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## Prime property

# How security experts protect superyachts from pirates and hackers

Security companies offer wealthy owners training and advice on avoiding hijacks and cyber threats



JULY 14, 2017 by: James Fitzgerald

The former Special Boat Service commando gazed out over the French harbour at the floating palace that gleamed in the midday sun. The distant superyacht was a target — but not in the conventional sense. It was a business opportunity.

Simon Rowland swam out, on his own, and climbed aboard. He quickly made his way unchallenged to the bridge, where he confronted a surprised captain.

Rowland, who was holidaying with his family in the French Riviera, had recently set up security group Veritas International with Neil Strang, also a former Royal Marine.

Despite the cheeky stunt, Rowland had a long chat with the skipper about the yacht's defences and was invited to return to complete a security review.

“As ex-SBS, we thought this was the perfect sector for us,” says Strang. “We were asked by the captain to look after the yacht-owner's daughter during her birthday party. We got on so well with her and her friends that she introduced us to her parents — and we came back a week later to look after them during their vacation.”

His approach to security is all-embracing. As with many high-end security companies, Veritas will check cars and locations and even organise the itinerary of the client. “You have to understand the ‘principal’ and who they are; what makes them tick; their lifestyle.”

It is an approach that is considered best practice by security company Pinkerton. Eric Rose, a director, says the agency — founded in 1850 — is a full-service risk management operation.

Modern sea piracy grabbed the headlines 12 years ago when militiamen from the Somali civil war joined with local fishermen to take hostages and demand ransoms. Security company Miris International offers clients training and advice on what to do should they find themselves in such a situation. More crew members were kidnapped at sea in 2016 than any of the previous 10 years, according to the International Maritime Bureau, though global piracy was at its lowest since 1998.

The IMB's piracy reporting centre recorded 191 incidents of

piracy and armed robbery in 2016. Pirates and armed robbers attacked 43 ships and captured 58 seafarers in the first quarter of 2017, slightly more than the same period last year, according to the IMB.



An armed officer from Miris International on anti-piracy duty © Miris International

The cost of re-routing merchant vessels and deploying warships runs into billions. Oceans Beyond Piracy, a US-based non-profit organisation, puts the cost of countering Somali piracy at \$1.7bn for 2016, although that is far less than the \$7bn spent in 2010.

Thirteen European nations provide warships and patrol vessels for the EU naval force, which operates to deter piracy in the Southern Red Sea, the Gulf of Aden and a large part of the Indian Ocean. The US navy and several other countries also have a presence to protect vessels and

minimise disruption to shipping.

Insurance companies have drawn a box around these high-risk areas. “The number of yachts that go to the Indian Ocean has decreased because of the hijacks,” says Strang. “However, an Arab owner might want his vessel to return home from the Mediterranean. In such a scenario, we would certainly put armed protection on board.”

Cyber security is also a major issue. Information sent from a yacht can be intercepted by hackers ashore.

Pinkerton’s Global Risk Group (GRG) has three regional intelligence centres. “If we have a client on a yacht who is concerned about someone trying to steal

information, our GRG folks create a geofence for those specific areas. The team would also sweep the vessel for listening devices or bugs,” says Rose.

“Yacht owners are waking up to the emerging cyber threat, what it means for them and their assets and how they might try and mitigate it,” says William MacLachlan, a maritime lawyer at Holman Fenwick Willan.

This may include training crews on the risks and incorporating strong confidentiality provisions in employment agreements, setting out what a crew may or may not say about the yacht, its movements and who is on board.

**Yachts  
are  
particularly  
vulnerable,  
whether  
that's  
loss  
of  
crew  
information,  
or  
leaking  
of  
photos  
of  
guests**

Increasingly such provisions include limits on the use of social media, which criminals could use to build up profiles of high-net-worth individuals, says MacLachlan.

With everything from fridge freezers to toothbrushes now hooked up to the internet, the potential for hackers to gain

access to data has hugely increased. Yachts may also carry data on the crew, the owner and their guests. This brings obligations, particularly in light of the EU's General Data Protection Regulation, which comes into force next May.

In the event of a hack, the regulation places direct obligations on those controlling and processing data and breaches can incur fines of up to 4 per cent of the annual worldwide turnover of a company. "If one could make the leap that a yacht was part of the ultimate beneficial owner's global group then potentially there are some substantial fines there," says MacLachlan.

This means that owners will need to understand the personal data their yachts hold and heed the

new reporting obligations if operating within the EU or carrying EU citizens.

Many people believe they have appropriate insurance cover but MacLachlan says cyber liabilities are excluded from most policies.

Ben Lind, a yacht underwriter for insurer AIG, says: “Our experience shows that extortion and ransomware-type attacks are the largest cause of cyber events. Superyachts are particularly vulnerable, whether that’s loss of crew personal information, leaking of photos of guests or interception of communications.”

For preventing kidnap situations, high-end security companies employ what would once



have seemed extreme tactics. “We can train the nanny how to drive defensively,” says Rose. “She may be isolated with the children and someone is trying to kidnap them. She has to know what to do, what measures to take and how to get out [of a dangerous situation].”

The nature of security, it seems, is to be ready for anything.

*Photographs: Samir Sayadi /EyeEm/Getty Images; Miris International*

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