

Trilogy

The Thrill of the Chase



As any regular regatta attendee will tell you, the chase boat was originally designed and is used to trail a larger racing sail vessel – fast and maneuverable, it provides valuable support and communication to the competing yacht's crew. Sometimes the difference between success and failure.

Scaling things up to America's Cup level, chase boats are expected to match the strides of competing AC75 vessels which can reach speeds of nearing 100kmh, and are often used to simulate race conditions.

Alongside the drive for greater top speeds, larger racing teams are also using chase boats as a test bed for innovation, pushing the boundaries in design and engineering, and new and clean technology – hydrogen power and foiling equipment to name but two of the areas of marine transport development.

Far from the R&D laboratories and white coats, and in a distinctly slower paced and relaxed environment, the pedigree of the chase boat continues to seize the attention of superyacht owners. Axopar, Fairline and relative new-comers such as Saxdor and Pardo to name just a few are really making this niche segment of the marine market extremely interesting.

Whilst the cutting-edge technology applied to their racing relatives may take a number of years to appear on the specification sheet, luxurious designs, comfort and attractive dimensions combine style and substance worthy of a place in any superyacht owners collection of tenders and toys.

However, here's the thing. Should chase boats be considered in the same bracket as traditional tenders? At lengths of anywhere up to 13metres and in most cases rigid hulled, storing a chase boat onboard the mothership can become problematic. Therefore, it's very rarely hoisted aboard.

But with a multitude of applications available, why would any owner wish to garage it away amongst the rest of the dinghies and seadoos?

Darting ahead of the main vessel to secure the best berthing and anchorage spots or transporting crew to port to make last minute preparations? Perfectly capable. Unleashed from its towing harness, giving guests and their families their daily fix of exhilaration by way of a blast across the surf of speeds of anywhere up to 60knots? Absolutely! Or how about a more tranquil cruise down a scenic coastline with friends and arriving in style for a fine dinner?

And in an environment where the highest levels of service and experience are key, the chase boat finds itself being put to use in other ways. Imagine being able to accommodate additional crew members whilst not being restricted due to the number of crew berths. Sound appealing? Many owners think so. Particularly in the 30m-60m range, pairing up their superyacht with a smaller counterpart.

Such an arrangement also looks great on the Central Broker's listing. Different and exciting.

All good partnerships require planning and understanding. Nothing can replace an effective acquisition blue print before adding a significant asset to the fold.

Once the right kind of chase boat has been identified, the budget agreed and all customisations negotiated and added to the order slip, it's time for the role of the trusted advisers to take to the foreground. They can assess your personal circumstances and particular requirements to create a structure specifically suited for the client – *"how is the chase boat going to be owned and where? How is it going to be used? Part of a chartering package or scope for operating independently? Flexibility for upgrades, further acquisitions, part-exchange or disposal? Designated crew sleeping on board? Who will manage the asset?"* All good starters for ten...

From a registration perspective, what impact does the intended operation have on the choice of flag? What about Minimum Safe Manning requirements, crew employment and the Maritime Labour Convention? Not only for the new addition, but for the mothership also.

And VAT hasn't been mentioned yet. Following payment of the initial deposit and agreement on payment terms (following a thorough legal review of the purchase contract of course), how and where is the chase boat going to be delivered? How is the VAT going to be accounted for, and (if possible) how can it be recovered? Depending on make, model and customisations, net purchase prices can be in the region of around €500,000. VAT rates in Europe range from 17-27%, so getting calculations and declarations wrong could become quite costly for an optional extra.

Going forwards, does the intended arrangement satisfy local fiscal, licensing, Port State Control and Maritime Law requirements, as these will supersede any primary VAT or Flag State registrations. And if they don't, how swiftly can your owner's team respond to assess and identify exactly what is required to comply with the itinerary presented? Or the next one, should plans change for one reason or another.

Whilst some sense of normality seems to be returning to the sector, the charter seasons of 2020 and 2021 and the ever-changing cruising landscape proved that response times are key in order to take advantage of opportunities as they arise.

As always, the importance of getting professional guidance and assessment – from a tax, legal corporate governance and/or accounting point of view - should never be underestimated. That's not to say that acquiring a chase boat should be complicated – although, it is most certainly a blend of many ownership aspects, which require understanding together with careful planning, coordination, communication and implementation at the appropriate time.

Get the blend just right, and your superyacht owners will enjoy and appreciate their chase boat's function in both guest entertainment and yacht operation scenarios for years to come.

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