

# MARKET REPORT

Berthon's annual review of the yacht sales market over the previous year and predictions of the important trends and changes in the year ahead

## SOLARIS REVIEW

Creating a world class range,  
ahead of the competition | pg 10

## RESIDUAL YACHT VALUE

The yacht of your dreams and  
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CHARLES  
STANLEY.▲

# Market Report 2018

BY SUE GRANT

2017, the year that was, saw the performance of the Berthon Sales Division put in a 14% increase in revenue. And what a year it was. The market was busy in all segments – sail, power, performance, pre-owned and new. It saw the team working all hours to manage the business in progress and the market remained strong throughout with no sign of any seasonal variation.

So we closed the year with a mixture of emotions; surprised that despite the shadow of Brexit, unrest in the middle east, problems in the Korean arena, a new focus for China, the rise of Russia's sphere of influence, a busy programme at the White House, and a minority government in the UK, that our small marine world was still turning, and with exhilaration that so many yachtsman were diving into our sport and enjoying it at all levels. Excitement still prevails at the opportunities that we enjoyed to hone our skills in the craft of yacht brokerage and concern (as with all sales teams) about how long our luck will last!

So far, for 2018, these same positive trends are much in evidence and we are still busy. The biggest challenge that we face is the shortage of yachts. This applies to both pre-owned and new yachts in many sectors of the market.

As far as new yachts are concerned, the way that manufacturers build and supply yachts has changed exponentially from the days pre 2008 – not so long ago when they built for stock and forced dealers to take their stock using big stocking loans which were readily available as yacht sales were brisk. Today, manufacturers are in the most part building for end users so that availability of stock is a thing of yesterday and the days of making a stink bid for a stock yacht that needs shifting for cash and a quick sale are all-but gone. Our biggest challenge with the new yachts that we sell is offering reasonable delivery times, as all the manufacturers that we represent offer between 6 months and 2 year delivery – the world has indeed changed. So if we tell you that the build slots are in short supply, this is not a salesman's ploy – it



*'2017 was good for Berthon'*

is because it is true. There is nothing more frustrating than to experience the unbelieving stare and knowing wink by the client, followed by the disappointment of having to tell them that actually there really are no available build slots for the next season, when he or she calls a couple of weeks later. Cash flow is King and memories of the sudden fall-off in demand that occurred in 2008 are still vivid.

There is also scarcity on the brokerage market in many segments, although there are some parts of the market where yachts are still sticking. These are normally anything that can be assigned to the too difficult to deal with pile – large old yachts needing refit and or big crews, and which are difficult to manage at sea and in port. For everything else we are still seeing the effects of reduced yacht production and delivery from around 2009 to about 2014 which means that there simply aren't the number of early middle aged brokerage yachts in existence.

This shortage has been further amplified by currency shift taking many yachts out of our traditional markets and into areas like Scandinavia and the Southern Hemisphere where they become part of new developing markets.

This scarcity has led to a lot more travel for the sales team and since personal knowledge of the yachts that we sell across the board is a key part of what we do, travel to view and accurately assess prior giving the correct advice on asking and likely selling price.

Speaking of new yachts, Windy Boats had a stellar year in the UK and France with clients enjoying the quality, sea keeping and fantastic driving experience offered by the whole Windy fleet. Windy continues to innovate and to deliver elegant dollops of Windy DNA to a brand that will never be out of style. Even though we had good weather for most of last season in the UK, many of our clients continue to boat in the more reliable climates of the Mediterranean to ensure that they make the most of their investment. We also continue to work with Windy on the custom tender projects which are the perfect support yachts for either a super yacht or a villa close the water's edge.

We are excited about the planned launch of the Advanced 80#2 this year. Constructed of carbon composite she is a fast cruiser, using cutting edge technology to provide a comfortable, fast and rewarding sailing yacht which will nonetheless shine on the regatta circuit.

We have worked with Richard Baldwin for many year and he has always been an important part of the Berthon family. In 2017 we took the decision to co-join with



him on the Solaris Yachts account and we are now working together to represent these great performance cruising yachts in the UK. Solaris has developed hugely in the past 5 years and offers a range of elegant, powerful cruising yachts that are easily handled by a family or husband and wife combination. They are also the essence of style both externally and internally.

In the USA it was another strong year although concerns about Mr Trump's agenda did result in a slow-down in the early months of the new administration, as American clients, although interested in yachting, kept their wallets firmly in their pockets. However, this improved as the year matured and we are busy at our Newport office already in 2018. The American domestic market, although relatively small is dynamic and a continuing trend is the willingness of American yacht owners to adjust price to take into account the international market, and to also allow for currency advantage in order to be able to attract domestic buyers to their yachts. This has made the area very competitive on price so now, despite currency we are still selling American owned yachts to Europeans – on grounds of price and condition. How bizarre is that? The recent dollar weakness has of course helped.

At Berthon USA we represent a number of European New Yacht manufacturers and we continue to enjoy success with Contest and Rustler. European build quality and design is appreciated in the USA. However, the new yacht market as a whole in this area favours the production market which is perfect for the local waters. Therefore our representation of Moody has been most successful with their deck saloon, easy handling, volume and competitive pricing.

It was a year of great change for the FPB Programme. After a good run with 18 hulls either cruising or in build, Steve and Linda Dashew took the decision to retire from the FPB Programme. Not an easy thing to decide to do, the launch of their FPB 78#1 COCHISE last year was the decider as once they were at the helm, they decided that it was far too much fun cruising and that they didn't want to stop. Their maiden voyage from Fiji to

Fort Lauderdale (because they didn't like long haul flying and didn't want to miss the basketball season in Arizona) says much about FPB but also about these iconic and committed sailors. Because of their level of involvement with every detail surrounding the Programme, it simply wasn't feasible to continue without them and so we announced that no more orders for FPBs would be taken in the autumn of 2017.

Blue water cruising continues to be very in vogue. We believe that this trend will continue as communications and technology enable us to go further, do more and remain in contact with family and the business with less effort. Our friends at the World Cruising Club and ARC continue to be at the vanguard of this sector and they deliver outstanding events giving confidence to yachtsmen to cruise further. We expect to see more rallies and events in the southern hemisphere as well as more interest in both our planet's poles.

Of course Brexit raises the spectre of yet more confusion and anguish relating to the VAT treatment of yachts for Brits once the UK exits. As we will exit the Customs Union, the answer is that we currently have no clue of the final outcome. You will read more of the challenges and upsides surrounding this subject later in this publication as it's fun to speculate – but that is all that it is.

Likewise the whole of Europe is also struggling with a new statute natively named GDPR which are new regulations designed to prevent cold calling and the fantastic amount of junk mail and email that confronts us at every turn. A jolly good thing I hear you cry. However, it does mean that positive opt-ins will be law from May. This means that if you hear nothing from Berthon after the 25th May it won't be that we are rude or not paying attention, it will be that the new regulations prevent us from being in touch. If so, do respond promptly to our soon to be sent email goading you to either pen a short line or opt in by clicking the relevant boxes that will have yacht particulars, blogs, lifestyle and the rest, all winging their way by email and if you wish, on the doormat too.

So far so good – but what about the balance of 2018? We attempt the crystal ball trick at the end of this publication. Of course we are natural optimists but we are also aware of the laws of gravity. Whilst demand remains with scarce supply, yachts will continue to sell. The danger from the brokerage perspective is that yacht owners will see that there are fewer yachts on the market and will as a result decide to hold price at unrealistic levels. This is not cool as a yacht is a totally discretionary purchase (and subject to the laws of depreciation) and a highly priced yacht will not sell in the market place even if she is the only option. We therefore work hard to remain in tune with the market place and continue to give the right advice to our client owners.

The delivery of information will be the most important thing that we do this year. Our in house full time photographer and film maker was at Dusseldorf Boat Show for 4 days videoing the yachts that we represent. The use of moving imagery and good granular and technical information will continue to be key and we are working hard to understand the technology and to master it. We believe that these new technologies will affect buying habits in 2018 and beyond and we mean to be in the vanguard of this effort.

The demise of the Oyster Group in February was a tragedy for the whole yachting industry as well as for the men and women who have worked for over 40 years to create this world class brand. We wish them all well and hope that the business can be reinvigorated in new ownership. At Berthon we will continue to sell and refit Oysters.

For all the rest of it – Brexit, China, Russia, Korea, minority governments and very high tides – here at Berthon we look forward to continuing to offer informed and accurate market advice and to being very straight forward about what we think will work and what will not. Whatever the ups and downs of political and economic cycle, the fact remains that there are very few things in life as worthwhile as getting out on and enjoying the water; here at Berthon all of us in the sales team look forward to being of help with the necessary passage planning to make that a reality in 2018.

## 06 - 13 From the Flight Decks

Homework for the Sales Team that greets them after the Christmas and New Year break – their mission - to evaluate the 2017 year within their speciality of cruising, racing, motor, performance or new yachts. Our offices in the South of France and Newport, Rhode Island also join in to give you the full picture from the team.



*'motoryacht wizardry'*

## 14 A word about GDPR

General Data Protection Regulation may not set the heart racing but this new regulation will affect us all whether we are selling, buying or simply going about our daily lives. It means that you need to help us to continue to keep you updated with all things yachting....

## 15 - 17 The Pacific and Southern Hemisphere as a cruising destination

The most magnificent, challenging and reward cruising grounds on Planet Earth. We discuss the way in which yachts are developing to enable yachtsmen to cruise these great waters and how strides forward in technology are making communications and the possibilities of sailing further possible. We also touch on the ice to which, the Pacific is of course, the gateway.



*'meet GDPR'*

## 18 Technology in Design moving through the build process

International yacht designer Tony Castro talks about the development of virtual reality in yacht design to deliver better, and more efficient results. The use of Oculus technology assists in this process and the march of technology will see the use of simulation technology coming fast on its heels.

[www.tonycastro.co.uk](http://www.tonycastro.co.uk)



*'water-skies attached to her rear'*

## 19 - 21 Residual Yacht value and the cost of having fun

Yacht ownership is often likened to standing under a shower tearing up £50 notes. We defend the cause of the yacht and her residual value and encourage yacht owners to think in terms of the value of yacht ownership and the fun to be had during ownership.



Photo © Beau Outteridge/Turn the Tide on

## 22 - 23 Talking points - cool to the point of freezing

We illustrate these pages with what was cool – in many cases to the point of freezing – in yachting, in 2017.

## 24 - 25 VAT and Brexit

### What it might, might not and certainly won't mean

The VAT treatment of yachts is an opaque subject riven with supposition and inconsistency throughout the EU. There are no hard and fast rights and wrongs. We theorise about some of the options and outcomes after Brexit when the UK exits the open market and the customs union.

## 26 - 27 The Magic of Film

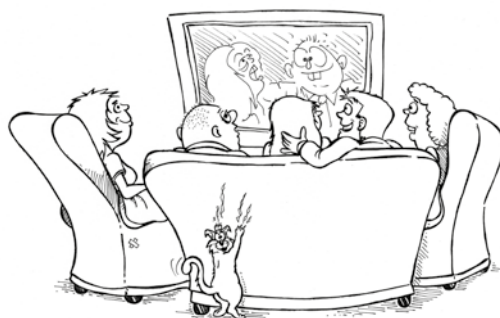
Photography, video, film and the use of imagery for the presentation of the yachts that we offer for sale has developed hugely in the past years and is set to continue to do so. We are working hard to be at the forefront of this change and we introduce you to our in-house cameraman/film maker Harry who is making it happen at Berthon.



*'our man Harry'*

## 28 - 29 General overview of the international stock markets and economies

London Stock brokers Charles Stanley's John Redwood writes for us. John is their Chief Global Strategist and his advice that there are things to be cheerful about in the world economy is all good news.



*'high political drama in 2018'*

## 30 - 31 2018 Berthon Forecast

Another bash from Berthon at looking forward to what 2018 will mean for the international yacht market and those annual predictions just keep coming. Against the backdrop of enormous political change the Berthon crystal ball is revolving rapidly....

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# Flight Deck REPORTS

## Sailing Yacht Review

By Alan McIlroy

2017 proved to be a very busy record year in the brokerage market as the weak pound continued to drive foreign buyers to our shores. During the spring and summer we were busy with the sales of sailing yachts of around 15 metres and above. There was much less confidence in the market below this size with some 12 – 13 metre yachts sticking despite being competitively priced. However 2018 heralded a change in the market, and we raced off to a rapid start, and those 12 and 13 metre 'stickers' became hot news and the yachts that everybody wanted to own; perhaps vibrant stock and housing markets had an influence?

At the risk of sounding a little repetitive there are a number of elements key to a successful yacht sale - location, condition, correct pricing and comprehensive marketing.

Location plays a key role, it is simply a question of foot fall and basing your yacht in a location accessible to the market. Our shipyard in Lymington is a very well presented in-house full service yard. Another benefit of this is the comfort and peace of mind it can engender with a purchaser. Buying a substantial blue water yacht is just the beginning of the voyage, so having the support of a good yard the all trades under one roof, controlled by competent and experienced

project managers is a comfort and can assist in the purchase process. The site is also very reachable in less than an hour and half from Heathrow and under 2 hours from Gatwick airports and even closer to Southampton, Bournemouth and Farnborough.

Lymington may not always be the viable solution, but the underlying message is that location is key, and where possible the yacht should be marketed from a recognised easily reachable yachting centre whether here in the UK, the Mediterranean or further afield.

While it may sound a tad obvious, the condition of the yacht is important. A little investment prior to marketing will make all the difference. A prospective purchaser will form an opinion within seconds of stepping aboard. Some investment before they do this will increase your chances of a sale enormously. In Lymington, all incoming yachts for sale are appointed a specific project manager who has years of experience preparing craft to show at their best and is on hand to provide buyers help with commissioning and any titivations needed before sailing into the blue yonder.

While 2017 was a very busy year, it was also very apparent just how price sensitive the market was and continues to be. We continually review the market and it becomes clear very quickly when



a yacht is ambitiously priced. Given the fluctuations in currency of recent years, having your finger firmly on the pulse has become more important than ever. Put an unrealistic price tag on your yacht, and the enquiries will not be forthcoming. This means that a proactive approach is required, monitoring the level of interest both from online activity and direct feedback from prospective purchasers. Sharing this information with owners enables them to make informed decisions and to remain ahead of the curve.

At Berthon we continually strive to improve our offering. While we still employ the more traditional forms of direct marketing, direct mail and yachting press, we also take an extremely proactive approach to online presence and increasingly important social media and online video.

Our traditional niche market continues to be the high quality blue water cruising yacht sector where we keep an eye on changes in trends and new developments. In line with our blue water credentials we continue to support events such as the ARC and World ARC, and of course we host the very popular Bluewater Cruising weekend at site in Lymington, with their parent company and our friends at the WCC. We also make the annual trip to Las Palmas to wish all our clients participating in both the ARC and ARC+ a bon voyage.

On the subject of trends, there will always be a place and demand for medium to heavy displacement cruising yachts, sporting longer keel profiles, with cutter rigs and skeg hung rudders. These are the ingredients for the ultimate in comfy cruising. However, even the more traditional builders are acknowledging the advances made within the racing fraternity, and as is always the case these developments influence the cruising market. A good example of this in recent years are sail plans where tall, narrow mains and overlapping genoas are slowly becoming a thing of the past. There are also an increasing number of buyers often from a racing background who are less wedded to the traditional approach. They want to make the move from racing to cruising but are keen to hold on to many of the performance attributes that they are used to. For them, balanced (and sometimes twin) rudders, fin keels, foxed bow sprites and a more contemporary look are must haves.

In recognition of this trend, we became the agents for Solaris Yachts in 2017, of which you will read more elsewhere in this publication. The common denominator blue water sailors share whether going down the more traditional route or performance cruising, is both the desire and requirement for a properly built offshore yacht. Here Solaris delivers and in spades.

Yacht broking is very much a people business and we are very privileged to deal with clients that share our passion for yachts and the adventures they can deliver (*magic carpet is a term we're fond of using*). It is hard not to share the enthusiasm that our clients have for their sailing projects, as we form strong relationships while working with them to realise their dream for their perfect yacht, often over a long period\*. A few of our favourite projects from 2017 are below -

- Discovery 55'; departed Lymington June 2017 heading Gibraltar, Canaries, Caribbean, Panama Canal and onward for her circumnavigation.
- Discovery 55'; purchased in Kiel Germany so rather than return to the UK the Owner took the view "*we're here now so let's explore the Baltic!*"
- Bowman 40' purchased refitted and sailed straight to Costa Rica.
- Oyster 72'; after a short pitstop in Berthon's Big Blue Sheds, departed for the Caribbean, Panama canal, through the Pacific to New Zealand and has now shipped back to Europe ready for her next adventure in the Mediterranean and henceforth onto the East Coast of the USA.
- Dixon 63'; which has cruised from Palma to Greece and which is now looking forward to exploring the Eastern Mediterranean at her leisure.

Before I close, I wanted to give those contemplating blue water of all hues a date for the Diary....

The **Bluewater Cruising weekend** is the **16th-17th June 2018**, hosted here at Berthon, 2018 will be its 4th year. A busy weekend of seminars, practical demonstrations, guest speakers, and a broad selection of Bluewater yachts to view. Also the chance to talk to the experts who will be able to share their knowledge about everything from water makers to

insurance, to refit to delivery; and not forgetting the writer and his colleagues. See you there... [Apply here](#)

### **A word from Sophie Higgs who works with Alan in the Sailing Yacht division.**

My second year at Berthon has sailed by with more yachts sold, contact with a raft of new clients, and more adventures as more travel beckoned me hither and thither to see yachts and clients alike; I have sold yachts from as far away as the Caribbean and as near as the Isle of Wight!

I have learnt more about what sells yachts and how important presentation and price are. Well priced and presented yachts did not hang around for long in 2017 as demand was high.

I was lucky enough to take part in the 2015 ARC, and in November 2017 I went out to the start with Alan. It was great to be back in sunny Las Palmas and walk the docks once more. Even better was seeing clients who have bought yachts from us and were finally there at the start ready to fulfil their dream.

Last year, we saw plenty of Euro buyers as the sterling has remained weak. Based in the UK office we are in the fantastic New Forest so there aren't many clients who don't arrive at the office with a smile having seen a pony, donkey, a long horn cow or even a pig on their way to Berthon.

My broking skills are growing and the team are hopeful that the coffee making will also improve, especially since we have one of those special whirring machines. I am thoroughly looking forward to my third year here at Berthon selling yet more yachts and seeing more clients head off with the right yacht for their planned adventure.



*'coffee making skills require improvement...'*

## Motor Yacht Review

### By Hugh Rayner

Last year's report indicated that we expected 2017 to perform – but the 12 months simply tore by! A bumper year for the motor yacht team, with just shy of 50 completions over the calendar year and a hugely diverse spread of craft under the hammer. At no time did the pressure let up with completions running right up to the Christmas period. Our weather provided sunny periods for some and on occasion, as ever, was also not so much to write home about, but many purchases were by UK buyers for UK waters (continuing a trend from 2016) – safeguarding future stock levels for the brokerage market, supporting the local marine service economy and maintaining occupancy in UK marinas. All super-positive against a backdrop of sweeping global political changes, market volatility and general disquiet!

Down in the Mediterranean over the last year we transacted a one-off custom 18m boat by Little Harbor in Italy, a fantastic Aquastar in Mallorca, and sports-boats in Portugal, France and Spain. In the hotspot of Palma, berths are at a premium and scarce, especially in the pinch point 12-18 metre sector, with recent concession changes muddying the crystal waters. Local contacts, timing and luck are working so far, but this could be a major obstacle in placing yachts for sale the future.

The spectre of lower numbers of yachts coming to the market is still hanging over brokerage houses, and timing is all. Several of 2017's sales happened through a combination of the right yacht being in the right place, at the right time – and not necessarily on the open market, but with cheap flights and easy connections, we are listing more yachts in Italy, Greece, mainland Spain and the Balearics as distance selling becomes ever more prevalent, we have upped the game in terms of presenting each listing. So, we now travel with camera, tripod, stabilised videocam, batteries, and the phone apps to run the cameras – along with the trusty notepad and pen; setting up the camera in each cabin to take a panoramic shot

(making sure all the tea towels are put back exactly as found in the galley...), whilst ducking out of shot to take down a detailed list of the inventory, engine and generator hours, does take a bit of practice – but the results are well worth the effort. We are blessed in having a superb marketing department behind us back in Lymington to stitch together the panoramas and edit our voice-overs to the videos. The more information that we can splice into these few minutes of video, the better, as this translates into a far more engaging experience for the prospective purchaser. We can also monitor far more closely the impact of online marketing to the market, measure the visibility of our listings, and have indeed rebuilt our brokerage website to improve the ease of search and display of yacht photos, panoramic tours and videos.

Types of motor yacht have remained consistently "Berthon" – with classic models from Fairey, and their attendant modern counterparts from Swordsman Marine, being snapped up for summer fun. There is a palpable movement of builders harking back to the basics of sweet lines, gunny hulls and open cockpit driving (engaging with the elements, without the need for crew and getting back to easy, simple yacht ownership). Tying neatly to this, the DNA of the Scandinavian Windy brand has kept residual values high and sales very healthy, with the family-oriented 37 and lithe 28 standing out in terms of demand eclipsing supply. 3 Windys departed from the UK back to their native fjords (assisted by the weakness of Sterling against the Krone currencies), equalled out by a trio returning to Lymington from a sunny life in the Mediterranean. The portability and versatility of the range will maintain longer ownership spans, preserve residuals values and continue to attract new blood to this market-leading builder.

Speaking of residuals values, 2017 has evidenced a flattening of the depreciation curve, in some sectors, with individual condition dictating what a buyer will pay for the right yacht. Several of the sales have been Windy owners trading up through the range, to spend more time on board, extend their range and continue to support the brand, others just the opposite as families disperse.

At the bigger, heavier end of the motor spectrum we attracted the listings of some beautifully-presented fast semi-displacement yachts by those wizards at Royal Huisman and Grand Banks. Having also completed many sales on true blue motor yachts from the likes of Aquastar, Seaward and Dale Nelson, we have a clear understanding of the value of having a proper underwater hull configuration in a bit of weather. These yachts are timeless, with the Huisman now undergoing a freshen-up in the big blue Berthon sheds prior to a summer cruise in warmer climes under her new ownership.

Having the Berthon skilled shipwrights, mechanics and electricians all on site, and with the project management under one roof, Owners can discuss and implement improvements from a general service to full paintworks, varnishing and electrical refits – and this is invaluable in a brokerage situation where technology is improving apace and the new Owner may not share quite the same taste as the past custodian. Marina berths at our UK base are always available at the drop of a hat and encouragingly, as I write, the sheds are full, half with 7 motor-yachts being worked on, of which 5 are via Sales from 28' to 65' – and this is where the nuts and bolts of our company's ability can be seen. Such high profile refits provide fascinating footage available through our blogs at <http://www.berthon.co.uk/berthon-blog/> – please do check it out. Especially if you like big, fast triple-engined motor gun-boats!

So in closing – all the best for your season – however you yacht. Do please drop by our wonderful historic Lymington location or pick up the phone for a chat, and we hope to continue to provide a good service to you – selling, buying or simply just enjoying your yachting.





# Performance Yacht and Advanced Yachts Review

By Ben Cooper

The New Year heralds many new ventures, but one overriding sentiment is the 'new you'. Low fat, gym membership, detox, no booze, all in the overriding pursuit of weight loss. A \$66 Billion dollar industry per year in the capitalist mecca.

All started by the Romans of course. They had different techniques, but we won't go into those.

Insanity prevails for a month before the slow release of the belt buckle, a sigh in the face of reality, and a realisation of a predetermined existence comes home to roost.

What on earth has this got to do with yachts you may quite rightly be asking?

It is of course true that although they have a soul, yachts are not organic and it is up to designers to determine the attractive qualities of their offspring, aesthetically and technically. Over the past few years, or perhaps decade, the trickle down from racing yachts to cruising yachts has accelerated towards the fun factor of lighter and lighter displacement, beamier yachts with more form stability, and with much larger accommodation for the length over all literally, more bang for your buck!

There are exceptions to the rule of course, not everyone enjoys being in a hurry, but lighter yachts often equal more sailing distance per day, less fuel, less load, and so it goes on.

Ever since it was found that yachts could indeed hop up onto the plane, and remain stable, weight has been the enemy in all the handicap rules, as a single figure TCF could never replicate the jump in performance. Initially around 50 feet was the cut off where yachts could be competitive upwind but now with increased draft and stability that figure has come down to 40 feet and perhaps ultimately across the board? The jury is sitting.

Out of this has grown the Fast 40+ concept, spawning a dedicated group of

sailors who have built 40 yachts purely for racing and ring fenced by deed of a restriction of a few key parameters, mainly Displacement to Length Ratio, to ensure each is of similar performance and type. The beauty of these yachts lies in their dual purpose with general handicap racing as well as restricted handicap racing. The first round of stabilisation is underway for the class, with some really very good options available on the brokerage market, for easy entry to the fleet without breaking the bank. Inevitably, some new yachts are under construction and are quite radical and it will be interesting to see what effect they have on the class.

To maintain stability and decrease weight, drafts are lowering and structures are more important than ever, with new generations of engineering coming from the aerospace world and beyond. Vacuum infusion is the norm, as are carbon decks, with glass hull for cruising (much quieter than full carbon, but a nod to weight saving and stiffness for the structure).

In the world regatta scene, stability continues. The staple Mediterranean diet of the Rolex Series continues apace, with healthy entries and enthusiasm as they embody the spirit of competitive racing with fun and chic onshore entertainment, and more importantly in the sun!

Offshore 600 mile races continue to attract enthusiasm, the Middle Sea, Fastnet, Sydney-Hobart and Caribbean 600 are incredibly healthy.

One Design is booming, the J70' having taken the world by storm and is seen by many as the training ground for bigger and better things. Many of the big racing teams have 1 or even 2 of these for the crew to practice in, as the fleet sizes are so large. Other classes are ebbing and flooding; the NYYC/ Melges 37' promises to be a new dawn replacing the Swan 42', but has enormous potential to be adopted by the big yacht clubs all over the world. If the price point is right, any of these classes could really change the perspective of club, and inter club racing. *Cough, Cough, Admirals Cup, Cough!!*

This season will see the first of the dual scoring IRC and ORC championships; it will be really quite interesting to see how this fares and, I predict that the same suspects (ahem) will be at the top of the leader board, making for great headlines and certainly interesting times. Some of

you will recall the unique dual results (IOR and IMS) in the Berthon Source regattas in the early 1990's!

The Cruising world is certainly offering some achingly beautiful designs. Nauta in Milan are creating some stunning open plan interiors for many different manufacturers, Advanced, Solaris, Southern Wind and so on, are now certainly the leading lights in the new breed of performance cruising yachts. 300 - 400 mile days are easily achievable now, all from the comfort of a beautiful interior with plenty of natural light. A far cry from the dark, dank interiors of the last generation.

It was pointed out recently that this generation of yachts could have a 3 - 4 week cruise in the Med and quite easily cover Spain, France, Italy, Corsica and Sardinia. That would never have happened 15 years ago.

Looking into the crystal ball, I see some spectacular Performance Cruising yachts coming out of the yards at the end of this summer. They will be aesthetically aligned to the world of racing, but interiors will be much simpler, and very chic. A real blend of the race yacht, day sailor and cruising yacht.

On the racing side, regatta sailing will continue to be stable, one design continues to grow among smaller yachts and handicap racing should see larger fleets at the big events this year.

Offshore racing is a staple and continues to be well supported - 84 yachts entered the tenth anniversary Caribbean 600! I cannot see this collapsing, certainly not anytime soon.

As mentioned above, displacements are decreasing all over the board. Cruising areas are expanding, racing yachts are faster and more furious and more enjoyment is being had at the wheel rather than on autopilot.

Also a very good year on brokerage, in fact the best year yet. We are certainly busy at present, the 'B-Word' does raise its head reasonably often but we have not seen any negative effect, despite shifting currencies.

So keep an eye on the changing scenery, those futuristic hulls poking out of the marina docks are likely to become the norm over the next few years. All this typing has made me hungry though...the diet is certainly over!

## Solaris Review

### *By Richard Baldwin*

**F**loating on a sea of blue glass and surrounded by an elegant white stand, the Solaris Yachts exude style with their cutting edge lines and one immediately feels that they are something special. This is the 2018 Dusseldorf boat show, where Solaris displayed 4 of their latest yachts, in typically imaginative style.

For those in the know, Solaris has, for the past 40 years, been renowned in Italy as an iconic builder of high quality semi-custom yachts from eminent designers such as Sparkman & Stephens, Doug Peterson and more recently Bill Tripp.

And now, Solaris has, in the space of the last 10 years, created a world class range of nine limited-production performance cruisers from 37' to 68', all designed by Argentinian, Javier Soto Acebal. The relationship with Soto has proved to be a master stroke. Not only are the hulls swift, elegant and stable, but unusually for a fast hull shape, the designs provide excellent volume to enable Solaris to build exceptionally liveable, well-designed interiors, so important for extended periods at sea.

We have observed the trend towards quicker, lighter, high quality yachts, capable of clocking up serious miles with ease, as opposed to the typically heavier blue water designs, and this is where Solaris are ahead of the competition. And what makes Solaris particularly interesting, is that the range fills the vacuum in the market excellently built performance yachts, once occupied by the likes of Swan and Baltic.

Solaris is unique in many ways. When many yards faced closure following the 2008 financial crisis with a sudden down turn in orders, Solaris was a small yard building a handful of yachts and with low overheads. 2008 was the start of a long purple patch with the launch of the Solaris One 48 designed by Bill Tripp. Although an expensive yacht, it was an overnight success and the order book soon became supported by clients outside Italy discovering the quality and style of this previously little-known brand, notably

in the less financially affected areas of Germany and Austria.

The upward trajectory has continued. The yard remains in private hands, well financed by a handful of yacht owning shareholders, passionate about building the best yachts in the world, and free from the shackles or dangers of Private Equity.

Located near Venice, with an annual production of around 35 yachts, each Solaris is built to clients' individual order. This allows time to consult and plan with the owner and to construct the yachts with particular care, starting with the structure. Solaris do things differently. For example, the main and fore bulkheads are 40mm thick composite (as opposed to a single sheet of plywood found in most production yachts). All bulkheads are fully laminated directly to the decks, so there is no inner deck moulding in a Solaris, because whilst fast and cheaper to construct, it reduces strength and stiffness. The fore-and-aft and transverse floor beams are fully laminated to the hull and incorporate uninterrupted longitudinal fibres for added strength. The composite chainplates are built into the hull. As a result, each Solaris has a 'monolithic' structure, very strong but light and built using GRP materials throughout. This ensures compatibility of flexural and adhesion qualities, and ultimate durability and stiffness, virtues when sailing hard in heavy conditions.

The impressive keel attachment is also designed with safety and longevity as a priority. A large steel keel flange plate sits into a solid glass socket in the hull. This enables the keel bolts to have a wider spacing which disperses the keel loads into the hull structure more evenly. The mast is also keel stepped. Think of it structurally as more like a VOR yacht – without the noise!

The signature touches to the designs are immediately recognisable - the fine dreadnought bows (to increase dynamic water line length and reduce pitching), and the powerful, broad aft flanks, sporting chines (to reduce drag and increase stability at speed).

The low profile uncluttered deck gives excellent visibility, and all control lines are

led aft below deck to the helm positions using just 4 winches. The main sheet is trimmed on the end of the boom for optimal control and leads to winches port and starboard. The jib is self-tacking, and it is worth noting that the mast is stepped further aft compared with most yachts, increasing the J measurement and giving a better balance between mainsail and jib sail areas. All these details create a yacht that is easy, fast, safe and exhilarating to sail.

The modern, roomy and well-designed interiors come with a wide choice of finishes, from bleached oak through to the richer traditional Burma teak. Joinery is beautifully executed and more typical of what one might expect in a high-end blue water cruising yacht. Natural light is maximised through flush deck hatches and hull windows.

Apart from a visit to the Solaris yard, which is currently being expanded to increase efficiency, prospective owners are encouraged to attend the annual rendezvous for Solaris owners and their yachts, known as 'Solaris Days'. This event typically takes place in the last 5 days of May and early June in Porto Rotondo, Sardinia. Chosen for its outstanding scenery and near-perfect sailing conditions on the Costa Smeralda, the event is an opportunity to mingle with owners and to test sail the yachts, thereby gaining real on the water experience. The event is growing year on year and 35 yachts attended 2017.

As we go to press, we also understand that Solaris will be organising a pure test sail event in St Tropez in April, provisionally with the 47, 55, 58 and 68. Spaces will be limited to a first come first serve basis, so your early registration is recommended.

Berthon's association with Solaris stems from a merger in September 2017 with myself, a long-time friend of Berthon and someone who has been specialising in Italian yachts for the past 20 years. Our combined knowledge and experience can be relied upon to give you the best support and advice from initial enquiry, through contract, payments, the build process, registration, VAT, sea trials and to your on-going ownership.

## The Windy UK Review

By Ben Toogood

We had a fantastic year in 2017, with sales really picking up across the Windy model range. The highlight without doubt was the handover of our first SR52' Blackbird, unofficially dubbed as the "coolest SR ever delivered". Finished in sleek black lacquer she also has special custom dragon scale graphics. The pre-delivery inspection was memorable, with her owners enjoying wake surfing off the Opacmare (bathing platform) transformer in the beautiful (but cold!) Swedish Archipelago.

We have now signed our second SR52' with the yacht currently in build and destined for the Mediterranean, where she will be used as a chase boat / limo tender. This version comes with a custom cockpit layout and an extended T-top for extra shade, and a canvas cover designed to quickly pull out and be drawn closed for added inclement weather protection. This concept gives her the potential for use as a fast commuter without the claustrophobic feel of some dedicated limo tenders. There is also talk from Windy of an "expedition version" with an enclosed wheel house for adventures into colder climates. This really demonstrates the versatility of the SR range, which means that they should not be branded simply as "yacht tenders" as they can be adapted to meet a wide range of different requirements.

On the techy engine front, the SR52' since conception has been offered with the triple Volvo IPS 600 engines. However Windy have now launched the first SR with two new IPS 800 engines achieving top speeds on sea trial, of up to 43 knots. The IPS 800 engines cost less than the triple installation, and offers some advantages in terms of economy, vibration and noise levels.

Windy have also announced the launch of the new SR43' Blackhawk, with 2 yachts due to be completed this year. The first

yacht is due for display on our stand at the Cannes Boat Show in September 2018. The original designs came from Ed Dubois, who sadly died in 2016. We understand that she was one of the last yacht designs to leave his iconic design office.

The SR43' offers a sleeker, more driver-focused alternative to the ever increasing Mediterranean deck boat market, with a choice of engine installation, including Volvo IPS, Outdrives or the ludicrously fun twin Seven 627hp outboards. The SR43' will also offer a full raft of features, including accommodation for 4, a well-appointed wet bar, social u-shaped seating, carbon bimini, tender garage, hydraulic platform, hydraulic gangway and much more.

We are seeing more and more of our clients choosing to use their yachts in warmer climates, and yachts such as the SR43' Blackhawk will without doubt prove very popular. To cater more to sunnier climes, Windy have paused development on the new 38' Alize cruiser, and instead have expedited the new 35' Shamal sports boat, taking much of her DNA from the renowned Windy 35' Khamsin and Windy 39' Camira.

The 35' Shamal is currently being developed by Windy in collaboration with Espen Oineo, who is responsible for super yachts such as GALACTICA SUPER NOVA, SERENE, SOLANDGE and OCEAN VICTORY to name but a few. He has worked with Windy previously on their special projects and limo tenders.

Volvo Penta recently signed an agreement to become the major owner of the Seven Outboards brand, an innovative premium outboard manufacturer. The demand for outboard engines continues to rise dramatically and we have also seen an increase in demand for inboard petrol engines.

When compared to diesel installations, petrol engines now cost less, and are in many cases quieter, more environmentally friendly and have become more fuel efficient. Traditionally in the UK, we have sold predominantly diesel installations, but with new models such as the 27' Solano the V8-430 petrol engine is proving most popular. The 31' Zonda can now also be ordered with twin V8-430 petrol engines, achieving a blistering 55 knot performance at full chat.

The 39' Camira has continued to be a particular success, and seems to stand alone in the market with very few direct and truly comparable alternatives. The key is that she offers all of the benefits of an aggressive 40' deep-v hull (up-scaled from the Zonda), but without the faff, unnecessary volume and detached handling of a traditional cruiser. She is not however uncomfortable, and her two generous cabins are beautifully finished and cleverly designed.

We have also put a lot of work into our "Windy community" here in the UK, with the launch of a Windy Owners' Group on-line, to help our clients communicate more easily with one another, thereby allowing them to cruise in company and plan adventures. This has been complemented by several very successful owners' events, both here in Lymington and at the Dusseldorf boat show in January this year.

We continue to focus on the importance of detailed handovers with our experienced instructor. We have found this really helps to build our clients' confidence in their new acquisition, allowing them to use their yacht more often, travel further afield and to have even more fun.

We are very much looking forward to the 2018 summer season and currently preparing the delivery of our first Windy 27' Solano in the coming weeks.

*"Windy have also announced the launch of the new SR43' Blackhawk, with 2 yachts due to be completed this year. The first yacht is due for display on our stand at the Cannes Boat Show in September 2018."*



## Berthon USA Review

*By Jennifer Stewart,  
Alan Baines and  
Bill Rudkin*

Things are definitely interesting in the USA. With an unconventional political situation presiding over what appears to be the best economic situation in many years, things are going gangbusters in the marine industry. Indeed, the last 2 years have also been very good.

On the flip side, we have had a couple of major storms that laid waste to major American yachting areas - Texas, Southern Florida and the whole northern Caribbean. This has caused many cruising yachts to change their winter plans. Many chose to overwinter in the North, others sailed into the less familiar and more Southern stretches of the Caribbean to Grenada and St Lucia. The industry thought it would see buyers at the Fall Shows with their insurance checks, but it has been so difficult to access and determine the Caribbean island yacht losses, that it will be a while before all of that gets sorted out, and the check books are in evidence for the yachting industry.

The various segments of the boating industry remain as they have been for a while – namely – the sailing yacht side is weak, with an overhang of older yachts that fewer and fewer people want to own, and then there is an underhang of newer sailing yachts that fit the usage pattern and demands of today's sailing family. Powerboats, especially centre consoles, and single engine diesel powered Down East boats remain really popular, and demand for these has been helped by low fuel prices.

The shift towards Catamarans is still evident, especially in southern states where the depth of water is a problem. The high costs of dockage and service are becoming increasing reasons for families to put off a yacht purchase, especially in areas with high population density, such as the North East.



*'for high level meetings at Berthon USA'*

Upcoming local events for 2018 are the Spring Regatta at the New York Yacht Club, the Newport to Bermuda Race, and of course, the Volvo stopover in May. The Newport sailing community here loves these events, and with over 700 volunteers last time, and a full harbour when the boats arrived in the wee hours, we have a reputation to maintain! The Volvo organization was very impressed!

Our 2017 calendar year was full of great yachts and clients, with a new Moody 54' sold in the mix, the first one on the East Coast of the USA. It is a spectacular yacht, and her owners had a great time at the Newport and Annapolis Shows, showing her off and hosting all the evening cocktail parties. This Moody 54'DS OUTNUMBERED (*husband, wife and 4 daughters - so you know who is outnumbered*) is spending the winter in Grenada cruising, and will be back up in Newport this summer. A new Rustler 33' was also delivered to a client here in New England. She is simply gorgeous with her dark green hull and inlaid teak cockpit surround. There was definitely an uptick in interest in the new yacht market once again, and it appears to be continuing in 2018.

Brokerage was wide and varied, with the custom 82' SEJAA selling and heading in to the refit shed, an immaculate Swan

601 which will be seen on the racing circuit in the Med this summer, an Oyster 56' from Lymington now cruising the Caribbean, more powerboats than we have ever done, including the perennially popular Back Coves, and all the way down in size to the smaller day sailors.

The yacht donation program has also proven to be an excellent avenue for both the seller and buyer, with our office arranging several donations and leases for various charitable organizations. Furthermore our clients are moving yachts back and forth across the Atlantic, both on their own bottoms and via freighter, usually with our office assisting with the co-ordination.

We are looking forward to a successful Palma Superyacht Show with our absolutely immaculate CNB 93' SAVARONA on display in April, alongside several other Berthon UK listings.

With our satellite office now at the Newport Shipyard, we can keep our fingers on the pulse of yachting activity in Newport. Coffee or lunch at the Shipyard's well known café, BELLE's, is a great place to see and be seen and we look forward to seeing you there soon!

Jennifer, Alan and Bill look forward to working with you this year!

## Berthon France Review

*By Bruno Kairet*

Here at Berthon France, we ended 2017 with an ear to ear smile. It was super busy with both myself and Isabelle Skaf who is my right hand woman, on the go throughout. The result was a financial year end which is the best that I have ever seen at Berthon France, and I have been working with the Berthon team for 10 years.

The Cote d'Azur continues to be the place to come to enjoy clear blue waters, sunny skies, and superb surroundings. Our food, fine wine and the warm welcome on our coast is also not unhelpful. The famous Riviera is the playground for an international host of yachtsmen and women in addition to our strong French client base.

This year we sold yachts of course, to our French clients. However we also dealt with a diverse mix of clients from England, Belgium, Switzerland, Germany, Ireland and Russia. They were all a delight to work with and for sure, the very best part of our job is to see them enjoying their yachts not only on a daily basis but also for longer distance cruising.

We sold a wide range of Windy and Dracos in 2017. The Draco product is fun to drive and of great quality and is easy to use and enjoy. We have delivered them to new owners on the Cote d'Azur and Corsica, as well as on the Atlantic West coast in the Bassin d'Archachon.

The Windy 39' Camira continues to be a must have sportsboat and last year saw 5 new Camiras with the epic sun lounge layout delivered by Berthon France. Perfect for the South of France, 50% of the entire Camira fleet have found their home in our waters. In fact one of our owners cruised from the Cote d'Azur to Corsica, the day after taking delivery – how cool is that?

2 new Windy 31' Zondas joined the South of France fleet both with very funky upholstery and hull colours, as well as a Windy 46' Chinook with a hydraulic stern platform and lots of other great kit. The Windy yard is superb at working with owners to realise their dreams and to deliver a yacht that is perfect for their specific needs.

We also added to the SR 52' fleet, with one yacht going to the clear and sparkling waters of St Tropez and another to Beaulieu sur Mer close to Monaco. Together with 2 sold from our UK office, Berthon are now the go to place for these fantastic and custom craft.

2017 was busy with brokerage sales through the year, many of these were pre-owned Windys all of which had a great and very sunny season.

There was some concern about our elections in France and how that might affect our market. We felt no effect from this event which normally slows the yacht market in France and so far there appears to be no fall out and the market looks solid. This is of course assisted by the fact that our client base is international and there is no sign that the current French administration has any plans to introduce any legislation that will prevent yachtsmen and women of all nationalities from enjoying our spectacular waters on the Cote d'Azur.

A trend that we have seen and which we think will be more pronounced in 2018 is the interest and desire for larger day boats with generously sized cockpits and nice accommodation. We are seeing that the style of use is changing. Our clients are less interested in yachts with huge amounts of interior accommodation and small outside spaces with a small cockpit area and a flybridge. They want yachts that will make the most of the day or weekend aboard, with most of them staying ashore

during some of their stay here and using their yacht as a quick destination too.

The success of the SR 52' shows how the pendulum is swinging and so we are really excited about the launch of her little sister, the SR 43' at our stand at the Cannes Boat Show this coming September (2018) which will be her world debut. We expect to see a lot of these great sportsboats roaring around the waters of the Cote d'Azur and further afield in French waters in the coming years.

Of course there is always concern around the berthing situation in the South of France. There are many yachts and a limited number of places to put them. Buying a berth is the preferred option for many yacht owners so that they don't have to worry about annual contracts, finding a berth next year, being moved around the marina and all of that. The purchase of a berth in our waters however, can also be a minefield. We are well versed in the wrinkles around this process and we are always happy to advise on the best course of action and we do transact a number of berths every year.

We are now very settled at our office in the lovely port of Mandelieu and it is the perfect harbour from which to base in the South of France. You are so welcome to visit us there at any time and the eateries are good too! Centrally based it is easy to get to which also helps us with our busy programme of sea trialling, meeting clients and delivering yachts through the season.

As part of the Berthon family, we are in close touch with our relatives in the USA and UK offices and we all work together as a team. Whatever your yachting aspirations and wishes, if you are visiting the Cote d'Azur in 2018 you will be so welcome to come and see us in Mandelieu, and maybe we will even tempt you out on our stunning azure waters this year.

# A WORD ABOUT GDPR.....

**G**DPR – it sounds like a vitamin supplement! In fact it stands for **General Data Protection Regulation**, which becomes law on the 25th May 2018. This is Europe wide and it has been established to protect us all from all the nuisance emails and calls that we receive at the moment.

These ask us if we would like to claim for an injury that we never had, buy something that we have no wish to own and are generally a nuisance, filling up our inboxes with nonsense and disturbing us in an important meeting or more importantly, when we are about to sit down to dinner with guests.

The march of communication into every corner of our lives has of course meant that those trying to sell us stuff have a huge opportunity to do just that. There are legions of call centres and the rest whose sole purpose is to cold call, and take advantage of client lists that they have purchased to get to people whose profile would appear to fit their product.

There is probably no one on the planet who would not agree that this practice is deeply irritating and it is high time that it stopped. Hurrah for GDPR. Great idea.

However, it also means that all businesses with client lists must get permission to send them marketing information. Clients are asked to opt in and must positively agree.

Once GDPR has become law, if you receive a marketing email or a call from a business you can ask them for proof that you have positively opted in to be contacted by them.

We work hard to stay in touch with you all. We send our monthly eNews, our annual lifestyle magazine and details about Berthon events through the year. We would like to continue to do this, but of course we also wish to comply fully with GDPR. This means that we will be blogging, emailing and calling you to ask for your consent to make sure that you are happy to continue to receive these details from us.

If you have not opted in by the 25th May 2018 we will quite understand and will delete your details from our mailing list as required by GDPR rules. We hope that you will contact us if we can help you with your yachting plans and adventures in the future.

Of course, Berthon are not the only company that will be looking at and dealing with the consequences of this new legislation up until May 25th. We can confidently predict that you will have a flood, if not deluge of requests from companies with whom you deal or with whom you have dealt with in the past, all wanting to do the right thing and requesting you to opt in to enable them to continue send marketing information.

So, given that this is the case, we recognise that we may not hear from you because we and our colleagues all asking you for your consent comprises a communication influx of Tower of Babel proportions!

This means that we will again, strike you from our mailing list and you will no longer receive marketing material from Berthon from the 25th May 2018.

**So, if you stop hearing from Berthon, this will be why. If you would like to receive the annual lifestyle magazine – called the Berthon Book this year – called the Berthon Book this year and hopefully seriously funky – or our monthly eNews and details of Berthon events, please do let us know.**

For those clients with whom we have an existing or on-going relationship either with the Sales Team, or with our sister companies Berthon Boat Company or Berthon Lymington Marina, then we consider you as family. We will continue to communicate with you on these particular matters as we already do - to fulfil our contractual obligations to you. Where our contractual obligations have been fulfilled, we will continue to retain your details on file for 7 years to meet our legal obligations with our friends at HMRC.

So, GDPR – all good, lots of change, and in the first part of 2018 please rely on Berthon to be telling you all about it..... just like this note.....



*'meet GDPR'*





*'the Pacific covers over 30% of the earth's landmass'*

## THE PACIFIC AND SOUTHERN HEMISPHERE *as a cruising destination*

The Pacific and Southern Hemisphere is a vast cruising ground. By 747 it is a 27 hour journey from London to Auckland, and to cross the Pacific from Auckland to the Panama Canal is a vast undertaking – after all the Pacific covers over 30% of the Earth's land mass. The conditions are not easy and there is zero safety net with few satellites, and with distances so large that convenient safety services are most certainly not easily to hand. In addition, the movement of shipping whilst considerable is not of a volume where a handy rescue is likely to be accomplished by commercial shipping, as is the case in the busier waters of the Northern Hemisphere.

As communications and technology have improved, more yachts (both sail and power) are going further and around 50% of the Berthon blue water fleet at any point will have at least 1 ARC beneath their keel. World Cruising remain at the forefront of the Rally Business, providing the infrastructure and support to enable more and more yachtsmen to realise their dreams and to sail far. Whilst the Atlantic Rally for Cruisers remains their stand out event (*always oversubscribed*), they have extended their offering by developing World cruising events, as well as more manageable events like Rally Portugal for those with less time, but with a thirst for ocean sailing. We have supported World Cruising for the last 8 years and are proud of our connection with this stand out organisation.

About 10 years ago, the average blue water cruising yacht became a veteran of the North Atlantic circuit. Northern Europe to the Canaries, ARC to St Lucia, a season in the Caribbean and home. The home being accomplished either on the deck of a ship, solo or with the Trans ARC operated by the WCC. The adventure would be around 2 years, after which the yacht would normally be for sale, refitted and good to go again...

*"Many will cruise New Zealand where the Bay of Islands is like nowhere else on the planet."*

Well, life changes and the world turns and now this cycle (whilst still prevalent) is being overtaken by a new programme

that is altogether more challenging. Aided by the World ARC, and the thirst for adventure, many yachts are sailing to the Caribbean and after enjoying its azure waters, are then sailing to the gateway of their next adventure – the Panama Canal, into the Pacific and beyond.

For some yachts and their owners this is a full time life experience. For others it is an adventure that whilst all consuming is something that owners dip in and out of depending on work, family and life commitments. Because the Rallies run in series, it is very common for a yacht to do a leg or two in the Pacific with one Rally, only to drop out, cruise or lay-up, and then pick up the next as it comes through. In this way yachts and their owners are able to manage their cruising programme as fast or slowly as they ➤

wish. If there is a cruising area that is particularly fascinating for them, they can take their time there, rather than pushing on with the rest of the fleet. In many cases they do some of the trip with a Rally and go solo for the balance.

The preparation of a yacht for the Pacific is a more thorough affair than for a North Atlantic circuit but as yachtsmen do more and builders and equipment suppliers respond to the needs of the extended cruising grounds, yachts built today or refitted today have much more capability than those say, 10 years ago. The kit is more compact, more accessible to service and of course electronics and communications are developing and are improving at lightning speed.

We are also seeing clients who have done the North Atlantic circuit and have then sold coming back for a new yacht for the new adventure, and going again armed with the experience of their previous cruising. There are also many who are diving into long distance cruising for the first time and who are keen to do the world. In many cases these teams of couples, family and friends are superb blue water cruising yachtsmen – learning as they go and taking advantage of all that modern technology, the Rally organisers and the courses available have to offer and learning fast as they sail.

Nothing can take away from the beauty and excitement of the Mediterranean or indeed of the Caribbean with their wonderful beaches, good sailing and in many cases great infrastructure. However, the Pacific is another world in terms of the wildness and the opportunity to go where few yachtsmen have been before, to explore and experience the culture and to meet wonderful people who live in the various islands and land mass of the Pacific.

Yachtsmen who have cruised this area will tell you misty eyed about the wild beauty of Vanuato, the Galapagos and Fiji. They will tell of ancient volcanos, astonishing things to eat and drink, and of the charm and unspoilt friendliness of those living in these places. Many will cruise New Zealand where the Bay of Islands is like nowhere else on the planet. The distances are not trivial – it is a 2,000 nautical mile sail or motor from Australia to New Zealand and the waters can be wild.

From there many cruise to Japan, Singapore and to that whole much unexplored area by many, where the cultures, history and way of life provide a different dimension from any other place on Earth.

And of course, the Southern Hemisphere is also the gateway to the last great

wilderness that is left – Antarctica. In terms of navigation, endurance and preparation this area is in yet another league and for many it is a bridge too far. However, for those who have the yachting hardware and the will to get very cold, from here they can realise the trip and experience this mighty place, it is life changing. 2 FPB 78's will be cruising to Chile next year, GREY WOLF II and her sister IRON LADY II. From there they will make the trip to Ushuaia to prepare for the challenge of the Falklands and beyond. They will have experienced guides with them to help manage in this hostile yet beautiful cruising ground, safely.

For these yachts and the others who make this pilgrimage, there is wildlife aplenty, as well as sculptural ice that is millennia old. There is the chance to walk and climb, to kayak and to admire the majesty of the place.

There is Cape Horn which is on the bucket list of many experienced yachtsmen and can either be encased in cloud and white water or benign, allowing the passing yacht to anchor and visit the lighthouse and look out at this infamous passage.



FPB 78' #1 COCHISE - Musket Cove, Fiji

## FROM THERE PATAGONIA BECKONS...AND SO ON...

Of course cruising in the Southern Hemisphere is not for everyone, as to take that trip through the Panama Canal, is a big step. It puts a semi colon on life and requires either a sabbatical, or the need to work remotely or time out. It puts the yachtsmen taking this path beyond the scope of a relatively easy aeroplane ride home and when grandchildren appear, many crews head back to the relative proximity of Caribbean or Mediterranean sailing. The passages in the Southern Hemisphere are long and when guests arrive it is often hard to keep to the schedule. Easy Jet do not fly from either Port Stanley or the Galapagos!

However, it is possible to keep a foot in both camps of life with a programme that sees the yacht laid up and left for as much as a year, with her crew returning when the time is right.

Because more yachts from the Northern Hemisphere are venturing into the Southern Hemisphere, the yachting market in New Zealand and Australia is developing. These islands are dependent on currency shift and this has sadly meant that the great collection of super yacht yards in New Zealand have disappeared and few yachts are now built there. Iconic names like Sensation and Alloy are just a memory, but nonetheless, good infrastructure is in place for the refit and repair of yachts in the Southern Pacific. A word of warning though. European parts take time to arrive as they ship mostly from the USA so a good stock of spares is essential, and if the yacht needs refitting – do not expect this to be a matter of a few weeks as it is in Europe or the USA.

We are also seeing European yachts arriving in the area and being put on the market. There are significant import taxes to pay for New Zealanders and Australians who buy, but this has to be weighed against the wear and tear and time involved in a trip home, or shipping (the latter for a 55' footer carries a US \$50,000 price tag).

We have sold yachts in the area to those living there but in general, to make a sale within a reasonable time span we would



Perito Moreno Glacier at Los Glaciares National Park N.P. (Argentina)

*“For all the distance, big seas and challenges that go with making this great cruising adventure, the rewards are clear.”*

always recommend bringing the yacht back to the USA or Europe, particularly if she is of significant value. It is nice to think that a European or American or some other nationality will like to take her over in this wonderful cruising ground, but most do not wish to make your problem theirs. They also want to make the trip and prefer to buy in an area close to home where the preparations for their trip can be managed locally.

Having said this, we predict that as more people make the trip this will encourage more yachts to trade in this area – but it will probably be another 5 to 10 years before communications and the amount of product on offer will make this a significant centre for yacht brokerage. This is something that we are monitoring and something about which we can advise.

In the meantime, we do have some yachts available for sale in the area and we are able to discuss the best approach for those who like the idea of starting in God's own cruising ground.

The rules around cruising in these areas in order to maintain their beauty are frankly, and rightly so, Draconian. The idea that you should cruise there leaving only your shadow is one that is taken very seriously.

This is something else that requires work and preparation if you are thinking of embarking upon a trip to this place.

For all the distance, big seas and challenges that go with making this great cruising adventure, the rewards are clear. We deal with a number of yachts that are veterans of the Southern Hemisphere and we have never met a yachtsman who was ambivalent or dismissive of the experience. For many it is a once in a lifetime gig. For others, the call of this place has them basing their yacht there and going back for more of the same.

Of course it is always possible to make the trip there without a yacht and to try to cover the bases chartering or in other ways. However, making the trip in your yacht is an adventure in itself. As one of our clients explained – *it's hard work and maintaining the yacht in the Southern Hemisphere is a time consuming and difficult process. However, I am pleased to look after my yacht, and hope to do so as well as she has looked after me. After all she is my magic carpet to the most amazing places, giving me the opportunity to meet extraordinary people, and to experience an adventure that would be impossible by any other means.*

Amen to that.



# TECHNOLOGY IN DESIGN

## MOVING THROUGH INTO THE BUILD PROCESS

*- we talk to Tony Castro -*

International yacht designer Tony Castro has been designing world class motor and sailing yachts for many years. He is versatile and has seamlessly moved from cruising, to performance sail, to motor and on to super yachts. In a fast moving world he always remains ahead of the curve.

As technology marches, we are seeing its effects in all areas, from the sales process to the way that yachts are refitted, the way that they are operated, to construction and of course design.

### We asked Tony what he felt was the most significant change in recent years in yacht design.

For sure in our field the stand out change has been the development of Virtual Reality increasing our efficiency in our task of designing for manufacture. Of course it has been a real challenge to discover how best to use this technology.

### What is Virtual Reality?

The definition of Virtual Reality comes, naturally, from the definitions for both 'virtual' and 'reality'. The definition of 'virtual' is near and reality is what we see and experience as human beings. This means that the term 'virtual reality' could be interpreted as 'quasi-reality'. It is also known as computer-generated simulation of a three-dimensional space that can be interacted within a seemingly real way, by a person using special 3D goggles powered by a computer. Our design office has been using the OCULUS technology for a couple of years to implement this process in the design of our yachts.

### What does Oculus do?

Very soon after developing the first very basic Interior layout for example, we now have the ability to "walk" through the Interior, and as we do so it feels as if we are actually inside the yacht. We can turn around, look up and down and almost "touch" the furniture. The input we get from this experience is invaluable to examine the design, the space that is available, where equipment and furniture should go, and a myriad of other details.

### How does this help with the build of the yacht?

Because of our ability to be aboard the yacht in virtual reality, we can avoid costly changes on the yard floor by avoiding clashes between the structure and the interior fit out. In the old days this was a very real problem and resulted in delays to the construction process as well as added, unnecessary cost.

### How does this help with the systems aboard the yacht?

When we are working on the engine room layout or the location of other equipment elsewhere, like air conditioning, fridge compressors or the like, our 3D computer modelling enables us to see the exact scale of the units within the yacht. This allows us to make a judgment about the best location of the various pieces of equipment before the technicians start to fit them. We can also look at wiring and plumbing runs for optimum efficiency. Importantly, we can also imagine the maintenance process and allow for good access which means that once in use the yacht's systems are as reliable as possible because they are easy to get at and therefore easily serviced and maintained.

### When the design is finished, do you end up with a virtual yacht?

For sure! It is rendered in the actual materials and colours, the Virtual Reality experience is really amazing. This helps us to be absolutely certain that we can go ahead and build the yacht in exactly the way she was designed. We can do this without fear that something will need to change. Any changes that are made later are of a trivial nature.

### How does this affect the interaction with your design client?

This technology not only saves time, it eliminates errors and contributes to a better design. Importantly it also allows the Client to enjoy the design process and removes any anxieties that they may have in terms of the delivery of their very personal brief.

### What is coming next from technological advances to aid the design process?

The next big thing is the advance in simulation technology combined with Virtual Reality that will help to test the actual way in which we use the yachts that we are designing, be it sailing or motor yachts. Again being able to do this on the drawing board – or should I say, at the computer, eliminates errors and problems later.

### Do you see simulation technology as something which the design community will all use?

For sure, it's a win-win must-have!





*'water-skies attached to her rear'*

## RESIDUAL YACHT VALUE *and the cost of having fun*

**R**esidual value is something that exercises yacht buyers hugely. When embarking upon the adventure of yacht ownership there is the excitement of finding the right yacht for the yachting plans that you have in mind. Of course the yacht also has to make your heart sing and she also has to fit the expectation of other members of your cruising team. Residual value then also raises its head and in some cases plays its part as a giant sized spoiler of the fun.

However much the adventure or programme that you have in mind is important and it is indispensable that the yacht must be right for this, it is always sensible to think about your ultimate exit, when the programme is completed and it is time to hand the yacht onto her next owner.

In planning for this, it is an essential truth that a good buy is never crystallised

until disposal and so however super the deal might be that you have done for the yacht of your dreams, if no one wants to buy her when you wish to sell, suddenly this good buy is simply a question of money paid for a project now completed. Worse than this, it is dead money and a continuing liability as the yacht still needs to be berthed, insured and maintained when you are through with her until she is sold.

A good yacht broker is able to advise on residual value as they are able to use their understanding of the market and know what is hot and what is rather more chilly. Trends do change but most yacht owners change their yachts often enough that this is something we can give reasonably informed advice about. However, if you hold your yacht for say 10 years, please do not expect the market to have remained as it was when you

purchased her. Please also do not be cross with the broker that told you that she would be easy to resell, as 10 years on fashions have changed, the yacht has hopefully done much, and whilst forward guidance is a skill that is part of the yacht brokers' craft, our skills with a crystal ball are woefully poor that far into the future. The normal buy/sell cycle is 3 to 5 years, and in some segments such as the sports boat market this can be as little as 36 months.

It is our feeling that yacht owners give yachts a very hard time when it comes to residual value. We have all heard the one about – yacht ownership is like standing under a shower fully clothed and tearing up £50 notes. Or – yachts are a depreciating asset unlike property, stocks and shares and virtually anything else that you care to name..... ➤

Really?

There have been many occasions during which we have been asked to value a yacht for sale and together with information and imagery about the yacht appears the full costings from the owner for the yacht since the date of purchase. Insurance, berthing and all maintenance is added onto the value of the yacht when purchased in order to arrive at the net selling figure that he or she would be happy with.....

It is very good practise to keep records of all the work carried out to your yacht. It provides a good basis for the ongoing care of the yacht and shows that systems have enjoyed regular maintenance which increases the life of the moving parts and therefore increases reliability. When the time comes to sell her, purchasers will like the fact that the yacht has been well cared for as it decreases their risk levels and speaks of ongoing reliability. However, these costs are part of owning and enjoying a yacht. They are not the concern or cost of the next owner – you don't add the cost of servicing your car or painting your house, when you put these on the market, so it isn't really fair to do this with your yacht when you sell her.

Of course, yachts are complex pieces of machinery, operating in a corrosive environment and are highly stressed. This applies to performance sailing and power yachts for sure, but all yachts have to withstand a lot from a powerful and dangerous help mate without whom they couldn't do it – the sea.....

This means that aside from the comfort and reliability aspects, - looking after your yacht carefully is critical from a safety perspective and if she is to save your life and – you have to return the compliment by keeping up with maintenance and renewal.

Some yacht owners seem to think that electronics, sails, batteries, major overhaul of machinery, watermaker membranes, new rigging, paint and the like, are improvements to a yacht. They are not. They are consumables and one must expect to take these costs on the chin and accept that they are part of yacht ownership. They are what you do to your yacht to help her to take care of you.

Of course there are higher cost items which are improvements to a yacht and a new owner can buy at a good price knowing that she needs new teak decks for example. The full cost of a high capital expenditure like this is unlikely to be recouped in full. However, the cheque writer is the person who will enjoy the pristine honey colour of his yacht's new acquisition and the admiring glances that come with this, as well as the relief of knowing that all those irritating little deck leaks and lumps have been dealt with during the fitting process, and that the deck layout is now absolutely as he or she, likes. At least a proportion of the hard cash that went to pay for a new deck, is repaid to the yacht's owner in the enjoyment of a yacht without lifting planks and unsightly caulking leering from the rebates and crawling out of it whenever it is given the chance.

However, the most important part of the monetary equation is that of fun to the £, the bang for your buck, as it were. You don't buy a yacht to be an investment. You buy her to regatta her, or to roar around at high speed – maybe with water skiers attached to her rear. Or maybe you buy her to cruise oceans and to go far – or perhaps you cruise to switch off and to enjoy the beauty of your local cruising waters.

However you use your yacht, if you didn't own her you would be chartering, staying in a hotel, or perhaps engaged with another hobby – all of which would still need to be paid for with hard cash.

For blue water cruising yachts in particular, their owners enjoy incredible value for money as in many cases the yacht becomes their home (enabling them in some cases to rent their land home and gain an income), she is also their magic carpet to incredible places and their digs when in famous and expensive locations. Much is talked about the cost of marina berthing – but mostly this is trivial in comparison to the 6 star hotel somewhere very close by – and I bet that the view is better.... She is also the platform from which to entertain family and friends and a great way to return hospitality in a much appreciated and unique way.

Of course some owners charter their yachts. This is not at all like renting your house. The yacht has to comply with a myriad of regulations, normally needs a captain and chef aboard and the volume of charters rarely keeps up with the cost of running the yacht in such an elaborate manner. However, it does guarantee that she remains in top order and that she has a programme which keeps the crew interested and engaged. On a crewed yacht this is something that it is important to think about.

A new yacht will sell typically after 5 years for around 50% of her original build cost. That sounds awful.....what a terrible investment....

The truth is that it is up to the yacht owners whether it is good or bad. If she has had little use and they have had little fun for their £s, \$s or €s then yes, that is totally true.

However, if she is a planing motor yacht which has cruised Northern Europe and the Med which has had legions of friends and family aboard, many parties and the opportunity to see Les Voiles or may be an Americas Cup or two, has anchored in incredible areas and been there at home-time after the most incredible meals..... how is that bad value?

A house doesn't take you to the Galapagos or the Bahamas. It is hard to water ski behind a car. A portfolio of equities is a noble thing – but it doesn't go to windward and to be frank, it simply isn't all that much .....fun.....

So do beware of buying a yacht with a dodgy residual value. If she is constructed of concrete from a yard that also build piggeries, or is a one off from a designer that is a nice bloke that no one has heard of, or if there are serious structural problems or unusual kit that is going to be a nightmare to service, please do think very carefully about the level of the fun quotient you are likely to have as her owner.

When you find the yacht that makes your heart beat that little faster, meets the brief for your proposed adventures and which the family think is actually pretty cool, subject to survey, normal title checks and the rest, she is quite probably the one. Do use her much, and extract the maximum



fun from every day of your ownership of her. Look after her well and be realistic about value on resale, bearing in mind not what she is but where she has taken you and the experiences with family and friends that you have enjoyed.

Add the fun quotient to the depreciation value and you may well find that she was not such a bad investment after all....

For the rest, the reality is that if you fall in love, her next owner is highly likely to do so too. However whilst she is in your

care, please do cherish her. Not only will this increase her reliability and therefore your level of enjoyment, it will also make her an easier sell.

Do be realistic about the important jobs that really do need to be done – rig, decks, batteries and the rest. The buyer may well be willing to listen to your theories on the subject but this will cut absolutely no mustard with his pre-purchaser surveyor or his intended insurers who will want this stuff fixed before she goes to sea.

Consider doing what a good client of Berthon who bought and sold many yachts always did. He would adjourn to the yacht for an evening with a good bottle of scotch, and remember all the adventures, great landfalls and parties, as well as the difficult passages that she had brought him safely through. The following day we would set the price after he had properly considered the amount of fun to the £ that his yacht had delivered and in this way whilst he never got back what he paid, he always got value.

*“You don’t buy a yacht to be an investment. You buy her to regatta her, or to roar around at high speed – maybe with water skiers attached to her rear. Or maybe you buy her to cruise oceans and to go far – or perhaps you cruise to switch off and to enjoy the beauty of your local cruising waters.”*



MARTEN 80' - NIMROD

# TALKING POINTS *Cool to the point of freezing ...*

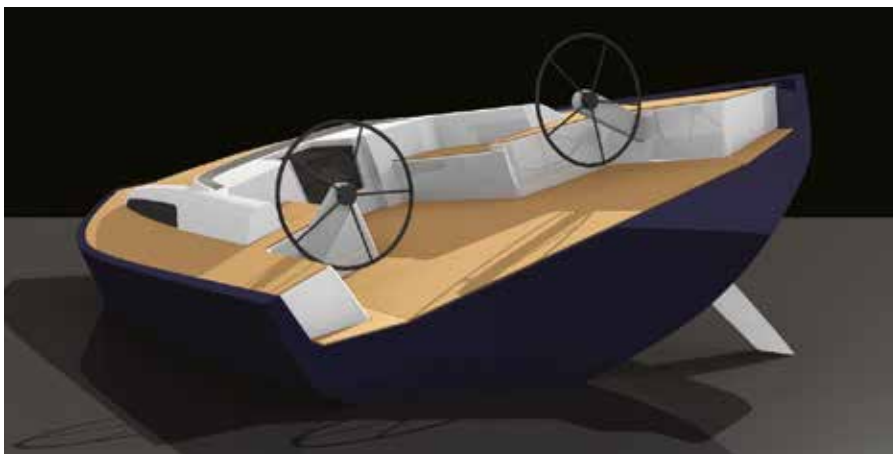
## WINDY SR 43'

The new Windy SR43' Blackhawk brings epic handling and Scandinavian quality to the Mediterranean deck boat market. She comes with masses of clever touches from a tender hidden garage, to hydraulic platform and passerelle – so cool, she's positively freezing...



## SOLARIS 44'

Epic performance cruising yacht from the successful Soto/Solaris combo. She offers high tech, beautiful build, easy shorthanded sailing at pace and a wonderful interior. Expect to see the signature Solaris dreadnought bow, although others may see rather more of her transom.



## FRANÇOIS GABART



The fastest solo sailor on our planet. He and his Ultimate Tri MACIF crossed the finish line between the Lizard and Ouessant to complete his circumnavigation of the globe on 17th December 2017. He accomplished this mission in just 42 days, 16 hours, 40 minutes and 35 seconds, beating the previous record set by Thomas Colville by 6 days.

## PALMA SUPER YACHT SHOW



2018 will see the 6th edition of this great event which this year takes place from the 27th April to 2nd May. The must go to Show for those looking for pre-owned sailing and motor yachts from 24 metres. We will be showing the Swan 112' SONG OF THE SEA, CNB 93' SAVARONA and Humphreys 77' AGLAIA.



## TURN THE TIDE ON PLASTIC



Photo © Beau Outteridge/Turn the Tide on



Photo © Beau Outteridge/Turn the Tide on

Volvo entry led by Dee Caffari, her squad is split 50/50 male/female with the majority under 30 years old. Their mission (apart from sailing fast) is to amplify the United Nation's Clean Sea policy. Age and gender are also a focus.

<https://www.volvooceanrace.com/en/teams/Turn-The-Tide-On-Plastic.html>

## AGLAIA



Meaning splendour in Greek, this extraordinary yacht built to designs by Rob Humphreys underwent a total nautical makeover in the big blue sheds at Berthon in 2016. Little of the original 2002 yacht remains. Available to see, touch and write a cheque for via Berthon now...

## MGB 81



The only fully operational Motor Gun boat surviving, she was launched in 1942 and had an exciting and dangerous career during WWII. She was stationed at Dartmouth under the control of Plymouth Command and was often in action on D Day she led the Invasion Fleet. The special boat is now in the custody of Portsmouth Naval Base Property Trust and Berthon are proud to have been asked to restore and re-engine her. Once complete she will return to Portsmouth to delight all who see and experience her.

## SONG OF THE WHALE



Operated by Marine Conservation Research one of our absolutely favourite not for profits, as this report goes to print she will be leaving the Falklands bound for Uruguay, Brazil and home. A 7,000 nautical mile trip to South Georgia saw her on-board scientists carrying out crucial cetacean research. Hats off to this great bunch of people.

## MONTEL FAGAN-JORDAN



Teen Fastnet helmsman who aged 17 took part aboard the Greig City Academy's Frers design SCARAMOUCHE. He was subsequently awarded the Young Sailor of the Year's award in 2017. Not only did he lead his crew, first he helped to raise the cash and to carry out the restoration of SCARAMOUCHE – bought in rather less than full racing trim for £1,000.....





# VAT AND BREXIT

## What it might, might not and certainly won't mean

**A**s a yacht broker, at least one waking hour in every day is spent talking about, worrying about, doing detective work about or taking advice on – VAT.....The VAT treatment of yachts within the EU is a very big subject made bigger by the fact that although a directive exists that sheds some light on the what makes a yacht VAT paid or exempt, or not for that matter, and what this means for her owner; basically, there is no central authority and no single set of rules. Everything is open to interpretation and depending on the Customs Officials, nation state, accountant or expert, the answer may well differ.

Each member state in the EU administers things differently, so navigating through the morass of available information to try to discover whether a yacht is in free circulation in the EU is a frustrating job, and often there is no clear, 100% answer. Yacht owners and buyers are keen to avoid grey areas but I am afraid that the treatment of VAT in the EU of which today the UK is still part, is just that and there is often no silver bullet or comprehensive answer. Very often owners and buyers need to form a judgement about what is

available in terms of paperwork and the accepted rules, and live with the resultant greys.

People often ask if this situation can't be normalised and made easier. This is unlikely to happen as member states of the EU do not have a common policy and to set one up would be expensive and this is really not on the must have list for such a small group of tax payers. Hard pressed customs offices in all member states are responsible for immigration, security on all borders and collecting customs revenues and amongst these important jobs, the fate of a few wealthy yachtsman worried about the VAT status of their yachts is simply not a priority. This is particularly the case when VAT should have been paid at point of sale and so the majority of yachts should be in free circulation. When resources allow, it is a simple matter to catch up with the problem and collect VAT where appropriate on yachts that have not accounted for it. Not having clear rules can mean that there is always a possibility that a yacht owner pays VAT on his yacht twice which is hardly a vote loser and also adds to the Revenue coffers at a time when all Authorities are hungry for revenue.

Many of the non-EU nationals who cruise the Mediterranean and elsewhere in the EU like to own VAT paid yachts. The value of being able to spend as much time as they like wherever they like in the EU is not lost on them, for this comes without the disadvantage of having to renew their temporary importation licence every 18 months.

At the moment, whilst not in the Schengen area, entering the UK is just like entering any other EU member state and when arriving from another EU state you do not have to alert Customs or fly a Q flag or bother with any of the processes associated with arriving in a new country. This is because the borders are open so you are simply moving through the EU which is a vast, single area.

If you are an EU national, in order to use any yacht that you own in the EU, she must account for VAT. In some areas these rules are particularly strictly applied and some member states do not sanction non-EU yachts having guests or family aboard who are resident in the EU, and this can even apply to the nationality of the crew. When cruising in EU waters, as an EU national (or non-EU for that matter) you may be challenged by the Authorities and you will need to provide a VAT receipt from the Builder, hopefully in original or from a Customs authority showing payment. Alternatively the yacht needs to have been in service pre 1985 and to have satisfactory proof that she was in the EU on midnight of the 31st December 1992, as of course the open market came into existence in January 1993. This exclusion is now relatively rare because of the march of time.

Yachts can also be imported back into the EU when returning EU nationals bring them in as goods and chattels. In this case, in the same way as furniture and the like, provided they remain in this owner's hands for 12 months, they are exempt and can be sold as such.

Aside from that, there are yachts owned by companies who have legitimately paid their VAT and reclaimed it, and who account for the VAT in the normal way on sale to the next owner.

Of course the other thing of which you must be aware is the history of the yacht since the VAT was accounted for. If she

has since changed hands outside the EU, not paid VAT on services performed in the EU or has reclaimed VAT at any point, she becomes VAT liable again.

If you are a non-EU national you can cruise in the EU for up to 18 months without payment of VAT. After that you need to leave the EU and prove that you have done so, after which you can return for a new temporary importation period of 18 months. As mentioned earlier some non EU owners prefer to have a VAT paid yacht as the need to leave for Gibraltar, Morocco or some other port during a cruising season or maybe outside the season, adds a little stress and hassle that is not welcome, as you have a yacht for fun and relaxation.

As the negotiations of Brexit twist and turn, we wonder what this will mean for yachts and VAT. For sure in Europe the same opaque and rather unsatisfactory VAT position will lumber on with different member states having slightly different rules but the general idea will remain the same. A good example of this is Portugal, which insists on a T2L Customs document to prove payment of VAT. This is not available to most yachts as it is only issued when a customs agent has handled payment of the VAT. Of course now we know, Customs agents are able to issue T2L forms to yachts bound for Portuguese waters if the VAT paid status is satisfactory. This is just one example of a range of different attitudes and local rules. What has become apparent to us, is that if the yacht is arrested in Europe it is the local Customs official that will call it and what he, or she, says will go.

There are many situations such as that relating to lease purchase arrangements beloved of the French and Italians but not accepted in some other member states as proof of VAT payment, and many other little anomalies which we need to work around.

So all these wrinkles, rules, customs and the rest of it will remain and as a large proportion of our business is carried out in Europe, it will be situation normal, and our detective work will continue.

However, in the smaller market of the UK, we are now told that we are leaving the Customs Union, so what will this mean for a bunch of yacht brokers trying to

establish VAT status in the UK after 2020 – or we suspect a little while after that?

The possibilities are intriguing and it will be interesting to see how the situation plays out. What it will not mean is that the UK authorities will forgive the payment of VAT – nice though this would be.

For those “overseas” (outside EU single market) manufacturers supplying to Europe, presumably the supply will be zero rated to an EU country of supply. Interestingly, a UK national would probably be able to then use his yacht whether new or ex-VAT and brought to the EU for 18 months without payment of VAT. If this is the case we will see a lot more UK yachts remaining in the Mediterranean and other EU seas rather than hurtling across the Atlantic to the Caribbean immediately on purchase. We also expect to see more motor yachts in the Mediterranean where the weather is more reliable if indeed there is a 20% price advantage.....

For the UK yacht owner, if the above proves true, presumably when returning to the UK they will need to pay VAT on entry?. If this is the case, it is very hard to imagine anyone with a blue water cruising yacht or larger motor yacht bothering to return to the UK or coming in for a refit when a saving of 20% beckons across the English Channel. Yikes, that may not be good for refit yards in the UK unless they can come in on an IPR (Inward Processing Relief) ticket, as do all VAT free yachts at present and then leave post refit. On the other hand, refit-boatyard UK suddenly becomes destination refit for all EU yachts if they can use IPR and save 20%.

Of course we don't know if this is what will happen but it is logical to assume that the UK yachtsman will be treated like the Norwegian, American or Swiss. The only reason not to do this would be a revenue grab by the EU. As there is no coordinated VAT collection policy in the EU, and as the UK would not be participating, this would be seriously less than cricket.

So, in summary, the refitting of yachts in the UK for EU yachts should also be an ex VAT affair, giving our UK yachting industry a welcome shot in the arm because of the price advantage and attracting both EU yachts and non EU yachts to an area with fewer rules and more importantly, without officials asking for money....!

*“Many of the non-EU nationals who cruise the Mediterranean and elsewhere in the EU like to own VAT paid yachts.”*

As the Brexit negotiations stumble on, we are pretty sure that the VAT treatment of yachts is not at the forefront of the agenda for Mrs May, Mr Davis and Dr Fox .....We are also sure that there are many twists and turns for many parts of our economy before things are finally sorted out.

The UK yachting industry is about the same size as the UK ice cream industry. If you consider the UK weather and consider the occasions on which you might like to eat ice cream in our damp and chilly islands, then you have some idea of the size of the yachting industry.

However, and despite the odd hiccoughs (Oyster), our UK marine industry is diverse and nimble, supplying anything from the mighty Sunseeker to Princess and Rustler yachts, down to small cottage industry companies that build a yacht or two every year. Our yachting service industry punches above its weight with names like Camper & Nicholson, Burgess and the like based in London, with networks of offices across the world. Even minnow Berthon is a very English company, with a shipyard where boats have been built since Roman times and with an apprentice programme employing around 30 young people at any one time, learning a skilled trade in our yard. With our offices in France and the USA now core to what the Sales Division does (only 35% of our business is now UK based), nonetheless, HQ is in the UK and will remain that way.

Whatever you think of Brexit, it is coming, and it is our hope that a coordinated policy can be found for the VAT treatment of yachts once the UK is out of Europe, and that this needs to be along the lines of the Norwegian model rather than some solution which takes all the worst bits of the European VAT muddle and makes it worse. With a simple, business friendly solution, the industry and the people that work in it can thrive and grow – who knows, the UK ice cream industry may have to look to its laurels!

# The Magic of Film

## AND HOW IT AIDS THE SALES PROCESS



*'our man Harry'*

The march of the world-wide web over the past years has transformed the way that yachts are presented to potential owners. During a long career in yacht brokerage the writer has seen delivery of information change from black and white photocopies of details with colour photographs stuck onto it, winding its way painfully to a buyer by the lovely Royal Mail, to instant delivery of information world-wide, available to the buyer 24/7.

However in the past few years, moving imagery in the form of video has hit the scene and we predict that in the next 2 years the majority of yacht information will rely on the use of moving imagery of some description. Of course the technical specification and still photographs will continue to have an important place, but these will assist as part of the research process, as buyers drill down into information to decide if they want to take their interest further.

The way that prospective buyers search for yachts has changed hugely and whereas in the past many miles were travelled and boatyards tramped through in search of the right yacht, most yacht search is now accomplished wearing slippers rather than deck shoes, and the viewing of a yacht only occurs when she is close to the top of the list. We are

surprised how far many buyers travel on their journey towards yacht ownership, without ever stepping aboard the yachts that they are considering, or the classes of yachts that they have shortlisted.

On paper it is very difficult to get an idea of a yacht spatially and how she really works for you. Of course whilst no substitute for stepping onto the deck, video can really help with this. The technology is improving all the time and it is now starting to gain prominence as front line sales material.

Recognising this, here at Berthon we now have our own resident professional photographer, Harry, with a lot of experience with film, and he has been able to fill the gaps in our knowledge as far as this important new medium is concerned. He is increasingly found on RIBs videoing yachts under way or upside down in engine rooms having been asked to record this area in detail – and in focus! And when not working for the brokers, he is busy documenting a myriad of yacht refits in Berthon's big blue sheds.

He is also the master of 360 degree walk throughs which involves a camera and time for it to whirr around and do its work. By capturing each cabin aboard a yacht, it is possible to create a 360 degree walk through which enables the

viewer to see the yacht and to examine all the features aboard at their own time – looking in detail at areas of the yacht that are particularly important to them. This is a useful tool for prospective purchasers who want a detailed overview before making an inspection. Of course it does not give the detailed pin sharp imagery of a high resolution photograph and it is not as good as viewing a yacht live – but it tells a lot about layout and the positioning of equipment. It gives a good spatial awareness, but again, it is not as good as the real thing.

Of course obviously though it sounds, yachts are bought for their abilities at sea. Conventional information can give polar diagrams, performance curves, fuel consumptions, speeds and so on. Also available are sailing shots in most cases but there is little to show how she looks on the water.

Again, Harry is able to help in this regard. Yachts that are joining us at our Lymington HQ arrive almost always by sea. This gives us the opportunity to film them as they do so. We are also able to film on deck and see the yacht's operation at sea. This is massively helpful in seeing how the yacht looks in her natural environment and also how she is managed by her crew.



All of this clever technology makes what is euphemistically known as the 'user journey' more comprehensive than ever before and enables hours of yacht shopping without leaving the comfort of your study.

Today everyone has a camera on their trusty iPhone with video and as the technology makes it possible we see more and more yachts with amateur video and yacht details with imagery taken using mobiles and the like. This of course gives an idea of the product but we do not feel that it is good enough to present high value assets to a client base who is used to better when they are looking for their next car, plane or house.

Of course the car industry were early adopters with the funding and the foresight to utilise the march of technology. Estate agents are also at it although this is patchy. The yachting industry is coming a poor third and we need to raise our game. To be fair, the new yacht yards are now very skilful in the material that they are disseminating but the brokerage market is lagging behind.

What we have discovered is that to do a good job, there are a few vital ingredients to present yachts properly for the 21st century. To do this the essential tools are –



### Harry Shutler

*Professional cameraman and film maker, with the ability to take great shots and importantly to edit the film taken, which is not a process that is picked up quickly.*

- **Go Pro**
- **Osmo Steady camera**
- **Canon 5D cameras**  
*with requisite lenses including wide angle but not so wide that the imagery is distorted, sliders, tripod*
- **Final Cut editing equipment**
- **Drone**   • **RIB**   • **Lighting**

These resources enable us to make the most of the yachts that we are trusted to sell. Because we have Harry on hand, the brokers are given free hand equipment, like the Osmo (always a challenge to get through airport security!) knowing that once back at our HQ in Lymington, that he can turn our efforts into professional footage.

Another important aspect of making the most of this technology, to get the results that are possible, is to prepare the yacht herself. If there is loose gear, a dubious looking cooker or unmade berths – this is seriously uncool. We also use props to dress yachts so that we add scale to interior shots, as providing an idea of the space below is key to getting the most out of these films.

We always include a set of still photographs in high resolution, so that it is possible to see in detail the general condition of the yacht and to identify areas of particular interest.

We have also discovered another great thing now that we have our trusty film maker...brokerage yachts have a narrative – we sell yachts that do amazing things and visit extraordinary places. We are now doing a number of interviews with owners about adventures that they have had, the joy of ownership and also the refit schedules of some of the Berthon fleet.

Apart from being great fun and teaching us more about the yachts that pass through our hands, it provides valuable information to prospective purchasers and brings the yacht to life and delivers more than the old fashioned yacht particulars ever could.

However, it is also our job to be accurate and informative with the yacht particulars that we provide for the yachts that we have for sale. Whilst they have better imagery which is easy on the eye, their primary function remains to inform and to build a technical picture of the yacht, her equipment and capabilities. Funky film does not do this and cannot be a substitute for this important part of the marketing process. We are therefore also working to increase the granularity of the information that we provide.

Prospective yacht owners continue to be time poor and this new way of yacht search provides them with a huge amount of information to sift and assimilate between meetings and whilst doing other things. It also enables them to rule out those yachts that are not suitable.

However, a word of caution about this.....however funky the technology or super clever your broker's camera touting equivalent of Harry, there is absolutely no substitute for stepping aboard the yacht that you are considering. If you have the opportunity to look at similar yachts even if you have discounted them on paper, film, photograph or google.... please always do so. We see a number of prospective clients who have extremely fixed ideas about their requirements based on their research. However, a thorough assessment of their needs by us has subsequently ruled in some discarded yacht types as being the most suitable for their needs.

In addition, it should always be remembered that buying a yacht is an indulgence. She is your magic carpet to get out on the water in your leisure time. You don't need a yacht, you would like one. A yacht is an emotional purchase and as with many major purchases in life, you can only decide if the yacht is the right one for you, if you step aboard and experience her.

So, all of this wonderful technology together with the skills to use it to its potential, is our answer to the needs of presentation and making our yachts visible and attractive in today's market place. With this goes SEO (Search Engine Optimisation) and constant updates and improvements behind the scenes. Our brokerage search facility was also rebuilt and relaunched at the end of last year and a new Windy website joined it in January 2018.

We recognise that this particular voyage of information and pictorial information is ongoing, but we feel that the good ship Berthon has now completed trials with this new equipment and is headed on the right course to make the most of the opportunities that it will bring. We will continue to uprate our offering over 2018 and beyond and we hope that you enjoy our new look yacht search, videos and all the rest.

# GENERAL OVERVIEW OF THE INTERNATIONAL STOCK MARKETS AND ECONOMIES

BY JOHN REDWOOD,  
CHARLES STANLEY'S CHIEF GLOBAL STRATEGIST  
09.01.2018

The last few years have seen a good bull market in shares. It has also been a very worried bull market. Many professional investors and private savers have kept substantial savings in cash despite the very low income on bank deposits and low risk bonds. The collapse of share markets during the 2007-9 banking crash has cast a long shadow. People are always looking behind them wondering if it could happen again. Today more people are asking themselves have they missed out, or can these share markets continue to go up? At Charles Stanley we keep on worrying about what might go wrong, but we have stuck to the view for many months that share markets should do well in these conditions.

Let me begin with the worries.

The first and most important is how much longer will leading Central Banks want to provide easy money and keep interest rates so low? It is, after all, these actions that have powered the bull market so far. How far will rate rises go? Will Central Banks cease creating money to buy up government bonds? Will this be done at a measured pace which allows the recovery to continue, with sufficient liquidity for share purchases? Is the internet and substantial labour mobility and migration now ensuring recovery does not push up wages and prices too far too fast? This question has consequences for the dollar, interest rates and shares.

On balance we think the Central Banks will continue with enough stimulus to satisfy share markets in 2018. The Bank of Japan is pledged to keep on creating money to keep interest rates around zero. The European Central Bank is in no hurry to make any increase in interest rates, though it will reduce the amount of money it creates over the course of 2018. The US authorities have pushed interest rates up to 1.5% so far without bringing the stock market down, and look as if they can put through another two or three small rate rises in 2018 without doing much damage.

The second worry is to ask, can the world sustain its current synchronised recovery? Are there dangers lurking in Chinese debts or European banks or US or EU politics that could impede this progress? So far it looks as if the world economy can grow more than 3% this year, with all the main advanced countries and most of the developing world contributing positively. The Chinese are well aware of domestic problems with bad debts and weak banks, and look as if they are managing their way through it without causing problems for the real economy. Meanwhile the Eurozone now has strengthened its leading commercial banks after several years of struggle. The political risks in the Euro have abated with the decisive victory of pro Euro forces in the French election and the inability of anti Euro parties to win a majority so far in any Euro country.

The third worry is the possibility that inflation will pick up too quickly and force a change of approach by the authorities in leading economies. So far there is no sign of this happening. Despite the better recovery in activity underway in the Eurozone, core inflation remains below 1%. The US has not seen much by way of inflationary pressures despite several years of recovery and a substantial fall in unemployment. Japan is struggling to get any increase in inflation as it strives to get its rate up to the 2% most Central Banks have as their target. It appears that internet based competition allows people and companies to source goods and services from around the world at keen prices, keeping inflationary pressures down. Meanwhile large migrations of workers into higher paid countries with fuller employment, allied to outsourcing to lower cost areas, has kept wage growth down. The old stop go cycle hit the need for a stop phase when wage inflation leapt up. There is no sign of that happening in most advanced countries.

So maybe we can allow ourselves the luxury of a little optimism, and ask what is going right?

World output should continue to expand faster than 3% a year, with modest acceleration likely in 2018. The recovery is now synchronised around the world. There are signs emerging of a more positive credit background, as years of attempted easy money in the advanced

*“World output should continue to expand faster than 3% a year, with modest acceleration likely in 2018. The recovery is now synchronised around the world.”*

countries at last starts to generate a bit more lending to individuals and companies. The US has led the advanced country revival and is the dominant force in the internet revolution.

Markets got over their shock at the election of Mr Trump very quickly. They looked forward to his reflationary moves. Attention now centres on the major tax reform plan the Republicans have piloted through the Senate and House. The ten year package represents a substantial fiscal stimulus, with improved incentives for business and individuals. Mr Trump inherited a US economy in good shape. US unemployment is low, wages are rising modestly, employment is still increasing and the economy is expanding at a reasonable pace.

Labour force participation remains quite low at 63% of the working age population, implying more people may still be tempted into work as wages and vacancies rise. The banking system is sufficiently mended to be able to lend to finance, increasing company activity and to help consumers buy larger ticket items including homes and cars. The US is still the leading internet and digital technology provider to the world, sporting the major international groups that have pioneered the digital revolution. The US has good leading universities and a favourable culture for business start-ups, new ideas, and the provision of capital to early stage ventures. All this helps the economy grow and gives it a major presence in world markets.

Charles Stanley remains relatively optimistic about the USA. Its higher valuation than other share markets in part reflects the higher weighting of growth sectors within it. Share investors worldwide have to go to the USA to get big exposure to the digital age. The tax cuts will mean companies keep more profit and report higher earnings, allowing them to pay larger dividends. We have favoured technology stocks within the US and they have done very well. The big four in NASDAQ are now looking for ways of extending their phenomenal growth. They have plenty of cash and are making acquisitions outside their core areas to expand into new business models for entertainment and retailing. This will need watching in case they overextend and buy lower margin, lower value businesses that depress returns. Recent retail figures show the growing dependence of the consumer on internet based transactions.

There is a furious pace of business adjustment between old and new model businesses. Bank shares are also beneficiaries of the tilt to higher rates and to easier conditions over lending.

What could go wrong? Mr Trump could make serious errors of economic judgement which led to damaging policies by the Administration. The Fed could become more aggressive than markets think, with a strong dollar reinforcing the deflationary tendencies of a more rigorous monetary policy. We regard these as low

probabilities. We do need to consider the extent to which global markets are dependent on continuing tech success.

The Euro area economy taken as a whole last year saw some better growth, pushing up to around 2%. Inflation has stayed low. The balance of payments surplus has remained high. Asset prices, particularly of bonds, have been pushed up and sustained by large amounts of Quantitative easing and ultra-low interest rates. Germany and the northern states will do better than Italy and Greece. Spain is recovering from her property and banking crash. France is at last performing better. It looks as if there can be further economic growth this year based on supportive bank policies. The UK too will see reasonable growth, with a positive outlook for manufacturing which is competitive at the current exchange rate and capable of boosting exports.

Japan is enjoying faster growth after years of trying to overcome the aftermath of its property and credit collapse in the early 1990s. China looks as if it will continue to achieve growth above 6% this year, whilst seeking to move away from reliance on basic industrial products and exports for growth, towards higher technology, services and domestic consumption.

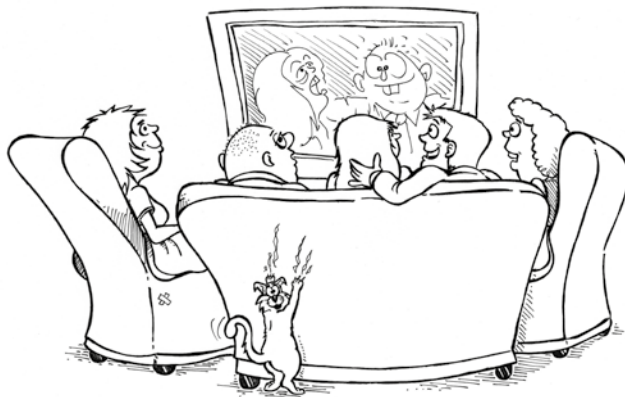
All in all there are still things to be cheerful about in the world economy. We will keep on worrying, but you can worry too much.

**Investment involves risk and investors might not get back the original amount invested.**

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**CHARLES  
STANLEY**   
*Wealth Managers*





*'high political drama in 2018'*

# 2018 Berthon Forecast

BY SUE GRANT

When I sat down to write the 2017 Berthon Forecast, I did so against a backdrop of enormous change politically, economically and socially. 2016 was a very big year. Now that we have said good bye to 2017, 2018 is looking rather tame!

**M**r Trump has just made his first State of the Nation speech, the USA economy is roaring away, and the world economy as a whole is now growing and exhibiting all the growing pains that we should of course expect, but which continue to surprise the pundits. For the first time since before the crash of 2008, the money men are starting to witter about interest rates and of course, we all now have Brexit fatigue – but there is a long way to go and at least it gives the journalists a constant source of material – so someone is happy!

We live in a rapidly changing world and the changes are so wholesale that it is easy to miss the incremental ones which would have made headlines in the broadsheets a few years ago. We have intelligent technology, global warming, the rocket man (and space car or is that a car in space?!), instability in the Middle East and much, much more to contend with all on a planet which is a tiny spec in the vastness of the solar system.

All these changes have been mirrored in the yachting market. By far the most significant has been the overriding trend of growth, albeit at a slow pace which has provided the funding for yachtsmen to get out there and have fun on the water. This is followed very closely by the enormous

swings in currency. This is something that we monitor carefully, but without doing so we can easily spot them as the enquiries shifted during the year, from the USA to the Southern Hemisphere and then back to Europe as a rampant € carries all before it.

The USA has been a particularly interesting market this year. Concerns about the new administration led to a slow start to the year but this improved in quarter 3 and the latest tax cuts have led to a lot of activity there. A growing USA economy is now changing the landscape noticeably but this is set against a very weak US \$ which is seeing yacht arbitrage occurring with holders of Euros in particular, heading to the East Coast of the USA to shop for yachts.

And then there was the weather..... as a Brit it is of course natural that this is uppermost in my mind – but it has played a significant role in the market this year. In the UK the weather was relentlessly awful in 2017 and this meant that yachtsmen who increasingly have more hobbies and less time to spend on their yachting, have migrated to areas where the weather patterns are more certain and sunglasses and ambre solaire are relevant to the yachting experience.

Weather throughout the globe is changing and the hurricanes in the Caribbean are a stark warning of what we can expect in the future. In the Caribbean this winter, there has been plentiful rain and windy conditions and it has been the same in the Mediterranean. For the ruffy tufty high and low latitude sailors there are also massive changes occurring with passages opening and closing, and with dramatic movements in pack ice and new and different seasonal cycles.

Happily this hasn't put yachtsmen off the sport, but it has encouraged them to look at where they keep and use their yachts.

Intelligent technology is much talked about and we are told that none of us will be allowed to be behind the wheel of a motor car in a few short years. Evidently we are terrible drivers.....Ronald the robot will see to all that. We are also starting to see the start of this trend with yachting with docking programmes allowing your yacht to park herself, dynamic positioning and much more elaborate programmes allowing Ronald to calculate exactly the moves needed to make your grand prix raceboat sail to her potential.

However, the most significant change is the way that yachts are made, and the materials used. As computer modelling and high tech materials become more common, the sort of yachts that they deliver – fast, efficient and with clean lines and sparse interiors, becomes the accepted norm. The loft living interiors of the production yachts has now spread across the piece and high quality yachts of all hues are offering clean lines and superb interior design.

Simplicity is good, particularly as yacht builders are now really attending to the necessity to have access to equipment for maintenance and service. Yacht design has changed hugely over the past few years but what has become extremely evident in 2017 is this is now becoming the norm.

This means that the older brokerage yachts with their traditional looks and more complicated systems are becoming harder to sell unless their owners accept the market's view of value and importantly, that they spend the money to keep everything properly up to date and in good working order. Gaffa tape and hope no longer cuts it. If your yacht

needs a new teak deck or full paint job, to sell the yacht in this market you will need to take a deep breath, pay the bill and put the yacht on the market in the knowledge that you will not get your money back, but your yacht will sell instead of her sisters.

We predict that with an optimistic America powering forward that Mr Trump is right that if America does well, so does the rest of the planet. The market in that continent is relatively small and will continue to be dominated by a demand for production sailing yachts that are owner driven, preferably with shallow or variable draft and by the picnic boat/ Back Cove solution. More wealth will not see this change, as these types of yachts are absolutely the best solution for these waters. However, we will see more Americans choosing to go blue water sailing and motoring, and for these they will visit Europe and other areas that build and supply the tools that they need for this job. American buyers are sophisticated and do the research, and aren't afraid to travel to get what they want.

In the UK, the Brexit effect has been less pronounced in 2017 than we expected. The general view is that life is for now and that if there is money to spend on yachting then let's spend it. We feel that concern about the instability of our leaders in Westminster and the possibility of a surprise result of the next election is of more concern than the Brexit cloud. As we get closer to 2019 we think that this concern will be more widely felt.

We thought that Europe would experience a slow-down in 2017. This did not come to pass but in the end it was currency shift that drove the market and we sold a lot of yachts to Europeans last year and indeed for them. Because of the increasing desire to yacht in the sunshine, Palma de Mallorca has grown in prominence again and this is set to continue with the marine businesses surrounding it doing well. Many shipyards in Northern Europe now have satellite operations in the area so that they can manage normal service for their clients, taking yachts back to their shipyards between seasons to carry out more major work and having them positioned back in the sun the following season.

Where there is a conglomeration of yachts – the business of buying and

selling yachts will always be brisk. For this reason, the Mediterranean will grow in prominence in 2018 with the buyers and sellers being ever more international.

The FPB Programme is shut – and we certainly didn't predict that! Steve and Linda Dashew went cruising and decided that life aboard FPB 78#1 COCHISE was more fun than building yachts! And we don't blame them. With 18 hulls either in build or cruising, this incredible series will continue to be a stand out product and unique in its capability. Those fortunate enough to be FPB owners will cruise far and residual values over the coming years will remain high. It is a small market but for those that plan serious blue water, there is simply nothing else on the planet that delivers to this level. Like the Dashew sailing yachts they are one offs – and we at Berthon specialise in selling, mooring and refitting unique yachts.

On sailing yachts we have understood the move towards light, fast and stylish, yet still with quality. The way forward has been forged by the production builders like Beneteau and Hanse, but there are many yachtsman who prefer to pay more for a quality yacht moulded to their wish. This is why the Advanced 80 that will launch this year for an English client is eagerly awaited. We are also now handling Solaris in the UK with our good friend Richard Baldwin. Whilst we expect that many new Solaris owners will prefer to yacht in warmer waters we expect a number of them to be British.

For Windy, the innovation continues and the issue is not sales but delivery. All territories are doing well and in the UK and France 2017 was a fabulous year. We predict that the market for these benchmark, drivers' boats will continue to be strong – especially demand for the new Blackhawk SR43 due to debut at Cannes in September 2018.

However, the most important thing in 2018 will be to remain nimble as the market moves and changes. Trends that once lasted for years with owners able to be nonchalant on resale can now shift in months. The biggest challenge for us this year will be to articulate what is happening in the market so that an exit is achieved at market price and the opportunity is not lost. We have already seen this year situations where waiting too long to confirm an offer has seen

it lost to another yacht owner, who understands that a cash buyer is a more difficult segment, is a prize. Once lost, the selling price further down the line has without exception been 10% to 20% less than the first offer – he who hesitates – and all that...

As we trundle along in the new normal, a lot of firms have changed hands, re-grouped and are off to the races again, building, servicing and supplying the market. This is all good news but we do caution our clients that borrowing money to buy yachts let alone to fund yachting businesses continues to be very tough. If you are spending with a firm who is building or may be carrying out a major refit on your dream yacht, do take the same precautions that you would in the course of your normal business and run the checks, look at the balance sheet and be happy that they have the ability to follow through and deliver. The sad demise of Oyster Marine is a reminder of the importance of this, but hopefully some sort of phoenix or renaissance will rise from its ashes.

Likewise, if you are using a broker, make sure that bank details are verified (we bore our clients by checking every time but it's worth the faff) and do be sure that the correct separated client account is in place and that your funds are secure.

2018 also sees the introduction of GDPR. This new legislation means that you need to opt into mailing lists of those yachting firms with whom you wish to stay in touch. We firmly predict that some of our clients will wonder why we aren't in touch post May 25th. It isn't because we've forgotten you but simply that we actually can't contact you by law, so please do get in touch as we are keen to help with your yachting plans.

With Berthon celebrating 100 years in Lymington and with 150 years of experience between the Berthon sales' team alone, the faces are all the same. Welcome to this new year of change, political high drama, further development in yacht design in all segments and the opportunity to get out there and have fun on the water. Fair winds and good sailing from us all.

***Fair winds and good sailing  
from the Berthon team.***



**Windy**  
SPIRIT OF SCANDINAVIA



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