

ORyx PREMIUM
البريميم

January 2013
يناير ٢٠١٣

روبرت دي نيرو
"إذا تعامل الممثل مع مخرج لديه أفكار
مسبقة ويحاول أن يفرضها عليه، فلن
يستطيع تنفيذ ما يطلبه منه ويفقد قدرته
على العطاء."

روبن وود
"أشعر بأن السفر يجدد حيويتي ويوسع
آفاقني."



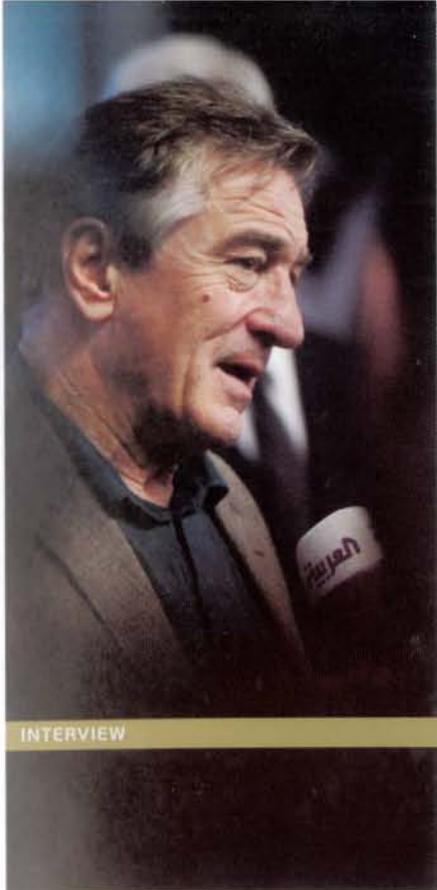
Robert De Niro

Actor, and co-founder of the Tribeca Film Festival

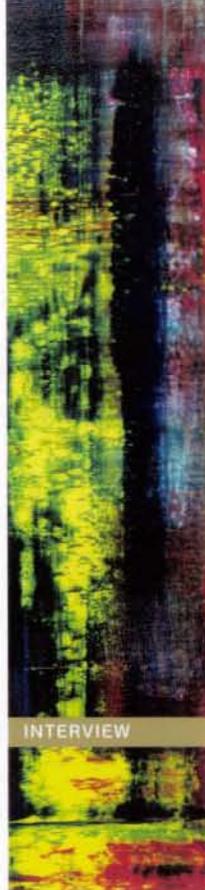
"The most important thing with a director is that
they make you feel as if you can do no wrong."

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★★★★★



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JOE FOGGIA

Christensen Yachts CEO Joe Foggia talks to *Oryx Premium* about working his way up to his dream job, and how vertical integration guided the business through its leanest years.

Interviewed for *Oryx Premium* in Washington DC by R Bransom Bean



Joe Foggia
Christensen Yachts CEO

It's one thing to find yourself in the chief executive's chair when you have flecks of grey hair and 30 years or so of managerial experience at half a dozen Fortune 500 companies along with that MBA from London Business School. But Joe Foggia, now 43, took the helm of Christensen Yachts when he was just 30.

To be fair, at the time he had two things going for him. First, the superyacht industry was booming. Seemingly unstoppable building slots were trading like a commodity as superyacht builders contracted for new-builds with buyers who never took delivery, instead flipping their unbuilt yacht to people who just couldn't wait for millions in profit. Order books were bulging.

"Looking back now, our industry was so fat then," Foggia,

now the company's CEO and owner, recalls. "In 1997 our 155 (yacht) sold for US\$12 million; ten years later the same boat was selling for almost US\$35 million."

Sadly, as Foggia and the rest of the superyacht industry would discover, that indestructible seller's market was not to last and would almost bring his company down. But most importantly, by the time he first took the top spot at Christensen, Foggia had actually done almost every job in the company.

"I grew up with my management team," he says. "I actually felt the employees were grooming me for this job; everybody out there knows I started sweeping floors – I respect every job, because I've probably done them all."

With the ink hardly dry on his Bachelor of Science Degree in Business Administration, Foggia joined Christensen in 1990, though he'd been working in the boatbuilding industry since he was 15 years old, spending summers grinding fibreglass cabinetry.

Christensen, based in Vancouver, Washington, USA, had never built a yacht on spec, so production was unpredictable and real efficiencies almost impossible. Foggia decided to break that cycle of 'sell a yacht – build a yacht – deliver a yacht – then back to the bank for the next one' which had kept Christensen

limping along at less than two yachts per year. Foggia is unabashedly proud that he does not build custom yachts, observing, "Custom' and speed-of-build are mutually exclusive and, besides, no boat is all that attractive to look at until they're 60–80% complete."

Central to the Christensen brand is premium quality, and Christensen still takes pride in delivering turn-key superyachts, recognised as true deep-water, ocean-going global explorers, right down to the bed linens. Built with environmentally friendly vacuum infusion, the ABS (American Bureau of Shipping) -certified cored composite construction also means reduced weight with a strength-to-weight ratio stronger than steel.

"In fact, we've engineered seven times stronger tensile strength than steel – the same concept as Boeing 787 Dreamliner and Airbus A380 with composites," Foggia says. This also has the added advantage of allowing another stateroom. The formula is a success. In the last 27 years Christensen has built 44 yachts, with a collective length of over 2,000 metres. The best evidence is in the incredible number of repeat buyers.

"We're good friends with all of our owners – yes, all of them – that's why we have 14 repeat customers who over the years

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"WE HAVE THE HIGHEST RE-SALES IN THE INDUSTRY; WHEN A CHRISTENSEN OWNER WANTS TO SELL, MANY MORE OUT THERE WANT TO BUY."

YACHT CHARTER M/Y ODESSA, 2009
The stylish superyacht *M/Y Odessa* is a 160 ft (48.8 m) Christensen motor yacht launched in 2009. She can accommodate 12 guests in six spacious staterooms and has a crew of ten. The yacht is the first Christensen to feature a black hull and silver painted superstructure. The *Odessa* also features interior design by Armani Casa.
Length: 160 ft (48.8 m)
Beam: 29 ft 6 in (9 m)
Draft: 7 ft 9 in (2.36 m)
Range: 4,300 nautical miles
Construction: Composite
Classification: ABS+AI-AMS & MCA
Power: MTU 12V 4000
Maximum speed: 18 knots
Around US\$275,000 per week from www.christensenyachts.com





M/Y LADY JOY, 2007
 Length: 157 ft (47.8 m)
 Beam: 29 ft 6 in (9 m)
 Draft: 7 ft 9 in (2.36 m)
 Range: 4,300 nautical miles
 Construction: Composite
 Classification: ABS+AI-AMS & MCA
 Power: Detroit Diesel 12V 4000
 Maximum speed: 17 knots

have owned 32 Christensen Custom Series Yachts," says Foggia, "And we have the highest re-sales in the industry; when a Christensen owner wants to sell, many more out there want to buy, even in the worst possible times."

Under Foggia's leadership, Christensen soon became a lean manufacturing, vertically integrated company bringing everything except sales in under the Christensen roof. Visitors to their shipyard today see uncut hides in the upholstery shop.

"We do all woodwork, electrical, paint interior/exterior; specialised stainless steel, marble and granite; piping and finish work," says Foggia, "Subcontractors mean inconsistency to me; they go out of business and you have to start all over again."

Christensen's workforce rose to 425 and, to cope with demand, in 2008 the company commissioned a new custom-built production facility 4,000 km away on a green-field site in Greenback, Tennessee. The future seemed bright, but by November of that year, the superyacht industry had collapsed, giving Foggia the ultimate challenge of his business career: survival.

"2008? It was an unmitigated catastrophe," Foggia says. "What more can I say – and don't take it out on the sales guys. It was the market." Foggia soon found

himself resorting to 'tough love' as he calls it, laying off 350 employees by 2010. "I was sick... for 14 months we had no sales calls, none, not even a tyre kicker." The Tennessee yard was mothballed and capital projects put on hold. In desperation, Foggia took Christensen's quarter century of experience in large-scale composite manufacturing and diversified.

"That's why we have a company called RECS (Renewable Energy Composite Solutions LLC)," says Foggia. "We build state-of-the-art composite fabrication solutions for all types of renewable technologies – offshore wind turbines, aqua-culture for ocean farming, and tidal hydrokinetic, as well as components for stealth drones."

And because of Foggia's early commitment to vertical integration he didn't suffer from suppliers going bankrupt.

"Remember, suppliers to us are only materials."

Certainly things are better today, but in no way back to how they were in 2007, and buyers are more prudent, deliberate, and educated. Yet Foggia has good reasons to smile again. Employees now number over 300, from the low of only 75, and his buyers are back from all over the world. "We have six new ones this year, and we are the builder for Chinese

yacht company Ocean Alexander's new 120 ft (36.5 m) yacht."

In fact, at November's five-day Fort Lauderdale International Boat Show this year, Christensen announced three new contracts. And there are even some stirrings at that sleeping Tennessee yard. No one at Christensen or in the industry as a whole knows when, if ever, the industry will return to the old boom times but Foggia is positive of one thing – he's staying at Christensen.

"I was never going anywhere else," he says. ☺



M/Y REMEMBER WHEN, 2011
 Built to ABS class and MCA compliant, this superyacht's contemporary interior by Carol Williamson & Associates accommodates 12 guests in six staterooms, plus 11 crew in five cabins. She has a cruising speed of 14 knots, and a range of approximately 4,300 nautical miles.
 Length: 162 ft (49.3 m)
 Beam: 29 ft 6 in (9 m)
 Draft: 8 ft (2.4 m)
 For sale: US\$36,900,000
 For charter: US\$250,000 per week
www.christensenyachts.com

✈ Qatar Airways has daily non-stop flights from Doha to Washington DC.