



Photography © Burger Boat Co., for left; Bruce Miller, left top and below; Bobb Horn

Water Born

This is not your average yacht. This is the only yacht of its kind — and suddenly everyone wants one.

Steve Florio, the president and CEO of the publishing giant Condé Nast, had gathered the company's top sales executives for an important retreat. In the midst of a key meeting, someone came in to tell Florio he had a call. To the astonishment of the sales executives, Florio took the call. It had to be urgent. Was it his wife? Condé Nast's owner Si Newhouse? No. It was the owner of the company building Florio's custom-made yacht.

As the anecdote demonstrates, very little takes precedence over someone's passion for his or her yacht, especially when that yacht is custom-made and is worth a small, or large, fortune.

Despite the high cost of entry, business in high-end yachts has never been better. Since 1997, the

global market for luxury yachts has more than tripled. In the 150-foot-plus category, sales jumped from 62 orders in 2001 to 103 in 2004, according to *Show Boats International*.

"For the ultra-rich, it's another way of spending their money. Everyone wants a yacht more spectacular than their friends," says Bill Fischer, an exclusive travel agent who deals only with the very wealthy. One of Fischer's clients has been overseeing the building of his yacht for two years. He flies to Hong Kong with his captain once a month to check on the boat's progress.

Elite builders such as Burger Boat Company of Manitowoc, Wis., are seeing dramatic new demand.

Currently, Burger has five yachts under construction, two waiting to start and three under



Photography © Burger Boat Co., Pamela Jones

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development with deposits. “Demand exceeds capacity,” says David Ross, Burger’s owner. “If you were to build a boat in the 140-foot range and wanted to sell it before delivery, you could name your price. Plus there would be a line waiting.”

SOMETHING TO CALL YOUR OWN

First-time yacht buyers can get a taste of what’s available by reading magazines, primarily *Yachting*, *Boat International* and *Show Boat International*. Most custom-yacht owners start modestly, chartering a boat with a crew for a week or a month. The next step is usually buying a ready-made yacht from a broker — pre-owned or new. For your first purchase, Brian Moran of Moran Yacht and Ship, a Fort Lauderdale-based builder, recommends seeking out a newer vessel with a quality pedigree name, which helps guarantee better resale value. Moran also suggests conducting a background check on the brokerage company; not all dealers are equally knowledgeable.

After they’ve become familiar with all the details, from technical specs to interiors, and are ready to move up to a new boat, yacht owners next hire their own designer and often put the package out for bidding. “These are people who’ve built mansions all over the country,” Moran says. “They want something they can call their own.”

How large a boat you will need depends on where you intend to use it. Opt for a 100-foot boat if you’re only planning to cruise the Caribbean, New England or Mexico. That will typically cost \$7 million to \$8 million. Off to the Mediterranean? You’ll need 130 feet or more, a full-displacement vessel that can cross the Atlantic Ocean (though Dock Express will transport it back and forth), for which you can expect to pay at least \$15 million.

Amenities, of course, depend on individual whim, as do interiors. Magnificent to the last

detail, custom-built yachts can include everything from helipads, cinemas and bars to gymnasiums, hot tubs and elevators. The crewmembers usually have their own passageways accessing the top deck and lower deck pantries, upper-deck captain’s cabin, wheelhouse and crew cabins.

Along with selecting the proper amenities and extras, yacht owners also take care in hiring the yacht’s crew. One of Fischer’s clients hired the chef from Don Alfonso, a three-star Michelin restaurant outside of Sorrento, Italy.

A FLOATING HOME

Unfortunately, the purchase fee is just the beginning of a yacht investment: Big boats require substantial sums for day-to-day upkeep and maintenance. As a rule of thumb, you should expect to spend \$1.5 million per year to pay for insurance, dockage, fuel, crew and normal upkeep on a 150-foot yacht. If the yacht is used extensively, that figure may be much higher.

Although expensive, the investment in a yacht can be enjoyed by the entire family as a floating hotel or second home. Stewart Biesel, who captains the *Anne Marie* on extended trips in the Mediterranean and Caribbean, works for a family of three generations. “There’s a core of five people,” he reports from aboard the *Anne Marie* docked in Fort Lauderdale, “grandparents, parents and kids, who stay for a week or two. Then the group rotates.”

Is all this ostentation really necessary?

“Rich people can go to a beautiful hotel and pay \$3,000 for a suite,” explains Norberto Ferretti, chairman of the Ferretti Group, based in Forli, Italy, the world’s No. 2 builder. “The trouble is that when you go down the lift you’re in the lobby with people who paid 20 times less. My clients don’t like that.” ■

Monaco Yacht Show



Testing the Waters

There are several major “in-water” shows to view the luxury mega-yachts as big as 250 feet.

- YachtFest San Diego, Sept. 14 – 18
- The Annapolis Boat Show, Oct. 13 – 16
- Monaco Yacht Show, Sept. 21 – 24
- The 45th Annual Ft. Lauderdale International Boat Show, Oct. 27 – 31

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