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DESIGN WORKSHOP

Alan Gilbert	Gilbert Yacht Design
Eric Goldring	Goldring & Goldring PA
John Munford	John Munford Design

Chairman— Martin Redmayne

Good afternoon everyone. Final session of day 2 — an afternoon session that goes from 4.30–6.30—we've got a half hour extension this afternoon for the internationalisation of the LY code and the ISO TCA committee. It's going to be a short punchy presentation from MCA and RINA. This is just to give you a fill in—we're going to start with the Design Workshop now for 45 minutes, then they'll leave the stage and we'll bring on the SYBAss team, the Super Yacht Builders' Association, it's called One Year On. Maybe it's rotation, one year on and one year off. We'll see what happens. But we have Michael Breman, Fabrizio Sgariglia and Theo Hooning who will give you an update on what progress SYBAss have made. Before I introduce the panel to my right, Alan Gilbert, Eric Goldring and John Munford, all of whom have—opinions—is probably the best description? I share their opinions in some cases and I oppose them in others. This Design Workshop is a little experiment, it's just 3 people with their opinions to talk about how the key people involved in a new build project have different wishes and objectives, how this can be brought into a more harmonious arena because obviously the designer is god, so is the builder, so is the broker, and so maybe the owner of the space.

So Alan, do you want to come up to the stage and say your piece?

Tork

By the way my email box felt really lonely in the last session because nobody sent any questions at all, so—

Alan Gilbert Gilbert Yacht Design

Well good afternoon. I have a few comments, we each have a few comments to make in response to the premise, which was printed in the schedule and one of the first things we did is, we just put together a back of envelope list of some of the players involved, and we came up with a list of 14. I'm sure there are more, I'm sure there are less, some of these players have multi functions, some are divided up. But the long and short of it is this is what we're all essentially wrestling with is to get a vessel out the other end. And as I say, these are the primary and secondary players. This then poses a lot of questions which we've summarised here, I don't have to read them back to you. Before I go into my presentation I should point out, make the disclaimer that these are my opinions and not those of the sponsor or their associates! I've spent a lot of time in the marine business and I've worn many hats functionally, from project manager to naval architect, engineer, sea trials etc and so forth, so I'm giving you my perspective as an overview not specifically with respect to the naval architecture or engineering side of the issue.

In my mind a successful project is one that meets the owner's needs, is on budget and delivered on time. It meets the qualitative and quantitative requirements of the

contract, which include everything such as the specification. The client has to be proud and enjoy the fruits of everyone's labour, and all parties remain whole during and at the end of the project and by that I mean they make a reasonable profit. I've often said to clients that some build prices are too good. You don't get out the other end what you thought you were going to get. Now it's easier to meet these goals if we can get in this case the 14 indicated people pulling on the string in the same direction. And the success of a project in great measure really comes down to the management and flow of information between the players and obviously their communication. It's interesting that at summits and workshops over the last two days we touched on related things and one of the biggies was the size of the crew spaces. Well, how does that happen? I think part and parcel of that is the system not working. Other comments were that the owner is uninitiated, he's new or he's uneducated about yachting. Well, again that's a breakdown in the process. As Steven pointed out there in the owner's summit, he felt 80% of the owners don't care or are uninformed about the mechanical regulatory seamanship or handling the necessities of the project. In my time in the business I found that there are certain procedural and behavioural things that if they're in place, they will help minimise the problems. I make no pretence about knowing everything but I think I've been able to establish a lot of the land mines and can help avoid them.

One term that's come up is expectations and perceptions. And that applies to everybody in the universe. If you provide somebody with an honest and not an unrealistic or optimistic projection or opinion then you've provided a service. As human beings we are very adaptable. But if you tell somebody something you know you can't accomplish, you're just creating problems downstream. And problems manifest themselves as ill feeling, a sense of being taken advantage of etc. To put it as PC as I can, don't blow smoke where the sun don't shine. All the players are typically well established professionals, they have a lot of experience and very firm opinions. However, to make it work they have to park their egos at the door. No single discipline is more important than the next. If one piece doesn't fit, it isn't going to work. A third point is it's imperative, and we have a responsibility that the owner has to be educated and informed, both as to the positive and negative aspects of his wishes as they relate to the project. Another important aspect is change orders. Change orders—the most important element is not only the cost plus or minus. It has an impact on the delivery schedule and it has an impact on some important performance aspects in the specification. I mean we all know, simply, if you add weight we're going to go slower. Well, if you have a contract speed, in order for the owner or the owner's representative to make an informed decision he has to know all of those things. And lastly, there's a lot of time spent on hammering out contract milestones and time schedules for the exchange of information, approval of plans, etc. and so forth, those have to be strictly adhered to otherwise things expand to fill the time available, the yard tells you that they've got 50 welders who can't do anything because they don't have an answer etc. So these are 5 of the points that come to my mind immediately. There are many others; again I believe these should be implemented amongst the others and lastly I think it's important that the project manager, who has really the best control over all of this, be selected and get this organised on the owner's behalf, as he's the one who sets the tone and the conduct of the group. That's my opening remarks, and thank you.

Martin

Alan, thank you. Eric, your opinion please? In layman's terms, not legal terms.

Eric Goldring Goldring & Goldring PA

Good afternoon. I come to you today and most of you know I'm an attorney and I'm also involved in project management. First the attorney part. I took the question and

recast it to fit my needs. So I look at the question as being: How to resolve conflicts created by the different wishes, objectives and opinions of key people involved in a new build project so that a superyacht may be built efficiently and to schedule. I found it ironic that in our efforts to organise ourselves for the panel the different approaches of each of us in an effort to find common discussion points caused exactly the issues that we're charged with resolving. The naval architect wants structure. He's good with structure. Reference is made to plans and specifications and if they're followed as they're written all will come out as it's supposed to. Alan just said that. The designer works with concepts, generally independent of the structure at the outset. Reference is made to a host of things that are interesting, relevant and creative but not really where the focus is supposed to be. The project manager, that would be me, observes both and says OK. How am I going to integrate these two different approaches while keeping both happy as the deadlines near and ensure that the product is top quality, knowing the owner and/or the yard actually have ideas of their own.

I think we need to focus on a key word. Resolution. To me, the way to resolve the inherently different approaches is to sufficiently understand the different approaches, thought processes, knowledge and skill sets of each person, educate myself so that I can truly understand the desires and goals of each person, find appropriate ways to exploit those assets for the benefit of the project, communicate the desires and goals with the other people in sufficient amount, with the relevant content and with the appropriate timing to further the project without losing or ignoring valuable information, angering or alienating anyone, or failing to give proper weight to each person's desires or goals, also known as the balancing act. And finally to establish an action plan that integrates with the hundreds of other action plans involved in the construction project. One area where resolution becomes critical is the written word, and this again is probably my lawyer background. What does X mean? There may be a lay, or common, meaning, a technical meaning and a legal meaning. Now we've all been in discussions where someone says it obviously means A. Another says it clearly means B. And the third says I really don't care because I'm more concerned with Y than X. And then there's the multi lingual issue. Because certain words simply do not translate exactly. This is why I think it's critical that any project manager be conversant with not only how a yacht operates, where certain construction techniques should be applied, but how to successfully create documents so that when disputes arise there's little room for conflict. In other words anticipate the conflicts and through knowledge and experience resolve it before the conflict actually occurs. Or at least before it hits the shop floor. We all must face the fact that if conflict is not resolved quickly and efficiently, the most inefficient manner of resolution is brought in. The lawyers. And if there's a dispute about how much knowledge and experience project managers must have, think about a lawyer. Who may well rely almost exclusively on his experts and he's having to create a resolution. Yes, there are some very talented and experienced ones out there that bring more to the table, but it's a small pool. Another area is to be sure that your timelines are ahead of everyone else's. It's essential to be proactive rather than reactive. Through experience and by carefully listening to the various players there are hints as to problems that will arise. That newly designed entertainment centre with the waterfall graphics must go in that position and therefore the structure needs to be modified. That newly identified electronics item, which didn't even exist three years ago, needs a dedicated line that's not in the specifications and the cable runs are complete in that area. The lead time of a budget for, or even the ability to perform a particular item, are not realistic. Some project managers consider themselves peacemakers or politicians. While those qualities are necessary it makes me concerned as to whether the ultimate goal is to attain the best result for the owner, or a longer term relationship with the shipyard, who in turn recommends them for

another project that they're undertaking. Some project managers are technicians, who scour the specifications and call in every variance regardless of whether the shipyard's product is actually an improvement. Which in turn results in OK, we'll give you exactly what the specifications says and nothing more. And the owner unwittingly feels like he wins. While a tremendous amount of practical knowledge and experience in building the better mousetrap is left on the shop floor. Both political and technical talents are needed, along with the ability to read and accurately interpret and discuss the documents that have legal effects and most importantly, to anticipate when and how these concepts collide, blending a resolution rather than a conflict. Thank you.

Martin

Eric, thank you. John, would you share your thoughts?

John Munford John Munford Design

Good afternoon. I've been in the industry quite a while actually and been brought up through it. And if it wasn't for the owners we probably wouldn't have it—well, we definitely wouldn't have it. So it's interesting because my position probably comes—I'm directly responsible to the owner, and try to process the information down through the various parties. Obviously I work within the restraints of the structure, the naval architects, designers and so on. And it is a matter of trying to make it simply defined without the confusions. And interestingly here I had trouble trying to understand the premise, because my view is it is all to do with communication. Simplicity and the right advice at the right time. And my belief—well I was lucky. I couldn't do Latin so I had to do something else. And I could draw, god gave me the advantage that I could do that. He forgot to tell me how to run a business but he helped me to draw. And that is probably the simplest and easiest way to communicate. The fact is that if you sit down at any meeting and you bring out the same plan and you all have a pencil and you all work on it and you all define it then that drawing becomes part of the construction. So in short, I am probably one of the conduits who is responsible to the owner. The only problem is, it can work both ways and I remember on one particular boat I mentioned this and the owner said yes, you're the conduit to my pocket. So unfortunately as designers we tend to get bad press, because the actual concept of the design is established at the beginning but the process and the definitions of it continue through its various processes to get there. And we are always therefore in the firing line when an alternative comes up, or a variation, and so my belief here is that to try and set it straight we should actually be involved right at the beginning and with the specification until it is quite clear and then stick as closely to that as we can. And of course if extras come up, we try to avoid those. But I don't think you can and I think it's the responsibility of the shipyard to actually allow for a certain amount of extras in there so that you can actually have a fluctuation period—not allowing too much, of course, because then you don't get the project. So from a lawyer's point of view I was intrigued—the first project that I worked on at Palmer Johnsons, the *Galileo*, back in the early 80s, the lawyer popped up and took a photograph of us all at the meeting, with the date on it. So that it was absolutely clear that we were all there, we'd all said it, and we couldn't get away with it. And luckily it was never used and the boat was very successful, so that is one attitude. From a drawing point of view I was probably also delighted in the early 80s with *Jessica*, now *Addix*. And when I went off there it was in Mallorca at Astileros, superb yard, fun to work there. But I couldn't speak any Spanish, they said it was not a problem. They all speak English in Mallorca. So I got there and of course nobody spoke English. And so I drew. And it solved all the problems. I could draw, I could get out the saw, I could cut a piece of wood, I could use those practical skills and the encouragement that you get, also the feedback from the other side. It gives you a camaraderie which is

absolutely superb and is probably the part that I love best of the whole industry. It's an extraordinary business where generally we all work very well together and we should, probably do, respect other peoples' skills. We always learn from everybody else, it may be only slightly allied with what we're doing but to actually sit in a meeting sometimes and be asked an opinion, I probably come up with most answers or opinions—not always wanted. The point is, if so asked, give it. But I actually think the person who is responsible for that part of it should make the decision, not necessarily be swayed and it is the problem sometimes with maybe an owner's new best friend, he may suddenly become a very skilled designer and building one particular project I won't mention apart from the fact that I had to suffer seven girlfriends—not mine—but the opinion of seven girlfriends. We have our problems. So in short, make it simple, make it straight, and just make it clear and try not to vary from the original concepts and ideas. But always along the line rely on the help of your colleagues.

Martin

John, thank you very much. Some light please, let's try and open a little debate here. Alan, any more comments on that little session? Just press the green button on the thing please.

Alan

I want to thank John for bringing us back to basics, I forgot where we all came from. But we're open to questions.

Martin

Any hands up there please? Tork please lead off.

Tork

John, you're obviously very visual in the way that you deal with a project. You keep coming back to drawing things. Do you think that has diminished as a method of communication as we move more towards screening and away from drawing board. I mean I find myself writing about projects and saying this came from the screen of—do you think we've lost some of that very simple way of communicating?

John

Everybody has their own way of doing things. I wasn't brought up with a computer and I find it difficult to use. I find it slows me down because I tend to think directly with a pencil, and I find it quite easy from that point of view. It doesn't mean to say that other means of communication—three dimensional visuals which are CAD generated are absolutely superb and they help you to see round the corner and be able to turn it and change it. But in some ways it can destroy the trust, I think. Because you're wanting to challenge it at every stage so you can say OK I can see it but this corner doesn't work so OK fine, we'll change it. In the past the naval architect would put the design to the loftsmen, the loftsmen would draw it and everything would spring from there. In some ways it's gone back to the naval architect and the designers, so they're actually controlling perhaps more than they were before and then it depends on how far down you go with the finite detail. So I think it's horses for courses; and I envy the younger generation with their enthusiasm for gadgets.

Martin

Tork, another question?

Tork

I've got one here which says to what degree should a project manager be involved in the initial discussions with the shipyard—and it's for Eric. I presume in this case they mean the owner's representative, project manager.

Eric

I think it's essential that the project manager be involved before the shipyard. You have specifications that exist and somehow they're presented as finished but they're really not. As I said, we try to use everybody's skill set so as a project manager you should be more familiar with them than the shipyard is, then you have intelligent conversation rather than being reactive to issues that might come up.

Tork

I have another one here, this is for John. It says: To what extent does the final product differ from the original design concept. Or in other words, what influences do the various actors that we've been speaking about actually finally have on changing concept to completion?

John

It can be quite considerable, actually. I think obviously structure has an effect and if you're say dealing with light weight, that will have an effect, in the balance and so on. So you have to fit in to not only the geometry but also the engineering restraints. So yes, I was talking this afternoon— probably one of the biggest changes you can make is you can design the thing in say white, and you paint it blue. And OK a blue boat looks nice, fantastic. But you don't necessarily get the same sheer line length and therefore that may be the actual structures and the relationship with the structure may look different on a blue boat than it does on a white boat.

Tork

So *Meteor* is quite a good example of that?

John

Meteor—she's beautiful.

Tork

I think perhaps that question is also how much effect do certain girlfriends have!

John

Yes.

Martin

OK. I have a question here—a comment, rather than a question. Aren't there too many intermediary parties involved that want to get a piece of the cake?

Eric

I don't think there are too many parties—I think it's wrong to characterise them as intermediaries. This is what I was talking about, the balancing act getting everybody involved, you have a tremendous amount of talent that's out there, you have old ideas that work, new ideas that may work, some old ones that could be improved on, and you know I've found that there could be a pipe fitter who's got a phenomenal idea, and if you say he's a pipe cutter and discount him from the discussions, there's a problem. I ran a shipyard in Australia and I walked the shop floor twice a day every day no matter what I was doing. And I had two basic rules—one was if you have something to say about the yacht or what you're doing and you don't say it and I find out, I'll sack you immediately. If you tell me, it doesn't matter if I disagree totally, then

your job is safe. What it did was, it created an atmosphere for everybody to be involved and to own the project. And I think it's really important that you get that teamwork approach as best you can. Not to exclude them.

Tork

In a manufacturing context with your shop floor that I'm sure works extremely well. But when we also spoke about a production team, if you like, an owner's team, and the various other consultants and influences and 7 girlfriends, there is a bunch of different egos and if we're really honest about it, agendas, pulling in many different directions at this point and managing all that input becomes much harder than the simplistic way which it obviously worked for you in the yard, where you can just talk *mano a mano*. But when you've got a production team with all these different ideas it sounds a bit like the tower of Babel.

Eric

Well but it's really not. It's how you manage the information and it's how you manage people and deal with them. One thing that's important is somebody's got to say I'm the top dog. I mean you've got the basic principle of the owner, it's my boat, it's my money, it's my decision. But as the project manager it's your project and you have to take control of it. And if you have control of it then you can take all these people including the 7 girlfriends and you can say I appreciate your input and thank you very much and I'll take it under advisement and what do you think about this. But I think if you reject them you create more problems because you're instituting conflict when it really doesn't need to be there. And as I said, the information is out there.

Tork

So it's 'empower your project manager and create a hierarchy'?

Eric

Well I think the project manager has to empower himself and you'd need to have a number of skill sets, and that's what I was trying explain before.

Tork

But he has to be empowered by the owner as well.

Eric

Yes. If the owner undercuts—

Tork

The owner is listening to the 7 girlfriends and not the project manager.

Eric

I mean if the owner undercuts you, and I've done this on a few occasions, I walk away. Because you can't do your job. And if you can't do your job, and you're held responsible for it, then what do you have? And by the way, most of the time the owners will back off because they realise that it was not the right decision.

Martin

Alan, you're frowning?

Alan

Yes, I tend to frown. The owner has to empower the project manager. The project manager can't empower himself. And also it has to be very clear what the powers of the project manager are. And that has to do with decision making and finances. I think the comment about walking the floor is a good one and the analogy John

touched on when he said you get down and cut the piece in Mallorca and so on; I got very angry with a designer who after we had a 5 person, three hour meeting about a garage door happened to say in passing after all this time oh I saw this on another boat. And I said well why the hell didn't you speak up? And he said because that's not my area. And that's the point. No matter where we're coming from we all have experience. Make the contribution—if anyone thinks you're nuts, be happy to say so. But the important thing is provide your contribution to the group. And as I said in my presentation the project manager is the guy that has to set the tone. Or the owner's representative.

Tork

I have an email question here from Duncan Bateson, roughly in the same area—he asks: Ask these classic points of conflict between different players; in other words is there a classic conflict you get from a project manager or a designer or shipyard?

Alan

That's a very general question. I think the problem is you are working in a fixed envelope and everybody's got to do their thing within that envelope. You can't say well we'll just push out here on the side and put the veranda on. And so it takes the coordination of these people who have associated but different goals. In the shipyard you hear the first discipline is the guy who gets the space. The electrical guy gets the opportunity to drill his hole and then the piping guy has to figure out where to put his. Now that's not the case on the bigger boats because it's all planned before, but it's those kinds of conflicts. If the two disciplines would get together they could come up with a solution which is better for both of them and ultimately the best result. The criteria I always apply in the whole process, and I was talking to John—and it's the same thing—is what's best for the boat. And frankly, as far as I'm concerned the boat comes first. And if you approach the parties with that perspective I think you would be more realistic both in terms of the people you're talking to and in terms of yourself.

Martin

How often does the boat come first?

Alan

All the time.

Martin

Is that your experience or you're just being general?

Alan

That's my rule of thumb.

John

Well my belief there is that the yacht actually is built by many many craftsmen with many many experience hours. They go into this absolutely beautiful object and it belongs to a lot of people I think. They all have their hearts in it one way or the other. And they do it in a particular way that they know that is best at that time. So I think the yacht is very important—obviously you have to take into consideration what the owner wants to see out of it; but the yacht is going to live longer than any of us. And if we look at some of the classics of the past now rejuvenated, we just wonder what our grandfathers said. So I think the yacht is important.

Martin

One text—we were talking about project management earlier on—isn't project management as it's being spoken of really project monitoring since the owner's project manager actually has no control over the builders' resources or people. Comment please.

Eric

I think that's a false premise. I think if you take control you have control. If you accept a position that is not tenable, like I'm just there to look, so don't comment—well then you've created your problem. If you say that's not right, or why don't we look at doing this, or I have another suggestion, or I was walking and this guy mentioned something, you're now being proactive and you've put yourself in the middle of it regardless of what the shipyard's constraints might be.

John

Can you repeat the question? Alan is frowning.

Martin

Alan was just frowning. The question is: Isn't project management as it's being spoken of really project monitoring since the owner's project manager actually has no control over the builders' resources or people.

Alan

I think he ultimately has no control to the extent that the builder is responsible until it comes out the other end—however, built into the process are checks and balances and tests, regulatory and others, which have to be complied with. Now I'm speaking in the context that a design, interior, structure and so on is essentially being turned over to the yard rather than everything emanating from the yard. But certainly if something is seen that can be done better by the yard it should at least be brought up and discussed, but ultimately if it's consistent with everything that is contractual it's up to the yard to make the ultimate decision.

John

Just a brief one. What makes a lot of difference is actually who is holding the chequebook. Because it does make a difference to the attention it draws. And if you have the authority to do that on behalf of the owner then that works.

Tork

And again, it's speaking of empowering the project manager contractually and by the owner. If he has been empowered that way then he has all this.

There's one comment sent to me here anonymously, and then there's a question for John. The comment goes: Captains can be resistant to project managers and surveyors. The question for John is: As a designer and owner's representative how many changes proposed from the shipyard or naval architect would you accept because of structural GA or hydrodynamic reasons? And then it goes on to say: Are there arguments that have more weight than others to push the owner to alter his original wish or plan?

John

Well, I don't know quite where to start with that. Because actually you will get changes and structural changes will—hell no. If you do a job right you're not going to get that many changes. Maybe one of the problems is building too early. If we actually got the design more defined by the time we go to the shipyard then we wouldn't have that problem and we could say well this is the bid package, this is how

it is, and you come back with a price but also your comments about how it will fit with your shipyard. In the past, way back, you would simply go to the shipyard and say well I'm going to build another one like Shemara, but I want a larger ballroom or Adam fireplace in it, or something like that. And you would rely totally on the shipyard. And probably now we're a slightly new phenomenon from that point of view. Probably thinking of Ron Holland—he actually changed a lot of the aspect of how yachts are designed in different yards, because he could take the design and start putting it somewhere else, so they could then build with that theme. But I still think the yard takes the biggest guarantee, it takes the biggest chunk of the cash. And it has to be responsible for that.

Tork

But why do you think today we rush to contract then? Because it seems the most logical thing in the world to take time over your purchase, if your purchase be a build. Even experienced owners seem to sometimes rush to cut steel or—

John

Correct. Well, experienced owners who actually built before are probably in a better position to do so. I think if you go in too early you're likely to find variations and changes more quickly. So I think just set up your stall, make it as clear as you can, and that's all I can really suggest.

Alan

I'd like to build on John's comment. The bid package in my estimation should be mature enough such that 95% of the decisions have been made, not necessarily the colour of the fabric but the space decisions and the allocation of those spaces, the primary equipment, and that the performance requirements can be met. In that way when you go into a yard for a bid you're going to get some realistic estimates. I think the reason people want everything in a hurry is because they sit around and talk to you about the design for 2½ years, so once they make the decision they want the boat yesterday. And Steven said yesterday your owners are not going to sit around 36 to 42 months waiting for a vessel. But the only way to mitigate the problems downstream and reduce your exposure is to provide a well flushed out package to the yard for them to bid on. There's no ifs or buts.

Eric

I think the practical problem though is you've got X number of slots, with a long wait period. And people are rushing to grab a slot because if they wait to get the package to be where it really should be, they could be another 8 months to a year behind. And so you have that impulse—the reality of it is if you really look at it, the delays that probably will follow will put you in the same place but you don't have that emotional problem if you wait.

Tork

Or even a better place, because the long lead times today for slots are more likely to give you the think time to make sure you've got the design right before you start.

Martin

A final comment to you guys. Are we over-designing projects? Making it far too complex, it takes too long. John?

John

Probably yes. And you chaps probably help us do that. Because what you publish is the last best new thing and if you—

Martin

But let's say for example you get a boat with 75 doors on it and there are 30 different types of shapes of door. Is that sensible? Because this could be a 5 day meeting.

John

Well yes. But at certain points you have to go back to the pure basis of what you're doing. But the demands are probably higher than they were and the level of standard and the equipment that's in it. It is now unbelievably sophisticated.

Martin

But who drives that, the designer or the client?

Eric

I think it's probably the client more. And I mean the reality of it is that what we do now is far different from what we did twenty years ago. Twenty years ago yachting was an owner who wanted to know everything about the boat, what the engines were, was out there plotting everything and his holiday was getting from point A to point B, not what it is today, which is fly me into point B, I don't want to know what happens before you get there. So the function of a boat is to go from A to B. That function has really been minimised other than hey, that's really cool the way it does it, you know with all integrated screens for everything. So the emphasis has changed to be a showpiece as opposed to being a function. And because of that—I mean you've got your books that you sell, you know, pushing the design. I mean that's the market—

Martin

Keep me out of this!

Eric

So buy all the books, so that you know what else needs to go into the yacht.

Martin

Any further comments before we move onto—yes, here at the front?

[From the floor]

It's a two-part question. The first part is can you comment on your respective roles with the trend towards semi custom boats and/or uniform hull platforms where the engineering is pre-determined and you essentially style from the cap rails up, and also how do you see the role of brokers in the process?

Eric

Well my role as a project manager really doesn't change much—it may in some ways be easier but in other ways harder. I'm not a big fan of semi custom, it does—

Martin

They're smaller contracts, aren't they!

Eric

Yes, well. Smaller contracts, less conflict, what are you going to do!

But I think the essence of what has made yachting, just from the last comment, what's pushing the envelope in design, whatever—you lose that, so now what are we left with. We're going back to going from point A to point B, I don't think so. The role of the broker I think is critical. And that doesn't mean critical good or critical bad. But I

think it's critical. There are very good brokers and very bad brokers. They can have tremendous input, they can help educate an owner or they can also feed the owner a lot of stuff that really isn't so true, creating false expectations, which results in just a disaster all the way around.

Alan

I had an experience with a semi custom project and in my view the motives of the yard were less than honourable. Basically he needed a semi displacement boat and they put him in a planing hull. And from a performance point of view it just went from bad to worse. So I think what I'm saying is that for a generic size and type you can only do so much with it. And you have to be careful that you're not getting beyond the proper design parameters of that hull form. Maybe too many decks, or wrong speed, or whatever. So it's important that you make sure the yard is selling you the right semi custom hull form in which to fill it with stuff. And certainly, as I've said in other ways, the broker is often the first contact with the owner, and he's the first point of education. I was talking to somebody yesterday and they said they lost this project because one yard told them they could do it in 16 months. Well I haven't seen anybody pull rabbits out of hats, it was a 30 month project and it took 34 months in this case because there was a lot of bickering back and forth.

John

Maybe I can just ask for clarification on semi custom. By that do you mean—

Martin

Technical platform, standard hull, but lots of pretty stuff inside.

John

Yes, but I probably didn't quite mean that. It depends on who you're employed by. If you're employed by the shipyard or employed by the owner. Because that does alter the effect of what you're doing.

[From the floor]

Employed by the owner.

John

Wait a minute. Paid by the owner or influenced by the owner?

[From the floor]

Both.

John

OK, that's fine. Because I have been in a very difficult position where I've been paid by the shipyard and influenced by the owner. And I virtually tore myself in two, I think. It was very difficult. But the point about semi custom is it makes a lot of sense. You've established a lot of the engineering, a lot of the shapes, a lot of construction and you're going on to build another one. It makes a lot of sense, so from a shipyard's point of view your investment in the beginning gives you a better return. From the owner's point of view, obviously he realises he's not getting a full custom yacht but he is getting the advantage of a price reduction because of this. And it fits in within a pedigree range you may have. And from the point of view of the broker—this is where actually the broker is very good, because they are selling this as an advantage, particularly if you have it so that it has a quick delivery time. Does it affect the design? Well yes, it probably does. Because with a lot of the structure everything is dealt with. If you're allowed to say take the lid off and restyle it, maybe it doesn't have any effect. But then maybe that's changing the base design too far.

Martin

Right. Any more questions? We'll wrap this session up. Oh one more from email then we'll wrap it up.

Tork

This one: John spoke of classic yachts and the yacht living beyond us. What does the panel think of the current state of design with a view to the future, and how will the future view the creations that are coming up?

Eric

John would speak of this far more eloquently than I could but I actually have some concerns because I think there's more involved in gadgetry and what is high tech today or what is anticipated to be high tech a couple of years down, and I'm seeing a lot more homogeneity in actual style. You have a few flash yachts out there but we're just talking about semi custom. And you lose what was an essence of yachting.

John

I'm sorry, I'm going to have to go back a little bit. There's a wonderful comment I'm sure Alan will probably remember, that Owen Stevens made. He made this great comment about the new shape of hulls and performance of yachts over the last few years and he got up and said—you know, over the last few years I don't notice the sea or the elements have changed one bit. And I think that is the point that you always have to remember. They all go to sea. They all may have alternative functions but they are all yachts. And so a retroussé bow? OK fine, it may look cool. But where does the water go? Probably all over the deck. Does that mean you have to put a bulbous bow on, to prevent the boat digging in? I don't know. I think you'd have to prove the shapes really work. So I think we might be disappointed with some of the yachts that we're producing. Yes. And some of the classics—well OK they're just images that we remember and associate with and therefore tend to use that as our base area. I don't think we should just let that stop us and this is the great thing about youth—the energy and excitement that goes into trying these things out and making sure whether they work or don't work. A few years ago underwater anchoring systems—people were saying no, no you can't do that. And now we have underwater anchoring systems. Now we have other forms of anchoring systems. By satellite, and you can change all sorts of things. So we very much relish the input from our owners and to be able for them to have the encouragement and the interest as in *Maltese Falcon*. I mean that is absolutely brilliant, to stretch the envelope that far. So some are good, some are bad.

Martin

Are there any more questions out there? Tom?

Tom Patterson QMark Inc

A few years ago, I think it was in 1998, I built a new sailboat round 15 metres and I signed the contract and made the initial—actually my wife wrote the cheque for the slot at a sailboat show, then later signed the contract with a deposit. And then I got an overnight package in the mail for the first payment and it was a Polaroid picture of the resin that was going to be used for making the hull. I looked at the contract and it said hull payment. So I called the guys up and said could you explain this? This says hull payment but I don't see the hull. And they said well cash is a little tight could you go ahead and make the payment. So I did. Well we completed the project and it ended up being successful but I built the second boat about 4 years later and I got a picture of the resin, same story. But the difference was the first package was a

Polaroid picture with an overnight envelope inside for me to send a payment back. The second notice 4 years later was a digital picture to attach to an email with wire transfer instructions. So these guys were moving forward. My question is: Where are we today in the project management process? In using tools to keeping everybody informed.

Eric

Well I think one of the great things is email. I remember stripping plans and putting them through faxes and it was a disaster. When Fedex came out—and I'm really ageing myself here—it was great, you could actually have stuff in like 2 or 3 days. Even when you were overseas. So now I can get an email and I can basically process that email in a matter of seconds and determine who else needs to get it or what parts of it need to be gotten to people. So communication has gotten phenomenal. As far as making payments goes—I don't know that I would be doing the wire transfers that fast on a digital photo that may have been doctored, but that's the lawyer in me.

Tork

It's interesting that you said that about communications. Because one of the questions here was to do with that, and it actually said have modern communication tools not actually made things more difficult than before? Wasn't it easier when it took time, took more than a split second to express oneself across the world. Interesting that one of the main issues seems to be communication, in a time when it's supposed to be easier.

Eric

It depends on if you fear information. If you take it all in, there's a tremendous knowledge pool and also in saying all of that, I should say that people need to be really careful with emails because people tend to say things in an email in a way that they may well not mean, that you would not say it to the person to their face. So you can create tremendous problems while trying to impart information or a position and I would encourage people to work towards a resolution rather than a conflict by looking at that email, reading it to yourself if it's of any sort of moment, and say how would I react if I got it. Then if your reaction isn't fire coming out of your ears, then hit the send button.

Alan

If I just might comment on that. I think the advances in communication, we can rapidly send garbage instead of taking two weeks. I think it's been great for the business, I can remember running 30 foot telexes with a table of offsets.

Eric

I feel younger now!

Alan

I can remember when Lincoln was shot.

I think emails are great, but the problems are two fold. One is it takes the human element out of it and this might respond to what Eric was saying. You can tell so much when you pick up a telephone just by the tone of the other person. And also one of the problems I find with emails is a statement will be made to answer a question, which will generate two other questions. So you begin to play email tag. And in the end it often doesn't save you time. So at some point, and I don't know what that point is, it's very subjective, I find just picking up the phone and talking to

the person is more useful than anything. You can just resolve so much and avoid a lot of the misunderstanding due to the sterility of the email.

Martin

Also there's Skype and things like that. And video conferencing, which we're experts at, obviously. John, a final comment, then we'll close up for the next session?

John

I would never send a presentation by email. Because I like to see it physically, put it in order, make it so it's presented well, and I know that is how it's going to come out the other end. And I think to myself well, a lot of our clients are obviously very capable of handling all the new kit, but in most cases, it may be up to the secretary or whoever to take the information printed and hand it to him, so I think Fedex is good. And I slightly worry because with the speed of communication—emails are a bit like a telex machine. They're almost making demands, and people sit in their offices and say this is how it's going to be, and this is where communication works. And I think actually not just the telephone but physically face to face—I found it very useful for my office to actually meet their opposite numbers in the design offices and so on, so they would know who they're talking to and how they react, and actually they are just people. That's all we are.

Martin

Thank you very much, John. And one final comment I promise—otherwise Theo is going to kill me.

Eric

I was just going to say I didn't want my comments about utilising email to be that that's to the exclusion—I think that face to face, forget the video conferencing, I think face to face is critical. I think a lot gets lost when you're not in the room.

Martin

OK thank you very much guys. We're going to wrap it there so we can get back on track.
