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Dreamboats

*With year-round sunshine, the Arabian Gulf offers yacht owners plenty of options to drop anchor and take in the tranquil settings. **Matt Jones** helps you navigate through the various choices on offer.*

Corporate landlubbers, even those who harbour ambitions to one day own the floating palace of their dreams, could be forgiven for assuming that yachts are production line items: luxuriously appointed icons that are, nonetheless, designed, equipped and produced in much the same way as those more familiar land-based icons of luxury, the Range Rover, BMW 7-Series or Mercedes S-Class.

But buying even the most prized executive car has nothing on purchasing a yacht, and while automakers offer elements of the bespoke in their executive models, for CEOs and corporate high-flyers a yacht remains the ultimate declaration of business success, individuality and good taste.

Growing numbers of the Gulf's captains of industry are intent on becoming captains of the high seas, their yachts in various stages of construction in yards around the world. At lengths of up to 160 metres (more than 500 feet), their vessels are huge. While newcomers to the market might not stretch to that with their first purchase, they should be aware that size does matter: for top dogs aiming to become seadogs, big is in. The top end of the market, with boats typically ranging from 29 metres to 100 metres, is enjoying an unprecedented boom in the Gulf.

"If you look at the industry here over the last decade, 10 years ago 30 metres was large whereas today 160 metres is where we're at," says Tony Berry, Fit Out Manager for Dubai-based Greenline Yacht Interiors. "The trend, I believe, is that there will be a continuing increase in demand for large live-aboard vessels."

"Boats are getting bigger," agrees Will Henderson, CEO of Dubai-based marine consultants and naval architects Henderson International LLC. "As there is more disposable income available to more people, the market for top end yachts seems to be well assured, with the Middle East experiencing rapid growth in both the number and size of yachts. This has led to increased marina development and support infrastructure."

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With an estimated 30,000 leisure boats already in the region, new facilities such as Emaar Properties' Dubai Marina complex and marinas at both Palm projects will join existing facilities such as Dubai Creek Golf & Yacht Club, Jumeirah Beach Hotel Marina and, in Oman, Marina Bander Al-Rowdha. In Dubai alone, between 1,500 and 2,000 marina berths will be created in the next five years. Other notable projects in the Gulf include Abu Dhabi's new VIP berthing, Bahrain's \$1 billion Amwaj Islands and Salmiya Marina in Kuwait.

But The Palm projects won't only provide berthing facilities: they will also create a more favourable environment for cruising.

"There's going to be increased demand for boats because they're putting the Palm islands in," says Berry. "What are they doing? They are creating a cruising ground. What do you need to attract owners? You need to have geographical areas that are interesting to go to. If you look at existing markets – the Pacific Northwest, Florida, the Bahamas, the Mediterranean, the Black Sea, South-east Asia and Australia – there are lots of variations in coastal landscape and climate. The common denominator is that there is sufficient distance between ports for owners to enjoy a great cruise. What they're doing here with The Palm islands is creating the geography that is conducive to cruising.

"GCC locals always had the money, but 10 years ago what was the incentive? There was nothing. Mina Seyahi was a little ramp at a police base – that's all it was. Today, it's different, and with The Palm in place, you're going to find that a Saudi businessman will consider cruising in this area because there's more to see and do. The Palm will become the start or end point for cruises around the Musandam, Muscat and Salalah. Many vessels belonging to Gulf nationals that are currently based in the Mediterranean will come here."

Not that all owners are GCC nationals. If you don't have a yacht but want to join the swelling flotilla of trend-setters at the crest of the boom, you'll be among a cosmopolitan mix of CEOs, chairmen and entrepreneurs who've made their money in property and construction, traders and dot com executives who made it before the crash.

"Our customers are high net worth individuals," says Berry. "It's generally not a corporation or a syndicate. If an individual has got that sort of wealth he will buy a yacht for himself. He doesn't want it as a charter or a company-owned vessel."

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Individuality is a key factor in purchasing a yacht. “The type of hull shape and style states what the owner is trying to project of himself,” says Henderson. “An owner can stamp his personality on a new boat, from the colour of the hull to the play toys on board. The same goes for the interior. The more successful the person, the more the interior points to his ideas of living and luxury. The interior of a yacht, from the layout to the sort furnishings, is a very personal matter.”

“Our work is very bespoke,” says Berry. “In the market we deal in no yacht is the same as the last one. The owner has had a dream, it’s his dream and for everyone involved – engineers, stylists, interior designers, contractors, suppliers – building his yacht is a case of interpreting that dream. Usually he will choose a theme throughout the boat that’s personal to him.

“The clientele in this region are very well aware of finishes. They know quality. Why? Because they see it in their buildings. They see it in their villas. A lot of their friends and business associates will own that kind of quality. They will be looking for that bespoke piece or that really high-class finish that’s a reflection of what they have achieved.

“In the selection of marble alone, our customers will travel to quarries in Italy, South America or Pakistan and choose the block they want, and when it has been machined into slabs, they will choose the slabs they want from that block. They will often have a very good understanding of what is semi-precious and will buy it because they know that the guests who will be seeing their yacht will walk into the bathroom and go ‘Wow!’ Their friends will know that a bathroom, in raw materials alone, without the bathroom fittings, has cost thousands of Euros.”

So how do you go about buying a yacht? Well, first time buyers have three options: they can build from scratch, take a hull and retro-fit it or buy from the second hand market. But even in a region where size increasingly matters, it’s often advisable to start small.

“The best option, and least painful, is to speak to a respected marine consultant who will listen to what you are looking for and understand what you want from the yacht so that balanced advice can be given,” says Henderson. “Not all people or their families will take to the water, so it’s better to take advice and possibly buy your first boat second hand to get a feel for what ownership is all about before really deciding the type and size you want for the next step up the ladder.”

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“First time buyers might go for a 24 to 30 metre yacht, pre-owned, in order to get into the marketplace,” confirms Berry. “Then in three months or so, they might commission someone to design a boat of 60 metres or more which will be their boat, because in the period they’ve had the smaller vessel they’ve found out what they want.”

Before investing in the yacht of their dreams, owners need to consider what they will do with their vessel. A yacht based in Dubai, Bahrain or Kuwait may sail to 10 key ports around the world in a year, with the owner flying to each for a week’s cruise.

“A vessel that’s designed to go all around the world is actually quite a specialised vessel,” says Berry. “A vessel that’s built specifically for the Gulf region doesn’t need a specialised hull – it needs a very good air conditioning plant – whereas a vessel that’s going to cruise off Alaska needs very good insulation and ice classification.”

An owner also needs to consider what “toys” he will have on board: will he have jet skis, a large motorboat and helicopter? Will he need a docking facility for seaplanes?

All of which leads to the inevitable question: how much should you expect to pay for a yacht? For vessels in the 29 to 100 metre range, prices for a new build will be between four million to 100 million Euros.

Second hand or new, big or small, once the purchase has been made there are running costs to pay. To run the super yachts that are becoming so popular in the Gulf an owner should budget for a million Euros a year, for everything from linen to crew uniforms and salaries.

“The larger yachts and super yachts normally have, or should have, suitably qualified captains, as trusting a yacht which is worth a small fortune to someone who is not qualified may invalidate any insurance claims in the event of an accident,” says Henderson.

Owners who want to take the wheel themselves should be properly trained. “Training courses and familiarisation on navigation and so on are available at main marinas on request,” says Henderson. “But proper courses take time and are normally conducted overseas.”

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Having a good captain is a must for reasons other than cruising successfully from A to B. “The captain manages the vessel,” says Berry. “He makes sure there are sufficient provisions on board. That he has the right refreshments for an al fresco dinner. He will understand the owner: what he likes and doesn’t like. Often he will be full time employed by that owner, acting as his representative from the first cut of steel at the yard to the delivery of the coffee machine.”

With the stresses of owning a multi-million Euro dreamboat minimised by a competent captain and crew, owners are free to relax, entertain or conduct business. In fact, thanks to modern technology, an onboard office can function in every way like its mainland equivalent.

“More and more a yacht is a good location to run a business from,” says Berry. “10 years ago we had the fax, today we have blue-tooth. The reality is that the owner who has a yacht can operate seamlessly, with his key staff, a company offshore. He can have all the latest telecommunications, communications by satellite in any format. Today there are so many satellites in the sky that a person who owns a yacht can literally be anywhere and function effectively. He can have a duplicate of his office at sea.”

“The systems on boats can be as sophisticated as the owner may require,” says Henderson. “With satellite communication, the office can go with the owner wherever he goes.”

As successful business people, yacht owners will be used to planning ahead, and that’s also necessary in purchasing a yacht, which can take five years from conceptualising the dream to sea trials. But for A-list personalities, the thrill often lies more in the realisation of the dream than in actually living it.

As Berry explains, “An owner will spend five years building that boat, he will own that boat for six months and then sell it and build another one. Why? The process from the dream to reality takes a lot of input, and a lot of people don’t realise that the enjoyment is in creating the dream. If he’s an individual that’s going places, once he’s created the dream the challenge is over. He wants a new challenge. Six months down the line, he has sold the boat. And that is a reality. In the market there are a lot of vessels, brand new, going for good prices.”

Which is good news for the corporate landlubber harbouring ambitions to own the floating palace of his dreams – as long as he is prepared to consult the experts and start small.

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