

Cruises float boats for business

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They sailed into North Palm Beach Marina, their bare feet dangling from the bow of the catamaran sailboat in the late afternoon sun. A crisp January breeze tousled their hair and polo shirts, and they laughed as two danced along with a bluegrass riff.

It wasn't your typical business meeting.

Escaping from the stifling conference room to the calming waters of the Atlantic Ocean, Diana Krupa took her team of electrical engineers out for a three-hour cruise aboard the Mariah last week. They talked strategy and set goals, soaked up the sun and caught a glimpse of a manatee swimming nearby.

"How many times do you get out of meeting and feel energized?" said Krupa, a Jupiter-based product marketing director for Cadence Design Systems. "Instead of having death by Power Point in the conference room, we get out there and have more one-on-one conversations in a casual environment."

Increasing numbers of businesses are opting to get out of the office and onto the docks.

No longer just for pleasure cruises, area charter boats — from luxury yachts to casual catamarans — are drawing more companies that want a different venue to host meetings, take employee outings and entertain clients.

The floating boardroom offers businesses privacy, esteem, a captive audience and a relaxing atmosphere, charter companies say.

"This is a whole different experience. Companies are looking to do things differently, especially when they're entertaining clients," said Duane MacPhail, president of Palm Beach Yachts International, a yacht management and charter firm in West Palm Beach. "It's the exclusivity of it, being able to talk to clients or employees captively. There are no distractions, and it's a beautiful setting."

MacPhail estimates that about one-third of his charter customers are companies looking to conduct business on the water, from product launches to year-end wrap-ups.

"That was nonexistent five years ago," he said.

MacPhail's yacht charters range in price based on the size of the vessel and the number of people. Prices generally start around \$8,000 a day, which includes food, fuel and dockage, he said.

Charter operators say many of their corporate customers are from out of town, often visiting South Florida for a conference at an area hotel and opt to move their meetings to the water for an afternoon.

That was Krupa's approach.

Her team of nine traveled from across the country to South Florida for their annual weeklong strategy session. San Jose, Calif.-based Cadence is the world's largest software company for electronic design automation.

Krupa booked the charter trip on Mariah in the middle of the week as both a reward for hard work and a chance to talk shop in a laid-back atmosphere.

"It puts you in a different state of mind to be more creative," she said.

The bulk of the Mariah's business comes from private groups such as Krupa's, said Larry Havill, the vessel's captain and owner.

The 47-foot sailboat can host up to 49 passengers, plus crew. Havill has about 100 scheduled sails a year, where individuals can come aboard for \$40. But the private trips — he books about 70 a year — bring in most of Havill's business. The private charters generally range from \$1,000 to \$4,000 for a three-hour sail, he said.

Income from the public trips barely covers the fuel, he says, while corporate cruises "pay the dockage."

The Mariah usually sails from the North Palm Beach Marina, but Havill often takes the boat to Fort Lauderdale and Miami for some of his corporate clients. The sailboat is ideal for networking because it has a more casual atmosphere than a hotel conference room, Havill said.

"They're on the boat for the duration of the trip. They can't get up and leave," he said.

Event planners such as Sheila Schwartz also are seeing an increase in requests for seaworthy venues.

Schwartz said about half of her business at Lots of Yachts/Lots of Spots comes from business events vs. social gatherings such as weddings and parties.

Her company, which has offices in West Palm Beach, Miami and New York, has planned a variety of corporate events, from four-hour trips to weeklong cruises.

Clients have chartered her yachts to host recruitment parties, launch new products and close on deals. She also has set up team-building events, such as a sailing regatta in which groups of employees challenge one another.

Schwartz started her business in New York 15 years ago. She expanded to Florida five years ago, and the interest from corporate clients has spiked in the past couple of years, partly from Northern firms visiting the area.

"It's a very intimate setting so people really get to know each other," she said. "We have a lot of high-level clients that really want the privacy and the service and the prestige of what a yacht represents."

She also offers corporate leases, in which companies essentially rent a vessel for a block of time such as 20 hours and use it whenever they like, which gives some businesses a tax advantage.

Her customers often are brokerage companies, insurance firms and banks. But she wouldn't reveal any by name. Neither would Palm Beach Yachts' MacPhail.

"Discretion is a large part of what we do," MacPhail said. "A lot of companies don't like to tell people they're spending money."

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