

# The billion dollar yacht race

**The prize is an ill-designed silver cup, originally costing £105 (just over R320). But by the time the winning yacht sails over the America's Cup finishing line later this month, over R3 billion will have been spent on what has become the roughest, most ruthless race in world sport.**

IT doesn't look much: an ugly silver trophy which originally cost the not-so-princely sum of £105, or about R320. Yet men are risking their lives for it. Some become spies for it.

Others have spent more than R300 million trying to get their hands on it. And unlikely though it may seem, this lump of silver are currently controlling the destiny of at least R9.6 billion.

It's the America's Cup, the sailing trophy which had been bolted securely to a plinth in the New York Yacht club for 132 years until a cocky team of Australians finally yanked it from America's grasp in 1983.

Now it is safely behind bullet-proof glass in Perth, Western Australia, and it's here that the pick of the world's 12-metre yachts are taking part in a best-of-seven series of races before the finals later this month.

**Big money:** But it is not just sailing skills that are on trial. For the America's Cup has become the big cash bonanza in

by  
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sporting history — and the roughest, most ruthless, race in sport.

Millions have been poured into new yachts — and yet more millions have been spent keeping the designs secret.

And even more money has been poured into preparation for the contest, including new hotels, a marina, airport, casino, leisure complex and other buildings in Perth and neighbouring Fremantle, where the yachts are actually based.

But both the yachtsmen and the city planners are hoping to get their money back many times over.

For Perth, the America's Cup means a guaranteed tourist income of over R2 billion. An extra



**Australia II — the yacht that won the America's Cup in 1983 — with her keel hidden from prying eyes.**

552 600 visitors are expected to arrive to see the races.

And for the yacht crews and the financial syndicates backing them, winning the trophy will cost an estimated R3 billion.

**Prying eyes:** Said the executive director of a syndicate behind the Italian yacht, Azzurra II: "It's no longer a yacht race — it's an international business."

Illustrating this is the background to the challenge from two New Zealand yachts. One of the country's leading mer-

chant banks agreed to underwrite the whole cost — put at \$NZ15 million (about R8 million) — even though the partners had no interest in yachting.

But they carried out a feasibility study which showed that New Zealand did have a realistic chance — and winning could bring the country billions when it hosted the next series of races.

A total of 14 syndicates have arrived in Perth for the early elimination rounds. Some admitted

they had budgets in excess of R30 million.

To try to get the best possible design, they have hired help from such outside organisations as the American space agency, NASA, the US Navy, Boeing, British Aerospace, and Aerospacial of France.

To protect these ultra-expensive designs from prying eyes, each yacht has been given a berth surrounded by three-metre-high metal walls which penetrate deep into the shore mud.

Under wraps: Hydraul-

lic doors are supposed to keep out divers who might be prowling with underwater cameras.

At Newport, Rhode Island, in the 1983 race series, there were intense efforts to get a glimpse of the mysterious keel of Australia II, the yacht which eventually won.

Divers were spotted around the hull on several occasions.

The British syndicate in Perth has already spent nearly R100 000 to try and keep the design of its yacht, Crusader II, under wraps. It has also had sophisticated "scrambler" equipment fitted to its radios so that eavesdroppers can't listen in to messages.

David "Badger" Arnold, the team's chief executive, said: "Every syndicate has the equivalent of MI5 counter-intelligence and MI6 spy sections to look after it. We are all playing hide and seek.

"There is always some little quiet guy in some bar listening to crew members for any unguarded remark. He will then go off to try to sell the information to a rival syndicate.

"Colour pictures of competitors' keels have already exchanged hands and the keel that provoked most interest is ours. They all want to know what it looks like — we want to keep it secret."

For more innocent spectators, British financier Peter de Savary is providing a converted oil rig which will be taken out of Fremantle every day and stationed 400 metres from the races.

It is costing over R1.5 million to moor the rig in Fremantle — and a helicopter shuttle service between Perth and the platform is costing another R900 000.

The cost of one of the 400 places in hospitality boxes on the rig is about R600 a day. A suite for four for the entire duration of the race will set you back about R360 000.

Interest has already been intense, and total profit on the venture is expected to run to about R30 million.

Elsewhere, hotels in Perth report that they will be 97% full for the race. A new casino, built on the site of the city's rubbish tip, is doing a roaring trade, as people queue to gamble until the early hours of the morning.

To coincide with the yachting, a few other sporting attractions have been organised, including a world heavyweight title fight, a R2 million horse race, international golf and tennis, a big-money marathon, a three-day equestrian event and a one-day cricket international.

The America's Cup has put Perth, once known as Australia's forgotten town, firmly on the map.