



Tuzla Shipyard is one of the largest shipyards in Turkey with its capacity of 1 million DWT/year.

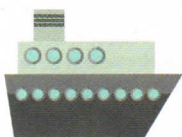
MARITIME

Discover the 'MARINE' POTENTIAL

Turkey is rising with firm steps to become a global brand country with the undergone change in the ship and yacht sector.

BY BERKAN KİŞİN

As a country that is noticed in the marine field throughout history due to its geographic position, Turkey still continues to make strong impressions in the ship and yacht sectors with production and export. Today, Turkey is showing its quality by fabricating ships for countries that are globally approved in the marine sector. Turkey, improving massively in yacht and ship manufacturing which began in 1980's, has reached to a great production capacity. Ship and yacht sector has adopted customer-oriented production, rather than standard production. Turkish ship and yacht sector, which was able to read the change of demand course, is resuming to protect the Turkish brand



Thanks to R&D, branding, designing and investments, Turkey has become the Flagship of the Marine Engineering in the region.

in the global market with innovation and R&D activities by re-organizing itself.

It is the branding success of Turkey in the field of ship and yacht sector that the Turkish-made yachts gathered great attention and most of the exhibited super yachts and boats were sold to foreign buyers in a short span of time at the International Boat Show held at Pendik Marin Turk City Port in last September. It is regarded as a remarkable situation that the ship and yacht sector increased its target audience in Arabic countries on the sales they made this year.

Director of Marinturk Enterprises Mr. Akbulut Kahraman explains the ship and yacht sector's increase of

sales and the attention the Turkish brand gets: *"Turkish yachting market grew about 4.5% in 2013. Considering the expansion rate was 1.8% 5 year ago, it is obvious that the number of personal boat owners will increase rapidly. This will result in the need for new marines for the sheltering purposes of the boats. Even though our export-centered manufacturing was not seriously affected by the global crisis in 2008, it has been in the recovery and progress period for the last 2 years.*

As a result of the improving boat manufacturing in Turkey, there is a great increase in the number of large scaled boats in Turkish marinas. The marinas, originally planned for 10-11 meter length boats, are now under planning to serve to 40-50 meter length boats that we are now used to spot on our shores. We see foreign mega and super yachts prefer our country more and more in the last years as well as the domestic demand. The number of yacht coming especially like Russia and Ukraine and



from Arabic countries is increasing vastly. Attributing this growth simply to the geographic proximity and the natural beauty of our costs is inadequate, in my opinion, unmatched quality of the services we provide and well-planned substructure of our facilities are the primary reason. "

Turkish ship and yacht manufacturing industry can present the manufactured boats to the international market with competitive prices owing to the man power it has, high-quality manufactures, modern technology and superior entrepreneurship spirit. Turkey has been gathering praises by exporting the yachts and boats that are manufactured accordingly to the international standards and with "CE" mark in the last years to advanced countries and satisfying them. Shipyard in Gebze being the first, over 100 other shipyards is closing on their targets by continuing their work.

Turkey, due to the rapid improvement in shipyards and increasing foreign demand, showed great development in the last

Haliç Shipyard is a monument of Turkish ship manufacturing. It has been established by Mehmed II in 1455 and still functioning today.

years on both production volume and product range. Education and inspections started by the Ministry of Transport, Maritime Affairs and Communications resulted in great achievements and enabled the Turkish flagged ships in the "black list" to enter to the "white list". Turkey's shipyard capacity has grown 5.5 times in 10 years. The ship and yacht sector reached to its peak with 2.6 Billion USD worth of export in 2008. Turkey has become a global brand on manufacturing mega

boats which is classified as 30 m or longer.

Turkey has become the 4th in the world ranking for manufactured mega boat length. Especially Istanbul-Tuzla, Antalya-Free Trade Zone and partially Bodrum is regarded as the production base for the mega yachts from different design, model or class. Manufacturing of yachts reaching up to 80-90m has started in Turkey. We see, due to the reduced taxes provided in the free trade zones, their organized and



AKBULUT KAHRAMAN

Director of Marinturk Enterprises

Yachting market in our country is predicted to have grown around 4.5% in the year 2013. Considering the growth rate was 1.8% 5 years ago, personal yacht ownership rate is predicted to grow increasingly. Apart from the domestic demand, it is tracked the super and mega yachts from abroad have been visiting our country more frequently in the last years. The number of yacht coming especially from northern countries like Russia and Ukraine and from Arabic countries is increasing vastly. Attributing this growth simply to the geographic proximity and the natural beauty of our costs is inadequate, in my opinion, unmatched quality of the services we provide and well-planned substructure of our facilities are the primary reason.



BAŞARAN BAYRAK

President of Istanbul Boat and Yacht Exporters Assembly

Turkish ship and yacht sector went under a great change, spread effort on producing more niche market products by switching to producing according to the demands of the customers and succeeded. Ship and yacht export showed a positive inclination. The great importance of the branding is understood very clearly. Many advanced countries raised their export unit price by seizing a brand value in both country and company scale. Concordantly, we should own up to the Turkey brand and invest in it at first, altogether. Turkey brand should have a "trademark" and this mark should create a perception of Turkey. We find the works done in this context successful.



completed substructures; the sector is improving faster in these areas. Today, almost 40 yacht and boat manufacturer in Antalya Free Trade Zone (ASBAS) turned it into an international manufacturing center. Regarding the substructure opportunities and economic benefits provided by free trading zones, it is important for the sector; the manufacturers in Kocaeli and Mersin Free Trade Zone should be supported and improved.

When we look at the export performance, Turkey had reached to the highest rates of manufacturing and export in its history just before the global crisis in 2008. The ship and yacht sector, being the most damaged sector by the global crisis in 2008, lost a lot of blood. Starting to recover rapidly right after the crisis, the sector resorted to increase production and selling by becoming customer oriented. According to the records of the Turkish Exporters Assembly (TIM), Turkey is continuing to rise by increasing its export 6.1% in the first half of the year. Turkey's ship and yacht sector is close to realize its 2

As Turkey embraced quality-oriented approach towards the customer needs, the brand value of Turkish yacht sector has risen drastically.

Billion USD target predicted for 2014 with 877 Million USD export done, according to the numbers reported in September. Norway has the highest share in Turkey's export in this period. The reason for us to export to Norway, one of the leaders of the world's marina

sector, that much is reviewed by the Board Chairman Osman Nurettin Paksu of Teksan, one of the forthcoming shipyard companies in Turkey. He said "The high-quality manufacturing of Turkish shipyards, acting with principles of delivery on time and price appeal has caused the Norwegian firms, who could not make turn-key ships outside Norway, to choose Turkey.

The yacht and boat industry is taking a great leap with its sub-industry, subcontractors, engineering and design offices, manufacturing and suppliers, decoration and upholsters, importers and exporters. With the improvement of the yacht and boat manufacturing industry; the sub-industry which provides supply, accessory, engine, furniture and interior decoration has also

improved. The sub-industrial products used in this industry is adding a great value to Turkish economy.

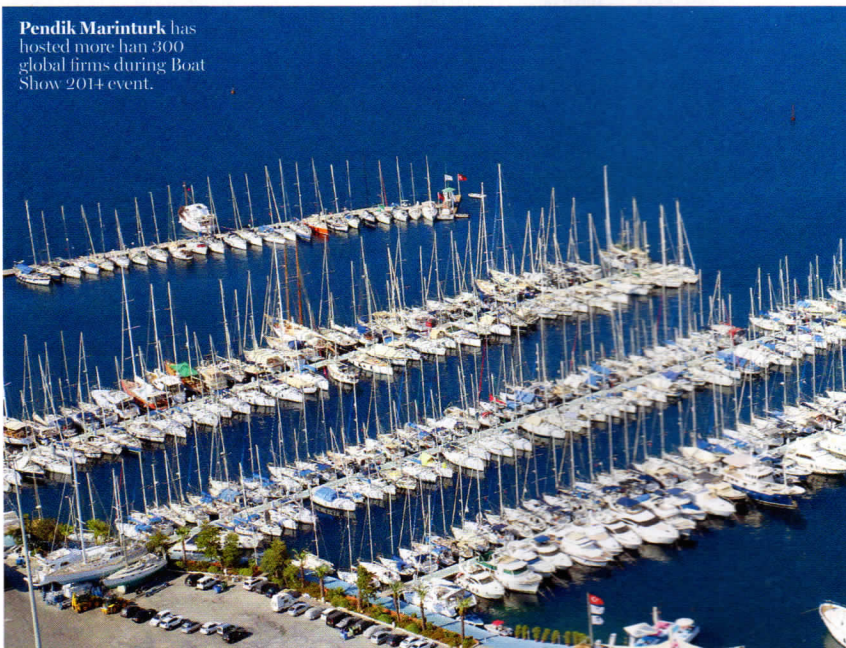
The boat and yacht industry, now, is praised for its performance in the last years with the export executed even though Turkey was ineffective in the past years. The industry is both strengthening its current circumstances and carrying on the operations for the 10 Billion USD export targeted to be made in the year 2023. Surely, export is not the only topic between the industry's targets of 2023. Another target of the industry is to build one of the 10 biggest harbors in the world on Turkey's shores. A broader chain of targets for 2023 is effective. The ship and yacht industry has set the goal of 10 Billion USD worth of export as the target for 2023, as it's known. Turkey's ship and yacht industry, with 1.92% share in the world market in 2008, aims to increase it to 2.90% in 2023. The ship and yacht industry has the strength and potential to achieve its goals with broad range of targeting markets for 2023 such as EU countries, Russia, Greece, China and U.S.A.

4th

TURKEY'S RANKING IN GLOBAL MEGA YACHT MANUFACTURING

\$10

BILLION
TURKEY'S 2023 SHIP AND YACHT EXPORT TARGET



Pendik Marinturk has hosted more than 300 global firms during Boat Show 2014 event.

