

RVIA leader predicts growth

2014 could be a banner year, he says

Friday, May 9, 2014 7:14 am

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ELKHART -- Business is good. That message was given over and over again at Thursday's second annual RV Industry Power Breakfast at the RV/MH Hall of Fame.

A crowd of 550 people, mostly leaders from RV manufacturers and suppliers, filled the hall.

Richard Coon, president of the Recreation Vehicle Industry Association, put the industry's comeback from the Great Recession in perspective.

The years 2005, 2006 and 2007 were considered banner years for the industry, Coon said.

But 2005 and 2006 were influenced by the sale of trailers that went to areas hammered by Hurricane Katrina.

To Coon, 2007 represents a more accurate reflection of where the industry was back then.

That year, 354,000 RVs were shipped in the United States. Two years later, that number fell to 166,000 because of the recession.

Last year 321,000 RVs were shipped. And the forecast for this year is for 340,000, he said.

"If you track the first quarter of this year, you will find we are beating this 340,000," he said. "If business stays as good as it has been, the rest of the year, 340,000 is going to bite the dust big-time.

"We will be back, actually bigger, than the banner year."

Conventional travel trailers, which were strong in 2007, were surpassed by 2013 totals of 197,000, he said, noting projections are for 210,000 to be shipped this year.

Despite those numbers, Coon said, some segments of the business still have a way to go to reach pre-recession levels.

"If you look at folding campers and truck campers, they're still considerably off in 2013 and this year," he said. Motor homes are the fastest growing segment of the industry, he said.

Another highlight of the Thursday meeting was the talk by Jim Rogers, CEO of KOA.

Kampgrounds of America has nearly 500 campgrounds in the United States and Canada. And 70 percent of the people who use KOA are in RVs, Rogers said, a number that's up by 7 percent over the previous year. "That is huge for our business," he said. "We rely on RV business for our success."

The ever-enthusiastic Rogers, using his hot dog/marshmallow roaster as a pointer, also gave a presentation that included what he believes are the 10 top reasons to buy RV industry stock.

He pointed out that 70 percent of today's RV owners plan to buy another RV, that baby boomers, a prime target for RV sales, make up 26 percent of the population and that 15 million American households camp each year without an RV.

"What a huge opportunity for this industry," he said of the latter number. "We don't have to get Americans to go camping; we need to get tent campers to buy RVs."

Advanced reservations are already up 10 percent at KOA campgrounds for this summer compared with 2013, which was a record year for KOA, Rogers said.

"You have a really bright future ahead of you," he concluded. "The opportunity is there."