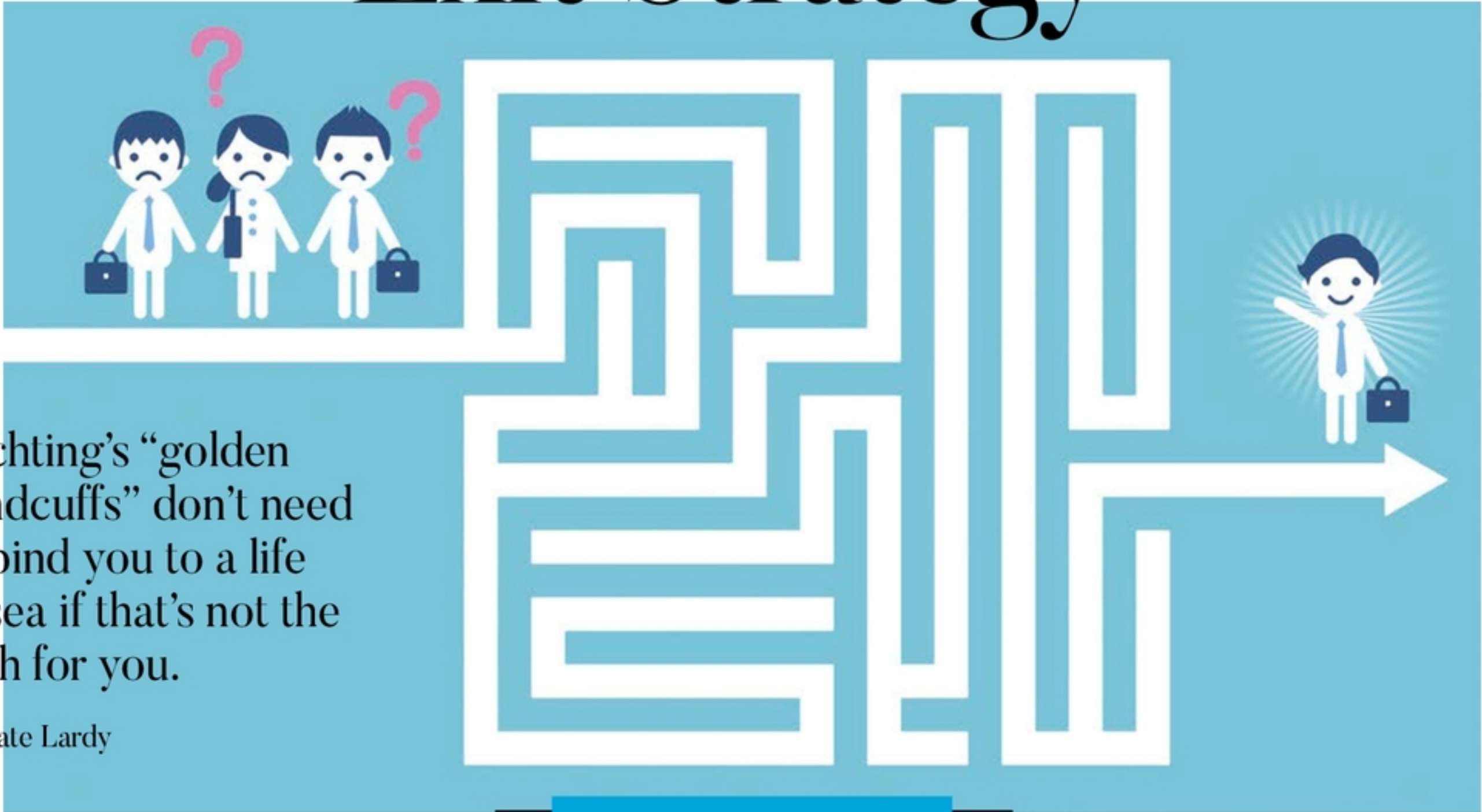


Exit Strategy



Yachting’s “golden handcuffs” don’t need to bind you to a life at sea if that’s not the path for you.

By Kate Lardy

Yachting is not a life-long career for some crew. In fact, for many it’s a diversion – one that may have started with the intention of traveling the world for a couple years that somehow stretched into a decade. Then there comes a time when the lifestyle no longer works for you.

“I literally woke up one morning, and I just had enough. I kept hitting a brick wall when I was on board. I was struggling; it was getting harder and harder,” says Tony Stout, who spent nine years on board three yachts, first as deckhand and last as bosun.

For others, like Nick McGinty, who worked his way up from deckhand to captain in 12 years on yachts, it was a case of shifting priorities. “I got tired of living on someone else’s schedule. It came to the point where I could be married to the life at sea, or I could have a wife,” he says.

“Now what?” was the question they and every other ex-crewmember have asked themselves at some point. Moving ashore is not easy. Yachting doesn’t translate well to land. “You get so sort of micro-niched into this industry. You become really good at things like varnishing, running safety drills, all these very specific skills, that when it comes to looking at something outside, you don’t really know what that looks like,” says Anna Petchell, who spent eight years on yachts, finishing as bosun.

It’s also expensive. After having all essentials

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provided for them, crew are ill-prepared to budget for on-shore living. “You kind of forget how much things are paid for while you’re on board. All these expenses start popping up that you’re not used to, whether that be having a car, gasoline, groceries, a place to live,” McGinty says.

Plan Ahead – Way Ahead

Because of these challenges, Life After Yachting, an online portal and live event, was born last year to support crew making the transition. It was the brainchild of Titta Uoti-Vaisanen, an ex-yacht chef with an MBA who launched TUVYC business consultancy when she left boats.

“The most important thing we encourage crew to do is research and make connections before they make the move ashore. Our Life After Yachting support network is a team of people offering free advice to crew and includes financial advisers, life coaches, employment specialists, business

advisers, and crew who have already transitioned to a land-based lifestyle,” says Uoti-Vaisanen.

You could argue that planning for the transition starts years before. Building your savings is the first step that can begin at your first paycheck.

“Preparing to move off the boat, you want to make sure that you are going to be set up. It’s definitely something that people should look way more into in the yachting world and try to be a little more responsible with the money,” says McGinty. He knows what he is talking about, as he now works as a financial adviser for Baird in Sarasota, Florida. He suggests having six months living expenses on hand is a good target for the transition period.

In addition to that, you might need a capital sum to purchase a home or start a business, and/or income from your investments to assist in covering your living expenses at the beginning. That’s where advisers like McGinty and Emma Parkes, yacht crew specialist at Church House Investment Management in London, come into play.

Invest early and your savings can grow considerably. This means more than five years before you plan to leave boats in order to minimize the risk of market fluctuations.

Parkes has noticed that yacht crew tend to keep their money in cash or buy property and shy away from the market. “There has been a lot cynicism, I think, around the



investment industry in yachting. And there have been some real horror stories... people being tied into investments for 20 years putting in X amount every single month, with huge fees attached to it. Also, I think people do have a bit of a fear of investing if they don't understand it," she says. "So the go-to seems to be cash and property. But cash is just losing real value so much at the moment."

Cash loses value when inflation outpaces the interest earned. Parkes gives the example of putting £10,000 in a cash savings account in 2010 earning 0.5 percent interest. After inflation, the real value of that money in 2020 is just £8,424, while the same 10 grand invested in the market would be worth £21,354. As for property, she cautions against putting all one's money in one asset class. "Diversification reduces risk, basically."

She wants to get the word out that crew can invest in a flexible way and retain control over their investments, as opposed to schemes that don't allow access to your money for long periods. "Making sure your assets are liquid or at least a good portion of them are liquid is really important," she says. "And when I say control over your investments, have a financial adviser that you trust that understands your objectives and your tolerance to risk, and who will be in touch with you and can explain things properly to you."

Financially preparing for a life ashore also means planning ahead to minimize the tax obligations when you return to your home country. Speaking specifically to UK crew, who can currently put away £20,000 per year tax-free in an Individual Savings Account, Parkes says, "You need to think about how you're investing those assets for when you return to the UK. If you can invest as much of it as possible in a tax-free pot in the UK, then when you return it's absolutely fine. Whereas, if you were to invest it in an offshore bank, you might suddenly find that you have a capital-gains tax charge when you bring those assets back to the UK."

Pick Your Profession

Deciding how to make a living on land is the next obvious step, and this can take two forms, getting a job or starting your own business. When it comes to the former, Uoti-Vaisanen of Life After Yachting points out a couple challenges. "One of the biggest problems crew face is that superyacht training and qualifications are usually not recognized outside our industry. This can translate to a huge disparity between the level of salary available at sea, compared with what is offered on shore," she says.

"Some crew also find it hard to translate their exceptional skills and work ethic into a skillset that onshore employers are looking for," Uoti-Vaisanen



"It's so much easier to work out where you are going if you know who you are..."

continues. "We all know that any successful senior crewmember will, at minimum, have the skills of a first-rate project manager, HR consultant, counselor, and accountant, but not all crew know how to sell themselves and the valuable experience they can bring to a new team."

Life After Yachting assists with overcoming these hurdles by connecting crew with employers from the superyacht industry, like Bond TM and management companies, and those from the luxury sector.

Staying within the industry is also a viable plan for would-be entrepreneurs. John Courtney, managing director of yachting at FunAir, says the

first step for launching a business is research and relationships. "Talking to industry stakeholders and your end users to make sure they are as excited about your business plan as you are. Listening is a large part of this process. Be prepared to adapt and improve your plans. Never presume you know best," he says.

Courtney is part of what Life After Yachting calls its "Kraken's Den," a group of industry leaders that act as business advisers. Crew can pitch their ideas to them at Life After Yachting's live or virtual events and get helpful feedback.

"Many startups try to do too much too soon and this can often cause confusion," says Kraken's Den adviser Sarah Macey, CEO of Global Superyacht Marketing. "We interviewed multiple startups who were trying to offer a huge range of different services but were not able to clearly and concisely explain what they actually do. A great business idea should be simple at the start and easy to define. This helps entrepreneurs to market a clear message and target a specific audience. Once they have successfully established the business, they can then start to layer additional services and products and widen their business model."

Courtney seconds this: "Good ideas are simple to explain and simple to understand."

Stout had a simple idea. It was so simple, in fact, that he realized he had to move on it since he wasn't the only one who had thought of it. So when the bosun left M/Y *Zoom Zoom Zoom* in 2015, he settled in Monaco and launched Yachtneeds.

"The idea actually came from my experience on board and the troubles I faced coming into port, especially unfamiliar ports, and not being able to find the services and products that you need last minute."

Yachtneeds has operated since then as a website and app that geolocates a user's position

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and brings up all the service providers in the immediate area. The site later grew with a jobs platform and chat function. Now Stout and his team of 17 are getting ready to launch the next evolution, what Stout describes as “the Amazon for the superyacht industry.”

Instead of connecting crew with services, when the website launches this fall in Europe (and later this year in the U.S. and Caribbean) it’ll connect crew directly with yacht-specific products that can be delivered to the back of the boat, focusing on local businesses.

His advice: “If you’ve got an idea, run with it. Most crew have the money to be able to back their idea. You never know where it’s going to take you.”

Stout had worked for Yahoo and Google before he ran away to sea so he had some skills and knowledge to fall back on. For others, the path isn’t so clear. Bosun Petchell struggled with working out her next step. While still on board, she began researching careers online, but either didn’t feel qualified or found the options unappealing compared to the excitement of life

What’s Next

Life After Yachting will host its next event at the Yacht Club de Monaco on September 18. lifeafteryachting.com

at sea. “I found myself getting more overwhelmed by the change and I normally love change. I’m normally really open to things and all of a sudden I noticed myself being stressed and having sleepless nights,” she says.

She talked to career advisers who didn’t really get where she was coming from and suggested admin work. She began to wonder if she’d have to settle for a boring life or remain on boats. Finally, she spoke with The Crew Coach, who helped her realize what she was good at and what she loved about her past jobs – and that was coaching, mentoring, and training.

Before speaking with The Crew Coach, Petchell had been searching “yachting exit strategy” and was coming up empty. “And then I thought, there’s something wrong that there’s no one in this space. There are people that help you get into the industry, people that help you [when you’re in] the industry, but there was just no one at that end stage, and it felt like a bit of an empty space.” A space she decided to fill with APetchell Coaching – Determining Your Exit Strategy.

With this first-hand experience, Petchell is well placed to help other crew. After training as a coach and getting certified as a career change coach, she launched her business, which offers online coaching sessions, courses, and workshops.

She employs a proven three-stage process that she’s adapted for crew. It starts with getting to know yourself, your values, your strengths, and what you enjoy. In the explore phase, she helps you look at everything you’ve ever been interested in, what’s at the core of those interests, and the career options that match. And in the last stage, the planning phase, she helps you get from where you are now to where you want to be.

“It’s so much easier to work out where you’re going if you know who you are,” she says. “If you’re in that stage of ‘Where do I go, what do I do,’ start [asking yourself] what do you enjoy in your current line of work? What is it that brings you happiness and joy in your life? Then ask those around you, people who you trust and respect, ‘What do you see in me? What do you think I’m really strong in?’ They will see things within you that you will have not seen in yourself.

“Everyone is unique and talented in their own way and has something to give,” Petchell says. “This is the chance to make the life you want rather than settling.”

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