

# Yachts of opportunity in the hidden fleet

special report

THERE is one red ensign fleet that is rapidly expanding and offering an increasing number of jobs for British seafarers. Welcome to the world of luxury yachts. In this special report, NIMMAST member Captain Michael Howorth — a consultant to the sector — describes the opportunities it offers.

**BACK** in the 1970s when Britain's docks were lined with ships flying the red ensign our fleet was highly visible and very much on show.

Nowadays to witness quaysides lined with vessels flying the red ensign you have to call at ports such as Antibes, Cannes, Viareggio or San Remo. Further afield, ports in Antigua, St Lucia, Grenada and Trinidad are bursting with craft all flying red — for these are the cruising grounds of our hidden fleet, the world of luxury yachting.

Forget the words 'mega' or 'super' yacht. These superlatives are not used in the true world of the large yacht, but likewise do not use words like cowboy or amateur when describing those who sail in them, for nowadays they are a highly professional bunch and are becoming more so.

In September 2003, market analyst Malcolm Wood of the International Yacht Organisation and the Yachtregister.com reported that of the total fleet of 2,383 large yachts over 30m in length, no fewer than 1,004 were flying a red ensign.

Of that figure, 340 are flagged in the UK and the remainder fly flags of the offshore British territories.

In tonnage terms, the largest yacht in service at present is the Saudi Arabian Al Salamah at 10,000gt with a crew of 96. It is estimated that the number of crew employed in the world fleet is around 20,000 persons. If these numbers amaze the reader, then get a calculator out and work out the net worth of the average yacht — when the total net worth of the fleet probably way exceeds a figure conservatively estimated at US\$15bn.

Some 94% of this fleet is foreign owned, that is to say by people not resident in Great Britain, and the numbers buying a yacht for the first time continues to grow on a year on year basis. In fact, only the potential shortage of suitable harbours or trained crew seem to be the inhibiting factors on this continued growth. It should also be noted that there are around 400 yachts over 30m currently under construction or on order for completion in the next three years.

A large yacht is one whose length overall is in excess of 30m — but this is a world where size truly matters and it is not so uncommon to find yachts well in excess of 100m carrying crews of 40 and upwards. As these yachts become larger, tonnages expand and crew numbers grow and the line that divides them from the commercial merchant fleet becomes very faint. An increasing number of yachts are being built where passenger accommodation exceeds 12 or where the tonnage is larger than 3,000gt. As soon as either of those figures is reached, the manning requirements demand that only commercially qualified personnel may serve aboard.

Yacht qualifications held by those who crew the large yachts have come a long way in recent years. No longer is looking good in a pair of white shorts sufficient to gain command. Now a master of yachts flying the red ensign must hold a Master's certificate issued by the MCA, and such certificate must be endorsed Yachts to 3,000gt. Obtaining that certificate has become a much more formalised issue and is now closely akin to that of the commercial world.

The MCA is the only authority around the globe to issue separate certificates to yacht crew. Elsewhere, the world of commercial shipping dominates, and yacht crew have to hold those certificates. This does not mean that yachting is a closed shop to the commercial seafarer, far from it — an unlimited master certificate expires every five years, and those who do not do those for engineer officers, as indeed do commercial certificates as a result much in

demand by large yacht operators.

Unlike merchant ships, yachts are not run as fleets — although there are owners who possess more than one yacht. Instead, they operate more like a country house or a second home



where the master is the manager taking charge of the day to day operation — including hiring of crew and planning reefs.

True, there are professional management companies engaged by owners to look after their interests but the increasing trend by yacht captains is to look to these companies for shore support rather than management by head office.

This shore support is often needed because yachts are, by their nature, complex and demanding and regulation along with treaties are beginning to bite into the world of luxury yachts. ISM and MCA compliance has become more of a complex issue and yacht captains need the assistance of these management houses ashore.

Several yachts have tried to provide their own in-house designated person ashore to cover ISM requirements, but have found the concept daunting. Now specialist firms based in yachting centres around the world are springing up and offering to do the job for a fee. Large firms more traditionally associated with the buying and selling of yachts and charter management have set up management divisions to offer a complete package to owners and this approach has found favour with many. These houses are often asked to find crew for the yachts and as a result have also set up their own in-house recruitment divisions which scan applicants and suggest names to owners. Just as specialist management firms have been created, so too have agencies that deal exclusively with supplying crew to work on these luxury vessels.

In nearly all cases, save but very few, the crew essentially work for the captain and the captain is directly appointed by, and answerable to, the owner. This relationship has its good points and conversely, bad. On the good side is the relationship that builds between them. This bond can last a lifetime, with a captain following an owner from yacht to yacht, acting as his agent and confidant. But the yacht may also be a perilous place for employment and the field-finger of fate that drives an owner's disposable income can just as quickly be the demise of a position as captain on a yacht.

In short, there is no such thing as job security in yachting. Boats are sold at the drop of a hat, owners change their minds on a whim and the first a captain or crew may learn three gold bars and a salary of \$6,000 a month, but you are just as likely to find him on deck with a

probably true that it is nowhere as good as rumours in the commercial fleet might suggest. True, a master can earn \$16,000 per month and a chief engineer around \$9,500 and, yes, it is generally tax-free if you stay away for long enough. Pay is inclusive and all-found, with all crew receiving uniforms, food and accommodation, and many yachts offer medical insurance and a flight home once a year.

But then there are the conditions that need to be explained by way of a balance. Leave is discussed in weeks per year. A good yacht will offer senior crew six weeks after a full year worked and whilst there are senior crew who longer leave it is generally because they are in a job-share arrangement where time onboard and a single salary are shared out between them.

Yachts frequently work seven days a week throughout the season, often turning around in 24 hours as merchant ships do, but relief only comes when they sign off and their job is taken by someone else. Planned breaks can suddenly disappear if the weather improves and the owner decides to send a party of his favoured guests down to a yacht, having first relocated her from Cannes to Palermo at the drop of a hat.

Accommodation onboard might include use of a well-appointed crew mess but privacy is almost unheard of aboard a yacht where few seldom find single occupancy cabins and often crew have to bunk up four to a room.

Study leave is unpaid and essential courses leading to qualification are not generally reimbursed.

Because a crew of a yacht is generally built around a close-knit team, job descriptions and the line of differentiation between ranks has frequently become fudged. The rank of 'chief mate' might carry three gold bars and a salary of \$6,000 a month, but you are just as likely to find him on deck with a

squeegee or mop in hand cleaning the yacht to a shine with his deck crew of two. The purser also wears three gold stripes, but she too is just as likely to be found pushing a supermarket trolley around a local store loaded up with supplies for tomorrow's charter. Chief engineers who would rather deal only with matters of machinery are also in for a shock aboard a yacht. Three stripes or no, he is just as likely to drive guests ashore in the tender or use a fender as the yacht slides in beside two others in St Tropez.

To be yacht crew you have to be multi-talented, capable and willing to be multi-tasked — there simply is not room aboard for those who are not.

The role of captain aboard a yacht often calls for a different approach to that of the commercial manager. Indeed, one former Merchant Navy master who now commands a very large yacht has suggested that actively recruiting MN personnel into the industry is not a particularly good idea. He believes that most MN officers display alarming ignorance of the large yacht industry and are generally derogatory about those who serve on yachts.

Whilst any MN officer moving across from ships to yachts will be on a steep learning curve regarding the industry-specific areas of this work, it should be remembered that commercial yachts now have the same certification as a cargo ship. This is something relatively new in yachts, but the MN personnel will have a deep and clear understanding of statutory and class certification as well as ISM. They will have been working with these statutory systems of survey and certification throughout their MN career. MARPOL, port state control, crew agreements, official log books, garbage manuals, SOPEP, GMDSS, disciplinary codes and standing orders are all now affecting life and work aboard yachts.

I prefer the role of yacht captain as described to me some years ago by the late Nigel Henderson, a former yacht captain who had gone ashore to create Newport Yacht Services. He described the job as a cross between a housemaster in a boarding school and dad in an unruly household where the crew played the part of the children on a yacht. It is a fact that ship handling plays but a very small part in the life of a captain — the remainder of the time is spent on 'man management' matters, dealing as much with and for the owner as much as the crew.

Another captain colleague has likened the job to that of a football club manager; each cruise or game would be their



Plying the millionaires' playgrounds: the motor yacht 'telescope' is pictured left, and work on tenders, above, shows the variety of different tasks that have to be carried out by the crews of so-called 'superyachts'

PICTURES: FRANCES HOWORTH

last, depending upon the outcome. Owners need to appreciate that the successful operation of the yacht takes time. Good crew will, over time, learn the whims and needs of an owner to perfection and thus be able to offer a seamless service every time he comes onboard.

Perhaps it is job protection, but many yacht crew believe that there are many pitfalls along the road to recruiting from the merchant fleet. Some suggest that only ferry and/or cruise ship officers should be considered — feeling that, in general, these would be the candidates most likely to have the necessary people skills to succeed in the large yacht industry.

Many feel that the way around the maximum size of yacht problem is a 'bolt on' endorsement to the existing Masters (Yachts) or that a higher level of certificate, specifically tailored to professional yachtmen, is the way forward. However, the MCA believes that enough is enough and has stated that after 3,000 tons or 12 passengers only full commercially obtained and valid certificates are acceptable.

The primary difference that separates the commercial fleet from that of yachting is structure. Yachties have never understood the reasons behind having an organisation such as NIMMAST — yet cast your mind back to the disappearance of Robert Maxwell and the crew of his yacht had good reason to be grateful for membership.

Crew do have representation through the Professional Yachtsman Association, an organisation founded by yacht crew originally to lobby the MCA. The PYA is at great pains to insist that it is not and never aspires to be a union. That being so, members are denied the opportunity of obtaining certificate insurance unless they consider NIMMAST membership.

Professional crew prefer to stay abreast with what is going on in the industry by reading magazines such as the Yacht Report, which covers the construction, management, ownership and operations of large luxury yachts. Very much aimed at the business professional, this magazine lists in every issue the officers serving aboard a staggering number of 1,500 yachts.

Training for yacht certificates is often performed at the same colleges set up initially to train the merchant fleet, and frequently courses are run alongside each other.

However, such is demand throughout the world for professional yacht crew courses that many new small specialist schools have set up to capture this business — some of them with more professionalism and success than others.

Crews complain of the high cost of training, but schools point out that the running costs for the small numbers involved mean that their fees have to exceed those of the commercial colleges. Recently the introduction of a newly defined career structure path for yacht crew by the MCA has led to many more candidates taking up formal training and the introduction of a formal training record book similar to the cadet record book of years ago is set to improve the standard of onboard training.

From Monaco to Martinique or San Remo to St Lucia, yachts may frequent areas of the world that many consider millionaires' playgrounds. But the ocean is not quite as blue on the other side of the dock as those on the bridge of the merchant ship may think, although the cross-over structure is nowhere as difficult as the yachties would have you believe. Jobs in the hidden fleet are there for the taking — given the right attitude and a flexible approach to working regimes.

◉ **Michael Howorth commands a 50m high-speed yacht currently in build and on trials. He writes as special correspondent for the industry magazine The Yacht Report, is a member of the Professional Yachtsman's Association and an associate member of the Honourable Company of Master Mariners.**

## FURTHER INFORMATION

Company	Location	Web Address
The Yacht Report	London	<a href="http://www.theyachtreport.com">www.theyachtreport.com</a>
The Yacht Register	London & France	<a href="http://www.theyachtregister.com">www.theyachtregister.com</a>
Blue Water Yachting	France	<a href="http://www.bluewateryachting.com">www.bluewateryachting.com</a>
Camper & Nicholson's	UK/USA & France	<a href="http://www.cnconnect.com">www.cnconnect.com</a>
Crew Unlimited	USA	<a href="http://www.crewunlimited.com">www.crewunlimited.com</a>
Freedom Yachting	France	<a href="http://www.freedomyachting.com">www.freedomyachting.com</a>
Hill Robinson	France	<a href="http://www.hillrobinson.com">www.hillrobinson.com</a>
Luxury Yacht Group	USA	<a href="http://www.luxyachts.com">www.luxyachts.com</a>
Monaco Equipage	France	<a href="http://www.me.mc">www.me.mc</a>
Nigel Burgess	UK/USA & France	<a href="http://www.nigelburgess.com">www.nigelburgess.com</a>
Peter Insull Recruitment	France	<a href="http://www.insull.com">www.insull.com</a>
Sealife Crewing	UK	<a href="http://www.sealifecrewing.co.uk">www.sealifecrewing.co.uk</a>
Seamanier	UK	<a href="http://www.seamanier.co.uk">www.seamanier.co.uk</a>
The Crew Network	UK & France	<a href="http://www.crewnetwork.com">www.crewnetwork.com</a>
Yachting Partners International	UK & France	<a href="http://www.ypicrew.com">www.ypicrew.com</a>

Worlds not so very far apart: pictured top is the luxury yacht Asia during a port call in the Mediterranean. The red ensign, centre, flies from the stern of more than 1,000 yachts in the world fleet, whose bridges, above, are often not so different from merchant ships

PICTURES: FRANCES HOWORTH