

AUGUST/SEPTEMBER 2020

COMPASS



Leveraging
the Surge of
Interest in
Social Media

Pg. 10

Giving Back:
Iconic Bahamas
Lighthouse
Restoration Project

Pg. 38

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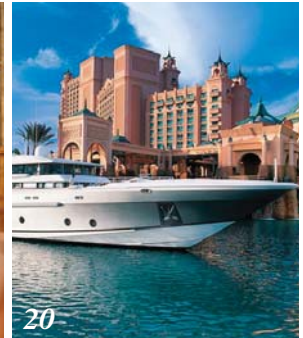
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NOTE: The articles and information contained in COMPASS represent the opinions of the authors and editors and should not be construed to be those of the International Yacht Brokers Association. Nothing contained herein is to be considered as the rendering of legal advice for specific cases, and readers are responsible for obtaining such advice from their own legal counsel. The articles and information herein are intended for education and informational purposes only.



On the Cover:
The new Grand Banks 54



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August 12

IYBA Charter Open House*
Bahia Mar Yachting Center
Fort Lauderdale

August 20

IYBA Brokers Open House*
Bahia Mar Yachting Center
Fort Lauderdale

September 8-13

Cannes Yachting Festival
The Vieux Port and Port Canto
Cannes, France
(See page 6)

*Visit IYBA.org/events to confirm these events
will take place live and learn about future Open
Houses and other IYBA events.

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FROM THE HELM

by **Paul Flannery**, *IYBA Executive Director*

AND THE BEAT GOES ON....

Agility and a good sense of balance are some of the key attributes of a successful yachtsman (at least one who likes to stay dry) and it seems that they are also key components of the yachting industry as a whole, now more than ever.

As an industry, we have never faced challenges and opportunities bundled together as we are facing them today. In my last article for the June/July issue of *Compass*, I spoke of the resilience that I see in our peer group and it continues to impress me. I spoke of the scrappiness that is inherent in the professional people that make up our day-to-day business lives and that quality reigns supreme everywhere I look. Every day we hear news of increased testing, border openings and border closures and escalating numbers of the coronavirus, yet we continue to find ways to connect, educate, interact with and satisfy our client's desires to enjoy boating. Kudos again to all of you who are making the best of this challenging situation.

As an association, administratively, we have had to adapt as well. One of our mainstay member benefits is to host educational seminars that allow our members to be better informed professionals and network with those with whom they conduct business. The month of May typically holds the Yacht Engineering Seminar and June is our time for the Golf Scramble and the East Coast Yacht Sales Summit. July is a quiet time and August is when our Florida West Coast members enjoy the West Coast Yacht Sales Summit.

This year everything has changed, obviously.

The first consideration we made was to develop a delivery method for our members to stay informed on the rapidly changing landscape in front of us. Our 15 webinars were well attended, well received and hopefully enhanced your ability to navigate some pretty choppy waters we found ourselves in. We will continue to utilize this format as we feel relevant information needs to be disseminated to the membership in an expeditious manner.

As you read this edition of *Compass*, we will have just completed an online Yacht Engineering Week offering that provided educational benefits to our members centered around all of the technical aspects of the boats we sell. Everything from engines to antennas and anchors to stern lights was covered in this informative offering. If you missed it, check in to www.iyba.org and go to our video channel to review what

was presented. Please don't forget to thank the sponsors who offer their support and make these events possible by reaching out to them when you are in need of services.

Up Next: Virtual Yacht Sales Summit

Next on the agenda will be a combined Yacht Sales Summit that will be presented virtually on August 25-26, 2020. Look for eblasts announcing registration or go to www.iyba.org for detailed information. This event is a "must attend" offering for everyone interested in how to up your game, including sales and marketing tips, updated regulations, organizational hints and the like. Keep your professional advantage properly honed by sharpening your skills at IYBA seminars.

We all know that we are enjoying, almost universally, an unprecedented surge in business activity and in the sub-\$10,000,000 marketplace, our biggest challenge is available inventory. Thinking ahead, I am concerned that this shortage will continue as supply has

been limited for some time and demand has increased. That having been said, there are few things that I would encourage you to consider. Squirrel away a few dollars for the rainy days that may be ahead.

Invest in gaining market share and consider effective ways to deliver your message while keeping a high ethical standard in place. Utilize the administrative and educational tools at your disposal through your membership with IYBA. Remember, in the most challenging times, this too shall pass.

Our wish to you is for good health, prosperity and happiness.

Now get out there and sell something, will ya....

Cheers,

Paul

Paul Flannery

We all know that we are enjoying, almost universally, an unprecedented surge in business activity.



We use recycled paper and environmentally friendly inks in printing *Compass* magazine.



IN A BOLD MOVE, CANNES YACHTING FESTIVAL STAYS LIVE – SO FAR.

In the midst of a wave of cancellations of autumn 2020 boat shows around the world due to COVID-19 and the resulting restrictions on large live events and international travel, the organizers of the Cannes Yachting Festival surprised many in the industry by announcing in July that the show would go on. As *Compass* went to press, the Yachting Festival was scheduled to take place in its traditional venues, the Vieux Port and Port Canto in Cannes, France, on September 8-13, 2020.

“We of course received [much] feedback from our exhibitors regarding the COVID situation. It is an unprecedented crisis and the yachting business has been also hit by the pandemic, like a lot of other businesses worldwide. As a consequence, some exhibitors cancelled their participation in 2020,” said Sylvie Ernout, Cannes Yachting Festival manager. “Fortunately, most did not cancel, and we kept enough exhibitors from last session who rebooked, including most of the big players of this industry, to present enough boats, products and services [to] guarantee a rich content for the 2020 edition.

“In fact,” Ernout continued, “many of our exhibitors told us that they were eager to launch their new models and meet with their clients again. The last outstanding point is the participation of the brokers and we really hope that they will join us in Cannes with attractive brokerage yachts.”

Over 420 yachts on display

In early July, the show’s organizers reported that more than 340 new motor yachts and 80 new sailing yachts would be on display at the show. However, Ernout said that it was too early to report how many brokerage yachts would participate. “At the moment, I cannot tell you what will be the size of this section,” she said, explaining that yacht brokers typically book their yachts into the show later than new-boat builders. In addition, she said, “The brokerage [industry] is in a difficult economic situation and the LYBRA (Large Yacht Brokers Association) mentioned that it would be difficult for its members to participate to boat shows this year.”

Ernout reiterated that brokerage boats are most welcome at the Cannes Yachting Festival. “The brokerage yachts will be in the Port Canto...located next to the monohulls section in the Sailing Area. This space will be extended through a traversante to the other part of the



Aerial view of the 2019 Cannes Yachting Festival

Port Canto on Jetée du Phare (the 2019 Port Canto brokerage section) according to the demand....”

General Health and Safety Plan

Currently, France’s summer ban on events with more than 5,000 participants is due to expire on September 1st. In addition, the Cannes Yachting Festival’s organizers have drawn up rigorous health and safety protocols for the show.

“In the very unique context of the COVID-19 pandemic, the boats and stands, and the entire layout of the show over the two ports, have been set up in

accordance with a General Health and Safety Plan (PGSS) drawn up by our organization and presented to the Prefecture, the City of Cannes and suppliers,” Ernout said. “This plan is based on the health measures recommended by UNIMEV (the professional trade association for the exhibition industry) and presented to the [French] government, and the reference document that Reed Exhibitions Group has produced for all its trade shows internationally.”

The PGSS includes traffic-flow management, social distancing, wearing of face masks, hand-sanitizer stations, the regular cleaning of common areas and more, she reported. “We have finalized the setup and organization of this 2020 show, integrating this protocol adjusted to the level of restrictions requested at the moment by the government,” Ernout said. “It will, of course, be adjusted as and when necessary in line with measures the French government may decide on with regards to trade fairs.”

For more information, visit www.cannesyachtingfestival.com.

Many of our exhibitors told us that they were eager to launch their new models and meet with their clients again.

by **Grant Henderson**, Chair, IYBA Boat Show Committee

MIAMI YACHT SHOW 2021 UPDATE

Photo courtesy of Forest Johnson Photography



Over the past six months or so, the boating industry has seen some unprecedented changes. Today, many companies are participating in virtual boat shows in an attempt to connect with customers because so many of the “live” shows have been canceled, including the Progressive Insurance® Tampa Boat Show, Newport International Boat Show, and Monaco Yacht Show. At this point, the Cannes Yachting Festival and Fort Lauderdale International Boat Show are still scheduled to take place, but there are continuing questions about public gatherings scheduled for the fall.

is paramount.

In an attempt to bring fresh ideas to the event, we have engaged with Susan Penrod Public Relations to help develop a lot more sizzle to the show. Events and engagement will be the primary enhancement and incorporating all that MIAMI has to offer will be the focus. We are creating a new identity for the Miami Yacht Show, separate from other boat shows, and focusing on all things MIAMI. A significant promotional shift to

focus on the entire offering of water, beaches, sun, fun, restaurants, luxury, entertainment will be what differentiates the Miami Yacht Show from other shows. The development of high-quality collateral for members and vendors to pass along to their clients will help drive more clients onto the docks and enhance the opportunity for all. New flow and feel to the physical show is under review and we expect to produce a much higher quality event than in past years.

The Miami Yacht Show will become more than just a boat show but rather an experience in a city that offers what no other in the city in the world can offer. This fall's canceled boat shows shine a light on the importance of “live” boats shows in our industry and the Miami Yacht Show 2021 is lining up to be one of the greatest shows yet. Make sure you are there....

Due to all this uncertainty, planning for the 2021 Miami Yacht Show

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THE COST OF FLYING PRIVATE – THERE’S A LOT TO CONSIDER

“How much will it cost for me to fly to Vegas on a private jet?”

That question has been posed to me more times than I can remember; typically by an aviation-neophyte hoping it will be somewhat affordable. With private air travel becoming increasingly visible due to television and digital marketing campaigns, more travelers than ever have at least considered the notion of flying private.

“That trip to Vegas for eight buddies can’t be *that* expensive, can it?” people often ask.

For most of us, the decision of where and how to travel is strictly a financial decision. We cross-reference airfare on multiple airlines and weigh the cost of travel against comfort and duration of the trip. Many of us have booked a first-class ticket when traveling for business or for a special occasion. And yet, the cost to charter a private jet, even a smaller one, is significantly more expensive than purchasing several first-class tickets.

According to the *Wall Street Journal*, the average domestic transcontinental first-class ticket costs \$1,300 roundtrip. Using Miami to Las Vegas as the example, chartering an eight-seat midsize private jet, such as a Cessna Citation XLS or Hawker 800XP, will cost a minimum of \$36,000 roundtrip, but likely more depending on duration of your stay at the destination.

While private air travel has become more popular and the benefits are numerous – comfort, experience and flexibility of schedule to name a few – still only a small percentage of the flying public is able to justify such a cost. When chartering an aircraft, because of the significant cost of fuel, maintenance, pilots and other fees, there is no such thing as a deal. Owners are faced with certain operational costs regardless of whether the aircraft flies, and their appetite for making their plane available for charter is accordant with their need to offset some of those costs.

Considerations of aircraft ownership

But what about aircraft ownership? When does it make good financial sense to purchase a private aircraft for business or personal use?

As an aircraft broker, my stock answer is one needs to fly an aircraft 100 hours or more per year to justify both the acquisition and ownership costs of a private aircraft. This 100-annual-hour-benchmark typically represents an owner flying a few times per month or more. For those who need to travel frequently and flexibly, aircraft ownership provides the preeminent mechanism for doing so.

Certainly, there are exceptions to the 100-hour rule. Shared aircraft



Gulfstream GIV-SP

ownership between two or more parties has become more prevalent in recent years. These fractional partnerships can be successful if scheduling conflicts and monetary disagreements can be minimized.

Over the past several months our industry has seen individuals who and businesses that had not previously owned aircraft seriously consider the purchase of their own dedicated aircraft for the safety of travel amidst a global pandemic. Many of these new owners will not fly often, but the 100-annual-hour-standard provides a loose criterion for aircraft ownership versus aircraft charter.

Cost of ownership

Aside from advising clients on the ideal aircraft for their wants and needs, pricing guidance, ownership structure and management, one of my main obligations is client education about cost of ownership. Often, a client’s cost-expectation of flying privately doesn’t match with the reality of aircraft ownership and operation, to say nothing of the acquisition cost. Our goal as brokers is and should be for a long-term relationship with the client, and part of that is being honest about the costs associated with ownership.

Like the question of what it costs to fly from Point-A to Point-B, I am frequently asked what the true cost of owning and operating an aircraft is. As is the case in with owning boats of all shapes

and sizes, so too does the cost of aircraft ownership vary greatly based on the model, age, location and annual usage. For the purpose of giving you insight into the cost of ownership and operation, as well as, to show the disparity between different-sized aircraft, I’ve made available the data in the Hourly Costs, Annual Costs and Total Costs boxes in the graph presented here for two of the most popular and prominent

For most of us, the decision of where and how to travel is strictly a financial decision.

aircraft flying today.

The Embraer Phenom 300, a “light jet”, is typically configured with seven passenger seats and a private lavatory. While it does not have a true stand-up cabin, it does provide ample comfort for flights up to four hours at a range of 1,800 nautical miles. Many owners of the Phenom 300 choose to fly the plane themselves, while others prefer to hire a professional crew (the Phenom 300 can be flown with one or two pilots). Netjets is a large operator of Phenom 300 aircraft.

The Gulfstream GIV-SP, a “heavy jet”, can be configured from 12 to 18 passengers and has a 10-hour range of 4,200 nautical miles,

Often, a client's cost-expectation of flying privately doesn't match with the reality of aircraft ownership and operation.

furnishing transatlantic trips possible. Many GIV-SP's are owned by corporations that operate multiple aircraft, while others are owned by entertainers, athletes and international business leaders. The GIV-SP requires a crew of two pilots.

While it may seem like the Phenom 300 and GIV-SP have little in common except they both have wings, they do share a similar acquisition cost of between U.S. \$4 million and \$8 million, depending on age, condition, and total time of the airframe and engines. For the purpose of ownership and operation cost comparison, each plane is budgeted to fly 200 hours annually at an average fuel price of U.S. \$4 per gallon.

Costs conclusion

The numbers are intriguing. They tell the hard part of the story about aircraft ownership. What the numbers do not tell is the benefit of ownership to the thousands of aircraft owners who fly every day, week or month.

For many, the old adage “time is money” is the only justification they need to own an aircraft. For others, the ability to reach out-of-the-way places with little notice is their rationale. Regardless of the reason for owning an aircraft (or a yacht), it is our job as brokers to enlighten our clients about the true cost of ownership so they can make an educated decision on the right choice for their family or business.

While it can be interpreted as risky to be so forthright in illustrating true ownership cost, the long-term success of our client relationships depends on honesty and transparency with such large financial investments.

Steve Climie is a licensed commercial pilot and president of South Aviation Group, an aircraft brokerage and management firm based at Fort Lauderdale-Hollywood International Airport in Fort Lauderdale, Florida. For information on aircraft currently for sale or with questions about business aviation, feel free to contact South Aviation Group anytime at 203-915-7622, or visit www.southaviation.com.

Hourly Costs

Hourly Cost Items	Embraer Phenom 300	Gulfstream GIV-SP
Fuel (\$4/gal)	\$710.04	\$1,960.00
Airframe Maintenance/Parts	\$263.66	\$543.00
Engine Maintenance/Parts	\$299.14	\$607.92
Landing/Parking Fees	\$22.22	\$92.24
Crew Expenses	\$81.50	\$185.50
Supplies/Catering	\$38.16	\$175.28
Total Hourly Costs	\$1,414.72	\$3,563.94

Annual Costs

Annual Fixed Cost Items	Embraer Phenom 300	Gulfstream GIV-SP
Crew Salaries	\$100,000	\$250,000
Crew Benefits	\$30,000	\$75,000
Hangar	\$33,000	\$82,000
Insurance	\$31,000	\$45,000
Crew Recurrent Training	\$27,600	\$64,000
Aircraft Modernization	\$30,600	\$51,000
Navigation/Telecom	\$8,588	\$24,547
Refurbishing	\$22,680	\$89,650
Total Fixed Costs	\$283,468	\$681,197

Total Costs

Annual Budget	Embraer Phenom 300	Gulfstream GIV-SP
Utilization – Hours	200	200
Utilization – Nautical Miles	81,200	84,800
Hourly Cost (200 Hours)	\$282,944	\$712,788
Fixed Cost	\$283,468	\$681,197
Total Cost	\$566,412	\$1,393,985
Total Cost Per Hour	\$2,832.06	\$6,969.93

**figures courtesy of Conklin & de Decker Associates, Inc*

Embraer Phenom 300



HOW TO LEVERAGE THE SURGE OF INTEREST IN SOCIAL MEDIA TO IMPROVE YOUR BUSINESS

If there is one thing the COVID-19 pandemic has taught the business world, it's that digital content – especially video content – is king. Social media provides a way to connect while staying socially distant, to pass time and dream about what you could be doing if lockdowns were over.

While digital content has been on an upward trend since early 2019, its value has increased tenfold due to the economic effects of COVID-19. Now more than ever, it's crucial for businesses to invest in and leverage their social media platforms to get out in front of clients.

First and Foremost, Content Is King

High-quality content will always hold attention, present your listings well, and get continuous engagement. Original, aligned, and relevant messaging on social media platforms does the work for you and is the content you see shared or tagged.

If Content is King, then Distribution Is Queen

Thought Experiment: If the content you've created for a listing could only be seen by one person, who would it be?

The obvious answer is the one client who is perfect for that yacht and, more importantly, the one who will buy it. When we help brokers create materials for their listings, this is how we start the pre-production process – we identify the likely buyers and tailor the content to hit that target. The feel and emotion of the videos reflect the likely tastes of the new owners while at the same time delivering all the required information about the yacht.

Great content will find its way to the right eyes eventually, but this process can be optimized by having a tailored distribution system. For instance, high quality and informative walkthrough videos that are distributed to your mailing list, posted to your website, shared on social media, and shared by contacts will have a much better chance of getting seen by the right person if you have that system in place. A way to know if you've checked all your boxes is through use of the PESO Model – ensure your content is used across all *paid* (advertising), *earned* (media coverage), *owned* (social media platforms, mailing lists, websites), and *shared* (partners, contacts) platforms.

Digitize Your FAQs

As a broker, do you find yourself saying the same things over and over, on tour after tour at boat shows and open houses? If you do, that same tour you give in-person can easily be adapted to video. Once it's on camera and polished up, you can send it to every qualified client

you have, no matter where they are in the world. This information also can be packaged by topic and used as posts to fill out your social media calendar.

Use Social Media to Stay in Touch

Do you ever get a call from someone and, before you even pick up the phone, you know that it's going to be a sales call? Sophisticated clients can see right through a sales call, but genuine communication and regular contact, especially through social media, is a great way to turn sales into friendship and trust. It is paramount to keep in touch with clients as well as keep top-of-mind in the industry, so in addition to regular communication, creating and sharing content that sets you apart as an expert is key. As a broker, you are the yachting expert they should love learning from and talking to.

The Recency Effect

The recency effect, or serial position effect, is the tendency to remember the thing we have seen or learned about most recently. A good example of this is if you are trying to learn about a topic, you are more likely to remember the things you saw first and last about that topic than the things in the middle. This also comes in to play when clients are thinking about buying a boat. The brands and information they have seen most recently will be where they start their search when it's time to get into a new or different vessel. Use social media to present timely information and stay at the front of the clients' minds so you are the one they call about for listings and referrals.

Creating and sharing content that sets you apart as an expert is key.

Keep it Classy & Professional

When IYBA asked me to share my thoughts on yacht brokers and effective social media use, the first thing that came to mind was: "Now

is my chance to tell brokers to stop sharing conspiracy theories and talking politics on their pages!"

Left or Right, does not matter. If you want more business, *stop*. Not only does no one care about your politics or conspiracy theories, posting them makes half of the population not want to do business with you. Your clients treat their yacht as an escape from the world and having their yacht broker posting diatribes can leave a bad taste. Remember, you are their go-to person in the industry and the lifestyle it brings. Keeping your posts professional, considerate, and knowledgeable will keep clients coming back to you for their next transaction.

Be Quick & Creative with Posts

There is a good chance the crew on the yachts you represent have cool photo and digital content of their yachts. Set programs up to curate that content, post it, share it, and let people experience the yacht you are selling from a different perspective. This works across all platforms and is so easy to do.

Dynamic, recent photos are great content to post with frequency.



Leverage the Various Social Platforms

- LinkedIn – This is the “professional” social network. Business and market updates, industry news, trends, information, and educational content are concentrated here. It is a hugely beneficial platform when searching for and “e”-meeting professionals in trades you’re involved in, as well as connecting with other industry pros and thought leaders. LinkedIn is a great way to flex your industry expertise and stay in touch with clients and colleagues.
- Facebook – Longer-form posts fit on Facebook, and it is a super versatile platform for content. The video system is lacking, but it is easy to share YouTube and Vimeo links here. It used to focus more toward personal sharing but, like most other outlets, has turned professional, too. Sharing content via Messenger, posts, and tagging is easy on this Facebook.
- Instagram – It is quick and convenient to stay in touch with clients and market their yachts via Instagram. All age and cultural groups are on Instagram these days, which means seeing what your clients are into and up to has never been easier. Genuinely interact and find common interests to keep conversations flowing and frequent. Instagram is also a great hook to get eyes on your yacht and to get the phone to ring, as well as draw users to your website. To capitalize on this potential, post consistently, have content that is high quality and tells a story. Most importantly, include calls to action for people to pick up the phone or visit the listing! Hashtags also can be helpful and should be tailored to your content.

Keeping your posts professional, considerate, and knowledgeable will keep clients coming back.

- YouTube – This is one of the best sites to host feature-length walkthroughs and presentations. Everyone is familiar with it, and you can post YouTube links to most other platforms. However, while short videos of lesser quality, such as those shot with a cellphone, are okay on some other platforms, that is not the case on YouTube. Sloppy, unprofessional work is easily recognizable and won’t put you and your listing in the best light. Hire professionals to create your videos and remember, you get what you pay for.

Final Thoughts

You can create and deliver so much information via social media. Keep the content quality high and the messages concise. Prove to your existing and future clients that you are an expert in the yacht market. Show them why you are the broker who should be listing their yacht for sale by the content you distribute.

William S. Smith IV is president of Lafitte Advisors, LLC, a consulting and content-creation firm based in Fort Lauderdale. For more information, contact him at wsmith@lafitteadvisors.com.

TIPS & TRICKS TO OPTIMIZE YOUR LISTING SITES USING IYBA.PRO

IYBA.pro, the yachting industry's only association-owned Member Listing Service (MLS), is the fastest, most convenient way to feed your listings to popular boat search sites. But it also offers so much more. The IYBA Portal provides members with a wealth of tools you can

use to customize your listing websites and make them stand out from all the rest.

Here are a couple of tips and a trick for the advanced IYBA.pro Portal User:

TIP 1: Add high-res deck plans and press to your listings

Enhance your listing's web page with eye-catching and informative images that link to your listing information.

- Step 1: Click the "Attach Files" button for the appropriate vessel on the "Vessel" list page
- Step 2: Enter the "Title" for this information
- Step 3: Upload a JPG or PNG image that represents the information you are adding
- Step 4: Upload the PDF file containing the large high-resolution file
- Step 5: Save your settings.

Why do this? Offering more high-quality information is great for attracting buyers, and also excellent for enhancing SEO. Plus – your competition may just be shoving a deck plan into a pixelated slide show and you'll look like a pro compared to them!

Do you want your listing's site to look like this? <http://anywebpage.com> OR this...



TIP 2: Enhance your listing's external links.

Turn those boring external links on the bottom of your listing's web page (<http://anywebpage.com>) into beautiful images that open just like a digital magazine!

Repeat the process you followed in Tip 1 above – then replace Step 4 by simply pasting in a web address.

That's it! You now will have informative custom images on your website that open vital information for buyers, while your clients will be impressed by your advertising of their vessel.

For more tips and information about the IYBA Portal, please visit www.IYBA.PRO.

The IYBA Portal provides members with a wealth of tools you can use to customize your listing websites.

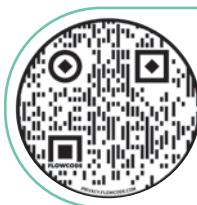
TRICK: Did you know that if you open your email template, that you can directly paste it into your email to be sent out to your clients?

Simply follow these steps:

- 1) Open your email template
- 2) Do a "Select All" by typing Command A on a Mac or Control A on a PC
- 3) Follow this by copying the content by typing Command C on a Mac or Control C on a PC
- 4) Open up a new email and erase any signature information that preloads
- 5) Simply paste in your email template by typing Command V on a Mac or Control V on a PC.

Did you also know that you can type over any information to add a custom message for any vessel before you send? Email platforms make for *awesome* text editors!

Another benefit of doing this is that the email comes from you and will not be deemed as a spoof email coming from another platform's server.



To get started using IYBA.pro, scan the QR code with your smartphone's camera.



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THE AFTERMARKET

ON THE HARD

JARRETT BAY BOATWORKS UPGRADES ITS REFIT & SERVICE FACILITIES



The Jarrett Bay Marine Park's 175-acre facility, located on the Intracoastal Waterway (ICW) in Beaufort, North Carolina, has grown into one of the most popular refit and service yards on the Atlantic Coast for boaters cruising the ICW between New York and Florida, and a leading choice for large yacht refits and repowers from boats as far away as Bermuda and the Gulf Coast. It also is home to Jarrett Bay's manufacturing facility where the company builds its line of popular new and semi-production sportfishing boats.

In fact, since 1986, Jarrett Bay has produced more than 100 yachts at the site. It also services more than 1,000 boats per year.

Jarrett Bay has gleaned numerous service awards, including being named an ABBRA Boatyard of the Year. It also was named the 2015 North Carolina Manufacturer of the Year and has twice received the Best Power Yacht 50-100 Feet Refit Excellence Award. And in 2019, the company's custom 90-foot Sportfisherman *Jaruco* was named a finalist in the Boat International Design & Innovation Awards.

Jarrett Bay services more than 1,000 boats per year.

Yard Improvements

Despite these accolades, Jarrett Bay isn't resting on its laurels. The company is continuing to invest in the Marine Park, and in mid-July announced the completion of numerous infrastructure and equipment upgrades.

"From upgraded power service to accommodate the growing number of large yachts turning to Jarrett Bay for refit and repower work, to a new 75-ton lift well to place smaller vessel projects on the hard, the list of upgrades we've been able to put in place is a welcome

indicator that our boating marketplace will weather yet another economic storm," said Tate Lawrence, Jarrett Bay's vice president of operations.

Jarrett Bay's focus on developing an award-winning service department, which can handle just about any project on vessels 300 tons and up, combined with the yard's central location near the mid-Atlantic seaport of Beaufort, is part of the company's ongoing growth strategy. Thanks to its North Carolina location, near a region long populated by boat-building and furniture-making operations, the company also has been able to hire highly skilled craftsman and technicians.

The list of improvements Jarrett Bay has made to the Marine Park include:

- Installation of an additional 1,500 amps of power across the boatyard to accommodate more 100-amp service connections for large yachts
- Improvements to lift wells serviced by the 220-ton and 300-ton Marine Travelifts
- Purchased and graded more than 2 million pounds of rock to improve the yard's working base and reduce dust for cleaner conditions
- New 75-ton lift well with all-concrete chafe guard installed
- New 22-ton forklift with capability to haul boats up to 35 feet and a max height of 52 feet
- New fork truck lift well
- Improved water quality for boats on the yard and at the docks
- Upgrades and cleaning to 135,000 square feet of building spaces
- Implemented a job order system to improve efficiency and reduce costs where employees text for any parts needed from an on-site distribution facility, the part is charged to the job and then delivered to the employee to allow him or her to remain focused on the task
- New land space acquired to be incorporated with an existing building as a shop and project space for boats 65 feet long and under.

Yard Services Overview

The Marine Park includes the core 45-acre Jarrett Bay Boatworks yard, which is the centerpiece of the park, featuring more than 135,000





Marine Parts Operation

Jarrett Bay operates two separate departments catering to marine parts needs. Its main stocking facility is operated by East'ard Marine Supply, which stocks more than 15,000 industry parts to help complete any job from start to finish. "We stock everyday items and everything you need for

above and below the waterline," said East'ard Manager Rich Melke.

Jarrett Bay also operates a marine and surplus online store. Whether it's a new fighting chair for a boat, or a vintage or specialty part for a do-it-yourself boating project, Jarrett Bay's marine parts surplus online store is bound to have what boaters need. "We offer competitive pricing with a large selection of new and used parts, supplies, hardware and accessories," added Melke. "We also have a team of parts experts who will assist boaters with the upkeep, repair or overhaul of their vessel."

Marina, Fuel and Ship's Store

Also located at the Jarrett Bay Marine Park are the Ship's Store and Marina, located at Mile Marker 198 on the ICW. Services include short-term dockage and competitively priced fuel is available around the clock (by appointment after regular business hours). There's also a Captain's Lounge and Crew Quarters for visiting boats, which allows boaters to relax after a long cruise and offers their crew convenient facilities to clean up.

For more information, please visit www.jarrettbay.com.

square feet of dedicated service buildings. It is surrounded by on-site major marine service operations catering to recreational, commercial, power and sailboat needs.

"From the simple repair of scratches and scuff marks to full hull restorations and repaints, Jarrett Bay's skilled applicator team, working in partnership with Royale Yacht Finishing, are experienced in applying all the well-known yacht coatings brands," said Lawrence. "Although our paint team prefers the ease of mixing, lustrous finish and seamless repairability of Alexseal for hull and topside coatings, they will apply any color of any major brand at a customer's request – including metallics."

The Jarrett Bay paint crew also is experienced at applying a variety of specialty coatings, including Sea Hawk anti-fouling bottom paint and PropSpeed.

Given its facilities size, the Jarrett Bay Marine Park also boasts one of the largest hurricane haul-out operations in the entire mid-Atlantic region, according to Jarrett Bay. "With decades of experience preparing yachts for hurricanes and tropical storms, our service team prides itself in offering a smooth and efficient haul-out service in even the most hectic of circumstances," added Lawrence. "Our service team relays all pertinent information to our haul-out customers as storm updates dictate and will not rest until your vessel is safe and sound on the hard."



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by **Louisa Beckett**, *Turnkey Communications & PR, Inc.*

ARE YOU AND YOUR CLIENTS READY FOR IMO TIER III?

Beginning January 1, 2021, all new U.S.-flagged recreational vessels 24 meters (78' 9") and larger with diesel engines that voyage in an ECA (Emission Control Area) such as the North American and U.S. Caribbean Sea ECAs, will have to be compliant with IMO Tier III NOx emissions standards. Until the end of December, these stricter regulations apply to U.S. recreational vessels 500 GT and larger; recreational vessels under 500GT still are governed by the less restrictive IMO Tier II and EPA Tier 3 standards.

"The rest of the world adopted IMO Tier III inside of the ECAs in 2016. In January of '21, the U.S. EPA is mirroring IMO Tier III," said Brian Fowler, marine engine consultant with Pantropic Power, South Florida's local Caterpillar dealer in Fort Lauderdale. He added, "I think everyone was hoping for another extension, but it doesn't look very likely."

In order to meet the new emissions standards, he continued, starting January 1st, shipyards building yachts 24 meters in length and up in the U.S. – or for export to the U.S. – will require the addition of an exhaust-cleaning system for their diesel engines and gensets to their engine rooms. "There are two styles of system: SCR (Selected Catalytic Reduction), and DPF (Diesel Particulate Filter)," Fowler said. "This additional equipment is quite large; it's almost the footprint of the engine itself, and it has to be installed above the engine along with an air space, essentially doubling its height.... This will lead to the redesign of yachts of a certain size. Engine manufacturers also are scrambling to design smaller, less intrusive systems to meet these changing requirements."

Impact on yacht builders

Many shipyards that build yachts in the 24- to 38-meter range, especially those with vessels that have compact engine compartments like performance motor yachts and sportfishermen, may be adversely affected by the new regulations. "The biggest impact is going to be on the sportfish market, but other pleasure boat builders are going to have to deal with it as well," Fowler said.

In fact, during a press conference at the 2019 Fort Lauderdale International Boat Show, Viking Yachts President and CEO Patrick Healey stated, "This is the greatest threat to the marine industry since the luxury tax of 1990," expressing concerns that the Tier III regulations would force Viking to cease production on its motor yacht

and sportfish models in the 90-foot range altogether.

Ironically, some shipyards had been anticipating a bump in sales this year for yachts in the 80- to 125-foot range already under construction, due to an exception to the IMO Tier III regulations. "If you have a keel lay date of 2020, you can build the boat [to EPA Tier 3/IMO Tier II standards] into 2022 to '23 if necessary, and you'll still be fine. A lot of engine manufacturers and boat builders thought this would be a really good year because of so many people trying to get one last build in before these new regulations," Fowler said, adding that unfortunately, due to the COVID-19 pandemic, that sales bump hasn't materialized.

Aftermarket vs. OEM solutions

Brokers who are advising clients on new builds starting construction in 2021 will need to keep the new IMO Tier III standard for yachts 24 meters and over in mind. At this point, shipyards do have a few options for SCR and DPF diesel exhaust-cleaning solutions developed by aftermarket companies in anticipation of the Tier III standard. But there is a caveat. "Engine manufacturers are reluctant to approve a third-party system because these systems create added strain on the engine due to increased exhaust back pressure," Fowler said.

Marine engine and genset manufacturers also are developing their own solutions to help OEM shipyards bring their new yachts into compliance with IMO Tier III. Fowler reported that

Caterpillar now offers a new, next-generation "airless" SCR solution for 99kW to 550-kW Cat engines and gensets that saves engine-room space because it does not require an air compressor. This system is designed to control the engine/exhaust system together as a cohesive unit in order to ensure maximum efficiency while extending its useful life.

For more information, please contact Brian Fowler at Pantropic Power by calling 305-592-4944 or email: Brian_Fowler@pantropic.com.

I think everyone was hoping for another extension.



BOATS GROUP'S JUNE 2020 BROKERAGE REPORT – SALES WENT “FULL THROTTLE”

by **Jenny Burkett**, *Boats Group*

Data from June 2020 for *Boat Trader*, *YachtWorld* and *boats.com* revealed another historic month for Year over Year (YoY) growth in terms of U.S. traffic (+56%), listing views (+83%) and leads (+263%) – and the increased marketplace activity led to converted boat sales. Boats Group's *soldboats.com* and *YachtCloser* data sources show that boats sold last month jumped +43% over June 2019.

Regionally, the Great Lakes region ranked second behind Florida (+228% YoY) last month for leads, as well as the highest for YoY lead growth (+366%). The Southeast (+247% YoY), Mid-Atlantic (+269% YoY) and New England (+236% YoY) regions were also among the top five regions in the U.S. for the highest lead volume.

A look at June sales by vessel length shows boats under 26 feet led transactions (+55% YoY), and sales for boats 26-35 feet (+42% YoY) and yachts 36-45 feet (+27% YoY) followed. Yachts in the 46-55-foot (+9.7%) and 56-79-foot (+22%) length groups also saw sales increase YoY.

For the full report, visit <https://bit.ly/2Zdp5NQ> or <https://www.boatsgroup.com/news/>.

The data is derived from Boats Group's *soldboats* and *YachtCloser* data sources of sold inventory.

BOATS GROUP'S Q2 BROKERAGE SALES: DATA REFLECTS PERIOD FROM APRIL 1-JUNE 30, 2020

U.S.	2019	2020	YoY % Change
Boats Sold	15,076	15,985	6.1%
Value of Boats Sold - USD	\$2,019,443,856	\$1,572,518,535	-22.1%
Avg Boats Value - USD	\$133,951	\$98,375	-22.6%
Avg. Days to Sale	210	223	6.2%

Europe	2019	2020	YoY % Change
Boats Sold	3,167	2,394	-24.4%
Value of Boats Sold - USD	\$896,264,581	\$407,817,018	-54.5%
Avg Boats Value - USD	\$283,001	\$170,349	-39.8%
Avg. Days to Sale	325	323	-.62%

Florida	2019	2020	YoY % Change
Boats Sold	3,238	3,242	-.12%
Value of Boats Sold - USD	\$1,011,805,060	\$642,147,215	-36.5%
Avg Boats Value - USD	\$312,478	\$198,071	-36.6%
Avg. Days to Sale	185	183	-1.1%





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WHY AND HOW CYBER CRIMINALS TARGET SUPERYACHTS AND WHAT YOU SHOULD DO ABOUT IT

Following CSS Platinum's contribution to the Superyacht Cyber Security panel session at the Boat International Superyacht Design Festival in Cortina d'Ampezzo, Italy, in February, an Italian shipyard owner approached us.

"Are cyber criminals really targeting us? Could they really do all the things you just described?" he asked. "The thing is, I am just not hearing about these attacks occurring."

"A fair question," we responded, before asking: "Tell me, if your shipyard had suffered a cyber-attack, whom would you have told?"

"As few people as possible," he responded instantly.

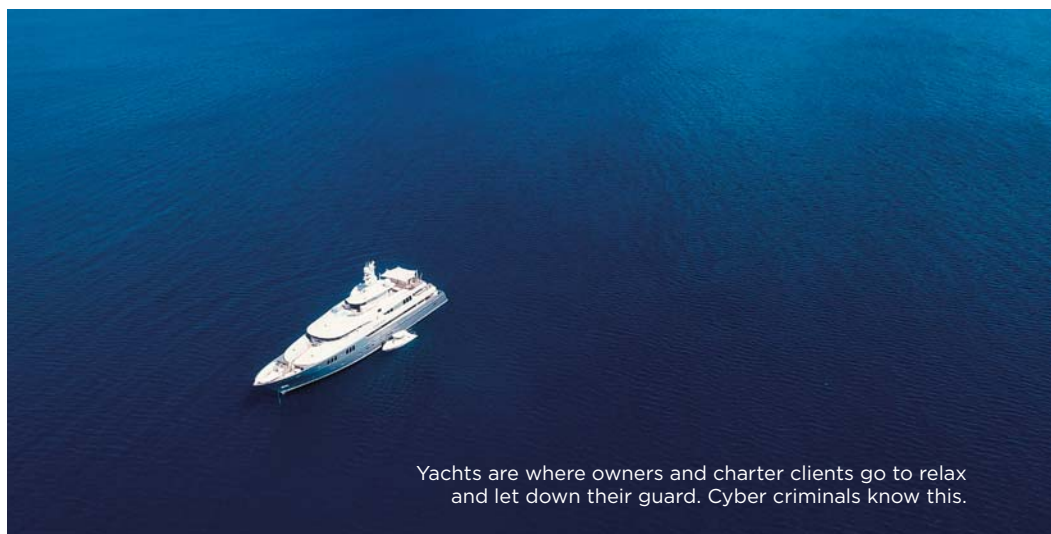
Herein lies the reality and the problem. In an industry as competitive as ours where multi-million-dollar transactions decisions are made on relationships and trust, cyber-attacks are not being reported for fear of the damage it will have on a company's reputation. The difficulty is that because attacks are not being reported, those yet to experience the embarrassment, pain, distress, worry and damage of a cyber-attack do not perceive it a problem.

Right now, the yachting industry is actively being targeted by multiple highly sophisticated criminal networks across the globe. Most superyachts and their owners will be the subject of "target packs" compiled on them by multiple international criminal groups. These are not tin-pot criminal opportunists; these are well financed, highly organized criminal businesses with business plans, budgets and resources available.

Where are you on the cyber-security sensitivity scale?

When considering cyber security, there are generally five groups of individuals:

- Those who appreciate the risks and proactively do something about it.
- Those who have been hacked, never want to experience the pain again and do something about it.
- Those who may appreciate the risk but consider cyber security techy, complicated and easier to ignore than try to understand.
- Those who may appreciate the risk, but do not like the thought of a cyber company crawling unfettered across their devices and networks. So, they ignore the issue. (This is not how cyber companies work, by the way.)
- Those who have no idea that they are vulnerable.



Yachts are where owners and charter clients go to relax and let down their guard. Cyber criminals know this.

Unfortunately, cybercrime and security is here to stay and is no longer something to be ignored. Technology and artificial intelligence continue to evolve at an alarming rate and shows no signs of slowing down. This evolution coupled with the reduction in component prices and the prospect of greater connectivity and data transfer rates promised by 5G technology will result in more "things" becoming "smart", digital and automated and joining the realm of the Internet of Things. Smart things require connectivity to a network to enable them to be controlled remotely by devices. Any network connection presents an access point for a cyber-attack.

Why do criminals target superyachts?

Superyachts are ripe targets, and a magnet for criminality. They are also easy targets. Yachts are where owners and charter clients go to relax and let down their guard. Cyber criminals know this and factor this into their targeting strategy.

How do criminals target superyachts?

With so many systems onboard now being controlled digitally and by networks, criminals can use a cyber-attack to allow them to:

- access your emails to find information or opportunities to divert payments;
- access your onboard CCTV footage, steal the files and blackmail you;
- access your navigational systems to confuse you about your location;
- take over your propulsion systems to stop you moving out of a marina;
- make you stop at a place of their choosing;
- make you lose control of the vessel and cause environmental damage to protected reefs, or damage to marina infrastructure or other vessels and so damage your reputation.

It is important to understand that a cyber-attack is not the end goal, it is a tool to achieve a goal. For example, the goal might be theft of artwork. The criminal gains access to the vessel and the artwork via a cyber-attack that disables alarms, lights and CCTV systems onboard. Think of it as a metaphoric digital crowbar or rock through a window.

Who are these cyber criminals?

Criminals seeking to target superyachts are cunning, clever and capable of implementing elegant, elaborate and elongated strategy to achieve their ends. They are patient and, like a chess player, are capable of planning many moves ahead; with multiple contingencies should situations not unfold as they intend.

To do this effectively, however, they need to gather good information in order to formulate a winning plan. As a result, criminals will target as many potential sources of information associated with a superyacht or its owner to build the fullest picture (or target pack) of an opportunity. This will include owners, their family, their guests, the crew, shore staff, family office staff, marina staff, engineers, brokers, insurance advisors, legal advisors, yacht management companies, corporate services providers and any other individual or company who connects and holds information on the superyacht or its owner.

Thinking of it as peeling back the layers of an onion's skin to get to the center – the target, the goal. Once an individual/s have been identified, the criminal will seek to gather seemingly innocuous information, or coerce the individual directly into passing information or conducting an act that enables further information to be gathered. This could be access to the superyacht's network and/or in time, the owner's business or personal emails and files.

In order to find the right individual to trick or coerce, criminals use the internet to identify individuals and supporting businesses and target their cyber unpreparedness and weakness. Poor cyber security, online security or habits and/or misfortunate circumstances can inadvertently offer opportunity for an individual to be targeted and/or subverted. These circumstances can include:

- Social media security settings not applied meaning posts are available for all to read and view.
- Inappropriate posting of pictures or comments that could identify a vessel, its owner, its route or destination;
- Poor and/or naïve electronic device usage which presents a cyber security risk by navigating to risky or insecure sites, clicking on unknown links, not regularly updating software and application update patches.
- Large debts, addictions or inappropriate use of illegal or socially taboo sites that may result in a crew member being bribed and/or coerced into providing information on the yacht and owner or carrying out an act that enables remote cyber access.

- Not knowing that personal data may have been hacked and is for sale on the Dark Web which can enable further targeting and even identity theft.

Once cybercriminals gain the access or information they require, they apply strategic patience and wait until the conditions are right and the opportunity justifies the risk. Big paydays fund the fallow targeting period until the next big payday.

A clear and present threat

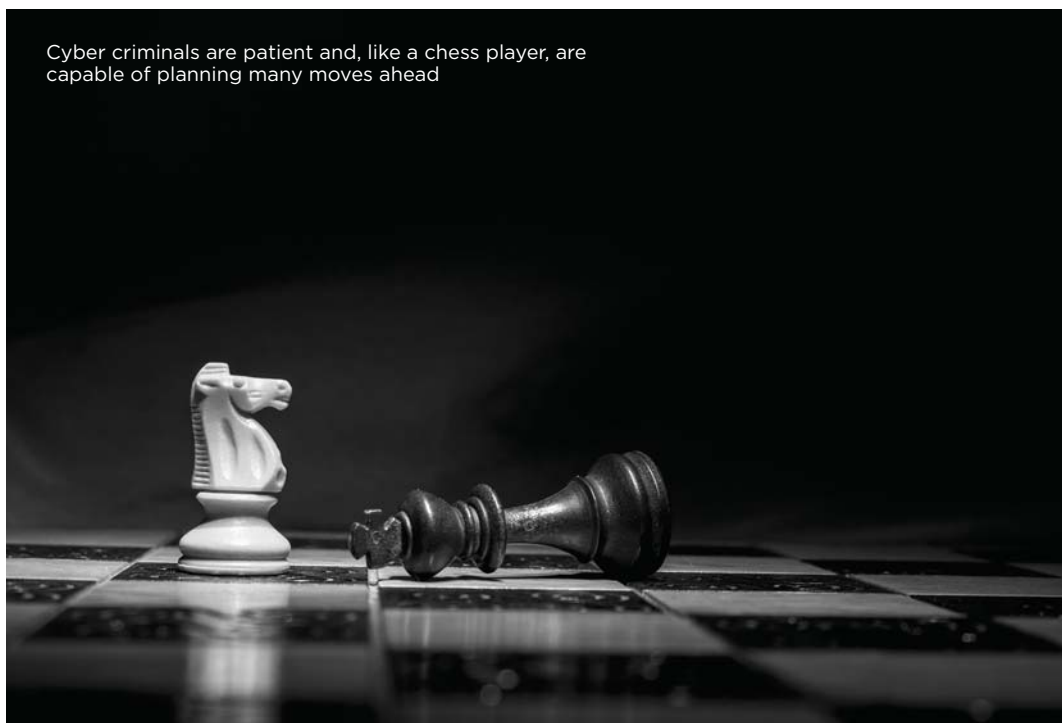
Cybercrime is a clear and present threat to the superyacht and wider yachting community. Regretfully, for most it is not a case of if

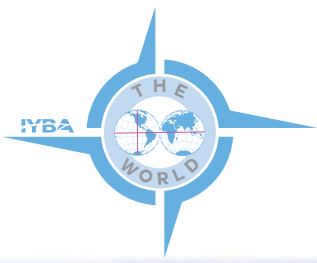
Right now, the yachting industry is actively being targeted by multiple highly sophisticated criminal networks across the globe.

a cyber-attack will occur, but rather when. Addressing cyber security can be an intimidating prospect, but when vulnerabilities are addressed proportionately and coherently and governed effectively, the end result is that an owner, his or her superyacht and those that support it will be #hardtohack.

Michael Wills is co-founder and chief data officer for CSS Platinum. For further information on the company and the services it provides, including a whitepaper on the IMO's introduction of Maritime Cyber Risk Management as part of the ISM Code, please visit <https://cssplatinum.com> and/or email support@cssplatinum.com.

Cyber criminals are patient and, like a chess player, are capable of planning many moves ahead





THE BAHAMAS ISLANDS OPEN THEIR BORDERS TO BOATERS – WHILE KEEPING THEIR GUARD UP

The Islands of The Bahamas reopened their borders to boating and private aviation on June 15th after a three-month period of rigid lockdowns and curfews that had been effective in keeping all but four of the islands entirely free of the COVID-19 virus. This was two weeks ahead of the general lifting of the nation's borders on July 1st.

But then, on July 19th, due to an increase in COVID-19 cases in both the United States and The Bahamas, Prime Minister Dr. Hubert Minnis issued an emergency order closing the borders once again to commercial vessels carrying passengers from the U.S. and to international commercial flights except flights from United Kingdom, Canada and the European Union. These restrictions did not affect private sea or air travel, except to Grand Bahama, where the border remained completely closed.

Most of The Bahamas remain open for recreational boaters and those arriving by private aircraft from the U.S. to enjoy their pristine beauty and warm hospitality. It's safe to do so and the government of the country intends to have it remain that way. The "new normal" outlined by Dr. Minnis has seen the introduction of a set of strictly enforced protocols designed to ensure that passengers and crew of incoming vessels have been certified COVID-19 negative.

To enter the country, private vessels need to show a copy of the Bahamas Customs Clearance Form, and upon arrival each passenger must have in their possession proof of citizenship (passport), complete a Bahamas Immigration Card, and present a COVID-19 RT-PCR Negative (Swab) test from a referenced lab, the results of which must have been taken no later than 10 days before the date of travel. There will be no quarantine, but failure to comply with the test requirements and health form submission will result in denied entry.

Visitors exempted from this requirement include

children under the age of two and private pilots who do not deplane. A new requirement to complete a departure form also has been announced. The procedure requires no fee, but carries a penalty for noncompliance.

In planning to visit The Bahamas, you will find the essential guide to the procedures, fees and links to all required forms at the Association of Bahamas Marinas' website (www.bahamasmarinas.com). The Bahamas Ministry of Tourism's site (www.bahamas.com) also provides a wealth of advice and information.

The protocols are thorough, as one should expect in the circumstances, but the processes are well organized and easy enough to complete online. It's important to note that The Bahamas government has been inflexible on the question of accepting other tests than the RT-PCR, which is universally recognized as the most reliable.

Bahamas marina protocols

The marina community was able to receive the government's approval to open two weeks ahead of the rest of the country's tourism sector by establishing a firm regime for marina personnel and office staff. All members of the Association of Bahamas Marinas require staff to wear masks, use hand sanitizer frequently and have established social-

Failure to comply with the test requirements and health form submission will result in denied entry.





Valentines



Exuma Land and Sea Park



Romora Bay

distancing guidelines and set out routines for cleaning frequently touched surfaces. Amenities like gym and exercise rooms, dining areas, laundry rooms, pool areas and other facilities now operate under strict observance of the government's guidelines for publicly occupied spaces.

Passengers and guests are required to wear masks covering nose and mouth while off the boat within the marina compound. For provisioning, your marina will provide a list of stores and restaurants that will deliver to you at dockside.

So, the precautionary steps have been notched up, but the experience remains as transformative as ever. The islands you know and love remain as appealing as ever.

Where can I berth my boat?

Marinas throughout the archipelago are now open, but in the northern Abacos, where recovery from Hurricane Dorian is still underway, things have changed a bit. Marinas damaged by the hurricane include the iconic Treasure Cay Resort and Marina, which is now there in name only. The devastated resort is being leveled for redevelopment and of the marina, there remains only a dock with about six slips and about 22 moorings. Fuel is available at the gas station.

Elsewhere in the northern Abacos, the Hope Town Inn & Marina (www.hopetownmarina.com) is open. Bakers Bay Marina is not yet back in operation but expects to be at the end of the year.

Elsewhere in the Abacos, however, the situation is moving closer to recovery. The Abaco Beach Resort & Boat Harbour Marina (www.abacobeachresort.com) at Marsh Harbour has recovered well and its marina is fully operational and restaurant and hotel facilities have been repaired or replaced, where necessary.

On New Providence island, Nassau's Bay Street Marina (www.baystreetmarina.com) and Nassau Yacht Haven (www.nassauyachthaven.com), on the northern shore, are fully open, as is the Albany Marina (www.albanybahamas.com/marina) on the southwestern side of the island. On Paradise Island, Atlantis Marina's reopening was postponed to coincide with the reopening of the Atlantis resort at a

date to be announced. However, Hurricane Hole (www.hurricaneholemarina.net), also on Paradise Island, while undergoing an expansion and upgrade, still accommodates business.

Marinas on Grand Bahama Island are not accessible now, the island having been closed to air and sea traffic by the July 19th emergency order.

Marinas on Bimini, the closest to the U.S. mainland, also were pleased with the traffic generated by the concern over rising COVID cases in Florida as well as months-long cases of cabin fever. The Bimini Cove (www.BiminiCoveResort.com), Bimini Bay (www.biminibaymarina.com) and Bimini Big Game Club (www.biggameclubbimini.com) marinas are all open.

On Eleuthera, Cape Eleuthera Marina (www.capeeleuthera.com/) and Harbour Island's iconic resort-marinas, Valentines Residences Resort and Marina (www.valentinesresort.com) and Romora Bay Resort and Marina (www.romorabay.com), all opened immediately on June 15th and have been happy for having done so.



Bay Street Marina

Boats cruising to the southern Bahamas, attracted by the Exuma Land and Sea Park, the 176-square mile sanctuary offering moorings and nature trails, are able to stop at excellent marinas at Highbourne Cay (highbournecaybahamas.com) and Staniel Cay (www.stanielcay.com), or the Marina at Emerald Bay (www.marinaemeraldbay.com) on Great Exuma.

Fluid situation

Beaches throughout The Bahamas opened on July 1st and were closed again by the July 19th emergency order. However,

the fluidity of the situation makes it difficult to say for how long, or to report on particular eateries and other establishments. Where facial masks are required it will be clearly stated by signage. There are still fines (\$200, or one-month imprisonment, or both!) for individuals who breach those regulations and even stiffer for business establishments that fail to enforce the regulations.

The Bahamian government continues to monitor the situation. Announcements are made on a weekly basis that either will tighten or relax regulations as appropriate. Therefore, it's not possible to project much. Readers are advised to monitor www.bahamasmarinas.com or www.bahamas.com for updates and advice.

FRESHWATER ODYSSEY: CRUISING THE GREAT LAKES

Together, the Great Lakes make up the largest body of fresh water on Earth. Formed by glaciers, the five Great Lakes are connected by a series of rivers, straits and smaller lakes, creating a long, uninterrupted route for yachts to follow with plenty of charming towns and scenic bays to stop in along the way. Picking up where the St. Lawrence Seaway charter itinerary we presented in the last issue of *Compass* left off, here is a sample voyage through lakes Erie, Huron and Michigan.

Day 1: Niagra-on-the-Lake, Ontario, Canada

Niagara-on-the-Lake is located on the Niagara Peninsula at the point where the Niagara River meets Lake Ontario. The town is important in the history of Canada: it served as the first capital of the Province of Upper Canada, the predecessor of Ontario, called Newark from 1792 to 1797. In addition to exploring the town, if you have never experienced the grandeur of Niagara Falls, plan a visit to this can't-miss attraction which is less than half an hour away. Your yacht's crew will organize a boat trip beneath the breathtaking falls for you, a memorable adventure.

Day 2: The Welland Canal

The first leg of your voyage is the Welland Canal, a ship canal that connects Lake Ontario and Lake Erie and forms a key section of the St. Lawrence Seaway. Traversing the Niagara Peninsula from Port Weller to Port Colborne, it enables ships to ascend and descend the Niagara Escarpment and bypass Niagara Falls. The canal includes eight 80-foot-wide ship locks. The Garden City Skyway passes over the canal, restricting the maximum height of the masts of the ships that transit it to 116 feet. It takes ships an average of about eleven hours to traverse the entire length of the Welland Canal.

Day 3: Put-in-Bay, Ohio

There is no doubt that Put-in-Bay is one of the most unique places you will ever visit. This tiny 2- by 4-mile island in Lake Erie is dotted with historic homes, the nation's third-tallest monument, quaint restaurants and local pubs. Beautiful water surrounds Put-in-Bay, where



you will find some of the best walleye and perch fishing in the United States. Nicknamed "The Key West of the North", the island village has a year-round population of just 125, but Tourism Ohio estimates that more than 750,000 people visit Put-in-Bay every year.

Grosse Pointe is the most affluent community in Michigan, with beautiful homes in abundance.

Day 4: Grosse Pointe, Michigan

A waterfront city adjacent to Detroit on Lake St. Clair between lakes Erie and Huron, the municipality of Grosse Pointe covers just over one square mile and has a population of 5,421. It

is the most affluent community in Michigan, with beautiful homes in abundance. Located here is the Edsel & Eleanor Ford House, which tells the story of the home life of this prominent American family. The Fords were cultural, social and economic leaders in an era of great optimism, as well as a turbulent time of economic depression and world

war. Their impressive yet unpretentious home is where they raised and nurtured their four children. It reflects their love of family as well as their mutual passion for art and quality design.



Day 5: Mackinac Island, Michigan

Pronounced "Mackinaw" by the locals, Mackinac Island sits in Lake Huron between Michigan's Upper and Lower Peninsulas. Mackinac Island State Park, with trails, woods and the limestone Arch Rock formation, covers most of the island, and horse-

drawn carriages still travel its roads. Founded in 1780, Fort Mackinac is a walled cluster of military buildings on a coastal bluff. The island was home to an Odawa settlement before European exploration began in the 17th century. It served a strategic position as a center on the commerce of the Great Lakes fur trade. This led to the establishment of Fort Mackinac on the island by the British during the American Revolutionary War. In the late 19th century, Mackinac Island became a popular tourist attraction and summer colony. Much of the island has

Grosse Pointe, Michigan



undergone extensive historical preservation and restoration; as a result, the entire island is listed as a National Historic Landmark.

Day 6: Harbor Springs & Petosky, Michigan

The quaint waterfront community of Harbor Springs on Lake Michigan has had a magnetic appeal to visitors since the turn of the century. It offers an inviting array of art galleries, culinary attractions, and the deepest freshwater harbor in the Great Lakes. One of the most popular attractions in Harbor Springs is the M-119 Tunnel of Trees, an icon for the area's natural beauty. This stunning drive along bluffs overlooking Lake Michigan is beautiful whichever season you visit! Straight across from Harbor Springs, you find Petoskey, a lakeside community with a definite charm. The name "Petoskey" is said to mean "where the light shines through the clouds". The town is known for its

Charlevoix, Michigan



breathtaking views, Victorian architecture, historic Gaslight Shopping District, and Michigan's state stone, the Petoskey Stone. A popular thing to do whilst here is go rock-hunting along the town's two miles of shoreline on Little Traverse Bay.

Day 7: Charlevoix & Traverse City, Michigan

Charlevoix is surrounded by four bodies of water: Lake Michigan, Lake Charlevoix, Round Lake and the Pine River. It truly is a boater's paradise and a great place to explore in your yacht's tender. Charlevoix is named after Pierre François Xavier de Charlevoix, a French explorer who travelled the Great Lakes and was said to have sheltered on Fisherman's Island during a harsh storm.

Your final stop, Traverse City, is celebrated for its quality cuisine, home-grown wine and culture.

The town is near miles of sugar-sand shoreline include the Sleeping Bear Dunes National Lakeshore. Its glacier-sculpted landscape of orchards and vineyards also includes 16 golf courses. Swimming, sailing, paddling, hiking and fishing are favorite warm-weather activities here. The Traverse City area is the largest producer of tart cherries in the United States. In fact, you may be flying home from the Cherry Capital Airport!

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THE LOST SEASON: SUMMER 2020 IN THE MED

In the world's premier location for bookings, the COVID-19 pandemic drastically curtailed business this summer. On July 1, the European Union published a list of some 15 nations that would be allowed to send visitors into the region – not including the U.S., where infection rates were still spiking in areas.

In other words, the clients whose money drives the bulk of annual Mediterranean luxury yacht-charter bookings were being sidelined at the height of the busiest season of the year.

While frustrating, the EU's decision wasn't exactly a surprise. For months, charter brokers on both sides of the Pond had been wrestling with questions about how to salvage what are usually the year's best weeks of bookings. Charter industry leaders already had made their peace with the realities of COVID-19 and the fact that this year's Med season likely would be limited primarily to clients already based in Europe.

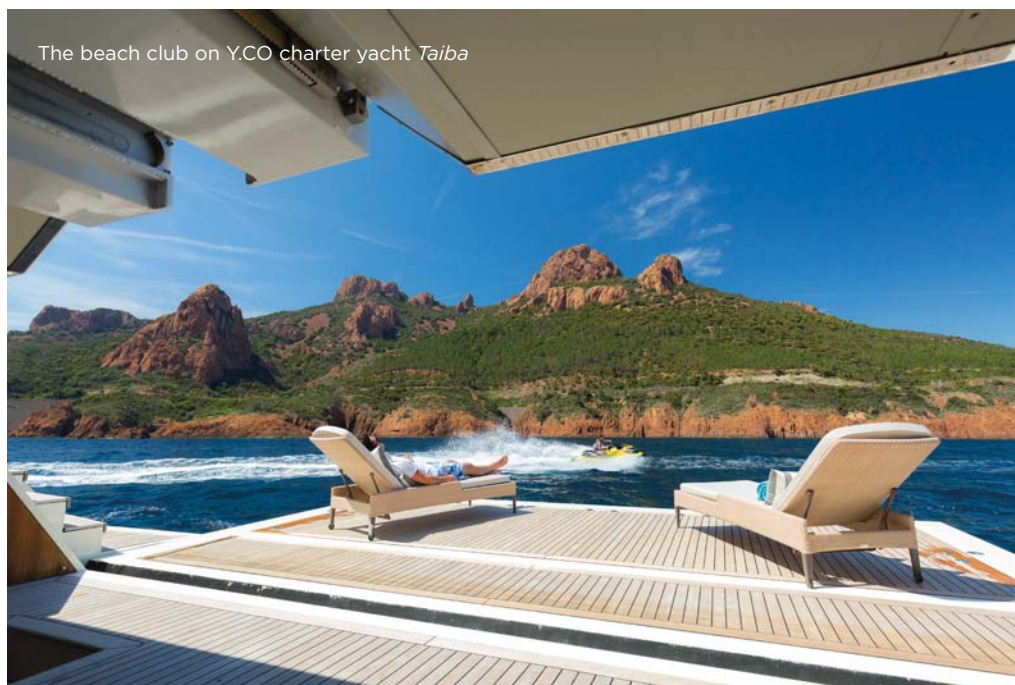
"I think we're all resigned to the fact that there will be very, very few clients traveling from America over to Europe," Charlie Birkett, co-founder and CEO of Y.CO, said in late June.

Battling on countless fronts

The EU's travel restrictions for Americans only added to what already had been several months' worth of exhausting efforts among charter brokers worldwide. They had been battling on countless fronts since global shutdowns began, not only working with clients who already had charters booked, but also trying to figure out how to secure bookings for clients and yachts going forward.

"Everything really spiraled out of control around mid-March," says Katie Macpherson, a charter consultant with IYC who is an IYBA member and a member of the MYBA Board of Directors. "Everybody wanted to cancel their charters, and they wanted a refund. The problem is, in the MYBA contract, the client cannot cancel the charter and get a refund. This is the first time, I think, the MYBA contract has ever been tested by a pandemic and lockdowns. We all found ourselves in a situation of not really knowing how to handle all these clients who wanted to cancel."

The problem at the start of the pandemic was that boats were in position with owners and crew willing to go forward, but the clients



The beach club on Y.CO charter yacht *Taiba*

could no longer get to the boats due to the travel restrictions. And even if the clients could get to a certain destination, they might have no way to fly back home at the end of the charter.

Those international travel and transportation challenges remain today and are likely to continue well into the future as different nations open and close and reopen and pull back while leaders keep an eye on COVID-19 infection curves. While some charter clients do avoid the challenges of commercial airlines by flying on private jets, brokers say that when it comes to transatlantic flights, private aircraft are usually the domain of clients booking yachts at \$300,000 a week or more. Most American charter clients, brokers say, usually fly transatlantic to the Med in first-class commercial seats.

"Croatia is open for anybody who can get there. There's no restrictions," Macpherson said in late June. "But for Americans flying over there, can they get to Croatia? If they fly commercial, it's several planes away. It's difficult."

And if a nation allows Americans in, that nation could endure other repercussions, says Marta Iglesias, a senior charter broker with Camper & Nicholsons International who is based in Spain. "If Greece decides that they want to let Americans in when they're not on the European Union list, Greece can let them in, but then the rest of Europe will close its borders to Greece," she says. "It will be a reduced season, and it will be a challenge for the boats and the crews to deal with everything. They had all of this lockdown time to prepare protocols and safety issues, so they are very well prepared, but it's still going to be a challenge."

COVID-19 contract addendum

For now, charter contractual issues generally seem to have been

sorted out, with most companies utilizing a COVID-19 contract addendum outlining what happens if the charter is jeopardized by a government lockdown, travel restrictions, or guests or crew testing positive for the virus.

With those addendums, Macpherson says, contracts often now state that all parties can agree mutually to walk away from the deal, with the client receiving a full refund.

Updated contracts also may let the captain make a judgment call on board if anyone is showing symptoms of COVID-19, Iglesias says.

"Some of the clauses say that if the captain suspects symptoms or disease, they can take measures, and then the contract stipulates measures," she says. "It may be to confine the person in a cabin until they can get a test."

Such measures are intended not only to protect clients, but also to protect crew, Birkett says, adding that everyone stepping foot on the charter needs to be tested. "If we are responsible with it," he says, "then hopefully everyone will feel good that they can go on holiday."

Birkett also says he's hoping the Med season will not be entirely lost, with the shoulder months of September and October holding some possibilities in Greece and Turkey, in particular. "I've cruised there as late as mid-November, and the water is still warm," he says. "A lot of

our owners are willing to offer discounts on their boats for that period of time, so we may see that. There could be some really interesting opportunities for deals to be done."

Uncrowded glamor

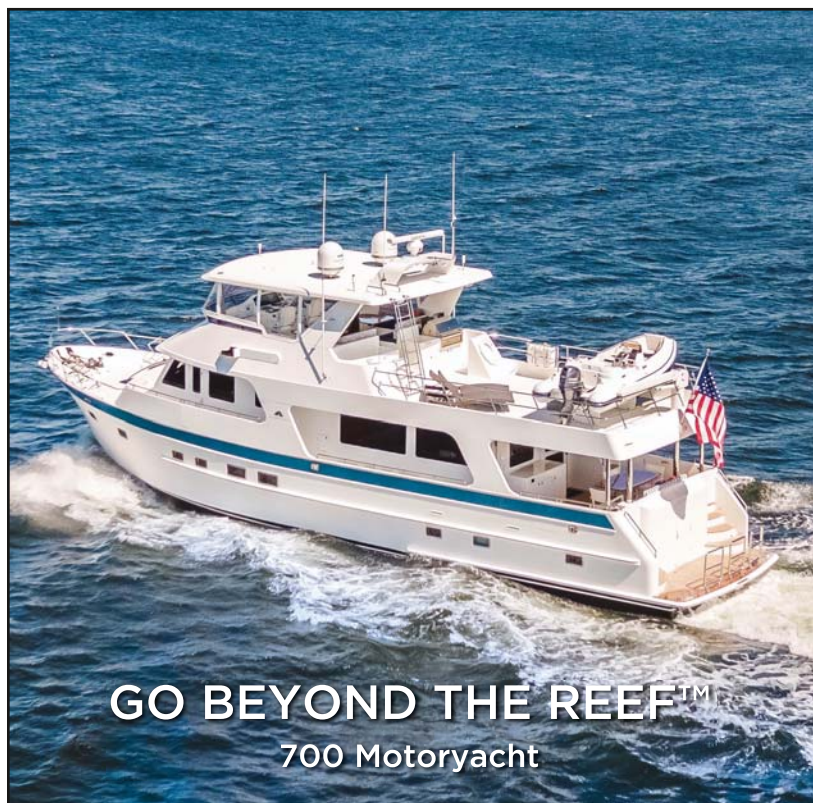
Until then, in places like Iglesias' home base of Palma de Mallorca in Spain's Balearic Islands, the clients who do book charters are going to have a much different experience than in years past. Typically by late June, with so many tourists around, Iglesias says she can't find a spot

to put a towel for herself or her family on the local beaches. This year, she has been enjoying beach days with easy access and the kinds of views that seem to be throwbacks to a

Clients who do charter in the Med this summer will experience very close to the glam image from the Grace Kelly movies.

previous era.

"Clients who do come and charter in the Med this summer, they will have the chance to enjoy a different Mediterranean, very close to the glam image from the Grace Kelly movies," she says. "No one is there. Places will not be crowded. The very exclusive places probably will not have a waiting list. You will have more space and enjoyment for yourself. It's going to be a very glamorous Mediterranean summer for those who can come."



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THE MIRROR-IMAGE RULE, THE BATTLE OF THE FORMS, AND THE MEANING OF A CONDITIONAL ACCEPTANCE

When a buyer presents a conditional acceptance, he takes a calculated risk. The seller has no obligation to accept his conditions. On the contrary, the seller has the option to walk away from the deal.

IYBA will be updating its forms to make clear what the law already says: A conditional acceptance operates as a rejection and counteroffer, freeing the seller to accept an offer from another buyer. This article briefly explains the law of conditional acceptances and suggests best practices for brokers.

The law of offer and acceptance comes from two sources: the common law and the Uniform Commercial Code (UCC). Under the common law, a centuries-old body of judge-made law, an acceptance is valid only if it contains the same terms as the offer. Applying this “mirror-image rule,” a conditional acceptance is not an acceptance at all, but rather a rejection and counteroffer. Moreover, a rejection terminates the offeree’s power to accept, meaning an offeree whose conditional acceptance is rejected cannot turn around and accept the original offer.

The UCC, which supplies a uniform set of rules for commercial transactions, displaces the common law for sales of goods, including yachts. The UCC’s drafters knew that the mirror-image rule was out of step with commercial practice.

Battle of the forms

Businesses often reach agreement by exchanging standardized forms with conflicting terms; this is known as the “battle of the forms.” Under the common law, these conflicting terms would prevent a contract from being formed. In practice, businesses act as if they are bound. The UCC aligns the law with their expectations.

For instance, suppose Company-A orders 100 widgets from Company-B. Company-A’s purchase order says that the widgets all have to be blue, but the fine print in Company-B’s invoice says that up to 10 percent of the widgets can be red. Company-B ships the



widgets, 5 percent of which are red, and Company-A accepts them.

Was there a contract?

The common law says no, but the UCC says yes. Under the UCC, an acceptance that states different or additional terms operates as an acceptance unless it is made expressly subject to those terms. If the parties are merchants – persons who deal in goods of the relevant kind – these additional terms become part of the contract unless the other party objects within a reasonable time or the terms would materially alter the deal, resulting in surprise or hardship to the affected party.

In other words, if an acceptance says, “yes, but X,” it operates as an acceptance even if the other party does not expressly agree to X. If the parties are merchants,

X becomes part of the contract unless the other party objects, or X would result in surprise or hardship. On the other hand, if an acceptance says “yes, but only if X,” or “yes, subject to X,” it fails as an acceptance unless the other party agrees to X.

Most conditional acceptances, including the IYBA Conditional

Acceptance of Vessel, make acceptance expressly subject to the conditions they state. They are “yes, but only if” acceptances, not “yes, but” acceptances. As a result, they are ineffective unless the seller agrees to the new

terms, and it does not matter whether the parties are merchants. If the seller agrees, the new terms become part of the deal. If the seller refuses, there is no deal and the seller is free to accept another offer.

What can a broker do?

First, the selling broker should discuss the terms of a conditional acceptance informally with the listing broker before putting anything in writing. A seller surprised by onerous terms in a conditional acceptance can easily escape from the deal, and a better offer may be waiting in the wings.

Second, the selling broker should make sure the buyer understands that a conditional acceptance frees the seller from its obligation to close even under the original terms. A buyer who presents a conditional acceptance risks losing the deal altogether, and he should know it.

A seller surprised by onerous terms in a conditional acceptance can easily escape from the deal.

by **Michael Karcher**, *Robert Allen Law*

IYBA'S INTERNATIONAL YACHT ARBITRATION COUNCIL – HELPING TO TAKE BACK CONTROL

Summer is here and we are still (mostly) indoors. The lockdowns and social distancing limitations are clearly adding to people's stress levels. It's evident that many of us want more control in our lives. Which brings us back to Arbitration and Alternative Dispute Resolution.

IYBA is working to help the yacht brokerage industry resolve business disputes by bringing them in house and under our own control. The idea behind the International Yacht Arbitration Council (IYAC) is to handle these issues locally and as cost-effectively as possible. The rules, protocols and fee schedule, and lists of initial arbitrators are being completed and will be available soon.

IYAC training program

The IYAC first training program will establish basic arbitration

rules. It is designed for persons with experience and knowledge in the yachting business. While we teach the arbitration basics, the IYAC's arbitration panels will include people with knowledge obtained from years of experience in the yachting industry.

We are finishing the handbook with a step-by-step procedure for both the arbitrators and the parties to the dispute going forward. Uniform contract clauses have been written or re-written that can be put into agreements so that a procedure for dispute resolution is in place at the time of contracting. The plan allows for as much work to be done locally, as possible while also taking advantage of video technology.

As we move through the summer, business is continuing to pick up. There are new contracts being written, which will bring new disputes. So, there will be a continued need for efficient dispute resolution.

The court system is still in flux and procedures are still uncertain. The late Jack Welch, former chairman and CEO of General Electric, once said, "Control your own destiny or someone else will."

By establishing our own dispute resolution system with the new IYAC, we can retain some control.

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IYBA CONTINUES TO PUSH FOR FOREIGN-FLAGGED VESSEL RELIEF

On the legislative front, I think it would be fair to say that our elected and appointed officials have been a little distracted this year. With many sectors of our economy in severe recession, and with trillions of dollar now being allocated to economic impact measures designed to shore up the shrinking economy, it's a little difficult to get the attention of our lawmakers. We sometimes feel like a grain of sand trying to distinguish itself on the beach.

Nonetheless, in a joint effort with MIASE, IYBA, USSA and a few other industry leaders, we discussed the concept of attracting business to coastal communities through the temporary allowance for charter of foreign-flagged vessels in U.S. waters in a roundtable meeting. Given the fact that many boats that normally would cruise to the Med for the summer season are staying in U.S. waters, we have an opportunity to put those boats to work locally and infuse much needed capital into

coastal communities. This seems like a no-brainer.

Homegrown stimulus

Consider the economic benefit of a 30-, 50- or 70-meter yacht chartering into Charleston, Annapolis, New York, Newport or Camden. Most communities across the country are struggling under the current pandemic, and this homegrown stimulus could provide some much-needed relief.

This idea has been floated by Representative Ted Deutch (D-FL) and we are hopeful that, he will co-sponsor H.R. 2725 with Representative Brian Mast (R-FL), which would allow at least temporary relief and permit foreign-flagged vessels to be offered to U.S. residents while in U.S. waters.

Our feeling is that with the many additional bills that are being attached to subsidy measures, this is one that actually would do good things for the economies of coastal communities while costing the taxpayer nothing!

If you have occasion to voice your opinion to an elected official, please remember to include your support of this potentially game-changing legislation and help us help the marine industry to prosper. For more information, please feel free to contact me at IYBA or Staley Weidman, our Public Affairs chairman, at The Catamaran Company.



FROM THE BOARDROOM

by **Bob Saxon**, *IYBA President*

HELP US TO HELP YOU BY JOINING AN IYBA COMMITTEE

You can easily recall the words of JFK when he said, “Ask not what your country can do for you...”

Last month, I received an email from an IYBA member complaining that his business was failing and he didn't feel IYBA was doing its part in helping him recover from his plight. Those are the moments when I scratch my head and give myself a moment of introspection. He admitted that he never had attended an IYBA webinar or live seminar, had never made other than an occasional appearance at one of our Open Houses, and really couldn't find the time to read the latest issue of *Compass*, which we have fashioned into an information-delivery piece chock-full of helpful (not to mention “free”) advice and counsel from a league of legal and otherwise experts in their respective fields on a plethora of subjects.

We can provide the flashlight and the magnifying glass, but in order to discover the path, it takes some effort on your own.

I was looking around the virtual IYBA Boardroom at our last

meeting and thinking to myself how appreciative I am, and we should all be, that these industry leaders give of their time voluntarily for little reward in working to help our constituents discover that aforementioned path. Perhaps one would think the effort to better our industry is confined to the Board and the IYBA staff, but a slew of important IYBA committees also exist that work on your behalf to recommend policy, guidance, and assist in fashioning the template for the betterment of all our interests.

Harkening back to the words of JFK's Inaugural Address, to complete the phrase, “...but what you can do for your country”, I'm out to challenge our membership to consider what you can do to help your professional association by joining one of our committees and working to better our cause – especially my friend the email writer. If you look at the masthead of this edition of *Compass*, you'll find a list of the committees. You can inquire about committee activity back through me personally or via Emma Ross at the IYBA admin office. Jump on the bandwagon and join your industry colleagues in pursuit of our worthy cause. The challenge is there.

uncomfortable

/ən-ˈkəm(p)(f)-tər-bəl / • [uhn-kuhmf-tuh-buhl]

adjective

Having to explain why your boat still rolls.



"HONEY... WE'RE ROLLING"



SEAKEEPER
STABILIZATION

MEMBER NEWS

AMIKIDS wishes to thank Bruce Leffers, Skip Denison, Hank Halsted, Trevor Carroll, Mike Scalisi, and Jeff Stanley for facilitating the recent contribution of six yachts to our yacht donation program. All the proceeds from the leases of *Sally Jo*, *Getting Lost*, *Tumblehome*, *JessConn*, *Tango*, and *Comanche* will help support our mission of helping at-risk youth.

BOAT HISTORY REPORT

was chosen as the International Association of Marine Investigators (IAMI) Vendor of the Month. We support IAMI because of our mutual mission to combat theft, arson, fraud, and criminal activity in the marine industry. Caroline Mantel, director of business development for Boat History Report, has recently stepped up to be the liaison between the National Association of State Boating Law Administrators (NASBLA) and IAMI and has worked diligently over the past several months to champion the updating of IAMI's training materials as part of its Certified Marine Investigator (CMI) certification program. Brokers should consider using marine surveyors with CMI accreditation for their clients as they have enhanced training and capabilities to search for previous damage, as well as to investigate fraudulent activity.



Caroline Mantel



Sara Nottage

CAROL KENT YACHT CHARTERS INTERNATIONAL

welcomes new Charter Manager Sarah Nottage. Sarah brings to CKYCI 15 years of experience in sales and marketing. She has run her own business as well as worked in the travel and IT industries. While working for a large educational travel company, Sarah ran the domestic division and developed custom itineraries that met the needs of teachers

and their students. She has extensive international travel experience and a love for new adventures. Sarah received her undergraduate degree in Business Management from Skidmore College and graduate business degrees from the University of Colorado.

GALATI YACHT SALES is pleased to announce the sale of the 127' IAG ME. This was an in-house sale with Brandon Kummer representing the seller and Michael Tabor representing the buyer. The 2014 IAG ME features six staterooms plus a crew accommodation for eight. Additionally, the 2013 Hargrave 125 Raised Pilothouse *Team Galati* was sold in-house with Michael C Galati representing both the buyer and seller. *Team Galati* has four king sized guest suites and over 5,000 sq. ft. of living space. Both sales closed in June.

GILMAN YACHTS OF FORT LAUDERDALE is pleased to announce a successful first half of 2020. We closed on 40 pre-owned/ brokerage boats ranging from a 35' Formula 2016 to a 110' Lazzara 2007. Wayne Cannava had the privilege of representing the buyers of the 110' Lazzara 2007, formally named *Spring Time*, and would like to thank Tony Lazzara of HMY who represented the seller. Notable sales for Jeff Stanley were a 108' Johnson 2016 *Lone Star*, a brand new 2020

Ocean Alexander 84 R, and the donation of the 87' Feadship S/F 1985 *Comanche* to AMIKids.

Featured Listing: 164' Westport '09 *Sheberazade*, recently re-located to Newport, R.I., where she is available for showing with fresh \$2m price reduction to \$24,000,000. Outstanding condition, U.S. Flag – private use, steadily updated from 2014 thru 2020. Contact CA, Joe Majcherek, for details.

Gilman Yachts also would like to welcome Jack Nixon as our latest addition to our sales team. Since joining he has closed on three sales.

GLOBAL MARINE TRAVEL and V.Travel earlier this year merged as one brand – Global Marine Travel – and have just announced the launch of their new website: FLYGMT.COM. The site's new, responsive design maintains a seamless user experience across multiple devices, is navigable, clean, and media-friendly, and redefines the digital customer journey. Tim Davey, GMT's Managing Director adds, "With these changes, we are certain that 2020 post COVID-19 will bring us even more opportunities for growth as we complete further acquisitions bringing volume-driven benefits to our customers, while at the same time focusing on unique, forward-thinking travel management solutions including airline tickets for yacht charter guests which are commissionable."



New GMT website

HORIZON YACHT USA announces, "We've moved!" After over a decade operating from our North Palm Beach location on Highway 1, our U.S. team has settled into a newly renovated office space across the street from our previous location. Horizon's new, 3,200-square foot offices have been built out to include six spacious offices, a service center, a new-build showroom, a conference room and seating area, a private kitchen and bathrooms, and storage area.

Horizon Yacht USA also reports the delivery of the brand-new Horizon FD102, *To-Kalon*. The first FD102 superyacht to be delivered to the U.S., *To-Kalon* is the second hull of the FD102 model and the second superyacht build for her experienced owners, whose most recent yacht was a custom Cor D. Rover-designed Burger of the same name. Befitting her name, inspired by Plato's concept of beauty, *To-Kalon* indeed exudes beauty throughout and is poised to be one of Horizon's flagship builds.



LAUDERDALE MARINE CENTER (LMC) is pleased to announce the expansion of its partnership with The Ferretti Group. A member of LMC's Builder Alliance Program, The Ferretti Group has designated LMC as the location to develop its North American Headquarters for its American Service Department. LMC has been home to The Ferretti Group's Service Center for its North American aftermarket warranty work since April 2017.

LMC also announces that Emirates-based Gulf Craft has selected the shipyard as the location for its U.S. Accredited After Sales Service Center. "As builders of award-winning brands such as Majesty Yachts and Nomad Yachts, Gulf Craft was seeking a service partner that could accommodate their range of yachts from 55 feet to 175 feet, which LMC is very well positioned to do," said Colin Kiley, executive vice president of LMC. "To learn more about builder opportunities at LMC, please contact Colin Kiley at ckiley@lauderdalemarinecenter.com, or +1 954-713-0333.

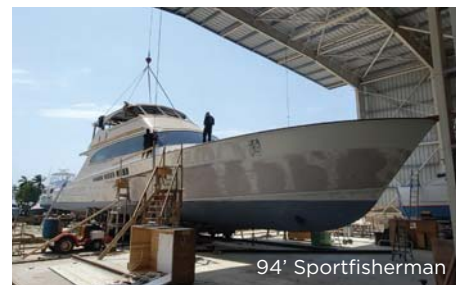
MARINEMAX announces it has acquired global brokerage, charter and yacht services firm Northrop & Johnson. This transaction will be highly complementary to MarineMax's 2019 acquisition of Fraser Yachts. With the acquisition of Northrop & Johnson, MarineMax becomes the dominant leader in the superyacht services business. The entire MarineMax organization now has access to an even greater network of resources to support the potential for additional growth of its client base. As part of the Northrop & Johnson acquisition, MarineMax also acquired Private Insurance Services. An affiliate of Northrop & Johnson, the company provides yacht insurance programs

for top yacht management groups, maritime attorneys and brokerage houses worldwide.

MarineMax South East Florida, with Azimut Yachts, sold, closed, and delivered three new yachts in June: 2015 Azimut 77S, 2019 Azimut S7 and 2017 Azimut 72 Flybridge. Congratulations to the new owners and the start of your endless staycations.

MICHAEL RYBOVICH & SONS CUSTOM BOAT WORKS is pleased to report a major milestone on its new 94' Enclosed Bridge Sportfisherman build.

In May, with the help of Beyel Brothers Crane & Rigging, the crew at MR&S lifted the enclosed bridge and single-piece curved glass mask onto the sportfishing yacht. The largest build to date for the 101-year-old family business, the 94' Sportfisherman was designed in-house by naval architect and marine engineer Dusty Rybovich, the fourth generation to continue in the family business. The build is progressing well through the approximately 36-month build schedule, and the yacht is expected to hit the water in December 2020.



94' Sportfisherman

Due to a recent boatyard expansion, Michael Rybovich & Sons



Welcome, Casey!

Casey Noble is the new Sales and Marketing Coordinator for the International Yacht Brokers Association (IYBA). She attended the University of Central Florida and graduated

in 2018 with a Bachelor's degree in Hospitality and Entertainment Management. Upon graduating, Casey moved back to her hometown of Fort Lauderdale, and began working with IYBA in June 2020. Delighted to have an opportunity to join the yachting industry, she is eager to learn about everything it has to offer. Outside of work, Casey enjoys spending time at the beach, going to concerts, traveling, and spending time with her friends and family.



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MEMBER NEWS

currently has two open build slots for designs ranging from 40 to 105 feet. Michael Rybovich & Sons is a full custom builder and ready to work with any owner to bring their dream to the water. Co-brokerage welcome. Contact Michael at 561-429-2035/mrybovich.com.

NATIONAL MARINE LENDERS ASSOCIATION (NMLA) announces that Michael Stodolak, SVP of Independent Bank (MI), was appointed by NMLA president John Haymond and unanimously elected by the association's board to serve as a Regular (lender) Director. Stodolak brings a wealth of retail banking, consumer finance and multi-faceted board experience to the NMLA.

NORTHROP & JOHNSON reports that Cromwell Littlejohn has been promoted to Northrop & Johnson chief commercial officer and now will oversee all commercial activities of the company, including sales, charter, charter management and crew services, globally. Crom has dedicated more than three decades of his life to the yachting industry. He spent many years as a captain before coming ashore to be a charter and yacht broker. In 2018, Crom became Northrop & Johnson's commercial director North America where he oversaw U.S. commercial operations, in the sales and retail charter. As Chief Commercial Officer, Crom will direct all commercial operations for Northrop & Johnson globally.

OFF THE HOOK YACHT SALES NC, LLC, announces it has acquired Bennett Brothers Yachts and Boatyard, a company specializing in the service, repair, and refit of boats and yachts, as well as travel lift services and hurricane haul-outs. This acquisition will allow Off The Hook Yacht Sales to streamline and consolidate several existing locations and operations in Southeastern North Carolina, while

IN MEMORIAM:

Robert Angel

Robert Gordon Angel was born on January 1, 1953 at Barksdale Airforce Base in Bossier, Louisiana, and passed away on June 2, 2020 in Sarasota, Florida. Robert enjoyed playing golf, boating, and making a lasting impression wherever he went!

Robert was a resident of Bossier City, La., and a successful, talented builder for over 30 years. He was also the owner and proprietor of Bilbo Baggins Pub (est. 1981) in Bossier City. He retired from the building business and moved to Bradenton, Fla., in 2015, where he worked as a broker at SYS Yacht Sales in Sarasota.

Robert is preceded in death by his parents, Colonel Angel James Angel and Allyne Smith Angel. Left to cherish many special and unique memories are his children, Jason, Matthew and Alexandra (Dustin and his son, Brayden); his precious granddaughters, Addison, Layla and Lillie, whom lovingly called him Pappy; his brother, David, and the mother of his children, Julie Angel. Memorials may be made to St. Jude Children's Research Hospital, 501 St. Jude Place, Memphis, TN 38105.



increasing the breadth and quality of its service offerings.

"Connor and Patricia Bennett have done an incredible job building up their service team and we are thrilled to have them onboard," says Jason Ruegg, president of Off the Hook. "We think it will be a great partnership.... We do the highest volume in the industry and we need more operations like this in order to support that. We look forward to serving the Wilmington area with the most efficient boat sales and service."



Tom McColgan

PIER ONE YACHT SALES Owner Len Garofoli is happy to announce that Tom McColgan, a long-time yacht broker in Southwest Florida as well as a longtime friend, has joined the Pier One Team. "Tom and I have had the pleasure of working together since I started this company and I am honored to have him on board," said Len. Tom will be working out of Pier One's new Fort Myers, Florida, office located at the Fort Myers Yacht Basin.

SUPERYACHT SALES AND CHARTER reports that the custom expedition style yacht *Loose Ends*, launched by Burger Yacht Company in 2003, was listed and sold in record time by Jeff Shaffer.

In the best of days, it's a challenge to list and close on a large yacht purchase within such a short timeframe.

In a COVID-19 landscape, it's a major undertaking. We wish

to extend a sincere thank you to our client, FGI Yacht Group (our Joint Central Agent) and Mark Osterhaven of Worth Avenue Yachts (representing the buyer), for their dedication and diligence in making this transaction happen so quickly.



SYC YACHTS is pleased to announce the sale of multiple vessels over the last few months, including a 65 Viking, 36 Grady White, 30 Grady White, 29 MJM, 29 Century and 27 Cobia. Much like the rest of the marine industry, the unique characteristics of the pandemic have ensured we haven't slowed down. We are business as usual, serving our clients coast to coast from Marco Island, Naples, and Fort Lauderdale. We have a stock Horizon PC60 arriving later this summer (2020) that is available for purchase. This power catamaran has four staterooms and three heads. With its shallow draft of just 4.9', this vessel is a perfect Caribbean cruiser. The PC60 is the ultimate social-distancing vessel, with ample storage and space for long-range cruising. Visit our website at SYCyachts.com for more details.



TGYG is proud to announce the sale of the 2012 Sanlorenzo SL72 *Grand Central*. Sold in-house by Jimmy Rogers of TGYG, she is going to be cruising the waters of Southeast Florida and The Bahamas. This 2012 Sanlorenzo SL72 Americas Edition is powered by twin MAN

SOLD!

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ALTITUDE ADJUSTMENT II

106' Broward 2006
Days on Market - 185

SOLD IN 28 DAYS



DREAM WEAVER

87' West Bay 2005
Days on Market - 770

SOLD IN 49 DAYS



HERCULES

75' Molokai Strait 2006
Days on Market - 550

SOLD IN 12 DAYS



ENTERPRISE

66' S&S 12m 1977
Days on Market - 455

SOLD IN 10 DAYS



MARILEE

59' Hereshoff NY40 1926
Days on Market - 445

SOLD IN 31 DAYS



JEAN MARIE

58' Vicem 2004
Days on Market - 740

SOLD IN 41 DAYS

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MEMBER NEWS



Sanlorenzo SL72 Grand Central

1,400-hp engines. She cruises effortlessly at 22kts in comfort thanks to her zero speed stabilization system and rugged Sanlorenzo construction. The interior was custom-designed to a high specification by Marty

Lowe and is one of a kind. For more information on this vessel please contact: Jimmy Rogers, CPYB, at Jimmy@tgyg.com or 727-453-0422.

UNITED YACHT SALES is pleased to announce its new charter division, headed by Mare Kidd and Carlie Palmer. We have recently added a charter yacht to our fleet, *M/Y SUP*, a 118' Broward, new to charter with an enthusiastic crew and pristine interior. *M/Y SUP* was offering a promotion of \$2,000 off low season rate, lowering it to \$43,000 + expenses for one week if booked by August 1st. Inquiries welcome at mare@unitedyacht.com.



New Members

PROFESSIONAL ACTIVE

Joe Schechter – Cay Yacht Sales Inc.

Ben Talbert – CCO Yachts

Julie Annette – American House of Yachts

Skip Reisert – Yachting Experts Inc.

PROFESSIONAL ASSOCIATE

Max Conrad – SLT Yachts

Scot Conrad – SLT Yachts

Larry Hammett – Galati Yacht Sales

Gretchen Wilson – Galati Yacht Sales

Juan Carlos Garcia – SYS Yacht Sales

Riccardo Solci – Denison Yacht Sales

Michael Zornes – James Fachtmann & Associates

Steward Fontaine – Merle Wood & Associates

David Pernie – Seattle Yachts

Alex Fox – Massey Enterprises, Inc.

SUPPORT

Laura Burns – Denison Yacht Sales

NON-FLORIDA BROKER

Thibaud Maudet – Jeanneau America

Greg Wilkinson – Alexander Marine

AFFILIATE ACTIVE

Brandon Ginesi – Kraken Sailing

VAN DER VALK in the Netherlands is building on its award-winning range of aluminum BeachClub motoryachts with a new Convertible

model. Layout options include a fully closed-off wheelhouse and the choice between three or four cabins and two or three bathrooms (the owner's suite bathroom has panoramic views). Other interior highlights are a crew cabin, large

galley with American fridge, and guest day head. Outdoor deck space lives up to the model's name with a massive beach club and aft terrace, the option for a tender garage, and an impressive foredeck. Topping out at 37 knots for those who enjoy speed, the patented hull shape means the BeachClub 660 Convertible is comfortable even in 13-foot waves.



New Van der Valk BeachClub 660 Convertible

YACHT CONNEXION is pleased to announce the sale of the

Horizon RP105 Agora



Horizon RP105 *Agora* motoryacht. A special thank you to Kevin Ralph and Veronica Pizza of Worth Avenue Yachts for representing the buyer and our in-house broker Bob Friscia

for representing the selling side. We look forward to seeing *Agora* cruising The Bahamas with the new owners!

YACHT SALES ACADEMY and Prestige Vision Inc have released an online app that combines a 360-degree virtual tour with a 1-on-1 video meeting with clients, *plus* a built-in sales coaching tool to easily organize boat showings online. It also features a sales assistant to help brokers be more effective during the process (qualifying, presenting, negotiating, closing, follow-up, etc.). To receive a demo, contact Vincent Finetti at Yacht Sales Academy, +1 250-667-2630/vincent@yachtsalesacademy.com

New Certified Professional Yacht Brokers

IYBA wishes to congratulate these members on earning their CPYB!

Roger Barnhart – Galati Yacht Sales

Josef Buxton – Atlantic Cruising Yachts

Lawrence Dario – United Yacht Sales

Eddy Denison – Denison Yacht Sales

Andrea Gaines – Essex Boat Works, LLC

Joseph Galati – Galati Yacht Sales

Stephen Gale – Galati Yacht Sales

Peter Kostuk – Galati Yacht Sales

Frank McCarthy – Galati Yacht Sales

Thomas Russell – Curtis Stokes & Associates

Gifford Tabor – Galati Yacht Sales

Join the International Yacht Brokers Association and enjoy a long list of invaluable member benefits. For more information, visit www.IYBA.org.

Boating Memories

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With the company's Eco line of green sailing and power catamarans introduced last year, Sunreef Yachts has adopted a unique 360-degree approach to sustainable yachting that not only focuses on electric propulsion and hydrodynamic hull design but also on incorporating environmentally conscious solutions and sustainable build materials and finishes throughout. Two yachts from the line were launched in the summer of 2019, with future models in the pipeline due to break new ground with their eco innovations.

Sunreef 50 *Tiril* and Sunreef 60 *E*, the two sailing Eco catamarans launched last year, were outfitted with electric engines and lightweight marine lithium battery banks. *E* also has solar panels integrated into its curved carbon bimini roof top.

Capable of running for hours without using the genset, these boats typically maintain an average of four hours of generator use per day, equating to approximately 85% less usage than similar luxury boats. Reporting a significant fuel savings, *Tiril* recently compared its diesel consumption on its weekly yacht charters to that of a competitor with traditional propulsion and genset, using a minimal 53 to 79 gallons of diesel per week instead of 211 to 237 gallons per week.

Breakthrough solar solution

With new research, running realistic simulation scenarios of every model's hull, Sunreef Yachts will be implementing more in-house innovations that improve even further on existing designs. One of several features distinguishing the new Eco models to come is a breakthrough solar solution that practically doubles the solar power capabilities of competitors by integrating solar panels into the hulls and superstructures. Finding nothing suitable in the solar panel market that would seamlessly integrate into its designs, the shipyard engineered a proprietary super-slim and flexible solar "skin" that is extremely lightweight, less than 2 kilos per square meter (roughly 4.4 pounds per 11 square feet) and less than 1 mm thick, and is being produced in-house using one of the industry's top solar cells. In addition, exclusively developed for each model in the range, is a state-of-the-art, ultralight battery bank (30% lighter than the average batteries used by the marine industry) with a density of less than 6kg/kWh for increased weight-efficiency and performance, and a lifespan up to 10 years.

To maximize the conversion of wind power

80 Sunreef Power Eco



Many of the latest innovations will be revealed in the launch of the 80 Sunreef Power Eco later this year.



Sunreef 70 Eco

to electricity, wind turbines also are incorporated into the design and can function in varying weather conditions ranging from very light winds to stormy weather, and produce energy not only under navigation but also while docked. The power yacht range offers high-performance kites as an option as well.

Hydro generation is another feature of the smaller sailing cats in the Sunreef Yachts Eco line, which efficiently generate power while cruising through propeller rotation. Hydro generation allows them to harvest energy from this passive propeller motion. A slick, sustainable bottom paint also can be applied to the hulls for even more efficiency.

Naturally sourced materials

Another aspect of the Eco line that is currently in the R&D phase will be the incorporation of naturally sourced or recycled materials, including basalt and flax fiber, into the construction of the yachts' hulls, superstructures and furnishings. Basalt, with its dense structure and volcanic origin, outperforms glass fiber in terms of strength and releases no greenhouse gases in the fabrication process. Flax, meanwhile, is the

strongest and stiffest natural fiber, is non-toxic, safe to produce, and has a minimal carbon footprint. The outstanding mechanical properties and durability make it another green alternative to glass fiber. Then, as an alternative to traditional teak decking, reclaimed teak or cork-based decking are offered as options, in addition to reusable and recyclable non PVC-based synthetic teak. In the sailing range, yachts are equipped with fully recyclable performance sails.

Many of these latest innovations will be revealed in the launch of the 80 Sunreef Power Eco later this year. The power catamaran will have upwards of 2,000 square feet of its hulls and superstructure covered in the shipyard's patent-pending solar skin, maximizing solar energy generation with up to 40kWp of capacity. The total weight of the panels will be under 800 pounds; less than half the weight of the two typical 20-kW gensets they are replacing.

For more information on the Eco line from Sunreef Yachts please visit www.sunreef-yachts-eco.com.



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by **Annie Potts**, *Elbow Reef Lighthouse Society*

RESTORATION EFFORTS FOR ICONIC ABACOS LIGHTHOUSE CONTINUE DESPITE DORIAN AND COVID-19

Growing up in New England in a large sailing family with parents who were strong role models for active community involvement, the concept of giving back was passed along to me at an early age. Its importance is as much a part of my inherited DNA as learning to swim or safely maneuver a boat. So, with 40 of my years spent in and out of The Bahamas, I felt the nagging need to repay the joys those islands have given me.

Perhaps you also feel the same way about The Bahamas. If so, now, more than ever, after Hurricane Dorian and the decrease in travel due to COVID -19, is a particularly good time to step forward. The people of the Northern Bahamas need our help.

My Bahamian cause of choice has been the restoration of the Elbow Reef Lighthouse in Hope Town – the tall, red-and-white-striped symbol of the Abaco Islands for scores of boaters from around the world.

Beautiful British-built lightstations

Over the last decade I have worked in The Bahamas mostly vicariously, helping to research the history of its British-built lightstations and assisting with the coordination of the Elbow Reef Lighthouse restoration and preservation in particular. More from inattention than intent, the years since former British colony The Bahamas gained its independence in 1973 have not been kind to these beautiful and unique lightstations.

The work has resulted in diverse problem-solving experiences. We have located mantle and metal fabricators for the hundred-year-old pressure



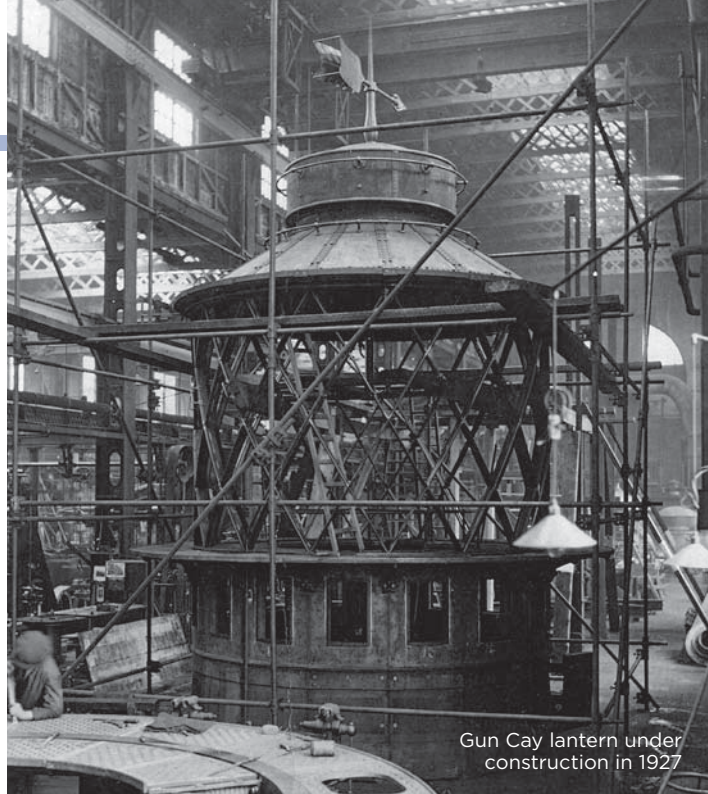
kerosene burners for the Elbow Reef Lighthouse. We orchestrated the replacement of all 96 panels of curved weatherglass in the lantern (the metal portion of the lighttower that sits on top of the masonry and protects the lens and its turning machinery). No job has been too small or too large.

The Elbow Reef Lighthouse is the last lighthouse of its kind in the entire world.



Between 1835 and 1887, the British Imperial Lighthouse Service commissioned 11 manned lightstations to be built

as remote outposts in The Bahamas Islands. Designed during the golden age of sail and lighthouse construction, these works of art in architecture continue to warn vessels off the shallow and dangerous waters of the Bahama banks. Most of these structures now suffer from vandalism, little maintenance, and sometimes extreme neglect. Only one remains actively manned, kerosene-burning and hand-operated – The Elbow Reef Lighthouse is the last lighthouse of this kind in the entire world.



Gun Cay lantern under construction in 1927

Saving ships from the reef since 1864

The history of the Elbow Reef Lighthouse (aka the Hope Town Lighthouse) continues to be uncovered. Details of the British colonial lightstations are obscure because unlike lighthouse keepers in the United States or Great Britain, keepers of lighthouses in The Bahamas were traditionally moved every two years and frequently even more often. Record-keeping by the distant colonial government was erratic and superficial. Even drawings of the original design of the lighttower in Hope Town have not been located.

Few Hope Town residents or visitors knew until 1995, when Dave Gale and The Bahamas Lighthouse Preservation Society began to assist the government with lighthouse preservation, that the real name for the lighthouse in Hope Town is the Elbow Reef Lighthouse. It was built to warn ships away from the shallow and dangerous reef just off the settlement's shores, rather than to lead vessels into Hope Town Harbour. Trips to the National Archives in Nassau as well as in Kew, England, were necessary in order to flesh out many more details that had been previously lost in time.

Constructed in 1864, the lightstation in Hope Town is no stranger to hurricanes. Its tower and keeper's quarters, originally built from the locally quarried native stone, were completed just two years before the Great Hurricane of 1866 struck. Damages to the lighttower from that storm were so severe that its entire masonry portion had to be encased in a new, more protective brick fascia.

Throughout its long life – 156 years and counting – the lighttower also has had two

other major rebuilds; the first in the 1930s and second in the 1950s. Visitors to the lightstation are always surprised to learn that its metal lantern and weatherglass were replaced in the 1930s and had previously been on the lighttower at Gun Cay!

When the disaster named Dorian struck the Northern Bahamas in September 2019, the futures of all the residents were rewritten. The quarantine imposed by the pandemic of COVID-19 also drastically increased the difficulties of rebuilding their tourist-based economy. Ten months post Hurricane Dorian, the smaller Abaconian communities still remained without electricity.

And what of the lighthouse in Hope Town? Its tower is standing strong (thanks to Elbow Reef Lighthouse Society's restoration work), but the sustained 185-mph winds ripped the roofs and porches from the keeper's quarters and seriously damaged all of the outbuildings. The dock is damaged to the point that any access to the lightstation is hazardous. The costs for repairs to the dock and buildings is estimated to be nearly one million dollars.

Elbow Reef Foundation formed

On July 1st, The Bahamas reopened to visitors after the quarantine. However, due to lack of sufficient funding for repairs, the Elbow Reef Lighthouse remained closed. Thankfully, however, a small group of local Abaconians has been applying heart and soul directly to the restoration of this beloved icon, and a growing international network

of friends and supporters has come to understand the vital nature of this effort. After identifying necessary repairs and their costs, funds are being raised to train and employ Bahamians in the restoration and first-hand administration of this critical work. Unfortunately, the cost of repairs now greatly exceeds the society's reserves. The Elbow Reef Foundation, a newly formed U.S. .501(c)(3), has been set up to ensure financial support goes efficiently and directly to the rebuilding of the lightstation.

Local funds are being stretched. It will take more than just the efforts of residents of these small still-recovering islands to preserve this important icon of Bahamian maritime heritage. Your donations to the Elbow Reef Lighthouse Society or the Elbow Reef Foundation can make a long-lasting difference to the struggling yet resilient people of Abaco. To donate, please visit <https://gf.me/u/x8fv5i> for the GoFundMe link or send a U.S. tax-deductible donation via mail to: Elbow Reef Foundation, Inc., 700 Southwest 31st Street, Palm City, FL 34990.

Annie Potts is the Elbow Reef Lighthouse Society historian and author of the book Last Lights: The Hand-Wound Lighthouses of The Bahama Islands. For more information, please visit www.elbowreeflighthousesociety.com and elbowreef.org, or email her at ephemeral@bellsouth.net.



Hurricane Dorian damage in 2019



JUNE CHARTER OPEN HOUSE

Bahia Mar Yachting Center
Fort Lauderdale
June 3, 2020

Photos by Tom Serio Photography

After Florida ended its COVID-19 lockdown, IYBA hosted an impressive dozen luxury charter megayachts at the Bahia Mar docks for a live event. They included 86' Sanlorenzo *Akula*, 91' Horizon *Aqua Life*, 94' Ferretti *Sea Spray*, 100' Ferretti *Vida Boa*, 107' Burger *Silver Seas*, 130' Westport *All Inn*, 130' Mangusta *Jomar*, 130' Westport *Valhalla*, 142' Richmond *Far From It*, 164' Trinity *Amarula Sun*, 164' Westport *Hospitality*, and 164' Trinity *Ocean Club*. Many thanks are due to the crew of these yachts for preparing them – including creating some magnificent table settings – for the event.





THE MEMBERS
GALLERY



JUNE BROKERS OPEN HOUSE

Bahia Mar Yachting Center
Fort Lauderdale
June 18, 2020

Photos by Tom Serio Photography

The first Brokers Open House IYBA held in several months put 11 beautiful brokerage yachts on display. They included: 56' Outback, 56' Viking *Guachafita*, 62' Offshore *North Star II*, 65' Endurance, 65' Regency, 75' Hatteras *Rising Expectations*, 80' Hatteras *Lexus Lady*, 81' Horizon FD80-603, 92' AllSeas *Heaven's Gate*, 95' Astondoa *Crazy Love*, and 96' Hargave *Ossum Dream*. The crew had the yachts gleaming and after months of virtual tours, the brokers in attendance were happy to be able to view them in person. IYBA thanks Yacht Management and Yatco for sponsoring the event.



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by **JT Wandell**, *Merritt's Boat and Engine Works*

A LEGACY OF BOATBUILDING PASSED DOWN FROM GENERATION TO GENERATION

When Merritt's Boat and Engine Works was first established in 1948 by Franklin and Ennis Merritt on 10 acres along the Intracoastal Waterway in Pompano Beach, Fla., it was never intended to be a leader in boatbuilding. The yard was founded to service both family and local charter boats, and it did not take long for word to spread that Merritt's was a reliable place to have a boat worked on. Both Franklin and Ennis could be found operating the yard and working on all the boats themselves, a true testament to the Merritt's focus on "mom-and-pop" service.

However, it was not until the family's second generation to join the business, Buddy and Allen Merritt, took on bigger roles that Merritt's began to reach its potential. The knowledge the two brothers shared with Allen's son, Roy Merritt, eventually transformed the company into what it is today.

Miss Bel-Air

As Merritt's began to establish itself in the South Florida community and gain a reputation for exceptional service and dedication to quality, the yard started fielding inquiries about building boats. Hesitant at first, Franklin eventually caved after being convinced by a friend and frequent customer. It was in 1954 that Franklin built the first Merritt boat, the 34' *Miss Bel-Air*. During the construction of that first hull, his son Buddy was always present, helping and learning what would become a family legacy of boatbuilding.

The yard soon expanded its operations, growing from service only, to service and boatbuilding. The increased popularity of the company began to grow heavy on Franklin and Ennis, however,



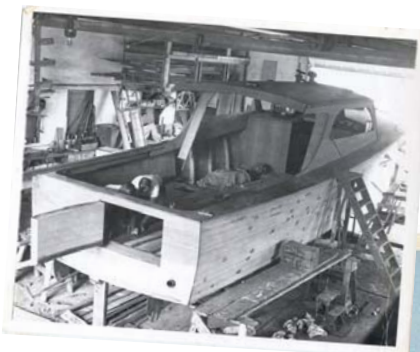
Ennis and Franklin Merritt, founders of Merritt's Boat and Engine Works

resulting in Franklin offering a job to the up-and-coming Buddy, who took it on the condition that he would only be working on the new boats. Later on, Buddy's brother Allen began to work alongside him as a service manager. Allen's quick wit and care for customers made him very popular amongst his peers and furthered the reputation of Merritt's service.

Eager to design and build a new look, Buddy took the skills he had learned from his father and furthered them. His hard work resulted in the creation of a new boat, one that would become one of Merritt's most well-regarded: the 37' Merritt sport-fisher. Buddy built several of these boats and in the process cemented the legacy of Merritt's in the world of fishing as well as boat building.

While the 37' Merritt was a popular build, the demand from customers for more features and space was inevitable. It took a lot of push, though, as Buddy was not a fan of compromising his design. Eventually he did make the changes customers had asked for and was rewarded when the first 42' Merritt also gained popularity.

Buddy Merritt took the skills he had learned from his father and furthered them.



An early 37' hull under construction

by watching what his family was doing and learning how to create the famed Merritt vessels. As Roy began to excel in creating the boats that proved Merritt's to be an industry leader, Buddy's health began to deteriorate as he dealt with the effects of Lou Gehrig's disease. Leaving a legacy of having built 18 hulls and providing Roy with the blueprints for the future, Buddy passed in 1971.

Today, Merritt's continues to innovate and build some of the most respected sportfishing vessels on the market and does so with the same mom-and-pop care that was instilled in 1948 by Franklin and Ennis. Roy Merritt continues to uphold the values and knowledge shared by his grandfather, father and uncle. While the yard's boats may have gotten bigger and contain the luxuries of the modern era,



Allen and Buddy Merritt, brothers who built on a family legacy

Merritt's respect for the craft of years past has never waned.

For more information, visit www.merrittboat.com.



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