

Natural Resource testimony 5-28-2020

Chair Witt and members of the committee, thank you for inviting me to speak today. My name is Matt Radich and I am the President of Active Water Sports, an Oregon recreational boat dealer. We have three locations in the Portland area and specialize in tow-boats for waterskiing, wakeboarding and wakesurfing. I am here today representing all Oregon tow-boat dealers and have a message of both concern and optimism.

March 12th was the first day we really knew things were going to get bad in a hurry. That was the day the Central Oregon Sportsmen show, an important selling show for our industry, was scheduled to open but had to be cancelled. At that point the boat business came to a screeching halt. By the end of March, we were starting to strategize through layoff scenarios and desperately seeking assistance to keep our employees working. We finished that month down 70% in new sales and had serious concerns that we would not be able to keep our staff employed. As we moved into April the phones started ringing again with people wanting to get their boats ready for summer early, but we were still greatly hampered by closed boat ramps and a lack of access to the waterways.

As we came in to May, boat ramps were starting to open back up and we saw the beginning of what may be a good thing for our industry; people who wanted to get out of the house with the family in a safe and responsible way, came in to look at buying a boat. We have met more new people in the last three weeks, than we normally would throughout all of the Spring. People are re-evaluating how they want to spend their time and money and they are choosing boating in Oregon over going on vacation somewhere else. This both helps out local small business and adds to the state's revenue through the new Corporate Activity Tax and business income tax.

I am not here to say that the tow-boat business is doing great. As of yesterday, the volume of boats that have moved through our inventory is only at 68% of our 2019 volume for the same period. We have some serious ground to make up, but with what we have seen in the last few weeks; large numbers of Oregonians choosing boating locally to stay safe with a small group of family and friends, we hope to make up that lost ground.

We are going to be working against many hurdles this summer and even moving into next year; Unemployment will be high; banks have tightened up lending practices and supply chain issues will hamper boat production. There are two things I ask moving forward, the first is that you do what you can to keep boat ramps open, even if the parks have to close. Boating is a safe way for people to social distance, but they need to be able to put their boat in the water to do this. The second is that before making any new laws that will result in punitive restrictions on our recreational waterways, please thoughtfully consider all sides of the issue first. Oregonians are speaking with their purchases and it looks like they want to go boating. Please help them and the businesses they support.