

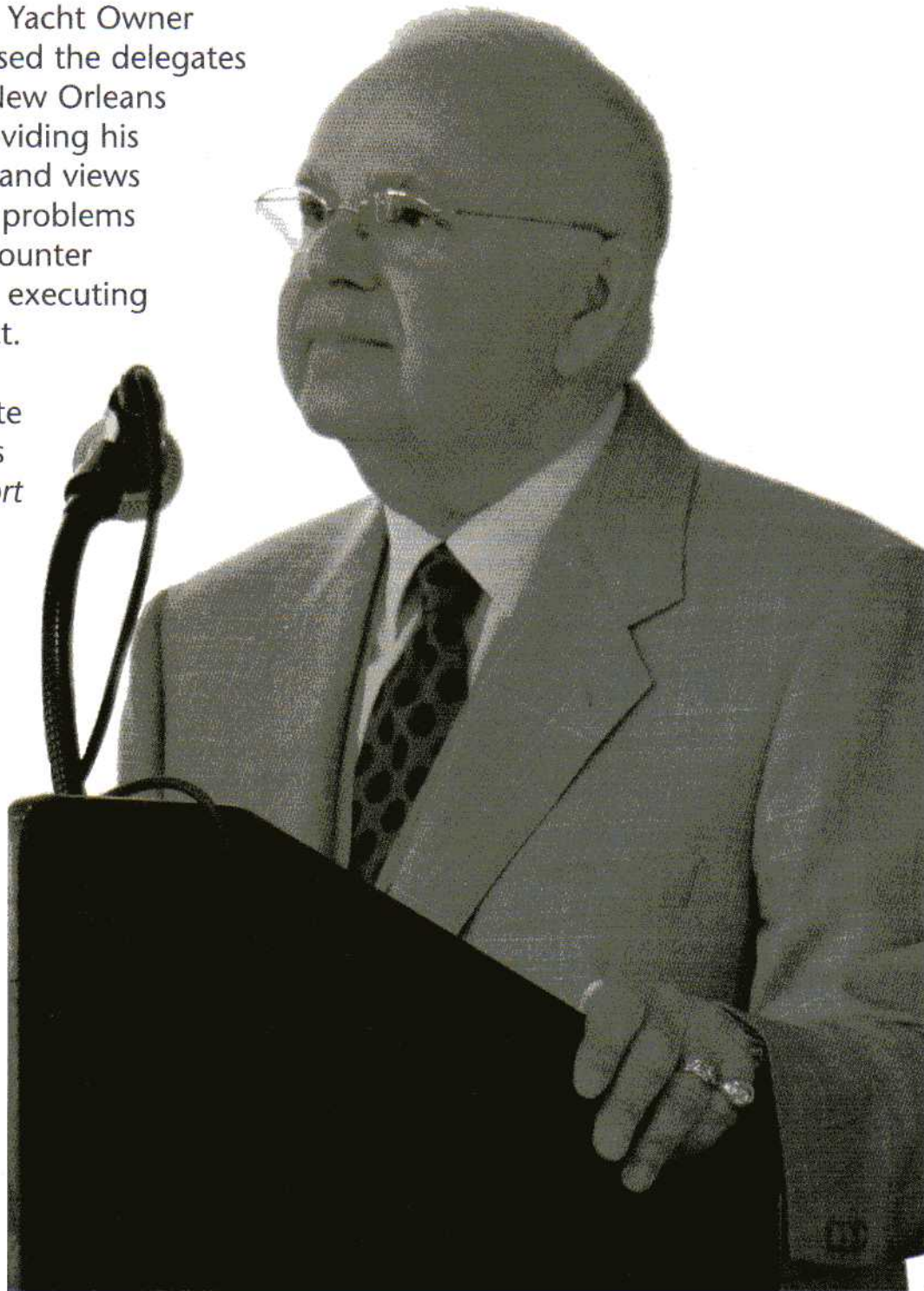
Stanley Bey

Man At the Helm

Stanley Bey, serial Yacht Owner & Operator, addressed the delegates at **Project USA** in New Orleans earlier this year, providing his unique perspective and views on the process and problems any Owner can encounter when planning and executing a large-yacht project.

We felt it appropriate to share these views with *The Yacht Report* readership as part of the general education process that is so often required by inexperienced Owners who enter the market for the very first time.

Mentoring, Knowledge Sharing & Information Exchange is something we would like to develop between not only industry sectors, but Owners too.



The Background

You are all probably a little curious of who I am and what qualifies me to address you today. I started my boating career with a toy sailboat around the age of nine. This passion is almost 60 years long. We lived in a central New Jersey waterfront town about two blocks from the local Yacht Club and only one block from the Raritan Bay. They had wonderful junior programs and so forth but it all may as well have been in Siberia since my Dad had an unbelievable fear of the water since boyhood and he could not swim. I was forbidden to go there. But I did sail my little sailboat on a string out into the Bay without his knowledge, and was really in my mind on board that boat doing everything it took to keep it sailing.

Eventually, when I turned 25 I bought an Owens 25-foot inboard built in Baltimore, Maryland, made out of what then was new: marine grade plywood. She had a Flagship Marine inboard and probably did 25 knots on a good day. The only safety features we had was a marine radio telephone and a compass. Well, that lasted all of two and a half years and marriage and the first baby came along to take its place. Four years later, after poking around many boat yards, my wife suggested I get a small sailboat (14 to 16 feet) to use on our local Navesink River. I came home with a 29-foot sailboat and have rarely been without a boat since. Of course I got the racing bug and sailed in the IOR and Cruising Club of America events and the sailboats kept getting bigger. A sailing accident (a crew member fell out of the mast onto my head) eventually led me to powerboats and cruising as the result of a serious neck injury that limited my ability to handle the winches and direct steering of our racing boats.

This was still during my pre-retirement years and I then had a series of cruising boats from a Grand Banks 42 to a Hatteras 58 Long Range Cruiser. Then we fished all over the Bahamas and south Florida and New England

in a Hatteras 55 Sport Fisherman. And these were considered large enough boats in the '70s and '80s. A very large yacht at that time was a 100-foot Burger or Broward and they were rare at the docks in Bahia Mar or Piper 66. Feadships were virtually unheard of and really unknown to most boaters.

My retirement from active business in June of 1989 gave me two opportunities: I had the time and the capital to pursue my love of boating on a grander scale. Immediately by September I found an 85 Broward that I thought fit the bill perfectly for us and we headed for the Bahamas and the Caribbean. She quickly proved too light for the job, being a semi-displacement boat, and did not carry sufficient stores, crew and fuel for the kind of wandering we wanted to do. At the Broward yard there was the largest Broward ever constructed, 40 metres, on speculation and just having the hull completed and it didn't take me long to make a deal. That boat took us everywhere with sufficient range and crew and an excellent turn of speed. We visited France and Italy and Alaska, and the entire East Coast and West Coast of the US aboard her. She was known as *Pegasus* and we sailed her for six years and over 50,000 miles. What was really interesting about that boat was it was the first boat we had been involved with the construction. We had a project manager and when he started to disappoint us we took over the project ourselves.

I have to admit we did a lot of learning, but the people at Broward showed us the way and built us an honest boat, but she was still a semi-displacement vessel. The last seven months we were there almost every day from morning till night, trying to be helpful sweeping the decks after everyone went home and admiring the day's progress as the sheds were closed up for the evening.

Up to this point we had never owned a true displacement yacht. I kept hearing about how well steel hulls rode compared with aluminum and I really



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wanted to know more about this. An older Feadship came on the market built in 1970 with a magnificent canoe stern and a reasonable draft of seven and a half feet. Length over all was 115 feet and she had made over 10

transatlantic crossings on her own bottom, usually with a crew of three or four according to her logs. She was originally built for the Amway Corporation totally in steel and was extremely well kept for her age with original generators and mains still working very well. By now *Pegasus* had been sold and I just had to try a Feadship that required a relatively small investment. After a minor interior remake we put her to work as both a great family cruising boat as well as a busy charter boat.

After three years we knew that displacement vessels were ideal for us especially in steel with a low centre of gravity. Also, our family of four kids started to get ever larger with marriages and grandchildren (there are eight now). We needed a larger boat. We visited many designers and shipyards throughout the world over the years and developed a sense of what we needed. A chance visit to the Hakvoort Shipyard in Monnickendam, Holland allowed us to see a 43.5-metre vessel in progress known as *Lady Duvera* and we knew we had found our ideal boat. She was an ocean-going steel-hulled, aluminum superstructure, large-volume vessel holding 16,000 gallons of fuel with easy transatlantic range. We were worried about building overseas, the language barriers, the currency issues and the ability to be as hands on as we always were on our previous boats.

Our trusted Captain of 10 years' service moved over to Holland and we all pitched in with Diana Yacht Design and Andrew Winch Interiors and got the job done and built the best boat we have owned. She

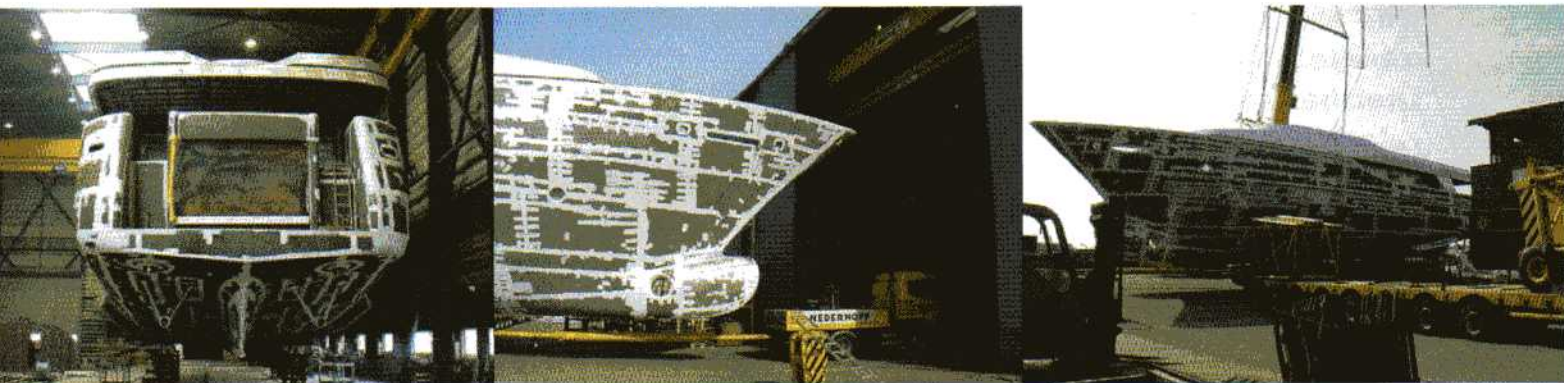
has logged over 70,000 miles to date and is still under the helm of Captain Rusty Allen; however, she is no longer owned by us. We received an offer we could not refuse and by now my wife and I were boat builder-operator junkies.

You may be curious about the title of this paper – 'The Joys and Horrors of Building a Yacht'. Let me put the first premise forward to you: a boat on paper is worth a lot less than a boat constructed, sea trialled and run in to take out those little kinks and prove she is as seaworthy as we had all thought. That may well be the joy! The rest can be one big horror unless you are knowledgeable, have a strong support system, a strong will to maintain the budget in a sensible way, the time to oversee all this, and the will and money to make it happen. Producing a sound vessel is no mean trick when you consider all the variables that can and do occur. So this leaves us with the question of why build a yacht when you could just go out and buy one and use it just as it is or modify it to your own needs?

I think the real answer is in the creative urge that is in so many of us to have our own very special pride and joy that we made happen. I know a lot of owners and often their simple answer is: I want it built my way; I'll know what I'm getting, I want a brand new boat, I want the latest and greatest of the technology. Simply put, it's mine! Forget that they have used naval architects, interior & exterior designers, project managers, captains, the shipyard and even brokers and lawyers to get the job done. Let's be sure of one thing here today: nobody needs a yacht. Without us – the customers of many of you here today – there is no yacht industry

So let's assume one has this creative burning desire to build a yacht. In my mind the first thing that should be considered is the mission of that vessel. Should she be a white yacht or an expedition type boat? Will she be built strictly as a family vessel or a charter boat? Will she generally have a coastal mission or be





expected to cross oceans and spend extended periods of time at sea or in remote areas? Are their draft and length limitations the owner would like to impose? One also has to set a building budget that has some relationship to the size and scope of the project and allows for the level of quality one would like to see in his own boat. Where do you start?

There are many starting points and none of them are truly incorrect. It's all a matter of how you slide into a project. For me it has always been working with a really good broker. I have been fortunate enough to have worked with the same one for the last 14 years. He is my sounding board and arbiter of good taste after all these years and has become a good friend. I remember once standing on the Marriott Dock in Fort Lauderdale looking across the New River at Pier 66 marina. We had been involved earlier in the day seriously discussing an Expedition Vessel project. The day was ending and across the way at the Pier 66 docks lying next to each other were two 50-metre vessels. One was an explorer type boat and the other a beautiful Feadship of near vintage. "OK Stan," he said as the sun was going down, "which is it, the yacht or the Yug?" I didn't have to think but a moment and blurted out, "the yacht." That ended the Explorer project.

A good broker will help you define the mission and then he will have a sense of where to guide you. A good broker will allow you to literally taste the market for new builds. By getting an understanding of what is being built and the various pricing levels from country to country you can develop what I call the cost – quality-size ratio. Or the quality-cost size ratio or the size – cost-quality ratio. See what I am driving at? It truly varies all over the place and one man's bargain is another man's junk. So it has to be refined into what you, the guy who is paying for all of this, really want to end up with. And that my friends can be a very difficult choice unless you have unlimited funds and superb tastes. Even if you are building your second or third vessel, the probability is

that they will each be quite different and generally the projects as one continues through its boat building cycle also get bigger and more complex. The challenges get ever greater as the technology in boating develops ever further.

So let's say you're one of those individuals who started the process with a broker. How do you arrive at the right person for this job? He has to know the market for both new and pre-owned vessels so that a determination of value in the present market place can be established in relation to the discussions the two of you have had. This sounds like a very formal process but it need not be. A lot of dock walking and shipyard visits are required to truly develop that understanding. After that your man has to be a talented negotiator who understands the fine points of yacht construction and the ensuing contracts that result. Usually he will introduce you to the right admiralty lawyer for you and the right surveyor who will also be engaged for the project.

Make sure the yard has built to the classification you have specified and understands the latest rules of MCA

While you're doing all of this there are several other things that should be done in parallel. A designer must be engaged for the interior and exterior and a general accommodation plan developed. A hull design must be established with a naval architect. This is the point at which a really good project manager should be engaged to develop and verify the specification of every detail as far as possible of the yacht. This all has probably been fun up to now and is really relatively speaking the easy part.

Now we can speak of the horror part that can suddenly emerge its head. You have unilaterally engaged all these professional and truly knowledgeable individuals. They all have their own ideas and leanings and as the owner it suddenly may

