

The Superyacht

TRUTH • OPINION KNOWLEDGE • IDEAS AND EXPERT INDUSTRY ANALYSIS



REPORT

JONGERT

The re-emergence of the yard now delivering innovative motoryachts alongside its traditional sailboats.

Page 40

HETAIROS

How her keel, construction and interior were developed to maximise sailing performance.

Page 59

MILLENNIUM CUP

New Zealand's offering in a busy calendar of superyacht regattas took place in Auckland, the City of Sails.

Page 62

CAPTAINS FOCUS

We look at various issues involved in the professional running of a yacht from the captain's point of view.

Page 75

BUSINESS NEWS

Superyacht news and industry updates from around the world.

Visit superyachtnews.com for the latest news and reports.

ENLIGHTENED DUTCH BACKING FOR OYSTER MARINE

On 21 February 2012, the Oyster Group announced that it had been acquired by the Dutch investment company HTP Investments (HTP). The acquisition includes the Oyster Group companies Oyster Marine Ltd, Oyster Brokerage Ltd and Southampton Yacht Services Ltd. Oyster Marine currently has three Dubois-designed superyachts: two 30m projects and a 38m, with one of the 30m in final fit-out in Palma.

HTP acquired Oyster by using the exclusive funds of the partners Wim de Pundert and Klaas Meertens and is therefore not subject to any restrictions with respect to the amount invested and the period over which the investment is held.

The deal was completed within weeks of HTP first hearing of Oyster's availability for sale. The new arrangement provides Oyster with private equity investment without the burden of structured debt arrangements.

INDUSTRY COMMENT

David Tydeman, CEO, Oyster Marine Ltd



We'd been exploring looking for a buyer since last summer. We had a number of interested parties and a shortlist at Christmas time 2011. I met with Klaas Meertens and Wim de Pundert in January after they'd heard about Oyster from a mutual friend; it was good chemistry immediately. HTP moved to the top of the pack and they closed the deal within four weeks.

These are very shrewd guys who make quick decisions once they see the information they need. Oyster is a relatively simple business to submit to due diligence: they verified the validity of our contracts, checked that we were on schedule and assessed our margins. They offset that with the overhead of the marketing and management team. We had a good order book and a flexible operating model and we've been gaining market share over the past four years. These factors certainly helped the deal.

I was looking for two things in a buyer: firstly, the right level of money to support the business – Klaas and Wim got me to a level of comfort on that very quickly – and secondly they hadn't got a big hierarchy reporting to institutions. HTP came in with individual

money and making personal decisions. They had no agenda to buy us with a particular timeline to, say, double the profits in three years. With this investment, we'll focus on developing both our family and friends-size yachts below 24m and our new range of superyachts that are our 825, 885, 100 and 125 models. HTP has given us the opportunity to focus on what we do best, and to build our superyacht division from start-up phase. Now, we're focusing on bringing in new orders.

Klaas Meertens, managing partner, HTP Investments

About three and a half years ago, my partner, Wim de Pundert, and I started to invest in old economy, industrial production companies – no IT or telecommunications. It's been a successful strategy, as we now have over €1 billion in revenues across the portfolio. The investment in Oyster happened by chance: I met a friend, who is a sailor and who had come from lunch with David Tydeman. He



mentioned that Oyster was for sale, and a week later, I met David for the first time. We hadn't been looking for a marine investment – this is our first – but we'd received very positive feedback on the brand from our initial research that week.

We want to extend the company's reach beyond its traditional UK and US markets to increase its presence in middle Europe and the emerging markets. Our number one ambition is to invest in and grow Oyster into a global bespoke luxury brand, and we're willing to find additional talent and put in the additional money needed for that. I think that's also attractive to everybody who currently owns an Oyster, because this'll support secondhand values and it'll support after-sales service, which we clearly will continue to provide.

This is not the kind of business that should have millions of euros of debt on top of the operating company. We equity-funded this deal and we have no requirements to pay back anybody. Oyster can focus on its business rather than on worrying about how to repay the debt-holders.

Oyster is not a typical investment for us. We're doing it because we like the people and the brand. We didn't buy it to sell it quickly, and we're not in a hurry. In that sense it's like the oyster and the pearl: You need to give these things time to develop into something that is really beautiful.

ITALIAN YACHT TAX CHANGES APPROVED BY SENATE

The Italian Senate has approved amendments to the government's widely criticised yacht tax, which will see the tax now only applied to Italian-owned yachts.

PENDENNIS REVEALS EXPANSION PLANS

Pendennis has announced plans to expand its Falmouth facility. The expansion will see two new sheds built and a 9m increase in the height of its dry dock shed.

LUXURY MARINA IN DEVELOPMENT IN PANAMA CITY

Panama City is to welcome a new 200-berth superyacht marina to its shores, as part of the Ocean Reef Island and Marina. The man-made islands and harbour will house luxury residential and leisure facilities, as well as an exclusive shoreside yacht club.

BELIZE'S FIRST SUPERYACHT MARINA PREPARES FOR 2013 LAUNCH

Construction has completed on the breakwater at the Placencia marina and phase one plans are underway. The marina will have berths for yachts up to 80m and nearly 40 berths for superyachts overall out of its 293 berths.

THE SUPERYACHT REPORT'S VIEW

Don Hoyt Gorman, business editor

In the recent winter of the market's continued discontent, Oyster seems to have found in Klaas Meertens and Wim de Pundert of HTP investors who are prepared to support the management team and get behind the business plan. The Oyster-HTP union is a ringing endorsement for enlightened private equity investment, and it certainly suggests that the best investors for this market are private individuals who don't rely on institutional money and are completely free of leveraged debt.

With three yachts over 30m in build, Oyster has shown – even prior to this investment – that they can scale up a successful sailboat-building brand into the new-build superyacht market.

Of course, Oyster has experience in the large-yacht market with Southampton Yacht Services. They have *Leopard 3* in at the moment, adding new lightweight guest cabins forward. They have also delivered four tenders for the largest superyacht currently afloat and its support vessel. With one British owner of a 25m Oyster 82 now querying



BELOW & RIGHT: OYSTER 100



YPI ASIA OPENS TWO NEW OFFICES

YPI has expanded its presence in Asia, opening three offices across the region in a bid to engage with the Asian market. The YPI Asia division will add locations in Shenzhen and Nansha to its original base in Aberdeen Harbour, Hong Kong.

LIMASSOL MARINA APPOINTS GENERAL MANAGER AHEAD OF LAUNCH

Paul Sorrell has been appointed general manager of Limassol Marina in Cyprus, in preparation for its opening at the end of 2012. Limassol will have berths for yachts up to 115m, with 70 berths reserved for superyachts.

OLYMPIC SAILING VENUES UNDER DEVELOPMENT

Weymouth and Portland harbours, hosts of the 2012 Olympic sailing regattas, are undergoing developments. With £250 million of investment, developments include a 360° observation tower with a 24km view that will be accessible during the regattas.

MOURJAN MARINAS TO MANAGE FOUR SEASONS MARINA IN QATAR

An agreement has been signed by the hotel that will see Mourjan fully manage Four Seasons Doha marina's berths and facilities for yachts up to 35m.

the option for the yard to deliver a 44m in Southampton, the brand seems to be inspiring a sense of capability in upscaling that any yard operator would find cheering. In Oyster's case, with the company's tooling and superyacht resources based in Turkey at the RMK yard, that contract will require serious consideration, something Tydeman is undertaking at the moment. Tydeman says he has another 82 owner looking to move up to 35m. This all bodes well for the potential to sell more of the 100 (30.8m) and 125 (38.1m) models, although it's likely that full-custom projects are not something Oyster is yet ready for. Oyster has invested cleverly in its 100 and 125 production models, with RMK and Oyster jointly developing the tooling. RMK has invested in the build facility and Oyster has a first call, but not exclusivity to the space. In effect, RMK is Oyster's sub-contractor: Oyster develops the design with Dubois and sells the boats and RMK puts them together.

Still, Oyster's superyacht programme presents a series of firsts for the company. Their yachts are now being built in Turkey, are competing against the superyacht sector and

are being built fully to class – not to mention catering to the enhanced expectations of superyacht owners. The 100 is also the first Lloyd's Register composite boat designed by Dubois Yachts, so the level of technical and yacht-building know-how required has stretched what has otherwise been a relatively small business.

Initial signs are that the company has pulled off something remarkable in an otherwise dreary marketplace: they've started to build superyachts while finding financial backers who are delighted to go sailing on this new adventure with them. It's the happiest story of the year so far. ■



BELOW & RIGHT: OYSTER 125

