

BERTHON

INTERNATIONAL

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THE MARKET REPORT 2023



THE MARKET REPORT 2023

BY SUE GRANT

Another rainy day and another edition of the Market Report
written in my snug little garden shed.



What a truly bizarre, challenging yet great year we have just said goodbye to – 2022 you were extraordinary! Covid fatigue gave way to a much more normal life this year, but as air travel achieved lift off, and normality resumed, at least for the Berthon team in our offices in France, UK, Spain, Sweden and USA, the rumblings and gunfire in Ukraine grew to deafening volumes. The foray that many assumed (and certainly those in the Kremlin) would be a short campaign has turned into a long, harsh and cruel conflict which has touched everyone on the planet.

We have all watched with horror as this situation continues, and all have tried to lend a hand, from a collection for Ukraine supported by everyone at Berthon Boat Company to team members who have taken Ukrainians into their homes. With the human tragedy has come a fuel crisis, high interest rates to combat inflation and enormous supply chain problems. The sunny uplands that we glimpsed as Covid abated are now far away.

Covid and the need to KEEP CALM AND CARRY ON YACHTING provided extraordinary results for us in 2021, and

that same desire to carry on saw the Berthon Sales Group post another set of glittering financial results in 2022. Our worry that everyone who wanted to buy had done so was completely unfounded and the restricted supply of recent, well equipped and maintained brokerage yachts of all hues has kept the market barrelling on. New yacht manufacturers were offering deliveries in 2024 and so this yacht gap keeps brokerage yacht prices high. Supply chain issues have continued to bite, and yards are being forced to deliver yachts in some cases without major equipment like generators and air conditioning, hoping that their dealers can source the equipment locally. We have even heard of new yachts being delivered without engines – they followed on! What a nightmare!

VAT continues to be the gift that keeps on giving in terms of lack of clarity in many areas. This has not been helped by inaccurate reporting on the web and elsewhere. Yacht owners continue to be time poor and getting their yachts positioned has been challenging as shipping prices shot up as container prices ramped by 100s of percent. This situation is now happily changing but it is still important to be aware of the pitfalls.

Another subject much talked of this year has been that of yacht finance. The landscape here has changed massively in the last 5 years and a new way of working is now making the situation more stable, as solid funders are available in the market. You will find articles about these subjects further forward in this publication.

Aside from the situation in Ukraine, you simply couldn't make up some of the other stuff that has flickered across our screens – 3 prime ministers in the UK in one year and 3 chancellors to match and some pretty un-British scandal. A run on the pound. A fuel crisis so severe that the Western World in some areas nations are turning out the lights periodically to conserve fuel. A tragic situation in Afghanistan, as well as South Sudan and Yemen. Earthquakes in Turkey and Syria, protests in Iran, storms throughout the planet as the climate change crisis intensifies. Increased tension between the USA and China and Latin America's political lurch to the left. As if that wasn't enough, Queen Elizabeth II died after 70 years and 214 days on the throne. An extraordinary and irreplaceable force for good. All of these events touch everyone living on our planet.



For us the return of full fat, bustling boat shows was a major feature of 2022, which saw the team in Cannes, Annapolis, Newport, Southampton, London, Orust and at other small exhibitions internationally. As I write this, Düsseldorf proved a success where we showed Pearl, Solaris and Marex. Having been shut for 2 years we looked forward to the inside yacht bazaar to beat them all, although the power crisis might have seen the central heating turned down; so overcoats were not essential! No matter.

Our international team of brokers have worked together brilliantly and we ramped up our marketing offering this year. The Sales Group is coming of age as we work on developing all parts of the business and do so with the same team in place. We have added support in Spain and Sweden with Nathalie Miquel-Elcano and Anna Friberg joining us to support the Berthon mission. All our offices have developed and grown this year.

In the USA, the Team has delivered new Moodys and has Rustlers and Moodys in build for 2023 and beyond. A Solaris 50 bound for their waters was on the Solaris Düsseldorf stand and we have a 40 and 44 in build for the USA too. The brokerage market has led the charge with rapid sales of recent, well maintained yachts. With the shortage of yachts in the USA, European listings from other Berthon offices are filling the gap, assisted by a strong US Dollar and the comfort that is provided to American buyers of dealing with American brokers

in our office in Newport in their time zone, with client accounts in the USA and an American contract.

Sweden has been incredibly busy this year as clients internationally recognize the value of the high quality yachts available that are stored undercover in the winter in heated sheds, having been immaculately decommissioned. Their condition is superb and even more mature yachts look half their age, as teak decks, gelcoat and systems are not left in the cold and wet (or humid heat) of the outside storage seen in many other parts of the world. Magnus, Fredrik and the team are the experts on all yachts manufactured on the wonderful island of Orust and they have had a stellar year. Magnus sailed the ARC in a Najad 505 this autumn, enjoying the warm of the Caribs before heading back to the crisp, snow covered landscape of Orust.

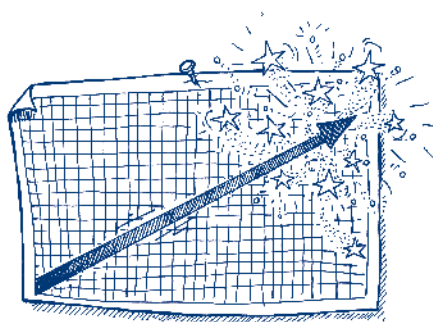
For Berthon Spain Service it has been another strong year, as things have ramped up in their Big Blue Shed in Son Oms outside Palma. As we grow into

this facility, mezzanines have been built, more machinery bought and the team added to. With some significant refits accomplished in 2022 and a growing guardiennage fleet, the growth curve is almost vertical and so if you are yachting in Palma, Andrew Fairbrass and his team will be delighted to help.

Our Sales office in Palma has been busy with yacht sales; Simon Turner and Ben Toogood with the help of Nathalie are rapidly growing the business. As berthing prices ramp in Palma and yachts for sale migrate to the mainland, day trips to Barcelona, Valencia and the like become more frequent. To make the most of a trip to visit yachts in the Mediterranean, we suggest that you put aside some days to visit all the suitable yachts available.

Our UK HQ has been running fast this year with lots to do on both our brokerage offerings and new yacht sales. We also opened a satellite office in Hamble at Swanwick in 2022 with our friends at Pearl Yachts, which I have to say has one of the best views of the Hamble River that I have ever seen! We are busy with Pearl Yacht sales and have now delivered 4 Pearl 62s to the UK and will deliver a further 2 of these outstanding 4 cabin flybridge motor yachts into the South of France from Spring onwards. With their clever design from Bill Dixon and outstanding interior styling by Kelly Hoppen, they are special. The new launch Pearl 72 takes the genre to a new level.

In France, 2022 saw a time of change and lovely new possibilities opening



- Glittering financial results -

“

OUR UK HQ HAS BEEN RUNNING FAST THIS YEAR WITH LOTS TO DO ON BOTH OUR BROKERAGE OFFERINGS AND NEW YACHT SALES. WE ALSO OPENED A SATELLITE OFFICE IN HAMBLE AT SWANWICK IN 2022 WITH OUR FRIENDS AT PEARL YACHTS, WHICH I HAVE TO SAY HAS ONE OF THE BEST VIEWS OF THE HAMBLE RIVER THAT I HAVE EVER SEEN!

”

up for us. After a successful Cannes Boat Show we look forward to the two Pearl deliveries this year as well as a refurbished office in Mandelieu, a new partner in the form of Marc Mellino in Saint Maxime and an addition to our team in France, who will join Isabelle Skaf who has been with us for 15 years.

Bruno Kairet, a colleague at Berthon for 12 years, has left us to join the Windy Dealer in France and we wish him well. Our partnership with Windy Boats finished after 27 years in 2022, which was a sad moment for all, but businesses change and develop and Windy was no longer a good fit for Berthon. We continue to be the go to people for brokerage Windy boats and in 2022 sold a plethora of these great sports boats, with the larger 39, 40, 46, 48 and 52s being by far the more sought after. The Windy SR 52 Blackbird and other super yacht tenders continue to be boats that we understand and handle on the brokerage market, and they continue to be popular for their incredible handling and great build.

Solaris new yacht sales in the UK grew exponentially this year under the enthusiastic care of Alan McIlroy and Richard Baldwin. We now have 7 Solaris yachts in build and interested clients standing by. The more that our clients see of these yachts the more that they like them, with their stunning Soto Acebal good looks, sparkling short-handed sailing and robust, modern construction.

Our brokerage offering has grown in the UK and internationally and whilst

the number of yachts sold in 2022 has remained constant at around 200, average values have risen by around 20% as a function of Berthon listing and selling more high value yachts. Nonetheless, it is clear that the Covid value bounce is now over, with second hand yacht prices returning to more normal levels. Demand, full order books and inflation across the board for new yacht sales, however, means that the collapse of yacht prices predicted by those who seek to buy a yacht at a heavily discounted figure has not come to pass and we do not believe that this will happen in 2023. Some yachts in 2022 sold at under market value but these are in the most part exceptions as a result of owners' circumstances, massively difficult locations and systems or structural issues with the yacht herself.

At heart, the Berthon Sales Group is a marketing organization. This is managed in the UK by a small marketing team – Lawrence Carter on listings, Isabel Moss on support and Harry Shutler our amazing photographer and videographer. We are so pleased to welcome Sophie Kemp back to Berthon after her maternity leave (Toby Kemp who will have his first birthday in 2023 is not yet quite ready to assume his brokerage role at Berthon, but he is already a familiar sight in our UK office). Sophie, a seasoned Berthon broker, has rejoined to work with us to increase the level of marketing support that we provide to the Berthon fleet internationally. 2023 will see an improved promotion programme as we move from the pre-dinosaur world of magazine

print advertising to the new world of video, social media, in-house publication and excellent imagery. Granular and informative yacht particulars remain at the core of what we do, but YouTube, Instagram, LinkedIn and all the rest are now key weapons in the armoury of the 21st century brokerage house. With it comes a new CRM system for the Sales Group to link us yet more closely together, so that we can polish our truly international service to our yacht owners. We think it key that yachts listed in our French office are marketed in Rhode Island, and our Swedish yacht listings are offered seamlessly by our Palma office.

For all the expansion, new systems and technology, we remain a people business, and the whole team is at its best when talking about, experiencing and working on the files of the Berthon Fleet. After the helter skelter of a busy year, Christmas and the New Year holiday provided time for us all to catch our breath, rest and to think about the exciting challenges ahead in 2023.

The voyage toward excellence is a never-ending, and a jolly good thing too. The Berthon crews' passage plan is set and the glue that holds us all together is that of camaraderie and the fact that we are all mad about yachts. However, the very best part of what we do is the contacts and relationships that we build with our clients and in 2023 helping you all with your yachting plans is absolutely what we love to do best.

2023 ISSUE



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10 FLIGHT DECK REPORTS

The yacht market is one of continual change, conditions vary across countries and disciplines. Our 5 offices comment on 2022 and we look at the different segments of sail, performance and power yacht in the brokerage markets. We also review the market for our fleet of new yachts. Wherever you cruise, steam or race, your segment is covered here. The Sales Team deliver their personal experiences of the market in the past 12 months.

28 VAT – THE NEW NORMAL

Simon from PKF is our go to person for all things relating to VAT and yachts. His annual update on the actual situation in the UK and Europe is always invaluable, and this year he touches on some of the local interpretations of the rules in the EU, and updates us on the UK position for Returned Goods Relief.

pkf-franciscclark.co.uk/your-experts/simon-anslow

32 KEEP CALM AND CARRY ON YACHTING

There is absolutely no doubt that we live in interesting times. Despite disasters of all description afflicting Planet Earth, our experience shows us that for yachtsmen and women, the fact that water covers 71% of our planet means that the enthusiasm to carry on yachting continues unabated.

36 YACHT TRANSPORT

Positioning your yacht to make the most of your time and the seasons has always been of significant importance. Yacht transport is the fastest way of moving a yacht from northern to southern hemisphere or to a variety of points between. Shipping has increased in price but still provides a fast and safe way to realise your plans. Mike Herrebrugh, UK director of Sevenstar Yacht Transport, explains the challenges and also the upsides.

sevenstar-yacht-transport.com/team

40 COOL BOARD

Everyone at Berthon is yacht mad. A quick chat with the team provides a list of events, developments and news in yachting that we think should be included in our cool board. Have a look at our 2022 picks.

42 HARRY CAMERA @ BERTHON

Moving imagery is driving sales for sales teams everywhere be it selling anything from widget to super tanker. The yachting market is no exception, and our camera man and videographer Harry Shutler is leading the charge for Berthon.

44 YACHT FINANCE IN 2023

Funding yacht purchases has seemed in the past few years to be complicated, difficult to achieve and for many, something of a black art. In fact, it is none of those things and James Crew, Marine Director of Close Brothers Aviation and Marine explains how it all works.



closeassetfinance.co.uk/marine-finance

46 INFORMATION OVERLOAD

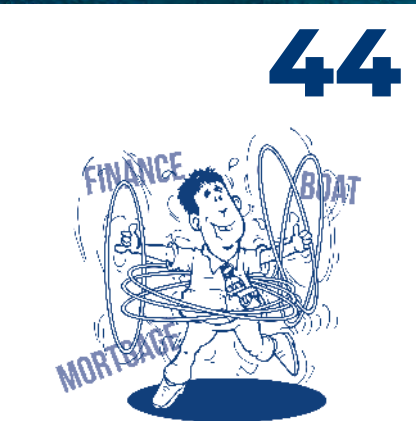
Mr Google, Siri and the rest provide an enormous amount of information about our sport. We can access all sorts of answers by the click of a mouse, or the input of a long tailed search. It is instant. It is also in the most part, completely unedited. We discuss just a few of the current web myths that are circulating about yachting.

48 YACHT SALES IN THE 21ST CENTURY

The way that the brokerage market works and particularly the way in which owners can expect to see their yachts marketed has changed significantly over the past few years. We look at these rapid changes and the importance of proactive marketing programmes and of keeping yacht owners properly informed about the sale of their yacht.

50 BERTHON FORECAST

Our annual educated guess, this is when we dust off the Berthon crystal ball, look at how we did with our 2022 forecast and forecast what is in store in 2023. Our 2022 predictions were not that shoddy, although this bunch of yacht brokers did not predict the fuel and inflation crisis that gripped the planet in 2022. However, we called the market effectively so we wait to see how our 2023 forecast fares.



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BERTHON

INTERNATIONAL



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BERTHON FLEET

For the Market Report 2023, Berthon welcomes you to our current fleet of outstanding sailing, motor and performance yachts available for sale internationally and via our 5 offices across 2 continents.

We are carrying comprehensive information for them all on **berthoninternational.com**

WHEN YOU SEE THIS CODE

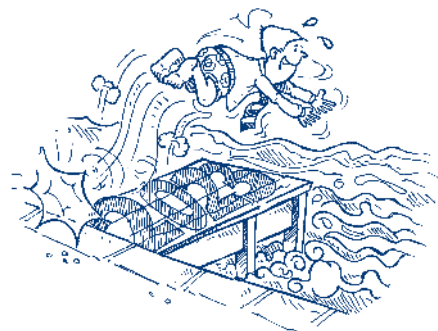
click and follow the link if you are viewing this publication digitally or scan the QR code if reading in hard copy



We have grouped them by office or specialism and if you would like to have more information about any of them do let us know. We are passionate about the Berthon fleet and would love to answer your questions.

For our new yacht fleet, please click/scan the QR CODE at the top of the article featuring them.





FLIGHT DECK REPORTS

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SAILING YACHT REVIEW

BY ALAN MCILROY

SAILING YACHTS:



Another busy year followed 2021, with the market remaining brisk and yachts finding new owners in prompt fashion. The trend set post pandemic continued with families wanting to upgrade to larger cruising yachts for more local use, so yacht upgrades were still driving the market, with sales to pragmatic, decisive buyers in the main. The usual quality marques were in demand; Sweden Yacht, Hallberg-Rassy, Southerly, Discovery, Solaris, Oyster and Swan to name but a few.

Were there fewer listings? We felt that the quantity of listings were more limited due to supply and demand, and we definitely saw buyers with fairly specific briefs struggling to find the right yacht, and the VAT implications of bringing a yacht back from Europe certainly affected the UK market. This had a positive effect for vendors with desirable yachts on the market. The general trend from 2021 continued providing a healthy market in 2022. Of course, VAT continues to divide the UK and EU brokerage markets, and this will continue.

High quality yachts continued to be hot. It may seem an obvious comment, but more than ever last year an obviously well maintained and updated yacht was snapped up without quibble.

Towards the end of the summer, we saw a spike in listings, just as the market was throttling back a little, leaving some vendors with slightly ambitious price expectations as they came late to the yacht selling party.

In the past (pre-pandemic) very recently built yachts coming to the market struggled on price as buyers deducted VAT, extras and depreciation. It was the expectation of the market being that there should be a clear gap between the brokerage price and new build price. Of course, the vendor was painfully aware of what they had just shelled out, so their expectation was equally high. Getting the two to meet was often a challenge. This has been turned on its head in the last 12 to 18 months. The combination of long lead times and the increased prices of new build have made recent build yachts (2 to 3 years old) a desirable commodity achieving far better residual prices than pre-Covid.



The day job remains the same: listing yachts, evaluating, preparing sales particulars and specifications, follow up and conducting sales, but it would appear being a knowledgeable and charismatic video presenter is increasingly part of the job. A range of styles have developed within the office and as you would expect some of us are happier in the front of the camera than others. I'll leave you to score us!

On a more serious note, a well shot informative walkthrough video is a valuable resource in providing an overview of a yacht, her specification and a snap shot of her current condition. Given that we now research everything in front of a screen, video production has become a vital tool. We place great importance on this and have therefore invested in the skills (Harry!) and equipment required.

If asked for the most important trend in the sailing market, I would definitely say that it was the advance in performance of cruising yachts across the board. If I look back over the last twenty years in the cruising market, its really interesting to see the quantum changes. Gone are raked bows, long overhangs and 130% genoas, whilst dreadnought bows, wide beam and easily managed powerful rigs (ideally carbon) are definitely in. Taking Solaris as an example (ok I have to declare my bias), new yachts now have increased volume, beam and waterline length but not at the expense of performance, stability or sea kindliness; quite the contrary. The market now has an expectation of increased performance that is easily managed (this is a cruising yacht after all), tumbling passage times, and this above a high end apartment below decks. Not least, she's got to be drop dead gorgeous too!

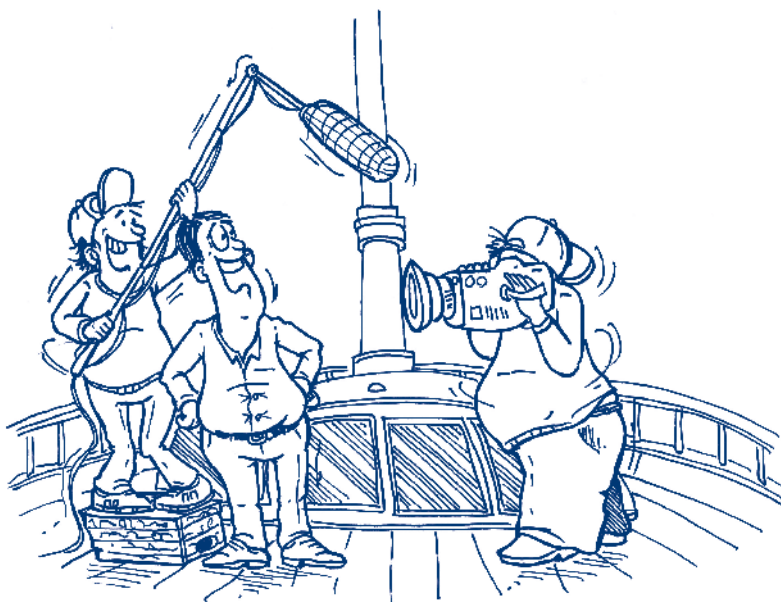
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HIGH QUALITY YACHTS CONTINUED TO BE HOT. IT MAY SEEM AN OBVIOUS COMMENT, BUT MORE THAN EVER LAST YEAR AN OBVIOUSLY WELL MAINTAINED AND UPDATED YACHT WAS SNAPPED UP WITHOUT QUIBBLE.

”

SAILING YACHT REVIEW

DISCOVERY YACHTS:



- Knowledgeable and charismatic video presenters -

FOOT NOTE BY HARRY LIGHTFOOT:

Having started at Berthon in January 2022, the last year has been especially busy for me and has certainly gone very quickly. From day one I had to hit the ground running, learning how Berthon operates while introducing myself to new and old clients alike. Having joined towards the end of Covid, I continued to see a buoyant market and this was evident once spring arrived, with a long list of yachts being sold, often quickly, and at around the asking price, showing correct pricing.

Demand at our Lymington HQ was mainly for family cruising yachts, with many clients wanting to stay beneath the 50-foot barrier. VAT and Brexit has been a hot topic of conversation over the last year. Clients start the conversation asking whether VAT was paid in the UK, EU or both. Pre-Brexit it was easy for UK clients to buy in Europe but since then, it has severely limited the market here in the UK with some brands of yachts becoming harder to find and this will continue in 2023.

Two brands I know very well, Discovery and Southerly Yachts, continue to be popular on the brokerage market, with a particularly high demand for Southerly. Having dealt with these lifting keel yachts for several years, 2022 for me has been the busiest for this brand. When any size came to market they would normally be under offer within days and always at great prices.

Further afield, demand for bigger yachts continues to grow. With an end of worldwide Covid restrictions in spring and early summer, a number of larger yachts sold, including Discovery Yachts as more and more far-away cruising ground destinations re-opened. It has been great for me to be continuing to be in touch with Discovery owners, to hear their current plans and to introduce myself as their point of contact at Berthon. For new owners wanting an easy set-up for long distance sailing, this brand makes perfect sense and it has been great to follow our newly sold Discoverys on their Bluewater adventures.

My day-to-day role at Berthon is somewhat different to my Discovery days, and I am now dealing with a variety of different sailing yachts, local and international, which has certainly been fascinating and I learn something new every day. I have understood the importance of marketing and how Berthon work from the start with detailed listing particulars, personalised owners' comments and professional photographs and videos. Social media is now at the forefront of our marketing and 2023 will be a big year for our social pages, so do give us a **follow**, some **likes** and look out for those **#hashtags**!

MOTOR YACHT REVIEW

BY HUGH RAYNER

MOTOR YACHTS:

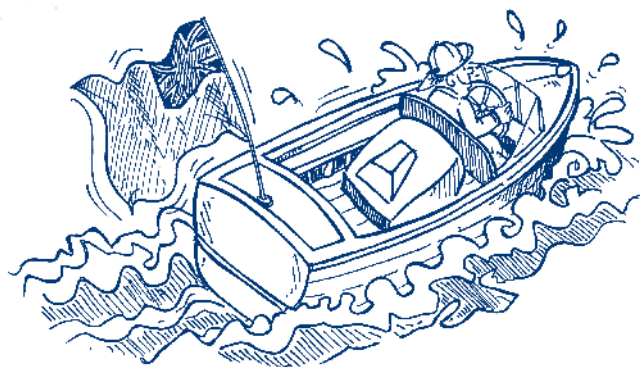


Well, what interesting times we live in. With the benefit of hindsight, 2022 was an uncertain and rocky road, with all the twists and turns of a mountain switchback, but we navigated it through and peaked with another stellar year in terms of brokerage revenue. For us, the market appeared largely unaffected on the surface by the political domestic whirlpool followed by the unthinkable reality of a European land conflict erupting at the destination of a three and a half hour flight out of Heathrow. Until the 24th February 2022 of course, when the shutters came down indefinitely at Kyiv Zhuliany International Airport.

SO – WHAT HAPPENED IN YACHT SALES?

Well, certainly throughout 2022 there has been a certain scarcity of good product in the market generally, so it is vital to be able to provide a professional and competent service to vendors, to attract new listings, and then to market these through to a successful end transaction. We are undoubtedly blessed with a preponderance of high-quality, capable and well-maintained motor boats, and those which are a little 'out of the ordinary' and thus can need a little more explaining and attract a more niche audience. Our marketing push for these offerings is supported by a wealth of blogs, videos, interviews, social media likes, shares and emojis, with further collateral to draw interest, and we are very fortunate to have learned much during the previous turbulence of lockdown.

What has also been very noticeable is a return to the more classic motor launch, with both seasoned and new boaters alike recognising the value in substantial build, sweet lines and higher-end fit-out. Prices have remained resolutely strong throughout this sector, with demand way outstripping supply, and talking of values, the lack of available product has continued to underpin strong pricing.



- Classic Motor Launch -

THE CHALLENGES:

Post-Brexit international tax status has been a challenge to international sales from the UK, especially domestically into Northern Europe, and there are still muddy waters to sail through. Yet we have successfully transacted vessels under Returned Goods Relief back into the UK, relying on the exporting owners re-importing the goods prior to sales completing. Of course, this has not affected the inter EU market, with UK owners exploiting the assured weather of the Mediterranean, whilst watching the clock ticking down their 90 days. The UK VAT-paid market is now crystallizing, and has concentrated the pool of used stock available to the UK Buyer for use in home waters, and being able to advise proficiently on both options is key to bridging these challenges and supplying the best solution.

Supply chain issues, hardening interest rates and inflation are biting, particularly into the production new boat market, with diminishing levels of new supply focusing market interest on well-presented and well-found brokerage craft, and indeed we have started to see the first brokerage examples of the superb 62 by our new-boat brand Pearl Yachts come to the market. 2022 saw Berthon part company on mutually good terms with Windy Boats, after a fantastic 27 years of close co-operation, and we shall continue to support the brokerage market across UK and Europe, working ever more closely with our European offices to maintain our expertise in and around these Scandinavian beauties.

THE FUTURE:

2023 will be incredibly interesting. The market is evidently buoyant, yet lightly febrile. Prices are staying strong and early indicators are that there is no slow-down in the motor-yacht sector. Decisions are still highly personal and emotional, yet we serve rational people, and the choice to go boating calls on all these factors. Paucity of time can be a major driver for owning a powerboat, but we are seeing more owners really enjoying the simple pleasure of tinkering with their pride and joy, be that stationary or at speed, escaping the rat race and the bombardment of the pressures of modern living.

Go on, buy a boat, you know it makes sense...

WINDY BOATS:



MOTOR YACHT REVIEW



WINDY SLR60 / SR60

A FOOTNOTE FROM HARRY HAMSON AND WINDY BROKERAGE:

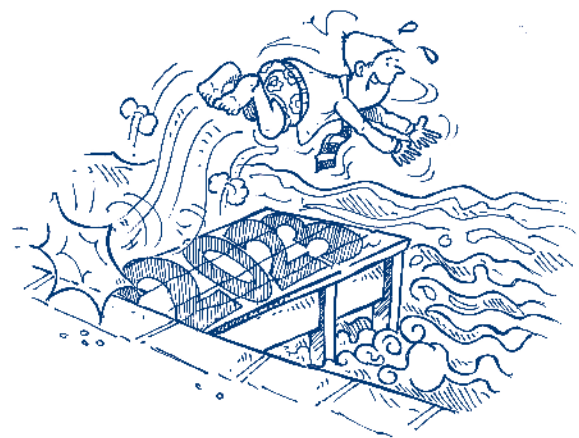
Well what can I say? The market continues to thrive and is as busy as ever. Year 2022, a lot like 2021, was a great one for the Windy Brokerage with many people phoning and enquiring about used Windys and what possibly might be coming to market. As everyone probably knows by now, Berthon parted ways with the UK and French dealership network after nearly 30 years with working with the brand. However, we are delighted to still be working very closely with the brand in terms of the second hand market.

Over the years, we have built an incredible database full of Windy owners and potential owners that are on a waiting list for certain models. We aim to keep in regular contact with them and offer assistance where we can and more importantly, help keep the dream alive of purchasing a new boat.

Previous models are still proving to be major key players within their class, including the likes of the 31 Zonda, 29 Coho, 28 Ghibli, 46 Chinook and of course, the fabulous 39 Camira, all of which I have had the pleasure of driving and selling through Berthon over the last couple of years. Rarer models have also been making more of an appearance such as the Xanthos 52, 48 Triton and 43 Typhoon. They are equally of exceptional build quality and boast incredible sea keeping.

The sports cruiser continues to evolve with new hull forms and the option for outboards which of course makes the boat considerably lighter, allowing for better fuel efficiency, which all makes a huge difference with the rising fuel costs in the marine industry.

I look forward to seeing what challenges the season of 2023 brings and will await whatever further challenges this great industry decides to throw at us.



- Dive into whatever challenges 2023 brings -

PERFORMANCE YACHT REVIEW

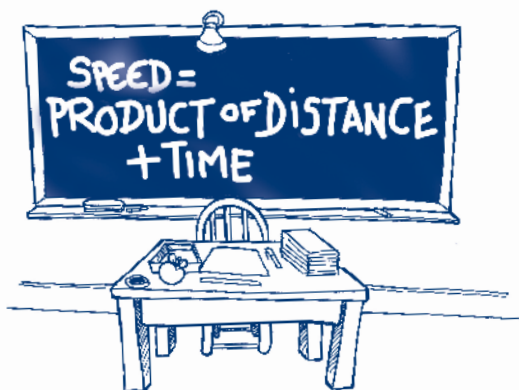
BY BEN COOPER

PERFORMANCE/
CRUISING/
RACING YACHTS:

As we all learned, or in my case heard in the background while wistfully watching the trees wave in the wind through the classroom windows, Speed is a product of distance and time. We are all told now, and believe that time is a precious commodity and therefore we must cover as much distance as possible in the smallest amount of time. This is the crux of yacht racing, and more commonly the holy grail of cruising. To make the most of each destination requires time not spent getting there.

The relative performance of cruising yachts has always been a trickle down from the racing fraternity, which ironically were restrained in the past by handicap rules that perhaps did not favour outright speed, and therefore led to some rather ponderous cruising yachts. Fast forward to the last 5 years, with handicap rules that are more in favour of fast and light displacement yachts, chines have come in hard and softened; and displacements are now being side-lined with talk of righting moments. These are trickling into the performance cruising market and creating a spectacular rebirth of high volume, but relatively lighter yachts with great performance and large internal volumes. Shorthanded sail handling has become much easier with the development of reliable, simple furling systems from the ocean racing fraternity. Furling booms are now the go to method, for the simplicity, and the safety blanket that you can always just pull the bl&^5y thing down if it all turns to custard.

We are starting to see some wonderful fast cruising yachts on the market; custom and semi-custom offerings are always quicker to respond to modern design developments and the more conservative production yachts are starting to follow suit. The incredible Finot Conq - FC53 NICA and the Jason Ker designed 63 DARK HORSE OF ENGLAND are excellent examples of a creative and semi-custom approach to design and handling. Both of which re of course on the market through Berthon, the former having recently sold having shipped to Berthon from New Zealand and now en route to Italy.



The wondrous Solaris 50 is a great example of a modern performance cruising yacht, when compared against her ponderous peers, some of which are significantly more cumbersome and expensive. Some other interesting options have come through the NEO 570 (though more camping than cruising), the Shogun 50 (wacky and wonderful, and with only slightly more displacement than a TP52) and goes like the transom is on fire. It is an exciting time for performance cruising yachts, with some great ideas now filtering into the mainstream.

The biggest market, though, is to lift this to another level, with two hulls! Catamarans have been growing in popularity for space, performance and ease of living. Historically there were two divisions - racing and cruising and nothing in between. Now almost every manufacturer has an ear to the ground and some great products are appearing on the market from McConaghy, Gunboat (the benchmark) HH and many others. The very Orange BYZANTINE offers a very wonderful experience – fast and fun, as well as a second home.

The world of racing continues its stretching out of Covid hibernation, the booming of the Cape 31 class continues to dominate all inshore racing; out of the Antipodes, where they prefer something a little bigger and dryer. Key West (sorry old habits..), the Southernmost US regatta continues to draw in sun seekers in the New Year and is growing at a pleasingly steady rate and the home of One Design in Miami, Biscayne Bay continues to draw in the crowds to the revolving regatta machine in Coconut Grove. J70's and small one designs are flourishing and it is interesting to follow the developments with the long-awaited rebirth of the Admirals Cup, with more coming later on this year.

We must not forget the plethora of 600 mile courses, either; offshore continues to be stable, a full entry book to the Fastnet, fun and games racing around 11 Caribbean islands, Sydney Hobart, Middle Sea Race and the Aegean 600 prove demand is still high, all providing great images, along with lots of Media on The Ocean Race, although small fleets are a hard sell for the TV.

2023, what will we see? I think these trends will continue to grow, with multihull racing growing quickly. Inshore and offshore and the Fastnet will be a blinder to watch, either from the rail or from the comfort of the office.

NEW MOTOR YACHT SALES

BY ROBERT STEADMAN

PEARL YACHTS:



2022 started with a healthy dollop of enthusiasm. Covid infections were dropping off and the world was opening up for business and travel. This included the UK market which was growing faster than any other country in the G7. It didn't last long though. The start of the war in Ukraine in early February rocketed global energy prices and it was clear that global inflation was here to stay for a while. The combination of supply chain pressures lingering from the pandemic, raw material shortages and shipping increases meant 2022 was another difficult year for yacht manufacturing and delays became inevitable. Despite the uncertainty, the interest in the yachting sector remained strong with the world now back on the move. The later part of the year saw sterling move close to parity with the dollar however, the euro beat us there! Those holding tech stocks suffered and those holding minerals, fuel and Europeans with high dollar revenues did well. A turbulent year to say the least.

Pearl Yachts continued their upwards sales trajectory with a strong \$50m order book. They have been converting owners from the British and Italian higher volume production motor yacht brands, with their unique designs and high level of build quality. Bill Dixon is behind the innovation and superb seakeeping. World-renowned interior designer Kelly Hoppen CBE works exclusively with Pearl, and her ever-evolving style offers 3 differing interior choices that are unlike anything else on the market. This brand ensures all yachts come with 5 year warranty as standard and with a current range of 62, 72, 82 and 95 feet, it's a fantastic time be running the Pearl desk at Berthon! We delivered two new Pearl 62s to clients who are keeping this in the UK and unveiled a new Pearl sales office at Swanwick Marina on the Hamble in 2022. Motor yacht central for large motor yachts in the UK, it's a great location.

2022 also saw the world premiere of the Pearl 72 in Fort Lauderdale and European premiere at Düsseldorf. This epic

22m flybridge yacht follows the award-winning Pearl 62, which has 24 proud owners and has been successfully delivered all over the world. Expectations were high for the new Pearl 72 and I am delighted to say that she delivers!

The first of her kind, she offers two Master Cabins, one forward with a private entrance, as typically seen on much larger yachts, and the second a full beam amidships. In total there are four beautifully appointed double en-suite cabins as well as accommodation for the crew. She also has an exceptional garage with space for a William 345 tender, Jet Ski and two Sea Bobs. It doesn't stop there, as two fold down balconies at water level create a beach club. Kelly Hoppen's new "*Indulgence*" interior design theme wowed everyone. A sleek modern interior with smooth lines and overlapping textures embodies Kelly's signature style. The design intent of this yacht was to capture New York City urban living on water, and it is now available across the Pearl range.

Pearl's shipyard in Xiamen is building up to 15 yachts a year, taking the time to build fewer yachts to ensure the highest standards. All parts are sourced from the team in the UK and are ordered based on their quality credentials. »

“

EVERY PEARL YACHT GOES THROUGH A WIDE-RANGING PROGRAMME OF TESTING, BOTH ASHORE AND ON THE WATER, BEFORE THE COMMISSIONING PROCESS MANAGED BY BERTHON FOR THE UK AND IN FRANCE.

”



NEW MOTOR YACHT SALES

Each build is extremely well managed and overseen by Pearl's experienced Operations Director, Paul Hannah, who has a very skilful team of 300. Every Pearl yacht goes through a wide-ranging programme of testing, both ashore and on the water, before the commissioning process managed by Berthon for the UK and in France.

Boat shows were back in a big way in 2022 and it was clear from attendance levels and from speaking to others in our industry that they had been sorely missed. From the clients' point of view, it's the best opportunity to see all the competition on display, before making what is a considered family decision. In the UK we exhibited at London Luxury Afloat in the heart of the City of London and at the Swanwick Motor Yacht Show on the River Hamble with great success.

The Yachting industry is an innovative space and we are seeing some radical technology coming online, including superfast satellite high bandwidth connectivity, Hybrid propulsion systems and artificial intelligence for navigation to name just a few. We all know docking can be stressful! Swedish Volvo Penta, with its long history of collaborating with the US tech giant Garmin, launched the VP Assisted Docking for IPS and the Garmin Surround View Camera System. Assisted Docking has been designed with the Integrated Propulsion System, cleverly calculating how your yacht is being affected by the wind and tide state and counteracting that, all within your desired movement of the Joystick. Additionally, there is a feature (often referred to as the sky hook) to hold the yacht

onto the dock, whilst the lines are put ashore. The Garmin Surround View Camera System compliments this and is a live monitoring system that provides a bird's eye view from the helm, using 6 cameras for a 360-degrees in real time. Together they deliver a greater peace of mind and improve control and spatial awareness when in tight spaces or if weather conditions are challenging.

The longstanding agreement between Windy Scandinavia AB (formerly Windy Boats AS) and Berthon International came to an end in 2022, after 27 successful years and with the two businesses moving in different directions it was a joint decision. We continue to support our Windy clients with aftersales. We are still heavily involved in the Windy brokerage market and our brokerage team have a lot of knowledge to offer. We wish our Scandinavian friends well for the future.

Looking forward, maybe the UK will make it through 2023 with the same Prime Minister? Geopolitics make it clear that no one can predict what is going to happen, but we are prepared for a short slowdown in the world economy and the challenges as well as opportunities that this will bring. Berthon's debt-free status, as ever, will help ease the minds of clients during uncertain financial times. I'm personally very excited to be representing Pearl Yachts who continue to push the boundaries of yacht design and I want to thank all our clients and wish them a fantastic 2023 summer season, enjoying being out on the water with their Pearls.

A WORD FROM MICHAEL WHITE, AFFECTIONATELY KNOWN BY THE TEAM AS CHALKY

Chalky has been working with us for 8 years, as our IRREPLACEABLE AND ESSENTIAL YACHT BROKER on a number of weekends every year. As a 7 day a week operation, it is key that the doors remain open and that we have a weekend yacht broker who is as mad about yachts as we are. Chalky is that person, a great sailor and with masses of yachting experience. He kindly says that he couldn't believe his luck when we first handed him the office keys – neither could we! His practical approach to the showing of yachts and understanding what is important to our clients is fab

Here are a few words from Chalky –

Being part of the Berthon team with its great back up personnel behind the scenes makes for a great experience and the Sales Group is successful, professional but most importantly client friendly.

It is a well-known saying that the happiest 2 days of a sailor's life are on the purchase of a yacht and again on the day of her sale. Having seen this up close at Berthon, I am not sure

that this is actually quite correct, but it is key for us to make acquisition day a pleasure, and to ensure that her sale is a positive experience. We care more. Of course, yachting gets into the blood and so our clients return to search for and to find their new yacht soon enough.

In the last few years, my life as a Berthon broker has changed significantly as yacht buyers now search the Web and have a very clear idea of their requirements before they make that first enquiry. That said, good old fashioned voice contact is hard to beat, as is viewing the yachts that have been identified live.

Berthon works hard to produce good particulars, imagery and video and to keep it up to date. This makes the yacht selection process a whole lot easier. The gantry system at the UK offices means that I never lift a ladder, so viewing yachts ashore is a straightforward experience, rather than a balancing act which makes yacht viewing an extreme sport and definitely not a pleasure.

If you find yourself in Lymington on a weekend, and venture into the Sales Offices, if I am the duty broker, I will look forward to meeting you and chatting about, and showing you aboard some of our yachts – no ladder involved!

BERTHON USA REVIEW

BY JENNIFER STEWART, ALAN BAINES, BILL RUDKIN, MARK VON DRASHEK AND PETER HOUGHTON

USA FLEET:



After the all-out craziness of the Covid 2021 year, 2022 was much less hectic. Of course, the availability of good listings was certainly an issue, as pretty much everything was sold in 2021. The completion of new boats had various supply chain issues, resulting in slight delays, but we managed to deliver the first two new Moody DS41's into the American market, and a new Moody 54DS to extremely happy owners. We had on display at the Newport Boat Show, a Moody 41DS and a 54DS, and a 41DS on display at the Annapolis Sailboat Show.

The Moody 41DS won Cruising World's 'Best Large Cruiser' award' for 2023, after sailing trials in the Chesapeake after the Annapolis show. Each day of both the Newport and Annapolis shows had lines of people wanting to see the Moody 41DS.

Solaris continues to do well and make inroads into our market with a 50, 44 and 40 in build for Americans. Look for one of these to be on display at the Annapolis Show in the fall. The very sexy Solaris 50, with its electric blue hull color, was on display at the Düsseldorf show in late January. Her owners have spec'ed a beautiful boat with Eshtec faux teak decks and white caulking, and white accented winches. Synthetic teak decks such as Eshtec and Flexiteek are not only very convincing teak substitutes, but you can have many different color combinations. Long life and durability make these a very compelling teak alternative.

Rustler interest has been good, especially this fall, and we are pleased to say that new orders have been incoming, with 2 Rustlers currently in build – a high spec electric drive 24, and a 37 with a carbon mast. We are looking forward to the new Rustler 41 power boat, already the first few hulls are sold. This Castro design is available with inboards, pod drives or outboards.

Having been selling both new and used boats out of the EU since 1981, we have watched the exchange rate swing several times, and each time the dollar gains in strength, the Americans flock to Europe for the currency deals. One thing about Americans – they love a deal and can sniff one out pretty quickly! Thankfully, our clients realize that Berthon USA is well versed in the process of an overseas transaction and continue to spread the word to other potentials about our services. There is also the issue of a reluctance to have deposit funds outside of the US plus dealing with an unknown broker internationally - we are able to hold deposits in any currency. Our clients are very comfortable dealing with a broker in their time zone as well, one less issue to cause concerns.

We also welcomed a new broker in 2022, Peter Houghton. Our first acquaintance with Peter was on board a Swan 60 and then a Swan 68 and 77 where he not only was a superb captain, but also ran the owner's race boat programme. His technical skills are invaluable to our clients, both from the brokerage side as well as the specification of new boats.

Looking ahead for 2023, although there is a looming threat of a recession in the US especially, although our job market seems to be strong. Lack of good product is still an issue and we are hoping to see more on the market with the spring approaching. With a continued strong dollar, we think our market should continue to be robust this year.



- Americans love a deal -



RUSTLER 41 POWERBOAT

BERTHON FRANCE REVIEW

BY ISABELLE SKAF

BROKERAGE YACHTS:



MANDELIEU LA NAPOULE

2022 was a busy and successful year at Berthon France, but like the curate's egg it had its challenges. I have been with Berthon for 15 years, but this is the first time that I have been tasked with writing the Flight Deck report for our office. We have a lot going on here and I am looking forward to 2023 in our Riviera office in Mandelieu.

I am passionate about the yachting business and was born in Marseille, so the sea has always been an essential element of life. After my master in English, Italian and Arabic at La Sorbonne in Paris, it was important to get back to the sea, so I started in the yachting business in Monaco working for a new yacht distributor. After this I joined Berthon and I have been driving the accounting, winter service contracts and warranty part of the business ever since. The best part of my job though is definitely time spent with our wonderful clients.

Our office has always hummed with activity, selling both new and brokerage yachts. We were particularly pleased to become the dealer for Pearl Yachts. These fantastic British brand motor yachts offer an outstanding fly bridge range from 62 to 95 feet. Designed by Dixon Design Group with Kelly Hoppen interiors, they have created quite a stir in our market and internationally.

Of course, we have also been the Windy Boats dealer here in France for many years, but this association ceased in 2022, allowing us to focus on our core business and to develop Berthon France along the same lines as the other Berthon International's offices.

Brokerage is an important part of what Berthon does and Berthon France has always played its part. However, we will be

focusing more on this aspect of what we do and with our office centrally placed in La Napoule, we are in the perfect place to market and sell yachts on the Côte d'Azur with easy access along the coast.

In 2023 Berthon France has a lot to do. On the to do list is to add a new member to the France team and we will be telling our clients about the changes as this all happens.

Another important development is the appointment of Marc Mellino at Yacht Icea with offices in Saint Maxime. Marc is working with us on the Pearl file in this area of the Côte d'Azur. A very experienced broker, we are delighted to have him aboard and look forward to working with him.

Another first for me was a visit to the Düsseldorf Boat Show where the all new Pearl 72 was on display. It was a great opportunity to spend time with colleagues from Berthon and Pearl; and the 72 is one very special yacht! My focus is now on the delivery of two Pearl 62s that we have sold for delivery to the South of France in 2023 and I am very much looking forward to offering new owners great support from La Napoule working with and the UK Pearl and Berthon teams.

Another project for me is the refurbishment of our lovely office in the Mandelieu. In the Port de La Napoule it is perfectly placed at the gates of Esterel. Its red rocks against azure Mediterranean waters, offer a warm welcome. It is a truly beautiful place and the Port has great on site facilities and friendly faces, making it one of the most dynamic enclaves on the French Riviera.

We look forward to seeing you there and to giving you a coffee in our lovely office. We are always on hand to offer advice

BERTHON FRANCE REVIEW

PEARL YACHTS:



PEARL YACHTS AT DÜSSELDORF 2023

“

LA NAPOULE HOSTS A BROKERAGE YACHT SHOW ANNUALLY IN APRIL AND WE WILL BE THERE. IT IS A GREAT EVENT, SO DO COME BY AND SEE US.

”

about the best places to go, both from the sea, or onshore, and to help you navigate the local rules and to understand how the South of France ticks. We also have a lot of knowledge about the possibilities for berthing in the area, so do call in and say hello and we will be delighted to help with any queries that you have.

La Napoule hosts a brokerage yacht show annually in April and we will be there. It is a great event, so do come by and see us.

The stand out event for us each year is the Cannes Yachting Festival and in 2022 we showed a Pearl 95, and Pearl 80 and a Pearl 62. From our lovely stand on the Show we enjoyed outstanding weather (this is the South of France after all!) and were delighted to show clients from France and internationally over these 3 extraordinary yachts. I am already starting to plan

for this year's Cannes Show, and look forward to the bustle and excitement.

As if all this wasn't enough, a new website for Berthon France is in the works and we have followed the example of our colleagues in Berthon Spain with a smart white office car, branded Berthon – look out for it and probably me, dashing around this summer.

We are looking forward to all the possibilities that the changes in our office will bring and to welcoming you to the crystal waters of our shores with all that the South of France has to offer, including of course, some seriously outstanding eateries and the joy of kicking back, relaxing and enjoying this perfect place.



- Outstanding weather in the South of France -

BERTHON SPAIN SERVICE AND REFIT REVIEW

BY ROWAN FAIRBRASS



Looking back on 2022, there are many milestones that stand out as achievements to be proud of, and successful firsts for Berthon Spain. As MD Andrew Fairbrass projected in last year's Market Report, we expanded our team to a total of 26 staff members!

In our electrical engineering department, Leo Laterza joined Richard Green to allow Berthon Spain to offer a wider range of marine electrical installations. He has played a vital role in all the refits we have completed in 2022. They have been so successful that a third team member is now required to fulfil the work schedule. We are receiving a lot of requests for lithium-ion battery installations, and something that is becoming ever more important – reliable, fast internet on board, even when the yacht is at sea.

Our engineering department has expanded with the addition of mechanical engineers Alex Omiadze and Graham Arnold, and shipwright Carlos Rodriguez. Carlos is very experienced and brings a wealth of knowledge and experience to our workshop. Graham comes to us from a 15-year career with Sunseeker. As well as his engineering ability, he is also a keen sailor. Alex is the youngest engineer on the team and has a promising career with Berthon Spain ahead of him.

Our Guardiennage department has been bolstered by welcoming our new Captain, Giles Walton. Giles comes to us from a career in the marine industry spanning more than 20 years. He has worked on superyachts as both a captain and an engineer, bringing with him the valuable skill set needed to maintain the Berthon Spain Guardiennage Fleet to the high standards expected by us and their discerning owners. His move to a shore-based role is a win for us. Addy Daly, who had efficiently fulfilled the role previously, has moved seamlessly into a new position within Berthon Spain as Client Liaison. She is now the central point of contact for all Guardiennage clients, managing their queries and keeping them up to date on any projects under way on board their yachts. We added a further crew member who came to Mallorca from Ukraine early in the year, and she has quickly become a steadfast part of the team.

In the office there are a few new faces as well. Joan Busquets has joined us as Chief Financial Officer, taking control of all the finances and implementing a completely new digital accounting software system for the business. Alicia Bottoms took over from Sophie as the PA to Management. Her friendly demeanour and positive outlook are much appreciated.

Out in the warehouse, managing the day-to-day logistics of stock control, storage space and tool allocation and maintenance, we welcomed Mark Camfield to Berthon Spain. Together with Joan in the office, they have great plans to streamline this aspect of the business.

“

WHEN SHE FINALLY LAUNCHED IN AUGUST, SHE WAS COMPLETELY TRANSFORMED, AND WAS EVEN MORE BEAUTIFUL THAN WE COULD HAVE IMAGINED!

”

The most notable first for Berthon Spain was undoubtedly our full and comprehensive refit of a Spirit 70', something which had never been undertaken before, by any other yacht refit company, anywhere in the world! It was a full team effort, with all the ups and downs and surprises you would expect from such a project. There is barely a corner of the yacht the Berthon Team have not touched from truck to keel and stern to stern. When she finally launched in August, she was completely transformed, and was even more beautiful than we could have imagined! As predicted last year, she certainly turns heads. The deck was completely replaced, and all her bright work freshly varnished. The hatches and surrounds were re-designed to sit flush with the deck, and each one had to be custom made to exact specifications. She had a complete overhaul of her navigation equipment, with a whole new B&G system installed. A new bank of batteries specified and fitted by Richard and Leo. Both her salt water and fresh-water systems were removed and new piping installed throughout, including the addition of a custom designed watermaker. The day she launched was a momentous day for us all! The whole team worked tirelessly to get her ready, which in the heat of the Mallorcan summer, is not for the faint hearted.

Other projects we were running simultaneously include a CNB 76 and an Apremare 54. After the Apremare came into the workshop at the end of 2021, she underwent a complete transformation before going to launching in July 2022. The CNB 76's owner had been a client of Berthon Spain since mid-2021, when she spent a number of months under our guardiennage care. Throughout 2022 we completed a very long job list for this large project, including overseeing the 5-year rig survey. Jobs we completed consist of upgrading the internet access on board, installing a new bank of lithium-ion batteries, identifying and rectifying areas of water ingress into the engine room, and replacing the stern seal and shaft.

BERTHON SPAIN SERVICE AND REFIT REVIEW



The running rigging was replaced and the topsides polished. All of this was accomplished alongside the regular maintenance and service requirements of a yacht this size, such as hydraulic ram service, genset service, replacement of the rudder bearings and giving the teak deck a light sand and repairing it where necessary.

The Guardiennage Department expanded to 17 yachts in 2022, with a combination of both sail and motor yachts, and now 3 multihulls, in the fleet. Yachts range from the 11m motor yachts that we keep in our storage facility through the winter, to a 23m sailing yacht that use our trusted services when the captain is not aboard. Another example is an Azuree 46', which originally arrived in Palma by ship in June, after a full topsides and underwater paint at Berthon in Lymington. Her owners changed their plans, staying in Palma for the winter, and entrusted Berthon Spain with a list of further engineering jobs. Many of the yachts in our care are directly linked with the Berthon International Sales team, where together we continue to provide a complete service to both buyers and sellers in the Balearics.

Within the workshop, we have invested in a wide range of new tools and machinery, allowing even more of our projects to be done in-house. We have improved the workbench areas for each engineer, allowing them the space to work on each project with ease. The storage capacity in the workshop has been expanded by the addition of a mezzanine. Designed and built in-house, this stores all our hand tools and sundry supplies. For 2023 we have plans to develop this area, turning this into a stores supply for the whole team to use. Our aim is to eliminate the time spent searching for just the right type of nut and bolt for the job!

Looking forward into 2023, our project on a Valdetaro 112', which is already in full swing, will be completed later this year.

In the final months of 2022, we stripped the interior back to the bare hull of the yacht. New interior bulkheads will be built to change the interior layout to her owners' desired specification. Work has already begun on the engine and generator removal, and installation of their replacements. Our electrical department will also be kept busy with the installation of new navigation software and upgraded hardware. We are excited to see the finished product after such a major change to the yacht's interior.

As usual, we have each of our guardiennage clients booked in for a yard period in the spring, when Berthon Spain's engineers and painters get to work. The continuity of keeping your yacht with the same team year after year is hugely beneficial. It is the best way for our crew to truly get to know the boat and monitor the maintenance schedule. The fact that we have clients still with us since 2015 is testament to how well our monitoring works.

And finally, moreover, in our spare time we somehow managed to build the Titanic! Well, a scale replica out of Lego, but still something to be proud of...



- Reliable fast internet -

BERTHON SPAIN YACHT SALES REVIEW

BY SIMON TURNER, BEN TOOGOOD AND NATHALIE MIQUEL-ELCANO

BROKERAGE YACHTS:



Overall, 2022 was again a very good year at Berthon Spain Sales.

Sales volume and value was a little lower than 2021 for Simon, but that was to be expected after the "Covid boom". Nevertheless, whilst the total value of yacht sales was similar to 2021, the total commission income was about 20% lower as we collaborated with other Berthon offices or third party brokers, but overall sales were solid, with a good number of direct sales where we handled both sides.

Early in 2022 a couple of deals completed that were in the works, but as usual the market really came to life in the spring. Particularly good sales to be involved with were a Southern Wind 100' and a Gunfleet 58', both with busy programmes in their new ownerships.

Despite a changing world with the war in Ukraine and other worldwide events, the market remained positive through the summer with sales including an Oyster 82, a nearly new Advanced 66, and 3 Nautor Swan yachts, together with a Nauticat 515. The unusual thing about 2022 was that so many sales completed in mid to late summer, rather than earlier in the year as is more usual. I put that down to post-Covid lethargy.

The final sale of 2022 for Simon stood out as it was a motor yacht – but a rather special one – the Royal Huisman 65' HUSH that has been associated with Berthon ever since her build decades ago.

On the motor yacht side of the market, Ben saw an increase in buyer expectation on discounts, with some aggressive offers, particularly on smaller yachts. Overall, sellers have been reluctant to accept aggressive offers and haven't been too keen on price reductions, preferring to wait for the time being.

2022 closed with high drama playing out in elections in several countries, and with the economic situation worldwide affected by Russia's war on Ukraine. This brought with it increased living costs and rising inflation, so we were all expecting the yacht market to change for the worse.

2023 started well for Simon with the sale of the lovely Kanter 80' aluminium ketch FRUITION to Canadian owners who live close to the yard where she was built in 2001! We also have several very good "mid-range" yachts newly listed, including two Oyster 655s from 2008 and 2009, a Discovery 58' from 2018, as well as a Najad 505 from 2008.

Ben has also been super busy so far in 2023, preparing for the Düsseldorf Boat show with Marex Boats who we represent in the Balearics and Pearl Yachts. The Show was busy with

lots of clients new and old and it was good to be back at Düsseldorf after a two-year break. The show was extra special as the Marex 330 Scandinavia received the 2023 Motor Boat of the Year Award, and Pearl Yachts received the Judges' Special Award.

From a wider perspective, we have noticed that whilst new brokerage yachts are coming to the market, there are not as many as we expected. In many sectors of the market there is a shortage of product and very limited availability of new quality yachts, which is combined with substantial price increases. There is clearly a scarcity of larger motor yachts between 20-25m on the market at the moment.

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THE FINAL SALE OF 2022 FOR SIMON STOOD OUT AS IT WAS A MOTOR YACHT – BUT A RATHER SPECIAL ONE – THE ROYAL HUISMAN 65' HUSH THAT HAS BEEN ASSOCIATED WITH BERTHON EVER SINCE HER BUILD DECADES AGO.

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ROYAL HUISMAN 65 - HUSH



BERTHON SPAIN YACHT SALES REVIEW



PORT ALCUDIA, MALLORCA

Another issue with which we are confronted, is the lack of berthing in Palma and the high prices in local ports, which means that a number of the Berthon Spain fleet have chosen to relocate to the mainland in Valencia or Barcelona where prices are lower. However, Mallorca has some lovely ports outside the bay of Palma like Alcudia for example, which offers a very attractive option with lower prices, excellent accessibility from the Palma airport, newly renovated infrastructures, services and a stunning location in the North of the island. We are always happy to advise owners and crew on the best location for their yachts and organize a berth for them thanks to our contacts in ports all over the island.

Next on the Mallorca agenda is the Palma Boat Show at the end of April 2023, where we will have a selection of Marex boats available for viewing. Do come and see us on the Marex stand. The Show is also home to the Palma Super Yacht Village and we will be showing some high quality sailing yachts over 24m including, a Swan 112, an 82' Hoek and a Jongert 2700m.

2023 will be a year of changes and improvements in Palma, with exciting new projects taking place right outside our office window. The iconic Club de Mar is a vast construction site at the moment, as the builders carry out the largest privately funded nautical construction in the whole of Spain. The old buildings have been demolished to make way for a totally new remodelled club house, whilst the quays are being renovated and a new super yacht dock is being built for the larger super-yachts. We are told to expect it to be complete by 2023 – we will see – there is a lot to do!

The 'Paseo Marítimo' – the long stretch of road that goes along the waterfront of Palma Bay – is being completely re-modelled to allow for more space for pedestrians, bikes, green spaces, and to better integrate the port within the city. The works will take place throughout 2023 with completion planned for 2024.

The surrounding landscape isn't the only thing that changes for us in 2023, as we are remodelling the office with functional, smart new furniture and Berthon branded artwork. This will make our waterfront office a welcoming place for meetings with clients and we look forward to showing it to you.

The end of 2022 saw the arrival of a new member in the Berthon Spain Sales Team. With 10 years experience working on sailing yachts and a background in communication and languages, Nathalie joined the team as brokerage and administration support. As well as assisting Ben and Simon with all the tasks brokers don't have time to do themselves, she is also the link between the Spain sales office, UK HQ and the service team at Berthon Spain. Fluent in English, Spanish, French and German, we are delighted to welcome her aboard the Berthon bus.

We are excited about all the changes and new opportunities that 2023 will bring, and we believe that despite the odds, the Mallorca sunshine and turquoise Mediterranean waters will mean that yachts will continue to sell and our clients will continue to enjoy the incredible Balearics.



- Functional smart new furniture -

BERTHON SCANDINAVIA REVIEW

BY MAGNUS KULLBERG

SCANDINAVIA FLEET:



BERTHON SCANDINAVIA OFFICE – WINTER IN HENÅN

In 2022 we saw a substantial increase in the number of premium secondhand yachts for sale in our market. Our website catalogued a rapid rise in the number of listings during the spring and summer, likely due to the lifting of COVID-19 restrictions which allowed more travel opportunities. Some long-term yacht owners, who had kept their yachts during the pandemic, decided to sell in 2022 in order to pursue other adventures. I anticipate and hope that we will see an influx of high-quality premium yachts on the market in the spring of 2023 as well.

Despite the ongoing challenges in the world, the demand for quality brokerage yachts has remained high throughout 2022. In terms of sales performance, 2022 was a great year for us. We broke our previous record from 2019 and sold pre-owned sailing and motor yachts to a value above SEK 100,000,000. The average sales price for our yachts continues to grow. Unlike previous years, where we sold the majority of our yachts to international buyers from Europe, in 2022 we saw a more even split between international buyers and Swedish buyers. Perhaps this reflects what we believe to be an increasing interest in the sailing and motor yachting lifestyle in Scandinavia.

Sales figures from the first two months of 2023 indicate that the sale prices of well-maintained yachts will likely remain similar to last year's levels. This is in line with the trend of rising prices across various products, including new yachts, which suggests that the sales prices of well-maintained brokerage yachts will remain steady.

For international sales, the exchange rates are always a key consideration. Currently, the Swedish Krona (SEK) is

“
MANY OF THE YACHTS WE BROKER
ARE DESIGNED AND EQUIPPED FOR
BLUEWATER CRUISING.”

at an unusual low level, with an exchange rate of 11.3 SEK to 1 EUR, which is 15-20% lower than its “normal” rate of approximately 9.5 SEK to 1 EUR. This makes it an attractive time to trade a Swedish yacht on the international market, as both sellers and buyers can benefit from a favourable exchange rate.

In conclusion, despite the current situation, the terrible war in Ukraine, inflation, increased interest rates and much more, we hope and believe that the market for premium second-hand yachts in good condition remains strong, and we expect sales prices to remain stable in 2023. The current exchange rate offers a great opportunity for Swedish yacht owners to sell their yachts on the international market.

New Staff

We are pleased to announce the addition of Anna Friberg to the Berthon Scandinavia team. Anna brings with her a wealth of experience, having worked at Adams Boat Care, a company she co-owns with her husband Carl, specializing in the restoration and refitting of second-hand Hallberg-Rassy yachts. At Berthon Scandinavia, Anna will be responsible for administration and providing support to our brokers.



BERTHON SCANDINAVIA REVIEW

Solaris Yachts

We are delighted that for 2023 we have further strengthened our ties with our favourite Italian yacht builder, Solaris Yachts. Our companies have been working together on various projects for many years, and we recently decided to increase our efforts promoting these superbly designed yachts in the Scandinavian market. Solaris has a long history of producing high-quality yachts and a reputation for innovative design, but many Scandinavian sailors are still not familiar with the Solaris brand.

Solaris Yachts was founded in 1974 in Aquileia, Italy, an area well-known for its boat-building traditions. The shipyard's modern production facilities, located right by the water, provide the opportunity for clients to test sail and tour the yard. For the past 15 years, Solaris has been focused on developing and building a diverse line of modern and well-designed yachts. In collaboration with Argentinian naval architect Javier Soto Acebal, Solaris' design team has created a fleet of 9 models ranging in size from 40 to 111 feet, known for their innovative design, high construction quality, and attention to detail.

Berthon Scandinavia has had the privilege of working with Solaris on several initiatives, including accompanying Scandinavian clients to Italy for test sails and factory visits, participating in boat shows in Germany and Cannes, and being on site for the launching of the new Solaris 50. We were pleased to showcase Solaris at the Düsseldorf boat show this year and receive positive feedback from clients who were impressed with what they saw. With a bit of luck, we hope to see new Solaris yachts sailing in Scandinavian waters soon. We join the Berthon Solaris crew in the UK and East Coast of the USA – with 10 Solaris yachts currently in build for Berthon clients we look forward to seeing hulls in build destined for our waters.



ARC and Bluewater Cruising

Many of the yachts we broker are designed and equipped for bluewater cruising. I believe our experience in ocean sailing and our deep product knowledge sets us apart as a Swedish yacht broker, making us uniquely qualified to present our clients' yachts in the best possible light and to guide and understand their needs. In partnership with the highly skilled service yards here on the island of Orust, we can also advise and assist buyers with any yacht related services, upgrades, or refit projects.



- Charging batteries to 100% -

Working as a yacht broker typically involves a heavy workload during spring, summer, and autumn, leaving limited time for sailing during the typical Scandinavian season. So, I was overjoyed when a friend invited me to join him, his wife, and 'Doctor Andy' on board the Najad 570 WEIR KRAKEN to participate in the 2022 ARC from Gran Canaria to St. Lucia. We had made this trip twice before, but it had been 7 years since any of us had gone on an ocean crossing. After two frantic weeks of preparations in the Canaries, we finally set sail. The 2022 ARC was mostly characterized by light winds and nice sunny weather. The yacht treated us well except for a few minor technical issues and a broken downhaul line for the gennaker (which snapped in the middle of the night). Nonetheless, the trip was fantastic and the feeling of being far away from everything, floating around on a 5km deep ocean with unbelievable starry nights, fantastic cloud formations and watching the sun go up and down is an experience I wish everyone could have. Not having access to emails, mobile phones, or Google just makes it all even better.

As I write this text, I have just returned from the Caribbean after a 3 week sailing holiday on board WEIR KRAKEN with my family, charging my batteries to be 100% prepared for the 2023 brokerage season... and I will not complain if I don't manage to do a lot of sailing during the Scandinavian sailing season.

SOLARIS REVIEW

BY RICHARD BALDWIN AND ALAN MCILROY

SOLARIS YACHTS:

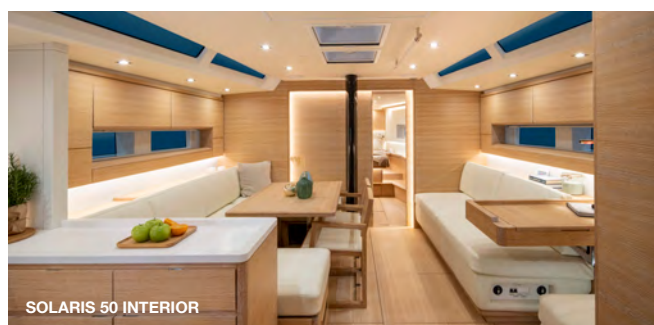


2022 was a record year for Solaris including strong sales in the UK, and with over €10m of yachts to launch in 2023, the Berthon team will be busy at the commissioning bases in northeast Italy throughout 2023.

Despite the gloomy backdrop caused by world events, momentum and appreciation of the Solaris range has continued with new and repeat owners looking for high-quality, modern performance cruising yachts. With a return of some of the major boat shows in the latter part of 2022, we were happy to be re-acquainted with many old faces and some new ones, all interested in finding out more about these easily shorthanded scrumptious sailing yachts.

Looking back over the year, we started 2022 with the news that boot Düsseldorf was once again cancelled due to Covid. The plan had been to premiere the new Solaris 50' at the show and being the best-selling model in the range, it was decided to make a special launch event in April at Marina Hannibal, now owned by Red Bull, Italy's oldest marina and only 15 minutes' drive from the Solaris shipyard.

Solaris is renowned for being at the cutting edge of design innovation, (watched carefully by the competition who frequently try to copy details a few years down the line) and the new 50 sets the tone for all subsequent models, so the importance of this new design cannot be over emphasised.



Designer, Javier Soto Acebal was live on the big screen from Argentina and explained the differences in the new 50 compared to the previous model. He admitted to losing the first 2 weeks, coming up with worse designs, as the previous 50 was so good! Eventually he successfully penned the new model with the following key changes;

- *The fore and aft dinghy garage which makes launching and retrieval of the 2.5m RIB much easier and being in its own enclosed pod, there is no possibility of water entering other parts of the bilge.*
- *The steering wheels are positioned fully outboard, making the helmsman's view of the jib, code luffs and oncoming waves very close to perfect.*
- *The side decks end forward of the steering wheels and a half step make movement from the cockpit to the side decks much easier, adding the advantage that water does not reach the helmsman.*
- *The cockpit is larger, which provides the option of twin cockpit tables.*
- *Twin rudder blades improve directional stability, reduce weather helm and enable the yacht to carry more sail area in higher wind speeds, resulting in safer and faster sailing.*

Soto could doubtless have spoken all day about the nuances and intricacies of the design, but as time was pressing and the audience were not all naval architects, he kept it brief.

As Solaris is a performance yacht, the technical differences of new versus old are interesting to know;

- *18% more stable by virtue of the hull form stability, in particular fuller forward sections.*
- *4% increased wetted surface, although the same wetted surface when the windward rudder blade flies clear of the water.*
- *Faster above 5 knots of wind.*
- *Slower below 5 knots of wind.*

SOLARIS REVIEW

SOLARIS YACHTS:



“
I HAVE A BEAUTIFUL YACHT AND MY
APARTMENT IN MILAN ALL IN ONE.
”

The result of all these changes is a yacht that is easier and more forgiving to sail, but still maintains the crisp and connected feel at the helm. Solaris have even introduced a new interior customization option by design house Poltrona Frau, to give owners the opportunity to create an individual and top-end interior.

Solaris are built for sailors and having sailed the 50' extensively during the season, the overall verdict is a definite thumbs up. As one owner put it *“I have a beautiful yacht and my apartment in Milan all in one”*.

The next main event of 2022 were the Solaris Days and Solaris Cup which took place over the long weekend holiday of June 2nd to 5th in the beautiful Sardinian waters off Porto Rotondo.

This event has become a major highlight in our annual calendar, where prospective new owners can mingle with owners and sea trial different yachts in a relaxed and non-sales environment. It is an increasingly popular event, with 51 yachts attending with their accompanying owners and crew. Light airs were the order of the day on the water, causing some interesting battles between the old and new 50's, and with the typically superb Italian evening social events, so everyone had a great time and it was certainly another perfect rendezvous for the owners' and crews, including the flagship Solaris 111'.



SOLARIS CUP 2022

In addition to the launch of the 50' we attended Cannes Yachting festival displaying the Solaris 40' 50', 60' and 64'RS.

More locally we attend the Southampton Boat Show and introduced our rather sportive Solaris 40, another recent launch from the yard. With her metallic blue steel topsides and full teak decks, she certainly turned heads and received a lot of positive attention.

Aquileia, the home of Solaris, is fast becoming a bit of a second home for us also, with frequent yard visits for prospective clients, to specify their yacht or with owners just keen to follow the build process, and of course launches and commissioning. The team are an enthusiastic and passionate bunch and a warm welcome is always assured.

The original site was expanded back in 2018 and again this year there are plans for further development to increase and improve the facility, which reflects the continued success and investment in the yachts.

Aquileia is itself is a small town in the Friuli-Venezia Giulia region of North-East Italy, in the Province of Udine. With a population of about 3,000, it was once a significant Roman city with perhaps as many as 200,000 residents. Aquileia is also an important archaeological site with UNESCO World Heritage status. It is ideally located between Venice and Trieste, making it easy to reach, with the added bonus of turning a yard visit into an impromptu break.

Looking forward to 2023 we have a busy year ahead of us; the yard has a full order book though 2023 and running in to 2024. We have numerous yachts to launch and commission through the year from spring to late summer. Add to this our yard visits, sea trials, events and shows, we're looking forward to what will be a very busy and a great year. Bring it on!



- Live on the big screen from Argentina -

VAT / CUSTOMS – A BRAVE NEW WORLD

BY SIMON ANSLOW

Two years on and Brexit is starting to recede into the recesses of our memories. The intervening years have seen a pandemic, the 36th America's Cup and three different prime ministers in the UK. Life has (sort of) returned to normal and we carry on with our daily lives.

But what is that new 'normal'?

As that Brexit memory becomes more distant, the effects and consequences of the UK's departure from the EU are now starting to be seen – as we have previously reported, the news was not necessarily all bad and for some offered opportunity. So let's have a look around at what we are seeing in this brave new world.



- The new Normal... -



UK

Let's start at home - for UK yacht owners and businesses, 2022 started well and full of optimism, following the announcement by HMRC that they were relaxing the 3-year rule for Returned Goods Relief (RGR). This is the mechanism that allows persons to bring goods back into the UK without the requirement to pay further VAT, provided certain conditions are met – primarily that the goods had to be brought back by the same person who had exported them (i.e. ownership cannot be changed), no significant change in value/condition (other than normal wear and tear and depreciation), the goods were in free circulation when they left ('VAT Paid') and they returned within three years of departure.

As a Brexit transitional concession, HMRC had temporarily waived the time limit and allowed boat owners RGR where the three years had been exceeded, but this was due to cease at the end of June 2022, potentially leaving many UK yacht owners still unable to bring their yachts back to the UK. The formal change to the rules was a welcome relief - the other conditions still need to be met and the waiver of the time limit only applies to private use or ownership, not commercial owners, but a significant shift from HMRC that now provides certainty.

The mood music from HMRC was positive and there were high hopes that the bigger prize of the granting of a concession to UK owners who had pre-Brexit VAT Paid boats, but who had not previously been to the UK (thus ineligible for RGR) of some form of relief, being won.

The calling together for a meeting in December by the Treasury of the major stakeholders (RYA, British Marine, Cruising Association, ABYA et al) in lobbying for this '**Repatriation Relief**' as it was unofficially dubbed, gave rise to further optimism and, indeed, expectation...but no; there was to be no fanfare, no rejoicing, no victory for common sense – simply a

stark message imparted that the Treasury would not be taking the matter forward and the matter was now closed. No reasoning, no explanation, no right to reply!

On more mundane matters, but still important is the procedure for private pleasure craft arriving in or leaving the UK. There has been a longstanding requirement to complete and submit a C1331 to the National Yachtline / UK Border Force; however, up until late 2021 this was only available in a very non-user-friendly 'hard' copy format and with erratic compliance. 2022 saw the introduction of an 'electronic' version, that whilst quite clunky to use could at least be completed remotely and removed much of the stress of the task. The message has also been reinforced that this submission is mandatory.

Towards the end of the year, HMRC have further refined the process with the introduction of the on-line/interactive/dynamic '**Submit a Pleasure Craft Report**' (sPCR) which effectively replaces the old system and allows for changes and updates to be made. However, don't fret if you cannot or are unable to access the new process, the 'old' e-C1331 is still available to use, now snappily titled '**The Pleasure Craft Report (sPCR) Fallback Template**'...!

The position regarding the movement between mainland UK to and from Northern Ireland remains problematic for yacht owners and brokers. Whereas actual entry and departure procedures are fairly well covered by HMRC Notice 8, the treatment and understanding of VAT Paid Status, in particular for yachts that have been acquired and used within NI then being brought to the UK, (most importantly, for sale), is still causing confusion and concern. The recent Windsor Framework does not necessarily provide any clarity and the push for HMRC to provide definitive guidance continues. >>

Temporary Admission (TA)

One of the biggest changes facing UK owners using their yachts within the EU following Brexit has been the need to either demonstrate that the vessel is EU VAT paid (RGR-eligible) or entitled to use Temporary Admission (TA). This latter relief allows non-EU residents to use their yachts within the EU without having to pay VAT on the value, provided the boat is owned, registered and being used by someone that is established or ordinarily resident outside the EU and that the person using the yacht is doing so for private purposes – oh, and that they leave the EU within eighteen months of arrival.

The basic mechanism for yachts wanting to use TA is ‘**declaration by conduct**’ – this means that the mere presence of the boat in EU waters or a Member State is the declaration. However, this can be a double-edged sword – great for just dipping in and out or the casual foray, but for yachts that are going to remain within the EU for a more prolonged period, the lack of any substantive documentation – particularly when faced with an inquisitive Customs officer – can prove challenging.

This higher-level TA declaration is often referred to as the ‘**Oral**’ (due the original requirement to simply tell a Customs officer of your arrival) or ‘Article 165’ declaration, which involves a degree of formally reporting a boat’s arrival and being provided with an actual document confirming TA status. However, although the Union Customs Code (UCC) and its derogated Acts set out the principles to which all the EU Member States adhere, the on-the ground implementation can vary considerably.

By way of example:

- **Spain**

Is probably one of the best countries for obtaining an ‘**Oral**’ declaration; usually through a Customs agent, the declaration can be made remotely, on-line and results in a very useful, properly formatted confirmed declaration.

- **Netherlands**

As with Spain, a properly formatted Art. 165 document can be obtained, again best through a recognised Customs agent.

- **Germany**

Uses a variation of the Art. 165 document, which can be submitted online or in person.

- **Italy**

Referred to as Annex 71-1, this is the Italian’s version of the Article 165 and follows a similar format. However, submission and declaration is usually required to be made at the port of entry and it is advisable to use a local Customs agent. There can also be regional variations as to use, policy and protocol applied.

- **France**

Interestingly very difficult to obtain a formal TA acknowledgment when sailing in, owners often being referred to the ‘**declaration by conduct**’ rules, particularly in Northern France. However, Article 165 documents can be more easily obtained in the South of France and there is potential special treatment for new yachts (see to the right).

- **Sweden**

No formal mechanism for TA other than ‘**by conduct**’, but it is possible to utilise their arrival procedures for ‘commercial’ vessels, which will then provide official acknowledgement of arrival in the EU and usefully effective when cruising on elsewhere to other Member States.



Country Quirks

Our post-Brexit experience has taught us that as with the TA, there are inconsistencies between and quirks that may be specific to the different member states and immediately beyond. Some of those that we have found interesting – and in some cases, troubling:

France

With just about all EU countries (and also the UK), in order to acquire a yacht VAT-free, it is necessary for that boat to physically leave and be exported from the country (and territory) of supply. The acquirer can then return – having evidenced that export – under TA (if eligible). However, France does operate a mechanism whereby provided the supplier is established in France and the yacht being supplied is new, it is possible (subject to conditions) for the zero-rating to be applied, and for the yacht to be placed directly onto TA without the need for the boat to physically leave France.

Netherlands

Post-Brexit we have found the Dutch Customs to be uncharacteristically ‘narrow’ in their view and approach to the VPS of boats. In particular where the boat is non-EU flagged - we have encountered a number of circumstances where yachts that have demonstrable EU VPS through having (documented) presence within the EU. Worryingly, recent encounters have also highlighted the Dutch Customs’ ambivalence towards generally accepted ‘legitimate’ leasing schemes, with the VPS being challenged and necessitating detailed and lengthy discussions and reviews to support the validity of that status.

Italy

As with TA, there also appears to be inconsistencies with the treatment of export sales – the Italian tax authority issued a briefing document in 2016, which remains extant, that provided a simplified procedure that allows sales of new yachts to be zero-rated as exports, requiring only that they were removed 12 nautical miles offshore, utilised AIS tracking (or similar) with return under TA allowed. Many suppliers operate this mechanism, but there are also a worrying number of circumstances where some suppliers are insisting

that non-EU clients must use a corporate entity to acquire the yacht and also provide a VAT deposit or guarantee, only to be released once the yacht has been exported, made landfall at a third country and satisfactory documentation has been provided – none of which are requirements under Italian VAT law.

Spain

There has been a degree of confusion within Spain as to whether VAT is chargeable or not on the provision of services and work carried out on yachts. Some of this is down to a misunderstanding of what is known as the ‘use and enjoyment’ rules and in other cases where there is lack of clarity as to whether the supply is one of good or services. The Spanish tax authority have attempted to clarify some aspects of this (primarily B2B supplies), but the concern remains that Spanish suppliers, possibly through fear of getting it wrong, are continuing to charge VAT in circumstances where this may not be correct.

Whilst everyone is playing to the same set of rules, how they are applying those rules may not be the same! The advice is:

- If you are looking to buy a used VPS boat, ensure that you undertake thorough due diligence and ensure that the transaction is carried out in a way that ensures that VPS is properly maintained
- If you are buying a yacht as a zero-rated export or one that needs to leave the EU before returning, check that the procedures and protocols are clearly understood before hand – particularly for the Member State(s) of departure and re-entry – and that those are followed and documented.
- If you are entering the EU under TA, be clear as to whether you need a more detailed procedure or formal declaration, check the country of entry for their requirements and the type of documentation provided and, in all cases, obtain and keep good, solid secondary documentation of movements (marina invoices, fuel receipts etc) and a detailed log book.

Welcome to the new normal!



KEEP CALM AND CARRY ON YACHTING

BY SUE GRANT

Yachting and life in general in the 2020s are not for the faint hearted.

We have had a worldwide pandemic coupled with extraordinary political and geopolitical upheavals. We are now committed to trying to be kinder to the planet before it totally gives up on us and are wrestling with all that this entails and the frustration that it cannot be done quickly enough. As if these events were not enough, we have a tragic and very serious war on the go in Eastern Europe, a fuel crisis, inflation, enormous social unrest; and the weather (not just in the UK!) absolutely refuses to play ball.

What we learned about yachtsmen during the hiatus of Covid 19, is that they are made of sterner stuff and rather than giving up on the sport, they spent more time messing around on the water whenever they could, restrictions allowing. Not only did they do that, they upgraded and moved from home to water

for the freedom and safety that yachting provided. For yacht brokers this was very cool. What was also very positive was so many new entrants to the sport. The worry of Covid and the literally life-threatening nature of the disease made people willing to give it go, have their safe space and take to the waves. As you will have read in previous market reports from Berthon, sales figures ramped and the market was on fire in 2021.

The threat of this awful disease made people want to do more of what counts – spending time with friends and family and to spend more time not simply compiling the bucket list but crossing the list off – line by line. Sailing across the Atlantic, Pacific, seeing an iceberg, having a sailing sabbatical or taking long and lazy summers yachting locally or in warm or temperate waters. Our clients have had a go at the lot.

The waves of enthusiasm and investment in yachting have kept coming and the wish to learn more, experience more and do more has continued. To achieve your yachting aims, the right tool has to be selected. A sports boat for lazy summer days, a bluewater sailing yacht or an explorer for crossing oceans, a lovely fly bridge yacht for family use, or easily handled sailing yachts for pottering – the list is endless, and the shopping lists have continued to be made and Berthon brokers, and our colleagues in the industry have delivered.

Like the gambler on a winning streak, the yachting industry has been waiting for our luck to turn bad, and planning for market contraction, sure that the awful news on all fronts would reduce demand and that yachtsmen would return to the office more or give up yachting in favour of a less complicated hobby.



However, so far it appears that we have under-estimated the global yachting community who are clearly not so easily put off. The sunny uplands promised by the international inoculation programme (and maybe some rather unwise politicians not so far away from this garden shed) have made way for more problems and more barriers to returning to life before Covid.

United States Attorney General Robert F Kennedy in a speech in Cape Town in 1966 said – *“there is a Chinese curse which says ‘May he live in interesting times’. Like it or not, we live in interesting times. They are times of danger and uncertainty; but they are also more open to the creative energy of men than at any other time in history.”*

Mr Kennedy with an aid of a time machine might like to have a look at 2023...!

Despite our current interesting times, the ability and wish of yachtsmen and women to KEEP CALM and CARRY ON YACHTING has been extraordinary and this trend shows no sign of abating. The brick bats of economic slow-down and a myriad of other challenges, far from dissuading people to invest in the sport seems to be having the opposite effect.

Our great friend Steve Dashew from Dashew Offshore was always of the opinion that he sold more of his designs in times of market down-turn as people looked at the economic outlook, grim news at home and aboard and assessed the chances of making money driving the office desk. Many of them decided that the funds were better invested in a go anywhere bluewater cruising yacht. They signed the order, took delivery, and ran away to sea until times were better

and their dollars could then be reallocated into business ventures that would work and make money.

Once the bug has been caught and the freedom of the sea and of shipboard life have been test driven satisfactorily, it is only a matter of time before yachtsman return to the sea to experience that freedom, and to see all the amazing places and meet the extraordinary people to which long distance cruising opens the door.

It is clear to us that there are definite cycles in the yachting career of those who have been bitten by the bug. There are those that cross the ocean, do the Rally, cross the entry from the bucket list and return to shore. However, these are in the minority and for most, there are new adventures and challenges as they journey through life. >>

“

ALL THIS MEANS THAT THERE IS STILL A CHRONIC SHORTAGE OF GOOD QUALITY, RECENT YACHTS ON THE MARKET AND PRICES ARE HOLDING.

”



Some of them never really stop cruising. For Steve and Linda that was the case, until they finally hung up their sailing boots after literally hundreds of thousands of nautical miles and their last hurrah cruising in their late 70s from Fiji to the Panama against prevailing winds and currents in their beloved FPB 78 COCHISE. However, even now they are not quite cured. A video of the two of them going hell for leather at the wheel of their new RIB on an inland lake close to their Arizona home this February proves the point!

Every area of yachting has seen enormous growth with the possible exception of the race boat market. Covid 19 was particularly cruel to this segment of the sport as it is not possible to socially distance on the rail with 25 other souls or to do race sail changes without skilled bodies on the foredeck. However,

we predict this market will upturn again and we are seeing this start from the grass roots of classes like the Cape 31 which offers fast, close exciting sailing. Those sailors will want to go bigger and to enjoy offshore racing and we will start to see larger fleets of big race boats soon. The new technology now available with foiling and all the rest will be irresistible to those who like to sail to the limit and to win.

For those with less competitive ambitions, our current difficulties have underlined the importance of time with family and friends and in the end, that is at the core of why most of us go sailing.

Many start small and work their way up, sailing locally and then more adventurously, until their yacht is over large and muscular for them so they

trade down and maybe change from sail to power or vice versa.

For others, their yachting career ramps as the decision to spend half a year aboard (or more) delivers long distance passages and a vast array of different cruising grounds. What is very clear is that people do not stick with their weapon of choice for oceans when this chapter is closed. They then make a definitive change when sailing with children changes to sailing with grandchildren. This often means either a smaller yacht (or yachts) or a much larger one positioned often in the sunshine. For others there is a left field choice – a barge for the European canals, a late in life racing campaign or for others a small fleet of yachts positioned in northern Europe, the Mediterranean and maybe in the Southern hemisphere as well.

FPB MOTOR YACHTS:



Sailors do not stop sailing – McKinsey stated that it is a *lifestyle choice*. They simply select a most appropriate tool from the yacht brokerage tool kit, KEEP CALM AND CARRY ON. The happenings of the 21st century have not changed this.

All this means that there is still a chronic shortage of good quality, recent yachts on the market and prices are holding. When a yachtsman changes from say a Swan to a Nordhavn, the world brokerage fleet does not get larger, and the pressure on the market remains.

New yacht manufacturers are struggling with supply chain issues and inflation. Like a fleet of super tankers that take time to turn, they cannot respond to the market as quickly as the market is moving. Delivery times are extending and as we approach the new season, owners expecting to take delivery of their new yacht in ample time for the new season are hearing that their new toy has been delayed, is short a generator or worse, and are given the unwelcome news that she will be for sure, ready by July...! No wonder many have cancelled their orders and returned to the brokerage market, putting yet more pressure on prices as demand ramps again.

As the manufacturers have to allow for serious inflationary pressures, new orders which are mostly now out to 2024 are offered with large price increases. This again makes the brokerage market more attractive. Not only from a price perspective but also because a brokerage yacht may not be unmarked

and may not have exactly the right electronics or upholstery. However, she exists and works, and when you explore the engine room you will find an engine, generator and everything else that she needs to take you to sea.

Now that all those new entrants to yachting have been out there doing it, they are ready to upgrade. They want to do more and since Covid 19 yachtsmen have become more adept at managing life to allow for more time doing the stuff that matters. The work life balance has swung in favour of yachting.

It has often been said that sailing is also a *hereditary sport*. Pre-Covid where over 90% of yachts in manufacture were motor yachts it was feared that sailing could die out completely. Of course, motor yachts still dominate but the pendulum has swung a bit and it is clear that sailing and the sailing yacht market is in better health than has been the case for a very long time. New entrants are giving it a go, loving it and doing more.

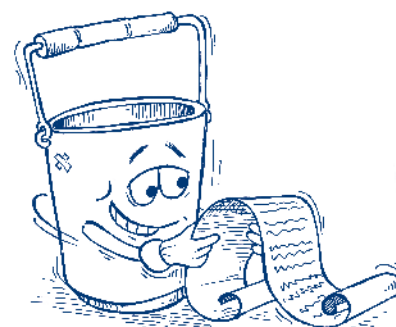
The millennial fashion of renting rather than buying has meant that boat clubs are popping up all over the place. People who have owned yachts in the past and many new entrants to the sport are loving the idea of paying a fixed fee and yachting when suits them. Some of them will go on to own their own yachts but for those that do not, the numbers of craft being utilised this way has again increased the demand for new and second-hand yachts.

The mighty yachting leviathan Beneteau recognised this trend a few years ago.

This was very forward thinking and the thought then was that few would buy a yacht in the 21st century; everyone would rent and that creating outlets to provide for this was essential to their continuing ability to dominate production yacht sales, sail and power in Europe and internationally. It was completely the right idea but the decline of the yachtsman who owns a yacht, or in some cases, multiple yachts is not where we are today. Covid stopped all that.

The yachting industry has embraced the need to be greener and is innovating fast. Motor yachts powered by hydrogen, electric drive, solar, wind and the rest also provide the modern yachtsman with the ability to be more responsible and this will add to the appetite of people to dive into the azure waters of yacht ownership.

Whilst there may be tough times ahead, at Berthon we are betting on our wonderful clients to continue to invest in and enjoy the freedom and fun that can only really be found out on the water. We fully expect them to KEEP CALM AND TO CARRY ON YACHTING.



- Bucket list -

“

COME WHAT MAY, TIME TO ACT
AND PURSUE THAT DREAM.

”

YACHT TRANSPORT

BY MIKE HERREBRUGH,
SEVENSTAR YACHT TRANSPORT



Global shipping has been through an interesting year in 2022. We saw a continued explosive increase in general shipping rates. This was caused by a combination of disturbed supply chains due to the coronavirus. The coronavirus created lack of port and supply chain workers who were home sick. Increased consumer demand supported by stimulus programmes around the world put great pressure on the available space on ships. This lack of available space was amplified by congestion in the main ports around the world. This meant that ships lay idle at ports awaiting discharge for as much as 4 weeks.

A relative minority of the yachts transported world-wide are dependent on shipping on container vessels. But those that are, saw their transport costs double. This of course was a big burden too for yachts produced in China. At **Sevenstar** we work hard to source alternative transport but this isn't easy.

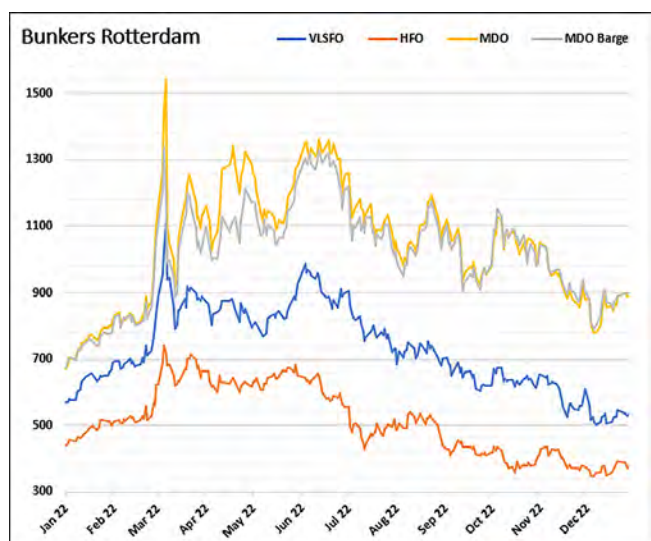
The lack of available tonnage to carry general goods in containers meant that some cargoes found their way to more conventional multi-purpose vessels (MPP). For example, the paper reels normally shipped in containers



found their way onto these MPP/General Cargo vessels. This meant a higher demand for MPPs and thus inevitably, their shipping rates started climbing fast too. These are the vessels mainly used for the carriage of yachts around the world. Recent months have seen these high vessel costs decline, but the current expectation is that they will start to increase again in the coming months. >>

FUEL COSTS

The fuel prices we saw in 2021 rose substantially in 2022. With fuel being around 60% of the operating costs of an ocean going vessel, this immediately influences the freight rates. And whilst fuel prices are now coming down it is unlikely we will see similar prices to those in 2020 and 2021 any time soon.



EU EMISSIONS TRADING SCHEME

In 2024 the EU Emissions Trading Scheme (EU ETS) will come into effect. In practice this means that ship owners must purchase rights to emit CO₂. Currently the price is euro 70 per ton CO₂. For a ship owner like ourselves this means the following per vessel.

- 30 tonnes heavy fuel oil per day equals 93 tonnes of CO₂.
- 93 x 70 euro is €6,510 per day in additional cost when sailing between European ports. If the vessel is sailing to and from a European port this is halved.

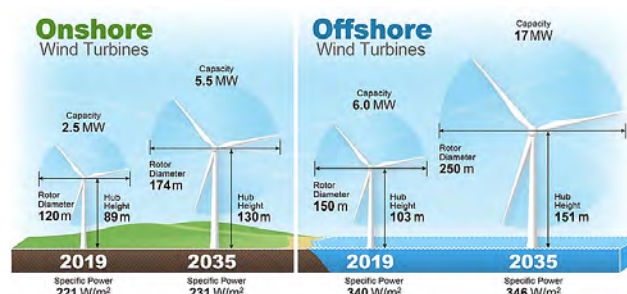
Ocean going vessels are big, the numbers are big and whilst initially €6,510 doesn't sound like a lot of money, a ship sails around 300 days a year. That means around €2 million per vessel in additional cost which of course needs to be covered by the freight rates that the cargoes pay.

Sevenstar Yacht Transport is part of the **Spliethoff Group**. A fantastic Dutch ship owner with a great history. But now imagine owning around 100 vessels, as we do, and having to deal with these new regulations and the additional cost. the **Spliethoff Group** has performed trials with Biofuels which limit the output of CO₂. The network for Biofuels and other alternative fuels do however, need to expand globally and that is far from cost free. Meanwhile the **Spliethoff Group** has some new vessels in build which will sail on dual fuel. No meaningful progress without hard work and a bit of pain. Right?



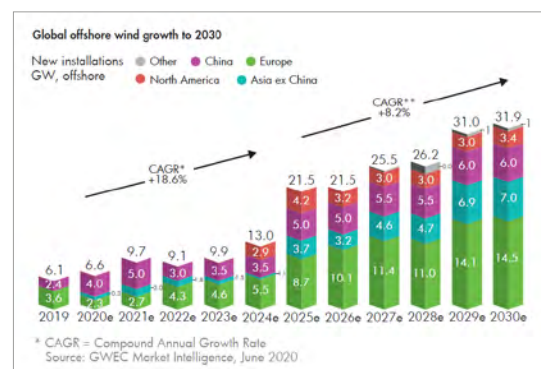
HIGH DEMAND FOR VESSELS FOR THE WIND AND OFFSHORE WIND MARKET AS WELL AS OIL AND GAS PROJECTS.

The global demand for blades, nacelles, and other windmill equipment has been, and still is, growing substantially. In quantity but also in size. Windmill towers are getting much larger for better power output. This trend will continue to grow.



Just like yachts, wind blades and towers are often loaded on the deck of a cargo vessel and they require a lot of space. These wind cargoes often pay high freight charges since contracts for the delivery of the windmill equipment normally carry punitive late delivery penalties. In comparison to yachts, windmill equipment also is a much easier cargo to carry.

It is important to understand that the windmill industry is relatively new to the shipping market and due to its enormous growth, every year this wind segment is taking a larger part of the available space on board heavy lift and project vessels. This means that there is a high demand for the small fleet of heavy lift and project vessels needed to carry the windmill cargoes.



SO WHAT IS NEXT?

We have touched on high demand, low vessel availability, high fuel prices, new regulations for emission costs and competing cargoes.
Is it just a lot of doom and gloom?

Certainly not.

Sevenstar Yacht Transport is a global team of dedicated professionals. The costs for transport insurance have barely increased in the past few years as a result. Our premiums are 40% lower than the current industry standard. This saving is passed straight onto the clients. This is because of the high standards we set ourselves. It also means that **Sevenstar Yacht Transport** is the only shipping company whose high safety standards are recognised by Lloyd's Register. All our cradles and securing devices are now officially certified.

Furthermore, transporting your yacht on a vessel is still an option which carries much less risk than sailing a yacht vast distances on their own keel with a delivery skipper. Wear and tear, engine hours, damage, weather delays and related costs mean that overall, yacht transport continues to be (in our view) a better means of getting your current or new yacht from A to B.

SO NOW IT IS UP TO YOU.

WHAT DO YOU DO?

WHAT CAN YOU DO?

LIVE A LITTLE!



If the last few years with an epidemic, lockdowns, missing family, no travel, war, energy crisis and now inflation have taught us anything, it should be that we don't take time for granted. Time to enjoy ourselves, time to explore, have adventures, time to share with loved ones and to create memories and stories we can later tell our friends, whilst sharing a good bottle of wine in front of a roaring open fire.

When you find your dream yacht for sale in another corner of the world, we can bring her to you. If you are lucky enough to already own your dream yacht, we can take her to a new cruising ground for you. There is so much out there to discover and experience. From Asia and Australia to the West Coast and East Coast of the USA.

Whatever the shipping rates may do or what other challenges we have to face, we will fight your corner. Shipping yachts is what we do. It is something we feel deeply connected with and love doing.

Time to open google maps and zoom out. Or dust off that old atlas and don't forget to sniff that musty smell. Pick a destination, have a chat with us, and don't forget to tell us about your adventures over that glass of wine.



- The glass of wine -

Cool

to the point of freezing...

PEARL 82'



It doesn't get much cooler than the Pearl 82'! British brand Pearl Yachts are launching another new luxury Flybridge model, their third in 3 years! Following the award winning Pearl 62' and the successful launch of the Pearl 72', now the all new Pearl 82'. Following the same recipe, Bill Dixon Yacht Design has collaborated with Kelly Hoppen and the Pearl Team to offer a clear difference in class, with 5 year warranty as standard. A true raised pilot house design, this 25.3m superyacht has a stunning main deck master cabin, with its own private balcony. There are 5 en-suite cabins, all beautifully appointed, with separate accommodation for 3 crew. Direct access from the flybridge down to the foredeck provides complete connectivity between the entertaining spaces on board. Owners have a choice of the aft deck layouts 'Riviera' or 'Veranda'. The vast garage houses a tender, jetski, SeaBobs, and other water sports equipment. All with the striking hull lines, truly as rare as a Pearl.

SOLARIS 74'



What makes the Solaris 74' so cool?

Where do we start!

Her powerful lines by Javier Soto Acebal that are both striking and graceful, but which clearly mean business? The concept of clean decks is taken to the extreme is made to look easy by Solaris Yachts. Her deck layout and arrangement of winches and jammers render her powerful rig easily managed. The Solaris 74' is most definitely a Sailor's yacht.

What about après-sail? Once at anchor, you can enjoy the expanse of flush teak decks, the ample guest cabin or the hydraulic swim platform and the 3m self-contained tender garage, allowing easy access to the water. With ample stowage both fore and aft, there's plenty of room for a few toys. What about below decks? Solaris are known for their interior detailing and ultra clean lines faultlessly executed with a choice of exquisite finishes. The Solaris 74' is available in a range of finishes and layouts to meet individual owners' wishes. She is quite simply, stunningly cool.

MAREX 420



With many awards won by their designs in the last few years, we can't wait to see Marex's latest model, the Marex 420. With a length of 13.7 metres, she will become the new flagship and comes with two possible layouts and several cool innovations. The Gourmet version will offer an enormous U-shaped kitchen layout – the largest in its class, while the Scandinavia version will have a dining area in an enclosed salon, which can be air conditioned. Both versions offer a spacious aft cockpit and a choice of a two or three cabin arrangement with two heads. The 420 also has one of the fastest and easiest canopy systems on the market, a hydraulic bathing platform and side doors positioned both to port and starboard.

boot Düsseldorf IS BACK!

And how we missed it! This January, boot Düsseldorf was well and truly rebooted, finally back on after a painful absence of two long years.



The yachting press speculated that it would fail, the energy crisis would turn the lights off and big brands would not show up, but they were wrong. This fabulous event registered close to 237,000 visitors and over 1,500 exhibitors in their 16 enormous exhibition halls. A leading trade fair for the industry, boot Düsseldorf is the largest indoor, in-water boat show in Europe, exhibiting amazing brands and products and showcasing all the fun that can be had out of the water. boot is an essential diary date for the yachting industry and for anyone passionate about yachting and watersports. boot Düsseldorf is here to stay, which is super cool!

THE WORLD CRUISING CLUB ARC RALLIES

The 37th World Cruising Club's Atlantic Rally for Cruisers (ARC) crossed the finish line in Saint Lucia in December 2022. This special annual event had a fleet of 200 yachts sailing 2700nm from Gran Canaria to the Caribs. Now that the world (and cruising) is open post Covid, the bucket list ARC is leading the bluewater charge! Berthon works with organisers World Cruising and supports the ARC, and we are massive fans. The diversity of yachts that join the fleet, crewed by passionate yachtsmen from all walks of life, guarantees camaraderie, new friendships and unforgettable experiences. Participating in an ARC Rally is as cool as a snowman's handshake. Do join the WCC and Berthon at Berthon's Lymington HQ on **Saturday 10th June 2023** for the **WCC ARC Bluewater Open Day** to hear all about it.



Photo credit - Arthur Daniel



Photo credit - Arthur Daniel

RUSTLER 41' MOTOR YACHT



Rustler Yachts have been building exquisitely crafted sailing yachts since the mid-1960s, so it's super cool that they have now branched out into the motor yacht market with the stunning Rustler 41'. With classic lines from Tony Castro, Rustler have reinvented the traditional 'gentleman's launch'. Elegant and classy, this deep-vee planing hull perfectly complements their lovely sailing yachts. A Yanmar shaft drive engine is standard, but various other powertrain options are also offered. Inboards with pod drives or twin outboards? Customise as you wish. Either way, smooth, comfortable steaming at exhilarating top speeds of 35 knots. The practical and luxurious deck layout is perfect for relaxing and entertaining; foredeck sunbed lounging, aft bathing platform and rear cockpit with ample seating and wet bar. The first-class joinery and quality fit out exudes style. Well-appointed galley, lovely dinette and accommodation for 6, this versatile modern classic promises masses of fun and is cool to the point of freezing.

SAILING LAND SPEED RECORD

In 2022 the land yacht HORONUKU sailed the salty surface of Lake Garidner in South Australia, smashing all previous land speed records, which is of course super cool! Australian pilot Glenn Ashby reached an amazing 222.4 km/h in just 22 knots of breeze in this special land yacht designed by 2021 America's Cup Champions, Emirates Team New Zealand. HORONUKU is the Maori word for 'gliding swiftly across the land' and swift she most certainly was! Glenn is now holding up his finger, waiting for a windier day to attempt an even faster result. We will be watching...



Photo credit - Emirates Team New Zealand



Photo credit - Emirates Team New Zealand

COULD FLAX FIBRES BE THE FUTURE FOR YACHT CONSTRUCTION?



Baltic 68' Café Racer - Pink Gin Verde © YachtShot

What is flax fibre and is it really the future? Part of being kind to Planet Earth is the development of viable, eco-friendly alternatives for yacht building. Flax is a natural fibre derived from the stem of the flax (or linseed) plant which is turned into a linseed epoxy resin. Increasingly it is in use in the manufacture of composites and is popular for its sustainability. The water efficient flax plant requires a minimal CO2 footprint to turn it into a useable fibre for construction and produces no waste, offering energy savings in production. Flax fibres offer higher absorption properties than either carbon or glassfibre, weight efficiency and excellent thermal isolation, all of which is very cool. Green boats of Bremen are specialists in using natural fibre composites for their yachts, their latest being the Flax27, a 27' daysailer. IDB Marine in France have developed a very eco-friendly mini-class yacht, Virgin Mojito 650, constructed using flax fibres, recycled PET and cork. Baltic Yachts are producing the Baltic 68' Café Racer whose hull is constructed with 50% flax fibre. Of course the first flax boat we know of is the Berthon collapsible canvas life boat, invented in 1855 by the Reverend Berthon and built at Berthon in Lymington up until WWII. Planet friendly and snowman's hand cool.

THE OCEAN GLOBAL RACE



Photo credit - Martin Keruzoré

A deeply cool event, but most magical for us is the participation of Marie Tabarly on PEN DUICK VI. The daughter of Eric Tabarly, Nathalie from our Palma office raced with her aboard MARISKA a few years ago. Marie has been sailing with scientists and celebrities aboard PEN DUICK VI since 2018 to raise environmental awareness around the world. She will take part in the OGR 2023, which is massively cool as the boat was originally built for the first Whitbread in 1973.

HARRY CAMERA @ BERTHON

BY SUE GRANT

The arrival of Harry Shutler at Berthon in June 2016 was a great event. Suddenly we had a photographer all of our own, who could do photographs and stuff.... *How cool is that?* This was in the days when the broker's iPhone was king and video was unheard of. Whilst Harry was a jolly nice chap and took much better photos of yachts and imagery for our Berthon Book, we were a little bit puzzled as what to do with him...

Fast forward to today, and he is essential equipment in the toolbox of the Berthon broker whether in the UK, France, Spain, Sweden or the USA. Video has come of age and when not out on the water or clambering around yachts, Harry may be found in his lair which remains locked when he is not in residence.

It's an office full of cameras, computers and all sorts of other magic stuff, and there he sits earphones on, gazing at one of his many screens, absorbed in Harry Camera's world... hush, we say tip toeing past, Harry is editing (*whatever that is*).

We ask him to climb ladders to photograph yachts ashore, to don oilskins and jump aboard RIBs to chase our yachts around the Solent, camera in hand. As an extra treat, we turf him off the RIB at the end of the sequence onto the yacht that he has been filming to photograph her on deck and coming back to port.

We demand that the drone is flown to record the Berthon fleet from above and watch as he attempts to catch it from the bow of a RIB without losing too many of his fingers.



- Harry Camera -

We ask him to film us interviewing owners and others in complicated spaces and at inconvenient times, and this year we have even exported him overnight to the Channel Islands to film the awesome FPB 78#1 COCHISE on a trip to export her and then to return to our Customs Warehouse at Berthon.

Photographs of varying degrees of competence are WeTransferred to the lair and transformed. Film and voice-overs arrive from all our offices. The humble iPhone becomes a Leica in his hands. Professional photographers internationally are briefed and drilled by Harry and provide imagery that meets the Harry litmus test.

We have now learnt the language of Harry as we use video more frequently –

'I like it!'

1 (It's barely usable but I can do something with it).

'That was great, but can you do it one more time?'

2 (It's such complete rubbish that I can't use it at all so you will have to do it again).

'Of course I can re-do it – won't take long!'

3 (This job will take me at least half a day in the lair and the same time again to re-render it).



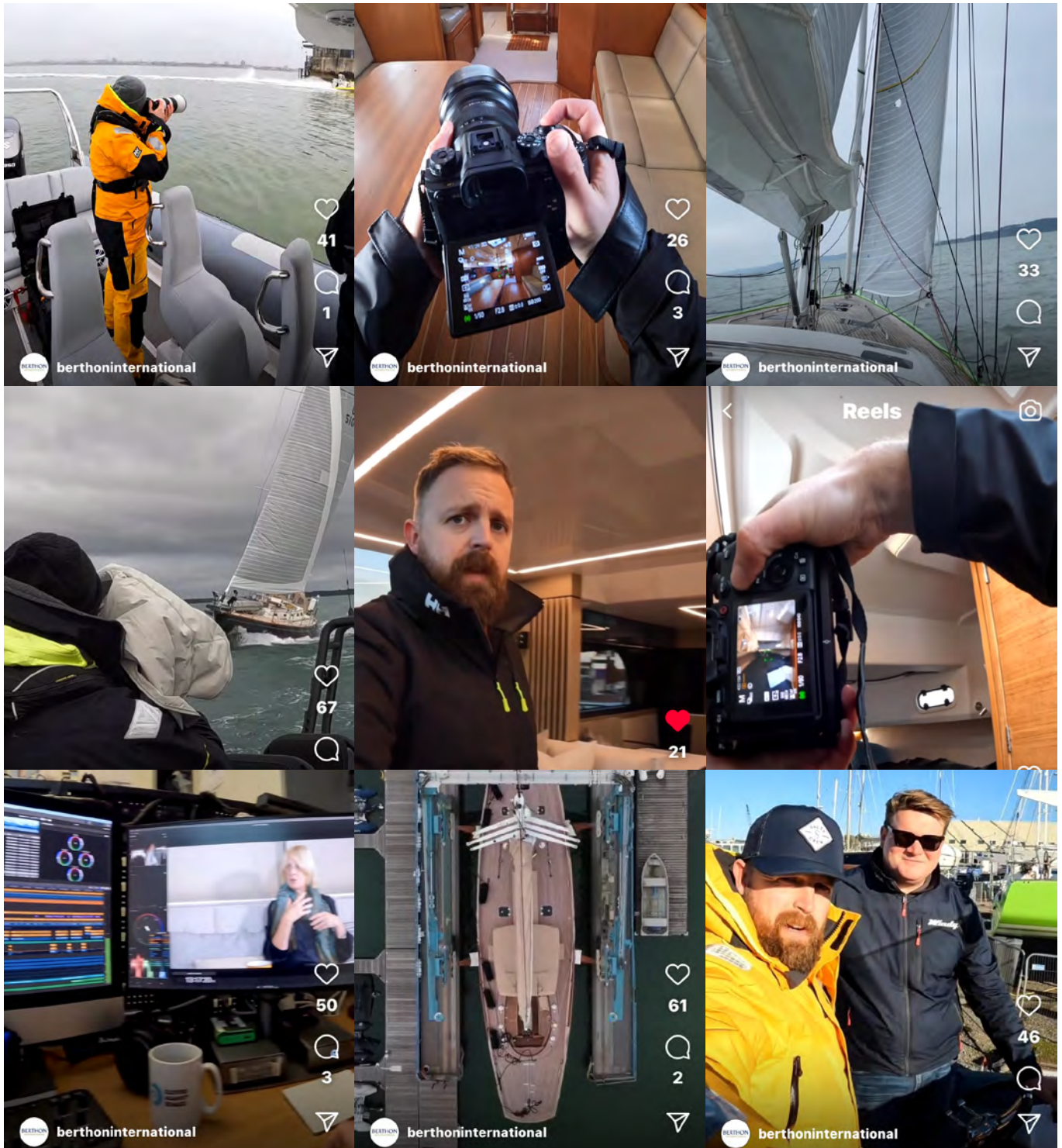


If you find yourself at your screen try:
Berthon International Instagram

<https://www.instagram.com/berthoninternational/?hl=en>

Updated by Harry, the Berthon International's Instagram is worth keeping tabs on, for the incredible imagery that just keeps coming.

Harry Camera @ Berthon – we, the Sales Team – salute you...



Close Brothers Aviation and Marine

BY JAMES CREW, MARINE SALES DIRECTOR

Close Brothers Aviation and Marine is one of the leading providers of marine finance, offering fast, tailor-made finance to our clients. For over 20 years the team has been providing funding for a wide variety of sailing yachts and motor yachts, including those that are used for charter.

The world has undeniably experienced seismic changes over the past few years, with Brexit, the Covid-19 pandemic, and the war in Ukraine to name just some. *But, what about the world of Marine finance?*

Speaking from the perspective of the Close Brothers Aviation and Marine team, over the last five years, we have seen year-on-year growth as both historical and new marine borrowers have decided that they wish to take some level of borrowing for their new yacht.

Many clients are keen to keep their 'bricks, mortar and savings pot' and their new yacht separate because, quite simply, the yacht provides the marine lender the security they need - very rarely are any other assets sought to underpin the loan.

The marine market has seen a steady growth in the number of yacht owners seeking to take some level of borrowing against their vessel, countering the 'myth' that only those with significant disposable income and savings should own a yacht. We have found that even the very wealthy are now more inclined to borrow because there is often an opportunity for the cash to be used elsewhere.

For example, one of our clients will expect double digit returns on their cash and therefore, given the borrowing costs will be less than this, it makes simple economic sense to borrow.

“
WE UNDERSTAND ALL OUR
CLIENTS ARE UNIQUE.
”

The Product

The lending product is simply a marine mortgage, which has remained unchanged since the 19th century. The lender will use the yacht as its primary security - like a house, the borrower is the owner, unlike a Hire Purchase or a Lease, where the lender owns the asset and the borrower has the option of purchasing the asset at the end of the term.

I have found that new clients unfamiliar with Marine finance are surprised by the simplicity of the transaction and expect – and anticipate – far more complexity than is actually the case.

I can understand why this may be the case purely because of the size of the intended purchase – you would expect to jump through more hoops; however, it's only simple because of our experience and detailed understanding of both the assets and the broader market.

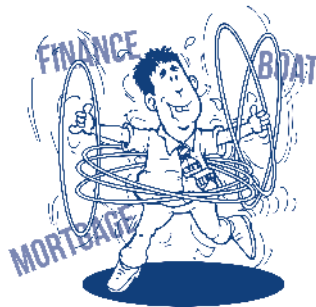
Any prospective borrower would be advised to engage with an established and experienced lender who deal with yachts, brokers, surveyors, and so on, on a daily basis.

Due Diligence

It's important to point out that reputable lenders like ourselves are highly regulated and clients should not be surprised to expect full due diligence to be conducted in advance of any offers being made.

At Close Brothers Aviation and Marine, the credit process is done manually. The reason this is important for borrowers is that each application is treated on its own merit and is not approved or rejected on the basis of an automated process. We understand all our clients are unique.

We employ expert underwriters who concentrate almost solely on Marine and Aviation assets, which sets us apart from other lenders in the sector.



- Jump through fewer hoops than you think -

The Offering

The market will generally offer up to 70% of the yacht's cost or value, but I find the majority of our clients seek to borrow slightly less than this.

As a direct funder with a very healthy balance sheet who has lent through all economic cycles over the last two decades in Marine, we find clients welcome the consistency of an established and experienced specialist lender.

One of our clients is on their seventh yacht with our assistance – and this is by no means a unique example, with many clients having funded multiple yachts through ourselves.

Most marine lenders, including ourselves, will offer up to a 10-year repayment profile, but our average mortgage runs for 44 months before the yacht is changed.

Customer Service – with a difference

From a client lending point of view, I expect more clients to see the value in taking out funding to purchase or refinance their yachts, as it becomes further normalised.

The trait clients value most from their lender is consistency – they need to know that when they pick up the phone that they're speaking with knowledgeable experts who have a detailed understanding of their specific requirements.

Most of the conversations we have with clients is consultative in nature and we try - where we can - to assist getting our clients onto the water as soon as feasibly possible. Affordability is a key topic – we have a duty to ensure we offer loans to our clients that are appropriate to their individual circumstances.

Looking Ahead

Predictions, particularly in the current economic and political environment, are difficult to make; however, if the past five years are anything to go by, I expect the Marine market to remain stable, and – it has to be said - buoyant.

Sustainability will become increasingly important as clients begin to demand more environmentally friendly yachts from boat makers, including electric and hydrogen.

We have already funded a number of hybrids and are fielding a growing number of requests for electric and hybrid boats, which we have appetite to support.

The move to a more sustainable future is an exciting opportunity for our sector, and as the car market has already demonstrated, build it and they will come...

INFORMATION OVERLOAD

BY SUE GRANT

We have written on this subject before, as we have shifted from the yachting magazine and hard copy pilot books and amazing knowledge at your local yacht club, to a whole new way of life where every detail of life can be obtained by asking Siri, or Mr Google or both. Of course, this applies to every facet of life today and yachting is certainly no exception.

The yacht club bore has now been replaced by yachting forums and unedited information in all forms, all of which are available to us at the touch of a button. There are no fact checkers, or checks and balances relating to information about yachting that adorns the worldwide web. Those with something to sell (of course we must be included in this), an axe to grind, or those who simply haven't checked their facts; are seated cheek by jowl with well researched and knowledgeable articles and information that delivers good advice around the business of buying, selling, sailing, motoring, understanding and maintaining yachts.

As in days of yore, legends grow over time. Today they do it in real time and are embellished and added to at a furious rate. Before long, an incorrect fact becomes accepted as fact as Mr Google spews out threads and it is sometimes very difficult to differentiate fact from fiction.

This lack of clarity has also led to a dumbing down of the yacht brokers' craft with small brokerages starting up across the globe, many of them head quartering on the kitchen table, guest bedroom, or dare we say it – in a shed in the garden. These Purple Bricks of yacht brokerage have a vastly reduced overhead, do everything online and offer a service of sorts. However, they do not provide the depth of service that clients of a conventional brokerage house enjoy with a good team of support staff, an office to visit and chat, and the level of knowledge, continuous training and financial security.

Many service companies have also leapt into the fray, offering yacht sales along with oil changes and guardiennage with only



- All pigs are fuelled and ready to fly -

little experience of yacht brokerage. We know that this doesn't work which is why our service operation in Palma de Mallorca is run separately to our yacht sales operation which works out of a dedicated office staffed by full time yacht brokers. At Berthon, it takes 5 years to make a yacht broker and a guardiennage captain, however knowledgeable, cannot morph into a yacht broker on day one, nor can they do it as an accompaniment to their day job.

The entry of so many new brokerage firms has added further confusion as although it is a vast generalisation, it is fair to say that many of them have only a basic grasp of the business of yacht brokerage and have little to say about the burning issues that we have to deal with today – VAT, RCD, title, local taxes, and the rest. Importantly they are unable to properly assess value and so we see many yachts on the market at incorrect prices with poor information and their poor owners are hijacked by the promise of a low commission rate on an unrealistic asking price with a marketing offering that will certainly not impress the savvy yacht buyer. For the yacht buyer it is also not cool, as often there is no formal mandate to sell the yacht so they are forced to wade through the poor information and maybe even travel far to discover that the yacht isn't actually for sale or that another broker has prior claim and an undignified brawl between brokers ensues.

So together with the barrage of information from the worldwide web, and a myriad of wannabee yacht brokers, there are at the moment a number of legends circulating, some of which are rubbish and others which have enough of a grain of truth to be confusing.

Here are a few of our favourites...

We are interested to list your yacht for sale as we have someone who is interested in buying her. It amazes us how many times this one is trotted out. A broker who wants to list your yacht should be selling their service and knowledge of the market. It does of course sometimes happen that the broker has a client. If you have this conversation, delve into this magical client – ask about them and the broker's connection and find out how real it is. Sometimes a broker will come to you as if they are acting as a buyer's agent. This means in any sale they act for the buyer and not you. A reputable broker will tell you this and it will be reflected in any sale and purchase contract.



You can cover all your running costs and cost of your money by doing as little as 10 weeks charter a year. We had this repeated to us recently and this is a stinker. To charter a yacht she has to be MCA coded and, unless you are chartering her bareboat, a very good and qualified crew. Importantly she will also need a charter agent and she will need to comply with any local regulations – areas like Spain for example are very complex. It is likely that it will take a number of years to get traction and bookings. For a yacht of 55 to 90 feet, 4 to 5 weeks is more realistic until the yacht becomes known in the market and also starts to win repeat business. You may cover some costs but the costs of maintaining her at the standard required for charter will add cost. It is a good thing to do, to ensure that a little used yacht is in excellent condition for when you use her, but a money maker she will never be.





To avoid paying VAT as an EU national sailing in EU waters or as a UK national sailing in UK waters, all you need to do is to register her offshore. All pigs are fuelled and ready to fly! The Customs Authorities in all these regions will be looking at the beneficial ownership of the yacht and not at the flag. They take a very dim view of yachtsmen who seek to avoid the payment of this mandatory tax by trying to hide the ownership of the yacht. If the yacht is owned via a trust or other vehicle, expect them to look at the full ownership trail and to demand payment of VAT if appropriate.



The market in the USA is super-hot so it is a good idea to send your yacht to the USA to sell her if you are a European or a Brit. Well, it's a bit true. The USA East Coast is for sure short of brokerage listings. However, Americans like well specified, recent yachts with good standards of equipment. They will not buy the old, whacky or dodgy condition just because she's shown up on their shores. They are savvy buyers. If you are contemplating the USA as a selling area, bear in mind that you cannot offer your yacht for sale unless she is duty paid, which is an upfront cost to you of around 1.7% of her value. People who tell you that you can just write – not for sale in US waters – and everything is hunky dory, are talking tosh.



Any yacht selling in the Caribbean can do so free of VAT. This one is nearly true. All the islands in the Caribs are outside the VAT net including the UK, French and Dutch dependences. However, some have sales tax so check carefully if your yacht is transacting in this area to be sure that you understand the local tax system.



Now that the UK is not part of the EU, we don't worry about RCD anymore. There is a grain of truth in this statement but bear in mind that if you are keeping your yacht in the EU and you want to sell her – she will likely attract a European buyer and for them it will be mandatory that she is RCD compliant – so don't ignore it. If you are in the UK your yacht will need to be UKCA marked and if you import her from the EU she will need to comply even if she was built in the UK pre-RCD and was grandfathered, as she is now a new import.



An open and non-exclusive agreement to sell your yacht is the way to go as you are able to drive down the commission rate and the brokers instructed will all compete against one another to sell the yacht. You also have the option to sell her privately without paying commission to anyone. Brokers who do not have a credible offering and who aren't investing in the service that they offer to their clients will suggest a lower commission rate because their costs are lower and will be happy with an open, non-exclusive listing. They will try to list as many yachts as they can. They have a scatter gun approach to yacht sales, selling whatever is at hand. They will not have a specific marketing campaign for the yachts they are selling, so the yacht owner is taking potluck. Established brokerage houses will not be so interested in your yacht although they might take her – but not at a low commission, if they have specific clients. If they do, they will not invest in the yacht's marketing as other brokers will drop margin and cut them out so there is no point. What results is a race to the bottom; these brokers do not try to maximise price and the yacht will likely be offered at a variety of prices and with poor particulars.



There is no need for a survey because the owner had her surveyed and/or coded recently and you can have copies of these reports. If you are thinking of buying a yacht that has a recent survey or has been coded, you should certainly be given full disclosure to all the information available to the owner. However, unless you have instructed the survey, the surveyor who has written it has no duty of care to you and if he has missed something it is your hard luck. You also do not know the instruction that was given to the surveyor by the owner of the yacht. Coding surveys are good as they mean that the yacht is regularly inspected by a surveyor. However, a coding survey checks the criteria covered by the coding and it is not a pre-purchase survey. It does most definitely not provide enough information for a yacht buyer purchasing a yacht.



If your yacht is centrally listed with a broker you can list her with another whilst the agreement is in place – and double the chance to sell her – no worries! This is utter rubbish and if you do so you run the risk of paying double commission if the new appointee brings a buyer or if they engage with a buyer your central agent is already in touch with, and then encourage the buyer to engage with them by offering a lower price by cutting commission. Brokers who suggest this double listing either don't understand the listing process or don't care.



My yacht is not VAT paid in the UK and I am a Brit but I can bring her in for 9 months without paying VAT. NO, NO, NO! We don't know where this particular myth came from but we have heard it a lot in the past 6 months. If your yacht is not UK VAT paid and does not qualify for Returned Goods Relief, VAT on her value is due as soon as you enter UK waters. No ifs, buts or maybes.

Of course, there are many more of these but we stop here at the risk of boring you. Every week we receive calls and emails from yachtsmen asking us about these subjects and many others. We imagine that other established brokerage houses operate

a similar confessional. Please enjoy your yachting and valuable time out on the water but do take care of myths found under the auspices of Mr Google. As with most things in life, in yachting if it seems to be too good to be true, it almost certainly is.

YACHT SALES IN THE 21ST CENTURY

BY SUE GRANT

As an old brokerage warhorse, I remember (as a VERY young trainee broker) the days when all yacht particulars were printed on an alarming looking photocopier which could only manage black and white. To add to the presentation of particulars, a colour photograph produced externally was stuck to the front of each set of particulars. Every evening the postman came to call and took away a massive pile of pulped tree which was dispatched to all corners of the globe to people who had enquired on the telephone (or who had written a letter!). Faxing was also a temporary modern means of speeding the process.

I was reminded of this recently when one of the brokers in the UK, asked why our morning Sales meeting was called Post... always has been. I started to explain about letters, telex and rest, his eyes glazed over, and I quickly changed the subject to more interesting things...

Through the years, blazers, yacht club ties and yacht brokers in launches going out to yachts on swinging moorings has given way, like all else in life, to the lure and inevitable grasp of the worldwide web. We were told that yacht brokers would be redundant – no longer needed in an age where everyone had access to yacht information at the touch of a button. But of course the web like a craftsman's tools is just that – a facility within our armoury to enable us to do our jobs.

We have covered all this in a Market Report that came long before and it is old ground. The reason to mention this again, is that Covid 19, the various lock downs and all the limitations on the human race has meant that in the last couple of years, as a species we have adapted. Rather as geese developed webbed feet to improve their swimming and therefore hit rate in finding food, humans have become adept and reliant on their iPhones, laptops and the like, and are driving them more efficiently than



- Wondrous black art -

ever before. Working from home became a painful reality for so many of us, so it is rare to find a house today without a study, home office, workspace, office shed or workroom bedroom which is a shrine to the worldwide web and its ability to connect us with people, our business, our hobbies and as a means to buy, bank and research just about anything.

Now that we are emerging from this crisis (ready to face the brunt of a myriad of little challenges awaiting the human race in 2023), we are more used to shopping from home than going shopping. We are more familiar with all the platforms and even the luddites amongst us must admit that we are doing more online than ever before. This is not going to change and it is why the way that yacht brokers work and information that is delivered by us has changed more significantly than I can ever remember. More so even, than when the first dedicated computer arrived at the Berthon International offices, with one station and one email address – **brokers@berthon.co.uk** – and actually we still use the address today!

Granular, well written and accurate particulars remain key. There is a massive amount of information available about yachts on the web so a broker has nowhere to hide now with sloppy presentation and scant information.

We were delighted with the novelty of having our own professional camera man

and videographer on the staff when he arrived pre-Covid. Harry is a fantastic resource, although when he first showed up we weren't quite sure how we could use him. He took photographs of yachts and talked a lot about film. We humoured him and gave it a go. Harry is also able to improve imagery not taken by him or our team and is able to edit raw footage and make sense of what is sent by others.

From our first baby steps towards better imagery and some moving imagery, we learnt to walk, then a little faster and we are now galloping down the worldwide motor way of moving imagery which is where yacht sales presentations are heading. The technology is scaling quickly and it is now an essential, compulsory ingredient in any marketing campaign – rather like the coloured photographs that we stuck on yacht particulars all those years ago.

In the old days, a yacht owner told his broker to sell his yacht and then left him to it. After multiple trips out in the launch and yacht club lunches, magic would happen and the job would be done. In this new world of instant information delivery and fast moving life, things have changed significantly. The relationship between yacht broker and client (the yacht's owner) is a partnership in which the owner requires (quite rightly) to understand exactly what is being done to market his or her yacht, what the market's reaction is and what is going on in the market place. The yacht owner is a savvy person and at Berthon, 2023 sees the implementation a new marketing system to enable us to better do the business of yacht brokerage with our clients and not to them.

Any decent yacht broker will be in touch with his or her client regularly but with the ability for us to monitor interest, follow potential buyers better, look at what else is happening in the market place and to assess the sale process closely, it is only right that they have access to this

information too. At the point of listing, a full marketing campaign is devised for the yacht with time lines and we work against this programme.

We believe that market updates are important. We also believe that with the ability to generate wonderful imagery that correctly reflects the condition and status of the yacht, that this should be updated regularly. Whatever the wonders of the worldwide web, the reality is that a significant yacht still takes 6 months or so to sell and her offering should be kept fresh and current.

One of the constants of my career as a yacht broker has been that of brokerage advertising copy deadlines. They leer at you from the pages of your diary (and now from your diary on Outlook, helpfully forwarded to your phone so there is no escape!). Every month a page of advertising must be planned and text written. At Berthon we make it harder with the Berthon house style, so unique and freshly written text appears in every publication and for every entry. Writing advertising text has been a right of passage for the trainee yacht broker at Berthon since Noah centrally listed the Ark with one of my forebears. Of course it was harder then as the copy had to be carved in stone...However, this staple of the yacht brokers' toolbox, is now in the decline. Many yachting magazines have sadly become less relevant as people take their iPads aboard planes and don't pick up magazines, and subscriptions are on-line and not in print. Most importantly, with the instant delivery of information, the magazines' news and views are weeks out of date before the publications hit the news stands. Circulation is falling and without a strong web presence or other unique features – expert technical articles, good boat tests or events - they are becoming less relevant.

Unfortunately for the 21st century trainee Berthon broker, the need to master the art of writing the unique Berthon text is still current. We have now developed a series of in-house publications which we discovered were well read, sent to clients that we know and current enquiries and which are capable of being effectively

optimised on line. We are continually evolving these, and copyrighting is a key part of these today.

Because we have total control we can deliver in hard copy and soft copy. We can alter articles and the yachts appearing to suit different markets across our 5 offices and we can offer a compelling and up to date offering, updating in real time and printing in small print runs. Like this publication, we are grateful for wonderful external contributors who can write knowledgeably about what is current in our market place and what worries clients. We can tailor the content to suit the needs of now.

In addition to this publication, we run a Winter Collection tailored to our local markets, and our Berthon Book which is full of lovely articles as well as the full Berthon fleet. In the Market Report for the first time we feature the Berthon fleet – because we can and because the wonders of modern technology mean that the information is in date in real time.

Sales organisations selling anything from houses to bicycle clips to widgets have marketing departments that wax lyrical about social media. Another big subject which is much misunderstood, and which is by many considered to be a wondrous black art, only effectively managed by people with marketing degrees who wear pullovers. It is no such thing. It is just another tool in the yacht brokers' armoury. At Berthon we are big fans of LinkedIn for communication and information delivery and we love Instagram which enables us to post wonderful imagery and outtakes from our videos and short sequences which show our fleet at its best.

Facebook is a moving postcard, enabling us to tell our clients about the fun stuff that happens in our world from the 3 Kings Festival in Palma to Magnus Kullberg from Berthon Sweden's arrival in St Lucia after completing the ARC this December, to the jazz festival in Newport, Rhode Island.

For all of these tools, the one thing that has not changed is that product knowledge and a passion for everything to do with yachts are things without which a Berthon broker cannot operate.

The Berthon team works in a pack, chatting together about yachts, and what's going on at every opportunity. We actively promote yachts through our network and look at what is best for our client the yacht owner, in terms of positioning his yacht for the best market conditions. We also run a local broker system so that an American buyer looking at a Berthon yacht in say, the UK can work with our office in Newport so they deal with a yacht broker in their time zone, send money to an American client account and sign an American contract. The yacht's sea trial, survey and on the ground management is done in the UK and everyone is happy.

Technology has also not altered the need to keep in touch with yacht buyers and to follow up enquiries, work effectively with other brokers who may have a buyer for a member of the Berthon fleet and to keep up with the hurry scurry of 21st century yacht sales, where things happen super quickly and you have to respond accordingly. The olden days where a written enquiry would be received in the office on Monday, replied to on Tuesday and the enquirer would receive the details on a Wednesday (Royal Mail willing) are long gone. An emailed enquiry from one of the many yacht sale portals on which Berthon yachts are listed will be responded to within minutes or within a couple of hours and never in days.

Yacht brokerage and indeed life is a process of constant evolution and I feel that in the last 12 months in our business, we have again jumped from dinosaur to space rocket in terms of the way that we deliver the information that is available to yacht buyers to help them with their search. Better information than ever, wonderful imagery, film, direct marketing and a very much more developed tracking of the progress of the marketing of the yacht on her voyage to a sale. At the same time the level of contact, accountability and involvement with the yacht owner has grown enormously, driven by our wish to work with them for the best outcome and quickest sale.

For a bunch of yacht mad brokers who like to do the best job possible, what's not to like?

2023 BERTHON FORECAST

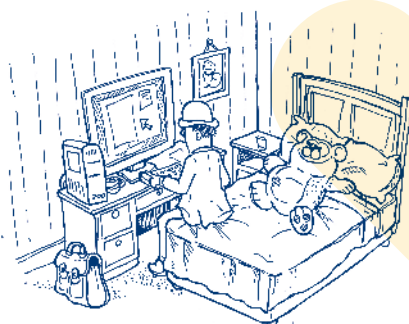
BY SUE GRANT

Floods, gales, earthquakes and sub-zero temperatures, 2023 has had them all and the year is as yet, but a new born. I sit in my familiar seat in my garden shed swathed in scarf and overcoat and wish for spring and the new sailing season. Excitingly, the Düsseldorf Boat Show, after 2 years absence, occurred and the voyage towards normality in our industry continues.

2021 was of course the year to beat all years for sales results for the Berthon Sales Group as the dash to get out on the water saw yachts selling in numbers never before seen. In last year's forecast we predicted a slow down for 2022. Although it seemed to us to be a more normal cycle our numbers replicated 2021, albeit with different yachts sold; so another exceptional year, as the traditional sailing centres internationally heaved with yachtsmen getting into the thick of it and enjoying all that our sport has to offer.

Activity in the racing yacht market was a little more muted, but in this segment growth comes from the grass roots and we predict that the success of classes like the Cape 31, will be the precursor of larger racing yacht fleets starting to develop once again. We expect a resurgence of competitive sailors who want to dive into the wonderful experience that is offshore yacht racing.

Last year when we predicted for the year just closed, the conflict in Ukraine was just beginning. Who could have expected that this situation would be ongoing in 2023 or that the West would have pulled together so seamlessly to defend our way of life? Who also could have predicted the number of super and mega yachts tied to the dock as assets of oligarchs were seized, and that massive new build programmes would screech to a halt? Everyone in yachting is aware of the sanctions lists and we observe them to the letter.



- Working from home syndrome -

Of course, Mother Nature abhors a vacuum, so yachts and build programmes where possible have found new owners and the world of yachting continues to turn. As time goes on, the local difficulties and problems with arrested yachts will unravel and new owners will enjoy these leviathans of the sea.

We touched on the rise in energy prices but not the scale of the difficulties across the planet. The human race is adaptable and we have learned to value power more than before. At our sister company, Berthon Boat Company, a full appraisal of the energy usage in the yard has been managed to provide the savings needed to remain competitive and to deliver the best possible value to clients. Even the mighty boot Düsseldorf is going easy on the central heating – it's an overcoat and walking quickly between its massive halls – no problem we adapt...

Covid has not left us, but we have learned to live with the virus assisted by the jab, and even in China, eradication has finally been replaced by herd immunity as the silent protests grew. This interesting change we see as a positive for us all and we look forward to seeing this vast new market open as this remarkable nation decides, we hope, to take to the water. The legacy of Covid for us has been a large new client base who are now massively committed to yachting, who have understood the importance of the work life balance and this will not change. The Berthon sales team couldn't wait to get back to the office and back onto the water as soon as we could in 2021 and

2022. Last year clients wanted to touch and feel, and to experience their chosen yacht, and the work from home syndrome has been left behind except for the most part, I think, in Whitehall. Let's hope that they catch up soon! Waiting for months (not weeks or days) for various licenses is pretty poor service, since we pay twice, once in tax and then in fees!

Supply chain issues did not go away in 2022. As we predicted, they got worse. As we go into 2023 we see a logjam in new yacht production which is not going to go away. This is not helped by higher interest rates and inflation, which put pressure on manufacturers holding stock they cannot complete and sell whilst having to satisfy contracts to end owners at hard prices that do not allow for the inflationary pressures that they are experiencing. For the buying department it is not a question of the best price – it is a question of locating the part, machinery or whatever and to a great extent, it costs what it costs.

These pressures are also felt by new yacht distributors whose costs have risen as a function of inflation and energy costs. They can't get yachts to sell and if they can in some cases they are delivered in an incomplete state. Stocking them until sold is becoming more expensive and they then have the next challenge that, because of the supply issues and inflation, prices for new yachts are ramping and delivery times are moving out through 2024 to 2025. It is not cool.

We said that for 2022, brokerage prices would remain constant but that they wouldn't be as frothy as in 2021 and this has been the case. Yacht buyers have not been prepared to pay any price to get out on the water and yacht owners have been wise to accept sensible market value. However, despite the terrible political and economic situation, we haven't seen fire sales, big price drops or the normal signs of a market in decline. In fact, we still have the 2021 problem of yacht shortage in the segments that are hot – recent, quality and production yachts in great condition.

This year, as we have returned to normality, we have seen a number of serious refits passing through our hands

including a truck to keel refit of a Spirit 70 by our service company at Berthon Spain to an Oyster 56 originally sold to a Berthon USA client whilst in our UK Shipyard that was shipped from the Caribbean in Berthon UK for refit. Now that the immediacy of Covid (*must get out and do it now*) abates, people want to invest in their yachting freedom and are more open to buying yachts which need refit as the world is now turning and the world is open to yachtsmen to cruise in all its oceans.

Whoever you are on Planet Earth, the call for the need to be greener is becoming a shout. Yachting as we predicted has engaged with this – we have the awesome Spirit 65 DH SPIRIT OF JOSEPHINE for sale that is super carbon friendly with her twin Ocean Volt electric drive, recycled sails and Ligne decks. Our friend and colleague Marko Pas who designs the Pegasus 50 with which we are involved has so far delivered four of his excellent carbon 50 footers with electric drives. We expect to see these technologies become more mainstream in 2023.

So, what are our picks for 2023?

The crystal ball has never been so challenged with Ukraine, energy, inflation, massive political upheaval in many parts of the world and an eye watering debt owed by us all as a result of the cost of shutting down and staying safe over Covid. Higher taxes, lower growth and the dive into recession are all on the cards this year, unless inflation lessens. Despite this, our clients are keeping calm and carrying on and whilst we see turbulent waters ahead particularly in some segments, we feel that the market will hold this year and that savvy yacht buyers will still be in the market place where they see value.

We predict that it will be tough for some of the new yacht manufacturers, caught in a maelstrom of cost, lack of materials and kit, and inflation. Those who are over extended will be vulnerable and we would caution that you look carefully at who you are buying from in this segment. Likewise, for the distributors caught with big stocking commitments and big bills on their floor plans. As always, it is a very good idea to read the small print and to

treat your yacht purchase like a capital purchase in your business.

For the brokerage market, we are used to some yacht buyers who assume that there will be harassed and desperate sellers at all turns. They ignore the supply problem in the market and the fact that a serious seller can still sell well and that for the rest, inflation is a wonderful tonic and so fire sales will not be on the cards this year.

Positioning your yacht is key for many to take advantage of events, the possibility to enjoy a double season and to cruise in the area that you had always dreamed of, or indeed to fulfil a regatta programme. For some there is the time to make the trip by sea or to have the yacht delivered on her own bottom. For the rest shipping is the best option. We predict that the higher costs of this service is here to stay and that we will need to dig deep and understand this particular cost of yachting is higher post-Covid.

VAT will of course continue to baffle us but we predict that the ship of grandfathering pre-Brexit yachts has well and truly sailed, and that the status quo that now exists is what we have. We also feel that ex-tax yachts that can be enjoyed outside the EU or UK and where the status is delightfully straight forward will become more attractive. Those areas that insist on collecting their 20% + will find yachtsmen cruising outside their regions as yachts become more capable and cruising grounds elsewhere more accessible, with flights and access gradually improving.

In our world, yacht financing has been rather like the curate's egg – good in parts but difficult to find. Those who offer this service now have a sensible and understandable offering and we predict that we will see more financing in the next years as yachtsmen want to live the dream now and not delay in a world where goodness know what crisis will befall us next. Life plans and the need to go cruising before children fly the nest or the knees start to creak will trump stock market movement and financial planning.

As for our little Sales Group Ship, she sails on, still with her same crew, although for 2023 will have new recruits

at Berthon Spain service as the scale of operation increases with turnover up by 33% in 2022. Their Big Blue Shed is full of technicians, craftsmen and new kit to make your yachting turnkey in the Mediterranean, mirrored by our own Big Blue Sheds in the UK where numbers of skilled staff and apprentices continue growing, currently delivering a 20%+ increase in productive hours. Elsewhere we have strengthened our support in Berthon Spain Sales and Berthon Scandinavia as Nathalie and Anna join us. We also welcome Sophie Kemp back to Lymington HQ after maternity leave to work on marketing and supporting the Team.

Our barometer of the market remains Berthon USA and after a good year the team are busy finding listings in a market where quality brokerage listings are scarce. Moody sells well and we are successfully introducing Solaris to American waters, expecting the brand to shine there as it is for the UK market with seven Solaris in build for Brits as I write this.

Berthon France is in for a big year delivering new Pearls into the South of France and with a facelift to go with the huge opportunities in Europe's ultimate yachting playground.

Berthon Scandinavia grew exponentially in 2022 and the mix of an experienced team who know everything about yachts that are born on the island of Orust, and a supply of cherished yachts who overwinter snug and warm inside, means that 2023 is set to be huge too.

Which leaves the Mother Ship in the UK where we will deliver updated websites and a new system for monitoring the marketing of the yachts that we are selling, this year, as well as masses more moving imagery. With more brokerage yachts at our Lymington base than for the past four years, and a revolving Customs Warehouse door as yachts join and leave us, we expect to be busy.

It is risky to predict weather but impossible to avoid talking about it if you are British. Last year we predicted that it would be no worse than 2021, and of course it was extraordinary. So we predict that there will certainly be weather in 2023.

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