Cabo Yachts closing

High Desert boat company employed about 100 workers Rebecca U. Cho, Staff Writer

Posted: 12/22/2010 03:22:38 PM PST

ADELANTO - Cabo Yachts, once a major High Desert employer, is closing its manufacturing facility by the end of the year and transferring its operations to North Carolina.

Cabo Yachts had employed about 100 workers at the plant and at least a quarter of them have been offered a transfer to the New Bern, N.C., site, a company spokesman said.

The move consolidates the sportfishing boat maker's Adelanto division into the North Carolina facility under its sister brand, Hatteras.

The combination under one roof cuts down on fixed costs in operations and brings Cabo Yachts closer to its customer base in the East Coast, said Eric Cashion, the marketing director for Hatteras and Cabo Yachts.

"What ended up in the downturn is two facilities that were being underutilized," Cashion said.

Production had been down in Adelanto in recent years as the recreational boat market slowed with the economy, Cashion said. The decision was very difficult to make, he said.

Michael Howarth, a Cabo Yachts founder and former vice president, called the decision to move the operations a "real mistake." He and co-founder Henry Mohrschladt sold the company in 2006 to Lake Forest, Ill.-based Brunswick Corp., the parent company to the two boat brands.

"This was a hand-made product, and we felt we had the best work force in the world," Howarth said.

Cabo Yachts makes and sells recreational fishing vessels to high-end dealers.

Its departure marks the end of the manufacturer's 20-year history in the High Desert. At its height in 1995, the boat maker employed about 550 workers, making it one of the largest private employers in the High Desert, Howarth said.

Cabo Yachts' exit opens up an opportunity for a new company to bring jobs into the eight-building manufacturing site. Howarth and Mohrschladt, who own the property, have hired Voit Real Estate Services and The Bradco Companies to secure the lease or sale of the 221,488-square-foot site.

It might attract manufacturers who can make use of a multibuilding site with high ceilings, such as a composite parts maker, said Joseph Brady, the president of The Bradco Companies. Five 10-ton Demag overhead cranes service the facility. The sale or lease would also come with a skilled group of workers, he said.

"You've got a ready and able work force that knows these buildings," Brady said.

Howarth said the economy has hit the boating industry hard.

"To me, it's a very, very sad thing," Howarth said. "These are such highly skilled, highly dedicated employees. It's very difficult to find work right now."

The move to North Carolina will trim delivery times, allow transport of the products by waterways and allow Cabo to deliver the vessels in a turnkey condition, reducing costs to dealers, Cashion said.

rebecca.cho@inlandnewspapers.com

909-483-9391