YACHTS

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Stirring demand starts to refill sails

But there is a widely held view that recovery will be slow and the market may never be the same again. **Victor Mallet** reports

A year ago, many yacht brokers and manufacturers still dared to hope that the intensifying financial crisis, although obviously severe, would spare the world's wealthiest people and leave them with enough cash or credit to buy the $100m superyachts they had always wanted.

With hindsight, it is clear that the luxury boat industry, fattened by years of rising production volumes and improving profit margins, was far too optimistic. There was a shockingly abrupt decline in the market in late 2008 and early 2009, following the collapse of Lehman Brothers, the investment bank.

Today, as the first, tentative signs of recovery appear, most industry executives, financiers, and suppliers are no longer asking how well the superyacht business will resist the global economic slowdown. They are wondering whether it can ever be the same again.

"The situation in the early months of this year and the later months of last year was very difficult," says Anton Francesco Albertoni, chairman of Ucina, the Italian nautical industry association. Italy is the biggest producer of luxury yachts, with a total pleasure yacht industry turnover of about €6bn, and Mr Albertoni says the sector suffered a "violent stop".

The problem was not always felt immediately in the yards that build larger boats – a superyacht is loosely defined as a vessel more than 30m or 100ft long – because the long lead-times in construction mean that some are still making boats ordered in 2007.

But the dearth of new orders, some cancellations and the withdrawal of credit have left indebted companies struggling and caused headaches across the industry. The charter business was also hit by lower prices.

Figures from the Superyacht Intelligence Agency, part of The Yacht Report Group, show that 241 large yachts were delivered last year, compared with 231 in 2007 and 267 in 2006. From this year, however, it will be hard to achieve such steady numbers.

"While it is not all gloom and doom, we have certainly seen a huge reduction in yachts sold and charters booked," The Yacht Report says.

Camper & Nicholsons International, the yacht group, which produces its own slightly different statistics in its annual Yachting Index, says that the crash in financial markets after the collapse of Lehman Brothers in September 2008 "triggered a change, and most probably an irreversible one, in the large yacht industry". Offers to buy were withdrawn and build contracts cancelled by potential owners.

Nimbler companies moved quickly to cut production. Fairline, the UK maker of motor yachts up to 78ft, had trebled in size through organic growth in the previous 13 years, but took drastic steps to reduce output at the end of 2008, according to Derek Carter, chief executive.

The company laid off 400 of its 1,400 staff and cut turnover by a third to about £100m a year. Other luxury yacht builders, including Ferretti in Italy and Rodriguez and Couach in France, were forced to restructure their debts or seek protection from creditors.

Today, international yachtmakers say they are starting to see a trickle of orders and are hoping for a return to some sort of normality in 2010, especially for vessels of – relatively – modest size and price.

"It's been very tough since the summer of last year, but I'm seeing early signs of confidence returning and serious buyers," says David Tydeman, chief executive of Oyster, the luxury UK yacht maker, which has extended its range and is due to finish its first 100ft-plus sailing yacht next year.

Other producers see similar indications of demand flickering back to life and predict better times, once the stock overhang of – new and second-hand – boats for sale has shifted.

"The growth of the past few years has been enormous and a sort of correction was necessary," says Paolo Vitelli, founder and chairman of Italy's Azimut-Benetti Group. But he adds: "Rich people want to spend their money there are plenty of rich people and in the world."

What is not yet clear is precisely how the crisis will change the spending habits of the rich and whether it will affect two of the notable recent trends in the superyacht market: the irruption of fashion designers, architects and luxury goods houses – Norman Foster, Philippe Starck, LVMH – and the drive for more environmentally friendly boats.

Sometimes the two are connected. Wally, the Monaco superyacht company, and Hermès of Paris have teamed up for the launch this month of their venture to make a revolutionary €100m, 2,900-tonne motoryacht of "exceptional" width, style and comfort that would be powered not only by diesel but also by arrays of solar panels, wind generators and a kite to assist propulsion.

Patrick Thomas, Hermès chief executive, says the ultra-wealthy target market for the vessel numbers only 200 people, a "very rarefied" universe of possible customers for this "anti-boat". For Wally founder Luca Bassani, the key to the yacht is stability. "A lot of customers still suffer seasickness," he says. "The original idea was to create a kind of floating island rather than a yacht."

Even if new customers are attracted to superyachting by such innovative concepts, sceptics doubt that the market as a whole can return to the heady growth of the previous decade.

Brokers and manufacturers say the mood among the wealthy has been changed by the financial crisis and the resulting public scorn for the financiers responsible. Customers are more likely than before to opt for discretion over conspicuous consumption, for the comfort of a displacement vessel rather than the gas-guzzling speed of a fast, planing motoryacht, and for classic, elegant and seaworthy lines over extreme designs.

"In general, we are losing the *nouveaux riches*," says Azimut's Mr Vitelli. "There were plenty in the last 24 months before the crisis, coming from Russia, from finance, from emerging markets."

Barry Gilmour, executive chairman of Royale Oceanic, the yacht services company that supervises construction and management for owners, says customers will once again start spending millions of dollars on superyachts. But he expects to see consolidation among the weaker members of the industry in the aftermath of the crisis.

"It's a cyclical business. People in the yacht business got carried away by their own hype," he says. "I think we're probably going to hit the nadir in December or January and we'll start to see slow recovery from there. But I don't think it will ever get back to where it was." In a glamorous business once known for its ebullience and year-after-year expansion, that view is surprisingly widely shared.

After the financial storm: buyers may prefer classic, elegant lines, such as those of this sailing yacht, Gliss

> Customers are more likely than before to opt for discretion over conspicuous consumption

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The ultimate in discretionary spending

CHARTERING

Owners want to keep chartering but won't do it for a pittance, says **Richard Donkin**

Early indications suggest that charter business among superyachts – worth about $530m in 2008 – may have fallen by 25 to 30 per cent this year, although there are signs that the market has been picking up towards the end of the summer with a flurry of late bookings relieving the early season gloom.

Demand fell markedly in the early spring just as supply in the market had been swollen by greater availability as new and existing owners sought to get some return on their running costs.

While owners dropped their rates by between 10 and 20 per cent, the bargain hunters were looking for even better deals or incentives such as an extra day's charter within the price. More aggressive customers were sometimes disappointed, however, as owners withdrew their boats rather than cave in to excessive price-cutting.

"Some charterers have had the impression that all yacht owners are desperate and willing to take big price drops," says Alev Karagulle, director of marketing and communications at Burgess, the yacht sales, brokerage and chartering company. "Those who charter boats like to keep them chartering as it brings in some income to help with running costs; but they're not going to charter at a pittance. If it's not worth their while the boat will stay in port,"

The point is underlined by Barry Gilmour, executive chairman of Royale Oceanic, the yacht services company. "Ownership of a superyacht is the ultimate in discretionary spending. People don't charter their yachts as a business but in order to defray some of the operational costs and to keep crews busy.

"The people who buy these yachts, particularly in the upper range of 85 to 100 metres, count their wealth in billions. Some may have seen a £10bn fortune halved to £5bn in the credit crunch but at the end of the day, they are still wealthy people and, in most cases, can use their yachts as they wish. But the yachts have to be maintained, crewed and insured; they can't be laid up in the Nevada desert like surplus aircraft."

When charter can bring in €220,000 a week as it does for News Corporation chairman Rupert Murdoch's 56 metre-long sailing yacht, Rosehearty, the income is a welcome contribution to running costs.

But the so-called "bottom fishers" who appeared in this year's charter market did not make themselves popular among owners or chartering agents. "Many owners preferred to say 'no' rather than accepting the quick fix," says Laurent Perignon, director of marketing at Camper & Nicholsons International.

As the summer wore on, brokers negotiated increasing numbers of late deals, he says, partly perhaps because of a lower availability in July and August when many owners want exclusive use of their yachts. "The pick-up in business means that it has not been as catastrophic as we feared at one stage," he adds.

Ben Stuart, general manager at C&N Marinas' Grand Harbour Marina, Malta, one of the Mediterranean's largest purpose-built superyacht marinas, confirms that superyacht traffic has been slow this year. "It's been a reasonably quiet season for all boats but certainly more boats have been moving through in August. A lot of people seem to have been taking shorter charters this year and have not been travelling long distances."

> 'People don't charter their yachts as a business but in order to defray some of the operational costs and to keep crews busy'

Demand for the biggest and most exclusive yachts reflects production demand among yachtbuilders. The production company, Sunseeker, has avoided the difficulties experienced among some of the Italian builders by reducing production in smaller, and increasing its business share in bigger, yachts. "I'm quietly optimistic. We have worked very hard to develop the boats the market wants and I'm proud that we have done so without laying anyone off," says chief executive and company founder Robert Braithwaite.

About 1,000 yachts over 24m are now available to the charter market where demand has remained strongest for the larger boats that also command the top prices.

In 2008, according to Camper & Nicholsons International Yachting Index, the average weekly charter rate for 30m to 50m yachts was $118,000, pricing them at $2,950 a metre, while the average weekly rate for a yacht above 50m was $422,000 or $7,000 a metre.

Such rates, however, have proved unsustainable for all but the most desirable vessels in today's market, where deals have demanded flexibility on both sides to win business. Brokers found they were unable to command client loyalty as charter customers chose to shop around.

Corporate charters, which last year made up less than 10 per cent of the market, are also expected to be down this year, as companies struggle to justify spending on such luxury.

Some brokers noticed an increase in interest among the less conspicuous Mediterranean destinations such as Croatia, Greece and Turkey, suggesting that charter buyers were proving less willing to flaunt their wealth.

Most brokers agree the market is unlikely to rebound to the levels of 2007 and early 2008 in the short term and booking levels suggest a slow Caribbean season in the winter.

Grand Harbour Marina, Malta: this has been a quieter season Alamy

Boat builders take a battering

Roman Abramovich's 557ft Eclipse leaves the dockyard in June 2009. It is the largest privately owned yacht in the world, with a mini-submarine and two helipads Marcus Brandt

MANUFACTURERS

It has been a fierce storm, but there are signs of calmer times, reports **David Glenn**

After a decade of unprecedented growth, the superyacht industry has shown that it is not immune from recession. Orders have dried up and projects been put on hold.

The downturn has been felt most in the motor yacht sector, where an estimated 85 per cent of the industry is concentrated. Brokerage prices have been cut by up to 50 per cent, heralding the end of the yachting investment business.

Russian clients were market drivers a few years ago but when some lost fortunes, yachting was an early casualty.

One syndicate that had built a series of three 200ft motor yachts in Italy and sold them almost as soon as they had been launched for a reported 100 per cent profit on the build price, tried the same again with a German builder, but the global downturn meant the syndicate had to abandon the project with multi-million dollar losses. With such yachts costing anything between €30m and €80m, the consequences can be ruinous.

"We're back to reality as far as prices are concerned," says one broker, who admits it isn't a bad time to buy yachts at bargain basement prices.

But there are plenty of reasons for not buying a yacht in the current economic climate, including the need not to be seen to be indulging. There are plenty of plans being drawn up for new yachts both sail and power, but some potential owners are waiting for conditions to be morally acceptable before putting their money down.

But few if any of the significant companies in the superyacht building league have failed as a direct result of the current recession. Of the handful to have closed, Jongert, the iconic Dutch sailing yacht yard, was bankrupted this year after a history of indifferent management and this recession was enough to take the company beyond the brink.

Like supertankers, the superyacht building business is slow to turn. Yachts can take anything from two to seven years to complete and with a rush of orders signed two or three years ago, there is still plenty of momentum, with new yachts launching at a healthy rate.

Roman Abramovich's 557ft Eclipse, the largest privately-owned yacht in the world, which comes complete with its own submarine, accommodation for three helicopters and 75 crew, may make the industry look healthy, particularly for her builders Blohm+Voss, but it is what happens next that counts.

The acid test will come this winter, when yards will need to start signing new contracts if they are to avoid contraction or worse in 2010 and 2011. The industry seems to be holding its nerve.

In the Netherlands, the likes of Oceanco, Amels and Van Lent, part of the Feadship group and now with LVMH as a big shareholder, are bullish.

"There's still a lot of flesh on the bone," says Holland Yacht Group's chairman Farouk Nefzi, referring to the current build list.

Dick van Lent said recently that while conditions were difficult he had no qualms about building two of his P45 (45m) semi-custom models speculatively. With price tags of some $40m, this is a bold move but he is not alone in thinking that more standardised production methods are a way of cutting costs and attracting buyers who want a proven product.

Amels, part of the commercial shipbuilder Damen, have also tried this policy with some success and they are benefiting from feeding off the technology embedded in their business partners who service the demanding offshore industry.

There is plenty of confidence among the Germans too, who are credited with some of the biggest superyacht launches in modern times. Even in the current climate of restraint Hamburg-based Blohm+Voss is touting a 110m motor yacht whose 110,000hp power plant will propel it at a startling 40 knots, thanks to historical expertise in building fast warships.

On the sail-power front, there have been some high profile cancellations most notably perhaps at Royal Huisman in the Netherlands, still considered one of the world's most capable builders. They have lost two big orders, including a 283ft three-masted schooner for a Russian client.

> There is clearly a future in refit, with 5,000 superyachts plying the oceans and more to come

They have, however, this year launched the energy-efficient Ethereal for Sun Microsystems founder Bill Joy and the latest new J Class for Dr Jim Clark, who founded Netscape. It is his third superyacht from Royal Huisman.

They have three newbuilds keeping them busy and continue to offer a refit service, although the inconvenience of getting a yacht to their yard at Vollenhove along the canal system is an issue. But there is clearly a future in refit.

With upwards of 5,000 superyachts plying the oceans and more to come, to maintain value the need to keep them in commission is imperative.

The refit business is gathering momentum and those who invested some time ago are now reaping the benefits, as owners not only call for regular servicing to keep their yachts in class, but opt for modernisation programmes instead of building something new.

Although there are big refit centres in the Mediterranean at La Ciotat, in Genoa and Barcelona there is a tendency for owners to return to their builders or at least close to them.

The UK's Pendennis Shipyard at Falmouth, Cornwall, has developed its facility specifically for refit. With its location at the western end of the English Channel it is geographically well-placed.

Southampton Yacht Services in Southampton is another example and many of the leading yards in the Netherlands are re-emphasising their refit capabilities, although, in some cases, getting to the yard via the canal system is difficult.

Despite being iced in for the winter, Nautor's Swan and more recently Baltic Yachts have established waterside premises in northern Finland, financed by the local authority to help maintain employment.

And on the other side of the world, the New Zealand industry pitches hard for refit, tempting owners with an opportunity of some attractive local cruising at the same time.

Another influence in the sailing yacht market is superyacht regattas. Owners have discovered a new dimension and you only have to look at events in St Barths, Palma, Majorca and recently Porto Cervo in Sardinia to witness its popularity.

Record fleets have been attending these events, which provide friendly racing with a competitive edge and glamourous, sponsor-driven entertainment.

No expense, it would seem, is being spared on new sails, the latest rigging and, in the absence of an ongoing America's Cup programme, hiring professional crew to gain a winning edge. Yards and designers are capitalising on this trend.

The one thing owners appear not to be prepared to give us is their regular dose of regatta competition.

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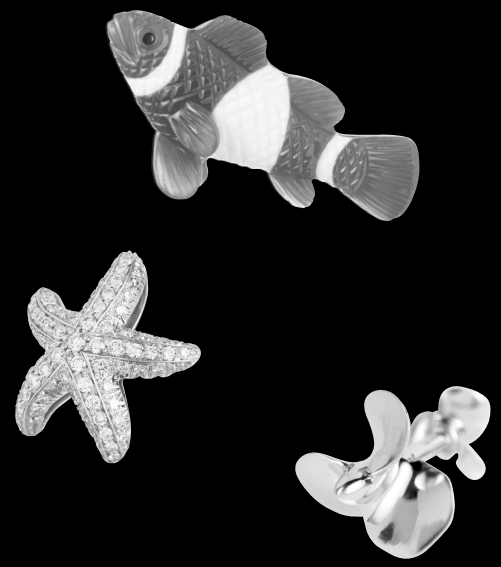

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Credit crisis restricts deals, but the ship sails on

FINANCE

The are now fewer lenders, but the market is picking up, says **Jill James**

Yacht ownership comes at a price. Buying the thing is just the start of a long financial commitment.

"With a €20m yacht, you can expect to spend €2m a year on it," says Laurent Perignon, marketing director of Camper & Nicholsons Yachting, a world leader in the sale, purchase, charter, marketing, management and construction of some of the finest yachts.

Mr Perignon says: "It's like managing a business – especially when the yacht is commercially regulated. There is so much to take into account: customs, taxes, international regulations, technical and managerial support, surveys."

Companies such as C&N can put together complex management packages for yacht owners. Technical complexity, rules and regulations needed for safe commercial operation, and the levels of sophistication of onboard equipment, are all growing. There is also the issue of crew numbers and crew qualifications.

C&N provides management to yachts ranging in size from 22m to 90m. The company's inhouse skills include those of qualified engineers, master mariners and accountants. It also deals with flagging and class issues, as well as shipyards, suppliers, manning agents, surveyors and maritime legal advisers.

Edmiston, another of the world's leading yachting companies, says clients and yacht captains can buy an entire management programme or à la carte services. The company says clients may need one, several or all of its services during its time of ownership.

In terms of finance, Toby Walker, C&N sales director, says: "There are lenders out there, but the majority of our sales are cash purchases. We always advise buyers to speak to their own banks before they set up a financial package. There is little marine lending going on because so few yachts are being sold."

Before approaching banks to lend money, potential owners must bear in mind that some will not countenance finance if loan repayment is solely dependent on charter revenue. Tightening in the lending market means that there are fewer opportunities to obtain a loan from a mainstream bank.

All banks or reputable loan companies will insist your boat is insured with a recognised marine insurance company before they lend you a penny. Barclays Marine Finance says that for advances above £60,000, a UK vessel must be registered with a shipping registry that it approves of.

Barclays Marine Finance sets no upper limits to the amount it can lend – subject of course to application and status – and a mortgage can usually be secured against the boat.

It says its 10-year mortgage period is popular for a number of reasons – not least cost-effectiveness.

As marine loans are secured against the vessel, which is a depreciating asset, the capital balance outstanding on a 10-year loan decreases at a faster rate than is the case with a longer term loan or a low-start or balloon loan. This means that equity in the vessel is protected – particularly important if you expect to change your boat before the loan is repaid.

Stewart Dick, director of the private client finance team at private bankers Arbuthnot Latham, says his company has always been cautious and selective in its yacht lending.

> 'We always advise buyers to speak to their banks before they set up a financial package'
>
> **Toby Walker, Sales director Camper & Nicholsons**

He says: "We are not a high-volume lender. We are client-driven and seek to assist high net worth international individuals where there is a genuine prospect of a meaningful long-term relationship. Our minimum loan is £1m and our maximum loan is £5m. Our loan to value at present is in the range of 50 to 60 per cent."

Prior to the banking crisis, he says, the market had become overheated and reached an unsustainable level. There was an unprecedented increase in speculative new builds, both by the yards and by clients with multiple build slots.

Mr Dick adds: "The number of banks active in yacht lending had risen, with new entrants offering aggressive loan-to-value rates and greatly reduced pricing. This has stopped. Many banks have withdrawn, resulting in a return to sensible and commercial pricing."

He adds: "If banks have been saved by the taxpayer and are under political pressure to support domestic companies and home owners, is it really acceptable to be seen to be assisting in the purchase of the ultimate discretionary spend?

"The speculative build element has gone for now; yards have experienced cancellations and there is pressure on prices. Some projects are on hold."

Mr Dick understands that several new-build contracts are in default. "The supply-demand equation has changed and it is now a buyers' market. There is a return to realism."

Mr Dick says several banks have withdrawn from the sector, but Arbuthnot Latham continues to lend on virtually the same basis. "However, whereas in the past with a transaction above £5m we would have brought in a partner, it is no longer possible to sub-participate."

Mr Dick says: "We are still writing yacht loans and seeing a strong, though slightly reduced, deal flow. There are, however, a greatly reduced number of banks active in financing superyachts, so we can safely assume that the overall number of potential transactions is down."

So what does the future hold for lending to existing and potential yacht owners, given the depreciation of the product and the current financial environment?

Mr Dick thinks market correction has led to more responsible lending and there will continue to be demand from the very rich.

He says: "There will be less bank lending secured on yachts and a return to the cash purchaser. We see clients using their asset base to raise liquidity to enable them to respond quickly to opportunities."

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Exotic options for whiling away the season

CHARTER OPTIONS

David Glenn on efforts to tempt charterers to more far-flung parts

Local boaters on Lake Sandoval in Peru: brokers are keen to promote the adventurous aspects of some trips. such as exploratory journeys up the Amazon dreamstime

Luxury yacht charter, traditionally centred along the French Riviera in the northern hemisphere's summer and the Caribbean in its winter, has witnessed leaner times of late.

All the blame does not lie with the recession. Overcrowding in the Mediterranean and a continued reluctance by Americans to venture far have held back business.

But charter still enjoys a certain cachet and remains a favourite way of whiling away the summer or taking a winter break.

The attractions of privacy, mobility, unrivalled luxury and yet the ability to keep in touch via sophisticated satellite communications make it popular with those seeking an alternative to a land-based holiday. The fact that there is something for everyone to do on large yachts makes them family-friendly.

With some as long as 400ft, equipped with everything from helicopters, mini-submarines, full-blown cinemas and spas and a standard of cuisine that regularly outstrips what is available ashore, the attractions of large yacht charter are obvious, despite prices of about $300,000 a week.

The choice of vessels is now extraordinary: anything from the recently sold Maltese Falcon, which measures 287ft, is capable of 23 knots under sail and has three free-standing carbon fibre masts setting 15 modern squaresails, to the 325ft restored classic motor yacht Cristina O, once owned by Aristotle Onassis who upholstered the bar stools in whale foreskin and aboard which he entertained Jackie Kennedy.

Fixtures in the social calendar, such as the Cannes film festival and the Monaco Grand Prix effectively kick-start the Mediterranean summer season, but from then on the scrum to get into fashionable haunts such as St Tropez and even the smaller anchorages in Villefranche and Cap-Ferrat can be off-putting.

In the July and August high season, it is almost impossible, but broker research shows charterers are creatures of habit and return to the places to be seen.

Efforts are being made to tempt charterers to more far-flung parts of the Mediterranean and the Adriatic.

Owners of some yachts are keen to go farther and plan circumnavigations, sections of which are open to specialist charter, but this trend has been thwarted in recent times by worries about terrorism.

Alarming but sometimes exaggerated reports of piracy and random acts of violence in the Caribbean, for instance, can also have a significant effect on business.

There is also the expense of wear and tear and the complex logistics of long distance passage-making, so out-of-the-way charter remains limited.

In recent seasons, the northern Adriatic has certainly become an alternative to the "milk-run" of the French Riviera, Sardinia, Capri, the Ligurian and Tuscan coasts and the Lipari Islands off Sicily. Croatia offers unspoiled and spectacular cruising and now Montenegro is coming on board. But the infrastructure for large yachts in the Adriatic as a whole is still lacking.

In an attempt to address this and to relieve pressure on the Mediterranean hotspots, a group of investors, including Peter Munk of Barrick Gold, Lord Jacob Rothschild, Bernault Arnault of LVMH and Russian oligarch Oleg Deripaska have started developing Porto Montenegro in the Bay of Kotor. This is an old navy base and there are excellent wharves and other facilities that could be turned into a modern superyacht hub.

> Another growing phenomenon is the superyacht regatta, which offers a competitive dimension to ownership

With good communications and a tax-free status for fuel and other services it could become another Monte Carlo, claim the developers.

Despite these attractions, leading brokers such as Edmiston, Burgess, Camper & Nicholsons and Fraser are keen to highlight other parts of the world, emphasising the adventurous and almost pioneering aspects of some trips.

Camper & Nicholsons offers specialist dive charters from Fakarava in the Tuamotu archipelago, one of the most underdeveloped island chains in the Pacific. The $100,000 a week sailing yacht Nelson is based there and works between the Tuamotus and the Society Islands.

Edmiston offers a 35m catamaran for exploratory trips up the Amazon and another of its clients has asked for bespoke heliskiing trips in New Zealand and South America using a yacht as "base camp". The Pacific Northwest, famed for its wildlife and exceptional fishing is another place some big yachts like to frequent.

Burgess offers luxury, deep-sea fishing safaris on a yacht based in Cairns on the Queensland coast, not far from the Whitsunday Islands.

The Middle East is also trying to persuade the market that UAE countries such as Dubai and Abu Dhabi are the "third destination" after the Mediterranean and the Caribbean and highlight that they offer perfect year-round conditions.

There would seem be more to attract clients ashore than afloat and the "for sale" signs that litter the developments notwithstanding, there are some remarkable attractions including indoor skiing and dune buggying.

Another growing phenomenon is the superyacht regatta, which offers a competitive dimension to ownership.

Some yachts can be chartered and events in St Barths in the Caribbean, Newport on Rhode Island, Palma in Majorca, St Tropez, and Porto Cervo in Sardinia provide some spectacular sailing.

This is highly specialised charter but with the help of professional sailors it is an option many clients are considering, particularly if they are in the market for a performance superyacht themselves.

These events are attracting increasing numbers. It seems that the one thing people aren't prepared to forgo in a downturn is their annual regatta.

Landlubbers learn to take to the water like ducks

PROFILE
SAIL IONIAN

Simon de Burton on a family-owned charter service that aims to cater for people at all levels

Yacht charter takes many forms, but to many people the words still speak only of something they cannot afford to do and which they never expect to experience.

But a British couple are intent on changing that with their small, family-owned company.

The aim is to have even total novices out on the water and sailing safely, confidently and independently in the fastest possible time, with the minimum of effort and at a surprisingly affordable cost.

Eight years ago, Neil and Di Bingham were living in land-locked Leicestershire and looked upon sailing as nothing more than an enjoyable hobby that provided some much-needed relaxation from the stresses of running their two businesses: in engineering and corporate entertainment.

But then a classified advertisement in a yachting magazine set them off on a whole new tack.

"We had been looking for a change of lifestyle and had decided to try our hand at yacht charter, so we ordered two Bavaria 38 yachts with a view to setting up a small business on the south coast of England," recalls 54-year-old Mrs Bingham.

"But then I spotted this advertisement for a charter company that was for sale on the Greek island of Lefkas. There wasn't much to it – just five run-down boats that needed a great deal of work."

Undeterred, the Binghams bought the company, diverted the two Bavarias to Lefkas and, in the spring of 2003, established Sail Ionian.

At first they worked from the back of their car, lived in a small rented apartment and took bookings by mobile telephone.

Now, however, the Binghams have sold their Leicestershire house, set up home in Greece and increased the fleet to 23 boats.

Their daughter Katy, 26, runs the firm's Royal Yacht Association-approved training school and their son Chris, 24, oversees the engineering side, while the couple look after the logistics of taking bookings and running the business.

"We set out to create a family-friendly charter service that catered for people of all levels, even total beginners," says Mrs Bingham

"We realised many people wanted to try a sailing holiday but didn't because they thought they needed at least some sort of experience.

"All charter companies have different ways of getting novices out on the water, sometimes using class-based instruction, providing them with a skipper or only allowing them to sail as part of a flotilla.

"Our aim is to provide basic, hands-on tuition and quickly get people to 'competent crew' level ,so they can be sailing independently in the minimum time and with the minimum of stress."

> 'We realised many people wanted to try a sailing holiday but didn't because they thought they lacked experience'

Mrs Bingham says many families simply use the yachts as floating hotel rooms, taking advantage of the Ionian's famously friendly and predictable winds to potter gently from bay to bay between the islands of Meganissi, Ithaka and Cephalonia, stopping to swim and enjoy long, leisurely lunches.

The company offers free tuition from a qualified skipper every Sunday afternoon and free mooring classes on Monday mornings.

All yachts have GPS navigation equipment, sea charts, safety and emergency gear, bedding, catering equipment and basic provisions.

If anything does go wrong, Sail Ionian's 300 horsepower rigid-inflatable boat promises to be on the scene in minutes.

The firm's inclusive approach has resulted in a large amount of repeat business and this winter, having gained the licence and coding required to make trans-Atlantic charter crossings, it is expanding its remit to the Caribbean.

Two 46ft Bavarias will make the crossing in about five legs, with places available on each leg to people who want to use the journey as a mile-building trip to gain experience.

A few clients have even embraced sailing to such an extent that they have entered the company's part-ownership scheme, which enables them to purchase a new Bavaria at a discounted rate, provided it remains on the charter fleet for five years.

Boom service: a Bavaria 37 moored in Kalamos. Many families simply use the yachts as floating hotel rooms Sail Ionian

Yachts

The battle against berth control goes on

CONSUMERS

The lack of superyacht marina places is a worrying constraint on the industry, writes Victor Mallet

Isabel Teruel, director of Ocibar, surveys work on the company's €80m project to expand Port Adriano in Majorca and turn it into a superyacht harbour Victor Mallet

Nick Maris, chairman of Camper & Nicholsons Marinas, the marina management and development company, has come up with an intriguing nugget of information about sought-after superyacht berths in the western Mediterranean.

Staff at the company's Moscow office used satellite pictures and other data to conclude that there were just 155 berths in the whole of Mediterranean France for yachts more than 40m in length. The fact that they went to such lengths in their research underlines how serious the shortage of berths has become.

Berthing in a safe, convenient and preferably pleasant harbour is an obvious requirement for superyacht owners and charterers, but the worldwide lack of marina places for large, luxury yachts has turned into one of the most worrying constraints on the industry: in spite of the global financial crisis, the number of superyachts afloat continues to grow, while the number of berths has barely risen.

"There are few things that affect the enjoyment and the cost of operating a yacht as much as your choice of home port," says Mr Maris. "Where you put the yacht can have a huge effect on the taxes and duties you pay."

Pointing to the western Mediterranean cruising waters of the Balearics, the French Riviera and Monaco, Mr Maris says "there haven't been berths built in those places for decades". He concludes: "Berths are in short supply and they will remain in short supply in premium areas."

The price of a multi-year lease for an expensive berth in the south of France ranges from about €8,000 to €12,000 per square metre of space. Even in an outlying destination such as Malta, where Camper & Nicholsons has a marina, prices have risen from €500 to reach €2,200 per sq m for a 25-year contract in recent sales, says Mr Maris. For a 100-metre yacht that works out at nearly €6m, a figure that would be tripled or quadrupled in a premium port.

Superyacht skippers are acutely aware of the challenges. Finding a satisfactory anchorage for a night or two is not too hard, but a marina pontoon in the high season is another matter. "Berthing gets to be more and more of a problem because there are more big boats around the world," says Phil Stevens, captain of the 60m Slipstream, shortly after being called away by the authorities in Saint-Tropez to move the vessel to a new location in the harbour.

Palma de Mallorca in Spain's Balearic Islands is the main superyacht hub in the region. In spite of a taxation system that has driven the big yacht charter business elsewhere, Palma is packed with superyachts in high season and low because of the proximity of good cruising waters and the cluster of big-boat marinas and yacht servicing companies in the bay.

Any extra berthing capacity is therefore likely to be welcomed by the industry, and Ocibar, a local company controlled by Banca March and the Zaforteza family, is providing just that with an €80m project down the coast from Palma to expand Port Adriano and turn it into a superyacht harbour.

"There aren't any other ports being built [in this region] where you can put superyachts," says Isabel Teruel, Ocibar director, surveying the 10-metre high harbour wall that has been built to protect the new berths: a rare Mediterranean addition of 82 places for yachts between 20m and 60m.

It was no easy task. After decades of sometimes unruly coastal development, European governments are reluctant these days to authorise construction near the shore. The company had to satisfy Brussels, as well as Madrid and Palma, that it was complying with environmental regulations and not destroying any underwater meadows of the protected Posidonia seagrass, and "it took quite a few years to get the permit", says Ms Teruel.

> 'There are few things that affect the enjoyment and the cost of operating a yacht as much as your choice of home port'

Then, in the midst of stormy winter, the concrete caissons had to be towed from the mainland by tug – a three-day journey – before being sunk in place to create the harbour.

Already about 40 per cent of the berths available for sale as long-term concessions until 2037 have been taken up by European owners, says Ms Teruel, and the first luxury yachts should be tied up by May 2010.

The investors are not content to build a simple marina but have opted for an underground car park, to clear the way for visitors to stroll around the harbour, and signed up designer Philippe Starck to add a flavour of modern luxury to the architecture. He is designing even the bollards.

"Obviously it makes the project more expensive, but it also makes it a lot more attractive," Ms Teruel says.

Given the global shortage of superyacht berths, it is perhaps surprising that Port Adriano has not sold out, but the global crisis has made even the super-rich more cautious and cost-conscious and berth space there comes at a premium of €8,000-€9,000 per square metre.

Ms Teruel believes the laws of demand and supply will nevertheless bring business to the port.

"It was lucky that we started before, so many of the berths were reserved before the crisis," she concedes. But she adds: "People are asking for discounts but we don't think it's worth it. Once this crisis has passed there will be a demand for these moorings for sure."

Asian Extreme series to augment the calendar

ISHARES CUP

Simon Greaves on an addition to the sport's offering

The iShares Cup, the Formula One-style international catamaran racing series, is to add a "winter series".

Race series organiser OC Events is developing the inaugural Asian Extreme Sailing Series for the Extreme 40 class, with regattas in the Middle East and Asia this winter, starting in November.

The series is expected to visit Hong Kong, Singapore, The Maldives and culminate in Muscat, Oman, the climax of the month-long Muscat Festival.

Mark Turner, chief executive of OC Group, parent company of OC Events, says: "The long-term intention is to develop an Extreme sailing series that has a high sporting integrity coupled with a unique B2B opportunity.

"We are developing an Asian series that will stand alone from the current European iShares Cup and for this winter we plan to have four events and hopefully up to six boats, growing to a full-scale series."

With only the Amsterdam regatta this weekend from September 25-27, which is the penultimate round of the European series, and then the final regatta of the series of six, at Almeria, southern Spain, from October 10-12, a team from Oman Sail with three regatta wins is on course to lift the cup this year.

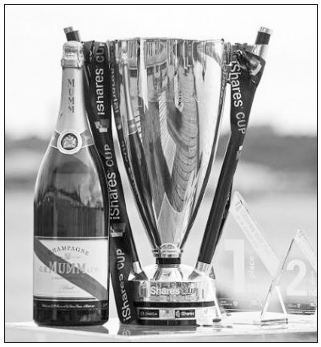
The current series, adding another venue in its third year of competition, started on the canals of Venice in mid-May, moving to Hyères, on France's Côte D'Azur, the UK's Cowes week in August, then Kiel, Germany, which will be followed by the canals of Amsterdam leading to next month's finale in Andalucia.

Oman Sail team's boat Masirah, skippered by Pete Cumming, goes into the next three-day regatta with a four-point lead over its nearest rivals, the joint second-placed GitanaExtreme-Groupe LCF Rothschild, from France with skipper Yann Guichard, and Renaissance with Loïck Peyron, the French multihull specialist also from Oman Sail.

The other teams in the running are France's Groupama 40 with Franck Cammas at the helm, BT led by Nick Maloney, BMW-Oracle Racing with America's Cup star James Spithill, iShares skippered by Scotland's Dame Shirley Robertson, France's Luna led by Erik Maris, the Dutch team Holmatro with Mitch Booth and Ecover with Mike Golding.

The Extreme 40 class has quickly established itself as a sporting spectacle, attracting 150,000 spectators last year, with its promise of thrills and spills in quick-bust races.

In Kiel this year, gusty winds resulted in a series of capsizes – the light and powerful boats can pitch-pole forwards spectacularly when overpowered, spilling crews into the water – and collisions, with a broken mast and a crew member with a head injury.



Precious vessel: Oman Sail is on track to win this year

Conditions on the short and tight courses of the Kiel fjord were particularly demanding, with the wind gusting at up to 30 knots.

The carbon-fibre boats, designed by Olympic champions Yves Loday and Mitch Booth, are built to fly a hull in medium winds of 8 knots and at each regatta go head-to-head with their nine rivals in as many as 18 races of up to 20 minutes duration, in a variety of inshore and offshore conditions.

> 'You can hear the crowd gasp as the fleet races at close quarters, avoiding contact by inches'

Mr Peyron has joined the line-up of stars taking part this year, which features world champions, America's Cup aces, Olympians, and round-the-world campaigners.

The French multihull stars competing this year include Franck Cammas and Mr Guichard, while Mr Peyron is holder of five oceanic multihull championship titles and won his third Artemis Transat transatlantic race last year. Other Olympic competitors include Carolijn Brouwer on Holmatro.

Gilles Chiorri, director of the event, says: "The boats accelerate quickly and even in light to moderate winds they lift their hulls, as they are designed to do, and that makes the racing and the experience for their onboard guests very entertaining.

"Once you get any kind of decent breeze, the racing becomes very intense and exhilarating – you can hear the crowd gasp as the fleet races at close quarters, missing each other or the harbour wall by inches."

iShares, which has sponsored the series for three years, says: " Without wanting to be a me-too sailing sponsor, we looked for something that would provide differentiation and ownership within the sport.

"During racing we offer our guests the opportunity to sail on board as part of the team by becoming the 5th member of the race crew.

"This unrivalled experience provides the clients with the ride of their lives and contributes heavily to the extraordinary client feedback".

The series has established itself as a platform for media promotion and corporate hospitality.

Among those to have taken advantage of this opportunity, at the Cowes regatta this summer, were yachtsman Simon Le Bon of Duran Duran, television presenter Ben Fogel, Formula One team Brawn's chief executive Nicky Fry and round-the-world sailors Sam Davies and Dee Caffari.

Later Mr Fry said: "The iShares Cup is just like Formula One. It combines high-technology, great teamwork and accessible entertainment for the fans."

The tender process to select race venues for the 2010-11 season is already under way, with more than 50 potential host ports expressing interest.

J Class revival recreates a playground for private racers

CLASSICS

Within a few years, the series of modern replicas and reconstructed versions should be complete, writes Richard Donkin

Joining the crew of a classic sailing yacht is like stepping back in time to the great age of sail. You can almost smell the mahogany on Hetairos, a 43m ketch built by the German yard, Abeking & Rasmussen.

Inside the saloon there is a piano and a wood-burning stove. It looks like the kind of boat Phileas Fogg would have used to win his round-the-world-in-80 days wager.

Yet Hetairos is a modern classic, designed by Bruce King and launched in 1993. It represents a vogue for combining classic-style sailing with all the comforts of a modern superyacht. Guests are entertained to candlelit suppers at an elegant wooden table with crystal glasses and monogrammed chairs.

Jens Cornelsen, the yacht's project manager, points out intricate features such as prism windows set in to the deck to shed light below. "The people who knew how to build this boat have since retired so you're looking at the last of its kind," he says.

As traditional skills become hard to find, however, it has not deterred a growing number of superyacht owners from exploring the classic marques, and few designs have attracted more attention in recent years than the J Class yachts.

Revival of the J Class has been a sailing phenomenon not unlike the success of the Goodwood Festival of Speed, the classic car meeting that has become an annual fixture in the sporting calendar.

The marque was saved from almost terminal decay by a handful of enthusiasts who began to take an interest in surviving yachts about 30 years ago.

Yachts that had been developed to contest the America's Cup between the wars, owned originally by wealthy sailing luminaries such as Sir Thomas Lipton, Sir Thomas Sopwith and William Lawrence Stephenson, were abandoned or scrapped during the second world war and a few surviving hulks spent most the of the 1950s and 1960s sitting on mud flats up the river Hamble in the UK.

Meanwhile the original lines plans and documents covering the UK yachts had been destroyed in a wartime air raid on Gosport. "We had surviving examples of British yachts and surviving lines plans of US yachts. So were able to put them together like building a jigsaw puzzle," says Gerard Dykstra, the naval architect who has worked on a number of restoration projects.

Gerard Dykstra and Partners were responsible for the latest J Class build, Hanuman, a replica of Sopwith's Endeavour II, launched at the Royal Huisman shipyard in the Netherlands in March.

The new yacht, owned by Jim Clark, co-founder of Silicon Graphics and Netscape, was raced against another J Class, Velsheda, owned by Dutch businessman Ronald de Waal, off Newport, Rhode Island, in July. "That's typical of J Class racing. These are privately-owned racing toys for rich businessmen. The owners will get together and race each other for a bottle of champagne," says David Pitman who runs the J Class Association.

"In their era, these were high-tech boats, the equivalent of Formula One racing cars and today the principle behind their build is just the same. They're using carbon masts and carbon rigging at the cutting edge of technology.

Close to the wind: J Class yachts taking part in the Maxi Yacht Rolex Cup 2008 in Porto Cervo, Italy. As yet there is no standalone J Class event Richard Donkin

"The hydraulic winching systems on board would make your eyes water. It used to take three minutes to hoist the spinnaker to the top of the mast. Now it takes 45 seconds."

The association has identified and ratified lines plans for 14 yachts, with another set – made up of the fore and aft ends of two different yachts – under consideration for approval.

The lines plans are for yachts previously designed or built.

A Swedish yacht, Svea, for example, is known to have been under build in 1937 but was never completed due to the outbreak of war.

> 'In their era, these were high-tech boats, the equivalent of Formula One racing cars, and today the principle behind their build is just the same'

Today it is under build again, making it one of the world's longest yacht construction projects – 74 years from design to its projected launch in 2011.

The next yacht in the rebuild and replica series, due to appear next year is Lionheart, while building work on another – Atlantis – has been suspended for the time being.

Within a few years, however, the J Class series of modern replicas and reconstructed yachts should be complete, representing a remarkable come-back for some of the most exciting racing yachts ever sailed.

"When Velsheda was refitted in 1997 we didn't know how to sail her. There were no manuals so we had to learn from scratch. But today, under racing sails, she is capable of matching many modern performance superyachts," says Mr Pitman.

Hitherto the J Class yachts have had to content themselves with the occasional duel or in sailing against modern yachts, in series such as the Maxi Yacht Rolex Cup, but plans are in the pipeline, says Mr Pitman, to seek sponsors for a standalone J Class event or series. "It's an exciting time for these classic racing yachts."

Superyacht Cup seeks a little Olympian lustre

RACING

The event, due to debut in Cowes, has been carefully timed, says Simon Greaves

When the Superyacht Cup makes its debut at Cowes before the Olympic games in July 2012, this class will be reaching out for support from enthusiasts who follow the America's Cup, the world and Olympic classes or the great round-the-world races.

This new four-day contest for sailing boats more than 25m in length builds on the success of the Superyacht Cup series in Palma, Mallorca, and Antigua that have been running since 1996.

The events have attracted some of the most prestigious privately owned yachts in the world. The organisers bill it as "gentlemen's racing", with a full social programme.

In 2007, the Palma regatta had a record entry of 52 of the largest sailing yachts ever mustered. The organisers hope the Cowes event will attract many of these sleek beasts, as well as some of the latest launches.

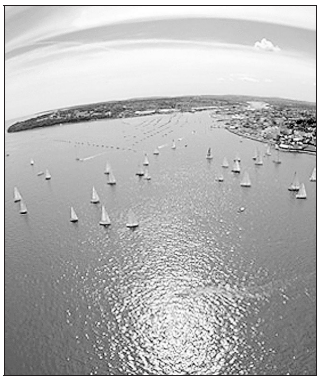
The Royal Yacht Squadron, the venerable Cowes club, which launched the America's Cup challenge in 1851 and was itself founded in 1815, will be responsible for race management and course setting.

The event is timed to precede the opening of the Olympics and the start of sailing classes off Weymouth on July 28.

Some participating yachts may sail up the Thames for the opening ceremony or to Weymouth where berthing arrangements are being made.

This year, the series, run by the Informa Yacht Group, added a new venue and a new title sponsor, Horus, for three days of racing by an 18-strong fleet in the Bay of Palma.

Eventual winner of the Bent Cleat Trophy was Marco Vogele's 32m sloop Gliss, built by Royal Huisman and designed by Philippe Briand, closely followed by the 46m Perini Navi Antara, skippered by Jonno Johnston and Thomas Bsher's 28.6m, Frers-designed Wally Open Season and then the Bruce King designed 39.9m Maria Cattiva, also built by Royal Huisman, the Dutch specialists.



View from a mast: the superyacht fleet off Cowes Kos Pictures

The event attracted helmsmen and skippers, including Volvo race star Mike Sanderson, America's Cup helmsman Peter Holmberg and solo sailor Nick Maloney. Boat builders and owners use the events to showcase their products and yards, and advertise boats for sale.

The organisers adopted the bucket rating system used in the US and Caribbean which calculates a yacht's performance based on design information and provides an individual starting time for each pursuit race.

Close finishes added to the excitement, with 15 yachts within 20 minutes, eight of them just 3 minutes 30 seconds apart.

The organisers, who are also behind the Monaco Yacht Show, the Abu Dhabi Yacht Show, the Phuket International Boat Show and the World Yacht Racing Forum, have set next year's regatta at Palma for June 23-26.

In the meantime, if you fancy a taste of big boat cruising or racing, then this could be a good time to pick up some charter bargains.

> The organisers of the event bill it as 'gentlemen's racing' with a full social programme

The Yacht Report quotes data from the Superyacht Intelligence Agency showing: "The brokerage market – charter, sales and purchase – has hit a low this year in comparison to the heady heydays of previous years.

"The industry has had to readjust to the to the new situation and while it is not all doom and gloom, we have certainly seen a huge reduction in yachts sold and charters booked."

It added: "Many yachts are being forced to accept discounts in order to secure charter bookings, with up to 50 per cent discounts being sought (but not necessarily given)."

The agency also revealed that 89 per cent of captains surveyed reported charter bookings down on 2008, with an average seven weeks less.

There are clearly bargains to be had. Camper & Nicholson, the yacht broker, which runs a 240-strong fleet of superyachts, says its average 2008 weekly charter fee was $160,000.

The basic cost of chartering a superyacht in the Mediterranean for one week averages about €100,000 for a 40m boat based on between six and 12 people sharing. To this is added fuel, staff costs, victualling and other charges.

Camper & Nicholson expects overall revenues from chartering to be down on the previous 12 months when the season ends this month.

Laurent Perignon, the marketing director, based in Antibes, said: "This season a lot of people made last-minute bookings and enquiries. Previous years have seen earlier bookings.

This year, there were more late negotiations on rate [of charter] and we have been able to offer deals where, say, delivery charges are not applied or an extra day's charter is added on with a bit of negotiation on rates, although there was nothing exceptional."

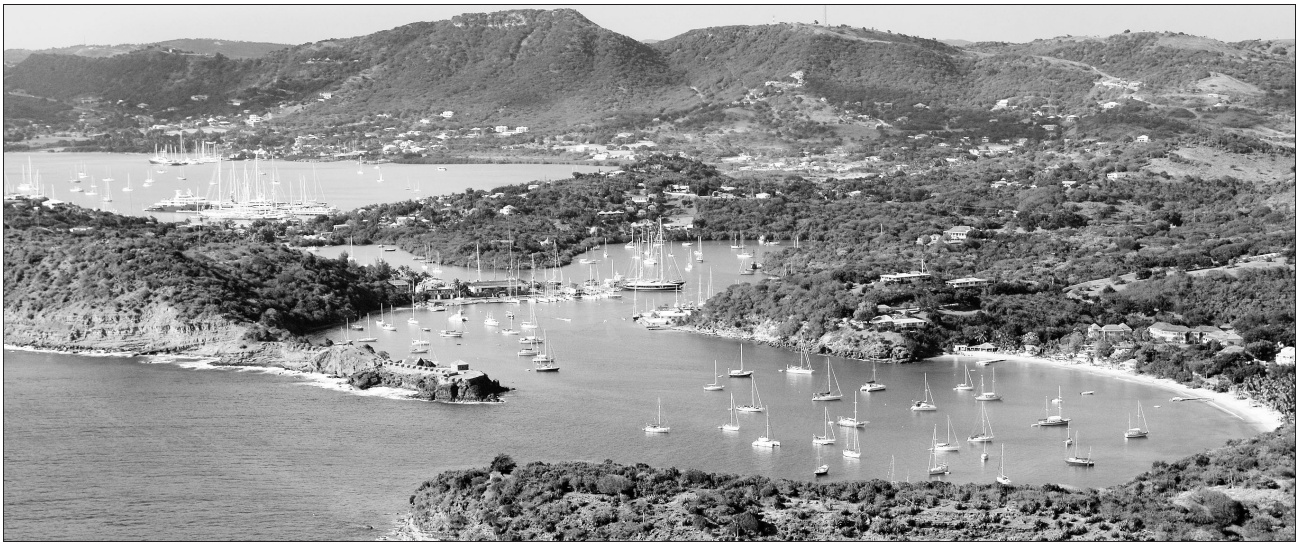
He reports a surge of interest in cruising the eastern Mediterranean, in the seas between Croatia and Turkey despite reduced demand overall at the end of last year and the beginning of this.

"Confidence has risen lately and we hope this will open doors to prosperity this next spring," he adds.

The bargains on offer could well tempt more sailors into the burgeoning superyacht sector.

www.thesuperyachtcup.com

Yachts



English Harbour on the southern tip of Antigua: the island is a popular destination for transatlantic sailors, with good hotels and one of the longest runways in the eastern Caribbean

A brilliant base but with a few drawbacks

ANTIGUA

The island has many advantages but drugs and petty crime are problems, says **Frances Howorth**

The island of Antigua is a hub of superyachting in the Caribbean for many reasons.

It is an easy destination for transatlantic sailors. It has good hotels, cheap flights and one of the longest runways in the eastern Caribbean.

The first Caribbean charter businesses were set up here in the early 1960s and many superyachts, especially sailing boats, now use the island as their main regional base.

A good deal of effort goes into attracting yachts finishing their Mediterranean season to winter there, and the Caribbean season traditionally begins with the island's annual Charter Yacht Show, held in December.

Started by the Nicholson family as an encouragement to charter yachts to use the island as a cruising destination, the show now attracts about 100 yachts annually.

One of the racing rounds of the Superyacht Cup takes place immediately after the show.

Antigua Race Week began as an informal race in April for classic charter yachts to celebrate the end of the Caribbean season.

Now it has been split into two world famous events: the elegant Classic Yacht Regatta and the more exuberant Sailing Week.

For years it was not all plain sailing for superyachts visiting the island.

Many bureaucratic procedures and practices dated back to the days when not only was there no competition from other islands but there were fewer visitors.

John Duffy, president of the Antigua & Barbuda Marine Association, has worked with government to ensured practices are updated with simplified immigration forms and more relaxed customs procedures.

He says: "Both the Association and the Ministry of Tourism are working to smooth the path and correct some of the erroneous impressions formed over recent years that Antigua is an expensive destination. It is not the cheapest but many items are available to yachts tax-free and the situation will get better when the 'duty free zone' is instigated."

The shoreside businesses that attract superyachts to the island, offering all forms of marine service, from maintenance to yacht shipping and delivery, are almost exclusively owned and run by expatriates.

Direct employment of locals in the marine sector is relatively small but many locally-owned businesses, from hotels, restaurants and taxi companies, to gift shops, banks and laundries benefit indirectly: not all yachting tourists come by, or stay on, boats and many more come for the regattas and shows, adding to the numbers needing shoreside services.

Direct and indirect employment in the marine industry is difficult to estimate because many businesses serve other sectors and could be said to work on the margins of yachting tourism.

But because the spend per head for yachting tourists is several times that of hotel visitors and up to many hundreds of times greater than cruise-ship tourists, direct and indirect employment in the industry certainly plays a substantial part in the economy.

Drug abuse and the rising incidence of petty crime is a problem for tourism though.

The fatal shooting in January of a young Australian, Drew Gollan, captain of the 50m sailing yacht Perseus, was a new low and damaged Antigua's reputation.

His death shook local and yachting communities alike. Some captains vowed to boycott the island and did, but most stayed or have returned.

Captain Chris Gartner, master of the recently sold superyacht Maltese Falcon says: "I will not abandon Antigua as my winter base, instead we will go back and support the local community and the companies that are based there."

Will Kaye, captain of the motor yacht Big Aron says: "The reality is that it needed something as drastic as this murder to happen for the Antiguan government to sit up, notice and take serious action.

"From what I have heard they have gone a long way to addressing the security situation especially around the scene of the crime, which was always a troublesome area." To date though, the promised CCTV cameras surveying the area have not been installed.

Superyacht owners have also, in some cases, decided to direct their vessels away from the island.

Neil Taylor, owner of the 90m modern classic superyacht Nero says: "We are unlikely to visit Antigua this winter as we currently have other plans although these may yet change.

"These new plans are not as a direct result of the incident last winter."

Nero had left Antigua the day before the shooting but on a couple of occasions Mr Taylor and his guests had felt less than comfortable.

He says: "The drug problem on the island is huge and we had to dismiss a crew member who had been unable to resist the temptations the island has to offer."

Hotels did not seem to notice a drop off in trade following the incident. The five-star resort hotel, Carlisle Bay reported that any decrease was only marginal.

Immediately after the event, the hotel reviewed all its security procedures while Antiguan police stepped up their routine visits to all hotels on the island.

John Maginley, Antigua and Barbuda's Minister of Tourism indicated that the country's yachting industry remained surprisingly resilient. The 2008-09 season saw no real drop in the number of visiting superyachts.

He says, "The services provided to the yachting sector are now an essential part of the country's economy, with yachting contributing a significant percentage of GDP.

"As such, the government has done everything possible to ensure the safety and security of our yachting tourists. Antigua has always been a safe yachting destination and our goal is to minimise the chances of any incident occurring."

Looking to the future, Mr Duffy of the Antigua & Barbuda Marine Association asks: "What will happen next season?"

He answers his own question saying: "As yet we don't know. Much will depend on how many yachts book in for the Charter Yacht Show in December.

"So far, 67 have booked in which is about 55 per cent of the usual total and about par for this time of year."

Intelligence and preparation are vital in the fight against piracy

It is only a matter of time before a superyacht off the African coast becomes a high-profile target of Somali pirates, according to Paul Kerr, managing director of Proform Marine, a security firm based in Scotland that employs former UK military personnel.

Luxury yachts, owned by some of the world's wealthiest people, currently move between the Mediterranean and the cruising areas of the Seychelles, Mauritius and the Maldives via the Suez canal, passing through the pirate-infested waters off Somalia. "Pirates have better, faster boats and are able to operate at night, up to 300 miles off the coast," Mr Kerr says, adding, "If they can pick off a container ship doing 25 knots with a high freeboard they can certainly attack a shiny white superyacht that sparkles in the sunlight offering a very rich-looking target."

The company has seen a surge in demand for its services over recent months as piracy has made headlines again.

As well as training superyacht crew on how to deal with attacks, the company provides escorts and advises on the use of deterrents such as Sea Owl, high-pressure water hoses and long range acoustic devices that have been used successfully. They are currently investigating ways of linking Sea Owl into non-lethal but highly disruptive laser devices.

Intelligence

"Pirates are getting very good intelligence on vessels and are learning about those heading to and from the Suez Canal," says Graeme Gibbon Brooks, chief executive of Dryad Maritime, a company that researches the nature, behaviour and problems posed by pirates and sea-going drug and people traffickers.

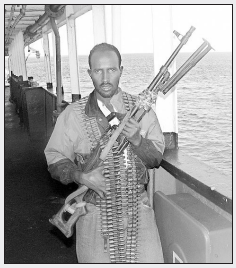
While no superyacht has yet been attacked, pirates have targeted "lookalikes", such as the French passenger vessel, Le Ponant, which was seized while sailing without passengers from the Seychelles to the Mediterranean.

The threat that a superyacht will become a target has prompted some owners to instruct captains to embark armed guards. The carrying of arms on board puts owners into complicated legal situations, but some see it as necessary.

The 64m Perini Navi yacht Felicita West was in the Red Sea, on passage to the Seychelles, when the two armed security guards were contacted by colleagues on a ship two days ahead. Pirates had attacked their ship and the security guards were forced to jump into the sea in fear of their lives. Felicita West immediately diverted to Sharm el Sheikh and there, after discussion with her owner, turned round and returned to the Mediterranean.

Dianne Feinstein, a Democrat US senator, has called for US-flagged shipping vessels operating in the Gulf of Aden, the Straits of Malacca, or any other high-risk piracy zone to have armed security teams aboard.

US lawyer Michael Moore who specialises in superyacht work agrees: "I believe in peace through superior firepower. If my clients are planning to travel through areas frequented by pirates, I recommend having crew trained and armed. The captain should be given the flexibility to commence firing as soon as he or she perceives a threat from an unidentified vessel, which approaches and refuses to turn back." Not exactly a conventional point of view, but one says Moore: "That has worked with 100 per cent success to date."



Full metal necklace: a gunman on guard AFP

Protection requires brains not brawn

Intelligence rather than gunfire is the preferred option of UK superyacht crew sailing in pirate-infested waters off Somalia.

There are several reports of yachts having been threatened or approached by attackers but none boarded. Douglas Hinckley managing director of Joint Contract Bodyguards believes the unarmed approach is a more prudent and ultimately better route to follow. He says the aim is to give peace of mind through heightened security measures provided by an experienced team.

The company has a close relationship with Dryad Maritime. Together they offer trained guards supported by a constantly manned operations room that provides live intelligence, plus advice and information during the passage through a high-risk area.

Profiting from piracy at sea

Custom and immigration services in countries around Somalia, from Egypt to Oman, are reportedly preventing protection personnel who are going to join vessels crossing pirate-infested waters, from transporting security equipment through their airports.

The Djibouti government requires security teams to register with a company called Djibouti Maritime Security Services, a government-appointed liaison service, and to have a special licence. Fees are set at $15,000 a month, $80,000 for six months and $150,000 for a year. Weapons can only be hired from the Djibouti armed forces.

Former Royal Navy officer Paul Cook, now a superyacht industry consultant says: "The cynic in me sees ideas such as these as another money-generating initiative by a government seeking to profit from the piratical trade."

Michael Howorth

Where innovative concepts first see the light of day

TECHNOLOGY

Superyachting often pioneers systems that then filter down to everyday use, writes **Michael Howorth**

Superyachting is to sailing what Grand Prix Formula One is to motoring. It is at the top end of each activity that technology is pioneered and then filters down to everyday use.

Superyacht owners have the purchasing power and tendency to one-up-manship that drives them to seek out newer and better onboard technology.

The high-tech systems used for navigation, communications and entertainment make up a large part of the cost of a superyacht.

Even more money is spent on such things as security devices, stabilisers that ensure the yacht does not roll even when at anchor, and dynamic positioning systems that keep yachts stationary without the need to anchor.

Entertainment

The global economic situation has affected everyone. Even those wealthy enough to afford superyachts are thinking twice before investing in a new vessel. As a result, they are more likely to upgrade and refit.

News feeds, streaming TV, podcasts, YouTube, Twitter, and Skype are sought by those who live aboard superyachts. This often requires an upgrade or refit of the audio-visual/IT system.

The refit business is one of tight schedules, having to make use of the limited downtime when the yacht is not in use. Quick-to-implement systems that use existing cabling infrastructure will therefore be favoured, for example an Internet Protocol (IP) system.

Despite the economic climate, Linn Products, the maker of music and home cinema systems is doing quite well in the superyacht market. Its Linn DS players, for example, access and play back music files securely stored in an external network storage device.

Lantic Entertainment Systems is another developer and supplier of audio-visual systems for large production boats and superyachts.

The company has developed software that should next year bring HDTV to vessels. It will enable Blu-ray discs to be ripped and stored on servers, allowing the creation of HD video libraries that can be streamed to multiple locations on board.

Advanced New Technologies has developed a 3D cinema for larger yachts.

Communication

Many superyachts operate as businesses and are used by businesspeople, so there is a demand for reliable communications. WaveCall from the Oslo-based Marlink provides, reliable internet and voice services.

Digital Yacht of the UK has created a selection of long-range access devices that allow superyachts to hook into land marina internet access points when up to five miles offshore.

"Accessing a local wi-fi hot spot costs $5-$10 a day compared with $10 a minute for satellite access," says Nick Heyes, managing director.

Global Satellite USA of Fort Lauderdale, Florida, found its superyacht clients were looking for more reliable and affordable communication.

So the group developed MCG-101, an Iridium single-channel satellite communication system based on IP technology.

This provides a telephone, internet portal, GPS device, SMS, RS232 and CAN device in one package, weighing less than 2 kilos.

> Devices that show underwater obstacles in 3D are useful when trying to pass through a reef or find a spot to anchor

Inmarsat has launched the FleetBroadband 150, a mini version of the previous FB250, to provide voice and high speed data delivery.

Navigation

Digital Yacht has also found a niche market for its AIS technology on yacht tenders. The product transmits the position of a vessel to other boats in the vicinity.

3D forward-looking sonar is another area where companies are pushing the boundaries of technology. Devices that show underwater obstacles are useful when yachts are trying to pass through a reef or find an obstruction-free spot to anchor.

Among the leaders in the field is FarSounder, whose customers are mainly military. The company's long-term aim is to reach a range of one to two miles at a speed of 35 knots.

At the moment, there is an Extended Range product available with a range of 800m to 1,000m at a speed of 25 knots. The standard product in use has a range of 440m, so this is a big increase.

Radar target detection has developed rapidly in the past year, thanks to the introduction of HD digital technology. Now the benefits of these systems are available to more yachts, with the launch of HD digital radomes from suppliers such as Raymarine. Compact 4kW domes are the most popular radar transmitters for the majority of users. These transmitters aim to provide superior detection and resolution.

Engineering

One innovation that has changed the superyacht world is the invention of "ZeroSpeed" stabilisation by Quantum Marine Engineering of Fort Lauderdale, Florida.

This much mimicked dual-purpose technology permits yachts to be stabilised both when under way and at anchor.

The company has continued to upgrade its patented variable geometry MagLift rotary system. This is based on the physical effect noted by the German chemist and physicist Heinrich Gustav Magnus (1802–1870), whereby a spinning object in a fluid creates a whirlpool around itself and experiences a force perpendicular to the line of motion.

Quantum's stabilisers can be folded away when not needed so reducing drag.

Security

Proform Marine has introduced laser technology into yacht security devices in conjunction with a Finnish laser company. The disruptive laser system's effective range varies from 1m to the horizon, depending on the security level required.

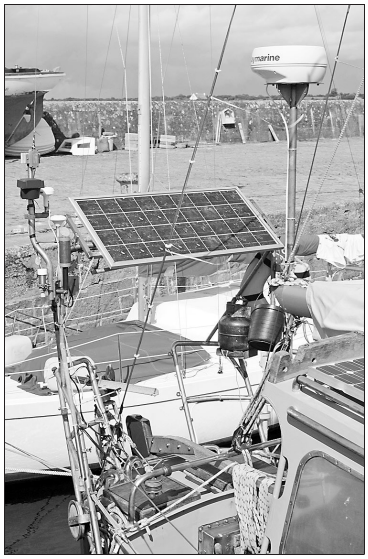
Using a laser alongside powerful, bullet-proof, waterproof, thermal imaging cameras, the watchkeeper can fire the device and make those on a threatening vessel momentarily nauseous and disorientated.

The closer the device the harsher the outcome, but it causes no long-term damage. Unlike other disruptive laser devices, wearing sunglasses offers no protection.

Underwater security is an increasing requirement in both the private and state sectors. FarSounder is ready to introduce a 360° diver detection system to complement a recently developed diver localisation sonar.

All cutting-edge stuff and in time many of the systems and innovative concepts that first see the light of day aboard superyachts will filter down through the boat building process to become standard fits on yachts in the future.

Ways to shrink your hullprint



Current ideas: solar panels are easily to fit Alamy

ENVIRONMENTAL SYSTEMS

Fiona Harvey considers the options for reducing power consumption on board

There are few greener modes of travel than a boat under canvas. Harnessing the wind produces enough energy to haul vast and heavy vessels across the seas and even a trip in a light pleasure craft recalls the age when sail ruled the world's trade routes without a whiff of greenhouse gas emissions.

Little wonder then that Dame Ellen MacArthur, one of the world's most celebrated sailors, is now a champion of the green cause.

With sponsorship from BT, the telecoms company, she is now travelling the world to talk about environmental sustainability, and has improved her onshore carbon footprint by building her own eco-house complete with solar panels and wood-burning stove.

She lists her new goal as "to be an agent for change, helping big businesses find practical and effective ways to help reduce humans' footprint on the planet".

As leader of BT Team Ellen, a group of sailors who take part in ocean races and other yachting challenges, she has ensured they are, "a team who care about the state of the planet they race around, and are striving to live and work in more sustainable ways".

With that example in mind, owners of sail-powered yachts might like to pat themselves on the back about the environmental credentials of their chosen pursuit.

It is nonpolluting, brings them in close contact with the natural world and is a great example of "green" power.

However it is worth noting that yacht sailing has not quite achieved "carbon-neutral" status.

Modern vessels have a wealth of gadgetry that can quickly rack up greenhouse gas emissions. In response, many owners are trying to make their yachts greener.

Renewable energy is the most obvious first step.

As well as using the wind for propulsion, yachts can be fitted with small wind turbines that generate electricity for onboard use. Depending on the size of the turbine and the vessel, these may generate enough power to run the lighting and some or all of the electronics, though there should always be a back-up source of power in case of calm or light winds.

Solar panels can also easily be fitted – a small panel on a pole near the stern is a common sight, but larger panels can be fitted all over boats, even on decks and cabin roofs, as these days they can be tough enough to withstand crew clambering over them.

> Modern vessels have a wealth of gadgetry that can quickly increase greenhouse gas emissions

There are even flexible panels that can be attached nearly anywhere, or panels incorporated in fabric that can be rolled up or used as awnings.

There are two types of solar panel: photovoltaic units, which turn sunlight directly into electricity; and solar thermal models, which heat water.

Both are useful, but beware that the amount of power generated by PV panels may be small relative to the surface area. A panel attached to a backpack and left in strong sunlight for a couple of hours generally creates enough to recharge a mobile phone.

Energy generation from both types of panel is intermittent and unpredictable. Although the sun can be guaranteed to rise in the morning, the strength of the sunlight will determine the amount of energy created.

Storing power for later use is essential therefore. Batteries are standard issue for yachts, but a bigger and more efficient one might be needed if a yacht is to use renewable energy, rather than relying on the diesel engine.

Valence Technology of the US, for instance, makes lithium batteries, including one that provides energy storage for the 190 ft superyacht, Ethereal, owned by computing billionaire Bill Joy (*see story below*).

There are also hydroelectric systems that generate power while under sail, although they produce some drag.

Depending on the amount of low carbon power you wish to generate, most of these technologies will cost from several hundred to several thousand pounds.

Even if oil prices are high, it would take years to recoup the outlay in savings on fuel, so increasing a vessel's self-sufficiency and decreasing its carbon footprint by means of smaller, cheaper measures are likely to be much more attractive to most sailors.

You can cut down on power use at a stroke by installing LED lighting.

The Berret Racoupeau Yacht Design team has developed a boat with an interior entirely lit by LEDs, although the 40 sq m of solar panels integrated into the structure and two hydro electric generators add somewhat to the cost.

Seriously environmentally minded sailors can also invest in systems to harvest rainwater and desalinate seawater and can install waste compacting machines.

Finally, solar power is an expensive option to run gadgets. What about old-fashioned clockwork as an alternative?

Modern clockwork technology allows you to use elbow grease in the first instance, to power mobile phone chargers, radios, torches and other small gadgets.

Sailing can be hard work.

Ethereal sets a permanent marker

From the outside, the 190ft ketch Ethereal, owned by Sun Microsystems co-founder Bill Joy and his wife Shannon, looks like a fairly regular superyacht.

Its line is modest by today's standards, but beneath the conservative look lies a story of intense research led by a man determined to find more efficient means of propelling yachts and supporting their increasingly complex onboard systems.

Extraordinarily, Ethereal is Mr Joy's first yacht and he commissioned one of the world's best supersailing yacht builders Royal Huisman in the Netherlands to construct it.

In naval architect Ron Holland, he chose a safe pair of hands to design a vessel based on a proven formula, so that he could concentrate his research on a hybrid propulsion system, better insulation and a host of energy-saving improvements.

Taken as a whole, they reduce the yacht's power consumption and thus emissions by an estimated 25 per cent.

> Fully charged, lithium cell batteries can drive it almost silently at 11 knots for two hours

Mr Joy started the Ethereal project six years ago by questioning almost all the received wisdom on energy consumption on board a yacht. He, along with Al Gore, the former US vice-president and environmental campaigner, is a partner at US venture capital firm, Kleiner Perkins Caufield and Byers.

He quickly had to abandon the idea of fuel or solar cells, the latter set in sailcloth, because neither was advanced enough to meet the challenges set by such a big yacht.

He reckons it will be 10 years before fuel cells are up to the task, but he has designed Ethereal so it can be retro-fitted. One thing he didn't want was a white elephant.

Most yachts need an internal combustion engine to drive them but Ethereal, although fitted with twin 714hp Caterpillar diesels, can operate in what Mr Joy refers to as "stealth" mode, using a huge bank of lithium ion phosphate batteries.

Fully charged, via an electric shaft motor, the batteries can drive Ethereal almost silently at 11 knots for two hours, with all the onboard systems operating, from sewage plant and laundry to push button sail management and powerful communications systems.

Like phone batteries, the lithium cells not only have a much longer life than conventional batteries, but can be fully charged from flat within an hour and there is a massive power to weight ratio advantage.

Charging can be achieved either by running the main propulsion engines and using the shaft motors as generators or by firing up one of two main generators.

This hybrid drive train is low on fuel use and emissions, an achievement that is further enhanced by Mr Joy's work on insulation and an almost obsessive determination to install LED lighting (there are more than 300 lamps onboard) which is dimmable and does not emit the harsh light for which it used to be notorious.

Most importantly it doesn't waste energy like a traditional bulb, which turns 90 per cent of the energy used to heat, with only 10 per cent ending up as light. With LED the figures are more or less reversed.

The combination of reducing heat and building in highly effective insulation – the sort used in refrigerated lorries – means that one of the biggest power draws on a yacht – air conditioning – is sharply reduced.

In turn this means that the twin generators, instead of being 140kW – normal for a yacht of this size – are rated at just 90kW, which represents a further significant saving in fuel consumption and emissions.

Mr Joy's scientific career included writing part of the computer program the iPhone is based on, so unsurprisingly the entire yacht can not only be controlled but also programmed using tiny touch screens installed throughout. By fine-tuning systems in this way, Mr Joy can further reduce waste.

He admits he hasn't achieved all he set out to and that some of the technology has already been matched and overtaken, but he has certainly laid down a marker for the superyachting industry, which until now has been notoriously wasteful when it comes to energy.

David Glenn

Good-looking as well as green: Ethereal at anchor

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Any construction is the result of teamwork, in which knowledge, intuition and passion are shared. Strong foundations are at the basis of its development, essentially those assumptions that extend far beyond time and circumstance, as they are the very values which feed a business project, transforming it into a vision of both the world and work. Commitment, devotion, efficiency and research have always been fundamental aspects of the Ferrettigroup and have now returned to the hands of its founder Norberto Ferretti, who is ready to steer the company towards the new horizons of the future with renewed strength. Ferrettigroup, a great challenge which begins with the sea.

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Yachts

Sail power so great it has a 'whoa!' factor

AMERICA'S CUP

In spite of legal wrangling, the teams are looking forward to the race, writes Simon Greaves

High expectations: the Alinghi 5 catamaran is airlifted across the Alps to its temporary Italian training base in Genoa Guido Trombetta/Alinghi

The mission, to win the America's Cup in the Gulf next February – the 33rd edition of sailing's oldest and most prestigious trophy – pits two specially designed multihull boats – the Swiss team's Alinghi 5 catamaran and the BMW-Oracle trimaran USA against each other in a best-of-three long-distance race contest.

Previous competitions have involved about 10 challengers but this time Alinghi is defending the title against BMW-Oracle alone following repeated New York Supreme Court challenges from BMW-Oracle over the rules. These have centred on the design and dimensions of the boats, and the timing and venue.

This month, Fred Meyer, vice-commodore of Alinghi's home club, the Société Nautique de Genève, complained: "This is the sixth time they have taken the defendant to court. It is possible that Larry Ellison [the software billionaire who heads the BMW-Oracle Racing team] continues to revert to the courts to draw attention away from the fact that their boat does not meet the dimensions as per the certificate of challenge."

For their part, the BMW-Oracle syndicate, based in San Francisco, say they went back to court this month to stop what they claim is unfair manipulation of the rules by the defending champions. Their spokesman Tom Ehman says the syndicate took its latest court action because the Swiss have issued a measurement rule that, if allowed to stand, would disqualify the US trimaran. "It's just another step in our fight for fair and competitive rules," he says.

In spite of uncertainty about whether the race will even take place because of legal wrangles, Alinghi is pressing on with training and testing.

In the dock, the dimensions alone are staggering: a 90ft craft with a taut trampoline deck the size of two tennis courts. It contains three times more carbon fibre than the 2007 winning monohull, it has one reaching sail of more than 1,000sq m and a mast the height of a 20-storey building. Its sail suit, with a mainsail, jib and one or two gennakers, is designed to make this ultra-light boat travel at up to three times the speed of the wind.

For Paco Lattore, Alinghi's head of communications and spokesman for Ernesto Berterelli, the team's owner who will again sail in the crew of 14 to 16, the race cannot come soon enough. "We have two boats with state-of-the-art technology and design that after two years of legal processes had been doing anything else but sport. So let's just go and race!

"Since this contest was unveiled the interest has been massive. The concept of a one-on-one showdown is very unusual. It could well be remembered like the Ali-Forman boxing match

With less pre-race jostling than in 2007, there will be a 40-mile race (20 miles upwind and 20 down), then a second on a triangular course of three legs of 13 miles, followed by a decider, if required, of another 40 miles.

Skipper Brad Butterworth says the catamaran's performance "will be of critical interest to scientists, designers and sailors".

The boat will use hydraulics to power winches, which partly allows for the smaller crew. Although sheets have broken in training under the immense loads, nothing major has failed.

"The America's Cup is the pinnacle of this project-structured sport, with so many people involved. It's expensive with a lot of resources and technology needed to win. This race is a shake-up for the cup but the cup is resilient and it will go on."

"But our design people have come up with an exciting, fast package which is performing close to our expectations. We will make changes to the boat. There is another mast, slightly taller, coming."

Team strategist Murray Jones, often seen climbing the Alinghi mast, says: "The boat is much lighter than any boat this size before. We are pushing the limits so there is a lot of development to come. It will be going a lot faster than it is now and we do not feel vulnerable in any area.

"In the future we will see more multi-hull racing at this level. It is very strong in France where it has captured the imagination of the sailing community. Now our team, too, has embraced the challenge."

Ed Baird, the 2007 cup-winning helmsman, says: "I was lucky to be included because in 2003 I was not part of the process. In 2004 it was unusual. Suddenly I was on a defending team, having not won it. I was asked to come along and help drive. I just did my job.

"The management process of our group at Alinghi provided the opportunity and gave us the tools to do it. We have different tools this year in a different race. The distances have tripled and the boats are substantially larger which results in much more power. The close battling component is fading and we are going instead to see two thoroughbreds allowed to run their hardest.

"We have been ripping past other boats. There is an absolute power factor, when you pass another boat its like being on a TGV. Someone asked if there was a wow factor. I say is not so much a 'weee' experience as a 'whoa' feeling."

Rolf Vrolijk, chief designer, says his team has worked from scratch on the catamaran with no reference to any boat that exists, particularly with regard to the loads and forces predicted. Most critical was its weight to sail area and power data.

> 'We have two boats with state-of-the-art technology and design that after two years of legal processes have been doing anything else but sport. So let's just go and race!'

He says the differences between the performance of the two boats is not as great as some think. "If you reduce one appendage's exposure, say a rudder, by say 5 per cent, it makes a difference over the whole race of over 1,000 metres, but in speed terms less than one-hundredth of a knot."

He says Alinghi 5 is the fastest boat he has built. But alongside the advanced technology there are old-fashioned touches, such as the hand-drawn pencil sketches Dirk Kramers, senior structural engineer, uses to illustrate modifications or the black electrical tape fastened to a spreader. Sailors are natural improvisers.

Both the boats that go head-to-head next year will make a mark as historic as the 150-year-old schooner America, the first boat to win the cup in 1851.

An office window with a pleasantly varied view

SKIPPER PROFILE
PHIL STEVENS

Victor Mallet meets the captain of 60 metre luxury vessel, Slipstream

Fifteen years ago, Phil Stevens decided he was bored with his "humdrum" desk job as a contract manager for a security equipment company in the landlocked English county of Shropshire.

He and his partner – now his wife – travelled abroad and found jobs as deckhand and housekeeper on Arctic P, a 90m salvage tug converted into a luxury yacht and owned by the late Australian media tycoon Kerry Packer.

"Suddenly it dawned on me: 'I quite enjoy this life'," Mr Stevens says from Saint-Tropez in the south of France, the latest glamorous harbour where his superyacht work has taken him.

After years of working his way up through the ranks and taking examinations, he is now the captain of Slipstream, a 60m luxury yacht and one of the world's largest.

With determination and a little luck Mr Stevens has landed what many wheyfaced office workers would regard as the perfect job.

His boss – Jack Cowin, a Canadian-born, multi-millionaire businessman who owns Hungry Jack's, the Australian fast food chain – is congenial; sunshine is almost guaranteed, as the crew take the motor-yacht on its seasonal rotations between the Mediterranean and the Caribbean, with the occasional foray into Asian waters; the passengers are wealthy and usually interesting; and the pay is not bad either.

Superyacht skippers tend to spend little time sunbathing and many months of the year away from his or her family. They are crucial members of the network of suppliers and service personnel that keeps a boat running and do not even have much time to spare for driving the vessel: a skipper is a bureaucrat, finance director, hotel manager, security officer, contract negotiator, diplomat and navigator rolled into one.

"Between 90 and 95 per cent of it is administration and paperwork now, and only about 5 per cent actual chart work," says the 43-year-old Mr Stevens, who has worked for Mr Cowin for more than eight years. "I'm pretty much an administrator."

That is not to say the job lacks challenges. All superyacht skippers know, for example, that guests and their millionaire-sized egos can be extremely demanding.

The kind of person who can afford to pay €343,000 plus food and fuel for a week's boat charter – those are Slipstream's rates – does not like being told that a particular destination is impossible on a particular day or that some culinary delicacy is unobtainable.

"It's difficult, but I do love my job. I really enjoy what I do," says the enthusiastic Mr Stevens. "It's so much the top end of the service industry."

A skipper is also responsible for adhering to the rules of the International Safety Management (ISM) Code, which covers safety and pollution control, and the International Ship and Port Facility Security (ISPS) Code, the anti-terrorism measures introduced after the 9/11 attacks in 2001.

More prosaically, a captain has to ensure the vessel in his charge has a safe and pleasant anchorage or a marina berth for the night, in an era when berths are scarce and superyachts ever more numerous.

> 'You're looking after €50m-€60m of equipment, 15 crew and 12 guests. Wrong decisions can be expensive or dangerous'

Mr Cowin likes his luxury yachts to pay their way as far as possible, with as many as 20 weeks of chartering annually. That has allowed Mr Stevens to see the ups and downs of the market in recent years, first at the helm of the old, 43m Slipstream (since renamed Silver Dream) and now with the new, 60m incarnation completed at a northern French shipyard only in May this year.

Back in late 2001 and early 2002, Caribbean waters were exceptionally quiet after 9/11, as US clients stayed closer to home. Thereafter, the superyacht market experienced a period of frenzied growth, as oil tycoons from Russia and the Middle East vied with US and European financiers and entrepreneurs to buy and charter luxury yachts.

In late 2008, the collapse of Lehman Brothers and the global financial crisis brought the expansion to a shuddering halt. After years of price increases, holiday-makers started negotiating discounts and booking at the last minute, in the hunt for better deals.

"It's not just the crisis, it's a reality check," says Mr Stevens. "It had to happen eventually."

But optimism is trickling back into the superyacht world and even in the depths of a financial crisis, there is a vessel to be managed and – in the case of Slipstream – up to 27 lives to be looked after on board.

Superyacht skippers typically earn salaries of €12,000-€20,000 a month, so they are not cheap, but the best are experienced, well-trained and must be ready to shoulder the same kinds of responsibilities as an airline pilot.

"You're looking after €50m-€60m of equipment, 15 crew and 12 guests," says Mr Stevens. "Your decisions can be very expensive or dangerous if you get them wrong."

A berth in Saint-Tropez, however, seems a long way from the desk he left behind 15 years ago.

"Now," he says, "I look out of my office window at a different location each day."

Top sea dog: 'It's difficult, but I love my job' Andrew Winch