

# Jeff Bezos and the secretive world of superyachts

*By Max Matza*



Getty Images

Superyachts gather in Monaco

**News that Jeff Bezos has bought a "superyacht" has revived interest in the secretive world of the uber-rich globetrotters who enjoy these ultimate status symbols. Experts say the superyacht industry has been booming for years, even during the global economic slowdown caused by the pandemic.**

Jeff Bezos, the founder of Amazon and the world's richest man, has seen his personal wealth roughly double since 2017, helped by his wallet ballooning last year as more people than ever turned to online shopping.

It's not just Bezos. Many of the world's wealthiest have seen their fortunes accumulate in recent years.

And through it all, shipyards have continued turning out mega yachts that experts say are growing larger as they gain in popularity. According to experts and brokers, 2020 saw more yachts sold than ever before, with 2021 set to again break sales records.

## What do we know about Bezos' yacht?

The 417ft (127m) vessel is being built in the Netherlands by Oceanco, [according to a new biography of Bezos](#) by Bloomberg News.

It is estimated to cost about \$500m (£350m), a drop in the ocean for the world's richest man, whose wealth at one point jumped \$13bn [in a single day](#) in 2020. His estimated net worth now stands at nearly \$200bn.

That price tag does not include a smaller motorised "support yacht" that Bezos also plans to buy. The smaller yacht features a helicopter landing pad - Bezos' girlfriend, TV host Lauren Sanchez, is a trained helicopter pilot.

The main yacht is unable to support its own helipad due to the three sailing masts on its deck.

The smaller yacht is also expected to be loaded with other goodies, such as cars, luxury speedboats, and probably even a submarine, experts say.

The highly secretive superyacht project, known as Y721, is due to be completed sometime next month, according to Bloomberg. It's likely that Bezos' order was placed several years ago, since custom-made ships like this can take around five years to build.

Oceanco, the Dutch yacht maker, has not commented on the project. They previously built the 350ft Black Pearl, the second largest sailing yacht in the world.

## What is a superyacht?

There's no official definition of a superyacht (versus a regular yacht), but in the industry the term generally refers to a yacht that is over 74ft long.

Some dispute that definition, saying the term superyachts applies to ships over 200ft long. Some brokers have even taken to the term "gigayacht" to refer to ships longer than 300ft.

"It's all a little bit of marketing," says Bill Springer, who writes about the yachting industry for Forbes magazine.

Bezos' yacht, coming in at over 400ft, is almost as big as the Great Pyramid of Giza (if the vessel was laid out vertically). It's just under half as long as the Eiffel Tower.

Only a few jumbo superyachts like the Bezos vessel are completed each year, but high-profile projects are often done with such secrecy that builders are required to sign non-disclosure agreements.

Therefore it's unlikely that we'll ever know if Bezos copied the decorative flairs of Russian oligarch and fellow yachtsman Andrey Melnichenko, who lined a spiral staircase on one of his yachts [with scalloped, silver-leaf walls](#).

## How is the yacht industry doing?

The industry has been growing rapidly over the past 20 years.

According to the US National Marine Manufacturers Association, boat sales reached a 13-year high in 2020, reflecting how people were turning to the water for safe, socially distanced activities during lockdowns.

"The market's been absolutely roaring," says Sam Tucker, head of superyacht research at market intelligence firm VesselsValue. "There's been a record number of transactions done, and that trend is being sustained even until now."

The market for used yachts has also "just been nuts", he says. "The market is just red hot."







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"Motor Yacht A," pictured on the Thames in London in 2017

According to Tucker, there are 9,357 yachts over 65ft long that are currently on the seas - meaning those that have not sunk or that are being maintained on land.

About 85% of those are motorised and 15% are sailing yachts like the one Bezos has ordered.

Fewer yachts were chartered in 2020, Tucker says, which he attributes to pandemic travel restrictions preventing normal tourism activities.

Sales dropped for a few weeks as lockdown orders hit the US last year, but then immediately skyrocketed.

In June "it was like someone flipped a switch" as orders started rapidly coming in, says Bob Denison, who's been a yacht broker in Fort Lauderdale, Florida, since 2001.

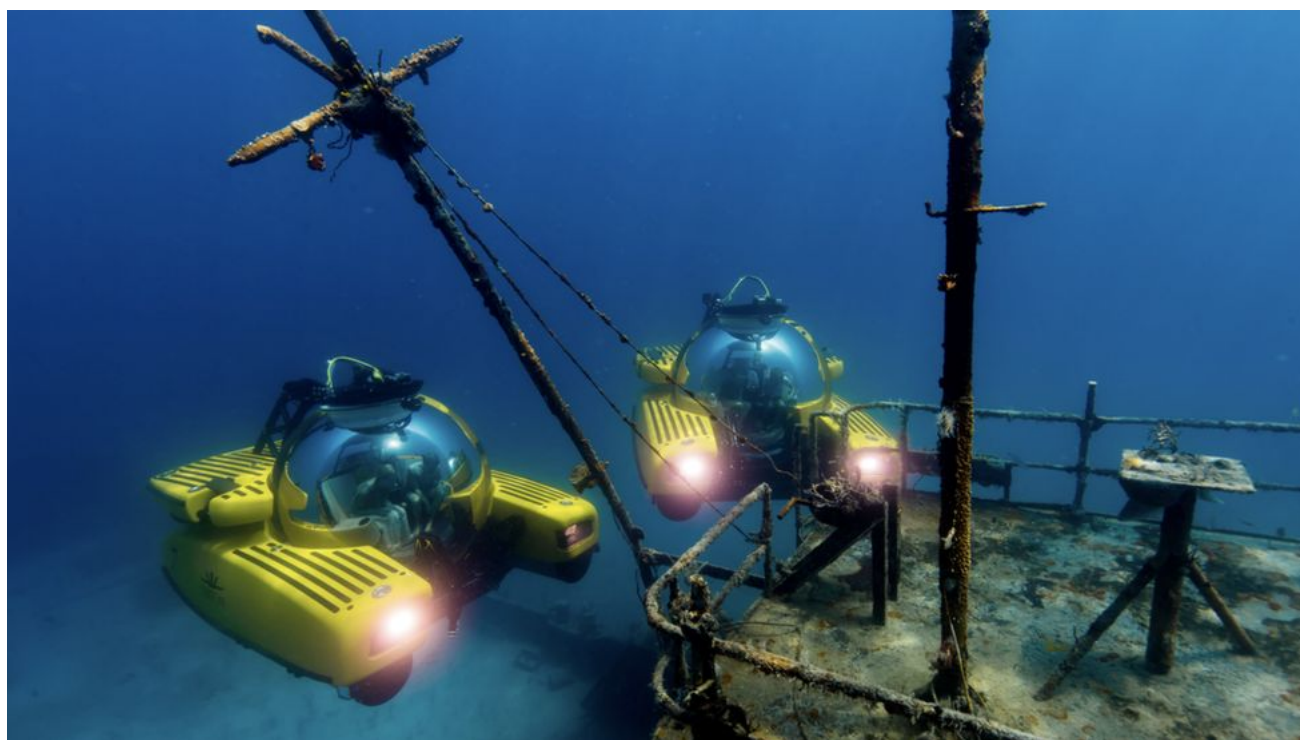
"There's been nothing like it before," he says. "The amount of demand is two or threefold more than I've ever seen."

Denison's company sold 1,008 vessels in 2020 - a 35% uptake from the previous year. He is currently on track to see another 30% increase in 2021.

About 65 of those he sold in 2020 were superyachts. So far this year about 40 superyachts have been sold, meaning about 2.2 superyachts have been sold by his company per week since January.

Demand has totally outstripped supply, says his colleague Ben Farnborough, who adds that it's getting much harder now to find used boats for them to sell.

Farnborough hopes that the easing of coronavirus travel restrictions will soon make it possible to travel to Europe to source more second-hand yachts to sell in the US.



Nick Verola

Submarines made by the company Triton are about as big as a garden shed

## Who buys a superyacht?

The vessels are often bought by corporations and are then rented out by the company's owner, making it difficult to say for certain which yachts are owned by whom.

At famous ship-building ports, such as the one in the Netherlands where Oceanco is located, hobbyists will try to spot private airplane tail numbers in an effort to determine which billionaires have come to visit their future yacht.

Privacy is the whole point of owning a yacht, says Tucker, who calls it an "opaque industry". Mark Zuckerberg and Bill Gates, fellow tech billionaires,

are rumoured to have yachts.

"These are very private assets and one of the reasons they're bought is for privacy," says Tucker. The privacy also offers security protections, not an insignificant consideration for the richest people in the world.



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Bezos speaks in 2017 from on board a spaceship built by his company Blue Origin

But despite the booming popularity, the ultra-rich may want to keep their newest toys extra private these days.

After Hollywood billionaire David Geffen posted online about being "isolated" on his yacht in a tropical paradise and hoping everyone else was "staying safe" during the pandemic, he was swiftly trolled by land-dwellers.

"Did David Geffen just give everyone the middle finger?" one Instagram user [posted](#) in reaction to Geffen's not-so-humble brag.

## Why are they so expensive?

Yachts offer "true exclusivity," says Springer, who likens them to owning a private island or building a personalised city from scratch.



"Back in the Renaissance, rich patrons would pay - in current money - millions of dollars to build cathedrals," he says.

"And they were the most beautiful and they had the finest artisans, and they were the most spectacular projects of their day. And it was a lot of 'Hey I'm really rich and I'm gonna do this really amazing stuff with my money'."

"So superyachts are very similar in that regard."

They're getting more comfortable too, and are going to places beyond the "classic glamour ports" like Monaco, Springer says. People are now taking them to more exotic and far-flung locations, such as Antarctica and Papua New Guinea, as owners find that they are more than just status symbols.



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Yachts are similar to Christian cathedrals sponsored by wealthy Europeans centuries ago

The finest superyachts are custom-made, with the global craftsmen addressing every single detail for the tastes of the world's most rich and elite.

They can take years to build. A yacht as big as Bezos' probably involved about 400 workers and designers, estimates Farnborough. When completed, it will probably need about 60 people to crew it.

Annual operating costs amount to about 10% of the purchase price, says Tucker from VesselsValue. High oil prices and the potential for further lockdowns could lead to more used yachts hitting the market over the coming years, he estimates.

## **What else costs as much as a superyacht?**

If you want this mega yacht, complete with its marble-clad bar, it can be yours for \$45m

Bezos bought the Washington Post newspaper in 2013 for just \$250m - so about half the cost of his new superyacht.

A painting by artist Jean-Michel Basquiat is [currently on auction](#) in New York for a low estimate of \$145m. There's also a Claude Monet painting going for about \$350m.

Virgin Galactic has been pre-selling tickets into space for between \$200,000 to \$250,000 in recent years as they prepare for their first commercial launch.

But if you're Jeff Bezos, there's no need to book a ticket. Bezos, who is behind the space venture Blue Origin, could fly on his own rocket ship.

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