

# Making a Difference

## Environmental Leadership



An Interview with Laurence Midler, Executive Vice President, General Counsel, and Chief Compliance Officer, CB Richard Ellis, Inc.

**EDITORS' NOTE** Prior to assuming his current position, Laurence Midler served as General Counsel to Micro Warehouse, Inc. before the acquisition of its North American businesses by CDW Corporation in 2003. After that sale, Midler became CEO of the holding company and was responsible for winding up the company and selling its European subsidiaries. Midler served as Vice President and General Counsel for Serviscope Corporation, and earlier, he was an associate at the global New York-based law firm Latham & Watkins. Midler received his JD from the New York University School of Law and a BA from the University of Virginia.



Laurence Midler

**COMPANY BRIEF** CB Richard Ellis, Inc. ([www.cbre.com](http://www.cbre.com); NYSE:CBG), an S&P 500 company headquartered in Los Angeles, is the world's largest commercial real estate services firm. With over 29,000 employees, the company serves real estate owners, investors, and occupiers through more than 300 offices worldwide. CB Richard Ellis offers strategic advice and execution for property sales and leasing; corporate services; property, facilities, and project management; mortgage banking; appraisal and valuation; development services; investment management; and research and consulting.

**How does CB Richard Ellis [CBRE] define corporate social responsibility, and how does it work within the culture of the firm?**

We view corporate responsibility as an umbrella that covers our community engagement, philanthropy programs, environmental commitments, diversity engagement of employees, health and safety, and our ethics and compliance efforts. We always knew we had a strong culture, and that social and community issues counted for a lot with our employees. We were doing a lot but were not articulating our commitment to these issues in an integrated way. Early last year, we brought in Matt Arnold of the consulting firm Sustainable Finance Limited [SFL]. He interviewed our senior leadership team and other employees to determine what we valued the most and where our social responsibility efforts could focus to best serve the constituencies that matter – clients, employees, shareholders, and communities. It was no surprise

that environmental sustainability came out as our top opportunity for leadership. We also knew that we were already doing a great deal in terms of community engagement. One of our greatest strengths is the people we have in every major metropolitan area around the world who are deeply engaged and active in those communities. The challenge is to leverage all of that strength in a strategic way and to effectively articulate it.

**With regard to the work with the consulting firm, why did you determine that now was the time to put the results of that work into action?**

During the past two years, I began to receive inquiries from a wide range of stakeholder groups, including clients, NGOs, and sustainable investor groups, asking what we were doing about all of these issues. Our response had always been to refer the matter to human resources or the head of our foundation [the CB Richard Ellis Foundation] for data. We were actually doing many of the things we were being asked about, but we hadn't organized the way we approached it or communicated it. One year later, we're preparing to publish our first CSR report. It marks the first time that CBRE has made a public global statement about who we are and who we want to be as it relates to our responsibilities beyond making money.

**How important is it, and will it be, to get this message out to your employees?**

The first project I took on when I became Chief Compliance Officer at CBRE was to develop comprehensive training on ethics. I then went out on the road and communicated that message to our employees throughout the country. It was a great way to really get in touch with what employees think about the company. What I heard over and over was how proud employees are that the company was making a strong commitment at the top to ethical conduct, and that it cared enough about ethics to send the General Counsel to our offices to discuss it with people. But this paled in comparison to the response our CEO, Brett White, received when he announced our Environmental Stewardship Policy in June 2007. Brett was inundated with messages from our employees gushing with pride that CBRE had made this commitment on behalf of the environment. I've subsequently

learned that many employees, especially the younger generation, will list CSR topics, particularly environmental responsibility, as what they care most about in a company for which they want to work. This is underscored by the tremendous number of employees volunteering to contribute to our environmental efforts. When we publish our CSR report later this spring, I believe it will be a similar source of employee morale and pride.

**As you go forward, is it important for you to hone in on specific areas of focus that may be parallel with your business?**

The reason that our environmental initiative has such a high priority is that it dovetails with our strength as a company. We manage 1.7 billion square feet of commercial real estate worldwide, and we know that commercial real estate, at least in the U.S., is responsible for significant CO<sub>2</sub> emissions. Every client of ours who either occupies or owns this real estate is going to be looking for solutions for reducing emissions. So this was an obvious area where we could have a direct impact on the environment. We can give away only so much money in philanthropy, which is limited by our size as a company and how much we can afford. But if we can have an impact on our clients' business practices and on policy, then our initiative will have an impact on society that goes far beyond any of the other programs.

**Do you find this to be an area in which the industry is working together?**

I have heard that the rap on the real estate industry was that it lagged behind other industries in making progress to reduce its environmental impact. We are joining many of our clients who are already showing leadership in this area. Like them, we believe that global warming is a fundamental business issue that can't be ignored. Like them, we believe that we can make a difference. While any one landlord or corporate occupier of space can do the right thing, our global footprint allows us to hear and aggregate the views and concerns of thousands of industry players across all geographies and property types. We are also working with NGOs that unite industry competitors in the effort to combat climate change through implementing best practices and engaging in dialog at the policy level. ●

*CBRE employees help out their community.*