systems. Muller notes that ComNav's high precision GNSS antennas are attractive refit options with their support of multi-constellation GPS, GLONASS, GAGAN, BeiDou and Galileo for complete redundancy, along with the company's precision RTK receivers that can provide up to I cm position and up to o.or° heading accuracy. That level of

accuracy gives the company an edge on lower-priced competitors offering a standard GNSS product, says Muller. "We pride ourselves of being amongst the leading companies in our sector," he says. "There are companies entering the market with equipment that is below our price point, but they're serving a different market altogether. We always ask, is the end-user using the equipment to cross Lake Como,

or are they going around the Fire Islands to travel from Vancouver to Europe? Those are obviously two completely different things, and the long-distance cruising customer will spend a bit more in order to get a product that's going to truly meet their needs."

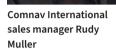
While the domestic Canadian market has been steady for ComNav, accounting for approximately 35% of its leisure marine business, the company has also been successful in building substantial export sales. "We're active in 110 countries with our distributor network and their service centers," says Muller. "In all we have about 1,800 sales and service points globally, but Canada and the US are by far the largest markets."

POWER PLAY

The addition of more sophisticated electronics and increased levels of integration in vessels of all sizes has driven demand for more stable power management systems says Burnaby, British Columbia-based electrical equipment manufacturer Xantrex, which has seen the proliferation of hightech onboard electronics drive demand for its line of high-tech inverters, chargers and battery systems. "When you think of inverters and inverter chargers, there are more boats with a Freedom product from Xantrex than any other brand globally," says marketing manager Mitul Chandrani. "We offer a fully-integrated system with a lithium-ion battery, solar panels and the inverter-charger. We are investing right now in developing the full integration of these components so they all talk to each other and you can see all the information on a single panel. We are also working towards making our communication comply with the NMEA 2000 standard in the marine market, which will deliver additional benefits."

Chandrani notes that since being acquired by Mission Critical Electronics in December 2018, Xantrex has been working steadily to build its global OEM footprint. "Our aftermarket business is very





strong and well established," he says, pointing to the growth of the refit sector over the past decade. "But with our new Freedom E-Gen offering, we have a lithium-ion battery-based power system that offers safe, clean, efficient onboard power with high power density and low operating cost that is particularly well suited to the OEM. Boat builders can have way more power in half the space. They really get four times the energy density in the same space if they were to use a Xantrex system. Plus, ours are the only UL 1973-listed batteries on the market. It will not catch fire, even if it is punctured or crushed. No one else can offer that, so that's huge."

Xantrex's bid to develop its OEM business is a global undertaking, with more than 90% of its product already exported to a distribution network of near 50 countries worldwide. "The key to lithium-ion batteries is that they provide a steady, consistent output, where with AGM batteries the voltage will fluctuate as the battery runs down," says Chandrani. "There's not much point in investing a lot of money in high-end electronics if they can't work as they're intended to because they don't have a stable power supply. I mean, it seems very basic, doesn't it? But the reality is that there are a lot of boats on the water with exactly that problem."

MITUL CHANDRANI, MARKETING MANAGER **XANTREX**

There's no point in investing in high-end electronics if they don't have a stable power supply





Xantrex marketing manager Mitul Chandrani

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