

logo not found or type unknown

Island Global Yachting to be Acquired for \$480 Million in Cash by MarineMax; Deal Expected to Close First Half of 2023

Government / **Published On August 10, 2022 04:43 AM /**

Staff Consortium **August 10, 2022**

Image not found or type unknown



Yacht Haven Grand in St. Thomas, part of the Island Global Yachting LLC (IGY Marinas) property in St. Thomas. By. IGY MARINAS.

MarineMax, Inc., the world's largest recreational boat and yacht retailer, today Tuesday that it has entered into a definitive agreement to acquire Island Global Yachting LLC, called IGY Marinas, which owns and operates a collection of iconic marina assets and a yacht management platform in key global yachting destinations, including in St. Thomas in the U.S. Virgin Islands.

According to the release issued through Business Wire, MarineMax will acquire IGY Marinas for \$480 million in cash, with an additional potential earn-out of up to \$100 million two years after

closing, subject to the achievement of defined performance metrics. IGY Marinas, through recent acquisitions and organic growth, is projected to generate over \$100 million of revenue in calendar 2022. Subject to the satisfaction of customary closing conditions, MarineMax expects the acquisition to close in the first half of fiscal 2023 and to be accretive within the first twelve months of closing.

IGY Marinas will maintain its luxury branding that is well recognized as best-in-class in the global marina and superyacht communities. Tom Mukamal, CEO of IGY Marinas, and the IGY Marinas existing management team will continue to lead the growth and operations of the business.

According to the Business Wire release, IGY Marinas distinguishes itself with a synergistic network of strategically positioned luxury marinas situated in the world's most coveted yachting and sport fishing destinations. IGY Marinas has pioneered best-in-class standards for service and quality in nautical tourism around the world. It offers a global network of 23 curated marinas in the Americas, the Caribbean, and Europe, delivering year-round customer touchpoints.

IGY Marinas caters to a wide variety of luxury yachts, while also being exclusive home ports for some of the world's largest megayachts. The network of marinas is further bolstered by its exclusive Trident superyacht membership program, expansive service offerings, and comprehensive yacht management platform. In addition, IGY Marinas is a venue for exclusive events such as the Cannes Yachting Festival, Cannes Lions International Festival of Creativity, Superyacht Miami, and Art Basel. IGY Marinas is unique in that its scale and strategic geographic footprint enables it to provide vertically integrated services to superyacht customers as they travel to popular destinations.

"We are delighted to announce our acquisition of IGY Marinas, a transformative transaction for MarineMax, that significantly strengthens our ability to provide the best customer experience to yacht owners around the world," said W. Brett McGill, CEO and president of MarineMax.

"The addition of IGY Marinas positions MarineMax as the preeminent leader in the superyacht industry—the only company able to offer an integrated experience coupling high value superyacht berthing and marina services in premier locations with exclusive superyacht service offerings. Moreover, this investment continues to diversify our business mix with not only higher margins, but also a larger geographic footprint, especially in highly desired destinations in the Mediterranean and the Caribbean."

Mr. McGill added, "We are very pleased to strategically expand with IGY Marinas and have tremendous respect for their outstanding management team for building a high-quality real estate portfolio of luxury marinas with extraordinary growth potential. IGY has experienced significant recent growth, as its brand has become sought-after by yacht owners, as well as public and private marina owners worldwide.

"This investment aligns with our ongoing strategic acquisition plan, including our superyacht business, to selectively expand our service offerings with acquisitions of high growth, high margin businesses. Furthermore, we strongly believe that IGY Marinas will offer our Fraser Yachts and Northrop & Johnson current and future superyacht customers the opportunity to enhance their yachting experiences by providing them access to the world's only superyacht marina network."

Tom Mukamal, CEO of IGY Marinas, stated, "We are excited to join the MarineMax Family and its experienced management team. MarineMax brings significant resources, synergies, and competitive advantages to our business amplifying our potential for both organic and inorganic

growth. With IGY's irreplaceable destination portfolio, demonstrated track record of successful acquisitions and a robust pipeline, we are confident in our collective ability to strengthen and build on our position as the global leader in superyacht and luxury marina destinations and related services."

According to the release, MarineMax expects the transaction to close in the first half of fiscal 2023, subject to the satisfaction of customary closing conditions. The transaction will be financed through MarineMax's recently completed expansion of its credit facilities and cash on hand.

Raymond James represented MarineMax, while Moelis & Company LLC represented IGY Marinas.

© Viconsortium 2024