

**Testimony before the Joint Committee on Transportation  
March 12, 2012  
David Dickerson  
Director, State Government Relations**

On behalf of the National Marine Manufacturers Association (NMMA), I come before the committee today to express the association's strong opposition to House Bill 388, a bill that copies and extends Connecticut's automobile lemon law to boats. This bill would incorrectly place all liability for repairs on a boat manufacturer. It does not take into consideration the complexity of boats or the multiple manufacturers and the many warranties involved in the final product.

By way of background, NMMA is the nation's largest recreational marine industry association, representing nearly 1,700 boat, engine, and marine accessory manufacturers. Approximately 450 of our members build boats. NMMA members collectively produce more than 80 percent of all recreational marine products that are made in the United States.

This legislation clearly is well intentioned, but it takes on a complicated assembly of products and attempts to simplify it to fit the "bumper-to-bumper" business model of a car manufacturer.

HB 388 says boats are built and warranted in the same way as cars. We disagree. A boat is much more like a house. Just like the buyer of a new home, a boat buyer receives a stack of warranties when he completes the sale. Some warranties are for a year, some two, some much more. But most are written and serviced by companies that are independent of the builder.

So, let's look a few differences between boats and cars:

- A person buying a Ford can't pick a Chevrolet engine. Boat buyers often choose the brand, the horsepower and the number of engines he wants.
- A car buyer may pick a model based on how the seat fits him. But he doesn't get to pick the actual seat.
- A car buyer may upgrade from EX to LX, but sailboat buyers often pick the brand and quality of very key components. Not every boat buyer makes these choices, but HB 388 doesn't account for those that do.

Just like a house, the manufacturer encourages boat buyers to pick the brand and quality that best suits him and his wallet. That's how the boat business works. We're not in the "one-size-fits-all"

**Executive Committee**

Chairman  
Jason Pajonk-Taylor  
Taylor Made Products

Vice Chairman  
Mark Schwabero  
Mercury Marine  
Treasurer  
Bill Walters  
SynTec Industries

Secretary  
John Dorton  
MasterCraft Boat  
Company  
EMD Representative  
Joan Maxwell  
Regulator Marine, Inc.

EMD Representative  
Robert Haltergren  
Caterpillar Marine  
Division  
AMD Representative  
Greg Lentine  
NorCross Marine  
Products

Member At Large  
David Siders  
S2 Yachts  
President  
Thomas J. Damirich  
NMMA



business. And if independent manufacturers don't stand behind their products, the result may well fit HB 388's definition of affecting the vessel's "use, safety and value." And it would require the boat builder the refund the buyer's money.

Boats come with separate warranties for their engines, boat hulls, complex electrical packages, air conditioners and generators, to name a few. Each of these components is manufactured by independent companies. Furthermore, these components often must be serviced by technicians not affiliated with the boat manufacturer or marine dealer.

Holding a boat builder liable for the service and performance of components that are built and warranted by independent companies is an unfair and an unworkable mandate.

HB 388 would make the boat builder responsible for work they did not perform on components they did not build. If the manufacturer provides lousy service of a component that affects the boats use, safety or value, this bill would require hold the boat liable.

And what if the component manufacturer goes bankrupts? Should it be the responsibility of the boat manufacturer to refund the buyer's money because the company simply disappears? This is unrealistic.

The legislation contains vague standards which make it impossible to determine exactly which warranties are covered. The terms standard of "use, safety or value" are open to interpretation. Does a malfunctioning electronic package inhibit safety? Does an anchor winch inhibit use? Could an irresponsible engine builder cause the boat builder to replace the boat? Maybe, maybe not. A roofer surely would not be responsible for the failure of a refrigerator. As currently written, this legislation would impose such unfair and unrealistic mandates.

As importantly, consumers need not rely on the availability a lemon law, as they currently have several third-party options for dispute resolution. The BoatUS advocacy program provides free arbitration to boaters. Additionally, the Connecticut Marine Trades Associations works with owners to solve the problems he or she faces. NMMA is registered with the Connecticut Secretary of State and receives notice of all marine related complaints. NMMA works diligently to resolve the consumer's issue, and in the last six years has successfully resolved these issues to the satisfaction of the consumer.

Additionally, the boating industry began an aggressive campaign more than five years ago with the direct objective of improving consumer satisfaction and quality enhancement. The elements of the program include:

- **Consumer Satisfaction Index:** Every NMMA boat builder must send a Consumer Satisfaction Index (CSI) survey to every one of their boat buyers. Consumers rate their satisfaction with the boat and the engine, the sales and service of their dealer and other factors.

**Executive Committee**

Chairman  
Jason Pajcik-Taylor  
Taylor Made Products

Vice Chairman  
Mark Schestero  
Mercury Marine

Treasurer  
Bill Walters  
Sylvac Industries

Secretary  
John Dorton  
MasterCraft Boat  
Company

EMD Representative  
Joan Maxwell  
Regulator Marine, Inc.

EMD Representative  
Robert Halperin  
Caterpillar Marine  
Division

AMM Representative  
Craig Levine  
Hercross Marine  
Products

Member At Large  
David Siders  
S2 Yachts

President  
Thomas J. Donnan  
NMMA

101 North Capitol Street, NW, Suite 640  
Washington, D.C. 20001  
202-737-9750 Fax 202-628-9718  
nmma.org



The industry uses this powerful feedback system to identify and assist dissatisfied customers, find and fix recurring problems and demand more from its network of dealers, if necessary.

- **Quality Certification:** Beginning with Model Year 2007, every boat model built by NMMA’s members must be certified by independent inspectors using standards set by the American Boat and Yacht Council (ABYC). ABYC develops the safety standards for the design, construction, equipage, maintenance, and repair of watercraft and their systems. These standards significantly exceed those set by the U.S. Coast Guard’s own inspection program.
- **Improved training of service technicians:** The marine industry has significantly expanded training for technical education through ABYC and technical “universities” run by manufacturers.
- **Certified Dealers:** The industry launched an ambitious and quality of service focused certified dealer program in 2005 that has dramatically improved service standards. This program has tremendous support, with many major manufacturers subsidizing the cost of certification for their dealers. Dealers who achieve certification will have had to demonstrate their ability to meet superior sales, service and customer service benchmarks.

No other state has enacted a marine lemon law, and for good reason. As I reiterate, HB 388 would impose an unrealistic liability on boat and engine manufacturers because boats, unlike cars, are an assembly of components from different manufacturers with multiple warranties. Holding a boat builder liable for the service and performance of components that are built and warrantied by many other independent companies would be an unfair and unworkable mandate.

Given these concerns, I strongly urge the committee to vote against HB 5946.

**Executive Committee**

Chairman  
Jason Pajork-Taylor  
Taylor Made Products

Vice Chairman  
Mark Schwabero  
Mercury Marine  
  
Treasurer  
Bill Walters  
Synco Industries

Secretary  
John Dutton  
MasterCraft Boat  
Company  
  
EMD Representative  
Joan Maxwell  
Regal/ice Marine, Inc.

EMD Representative  
Robert Hallergren  
Caterpillar Marine  
Division  
  
AMD Representative  
Greg Lenora  
NorCross Marine  
Products

Member At Large  
David Spikers  
S2 Yachts  
  
President  
Thomas J. Gammich  
NMMA

441 North Capitol Street, NW, Suite 646  
Washington, D.C. 20001  
202/377-9760 Fax 202/628-3716  
nmma.org

