

## Sector Report

# Taiwan Yacht Industry

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## OVERVIEW

Taiwan Yacht building is a prosperous industry within marine sector. There are 31 active yacht builders on the island, 15 in Kaohsiung city accounting for 65% of the total industry value, while the rest spreads in Kaohsiung County and the north of Taiwan. According to Taiwan Yacht Industry Association, the industry value for yacht building is around NT10 billion (£204m) annually. An industrial zone is being planned currently within Kaohsiung Harbour in order to give yacht builders a water front area for convenience. The investment is estimated to be NT 5 billion (£102m) but the timeline has not been set.

Taiwan ranks as the fifth largest manufacturer of Mega yachts (length ranged between 80 to 120 feet), while Italy, US, Holland and Germany occupy 1<sup>st</sup> -4<sup>th</sup> places (information source: Yachts International). Regarding individual yacht builders, two Taiwanese companies have managed to stay on the top 40 list in 2008 - Horizon is 11<sup>th</sup>, exceeding its ranking as 13<sup>th</sup> in 2007, and KhaShing is 27<sup>th</sup> - even though the world economy has stepped into recession in the Q4 rapidly. Horizon won "The Best Asia Motor Yacht Builder" award for boat length from 70 to 100 feet, in its third consecutive year, from 2008 Christofle Asia Boating Awards by Asia Pacific Boating Magazine.

The trend for Taiwan yacht building is to build bigger models and find new markets. The technology has been established to build yachts over 130 feet and in the future the industry is looking into building 160 feet yachts with different composite materials, such as steel, instead fibreglass reinforced plastics (FRP). The orders at the moment will support the industry till the end of 2009. After that, it will depend on the recovery of the world economy.

Energy saving/green power is also getting its importance in yacht building. Horizon has been working with a German company named SolarWaterWorld since 2008 to introduce solar power onto the yacht propelling system. The size of the boat is relatively small (23 feet) and, different from customisation, the target is mass production.

The London Boat Show, organised by the British Marine Federation, has invited yacht builders and traders from Taiwan to participate in its activities every year since 2006. Horizon and KhaShing were both invited for the first time in 2006 through British Trade and Cultural Office. Horizon now exhibits at the London Boat Show regularly for its European market. The British Marine Federation stays close contact with Taiwan on behalf of the industry in the UK.

## OPPORTUNITIES

- Hardware components and accessories/auxiliaries
- Naval architects/exterior design/Interior design
- Deck hardware
- Energy saving/Green Power

- Innovative superyacht equipment and services

## KEY METHODS OF DOING BUSINESS

Visits to the market are important but there are other opportunities to meet Taiwanese buyers, such as at various boat shows around the world. Most of the yachts are sold to the American and European markets so the Taiwanese yacht builders traditionally will attend the boat shows in those two markets. BTCO and BMF have worked together to bring buyers from Taiwan to the London Boat Show (<http://www.londonboatshow.com>) as a regular event since 2006.

Taiwanese yacht builders are accustomed to direct approach by foreign dealers and buyer representatives. Language is no barrier for business. Currently, most of the markets are looked after by appointed dealers from the local market.

UKTI SouthEast and overseas post in Taiwan provide assistance for market access.

## MORE DETAILED SECTOR REPORTS

When considering doing business in Taiwan, it is essential to obtain and learn from the local knowledge. British Trade and Cultural Office offers the chargeable service for tailor-made market report, Overseas Market Introduction Service (OMIS, [https://www.uktradeinvest.gov.uk/ukti/appmanager/ukti/ourservices?\\_nfls=false&\\_nfpb=true&\\_pageLabel=market\\_sector\\_research](https://www.uktradeinvest.gov.uk/ukti/appmanager/ukti/ourservices?_nfls=false&_nfpb=true&_pageLabel=market_sector_research)), to assist the UK suppliers in identifying potential business partners in Taiwan. For further details, please contact:

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[www.uktradeinvest.gov.uk](http://www.uktradeinvest.gov.uk)

## RELEVANT LINKS

### ◆ Industry

<http://www.usddc.org.tw/roote.htm> United Ship Design and Development Centre

<http://www.taiwanyacht.com/> Taiwan Yacht Net

<http://www.ship.org.tw/member/tyia/> Taiwan Yacht Industry Association (Mandarin only)

### ◆ Boatyards and relevant builders

Horizon Yacht Company  
(<http://www.horizonyacht.com/>)

Kha Shing Enterprise Co., Ltd.  
(<http://www.khashing.com/>)

Grand Harbour Yachts Inc.  
(<http://www.yachtworld.com/grandharbour/>)

Jade Yacht Shipbuilding Co., Ltd.  
([http://www.jade-yachts.com/web\\_en/](http://www.jade-yachts.com/web_en/))

Her Shine Marine Co., Ltd.  
(<http://www.hershinemarine.com/>)

Dyna Craft Yacht Ltd.  
(<http://www.dynacraftyacht.com/>)

※ More to be found on <http://www.taiwanyacht.com/link/index.asp>