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The first B2B Yacht Charter Magazine

Icebreaker

Interview

Franz Schillinger

Boris Quoitek

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Charter Meetup Athens

Sailing Areas

Skradin, Croatia

The Magical Coast of Brazil

Environment

Is Sailing Environmentally
Friendly?

Charter Business

From Cabin Cruiser to Mega
Yacht

Online Sales Channels
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Word from the Editor

Tino Prosenik

PHOTO: Mislav Mesek



In this edition of Icebreaker magazine, I would like to express my sincere gratitude to all participants of ICE'22. It has been exactly ten years since I first started working on consolidating the world-wide charter market in a way that would be fun and productive for all. With the speed that the world is changing, ten years now seem like a very long time. I believe there will come a time, sooner than later, when the new world will demand profound changes, some still beyond our comprehension.

When I set down with a friend in 2012 and contemplated the creation of the first B2B charter event, it was a time of change. The industry was recovering nicely from the 2006-2008 downturn, and we were witnessing the beginning of the digital transformation. The emergence and rise of the booking systems had greatly contributed. Even though I am an outspoken critic of the booking systems as we have them today, at that time those were crucial to enable the digital transformation. This, in turn, fuelled the widening of the customer base, lowered customer acquisition cost and prepared the industry for the next century.

Today, ten years later, we are deep in discussion about what will be the next step in the digital evolution. With web 4.0 nearing reality, the stakes have never been higher. With the technological capabilities of tomorrow, it could mean an end to many players of today.

In the 90ies, Jack Ma showed us with Alibaba, that we can buy goods and services online, directly from a producer or provider from the other side of the globe, with just a click and a credit card swipe. This ended a lot of businesses but enabled incomparably more. Such a transformation was inevitable, and it has crept into every aspect of business today. And most importantly, it fuelled innovation and progress.

I mention this because many are frightened today by what tomorrow will bring. I understand this sentiment. ICE itself is one of the “old structures”, based on how the industry was, not what it will become. I am aware of this. I am saddened by the realisation that ICE will grow obsolete one day. Maybe even sooner than later. But there is no time for being sad. We must open our eyes, observe the market, and learn. We should try to learn from other industries, keep up with newest technologies and listen to the smartest people we can find. It's time to learn faster than we ever needed to learn before. If we do so, we'll all adjust and thrive.

Technology can provide new tools, and it will be on us to build these tools and use them properly, for the good of our industry, and our own prosperity. With new tools and good intentions, we will surely build a better tomorrow.

welcome

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SX112 : The sea on board.

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SX112



From Beneteau to Sanlorenzo

Franz Schillinger

AUTHOR
Tino Prosenik

This is the year when ICE joined the two sides of yacht charter: bareboat and crewed. Even with huge differences between the two, I always strongly believed that we shouldn't completely separate them, especially nowadays when some lines between them are getting blurred. Especially when we talk about luxury. Bareboat was traditionally not luxurious, rather it was oriented towards the sport of sailing. Today, with the popularization of the catamaran, as well as by implementing new designs and equipment in monohulls, there is more and more luxury to be found in these charter yachts. Celebrating the differences and similarities at the same time, nobody is better suitable to comment on both worlds, than Franz Schillinger, who harnesses the power of both. He began his journey as a Lagoon distributor, added Beneteau along the way, and today he is a rising Sanlorenzo distributor, having made the transition from one world to the other with great success. In this in-

terview, I wanted him to tell the story of how he achieved this, and what are the pitfalls and requirements, for others that intend to do the same.

Q: How did you get into the yachting industry?

I had worked for Carlo Schindlauer for a while, as a consultant. He owned Master Yachting and was about to retire. The company was a fleet operator and an agency. At that time, it already had the distribution rights for Lagoon Catamarans. That was the main reason for my interest. It wasn't very big then, I believe in 2009 about 6 boats had been sold, but I saw potential. At that time the range sold was between Lagoon 380 and 500. Officially, I took over the company with my partner Peter Schmid in 2011.

In the meantime, in 2010, we doubled yacht sales and then this revenue stream, opposed to the charter agency, became

dominant for the company. From that point on, that was our focus.

Soon, the Beneteau Group approached us regarding the Beneteau monohull line; they liked our sales. After we sold 12 Lagoons in 2010, we were attracting attention – 12 was a significant sales effort back then, and it exceeded our sales target. By 2013 we were selling 20 boats and in 2015, I believe we were best European distributor. So, it made sense expanding from Lagoon to Beneteau and covering the monohull market. Basically, we could use our existing network and resources, doubling the efficiency. Remember, then the catamaran market was much smaller, and the monohulls were still dominant. The great benefit was that the resources could be used for both brands, but they were addressing completely different customers. In this way we were expanding our reach significantly. This strategy will later prove to be crucial for our growth. As Lagoon

interview



expanded from a “white” 38-62ft vessel to a luxury Seventy7, this became a whole new ball game. Suddenly we were addressing a customer of 4 M EUR, opposed to the previous 200k-1,5 M EUR. This transition was made easier for us through the fact that we already had some expertise with a broad customer base.

Q: With the Beneteau line, the white Lagoon line, and the new luxury Lagoons, how did you address marketing? What were the main marketing channels, how did you generate leads and how was the customer acquisition cost (CAC) changing?

All three of these categories basically work very similar; they use the same marketing channels and address a similar market in a similar way. The luxury Lagoon sales was operationally a bit different.

In digital, we tried to increase organic social, but that takes time, so we relied

on paid advertising in the meantime; both in social and google. Our website was pretty known already, so it attracted some traffic directly as well. In offline, we mostly did boat shows, but also private events like sea trials. We did at least 10 boat shows a year. I would say that we generated most leads online, but more than half of those were converted on boat shows, it was a fusion of online and offline that worked the best. As for the CAC, I need to look at it blended, through the digital advertising cost plus the boat show expenses, so it’s hard to say. With high-performing sales, whatever the CAC, the efficiency of marketing was still pretty good.

Q: How did the increase in sales reflect on the aftersales? How is the profitability of aftersales changing when sales are growing that fast?

In the first years we actually doubled in sales, as I mentioned. We were growing incredibly fast up until 2020. That really strained our aftersales. The aftersales activities are not profitable in the short

term. It’s not a huge financial burden, mostly it’s an HR challenge. Finding people who know their stuff but are also good in customer support. I believe that’s a challenge for everybody nowadays. The fact that aftersales doesn’t generate profit is not that concerning, because in the long run, it can significantly expand the customer lifetime value (CLV). It can literally produce a return customer. Our B2B customers, fleet operators, return almost every year, while private customers upgrade or add on another boat after 5-10 years. Some even after 3 years. It doesn’t sound like much, but it adds up, especially by increasing the average CLV. It’s very interesting that you cannot estimate CLV unless you have great customer service, consistently over a long period of time.

Q: When Lagoon launched the luxury line with the Seventy7, how did you transition from selling white Lagoon for 300k to 1.6 M, to one of 4 M EUR? Some adjustments must have been needed.



The operational side not that much, but in order to support this transition we did need to adjust our marketing for a new customer base. We sold the first one in 2017/2018, with delivery in 2019. It was actually an existing customer, that was looking for an upgrade. That was the first time we managed a client paying over 4 M EUR for a vessel. Later, this will be invaluable expertise that enabled us to move even higher on the luxury level. The marketing needed an upgrade, of course, we intensified digital advertising to create more leads and make the product well known, but also connect the product with us. As I mentioned, Master Yachting was already well known, but now we were addressing a completely new customer, a bit like a start-up. That also was a valuable experience. Still, this hasn't increased our marketing cost, that was interesting. We kept mostly the same budget, so efficiency skyrocketed, and CAC as percentage of revenue, has gone down dramatically. The goal was to generate leads digitally, which will later be converted on offline – on boat shows. The Seventy7 was an impressive vessel, boat shows were a great place to close.

The decisions were made on boat shows, but the actual contracts were not signed. In this higher class of product, the signing was now done in a conference room, with lawyers. Other than these smaller differences, and slight increase in marketing cost, not much has changed. Not even the number of boat shows in our itinerary, we just added Monaco.

Q: How do you see the future and growth of your company, regarding these three product lines?

All three are quite complementary, I guess. As I mentioned, the marketing overlaps, none of them require special channels or differentiation, they engage our existing resources. Beneteau is selling with higher frequency, Lagoons bring more significant revenue, and the luxury Lagoons make the whole operation significantly more profitable. It's a good trio.

Q: With these three brands already keeping you busy, how do you get an idea to take one

more, a mega yacht, no less?

I suppose it was the Lagoon Seventy7 customers. They move in circles with people who own and are looking for new yachts. The demand was there, at our fingertips, we just needed to structure our idea on what we'd like to do. It's actually not that big of a leap, from 4 to 6 million. So, we started looking at different brands. As soon as Sanlorenzo came up, I practically decided then and there. The yacht design was the first factor, I loved it. The interior blew me away, and I was sold. Master Yachting already had the infrastructure, the know-how gathered with the luxury Lagoons, so we went for it and requested a dealership contract.

Q: What does it take to become a mega yacht brand distributor?

Getting a mega yacht shipyard deal is very similar to any other shipyard deal: you need to commit to a marketing plan, a certain geographical area, and take a



stock boat. It's just the proportions that change – it gets bigger.

We requested the area of 11 countries in Central and South-East Europe. It is roughly the area we were already working in, with the previous brands.

As for the marketing budget, proportionally, it's the same deal like with the other brands, same percentage of the projected turnover is to be spent on marketing. With the product getting more expensive, the budget starts looking serious. Especially because with a mega yacht the frequency of expected sales goes down considerably – one yacht per year is considered a good average. This means that, as a start-up, you might be allocating even a two-year marketing budget, with no assurances that it will ever yield a return. Because you haven't actually sold a mega yacht before. It's a bit scary.

And then there's the stock boat. Now that's when you start getting some grey



hair. You're committing on a 6 million mega yacht, with advance payments, each of 20%, again, without any assurances that you'll sell the boat. Any businessman that ever ventured into a new enterprise knows the feeling, but with these sums, it really felt terrifying at times. Don't get me wrong, we were excited, very. Even with these risks of failure hanging over our heads, we were focused at making it – the reward system in mega yacht sales is significantly more appealing than what we've had before. And now we know why. Nobody would risk so much otherwise.

Q: How was this first year for you and for the company?

It was exciting and scary. Mostly exciting. I mean, you're spending three times as much as you did before, you're focusing on the new product but cannot neglect the old ones, it's exhausting. With smaller yachts, you can re-invest profits in marketing and new stock boats, there is constant turnover to generate cash-flow. With a mega yacht in play, it's a high burn rate, with a limited runway to take off. You will either take off, or you won't.

Q: What would you say, how much start-up capital do you need for such venture?

In ballpark numbers, I could say that for marketing you'd need at least 100k or more, per year. Multiplied by the number of years that takes you to make the first sale, of course. The stock boat you need to finance with installments, for as long as the boat is paid off. That's aside from the usual overhead. I'd say, under 1.5 million it would be unwise. Unless you have your first sale lined up in advance, which is not easy to do, I can tell you. And that's conservatively calculated, taking one boat, being smart with marketing and keeping your operations very efficient. Keep in mind, Master

Yachting has been doing this for years and improving marketing, operations, and strategy constantly. We were already at peak productivity when we entered this venture. I cannot imagine what it would look like if that wasn't so. The runway capital would have needed to be double, at least.

Q: How did the first years develop, and how do you feel about the future?

We signed with Sanlorenzo in November 2019; we sold our first boat in spring 2021. That was about a year and a half, but it seemed much longer. A lot of new grey hair. But after that, we signed two more sales contracts and things got more relaxed. That was three boats in three years, almost exactly. We actually sold the second and third boat even before the first one was delivered.

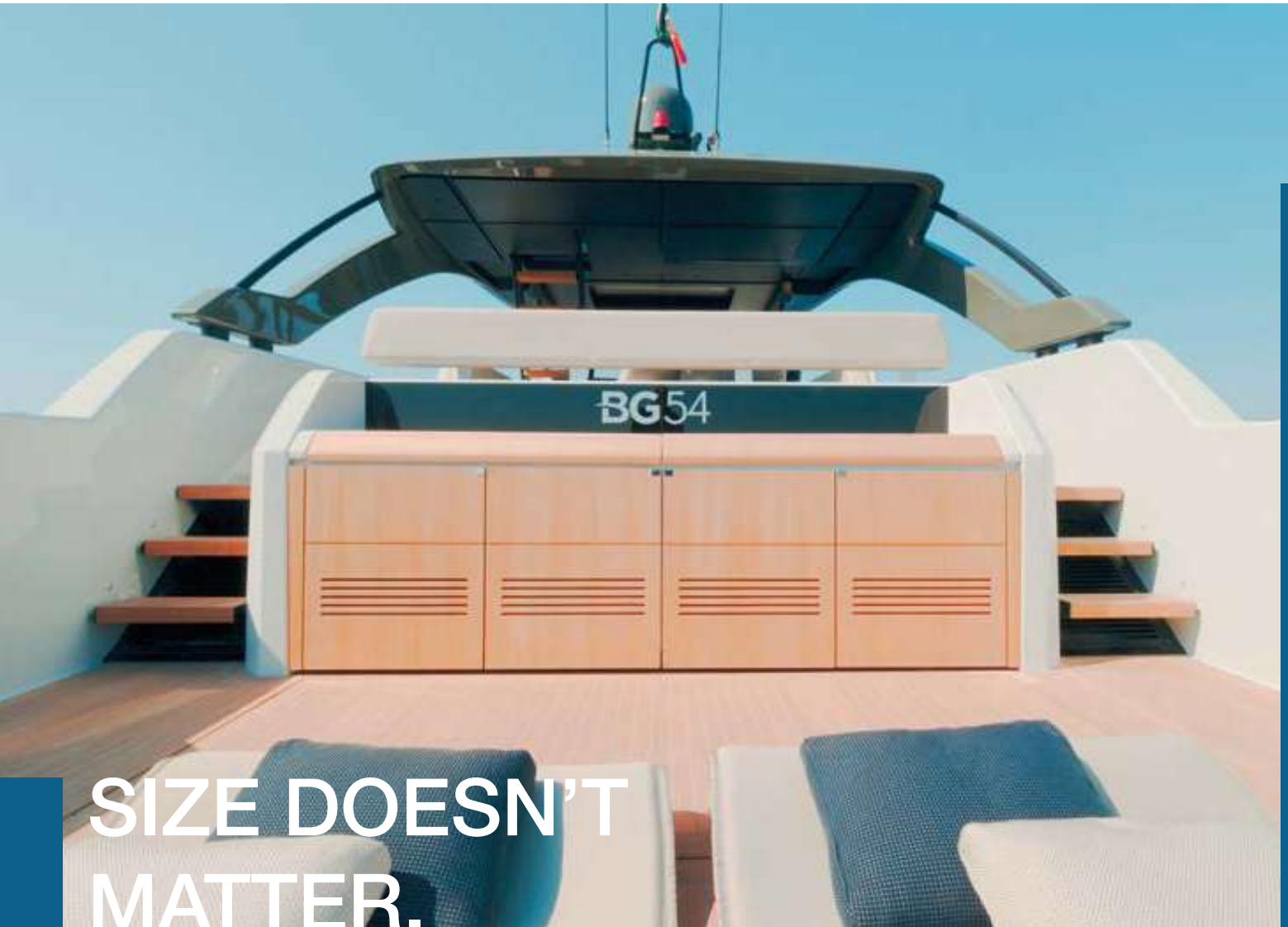
The delivery was very cool, the most professional procedure I witnessed in my career. Very comprehensive, very

detailed, yet smooth and pleasant. The yard, the surveyor, the seller, and the client, all working together to complete a handover. We were honestly not used to that. It was always more... complex. The aftersales was the same: very professional, structured, no glitches or unknowns.

It feels like now it's getting easier. Not easy, for sure, but easier. We can now re-invest profits, which is worlds apart from investing savings, that's for sure, much less stressful. We now have made our name in this business and the business is keeping momentum. Our staff is getting more relaxed as we go, and more motivated. We the owners, as well.

In the future I see growth, definitely. But I wouldn't abandon the other brands, I like the synergy. I believe we can grow the Sanlorenzo part to 2-3 boats per year, I'd be happy with that. As we did with Lagoon and Beneteau, we want to be among the best distributors worldwide. I mean, if you wake up every morning and go work, why not be the best?





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Bluegame yachts are designed to allow safe navigation in every weather condition, an open cockpit offering breath-taking views, and, above all, the unmistakable Bluegame soul. The BG54 offers a smart and flexible layout, you can choose between two or three cabins proposals. Both boast one additional cabin for the crew.

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Charter Meetup Athens

The birthplace of yacht charter; still rising in numbers

Greece is a virtual force of nature in the charter industry. The sailing area is perfect for charter and endless in its potential. The Greek charter fleet is growing and even though challenges will have to be overcome, the importance of Greece on the world's yacht charter scene is beyond question.

Even though Greece is already known as a top sailing destination worldwide, Greek fleet operators felt it was necessary to provide their agents with more

information, so they could present Greece with confidence.

Once a year, in April, most influential fleet operators in Greece gather in Athens to meet with charter agents from around the globe on the only Greek B2B yacht charter event.

For all participants to get the full benefit of this event, 10-minute meeting slots are set up to help facilitate a total of 2500 meetings in two days. Every char-

ter agent meets every one of the 50 fleet operators. The limited time makes the meetings clear, to the point, and packed with relevant information. Before, after, and even in between the meeting slots, social events are organized to enable participants to further explore their business potential; breakfasts, coffee breaks, dinners and parties are there to give time for more extensive conversations.

A presentation of the major Greek sailing areas is organized and delivered during the Meetup. The presentation is based on about 200 slides, presented

events



Marina Alimos, Athens

by Greek fleet operators within a period of at about 4 hours. After presentations on sailing conditions and the specifics related to cruising the islands, the hosts will present each island group separately, with a short overview of the most popular sites and itineraries. Charter agents are free to ask questions and actively participate during the whole presentation.

The Argolic and Saronic gulf, island

groups of Cyclades, Sporades, Dodecanese and Ionian, all are presented in detail. By including their own stories, the locals paint a picture of the sailing area like no documentary could. The agent's experience includes visiting the charter bases in the Athens and Lavrio area.

Accommodation is secured in the beautiful city of Athens, making it possible to engage in sightseeing and exploration

of this beautiful city. A traditional dinner with live music is organized for all participants.

After visiting the charter bases, complementary charter boats are secured for the participants, if they wish to sail the area for a couple days, to deepen their knowledge and discover Greece through the eyes of a sailor.

In only 3 days charter agents can get educated, meet potential or existing Greek partners, and enjoy a wonderful experience that will stay with them forever as useful knowledge and a warm memory.



9 BRAND NEW BOATS

OWNER MANAGED CHARTER COMPANY

FANTASTIC BASE FACILITIES IN FETHIYE

MOST POPULAR SAILING AREAS IN TURKEY

Turkey



Evolution of Croatian boat builders

From Cabin Cruiser to Mega Yacht



Most of the families that are running cabin cruisers, are keeping the traditions of their ancestors. Maybe not to the smallest detail, but still. This is especially interesting because it just might be the reason there is no similar industry niche anywhere in the world.

Croatia has produced many traditions along its coastline, from its north Istrian area, all the way to the far south of Dubrovnik. There were many traditions and occupations that existed at some point in time, others are alive still. Some, on the other hand, have persisted but transformed so profoundly, to be almost unrecognisable, maybe just hinted by the surnames of the families keeping them. These are the gravel barge captains, the fishermen, the transporters of whatever was need on the islands.

The story of these yachts starts almost 5 millennia ago. In the 7th century BC, the people called Liburni started building simple cargo ships in the middle Adriatic. Those ships were about

20 meters long and displaced about 100 tons. This craft started getting traction in the 10th century, and in the 12th century the ships started resembling those we know today; the helm station astern, getting wider, curvier and with multiple masts and sails. In the 15th century The Dubrovnik Republic makes significant improvements by building its merchant navy, and a century later local wars further push shipbuilding into growth and development. In the 19th century the Austrian-Hungarian Monarchy intensifies shipbuilding, and this turns into the foundation on which the industry of today was build.

The vessels built in the 19th century were predominantly cargo ships. They were hauling sand, wood, and provisions to islands from the mainland, others were fishing boats. It was in the second half of the 20th century, that these boats started being re-fitted to transporting passengers. At first it was very rudimentary: curtains were separating people from cargo. Then owners started building cabins, later adding social areas. In the 1970ies owners started increasingly refitting cargo

charter business

AUTHOR
Tino Prosenik



into passenger boats, after tour operators started offering full season allotments. It wasn't a fortune, but it was better than hauling sand.

In 2005 started the modern steel hull ship building. The norm about 30 to 32 meters, with 15 to 18 cabins, ensuite bathrooms and AC, but still with bunk beds. The allotments were usually 25 weeks, and the owners didn't have to get involved in marketing, sales, or customer support. To this day, this was a cornerstone of the business.

By 2010 the fleet of cabin cruisers grew by at least a hundred. All were booked by tour operators, most of similar size and number of cabins. The building technology was improving, more tech was built in, more spacious cabins, and no more bunk beds. The social areas got nicer, and the pricing was going up. The cabin cruiser market was booming, and new cruisers were being built as fast as materials could be supplied.

In 2011 one of the boat builders decided to build a yacht for private charter, not a cabin cruiser. His venture was viewed with extreme scepticism, and he was expected to fail miserably. He didn't. The yacht achieved greatness in the business and will be remembered as the one that started the evolution of custom-built yachting in Croatia. The revenues generated by this yacht were unparalleled to any cabin cruiser currently operating and the demand was astonishing.

By 2014 many new yachts were built, all similar in size and purpose. None larger than 500 GT, most up to 10 cabins. The production was so intense that the tour operators considered a three-year old boat to be subpar, deserving a lower pricing.

With the market going crazy for new cruisers, by 2015 builders dared to build more luxurious boats. Due to the regulatory specifics of the Croatian registry of ships, it was beneficial for the boat builder to aim for a max 50 meter boat, with up to 500 GT, so this is how most of them were made. Besides half-board options, full board was introduced as norm, as well as daily cabin cleaning, itineraries have gotten longer, more ambitious and customer oriented. The number of crew increased to 9 or even 10.

Many of these boats have been built for private charter, some were refitted. The revenues in private charter continued to go up, just as the demand for cabin cruisers went up. It was a sellers' market. The cruisers were booked for 25 weeks, and the private charters were priced up to 2,5 times higher than the cruisers, and still did 15-16 weeks of charter. With the further development of private charter, the boats got more advanced, more self-sustainable, with the goal to stay out of ports and the usual cruiser routes. The biggest challenge was to train a crew that was used to do cabin cruiser, into private charter.

In 2019-2020 the trend continues and these 50-meter boats with up to 10 cabins and up to 12 crew start building an image reaching worldwide brokers, in a price range of 80 to 130k. The demand is unprecedented, and business is good. So good, that the forecast for the next five years is that at least no cabin cruisers will be built, just yachts for private charter. More than 50 boats could be built in the next year, all more advanced and more luxurious than the previous ones. If that happens, Croatia will finally appear on the map of worldwide luxury charter, though this incredibly interesting and unique industry niche.

Is Sailing Environmentally Friendly?

The Connection Between Sailing and the Environment

Sailing is an activity that is closely connected to nature. Exploring the ocean, different cultures, and people as well as being one with the surrounding environment are all aspects of sailing. So, is it possible to sail in an environmentally friendly manner without spending a fortune? And is sailing really environmentally friendly? There are many eco-friendly sailing actions that are simple to implement or are just excellent seamanship and boat maintenance in the first place and will help to safeguard your boat and keep it sailing properly. Some of these actions will be more expensive to implement than the less ecologically friendly option. But they will often save you money in the long term. So, let's dive deeper into the subject and see if sailing is environmentally friendly. Follow me!

Sailing is a wonderful, low-impact method to enjoy and explore the ocean. What good is a boat if there is no water? Boaters use the ocean for a variety of reasons, such as a home, a source of income and food, as well as relaxation and exploration. Boaters are, at their core, caretak-

ers of the sea. Sailing's primary influences are their motors, the amount of waste they produce (and how they dispose of it), and how they interact with wildlife. Electric engines and solar-powered boating are becoming increasingly popular, which is excellent.

Also, it's important to note the impact that sailors have on the environment. For instance, sailors should never forget to leave their fishing nets and lines behind. All it takes is a little planning to eliminate single-use items and properly dispose of waste. Start storing every plastic bag, Ziploc, cup, and other disposable items you use for the next week to see how many you toss away.

The main problems that our oceans are facing today it's a bit overwhelming, especially if you put it all together. Rising ocean temperatures which raises ocean acidity, diminished fisheries, plastic waste creeping up the food chain and killing species, toxic runoff from agriculture and industry... The list is long. To retain a mental balance, every sailor has to do their part in order to minimize

negative impacts on the environment.

Whenever you notice trash in the ocean, you have to always pick it up. Even when it's tempting to connect with a sea creature, keeping a safe distance and not upsetting them is always a wise idea when it comes to wildlife. If you're going fishing, be sure to gather all fishing lines and netting, as this is one of the ocean's major polluters.

Sailing teaches people to pay attention to nature more than the normal boating experience. This is because a sailboat relies on the elements to get where it's going, such as wind, currents, and weather patterns. Sailing as an educational means for connecting people to nature has a lot of potentials. A sailboat, in my opinion, is an ideal way for educating people about our interconnectedness with the ocean. It's also a great way for demonstrating low-impact living: because of space constraints and limited access to resources, the boating lifestyle is intrinsically minimalist and resource-conservative.



Negative Impacts of Sailing to the Environment

Keep in mind that the most important thing on this subject is being conscious. When you begin to educate yourself about the negative impacts of sailing, you begin to act responsibly. You begin to pay attention to your conduct once you've recognized that link. And most people adapt in this manner, one step at a time. Can we all put our lives on hold and start growing our own food while avoiding all ocean-harming practices? Certainly not. However, we may all adopt the perspective that we can all

perform better and develop as we gain experience. The most essential thing is that this has to become a continuing discussion. For instance, you should talk to other boaters, your friends, and your family about these concerns.

I also want to point out that sailboats are far from the only dangerous vessel on the water. There are lots of other boats that put our planet's survival in jeopardy. But just because sailboats aren't the biggest offenders doesn't absolve you of responsibility. Here are the negative impacts of sailing on the environment:

With collaborative efforts across the board to improve the status quo, prompting yet more activity and awareness – the outlook can only get brighter. All eyes are on the changes as the industry powers towards a more sustainable future.

environment



Engine Pollution

Modern sailboats have motors in case you can't handle the sails. There's also the issue that some marinas prohibit sailing, necessitating the use of a motor to enter these locations. You've probably heard of the term "carbon footprint." While sailboats use their engines less frequently than other boats (unless in some marinas), all engine use adds to CO₂ output. Boats are still a better and more environmentally beneficial option than flying. According to the Sierra Club, a Boeing 737 Max8 has a fuel economy of 110 MPG per passenger. That would be 880 MPG with eight people onboard, which is even less efficient than the Queen Mary 2. Don't be deceived by this, though. Boats, too, contribute to our environmental concerns, but to a lesser extent.

Use of Chemicals

All of these undesired products and chemicals in the water are harmful not only to the animals but also to the body of water. The quality of the water begins to deteriorate, and the chemistry of the water begins to change. The addition of copper, zinc and other chemicals causes this. The water becomes more acidic, which means it has a lower pH. It can also go the other way and become alkaline, or basic, on the scale, which is higher. When the pH of the water falls too close to either of these two extremes, marine life is severely damaged. Moreover, in areas where there are many boats algae grows

more persistently and often. When paired with sediment, this results in a reduction in both water quality and clarity, as the sun cannot penetrate. It is also important to note the impacts of antifouling coatings. These are for keeping marine organisms from settling on your boat's underwater areas. The coating is classified as a biocide, which is a material that is hazardous to aquatic life.

You could be leaving debris in your wake every time you sail if you employ Zinc Pyrithione, Irgarol 1051, Diuron, Sea-Nine 211, Dichlofluanid, Chlorothalonil, or Tributyltin. Fish, algae, invertebrates, crustaceans, and marine life, in general, receive all the impacts. If you absolutely must have an antifouling coating on your boat, opt for ultrasonic antifouling. To inhibit the formation of barnacles and algae, this coating-free alternative uses electrical sound pulses. You can also use environmentally friendly antifouling coatings which are far better in comparison with typical paintings.

Damages to Marine Life

The environmental impacts of sailing are diverse and include physical, chemical, and biological elements that, while predominantly affecting aquatic biomes, also have an impact on the atmosphere and terrestrial zones. While anthropogenic pressures have a lower impact on oceanic regions, they are having a greater impact on coastal environments. While much



of this is due to land-based activities, significant impacts are attributed to the operation and presence of boating and shipping operations and activities through physical disturbances or the release of pollutants. Antifouling agents, sewage, hydrocarbons, waste, and greenhouse gases are examples of notable pollutants.

Physical impacts include habitat and vegetation degradation caused by anchor damage, vessel groundings, and fauna behaviour alteration caused by vessel noise emissions and movements. All these affect negatively aquatic mammals, roosting birds, and fish. However, in systems with many activities and/or various anthropogenic inputs, identifying impacts to individual vessel-related activities may be challenging. Physical disturbance from indiscriminate anchoring and mooring activities is an example of a localized impact. But non-localized and scattered impacts are also possible. For instance, garbage dispersing, or toxicants seeping and dispersing from antifoulant applications.

In addition, animals such as dolphins, seals, whales, manatees, among others are seriously affected by sailing activities. Any slower-moving marine species that can't get out of the way of a boat is also affected. It's practically impossible to avoid disturbing wildlife in the water, even if you take extreme care. Some species are small and hence difficult to spot, while others lurk deep in the water, where visibility is reduced.

There's also the issue of chemical use and its impact on animals. Where do you believe the chemicals that you use to get your sailboat going or clean it goes when you use them? Most of the time, they end up in the water. The pollutants will be ingested by the animals that reside in those same waters, causing disease if not death. Aside from such pollutants, putting metals, batteries, petroleum, paints, and detergents into the water, whether purposefully or unintentionally, has the potential to seriously harm aquatic animals.

The Rise of Sustainable Yachting

The yachting industry is making strides to lessen its ecological footprint through new, innovative technologies and launching green initiatives designed to clean our oceans, reduce fuel consumption, and help preserve our Earth for future generations. Both shipyard and yachting enthusiasts are expected to work on making changes.

Charter guests are beginning to demand innovation and sustainable designs from shipyards, particularly amongst wealthy millennials who, as a generation, are more environmentally conscious. A big appeal from charter guests is the ability to seek out idyllic locations and enjoy the diverse marine life, so it is arguably in owner's and shipbuilder's best interests to look at more sustainable practices to preserve these destinations.



Sustainable design

For many, sustainable yachting starts at the design level, and in recent years we have seen an increase in hybrid yachts, which combine traditional and innovative technology, to limit carbon footprint.

After years of research and challenges, there was a significant breakthrough in 2015 with the installation of a hybrid system onboard a 31m Sanlorenzo, which combined diesel and electric power. This system allows captains to easily switch between electrical propulsion and traditional diesel combustion engine.

So, what are the environmental benefits of a hybrid system?

- Fuel consumption is reduced by up to 30%
- Reduces yachts' yearly CO₂ emissions
- Reduced engine running hours on propulsion engines and generators
- Reduces environmental exhaust and water pollution

High-tech wastewater treatment systems are another way yachts are improving their eco-credentials. All wastewaters onboard can today be recycled for technical water. The yachts can also be designed using a dynamic positioning system, requiring no anchor, avoiding damage to the seafloor and marine environment.

In addition to onboard systems, yacht builders are taking steps to reduce energy wastage at the yard by harnessing the benefits of solar power. Some yards have developed sophisticated solar thermal systems that allows them to reduce their gas consumption by up to 50%.

Sustainable materials

Great leaps have been taken, but common boatbuilding materials are holding the industry's ecological advancements back. This is fibreglass or FRP (Fibreglass Reinforced Plastic). Fibreglass boat construction became popular in the 60s and is still leading the way due to its strong, lightweight, and corrosion-resistant properties.

The problem with FRP? In Europe alone, 250,000,000kg of glass fibre composite ends in landfills every year. The waste management of these composites is a critical issue as the material can't be reprocessed. In 2017, the Marine Industry estimated that worldwide between 35-40 million boats are now approaching the end of their life. With many of them heading straight to landfills, this creates a growing problem for an industry attempting to transition into more sustainable practices.

Sustainable on-board operations

There are steps to be taken by guests and crew, that can significantly contribute to the sustainability of yachting, besides the design and materials used to build the yachts.

With collaborative efforts across the board to improve the status quo, prompting yet more activity and awareness – the outlook can only get brighter. All eyes are on the changes as the industry powers towards a more sustainable future.

Plastic water bottles are out; install a drinking water filtration system onboard for yacht crew and charter guests. It is not only better for you but it's better for the ocean. Use flasks for yacht crew, flasks will also keep water ice cold for longer. Create a water station for charter guests using a glass dispenser with a tap, add cucumber/mint/lemon slices in to add flavour. Use glass water bottles as-well for turn downs and tender/beach trips.

Eco friendly cleaning products are now available everywhere. Remember, all of the harmful chemicals from your cleaning products & laundry detergents will go straight to the ocean. It can change the physical, chemical, and biological state of the ocean and coastal areas, posing a threat to marine wildlife and ecosystems. Toxic chemicals also become concentrated in the food chain and can impact human health. Instead use a mix of vinegar with water and alcohol with water where you can for most of your cleaning or buy eco-friendly products. (make sure to research what cleaning solutions may damage certain materials/surfaces).

Skip microfibers. Microfiber is a blend of polyester and polyamide (nylon), making it great for cleaning and super absorbent but not good for our ocean. Plastic particles washed off from products such as synthetic clothes & textiles contribute to 35% of primary microplastics polluting our oceans, according to a report by the International Union for Conservation of Nature (IUCN).

It's sunblock season; there's sunblock on the teak, there's sunblock on the towels, there's sunblock everywhere! But don't forget, it's going into the ocean as well. Skin protection that contains oxybenzone and octinoxate has harmful effects on coral reefs, marine life, and people. These toxic substances contain nanoparticles that can disturb coral's reproduction and growth cycle, lead to coral bleaching, or even kill it. Find Eco-friendly sunblock instead and save our oceans little by little.

Sources: Peter Kennedy & Oceanweb





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Where Clients Prefer to Cruise

Luxury Yacht Charter Destinations

AUTHOR

Tino Prosenik

When it comes to luxury yacht charter, you could say the world is your oyster. From the Arctic, over Africa to the South Pacific, yacht charter is omnipresent, limited only by your imagination. With yachts getting more rugged, more self-sustainable, more potent. But the historical and traditional cruising areas remain the foundation of modern-day yacht charter. After roughly a century of chartering yachts, the yachts and the industry are unrecognizable, but the cruising area remain incredibly similar as when the first nautical clients first saw it.

West Mediterranean

From the islands of the Adriatic and Tyrrhenian to the Côte d'Azur, the West Mediterranean offers an idyllic cruising destination, perfect for yacht owners and charter guests.

Merging historic grandiose and old-world elegance boasting natural beauty at every corner, the West Mediterranean's blend of city-living and beachside bliss makes it the ultimate hotspot for a yachting adventure. From the yachting haven of Sardinia to the dynamic character of Gibraltar, the West Mediterranean remains one of the most sought-after regions. Unbelievably rich in culture, art and history, the West Mediterranean offers the ultimate gateway to exploring the rest of the alluring Mediterranean.

Whether retreating to a chic hideout in **Sardinia**, boasting an array of yacht clubs and pristine landscapes, or island hopping across the **Balearic Islands** and **Aeolian islands**, the West Mediterranean offers everything from bustling nightlife to enviable seclusion. Each island hotspot across the region offers a gift of Mediterranean hospitality, each with a unique character of its own.

Home to the capitals of art and history across the world, the West Mediterranean boasts an array of cultural hotspots along your superyacht adventure. From Florence, the birthplace of the Renaissance, to the baroque palaces of **Malta** to Barcelona's unique architecture, the bygone beauty of the West Mediterranean reflects the region's rich, colourful past, that remains today.

Beyond the glamour of cosmopolitan living, cliffside bars and Michelin eateries is the natural beauty of the West Mediterranean. Whether marvelling the azure beauty of the **Spanish Coastline**, or the mountain backdrop of the **Tuscan Archipelagi**, the region invites yacht owners and charter guests to explore untouched natural landscapes to hike, swim and explore with a rustic charm unlike anywhere else in the world.



Grande Pevero beach, Sardinia, Italy

Bahamas & Caribbean

The Bahamas and Caribbean islands are the textbook picture of paradise. Swaying palm trees, crystalline waters and pearly beaches are complemented by a relaxed island lifestyle and calm repose.

Although the Bahamas is located between Florida and Cuba and largely in the Atlantic Ocean while the Caribbean covers a far larger stretch of islands in the Caribbean Sea, both destinations share a similarly paradisiacal appeal, in which each individual island retains its own unique and vibrant character. The variety of options for exploration and adventure afforded the discerning traveller through time spent in this dazzling part of the world are manifold. Soaked with sun the whole year round, even during the ‘wet season’ between July and December, this gorgeous temperate area offers ideal opportunities for

sun-bathing, outdoor activities, and water sports alike. No two islands are alike, all are in varying stages of development, and nothing dreamt is out of reach.

The title of ‘Caribbean’ is taken from the Carib, an ethnic group indigenous to the Lesser Antilles and areas of South America at the time of European colonization. The history of this region is rich with diverse cultures and threaded together by mesmerizing tales of conquest and wild adventures on the high seas. The lasting impact of Colonialism and the Atlantic slave trade is omnipresent throughout these islands, steeped in sober history but also brimming with joie de vivre so unique to this part of the world. The overwhelming beauty and abundant resources of the Caribbean are a thing of wonder: currently it is organized into 13 sovereign states and 21 territories and overseas departments.

The Caribbean sits within the crystalline Caribbean Sea which is found southeast of the Gulf of Mexico. These glittering island groups sit on the **Caribbean** plate and include more than 7,000 islands, islets, and cays. This area is also known as the West Indies thanks to Christopher Columbus, who believed he had reached the Indies (Asia) when he landed here in 1492. Formed of verdant landmass in beautiful arc shapes, the island groups within this area consist of the **Antilles** and the **Bahamas**.

With a similar history and geography to islands of the Pacific and Indian Oceans, the Caribbean region is composed of fragmented continents, volcanic landmass and living coral reef. Each island is home to diverse evolutions of the native flora and fauna, and many enjoy thriving agricultural industry due to the rich soil: Tropical fruit and sugarcane are the most prolific crops.



Guadeloupe, Caribbean Sea

The Bahamas is made up of a sprawling collection of 700 islands and over 2000 rocks and cays, spread across 100,000 square miles of sublime ocean. A popular destination for romantic and family holidays alike, the Bahamas can be accessed from Miami in just a couple of hours by boat. Nevertheless, visitors and tourists will travel far and wide to enjoy the Bahamas' world-renowned resorts, vibrant island lifestyle and unique experiences - such as swimming with the pigs on Big Major Cay in the Exumas.

The area of ocean belonging to the Caribbean stretches to five million square kilometres, while the total land mass is only 240,000 square kilometres: this is a sea to land ratio of 20:1. There are around 100 islands with permanent inhabitants, with the number of cays, whether rich in lush vegetation or sandy cags, numbering in the high thousands. No island, except for Bermuda,

is further from its neighbour than 200 kilometres; an intrepid explorer could spend days and weeks sailing from island to islet, endlessly discovering new areas of unspoiled tropical haven.

East Mediterranean

Merging historic beauty with the authentic charm, the East Mediterranean is distinguished by its unique nature, where magical island's meet with Adriatic beauty, boasting plenty of hidden gems where you'd least expect it.

Whether delving into the beauty of the Greek islands, peaking into Turkey's enchanting culture, or becoming lost on the unassuming region of **Montenegro**, the East Mediterranean is Europe's best

kept secret. There's no surprise why. Its hybrid cultural landscape is enviably inviting, while superyacht travellers can find privacy and seclusion in the hidden gems of Europe's most sought after and enviable locations.

Whether walking the cobbled streets of Montenegro's fishing village of Perast, or taking a delve into the dynamic island beauty of **Cyprus**, the magic of the East proves a cultural crossroads of ancient charm and historic wonder. With a unique cuisine influenced by the Levantine period and architecture dating back to the Ottoman Empire, the magic of the East invite superyacht travellers into a dynamic world with a hybrid of influences. Visitors can expect to sail down the majestic Bosphorus stretch of

charter



Mykonos, Greece

Turkey for a slice of oriental bliss, or for unforgettable nightlife can venture to Croatia's Hvar, a jewel that never sleeps. Each destination offers a distinct charm of its own, all with superyacht travellers in mind.

The **Adriatic Sea** is a body of water separating the Italian Peninsula from the Balkan peninsula. There are over a thousand islands in the Adriatic, 66 of which are inhabited. Both coasts are popular tourist destinations, and many consider this sea the most beautiful in the world. Croatian coast is a large part of the eastern shore of the Adriatic Sea. The main places along Croatian Coast are Pula, Rijeka, Zadar, Sibenik, Split, and Dubrovnik.

The Croatian Coast, which is generally bold and rocky and well known for its crystal-clear water. The most popular islands along the coast are Brijuni, Krk, Cres, Losinj, Rab, Pag, Dugi Otok, Kornati, Brač, Hvar, Korčula, Mljet. The island of Cres is the largest island along the coast, slightly larger than nearby Krk.

Fit for romance and exploration, delicacies and discovery, the islands of the East Mediterranean are Europe's best kept secret. Whether venturing to the **Cyclades** of Santorini and Mykonos, or island hopping across the Ionian Islands, every corner of the East Mediterranean invites you into aquatic turquoise waters, natural wonders and ancient castles enveloped by ocean coastlines. From the white-washed beauty of the

Aegean Islands to the bountiful shores of the **Italian East Coast**, each region boasts a unique charm of its own.

Whether journeying to the city of **Athens** in awe of the iconic Acropolis, or venturing to the ancient walls of Croatia's Dubrovnik, the history of the East Mediterranean encapsulates a colourful past that has retained its diverse character even today. From Turkey's Blue Mosque to the jewel of Venice's St Mark's Cathedral, history comes alive at every corner. Step back in time on the island of Cyprus by visiting the bygone Tomb of the Kings or bask in Kotor's Balkan beauty that feels a world away from reality; there is nowhere this region falls short in answering the desires of yacht travellers.

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How Check-In Affects Client Experience

Skipper's View of Check-In

AUTHOR
Cindy Allis

In my experience as a skipper, I have worked with 30+ different charter companies in more than 10 countries over the past 6 years. I love skippering, but I don't love check-in days. The reason is simple: where each charter base and each fleet operator have their own way of doing things, some providing a better experience than others, there is always this one thought: "There must be a way to make this better for everyone involved".

Looking at a typical check-in day experience for me, usually I would find my fleet operator and quickly join the queue at the charter office to handle the crew list, sign the contract, and pay the deposit. Many times, the client forgot to tell his bank that he was leaving the country, so it takes forever on the phone with the bank's support line until he manages to pay the deposit. It would be so much better if he could have completed all this beforehand, to speed up the admin part of the day.

Next, I would proceed to wait around for one of the technical staff members to perform the check-in with me. These explanations are usually long and helpful. However, after check-in, it has happened to me more than once that while on Saturday the technician explained where the anchor windlass fuse was located, on Monday when my anchor stops working, I already forgot and I had to open all cupboards and lockers to find it again. It would be time better spent if I could already do a part of the check-in by myself, with instructions and photos, and I could look back at those instructions while under way.

Furthermore, considering the staff experience, it must get old telling the same long story repeatedly, not to mention that it takes a lot of time and manpower to manage so many clients. It would be more efficient if instead they would just help me with the things I couldn't find or understand from the provided instructions, so they can focus on getting their fleet ready!

For base managers, I can only imagine how they feel on check-in days, trying to manage anywhere between 5 and 100 boats going out on the same day, making sure each boat is repaired, cleaned inside and outside, and stocked for the next charter. All with only a couple of hours total time from when the previous clients leave.

Base managers have no other way of knowing what's going on with each boat other than calling and texting their team members constantly and walking up and down the docks.

A centralized system monitoring and organizing all the stages of the operation would drastically improve the ability to prioritize the right tasks at the right time, and it would allow them to share this information with customers and thus manage their expectations of when their boat will be ready.

On top of that, on check-out day, they take note of all repairs that need to be done before the yachts go out again the next day. Usually, I see them writing these notes down on a paper and bringing it to their office. Instead, this should be one click



on their digital checkout list that will create a task for the team, prefilled with the right information, and visible for all team member within a central intuitive interface.

I've come across a few fleet operators that impressed me with their check-in experience. For example, a certain company in Sardinia, where I received a well-organized list grouped by locations. They told me to radio them as soon as I was done, after which they gave me an ETA of when someone would arrive to finalize the check-in together. Or in Lavrion, Greece, where they used an online form as checklist and sent it directly to my email once completed.

Despite seeing more and more examples like these, where fleet operators are starting to use technology available to improve the check-in experience, none of these solutions come close to what is possible with the right tool, that is created specifically for a fleet operator's needs. In 2021 I decided to help make changes and I created my own app to make that happen.

My app Floatist provides a solution to solve all these challenges with our mobile check-in flow, the mobile staff app with a booking-overview, maintenance tasks, and the client interface, as their first point of contact during their week.

charter business

Regulation and Liability Insurance

GDPR

AUTHORS

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The entry into force of the General Data Protection Regulation on May 25, 2018, constituted a radical shift in the regulation of personal data protection, imposing some new rules with respect to their collection and use. The Regulation is intended to ensure the free flow and safe processing of personal data in the common market of the Union, in the era of technological progress and rapid information flow.

The General Data Protection Regulation regulates the protection of privacy and personal data, i.e., the protection of individuals with respect to the processing of their personal data and the free movement of such data.

The Regulation is in force in all EU member states, where it is applied directly, without the need for implementation, which is the greatest change in the legal regulation of personal data protection since the advent of the Internet.

Territorially speaking, the Regulation refers to the processing of personal data within the framework of the activities of data controllers or processors with business establishment in the EU, as well as to the activities of business entities outside the EU which sell goods or services or monitor the behaviour of data subjects in the EU.

It imposes the so-called administrative fines with a potentially devastating effect, namely, low fines — up to €10 million or 2% of overall turnover and high fines — up to €20 million or 4% of overall turnover.

Each EU member state has an independent supervisory authority for the protection of personal data.

Some examples of severe violations and high fines are British Airways (fine in the amount of £20 million due to inappropriate technical and organizational

measures that allowed the violation of personal data of a large number of passengers), Amazon — €746 million, WhatsApp — €25 million, Google Ireland — €90 million, Facebook — €60 million.

The most common violations in current practice have been processing reliability violations (inadequate records of processing activities and illegal or unsafe exportation of data outside the EU), processing security violations (inadequate technical and organizational measures) and the violations of the principles of legality, transparency and fairness (no legal basis for processing or excessive processing, providing insufficient or incorrect information to data subjects, data processing on invalid legal grounds — the use of consent with respect to employees, making service provision conditional on consent, etc.).

charter



How can compliance be ensured? Compliance cannot be proven by purchased generic documentation (which can merely encourage stricter monitoring and the keeping of more detailed violation records). Compliance is not a one-time activity but an ongoing activity. Managers who do not hire adequate specialists will have to seek assistance on the growing market of data protection related services.

The future of the application of the GDPR is in the growing awareness of data subjects about their personal data protection rights, the growing awareness of the importance of its application among those obliged to apply it, the more efficient work of supervisory

bodies, the stricter penalty policy (higher number of proceedings and higher fines, standardization of criteria for imposing fines at EU level) and business process certification.

D&O – Directors' & Officers' Liability Insurance

Protects primarily personal assets of responsible natural persons (executives) within the organization in case of insurable events caused by such persons – this also considers misuse of personal data and related fines and penalties.

Cyber Risks Liability Insurance

Internet related frauds are a common thing nowadays and personal data misuse make a substantial portion in it re-

sulting with stolen identities, financial assets, medical status information and similar. Cyber insurance offers wide scope of cover for organization against majority of internet allocated risks and substantially helps by recovering of data and/or losses/damages caused to the organization itself and/or claims of third parties which suffered a loss/damage.

In many cases, cyber risks occurred may lead to investigation of the responsibility of natural persons (executives) within the organization, so combination of D&O and Cyber insurance coverage makes significantly higher level of protection of the organization and its employees.

business

The Next Generation

Who will lead the next Yacht Charter Evolution

AUTHOR
Ana Čalić

We are living in uncertain times and change is the only constant. The boating industry, although experiencing continuous growth in the past few years, is not immune to the effects of both the pandemic and global financial crisis. Additionally, global warming effects are getting more serious each year and different industries need to implement sustainability to comply to regulations and incentives of corporate social responsibility. Being accountable

for one's actions has never been as important.

The boating industry is embarking on the wave of sustainability and different projects are being developed in the field of alternative fuels, recyclable materials, digitalization and much more. Contradictory, the industry is not yet populated with young people, in comparison to the IT industry, although it is very approachable, offers different working positions



and opportunities for challenges and growth, which is extremely important for young people. Sustainable development is a niche in the industry too, providing young people the option to be innovators or early adopters. Doing anything sustainability related provides an opportunity to do something relevant for the society and ecology, while still boosting the local economy.

charter business

International boat shows are already hosting sustainability hubs where young entrepreneurs below the age of 30 are making remarkable steps in the decarbonization of the boating industry. Cannes Yachting Festival and Monaco Yacht Show have dedicated sustainability spots, while it would be inspiring to see the same concept in more boat shows in the next few years. This shows that the opportunities are there, one just must seize them. Professionals in their twenties and thirties are ripe for unlocking potential, new business opportunities and venturing into still uncharted waters.

The question remains, what makes a young and ambitious leader and/ or innovator? One of the answers is interdisciplinarity. Efficient leaders and en-

trepreneurs are more often generalists than specialists, experts in multiple fields. Being a young entrepreneur in the boating industry requires you to understand and predict market trends, but also to be educated in engineering, finance, sustainability, marketing and much more. The path of excellence is demanding, but at least the boating industry presents a welcoming community where interdisciplinary young leaders can contribute with their agility.

Our mission must be to further develop our interdisciplinary platforms through multiple segments. One being through B2B and B2C education, mentoring on sustainable trends within and outside the industry. Spreading awareness of this need is equally important across the whole value chain. Furthermore, an

important goal is the creation of a young and proactive community, where young professionals within the industry can network, educate themselves and create additional value for the industry. When we are in a community, we are more motivated, proactive, feel safer and have a support system. This is incredibly important in these challenging times. Looking at the broader perspective, our initiative should aim to make the boating industry more sustainable, a dynamic work spot for young people, united in its development and recognized as a positive example. For this reason I have started an initiative called "Misli More" <https://en.mislimore.com/>, as a showcase on how we can gather, mentor, inspire and educate young industry leaders of tomorrow.





Unforgettable Sailing

The Magical Coast of Brazil

Brazil is one of the countries with the greatest nautical potential in the world, not only because of the great extension of its coast to the Atlantic Ocean, but also because of the huge number of freshwater rivers, spread throughout its territory.

Paraty is located in the south of the State of Rio de Janeiro. It is one of the last preserved corners of Atlantic Forest in the country and in the world. Paraty is very special for its historical and cultural importance and for its biodiversity. There is little difference between winter and summer in Paraty. Temperatures close

to 24 degrees during the day in winter and close to 39 degrees in summer.

The best option to arrive in Paraty is using the Sao Paulo International Airport (Guarulhos). People also come from Rio de Janeiro, but the roads and the airport service is better from Sao Paulo. We always suggest to use Sao Paulo as the airport to fly here. To get to Paraty, once you reach the Sao Paulo Airport, there is a 200km road to get to the shore. We can help to provide transfer or there are a lot of car rental service available at the airport. There is also a possibility of chartering a plane to Paraty, from the

Sao Paulo airport. It will be a 30 minutes flight.

Elected as a World Heritage Site by Unesco, Paraty is the first mixed site in Latin America, which can demonstrate an exceptional example of land and sea use and human interaction with the environment. Paraty, in its historic centre, has preserved its architectural features of Portuguese colonization for over 300 years, taking its visitors on a journey through time. In addition to the historical dimension, Paraty brings together culture, music, gastronomy, and literature, as it is the centre of several interna-

Set against the panoramic backdrop of the Rainforest covered costal mountain range the bays of Paraty have so much to offer visitors. With over 50 islands and more than 100 beaches there is no shortage of places to explore in the protected waters. And looking beyond the more traditional attractions, the tropical mangrove, the historic ruins and the fishing villages of the local caiçara communities help explain why Paraty has been recognised by UNESCO for its biodiversity and culture.

tional festivals, which attract audiences from all over the world to its streets throughout the year.

The most incredible part of Paraty is at sea. Those who have the privilege of sailing here are dedicated to places of untouched nature, with exclusive access from the sea. Deserted beaches with crystalline warm waters. A multitude of small islands form a region of exuberant nature, where the forest touches the sea. Blessed by nature, the Paraty region has year-round navigation potential, as the tropical climate keeps the temperature always mild and warm. Here, there are no hurricanes, earthquakes, tsunamis,

or any other type of risk linked to the forces of nature. In the same way, our cities and our waters are safe, where sailors can rest assured that they can enjoy nature with their family, without any risk.

Paraty Bay islands

For crystal clear waters, wonderfully isolated beaches and gorgeous views, take a boat trip out to the islands that surround Paraty. The town sits on the edge of a bay filled with over 300 islands of varying sizes – from tiny private islands to the vast tropical idyll that is Ilha Grande. Group boat trips run out to some of the larger

islands nearby, with stops for swimming, snorkelling and eating, while smaller private speedboats can whisk you off to less-visited shores. Some larger islands have simple restaurants and kiosks selling food and drinks, and most boats supply chilled bottled water, but it's a good idea to bring some supplies of your own. The clear waters make the bay an excellent destination for diving and snorkelling. There are several dive schools in Paraty, offering lessons for the uninitiated, and equipment hire for experienced divers.

To get an idea about the Paraty are, here are some destinations:

Street of historical center in Paraty





Angra dos Reis Bay

Ilha do Pelado

This small, picturesque island with clear waters and sandy beaches and stunning views over the surrounding forested mountains is a popular day trip from Paraty. Buses run from Paraty to the nearby town of Sao Goncalo (a taxi is more convenient and cost-effective if you are in a group), where fishing boats wait to transport people to the island, a short five minute hop across the waters (around R\$15). There are a handful of kiosks on the island selling traditional snacks such as pasteis (pastries stuffed with fillings such as cheese, meat and shrimp) and fries, as well as ice cold beers and caipirinhas.

Ilha do Mantimento

One of the closest islands to Paraty it

The language is Portuguese and few speak English. The currency is the Brazilian Real and US dollars and Euros are not readily accepted. Credit cards e.g. Visa and Mastercard are welcome for even small transactions. Amex is not.

has a well-protected spot for snorkelling with lots of fish. Take bananas for the rare Golden Lion Tamarind monkeys, and breadcrumbs for the fish.

Ilha Comprida

With a small but pristine beach, a natural pool whose crystal clear waters teem with colourful fish, this is a popular spot for snorkelling and diving – indeed, many students at the local dive schools take their tests here. There are no facilities here, so bring sup-

plies if you plan to stay a while. Many group and private boats stop here.

Ilha do Cedro

Fishing boats run from Sao Goncalo to this quiet island, where shady nature trails and pristine beaches are among the attractions. Calm, warm waters make this a good spot for families, and there are several kiosks selling simple snacks, meals and drinks.



Ilha Grande

The largest of the 300-plus islands surrounding Paraty, Ilha Grande (literally Big Island) can be reached by a boat journey of around 90 minutes from Paraty (fast boats and in good weather only, expensive). A vast nature reserve that was once a leper colony and then until 1994 a top security prison it's famously home to some of the most beautiful beaches in Rio de Janeiro state. Ilha Grande is a popular destination with international travellers, and there are many hostels and guest houses in the main settlement at Vila do Abraão. The island is most usually reached by ferry or fishing boat from the town of Angra dos Reis (or further on, Mangarita), a two-hour bus ride from Paraty on comfortable air-conditioned coaches.

Ilha dos Ganchos

One of the closest islands to Paraty Bay, tiny Ilha dos Ganchos is a favorite spot for dive lessons and snorkelling. The water, which has a maximum depth of 11 meters, is warm and clear, and sea creatures such as star fish, sea cucumbers, colorful sea urchins and even octopus can easily be spotted. The rocky island isn't suited to sunbathers, but many boats stop here for swimming and snorkelling.

Ilha dos Meros

Along with Ilha dos Cocos this small island is widely considered to offer the best diving experience in Paraty. Waters can reach a depth of 21 meters, and the island's craggy rocks and caves harbour all manner of weird and wonderful sea creatures, including seahorses and parrot fishes. Dive schools run regular trips out here. There's no infrastructure, so bring your own drinks and snacks.

Araújo Island

Home to a vibrant local Caiçara culture Araújo island continues to live off the sea. The highlight of the year in Araújo is the shrimp festival in June, celebrating the end of the annual 3-month shrimp fishing ban.

Cocos Island

This year's top tip is Cocos Island, presumably named after the Coconuts on the shoreline, for its classic Costa Verde waters. Vermelha beach is everything you would expect of a tropical Brazilian beach and is a great stop for lunch at the Bamboo Bar. Very clear water, excellent for snorkelling. A little further away, but by speedboat you can be there quickly.

Cotia Island

A favourite with the sailing crowd it's difficult to find flatter waters for mooring your boat in Paraty. Cotia island is very small, but with two distinctly different beaches. It's a little further away, almost arriving at Paraty Mirim, but worth visiting.

sailing areas



View of the canal and boats of the historic town Paraty

Mamanguá Bay

Known as a Brazil's tropical fjord, Mamanguá has it all – beautiful natural surroundings, a vibrant Caiçara culture and great seafood restaurants. The highlights are the panoramic views from the Mamanguá Sugarloaf Peak hike and the extensive mangrove of the Rio Grande.

You can visit Mamanguá on a day tour, but to really soak up the atmosphere we recommend you spend a night or two. The magical moments are before the day-trippers arrive and after they go home at the end of the day.

Jurumirim bay is a great spot to see turtles whilst the crystal-clear waters of

Pescaria Island are ideal for snorkelling. Mantimento offers wildlife viewing potential of a different kind. Who knows you might even get to see the rare Golden Lion Tamarin monkeys or dolphins swimming in the bay?

By Mariani Castilhos

Brazil's most iconic cruising grounds are found 75 nautical miles west of Rio in the Bay of Angra dos Reis where you will find the island of Ilha Grande and the old colonial town of Paraty. There are no cars on Ilha Grande but plenty of good walking trails and Paraty is a charming colonial town with several good restaurants and many quaint local artisanal boutiques. Lopez Mendez on Ilha Grande ranks among the world's best beaches on just about every "Best of" list out there. The island boasts many safe anchorages and great spots for water sports. Take a tender to shore and stop by one of the beach cabanas for fresh fish and local fruit.



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beautiful people, beautiful yachts



Skradin, Croatia

The Rising Charter Base

AUTHOR
Tino Prosenik

The city of Skradin today is a small, picturesque place under the aegis of great and glorious history. The name derives from the root “skard” meaning a rock or a cliff, in the original name Scardona, indicates the pre-Roman and pre-Liburnian origin of the settlement. It is located in the lower portion of the Krka River, called Titius in Roman times, which has been one of the main roads towards the interior of the eastern Adriatic coast since the prehistoric times.

Skradin is one of the oldest towns in Croatia. Because of its favourable geographic position, fertile soil and plenty of freshwater sources, Avars, Turks and Venetians all ravaged the town at different points throughout history. Such a tumultuous history is reflected in the

town’s valuable cultural and historical heritage, seen at every corner.

Skradin is overflowing with charm. From the moment you can spot the town looking down from the highway rest stop beside Sibenik Bridge you will be smitten by its beauty. The town is the gateway to Krka National Park, one of Croatia’s premier scenic attractions. Travelers typically take a 25-minute ferry ride upstream from Skradin to access Krka Waterfalls, a stunningly beautiful cluster of waterfalls in Krka National Park, of which Skradinski Buk is the most well-known.

The town of Skradin is built in a V shape pointing toward the waterfront on either side of a fortress-topped hill, with

the west side of the V facing an attractive inlet and marina that is a popular stopping point for yachts in summer. The town is famously the favourite place in the world of Bill Gates, as reported by Forbes magazine. Skradin’s small but picturesque marina is the most beautiful part of town, and perfect for a lazy stroll. It doesn’t take long to cover, but you’ll surely be enticed by one of its waterside restaurants or cafés.

All this might be why more charter bases are building their future in this beautiful town. I took it upon me to ask one CEO of a Greek charter company about the motivation behind opening a charter base in Skradin, of all the places in Croatia.



Why Croatia, why Skradin?

Our customer-centric approach is what led us to establish a base in Croatia. We need to present our clients with more choices of sailing areas for renting a yacht beyond Greece and our brand-new Croatia charter fleet will allow for exploration of Croatia's amazing Dalmatian coast.

Croatia is a top yachting destination offering great hospitality, facilities, and infrastructure. It is a European country offering highly skilled and professional personnel, while being very well organized for businesses. This makes perfect sense not only for our thousands of sailing guests but also for many clients of ours who wish to purchase yachts through our customized yacht charter management programs, having their

yachts based in Croatia. It has long now been requested by all our B2B and retail clientele that we expand outside Greece so they may enjoy in more destinations worldwide the quality and reliability that make the Istion brand unique and Croatia is the perfect destination for this first step we are taking to achieve our goal of globalizing.

After 2 years of research and traveling all over Croatia, we studied the benefits of all areas. Resulting from this careful evaluation, we chose Skradin because we believe it fulfills the quality criteria we have set as a company to adhere to.

Skradin is by all means a hidden gem that was waiting to be discovered! It is home to Krka National Park, famous for its magical waterfalls and incredible landscapes. Skradin's natural beauty,

tradition, history, rich culture, and people make it stand out as an ultimate paradise setting. Our strategic cooperation with ACI marinas and the agreement for a new charter base in ACI marina Skradin will enable our clients to enjoy top quality sailing holidays while avoiding the crowding of other marinas.

What results do you expect in Croatia, that will be different than in Greece?

We expect to achieve an even higher quality of services and deliver a further improved yachting experience than what we have successfully managed to offer our clients for over 30 years in Greece. What really makes a difference, is Croatia's infrastructures for yachting which exceed those of Greece. That, combined with road accessibility from neighboring

Hidden in the estuary of the river Krka, the town and maritime port of Skradin is surrounded by a beautiful landscape. Due to its untouched nature and particular natural values, especially a unique karst phenomenon – the tufa barriers, this section of the river Krka became a national park.



EU countries will enable us to overcome any limitations we have been facing in Greece to further raise the bar of quality.

Are there plans for further development of the Croatian venture?

Our first charter base in Skradin with a start-up fleet of 14 brand-new sailing (catamarans & monohulls delivered in 2023 for bareboat & skippered charters, as well as 2 fully crewed luxury yachts, is

only our first step in Croatia. Further expansion will follow with the creation of 2 more bases and fleet growth in the next years, always choosing based on novelty and the finest quality.

Through existing and new collaborations being continuously enforced (as for example with ACI marinas, leasing houses, banks, shipyards, local businesses, etc.) we are in position to offer an integrated network not only for yacht chartering but also for yacht sales,

through our yacht invest-charter management programs.

Skradin is located 55 kilometres northeast of Split and 11 kilometres north of Šibenik, two very popular yacht charter centres on the Dalmatian Coast. The town lies on the Krka River, at a point in the river that is so wide, it makes Skradin feel like a seaside town. Adding the fact that it hosts a large nautical marina with a charter base, just adds to the seaside feel.

sailing areas



Another hidden gem of Skradin and the Krka River – Vidrovača tavern

Two nautical miles upstream from the mouth of the Krka River and surrounded by natural beauties – rocks, vegetation, and the blue-green water of the Skradin fjord – there is the Vidrovača tavern, the favourite sailors' destination for more than twenty years. Located in the bay of the same name, opposite the Skradin marina, Vidrovača can only be reached by water – if you are not chartering, you can arrange to take a taxi-boat. The menu is simple but superb. Here they have the best čokalice, fried fish with a special taste given by the brackish water – a combination of sea and fresh water of the river Krka. Maybe they are so delicious because you eat them in an unusual environment, literally with your feet in the water. The food, the hospitality and the location are just a perfect combo for a beginning or the ending of a charter week.



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Role of Online in Bareboat vs. Luxury Charter

AUTHOR

Tino Prosenik, with Mark Gero, MYSEA & Anne de Vries, TUBBER

Online Sales Channels for Yacht Charter

Since the emergence of digital marketplaces in the 2010s we have been discussing where the future will take us. The conservative players believed yacht charter is a far too complicated and complex product to ever be purchased online. That was the prevailing opinion until a few years back, when the digital sales platforms started accumulating market share. The emergence of these platforms started around the turn of the century, so to speak. They were known for large investments that accompanied even larger plans for world domination. Today we are somewhat skeptical, after several have failed to achieve planned greatness, yet some are still gathering market share, even though unprofitable and through somewhat dubious strategies like price dumping. It is not my place to judge a marketing or sales strategy, only time will tell what was right or wrong once the fat lady sings. It is undeniable that online sales are creating momentum, and this is not going to go away, it can only grow. What will be very important to know is which areas of yacht charter will be most susceptible to this new sales channel.

Before I questioned some charter people on these issues, I divided the whole charter business into 5 levels. Later, as I talked to experts, it seemed more and more likely that the basic two categories were sufficient. Bareboat and crewed – so similar, yet worlds apart. Nevertheless, I decided that it is worth analyzing this structure in more detail, to better understand the business and the customer.

Level 1: Bareboat Charter – from 1.000€ to 10.000€

A bareboat charter is the renting of a boat from 10 to 16 m without the crew or captain. The agreement is for the boat only. Neither does it include supplies nor any other provisions. The charterer has the complete responsibility for the vessel and its operation. In other words, a bareboat charter means complete freedom and exclusive privacy! If the client is an experienced sailor and wants to choose where to sail for his holiday, then a bareboat charter is what he needs. There will be a limit on size and luxury level, but with the new modern yachts nobody should be unhappy.

Level 2: Skippered Charter – from 3.000€ to 20.000€

A skippered charter is an excellent option for those who are not so skilled sailors, don't have a license or are into a full relaxation mode. The skipper will navigate the yacht through your selected destinations. Yes, the choice of cruising area remains! Most of the skippers have travelled across the same waters several times. Therefore, the client not only gets an experienced pilot, but also a guide. Nevertheless, as the "charterer" the client remains the responsible person. The client must also provide the skipper with a separate cabin and food and drinks for each day of the charter.



Level 3: Semi-Crewed (Skipper + Hostess) - from 5.000€ to 25.000€

Hiring both a Skipper and a Hostess is the right choice if the client wants a truly carefree and relaxing sailing holiday. Whilst the Skipper, in charge of the navigation, is there primarily for safety, the Hostess is there entirely for your comfort. General cleaning, groceries shopping and simple but tasty meals preparation are the key tasks of the hostess. More broadly, the hostess is dedicated to make the journey comfortable and easy-going.

Level 4: Fully-Crewed (Captain + Chef + Hostess + Deck-hand) - from 25.000€ to 75.000€

The crew team is expanding! We find the Skipper and the Hostess, whose functions have been described above. A new character appears. Not just a cook but a Chef who will prepare the finest dishes to enhance the Yacht charter experience. The Crew team is sometimes supplemented with a deckhand whose role is to assist with on board operations, maintain the exterior of the boat and supervise guests during water sport activities and excursions on land.

Level 5: Luxury-Crewed (5+ crew members) - from 50 000€

Charter yachts come in all sizes and, of course, carry all num-

bers of crew. With Level 5 we upgrade to an upper level: luxury cruises with outstanding service. La crème de la crème of the Yacht charter experience. Here the Chef is more than just talented. The very best gourmet cuisines are served, and every bite is tailor-made to perfection. As always, thanks to the preference sheet the guests complete before embarking, the favourite food, drinks and any dietary requirements will be considered to make sure that the cuisine on-board will be nothing less than perfect. Dining is one of the most important pleasures of a luxury yacht charter vacation!

Among the newcomers of level 5, the engineer, ultimately responsible for not only every system aboard, but the safety of those aboard as well. We also have the dive master. Many of the most beautiful destinations in the world are also home to gorgeous marine life that can only truly be experienced through scuba. Therefore, scuba diving is a wonderful addition to any crewed charter vacation and a dive master will ensure that guests are getting the best experience possible.

As mentioned previously, Levels 1 to 3 are all considered bareboat, levels 4 to 5 are both crewed luxury. First, I was curious to know what the current state of online booking is and how it affects these two categories, being so different in what they offer and what they cost.

We looked at some last year's data, and there are websites that did maybe 5% pure online bookings, yet this year it went



almost to 20%. These are all bareboat bookings. Some clients book online but request skippers afterwards. They actually have the option to order crew online, but for some reason they don't. I believe the crew is something they need human assistance with, to go over some options, to get some reassurance even. As for more expensive bookings, includ-

ing fully crewed booking, over 25k, we also have purely digital conversions but mostly from US customers, no other. I believe American clients are more used to online shopping than Europeans. Regardless, I believe that when we talk about crewed charter, the clients have many more questions and doubts, then with bareboat. The privacy and auton-

omy of a bareboat is complete, as soon as you take a crew, or even just a skipper, you relinquish some of this freedom. Thus, you need some reassurance to get over this hurdle. Still, I believe that online sales will expand also to crewed and luxury charter. It's just the matter of time. It will be increasingly important to establish trust in the platform. I don't

charter business



believe there's a limit to how much clients will be willing to pay online, it's the question how trustworthy the platform can be. If you consider the amounts being paid online to reserve luxury land-based accommodation, it's very likely that yacht charter could break even the most optimistic expectations from online sales. Again, it's just the matter of time and whether we can develop trust in a digital platform.

There is another aspect of digitalisation that is not purely for purposes of selling without human interaction. It's all the other activities that take up the client's time, administrative and organisational activities. Most of these are still handled partially analogue. I believe we

will need to develop tools that will significantly reduce effort and time needed from a client. The clients value their time more than anything else. Every step towards appreciating their time, saving their time, will increase their trust into the digital channel. Appreciating one's time is appreciating one's money. When this is the case, money is more easily entrusted to someone to manage it, or in this case it's easier to click a 50k or a 100k transaction for a yachting holiday. And finally, through these tools you will again encourage customers to lean towards online purchases, for the sole purpose of saving their own time.

Finally, we can conclude that the state of technology today, and more impor-

tantly, the state of trust in technology, is not yet on a level that would enable clients to spend a 100k on a charter online. But we've come a long way in the last 30 years, not comparable to any other development in any other stretch of time. The development has been increasing in speed and acceleration, so it's simply not possible for us to grasp the state in which it will be in two years, not to mention in ten. Yacht charter is not the usual industry for cutting edge technology, but we should be vigilant in acquiring all the knowledge we can and absorb all technology that is useful, so that when the time comes to transition, we are ready.

The Rise of EIS

The Challenges of Yacht Insurance

AUTHOR
Tino Prosenik

I always felt that insurance is a boring topic that come up once a year and is quickly forgotten. It seemed like a binary thing; either you have it or don't. And it looked like an ordinary commodity; all products are the same and the price is the only differentiator. I kept this belief until I met a man who loves to talk insurance, and does so with passion; Boris Quiotek, from EIS.

Q: How did you get into the insurance business, how did you grow to be today's EIS?

My journey began in Turkey, where I was operating with some partners a charter fleet. At some point I wasn't happy with the insurance options at my disposal, and I decided to research my options and see if I can change this. I found that it's possible for me to establish my own insurance business and insure my fleet

myself. So, I did exactly that. That was in 1999. By 2003 I have grown to 1 million in premiums for Third Party Liability, Hull Insurance and Loss of Hire. My company was the first company on the market to offer such a package. Our Insolvency Insurance is still the only such product on the market. We also do skipper & crew insurance as well as deposit insurance. For 2022 we will reach 15 million in premiums. About 30% of our portfolio are charter yachts, bareboat and crewed, up to 160 meters.

Q: How do you see the future of EIS?

We plan to further grow, primarily in the crewed charter yacht sector, worldwide. We will focus on online sales more than we did in the past. At this time about 50% of our clients come through various online channels, and the other



Boris Quiotek

50% by referral, word of mouth, magazine advertising and from leads on boat shows. We do about 5 to 10 boat shows a year and gather a significant number of leads there. Yet, Dusseldorf is the only boat show where we manage some direct sales. Of the online channels, we have our website and affiliate website like Yachtino, while we canceled all digital advertising a while ago. I believe there is huge potential in online sales for us. In contrast to growing our charter portfolio through b2b networking on Yachtmaster events like ICE in Zagreb and Charter Meetup in Athens, B2C growth will be online, targeting private



yachts, mostly valued up to 300k. As we are building our brand as specialized custom insurance, we will continue to specialize in all forms of “non-standard” insurance like for racing boats and boats cruising in unusual areas like the Arctic. We will also continue to insure globally, which is very rare in this industry. This is where we strongly differentiate our service from the other insurance providers.

Q: What is the most basic mathematical foundation of insurance?

If you really do it right, it’s a bit complex, but it is indeed mathematical. First there’s the boat. While you can actually put a value on a new boat, that’s not so simple with a used one. There are more variables like maintenance, previous damaging events, wear and tear,

etc. This we call the objective risk. In contrast, the owner is the subjective risk. It also depends on various factors; is it a charter boat, where does it sail, bareboat or fully crewed, is it racing, etc. Depending on all these factors, one can evaluate the premium from a theoretical minimum of 0,36% for an ideal situation, which we actually have had in the past, to a whopping 10% for an extreme racing boat. If you ask me what the perfect situation is, I must say it depends. It always depends. But it might be a motor yacht with heavy duty, low RPM engine, fully crewed, with a limited cruising area.

Q: What are the basics of yacht insurance, for those who never took interest?

Hull&Machinery (H&M) – insurance of hull and equipment/materials in-

cluding engine, tender of a yacht but excluding money, jewellery, art objects. A distinction is made between H&M damage insurance, total loss insurance and total loss and damage insurance. Hull and machinery insurance is still voluntary and is mainly used by experienced yachtsmen who understand the significant difference between the cost of the annual insurance premium and, for example, the repair/replacement of the mast after a marine accident. The shipyards offer an integrated boat insurance system against boat defect. Usually, the manufacturer’s insurance guarantees cover the first 1-3 years of operation. But there are also exceptions.

Third Party Liability (TPL) – insurance of ship owner’s civil liability to third parties. This type of insurance includes shipowner’s liability insurance for damage caused to third parties and/or their



property, the environment and human life or health. TPL is a key element of insurance and has long been enshrined in legislation. Without such an insurance policy, a yacht can be denied access to almost any European port.

Uninsured boater coverage

Compensates damage to the yacht caused by the uninsured owner of another watercraft

Search and rescue, passenger accident insurance

Insurance for costs that incurs to a government entity like the Search and Rescue Service (SAR), which provides emergency assistance and is covered at absolutely no cost.

Marine environmental damage and pollution coverage

This protection is a part of TPL, in excess of 3-10 million in the event of marine environmental damage as per the policy's conditions.

Crew medical and personal coverage

Reasonable medical and related costs are covered for all onboard passengers leaving or boarding the vessel. These benefits are granted per person instead of per event.

Collisions

Damages caused by acts of war can turn out to be too great to insure, making the repayment too astronomical to be true. Yet, it can be requested and sometimes insured as well.

Sinking and wreck removal

Your boat insurance provider may be able to pay for damages to your vessel caused by wind and hail from a storm in the event of a hurricane unless stated explicitly in the policy. Contact your boat insurance provider to find out what coverage you have during a storm.

Q: What is usually excluded from yacht insurance policies or comes as an extra?

War coverage

Damages caused by acts of war can turn out to be too great to insure, making the repayment too astronomical to be true. Yet, it can be requested and sometimes insured as well.

Hurricane insurance

Your boat insurance provider may be able to pay for damages to your vessel caused by wind and hail from a storm in the event of a hurricane unless stated explicitly in the policy. Contact your boat insurance provider to find out what coverage you have during a storm.

Marine life encounters

Most insurance for boats doesn't provide coverage for marine-related damage such as sharks, whales, and many other species. If you frequently sail in water full of marine creature, look that your H&M cover based on an all risk cover, which include this risks. We have often recurring events of this kind in Portugal; collisions with killer whales.



Insects and mold – standard to exclude

Most yacht insurance policies do not cover insects and mold. It is essential to take the necessary steps to safeguard yourself against any pests on your vessel. So, this means that you must wash, drain, and dry your boat's equipment after use. Important is that your insurance cover in this case the following claim, for example if your yacht sink, because of an rat bite in a pipe.

Toys and PWC onboard

The PWC onboard may need to be separate named and insured in the policy.

Negligence or criminal acts

The insurance companies usually exclude damages due to illegal actions, intent and gross negligence. It is im-

portant to make sure that, especially in bareboat charter, the insurance also covers illegal acts or gross negligence of the charter crew of other persons towards the policyholder.

Racing

Most insurance coverage for boats won't cover certain events, such as racing on a yacht. Suppose you plan to use your boat to compete. In that case, you might want to consult your insurance representative about supplemental insurance, precisely the possibility of additional liability insurance if there's a crash in the course.

Kidnapping and ransom

Because of the high stakes involved – human life and assets such as vessels and cargo — as well as the criminal character and challenging legal context, resolv-

ing a hijacking or abduction for ransom is a difficult task. Hence, kidnapping and ransom are not included in yacht insurance.

Q: What do you need to know before picking a yacht insurance policy?

When evaluating physical damage cover, the most significant question is whether the insurance is focused on "agreed value" or "actual cash value" damage pay-out. If there is a complete loss, most agreed value coverage covers the amount shown on the insurance contract. The actual cash value coverage offers protection up to the vessel's present market worth at the moment of complete loss, after depreciation and the deductibles. Although the coverage

interview



is smaller in an actual cash value insurance than in agreed value insurance, the policy is generally inexpensive.

The next thing you want to consider while choosing your insurance is the deductible and premium. The amount you self-insure in the case of a loss is your yacht insurance deductibles. Put another way, it is the amount you spend on claims before your insurance comes in. The next is premium. Choose insurance that can fit your budget to pay your premium on time without fail.

Another thing to consider is the Intended cruising area. Some policies put re-

strictions or have a defined area while cruising. So, choose an insurance policy that suits your cruising area so that in case of mishaps, you can get coverage.

How much does a yacht insurance cost?

Normally, yacht insurance costs between 0.5% and 2% of the value of the yacht. For example, to insure a boat worth 1,000,000, you may spend around 6,000 a year.

However, as with most other types of insurance, the cost of your boat insurance depends on you and your vessel. The

higher the value of a boat, the higher the insurance costs. The more risk-averse you are as an owner, the higher the cost of boat insurance, just like chartering. Powerful boats are riskier than slower boats.

A standard insurance policy tailored to an average case can often be more expensive than a fully tailored policy. Examining all the circumstances and weighing up all the real risks will always result in better protection for the owner and ensure real value and realistic costs. Often even the pricing is advantageous for the owner.

Conclusion


Being on the water is a feeling of serenity, tranquillity, and impending new experiences. So, this is an encounter you want to go on forever. Further, your yacht is a significant investment. Hence, consider having it insured to cherish the best of life and keep your investment safe.

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