

Paddlesports Business

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LET'S GO FISHIN'

It's Time to Exploit this Market —PAGE 8



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FISHING FOR PADDLERS

Two Markets Vie for Kayak Anglers



PHOTO BY JOHN BOLIVAR / CANOE & KAYAK

by Mike Kogan

Kayaking anglers gather for the second annual Everglades Kayak Fishing Paddle-In.

Kayak fishing is striking a nerve deep in the paddlesports industry—it is the largest growth sector of the fishing and paddlesports markets and its impact is like two huge waves finding out they are both in the same pond. As the kayak fishing wavefront sweeps through the channels represented by big-box fishing retailers and traditional paddlesports outfitters, everyone is learning how their business model is changing.

It used to be that outdoor outfitters and watersports stores had paddlesports cornered. However, growth through the fishing channel is exploding the market from a number of perspectives, including segmentation, profit margins, and affordability to consumers.

Historically, folks who fished from kayaks were a minority. They purchased sit-inside

or sit-on-top kayaks at relatively high margins from traditional paddlesports outfitters, such as outdoor outfitters and watersports stores. These units were adapted to kayak fishing largely through a do-it-yourself movement of fishermen, who began discovering the benefits of fishing from a kayak.

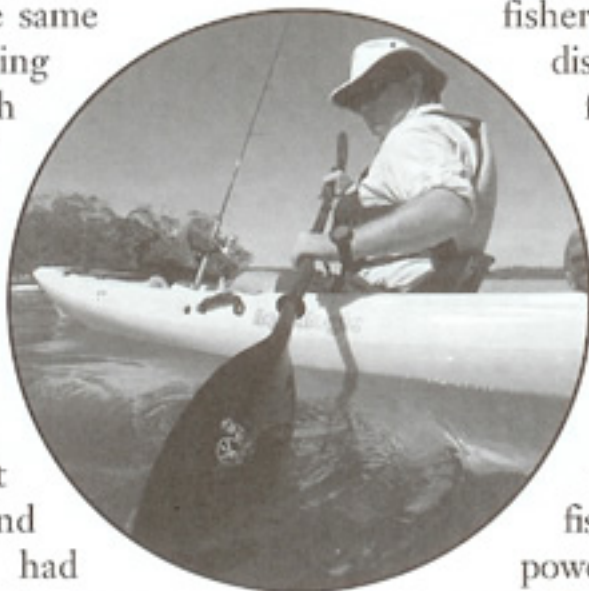
These benefits include, but are not limited to, low cost (compared to fishing from a powerboat); being clean, green, and conservation-oriented; stealth; ability to reach fish that are inaccessible by powerboat; the enjoyment of being down at the level of the fish; the challenge of landing large fish from small boats; and the explosion of shallow-water angling in both salt- and freshwater.

Traditional paddlesports outfitters saw fishing as a small-market niche, and did relatively little to cater to it. Over time, a few accessories specific to fishing evolved

and these traditional outfitters carried some of them. However, few if any made the leap to fully supporting kayak fishing and carrying the fishing-related items, which led kayak fishermen to turn elsewhere to buy the accessories they wanted.

Over the last five to eight years, numerous fishing-oriented kayak designs have come to market. Every summer at the Outdoor Retailer trade show, more designs targeted at kayak fishing are unveiled. They run the gamut from rod holders added to existing recreational SOT designs to tricked-out SOT kayaks that trade off speed for the stability and storage features desired by anglers.

Simultaneously, kayak fishing has gained momentum from its roots in California and spread to Texas, the entire Gulf Coast, Florida, and up the eastern seaboard through Georgia, the Carolinas, Virginia, and points farther north. The advantage most of these areas offer beyond California is fantastic saltwater and freshwater estuaries in coastal regions, rivers, and creeks. This has brought a new dimension to kayak fishing's application and popularity,



particularly with the upswing in interest of the professional bass and redfish tours.

Nowadays, all the big-box fishing retailers such as Bass Pro Shops, Cabelas, and West Marine/Boater's World, as well as significant local fishing retailers such as Economy Tackle in Sarasota, Florida, and Strike-Zone Fishing in Jacksonville, Florida, carry kayaks and cater to a large fishing-oriented population. Traditional paddlesports outfitters are finding their

ability to grab a significant piece of this new market severely challenged by stores that have all the fishing knowledge and fishing equipment desired by kayak fishermen, and a business model that caters to higher volumes, competitive margins, and lower retail prices. Effectively, the fishing retailers have made the kayak a commodity item purchase rather than a specialty item purchase.

These fishing retailers are rapidly

expanding their inventories to carry multiple brands of fishing kayaks such as Heritage, Malibu, Emotion, Cobra, and Hurricane, in addition to the new fishing-oriented models from the old-line SOT manufacturers like Ocean Kayaks and Wilderness Systems. They are able to provide a kayak fisherman true one-stop shopping for a boat, rigging, and all the fishing and tackle items needed to get on the water, and the knowledge of how to use it. This is something the traditional paddle or watersports outfitter does not have the capability or wherewithal to provide.

The fishing retailers are more interested in moving lots of units at prices reduced from the traditional 40- to 60-percent markups enjoyed in the past in exchange for the added profits from the sale of higher-margin accessories and equipment. So traditional paddlesports retailers are finding themselves in a predicament, and not only regarding fishing models—it does not take much for fishing retailers to add a few recreational and/or touring



A fishing tourney participant sets the hook on a Chokoloskee Bay snook.

PHOTO BY JOHN BOLIVAR / CANOE & KAYAK



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These are just a few of the many fishing kayaks now available from several manufacturers.

models to their lines to take some of the non-fishing recreational business, too.

What are traditional paddlesports outfitters to do? Many are now adding knowledgeable fishing staff and offering fishing seminars. Some retailers will be large enough to maintain pricing levels due to geographical demographics, even without delving into the fishing market.

However, smaller outdoor outfitters and watersports outlets will become the fallout in this war for the wallets of future kayakers. They won't be able to maintain the volumes and margins to stay in business when they have to compete with the big-box retailers, significant local fishing retailers, or the larger traditional outfitter who has adapted.

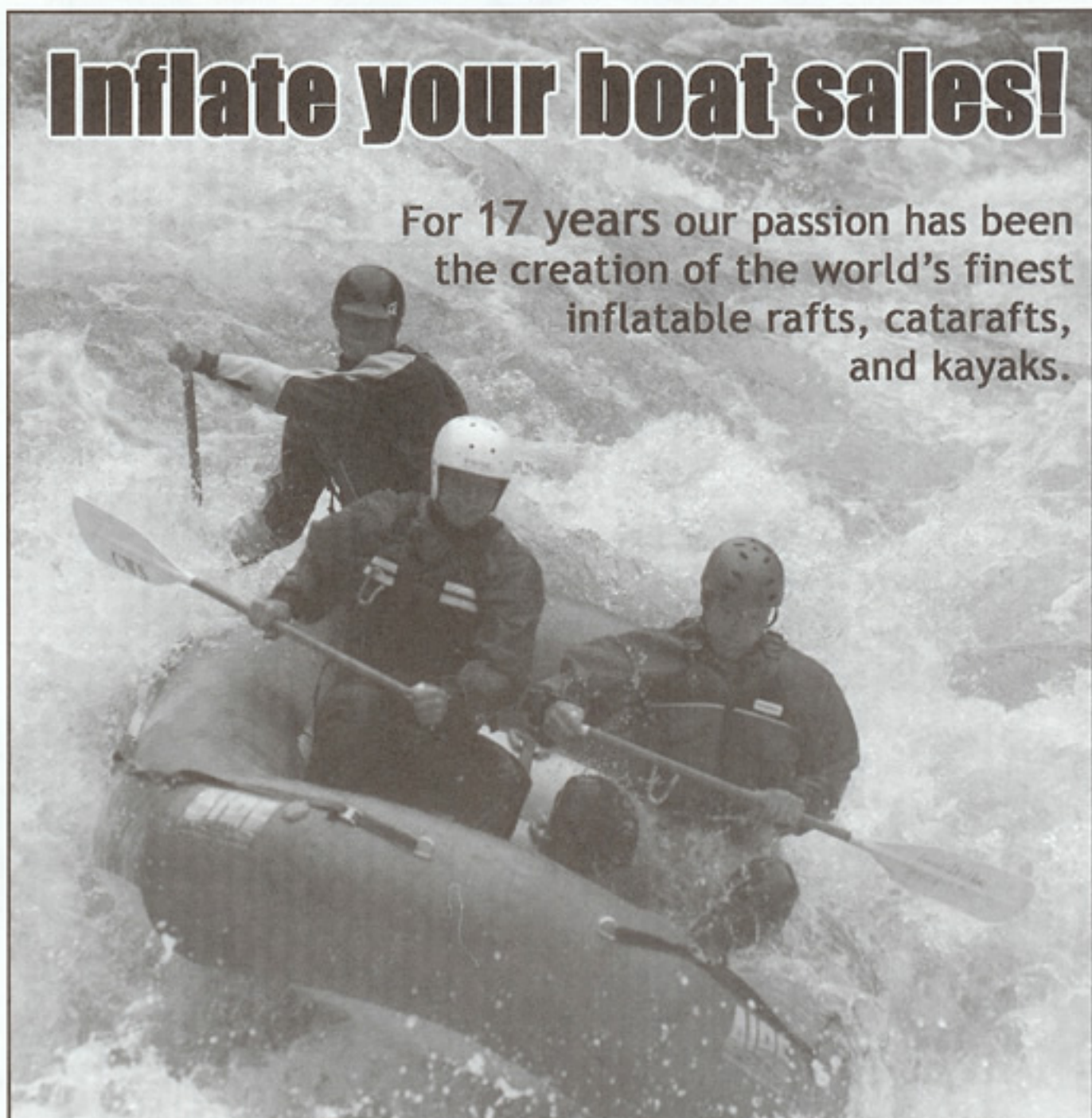
The industry-wide trend is toward lower margins on boats, more sensitivity to shipping costs, and the impact of purchasing programs. Everyone is sending accessory designs to China, where cost-competitive product flows back to the U.S. markets for sale at decent margins. This is great for consumers, particularly the savvy ones who go out and paddle boats, then, after determining what they want, find the retailer who refuses to be undersold.

Is this good for retailers? Of course. Although margins on boats may decline, the margins on accessories are still strong, and the increasing volumes from the growing fishing sector will aid everyone's bottom line, except perhaps the little guy. While the DIY mentality is still strong in kayak fishing, more and more folks want to purchase ready-made solutions and products that are designed for their applications, as well as retailers ready to provide these products and services.

With over 24 years experience developing technology and writing, Mike Kogan combined his passion for yak fishing and technology to start [www. JaxKayakFishing.com](http://www.JaxKayakFishing.com), North Florida's Kayak Fishing Community and host of the Jacksonville Kayak Fishing Classic, the world's largest kayak fishing tournament. Kogan guides part-time and as a member of the Florida Outdoor Writers Association writes for several print and Internet publications. □

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