



An aerial view of Table Rock State Park Marina shows its 630 covered slips, along with one long dock that is dedicated to serving visitors to Branson by offering enjoyable water activities.

# Starboard Corporation does it RIGHT

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It's not unusual for three brothers who have master degrees in business to enter the insurance, banking, and human resources professions. What is unusual is for the three brothers—Patrick, Philip, and Bob Cox—to come together to form a company and gain a concessionaire contract from the Missouri Department of Natural Resources to own and operate a marina on Table Rock Lake near Branson.

From that humble beginning a little more than a decade ago has emerged one of the leading marina companies in the United States, Starboard Corp., which now operates two additional marinas besides the original State Park Marina and has consulted on several other waterfront developments.

At State Park Marina, Starboard Corp. manages a marina retail store, 70-boat rental operation, 12-pump fuel dock, 630 slips, a restaurant, scuba center, and sub-contracts out para-sailing and private charter cruises. Most recently, the company entered the boat sales business as the authorized Somerset Houseboat dealer for the states of Missouri and Oklahoma, along with running a boatyard and marine service center.

“Saying ‘good-bye’ to the corporate world to start running a marina isn’t as far-fetched as it may seem. We were all boaters when we were young, we all worked as dockhands and captains at local marinas, and we all loved the water,” said Bob Cox, one of the co-owners of Starboard Corp. in Branson, Mo. The family even had a slip at the marina before they owned it. The brothers took their love of boating and personal entrepreneurship, applied their business knowledge and experience, and turned a marina concession into a multi-million dollar business that belies the term “marina owner and operator.”

For Patrick, Philip, and Bob Cox, operating and managing a marina is just the beginning of a strong business that thrives on getting it right. “We involve all our stakeholders in our planning and then we work our plan,” Bob said “That’s as simple as our success formula gets.”

The brothers chose the nautical term “starboard” for their company to communicate their mission to do things ‘right.’ As Patrick Cox notes, “Our mission is about doing the right things correctly.”

## The first step

For Starboard Corp., getting a concession contract to manage and operate a marina just five miles outside of Branson, Mo., was a challenge. Fresh out of graduate business school and on successful tracks in more traditional businesses, the brothers had been investigating such a business opportunity and knew that Table Rock Lake was one of the finest and cleanest lakes in the Midwest. They saw the renewing concession contract as a real business opportunity.

A small, but promising commercial marina located inside Table Rock State Park, State Park Marina (SPM) is one of 15 commercial marinas on Table Rock Lake, where the challenge here was to not only serve local boaters, but to expand the marina’s offerings to serve the more than seven million yearly visitors to Branson, and these are not necessarily compatible markets.

To get this marina concessionaire contract, Starboard Corp. presented an

aggressive business plan that won over the Missouri Department of Natural Resources, which manages the park for the Army Corps of Engineers, which built Table Rock Dam in 1958 to create the lake. Equally important, the business plan won over their financial backers, not the least of which was their father, who was their major financial backer.

“In order to increase revenues, we had to develop a seasonal business, in addition to a yearly traditional marina business,” Bob Cox noted. “We had to make Table Rock State Park Marina a tourist attraction, the destination choice for out-of-town visitors and in-town boaters alike.” To do this required a different mindset, one that led the brothers to realize that Table Rock SPM’s competition came not from other marinas, but rather from other recreational choices, such as golf, water parks, and theme parks.

“We were battling for people’s leisure time and vacation funds,” Cox noted. “So, we had to offer visitors some exciting products and leave each visitor with a special memory that will make them want to come back and visit the marina again next year.”

To make its marina business successful now and to grow it in the future, Starboard Corp. relied on planning. “We not only had an immediate business plan, but also intermediate and long-term plans,” Cox said. The annual business plan was for the ongoing year. The intermediate plan looked 3 to 5 years down the road. The long-term plan involved total development and

operational vision. “Planning is critical to quality growth,” Cox added.

When it first acquired Table Rock SPM, the facility had 210 slips, half of which were covered, and five rental boats. “We had to put a lot of time and money into fixing up and renovating the marina to meet our higher standard of operations,” Cox said. “Our goal was to make the marina a place where seasonal visitors would come for fun a few days of the year, while at the same time our slipholders could enjoy the facility every day of the year.”

## Table Rock State Park Marina’s Offerings:

- **Boat rentals**—Pontoons (luxury pontoons and Ski-toons, maximum of 12 people);

- Fishing boats* (maximum of six people);

- Ski boats* (maximum of nine people);

- Wave runners* (maximum two people)

“The goal of our boat rental operation is to deliver clean, high-quality equipment to the customer in an organized and timely fashion with a focus on safety.”

- **Para-sailing**—Table Rock subcontracts this function out to Capt. Sam Sandt, a 15-year veteran para-sailing captain who handles everything except for reservations.

- **Diving**—There is a dive shop on the premises, and “Diver Dick” Delager leads a crew of certified instructors and is manager of the shop that offers scuba certification courses, gear sales and rental, gear repair, air refills, and lake tours.

- **Cruising**—*Spirit of America* is a 48-ft. catamaran that offers public cruises and private charters. It is owned by Capt. Jack Edwards, who operates the boat as a subcontractor to Table Rock State Park Marina.

- **BoatHouse BBQ**—The seasonal floating food operation is subcontracted to local restaurateurs Danna and Kyle Junk of Danna’s BBQ,



Pictured here is the one long dock that includes rental boats, a rental store, restaurant, scuba diving center, and para-sailing operation.



The retail store at State Park Marina contains the clothes that appeal to the visitors and vacationers to Branson.



To entice visitors to the marina, State Park Marina offers wave runners for an afternoon of fun on the lake.

## Marketing

To make the marina a destination choice, Starboard Corp. dedicated one whole dock to boat rentals, retail shopping, watersport activities, restaurants, and food. The goal was to provide the seasonal visitors with products, services, and activities that would leave them with fond memories of their time at Table Rock SPM and entice them to come back on their next vacation to Branson.

To compete with golf, a water park, and a world-class theme park, the marina had to market its products and present its messages with the same aggressiveness as its competitors.

“Early on, our most successful marketing tool was our brochure,” Cox said. “We distribute more than 75,000 of them at local hotels, travel centers, sport shows, and boat shows.” Although most marina operators would skimp on the cost of brochures, SPM has found brochures to be its most “effective” tool in recruiting new customers and retaining existing ones.

Cox adds that SPM augments its brochures with some action-packed ads on billboards and spots on local TV and radio stations. “We call this ‘intercept’ marketing. When the vacationer is looking for something to do, we want to intercept their thoughts with messages about the boating options in the Branson area,” Cox said.

SPM knew that visitors came here for vacation, to listen and see the live theater in Branson, so the marina would have to offer equally exciting opportunities. “We tried to attract the visitors to Branson with exciting water activities,”

Cox said. The marina designed products that were good for families and couples alike, such as water-skiing, para-sailing, scuba diving, or just sitting by the water and enjoying a wonderful lunch or dinner on a cruise boat.

Even as it was switching things around for visitors, Starboard Corp. was renovating the marina for its annual slipholders. “We tried to engineer things so that the day users would interact with other day users, and not necessarily with the seasonal slipholders,” Cox said. SPM set aside one long dock for the visitors, and separated it from the covered docks for the annual slipholders.

To keep traffic moving, SPM built a large public parking lot across from the one long visitors’ dock. There is a campground next to the marina and 10% of the boat rental business comes from the campers. They stocked the stores with clothes that the customers wanted.

SPM purchased quality rental boats and personal watercraft that families would be proud to take out on Table Rock Lake. The marina layered in other exciting water activity options, such as para-sailing, scuba diving, fishing services, and chartered cruises. They subcontracted out these various activities to well-known and well-respected individuals.

## Growth

If SPM was to grow, the Cox brothers knew that they not only had to be concerned with the day-to-day marina operations, but also their intermediate (3–5 year) plans and long-term (10+

years) plans. “The hallmark of our success over the years has been our ability to read the waters of the marketplace to achieve planned and predictable growth,” Cox said.

With three different business plans going on at the same time, SPM had to make sure everything was aimed at the long-term view of what the property would look like when it was fully developed. “Our master plan for the marina harbor called for 750 slips with a large selection of different marina services,” Cox said.

The brothers wanted SPM to be an attraction for Branson, for the state. Externally, the goal was to showcase this beautiful lake resource, drive new visitors to Branson, and create a jewel for the State Park system. “It’s all about being relevant to what visitors are seeking in a vacation, and slipholders are seeking in a boating lifestyle,” Cox said. The internal goal was to continuously build customer loyalty and repeat business that would achieve long-term financial success.

From the very beginning, Starboard Corp., listened to the marketplace to determine where it needed to grow. The trend was to larger and wider boats, so the company renovated the existing facility and added bigger and wider berths. “Our customers told us they wanted covered berths, so all the new slips we added were covered,” Cox said.

When Starboard renovated, it did so with the future in mind. “We actually overbuilt from a quality standpoint with concrete decks, encapsulated flotation, beefed-up anchoring systems and galvanized steel,” Cox said. “But

we believed that the marina would last for a long time, the market would respond to these 'value-added' features, and fortunately, the boaters responded in droves."

In addition to its three-legged plans, the Coxes had a conceptual plan that they updated twice a year. "A conceptual plan is a formal engineered plan, including pictures of the existing harbor and structures, as well as overlays of what we want this harbor to eventually look like in the future," Cox noted. This should be a professionally formulated plan, updated every six months, and shared with the marina's stakeholders, and in SPM's case, this means the government entities, bankers, key slipholders, and key personnel. "This plan tells the Army Corps of Engineers and the Missouri Department of Natural Resources what our goals are and what we want to achieve. Unless you have an end in mind, you'll never be able to achieve it," he added.

First and foremost, though, Starboard Corp. shared its plans with its marina customers. "They are partners with us," Cox noted. The marina is looking for their feedback via newsletters and questionnaires. It is constantly asking the slipholders what the marina can do to help the customers enjoy their boating experience.

Starboard Corp. manages its docks as if they were neighborhoods. Every slipholder's opinion is valued and they have some say in what's done at the marina. A good example of this is the recent changeover in trash procedures.

The marina had put trash bins every 80 feet on the docks, but this soon

became a monumental problem. In fact, it became a full-time job to remove the trash and actually became a health problem. The marina solicited input from key slipholders, examined options, and explained why it was removing the trash bins and placing larger ones at the head of each deck, and now the marina has much less clutter and is a safer marina environment, Cox explained.

So how has Starboard Corp. grown since it first became a concession manager at SPM? Today, Starboard owns and manages a marina at Chateau on the Lake, a private conference and resort center. How they acquired this marina is an interesting story.

When the brothers discovered that national hotel developer John Q. Hammons Hotels Inc. was considering a golf course for its Chateau, but was facing limited terrain around the site, the Cox brothers called Mr. Hammons directly and suggested he consider a significant marina alternative. The marina was built at 20% of the cost of a golf course and is a unique facility that plays host to a dozen boat manufacturer-dealer meetings annually.

Two years ago, Starboard acquired a third location on Table Rock Lake, the Harbor Marina. The Harbor is a 20-acre lake property offering 210 slips that are 50-ft. to 100-ft. long and a long history of boatyard and repair service. "We started selling Somerset Houseboats at the Harbor last summer, and people are coming out of the woodwork to see us at this new operation," Cox said. Again, this acquisition was part of the grand vision of becoming a one-stop marine

business for selling, servicing, and storing boats. "We can now establish a long-time boating relationship with customers and meet all their needs," he said.

## A fine line

One of the things that Starboard Corp. was able to take advantage of was the business knowledge and expertise of the three brothers. Thus, for example, Patrick was in commercial banking, and he brought his knowledge of bookkeeping, accounting, finances, and computers to streamline this aspect of the marina operation. Patrick was in human resources and fashioned the company's treatment of employees and concern for customers.

Bob initially followed his father, Terry, in building a successful career in the insurance agency before transferring the various marketing and training skills he learned in the corporate world to the marina business.

"We believe that our competitive advantage is our commitment to constantly challenge ourselves to improve our operations by listening to our customers and trying to predict what our customers will want, need, and appreciate in the future," Cox said. Thus, the marina constantly reevaluates operations and sets aside money for capital expenditures.

"These expenditures have to coordinate with the phases of our business development plans, especially since we're working with the Army Corps of Engineers and the Missouri State Department of Natural Resources," Cox noted. "We can't simply wake up



State Park Marina created a family-friendly setting for their annual slipholders.



The rental boat operation includes pontoons, fishing boats, ski boats, and wave runners.

one morning and decide to put in a new dock. It has to go through a lengthy approval process, and the government entities have the final say.”

Starboard Corp. sees itself as feeding the demand for the marina of the future without overwhelming customers. There’s a real balancing act going on at SPM. “We constantly tell our slipholders that this is the direction the marina is moving, why it’s moving in this direction, while at the same time asking them what we can do to make their boating experience more enjoyable,” Cox said. “At the same time, we want to keep our [slip] rates in check with the market to insure high retention rates.” The marina enjoys a retention rate of around 95%.

## The people

In its 10 years at SPM, Starboard Corp. has made the marina a destination spot for visitors and slipholders alike. To do this, it depends completely on its employees, both full-time and seasonal. “Employees are the backbone of our [marina] business,” Cox notes.

Starboard Corp. has 21 full-time employees that it keeps on salary year-round. “These are what we call our ‘core team,’ and we depend heavily on them to use their high level of skills once the boating season arrives,” Cox said. “We’ve hired them, trained them, developed them, and now they are integral parts in managing our marina and property.”

This year, the marina will also be adding 45 seasonal employees, Cox said. “And nearly half of them will be veterans, returnees from previous summers.” To get these people, Cox puts ads in the local college newspapers, as well as in the high schools. The marina interviews the prospective applicants and makes a final selection by April 15.

Prior to the start of the boating season, everyone at the marina, from the harbor-master to the mechanic to the dockhand, undergoes two weeks of intensive training. “As a previous director of training for a regional insurance company, I know the value of training to a successful business,” Cox said. As might be expected, Patrick, Philip, and Bob Cox lead all aspects of the training program.

The purpose of this training program

is first and foremost to maintain a healthy and safe marina environment at all times. The next goal is to make sure that the employees know how to address all customer needs. And finally, SPM wants to create a fun marina environment. “We want the visitors who come to this marina to have an enjoyable experience, so we have to be creative in delivering a memorable boating experience,” Cox said.

Starboard Corp. gives every dockhand a training manual, telling them what’s expected of them as a member of the SPM team. The marina is dedicated to several core employment standards: to deliver to its customers the best quality services by the most friendly staff in an enjoyable environment, to provide employees with wages comparable to others doing similar work, an enjoyable work environment, and to offer employees opportunities for personal growth and education. The two-week training program expounds on aspects of these standards.

Some of the training is formal, and some of it is hands-on. For example, a Red Cross instructor teaches CPR to everyone and a fire department official shows employees how to respond to fire emergencies.

One of the key attributes of SPM is customer service. Thus, all employees are cross-trained on all aspects of the marina operation, including slip leasing, fuel dock sales, marina store, boat and wave runner rental, para-sailing, and the State Park Dive shop, which includes courses, gear sales and rental, and lake tours.

Employees, for example, are trained to stress the importance of teaching renters about the proper operation of a boat or personal watercraft. The training includes a script and checklist that the dockhands will use in interfacing with customers.

Once the training is completed, it’s time to implement it during the boating season. “We have key staff members in place for the successful day-to-day operation of the marina,” Cox said. Moreover, SPM authorizes its employees to do whatever is needed to make the situation right with the customer.

## Challenges

When asked the biggest change in

the marina industry since Starboard Corp. took over SPM, Cox replied, “The long planning cycle and approval process and the rapidly escalating costs of replacing and adding to the physical plant.” He noted that materials are more expensive, engineering costs more, and customer amenities have gone through the roof in response to customer demands.

“Building, improving, and adding to a marina are big expenses these days,” Cox noted. For example, he said that it now costs more than two times as much to replace docks today compared to when he first got the marina contract. The width of the walkways, the size of the steel columns, the demand for single slips, patios, and other features have all meant higher costs.

Cox noted that marina managers can learn all the skills needed to operate a successful marina through business seminars, college classes, and books. “The skills are not difficult to learn. It’s a question of the discipline and commitment,” he said. For the Cox brothers, that challenge manifested itself in reinvesting money in the marina on a yearly basis, on following through on their plans, and in sticking to quality standards of operation in tough economic times.

Cox said that many marina managers don’t take advantage of the best resource to help them be successful marina operators and managers—their peers. “We have a marina association here with 22 marina managers, and we meet twice each year to share best practices,” Cox said. He added that any marina manager can visit another marina manager on Table Rock Lake to see their operations and ask questions.

For all the challenges that have appeared on the business horizon, Cox feels blessed to be working with his brothers in a family operation that is both challenging and changing. He could have added the brothers enjoy working with each other, love the challenges and opportunities that the marina industry presents, and enjoy good relationships in both their personal and professional lives. “Being onsite owners and operators, we’ve been able to see first-hand what needs to be done to move us forward to becoming the marina of tomorrow.” ↴