

# **International Marine Equipment Supplier**

**BOATBUILDING INDUSTRY IN CHINA**

**CHINESE YACHTING DOMESTIC MARKET**

**MARINE ENGINES/GENERATORS/COATINGS/NAVAGATOR.....  
MARKET IN CHINA**

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**BY**

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## **EXECUTIVE SUMMARY**

In a context of globalization of the world boating industry, China appears as a possible place for on the one hand boat building and on the other hand as a potential new market for international equipment manufacturers.

After having penetrated successfully many industrial sectors, China aims now at braving a manufacturing sector where it has little experience or demand at home. However, more than 150 yards are already manufacturing recreational boats mainly for exports. Already ranked third for shipbuilding, eighth as a super yacht builder nation, China has as the largest market share in trawlers, pilothouse and expedition yacht segments. Marine Dragon Consulting is estimating the export value of pleasure boats at \$US180 million dollars in 2006, and USD 220 million for 2007 resulting in a 25% growth rate over the previous year.

In this context, Chinese boatyards may be a significant outcome for international marine equipment manufacturers, looking for new markets around the world. Most of the production being exported, China based boatyards should buy marine equipment according to final destination of the product. Marine equipment markets in China are getting quite significant and keep increasing over the years. Local Chinese equipment manufacturers may provide tough competition to established international ones in the coming years.

Besides, the emerging domestic boating market promises a great future for European and American boat builders. Marine equipment manufacturers should definitely follow their customers into this fast growing market to provide after sales services to the end users of the boat. With 10 operating marina and another 20 marina projects, increasing income and demand for leisure, China will become in the coming years a significant boating market. Marine Dragon Consulting estimates the domestic market to reach USD 70 million in 2007, a 60% increase compared to previous year.

The list of main boat builders, yachts dealers and brokers in China provides a solid and accurate database for your company as a guide to strengthen sales activity in China.

## **TO THE READER: International marine equipment suppliers**

The requested market survey on Marine Equipment Market in China has to be considered in the context of a worldwide strong growth of the yachting industry and the attractive potential of the Chinese market which has become a major target for the all European, Australian and American companies.

Achieving the penetration of this market means before all understanding the rules of an atypical economy on one hand, and to take into account the habits of its Chinese people on the other hand, whatever suppliers, partners or customers. China is a marketplace of huge potential, but equally huge complexity. Consumption habits and the nature of the population vary wildly across the country, making it difficult for overseas investors to identify and locate their partners and customers, as well as the size and nature of the marketplace of tomorrow.

The capacity of China to absorb new technology, knowledge, fashion and trends can be considered as a guideline of this study. This is certainly where the formidable strength and potential of China is to be found.

The objective of this survey is to assess the market share of your company among China based boatyards. It is as well to highlight strengths and weaknesses of your company and its distributors in China, compared to other international competitors and local equipment makers.

The quantity and the quality of collected information have induced a strict method to undertake this study. The search for a practical and readable document was a priority. More than a white paper, this study is a ready to use commercial tool to strengthen your company sales activity in China.

This report should as well shed the light on new opportunities your company in China, such as finding new business segments, developing new products or investing into yachts dealership in China. Surprisingly, China does not seem so far to be affected and credit crunch. On the contrary, many brands are willing to invest into China to compensate worldwide yacht retail drop. Great opportunities can be found here for your company.

As a conclusion, many thanks for renewing and updating the survey on Yachting Market in China. You will certainly find numerous changes among players understand movements in market shares compared to last year and appreciate the pace of growth inside the industry.