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INTERNATIONAL BOAT INDUSTRY

ISSUE 396 | NOVEMBER 2013

The business of boating

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CREATING A PREMIUM BOAT BRAND TAKES VISION, SKILL AND DEEP POCKETS. ON THE EVE OF THE LAUNCH OF THE VERY FIRST EUPHORIA 54, IT'S CLEAR TURKISH YARD SIRENA MARINE, HAS ALL THREE

WORDS: ED SLACK



▲ A rendering of the new German Frers' designed Euphoria 54, due for launch in early 2014



▲ The clean, contemporary interior saloon of the new 54

ISTANBUL'S EARLY MORNING

traffic is even heavier than usual, an unseasonal downpour slowing cars to a crawl as we wend our way out of the city toward the Bursa province and the boatbuilding facility of Sirena Marine. Our driver points out the legion of minibuses ferrying workers along this busy arterial route. Each bears the red and white chevron logo of Sirena's sister firm, Karsan.

Turkey has come a long way in the last decade, its burgeoning economy seemingly unstoppable – it grew at a 4.4% annual rate for the second quarter of 2013, comfortably beating analysts' estimates. There might be clouds on the horizon – the country is running one of the largest current account deficits among important emerging markets – but the sheer volume of traffic on the ground bears testimony to a country operating at full tilt.

The driver's pointing continues as we

reach the outskirts of the city and the traffic mercifully thins. This time it is the myriad of Peugeot, Renault and Hyundais hurtling by – engine components for which are manufactured at Karsan's sister operation Kirpart in the neighbouring Bursa district of Nilüfer. Both companies are part of Kiraça holdings, a commercial vehicle manufacturer building trucks

“Azimut's retreat back to Italy proved timely. Winging her way back from the US was Ipek Kiraç... a young woman with a mission”

and buses under its own brand and under license for some of the world's biggest automotive firms. In 2006 boatbuilding was added to Kiraça's impressive portfolio.

Originally founded to manufacture Azimut motorcruisers following

a joint venture with Italy's Azimut Benetti Group, Sirena Marine took the bold step to develop and build a range of performance sailing cruisers under the Azuree brand back in 2009. The Azuree 40 made its debut at the 2010 Istanbul boat show, and was followed eight months later by the launch of her younger

sister, the Azuree 33, designed by Italian racing yacht designer Giovanni Ceccarelli. Both boats were well received, picking up international awards.

EUPHORIA COMES TO LIFE

Now Sirena is stepping up a gear.

In August 2012, as part of a restructuring and investment within its domestic production set up, Azimut announced that it would be bringing production back home to Italy, ending what had been a successful joint venture. In a nod to Sirena's capability, Azimut maintains production of the Magellano 43 – a boat Sirena helped develop – at the Turkish site. Sirena has built 15 Magellano 43s since 2012. With the exodus of the Azimut 40 Sport and 38 Flybridge, of which Sirena had built 39 and 93 units respectively from 2009-2013, Sirena had the impetus to really make a name for itself. With the automotive manufacturing know-how of Karsan at hand as well as the substantial cash reserves of its parent company, the boatbuilder could afford to think big.

Azimut's retreat back to Italy ➡



▲ Sirena's 103,000m² facility in Bursa, an hour or so's drive from Istanbul (traffic permitting)

proved timely. Winging her way back from the US at the time was Ipek Kiraç, daughter of Kiraç Holdings' founder Inan Kiraç and Suna Koç of the Koç dynasty - one of Turkey's wealthiest families and controllers of Koç Holdings, a vast multinational conglomerate.

Ipek was a young woman with a mission. With childhood memories of sailing and her father's love in particular of German Frers' designed Nautor's Swan yachts, she had long-harboured a desire to create a premium yacht brand. With Azimut no longer part of the long-term plan, Sirena now had the capacity, giving Ipek the opportunity she craved.

Signaling their intent in 2012 Ipek and the Sirena team pulled off the not insignificant coup of recruiting the services of renowned designer German Frers to design a range of contemporary-styled yachts. The range was to be elegant, with timeless lines - vinylester resin-injected moulding methods would be used to ensure an ultra-strong but lightweight hull and deck. The boats would be thoroughbreds that would appeal to avid sailors and families alike. It would be given the uplifting name of Euphoria, complete with a purposeful 'arrow' logo designed by Ivan Chermayeff of the New York-based branding and graphic design firm Chermayeff & Geismar & Haviv, responsible for such iconic logos as

“Three years ago the family also purchased the 57,000m² site next door... a potent symbol of the Kiraç family's ambition”

National Geographic and Pan Am.

Pitched squarely at the top end of the blue-water cruiser market, Euphoria joins the Azuree line, refreshed with the launch of a new Rob Humphreys' designed 46-footer at Cannes last September, to form two distinctive Sirena boat marques. The first Euphoria off the drawing board will be the 54, destined for its official unveiling at the Istanbul boat show in February 2014. On its heels will be the Euphoria 68 and Euphoria 84, a tantalizing glimpse of which was afforded

guests at a launch event at the suitably salubrious Monaco Yacht Club during the Monaco Yacht Show in September.

FACTORY FLOOR

Sirena's 103,000m² (32,000m² covered) facility is situated in

Orhangazi, in the rural district of Bursa, a place famed for its olive production. A former match factory it now has the capacity to build 150 boats up to 85ft a year. Three years ago the family also purchased the 57,000m² site next door, with planning permission in place to extend the current factory - a potent symbol of the Kiraç family's ambition

Our host, plant director Çağın Genç greets us at the factory entrance and, following our welcome, motions to a suite of offices currently occupied by one of the Karsan automotive divisions. They will be moving out soon to make way ➔



▲ Preparing of the blond teak decking that will be used on the Euphoria 54



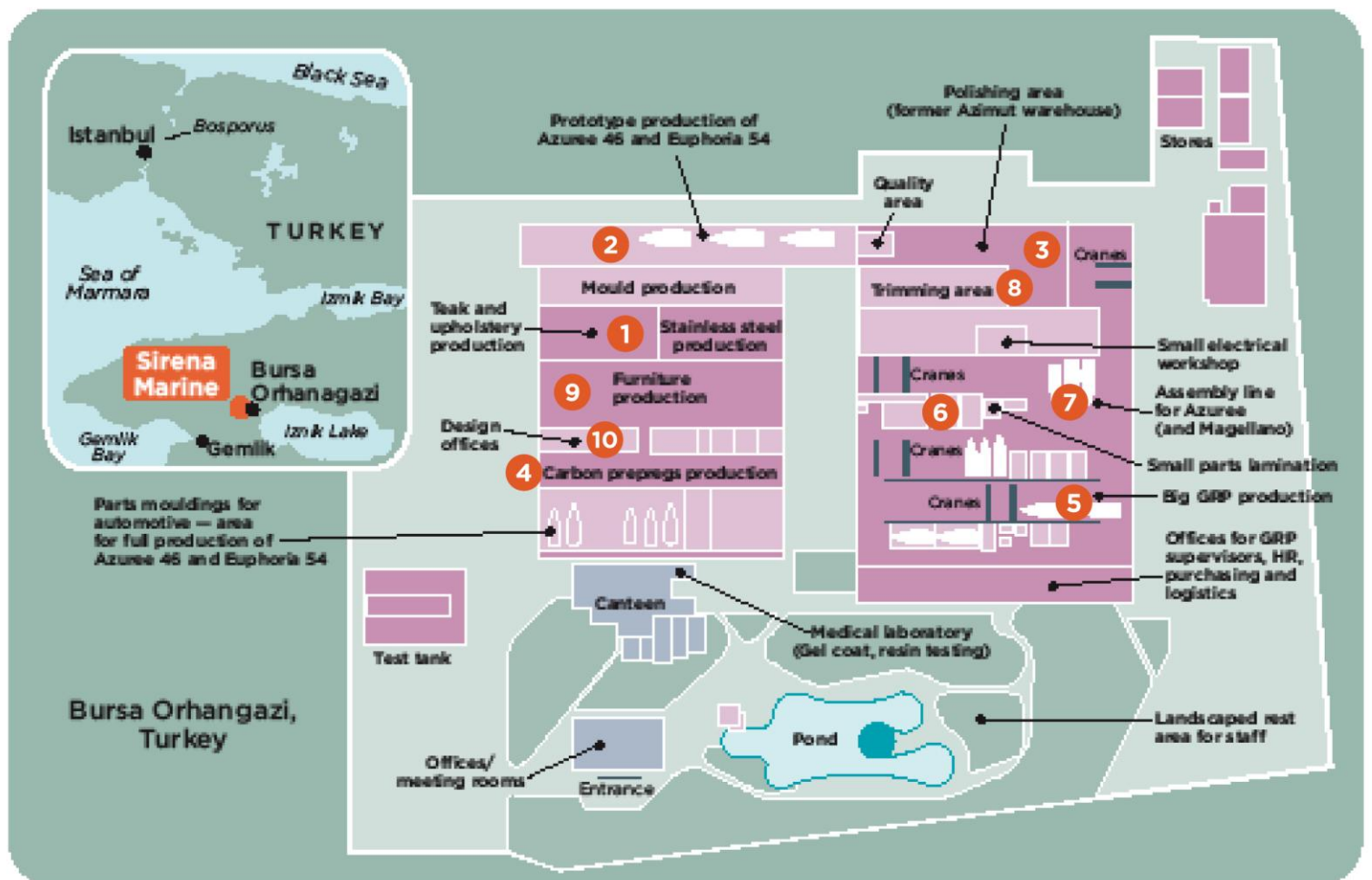
▲ The Azuree 46 and prototype Euphoria 54 assembly line



▲ A Eurphoria hull being polished



▲ Sirena moulds its own carbon spars. It is one of only a few boatbuilders to offer carbon masts as standard



▲ Sirena produces its own stainless steel work, cutting, shaping and welding items then polishing them to a high mirror finish



▲ Lamination of small GRP components



▲ Vacuum infusion underway on a Euphoria 54 hull. Infusion with DSM vinylester resin takes around 2.5 hours



▲ Sirena carries out all of its own upholstery and trim work



▲ All joinery and cabinetry work is carried out on site. Furniture is assembled out of the boat to help ensure the best finish



▲ Sirena's in-house design team

for the expansion of the Euphoria line, whilst an area of factory floor currently used to produce small GRP moulded panels for Karsan's minivans, will be given over to marine parts production. Even after the auto guys have moved out however, their presence will still be felt in a facility that has been very much designed along the lines of a car assembly plant says Genç. "We set up an automotive style line for Azimut production which meant ensuring that every individual part in the manufacturing process had to travel as minimal a distance as possible," he explains, the resulting efficiencies increasing margins substantially. Being pretty much self-sufficient also helps, not least in reducing the boatbuilder's exposure to the nuances of supply chains. As well as carrying out all its mouldings, Sirena is also geared up to produce its own stainless steel work, from boarding ladders and bollards, to chain plates and grab rails. It also handles its own upholstery, trim and joinery work and has a team of designers on-site. The builder even has the ability to mould its own carbon spars.

Thanks to its in-house expertise Sirena was able to localise 70 per cent of the materials for Azimut production, bringing overheads down by up to 30 per cent, giving a handsome boost to the Italian brand's margins.

There are also plans to tap into its automotive supply chain for things such as glazing and other parts, exploiting wherever possible manufacturing synergies. This is where the group's industrial design and development studio Hexagon, could give Sirena the edge.

HEXAGON EDGE

Located less than an hour's drive from the main Sirena plant, Hexagon was founded in 2006 to provide design and engineering services to OEMs and suppliers in the automotive sector. Its state-of-the-art facility – think spotless white corridors and swipe card door entry systems – has perhaps more in common with a laboratory than it does a factory. Little wonder considering the manufacturing alchemy that goes on here – from



▲ Left: Plant manager Çagin Genç. Right: Ipek Kariç with German Frers and Rob Humphreys

computer aided engineering, analysis and simulations to rapid prototyping, data collection and performance analysis – Hexagon can transform CAD drawings into real life products within hours.

To date it has already CNC milled hull and deck plugs in epoxy paste enabling Sirena to produce moulds for the Azuree range as well as helping design smaller parts such as swim ladders, cabinets and sliding doors. It doesn't take much of a leap of the imagination to see what

significance Hexagon's services could have for Sirena's product development going forward.

BRANDS WITH DIFFERENCE

Sliding the Euphoria production into the vacuum left on parts

of the Azimut assembly line is simple enough. The real challenge Ipek and her team know, will be how it develops the premium range alongside the Azuree brand that is pitched more squarely at the middle of the performance cruiser market, with the new 46 coming in at €259,000.

Genç acknowledges that simply 'luxing' out the interior won't wash, especially given that the Euphoria 54 will be priced at around the €700,000 mark, more than twice the price of say a Beneteau Oceanis 55. The difference has to be part of the boat's DNA.

Looks inevitably are crucial. The brief

for Frers was to create an elegant, timeless look for Euphoria – the 54's soft chine and flush, low profile deck giving it a sleek, lean profile, mirrored below deck with the light contemporary interior from the UK's Design Unlimited Studio.

"It's about creating residual value, a cruiser that is easy on the eye, safe and beautifully put together," says Genç.

Equipment on board the Euphoria range will also be sourced from premium international brands – a fact that exposes the builder Genç admits, to those often temperamental supply chains, but a small price to pay for the very best quality.

ATTENTION TO DETAIL

It won't just be the spec of the two ranges that will differ, but their *feel* too. For instance the Euphoria will use multi-layered veneers in limed oak to create solid pieces of wood, enabling the joinery shop to create softer, more elegant curves, in contrast to the more standard oak veneer on marine ply used in the Azurees. Where the Azuree has a teak deck, the Euphoria will feature the sort of high quality, lighter grained 'blond' teak, found on Nautor's Swans. Sirena is also one of the few production builders around the world offering carbon masts as standard. It all adds up to a feeling onboard a Euphoria of paired-back opulence.

The attention to detail carries on beneath the surface. The 54 is infused moulded and has structural bulkheads that are laminated rather than glued in, providing structural rigidity. Gurit's Spabond adhesive system is used to fix the

“Simply ‘luxing’ out the interior won’t wash, especially given that the Euphoria will be priced at around the €700,000 mark”

inner structure to the hull and the hull to the deck on Euphoria – keeping it light.

“We spent a lot of time on the structure – we wanted it to feel like a proper sailboat,” explains Genç. The Euphoria features stainless steel tanks (they are PVC in the Azuree) and has a flow coat inside, not only to create a neater look but also to mask that gelcoat smell when you step down below.

Headliners are secured using Fastmount fasteners rather than Velcro.

As much interior assembly as possible is carried out outside the boat to protect the final finish.

Such manufacturing disciplines and attention to detail means the Euphoria, and for that matter its sister the Azuree, will never be mass production boats. According to Genç, Sirena can build 25 Azuree 46s a year running a single shift, five days of the week, but in 2014 has in plan to build 12-14. From receipt of order an Azuree 46 will take approximately 120 days to shipment. The Euphoria necessarily takes a bit longer. The 54 will have its official launch at the Istanbul boat show in mid February 2014, and Genç reckons the builder should produce four or five boats next year. It hopes to reach a capacity of 14-15 boats by 2015.

“The business plan is based on relatively small production considering the product mix,” says Genç as we finish our tour of the yard. “You take out the mass, you leverage up the quality.”

BUILDING A BRAND

Sirena is building the 54 speculatively, aware that it can't expect owners to buy into a new brand off plan. If Euphoria is going to make its mark on the international scene it will need to some extent, to sell itself. Those sleek Frers' lines need to be fully appreciated in marinas around the Med to create the sort of pontoon buzz needed to kick-start sales. Getting the dealer network and sales support right will also be vital. It will need to embody that Euphoria DNA, tough enough to instill in a product for which you have complete control, trickier still across borders with partners who might have their own ideas about what constitutes service.

Similarly, the importance of building a public face for the brand cannot be underestimated. Potential clients will need to feel the Euphoria effect from

the moment they pick up the brochure.

It will mean dealers and offices at key locations conducive to the brand's luxury aspirations.

For all Sirena's ambition there is a reassuring pragmatism in its approach. Turkey's largest serial production sailboat builder is already a force to be reckoned with. Add into the mix the group's manufacturing and design network (not to mention deep pockets) and Ipek Kariç's dream of establishing a premium

international yacht brand already looks close to becoming a reality.

Where that ambition will take the company next is an exciting prospect. With 57,000m² primed for a new facility right next door, Sirena has scope to dream big. Could it be tempted to harness that experience of building for Azimut to enter the motorboat sector? The Sirena management are tight-lipped about such prospects. For now it's a case of watch that space. **IBI**