

# Unchartered Waters: The Business of Expedition Yachting

Posted: 8th February 2013 | Written by: Daniel Shea



It was almost always light out. Places like the Antarctic get that way during their summer months – in this case, December and January. The sun burns the candle from both ends, staying out until late at night and back up again well before anyone would want to wrest themselves from the comfort of sleep. And so, when a group of a dozen clients and their guides woke up one morning a few years ago and poked their heads out from their tents, the sun was already illuminating the landscape and had been for some time.

In the distance they could see their yacht, the M/Y Hanse Explorer, a 48m (158 ft) steel-hulled expedition yacht launched in 2006, and classified as an icebreaker: a hardy class of boat for which the name says everything. The scenery consisted of arresting variations of white set against the deep metallic blue of the sea, and for such a frozen and inhospitable place, it had life everywhere. Zipping around on zodiacs like a team of researchers all week, clients had been able to mingle among clusters of penguins, watch humpback whales surface, even witness the foodchain in graphic detail as a leopard seal fed violently on a penguin.

But that morning was different. The expansive panorama they'd left behind the night before was far from the one they'd awoken to the next morning. They had traversed – floated – about three miles as they slept. The Hanse Explorer had shadowed them. They were on an iceberg.

In the past decade, the superyacht industry has begun to cater to this primal instinct to explore, building boats with the range and power to reach some of the most remote locations in the world. In doing so, it has opened the market to a new, wealthy and adventurous subset of clients –



a group interested in more than just a pretty boat. They want a boat that will enable them to do things – to dive in the Antarctic, to windsurf in Greenland, to explore the exotic culture and untouched coastline of Papua New Guinea. They want a boat that will open new worlds to them.

"It's exciting as hell," said Liz Howard, a San Diego-based charter broker with Fraser Yachts. "These boats are being built to go out and explore the globe. They're not being built to sit at the dock as a floating condo anymore. I think the trend is awesome." And the trend is growing. Five years ago, Howard said she did perhaps two charters off the beaten path; this year she did closer to 15. "That's a big number for one broker off the beaten path," she said.

Likewise, Rob McCallum, from EYOS Expeditions, a company that organises and runs expedition trips, described the growth this way: "We started five years ago, and every year it essentially doubles."

The industry is taking notice. Every year, more yachts elect to leave the supersaturated Mediterranean and Caribbean Seas to drop anchor in virgin waters. And not only is the megayacht fleet diversifying with each new expedition yacht launch, but some of the pedigreed big white boats have also chosen to venture to the farflung corners of the globe – or at least outside the traditional cruising grounds – in order to cash in on this growing trend.

"There is a huge amount of people – surprisingly, actually, the amount of people – looking for this sort of extraordinary adventure charter," said Charlie Birkett, partner and group CEO at Y.CO.

And while the industry at large is still heading through the doldrums of the global financial crisis, the expedition yacht niche has found a bit of wind that has only gained in momentum.



## Expedition yachts: Turning heads

Superyachts weren't always designed to take on such rough waters or to stray from civilization for such long periods. In fact, it's only recently that they have been tailored to be self-sufficient for weeks and months at a time – fuel and provisions being the main limiting factors.

"By definition, the places we are going are remote, and a lot of the places we go, there is no infrastructure at all. So, there's no airfield. There's no fuel. There's no provisioning possible," McCallum said. "You know, a lot of yachts don't have a high endurance. They're not designed to be at sea for more than 10 or 14 days at a time." That isn't to say it's impossible to provision in the middle of nowhere – only that costs skyrocket. McCallum has staged some massive airlifts in his time. They flew 58,000 pounds of freight into the last-possible airstrip for M/Y The World's recent Northwest Passage trip. Another time, they flew two-and-a-half tons of specialist equipment into the Tuamotu Archipelago in French Polynesia.

Of the global superyacht fleet, only a subset has some level of expedition capacity. But that number is growing, even if it has slowed down since the financial crisis. "There's a number of vessels under construction at the moment that will be extremely capable because they're being designed specifically to be expedition ships in remote coasts," McCallum said.

A number of the first luxury expedition yachts were converted from old commercial ships – tugboats, salvage boats, fishing vessels, retired naval ships. M/Y Seawolf, 58m (193 ft), and M/Y Arctic P, 87m (287 ft), were each converted from oceangoing Dutch tugboats. M/Y Bart Roberts, 80m (265 ft), was a former Canadian Coast Guard vessel.

"It was always the big white boats – that was always the thing. And St.-Tropez was always the thing," said Patricia Codere, manager of Charter Management with Fraser Yachts in Fort Lauderdale. "But then, all of a



sudden expedition-type boats started becoming available." The initial reaction was lukewarm. "Everyone was like: 'What is that?' But then you'd go inside and they were refits – just fantastic, gorgeous."

It was around the time some of these boats were drawing second glances from the yachting elite in the

Mediterranean that Ben Snead decided there was something to this rising trend. In 1999, Snead established Expedition Yachts International, a consulting company that specializes in design, construction, brokerage and management of expedition-style yachts. He worked with William S. Smith III, vice president of Trinity Yachts, on the construction of M/Y Samantha Lin (now Pangaea), a 56m (184 ft) expedition vessel. Both Snead and Smith stayed away from conversions, however, and focused their attention on new construction – builds tailored to a client's mission.



### **The custom explorer**

Every expedition yacht varies depending on its mission. According to Smith, M/Y Whale Song, 28m (94 ft), was originally designed with its German owner's passion for whales in mind – complete with ice-classification and scientific equipment to listen to the large marine mammals communicate. M/Y

Maloekoe, 28m (94 ft) – one of the first expedition yachts built by Trinity – was designed to explore the vast coastlines of Indonesia, with mechanical-controlled engines and 12-volt batteries, "because where they go, they couldn't find anything more than that," Smith said.

However, among the variations, there are a number of consistent themes:

Clients want long range and long-term self-sufficiency. That means large fuel capacity and ballast tanks, and plenty of room for stores. But it also means it must be easy to maintain away from a shipyard. This can be accomplished through reduced exterior maintenance and a lot of redundancy and simple mechanical systems inside the hull. "On these explorer yachts, we do simple systems and we do commercial systems," Smith said. "And they have to be accessible. If you can't access them, you can't fix them. And the thing you can't access is going to be the thing that breaks. That's just the way it works."

Essentially, it's taking a step back from the high-tech automation and looking at commercial systems that are efficient, dependable and easily repaired, because most of the places explorer yachts go aren't exactly living on the knifeblade of cutting-edge technology. "We typically specify less automation and more hands-on, manual-type systems," Snead said.

It's all about endurance and compromises. Most expedition yachts need to be able to carry huge amounts of fuel and to offset a light load condition with ballast tanks. For some, unless a boat is only planning on exclusively touring the Polar Regions, it doesn't make sense to build to heavy ice-classifications, because many structural strengthening requirements, additional appendages and heavier propellers compromise propulsion and hull efficiency, Snead said. It's a matter of picking and choosing the criteria that make sense for each vessel, based on its specific mission.

## **The mission**

Everything revolves around the mission and the mission could be anything. There are dive fanatics who want to swim with great white sharks off South Africa, to explore the depths of the Great Blue Hole off Belize, or the untouched reefs of Papua New Guinea. There are surf enthusiasts who want to tackle the big waves of the Pacific. There are big game fishers and people who just want to see the world, like amateur anthropologists intent on exploring its most remote cultures in the corners of the Amazon and Indonesia.

Working with EYOS, McCallum has accommodated a wide variety of



interests – split about equally between the Polar Regions and the tropics. He helped orchestrate the first trip by a foreign vessel to Russia’s Wrangle Island, the polar bear capital of the world. Only recently, he led a historic trip through the Northwest Passage by *The World*, making it the largest vessel to complete the nearly 3,000-mile traverse, according to McCallum. As the Polar Regions have succumbed to the effects of global warming, they have become more accessible as ice sheets melt – perversely beneficial from a yachting standpoint. “You know, five years ago, a lot of what we’re doing would have been

impossible,” he said, speaking from on board *The World* as it moved through Franklin Strait, off the southeast coast of Prince of Wales Island. *The World* motored through the strait at speeds of between 8 and 13 knots, McCallum said. “They would have had trouble getting through with an icebreaker five years ago,” he said.

Likewise, Howard said the charters she has arranged have seen unprecedented access into the ice sheets. “Every year that I’ve done it, the boats have been able to get slightly more into the Antarctic. They’re getting places that no one has ever been on a private yacht before,” Howard said. “Every year, it has been a noticeable difference in how far into it they can get. It’s a result of melting.”

Often, there will be naturalists and scientists on board for educational purposes. Most of the clients who are interested in these sorts of adventures are already well-read on the areas they’re visiting. They want to fully immerse themselves, McCallum said. On *The World*’s recent trip, EYOS put together a team of 15 people – six of whom were world-leading experts in their respective fields of ornithology, Inuit culture, anthropology, geology and climate change.

“We’re finding that most owners are actually genuinely interested in what’s



going on around them and want to experience it as it is," McCallum said. "They want to go out there and see it as it should be."

This awareness and interest in the world has also helped entice a new segment of the wealthy into the yachting industry – Silicon Valley-

types driving around in vintage Volkswagens and loathe to showcase their wealth. "I see a growing trend between some young American billionaires who want to experience different things and explore. Some of my clients no longer want a big white yacht in the Med; they're more adventurous," said Bruce Schattenburg, director of U.S. operations at Y.CO. However, if they buy a yacht to explore the South Pacific and at the same time help with oceanographic research – "really adding value to the current research projects and any other useful marine biology research" – then "that can give the owners, the crew and the yacht's operation a real high," Schattenburg said.

It's a similar group of young people interested in expedition charters. "Clients these days generally get a lot more out of things like that because they actually feel like they're doing something, sometimes experiencing something for the first time," Birkett said, which could explain why expedition charters have continued to rise, even through the financial crisis. "These people actually really want to do it." For this reason, more boats than ever are venturing off the beaten path – boats that aren't even explorer vessels. They're going to Scandinavia, the Maldives, the Seychelles, Patagonia, Costa Rica's Isla de Coco, Vanuatu, Thailand and New Zealand.

They are pristine cruising grounds with strict environmental regulations. Places like the Amazon and the Galapagos Islands can only be visited by an owner or on a local charter boat, leaving many clients disappointed. However, there is a whole world out there, and something for everyone.

Planning such expeditions often begins a year or more in advance but, according to Howard, it has made her job as a charter broker much more thrilling. This growing appetite for adventure appears to be a sign of our times, and a positive boost to the yachting industry as it seeks to pique the interest of new owners and clients. It has already more than stirred the passions of those in the industry, as Howard expressed: "For me, private yachting is more exciting than ever."

---

Photos courtesy of Patzi Haslimann - website in development.