



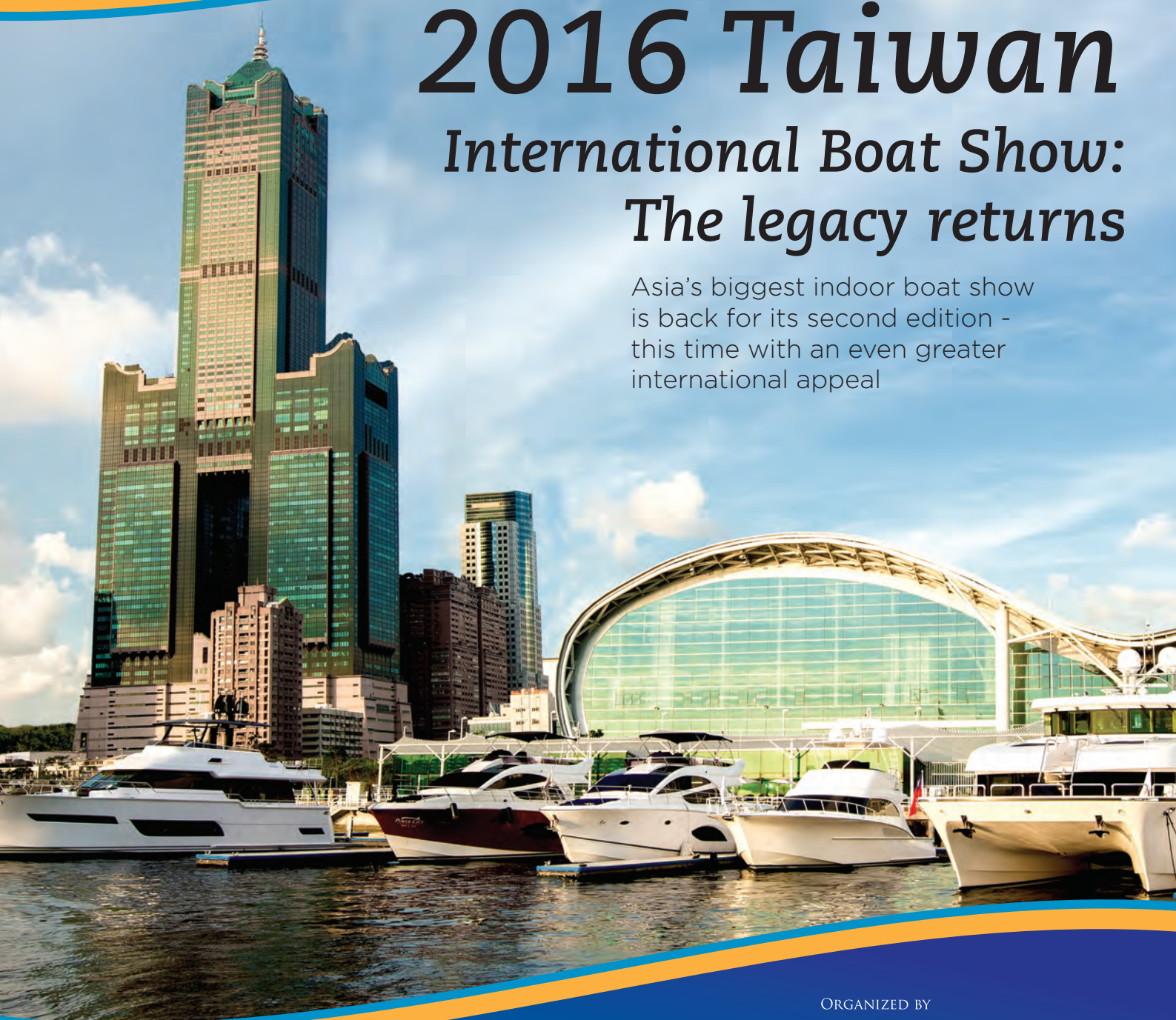
TAIWAN INT'L BOAT SHOW

show PREVIEW

MARCH
10-13, 2016

2016 Taiwan International Boat Show: *The legacy returns*

Asia's biggest indoor boat show
is back for its second edition -
this time with an even greater
international appeal



www.boatshow.tw
Kaohsiung Exhibition Center
Horizon City Marina



ORGANIZED BY



BUREAU OF FOREIGN TRADE, MOEA



KAOHSIUNG CITY GOVERNMENT

IMPLEMENTED BY



TAIWAN EXTERNAL TRADE
DEVELOPMENT COUNCIL (TAITRA)

SUPPORTED BY



TAIWAN YACHT INDUSTRY
ASSOCIATION (TYIA)

Excitement builds as TIBS 2016 approaches

THE TAIWAN INTERNATIONAL BOAT SHOW (TIBS) IS RETURNING TO THE SOUTHERN PORT CITY OF KAOHSIUNG NEXT YEAR FOR ITS SECOND EDITION



L-R: Horizon's RP120 and FD85. The boatbuilder believes the potential of the Taiwan and Asia markets should not be ignored

With only a few months to go before the 2016 Taiwan International Boat Show (TIBS) opens its doors to the public, excitement is already building in the country's southern port city of Kaohsiung. Asia's biggest indoor boat show, which runs from March 10-13 at the Kaohsiung Exhibition Center and Horizon City Marina, will be bigger and better than its inaugural edition in 2014, with more than 160 confirmed exhibitors spread over a 26,874m² of space. All of Taiwan's key players will be in attendance – among them, 29 boatbuilders and dealers displaying 60 yachts and no fewer than 110 suppliers of marine equipment and accessories. A greater number of foreign firms from nine countries will also have a presence, with companies from the US, Italy, the UK and Sweden exhibiting either by themselves or through their regional dealers.



Ta Chou yacht manager Luya Fu

GENERATING TRADE

Jointly organised by Taiwan's Ministry of Economic Affairs (MOEA), Bureau of Foreign Trade (BOFT) and Kaohsiung City Government, and implemented by the Taiwan External Trade Development Council (TAITRA) with the support of the Taiwan Yacht Industry Association (TYIA), TIBS 2016 is well on its way to establishing itself as a leading place in which to do business. Around US\$169.82m worth of trade was generated at TIBS 2014, including US\$32.66m on the sale of 32 yachts directly at the show. Once again, 2016 will offer countless business opportunities.

According to *Showboats International's* 2015 Global Order Book, Taiwan is the world's sixth largest builder of yachts over 80ft and number one in all of Asia. Two of its manufacturers – Kaohsiung-based Horizon and Alexander Marine – are among the top 30 builders in the world. Potential buyers at TIBS 2016 are encouraged to visit the region's burgeoning boatbuilding cluster, as 80% of the country's yacht

manufacturers are located within 30 minutes' driving distance of the show.

All of Taiwan's key boatbuilders will be attending TIBS 2016 – among them, Dyna Craft, Global Yacht Builders, Grand Harbour Yachts, Kha Shing, Novatec, Ta Chou, Ta Shing, Tayana and more. Taiwan's biggest yacht-builder, Horizon, will be displaying an FD85 fast-displacement motoryacht, which is making its world debut, and a new RP120 superyacht which, at 120ft, will be the largest yacht at the show.

“Foreign firms will also have a presence, with companies from the US, Italy, the UK and Sweden

“The first TIBS opened a domestic market for us,” says Horizon CEO John Lu, whose company sold more than 10 yachts, including an RP110 superyacht, to Taiwanese clients as a result of TIBS

2014. “These sales were beyond our expectations and Horizon sincerely believes that the potential of both the Taiwan and Asia markets is too large to be ignored.”

Alexander Marine also has a huge international profile. The company will be bringing its Ocean Alexander range of motoryachts to TIBS 2016 for the first time, along with New Ocean Yachts. The two yards will both be

displaying models over 80ft in length.

Albert Tao at Novatec Yachts, builder of the Classic Sedan, Islander and Euro series of motoryachts from 46ft-84ft, said last year's show was more of a success than he anticipated. "Not only did it attract a massive general audience, but more importantly it also introduced us to potential clients who were serious about purchasing new yachts."

Novatec received 10 orders at TIBS 2014, along with 15 serious enquiries. "Business continues to grow compared to last year and sales have gone up, thanks to the orders and inquiries generated from the show," says Tao. Novatec will be displaying its Euro 58 and 78 model at TIBS next year.

TAIWANESE KNOW-HOW

One of the common strengths shared amongst Taiwanese boatbuilders is their knowledge and experience in yacht-building, and their ability to offer full customisation.

Kha Shing Enterprise has a track record of 24m-plus yacht deliveries. The Kaohsiung boatbuilder has 10 projects on the go at the moment, seven of which are over 24m in length.

"We offer a true and complete customisation similar to what a superyacht builder like Feadship is doing," says John Kung, Kha Shing's deputy general manager.

Kha Shing closed one sale at TIBS 2014, picking up various leads and interest along the way. "We've already delivered five yachts this year and we're aiming to deliver another four, subject to shipping availability," says Kung, whose company will be displaying a Monte Fino F76 Flybridge Motoryacht at TIBS 2016 in Horizon City Marina.

Charles Chang, TYIA chairman and director of Kaohsiung's Global Yacht Builders, said last year's TIBS saw a higher-than-expected number of visitors. The company will be bringing a 72-footer to next year's show.

According to Chang, Taiwanese boatbuilders have accumulated a strong level of 'know-how' over the years, and the country has many well-educated, knowledgeable engineers. "Taiwan has many hard-working, skilled people, including the very best carpenters, so we can custom-build high-quality boats at a reasonable



The Novatec Euro 58 layout features an aft cabin and two cabins forward

price," he says. "Labour costs in Taiwan are also lower than most major yacht-building countries, so the industry has lots of strong potential."

MARINE EQUIPMENT


Taiwan is also home to a large cluster of marine equipment and accessories suppliers. Exhibitors returning to TIBS next year include Aritex, Asia's biggest yacht hardware and accessories manufacturer, as well as Hsiu Chiang Enterprise, Man Ship Machinery & Hardware and Yamamotor. Local propeller manufacturers Grand Propeller, Hung Shen Propeller and Solas Engineering will also be there.

Yamamotor is one of Taiwan's leading exporters of inboard and outboard parts, with over 3,000 items in its portfolio. At TIBS the company will be displaying its most popular items. "We're very optimistic about the

future of Taiwan's yachting industry and we're really happy to see our government starting to value the industry," says Yamamotor's Ted Liao.

BUSY EVENTS SCHEDULE

TIBS 2016 is gearing up to be the must-attend event of the season, with all exhibitor booths currently sold out. The show will include six exhibition areas: Yachts and Boats, Equipment and Accessories, the International Pavilion, the Maritime Service Area, the Water Sports and Recreation Area, and the Luxury Corner. For the first time ever, there will also be an outdoor yacht exhibition area at Horizon City Marina.

Events planned for TIBS 2016 include one-on-one procurement meetings, seminars, forums, workshops and other exhibitor highlights. Be sure not to miss it! 



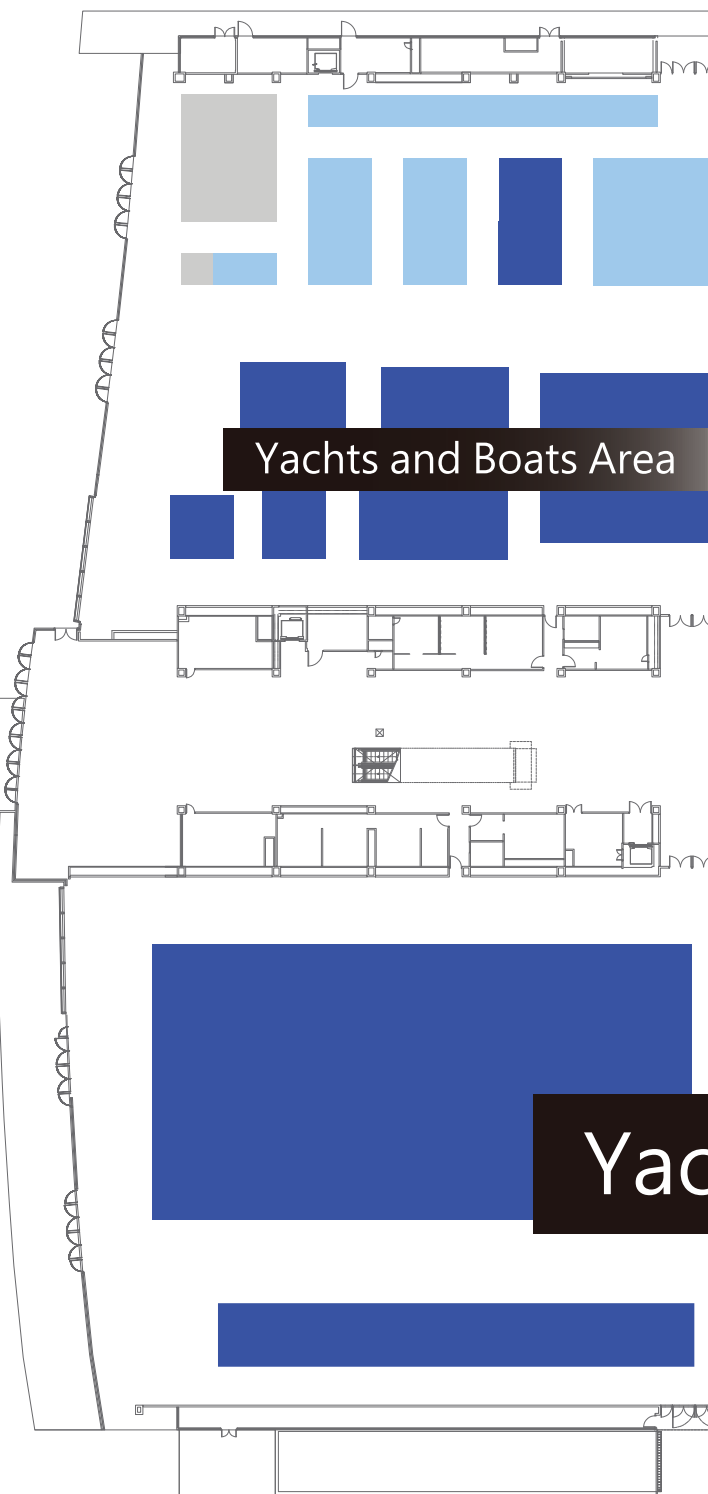
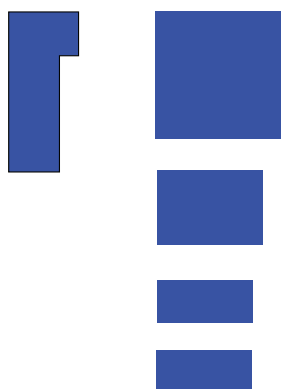
Kha Shing's Monte Fino 76, a semi-custom vessel designed by Rob Humphreys



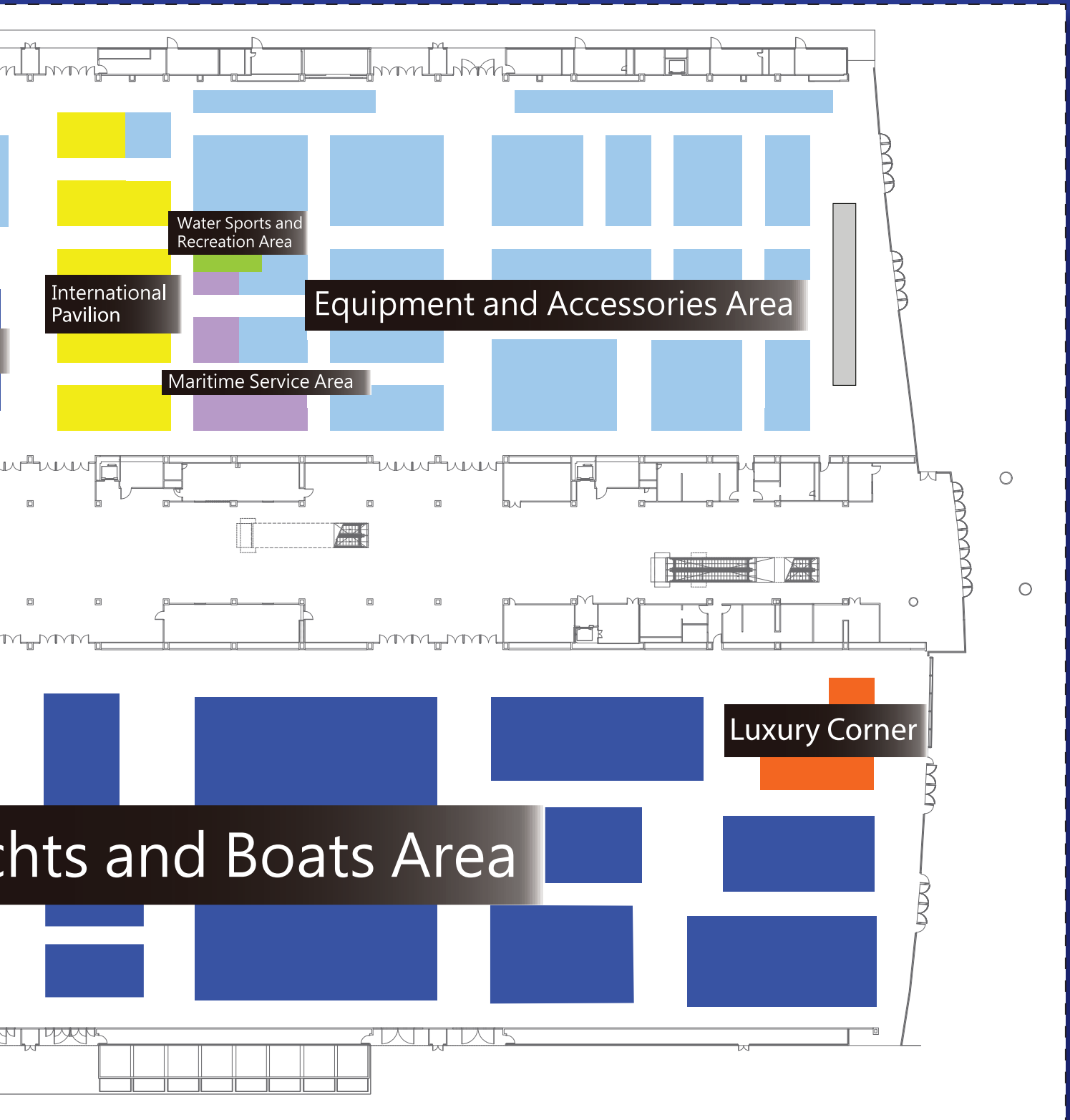
More than 110 suppliers of marine equipment and accessories will be showing their latest products. As well as a greater international component there will also be a busy events schedule including seminars, workshops, forums and one-on-one procurement meetings



- Equipment and Accessories Area
- Yachts and Boats Area
- International Pavilion
- Maritime Service Area
- Water Sports and Recreation Area
- Luxury Corner



With 160 exhibitors spread across 27,000m² of show floor, all of Taiwan's key players will be there including major boat builders and dealers displaying over 60 boats





Horizon CEO John Lu

THE INDUSTRY NEEDS TO BECOME MORE SERVICE-ORIENTED IF IT IS TO TAP INTO THE MASSIVE POTENTIAL THE TAIWANESE MARKET PRESENTS

As Taiwan's leading yacht builder, Horizon Group played a pivotal role in the creation of the 1st Taiwan International Boat Show (TIBS) and is recognised as an important factor in the overall success of last year's event. More than 70,000 people visited the four-day exhibition, with many Taiwanese clients dropping by Horizon's booth. According to Showboats International's 2015 Global Order Book, Horizon is the world's fifth largest builder of custom luxury yachts over 80ft in length and the biggest in the Asia-Pacific region. The company has delivered over 750 yachts in the last 30 years, 160 of which were over 80ft. Horizon CEO John Lu reflects on the strength of Taiwan's yacht-building sector and what the future holds in store.

Q What is your impression of Taiwan's leisure boatbuilding market? Is it growing, and if so what is driving the growth?

A Taiwan has a strong global reputation for quality yacht manufacturing. At the first TIBS, we saw plenty of Taiwanese who are passionate about the ocean and the yachting lifestyle. But Taiwan has never

had a suitable yachting environment and people still lack knowledge of the sport. This, along with problems such as limited berthing, makes Taiwanese clients hesitate to buy a luxury yacht. The Taiwan industry needs to become more service-oriented, focusing on areas such as yacht exhibitions, marina developments, yacht charters, yacht management and other related client services. For Taiwanese clients, we must reach out further.

Q What is Horizon doing to overcome these obstacles?

A As Asia's leading luxury yacht manufacturer, we have our own factories, R&D team, Horizon City Marina, etc, and we focus on building and maintaining relationships with our owners. Nearly one-third of our current new-build yacht orders are from repeat customers and they trust us. Our ultimate goal is for Horizon owners to be able to easily enjoy their yacht and the yachting lifestyle. We believe this goal will help us to eliminate the obstacles in Taiwan now, and give the best and most secure choice for our Taiwanese clients.

Q Has the elimination of the 10% luxury tax on yachts under 100ft made any difference to the sector? How so?

A It definitely made some difference to Taiwan's yacht business. Horizon Group had great business after we held the Horizon Open House during the 1st Taiwan International Boat Show – this cross promotion brought thousands of people to Horizon's booth at the show, and Horizon obtained a number of orders from events. However, most of the people stepped back because of the luxury tax issue during the show. After the Taiwan government's legislative department removed the luxury tax on yachts under 100ft, Horizon has received many orders for yachts from 52ft to 80ft from Taiwanese clients during this year.


Q How many yachts have you sold to private buyers in Taiwan and are you seeing an increase in demand?

A Horizon Group sold more than 10 luxury yachts to Taiwanese clients after the 1st TIBS. We also built Horizon City Marina, Taiwan's first international private luxury marina, enabling us to provide a high level of customer service and support to yachting enthusiasts after the show. Taiwanese owners frequently berth their private yachts at Horizon City Marina. Horizon Group continuously receives orders from local clients, and we expected increased orders for yachts in Taiwan when the 2nd TIBS begins.

Q In your opinion, is the Taiwan government doing enough to promote boating as a leisure lifestyle in the country?

A Compared to the past few decades, the Taiwan government has put a great deal of effort into integrating resources for the yachting industry, including easing strict regulations, investing in dockage facilities and encouraging water-based leisure activities, and these efforts to instate yachting-friendly policies truly help support Taiwan's numerous shipyards. There are also many large-scale construction plans and unique yachting activities in the works to continue the promotion of local yachting, and while we still have a way to go in welcoming the yachting lifestyle to Taiwan, we finally see the market heading in the right direction. It is never too late to instill change, from all aspects, and this growth conveys a remarkable message to the industry: Taiwan is ready to redefine a new era of yachting.

The first Taiwan International Boat Show 2014 was one of Taiwan's first yachting endeavours, followed by the elimination of the luxury tax on yachts. Horizon is now preparing for TIBS 2016, we expect to see the government and the boat show organizer can invite more potential buyers or brokers from the world, and provide more benefits such as clients' hotel and transportation subsidy

to support qualified exhibitors to make the 2nd TIBS more successful. We are looking forward to the upcoming TIBS, which will put Taiwan at the top of the yachting market in 2016. 

**We
sold over
10 yachts to
Taiwanese at
TIBS 2014**

A show of support from Taiwan's government

RELAXED HARBOUR ENTRY RULES AND A REVISION TO THE TAX CODE ARE ALL PROOF THAT THE TAIWANESE GOVERNMENT IS BEGINNING TO APPRECIATE THE VALUE OF THE LOCAL YACHTING SCENE

In early 2015, the Taiwanese government revised an unpopular luxury tax on recreational vessels in an attempt to boost domestic production – a move that has proved popular amongst local boatbuilders wanting to distance themselves from the global downturn by seeking a more home-grown clientele. The revision eliminates the 10% levy on yachts under 100ft in length that are built and sold in Taiwan. Under the previous rules, the tax was applied to all boats priced over NT\$3m (approx US\$95,000).

Charles Chang, chairman of the Taiwan Yacht Industry Association (TYIA), says the removal of the luxury tax is already helping to lift sales across the country, as most boats built under 100ft are sold on the local market. "This has definitely helped sales," he says. "Buyers are more positive when making their purchasing decision."

AWAKENING LOCAL INTEREST

Developing a strong domestic market has become increasingly important for Taiwan's export-driven yards. The small island nation is a manufacturing powerhouse that has yet to embrace the leisure marine lifestyle, making boatbuilders and equipment manufacturers particularly vulnerable to the global financial downturn. But Chang says that attitudes are changing, thanks



TYIA chairman Charles Chang

in part to the government's support for the local industry.

In addition to building new marinas and yacht wharves, Taiwan's Executive Yuan has also relaxed harbour entry and exit controls, making it much easier for visiting yachts to clear customs and immigration. This easing of regulations, says Chang, is part of the government's strategy to help build a yacht-friendly environment that will encourage more locals to embrace leisure boating, leading to the long-term sustainability of the industry. The next major hurdle, he says, is the provision of suitable marinas.

"The Taiwan government has improved the boating environment, but a shortage of local marinas is holding the market back," says Chang, who also serves as director of Global Yacht Builders (GYB). Based in Kaohsiung, GYB produces high-performance express cruisers from 44ft-72ft and is an OEM builder for Hunt Yachts in the US.

The hosting of the Taiwan International Boat Show (TIBS) is another example of government-friendly policy. According to Chang,

last year's inaugural event exceeded his expectations, propelling the Taiwan yacht manufacturing industry – as well as his own company – into the global limelight.

GYB currently has a 68ft model and a 72-footer under construction at its yard in Kaohsiung Harbour, the latter of which will be displayed at TIBS 2016.

KNOWLEDGE BACKED BY EXPERIENCE


Backed by more than 50 years of yacht-building experience, Taiwanese boatbuilders are able to custom-build high quality yachts at a reasonable price. Labour costs in Taiwan are significantly lower than most of the major yacht-building countries, says Chang, which continues to help lift exports.

The latest TYIA statistics show that the number of yachts exported from Taiwan in 2014 fell to just 120 units compared to 139 in 2013. However, the dollar value was much higher on account of a trend towards larger – and therefore more expensive – custom models. In 2014, Taiwan yacht exports returned to their highest

level in five years, generating sales of around US\$172m. Chang says this was the first double-digit increase since 2010, when sales declined to about half the pre-recession

numbers. The majority of Taiwanese yachts are exported to Japan, Singapore Hong Kong, the US and Canada.

A POSITIVE FUTURE OUTLOOK

Chang is optimistic going forward. "The global economic crisis hurt us badly, but the demand for yachts is still there," he says "When things return to normal, this demand will reappear. The Taiwan boatbuilding industry has very strong potential. Our yacht-building companies continue to market themselves throughout the bad times. This will ensure that we're even stronger than we were before the crisis." 

“The global economic crisis hurt us badly, but the demand for yachts is still there”

2nd Taiwan International Boat Show

March 10-13, 2016



VENUE Kaohsiung Exhibition Center and Horizon City Marina, Kaohsiung, Taiwan

LOCATION On the waterfront, just under 10 minutes drive from central Kaohsiung and 15 minutes drive from Kaohsiung International Airport

OPENING TIMES

Thu-Fri 10.00-19.00,
Sat 10.00-20.00,
Sun 10.00-17.00

ENTRY The first day is open to professional buyers and pre-registered industry insiders only. Members of the public may purchase tickets at the gate on the remaining days.

EXHIBITION SPACE Marina slips and 1,000 booths on land over a 26,874m² area

SCOPE Sail and power boats, including superyachts, marine equipment and accessories, maintenance services, recreational water activities, charter, tourism and other related products and services

EXHIBIT SECTORS

Yachts and Boats
Equipment and Accessories
Watersports and Recreation
Maritime Service Area
Luxury Corner
International Pavilion
Marina

ESTIMATED VISITORS 70,000

SCHEDULED EVENTS

Pre-Show Press Conference
Opening Ceremony
Industrial Seminars and Forums
Yacht Design Workshops
Maritime Knowledge Box
1-on-1 Procurement Meetings

MAJOR CONFIRMED EXHIBITORS

Aritex www.aritex.com.tw
Dyna Craft www.dynayachts.com
Global Yacht Builders www.globalyachtbuilders.com
Grand Harbour Yachts www.grandharbouryachts.com
Horizon www.horizonyacht.com
Johnson Yachts www.johnson-yachts.com
Kha Shing www.khashing.com.tw
Man Ship Machinery www.manshipmarine.com
Novatec www.novatecyachts.com
Tayana Yachts www.tayanaworld.com
UMC-United Metals www.umcmetals.com

CONFIRMED FOREIGN EXHIBITORS

Bavaria, Delta, Jeannuea, Princess,
Sunseeker, Raymarine, Yamaha

COUNTRY ORIGIN OF EXHIBITORS

Australia, China, France, Greece, Italy, Japan, Korea,
Singapore, USA

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