

029 – February 2011 – 1st Revision

Punching above its weight Austria's Leisure Boat Industry

October 2010 by Jake Kavanagh,
International Boat Industry
www.ibinews.com

The landlocked country's innovative approach and marine manufacturing know-how are helping it ride the downturn.

Austria's contribution to the global marine industry is really quite surprising, and yet the small, landlocked country hasn't a single port

to its name. The nearest sea, the Adriatic's Gulf of Venice, is some 80km away across the southern border with Italy. So why is it such a key supplier to the world's shipbuilders, and why is it a producer of such distinctive yachts and motorboats? Austria's economy is largely based on the service sector, but



Sunbeam 53



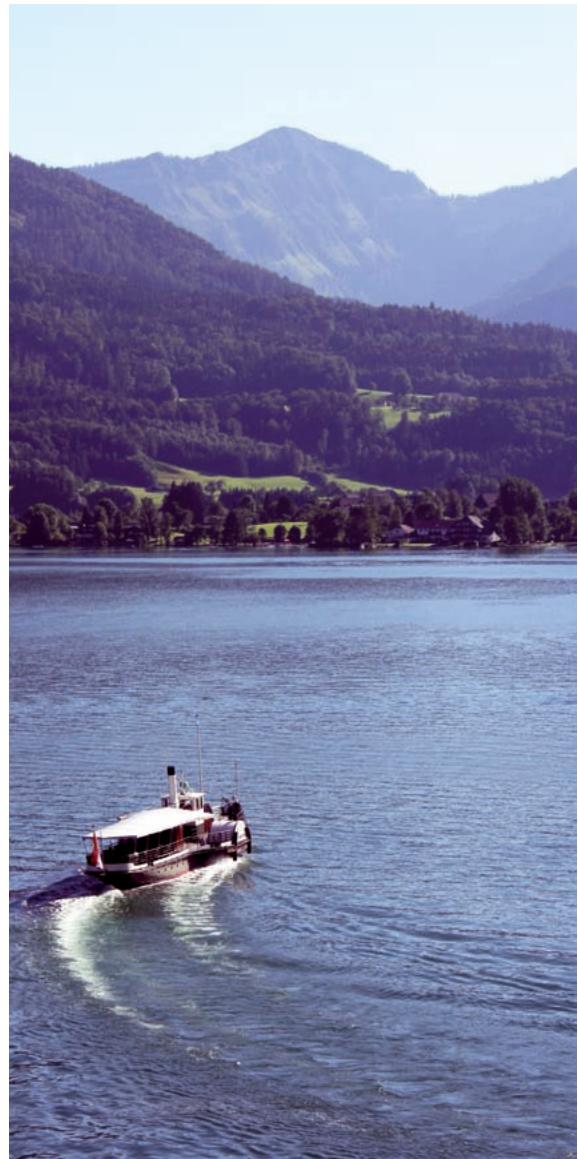
it's highly efficient manufacturing base has become very specialised over the years. A hallmark of the Austrian marine business is that many of the companies involved are family owned, with long and unbroken histories.

The shipbuilding connection is due to the country's industrial and demographic links with its northern neighbour Germany, a major naval and commercial sea power which Austria supplies with components. This trade continued up to and beyond the restoration of Austria's sovereignty in 1955, and its entry into the EU in 1999. Austria now exports a wide range of products from deck cranes to drive shafts, and from pumps to fireproof panels, and has a strong involvement in the cruise ship market. Many of these big ship products also find their way into the superyacht sector, whereas other items such as electronics, optics and diesel engines also serve the general leisure market.

On the domestic front, an ever-increasing number of the 8.5 million population enjoy leisure boating, and have over 300 lakes to choose from. Many Austrians also keep their yachts in Italy, Croatia and Slovenia and regularly cruise the Adriatic. Living in the 12th richest country in the world, with the GDP per capita of around US\$45,959, they also have a lot of disposable income, so the marine industry continues to thrive, despite a setback during the worst of the recession.

THE WORK OF AMEM

The Austrians excel in research and development, so whilst their manufacturing base isn't large compared to other countries. It is becoming increasingly specialised, and very high tech.



Representing the interests of this diverse and focussed industry is the Austrian Marine Equipment Manufacturers Association (AMEM). Run with a lean administrative structure and funded by member subscriptions, it operates on a non-for-profit basis and is a platform to showcase Austrian expertise. It also lobbies hard for its members with the decision makers in Vienna and Brussels and tackles protectionism in the global shipbuilding industry.

"In our mission statement, we say that 'small is beautiful' ", explained John Kuehmayer, chairman of AMEM. "This applies not only to our country, but to our manufacturing sector too. This helps us to be competitive, and we're proud that many of our companies are world leaders in their particular fields."

A glance down the list of AMEM reveals an impressive list of names, with several companies straddling both the leisure and

commercial sectors. Swarovski Optik, for example, was established 1935 to develop and build marine and other optical devices, and its first 6x30 binocular quickly became an industry standard, incidentally, it was the Austrian astronomer Johannes Kepler who made major improvements to Galileo's telescope of 1609, proving that R&D is deep within the Austrian mindset. ACR Electronics Europe GmbH, based in Vienna develops

Companies featured

Austrian marine companies referenced in this report



ACR Electronics Europe
www.acr-europe.com



ALULIGHT® International
www.alulight.com



BITTER Group
www.bitter.at



FRAUSCHER Bootswerft
www.frauscherboats.com



FRONIUS International
www.fronius.com



KRAL
www.kral.at



SCHOECHL Yachtbau
www.sunbeam.at



STEYR MOTORS
www.steyr-motors.com



TEUFELBERGER
www.teufelberger.com



THERMAX FIPRO (Mineralka)
www.fipro-ag.com



AIS systems, Person Locator Beacons and EPIRBs, and Thermax Fipro manufactures non-combustible panels that are widely used for both partitioning and internal furniture.

Other global companies within the AMEM membership include Steyr Motors, Miba bearings, and Kral pumps.



ACR, Class B AIS Transponder

Some companies, such as Teufelberger, are not AMEM members, but are still supported in the organisation's literature. Teufelberger makes wire hawsers, but also produces a range of hi-tensible tapered ropes for racing yachts.



Teufelberger, FSE Robline



Frauscher, Model 600 *Riviera*

With all of these manufacturers, there is a very strong research base. "Our companies are often relatively small in international terms, but many are family owned," explained Kuehmayer. "They look for reliable partners with whom they can develop new technologies, and this reduces the risk of violating the intellectual rights of third parties. It also makes them less susceptible to takeover mania, so long term relationships can be established with customers. This means our industry can meet high expectations in product design, because innovations can be fully documented with structured feedback throughout their lifecycle."

Typifying the kind of hi-tech research with exciting marine possibilities is Alulight GmbH, based in Ranshofen. Established in 2002 as

a 100 per cent owned subsidiary of Ecka Granules, the company produces lightweight components with a thin (0.6mm-20mm) aluminium exterior, but with a honeycomb interior made from metal foam. This 'bubble' technology is ideal for applications requiring high impact absorption, vibration reduction, low thermal conductivity and electromagnetic shielding. The metal foam can be used for making items as diverse as engine parts to complete structural sandwich panels. These panels are ideal for bulkheads or engine boxes as they absorb noise and provide low thermal and electrical conductivity. Measuring 2.5mx1.5m, they are currently available in total thickness of between 9mm-80mm, and can be welded, screwed, riveted or even glued in the same way as solid sheet aluminium.

AMEM members have enjoyed mixed fortunes over the last 12 months as the recession's long-term effects have started to bite. The results have been described as a 'kaleidoscopic

pattern of different controversial demands,' with some companies doing well, particularly in the Far East, whilst others have been fighting to stay put. Sadly, a few have lost their market share to local competition in their target countries, or by price expectations that were simply unrealistic.

"The high Euro affected some companies more than others," Kuehmayer says. "There have been some cutbacks in global shipbuilding, especially new orders for cruise ships, so to compensate for the loss of this business, some of our members have successfully entered the military, automotive and aviation markets instead."

THE LEISURE MARKET

Austria's lakes attract millions of visitors every year, with the larger lakes having a solid infrastructure of marinas, repair shops, and hire fleets. However, due to the tight restrictions on the use of marine combustion engines, which are banned altogether in many areas, electric boating and sailing are very popular. The River Danube also cuts a wide swathe through the country, and attracts a certain amount of leisure traffic. Austrians also enjoy passage making in the Adriatic and Mediterranean, with over 2,000 Austrian-flagged pleasure boats permanently moored in Croatia alone.

There are two principle builders in Austria; Frauscher, which produces sleek and stylish motorboats and yachts up to 9.9m (32ft), and Salzburg-based Sunbeam Yachts, which builds 10 models of performance sailing cruiser up to 15.9m (53ft). There are also a number of smaller builders of canoes and

ESSENTIALS

**12th richest
country
in the world**

**GDP per capita:
US\$45,989**

**Population: 8.5m
Currency: Euro**



dayboats for the lakes, and a network of leisure equipment suppliers. Austria's single boat show in Tulln in March regularly attracts around 45,000 visitors, proving that boating activity amongst Austrians is a dependable market.

Frauscher, however, exemplifies Kuehmayer's assertion that Austrian companies are largely hi-tech and family owned. Established in the 1920s, and now run by third generation siblings Michael, Stefan and Andrea, it has always been developing innovative products. Frauscher employs a small but loyal staff, and is in the process of building a new factory a few kilometers from its existing premises beside Lake Gmunden. "We couldn't move too far away", explained Michael Frauscher, the production director, "our staff don't like to commute!"

RIDING THE STORM

Frauscher aims for a style that simply stands apart from the rest – in some cases, such as with the futuristic Benaco model, a long way apart. Whilst the company also supplies Austria's hire fleets with simple electric runabouts, it has its sights firmly on the superyacht tender market. The R&D department has been spending a great deal of time and money in developing hybrid and electrical applications, working closely with three other Austrian pioneers, Fronius, Steyr and Bitter, to produce viable hybrid and fuel-cell powered boats. "We see it as the future," Michael Frauscher explained, "We've taken the lead, and will continue to strive towards high performance with a low ecological footprint." To reinforce the message that these aren't just boats for the Alpine lakes, the first ever dedicated hybrid



production boat debuted to the American market on May 16, 2008 in San Francisco, and was well received by the audience of foreign dignitaries, Californian officials, national and international press.

MICHAEL FRAUSCHER | DIRECTOR

We've taken the lead and will continue to strive toward high performance with a low ecological footprint

Austria may have taken a pounding recently from the recession, with marine exports temporarily down by 46 per cent in 2009, but its inter-connected, inventive and championed manufacturing base is riding the storm.

"We're having to adept to the recent changes in the market," Kuehmayer said, "Austrian expertise in the commercial sectors is contributing to the attractiveness of dual purpose equipment for civil and naval applications. The 'Made in Austria' badge means equipment of the highest quality, backed up with companies that have decades of experience in their specialisations."

THE GREEN REVOLUTION

Austria has always been at the forefront of electric boating, mainly due to the restrictions imposed on the lakes, espacially the Bodensee (Lake Constance) but recently the country has been spearheading some exciting developments in propulsion from renewable sources.

Steyr Motors was the first to produce a 5kW (13hp) series electric drive, which was bolted between the engine block and gearbox. The installation was proven by Frauscher with the 2008 launch of a converted 757 St. Tropez, and is now being enhanced to provide bigger outputs under elctric drive for commercial applications.

Water taxis in sensitive environmental areas, and small passenger vessels in city centres such as Amsterdam are prime customers. The leading Dutch electrical specialist Mastervolt has also just announced a close co-operation with Steyr Motors to optimize the supply and regeneration systems, and to help establish a common standard as part of the European-funded HYMAR (Hybrid Marine Systems) initiative.



Steyr Motors, Hybrid Propulsion

ENERGY BOOST

Meanwhile, AMEM member Fronius, a specialist in welding equipment, solar panels and battery chargers, has been actively developing fuel cell technology.

Once again working with Frauscher, which provide the test bed, the first hydrogen fuel





www.zukunftsprojektwasserstoff.com

Stefan Frauscher
Klaus Fronius
Armin Pachinger
Sepp Hoyer

www.frauscherboats.com
www.fronius.at
www.bitter.at
Project Lead

cell boat, a Riviera 600, was launched in April 2009. Bitter GmbH, another Austrian specialist company, developed the hydrogen refueling stations required for an eventual rollout of the project. The real selling point of the Fronius system is that it uses an array of solar panels to electrolyse pure water.

The gas created by this solar farm is then packaged in high-pressure, ultra-safe cartridges that power the fuel cell. Other fuel cells on the market use hydrocarbons such as liquefied gas as a source of hydrogen, so this system is the cleanest of them all.

The Fronius fuel cells are also being developed to power forklift trucks, with the potential for the factory roofs to be covered in solar panels to manufacture the hydrogen required.

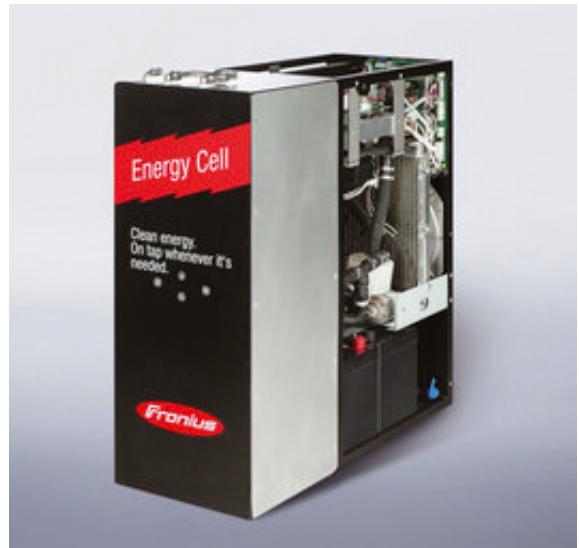


Frauscher, Model 600 Riviera

In June of this year, Fronius sold their first two energy cells in the 4kW category to Czech-based WSW Engineering, and report a growing market interest in the technology.

"Becoming energy efficient and helping the environment are ever more attractive goals," said Fronius's managing director Klaus Fronius. "Current trends have vindicated our decision to invest in developing the energy cell when we did."

Long-term trials of the Frauscher installation, with its fully TUV approved fuel cell are continuing.



Fronius, Fuel Cell



IBI – International Boat Industry

www.ibinews.com



Freelance journalist Jake Kavanagh was born into a boating family and lived for many years by the Thames at Marlow. After a variety of jobs, the river eventually drew him back.

Jake joined the Thames Water Authority as a lockkeeper, working the locks around Windsor for four years. Well known as a boating cartoonist, Jake took over the editorship of a brand new magazine – Motor Boats Monthly in 2001.

Having tired of the life in London, he now lives at the South coast and is working as a writer, photographer, cartoonist and film maker. www.jkcartoons.co.uk

The Austrian boating industry owes Jake Kavanagh the first, overwhelmingly comprehensive article which was published in IBI International Boat Industry's October 2010 magazine. Although the author has done an extremely accurate research, AMEM will take the freedom to amend this country focus by some photographs and companies not yet mentioned.





Austrian Recreational Craft Industry
Yachts, Sport and Leisure Boats Made in Austria

1st Edition
 February 2011
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 **Austrian Marine Equipment Manufacturers**
 Marketing Forum der österreichischen Marineausstatter
www.amem.at



Austrian Boot Tulln Boatshow

ÖSTERREICH'S BOOTSMESSE NR. 1
3.-6. MÄRZ 2011

Messe Tulln
www.messe-tulln.at

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Austria's lakes and the river Danube attract millions of visitors every year. However, due to the tight restrictions on the use of marine combustion engines, which are banned altogether in many areas, electric boating and sailing have become very popular.

AMEM is happy to publish a small directory on Austrian small ship, yacht and boat builders as well as suppliers of allied marine equipment well ahead of the Austrian Boat Show in Tulln, approximately 60km West of Vienna, 3 – 6 of March 2011.

>> Free Download: www.amem.at

Boot Tulln 2011 · Austrian Boat Show

>> www.messe-tulln.at

Impressum

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