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For the Yachting Class, the Latest Amenity Can Take Flight

By [JOHN TAGLIABUE](#)

MONACO — Massimo Vilardi, an executive with Eurocopter, came to this year's Monaco yacht show to sell helicopters.

Helicopters? At a boat show?

Yacht sales have increased 10 to 15 percent a year worldwide in the last few years, and this year has been no exception. Many among the rich or famous want a yacht, and what buyers want most now, naturally, are accessories: minisubmarines and helicopters.

"Today, a megayacht is indispensable," said Olivier Milliex, head of yacht finance at the Dutch bank [ING](#). "It's not like 15 years ago, when a yacht was a luxury item."

Stock markets may be volatile and the price of oil rising, but none of that dampened the mood here last month at the boating fair in Monaco. Europeans often watch boat fairs to judge the overall health of their economies. But Monaco may not be the best bellwether — if other boating fairs are prêt-à-porter, Monaco is haute couture.

The annual event, is hardly the largest in a series of fairs that run from Cannes, France, to Genoa, Italy, to Fort Lauderdale, Fla., at the end of October. The Monaco fair, which ran from Sept. 19 to Sept. 22, limits the number of exhibitors to about 500; moreover, many yacht builders do not even show yachts. Their customers do not want off-the-rack yachts; they want custom-built boats that will not be replicated.

"Our motto is, 'To create what money can't buy,'" said Mr. Vilardi, head of marketing in the business and private market segment of Eurocopter, a unit of the [EADS](#) aerospace group. "You're looking at a global offer: a car, a yacht, a helicopter, maybe a plane."

One bauble that more yacht buyers are asking for is a helicopter. Of course, that means adding a pilot and a mechanic to the yacht's crew, but for the people who buy these yachts, that is hardly a concern.

So Mr. Vilardi has linked up with the British yacht brokers Edmiston to meet their wishes. At Monaco this year, Edmiston showed a 200-foot yacht with Eurocopter's smallest helicopter, which sells for about \$2 million, perched atop.

Across the fair from Edmiston, the Dutch company U-Boat Worx showed its colorful two-seater submarine — whose bulbous shape made it look like something Mickey and Minnie Mouse would

drive — with a list price of \$246,000. The minibus, said Erik Hasselman, U-Boat Worx's head of sales and marketing, is ideal for stowing on a yacht, but for safety reasons can dive only to about 160 feet, where there is still surface light. "It's only for recreation," he said.

The bankers at the trade fair, said Mr. Milliex of ING, were doing cross-selling: offering tax and finance advice to the same people whom they serve as private banking clients. Some wealthy customers, for instance, prefer a mortgage for their yacht, taking advantage of low interest rates, rather than tying up cash in a yacht purchase.

Others need advice on creating a corporate entity to buy their yacht, rather than purchase it directly, to save on taxes, or on registering their boat in a foreign country to enable them to pay lower Social Security contributions for crew members. Many of the yachts moored here were registered in George Town, in the Cayman Islands.

"Anyone who is in the oil business, naturally, is going to be motivated to build a yacht," said Hans-Erik Henze, senior vice president for yachts of Blohm & Voss, a division of the German steel maker Thyssen-Krupp. "And that's where we do a lot of our business."

Blohm & Voss had the largest yacht at the show, the 345-foot Lady Moura, but it was moored offshore and not available for visiting by the crowd since it was too large to navigate Monaco's narrow harbor. Mr. Henze said the company's three yards had 15 yachts under construction.

"Once, 100 meters was thought big," he said, or 328 feet. "Now we have several projects above that."

With yachts of this size and cost, many of the yards are dependent on the whims of their customers. Lürssen Yachts of Germany showed no boat this year because the owner of the yacht they wanted to display declined. "He said he'd prefer to go cruising in Greece," said Sylke auf dem Graben, Lürssen's marketing manager. "But he promised we can have it for Fort Lauderdale, at the end of October."

Despite the ostentation of Monaco's yacht shoppers, some bargain hunters come here, and they, in turn, attract shipbuilders from low-cost countries. One of those was Timmerman Yachts, a Russian-Polish enterprise with yards in Moscow.

The yards build yachts in five sizes, from 85 to 155 feet, and there are 12 under construction. Asked why someone in Monaco would buy a Russian yacht, Irina Bogatyreva, a company official, replied unabashedly, "The price is cheaper, and the quality is the same as in other countries."

Indeed, some of the biggest yachts are owned by Russians. Roman A. Abramovich, the tycoon, owns at least three, and has another under construction, the 540-foot Eclipse, which according to Monaco newspapers will be outfitted with twin helicopter landing pads and a submarine.

The high price of oil, whose byproduct diesel oil is used in yachts, did not seem to worry anyone in this rarefied crowd. "I would say this market can withstand a lot of fluctuations as the economy worsens," said Diane M. Byrd, executive editor of *Power & Motoryacht*, the trade publication. "It's a small group of owners, a handful of people, and it's still growing."

Nor did the anemic United States dollar appear to be having much influence on the flow of orders. Westport Yachts of Seattle, Wash., which showed a 164-foot, \$29 million yacht, said that of five 112-foot yachts it would build next year, all have been sold. Of five 130-foot-yachts, three were sold.

It may even be helping, since foreign buyers can now more easily afford a purchase with their stronger currency. Scott Sirach, a company official, said of the 130-foot boats that one was for delivery to South America, two to [Europe](#) and one was on its way to Dubai. "We're on time and on budget," he said. "Most companies cannot do that."

What did seem to be creeping into the business is an awareness of the environment. In a narrow display area, Lance Sheppard offered a foam and fiberglass product that replicates wood like teak, hence sparing the forests. "These days it's hard to get all types of veneers," said Mr. Sheppard, marketing director of Digital Veneer, a unit of the SMI Group, a Whangarei, New Zealand, company. "A lot of teak is illegally lumbered, some by the Chinese, in Burma and Nepal."

But the boat that dripped green, in spirit if not color, was a 164-foot yacht built by the Italian yard Mondo Marine. Renato Polo, a company official, listed the yacht's environmental assets: devices to recuperate its used water, filters on its twin diesel engines to capture particles from the exhaust, a hull covering that is benign to its marine environment, filtered glass to diminish the heat on board and hence reduce the need for air-conditioning.

The \$34 million yacht was built for Luciano Benetton, of the clothing chain whose ads have promoted social causes, and Mr. Benetton named it Tribù (Italian for tribe), for his large family. Mr. Benetton gave the yacht five spacious bedrooms, each with its own bath, plus two exercise rooms and a sauna. The master bedroom features a baby grand piano, since Mr. Benetton's companion is a pianist. The galley, with Mr. Benetton's wine cellar next to it, would probably suffice for a small restaurant.

Asked how much the environmental features would add to the bill for such a boat, Mr. Polo replied, "On a boat of this size, the difference in cost is laughable."