Overview

- Spatial Economics: Local, Regional, and Global Perspectives

- Surfing Industry: Retrospect and Prospect
  - Global Marketing of “Action Sports”
  - What’s in a Surfboard?
  - Surfboard Manufacturing: Craft Industry to Offshore Production

- Surf Tourism and Surf Aid: Sharing the Wealth? (next year)

Spatial Economics: Global, Regional, and Local

- Spatial economics / Cross-scale interactions
- Global
  - international trade
  - offshore production / outsourcing
- Regional
  - interregional variation within country
  - variation in what?
- Local
  - intra-urban variation
  - retailing, noxious industries (zoning)

Surfing Industry: Retrospect and Prospect

- Surf Culture as Surf Industry

- Action Sports Industry:
  - $20 billion worldwide
  - Big 3: Billabong, Rip Curl, Quicksilver

- Market Demographic:
  - 10-24 year olds
  - suspicious of “big business”, individualism and independence

What’s in a surfboard?

- Interindustry Analysis (Input-Output, Commodity Chains)
  - Purchasing and sales linkages
  - Location of manufacturing
  - Effluent / hazardous wastes accounting

- SURFBOARD = $β_1 \text{FOAM} + $β_1 \text{RESIN} + \ldots + β_1 \text{DYES}
What’s in a surfboard? (cont.)

- North American Industrial Classification System (NAICS)
- **326140**: Polystyrene Foam Product Manufacturing
  This industry comprises establishments primarily engaged in manufacturing polystyrene foam products
- **325211**: Plastics Material and Resin Manufacturing
  This U.S. industry comprises establishments primarily engaged in (1) manufacturing resins, plastics materials, and nonvulcanizable thermoplastic elastomers and mixing and blending resins on a custom basis and/or (2) manufacturing noncustomized synthetic resins.

Craft industry / Global Production

- Surfboard manufacturing – domestic / global industry
- Craft industry roots
  - Hand-crafted board
  - Master-apprentice relationship
  - Shaper-surfer relationship
  - Local culture / Local boards
- Global competition
  - Off-shore production
  - Import duties / product labeling

What’s in a surfboard? (cont.)

- Toxic chemicals
  - Regulation / Mitigation
- Methylene Diphenyl Diisocyanate (Resins)
  - Federal hazardous air pollutant
  - Respiratory, skin, and eye irritant
  - Not classified human carcinogenicity
- Toluene Diisocyanate (polyurethane foam)
  - “Reasonably anticipated to be a human carcinogen”
  - Spleen, liver, ovaries, pancreas, …
  - Five U.S. manufacturers

Discussion

- Trade-offs
  - Culture of industry (Garage) versus Single Producer
  - California production versus off-shore production
  - The Price Signal!