

Magna Charter

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It is 1983, and Neil Macpherson is vacationing in the British Virgin Islands with his wife. They have chartered a 43-foot sailboat and are anchored in the turquoise waters off the Bitter End, enjoying an idyllic tropical sunset. Soft, warm trade winds ferry the sound of a steel drum across the water. As the orange sun disappears behind the hills, the Macphersons row ashore in a dinghy with dolphins jumping alongside. Macpherson, whose frenetic work life feels like a world away, thinks: It can't get any better than this.

It can. It is now 1998, and the Macphersons are back on a charter boat in the British Virgin Islands, this time aboard La Bella, a 132-foot Heesen megayacht. On their previous BVI vacation, they had bareboated, operating the 43-foot sailboat by themselves. On this occasion, a full crew looks after Macpherson and his family, catering to every whim, including afternoon tea. Although on the surface the experience is far different from the Macphersons' first charter, it is essentially the same: a stress-free vacation punctuated by Kodak moments. "Our most memorable holidays have been on charter," says Macpherson, a retired Greensboro, N.C., businessman. "You get to enjoy a multimillion-dollar yacht and all that it entails at a fraction of the cost."

Macpherson and other boating enthusiasts have learned that chartering is the main port of entry into yachting, especially for first-time boaters. The options range from sailboat to megayacht and from bareboating to a full crew. The initial charter vacation often leads clients to upgrade in boat size

and luxury for their next one—and occasionally, someone is inspired enough to purchase a yacht of his own. Macpherson, who has vacationed aboard crewed yachts for the last 14 years, has selected progressively larger boats, beginning with the 43-foot sailboat and graduating to a 70-foot custom sailboat, a 130-foot Christensen motor yacht, and the 132-foot Heesen. He is convinced that other forms of travel, especially vacationing aboard a commercial cruise vessel, cannot compare with private charter. “There’s no comparison between the two,” says Macpherson. “On a cruise ship, you’re with 2,000 other people. For the price we paid for a cruise for our family last summer, we could have chartered a yacht with all the toys and a Jacuzzi on top—and a crew focused on what we like to do. It’s a personalized experience instead of a cattle ship.”



Relative cost and exclusivity are just part of the appeal of chartering. The range of destinations and the variety of yachts are two more reasons for its popularity. Jennifer Saia, president of the Sacks Group, a Fort Lauderdale charter and brokerage firm, has sent her clients aboard yachts to Cocoa Island to collect tropical fish, to the Solomon Islands to explore wrecks of World War II vessels, and to an empty island in the Bahamas to celebrate a Bar Mitzvah. Thousands of charter yachts are available worldwide, and some 700 of these vessels are longer than 100 feet.

Available through Little Harbor Yacht Brokers, Whisper can accommodate eight passengers in its four guest cabins. *(Click image to enlarge)*

Because the abundance of options might be daunting for first-time charter clients, industry

experts recommend choosing a destination first. Charter yachts usually operate in regular circuits: Most cruise in the Caribbean during winter and in the Mediterranean or off the coasts of New England or Alaska during the summer. A select number of yachts operate in less traveled destinations, such as the waters off of Central America and Croatia.

Selecting a location can be less taxing and certainly not as crucial as finding a reputable brokerage firm. A superior broker will be familiar with the available yachts and will understand complex charter contracts and the operating rules in foreign countries. "It's an international business with no minimum standards, so you really need someone who understands the landscape," says Missy Johnston, president of Northrop and Johnson Yacht Charters in Newport, R.I. "We have a fiduciary responsibility for our clients' funds, and we make sure the vessels and crews are in compliance with the admiralty laws of their respective flags. The details get technical."

One of her prime responsibilities, says Johnston, is to remain current with the charter fleet. She travels to the charter shows in the United States, Europe, and the Caribbean, touring the vessels on display. "We have to know everything that floats, so we go aboard every yacht to make sure that maintenance and conditions are up to par," says Johnston. "And we will observe the crews to make sure that they are well-trained. A crew can change in a relatively short time, so we need to stay on top of what's happening."



The Sacks Group's roster of charter yachts includes Leda (left), a 115-footer built by Trinity Yachts, and

Martha Ann (right), a 140-foot trideck from Westship Yachts.
(Click images to enlarge)

Sandy Carney, a charter broker at Little Harbor Yacht Brokers in Portsmouth, R.I., explains that many charter vessels run British flags. These yachts must comply with the safety regulations of the Maritime and Coastguard Agency (MCA), which is the British equivalent of the U.S. Coast Guard. For example, an MCA-code charter yacht must meet higher fire prevention standards than those of a private vessel. "One of our jobs is to go to boat shows to make sure they're MCA-compliant," Carney says. "We also take classes to keep abreast of changes in regulations."

The best brokers will apply their knowledge of the available yachts, destinations, and charter regulations to determine which boat is best for specific clients. "That first call will be very important," Saia says. "We discuss budgets, group size and makeup, preferred destinations, and types of boats. We'll find out specific needs, for either older family members or kids, and try to discuss what activities you want on this charter."

During this initial call, brokers recommend that clients make requests that are as specific as possible. A sweet-toothed client should list favorite ice-cream flavors, or a boater watching his weight should inform the broker that the chef should be familiar with the South Beach Diet. Brokers will utilize this information to hire an appropriate crew. "A top crew will watch your habits—what you like and when—and anticipate them so you don't even have to ask for things," says Macpherson, who has hired Saia to book his last 14 crewed charters. "We did a charter with friends, and [Saia] called each one to ask what kind of vodka or brandy they drank. When we got on board, it felt like we were right at home."

Once the destination, broker, yacht, and crew

have been selected, clients must negotiate contracts. Some newcomers prefer all-inclusive arrangements in which all fees except for the gratuity (usually 10 percent to 15 percent) are calculated into the initial cost. However, on most charters, clients should expect to pay an additional 20 percent to 30 percent (not including gratuity) above the base price to cover food, fuel, dockage, and communications expenses.

Typically, upon signing the charter agreement, a 50 percent deposit is due, and the balance is due 30 to 45 days prior to the date of the charter. The rate of a specific vessel rarely varies from one broker to another, and each broker has access to every charter listing, so none has exclusivity on a yacht. Expect to pay a premium for Caribbean charters during the Christmas season and for Mediterranean vacations in late summer. Cruises in more exotic destinations may also carry premium charges.

Charter rates depend mostly on the size of the yacht, but other factors include the yacht's age and its amenities, and the date and location of the trip. The Sacks Group charges \$11,000 for one week aboard a 62-foot San Lorenzo and \$175,000 for a one-week cruise aboard a 184-foot Halter trideck. Chartering a new megayacht can cost as much as \$750,000 a week.



For newcomers to chartering, the legwork before the first cruise can be considerable. However, the experiences of people such as Macpherson underscore the allure of vacationing at sea. Indeed, after 20 years of chartering yachts, Macpherson just recently decided that it was time to purchase his very own 75-foot 2002 Hatteras.

Choosing a Broker

While dozens of brokers worldwide can handle your charter requests, we have listed 10 of the top firms with their contact information. Industry experts recommend that you hire a broker that belongs to a professional charter association, such as the American Yacht Charter Association (AYCA), and attends annual charter shows. The Fort Lauderdale International Boat Show, the Antigua Boat Show, and the

Newport International Boat Show are three major events. (*Click image to enlarge*)

Northrop and Johnson Yacht Charters, 401.848.5540,
www.njcharters.com