

## Slide 3

### Fraser Yachts

What are the major changes that have taken place?:

“When I was selling big yachts in the 1980s, our clients were mostly knowledgeable and passionate yachtsmen. They were buying a yacht to go to sea, to fulfil a dream. Now the market has slowly changed because of the concentration of wealth, and a yacht has become one of the elements of the wealth standard.

The clients now are different. In the past they were more difficult on the technical side; they wanted to know everything related to hardware. Nowadays they are probably more interested in getting the best deal. **They are a little more shrewd in their business ethics.”**

### **Management Lessons:**

- started as a salesperson for a shipyard; selling dingys
- maintain innovation and drive and risk
- being young, driven, hungry will only take you so far
- being comfortable is not good for business
- the difference today is that you have to keep the tightrope much shorter than before
- master in sales: a lot of analysis of the selling process; analyse the market and have the right product at the right time
- it comes down to the special chemistry between you and the client
- strong bond of trust; tell it like it is to clients

## Slide 5

### Burgess Yachts

What was business like in the 1970s?:

Completely different: it was very much hand to mouth. I think the total cost of running our office in Monaco in 1971 was about \$70,000 a year, including salaries. And when I came back to London in 1983, the total cost of running our two offices was about \$100,000, including salaries! Now times have changed; **it costs tens of millions of dollars a year**; and that is just in 30 years.

What is driving this “bigger is better” revolution?:

I think from our client’s perspective often bigger is better. And that is across the board, whether it is office buildings, their houses, their jets or their yachts; bigger is better. I think they are beginning to understand what is really possible. Today there is an understanding that you can actually make the impossible “possible”. Back in my early days, yachting was a glorified form of camping. Shared bathrooms, frequent breakdowns and still people had lots of fun. **But these days its much more serious.**

### **Management Lessons:**

- traditional markets are Britain, Middle East, America
- saw Mexicans and Malaysians
- now Russia is the 4th largest player in the market
- Australasian clients picking up
- huge amount of contact; 30-40% of business is co-brokered.

### **Cooperation is essential**

- We need to do the right thing here; integrity and honesty essential
- Sharing of problems
- Know the market
- Offer better **service**
- Key is about relationships, persistence, hard work and having the ability to make people feel special
- Have energetic, successful, ambitious people working for you. The biggest success of this business is operating as a team.
- The whole being greater than the sum of the parts -- Its like a tug of war - 100 people pulling the rope in the same direction. Not independent employees

## Slide 7

### Edmiston Yachts

How has the market changed since the beginning?

“There’s a big difference. Ten years ago a 230 foot motor yacht was considered huge, and I remember my CNI days when, selling 165-footer, we thought “This is fantastic.” A 165 foot today is almost a semi-production yacht rather than a one off. A huge amount of money has been made in the world since the mid-1990s and a lot of the newly rich people have got into yachting. **Size has changed, values have changed, the clientele has changed**”

“Some of the yachts we build are more technologically advanced than warships”

### **Management Lessons:**

- company run by accountant who did not understand selling
- it does not harm to help other people
- huge moral obligation towards the people that work for you = loyalty
- if you are going to work you might as well work hard
- I have respect for people
- It is good to give other people opportunities; give other people room to succeed
- Communications: anytime, anywhere
- If you are a yacht charter broker, you are working 365 days a year, full stop.

## Slide 9

Camper & Nicolsons

How has the business changed from when you started?

“When I started in this business the owners took a far more direct interest in their boats and in the use of them. The boats were smaller, they were more intimate, and the owners were more knowledgeable.

The superyacht industry seems to be getting bigger and bigger?

“If you take into account all the elements involved, from the smallest subcontractor to the managing director of the top shipyard, and you then figure in the seagoing element and the shore support, the numbers are actually huge. **Certainly 100,000 plus.**”

## Slide 10

Camper & Nicolsons

“The best brokers are good listeners”

### **Management Lessons (4 generations):**

- the industry seems to be getting bigger and bigger (a yacht is the greatest assembly of individual artisan skills of any product that exists in the world today. From simple steel fabrication to the most sophisticated electronics).
- taking time with each client; not a short term business.
- don't take short cuts
- do things thoroughly
- top class charter is very hard work
- service (laundry 3x a day; 48 hour turnarounds)
- match personalities as well as the product (since the Russians arrived, some brokers that were struggling are now thriving)

## Slide 11

### Merle Wood & Associates

In the cut-throat world of international yacht charter and brokerage, one man insists that nurturing human relations is, above all else, the key to success.

You are a master of human relations. Is that the secret of your business?

“Yes, I would say that would probably be it. More than anything else, it’s about carefully readying how to approach someone and how to look after them. When you think about it, the people that we’re doing business with are the most successful people in each of their own industries or parts of the world. We look at the best interests of the client as opposed to our personal best interests in each transaction.”

Yachting is leisure - It’s not business - its toys

## Slide 12

### Privatsea

New Blood Rising: the blue-chip charter and brokerage houses are being challenged by a new, boutique private members club which offers the ultimate luxury package for liquid clients who like to stay “asset light”

The mission is to implement a new approach to luxury yachts inspired by the Marquis Jet model.

## Slide 13

### Ocean Independence

Selling Professionalism. The CEO of Ocean Independence had to overcome the many challenges in the market still in its infancy: whilst time have changed, he explains that **consumer demand and business ethics have remained constant.**

What qualities do you think make a good broker?

“I think **honesty, know-how, experience and flexibility**; these are probably my four favourite qualities”

Have clients demands changed during that time?

“They have changed in that they want new, bigger boats, but the real requests have not changed. They want to have fun, they wanted to be treated properly, they want to be professionally taken care of on board, they want **smiling and friendly people**.

Slide 14

New arrivals in the market

Boatbookings.com

As the yachting market expands, the big names in chartering are being joined by small, internet-based companies who are lean and fast moving.

NetJets concept - pieces of a dream

Fractional ownership is the latest trend to hit superyachting, transposing the paradigm of the timeshare to the world of big boats.

Slide 15

The Marketplace

(Photo essay conclusion)

Bareboat Charter

Charter Broker

Classic Boats & Tall Ships

Corporate Hospitality

Ecological Tours

Flotilla Charter

Fractional Ownership

Gulet Charter

Houseboats & Narrowboats

Mega/Super Yacht Charter

Motor Yacht Charter

Multihull Charter

Party Boat

Racing Yachts

Sailing Yacht Charter

Shareboat Charter

Skippered/Crewed Charter  
Water Taxi  
Yacht Charter Company