



INNOVATIVE NEW SOFTWARE

helps marina owners
develop and maintain
lucrative boat clubs

The addition of a boat club gives members the chance to try out boating for a year without the upfront costs of buying and maintaining a boat. With Church's Boat Club Manager, running a boat club is easier than ever.

BY MARTHA SPALDING

In the midst of a sluggish economy, marina owners across the country are looking for ways to bring in additional revenue streams. For Bryan and Eric Church, owners of Bartlett Lake Marina in Carefree, Ariz., the introduction of a boat club brought home the bacon, totaling more than \$340,000 in gross income over a one year time period.

In the marina business for 15 years and the boat club business for six, Bryan Church helped develop a unique software system, Boat Club Manager, which makes it easier for marina owners to expand their business with the addition of a boat club. A boat club is essentially a business model that allows a marina to maximize the profitability of its slips. Boat club members pay an initiation fee and monthly fees that grant each member unlimited use of the marina's boats, instead of merely paying a single boat rental fee.

For example, an average 20' slip would cost a marina member \$250 per month, for a yearly revenue of \$3,000. With a boat club, the same slip would be used by an average of 10 members, each paying a monthly fee of \$265. This equates to monthly revenue of \$2,650 and yearly revenue of \$31,800 per slip.

"Boat clubs can give your marina a tremendous shot in the arm from a new profit center," he said.

Church has seen Bartlett Marina grow from a small facility

into a marina with 300 boats between wet and dry storage, boasting 135 boat club members and 13 boats in the fleet. Church said he owes a majority of his business success to the implementation of a boat club to his existing facilities, coupled with his innovative, web-based software.

"The one unique thing ... we are also marina owners," he said. "We are not just somebody out there trying to sell something to marina owners. We are marina owners who developed this program and want to share it with other marina owners."

The issues

In late 2001, Church began looking for new profit centers. "We had a big appetite for money and our income wasn't where it needed to be," he said.

Church decided to develop a boat club after witnessing the success of a boat club at another marina. Two years later, Church said his new boat club was bringing in much-desired additional income with 100 members. Church said every marina could benefit from a boat club, because "boating is an expensive activity and this is a cheap way to enjoy an expensive activity."

With all the talk about ways to entice young families to join the world of boating, boat clubs may provide the key. From experience, Church said there are "a ton of people who can afford \$250 a month to get into boating and give it a try." Through a boat club, potential boat buyers can spend a year

trying out different boats and when the time comes to buy a boat, the people are more sophisticated boaters and will probably buy something more expensive than entry-level. A boat club is ideal for anyone looking for a hassle-free introduction to boating without the responsibilities of maintenance and docking that go along with boat ownership.

Although Church was thrilled with his boat club, he needed a new software system to help him manage its members. He found that other software systems were subject to glitches that took multiple phone calls to fix. Additionally, many other programs required users to enter into a franchise agreement, something Church wanted to avoid.

A solution

In need of a software solution, Church worked with Eric Church and a marina member, Ryan Kinnear, who also happens to be a Web site developer and computer programmer. Last year the three men, along with several others, created a new web-based software system, Boat Club Manager. Since the program's official launch on May 15, 2007, "the new software has preformed beautifully, with just under 1,000 completed reservations," Church said.

Boat Club Manager is different than other software managing programs because it is web-based, which makes it even easier for marinas to start up and manage their boat club and rental business. The software also comes with a 90-day money-back guarantee.

Church said it only takes 15 minutes to register a new member to the boat club with his software, saving time for marina owners. He couples his software and boat club with an orientation program. After printing out contracts, each member has

the opportunity to learn how to use each boat in the marina's fleet, which makes for a more knowledgeable boater.

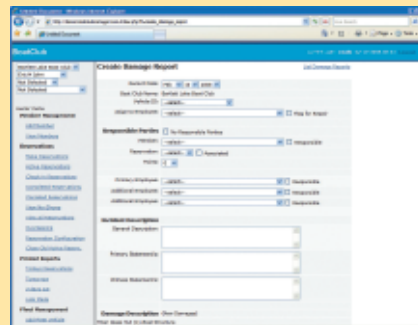
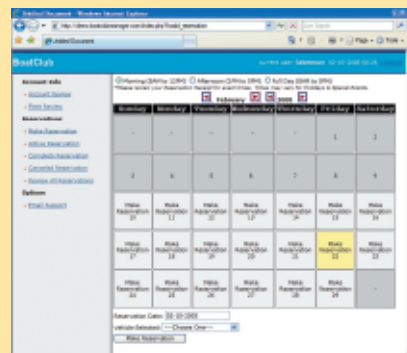
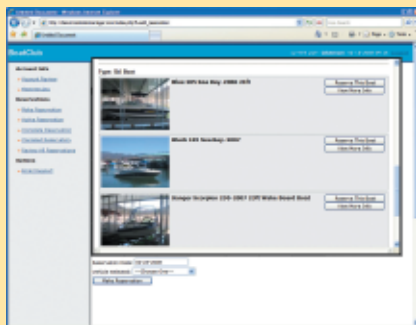
Web-based software

A key advantage of Church's Boat Club Manager is that it's a web-based program. Boat renters and boat club members no longer need to call into the store to make a boat reservation. Instead, members can access the marina's Web site 24 hours a day, seven days a week to make or cancel a reservation. People who are looking to simply rent a boat can also make reservations on the site. Church said that before he switched to a web-based program, he would typically receive several hundred calls a month from people who wanted to reserve a boat, and "the phone calls would go on and on and on." Now he only receives calls from new members or periodic questions about Boat Club Manager.

"Since we moved into the online reservation system, it's worked perfect for both my employees and customers because now they can make a reservation in 30 seconds," he said. "From a management standpoint, our program is absolutely perfect for setting up and handling a club that someone may want to start in their marina."

Boat Club Manager features include vehicle maintenance reports, user and vehicle notes, calendar-based reservations, and e-mail messaging. With Boat Club Manager, marinas receive a 45-day training of the software and a personalized consultation that includes boat club pricing and Internet advertising guidelines. Users also receive extensive marketing information that will help promote the new software and boat club.

The Web-based aspect also allows Kinnear to continually update the software, because he can access the site remotely.



Boat Club Manager is a unique marina management software system because it is web-based. Members can log onto the Internet at any time and make boat reservations for the boat and day of their choice. The software also provides marina owners with detailed information regarding the number of reservations made every day.



The Bartlett Lake Boat Club created a new profit center for Bartlett Lake Marina, earning more than \$340,000 a year in gross income. Coupled with an innovative software managing system, Boat Club Manager, the boat club has completed about 1,000 boat reservations online since May 15.

He is able to make corrections within seconds before a user would even realize anything has changed. Church said that without Kinnear, he never would have considered marketing the software.

“When we contracted with Kinnear to develop this program, we built it with the idea that if it worked as good for us as we had hoped, we would then be able to market it out to other marinas,” Church said. “Boat Club Manager was built for Bartlett Lake Boat Club, but by building the program the way we did, we can offer this program to thousands of marinas throughout the world if they want to set up a boat rental or boat club operation.”

Getting started

Adding a boat club may seem like a big undertaking, but Church insists that it's not, pointing out that most marinas have already done 90 percent of the work needed for a boat club. A typical marina already offers boat rentals, so that marina already has the boats to start a boat club. Marinas that already offers rentals can use the existing space, management, and maintenance to run a boat club. Boat Club Manager allows marina owners to use their current rental boats as club boats by managing and tracking both. Additional club boats can easily be added as the club expands.

For Church, there was more risk involved in his rental business than his boat club. A rental boat is at a greater risk of going out to a stranger who doesn't know that much about boats, so the boat is more likely to sustain damage. On the other hand, Bartlett Lake Boat Club employees train their members before boating, and Church said that most members have a sense of ownership over the boats. In a boat club, the risk for equipment damage is much less, and the marina owner only needs to perform regular boat maintenance.

Although Church doesn't suggest that marinas get out of the boat rental business, he strongly advises adding a boat club to create a larger mix of things that a marina offers. If a marina only rents boats, it will be subject to weather and the condition of the boat to ensure that money is made.

“Rather than getting money on individual rentals ... with a boat club, if the weather is bad and people can't go out, you still get monthly dues,” Church said. With rentals, individuals are most likely renting a boat for \$700 once or twice a year. With a



Church estimates that each member of the boat club brings two additional guests, which equates to about \$50-\$70 spent on ice, soda, candy bars, ice cream, and more in the store per guest.

boat club, members pay \$3,000 a year in membership dues in exchange for unlimited use of the boats.

The results

Since May 15, 2007 Church has received about 1,000 reservations for boats through his software program. By Church's estimate, members of Bartlett Lake Boat Club typically bring two guests, meaning close to 3,000 people have been brought into the marina who wouldn't have come if it wasn't for the boat club. This equates to additional money spent on ice, soda, candy bars, ice cream, and more in the store.

Church said that each boat club member spends about \$50-\$70 each time he visits the marina. Marinas with a restaurant will probably bring in even more revenue. “That's the other thing that's great about the boat club, it gets people to your facility, a lot more people than just a boat rental does,” he said.

Boat club members also “universally love” the new online system, and the members that don't have a computer can still call into the boat club office to make a reservation. Church and Kinnear said they had concerns that the online reservation system would harm customer service by removing the “face-to-face” reservation calls. It did not. On the contrary, members hated calling in, leaving messages, and then waiting for a call back to confirm reservations. “Bartlett Lake Boat Club reservation calls have been reduced by 99 percent, allowing us to focus on the true needs of our members and making new club sales,” he said.

The online system tells the member exactly which boats and time slots are available, updates their accessories, and prints a confirmation number that they can bring to the lake. Cancellations are even improved because when reservations are canceled, the boats are immediately made available to all members. This gives the members the best use of their membership and boats do not sit unused during peak days.

The boat club's consistent cash flow, even during the off-season, has brought in 25 percent of the marina's total yearly profits, Church said.

“There's not that many new profit centers that you see coming out for marinas and this is a new one,” Church said. “This is a profit center that most marinas could implement, but haven't.”

Marina owners interested in Boat Club Manager, can log onto www.boatclubmanager.com for more information, as well as to access a free demonstration of the program. ⚓