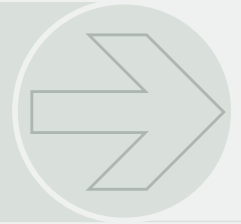


Interior outfit contractors



Insider trading

FEW YARDS HAVE THE EXPERIENCE OR FACILITIES TO DELIVER FIRST-CLASS INTERIORS. THAT'S WHY THEY CALL IN THE SPECIALIST SKILLS OF AN IOC

FRANCES AND MICHAEL HOWORTH REPORT

Many people assume it is the yard that creates the magnificent interiors found on modern yachts. They imagine teams of highly skilled carpenters toiling away in-house shoulder-to-shoulder with other artisan trades. Sometimes this is true, but most of today's yards prefer to use specialist interior outfit contractors (IOCs).

IOCs often begin life as shop-fitters. They benefit from being able to produce work off-site in their own workshops (because they've been unable to work within the confines of the retail premises they're fitting out) then shipping out sections that will be completed *in situ*.

Their large purpose-built factories — equipped with modern and efficient

tooling — allow them to supply work of a much higher quality than could ever be achieved inside the constricted environments of most yards. They also deliver faster turnarounds and better cost-effectiveness.

A yard usually asks two or three contractors to tender for a new project, unless the owner (or their representative) specifies which contractor is to be employed.

Before the tender is prepared, the IOC is given as much information as possible as early as possible to help them estimate their initial budget and price. Competing tenders are then shortlisted and final negotiations discussed before the contract is awarded.

Prices are generally based on categories of compartment quality — expressed as a square metre area — such as owner, guest, public space, and crew areas. Yachts over 60m have an additional category — captains and

officers, which is close to guest standard.

Costings always factor in the complexity of detailing such as curves and radiuses.

Before work begins, the successful firm needs to receive guidance from the designer and technical guidance from the yard, along with a 3D analytical on-site survey of the hull and superstructure, if possible.

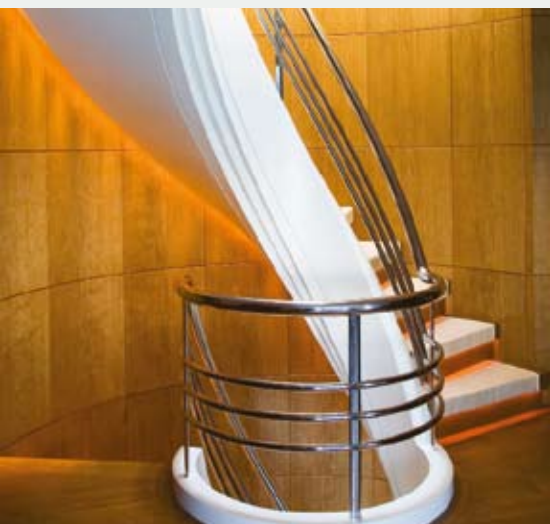
The IOC then produces detailed plans and elevations for submittal to the designer and yard for comment and approval.

It's not unusual for the owner to have a representative design support co-ordinator on their team, a person who works with the designers and reports directly to the owner's representative. One such person is Darcy Knights, who set up DK Yacht Interiors to act as an interface between the designers, the yard, and the IOC, to help ensure that design intent and quality is successfully delivered.

"Involving the designers at an early stage is essential," explains Knights. "They can ensure that the contracted IOC is capable of taking their design intent to completion and producing the required detailing to the high expectations of the client."

“It’s important to determine the scope of work involved and find a company that can streamline the process”

Joyce Clear, Clear Group International



Shipping can add to costs but is just as easily offset by the rates paid to labourers used to construct the structures.

“In my experience a good IOC is one who can successfully work with the client’s team, designer and yard, and understand the required standard,” says Darcy Knights. “It’s very important to achieve the client’s high expectations as soon as the client and their guests walk into the interior. You only get one chance for a first impression and it’s often the case that the first time the client visits the project is when it is complete.”

In recent years three top IOCs have broken away from larger well established firms to create their own companies.

In Germany, three young craftsmen — Heinrich Wieding, Burkhard Schilling and Hubertus Brockmann — formed BSW Yachteinrichter. In just three years they have notched up clients including Vitters and Lürssen and were the IOC responsible for the award-winning interiors aboard the Mark Berryman designed *Arkley*.

A good interior is not just one that is comfortable. Touch is a very important human sense so the finish has to feel right too. Sound is important as well. The elimination of squeaks and rattles and the reduction of noise and vibration between compartments is crucial. Projects will occasionally contract specialists to review and approve materials and installation techniques to ensure the comfort is to the highest standard.

Air distribution is another important aspect — not that they always get it right.

One broker, inspecting a yacht owned by a wealthy banker, found an air vent blocked by a large sock. Querying its presence, he was told, “It belongs to the owner. He uses it to stop the draft on his face when he is in bed!” ●

While the majority of contracts awarded to an IOC come directly from the yard, it is the client’s and designer’s interior representative who will be responsible for ensuring the yard complies with the contract, design intent — and agreed time frame.

Joyce Clear owns Clear Group International — a US-based IOC that recently completed the interior of *Mari-Cha III* — believes that when choosing an IOC, it’s important at first to clearly determine the scope of work involved.

their role? And is there anything they would have changed?”

Dividing responsibility

There are occasions when more than one contractor will be used on a project. Crew accommodation might be awarded to one contractor while the owner and guest interior work gets done by perhaps two others, where one deals with the public rooms and the other the sleeping accommodation and bathrooms.

Darcy Knights points out that there are advantages and disadvantages to dividing the responsibilities of a yacht’s interior.

“Advantages include the fact that crew and service areas can be allocated to IOCs with less prestige,” he says. “This can work out to be less expensive because better known IOCs tend to concentrate on the design and manufacture of higher standard areas.

“Different IOCs can concentrate on specific detailing of different areas meaning that other projects can progress at the same time with the schedules over-lapping, thereby reducing the possibility of peaks and troughs during the schedule of work,” say Knights.

“On the other hand, the disadvantages include time spent by the yard and owner’s team managing and coordinating more than one IOC.”

Distance from a yard is also a crucial factor when it comes to choosing an IOC.

“A good contractor is one that clearly understands the required standard”

“You need to find a company that can streamline the process for you,” she advises, “Ask yourself — has the company got a strong project management history? What’s their process? How is it optimised?”

“Before appointing an IOC, buyers also need to ask — have they ever worked on projects with other joinery companies? What was the experience like for them? What was

Interior outfit contractors



► ON FOLLOWING PAGES

We interviewed representatives from six top interior contractors around the world — and this is what they had to say...

New trends in gadgets and style

Owners are starting to take more and more interest in the design details of their yachts' interiors

Greenline has worked with many renowned German yards including Lürssen and Blohm+Voss. Projects include Lürssen's *Apoise*, *St Nicolas* and *Martha Ann*, together with Blohm+Voss' *A* and *Eclipse*. Scheduled work includes another Lürssen new build and two craft for Trinity Yachts — the 141m warship-to-yacht conversion with Abu Dhabi Mar — and a series of Porsche-designed yachts for Royal Falcon, being built in Sweden.

Lea Badro, the company's business development director, says: "We have around 600 on our staff all dedicated to superyacht projects. They represent 32 different nationalities with 40 per cent working in the carpentry division and 10 per cent in the paint department.

"We only sub-contract out marble work, carpets and glass. The percentage of sub-contracted work depends on the project and its scope. Recently we've witnessed owners taking more direct involvement.

"Most of our superyacht work is on new builds but refit is definitely a sector we're pursuing. We've seen higher demand for work on second-hand yachts because of the financial crisis. "Interior styles have also been toned down because owners are keen to maximise resale value.

"There has also been a slow down in

LEA
BADRO



Job title: Business development director
Company: Greenline Yacht Interiors
Web: www.glyi.net
This Dubai firm has been creating interiors for over 35

years. It started by working on palaces for royal families in the UAE and has evolved to become a leading interior outfitter on superyachts — initially for royals but now to a broader client base.

"The research that superyacht owners are now undertaking is extraordinary"

new orders over the last two years. However, because of our backlog from previous years we stayed busy during this time. During the Monaco show we saw potential for new and interesting projects that we believe we will pick up in 2011.

"As for new trends, we still see a very diverse range of interiors coming in, from opulent to beach-house chic style. We believe that on these kind of custom-built toys there is no such thing as a trend in terms of style and design. Where we are seeing change is in the extraordinary research owners undertake seeking the latest technologies and gadgets to install on board a superyacht. At times this can become a serious challenge for us when it comes to finding a smooth way towards integrating them with the rest of the interiors.

"It is definitely more of a challenge to work on superyacht projects than, say, a hotel or an apartment. This is because the task is much more of a personal nature and much more detail oriented. A tiny change instigated by a client on a yacht will cause a much stronger ripple effect on the interior build than it would on a project ashore. I can say this is true without even mentioning all the maritime rules and regulations involved in the construction process and methodologies, that apply to everything from the intricacy of the integration to the materials applied.



Pioneering spirit and vision

It works on luxury interiors for hotels and private jets, but this family firm remains committed to superyachts

It might be a family firm but that hasn't stopped its current CEO from getting his hands mucky. Burkhard List learned the trade from the shop floor up and his first assignment for was on the 82m *Alfa Nero* at Oceanco in 2005.

As he moved through the ranks he found himself responsible for the yacht's interior before she was handed over in 2007.

With a combination of craftsmanship and pioneering spirit, Franz List Senior led the company for more than 50 years. Originating in Lower Austria, the family corporation now has more than 500 staff and is known as an exclusive furnisher of luxury hotels, building projects, superyachts and business jets.

"Between 45-60 per cent of our business is for superyachts. New builds account for 90 per cent of our yachting business and 10 per cent of the work is for refits.

"We currently have 530 workers with 240 of them dedicated to the yachting sector.

"Our customers are primarily the bigger yards in Europe. We work for Lürssen, Heesen, Amels, Oceano, CMN, and Lloyd Werft. Projects have included *Amevi* (82m), *Lady Lola* (62m), *Samar* (77m) and near sisters *Slipstream* and *Cloud 9* (both 60m).

"The main attribute needed to be a



BURKHARD LIST



Job title: CEO
Company: List General Contractor GmbH
Web: www.list.at

After studying wood science and timber technology at university, Burkhard List joined the family firm in 2005 by firstly working on the shop floor as an installer of furniture aboard superyachts and eventually becoming CEO three years later.

successful interior contractor is the ability to take on a package of work and not just parts. You must also be very adaptable.

“The worst aspect of my job is that the efforts made to achieve high end results is not always recognised. But I enjoy doing it because it is very human related. Working with yachts can be very emotional and it is absolutely impossible to describe what it is I do using statistics or mathematics. And it is fun. I like bringing people together to form a strong team and then living their success together with them.

“It’s a strange business at times and one that never fails to amaze me. I remember once we installed a gyroscopically stabilised bed inside a yacht. You wouldn’t expect someone

“You have to be able to take on a full package of work — and to be very adaptable”

to buy a yacht and then not be happy with the movement of the sea — yet we installed a special mechanism developed to hold the owner’s bed level at all times.

“From the beginning, our company has built our success on the highest precision, reliability and attention to detail. With visionary strength we have managed to successfully deliver exceptional projects on water and on land.

“We will continue to build on these traditions in the third family generation and further strengthen these in all areas.”

Lessons in construction and crafts

Good project management of a wide variety of skills is critical to achieving a successful project completion

Bodo Kuhnhenh may be new to the sector but he has quickly realised there’s more to interior construction than carpentry.

“There are now so many ways a yacht’s interior can interface with the structure of the ship, that companies like ours have to be masters of many trades,” he says.

“The sheer number of materials available is matched only by the desires of the owner and the skills of our craftsmen.

“My challenge is to give the client what they want yet at the same time ensuring it will all work and still look magnificent.

“Assignments can be difficult if there are too many people involved”

“We place a lot of value on total project management and frequently handle many requirements for a yacht owner that, at first sight, fall well outside our brief. But we believe it saves time, reduces costs, and helps achieve better results.

“We are also involved in the fitting out

BODO KUHNHENN



Job title: CEO
Company: Metrica Interior
Web: www.metrca.de

Bodo Kuhnhenh became the CEO of Metrica in May 2009 after having built up extensive experience in the construction industry where — as the managing director of a multi-national corporation — he ran teams of project and sales managers worldwide.

of jets and helicopters but our work with superyacht clients is the most difficult. There are extra safety rules, certifications and requirements that have to be obeyed.

“One of the most challenging requests we have had from a yacht owner with regards to an interior construction project came from King Juan Carlos of Spain for the interiors of *Fortuna*, his high-speed motoryacht. She was contracted to achieve speeds in excess of 65kt when in service and her interior had to meet specifications laid down by the design team.

“We learnt a great deal about developing interiors using ultra lightweight materials during the construction of that superyacht.

“Assignments are always difficult if communications is poor or there are too many people involved with differing opinions. That can be, from our point of view, the major project killer.

“Problems like these increase when decisions are not made quickly. Important project time is wasted and in the end it is we — the yacht’s interior construction contractors — who are always the last trade to be on board that have to recover lost time.”



Minimising installation times

Having a well disciplined approach to prefabrication is the key to successful interior outfitting

“Every project is new, and every one must start from the same base line. After that nothing is ever the same.” Brigitte

Bischoff and Jan Terlouw speak as one as they talk to SB. They work for Oldenburger Möbelwerkstätten which has premises in Germany and China.

As specialist shop-fitters they undertake the production, delivery and installation of shop interiors for leading international fashion manufacturers such as Hugo Boss, Cerrutti, and Swarovski. They also work on the interiors of private aircraft, residential villas and corporate headquarters. Afloat it has an impressive list of completed superyacht interiors including *Candyscape II*, *Calliope*, *Nahlin*, *Solemates* and *Pheonix II*. Its work on superyachts produces an annual turnover of around €28m.

“We like to offer clients a ‘turn-key’ service where we’re responsible for all interior disciplines,” says Bischoff. “We start

BRIGITTE BISCHOFF



Job title: Sales director

Company: Oldenburger Yacht Interior GmbH & Co.

Web: www.oldenburger.com
Brigitte Bischoff

has worked in the superyacht interior industry for more than 20 years. She works closely with Jan Terlouw, a senior project manager who also has two decades of first-class design experience.

with naked bulkheads and complete the job when the towels are hung in the bathrooms. We aim to achieve high quality prefabrication in our workshop to minimize installation time on board. This does though require a very intensive period working on engineering and agreements between all parties.

“Despite the recession we are pleased with our full order book. We are working on projects signed before the recession started.

“In fact, we’ve just won an order to fit-out part of a 140m yacht. And we have some more exciting opportunities in the pipeline.

“The interior of a superyacht always reflects the owner’s taste. Some are classical, some are modern. For example the classical

interior of our refit projects *White Cloud of Drachs* and *Candyscape II* are noticeably different. But it’s not just the difference in style that sets them apart, it’s the challenge of working with different kinds of materials.

“As superyachts get bigger, rules and regulations — especially fire protection laid down by SOLAS — are increasingly important. There are severe restrictions on the use of combustible materials such as wood, so we are being tasked with finding alternatives for materials and finishes that comply with the latest rules.

“We start with the bulkheads — and complete the job when towels are hung in bathroom”

“Building the interior of a superyacht is a kind of ongoing struggle that lasts for a period of about two years. The intensity of it all takes over and controls your thinking and acting — even at night and weekends.

“But as soon as the project is completed — and you know the client is happy — the intensive feeling of being proud takes over.

“It makes you want to shout out loud — yes, we have done it!”

Investing in industry relationships

Becoming MD after starting as a carpenter has given Marco Struik a strong competitive advantage

Struik & Hamerslag was established in 1964 and since its inception has focused on the boating industry. Active in superyachting since 1978 it has become the market leader in the Netherlands for custom yacht interiors.

MARCO STRUIK



Job: MD

Company: Struik & Hamerslag Yacht Interiors & Refits
Web: www.struikinteriors.nl

Marco Struik trained as a carpenter 40 years ago and, starting from scratch, learned how the interior construction sector worked step by step. He joined Struik & Hamerslag in 1970 and has gone on to become his firm’s MD.

The parent company is based in Strijen in the Netherlands and a subsidiary company operates in the UK based in Fakenham.

In 2009 group turnover was €18.5m with almost all of it related to yacht interiors constructed for yachts over 40m, in both refit and new building projects. The remaining small percentage of turnover comes from other nautical projects and VIP aircraft.

“At the moment we have a total of 190 full time employees,” explains MD, Marco Struik. “Both our facilities in the Netherlands and the UK have the required core activities for custom made interior production in-house, including veneering and spraying facilities.

“Up to now we have completed the

Passion and a dedicated ambition

A childhood passion has now turned into a successful and respected business employing 70 workers

Joseph Westhoff's career began when his father bought him an old \$50 table saw after recognising his son's keen interest in woodworking.

"He just set it down in front of me, turned it on and said be careful. Then he walked away," recalls Westhoff.

"And that's where it all started. In high school, I made furniture for friends and family. Now I own Westhoff Interiors, one of two companies I've established in the superyacht industry. We have 40 full-time fabricators and a team of 30 installers who are currently working on four different superyacht projects ranging in size from 35m to 60m on the East Coast and the Gulf areas of the USA.

"Many US companies try to do all sorts of work from commercial and residential work to yacht interiors, but I decided very early on to keep Westhoff totally focused on yacht interiors — to do one thing and do it well. As a result, we have delivered every project ahead of schedule. This recipe allows for a very productive fabrication and

JOSEPH WESTHOFF



Job title: President
Company: JS Westhoff
Web: www.westhoffco.com
Joseph Westhoff grew up with a highly competitive twin sister and six other siblings on a farm in Kansas, USA. With German heritage on his father's side and Dutch on his mother's side, they were all encouraged to excel in wherever their interests lay.



installation process and it keeps the wolves from the door. There are very good European companies offering both high-end residential and superyacht interior services who have been very successful but here in the US I've proved we can do it for our customers too.

"All of our current workload is in new construction projects mainly because our

business plan and continuous efforts target these new builds rather than refits. We have seen a large increase of refit requests over the past couple of years and this is especially true of 2010. However, with the US dollar exchange rates and our proven track record, we have many repeat clients from major yards in the

"I decided early on to keep focused on yachts — to do one thing and do it well"

USA that have kept us continuously busy.

Our client list of yards includes Global Ship Systems, Impulse Yachts, Lazzara, Newcastle Marine, Newport Yard, Nichols Brothers, Nordlund Boat, Northern Marine, Ocean Alexander, Pacific Mariner, Palmer Johnson, Platinum Marine Services, Townsend Bay Marine and Trinity Yachts. By anyone's standards that's an impressive list.

"There is a challenge at every turn. We have to design it better, make it better, exceed where many others cannot — and come out on top at the end of the project. After all, we have to work as a team to keep 70 families happily employed and excited about their day.

"The very best thing about my job is seeing the end product and hearing how much the client enjoyed working with us."

interiors of 120 yachts over 40m and at the moment nine new builds are in the pipeline for delivery over the next four years.

"The best thing about my job is working with my team to create the most beautiful interiors. We are making antiques of the future and quality standards in this sector only allow for the very best.

"It is always sad to see yachts sailing away after having worked on them for a couple of years, but the bonus is when the yacht's owners come back 15 years after completion to tell us what a magnificent interior they still have on their yacht.

"Struik & Hamerslag has always specialised in interiors for custom-built yachts and the nature of these yachts is that nothing becomes standard and each individual yacht is designed according to the specific wishes and dreams of its owners and each is therefore unique.

"The relationships that our company has

"The best thing about my job is working with my team to create beautiful interiors"

developed over the years with international yacht builders — and other market parties — are based on mutual understanding, respect and trust.

"We are the leading specialists in the market and we know how to produce the very best interiors.

"Because each yacht in this sector is custom-designed and built, it means that we get a fresh challenge every single time

we win an order.

"Superyachts also are moving objects with dynamic loads on interior parts that require specific knowledge. This is in our blood and stands for fit for purpose interiors.

"As a specialised interior contractor we are part of the building team that creates the entire yacht.

"Based on these principles there is a mutual obligation for us to work extremely closely together with the yard in good times — and bad.

For our clients and us this has been and still is the way to establish lasting relationships, stability and constant quality.

"Most of the production of our yacht interiors is handcrafted because no modern machine or computer can beat the original and authentic craftsmanship.

"As I so often tell my customers, here we build interiors beyond your dreams."