



Yamaha Motor Co., Ltd., Marine Business Operations
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Chantey Special

ボート遊びの新スタイル

YAMAHA Marine Club
Sea-Style



A boat rental club that makes it accessible to anyone

This edition is the first Chantey of 2019.

In Chantey Special, the new marketing staff of the 1st Marketing Division will introduce "Sea-Style".

"Sea-Style" is a membership boat sharing service in Japan, which Yamaha offers.

Consumer habits have changed in Japan through these past years. Compared to 30 years ago when the economy was booming, people feel less attached to owning products in general. Taking into consideration the burden of initial cost and maintenance fee, consumers are questioning the value of owning things. Instead of fighting this change in consumption, Yamaha found a solution to it. We focused on the fact the consumers are starting to value "experience" over ownership. They would rather rent a boat and enjoy the experience of spending an unforgettable time with friends and family rather than the actual satisfaction of owning one. To fulfill these needs, in 2006 Yamaha established "Sea-Style", a membership club for boat sharing. Ever since, the club has promoted marine related recreational

services and attracted new customers to the industry. From Hokkaido to Okinawa, there are more than 140 registered marinas, including Hawaii and Thailand, which provide services to over 20,000 members. Members are attracted to the fact that there are different ways of experiencing marine. Becoming a member is simple; you have to be older than 18 years old, and required to have a boat license and pay initial membership (US\$200) and monthly fee (US\$30).

After registration, members can use boats at any registered marina of Sea-Style by paying the rental fee and fuel fee.

The role of a marina

With the purpose of expanding Sea-Style and the marine industry, the role of the marinas is much more than just renting out boats. They recruit new members and also encourage them to rent boats as often as possible.

The key to recruiting members is for them to experience the marine world. An effective way that many marinas do, is to throw a free cruising event in which anyone can participate. The target is usually someone who already has a boat license or at least are interest in boats. They go on a short cruise and are given an explanation on Sea-Style by the staff. Last year, a marina in Tokyo managed to sign up 30 new members at their cruising event.

For those who are already members, marinas support them by introducing or teaching them marine related recreational activities. This is because many of the clients are new to the marine world and often feel uncomfortable or even scared about driving a boat by themselves. That's why Sea-Style has been very eager on holding events/classes on cruising, wakeboarding,

fishing etc... Interestingly, not only do these events boost the member's confidence in boating skills, these face-to-face events allow customers to feel more familiar and comfortable with high end facilities. As a result, in many cases the participants of these events come back to rent boats with their friends and family to repeat the delightful experience.

Through these promotions, not only is Sea-Style attracting more and more people to the marine industry, but has also increased the name value of the marinas. In other words, this unique rental club has greatly succeeded in expanding the marine industry by creating "fans of the marine world".



The Sea-Style we envision

It takes courage to dive into a new world. Sea-Style is discovering potential marine fans throughout Japan by offering boating experience and attracting more people to the aquatic world. If the customers find the experience enjoyable, that's the start of uncovering the marine world. Sea-Style can encourage people to explore the new world.



We will introduce the new marketing staff members of the 1st Marketing Division :



TSUGUMI YAMANAKA

From Tokyo
Favorite marine activities Wakeboarding.
I feel a big accomplishment for standing up on the wakeboard.

About career

Since I joined Yamaha, I worked in boat license school sales and boat rental club sales. I have fond memories spending time with customers, navigating through each of their marine experiences. While I was working in the boat license sales, my customers joined Sea-Style (boat rental club) soon after they got their boat license. There was even a customer who was captivated with Sea-Style so he purchased a Yamaha boat. I'm happy if the customers I assisted will continue to use Yamaha service and products. I will be responsible for Central and South America (Columbia, Mexico, Ecuador and Venezuela) market. One of the reasons why I joined Yamaha is to be involved with Central and South America, so it's an honor to be able to work in the marine industry for this region. It gives me pleasure to think our products are available to people living on the other side of the world. Although I still have a lot to learn, I will do my best to expand the market in Central and South America.

My qualities

I studied abroad in Mexico and I had a Venezuelan and Columbian roommate. I'm excited to have the chance be involved in Latin America business through my work at Yamaha.



HIINA GOI

From Chiba, Saitama, Niigata, Thailand, and Hyogo
(I grew up everywhere.)

Favorite marine activities

Boat fishing. I'm a beginner at fishing, but I like catching and eating the fresh fish. Last year, I caught a 1.5 kg octopus in Sagami bay then I ate it raw. I also made octopus balls out of it.

About career

I was in charge of Sea-Style for Eastern Japan. During that time, I cooperated with marinas to coordinate boat and WaveRunner events. Through these events, I was delighted to show the attractiveness that marinas have to offer. I will be responsible for South East Asia market, and I'm excited because I lived in Thailand when I was a kid, and familiar with this region's cultures. Also I'm looking forward to seeing a lot of market growth in this region.

I want to obtain in-depth knowledge about each product and I will work hard to increase Yamaha fans.

My qualities

I love eating food. (Spicy food is also ok.)



JUN YOSHIMATSU

From Fukuoka
Favorite marine activities I'm into exploring and cruising around islands.
I like going to remote spots in the ocean because I get a sense of exclusiveness and adventure. I feel like I'm experiencing something special which makes my day.

About career

Previously I was in charge of Sea-Style. I have good memories at promotional events satisfying my customers and having a lot of support from many people. Because of these events, I learned to be successful by involving a lot of people. I will continue this mindset in my future tasks.

From this year, I started working in the Chinese market. I was a university student in Shanghai, China, so I have a deep attachment to China. China's development is remarkable and the sceneries in the cities are always new and fresh. Because I am in charge of the Chinese market, I will continue to learn the culture and business and I also want to travel around the markets there. I will try hard to become an expert in the Chinese market.

My qualities

I had good memories when I was studying abroad, eating Chinese food. One day I noticed that I gained 13 kg. Like my body weight, I would like to gain more skills by challenging many things.



DAIGO HIRAIDE

From Aichi

Favorite marine activities Cruising, wakeboarding, diving, and more

About career

I have worked in domestic sales of pleasure boats for 4 years. After that I was in charge of Japanese boat marketing for 2 years. The best memory I have is when I receive an order for a boat that's worth \$2.15 million USD and sold it.

I will be responsible for North America (US) marketing. The industry is very dynamic and matured in the US so I am a bit nervous but very excited at the same time to be a part of the marketing team.

I will do my best in the US market by bringing my Japanese sales and marketing experience and learn more about marine products such as outboard motors, rigging, boats, and PWC.

My qualities

I was on the high school and university rugby team. I was an unsung hero on my team. I was always serious and played hard. I will bring the same attitude to my work.

Information on Propeller Ventilation

1 First off

Has anyone ever faced a situation where the rpm increased but the speed remained the same while operating a boat?

Have you felt an increase in fuel consumption? We will explain how propeller air draw may cause these problems.



2 Situations when faulty air draw commonly happens

When the propeller takes in surface air, it causes an air draw problem. It's commonly known as ventilation or air drawing. There are many reasons why this may happen but we will go over the main causes.

After offloading heavy loads

The propeller rises from the normal position and nears the surface, resulting in air drawing. After unloading, air can be easily drawn in, especially for cargo ships or fishing boats.

When turning

During turns on a multi-engine outboard boat, the hull leans to one side while the outside propeller will near the surface, resulting in ventilation.

When the outboard motor mounting spans are far from each other, more likely that this will happen.

When driving against the waves

When driving against big waves the propeller will near the water surface, resulting in ventilation.

Operating in shallow waters

When trimming up too much, the propeller will near the water surface, resulting in ventilation.

The above situations explain when the air can be drawn in from the surface, however there are still other reasons that can cause ventilation which we will go over below.

Foreign objects on the bottom of the hull

When seaweed or barnacles are present on the boat's hull, it disrupts the smoothness causing the boat's wake to have an unusual pattern. This affects the water above the propeller causing air to be sucked into the propeller.

The bottom shape of the hull

If the bottom of the hull is an uneven surface, air can be trapped causing air to be sucked into the propeller.

Boat attachment on the bottom

If there are any attachments such as a thru-hull or a fish finder sensor on the hull, air can enter through these attachments.

Propeller with chips or warps

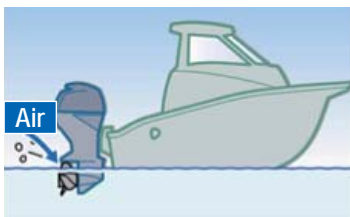
One of the reasons why ventilation can happen is because the propeller can't create proper propulsion.



3 Counter-measures for each cause

Causes High mounted motor

When offloading heavy loads



Counter-measures

Lowering the mount position will create a bigger gap between the surface and propeller. The cavitation plate should be within the same height to 25mm below the bottom of the hull. For boats carrying and offloading heavy loads, it is important to think about the weight and decide the mounting position.

Warning signs

Regularly

- High rpm
- High fuel consumption
- Water splashes behind

Causes Turning

Multi-engine outboard boats



Counter-measures

Avoid sudden turns, then it will reduce causing this problem.

Warning signs

When turning

- Sudden high rpm
- Water splashes behind

Causes Driving against the wave

Operating in open seas

During storms



Counter-measures

It's impossible to completely avoid this situation because of external reasons however you can reduce your speed and be mindful of driving to stop jumping in the wave.

Warning signs

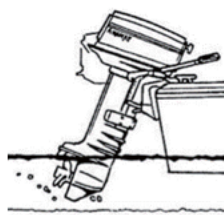
When the boat position is changed due to waves

- Sudden high rpm
- High fuel consumption

Causes Trimming

Operating in shallow waters

When trimming up on a high-speed boat to speed up



Counter-measures

Avoid trimming up too much so the propeller blades have enough water depth.

Warning signs

While driving

- High rpm
- Unresponsive steering
- High fuel consumption
- Water splashes behind

Causes

Foreign objects

Barnacles and seaweed

Dirt

Warning signs

Regularly

- Low rpm

If there's any dirt on the hull, the rpm will usually decrease. When air draw occurs during turbulent seas, the rpm will decrease.

Counter-measures

Remove and clean any foreign objects.

Occasionally

- High rpm

Causes

Uneven surface of the hull

Shape of the hull

Thru-hull

Fish finder sensors

Warning signs

Regularly

- High rpm
- Abnormal vibrations

Counter-measures

By not having an uneven surface hull.

Causes

A warped or chipped propeller

Warning signs

Regularly

- Abnormal vibrations

Counter-measures

Must replace the propeller.

The boat might have more than one problem at the same time.

So it is important to have your eyes on everything and then apply the proper counter-measure.

Although this was long, thank you for reading until the end.

We will be happy if this will help you create an enjoyable marine experience for your customers.



RiDE course

We will introduce a course you can enjoy with the RiDE feature.

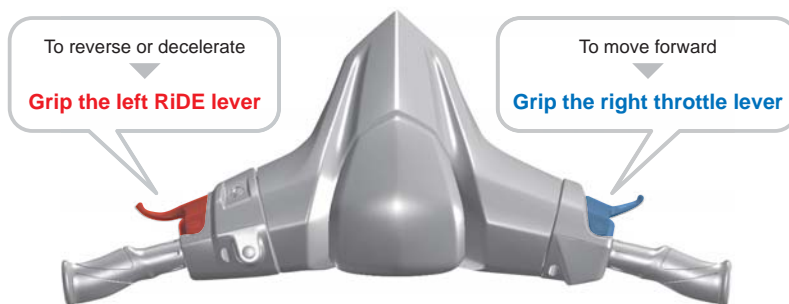
What is RiDE?... RiDE stands for "Reverse with Intuitive Deceleration Electronics system". This system makes it possible for the WaveRunner riders to drive, turn, decelerate, and reverse naturally.

We have brought all of the driving functions to the front of the handlebar.

It's designed to be easily operated by just using levers and the steering.

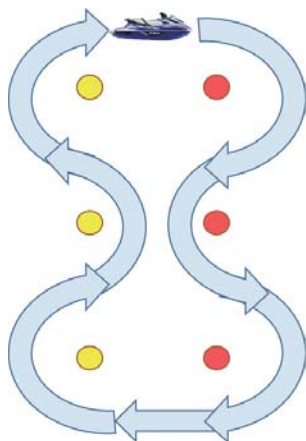
RiDE

Reverse with Intuitive Deceleration Electronics



RiDE course

By fully utilizing the RiDE function, let's drive in the tight spaces between the buoys.



Structure

Hook the buoys to the vinyl pipe frame and attach anchors to the edge of it.

Frame

About 4m width is just right for a fun ride. Because the frame is big, it's more useful if you can disassemble it. Using vinyl pipes will be cheaper and easier to build.

Set up

Materials

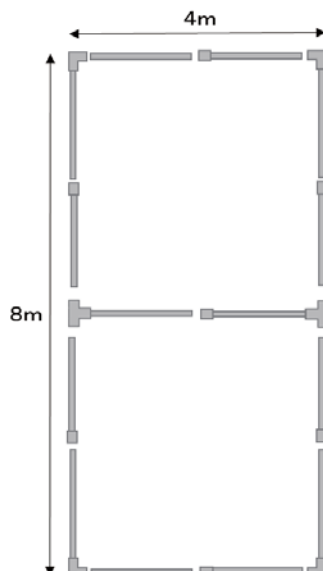
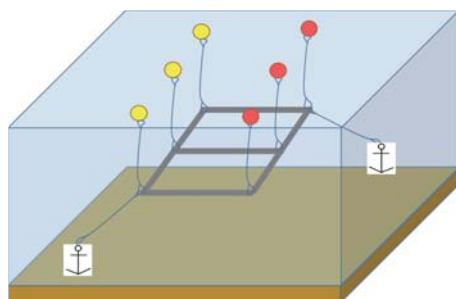
Prepare anchors, buoys, ropes, and the frame.

Course setup

Assemble the frame on land, then attach the buoys at each point, next lower the frame into the water. Keep in mind that the frame is big so you will need a wide space.

Float the frame and buoys, after that slowly pull it to the location you want to set it up at. If you pull it too hard or too fast, the frame might come apart.

Once you have arrived to the location, attach 2 anchors to keep it in position.





MALAYSIA

HLY Marine dealer award trip in Kyushu

Reported by Fumihiko Muraki,
1st Marketing Division Marine Business Operations YMC

HLY Marine, the distributor for West Malaysia and YMC sponsored a trip for the best performing dealers in West Malaysia which took place from December 1st to 5th in 2018. 11 dealers participated in this trip. They traveled around Kyushu and took tours of Yamaha factories. They also attended an award ceremony for the best performing dealers.

The 11 dealers visited Yamaha Amakusa Manufacturing (Boat factory) and Yamaha Kumamoto Products. (Outboard Motor factory)

At both factories, they observed the passionate attitude for 5S and Yamaha's *Monozukuri* (engineering, manufacturing and marketing) and the perfection to maintain high quality products. This encouraged their trust in the reliability of Yamaha products.

On December 3rd, an award ceremony for the best performing dealers was held in a hotel in Yatsushiro. The President of Yamaha Kumamoto Products, Yasuyuki Matsushita and Yamaha staff members attended the award ceremony. HLY Marine Director, Dato' Jim Kohr alongside with the YMC Marine Business Operations Chief General Manager, Hirofumi Usui presented a plaque to the dealers for their excellent effort.

In a speech, Mr. Usui expressed appreciation to the dealers for maintaining the No. 1 market share in Malaysia and promised that Yamaha will continue to provide reliable outboard motors. He emphasized the importance of providing fast and excellent after service likewise fast and excellent delivery of repair parts to the customers. Mr. Dato' Jim Kohr showed his gratitude and announced that he will offer more training, especially to improve the dealers' 4 stroke engine service.

This trip strengthened the bond between the dealers and distributor.



They enjoyed sightseeing Amakusa and dolphin watching.



MEXICO

IMEMSA Dealer meeting

Reported by Tsugumi Yamanaka, 1st Marketing Division Marine Business Operations YMC

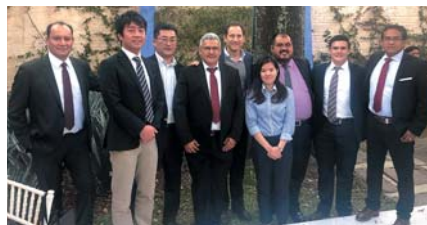
As a beginning of the first year for our new midterm plan, the 2019 seems to be a good start off for our Mexican distributor IMEMSA. On the 18th of January 2019, the dealers around the country gathered in Mexico City to attend the annual dealer meeting. This year's meeting opened with President Cortina's presentation on the results from the past year and their newly set objectives for 2019. It was followed up with presentations from each department, providing detailed information on further expansion in the market.

A topic that caught everyone's attention was the introduction of the newly established distribution center. The facility includes a boat factory and warehouse for spare parts, OBMs and water vehicles. It is based in the outskirts of Mexico, where there is less traffic compared to the former warehouse and will hopefully contribute greatly to improve logistic efficiency.

What made this conference special was how actively the dealers participated, working together as a team to improve the Mexican market. Some even stood up to share their precious wisdom and experience in the market. Mr. Servando Morales of

Motores, refacciones y Lanchas de Malpaso shared his success story in the OBM industry and Mr. Rodolfo Mesa of Pescamotors informed us with how he maintains sales even in the peculiar area. People were also impressed on the idea of Mr. Carlos Zarate of Implementos El pescador that providing refill barrels for oil for environmental and economic reasons.

Attending the meeting has made Yamaha look forward to what awaits us in the market. We wish each dealer and IMEMSA the best and hope for their continuous success.



INDONESIA

KBA Dealer Meeting

Reported by Sulolipu Djamil Kobong, KBA Sales Manager

Transformation. Yes, it is a single phrase but has deep meaning behind it. This word is used to describe the ongoing process to reach a certain phase. In the past few years, we have seen so many transformation events. Life forms need to transform for their sustainability. Even brands. Those who don't transform? Probably waiting for extinct.

As a market leader in this business, outboard motor in Indonesia, PT Karya Bahari Abadi, known as KBA, brought it as main theme for their yearly dealer meeting which held in Yogyakarta on November 27th to 28th, 2018. This yearly dealer meeting was held to evaluate 2018 performance and set goals for 2019. KBA realizes they are struggling to reach their target market successors: Millennials or Generation Z not so reliable to keep their parents business sustain: fisherman, boat owner, water activities rental and more since they have different perception from their parents.

Therefore KBA brings "Dealer Transformation" as focus point this year, as Gatot Admodirdjo, the president director of KBA said "Lupa Nama, Ingat Rasa", which means people tend to forget the names or faces but they will remember the moment, the taste, the feelings. Those things that touch us will constantly affect our decision in

the future. He also explained how digital technology brought quite changes in our lives in the recent years. Later he explained this is a challenge since existing customers are in Generation X and Y and not used to digital technology, especially in remote area. This is one of Indonesia's big problems.

As a closing last year, KBA held an award ceremony for 2018 best performers in the best dealer competition (Sales, Spare parts, Yamalube, Service and Activities). Everything changes every time. KBA, the dealers and YMC hold their commitment to keep the "taste" that customers always remember.



Imagine the future of boat fishing

Hello again, Yamaha marine family! I'm Itogawa from the Business Planning Division at YMC's Marine Business Unit. During this winter (Dec. to Feb.), I went on 5 boat fishing trips, but out of the 5, I didn't catch any fish (BO-ZU) on 2 occasions. I was devastated. In Japan, when we don't catch any fish, we joke around with our fishing buddies and say "BO-ZU" which translates to "no hair" but means "No Fish."

Anyways let's change the topic. For the second entry, I want to talk about the future of boat fishing and explain how I feel about it.

First off, when you think about boat fishing, there are countless fishing styles such as billfish fishing also known as king of sport fishing, jigging, tairaba, and bass fishing. Among these fishing styles, there is one common challenge. Can you guess it?

What I think is the biggest challenge is choosing the perfect spot to fish in the wide open waters. It can be said for a boat angler that the feat to overcome is picking the right area to fish whether in the open sea or lake. To pick the perfect sport, we have to take into account what environment the targeted fish prefers to live / stay in, the weather, and the sea condition. This way of thinking is logical but when it doesn't go as planned, that's what fishing is.



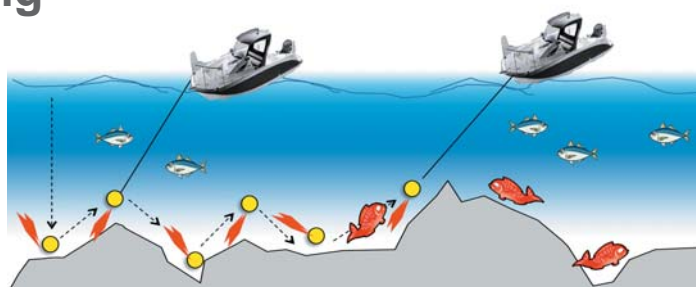
▲ Choosing a spot is very difficult. It's up to the captain's skill ! and experience to make a catch.

Boat fishing has uncertain factors as explained above, but what can we do to reduce the uncertainty in the future?

What if we can:

- See under the water or a school of fish in a few km
- Easily find a flock of birds in a few km
- Map the pathing of a school of fish

If all these are possible, boats with Yamaha equipment will automatically take us to the best location to fish. Then we won't have to waste time by going to different locations and we can focus more on fishing techniques like changing out the lures, adjusting the reeling speed, and moving the lure. To catch a desired fish, you might be able to try many different fishing methods over time. (Although some people say the fun of boat fishing is in the hunt for the ideal spot.) With the progress of technology and creativity of the marine industry, the future we imagine might await us. Just picturing it is exciting!



In the previous report, I introduced the value of red sea bream in Japan and "tairaba" fishing method which is changing with the times.



◀ This is a Japanese Spanish mackerel I caught in the summer of 2017. It's a big catch! It's 110 cm long and weighs 13 kg.

▼ This is a Japanese Spanish mackerel I caught in the spring of 2018. Spring Japanese Spanish mackerel has plenty of fat, so it's called "toro sawara" (fatty Japanese Spanish mackerel.)



It's great to be able to catch as many fish as we want, but on the other hand, we will run into the problem of overfishing. In other words, depleting the fish supply. If there is no fish, then there is no marine industry. Even if you go out to the sea, you won't be able to catch any fish.

For us at Yamaha marine family, this is an unfortunate truth, but sustaining the marine life and the marine ecosystem is an important mission.

What should we do? Please share your opinions with us.

For the last entry, I will talk about the hot topic "SDGs". I want to share my thoughts on possible ways we can sustain marine life.

PS: It's March and spring has come to Japan and the northern hemisphere. Let' open the door! Go fishing and have fun with your friends and families in the beautiful ocean!



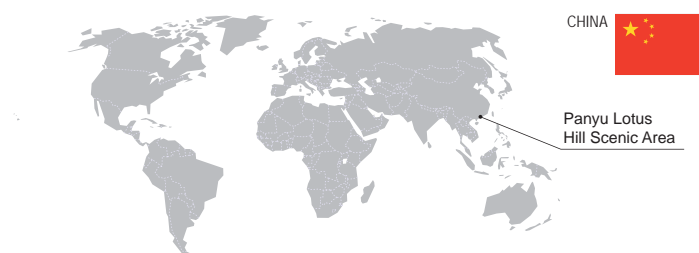
▲ According to the FAO reports, it's believed that around 30% of the marine fishery resources is endangered.

Jingsui Group from China

In the past, wooden boats were commonly used but now fishermen are switching over to medium-large steel or FRP fishing boats in China. Medium-large fishing boats are accompanied with smaller FRP workboats. With the rising income and longer vacation days, Chinese people are increasingly going to islands, beaches, and lakes, therefore the demand for pleasure boats, sightseeing ferries, fishing boats, WaveRunners, and Sport Boats are growing.

Guangzhou Xiongda Yacht Development CO.,LTD was established in 1983 by Lin ChaoXiong and serves as the headquarter company of the Jingsui group. This company distributes Yamaha marine products. They are the first to sell ship equipments in Guangzhou, China.

Currently the group has 28 branches with about 100 service engineers and 20 skilled maintenance men nationwide. For 30 years, Jingsui group has



ranked number 1 in China for import engine and FRP boats sales. The FRP boats are made in Beijing, Chongqing, and Wuhan shipyards by a subsidiary company belonging to the Jingsui group. Their boats are renowned for being utilized as emergency boats and fishing boats.

Guangzhou Xiongda Yacht Development CO.,LTD aims to keep improving healthy customer relations and discovering new markets. We are leading the Chinese marine industry.

From YMCN

China is rapidly developing and we believe that China has a great potential for the marine industry. We appreciate your effort and hard work on growing the Chinese marine market.



Guangzhou Xiongda Yacht Development CO.,LTD is located in Panyu Lotus Hill Scenic Area, which is a national AAAA class sightseeing area and Lianfeng Guanhai is registered as an important cultural site.

Revs Report

2019 - Selection process for the 2020 Tokyo Olympics

In December of 2018, Takayama and Imamura from the Yamaha Sailing Team 'Revs' went to Australia. They entered the Sail Sydney and Sail Melbourne competitions and won silver medals in both competitions. Some of the top sailing teams in the world also entered these competitions and placing second in both events undoubtedly boosted their confidence. Now 2019 began and this year starts the selection process for the 2020 Tokyo Olympics.

2019 races started off with the World Cup Miami which was held from January 27th to February 3rd. From Yamaha Sailing Team 'Revs', Takayama / Imamura (Male team) and Udagawa / Kudo (Female team) participated in the 470 class. In the Opening Series which consisted of 9 races, Takayama and Imamura placed 19th while Udagawa and Kudo placed 18th. Unfortunately, they weren't able to get in the top ten as hoped.

Takayama and Imamura started training in the Gold Coast in February. Kaminoki / Hikida who recovered from an injury and Udagawa / Kudo all went to Okinawa to train.

In March, they will compete in the Princesa Sofia race (Mallorca, Spain), which is the first Olympic selection race.

Please anticipate great enthusiasm from all of them.

*The team that will represent each country in the Olympics will be determined by the total points from 3 races which are the Princesa Sofia (March), World Championship, and World Cup (August – Enoshima, Japan).

