



DRAFT

Business Plan

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EXECUTIVE SUMMARY

The North Carolina Marine Industrial Park Authority whose mission is to develop, enhance, and promote business opportunities for marine related businesses in North Carolina opened the first state-owned marine industrial park in 1981 in Wanchese, NC. The Park has been very successful and its core tenants have changed over time as the industry has evolved. The tenant base of the facility changed again in 2012 when the first sailboat builder, Gunboat International, located in the Wanchese Marine Park. Working with the owner of Gunboat, a new exciting opportunity for the NCMIPA, and all of North Carolina, was identified; establishing North Carolina's coast and sounds as a sailing destination and hub.

SAIL NC is an initiative by the Authority to create a new market sector along the coast of North Carolina, including the inner sounds and mainland areas. While sailing is nothing new along the NC coast, the Authority views these areas as an untapped resource for sailing enthusiasts and charter operations. The North Carolina coast is full of quaint communities with excellent restaurants, active artisan communities, and other "local flavors" that appeal to out-of-state sailors. Recruiting charter sailing services and sailors to the coast will bring enthusiasts to North Carolina's beautiful and quaint coastal areas. Most importantly, the host communities and towns will recognize a noteworthy economic impact from these visitors.

SAIL NC, a North Carolina Corporation, is seeking designation as a non-profit, 501(c)3 entity. Its mission is *“The establishment of North Carolina’s coast and sounds as a sailing destination and hub, through the promotion and growth of all aspects of the sailing industry in North Carolina”*. SAIL NC’s organizational structure will be divided into three categories: Operations, Marketing, and Development.

Operations will focus on the management of the organization which includes all activities associated with accomplishing the mission of SAIL NC. In addition to the basic elements of running a business, plans for Marketing and Development will also be formulated. A Strategic Development Plan will be prepared to address development in the areas of regattas and other events, and the infrastructure needed to capitalize on the concerted efforts of SAIL NC. Lastly, a Marketing Plan will be developed to address regattas and other similar events, tourism, and a planned training center. Plans for each sector will be developed and implemented.

The NCMIPA will provide the initial funding to launch the Organization. SAIL NC will implement a fund raising program to support its efforts. It is anticipated the organization will be self-sufficient by the end of its first year.

This Plan sets forth a vision for SAIL NC that has the potential to position North Carolina’s Coast and sounds to be one of the premier sailing destinations on the east coast, for competitive and leisure sailors alike. The benefits that SAIL NC will bring to coastal North Carolina will have a profound impact on some of the most economically disadvantaged areas of the State.

Background

In 1979, the State of North Carolina created the North Carolina Marine Industrial Park Authority whose mission is to promote, enhance, and offer business opportunities for marine related businesses in North



Carolina. With this mission in mind, the State and the Authority opened the first state-owned marine industrial park in Wanchese, NC. The facility was originally envisioned to be a major hub of the US east coast commercial fishing industry. However, over the years the tenant base of the facility has constantly changed and evolved. During the past thirteen years, the Wanchese Marine Industrial Park has been the home of commercial fishing operations, as well as multiple boat builders specializing in custom sport fishing yachts, marine repair yards, marine welding, cabinetry, upholstery, and engine shops, etc. The composition of tenants of the Wanchese facility changed once again in 2012 when the first sailboat builder, Gunboat International, moved into the Wanchese Marine Park. Today, there are a variety of marine businesses thriving in the facility.

The diverse business mix of the Park is evidence of the excellent management provided by the NC Marine Industrial Park Authority and its willingness to expand the clientele base of the park and adapt to changing sectors and needs within the marine industry.

Summary

SAIL NC is an effort by the NC Marine Industrial Park Authority to establish a new market sector along the coast, inner sounds, and mainland areas of North Carolina. While North Carolina has a rich history in sailing and boat building, the Authority views the coastal North Carolina as an untapped resource for sailing enthusiasts and charter operations. The coastal region is a major tourism



economic development engine for the State. The thrust of SAIL NC will be to capitalize on the well-known reputation of the Coast, and expand it by promoting its “local flavors” such as the cuisine, cultural, and historic attractions of the small communities and towns located along the waterways in order to capture an untapped tourism market sector; sailing.

SAIL NC will grow sailing along the NC Coast by:

- Actively marketing the North Carolina coast as a sailing destination.
- Recruiting charter service providers to the NC coastal area.
- Pursuing the establishment of a sailing training center along the NC coast.
- Hosting/Sponsoring/Initiating sailing events.

INITIAL ACTIVITIES

Marketing North Carolina as a Sailing Destination

Promotion of the excellent year round sailing conditions along the North Carolina sound areas will include ad buys and article placements in industry specific magazines, journals, etc. In addition, SAIL NC will create a website or blog highlighting the State, coastal communities, recent and upcoming sailing events, and regional sailing infrastructure such as, dockage, repair yards, outfitters, etc.

Recruiting Sailing Industry Companies

Manufacturers

Activities to support the mission of SAIL NC will bring the Organization in close contact with manufacturers of sailboats, sailboat equipment, and supplies. Working in conjunction with the NCMIPA, these contacts will be leveraged to the fullest extent possible to recruit those manufacturers to locate a facility in one of the Authorities marine parks, or other suitable locations in North Carolina.

Charter Service Companies

Charter services are also a great way to bring sailing enthusiasts to the NC coastal areas. Sailors may charter on their first trips, but later return with their own boats to further explore the sounds areas. This is also a way to pull non-sailboat owners and first time mariners into the area; exposing them to a new type of vacation or excursion that will entice them to return to the area again. The

Moorings, one of the world's largest and most successful charter services, opened its first US east coast operation in the Chesapeake Bay area of Virginia in early 2013. This industry leader recognized the untapped sailing resources of the mid-Atlantic coast. According to a sailing industry expert, North Carolina's sounds contain many more quaint towns, amenities, calmer waters, and solitude than the Chesapeake Bay.

Through visits, trade shows, and mission trips, SAIL NC will actively pursue charter companies to expand or move into North Carolina to take advantage of the great sailing conditions, amenities, and infrastructure.

To prepare for visiting sailing enthusiasts, SAIL NC will catalog existing infrastructure that is "sailor ready". Parameters and characteristics of the necessary and desired infrastructure will be identified and compared to existing regional infrastructure to determine gaps in services, dockage, etc. Plans will be developed to address any noted deficiencies.

SAIL NC will work with communities to identify and pursue infrastructure needs.

Repair Facilities/Vendors/Suppliers

As the number of sailing visitors increases, an increase in demand for support services will occur naturally. For example, repair yards will need to cater to sailors for specific services. The demand for certain amenities will encourage regional entrepreneurs to begin meeting those needs. This synergy will create business opportunities and jobs within the vendor/services sector of the sailing industry.

Sailing Training Center

The creation of a sailing training center in Wanchese, NC will jump start the SAIL NC effort and put North Carolina “on the map” within the sailing community. While there are numerous small towns along the NC Coast that might be considered for the training center designation, only Wanchese is ideal. It has the support businesses and facilities needed (repair yards, outfitters, dockage, launching ramps, etc.), the ability to house and feed numerous visitors, and is near the excellent sailing waters of the Pamlico Sound.

It is the goal of SAIL NC to earn the formal designation as a US Sailing Center by 2015. This designation means the Wanchese facility would host the US Sailing Team a few weeks each year as they train for the Olympics.

Initiating Sailing Events

SAIL NC will partner with regional groups such as sailing industry companies, tourism bureaus, and Chambers of Commerce to establish sailing regattas and events throughout the NC coast. These events will bring visitors to the area to experience the State’s excellent sailing conditions. Since the sailing community is “tight-knit”, word will spread that North Carolina is an excellent sailing destination.

Initial efforts will begin in Wanchese due to the availability of support businesses, housing, and necessary infrastructure. It is envisioned, however, that as the sailing synergy increases, the ability to hold regattas elsewhere will grow as communities improve their abilities to support such events.

ORGANIZATIONAL STRUCTURE

An organizational structure will be developed that will support and promote the goals and objectives set forth in the Articles of Incorporation for SAIL NC. As SAIL NC was established by the NCMIPA, it is important that its organizational structure be in harmony with that of the Authority so that a close working collaboration will exist. Both partners will be able to focus on areas of core competency, while supporting each other's efforts. It is anticipated that there will be three key organizational components: Operations, Marketing, and Development.

Operations

Initially, management services for the operations of SAIL NC will be provided by the NCMIPA. The existing staff and consultants will handle the day to day duties of the new organization. This arrangement has the full support of the Authority Board. As the organization grows, both in terms of activities and financial resources, the management demands will grow correspondingly. SAIL NC will secure the needed management services to meet the increased demands through the hiring of staff and the engagement of contract professionals over time. These services could include:

- Day-to-day management
- Planning, and development of the Marketing Program
- Recruitment and Management of Regattas
- Establishment and Management of the Sailing Training Center
- Cataloging of sailing infrastructure along the North Carolina coast

- Identifying infrastructure gaps and needed improvements
- Accounting services
- Other services as deemed necessary by the Board of Directors.

The Board would contract for other services as deemed necessary to accomplish its overall goals. These services could include: fund raising, engineering, infrastructure evaluation, event management, grant writing, etc.

A proposed budget is located in [Appendix A](#).

Marketing

The Marketing Plan will reflect the mission of the organization. The first objective is marketing the area for regattas and other similar events; the second, marketing the area for sailing tourism, and third, marketing the training center once it has been established.



The first marketing effort will capitalize on the inaugural regatta; the 2014 A-Class Catamaran North American Championship to be held in Wanchese, June 11 – 14, 2014. SAIL NC will utilize the experience gained and contacts made during the, to identify other opportunities to attract other similar events. SAIL NC will coordinate with tourism organizations, chambers of commerce, local governments, and others to

maximize the benefits of the regattas. Marketing plans and materials will be developed to assist in this facet of the overall program.

Secondly, steps will be developed for the promotion of coastal NC as a sailing destination. The steps will include the many communities that are located on the sounds and rivers along the coast, such as Elizabeth City, Edenton, Hertford, Wanchese, Manteo, Engelhard, Swan Quarter, and many others. The marketing program will include information on each of the communities as to dockage, restaurants, attractions, shopping, etc. Prior to the development of the program, a detailed inventory of the infrastructure will be developed. This will be a crucial element in developing an effective marketing message. In addition, this element will have a dual focus. The first will be to entice boat owners to sail to the area and the waterfront communities as listed above. The second is to attract charter companies to locate in the area. These companies would offer two types of charters, one for experienced sailors, and the other would be guided tours for those with no sailing expertise. As part of the Charter Services, tour itineraries for both would be provided, with all necessary maps, reservations, information, etc. SAIL NC will develop its own set of marketing materials and will coordinate its marketing programs and materials with the constituent communities. SAIL NC will partner with state and local tourism organizations in its efforts. It will participate in such activities as:

- Trade Shows
- Fam (Familiarization) Tours
- Mission Trips
- Magazine Ad Placements

- Website and Blog
- Social Media

Lastly, after the Sailing Training Center has been established, a marketing strategy will be developed to promote the use of the facility to individuals and groups. The intent will be to establish the facility as a premier sailing training center. It is projected that the Center will be utilized year round by both national and international clients.

Further, SAIL NC's mission is to promote sailing along the NC coast. However, the expertise that will be developed in recruiting and managing regattas on the coast can be used to promote similar events on inland water bodies. SAIL NC will explore these opportunities with the State Department of Commerce. Funding from the State or local areas where regattas would be held would be necessary for Sail NC to undertake any such projects.



Development

Development efforts of SAIL NC will be concentrated in two areas: events and community infrastructure needs.

As stated above, SAIL NC will use the 2014 A-Class Catamaran North American Championship to gain invaluable experience to identify and recruit additional events to the area. The 2014 event should firmly establish Wanchese as an

attractive venue for regattas and other similar events. SAIL NC will identify events that could be held in North Carolina and develop new events. The development of new events would draw on the industry knowledge and expertise of board members and other allies to identify areas for potential growth.

The other focus will be in the area of community infrastructure. In order for communities to take full advantage of the SAIL NC efforts, the infrastructure necessary to attract sailing tourism must be in place. Such things as dockage with electrical hook-ups, pumping stations, restaurants and shopping within walking distance, attractions, etc. are just some of the amenities that sailing tourists look for. SAIL NC will catalog the infrastructure in each constituent community, assist in developing strategies to improve or expand existing facilities and services.

Development activities undertaken by SAIL NC will include the following:

- Development of a database of existing sailing infrastructure
- Infrastructure need identification-upgrades, expansion, establishment
- Regattas and other events

NONPROFIT PARTNER ORGANIZATION

Board of Directors

The Board of Directors of SAIL NC will include representatives from the sailing industry; a significant resource for industry specific trends and knowledge. Leveraging this valuable asset will further enhance SAIL NC's ability to carry out its mission; *"The establishment of North Carolina's coast and sounds as a sailing destination and hub, through the promotion and growth of all aspects of the sailing industry in North Carolina."* The Board will also include a representative from the NCMIPA Board and others with experience and knowledge in the areas of marine trades, tourism, event management, and other areas as deemed necessary and appropriate.

Management Team

Initially the NCMIPA will provide the management for SAIL NC. As the organization grows in activities and responsibilities, and as funding allows, the Board of Directors will contract for the needed professional management services.

Summary

Economic development is changing and it is imperative that states, regions, and communities discover their unique assets and utilize them to the fullest degree to provide economic opportunities for its citizens. According to a leading sailing industry expert, the coastal waters of North Carolina, the sounds and rivers, represent some of the best, untapped areas for sailing in the country, if not the

world. SAIL NC's goal is to capitalize on these invaluable and unique natural resources to bring economic development opportunities to some of the most disadvantaged areas of the State.

This Plan charts a course to develop and align the elements necessary to establish coastal North Carolina as a premier sailing destination and hub. These efforts will also have additional benefits of attracting boat manufacturers, repair facilities, vendor/suppliers, and other marine industries to the State. SAIL NC will be a valuable addition to the economic development efforts of the area, region, and State.

APPENDIX A

Projected First Year Budget

Income		
NCMIPA	10,000.00	
Corporate Sponsorships	75,000.00	
2014 Regatta	48,000.00	
Merchandising	10,000.00	
	Total Projected Income	143,000.00
	Projected Income	143,000.00
Expenses		
Office Expense:		
Marketing	20,000.00	
Office Supplies	500.00	
Postage	500.00	
Travel	5,000.00	
	Total Office Expense	26,000.00
Other Expenses:		
Fees, Licenses, & Permits	5,000.00	
Security	2,500.00	
Insurance	5,000.00	
2014 Regatta	48,000.00	
	Total Other Expenses	60,500.00
Professional Fees:		
Accounting/Audit	5,000.00	
Consulting/Fundraising	25,000.00	
Legal	5,000.00	
	Total Professional Fees	35,000.00
	Projected Expense	121,500.00
	Net Income	21,500.00