

WoodenBoat

THE MAGAZINE FOR WOODEN BOAT OWNERS, BUILDERS, AND DESIGNERS

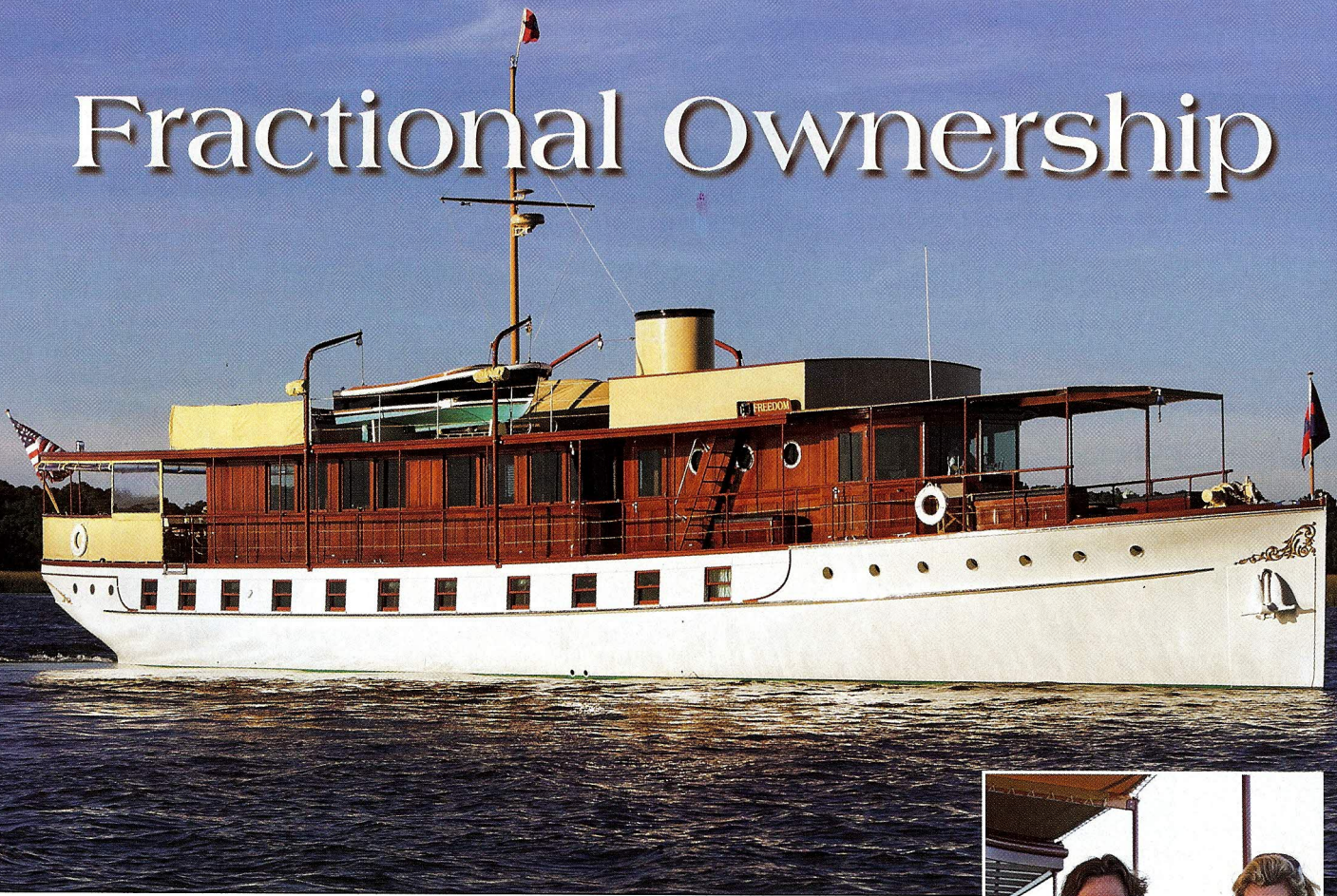


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Fractional Ownership

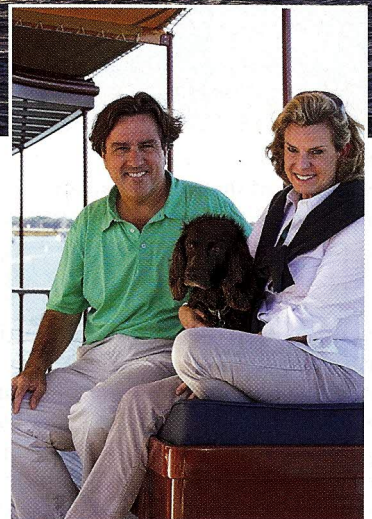


by Timothy K. Smith

FREEDOM was the unlucky sister: While her near twin SEQUOIA had consorted with presidents, FREEDOM was residing in squalor in Florida. Both boats, 104' Mathis-Trumpys built within a year of each other about three-quarters of a century ago (1926), had always turned heads with their refined sheerlines and elegant sterns. But by the time Earl McMillen III came along in 2002, their differences were stark. SEQUOIA, with a home in Washington, D.C., had been designated a National Historic Landmark. FREEDOM, by contrast, was rotted, hogged, stained, and patched with fiberglass. Back in the 1970s, it was said, she had made a couple of smuggling runs to Cuba, bringing some 300 people to the U.S. each time. By now, however, she wasn't even fit for that duty. The owner of the boatyard where she lay wanted to get rid of her for fear she would sink and become his liability. Even her name seemed to taunt the chainsaw: she had been rechristened SUNSET.

Earl McMillen found her, saved her, and made FREEDOM the latest exhibit in an extraordinary show of business legerdemain he has been putting on for more than 15 years. Setting up a fractional-ownership group, he raised \$6.8 million from a dozen partners, shipped FREEDOM to Rhode Island by barge, stripped her to her keel—actually, he laid a new keel (see WB No. 213)—and rebuilt her so capably that she has been named a finalist for Best Refitted Yacht in the 2010 World Superyacht Awards. She is the seventh

Earl McMillen, his wife, Elizabeth, and their dog, Tollie, enjoy spending some time aboard FREEDOM, one of a fleet of fine yachts that McMillen Yachts Inc. has restored and is using in McMillen's fractional ownership program.



ALISON LANGLEY (BOTH)

large, seemingly doomed, wooden yacht McMillen has rescued.

McMillen, a 45-year-old Atlanta native, has become perhaps this country's preeminent savior of grand old motoryachts using a method that is simple to conceive and terribly complex to execute. "Fractional ownership" became a talked-about business model in the 1990s when NetJets took off, getting a big boost when Warren Buffett bought the company. Since then it has been applied to everything from luxury cars to handbags to dogs. But essentially it is an old idea—syndication by another name. The complexity lies in the scope, or perhaps the audacity, of McMillen's business proposition. Would you pay \$450,000 for a share of a huge boat in dreadful condition, with the promise that when she was eventually refurbished, you would have the right to cruise on her only eight days a year? "There are a lot of syndicated projects like these, but on a smaller scale,"

Earl McMillen's vision for yacht stewardship



ALISON LANGLEY



ALISON LANGLEY



ALISON LANGLEY

FREEDOM was launched in 1926, the 150th anniversary of the Declaration of Independence, and was named in observance of that sesquicentennial. A "cruising houseboat," she was designed by John Trumpy and built by the Mathis Yacht Company of Camden, New Jersey, for Aubert J. Fay of Lowell, Massachusetts. At 104' LOA, with a beam of 19', she drew only 4'8". Her original elegance has been revived after a nearly five-year restoration.

says Terry Nathan, president of the International Yacht Restoration School (IYRS). "Earl is driving interest at the level of some fairly significant financial support, and then he's pulling that support into ambitious projects and restoring iconic boats. These are not just some boats that you see in the harbor. These are icons." The thing is, restoring a grand old yacht from the Golden Age is a bit like restoring a castle. And for that you need an Earl.

"For that filigree up in the bow, which is very ornate, they [the Trumpy family] had the original mold," McMillen says, raising his voice above the whine of a

power planer. "We sent it down to our foundry and had castings made, and we had extras made so we can do it in the future on other boats."

Influences

It is a frigid December day in Portsmouth, Rhode Island, where McMillen Yachts Inc. has a workspace covered in plastic sheeting. McMillen is giving a tour of **ENTICER**, another Mathis-Trumpy, which is being refitted with, among other things, a Seakeeper gyroscopic stabilizer. McMillen is not a strict fundamentalist when it comes to restorations. The power plane is being used to knock

By the time McMillen found **FREEDOM**, she was in disrepair and her hull had been fiberglassed—a good thing, he says: "Her frames had rotted, but the 'glass saved her." McMillen and his restoration crew, led by project manager Jeff Jacobsen and shipwright Dan Roten, laid a new keel in 2005 and gave her new frames. McMillen decided to double-plank **FREEDOM**'s new hull. The inner layer was strip-planked; carvel planking was laid over that, and the two layers were epoxied and through-bolted with silicon-bronze fastenings. The yacht was repowered with a pair of John Deere turbo-diesels, and the exhaust was rerouted below the waterline to avoid noise and soot from the stack.



EARL McMILLEN

