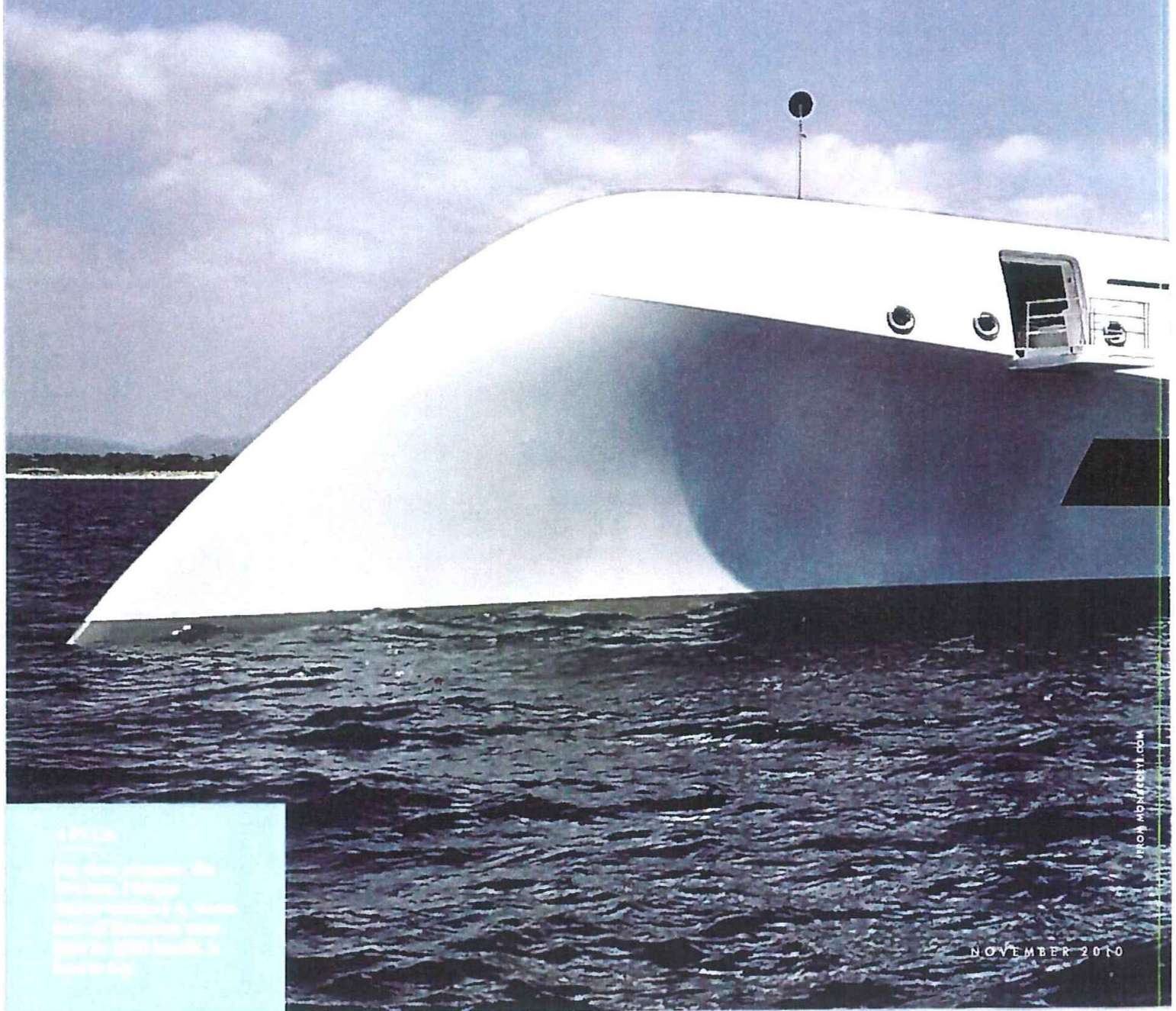


TOO BIG

The financial crisis sent panic through the world of super-yachts, with over-leveraged tycoons abandoning ship, and sales in a deep freeze.

Two years later, MARK SEAL delves into the motives, means, and lifestyles of the oligarchs, operators, and sea-lovers who are still riding the waves.

Choose your vessel: from the naked aggression of Roman Abramovich's record-size *Eclipse*, the floating advertisement of the Candy brothers' *Candyscape II*, and the eye-popping Jeff Koons exterior of Dakis Joannou's *Guilty* to the pure romance of Tara Getty's historic *Blue Bird*



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TO SAIL?





another yacht article for this magazine, he regaled me with stories of wild extravagance and got me on several of the biggest, most sumptuous boats sailing the Mediterranean. "That was the height of the boom," he tells me now in his red-leather office in Monte Carlo. Back then, yachts were routinely selling for premium prices, frequently double the asking price. "The yacht business more or less hit reinforced concrete in late fall of 2008," says Edmiston. Gone were the days when a super-yacht that had cost the owner \$35 million was sold "to somebody from a former Soviet Union country" for \$75 million.

"Then what happened?" I ask.

"Nothing. That was the trouble. Things got bad, *really* bad. People did not want to sell boats at deep discounts; people did not want to buy boats." He had little choice but to wait for the storm to pass. "People were saying, 'What are we going to do?'" he recalls. There was only one answer for brokers: reduce prices. "They would say, 'I just want to get it sold.' I said, 'You've got to be realistic. We can sell it, but we can only sell it for what it's worth. Don't say to me you want 20, when I've just told you it's worth 12.'" Edmiston says he recently sold a yacht for \$65 million, \$39 million less than the owner had turned down in the summer of 2008.

As the economic world crumbled around them, many yacht owners retreated, quietly mooring their boats in places where they wouldn't be seen. "They were parking in Greece, Croatia, and La Ciotat [the shipyard town in Provence], and not taking them to St. Barth's for Christmas," says Oeino. Edmiston adds, "There was an attitude *against* people being extravagant and spending money!"

Many new launches were said to be the result of owners who had commissioned yachts before the crisis and were in too deep to stop. A number of innovative concepts were put on hold, however, most notably a collaboration between Wally, the state-of-the-art designer of powerboats and sailboats, and Pierre-Alexis Dumas, of the French luxury brand Hermès, for a vast, triangular, ecologically sustainable, \$130 million "floating island" called *WHY* (Wally-Hermès Yachts). Before the crisis, Hermès had planned to finance the project on spec. "Now we have to wait for a client before proceeding," says Wally owner Luca Bassani Antivari as we speed away from the Monaco coastline on his newest powerboat, the *73 Wallypower*.

Fractional-ownership pitchmen promptly entered the arena of super-yachting. I met one of them in Cannes, on a boat designed

by the British architect Lord Norman Foster. For \$2.3 million, not including running costs, he told me, I could become a one-eighth owner of a futuristic craft called *Ocean Emerald* and sail on it for 30 days a year. "Yachting is a wonderful pastime, but it's financial suicide," says John Hare, chairman of YachtPlus. I boarded another "affordable" alternative in Cannes: the *Aquariva*, one of a limited edition of 22 speedboats created by the designer Marc Newson as an homage to the great Riva brand and available this fall through the international art dealer Larry Gagossian for a mere \$1.5 million each.

Flaunt It!

I had become curious about the current market for big boats after spending an afternoon on one called *Predator* this past summer. At 238 feet, *Predator* is a marvel of engineering and naval architecture that seems to fly in the face of the recession. To underscore its name, it is decorated with sculptures and depictions of sharks and other predatory creatures. The owner had ripped out most of the standard staterooms to enlarge the master suite, which is now one of the largest in the world. The boat features a massive dive room, equipped with the latest scuba gear, so the owner and his guests can literally swim with the sharks.

The aggressive look is equally prevalent on the most audacious yacht afloat: the 390-foot *A*, created by the French architect and designer Philippe Starck for a Russian client he calls "a genius of mathematics." Starck tells me *A* is a monolith, an artifact from the future, a line in the sand that makes every boat that came before it obsolete. His intention was to design a yacht that was "organic, in harmony with the sea," as opposed to most super-yachts, which he feels treat the ocean with arrogance. "The fabulous gold shit," he calls them. "Just showing the money, the power of the money, the vulgarity of the money."

He was in bed, he says, where he gets most of his inspirations, when the vision for *A* came to him whole. He had the boat down on paper in an hour and a half, and *A* was launched in the summer of 2008. Is it a futuristic battleship? An ultra-modern submarine? It looks like an enormous white stiletto with what *The Times* of London called "a razor-sharp bow [that] will cut through Arctic ice." Its white, porthole-dotted hull rises up sleek and shiny, its sharp angles impervious to piracy and price (it cost more than \$300 million to build and requires \$20 million a year to maintain). According to *The Wall Street Journal*, there are 23,600 square feet of living space, encased in bombproof glass, with floor-to-ceiling mirrors and hidden doors that lead to sanctums such as the

one referred to as "the Nookie Room." The 2,583-square-foot master suite, with its rotating bed, is accessible to a select few via a fingerprint security system. There are three pools (one whose glass bottom is visible from the disco below it), 44 security cameras, and a 35-member crew in custom-designed harem-style uniforms. With its high-speed twin 24,000-horsepower diesel engines, *A* is able to out-run almost anything on the high seas.

The Russian oligarch Roman Abramovich, the undisputed king of the super-yacht set, has four enormous boats. His newest, launched last summer, is *Eclipse*, the biggest yacht in the world. Though Abramovich's representatives will not reveal details, *Eclipse* is believed to be between 533 and 600 feet, making it at least 18 inches longer than the previous recordholder, *Dubai*, owned by the Sheikh of Dubai. While Abramovich reportedly lost half of his estimated \$23.5 billion fortune in the 2009 collapse of the Russian steel industry, *Eclipse* is a stunning statement of power. Built at a cost of somewhere between \$400 and \$800 million, it has eight decks (two for helicopters), a 70-member crew, 11 guest cabins, a disco, a mini-submarine, and reportedly special shields that emit flashes that prevent paparazzi from getting pictures. The boat is so overwhelming that even other oligarchs marvel. "A million euros [\$1.3 million] a month in maintenance," one says in praise of it.

"If you come with your own little palace, you are more welcome," explains German industrialist and shipyard owner Guido Krass, who hosts royalty and heads of state aboard his 240-foot floating mansion, *Silver Zwei* (he sold the first *Silver* to the Crown Prince of Abu Dhabi), on which he has traveled this year to Kuwait, Bahrain, Abu Dhabi, Oman, Singapore, Hong Kong, and the Maldives.

This new, flamboyant level of oceangoing opulence is not restricted to a couple of billionaires. I am told by a bon vivant in one of the world's most expensive luxury-goods emporiums. A banty rooster of Eastern European descent, he is wearing a blue linen suit from which protrudes a little potbelly, which he blames on weeks of lavish living at sea. He shows me on the screen of his iPhone pictures of the colossal *Alfa Nero*, which a multi-billionaire buddy of his had chartered at the standard rate of \$1.1 million per week, not counting such running costs as the \$650,000 it takes to fill up the gas tank. "I gained so much weight," he says. "It was *sick!*" He keeps his iPhone in my face to display scenes of life on *Alfa Nero*—the elegant staterooms, the large crew, the extravagant wine and food available at any time. "It was *sick!*" he repeats. He points out the swimming pool on the boat's stern, which can be transformed into a helicopter landing pad with the flip of

a switch. Then he shows the lavish French villa his host had acquired at an astronomical price just so that he could entertain his guests between cruises.

Clearly, one league of super-yacht owners were gone. But another had swiftly taken their place, snapping up their boats (and their lifestyles) at deep discounts. The economic crisis had hit the big-boat world extremely hard, but from the tumult there had emerged a fresh species of vessel: bigger, more cutting-edge—the new new. For the new owners, it seemed that the recession had never happened. Hoping to meet a few of the proud possessors of the most expensive toys on earth, I went to Monaco and managed to go on board eight boats in eight days.

"No," says Nick. "We had it blessed by every religion you can have it blessed by: Roman Catholic, Hindu, Muslim, rabbi—the whole lot."

He leads me outside to the port, where in one prime slip *Candyscape II*, the brothers' 203-foot extravaganza in white, stands waiting with its 14-member crew and every conceivable amenity.

In the main saloon, beneath a metal installation of the planets, Nick Candy attempts to describe the whale of a boat, employing a phrase that comes up frequently in conversations with the brothers: "not only." According to a writer in *Candy*, the brothers' magazine, the boat is "not only a home, but a floating showcase." There's

own domains. They have to live as well as, or better than, their clients. Hence, the multiple residences, the yacht, the private jet, the soon-to-be-completed helicopter, and the fleet of Rolls-Royces and Range Rovers. The brothers have an estimated worth of \$1.5 billion.

Nick pauses, as if by telepathy. "Christian's arrived," he says, and his brother, tall, thin, angular, and intense, strides into the saloon, dressed exactly like Nick. The brothers are so close they complete each other's sentences. Sons of Tony Candy, a small-ad-agency executive from Surrey, they began with a \$9,000 loan from

PHILIPPE STARCK SAYS THAT A IS A MONOLITH, A LINE IN THE SAND THAT MAKES EVERY BOAT THAT CAME BEFORE IT OBSOLETE.

On the Good Ship Lollipop

I start in Monte Carlo, at *La Belle Époque*, the 17,500-square-foot, 30-room, two-level phantasmagoria that was formerly the home of the late international banker Edmond Safra. On the morning of December 3, 1999, this extraordinary penthouse was destroyed by a fire started by his male nurse. Safra died of asphyxiation in a locked bathroom.

The Candy brothers, Nick, 37, and Christian, 36, the swinging, London-based developers and interior designers, snapped up the expansive residence and transformed it into a fancy showplace for their Candy & Candy company designs. (Two months after my visit, they would sell the penthouse to an unnamed Middle Eastern investor for \$304 million.)

I find Nick Candy and his gorgeous Australian girlfriend, Holly, in the office in the penthouse, where—as in all of the Candys' residences and their London headquarters—the brothers work side by side at matching desks.

"So you were impressed by the apartment?" asks Nick, the more outspoken brother, who has wavy reddish hair and is clad in cargo shorts and a pink linen shirt.

"I am frankly speechless," I reply. "Did you get a good deal?"

"An amazing deal," he says. "I think most people were scared to touch this."

Were he and his brother spooked by the deadly fire that had raged through the place?

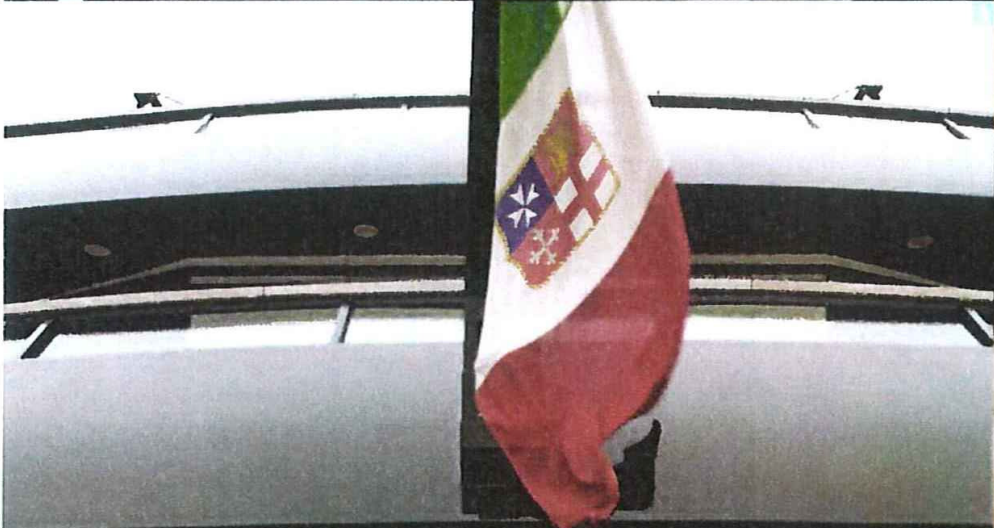
not only an elevator but a circular shaft designed to take guests on a "Jules Verne-ish thrill ride" through the ship's four levels. Not only is there a 12-person Jacuzzi, but it turns into a circular bed that rotates with the sun. Should the sun's rays become too intense, the bed automatically sprays guests with a fine mist. In the guest cabins, not only are there full-length mirrors to satisfy the greatest narcissist, but the mirrors are equipped with invisible, computerized cameras that guests can program to see what they wore the night before—and the night before that—in order to avoid embarrassing wardrobe repeats. On the sundeck, according to *Candy* magazine, not only is there a massive alfresco dining table that can become a daybed, "but if, say, Lily Allen or Lady Gaga suddenly feels like performing... the table can also rise up to provide a small stage, complete with the necessary sound system."

Most of all, *Candyscape II* is not only a yacht but a marketing tool, a model, like the Monte Carlo residence, to show off the Candy brothers' expertise in designing homes, apartments, yachts, jets, helicopters, and cars. "We are in 30 countries today, designing for clients," says Nick. "So whether it be a Kylie Minogue or Gwyneth Paltrow or any one of our billionaire clients, we are designing for their specific tastes." To show potential new clients the unlimited scope of their designs, the Candys have to create their

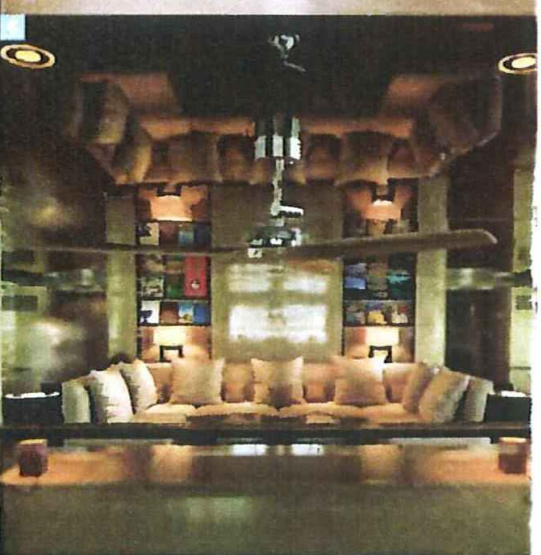
their grandmother to ride the London housing boom, developing and designing homes for the Über-rich. Then came the crash, seemingly shaking Candyland to its core. Banks went bust. Projects imploded. Their expansion into America—an eight-acre project in Beverly Hills—was imperiled when their partner, an Icelandic-owned bank, couldn't pay its share of a loan and the venture went into default. However, they cannot afford to show weakness or retreat. In the Candy universe, to retreat is to die. *Candyscape II* is a strong signal that they not only have survived the economic crisis but are going full steam ahead.

"We weren't really planning to buy a boat," says Christian of their first yacht, the original *Candyscape*, which they acquired for their company in September 2003. "We came to a yacht show together and fell in love with it." It was a 150-foot Benetti, on which they did a massive refit, including adding a mini-casino and a bathroom lined with antique Louis Vuitton suitcase leather. They felt they had to come up with the perfect name, and Nick rattles off a few they rejected: "*Candy & Candy*, *Eye Candy*, *Nose Candy*, *Yes We Candy*.... Then Alasdair Willis, who is Stella McCartney's husband and one of our consultants, along with some of our marketing team, came up with *Candyscape*."

The boat was a blast, the brothers say, recalling the parties they threw on it—with performances by Bon Jovi during



THE NEW YORK YACHT
The new New York Yacht Club is a masterpiece of modern design, featuring a sleek, dark exterior and a spacious, open-plan interior. The club is located in the heart of the city, offering a prime location for sailing and socializing. The new building is a testament to the club's commitment to excellence and innovation.



the Cannes Film Festival and the Monaco Grand Prix, and guests that included Prince Albert, Uma Thurman, and Ryan Seacrest. It proved to be a magnet for business. "Big deals were signed on board," says Nick. "We bought NoHo Square [their multi-billion-dollar London apartment and commercial complex] on the back of that boat during the Monaco Grand Prix. We did that with Kaupthing Bank, which, you know, is now in administration [has been taken over by the government]." In short, the yacht worked its magic. But one yacht is never enough. "We wanted bigger and better," says Nick.

They were in the middle of construction of their new boat, a collaboration between Espen Oeino and the Candy & Candy design team, when the crisis hit. *Candyscape II* stood half built in an Italian shipyard. "In

at One Hyde Park sell for their asking price. They charter *Candyscape II* throughout the year, for \$585,000 a week. Still, Nick says, "you don't break even or make money on boats." The boat sucks up cash insatiably. "To operate a yacht like this is 2.5 million euros [\$3.2 million] a year," Nick continues. "That is just straight operating costs for the crew and maintaining it, and we are not even in the super-league of the 90-to-100-meter [295-to-330-foot] yachts."

"It is very different to go on a yacht and then go back to hotel life," says Christian. "The service standards, the space for freedom, waking up on different mornings with different backdrops—you just cannot get that in a hotel."

Plus, *Candyscape II* is a showcase not only for the Candy & Candy brand but also

Nick races off the yacht, and he and his girlfriend climb into *Catch Me if You Can-dy*, the brothers' speedboat. The next night they're going to a party at the home of David and Simon Reuben, the Bombay-born, London-based brothers who made their billions in aluminum mining in Russia. "They own a number of boats, including *Siren*, a very nice boat that I think my friend Simon Cowell's going to be chartering in the next couple of weeks," says Nick. "They're having a big party. I'll see whether I can get you an invite."

He does. That night, in the Reuben villa, high on a hill above St. Tropez, yacht owners (including Denise Rich, the former wife of the American tax exile Marc Rich, who is staying on her boat, *Lady Joy*) mix with British man-about-town Nicky Haslam, ac-

CANDYSCAPE II'S JACUZZI TURNS INTO A BED THAT ROTATES WITH THE SUN. IF THE RAYS BECOME TOO INTENSE, GUESTS ARE SPRAYED WITH A FINE MIST.

the construction industry, if you have something half built, it is worth nothing," says Nick. They decided to forge ahead.

Christian picks up the thread. "Every six weeks I was heading down there to keep an eye on it, to look at the detail. With a project of this size, you have to be on top of it."

Once the boat was launched, the economic crisis took an even more painful turn. "Everybody thought you could put a deposit on a boat and flip it and six weeks later make money," says Nick. "But the value of yachts has fallen off a cliff."

He looks around, taking in *Candyscape II*. "In the boom, you would probably get 80-million-plus euros [\$104 million] for this," says Nick. "Today, you would probably get—"

"sixty," says Christian.

Their latest deal could easily make up the shortfall. One Hyde Park, 86 luxury apartments adjacent to Harrods in London's Knightsbridge, which the Candys opened this fall in partnership with the prime minister of Qatar, is said to be the most expensive real-estate development in the history of Great Britain. The brothers told Bloomberg News that they expect to earn £550 million [\$860 million] if the remaining apartments

for the Candy brothers themselves, offering instant access to fellow super-yacht owners, who tend to stick to their own kind. "Like-minded people go in for boats," explains Nick. "We'll be in St. Tropez, and we will go on [billionaire British retailer] Philip Green's boat, [British Thoroughbred-racing king] Michael Tabor's boat. Most of our friends have boats, so you just go from boat to boat. Obviously business comes up."

"This time of year, everybody is coming here," he continues when we are on the stern of *Candyscape II*, surveying the giant boats crowding Monte Carlo's harbor. "From Middle Eastern royal families to Russian oligarchs, entrepreneurs from all around the world." They are here because the South of France is a jumping-off point to the sun spots of the world. "We're one and a half hours from London, and you have Ibiza, Capri, Sardinia, Corsica, Monaco, Cannes, St. Tropez. All my friends from L.A. are here now. Sam Nazarian is on a boat. He owns all the top restaurants, bars, and clubs in Los Angeles. It is his 35th birthday on Friday night. Harvey Weinstein is here. The prime minister and the Emir of Qatar are both here. All the royal families of the Middle East are here. For these two months, this has become the center of the world, where the super-rich want to play."

tors George Hamilton and Joan Collins, and more than 100 others. No one seems to be dwelling on the recession.

On the Bounding Main

I'm at the port of La Spezia, Italy, where a caravan of vehicles, led by a silver Maybach, speeds onto the dock. Behind the Maybach is a black Mercedes cargo truck, out of which four men in matching navy-blue Armani shirts and slacks rush and begin unloading luggage: black Armani suitcases, silver Armani shopping bags, white Armani duffel bags.

From the Maybach steps Giorgio Armani himself, having been driven two hours straight from his July ready-to-wear show in Milan. Dressed also in navy, he hurries onto the gangplank of his new, 213-foot yacht, *Main*, with an exterior as deep green as the sea. He greets his crew, 14 young men in white Armani shirts and shorts, then disappears into his bedroom, emerging moments later in identical white shorts and shirt.

"*Andiamo, andiamo!*" he says to hurry an assistant and associates waiting for him with a few last bits of business to attend to before he can sail away, with a group of longtime friends, on a two-month vacation. He signs papers and poses for a photograph. Then he strips to his waist and walks around the boat,

through its stunning split-level, colorful main saloon (a departure from the regulation Armani Casa hues of black and mauve) and its sleek areas with wraparound louvered windows. Armani quickly settles into a world that moves on his whim. Up on the bridge deck, his captain awaits his orders. "Maybe Mr. Armani changes the plan," he says. They might sail for Naples, Monaco, Cannes, St. Tropez, Ibiza, or the Aeolian Islands of Sicily. It's all up to Armani.

Then the engines roar and the air fills with smoke. The crew members have changed into their sailing uniforms: shirts and shorts the color of the boat. One of them shouts out something in Italian, the dock lines are thrown off, and the big boat backs away from the dock. "Bella, bella!" Armani exclaims, sitting at a teak table on the fourth and topmost deck with his friends, laughing, dipping cookies into cappuccino, the stress falling rapidly away as *Main* sets sail.

Meanwhile, I am about to go super-yachting in Greece, whose colossal financial crisis could bring down the whole of Europe

Once again, *Guilty* is the last in a yacht-lover's progression to ever bigger and better boats. "The first was a very fast 55-miles-per-hour Italian boat called *Mickey Mouse*," says Joannou. "The next one was called *Donald Duck*. We had a family conference for the name of the new boat. Everybody wanted to call it *Goofy*." Instead, he took the name of a work by the artist Jenny Holzer: *Protect Me from What I Want*. His fourth boat, a 90-footer, served Joannou's purposes: sailing around Greece's archipelago islands every weekend from March until October. But then Joannou needed "an upgrade," and he enlisted Porfiri to help him create a new boat.

What Porfiri conjured up a swirling *Alice in Wonderland* rabbit hole whose interiors explode with infinity mirrors, ultra-modern furniture, and windows that change shade as the sun moves—would surely have been inventive enough. In the summer of 2007, however, the Michelangelo in Joannou's collection of contemporary artists arrived on Corfu for a visit.

"Jeff," he says, meaning Jeff Koons.

Koons went to work, applying the design and adding an image of music star Iggy Pop on the top deck. Koons suggested calling the boat *Iggy*, but after Joannou saw and later acquired a Sarah Morris painting that featured one word in red on a white field—GUILTY—he knew he had found the perfect name.

What emerged was a boat so extreme that it had to be wrapped in paper to guard against paparazzi as it was trucked from the Cantieri Navali Rizzardi shipyard in Sabaudia, Italy. All along the way, trees and power lines had to be cut, and bridges strengthened, to accommodate the load. Joannou and his wife, Lietta, and Porfiri took the boat on its maiden voyage, and it caused a dizzy stir in the little port of Hydra.

"Wow! What is that?," Joannou recalls people asking. "Is it a disco boat?"

In June 2008, *Guilty* was officially launched in Athens to the acclaim of a hundred art aficionados, including Larry

"YOU HAVE PEOPLE FROM INDIA AND CHINA NOW TALKING ABOUT YACHTS. RUSSIA IS COMING BACK, AND THE MIDDLE EAST IS BOOMING."

if it defaults on its \$400 billion in loans. After a night in Athens, I fly to Corfu, which some German lawmakers have suggested be sold to help satisfy the national debt. Here, in the blue Ionian Sea, lies the ideal vessel for escaping any economic crisis, a yacht whose exterior is painted in a camouflage pattern, like the World War I battleships designed to confuse and elude enemy gunships. A 115-foot riot of design in blinding Popsicle colors, the yacht is called *Guilty*.

Guilty as Charged

Dakis Joannou, the Cyprus-born construction magnate who is among the world's leading collectors of contemporary art, takes me on a tour of his estate. Then we sit outside at a table in the garden, looking out at *Guilty*, which blazes with almost neon intensity in the morning sun. Soon the Milan-based designer Ivana Porfiri is at the table with her iPad, helping Joannou tell how they created what he has called "a totally magical object."

A balding, 70-year-old grandfather, Joannou is subdued to the point of being shy. He might have remained simply the rich chairman of a group of privately held building and civil-engineering companies, but in 1985 his life took an unexpected turn: he met Jeff Koons at an exhibition of his "Equilibrium" series and fell so deeply in love with the artist's work that he became a serious collector and a major patron of Koons, who is now the top-selling living artist at auction.

"He was sitting on this actual table, and I told him the plans for the boat," says Joannou. "I said, 'Do you have any ideas about the outside? Because we don't know about the color.'"

"Razzle-dazzle," Koons said almost immediately.

"What?" asked Joannou. "Razzle-dazzle" was the term used for camouflaging World War I battleships. Once Koons showed Joannou photographs of those battleships with geometrically patterned exteriors, Porfiri opened her notebook to show that she had had the identical idea, causing Joannou to exclaim, "It has to be done."

Gagosian and the Italian photographer Jean Pigozzi, whose own Ettore Sottsass-designed trawler had pushed previous design limits. "And I thought my boat was crazy," Pigozzi told Joannou.

Would the same boat be built today? *Guilty* was a product of the height of the boom, and even Porfiri admits things are different now. "Everything was climbing up and up and—" She slams her hand on the table. "Then everything came crashing down. Today, you don't want to show anything."

"A, people don't have it," says Joannou, meaning money. "People just stopped buying yachts. And, B, even people who go on yachts don't really use them anymore, because of the cost of fuel."

The owner of arguably the most ostentatious vessel on the sea, however, has no intention of giving it up. "I am what I am," he says. "You can't really change your life completely, and I don't think people should." He pauses, then adds, "Let's stick to pleasant things."

As we sail around Corfu, it occurs to me that *Guilty* might be an ingenious hedge



THE 120' BAYVIEW 1200

120' Bayview 1200 is the largest yacht in the world. Located in the Harbor of Miami's Harbor. It is 120' long, 32' beam, 20' 7" draft. The completely finished cabin of the ship is 100' long and 32' wide. The main deck is 100' long and 32' wide. The ship was built in 1978.



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