



# People make the biggest difference

**Joe Ueberroth, chairman of BellPort Group based in Newport Beach, California, has realised an ambition to create and operate a shipyard that offers five-star service. He talks to Robert Wilkes**

"People make the difference," Joe Ueberroth insists. "A shipyard looks like a lot of bulky equipment and heavy machinery, but that's just a small part of it. We're a team of highly skilled craftsmen, artisans and technicians with very specialised skills. If you want to modernise a traditional yacht - while maintaining its charm - you need all of that."

Ueberroth is a California-based business leader and long-time resident of Newport Beach. He was first introduced to the marina industry through his involvement in the hospitality industry and he started the BellPort Group in 1996 when he saw an opportunity to apply the hospitality model to the marina industry.

The BellPort Group manages two marinas and owns and operates two shipyards. The facilities span from Lido Island Marina in Newport Beach, California, to Deer Harbor Marina on Orcas Island in Washington State in the Pacific Northwest. BellPort Newport Harbor Shipyard is the largest of its two shipyards and the flagship operation. The other is BellPort Anacapa Marine Services in Channel Islands Harbor, Oxnard, California. Jesse Salem, co-owner and president of BellPort Group,

handles the day-to-day management of all the properties in the group.

Located in the heart of Newport Harbor, the company's full-service shipyard opened 25 years ago and Ueberroth acquired it for BellPort in 2006. The shipyard is well equipped to service megayachts (in water) and supports its remodelling and other projects with wood and metal shops, sophisticated painting capabilities and a wide variety of skilled technicians.

Anacapa is located on the California coast 60 miles north of Los Angeles.

*At work in the yard's fully enclosed paint facility.*



*Pegasus, a 1973 Grand Banks 'Europa', further to refit at the BellPort Newport Harbor Shipyard. Her engines and systems were upgraded and her wood-accent features restored.*

The Oxnard/Ventura coastline has access to the Channel Islands recreational boating area and is a vibrant and growing boating scene. Among other improvements, BellPort is investing in new docks, piers and heavier lifting capabilities.

Ueberroth is not your average shipyard operator. He is a former partner in The Contrarian Group, an investment firm supported by General Electric Investments. During his tenure there, the firm had notable successes, including one of the hotel industry's great consolidations between Hilton, Promus Hotel Corp, DoubleTree, Guest Quarters and Red Lion. He is currently on the boards of eight companies and is an owner of the famed Pebble Beach Golf Course in Monterey, California. Among other holdings, Ueberroth is the majority owner of world leading marina builder, Bellingham Marine.

So, what is the Ueberroth approach to operating a five-star boatyard?

**Q:** BellPort Newport Harbor Shipyard contradicts the traditional image of a shipyard - usually a grimy, industrial place. Your shipyard is spotless and sits in one of the most beautiful yacht harbours in the world. Does that fit with your hospitality business strategy?

**A:** Absolutely. A squared away yard is a reflection of the pride we take in our work. The members of my staff are skilled craftsmen and first-rate technical specialists. Our standards are consistent with the exceptional yachts we are privileged to work on.

**Q:** Where do your customers come from?

**A:** They come from all around the world. We're currently working on a yacht with a home port in Siberia. We also go to where they are when necessary. We had a crew in China recently, a painting team. The owner was concerned that he couldn't get the quality he wanted in China, so he sent for our paint crew.

**Q:** How do you market your yard?

**A:** We do very little outright marketing. We rely on word of mouth and repeat business. We're known for getting it right the first time, and owners and captains are looking for that. A yacht,



*Joe Ueberroth: "It always comes down to people – finding them, inspiring them, retaining them. We're very proud of our people."*

especially a megayacht that cruises the world, has to be reliable - safety is a paramount issue. When you're working on boats exceeding 50 meters, you need a wide diversity of skills and services... and, of course, quality. We stand behind our work. Yacht owners prefer yards that are going to be around in the future, with financial stability, and they know we're here to stay.

**Q:** Who makes the decision on where to take the boat when it needs to be in the yard?

**A:** It's a joint decision, but the professional captain has a lot of influence, and usually more first-hand experience to draw on. Owners and captains of larger yachts are attracted to our location in a premier recreational harbour, as a place to be while their boats are undergoing maintenance work or major remodelling.

**Q:** What kind of projects are you seeing?

**A:** For some of our overhauls, we're installing new engines for improved fuel efficiency, and we will see more of that. In addition to regular maintenance, we're remodelling yachts that need all sorts of systems upgraded, including electrical systems, new electronics gear of all kinds... better technologies right down to the galleys and other hotel amenities. Whatever the owner wants, we can do it here.



**Q:** What innovations can you point to at your yards?

**A:** At Newport Harbor, we developed a fully-enclosed spray paint facility that not only improves the quality of the project and protects the environmental conditions in the shipyard but eliminates potential air and water pollution in the harbour. It's been a complete success. Our water treatment facility ensures that nothing from the yard goes into the water. We have installed some of these technologies at Anacapa as well.

**Q:** In the current economic downturn, some yacht owners have been putting off work. Are you starting to see the effects of delayed maintenance?

**A:** Yes. They may think they're deferring costs, but in many cases delayed maintenance just creates larger problems. Occasionally an owner will try to find a shipyard that will take short cuts and use band aid solutions. We'll turn down that kind of work. We do it right or we won't do it. We won't

*Full services are available for vessels of all sizes including megayachts of 100ft and above.*

compromise quality because safety is too important. In fact, we're doing jobs for customers who went to other yards, tried quick fixes and had problems. Eventually a boat will come into the yard that's been sitting in the slip, after it hasn't been used for a very long time. That's really asking for problems.

**Q:** What other effects of the economic climate have you seen?

**A:** In most areas, the number of yards is going down. Some yard owners have quit the business and sold to waterfront property developers. That's not for us. Our facility is unique and we like what we do. That goes for both our shipyards. We're investing in new docks and expanding our capabilities at our Anacapa facility.

**Q:** What kinds of challenging projects have you had?

**A:** The crew loves to work on a beautiful older yacht. The challenge is to retrofit it with modern technology while keeping its classic lines and traditional charm. It's one of the most satisfying projects we do, especially to the craftsmen in the wood shop.

**Q:** So what's the secret to operating a great boatyard?

**A:** It always comes down to people... finding them, inspiring them, retaining them. We're very proud of our people.

*Robert Wilkes writes about the marina industry from his home in Bellevue, Washington, USA.*

*Haul-out is available for yachts of up to 115 feet in length and weighing up to 90 tons.*