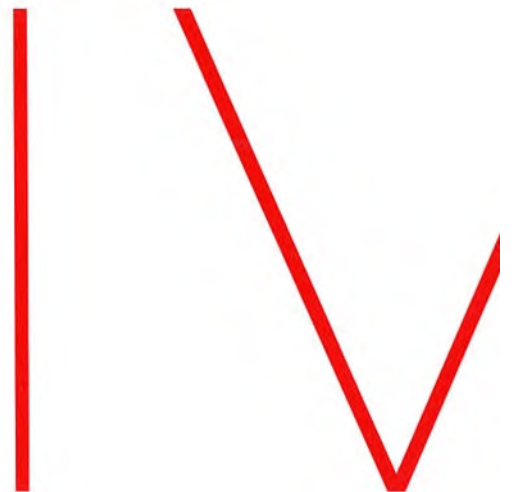


C H A R T E R I N G



T H E B U S I N E S S

Last year, you may recall, Sir Alan Sugar wrote about chartering a yacht with a view that there was no alternative - don't own; charter. This year, as an owner, here is my view.

My immediate response is - please charter and by large preference, charter Annaliesse. This isn't just a barefaced promotion for my yacht; there is business logic behind the suggestion.

I have been a yacht owner for over 20 years and in that time yachting has changed out of all recognition. More people than ever are becoming owners but, equally, more people than ever are chartering and the increase in both has led to greater professionalism all round.

It seems to me that unless you want to own a yacht just for your family and friends, chartering makes good sense. The average yacht owner will spend a couple of months per year on board with a capital tie up of US\$30m plus running costs of say 10% - the figures of a small company. At this price, owners have to get serious about what we buy, what we offer and what we sell because that is what we are doing - like any other business.

I enjoy yachting more than any other business I have been involved with in my whole life. I like meeting charterers and knowing that we have got it right - the smile on their faces and the warmth of their handshake promises that they will be back. Getting them back and attracting new charterers turns my yacht into a business. I run my business to be a success and have made a profit on every yacht I have ever owned.

I am utterly dedicated to making sure that our charterers get the holiday they dreamt of. I built 85 metre Annaliesse to carry 36 guests, forecasting that charterers would want a yacht of this size. She has a health and beauty salon, a gymnasium and crèche, a fully equipped and staffed office, dining 24 hours a day and the ability to seat all 36 guests at one time inside or on deck. The point is that we planned this to answer the needs of the market.

Many yacht owners do a bit of chartering on the side but how serious are they about making things work either for them or for their customers? How well trained are the crew, how suitable are the staterooms, and how practical is that wild idea for the dining saloon or the Jacuzzi area? I always state that if a charterer has to ask for something before it was offered, then the crew has failed. It may seem harsh but look who we have as our charterers - it might be you.

I have friends who own yachts and the chef is excellent at cooking for the owner's family but the demands of charterers would probably be beyond his temperament. We have chefs who can cope with any cuisine, anytime and any place. Hamburgers at midnight on the sky deck; poached salmon for 20 plus filet steak for 16 in the dining saloon; English breakfast on the sun deck at 9, 10, 11 or even 12pm, if that's what the charterer wants. It takes management and attitude to make it work and to make it a success.

The point - and where I must differ from

Sir Alan Sugar - isn't whether you should own or charter but that if you do want to own and charter, then get it right.

Talk to Edmiston for advice (after all this is their book) and find out what industry professionals feel is the best way to get business for your yacht. Do you want just a few high calibre paying guests or do you want serious amounts of income? Are you looking to defray some of the running costs or, when you're not on the yacht, are you in the charter business?

Like everything else, buying and selling at the right price is an important skill. No one owns a yacht without already having been a success in their own business. The key management skills of running an empire shouldn't disappear because you're buying a dream. Selling luxury is as much of a skill as selling anything else. It has taken us years to learn what clients want.

In summary: buy if you want to buy, it has given me great pleasure over the years and I have enjoyed the experience. Good management makes it a great deal easier and you get exactly the yacht you want. It's a question of do you want to be involved?

For those who don't want the involvement, charter from the fabulous fleet of yachts that appear in the pages that follow.

And by the way, Annaliesse is on page 44!

ANDREAS LIVERAS HAS OWNED MANY SUCCESSFUL CHARTER YACHTS AND CURRENTLY OWNS 85 METRE ANNALIESSE.

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