

NEW MARKETS CASE STUDY



COMPANY

Excel Boat Company is a boat manufacturer based in Mountain View, AR. Founded in 2009 to focus on shallow water boats, Excel Boat eventually ventured into the fishing boat market targeting serious hunters and fisherman. The company has grown to produce a full line of sport utility boats ranging from 15-20 feet with the ability to carry a multitude of engines.

INVESTMENT

In August 2014, Excel Boats received a \$1.61 million dollar investment facilitated through the Arkansas New Markets Jobs act and the federal New Markets program, both of which stimulate economic growth in communities that historically have been underserved by traditional sources of capital. The funding will provide Excel Boats with ample working capital, enabling the company to refinance expensive debt, purchase new equipment and provide additional training for new employees.

IMPACT

A tornado ripped through Mountain View, Arkansas in 2008 and in the process destroyed a local boat manufacturing company. With a skilled workforce known for their boat building capabilities in the area, then managers Glenn and Sharleen Foreman were determined to bring a boat manufacturing company back to the area. After opening Excel Boats in July of 2009, business led them to begin manufacturing a full line of sport utility boats. As their company continued to grow, local lenders were unable to provide Excel Boats with the amount of funding they need at terms that were beneficial to the company and their growth. The New Markets funding provided the company with an affordable financing option enabling them to purchase equipment and focus on their expansion. The investment supported the retention of 40 jobs and the creation of an additional 5-10 jobs immediately. The company plans to hire a total of 35 jobs over the next 14 months.

Arkansas New Markets Program

Enacted in 2013, the Arkansas New Markets Jobs Act encourages investment in promising small businesses located in distressed communities throughout the state. Modeled after the federal New Markets Tax Credit program, the goal of the state program is to attract large, long-term investors to Arkansas's low-income communities, promoting new expansion, creating new job opportunities and building on existing growth in the state.

Description

Boat Motor Manufacturing

Location

Mountain View, AR

New Markets Investment

\$1.61 million

Economic Impact

Jobs Created

35

Jobs Retained

40

Community Statistics

Unemployment Rate

6.5%

Poverty Rate

28.3%

