

THE MAKING OF AN EMPIRE.



HATTERAS YACHTS CELEBRATES 40 YEARS OF BUILDING THE FINEST CRUISING AND SPORTFISHING YACHTS IN THE WORLD.

by Roy Attaway

Cape Hatteras jabs itself into the North Atlantic at the precise juncture where the southbound Labrador Current and the northbound Gulf Stream grind against each other like tectonic plates. The result is a wide area of tumultuous ocean infamous in the annals of shipping. But, the comingling of these warm and frigid waters also creates one of the greatest fish aggregations on the face of the planet. From paleo-Indians forward, commercial fishermen and sportsmen have been drawn here by the variety and sheer numbers of their quarry.

One of these sportsmen was Willis Slane, scion of a hosiery-manufacturing fortune from High Point, North Carolina. Slane loved the challenge of this fishery, as did many of his compatriots at the Hatteras Marlin Club, a small cluster of docks and buildings on the lee side of the low, skinny barrier islands. What originally had begun as a duck hunting club had metamorphosed into one of the greatest fishing venues on the Eastern Seaboard.

It happened that on a particular Saturday night in May, in the year 1959, Slane and his pals were trapped in this clubhouse by a howling late spring nor'easter. The boats they were using, locally made wooden hulls for the most part, simply could not take the pounding required to go in and out of the rambunctious inlet and to fish the skittering rips and snarls of Diamond Shoals.

"In 1960, Willis Slane took me on a ride out to Kivett Drive. He stopped the car and said; 'How'd you like to see a boat factory sitting right there?' What we were looking at was nothing, nothing but fields of broom sedge. It was kind of hard to imagine." – Ray Myers

Willis Slane



Hatteras ers say their fiberglass most beautiful boat in the world.

are protected by a bow rail, life lines in stanchions connecting to a taff rail around cockpit. This is a roomy yacht, and like all Hatteras yachts,

ble with additional space; increased
allowing for an optional sofa that

It also happened that Slane had recently been to Miami and chanced to meet Don Mucklow, one of the first boat builders to embrace the new technology of fiberglass. Mucklow had built a 27-foot runabout, powered by a pair of Corvette engines, that had won the Miami-Nassau race two years earlier. Slane was intrigued. He was something of an adventurer himself, an expert pilot who first taught flying for the Army Air Corps in World War II and later flew The Hump over Burma from India to China and back again many times.

But, like many, Slane was skeptical of the new material's strength. The word itself, fiberglass, seemed to connote weakness. Fibers were limp. Glass was something that shattered when you knocked it off a table. Mucklow challenged Slane to try to break the hull. Slane accepted and firewalled the throttles, heading out of Miami's Government Cut at more than 40 mph and into a nasty chop. The boat, he quickly learned, could take a lot more than he could. He was impressed and intrigued.



Ray Myers

"I'll never forget the respect I had for Don Mucklow, because I worked for him. One day we were in his office and somebody fired up an engine out in the plant. Don heard it and grabbed the intercom and shouted. 'Cut that engine off. You're running it dry!' He could tell from the sound of the exhaust that it didn't have water in it like it was supposed to."

— Aubrey Ingram

So, as he sat in the clubhouse and listened to the moiling winds and saw the local fishing boats rocking timidly in their slips, he mused aloud that someday soon somebody would build a boat that could handle Cape Hatteras' weather—and that it would be made of fiberglass. He began to extrapolate on his vision: it would have to be about 40 feet long to accommodate four to six fishermen. Further, he mused, it would have to be luxurious enough that a family could use it for cruising, as well.

"You're crazy," his friends laughed. "Fiberglass is o.k. for a small runabout, but not for a big boat."

Not only that, Slane continued, it should be built in High Point to take advantage of the city's craftsmen nurtured by the furniture industry.

That brought a howl of derision.

"You can't build a 40-foot yacht in High Point. That's 200 miles from the ocean."

Willis Slane, it is said, slammed down his fistful of playing cards and replied: "You wanna bet?"

Six months later, having immersed himself in fiberglass technology and after consultations with a bright young West Palm Beach naval architect named Jack Hargrave, Willis Slane and a coterie of recruits opened the doors on Hatteras Yachts in what had been a Pontiac dealership on Wrenn Street in High Point.

Slane's disciples included Sadie Phillips, a childhood friend, hired as general secretary and bookkeeper; C.L. Everhart, the company's first production employee; a carpenter named Ray Myers, as supervisor in that department; and a local swain named Curly Cook as a general laborer. Don Mucklow himself was brought in as



"I had my doubts when he asked me to come to work. I knew he was hell on wheels, really. I'd known him all my life, but I didn't know what kind of businessman he was. But, it didn't take me long to find out. He was certainly a workaholic. He expected everybody to work as hard as he did. We did, and we loved it!" —Sadie Phillips

general manager, director of engineering, and probably a few other unofficial titles. Money for the venture came from some of those selfsame naysayers who had derided his vision only months earlier and from others whom Slane convinced to join him. The first board of directors included: J. Harriss Covington of Harriss & Covington Hosiery Mills; John C. Slane, president of Slane Hosiery Mills; Curtis Smithdeal of Smithdeal Development Corp.; Earl N. Phillips, chairman of Phillips-Davis, Inc. (he was also the first chairman of Hatteras Yachts); Willis H. Slane, Jr.; George W. Lyles, Jr., president of Lyles Chevrolet Company; Thomas N. Barbour of American Furniture Co.; G. Nolan Bearden, president of Insurance Counselors, Inc.; and William W. Mulvey, senior vice president of McCann-Erickson. All save the last three were from High Point.



Armed with a few used and rented tools and with Mucklow as their teacher, the crew began to piece together the boat Slane and Hargrave had conceived. She was a 41-foot trunk cabin sportfisherman with a 14-foot beam and was to be powered by a pair of 275-hp Lincoln V8s. She would carry 324 gallons of fuel, 200 gallons of fresh water, and her designer calculated a top speed of 34 miles per hour.

Later, Jack Hargrave commented: "Willis had what he called the 'Hargrave Test.' The production people would lay up a hull section to what the equations called for, then Willis and I would go out in the plant and kick the hell out of it. If it didn't seem stiff enough, Willis would have the lamination people add some more layers."

On March 22, 1960, precisely on schedule, the first boat was trucked out of the garage, down Wrenn Street, and sent on her way to Morehead City. There, she was christened by Slane's wife, Doris, as the *Knit-Wits*. Willis Slane's vision was outdistanced only by his energy, perseverance, and salesmanship. He took seven orders that day for the boat now designated the Hatteras 41 Convertible Yacht Fisherman. Success brought expansion and building boats in a garage didn't last long. Less than two years after it began, the Cinderella story moved into a better castle, a brand new facility on Kivett Drive.

Slane and his creation were, to say the least, a sensation. In January of 1962, Slane & Co. took their 41-foot production yacht to the New York National Boat Show for its debut on a greater stage. The boat was hailed as the "... largest plastic production-built power cruiser." (Chris-Craft had two 50-foot wooden hulls in the same show.) Reaction in the local media was a publicist's dream. Photos of the 41 were splashed all over New York's newspapers, including the *Herald Tribune*,





Daily News, Mirror, and the World-Telegram and The Sun. The photograph showed the 41 on its trailer about to be towed over the George Washington Bridge. In the cockpit were four showgirls from the Broadway musical "Sail Away." Even the venerable *New York Times* made mention of the company's \$650,000 worth of orders taken at the show.

Forty years later, Hatteras Yachts is firmly established as a benchmark against which other boats are compared. The 53 was the most popular model: 349 motor yachts and 224 convertibles were sold in a 12-year period.

Remarkably, a few of those pioneers who brought *Knit-Wits* and her sisters into the world are still with the company. Curly Cook recently recalled: "My first job was as low as you can get: sweeping floors and dumping trash. I was learning, like everybody else. Nobody except Don Mucklow knew anything about fiberglass. When I went to work there, the only thing they had was the framing. We planked it and made a two-piece mold. We planked it with narrow stripping and then came back and glassed over that. Then we had to sand it down with sandpaper. It took forever!"

Cook is now (and has been for a long time), a customer service rep for Hatteras and generally regarded as the best in the business in that category.

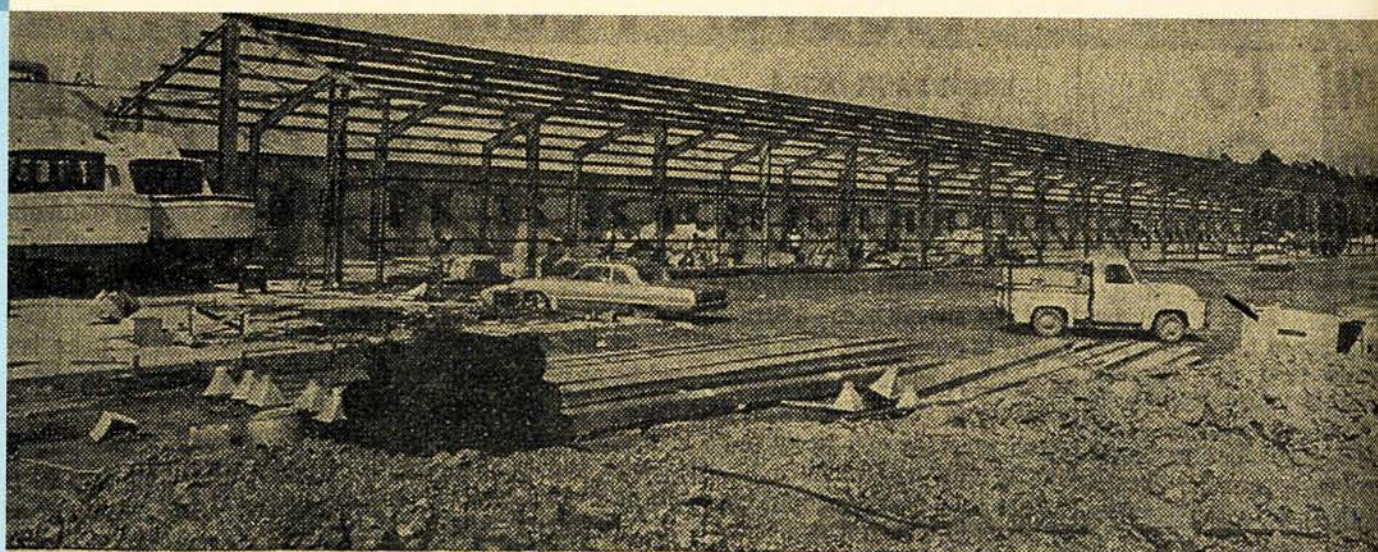
"We hired Curly Cook and a couple of buddies, about 17 or 18 years old. One day, they were sanding on the side of a hull. I say 'sanding.' Curly was leaning on one elbow against the hull and rubbing at it with the other. Don Mucklow and I were standing back watching them, wondering if they'd ever amount to anything." —Ray Myers.

Another early employee, still with the company 39 years later, is tall, soft-spoken Hubert Quick. Quick, a native of Bennettsville, South Carolina, had come northward to High Point with some of his family looking for work in the factories there.

"When Willis started Hatteras," Quick says, "he brought some of the good workers out of the hosiery mill, including my brother and me and a cousin. Everybody was afraid to go because of the fiberglass. Everybody was saying you couldn't live but ten years, it would kill you, get in your lungs. We had to do a lot of grinding and it was so bad I walked out a couple of times. My brother'd come after me and say, 'You get used to it.' We didn't have the protective suits we have

"Oh, the office was terrible. We had one desk at first. Willis, Don and I used it. One of us would get up and the next one would be ready to slide right in. We had one old Royal manual typewriter, which we stole from Slane Hosiery Mill. We had one adding machine, which I'm sure was also stolen from Slane Hosiery Mill."

—Sadie Phillips



FRAME IS UP FOR ADDITION TO HATTERAS YACHT PLANT

Hatteras Plant Addition Under Way

Construction has begun on a 600 - square - foot addition to the Hatteras Yacht Co. plant on Vett Drive in East High Point. The huge, rigid - frame steel addition will house two production lines, one of which will be full production will be under way this summer. Hatteras now produces 34 - foot Sports Cruisers, 34 - foot Deluxe Sports Fishermen, 34 - foot Sedans and 34 - foot Double Cabin models, plus 41 - foot tal square footage of the Hatteras plant to more than 102,000. Also under construction at Hatteras is another 30' x 60' addition which will add 1,800 square feet of space to existing facilities. In 1959, in a garage building downtown High Point. First production models came off assembly line in March, 1960. In the four years that followed, Hatteras has grown

now. We didn't even have masks. We'd tie a rag around our nostrils to keep the dust out. No fans. Nothing. Give you a grinder and a butcher knife and put you to work."

Quick, who today is the supervisor of large parts lamination, was also wryly credited with doing some of the early hiring for the company.

"When business expanded and they needed more workers, Willis and Don would come out and give my brother and me some money and a car and we'd start out early in the morning and go down to Bennettsville and drive through the cotton fields and say, 'Hey! Y'all want to come work on boats in High Point?'"

One of Hubert Quick's coevals was a young cabinetmaker named Tommy Henshaw, a Massachusetts boy who'd fallen in love with a Southern Belle and followed her back to her hometown, High Point.

"One day," Henshaw recalls, "I was doing cabinet making in Station Six and along comes Willis with an older couple. He came up to me where I was hanging cabinet doors and wanted to borrow my hammer. I gave him a claw hammer and he walked over to the side of the boat I was working on and just whapped the hell out of it with the hammer. Hit it so hard the hammer went flying out of his hands. He then turns to the couple and said: 'Could I have done that to your wooden



"When we tooled the first 50, we'd thought that was a big boat. We had to tear the wall out to get it out of the building. We jacked the plug up and put four-inch steam pipe under it for rollers. But, we didn't have anything to pull it out with. I hooked up my 55 Ford to the front, but we couldn't get enough traction. So, we had four guys sit on the trunk and then pulled it out." —Ed Baldwin

hull?' They said, 'No.' He sold that one right there."

Slane was famous for that kind of showmanship. He got a local police captain to go out back and fire his pistol at a fiberglass panel and then he'd show prospective customers the minimal damage.

Acceptance of the 41 was so enthusiastic that other models followed quickly. In April of 1962, Hatteras brought out the 41 Double Cabin, the first fiberglass motor yacht and the genesis of the Hatteras legacy for cruising yachts. Four years after the founding, there were six models altogether including a 34-foot sports cruiser, 34-foot double cabin, a 34-foot deluxe sportfisherman, and a 34-foot sedan.

"When you'd fire those engines at Launch and Make Ready in New Bern, you were liable to fire two or three moccasins out of the tailpipe. They'd have curled up in there."

—Clyde Holder

Building boats in High Point had its drawbacks, all right (it was, as had been pointed out, 200 miles from the ocean). In those days, the boats were trucked to Morehead City, with the flying bridge removed so they could drive them under highway bridges. The boats were then pieced together, finished and launched at Cannon Boat Works.

It soon became apparent that another manufacturing facility would be needed—closer to the water. The logical site was the then sleepy little coastal town of New Bern. At first, it was only launch and make ready. Actual manufacturing came later.

"I came to New Bern in 1967," Tommy Henshaw recounts. "There was nothing here at all. The contractors had just started. Leon Smith was a mill room supervisor in High Point and he was transferred here as operations manger and he asked me to come with him. At first, it was just me and him. In late '67 we started getting our first boats. We didn't have a travel lift. We'd just take a bulldozer and dig a trench to the creek and back the boats down on their trailers like small boats and float them off."

Inevitably, the logic of building all of the yachts under one roof—and closer to the sea—meant moving the entire operation to New Bern in 1997.

Not all of the new employees were sanguine about the town's latest economic Godsend. Donna Holmes, who has been in the upholstery shop at New Bern for nearly 28 years now, commented recently: "After my first day, I went home and

Hatteras Co. Expanding

This new marine manufacturing facility will be principally for completing the assembly of 50-foot model "Our plans call for additional boat building facility 1968," Parker said. Hatteras Yacht Company was the first company to build large fiberglass power yachts. It was founded eight years ago.

Hatteras Yacht Company, one of the world's largest builders of fiberglass power yachts, has constructed the first of a projected series of buildings on the company's new 95-acre manufacturing site at New Bern, N.C., according to David R. Parker, Jr., president.



These nine sportsmen were so dissatisfied with boats they developed this boat—the fiberglass Hatteras



1. J. Hatteras Corporation, Corp., Hatteras & George Henry Rd., High Point, N.C.
2. John C. Hatteras, Pres., Hatteras Yacht Co., High Point, N.C.
3. Curtis Smith, Pres., Smith's Boatworks, Inc., High Point, N.C.
4. Earl R. Phillips, Chm. Bd., Phillips Boat Co., High Point, N.C.
5. Willis H. Stone, Jr., Pres., Hatteras Yacht Co., High Point, N.C.
6. George W. Lyles, Jr., Pres., Lyles Boatworks, Inc., High Point, N.C.
7. Thomas R. Bachner, V.P., Marketing, American Yacht Co., Inc., Norfolk, Va.
8. E. Nelson Barden, Pres., Insurance Company, Inc., Beverly Hills, Calif.
9. William W. Murray, Jr., V.P., McCann-Erickson, Inc., New York.

One Saturday night in May, 1967, nine sportsmen—yachts were opening parts to Hatteras, N.C.

The tale was of boats, and as often in the case, the work and cost of maintaining boats.

Willis Stone summed the fact that there were small easily-maintained fiberglass boats and large custom jobs—but no moderately-priced 40 footers available in Hatteras.

"You know, I feel there's a market for such a boat," said Stone.

The Hatteras Yacht Company was born that moment.

Totally, four years later, the Hatteras is one of the largest selling yachts. The annual acceptance (there's a waiting list for certain models) is probably due to the considerable time and money that went into development of the boat, and the high stand-

Another reason for the success of the Hatteras is the material used, fiberglass—and the way it is used.

Glass & Core Specifications

Charles Krumm, Principal helped develop the Hatteras, as did Tullis & Co., architects and engineers of the first "Tullis" boats. (The Hatteras is built on Tullis & Co. specifications.)

A. B. Hargrave design

The designer is J. B. Hargrave, whose business is designing yachts costing \$20,000 and up.

Through molded, reinforced fiberglass construction, he has eliminated beams, ribs and frames. This makes all of the inside usable.

The extra space is used well. For example,

usable space that many larger boats—has two private staterooms, each with bath. (One at the bow, for additional privacy.)

Hargrave's interiors are Philippe Malet's, and the finishing and styling have been compared to that found in fine yachts.

(The Hatteras is made in High Point, N.C., home of craftsmen who know wood.)

Engineered by Macklow

Director of Engineering in the Macklow, considered by many to be the most knowledgeable man in fiberglass boat manufacturing today. (You may recall that Macklow and his partner built a boat—Hatteras—that won the Miami-Nassau race in 1957.)

With Hatteras, this is using the strongest material available for marine construction. The Navy has used it since 1945, and now has 1200 such boats in service. (In fact, over

years for the Navy and Coast Guard are of fiberglass construction.)

The one-piece seamless hull and one-piece superstructure have a modulus of elasticity that takes shocks and jolts better than other materials.

This gives the Hatteras an extra degree of safety.

There's no swelling, shrinking or shrinking. No painting is required for protection. And best, dry rot, loose fittings, rust and corrosion are eliminated.

Save 65% in hull upkeep

Jim Garfield, Capt. Marina, Norwalk, Conn., has experience during spring fitting out with both wood and fiberglass boats. With Hatteras he says about 80% is saved on hull upkeep.

It's an exceptionally comfortable boat; clean, modern, a hull above and below water.

trailer eliminates ponding, yawing and heaving. Even at high speeds in heavy seas, the molded form of the hull throws water off in a low flat arc.

Also noting the Hatteras, Hank Bowman, contributing editor of Popular Boating, wrote:

"I had never had put to bed even minor flaws. We have given this boat the highest rating of any craft reviewed in our entire series."

Each of the six models now in production is ready ahead in design and construction... priced to provide economy, pleasure and low maintenance boating for the marine sportsman.

On the following page list of the current models of the Hatteras Yachts are presented in sufficient detail with pictures to assure you in choosing the yacht best suited to your needs.

told my husband I probably wouldn't be working there long because they couldn't possibly stay in business building boats that nice. There aren't that many people who can afford them!"

Back in the spring of 1965, Willis Slane and Hatteras Yachts almost achieved success beyond even his wildest dreams. Slane had added a very sporty 28-foot hull to the lineup and shortly was approached by the United States Navy, which was looking to build patrol boats. The war in Vietnam was heating up and they needed a tough, shallow-draft vessel that could be adapted to the murky rivers of Southeast Asia. Slane took two 28s that had not yet received their engine packages and had them equipped with jet drives. He took one of the boats to Washington for a demonstration.

Tommy Henshaw tells part of the story: "I was working at Morehead and he brought one down to Spooners Creek and I had a chance to ride on it when he was driving. He tested that boat to the limit. It was fast. It would turn and stop on a dime. It would do whatever. The Navy was impressed and wanted to order 200 of them. The catch was they wanted to put government inspectors in different areas. Willis told them he'd be glad to build them, but he wouldn't have the government tell him how to do it. He'd build to their spec and that was that. So, we lost the whole contract. But, they bought those two Willis had prepared and made a mold off of them and built them in two other locations."



So, many of the patrol boats you saw on the newsreels (or, perhaps, for yourself) were Hatteras 28s in Navy drab. It is impossible to say if that incident hastened Willis Slane's death, but the fact is he died a short time later, on Nov. 7, 1965. He was 44 years old.

Slane was replaced by another of the initial investors, David R. Parker, Jr., who went on to guide the company through an incredible period of expansion and growth. Slane must have had a good sense of his mortality, because he brought Parker in when he became ill.

"Of the group that was close there," Parker says, "I was the only one who didn't have a family business and that's how I got involved." Slane, he adds, "... had most everything wrong with him, but he kept everything moving. But, he called me up and said, 'You better get off your butt and come over here and protect your investment.'"

For the next 20 years, Parker was at the helm. Early on, he foresaw that the company needed more capital to meet the increasing demand for its now highly-regarded product. He was the architect of its merger into North American Rockwell in 1968. Thirteen new models were born of this merger, but by 1972, North American Rockwell had rethought its corporate stance and decided to get out of the marine market. The company subsequently was sold to AMF.

In the 70s and early 80s, Hatteras Yachts was a magnet for a multiplicity of talented people, including the likes of Chuck Kauth, Phil Fowler (now president of Covington Diesel) Bryant Phillips, Alton Herndon, Don Farlow, John Adams and many more.

58 foot Long Range Cruiser

"Back then, we didn't have a service department. If there was a problem out in the field the dealer couldn't fix, they'd send the person responsible for making the mistake. You learn pretty quick not to make mistakes if you have to fix 'em yourself." —Ray Myers



As the decades piled up, so did Hatteras' successes. Well, all right, there were a couple of blips. For a brief time, Hatteras actually licensed an Australian builder (Riviera) to build boats under the Hatteras marque for sale "down under." That seems to have been quietly swept under the carpet—along with the sailboat. Sailboat? Oh, yes. Only three of the Hatteras 65 Sail Yachts were made. It was a handsome yacht, built solidly in the Hatteras tradition, but ...

But, then, there also was the introduction of the Long Range Cruiser. Only 158 were made, but they were so well made they have engendered a cult of devoted owners.

In 1984, a high-rolling investor named Irwin Jacobs appeared (loomed, some would say) on the scene. Jacobs had a company called MinStar, which owned, among other things, Wellcraft. In his own words, Jacobs recounts his involvement: "I first noticed Hatteras at the Miami Boat Show in 1984. We had a boat called the Californian under the Wellcraft umbrella and that was our answer to the big boats ... 53-footer, I think it was. I went over there with our people and I said, now this is a fine boat and I don't think we can compete in this world unless we have this company." Jacobs' eyes twinkle. "I proceeded to try to buy it from AMF and they not only weren't co-operative, they were downright rude. So I bought AMF and sold off everything except Hatteras."

Bryant Phillips, now the senior vice president for sales and marketing, adds his own take on the story: "At the time, Irwin was known in the business press as 'Irwin The Liquidator,' so when he took over our company, a lot of naysayers outside of it were concerned that he would come in, suck out the profit, and leave us for dead. His record proves he did the exact opposite: he turned around and invested not only a great deal of his personal capital but an unmatched amount of enthusiasm, as well."

"Pay wasn't that good, either. No insurance. But, it just gets with you. It was interesting work, never dull. Wasn't like production where you get it one way and that's it. Nothing to attract us except the work itself. I guess the greatest benefit was the pride you had each time one rolled out. And it's still that way." — Glyn Caudle



Dave Parker, who had become one of the patriarchs of the marine industry, retired in 1985 and was succeeded by Alton Herndon, an industrial engineer by training, who had joined the company in 1969 and worked his way up to operations manager at the New Bern facility. For the next 11 years, Herndon, who understood profoundly the culture developed by Slane and Parker, held the reins through some very good times and the near death of the industry by the poisonous luxury tax. Under Herndon, Hatteras continued to grow, including the introduction of the custom yachts program.

Corporate change is inevitable, however, and Herndon eventually was succeeded by Jim Farrell, who was president for a year before he was replaced by current president Bill Naumann, who for the past two years has been imposing his own style on the company. "If you've walked around here and kicked our tires," Naumann notes, "you'll notice that we have spent a lot of time and effort and tried hard to make this a team, not a collection of individuals. We've always had a lot of good people working at Hatteras but they were kind of independent agents who did the best they could with what they had and did what they thought was right, but when we added all the pieces together, the puzzle didn't always come out right. So, we've spent a lot of time in the past two years fostering teamwork. It's starting to yield big results. We've had a tremendous increase in productivity and a lot of that is related to the fact that people are now working together and not just alongside of each other."

Today, Hatteras Yachts makes 17 models, ranging in size from 50' to 100' plus. And for the next millennium? Irwin Jacobs and Bill Naumann speak in pleased, but guarded voices about a three-year plan that probably involves some major restyling. And? They're not saying yet, but announcements will be made sooner than later. One thing is for certain: the Hatteras marque is one of the brightest stars in the firmament of fine yachts. Nothing could change that. ▼



"We went on and built that first boat because we didn't know we couldn't do it." –Ray Myers