

RV Companies Look To Green Tech For Recovery

EUGENE, Ore. (AP) — Lane County's fragile recreational-vehicle manufacturing industry could find hope in an unexpected place — green technology.

The Eugene Register-Guard reports RV manufacturer Country Coach has plans to develop a diesel-electric hybrid, but that plan will have to wait as the local luxury motor coach industry tries to survive.

"I don't expect to see the type of numbers of manufacturing in the high-end that there was in the past. I don't expect to see that ever return," said Ron Lee, who early this year resurrected a much smaller version of Country Coach, the company founded in 1973 by his brother and legendary RV pioneer Bob Lee.

Once an economic engine for the region, the industry was carrying sales that peaked at nearly 400,000 in 2006, but the Great Recession sent purchases of RVs plummeting.

Now, consumers want smaller, lighter and more fuel-efficient models, and Oregon's luxury models need to change to meet that demand.

Lee is running a 22-person parts and consignment operation in Junction City, Ore., and is trying to raise money to begin limited manufacturing of a 40-foot Country Coach model. The price tag would be between \$550,000 and \$700,000. Lee said that after three years of production, he would unveil the diesel-electric hybrid if he can raise the money necessary to get the company off the ground.

The Oregon manufacturers could take their cues from Indiana, a state that produces about 80 percent of the nation's RVs. Two companies there, Evergreen RV and Earthbound, have found success in eco-friendly models.

"That's a direction we have to go," Lee said. "Green manufacturing processes and also more fuel-efficient vehicles — that's something we have to do."

This week, Navistar International Corp. announced plans to shift some production work for its Monaco RV subsidiary from an Oregon factory to northern Indiana, where it will hire up to 400 workers in the coming year. For Oregon, that means 450 layoffs at the headquarters in Coburg, Ore.

Oregon specialized in high-end luxury RVs. Should that market ever return, former industry analyst Frank Magdlen said Lane County could meet the demand because the people who know how to construct hand-built RVs still live in the area.

"Currently I don't think there's very many barriers to entry if you're going to supply a niche segment," Magdlen said. "One thing the major manufacturers would tell you

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is it doesn't take a lot of capital, so the guy with a barn or excess space can get in the business."

Area manufacturers say the construction of green RVs would fit with Lane County's eco-friendly culture.

"We are so big on solar and alternative energy," said Shannon Nill, general manager of Guaranty RV in Junction City. "I do think Oregon is a hotbed of innovations of this nature, and there's no reason it can't apply to RVs — it already is."

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