

MARINEMAX INC
Form 424B5
February 09, 2005

The information in this prospectus supplement is not complete and may be changed. This prospectus supplement and the accompanying prospectus are not an offer to sell these securities and they are not soliciting an offer to buy these securities in any state where the offer or sale is not permitted.

Filed pursuant to Rule: 424(b)(5)
Registration Number: 333-122091

Subject to completion, dated February 9, 2005

Preliminary prospectus supplement

(To prospectus dated January 25, 2005)

2,861,200 shares

Common stock

We are selling 1,000,000 shares of common stock, and the selling stockholder is selling 1,861,200 shares of common stock. We will not receive any proceeds from the sale of shares by the selling stockholder.

Our common stock is listed on the New York Stock Exchange under the symbol HZO. On February 8, 2005, the last reported sale price for our common stock as reported by the New York Stock Exchange was \$30.79 per share.

	Per share	Total
Public offering price	\$	\$
Underwriting discounts and commissions	\$	\$
Proceeds to MarineMax, Inc., before expenses	\$	\$
Proceeds to the selling stockholder, before expenses	\$	\$

We have granted the underwriters an option for a period of 30 days to purchase up to 429,000 additional shares of our common stock on the same terms and conditions set forth above to cover overallocments, if any.

The underwriters expect to deliver the shares of common stock to investors on or about _____, 2005.

Investing in our common stock involves risks. See Risk factors beginning on page S-10.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or passed upon the adequacy or accuracy of this prospectus supplement or the prospectus to which it relates. Any representation to the contrary is a criminal offense.

Joint Book-Running Managers

JPMorgan

RAYMOND JAMES

, 2005

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You should rely only on the information contained in this prospectus supplement, the accompanying prospectus, and the information incorporated by reference herein. We have not, and the selling stockholder has not, authorized anyone to provide information different from that contained in this prospectus supplement, the accompanying prospectus, and the information incorporated by reference herein. We and the selling stockholder are offering to sell, and seeking offers to buy, shares of common stock only in jurisdictions where offers and sales are permitted. The information contained in this prospectus supplement is accurate only as of the date of this prospectus supplement, regardless of the time of delivery of this prospectus supplement or of any sale of our common stock.

About this prospectus supplement

This prospectus supplement is a supplement to the accompanying prospectus that is also a part of this document. This prospectus supplement and the accompanying prospectus are part of a registration statement that we filed with the SEC that utilizes a shelf registration process. Under the shelf registration process, we and the selling stockholder may sell up to 1,500,000 and 1,861,200 shares, respectively, of our common stock, of which this offering is a part. In this prospectus supplement, we provide you with specific information about the terms of this offering and certain other information. Both this prospectus supplement and the accompanying prospectus include important information about us and the selling stockholder, the common stock being offered, and other information you should know before investing in our common stock.

You should rely only on the information contained or incorporated by reference in this prospectus supplement and the accompanying prospectus. We and the selling stockholder have not authorized anyone to provide you with information different from that contained in this prospectus supplement or the accompanying prospectus. We and the selling stockholder are offering to sell, and are seeking offers to buy, shares of our common stock only in jurisdictions where offers and sales are permitted. The information contained in this prospectus supplement is accurate only as of the date of this prospectus supplement, regardless of the time of delivery of this prospectus supplement or of any sale of our common stock.

No action is being taken in any jurisdiction outside the United States to permit a public offering of the common stock or possession or distribution of this prospectus supplement in that jurisdiction. Persons that come into possession of this prospectus supplement in jurisdictions outside the United States are required to inform themselves about and to observe any restrictions as to this offering and the distribution of this prospectus supplement applicable to those jurisdictions.

You should read both this prospectus supplement and the accompanying prospectus as well as the additional information described under the heading *Where you can obtain additional information* on page S-74 of this prospectus supplement before investing in our common stock. This prospectus supplement adds to, updates, and changes information contained in the accompanying prospectus and the information incorporated by reference. To the extent that any statement that we make in this prospectus supplement is inconsistent with the statements made in the accompanying prospectus or the information incorporated by reference, the statements made in the accompanying prospectus or the information incorporated by reference are deemed modified or superseded by the statements made in this prospectus supplement.

Forward-looking statements

This prospectus supplement, the accompanying prospectus, and the documents incorporated by reference herein contain forward-looking statements that involve risks and uncertainties. These forward-looking statements are not historical facts but rather are based on current expectations, estimates, and projections about our industry, our beliefs, and our assumptions. We use words such as *anticipate*, *expect*, *intend*, *plan*, *believe*, *seek*, *estimate*, and variations of these words and similar expressions to identify forward-looking statements. These statements are not guarantees of future performance and are subject to certain risks, uncertainties, and other factors, some of which are beyond our control, are difficult to predict, and could cause actual results to differ materially from those expressed or forecasted in the forward-looking statements. These risks and uncertainties include those described in *Risk factors* and elsewhere in this prospectus supplement, the accompanying prospectus, and the documents incorporated by reference. You should not place undue reliance on these forward-looking statements, which reflect our view only as of the date of this prospectus supplement.

Prospectus summary

This summary highlights selected information contained elsewhere or incorporated by reference in this prospectus supplement. This summary does not contain all of the information you should consider before investing in our common stock. You should read this entire prospectus supplement and the accompanying prospectus, including the documents incorporated by reference herein, carefully, especially the risks of investing in our common stock discussed under Risk factors on pages S-10 through S-23, and the consolidated financial statements and notes to those consolidated financial statements incorporated by reference herein, before making an investment decision.

Our company

We are the largest recreational boat dealer in the United States. Through 68 retail locations in Alabama, Arizona, California, Colorado, Delaware, Florida, Georgia, Maryland, Minnesota, Nevada, New Jersey, North Carolina, Ohio, South Carolina, Texas, and Utah, we sell new and used recreational boats, including pleasure boats (such as sport boats, sport cruisers, sport yachts, yachts, and mega-yachts), ski boats, and fishing boats, with a focus on premium brands in each segment. We also sell related marine products, including engines, trailers, parts, and accessories. In addition, we arrange related boat financing, insurance, and extended service contracts; provide repair and maintenance services; offer boat and yacht brokerage services; and, where available, offer slip and storage accommodations.

We are the nation's largest retailer of Sea Ray, Hatteras, Meridian, and Boston Whaler recreational boats and yachts, all of which are manufactured by Brunswick Corporation. Sales of new Brunswick boats accounted for approximately 60% of our revenue in fiscal 2004. Brunswick is the world's largest manufacturer of marine products and marine engines. We believe our sales represented in excess of 10% of all Brunswick marine sales, including approximately 34% of its new Sea Ray boat sales, during our 2004 fiscal year. Through operating subsidiaries, we are a party to dealer agreements with Brunswick covering Sea Ray products and we operate as the exclusive dealer of Sea Ray boats in our geographic markets.

We are the exclusive dealer for Italy-based Ferretti Group for Ferretti Yachts, Pershing, Riva, Apremare, Mochi Craft, Custom Line, and CRN mega-yachts, yachts, and other recreational boats for the United States, Canada, and the Bahamas. We also are the exclusive dealer for Bertram in the United States (excluding the Florida peninsula and certain portions of New England), Canada, and the Bahamas.

We commenced operations as a result of the March 1, 1998 acquisition of five previously independent recreational boat dealers. Since that time, we have acquired 18 additional previously independent recreational boat dealers, two boat brokerage operations, and a full-service yacht repair operation. We capitalize on the experience and success of the acquired companies in order to establish a new national standard of customer service and responsiveness in the highly fragmented retail boating industry. As a result of our emphasis on premium brand boats, our average selling price for a new boat in fiscal 2004 was approximately \$89,000 compared with the industry average selling price of approximately \$30,000 based on industry data published by the National Marine Manufacturers Association. Our stores that were open during all of fiscal 2004 averaged approximately \$12.8 million in annual sales in that period. We consider a store to be one or more retail locations that are adjacent or operate as one entity.

For the fiscal year ended September 30, 2004, we had revenue of approximately \$762.0 million, operating income of approximately \$48.9 million, and net income of approximately \$26.3 million. Our same-store sales increased approximately 21% in fiscal 2004 and have averaged approximately 8% for the last five years, including a decline of 9% in fiscal 2001.

We adopt the best practices developed by us and our acquired companies as appropriate to enhance our ability to attract more customers, foster an overall enjoyable boating experience, and offer boat manufacturers stable and professional retail distribution and a broad geographic presence. We believe that our full range of services, no-haggle sales approach, prime retail locations, premium product offerings, extensive facilities, strong management and team members, and emphasis on customer service and satisfaction before and after a boat sale are competitive advantages that enable us to be more responsive to the needs of existing and prospective customers.

The U.S. recreational boating industry generated approximately \$30.0 billion in retail sales in calendar 2003, including sales of new and used boats; marine products, such as engines, trailers, equipment, and accessories; and related expenditures, such as fuel, insurance, docking, storage, and repairs. Retail sales of new and used boats, engines, trailers, and accessories accounted for approximately \$23.5 billion of these sales in 2003 based on industry data from the National Marine Manufacturers Association. The highly fragmented retail boating industry generally consists of small dealers that operate in a single market and provide varying degrees of merchandising, professional management, and customer service. We believe that many small dealers are finding it increasingly difficult to make the managerial and capital commitments necessary to achieve higher customer service levels and upgrade systems and facilities as required by boat manufacturers and demanded by customers. We also believe that many dealers lack an exit strategy for their owners. We believe these factors contribute to our opportunity.

Strategy

Our goal is to enhance our position as the nation's leading recreational boat dealer. Key elements of our operating and growth strategy include the following:

- emphasizing customer satisfaction and loyalty by creating an overall enjoyable boating experience beginning with a negotiation-free purchase process, superior customer service, and premier facilities;

- implementing the best practices developed by us and our acquired dealers as appropriate throughout our dealerships;

- achieving efficiencies and synergies among our operations to enhance internal growth and profitability;

- emphasizing employee training and development;

- offering additional products and services, including those involving higher profit margins;

- pursuing strategic acquisitions to capitalize upon the significant consolidation opportunities in the highly fragmented recreational boat dealer industry by acquiring additional dealers and related operations and improving their performance and profitability through the implementation of our operating strategies;

- opening additional retail facilities in our existing and new territories;

expanding our Internet retail operations and marketing;

promoting national brand name recognition and the MarineMax connection;

operating with a decentralized approach to the operational management of our dealerships; and

utilizing technology throughout operations, which facilitates the interchange of information and enhances cross-selling opportunities throughout our company.

Development of our company; expansion of business

MarineMax was founded in January 1998. MarineMax itself, however, conducted no operations until the acquisition of five independent recreational boat dealers on March 1, 1998. We completed our initial public offering in June 1998. Since the initial acquisitions in March 1998, we have acquired 18 additional recreational boat dealers, two boat brokerage operations, and a full-service yacht repair operation. Each of our acquired dealers is continuing its operations under the MarineMax name as a wholly owned operating subsidiary of our company.

We continually attempt to expand our business by providing a full range of services, offering extensive and high-quality product lines, maintaining prime retail locations, pursuing the MarineMax Value Price sales approach, and emphasizing the highest level of customer service and customer satisfaction.

We also evaluate opportunities to expand our operations by acquiring recreational boat dealers to expand our geographic scope; expanding our product lines; opening new retail locations within our existing territories; and providing new products and services for our customers.

Acquisitions of additional recreational boat dealers represent an important strategy in our goal to enhance our position as the nation's leading retailer of recreational boats. The following table sets forth information regarding the businesses that we have acquired and their geographic regions.

Acquired companies	Acquisition date	Geographic region
Bassett Boat Company of Florida	March 1998	Southeast Florida
Louis DelHomme Marine	March 1998	Dallas and Houston, Texas
Gulfwind USA, Inc.	March 1998	West Central, Florida
Gulfwind South, Inc.	March 1998	Southwest Florida
Harrison's Boat Center, Inc. and Harrison's Marine Centers of Arizona, Inc.	March 1998	Northern California and Arizona
Stovall Marine, Inc.	April 1998	Georgia
Cochran's Marine, Inc. and C & N Marine Corporation	July 1998	Minnesota
Sea Ray of North Carolina, Inc.	July 1998	North and South Carolina
Brevard Boat Company	September 1998	East Central Florida
Sea Ray of Las Vegas	September 1998	Nevada
Treasure Cove Marina, Inc.	September 1998	Northern Ohio
Woods & Oviatt, Inc.	October 1998	Southeast Florida

Acquired companies	Acquisition date	Geographic region
Boating World	February 1999	Dallas, Texas
Merit Marine, Inc.	March 1999	Southern New Jersey
Suburban Boatworks, Inc.	April 1999	Central New Jersey
Hansen Marine, Inc.	August 1999	Northeast Florida
Duce Marine, Inc.	December 1999	Utah
Clark's Landing, Inc. (selected New Jersey locations and operations)	April 2000	Northern New Jersey
Associated Marine Technologies, Inc.	January 2001	Southeast Florida
Gulfwind Marine Partners, Inc.	April 2002	West Florida
Seaside Marine, Inc.	July 2002	Southern California
Sundance Marine, Inc.	June 2003	Colorado
Killinger Marine Center, Inc. and Killinger Marine Center of Alabama, Inc.	September 2003	Northwest Florida and Alabama
Emarine International, Inc. and Steven Myers, Inc.	October 2003	Southeast Florida
Imperial Marine	June 2004	Baltimore, Maryland
Port Jacksonville Marine	June 2004	Northeast Florida

Apart from acquisitions, we have opened 14 new retail locations in existing territories, excluding those opened on a temporary basis for a specific purpose. We also monitor the performance of our retail locations and close retail locations that do not meet our expectations. Based on these factors, we have closed nine retail locations since March 1998, excluding those opened on a temporary basis for a specific purpose.

As a part of our acquisition strategy, we frequently engage in discussions with various recreational boat dealers regarding their potential acquisition by us. In connection with these discussions, we and each potential acquisition candidate exchange confidential operational and financial information, conduct due diligence inquiries, and consider the structure, terms, and conditions of the potential acquisition. In certain cases, the prospective acquisition candidate agrees not to discuss a potential acquisition with any other party for a specific period of time, grants us an option to purchase the prospective dealer for a designated price during a specific time, and agrees to take other actions designed to enhance the possibility of the acquisition, such as preparing audited financial information and converting its accounting system to the system specified by us. Potential acquisition discussions frequently take place over a long period of time and involve difficult business integration and other issues, including in some cases, management succession and related matters. As a result of these and other factors, a number of potential acquisitions that from time to time appear likely to occur do not result in binding legal agreements and are not consummated.

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In addition to acquiring recreational boat dealers and opening new retail locations, we also add new product lines to expand our operations. The following table sets forth various product lines that we have added to our existing locations:

Product line	Fiscal year	Geographic regions
Boston Whaler	1997	West Central Florida; Stuart, Florida; Dallas, Texas
Hatteras Yachts	1999	Florida (excluding the Florida panhandle) and distribution rights for products over 82 feet for North and South America, the Caribbean, and the Bahamas
Boston Whaler	1999	Ohio
Boston Whaler	2000	North Palm Beach, Florida
Baja	2001	Houston, Texas and Las Vegas, Nevada
MB Sports	2001	Northern California, Arizona, Nevada, Utah, and Texas
Meridian Yachts	2002	Florida, Georgia, North and South Carolina, New Jersey, Ohio, Minnesota, Texas, and Delaware
Tracker Marine	2002	Minnesota, Georgia, and Ohio
Grady White	2002	Houston, Texas
Hatteras Yachts	2002	Texas
Boston Whaler	2004	North and South Carolina
Century	2004	North and South Carolina
Ferretti Yachts, Pershing, Riva, Apremare, Mochi Craft, Custom Line, and CRN	2004	United States, Canada, and the Bahamas
Bertram	2004	United States (excluding the Florida peninsula and portions of New England), Canada, and the Bahamas
Princecraft	2004	California, Delaware, Georgia, Maryland, Minnesota, New Jersey, Ohio, and Texas
Baja	2005	Dallas, Texas

As we add a brand, we believe we are offering a migration for our existing customer base or filling a gap in our product offerings. As a result, we do not believe that new product offerings will compete with or cannibalize the business generated from our other prominent brands.

We plan to continue to expand our business through acquisitions in new geographical territories, new store openings in existing territories, and new product lines. In addition, we plan to continue to expand other services, including conducting used boat sales; offering yacht and boat brokerage services; offering our customers the ability to finance new or used boats; offering extended service contracts; arranging insurance coverage, including boat property, credit-life, accident, disability, and casualty coverage; selling related marine products, including

engines, trailers, parks, and accessories; providing maintenance and repair services at our retail locations and at stand-alone service facilities, including our full-service yacht repair facility in Southeast Florida; and expanding our ability to provide slip and storage accommodations.

We maintain our executive offices at 18167 U.S. Highway 19 North, Suite 300, Clearwater, Florida 33764, and our telephone number is (727) 531-1700. We were incorporated in the state of Delaware in January 1998. Unless the context otherwise requires, all references to MarineMax mean MarineMax, Inc. prior to its acquisition of five previously independent recreational boat dealers in March 1998 (including their related real estate companies) and all references to the Company, our company, we, us, and our mean, as a combined company, MarineMax, Inc. and the 18 recreational boat dealers, two boat brokerage operations, and one full-service yacht repair operation acquired to date (the acquired dealers, and together with the brokerage and repair operations, operating subsidiaries or the acquired companies).

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The offering

Common stock offered by MarineMax, Inc.: 1,000,000 shares

Common stock offered by the selling stockholder: 1,861,200 shares

Common stock to be outstanding after this offering: 16,949,329 shares

Use of proceeds

We estimate that the net proceeds to us from the offering after our expenses will be approximately \$28.9 million, assuming a public offering price of \$30.79 per share (which was the reported closing price of our common stock on February 8, 2005), and assuming no exercise by the underwriters of their overallotment option. We intend to use the net proceeds of this offering for general corporate purposes. Pending utilization of the net proceeds, we intend to use the net proceeds to repay short-term indebtedness under our credit facility. We will not receive any proceeds from the sale of shares by the selling stockholder. See Use of proceeds.

Risk factors

See Risk factors on page S-10 for a discussion of factors you should carefully consider before deciding whether to purchase our common stock.

New York Stock Exchange symbol: HZO

The number of shares of our common stock to be outstanding after this offering reflected above is based on the number of shares outstanding as of December 31, 2004, and does not include the following:

2,509,385 shares of our common stock issuable upon exercise of stock options granted under our 1998 incentive stock plan;

an additional 680,481 shares of our common stock available for future issuance under our 1998 incentive stock plan;

388,921 shares of our common stock reserved for issuance under our 1998 employee stock purchase plan;

up to 429,000 additional shares of common stock that we have agreed to sell if the underwriters exercise in full their overallotment option.

Unless otherwise stated, all information contained in this prospectus supplement assumes no exercise of the underwriters' overallotment option.

Summary consolidated financial data

The following table contains certain financial and operating data and is qualified by the more detailed consolidated financial statements and notes thereto incorporated by reference in this prospectus supplement and the accompanying prospectus. The balance sheet data as of September 30, 2002, 2003, and 2004 and the statement of operations data for the fiscal years ended September 30, 2002, 2003, and 2004 were derived from the consolidated financial statements and notes thereto that have been audited by Ernst & Young LLP, an independent registered certified public accounting firm. The balance sheet data as of September 30, 2000 and 2001 and the statements of operations data for the fiscal years ended September 30, 2000 and 2001 were derived from the consolidated financial statements and notes thereto that were audited by Arthur Andersen LLP, independent certified public accountants. The financial data for the three months ended December 31, 2003 and 2004 are derived from financial statements that are unaudited. The financial data shown below should be read in conjunction with the consolidated financial statements and the related notes thereto incorporated by reference in this prospectus supplement and the accompanying prospectus and Management's discussion and analysis of financial condition and results of operations.

(Amounts in thousands)	Fiscal Year Ended September 30,					Three Months Ended December 31,	
	2000	2001	2002	2003	2004	2003	2004
Statement of operations data:							
Revenue	\$ 550,654	\$ 504,071	\$ 540,716	\$ 607,501	\$ 762,009	\$ 156,659	\$ 184,188
Cost of sales	419,080	383,984	416,137	459,729	573,616	121,559	140,064
Gross profit	131,574	120,087	124,579	147,772	188,393	35,100	44,124
Selling, general, and administrative expenses	92,520	92,734	95,567	113,299	139,470	30,015	37,140
Income from operations	39,054	27,353	29,012	34,473	48,923	5,085	6,984
Interest expense	4,127	2,396	1,264	2,471	6,499	1,459	2,384
Income before tax provision	34,927	24,957	27,748	32,002	42,424	3,626	4,600
Tax provision	13,534	9,608	10,683	12,321	16,126	1,396	1,771
Net income	\$ 21,393	\$ 15,349	\$ 17,065	\$ 19,681	\$ 26,298	\$ 2,230	\$ 2,829
Net income per share:							
Diluted	\$ 1.41	\$ 1.01	\$ 1.10	\$ 1.26	\$ 1.58	\$ 0.14	\$ 0.17
Weighted average number of shares:							
Diluted	15,204,182	15,238,719	15,540,973	15,671,470	16,666,107	16,280,368	16,959,020

(Amounts in thousands)	Fiscal Year Ended September 30,					Three Months Ended December 31,	
	2000	2001	2002	2003	2004	2003	2004
Other data:							
Number of retail locations(1)	52	53	59	65	67	66	67
Sales per store(2)(3)	\$ 14,056	\$ 12,382	\$ 12,273	\$ 11,900	\$ 12,831	\$ 2,386	\$ 2,645
Same-store sales growth(3)(4)	20%	(9)%	3%	6%	21%	56%	17%
	September 30,					December 31,	
	2000	2001	2002	2003	2004	2003	2004
Balance sheet data:							
Working capital	\$ 40,853	\$ 47,447	\$ 55,426	\$ 67,003	\$ 88,013	\$ 66,719	\$ 90,632
Total assets	231,330	264,490	301,146	329,155	474,359	432,005	511,952
Long-term debt (including current portion)(5)	6,280	8,640	21,765	22,343	26,237	21,766	25,468
Total stockholders equity	112,340	127,693	145,190	166,056	196,821	168,657	202,066

(1) Includes only those retail locations open at period end.

(2) Includes only those stores open for the entire preceding comparable period.

(3) A store is one or more retail locations that are adjacent or operate as one entity.

(4) New and acquired stores are included in the comparable base at the end of the store's thirteenth month of operations.

(5) Amount excludes our short-term borrowings for working capital and inventory financing.

Risk factors

You should carefully consider the risks described below, together with all of the other information in this prospectus supplement, including the accompanying prospectus and the documents incorporated by reference herein, before deciding to invest in our common stock. Any of the following risks could materially adversely affect our business, financial condition, or results of operations. In such case, you may lose all or part of your investment.

Our success depends to a significant extent on the continued popularity and reputation for quality of the boating products of our manufacturers, particularly Brunswick's Sea Ray and Hatteras boat lines and the Ferretti Group's Ferretti Yachts, Riva, Pershing, and Bertram product lines.

Approximately 60% of our revenue in fiscal 2004 resulted from sales of new boats manufactured by Brunswick, including approximately 45% from Brunswick's Sea Ray division and approximately 9% from Brunswick's Hatteras Yacht division. The remainder of our fiscal 2004 revenue from new boat sales resulted from sales of products from a limited number of other manufacturers, none of which accounted for more than 10% of our revenue. Any adverse change in the financial condition, production efficiency, product development, management, marketplace acceptance, and marketing capabilities of our manufacturers, particularly Brunswick given our reliance on Sea Ray, Hatteras, and Meridian, would have a substantial adverse impact on our business. Additionally, given the revenue generated by each yacht and mega-yacht sale, any adverse change in the financial condition, production efficiency, product development, management, marketplace acceptance, and marketing capabilities of Ferretti Group would have a substantial adverse impact on our business.

To ensure adequate inventory levels to support our expansion, it may be necessary for Brunswick and other manufacturers to increase production levels or allocate a greater percentage of their production to us. The interruption or discontinuance of the operations of Brunswick or other manufacturers could cause us to experience shortfalls, disruptions, or delays with respect to needed inventory. Although we believe that adequate alternate sources would be available that could replace any manufacturer other than Brunswick as a product source, those alternate sources may not