

# FORTUNE

FEATURES

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## THE BUSINESS LIFE 2006

**64** It's harder than ever to separate work from play. But maybe mixing business and pleasure isn't such a bad thing. This special issue looks at newly minted Internet moguls and other people who have fun while making money. Learn from them.



**BILL JOY** The Sun Microsystems pioneer is now an eco-sailor (page 82).

BEN BAKER—REDUX

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have batteries to enable her to cut the generators and run silent for long periods—a bit like the U-boats of yesteryear and a first for yachts this size. Joy wants to ensure that those pesky lights in the four guest cabins, two salons, and owner's suite (which will contain an office, a sauna, and a Jacuzzi) consume as little electricity as possible. More important, he wants *Ethereal* to be the most efficient, eco-friendly boat afloat—an ambassador for the “green tech” he and his new venture capitalist partners at Kleiner Perkins Caufield & Byers are championing.

Some of the team offer suggestions, while others take notes. One man listens attentively, even though he's not responsible for *Ethereal's* innards. He is New Zealander Ron Holland, 59, a world-class yachtsman and one of the leading naval architects of his generation, who has designed boats for the likes of Prince Rainier of Monaco and media mogul Rupert Murdoch. Holland has already done his bit for the yacht's efficiency by designing a hull and rigging that will allow her to slip through the water at speeds most motorized super-yachts could not match—and without consuming a drop of fuel. Joy concedes that he second-guessed Holland's initial hull design. “Ron drew it, and we tried longer and shorter and other things,” he recalls. “In the end we came back to what he had done in the beginning—in other words, his intuitive feel for what was going to work turned out to be correct. We did a lot of simulations and tank testing to go in a big circle.”

A newcomer to the sailing scene—he has never owned even a dinghy—Joy has discovered what the yachting fraternity has known for a long time: Yacht design is as much an art as a science, and if you want a boat that will sail like the wind, then get Holland to draw it. Largely self-taught—he began his career 40 years ago as an apprentice in a New Zealand boat yard—Holland has been drawing winners since 1973, when he skippered his own design, the 24-foot *Eythene*, to victory in the world Quarter Ton Cup. Commissions soon followed from leading yachtsmen, including the British Prime Minister, Edward Heath, who spear-

headed England's 1979 Admiral's Cup challenge in the Holland-designed *Morning Cloud*. Though built for cruising, not racing, *Ethereal* will inherit the Holland performance pedigree, with a likely top speed of about 18 knots—fleet enough to keep up with the tea clippers of yore.

But if Joy is learning about yacht design from Holland, the latter is getting a crash course in what Joy calls an “integrative design process.” Translation: Joy is encouraging his team to think of *Ethereal* not just as a yacht but as a self-contained community that must provide vital amenities like power and fresh water while at the same time dealing with waste products like heat, noise, sewage, and trash. And he is pushing for simple, elegant solutions that deal with problems by designing them out of the boat.

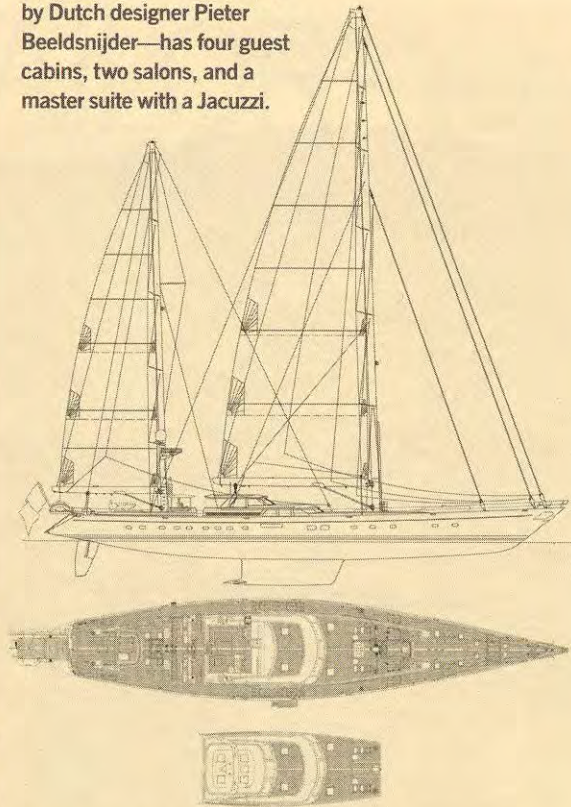
Those cabin lights, for example. Conventional incandescent lights produce huge amounts of heat. Replacing them with cooler light-emitting diodes, an increasingly popular feature on boats, permits a smaller air-conditioning system that saves weight, space, and energy. An innovative lithium-ion battery bank will smooth out fluctuations in electric demand, allowing for more efficient use of smaller generators. And when the wind dies, *Ethereal's* propellers will be driven by a unique hybrid of diesel and electric motors that will move the yacht, power the household systems, and recharge the batteries, all at the same time.

“Our approach is to think about demand first and then supply,” says Joy, explaining that if you can reduce the former, you need less of the latter. “You can never capture all the efficiencies,” he concedes, but that won't stop him from trying to make *Ethereal* what he calls a “continuing instrumented laboratory” for the green tech that has become his new passion. “For every technology that we use, there will be ten we don't but will now know about.” And if one comes along—like an efficient fuel cell that can replace or supplement noisy diesel generators—it will be retrofitted to the boat.

## MR. HOLLAND'S OPUS

Ron Holland's plans for Bill Joy's boat.

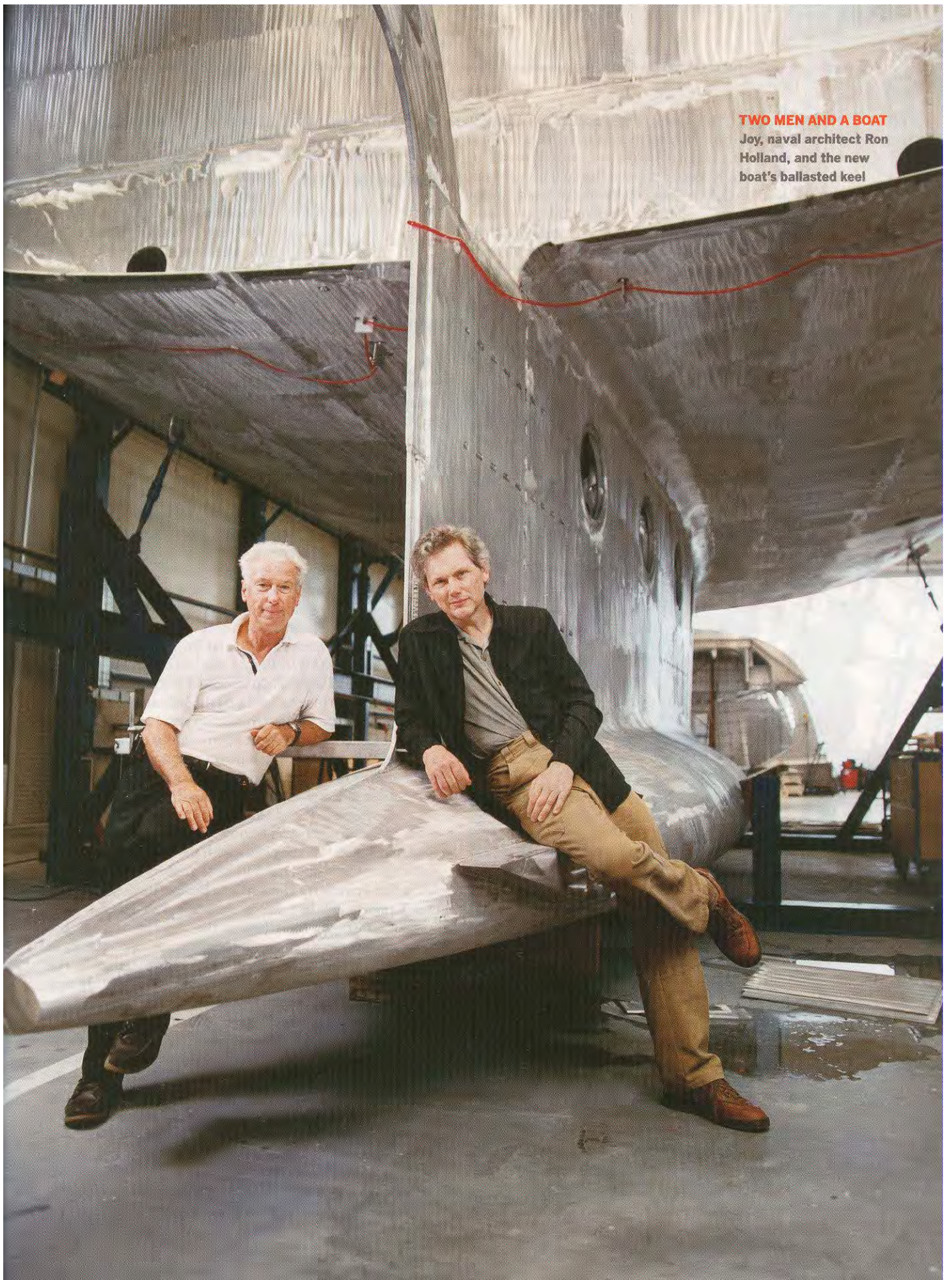
The 190-foot yacht—interior by Dutch designer Pieter Beeldsnijder—has four guest cabins, two salons, and a master suite with a Jacuzzi.



### PRINCIPAL DIMENSIONS

LOA (length overall)	58.06 meters (190.50 feet)
LWL (length at waterline)	48.03 meters (157.60 feet)
Beam max (width)	11.42 meters (37.46 feet)
Draft (depth)	4.90 meters (16.10 feet)
Displacement (weight)	471.5 tons

**TWO MEN AND A BOAT**  
Joy, naval architect Ron  
Holland, and the new  
boat's ballasted keel



"It's an approach that's long overdue and should have a big impact on future yacht design," says Holland, who is no stranger to innovation. In his studio overlooking the small Irish sailing port of Kinsale are paintings and drawings of superyachts—those longer than 100 feet—that testify to his ability to push design boundaries. They include *Whirlwind XII*, launched in 1986, which marked Holland's transition from racing boats to cruisers and was the first postwar, single-mast boat to break the 100-foot barrier. "Ron Holland was the pioneer of modern superyachts," says Newport, R.I., yacht broker and former professional skipper Hank Halsted. "He was the guy who early on understood how to make these huge ships handle like real sailboats. If they didn't, there would be no super-sailing-yacht business today."

**BUILT FOR SPEED**

*Ethereal's* hull, under construction in the Netherlands

According to Halsted, who helps organize the two superyacht regattas that take place each year at Newport and St. Barts, the owners of giant sailboats, un-

"Nothing beats the **motion of a sailboat**—the feel of the wind, or the rocking at anchor with the sound of the sea outside."

like those who drive the motorized variety, are turned on by the closer contact with the ocean and the elements their boats allow. Although their yachts lack nothing in the way of comfort and luxury, says Halsted, "they are there to be sailed rather than tied up in some chic harbor and admired." While some yacht owners have been known to hang Old Masters in their boats, *Ethereal* will have a simpler, laid-back look, serving, Joy explains, as "the perfect mobile gathering place for family and friends."

But the real reason he is spending \$40 million is that he finds sailboats romantic. "Nothing beats the motion of a sailboat," he says, "the feel of the wind, or the rocking at anchor with the sound of the sea outside." Adds Holland: "It's something in the soul. Sailors can imagine themselves following in the wake of the great seafarers like Magellan, Vasco da Gama, and Cook."

**S**UPERYACHTS have been around for some time. The classic J-Class yachts of the early 20th century were supersized—*Shamrock V*, Thomas Lipton's last challenger for the America's Cup in 1930, measured 120 feet—but they also required a crew of 40 or more to sail them. The breakthrough to the modern superyacht came when Holland and Royal Huisman collaborated on *Whirlwind XII*. Before that, no one believed it was possible to build a super-sloop that could be sailed like a smaller boat because the forces at work on the sails and hull were too great. Holland was the first to take up the challenge and harness new technologies to make *Whirlwind XII* as easy to sail as a dinghy. "We replaced muscle power with hydraulics and electrical winches to raise and furl huge sails and sheet them home at the press of a button," Holland explains. With a length of 247 feet, *Mirabella V*, the Holland-designed sloop built three years ago for former Avis tycoon Joe Vittoria, is the largest single-mast yacht on the planet, with the world's biggest sails and a mast that would need to be shaved by 75 feet to pass under San Francisco's Golden Gate Bridge. But her 12-strong crew numbers only five sailors, including the skipper.

Another driving force behind the superyacht surge has been a tidal wave of money that has expanded the ranks of billionaires to about 700 worldwide over the past decade. For some the superyacht has become a way of flaunting new wealth. "There's testosterone at work, for sure," says Jill Bobrow, editor of *ShowBoats International*, a magazine that closely monitors the superyacht industry. "But these boats are also about luxury, security, and privacy, about separating yourself from the rest of the world while, paradoxically, remaining in touch through modern communications." The result: ever larger and more expensive ships, most of them motorized. Ships on steroids include a 525-footer belonging to Sheikh Mohammed bin Rashid al-Maktoum, the ruler of Dubai, who named his boat after his emirate; *Rising Sun*, whose owner, Oracle founder Larry Ellison, stretched the

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