



TAIWAN INT'L BOAT SHOW

2018
3.15-18



2018 TAIWAN INTERNATIONAL BOAT SHOW

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TAIWAN YACHT INDUSTRY
ASSOCIATION (TYIA)

TIBS returns for another jam-packed edition

WORDS: BELINDA SNELL

Excitement is building as Taiwan gears up for the third edition of its bi-annual Taiwan International Boat Show (TIBS) in Kaohsiung. From March 15-18, 2018, an estimated 27,000 people are expected to gather in the halls of the Kaohsiung Exhibition Center and nearby Horizon City Marina for another four-day display of the latest innovations in sail and power boats, including superyachts and related equipment. With just two editions under its belt, TIBS has already established itself as a leading show in which to do business. The focus next year will therefore be on small, entry-level yachts – a tactic designed to promote the marine and luxury lifestyle to locals while also meeting the trend for recreational fishing in Taiwan. One of the show's highlights will be a series of marine education initiatives aimed at the growing number of Taiwanese who are keen to learn and experience the yachting life.

BUSY ITINERARY OF EVENTS

For yachting professionals, a busy itinerary of scheduled events has also been planned, including industrial seminars, yacht design workshops, and one-on-one procurement meetings. As in previous years, the event kicks off with a pre-show press conference and opening ceremony that is sure

to impress.

Taiwanese boatbuilders have come a long way in recent years, having firmly cemented a global reputation for producing competitively priced, high-quality custom-built yachts over 80ft in length. All of Taiwan's main boatbuilders will be exhibiting at TIBS 2018 – among them, Horizon, Ocean Alexander, Kha Shing, Nova Marine, Dyna Yachts, Johnson Yachts, MorningStar Boats and more. Horizon City Marina will continue to serve as the show's on-water venue.

As in previous years, there will be a strong international element to TIBS 2018, thanks to the presence of local agents for overseas brands. Princess Yachts Taiwan has been representing the UK motoryacht builder since 2014. The company will be bringing two yachts to TIBS next year – a Princess V39 and V48. Amal Yachting, a Taipei-based dealer for Italian boatbuilder Absolute Yachts, will also be attending.

Not to be overlooked is Taiwan's growing cluster of marine equipment and accessories firms. Among the exhibitors will be Hung Shen Propeller, ZF Faster Propulsion System and Solas Science & Engineering, as well as local engine importers Capital Machinery (Caterpillar), Himan Tech Diesel (MAN) and Marineer (Volvo Penta). Atech Composites, a Horizon Group subsidiary, will also be

there to demonstrate its unique vacuum infusion process.

Taiwan is trying hard to create local demand for recreational boats and yachts by igniting the imagination of locals – and TIBS plays an important role in doing just that. New for 2018 will be an Outdoor Lifestyle Zone with diving supplies, fishing tackle and other outdoor-related equipment designed to entice the visiting public.

CREATING A LOCAL SCENE

The Taiwan government has also gone to great lengths to ease restrictions to boating, opening up its territorial waters in 2012 to recreational boat use. Prior to that, leisure boating was confined to harbours, estuaries and inland waters. Further proof of Taiwan's determination to create a sustainable yachting culture came in 2014, when the government eliminated an unpopular luxury tax on leisure boats, further paving the way for growth.

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 2018 is gearing up to be yet another 'not to be missed' event for the region. ●

TAIWAN

Yacht-building factory - or a market for leisure boating?

WORDS: MIKE DERRETT

On final approach into Kaohsiung airport, the dominating feature is the 85 Sky Tower Hotel. At over 300m high, the hotel was the tallest building in Taiwan when it was built in the early 1990s, and is still a city icon. Under the shadow of the Sky Tower is the impressive Kaohsiung Exhibition Centre, purpose-built for the bi-annual Taiwan International Boat Show (TIBS), the next edition scheduled for March 15-18, 2018.

Taiwan has a long history of yacht and boatbuilding stemming back over 40 years. While the industry reached a peak some 20 years ago with over 80 boat and yacht-builders, today there are just 36. But although numbers have reduced, the average yacht size has increased and is now well over 50ft.

According to Howard Gung, chairman of the Taiwan Yacht Industry Association (TYIA), the industry has an annual output value of US\$180m, with yachts ranging from 50ft-120ft supporting a workforce of 2,500. "Our association has three key objectives for our members," he says. "Firstly, to improve efficiency and quality by the implementation of CAD and CAM in the production process; secondly, to improve skills by training and the introduction of standard operating procedures; and finally, to improve management of the production process. We have to strengthen the brand value for Taiwan as a yacht manufacturer and as a market."

AMBITIOUS PLANS

This is quite an ambitious objective, but one that is on track with Taiwan currently ranking number 5 in *Showboats International's* Global Order Book this year.

Anyone new to this part of Asia could be forgiven for thinking that the boating market is similar to China or other Asian countries, but after two recent visits it's clearly apparent that the Taiwanese market is very different. While China is almost exclusively a consumer market for larger power yachts, where the key driver



The Kaohsiung Exhibition Center was purpose-built for the Taiwan International Boat Show (TIBS). Towering above it, in the distance, is the iconic 85 Sky Tower Hotel

for the customer is 'prestige' and owners often have little passion for the sea or yachts, Taiwan is different. Isolated from the Chinese mainland for many years, Taiwan is an island nation where the sea is never far away from the main centres of population and fishing and ship-building are major contributors to the economy. Consequently, most of the population have an affinity with the sea and Taiwan has become one of the major suppliers of leisure yachts, becoming well-known for custom and semi-custom designs for the world markets, especially the US.

Taiwan has become a factory for the global boating industry. What the population have not been able to do, until some six years ago, is enjoy leisure boating around the Taiwanese coast, as this was prohibited for national security reasons. With the establishment of better relations with China, this is changing and now leisure boating is a source of fascination and interest to much of the population.

Any doubts about the potential of this market were quickly dispelled during a visit to TIBS 2016, as the exhibition hall and marina were thronged over the

duration of the four-day event by an attendance estimated to be some 100,000, almost all paying a US\$8 entrance fee. The popular Horizon stand, which featured the latest version of the 120ft raised-pilothouse superyacht, the Horizon RP120, and a new 23m Cor D Rover-designed power yacht, were besieged by visitors to the show. The long line of people queuing to view the yachts had a sign at the end proclaiming a three-hour wait, a scene more reminiscent of a massive department store sale than a boat show. Clearly there is pent-up demand for leisure boating.

The potential in the Taiwanese market has also been recognised by overseas manufacturers with brands such as Bavaria, Lagoon, Monte Carlo Yachts, Princess and Sunseeker, who all displayed yachts at the 2016 show.

ENCOURAGING POTENTIAL

So, is Taiwan a factory or a market for the leisure boating industry? It must be both. Taiwan has developed a manufacturing capability for building high-quality yachts and has a domestic market that shows encouraging potential. ●



Kha Shing to showcase new Monte Fino 76 Fly

Kha Shing Enterprises was one of the first yacht-builders to commence production in Taiwan in 1973. Since then, it has delivered over 1,000 custom yachts from 40ft-148ft in length and, according to a Superyacht Intelligence report, it regularly ranks in the Top 25 list of the world's largest superyacht builders.

At TIBS 2018, Kha Shing will be exhibiting a Monte Fino 76 Fly. The 23m Rob Humphreys-designed motoryacht offers large exterior spaces on the flybridge and the aft deck, allowing plenty of space for al fresco relaxation and entertainment.

In a vertically integrated move to be directly involved in the growing domestic boating market, Kha Shing is also building a new marina in Kaohsiung, adjacent to the exhibition centre, which will open in time for the 2018 show. It will be a full-service marina capable of berthing and supporting yachts up to 40m and will be one of the first public marinas in Taiwan. There will also be a range of food and beverage outlets aimed at attracting the public to the boardwalk area while enjoying the boating ambience.

Kha Shing builds around 20 yachts per year, split between its own Monte Fino brand and yachts built under contract for overseas brands such as Belize from Australia and US-based Offshore and Hargrave. The Kha Shing customer base is currently 70% in the US, with Australia and Europe making up the balance.

Kha Shing Enterprises is managed by Howard Gung, who also serves as chairman of the Taiwan Yacht Industry Association (TYIA). The non-profit organisation plays a leading role in promoting the industry at home and abroad. ●



Kha Shing's Monte Fino 76 Fly



A cool, contemporary design: Novatec 58' Euro Star

Novatec lures public with more modern designs

Also on display at TIBS 2018 will be the newly launched Novatec 58' Euro Star from Taoyuan-based Novatec Yachts. The 17.7m motoryacht has a sleek, modern profile that is popular with Asian boaters and a hull that was developed for increased performance, stability and maximum interior space. "The market seems to be shifting more towards contemporary and modern designs as opposed to the more classic, traditional design," says Novatec CEO Eddy Tao. "That's why we're concentrating on modern design elements. We're preparing for the trend-shifting era."

The Novatec 58' Euro Star is expected to do well on the Taiwan market, and will be joined in the middle of 2018 by the Novatec 65 SuperNova. This latest new model will have a supercar-like profile and design cues taken from the high-end automotive industry.

"The biggest challenge we face in Taiwan is a lack of quality marinas, as well as affordable ones," says Tao. "Yachting regulations are also too strict, and it takes too long to obtain a yacht licence."

Nevertheless, Tao looks to the future with a large dose of optimism. "Both domestic and export sales are doing quite well, and there is strong demand for Novatec in Taiwan," says Tao, adding that the company holds the largest market share in the country for mid-to large-sized yachts. ●



Princess V39 motoryacht

Princess dealer to entice locals with entry-level models

Princess Yachts Taiwan will once again be representing the UK motoryacht brand at TIBS next year with a V39 and V48 on display in the halls of the Kaohsiung Exhibition Center. The dealership for Princess Yachts International was established in 2014 and now has offices in Taichung and Kaohsiung. It is making strong inroads into the local market, developing its brand presence along the way.

Tiffany Hsu, marketing supervisor at Princess Yachts Taiwan, says the company's presence at TIBS is necessary to promote the yachting lifestyle to locals, creating a much-needed demand for yachts and associated products on the domestic market. "By participating in the exhibition, we will enhance our brand awareness in the country," she says. "This year we will present two classic V series yachts – a Princess V39 and V48 – with a view to selling more entry-level boats and to allow potential yacht enthusiasts to learn more about Princess."

"As we are an agency that represents internationally renowned British products, it is our duty to pay attention to changes and trends in the market," he adds. "Taiwan is not a mature yacht market and is still largely underdeveloped. At this stage, it needs continuous and active investment in resources to guide people to understand yachts and to educate the public about how to enjoy the ocean." ●

TIBS debut for Ocean Alexander's 85 Motoryacht

Ocean Alexander, one of Taiwan's most established yacht-builders with a 40-year presence in the market, will exhibit the OA 85 Motoryacht at TIBS 2018. The company focusses mainly on the US market, where it derives 98% of its revenue. "Our designs, which range from 70ft-155ft, have a strong reputation for quality and engineering and are pitched at the premium end of the market in terms of pricing," says OA president Johnny Chueh. "We have three factories in Taiwan and one in Florida for producing our 76ft model, as it is more economic to produce this smaller yacht closer to our main market. Current production is up to 20 yachts a year from our Taiwan factories and a similar number from the US."

Ocean Alexander builds series production yachts with a large range of standard options, enabling the yard to plan production and delivery times more accurately. Unlike most other builders in Taiwan, the company does not build semi-custom.

Chueh continues: "The profile of our US customers, the average age range of which is 50 to 60, is quite conservative and the specifications of our yachts reflect their requirements, which are quite US-centric in terms of equipment and finish. We have plans for a new line that will have a different focus aimed at a new market sector in terms of detailing and finish and will appeal to customers who want the latest aids to boat handling and navigation, while still retaining our traditional values of quality and engineering excellence. The new range will also allow us to look at the European market and other markets that we are not currently in." ●



The OA 85 from Ocean Alexander

Capital Machinery Ltd (CML), Taiwan's sole authorised dealer for Caterpillar Inc, will be displaying a range of marine diesel engines and gensets at TIBS 2018. One of the newest additions to its portfolio, the Cat Three60 system, was recently displayed at the Miami Boat Show.

Be sure not to miss it!



中華機械 CAPITAL MACHINERY CAT



Atech Composites will be demonstrating its unique vacuum infusion techniques at TIBS 2018, where all kinds of raw materials and FRP finished parts will be displayed. A Horizon Group subsidiary, Atech provides composite components, hulls, decks and superstructures for Horizon's three yards. As Asia's first SCRIMP licensee, Atech is able to laminate hulls with stringers in just one shot.

Atech 先進複材科技股份有限公司

THE FUTURE IS BRIGHT

Horizon CEO John Lu

IBI'S ASIA CORRESPONDENT, MIKE DERRETT, SPEAKS TO THE CEO OF TAIWAN'S LEADING YACHT-BUILDER, HORIZON YACHTS, ABOUT THE INDUSTRY, HIS COMPANY AND HIS THOUGHTS ON THE FUTURE OF LEISURE BOATING IN ASIA AND TAIWAN



The Horizon brand represents more than just a luxury yacht, but a way of life. Above is the Horizon ES56 motoryacht

Q: How did you get into business with Horizon Yachts?

A: I started after majoring in naval architecture, rather than going into commercial ship design. I chose to go with leisure yachts where I could be more creative and see my achievements in a shorter space of time.

Q: It is often said that company owners need to be completely involved in the business of boatbuilding to realise success. In other words, they need to become owner-drivers of the business. Do you agree?

A: Yes, I do. I'm very passionate about boats, business, and boatbuilding. That has been a key driver for success with Horizon Yachts. You can see this in other companies that have been successful in the leisure boating business, such as Azimut, Ferretti Yachts and Riva in Italy, UK-based Sunseeker, and Gulf Craft/Majesty Yachts in the Middle East. All of these builders started with a passionate founder.

Q: What are some of the challenges you've had to overcome in building high-quality yachts in Taiwan?

A: You saw from the yachts at the 2016 Taiwan show (and will see at the upcoming show in 2018) that Horizon and most other builders in Taiwan have already reached a high level of quality and I believe this is generally recognised by the international industry. However, the challenge in Taiwan is to get more brand recognition for Taiwan boatbuilders. To achieve this, customers have to see and touch the boats and this will take time. A yacht is not the same type of product as a mobile phone, where manufacturers in South Korea, China and Taiwan have achieved global brand recognition in less than 10 years.

Q: How is the market in Taiwan different to the rest of Asia, especially China?

A: There is a big difference. There is pent-up demand in Taiwan which is just being realised and there is an amazing interest in leisure boating. People are curious, and being island-based I think boating will grow at the bottom of the size range; unlike China, where larger boats predominate the entry market for status reasons. In China many people do not live

near the sea, which makes identifying with the boating culture more difficult.

Q: The world is an unstable place at the moment, with the UK planning to leave the EU and mass immigration from countries affected by war and terrorism. In other areas, oil-producing countries have been hit by low oil prices. What are your feelings about the global yachting business?

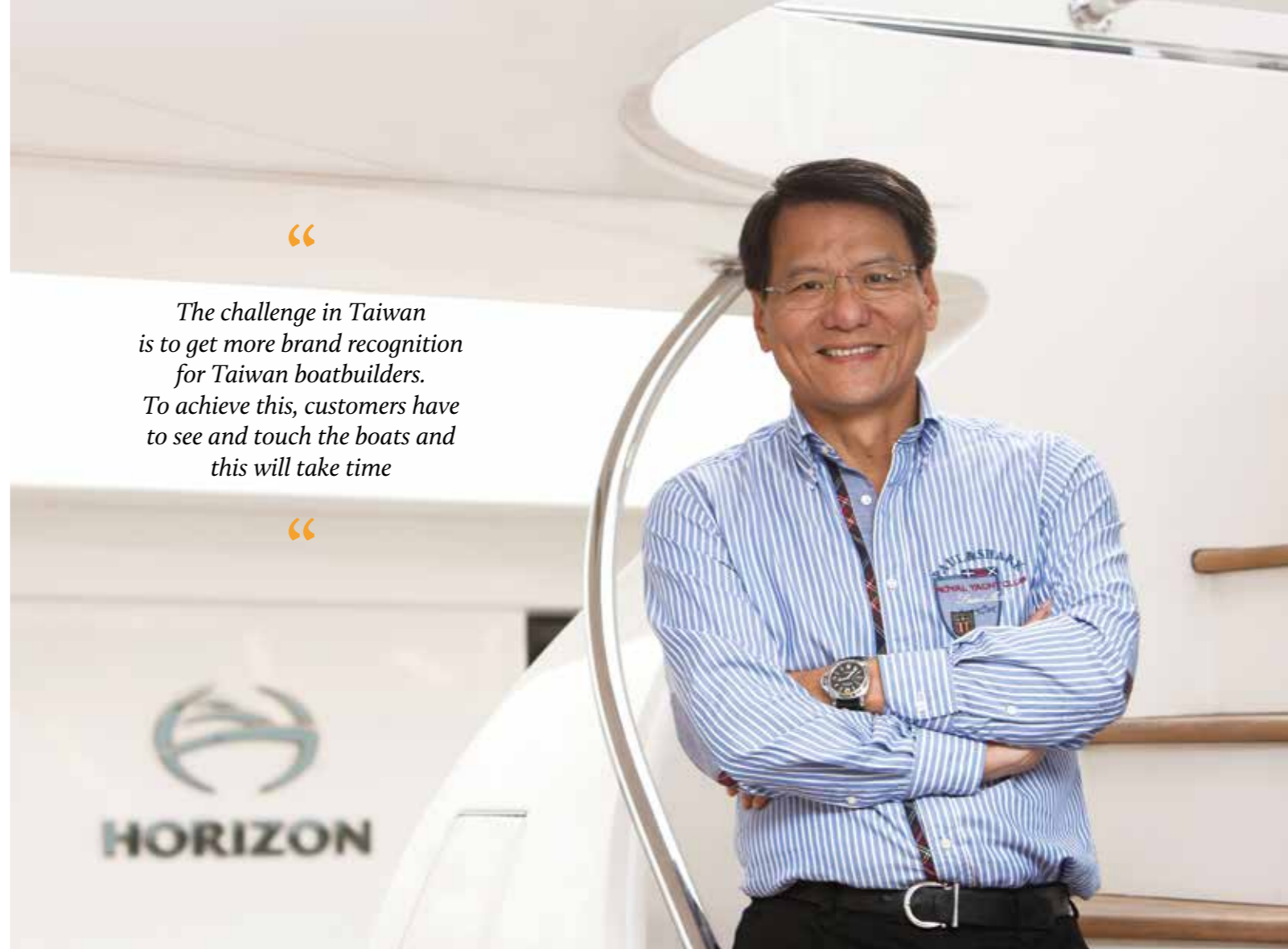
A: We have to accept these problems; they are threats that we can't do anything about. However, I always look on the bright side. It's cyclical. When one market is down, others are up. Currently I'm optimistic about the market in the US, where we are doing well, but I'm also optimistic about the growth of the market in Taiwan.

We have to be active in several markets in order to spread our risk. Ten years ago the best market was Europe, but now it's the US. In every downturn there is an opportunity. Horizon's product range is still popular and our branding power is stronger than ever before. Many people recognise us and realise that we are very capable of creating tailor-made boats.

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The challenge in Taiwan is to get more brand recognition for Taiwan boatbuilders. To achieve this, customers have to see and touch the boats and this will take time

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“Challenges continue to lie ahead, but our spirit and our pursuit of excellence will lead the way,” says Horizon CEO John Lu

Q: How was business for Horizon in late 2017?

A: At the 2017 Cannes show we debuted Hull No 2 of the Horizon FD85 – which has been tailored for European clients – with a unique exterior styling, incredible interior volume and innovative features. Europe is a leading market in the global yachting industry, especially for new products. We were pleased to see such a positive reception for the FD85 at the Cannes show and we will continue to

exhibit at key European boat shows, and with more new models in 2018. Horizon has reached its 30th anniversary milestone and we look forward to the future. Certainly, challenges continue to lie ahead, but our spirit and our pursuit of excellence will lead the way. In addition to expanding Horizon's development in the global yacht market and creating more suitable yacht models to meet owners' yachting needs, we

will strengthen Horizon's global sales and marketing channels and expand Horizon's brand share. Additionally, we plan to establish aftersales service centres around the world to provide a full range of services that allow our owners to continue enjoying the ultimate yachting experience. Today, and in the future, the Horizon brand will not only represent a luxury yacht, but a way of life. ●

Horizon City Marina – home to the on-water portion of TIBS

Located on the steps of the Kaohsiung Exhibition Center is Horizon City Marina, Taiwan's first world-class, private marina and home to the on-water portion of TIBS. It made its market debut at the inaugural show in 2014 and has since proved to be a popular location for Asian yacht owners looking to berth their yachts. The marina is easily accessible by air, sea and land, thanks to a new waterfront light rail transit system, and was built to high international standards through a joint collaboration between

Horizon and marina manufacturer Australia Superior Corporate. The marina can accommodate yachts of up to 58m (190ft) in length, and all marina equipment is of world-class quality and safety. Professional onsite services and facilities include three-phase power, water, security and video surveillance, a restaurant and bar.

In July 2016, Horizon City Marina was accredited under the global Gold Anchor scheme, making it the first and only Gold Anchor marina in Taiwan. ●



When Horizon City Marina opened in 2014, it was the first and only private marina in Taiwan



TAIWAN INT'L BOAT SHOW

**Kaohsiung Exhibition Center
Horizon City Marina**

**2018
3.15-18**

Exhibit Sectors

Yachts and Boats

**Equipment and
Accessories**

**Water Sports and
Recreation**

Maritime Service

Luxury Corner

**International
Pavilion**

Marina Display

Outdoor Lifestyle

Exhibit Profile

**All Ranges of Yachts,
Sailboats and Motor
Boats**

**Machinery,
Equipment, Parts
and Accessories**

**Maritime Survey,
Design, Shipping
Services and
Associations**

**Water Sports,
Recreation and
Tourism**

Luxury Products

Events

**Pre-show Press
Conference**

Opening Ceremony

Industrial Seminars

**1-on-1 Procurement
Meetings**

Contact Persons

Show Manager: Ms. Sinny Chang

Press Coordinator: Ms. Wendy Lee

Events Manager: Ms. Rosa Wang

TAITRA Exhibition Department

2A10, No.5, Hsin-Yi Road, Section 5,

Taipei 11011, Taiwan, R.O.C.

Tel: +886-2-2725-5200 Fax: +886-2-2723-4374

Email: boatshow@taitra.org.tw