

1990-2000

Retail captain of the seas

West Marine just keeps on growing

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WATSONVILLE — Crawford Cole tasted his future career as a boy motor-boating on the Chesapeake Bay.

Today, the 37-year-old Cole takes his daughters, ages 4 and 6, boating in the Monterey Bay, not far from the Watsonville headquarters of West Marine, where he is chief executive officer.

From its corporate leaders to its sales staff at 72 stores in 16 states, West Marine hires people who know the feel of wind in their face, whether it's riding in a noisy motor boat or sailing in the bay. The company encourages its employees to test West Marine products in the company's Santa Cruz 40-foot sailboat, Pro Motion.

What workers don't know, West Marine teaches them.

When Cole first came aboard, as president in 1990, he had never done any transpacific sailing. By 1992, he was part of a company team that won the Pacific Cup, racing from San Francisco to Hawaii in 10 days and 23 hours.

His team still holds the record for that boat in the race, which is sponsored by West Marine and open to the public.

Industry observers agree the expertise of West Marine employees makes them stand out among boating retailers.

"Anybody who works at West knows what they're talking about," said Peter Frederiksen, technical editor for Boating Magazine. "If you come in with a part, and you don't even know what it is, they'll know what it is."

The company's catalog not only displays products for sale, but offers mini-lessons on how to anchor a boat, how to tie various knots, and how to secure boats to docks.

That focus on educating its customers, Fredriksen said, is fueling West Marine's spectacular growth while its competition simply worries about prices.

"The people who get involved in boating and love their boats so much don't mind spending their money, but what they do mind is not being able to buy what they need. What people need they need now, and West knows that," Frederiksen said.

"So ultimately, those stores (belonging to the competition) will disappear because they won't be able to compete, and the one that will do the best has the smartest people, and the best corporate philosophy," Frederiksen said.

For the quarter ending July 1, the company reported a 33 percent increase in sales and a 44 percent increase in profits over the previous year.

Moving from CEO to chairman, Repass is concentrating on staff development, developing new ventures for the company, and of course, spending more time on the water in his new 40-foot cruiser.

Repass, 51, started a mini-business in 1968, while working as an engineer in the Silicon Valley, selling boat rope out of his Sunnyvale garage. The premise was simple: he began with the necessities needed by every boat owner: rope, anchors, fenders, life jackets, fire extinguishers. Today, the chain sells more than 24,000 products.

He learned from the bottom up. "When you start a business, you do everything," Repass said.

New horizons

Cole returned to West Marine in May after a nearly two-year absence. His new job: CEO. His goal: to expand the company far beyond the horizon.

Cole is seen as the driving force behind the company's whirlwind expansion in the past five years while founder Randy Repass is credited with building the company reputation, the quality product line and customer service orientation.

In 1990, West Marine had 15 stores. It expects to have 72 stores by the end of this year. With a reported net sales of \$170 million in 1994, the company expects sales to increase by 30 percent this year with the addition of 18 stores.

When he opened his first store in Palo Alto, Repass was the only employee who did everything from selling boat parts to mopping the floor. It was hard to let go and let others help run the company, which has 1,300 employees.

"That's one of the hardest things to do ... learn how to delegate. You can't do it all yourself," Repass said.

From cars to boats

Unlike Repass, Cole did not start his career in boating business. By the age of 32, he played a key role in building a Midwest automotive parts company into a 900-store conglomerate that included the Kragen Auto Parts chain.

Cole's experience acquiring new stores and expanding existing ones, hiring staff and selecting sites were exactly the skills he

REFERENCE

SANTA CRUZ SE
June 30, 1995

WEST MARINE

Founded: 1975; first store in Palo Alto
Headquarters: Watsonville
Main products: Boating supplies and apparel
Employees: 1,300
Top executives: Randy Repass, chairman; Crawford Cole, CEO; Richard Everett, chief operating officer

vence in southern France, home to many of his mother's relatives. An Army brat, he was born in Germany and lived overseas as a youngster.

Cole said he didn't remember much about living there, but he had a strong desire to meet his relatives. A reunion with his 80-year-old godmother was an emotional moment. He arrived unannounced at her door and handed her a gold bracelet she had given him so many years ago.

Though far from Watsonville, Cole kept in touch with West Marine as a board member. He also owns two to three percent of the company.

"I wouldn't have come back in the same capacity (as president) ... the CEO capacity give me more exposure to planning the next step ... expansion of the product line."

World of opportunity

To stay in touch with customers, Cole works in one of the stores two out of every four weeks.

Operating 72 stores will mean a "full plate" for the next five years, Cole said. Much of the expansion will be in Florida, which will have 19 stores this year, surpassing California's 15, the next biggest state.

Repass sees more retail stores, but smaller ones. The average store size is 7,000 square feet now, almost twice the size of West Marine's store in Santa Cruz.

Growing at 25 percent a year, Cole estimates West Marine can capture 20 percent of the boating retail market in the next five years.

But while West Marine already is retail captain of the seas, company leaders see its products navigating more oceans, lakes and seas worldwide.

"We see an unlimited future for product growth and geographic expansion for many years," Cole said.

Already, about 10 percent of the catalog orders are from Canada, Caribbean Islands, Asia, Europe and Australia. Catalog customers account for 27 percent of company sales.

To accommodate this expansion, the company is moving its distribution center from Watsonville to Hollister, where it will be double its present size of 80,000 square feet.

Cole brings to his job a "work hard, play hard" philosophy.

He had a basketball backboard and hoop installed in the parking lot at West Marine headquarters. In the warehouse, a "stress relief station" offers workers the chance to whack something hard by providing two tempting plastic baseball bats.

At least once a week, he takes a boat ride, either with fellow West Marine employees or with his family.

"I love the industry and it's hard not to love a job where you can be outside," said Cole.



Richard Everett, Randy Repass and

Crawford Cole have West Marine sailing.

needed at West Marine.

"I left a company that was making \$1 billion, and went to one making \$60 million, Cole said. "It was a big change, but Randy was committed to growth, and I was able to bring insights on how to accommodate that."

Whether a company is selling automotive or boat parts, Cole said, "We have to be prepared for the competition. That's a fault many people have fallen prey to in the past."

After three years at West Marine, Cole was ready for deeper water.

"I had aspirations to be CEO, but Randy wasn't ready for that ... so I took time with my family," Cole said.

He left the company and, for more than a year, lived with his wife and daughters in Aix en Pro-