

To mariners far and wide, the name Cheoy Lee means sturdy, dependable craft for both commercial and recreational use. For more than a century, that has pretty much been the case but there is change in the air as the Lo family business examines its past and present, and makes plans for the future, both at home and abroad.

Cheoy Lee has its origins in China in the late 1800s. Back then, the main business was ship repair but, in 1936, there was a move from Shanghai to Hong Kong and a change to ship building. A yard developed (on Lantau) and leisure craft were included in the company's building activities.

We spoke to **Martin Lo** (above left), an engaging businessman and the eighth of eight brothers (Chinese families were large in bygone days). Present during the interview was Hans Lo (above right) of the younger Lo generation, a man with an understanding of marketing in the global marketplace. Uncle and nephew work well together.

"Feedback during boat shows, particularly in the US, was that our profile, particularly in leisure, was a bit 'grandfather' and this had us thinking it was time for a change. We were getting complacent and needed to revamp our image.

"The market changes and we wanted a different product to keep up. So, two years ago, we engaged a design consultant and worked on a new and fresher corporate identity.

This is not the first time Cheoy Lee has sought a new direction. In the 1960s, the company was one of the first to change from wood to GRP in both its commercial and leisure products. In 1979, Tom Fexas was commissioned to come up with a sport fisher. He designed a boat that could reach 36 knots and, using full foam core construction and vacuum bagging, Cheoy Lee made quite a name for itself in the sport fishing sector through this impressive performer.

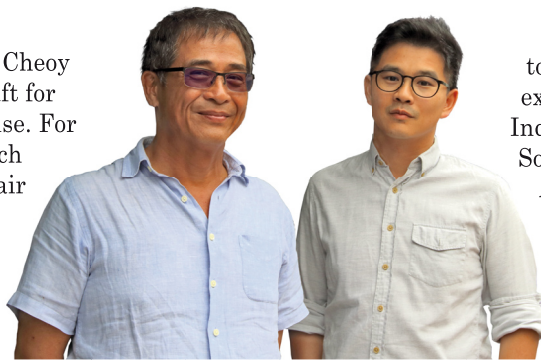
New directions are perhaps not easily recognisable as Cheoy Lee has such a huge diversity in what it produces. On the commercial side there are tugs, ferries, crew boats, work boats, pilot boats, utility craft and custom projects — in fact, almost anything that floats. And there are Cheoy Lees on all five continents, including far-flung locations such as Mauritius and the Bahamas.

On the leisure side, who can ever forget the classic wooden Cheoy Lee sailboats of the late 1950s and 1960s, so popular in the US, Europe and Hong Kong? There is even an active Cheoy Lee Sailboat Association with members worldwide (owners even keep in touch with the yard in Hong Kong).

Cheoy Lee was one of the pioneers in GRP construction and embraced knitted fabrics over traditional woven roving materials. "We were approached by Lloyd's and worked on standards. You could say we wrote the book.

"In 1975, we built the largest GRP motor sailer in the world, made to Lloyd's classification. A specialist was hired when we went into vacuum infusion in 2007 and there is always a desire to push boundaries. I am a believer in smart engineering.

"We export 80% of our leisure production, mainly to the US and Europe. On the commercial side, basically we export



to everywhere. Our Asian clients, for example, include Singapore's PSA, India's Ocean Sparkle, Hong Kong's South China Towing, HKKF, the Pilots Association and Hongkong Salvage.

"On boats built, we began counting in 1957 as, before that, we did a lot of ship repair and hull numbers weren't important. We are now on hull #5195. That's a lot of boats, built in Hong Kong over at Lantau and now in Zhuhai, China — a yard which is ISO certified.

"We work to all different types of classification. This can pose restrictions but can actually be quite fun! We interpret their rules and come up with a solution. In the late 1980s, we started a GRP quality assurance programme which has now been adopted by other classification societies. Our customers know that we put our hearts and souls into what we do — that's important."

Asked about the company structure in the modern, corporate world, he said: "We have thought about forming a group which incorporates the various branches of our business. But we don't have any plans to go public. Again, Cheoy Lee is a family business. It's unique."

Would Cheoy Lee ever consider relocation? "Hong Kong is our spiritual home — there's no other place like it. This is our headquarters. We have been a fixture here, although never too loud. Cheoy Lee was a part of the new airport construction project. We have given service to Hong Kong."

There is also a desire to give back to the community. Cheung Chau is, surprisingly, the family's 'ancestral home'. There is a family farm on the island called Sai Yuen which has been turned into a camping site for young people. "It can take about 200 glampers (!) and you can rent tents. We have the land and it was doing nothing so we felt it was an opportunity to take a more active role in the community."

How about China and the vast market it presents? "Leisure in China is different. It has a lot to do with status and vanity. But it could change. We've seen the population becoming more mobile. From bicycles to motorbikes to automobiles. They're being exposed to new ideas and there's greater affluence.

"But it is time to become more public, particularly in the leisure sector. Our new brand name is 'CL Yachts'. We are targeting the new demographic and turning a page.

For example, a customer who purchased one of our new 72-footers was not aware that CL Yachts was a brand of Cheoy Lee. But he is very impressed with his new CLB72!"

The Cheoy Lee home office in Lai Chi Kok has been spruced up, the interior redesigned with some interesting pieces of art and memorabilia and a new brand name presented to the public. "It is our coming out," laughs Martin. There was a traditional offering ceremony (*bai san*), complete with lion dance, late June. A bright future awaits Hong Kong's most endearing — and only — international brand name.

