

# THE CYBA NEWS

April-July 2015

The California Yacht Brokers Association Newsletter

## CYBA Legal Seminar

By Anita Mays

As a current Board Member, I see the main objective of the CYBA is to be of service to its Members. Your CYBA Board and its Affiliate Members and Supporters did just that recently at the 18th Annual CYBA Legal Seminar led by CYBA Legal Advisor, Thomas Russell.

As a CYBA Member, I encourage you to take advantage of the two main avenues that the CYBA offers to its Members with respect to Education, Networking and Fun: The Annual Legal Seminar (Usually June, next year may be earlier) and the Annual Dinner (January).

In June, 60 of the top professionals in the California Marine Industry enjoyed a day full of over 15 topics chosen to help CYBA Members avoid legal issues and complications in their day-to-day business.

Topics such as: "What does Fiduciary Responsibility Mean?" to "What does it mean when it says: Not For Sale In US Waters to US Citizens?" as well as, updates from the DBW, and several presentations by top attorneys and industry leaders were all included.

Why is it important for a marine industry professional to stay informed about current legal and potential business changing concerns in the California Boat Sales Market? Things are always chang-

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## NOAA Report Details Economic Benefits Of Fishing In California Sanctuaries

Posted on June 24th, 2015

NOAA said in a new report that anglers spent about \$156 million on saltwater recreational fishing in California's four national marine sanctuaries, on average, generating more than \$200 million in annual economic output and supporting nearly 1,400 jobs.

The peer-reviewed report cited data ranging from 2010 to 2012, the most recent years for which data were available from the state Department of Fish and Wildlife.

NOAA said the findings high-

light the positive effects and economic value of recreational fishing in the four California sanctuaries – Channel Islands, Greater Farallones, Cordell Bank and Monterey Bay – which are managed to ensure their health.

About 13.4 percent of all saltwater recreational fishing in California from 2010 to 2012 took place in national marine sanctuaries, the report said. During the study period, the Greater Farallones sanctuary was called

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The CYBA hopes you had a safe and happy Fourth of July.



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# from the PRESIDENT

by Jeff Merrill, CPYB

## Greetings fellow CYBA members!

It is my great pleasure to welcome back Anita Mays from Valkyrie Yacht Sales in Oxnard to the CYBA Board of Directors. Anita is well known in our community and is taking the place of Bob Merritt from Corinthian Yacht Sales in Ventura. Bob is a former president of our association who was very helpful stepping in to support the board over the last two years. Bob, thank you for your service! Anita's organizational talents were exhibited at the recent CYBA Legal Seminar and we are very pleased to have her back on the team.

A huge highlight and kick off to summer, the San Diego International Boat show was well attended by yacht brokers with boats on display and a huge surge in the gate, up 19%. Great summer weather welcomed the crowd and we enjoyed the fantastic new docks installed by the NMMA. There were great vendor tents, nice food options and a wide variety of boats and marine products on display. The CYBA tent was set up by our Executive Director, Don Abbott, who was on hand all through the show along with our CYBA/NMMA Boat Show Chair, Dean West. The future looks very bright for this premier west coast event, congratulations to the NMMA and to all of the exhibitors who participated. Word is a couple of boats were sold, hope you were one of the sellers!

Working backwards, the first part of June found over 80 CYBA members and guests at the Southwestern Yacht Club on June 9th for our annual Yacht Sales and the Law, Legal Seminar. Anita Mays was the chair person this year and did an exceptional job of working out the venue logistics and along

with Tom Russell organized a great slate of speakers to address the audience. Presenters included many top maritime attorneys along the west coast and a couple of CYBA board members including Dean West, Dennis Moran and Nick Friedman – additional reporting on this "must attend" event are included in this newsletter. I'd also like to personally thank Marinda Isley, Anneka Barkey, Monique Cabral and Fahim Buksh from the DBW for taking the time to join us and give a presentation.

Our June Board of Directors meeting was held at Fiddler's Green in San Diego (thank you Steve Rock). Our in person meetings happen a couple of times a year and all CYBA members are invited to attend. The next in person meeting is slated for September 2nd in Northern California at the Oakland Yacht Club. We were fortunate to have many of our Legal seminar sponsors and presenters join us for dinner and the meeting.

In May I was invited to the NMMA summer kick off mixer at the San Diego Yacht Club. This was a low key event for everyone to relax and mingle. Dean West from the CYBA Board also attended.

The May Board of Director's meeting was held at the NMMA West offices in Orange, CA. Great location and good turnout – thank you Dave Geoffroy and the entire NMMA West staff for hosting our meeting.

Every last Thursday of the month the San Diego Yacht Brokers forum takes place at Fiddler's Green restaurant in San Diego. I've attended the last couple and am always impressed with the participation and the program

(cont. on next page)

## From The President... (cont. from pg. 2)

and in addition to the networking opportunity there is a free lunch – this is a great monthly event that all CYBA brokers should try to attend.

In April we had our first ever YBAL (Yacht Broker Association Leaders) conference call with representatives from the seven North American Yacht Broker associations invited to join in to talk about our common goals and objectives. One of the primary discussion items was the May ABC conference in Washington, DC. CYBA sent former president, Dean West, to attend and you can read his report elsewhere in this issue.

At the end of March I traveled to Sacramento to meet with the DBW, joined by former CYBA president, Tom Trainor. We are trying to work through some details to properly define the relationship between brokers and sales persons and it was great to see their offices and spend some time at the table to discuss our mutual goals. Thanks to Ramona Fernandez and Chris Collins for their time and attention.

Have you logged on to our CYBA.info website recently? Mik Maguire is doing a great job of updating the content and he is looking for photos from members that illustrate the boating lifestyle. If you have a photo you would like to share, please email it to Mik.

Membership continues to grow; this is a direct result of members like you reaching out and recruiting, thank you and please continue to wave the flag. J.R. Means is our membership chair and he really appreciates all those active CYBA folks who continue to sponsor more members each month. We have also simplified our membership application forms, easily downloadable from our website.

Our forms program continues to be refined under the leadership of Nick Friedman. One important point to pay attention to as you go about your daily business - make sure that you are using the latest forms, dated with end of 2015 expiration. We have heard that some brokers are using the old forms, this is just plain sloppy, please log in to the Forms website and make sure you are using the latest versions – this is for your protection as well as for the protection of your buyers and sellers.

Looking ahead, SAVE THE DATE of Saturday January 23rd, 2016 for our annual Dinner Dance, the location is still being figured out.

Thank you for being a member! Your board of directors is a great group of volunteers who understand our business and are working long hours to help benefit our profession. I can say from personal experience that none of us has the time to do these things, we simply make the time, a little bit of sacrifice and a measure of organization actually makes our business skills sharper and we all enjoy giving back to our industry. You don't have to be a board member to get involved. If you would like to become active we have several committees and the chairs are always looking for some extra hands to help with

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Visit Our Website  
[www.cyba.info](http://www.cyba.info)

## YachtWorld's Private Label Search – Is It For You Or Not?

The Division of Boating and Waterways has stated that licensed brokers in California who advertise boats on a website that uses a Private Label Search system are less likely to be found in violation of the Harbors and Navigation Code if they do the following for each boat they advertise using the PLS system; 1) the listing broker is clearly and prominently identified in the ad, 2) a prominent disclosure is made in the ad that states, "THIS BOAT IS SUBJECT TO AN EXCLUSIVE LISTING AGREEMENT WITH THE BROKER LISTED ABOVE AND IS NOT OFFERED FOR SALE BY THIS BROKER." This brokerage is merely providing this information in an effort to represent you as a buyer in the purchase of this vessel." 3) The advertising website that the broker uses should offer an opt-out to any brokerage that does not want their exclusive listings appearing on other brokerage's web sites or in other brokers' web advertisements. For example, an email request to YachtWorld will exempt any of your brokerage inventory from showing in a PLS search on another broker's website.

Brokerage houses are split between supporting

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## **CYBA Legal Seminar...** (cont. from pg. 1)

ing. Staying aware can prevent you and your associates from costly mistakes. Many attendees stated they learned a few things they weren't aware of that could save them time and money.

Hot topics are discussed during this day that you may or may not be aware: Did you know that there are potential things in the works that could affect us on how we are required to handle our independent sales force that could cost us all a lot of money and virtually wipe out many of the Yacht Brokerages in California? This is just one of the hot topics discussed.

I encourage you to talk to the people who did attend this year's Seminar to get an update. And, most importantly – email me throughout the year with any topics that you would like to see explored at next year's event. [anita@valkyrieyachts.com](mailto:anita@valkyrieyachts.com).

While legal aspects are important – day-to-day business help

is equally interesting and I am sure useful for all. While we are all friendly competitors – the big picture is that the stronger we are as a whole benefits all of us.

Let's face it – we are all very busy, however, it doesn't take much for you to be involved with the CYBA and reap the benefits. The two events that I mentioned above are easy ways to stay informed and current. So, please watch for the Event Invites and RSVP early. Your feedback and participation is key. A huge thank you to everyone who contributed to this year's Seminar and to those who were able to attend. With over 500 licensed individuals in California and hundreds of support businesses such as Shipyards, Marinas, Finance and Insurance Services etc. WE hope to have at least 150 people at next years CYBA Annual Events. Our goal at the CYBA is to make them better, more informative and more fun each year.

## **NMMA Encourages Industry To Comment On EPA Ethanol Increase**

The EPA has announced its plan to increase the ethanol volume requirements for 2014, 2015 and 2016 – this will push the total ethanol volumes to record highs and industry projections estimate that as soon as next year the so-called "blend wall" will break.

This means more and more ethanol will be on the market, and ethanol-free fuel will be harder to find.

This is a significant danger for marine engines which are not designed or legally allowed to run on higher blends of ethanol, like E15.

The government has opened a public comment period until July 27th.

## **From The President...** (cont. from pg. 3)

phone calls, emails, set ups, etc. I invite you to contact me directly by phone or email to let me know what your interests are and how you can become more involved in your association.

Look for the Logo. This simple slogan was part of the CYBA original branding years ago. Last year we made a slight modification going from black to blue in our color scheme, but keeping our trademark yellow ball. New stickers are being created and we have already begun distributing CYBA

member signs at the NMMA boat shows. We passed out two boxes full of free signs at the Legal Seminar. We also have the new "blue ink" logo artwork available for your magazine and internet ads. Please contact Executive Director, Don Abbott, if you would like to get some of these CYBA promotional materials.

We are also going to show a few photos of broker's offices state wide who are displaying the logo. If you have a photo of a colleague's office or one of your own that shows the brokerage name and the CYBA logo, please send it in to the CYBA newsletter editor, Jim Johnson for possible inclusion in a future newsletter.

Our industry seems to be back in the black, hope you are seeing some improved sales results and that the momentum continues through the summer months and beyond.

Jeff Merrill, CPYB



## NOAA Report... (cont. from pg. 1)

the Gulf of the Farallones; it was renamed earlier this month.

"This report underscores the value of national marine sanctuaries as focal points for recreation and local economic development," Bob Leeworthy, chief economist for NOAA's Office of National Marine Sanctuaries, said in a statement. "It also highlights the important role sanctuaries play in protecting the health and integrity of critical marine ecosystems, including places cherished by recreational saltwater anglers."

## First Big Hurdle Of The Year Is Past (...and a short primer on the process)

By: Bill Krauss

May marks the month when the Legislature is finishing up its work on the first big deadline of the year. All bills that are introduced must continue to move through the process according to strict deadlines. If they fail to meet a deadline they are dead for the year. The first of these hurdles is the deadline for all bills to get out of their first policy committees. The Legislature is comprised of dozens of such committees that focus on their particular policy area, such as natural resources, education, taxes, etc.

With the introduction of thousands of bills each year, it is profound chaos in Sacramento as these committees try to have substantive discussions on thousands of bills, many of them complex and far reaching in nature. This first deadline not only serves as a critical step to discuss the merits of the various bills, it also tends to function as a filter that weeds out the many bad bills that tend to get introduced. There are fewer bills after this deadline and those measures are more viable in the process.

The next pivotal point in the process is usually the policy committees in the second house, which is not for some time. Before a bill gets to that point, it must first move through a policy committee, usually a fiscal committee, then to the floor of the house of origin before it repeats the process in the other house, i.e., Assembly bills move to the Senate and vice-versa.

Once a bill move out of the house of origin, it can face more challenges as the personal allegiances and deference that colleagues might show to members of their own house can be less strong. In fact, sometimes the gamesmanship between the houses can be just as strong as the bickering between the parties.

Now that we are beyond the first policy committee, most of the bills introduced will funnel through the Appropriations Committee. This is another wild ride as this one committee, which is focused on the fiscal impact of bills, will hear hundreds of bill in a very short time.

In all of this activity, the boating community is

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## 2015/2016 State Budget "In the Can."

By: Bill Krauss

The State Budget was finalized on time and it very much reflects a State in recovery, but one that is also dealing with the fiscal "hangover" of the recession. Specifically, the budget for 2015/2016 assumes \$115 billion in revenues, which is 3.3 percent increase over 2014/15. Additionally, by the end of the budget year, the state will have a total reserve of about \$4.6 billion, with \$3.5 billion remaining in the "rainy day" fund and \$1.1 billion in a special fund for economic uncertainties. Because of the relative strength of the budget, the State will also be able to pay down about \$1.9 billion of the debt accumulated during the recession. These actions are predicated on an estimation that the tax revenues coming to the State will increase by about 4 percent. All and all, the budget is strong and responsible and that is due primarily to a Governor who is ironically very "progressive" on most issues, but who also has a real commitment to fiscal restraint.

### State Budget and Boating

The good news for the boating community is that our programs are fully funded, with increases in a couple critical areas, namely Water Hyacinth abatement and the abandoned vessel program.

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## **First Big Hurdle...** (cont. from pg. 5)

fairing fairly well. In fact, we continue to support several bills and not a single bill is on our "oppose" list. In recent years, we have made a concerted effort to express support where we can to participate in the process in a positive fashion, and not just when there are concerns.

We are supporting bills related to improving the removal of abandoned vessels, preventing boating under the influence, opening a reservoir to body contact swimming, and making fishing licenses more attractive.

### **May Revision of the State Budget**

Not much to report here: The May Revision includes an additional \$2.2 billion of onetime resources to continue the state's response to drought impacts. The funds will protect and expand local water supplies, conserve water and respond to emergency conditions.

### **DBW Working Group**

Your association, along with members from the other boating associations we represent, have formed a "working group" for the purpose of engaging with the Division of Boating and Waterways (DBW) to

seek improvements to some of their programs. This group was formed out a growing concern that the communication and relationship between DBW and the boating community is not what it could be.

In 2013, DBW was merged with the Department of Parks and Recreation and the transition has been more difficult than expected. There have been staff changes and complex issues relating to integrating the two departments. These realities have been a significant contributor to the challenges DBW current faces.

There is not enough room in this space to go into detail about those concerns, but, in short, it is fair to say that we will be recommending methods to improve communication, and a plan to increase information flowing to the boating community, along with suggesting changes to their internal process that will make interactions more effective. This communication will hopefully be ongoing and will result in improvements all around. We are confident about our prospects as we have already had our first meeting and it went very well with Park's enthusiastic participation.

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## **State Budget...** (cont. from pg. 5)

### **Water Hyacinth**

Water Hyacinth, an invasive and problematic weed that is clogging up the Delta, will receive an additional \$4 million in funding to help with the fight next year. In addition to the increased funding for the Division of Boating and Waterways (DBW) funded efforts, DBW has taken a lead role with coordinating other agencies to help fight this problem. The recruitment of other agencies was a smart move by DBW leadership, as these other agencies bring additional funding and expertise to fight a problem that is much bigger than the concern of its "hazard to navigation," which is the primary concern of the boating community.

### **Abandoned Vessels**

Abandoned vessel abatement funding has also seen a significant increase this year. In the past, it was not uncommon for this program to only see funding in a range between \$500,000 and \$750,000. However, this year the budget has been increased to \$1.75 million. We have lobbied for increases in this area for years as the problem is severe and chronic.

### **Private Marina Loans**

The private marina loan program is being funded at a strong \$4.2 million. This is an increase over previous years as this program has a historical funding level around \$3.5 million.

### **Launch Ramp Grants**

Launch ramp grant funding continues to be strong at \$15.35 million.

It is fair to say that while there are still some ex-

penditures from the boating fund we do not agree with, such as money for beach erosion, the programs that are critical to our members are receiving adequate funding.

### **Newport Bay TMDL**

In recent years, the issue of excessive copper in the water has become a priority for the various regional water boards. This problem is caused by copper-based vessel hull paints as well as many other sources, such as brake pads. Newport Bay is just beginning the process of crafting their TMDL or "Total Maximum Daily Load" rule for copper. A TMDL mandates actions to reduce the amount of a given pollutant in a given body of water, such as copper in this case.

Over the last couple years, we have been engaged on this same issue in Marina Del Rey. The result there was a TMDL for copper that will severely impact the boating community. Marina Del Rey has a very high amount of copper due to vessel hull paints, and their new TMDL reflects this by placing significant burdens on the boaters, specifically the need to replace copper based hull paints over time.

Newport Bay has a similar problem, albeit not as acute. Here is a quote from their "project summary" document, which does a good job of summarizing the issue:

"In order to meet this draft Cu TMDL, Cu discharges from boat hulls must be reduced by 83%. The proposed Cu TMDL will be phased and will allow

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# ADVANCED TECHNOLOGY FOR INCREASED SALES



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## State Budget... (cont. from pg. 6)

15 years to reduce Cu discharges from boats. This will allow boaters to convert their boats from Cu to nontoxic paints as hull repainting is needed during normal boat maintenance. Additional options to reduce Cu from boat hulls include 1) the use of best management practices (BMPs) by all hull cleaners (such as the use of softer pads for hull cleaning), and 2) the use of slip liners, especially during hull cleaning. In addition, Cu concentrations in sediments must be reduced, and dredging is recommended."

This issue is important and worthy of note as there are other impaired waterbodies in the State that could also see similar rules

impacting the boating community. We will continue to monitor the Newport Bay issue and engage where appropriate.

### Transportation Funding Special Session

The Governor has called a "special session" to consider new funding sources to help pay for much-needed repairs to our infrastructure. This is important to the boating community as the Harbors and Watercraft Revolving Fund is supported by the gas tax, which could be affected by the outcomes of this special session. I will monitor this special session closely to ensure our interests are protected.

### DBW Online Grant Applications

We have lobbied DBW for years to be more transparent and interactive with their programs. We are glad to report that several of their grant programs now have an online application process, and it is our understanding these grant applications are only the beginning. DBW is also expected to put even more information about other program online over time.

This year we continue to support several bills of interest, which were reported on in my last article. These bills continue to move through the process and I will report on the final outcomes of those bills in my annual report, which will be completed in October.

## Editor's Notes

For most of us, summertime is a time for vacations and relaxing, but from what I have seen this year at the boat-yards and brokerages offices here in San Diego, it has also been a time of pedal-to-the-metal sales activity. We have all been blessed to enjoy some of the best weather we have seen in recent years, and with that comes a renewed interest in boating. Adding to the increased interest in boating are numerous outstanding fishing reports. Successful catches in yellowfin, yellowtail and bluefin have provided a bump in the sales of sportfishing boats, big and small. I hope all of you have been fortunate enough to have experienced some of this increased activity, and have seen a nice uptick in sales in your respective offices.

The State of New Jersey has a Bill before Governor Christie to sign that would cap the Sales Tax on the sale of a vessel in their state to \$20,000, and Washington State was recently able to successfully pass a Bill that allows non-resident entity-owned yachts to stay for 180 days in their state without a tax implication. This means that Florida, New Jersey, Maryland and

Washington are enacting legislation favorable to recreational boating, because they see the benefit this produces for their respective economies. Maybe if Sacramento stopped worrying about Bullet-Trains, and more about this state's sluggish economy, we could see California join the ranks of states making reasoned efforts to stimulate their economies. These legislative acts indicate why each membership to this association is so very important, because without the support of everyone involved in this industry, we cannot hope to push through such legislation – WE NEED YOUR SUPPORT. Our industry needs representation of all the voices (and votes) of everyone involved in it. Your membership dues and support of our Law Seminar and NMMA-partnered boat shows, give us the financial support to take these issues on in Sacramento and in Washington DC. So I urge every brokerage house to encourage each of your salespersons to join the CYBA, helping us to help you and our recreational boating industry.

"ALONG THE WATERFRONT" - remember this is a great way for

your company to get the word out on changes at your office, whether it is new personnel, a new product-line, or even a new or relocated office. These are all newsworthy topics, and I hope you will take a moment of your time and allow your newsletter to work for you. Please submit articles to me via email at jim@chuckhoveyyachts.com. I ask that you try and keep the article to a couple paragraphs, if possible. Thank you.

I would like to extend to all of our membership a wish for safe and enjoyable summer and Labor Day weekend – hope to see you on the water.

Respectfully,  
James H. Johnson,  
Editor

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correspondence to:**

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## Bill Lengthens Time Superyachts Can Stay In WA Without Being Taxed

Posted on July 2nd, 2015

It took more than four years, but the passage of the Marine Tourism Bill is good news for Washington's marine industry.

If the bill is signed into law by Gov. Jay Inslee, as expected, superyachts will be allowed to stay in Washington waters tax-free for 180 days.

"It's a victory for not only for marine-related business but for the region in general." LaCasse Maritime owner Greg Mosely told

the Puget Sound Business Journal. "Because the big boats are more welcome to stay here, it puts us on a level playing field with states offering the same services."

Northwest Marine Trade Association vice president Peter Schrapen also was pleased with the bill's passage.

"We had a lot of people rowing all in the same direction, so everything finally lined up for us," he said.

If signed, the law will go into

effect Sept. 1. It allows superyachts registered as limited liability corporations, as many are, to stay in Washington waters 180 days before a 10 percent tax on the value of the boat is imposed.

Without the new law, the tax is imposed after an LLC-registered or entity-owned vessel stays more than 60 days.

Smaller, individually owned boats already can stay for 180 days before they are taxed on their value.

## CYBA Forms Improvements

Nick Friedman, CPYB  
yachtbroker@pacbell.net

There are many improvements to the CYBA Forms on the horizon. Our software developers at YATCO are incorporating a number of new features into the upcoming revision

One dramatic change will be the addition of two permission levels. Level one is designed for the broker or administrator. It provides access to everything plus the delete function. Level two is designed for salespeople. Each salesperson will be able to modify their information only, and will not see the dollar amount of offers written by other salespeople. This will help keep the integrity of offers in place and not provide an unfair advantage to a follow up offer.

Another feature will be notifications to each salesperson. For example, a thirty day warning of listings expiring will show up on the front page for each salesperson. To keep everyone in the office current, new listings and offers made throughout the company will also be displayed.

For this to be enabled in your brokerage, each salesperson and non-master member broker will need to join the CYBA for the nominal fee of \$36.00 a year.

We are also developing an archival tool so that contracts may be saved, but not clog up the active database.

Modifications to current forms will include a name only option for Purchase Agreements to protect the privacy of your buyer or seller if needed and an abbreviated entry form to respond to offers from another brokerage. The search index features will be improved so that every contract can be searched by boat name, length, brand, buyer, seller or date. Additionally, a one touch copy and transfer from Buyer to Seller data base or visa versa is being incorporated.

We are developing the capability to create a hybrid form that allows you to type in most of the information, but write in dollar amounts and dates. This way, when meeting a customer outside the office to list a vessel, or create a Purchase Agreement, a more

professional looking contract is presented.

New forms include a Seller Authorization to perform work or maintenance on a vessel, and a simple text addendum form will be created that can amend any contract.

We are making numerous small modifications to many of the forms. If you have suggestions, please send them to Nick Friedman at yachtbroker@pacbell.net. It is our goal to be as responsive as possible and our developers at YATCO are really going the extra mile to make this happen.

Lastly, we are looking at a number of electronic signature providers to determine which one will integrate best with our forms at the most reasonable cost.

## September Board Meeting

The CYBA Board of Directors meeting for September will be held at the Oakland Yacht

Club (1101 Pacific Marina, Alameda) on September 2nd. Northern California CYBA members (brokers and salespeople) are encouraged to attend and see how your board works for you. There will be a no-host lunch at the club starting at Noon and the meeting to follow at 1pm. Please attend and show your support... For information, contact Mik Maguire, Board Secretary at 510-552-7272.



# Using Infrared Technology For Boat Inspections

Lou Mencuccini

Those of us that are reading our favorite boating magazines and are visiting our favorite chandleries are seeing FLIR Thermal Night Vision Systems as the next "must have" for safety. But do you know there is another use for this high end Infrared technology that can not only protect you at night and underway but even before you leave the dock?

Thermography is the use of an infrared imager and measurement camera to "see" and "measure" thermal energy emitted from an object. Infrared allows us to see what our eyes cannot. Everything above "absolute zero" generates thermal energy and is invisible to the naked eye. Using a Flir thermal camera to detect and measure this energy allows us to see and understand this energy and its effects on our boats equipment. Nearly everything gets hot before it fails. On a boat, if it gets wet it will eventually fail, also, making infrared cameras extremely cost-effective, valuable diagnostic tools in many diverse applications.

Infrared cameras that incorporate temperature measurement allow predictive maintenance professionals to make well informed judgments about the operating condition of electrical and mechanical targets. Temperature measurements can be compared with historical operating temperatures, or with infrared readings of similar equipment at the same time, to determine if a significant temperature rise will compromise component reliability.

## Why?

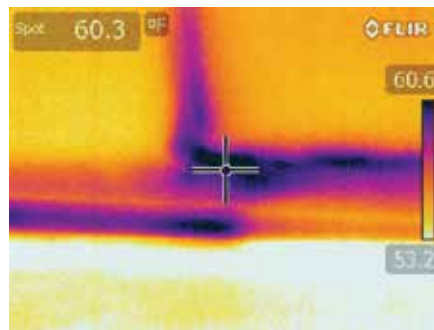
According to "Trade Only Today" a marine industry trade magazine the age of the recreational fleet is getting older, a lot older. In 2008 the average age of the fleet was 9 years old and today it's reported to be over 22 years old. With fewer newer boats on the market, boaters looking to enter the market or move up in size will have less selection and these older vessels that are a large

portion of the available supply will come into consideration solely because that's what's available.

As with any piece of equipment, condition is very important but how well can the condition be determined? Is there a way to figure out how the vessel has aged? Has water intrusion into the openings in the hull and decks begun to saturate the laminate compromising the structure? What is the saturation of vessels cored with either plywood or balsa wood? Is the core intact or has it been emulsified by years of saturation, flexing and pounding action sustained just thru regular use? By using an infrared camera to scan the hull saturated portions can be found as the compromised areas will readily show significant temperature differences.

## Areas of Inspection

Any openings that were cut into the hull such as where rail stanchions are fastened to the deck, port lights & windows, air vents, rub rails, thru hull fittings,



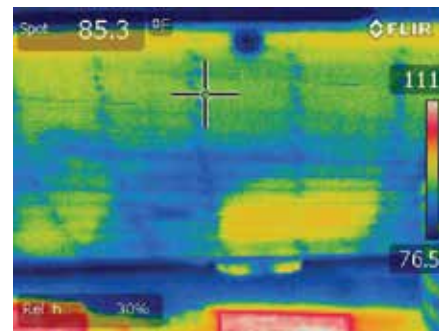
This thermal photo is from a 1987 Tollycraft that is sitting bow down. The owner suspected water intrusion as there was leakage at the rub rail for an extended period of time. The dark blue portion is the saturated area at the lower portion of the bulkhead and into the hull. Water shows at a higher temperature as it holds heat better than air or fiberglass.

side and forward windows, and hatches are potential points of water seeping in. With the thermal imager due to the temperature trail, the source of a leak can more readily be found. It is not the casual leak but those that have been going on over time that cause the deterioration and mold. Besides cut outs in the hull other areas of concern are; the fore deck for delamination and soft spots, hull sides which absorb most of the stress from flexing as the vessel falls off a wave and the transom. The thermal imager, accurate to within less than a tenth of a degree will be able to pick up any temperature differences. Rather than sounding the hull with the traditional 8oz hammer the imager can take a photo of a larger area of the hull, with relation to location on the vessel. Should an anomaly be found, its size and scope can be determined and due to the temperature differences may even show the extent of the damage.

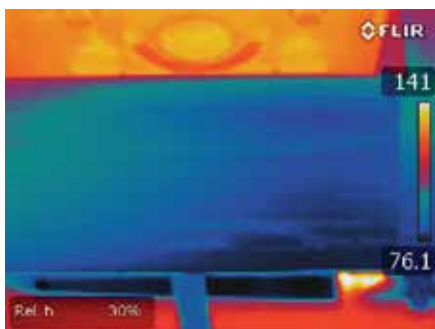
Besides scanning for hull defects the sensitive infrared detector with its' advanced electronics can be used to scan for electrical, exhaust, engine, fuel systems, cooling systems, keel inspections and a multitude of other potential hard to detect potential problems. Marine surveyors can use thermal imagers to quickly see areas of the vessel that require a second look.

Mechanics may be able to

(cont. on page 11)



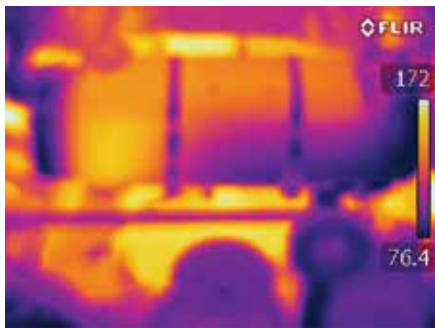
Here we have a repair on an old wooden hulled vessel. This repaired area was spotted using the thermal imager. The repaired is of a different material than the original hull and needed a second look. Sounding the hull alone missed this repair.



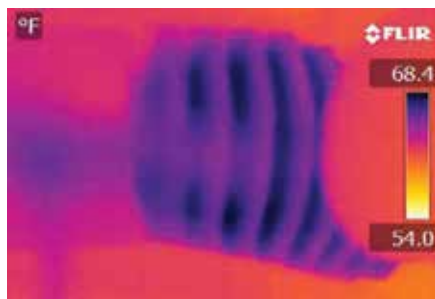
Heat exchanger thermal photo from a Cummins 6BTA5.9 engine. With no discernible areas of temperature variations spotted using thermal imaging the unit was pulled out to find that it was almost 50 % blocked. The gauges never showed any signs of potential overheating and due to the limited hours on the engine there were no plans or indications they needed service.

shorten time to source many problems and prevent them from becoming critical. A quick thermal scan shows points of potential failures before they become critical. In the illustration case below, using a Flir imager, a mechanic was able to prevent an engine over heat problem solely by seeing that the water in the heat exchanger was not flowing as it should.

As the thermal cameras become more affordable, we will start seeing the technology being used by more professional marine surveyors, electricians, mechanics,



This is an IR Photo of an operating Heat Exchanger. Notice the distinct cooling pattern.



This thermal imaging photo shows the U-joint bellows from a Mercruiser Bravo III Out Drive. The area in the circle shows fluid in the bellows. We know before we call the mechanic that the out drive needs to be pulled and the cause repaired before there is even more damage to the drive.

and shipyards as another tool to keep our boats on the water. We are already seeing the technology being used as navigational tools with Maritime Thermal Night Vision Systems. Using the technology as a diagnostic tool with a marine application and a way to have a preventative maintenance program is just the next step. It's already being used extensively in commercial applications for buildings and manufacturing industries.

#### **Why is a Broker using this?**

South Mountain Yachts is using Infrared Technology to be able to offer broader services to their clients.

Sellers should be more comfortable knowing the condition of the vessel they are selling. This leads to fewer surprises at the time of buyer's survey which may affect the final acceptance of the vessel. If a problem area is discovered in advance the seller can deal with it on his own terms, disclose it and price the vessel accordingly. There is a lot of time and effort that goes into bringing a vessel to market and the better prepared a vessel is for survey the easier a

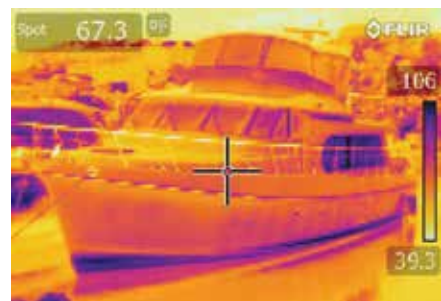
sale will happen when there is an interested buyer.

Buyers should be more comfortable when making an offer knowing that there is a lot more information and disclosure of the condition of the vessel before they spend their time and monies on a survey and hire a mechanic. They can proceed with more knowledge on the condition of the vessel and plan accordingly.

By the time an offer is accepted, a sea trial performed and a marine survey held, everyone is anxious to move forward with their plans. In all, pre-inspecting a vessel gives both sellers and buyers more insight into the overall condition of the vessel and expectations can be managed accordingly. As a brokerage firm, SMY wants to be able to offer vessels that have been better inspected with more disclosure so that the comfort level of all the parties involved is raised. And while no one can predict what is about to happen, thermal photos can show that beauty is more than just skin deep!

For boaters that are looking for the thermal inspection services for vessels for sale at different venues, SMY services can inspect the vessels on an hourly basis. So whether you are purchasing,

(cont. on page 12)



## Using Infrared... (cont. from pg. 11)

buying or just want to know what the status of your boat is infrared technology is one of the most advanced ways of finding out mechanically and structurally a boats condition.

The thermal camera imager can also be used for buildings to find water intrusion and loss of heating and cooling. After all, a boat is a self-sustaining building on the water.

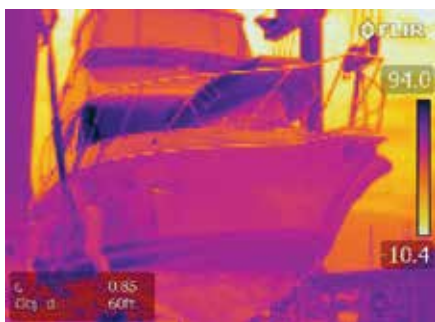
Lou Mencuccini at South Mountain Yachts is a Level I Certified Thermographer, a Certified Professional Yacht Broker, a member of ABYC and has owned and operated South Mountain Yachts for over 10 years.

### Points of Inspection

A. Mechanical inspection encompassing the engines, transmissions, interior exhausts systems, Pulleys, belts, pumps.

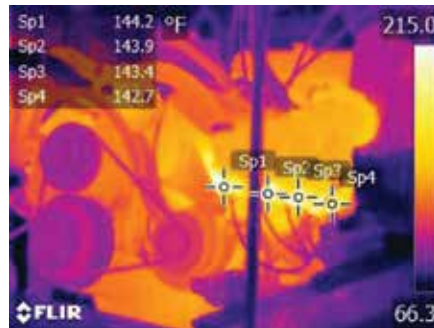
B. Generator, air conditioning pump, hot water heater, water pumps, batteries, tanks: basically any systems located in the engine compartment. Systems must be put under load for inspection.

C. Hull, Deck, Bridge, Transom (if accessible): All external sur-

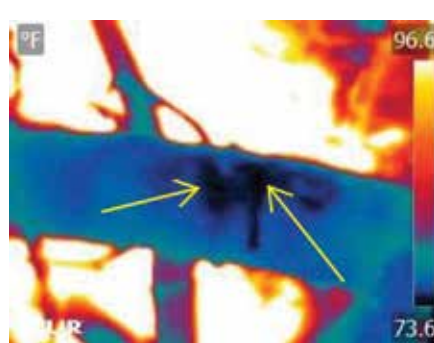


Thermal image of 38' Silverton hauled for survey.

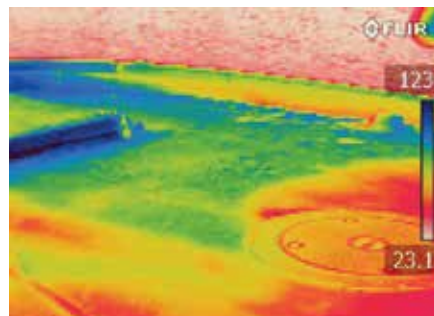
faces. Wetted Surfaces if vessel is hauled out including: Keels, rudders, under water thru hull intakes.



Thermal image photo of the manifold on a Crusader 7.4 Lt Motor. Compression testing showed all cylinders with-in 8 lbs. of each other.



Thermal image of hose right before water broke thru and started spraying.



The red areas show the levels of moisture saturation in the fiberglass encapsulated plywood deck.

## NMMA Membership

### Mixer

By Jeff Merrill, CPYB

Our good friends at the NMMA West held a happy hour membership mixer at the San Diego Yacht Club on Thursday, May 21st. This was a low key, ideal event providing an opportunity to chat with a wide variety of marine industry colleagues.

San Diego International Boat Show posters were spread out on the tables and the general industry vibe is that there is great momentum in the market place with strong expectations for a another successful show.

Fellow CYBA Board member, Dean West joined me as we hob knobbed with NMMA host Dave Geoffroy. NMMA's Katarina Klanck and Natalie Rankin made everyone feel welcome as they mingled through the crowd. A special thanks is due to the NMMA for getting us all together and for providing drinks and hors d'oeuvres.



## Bluefin Tuna Regulation Changes Expected Any Day

On April 8th the California Fish and Game Commission adopted changes concerning fishing for Pacific bluefin tuna in California waters. Those changes included the reduction in daily bag limit from 10 to 2 per angler, and new requirements for filleting tuna while on vessels south of Point Conception, which is in

Santa Barbara County.

The changes are in line with a proposed federal rule by NOAA Fisheries which would have had the same effect in California anyways, that is expected to be finalized and published congruently with the state's changes.

We have been told to expect these changes to become effec-

tive in July of this year, so literally any day now.



# WELCOME ABOARD

## MASTER MEMBERS

**Brett Townsend**  
Central Valley Marine  
Campbell River, CA

Sponsored by: Michael Maguire & Jeff Merrill

## Bill Middleton

BMV  
Oceanside, CA

Sponsored by: Dean West & James Johnson

## John Saul

Bearmark Yachts  
Sausalito, CA

Sponsored by: Nick Friedman & Christine Kaplan

## Tom Giovannoni

Napa Valley Marina, Inc.  
Napa, CA

Sponsored by: Shery Cameron & Mark Bay

## BROKER WORKING FOR A MASTER MEMBER

### Michael Vrbas

Alexander Marine  
Newport Beach

Sponsored by: Brian Hovey & Garrett Martin

## SALES PERSON

**Paul Appleton**  
Mariners Yachts  
Dana Point

Sponsored by: Michael O'Connor

## Roger Smith

Cabrillo Yacht Sales  
San Diego, CA

Sponsored by: Dan Peter

## Mary Susan Withrow

Ensign Yachts  
San Diego, CA

Sponsored by: Jack Buckley

## Jeff Spangler

Cabrillo Yacht Sales  
San Diego, CA

Sponsored by: Dan Peter

## Oystein Ellingsen

Bayport Yachts  
Newport Beach, CA

Sponsored by: JR Means

## SALES PERSON

**Rosivaldo I Rocha**  
Bayport Yachts  
Alameda, CA

Sponsored by: JR Means

## Tim Sanders

Cruising Yachts Inc.  
San Diego, CA

Sponsored by: Ian Van Tuyl

## Michael Brochman

Heritage Yacht Sales  
Long Beach, CA

Sponsored by: Tony Duni

## Nathan Dotson

Denison Yachts  
Newport Beach, CA

Sponsored by: JR Means

## Tim Hagan

Heritage Yacht Sales  
Long Beach, CA

Sponsored by: Tony Duni

## SALES PERSON

**Shawn Mermilliod**  
Bayport Yachts  
Newport Beach, CA

Sponsored by: JR Means

## Jason S. Lilley

Cabrillo Yachts  
San Diego, CA

Sponsored by: Dan Peters

## Gary Schueller

Eliminator Boats  
Mira Loma, CA

Sponsored by: Bob Leach

## Kirby Long

Napa Valley Marina, Inc.  
Napa, CA

Sponsored by: Danny Manley & Marc Bay

## CYBA Attends American Boating Congress 2015

Director Dean A. West represented the Board of Directors and your CYBA at the annual American Boating Congress Legislative Conference (ABC 2015) in Washington DC in May. This stellar event is the major industry-wide conference for focusing on legislative and advocacy interests, and then meeting with US Representatives and Senators, and their staffs, to educate them on the economic, environmental, and recreational ramifications of Federal legislative and regulatory actions or inaction.

Over 250 delegates from across the marine recreation spectrum gathered to exchange ideas, contacts, solutions, and action plans for promoting our industry, and to make abundantly clear to the Washington bureaucrats the massive financial and jobs impact that the recreational boating industry contributes to the nation's economic vitality.

Target issues this year included:

- Ethanol and the Renewable Fuel Standards
- Sport Fish Restoration and Boating Trust Fund
- Deferred Importation for Boats & Yachts
- Invasive Species
- US Flagging for Superyachts
- As well as other important tax, access, and regulatory issues

This was a most impressive assemblage, put

together and conducted by the NMMA and sponsored and co-hosted by a who's who of the nation's broker groups, manufacturers, trade associations, safety councils, boating media groups and others concerned with and ACTIVELY ADVOCATING for the benefit of our industry. The CYBA met with Congressional members and staffs and came away with a heightened commitment to joining forces with, and lending our support and voice, to other associations and groups fighting to keep our industry vibrant, sustainable, and relevant in the coming years. We are determined to continue our support of this extremely worthy conference, and to send a larger contingent next year.

It is incumbent upon all CYBA members to stay educated and informed on legislative and regulatory issues that effect our industry. We have a myriad of special interests and regulatory groups that are working diligently against recreational boating - through ever more repressive environmental regulations, burdensome taxes, or diversion of boating derived funds to non-marine uses. By uniting our support and efforts with those of a like mind, we have a much greater chance of effecting the changes we need to grow and sustain our recreational boating industry.

## NJ Sales Tax Limit On Luxury Yachts Sails Through Legislature

The only thing now standing between an expensive yacht buyer and a sales tax break is Gov. Chris Christie.

A bill (S2784) to cap the amount of sales tax New Jersey can collect on boat purchases at \$20,000 coasted through both

the state Senate, where it passed 36-0 and Assembly, where it passed 65-5 with 4 abstentions. It now lands on Christie's desk.

New Jersey's sales tax is 7 percent, meaning that a buyer would have to spend \$285,715 on a boat to pay \$20,000 in sales

tax. But under the bill, there would be no difference between how much that buyer would pay versus someone buying a \$1 million boat. NJ will join NY and Florida, states that currently offer this tax benefit.

# Top Ten CYBA Tools

By Jeff Merrill, CPYB

At the June Legal Seminar I gave a PowerPoint presentation to highlight the advantages of being a CYBA member (including attending the Legal Seminar) and the talk covered our important relationship with the NMMA, our sponsors who support the CYBA, our arbitration process, our ethics, our lobbyist, our forms program and our website – all obvious advantages for our members. I then went on to outline the Top Ten Tools CYBA members can and should take advantage of. Our newsletter editor, Jim Johnson, asked me to summarize that list for this issue of the newsletter so here goes.

10. The Annual Dinner – Saturday January 23rd, 2016. Come and celebrate the completion of 2015 with your colleagues. This is a fun event with good food, good fun, dancing and door prizes from our generous sponsors. It is a great opportunity to network. The venue for the upcoming Annual Dinner is still being worked

out, but save the date on your calendar.

9. CPYB (Certified Professional Yacht Broker). As a CYBA member you can apply to take the CPYB exam at a discounted rate. California is unique; we are the only state which requires yacht salespersons and brokers to pass exams before we can conduct business in the state. Sure, you have your license, but why not up your game to become a CPYB? The CPYB continuing education requirements will keep you current and engaged.

8. Look for the Logo. Our CYBA logo ball is a great tool to announce to consumers that you are a member and by association are using the best forms in the industry and adhere to our strong code of ethics. Take advantage of the logo to promote your membership in our association.

7. CYBA signs. You can post them in your office window and hang them on your boats for sale. Consumers are looking for the expertise of CYBA members

for their boat buying and selling needs. These are available for free to CYBA members.

6. CYBA Newsletter. You are reading it now. Why not send in a story about your brokerage? Do you have new staff or a new product line? Let your fellow CYBA members know what you are up to and get some free publicity.

5. Division of Boating and Waterways (DBW). We have a strong relationship with our regulatory agency. One project that is almost complete is a new edition of "How to Buy a Used Boat". Once these are published they will be available for you to distribute to your clients.

4. Yacht Sales and the Law Legal seminar. If you have attended you know the value of this one day gathering. The advice is priceless and the topics are relevant. Please plan on attending next year and if you haven't yet attended one of these special days make sure you make it a priority to make the next one.

3. Senior Advisor and Executive Director. Tom Russell has been with the CYBA since our inception and his legal counsel has served us well for decades. Don Abbott, our ED, is our go to man for any questions you may have about the CYBA. We are fortunate to have such a dedicated duo advising and managing our association.

2. CYBA Board of Directors. We are here to help you with your business. Please feel free to pick up the phone or type us an email if there is an issue you would like help with resolving or understanding.

1. Members. You and your fellow members are like-minded professionals who are active in the yacht brokerage business. The added confidence of working with a fellow CYBA broker helps insure that deals get done and get done properly. If you know someone in the industry who should become a member please encourage them to join us.

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## CYBA Arbitration Services – Only For Brokerage Transactions

By Dennis Moran,

CYBA Arbitration Administrator

There are a number of CYBA master members whose companies offer yacht brokerage services and are also dealers for new product lines. Our association was founded to provide support to licensed yacht brokers and the various benefits and services are specifically related to the business of yacht brokerage.

One of the key benefits for members has been the protections offered by binding arbitration as the sole remedy for disputes as specified in the official CYBA forms.

We have seen several instances recently where broker/dealers have included the CYBA arbitration clause in their new

boat purchase/sales orders.

Your association's policy is that CYBA arbitration services are only available for brokerage transactions that have utilized official CYBA forms containing the arbitration clause, not new boat sales by a member who may also be a dealer.

Because the majority of potential CYBA arbitration hearing panelists do not have a background or expertise in the business of new boat sales, they cannot effectively judge a dispute involving new boat transactions. If you are a member broker/dealer and are currently using the CYBA arbitration language in your new boat purchase/sales contracts, we ask that you remove the language from your agreements.

## Eight Bells

*The sounding of ship's bell is well rooted in the history and tradition of the maritime industry. The bell marked time onboard and divided the day into shifts or "watches" for the crew. At the end of the last shift, the end of the last watch, eight bells rang out – "Eight Bells and All is Well" A sailor's time for rest.*

*The California Yacht Brokers Association would like to recognize the passing of our Members. We pay tribute to those who loved the yachting industry along with their time on the water, and recognize a job well done by those who served our industry.*

### Leroy Lester – Marine Surveyor



SAN DIEGO – Leroy Lester, a longtime San Diego marine surveyor, has died. He was 79.

Lester died quickly and unexpectedly May 22.

According to Ron Gullan of Yachtfinders/Windseakers, Lester could be found driving one of his classic convertible Jags when not surveying.

Lester was a graduate of the California Maritime Academy class of August 1957 with a Bachelor of Science degree in Marine Engineering, and held an MBA from National University, class of 1976.

The child of Portuguese immigrants, Lester grew up in the maritime industry in San Diego. His family has generations-long involvement in the commercial fishing industry and he fished with the fleet in his early years. Ever tied to the sea, he ventured into the merchant marine, eventually to the U.S. Navy, and settling in his civilian life as a professional marine surveyor, which he did up to the day he passed.

He is survived by his wife Tanya, his three children, grandchildren and two great grandchildren.

## Dominion Marine Media-Private Label Search - Member Input

### PLS... To search or not to search, that is the question.

I'm sure this was an idea that was conceived with service to the consumer in mind at the beginning. With evolution and manipulation it has become what I believe is the single most destructive force in our industry to date.

Do you realize that any brokerage, with little to no talent, ethical standards, or personal relationships can purchase the most valuable asset you have? Your listings are no longer your listings; they have become nothing more than a commodity on the open market and sold to anyone that will pay the price.

Here is how I discovered my listings had been sold. I had a co-op on one of my exclusive listings with another brokerage whom I had worked with on occasion. His buyer was very interested in my listing and was about to make an offer when I got a call. I was asked what the difference was between my listing and the one at XYZ brokers. I was told

the buyer wants to make an offer on the one with only 263 hours at XYZ brokerage. I responded, "MY LISTING has 263 hours". His response was "no XYZ's boat has 263 hours, look at it on XYZ yachts.com". There it was... MY LISTING! After scrolling all the way to the bottom past 36 of my photos and detail after detail I noticed a very light grey reference to the actual listing broker. Needless to say I was outraged.

After about 10 minutes of investigation I found 186 listings (some of which I'm sure were yours) that were represented by a guy that did NOT HAVE A LICENSE! After a few days of further investigation and calls back and forth to the Division of Boating & Waterways and Yacht World, my formal complaint was filed on May 2nd. On May 5th the temporary license for that individual was issued. It is beyond my comprehension how someone that had broken the law in such an egregious manner was issued a license. In addition, how does the broker responsible for

this agent not lose their license?

### Ask yourself these questions:

1. Who will best represent your Seller? A 20 year old kid with a degree in data mining and web design or a Professional Yacht Broker with over five decades in the marine industry?

2. Why should your Sales Agent take superior photographs, a detailed inventory and hours of labor to create a first class presentation if he knows it will be sold and he has little chance to sell his own listing?

3. Are you willing to give away your commission to the guy that can't do his own work and will ride your shirt tails until he has driven you out of business?

4. Do you honestly believe that Parks and Recreation, Division of Boating and Waterways or a for profit advertising agency have your best interest in mind?

It is time that we as professionals take control of "OUR INDUSTRY."

(cont. on page 16)

## **Dominion Marine...** (cont. from page 15)

1. Let Yacht World know that you are not to be taken advantage of and you're "opting out" of the PLS. You can send your opt out email to [cs@yachtworld.com](mailto:cs@yachtworld.com)

2. File a formal complaint with Parks and Recreation to [marinda.isley@parks.ca.gov](mailto:marinda.isley@parks.ca.gov) or at 916.327.1839

3. Let any broker that scrapes your data or gets a feed for a fee know that you don't do business with their type.

If no one participates in the PLS it will be worthless without inventory. We are the ones that must make the change and it will take the participation from each and every one of us.

I have had an overwhelming response to my constant contact blast of May 15th 2015. I received 10,552 views on the Facebook post alone. Support is coming from brokers all over the country. I have not spoken to one broker that thinks PLS is good for anyone.

If you have any questions or comments or would like a list of XYZ Yachts poached listings, please feel free to contact me at any time by email: [Mike@MarinersYachts.com](mailto:Mike@MarinersYachts.com) or on my cell @ 949.240.2381

Respectfully,  
Captain Michael A. O'Connor, CPYB  
President/Broker of Record  
Mariner's Yacht & Ship Brokerage, Inc.

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## **The Station**

*By Robert J. Hastings*

Tucked away in our subconscious minds is an idyllic vision in which we see ourselves on a long journey that spans an entire continent. We're travelling by train and, from the windows, we drink in the passing scenes of cars on nearby highways, of children waving at crossings, of cattle grazing in distant pastures, of smoke pouring from power plants, of row upon row upon row of cotton and corn and wheat, of flatlands and valleys, of city skylines and village halls.

But uppermost in our conscious minds is our final destination—for at a certain hour and on a given day, our train will finally pull into the station with bells ringing, flags waving, and bands playing. And once that day comes, so many wonderful dreams will come true. So restlessly, we pace the aisles and count the miles, peering ahead, waiting, waiting, waiting for the station.

"Yes, when we reach the station, that will be it!" we promise ourselves. "When we're eighteen... win that promotion... put the last kid through college... buy that 450SL Mercedes-Benz... have a nest egg for retirement!"

From that day on we will all live happily ever after.

Sooner or later, however, we must realize there is no station in this life, no one earthly place to arrive at once and for all. The journey is the joy. The station is an illusion—it constantly outdistances us. Yesterday's a memory, tomorrow's a dream. Yesterday belongs to a history, tomorrow belongs to God. Yesterday's a fading sunset, tomorrow's a faint sunrise. Only today is there light enough to love and live.

So, gently close the door on yesterday and throw the key away. It isn't the burdens of today that drive men mad, but rather regret over yesterday and the fear of tomorrow. Regret and fear are twin thieves who would rob us of today.

"Relish the moment" is a good motto, especially when coupled with Psalm 118:24, "This is the day

which the Lord hath made; we will rejoice and be glad in it."

So stop pacing the aisles and counting the miles. Instead, swim more rivers, climb more mountains, kiss more babies, count more stars. Laugh more and cry less. Go barefoot more often. Eat more ice cream. Ride more merry-go-rounds. Watch more sunsets. Life must be lived as we go along. The station will come soon enough.

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## **Commitment**

**An excerpt from Walk the Talk**

*by Eric Harvey and Steve Venture*

Think of someone you know who is "a person of good character." Lock his or her image in your mind. Now take a moment to reflect on the things this person says and does.... the personal characteristics that make him or her a role model for you. What comes to mind? What do you see?

Chances are that high on the list of your role model's qualities is COMMITMENT – the unwavering dedication to being a good family member and friend... to doing his or her best at work and away from the job... to doing what's right, noble, and decent.

Committed people like your role model just seem to have their heads and hearts in the right place. They keep their priorities straight. They stay focused on what's important. They know, inherently, that what they believe must drive how they behave – and how they behave ultimately determines the character they possess, the reputation they enjoy, and the legacy they leave.

Abraham Lincoln had this to say about commitment:

COMMITMENT is what transforms a promise into reality. It is the words that speak boldly of your

(cont. on page 18)



## **Task completion satisfaction and the joys of boating**

"There is nothing - absolutely nothing - half so much worth doing as simply messing about in boats." is the only thing I have ever read by Scottish novelist Kenneth Grahame, but how profound. If you are reading this, perhaps you agree.

I recently inspected a 1960s era wooden power vessel being purchased by a young couple from a young couple. "Young", by the way, is getting older every day. I find sharing experience and knowledge of boats deeply rewarding. Being allowed to assist in this particular transaction, interacting with these hopeful and energetic souls and experience their mutual joy was profoundly rewarding in a Kenneth Grahame way. I was filled with satisfaction and appreciation and smiled as I walked out of the wood boat yard, at the end of the row of boatyards, and carried my tools the short distance to my car.

Perhaps its maturity, but after 25 years of messing about in boats (as a marine surveyor), I love my job and am eternally grateful for opportunities like that one.

In the past few years I have been involved in two "refit projects" simultaneously. One is a San Diego built wooden 38' sailboat and one is a Japanese built steel 45 meter motor vessel. The sailboat is being refit to be structurally sound and suitable as a live aboard, the motor vessel is being refit from a commercial boat to an expedition yacht. Hugely different projects but at their core they are the same.

The meetings with the owners concern things like the ability to accomplish passages safely, have accommodations that make the most of the available space, and toys that maximize the fun while aboard. I love brainstorming with the owners about their ideas, both conservative and wild, especially when we can make the wild ones come true. While the passages may be different, one to Catalina and one across the Pacific, the passion for adventure is the same. The accommodation considerations varied from a larger head with a real door to a choice between four or five guest cabins, they both involved give and take and some amount of marine prognostication. The tender choices ranged from either a rowing, sailing or combination dinghy for the sailboat to a choice between a diesel outdrive or a gasoline jet drive as the third tender for the expedition yacht; we all knew how much fun was going to be had on the little (relatively speaking) boats.

Working on boats, being on and in and near the water is a way of life and a calling. Perhaps some of us truly are "of water" and feel comforted by being close to and involved with it. Water is an essential element in many spiritual systems from Pagans to Native Americans to Taoism. It is said that water is the strongest element as it can flow around obstacles without changing its nature. And water seems to be one of the sources of harmony with boaters.

The completion of boating tasks, from choosing a boat's name, to replacing a water pump impeller to larger varnish and paint project brings task completion satisfaction akin to home projects but with a bit more romance. The joy that accompanies the clanking of wine glasses after the brushes are clean or the mooring lines are set is somehow deepened by the sea.

**Kells Christian,  
Christian & Company Marine Surveyors  
Themarinesurveyors.com  
619.223.7380**

## **Commitment...** (cont. from page 16)

intentions. And the actions which speak louder than the words.

It is making the time when there is none. Coming through time after time after time, year after year after year. Commitment is the stuff character is made of; the power to change the face of things. It is the daily triumph of integrity over skepticism."

The world renowned pianist Van Cliburn, after one of his magnificent concerts was approached by an admirer who had been in the audience. The emotional fan grasped Cliburn's hand and said, "I would give my life to be able to play the piano like that." The pianist smiled and replied... I DID."

## **The Dress:**

A lady in a faded gingham dress and her husband, dressed in a homespun threadbare suit, stepped off the train in Boston and walked timidly, without an appointment, into the Harvard University President's outer office.

The secretary could tell in a moment that such backwoods, country hicks had no business at Harvard, & probably didn't even deserve to be in Cambridge. "We'd like to see the president," the man said softly. "He'll be busy all day," the secretary snapped. "We'll wait," the lady replied. For hours the secretary ignored them, hoping that the couple would finally become discouraged and go away. They didn't, and the secretary grew frustrated and finally decided to disturb the president, even though it was a chore she always regretted.

Maybe if you see them for a few minutes, they'll leave," she said to him. He sighed in exasperation and nodded. Someone of his importance obviously didn't have the time to spend with them, and he detested gingham dresses and homespun suits cluttering up his outer office.

The president, stern faced and with dignity, strutted toward the couple. The lady told him, "We had a son who attended Harvard for one year. He loved Harvard. He was happy here. But about a year ago, he was accidentally killed. My husband and I would like to erect a memorial to him, somewhere on campus."

The president wasn't touched. He was shocked. "Madam," he said, gruffly, "we can't put up a statue for every person who attended Harvard and died. If we did, this place would look like a cemetery."

"Oh, no," the lady explained quickly. "We don't want to erect a statue. We thought we would like to give a building to Harvard." The president rolled his eyes. He glanced at the gingham dress and homespun suit, and then exclaimed, "A building! Do you have any earthly idea how much a building costs? We have over seven and a half million dollars in the physical buildings here at Harvard."

For a moment the lady was silent. The president was pleased. Maybe he could get rid of them now.

The lady turned to her husband and said quietly, "Is that all it costs to start a university? Why don't we just start our own?" Her husband nodded. The president's face wilted in confusion and bewilderment.

Mr. and Mrs. Leland Stanford got up and walked away, traveling to Palo Alto, California where they established the university that bears their name, Stanford University, a memorial to a son that Harvard no longer cared about. You can easily judge the character of others by how they treat those who they think can do nothing for them.

A TRUE STORY by Malcolm Forbes

Remember this story when dealing with clients – it may save you from losing that big sale.

## **CYBA BOARD MEETING**

### **BOARD MINUTES, March 4, 2015 Imeet Conference Call**

Call to Order: Jeff Merrill (2015 President) @ 9:17 a.m.

In Attendance: Don Abbott (Exec Dir.), Mik Maguire, Dean West, Jim Johnson, Nick Friedman, JR Means, Dennis Moran, Tom Trainor, Bob Merritt, Jeff Merrill.  
Guests: Anita Mays, Lon Bubeck.

Motion: To approve prior minutes (Nick), 2nd (Jim), approved.

Financial Report: Accepted. (Jim) Does not include

the revenue generated from the recent NMMA shows for SF and LA.

Correspondence: No report.

Membership report: (JR), Applications for Ramon Mata (Master). Beverly Parsons (Affiliate) status. Notice has gone out to delinquent members.

Motion: (Dean), All ads into the CYBA 'platform' (other than PSAs) be members only. 2nd (Nick). Passed. 233 members currently active (Don).

Forms: (Nick), Yatco – Phase 2 (end of April) In-

(cont. on page 20)

# ALONG THE WATERFRONT

## Passage Yachts

Two new salespeople have joined Passage Yachts in the Bay Area. John West comes from the financial industry and has been an avid Bay sailor and racer for many years. Larry Haynie has been working in the industry since 1983 as an instructor for sailing and captaining important Bay Area sailing yachts. Both are joining the oldest Beneteau dealership in the US as Passage Yachts opens a new office in Jack London Square the First of April in time for the Strictly Sail Pacific Boat Show. Passage features Beneteau Sail, Power and Lagoon Catamarans as well as select brokerage.

## New Chief Deputy at Parks

Elizabeth Mooney-McGuirk, 35, of Rocklin, has been appointed chief deputy director at the California Department of Parks and Recreation, where she has served as deputy director of legislation since 2013. McGuirk was legislative director in the Office of California State Assembly member Nancy Skinner from 2008 to 2013 and served in several positions in the Office of California State Assemblymember Mark Leno from 2003 to 2008, including legislative aide and senior legislative assistant. This position does not require Senate confirmation and the compensation is \$128,781. McGuirk is a Democrat.

## iPad Winner

Congratulations to Clark Hardy of Yachtfinders/Windseakers in San Diego who was the lucky iPad Winner at the recent Annual CYBA Legal Seminar. The iPad was graciously donated by Yatco, one of CYBA's Event Sponsor's. For a list of all the sponsor's and a review of the informative presentations that were given at the June Seminar, please see page 24. If you are feeling lucky, make sure to attend the CYBA Annual Dinner in January - you could win something really cool too!



SDPTA Annual Dinner.

**Attention all interested  
Yacht Brokers and Salespersons:**

**CERTIFIED  
PROFESSIONAL  
YACHT BROKER (CPYB)**



~ STUDY SESSION AND TESTING ~

**Contact Lon Bubeck, Nick Friedman  
or Dick Angel for next  
study session & exam.**

The CYBA is conducting a study session, immediately followed by the examination, for all those interested in becoming Certified Professional Yacht Brokers. This will be our first available session in response to the great interest in this worthy program.

If you have a desire to take your business and personal accomplishment up to the next level, you owe it to yourself and your clients to earn the CPYB designation. Join a growing number of the best and brightest brokers nationwide in increasing your knowledge, professionalism, and ethical standards as they relate to your chosen profession.

For complete information, including study materials, applications, and required qualifications, please visit the National Yacht Broker Certification website at [www.cpyb.net](http://www.cpyb.net). There you will find all the forms you need in a downloadable format.

If you have any questions, please contact one of the CYBA's Members on the Certification Advisory Council:

Lon Bubeck, CPYB  
Flying Cloud Yachts, Long Beach  
562-594-9716  
[lonbubeck@verizon.net](mailto:lonbubeck@verizon.net)

Nick Friedman, CPYB  
San Pedro Yacht Sales  
310-748-5409  
[yachtbroker@pacbell.net](mailto:yachtbroker@pacbell.net)

You may also respond to [cpyb@cyba.info](mailto:cpyb@cyba.info) or contact any CYBA Board Member. The National Yacht Broker Certification office needs time to process your application and to perform your background check.

Brokers wishing to attend the study session, but who are not testing, are welcome. However you must reserve a space! Seating is limited!

NOTE: This session is for CYBA Members only. If you are not yet a Member, and would like to join, contact the CYBA office immediately @ 800-875-2922.

## **CYBA Board Meeting...** (cont. from page 18)

introduce at the Legal Seminar? (Dean) A San Diego broker using 'in-house forms with CYBA logo. Jeff to contact and have them remove. (Jeff), implement the forms policy with updates and introduce in the newsletter.

(Nick) Electronic signatures (working with Yatco).

Boat Shows: (West, LA Show (MDR) CYBA booth, issue with parking and split venues. Dean to speak with NMMA about suggestions for improvement.

Website/Media/Publicity: (Johnson), Newsletter, new features: 8 Bells (for members passed) Legends – interviews with long time brokers.

CYBA Website: (Maguire), More timely updates. Don, Mik & Dean to look at methods to make changes quicker. Add a page to show pictures of events.

Legal: Legislative: (Trainor), Legislative meeting on March 18th. Jeff to Sacramento for Legislative 18th and on 19th meeting with (DBW) to discuss broker supervision.

By-Laws: (West), No report. PLS Committee: Stays intact for now. Nominating Committee: Looking for candidates interested in being on the Board.

### Annual Events:

Dinner/Dance: Jim Johnson will report back on a proposed date for the January 2016 dinner dance and coordinate with Guy Newmark on destination locale. Legal Seminar: (Mays), Facility booked – SWYC in San Diego. Working on sponsors, speakers and final format.

June 8 (evening) BoD before seminar – 6pm Fiddlers Green restaurant.

Trade Associations: CPYB: (Bubeck), Chairing the test re-write. CYBA member discount.

NWTA: (Jim) Jeff to reach out to the President. (Jeff) We need to share relevant and timely information with other associations.

(Dennis, FYBA is promoting the issue of allowing 'foreign flagged' vessels for sale in the US.)

MLS: No report.

New Topics: (Mays) To start a Facebook page for CYBA.

(Jeff), PassageMaker article new issue to be pro-broker. Jeff to talk to the other association presidents about impact of FSBO article.

ABC Conference – Washington, DC May 2015... Dean to propose budget which BoD will vote to approve for Dean to attend.

Suggested Compliance seminar from DBW (North & South). Jeff & Tom to look into.

CYBA pins. Don to check prices.

No April meeting. May meeting at the NMMA West office in Orange, CA – 1p.m.

Adjourned: 11:23.

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### **Board Minutes, May 6, 2015**

**Location: NMMA West office, Orange, CA**

CALL TO ORDER: 11:09 am by Jeff Merrill, President

Directors present: Tom Trainor, Mik Maguire, JR Means, Dean West, Dennis Moran, Nick Friedman, (absent) Bob Merritt, Jim Johnson, Don Abbott.

RECOGNIZE GUEST(S): Anita Mays.

APPROVE MINUTES: Motion: JR Means, 2nd: Tom Trainor, Approved.

FINANCIAL REPORT: Reviewed 'Balance Sheet', P & L. Motion to Approve: Nick Friedman, 2nd: JR Means, Approved.

CORRESPONDENCE: None.

### COMMITTEE REPORTS:

#### 1. MEMBERSHIP

a. Update on apps.. Tom Giovanti, Kirby Long, Sherry Cameron, J. McCormack, Rosivaldo Rocha \_Motion to Approve: Dean West, 2nd: JR Means, Approved.

b. Recruiting – Leilani Reyes, Greg Tawastjerna, Steve Rock... Push more on "affiliate" members, give JR help from BoD.

c. Membership renewal – delinquent members reviewed.

New Membership Chair? J.R. swamped.

#### 2. FORMS – Nick Friedman, Chair –

a. Phase 2 forms module progress report- YATCO to be ready by legal seminar?

b. Asking for the Broker/Salesman Agreements... waiting.

c. Announcement at the legal seminar regarding salespersons as members.

d. Electronic signatures- Docusign (no), EchoSign (maybe).

#### 3. BOAT SHOWS – Dean West, Chair.

a. CYBA booth will be great for San Diego show.

b. Don Abbott 'on site' for SD event.

c. Signs are available to brokers for SD show.

#### 4. WEBSITE/MEDIA/PUBLICITY

a. NEWSLETTER – Jim Johnson, chair. Legends column considered a good idea. A story on Dean's trip

(cont. on next page)

## **CYBA Board Meeting...** (cont. from page 20)

to Washington, the legal seminar from Anita and JR regarding membership were suggested.

b. CYBA WEBSITE - Mik Maguire, Chair. New photos for the 'home page' (no credit), legal seminar flyer added, June meeting location added and review font used in title on 'home page'.

### 5. LEGAL

a. LEGISLATIVE -- Tom Trainor, Chair March 18th meeting in Sacramento and DBW meeting with Jeff on 19th.

-What are the 'talking points' from DBW for the legal seminar?

-Kevin Ketchum (speaker).

-Reviewing Lifejacket Bill, watching the LA Port Bill

b. BY-LAWS/ETHICS – Dean West, Chair. No changes

c. ARBITRATION – Dennis Moran – One arbitration just completed, one pending.

d. PLS COMMITTEE – Tom Trainor, Nick Friedman. No report.

e. NOMINATING COMMITTEE – Jeff Merrill, Dennis Moran.

### 6. ANNUAL EVENTS

a. Legal Seminar –Anita Mays, Chair. Discussion of speakers. Agenda was provided and discussed.

b. Annual Dinner – Saturday, January – No date yet.

### 7. TRADE ASSOCIATION RELATIONSHIPS

b. CPYB – Nick Friedman – CPYB test funds sent. Looking for Beneteau group class.

c. OTHER YACHT BROKER ASSOCIATIONS – FYBA, NYBA, YBAA liaisons. Dean meeting with them on cruising (YBAA).

d. YBAL – Jeff had a conference call with 6 group members.

e. MLS PROVIDERS – Yachtworld- Nick Friedman, Yatco – Dean West.

A discussion about the PLS 'opt out' feature on YW.

### 8. OTHER TOPICS TO DISCUSS

a. FSBO – PassageMaker article. A discussion about funds for CPYB and YBAA. How can CYBA benefit?

b. ABC Conference May, 2015 Washington, DC – Dean West gave a report on the list of participants at this conference.

c. CA to adopt NY and FL type sales tax cap? Not campaigning now.

d. Sponsorship – J.R.

e. Linked In – Don Abbott says the other account has been pulled down.

f. Facebook – Anita Mays. Not yet.

g. CYBA address – NV vs. CA? Discuss with Don

h. Insurance Seminar to discuss liabilities in transactions?

### 9. NEW BUSINESS:

a. Blue Blazers for Legal Seminar for BoD.

ADJOURNED: 2:16 p.m.

NEXT BOARD MEETING: June 8th – 6:00 pm Fiddler's Green dinner and meeting in San Diego.

June 9th – 8:30 a.m. Legal seminar Southwestern YC.

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### **Board Minutes, June 8, 2015 Fiddler's Green, San Diego**

CALL TO ORDER: 8:02 p.m., Jeff Merrill, President.

DIRECTORS PRESENT: Dean West, Jim Johnson, Mik Maguire, Nick Friedman, Don Abbott (Exec.Dir.)

GUEST(S): Past president Marc Bay, Seminar Chair Anita Mays, Cal Rec Natalie Bizic, DBW Marinda Isley, Lobbyist Bill Krauss, Senior Advisor Tom Russell

APPROVE MINUTES: May 6 BoD Meeting, Motion (Friedman), 2nd (Johnson), Approved.

FINANCIAL REPORT: Treasurer Johnson. Financials reviewed and good.

CORRESPONDENCE: Don Abbott (Exec Director). None.

### COMMITTEE REPORTS:

#### 1. MEMBERSHIP

Master, Associate, Salesperson –Abbott

Discussion of fees: Membership- Motion: Now pay with application (Friedman, 2nd West), Approved

Motion: Salesperson's fee is now \$36.00 (no pro-ration).

(West), 2nd (Friedman), Approved.

Motion: Associate Broker Fee is \$36.00 (no pro-ration). (Friedman, 2nd West), Approved.

Initiation Fee of \$25.00 (discussion tabled to next meeting).

#### 2. FORMS – Nick Friedman, Chair –

Phase 2 forms module progress report (45-60 days to completion).

Electronic signatures. Suggesting using EchoSign for cost.

#### 3. BOAT SHOWS – Dean West, Chair.

NMMA San Diego boat Show June 18-21, 2015.

150 boats including some mega yachts. Looking for member help at the CYBA booth.

#### 4. WEBSITE/MEDIA/PUBLICITY

Newsletter – Jim Johnson, Chair. Ready for submissions for second quarter edition – deadline June 30th.

CYBA Website - Mik Maguire, Chair. Change member forms.

(cont. on page 22)

## **CYBA Board Meeting...** (cont. from page 21)

### **HAPPY BIRTHDAY TO TOM TRAINOR FROM THE BOARD AND GUESTS!**

#### **5. LEGAL**

- a. Legislative – Bill Krauss will give a report on pending legislation being watched at the Legal Seminar.
- b. By-Laws/Ethics – Dean West, Chair. Dean will present an Ethics report and distribute a handout at the Legal Seminar.

#### **6. ANNUAL EVENTS**

- a. Legal Seminar – June 9th Southwestern Yacht Club. Anita Mays, Chair.
- b. Annual Dinner – Jim Johnson, Chair.  
Motion: Saturday, January 23, 2016; Location to be determined. (Friedman, 2nd Johnson), Approved.

#### **8. UNFINISHED BUSINESS:**

Motion: Upon Bob Merritt's official resignation, the Board appoints Anita Mays to fill the position to the end of his term. (Johnson, 2nd Friedman), Approved.

ADJOURNED: 9:07 p.m.

NEXT BOARD MEETING: July 1st – 9:00 a.m. Imeet.

Addendum to BOD Meeting. On June 10, 2015, Bob Merritt's resignation was accepted and Anita Mays will fill the vacancy for the remainder of the term. All directors were notified.

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## **Yachtworld...** (cont. from page 3)

the idea and being against it and the purpose of this article is to look at the positives and negatives to enable everyone to make an educated decision about the concept. YachtWorld offers the PLS system as a pay as you use product, charging by the number of boats you subscribe to. They will qualify your selection by state, price, brand, type, size and year.

The most important strategic advantage to brokerages using the system seems to dovetail with brokerages using sophisticated websites to draw and keep the consumer on their website. Providing what appears to be a comprehensive search engine helps accomplish this. Also, brand or type specialists are able to create a PLS search engine for just Sea Ray's or trawlers for example.

While having inventory to advertise beyond the broker's own listings may seem sound, what do the brokers that have the direct relationship with the seller say? Some feel it is fine; more exposure is a better and faster way to sell the boat. Others are strongly against the idea. They have put in a lot of effort to acquire the listing, know the boat and feel

better qualified to present and discuss the vessel with potential buyers. At least they want the opportunity to convey information about the boat to a cooperating broker at the beginning of his selling cycle and have some sense of control over the presentation to the public.

In a competitive environment, allowing the one man show operating out of the back of his car to advertise your brokerage's prime listings may not feel right when the listing broker has high advertising costs, high rent marina offices, etc. Or, having an out of State broker who benefitted by an inquiry, ask for a co-op and take a large chunk of the commission for simply referring a client that would have found the boat on YachtWorld anyway can be galling.

Perhaps the real question as technology continues to define our industry is when and how does a client become yours? The PLS system tends to favor the idea that a client can be captured just by visiting your website and making an inquiry, while those who do not favor the PLS system argue that until personal contact is made and the broker actively consults with the buyer, only then has he become a client.

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## **San Diego International Boat Show**





June 18-21 saw the return of the annual San Diego International Boat Show (SDIBS) to Spanish Landing Park. Rapidly becoming one of the largest and most successful boat shows on the West Coast, SDIBS is produced by the NMMA, in partnership with your CYBA. As record numbers of exhibitors, on land and in the water, met record numbers of attendees, sales ensued. Many brokers proclaimed the show to be the best, from a sales perspective, in years. At long last showing improvement, the new boat market also felt the uptick in sales, adding to the general feeling of confidence that perhaps the profitable days of year's past have indeed returned.

San Diego's show enjoys a great reputation in large part due to the unique diversity of the show. With an attractive shore-side display area, in a park environment, and an in-water area able to accommodate an ever-expanding number of brokerage and new boats, the San Diego site is ready for explosive growth. (Note - despite the promotional tag, the show is NOT at or attached to any of the San Diego Sheraton hotels. It is behind one of the two Sheratons on Harbor Island, but it is accessed through Spanish Landing Park, across from the airport). When combined with NMMA's family-oriented show production, the growth indicators are extremely favorable towards making this the premiere West Coast venue.

Once again, NMMA rolled out a litany of family and boater oriented features, unique to their shows:

Fred's Shed - designed to teach maintenance and repair skills to the family boater.

Discover Boating Hands-On Skills Training - on-the-water workshops for Power, Sail and Catamaran.

Try It Cove - paddle sports test rides & demos .

Sailing Lesson aboard the Sailing Simulator.

Boating Simulator-take a boating lesson without leaving dry land.

In addition, the large yacht venue continues to grow, with strong support from the US Superyacht Association. Their evening rendezvous, held on the docks one evening each show, is a SDIBS highlight, attended by many ultra high net-worth individuals and industry insiders from around the country.

From a logistical standpoint, SDIBS couldn't be much easier for the exhibitors: conveniently located across the street from San Diego's Lindbergh Field airport, with abundant parking, numerous restaurants and hotels, and easy water access from San Diego Bay, the CYBA feels as though this partnership will yield results for our members, for the CYBA, and for the NMMA for years to come.

The NMMA is receptive to our CYBA input, and our members are encouraged to pass their input and recommendations on to the CYBA Boat Show committee. The growth of this show, and the other two NMMA/CYBA shows in Los Angeles and San Francisco, benefits the CYBA immeasurably, and allows us to increase our benefits, support and outreach to our members.

Please make plans to exhibit next year, June 16-19, 2016!

Dean A. West

CYBA Boat Show Chairman



# **To Protect The Climate, Repeal The Biofuel Mandate**

August 10, 2015  
By John M. DeCicco

Ten years ago, the federal Renewable Fuel Standard (RFS) was signed into law with the promise that biofuels – corn ethanol in particular – would set the country on a cleaner, greener and more energy secure path. Has the policy, ten years into its tenure, delivered on its promises? Has it helped the environment? The clear and short answer: No. The ecological harm caused by the RFS is reason enough to repeal this ill-considered policy.

What about the claims that renewable fuels help the environment and slow global warming? Unfortunately, in the real-world of commercial biofuel production as opposed to an imaginary world of fantasy fuels advocated by special interests, those claims are untrue. After a decade of expansion, the facts on the ground reveal that biofuels – far from being cleaner-burning alternatives as promised – are worsening greenhouse gas emissions and harming the environment in many other ways.

At first, the case for biofuels seems straightforward. After all, plants absorb carbon dioxide (CO2) during growth, and so the carbon absorbed in corn should, in theory, offset the CO2 emitted when corn ethanol is burned.

This so-called carbon neutrality theory is assumed in many reports that assert CO2 reduction benefits for biofuels. The renewable fuel lobbies, and even some leading environmental groups, rely on this untested theory to perpetuate a presumption that biofuels are green.

However, the notion that biofuels are carbon neutral when they replace petroleum fuels is based on an incomplete and incorrect understanding of the science of plant growth and the carbon cycle. Careful analysis -- including my own recent, in-depth review of more than 100 studies -- has exposed serious flaws in the government-sponsored modeling used to justify the RFS. Once one corrects the carbon accounting, it negates any possibility that corn ethanol might have a climate benefit and entirely erodes the environmental argument for the mandate.

Nearly all of the farm fields used to produce corn ethanol and other biofuels were already growing crops for other purposes. Carbon was already being absorbed from the air by the cropland, and so it is wrong to credit that carbon against the CO2 emitted when the biofuels are burned.

Moreover, growing the quantities of crops needed to produce biofuels requires ecologically devastating land conversions. Fellow University of Michigan researchers have shown how corn ethanol expansion is harming habitat for waterfowl and other wildlife. University of Wisconsin scientists found that clearing grasslands to grow crops for meeting the RFS has released as much CO2 as 34 coal power

plants in one year.

To turn it into ethanol, corn must be fermented and distilled, releasing even more pollution. Researchers from the National Oceanic & Atmospheric Administration and University of Colorado found that the country's third largest corn ethanol refinery emits 30 times more pollution than was assumed for the estimates made in support of the RFS.

And finally, ethanol is damaging once it reaches our fuel tanks. Its corrosive properties are harmful to many cars already on the road, and ethanol also degrades the operation of lawn mowers, motor boats and other gasoline-powered equipment used by homeowners and small businesses alike.

From farm fields to tailpipes, the science is clear: when renewable fuels' real-world emissions are properly assessed, these so-called green fuels worsen the air. Not only has the RFS failed to achieve its promised benefits, it is hurting – not helping – the environment, and represents a step backward for climate protection.

Eight years ago, Congress was misled by special interests when it greatly expanded the RFS. The Environmental Protection Agency is hamstrung by the law and, as it continues to force large volumes of ethanol into the nation's fuel supply, is pressured into pursuing regulations that are increasingly detached from environmental reality. Fortunately, Congress is revisiting the issue, with bipartisan legislation progressing in both chambers to end this failed policy.

If America is to genuinely address climate change in a meaningful way and become a global leader on this critical issue, Congress should act to repeal the RFS – and the sooner, the better.

*DeCicco is a research professor at the University of Michigan Energy Institute, where his work examines transportation energy use and its climate impact.*

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## **The CYBA Would Like To Announce A Special THANK YOU To The Following Companies For Their Sponsorship Of The Legal Seminar:**

Platinum partner - NMMA  
Event sponsor – Yachtworld  
Sponsors – California Recreation Company, Dona  
Jenkins Documentation Service, Mary Conlin  
Documentation Company and Yatco

We could not have done it without your support!

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## Monthly Quote

**“You don’t have to be a fantastic hero to do certain things — to compete. You can be just an ordinary chap, sufficiently motivated to reach challenging goals.” — Edmund Hillary**

## Calendar

August 27	San Diego Brokers/Sales Forum – 11:30 am Location - Fiddler’s Green – San Diego, CA	Oct 08-12	United States Sailboat Show Annapolis, MD
Sept 02	CYBA Board Meeting – 1:00 pm RSVP 775-745-6565 or email don@cyba.info Oakland Yacht Club – Oakland, CA	Oct 15-18	United States Powerboat Show Annapolis, MD
Sept 17-20	Lido Boat Show Lido Village – Newport Beach, CA	Oct 29	San Diego Brokers/Sales Forum – 11:30 am Location - Fiddler’s Green – San Diego, CA
Sept 24	San Diego Brokers/Sales Forum – 11:30 am Location - Fiddler’s Green – San Diego, CA	Nov 5-9	Fort Lauderdale International Boat Show Ft. Lauderdale, FL
Oct 1-4	Trawlerfest Stevensville, MD – New Location	Nov 11	CYBA Board Meeting Location - TBD

