The Power Of Partnership

An Interview with Howard Milstein

EDITORS' NOTE *Howard Milstein is the third generation to lead the Milstein family's business and philanthropic organizations. An entrepreneurial builder of innovative companies, Milstein is Chairman and CEO of New York Private Bank & Trust and its operating bank, Emigrant, and also chairs and operates the Milstein family's real estate companies. Over the years, Howard Milstein and the Milstein family have revitalized entire neighborhoods in New York City, fostered new, innovative approaches in financial services, real estate, hospitality, sports, and high-tech fields, and led philanthropic initiatives that have changed lives through medical advancement, education, culture, and economic opportunity. In addition to his pioneering work in banking and real estate, Milstein is also a leading entrepreneur in the golf industry. He is founder and Chairman of 8AM Golf, a holding company for more than a dozen brands, including* GOLF Magazine *and GOLF.com, the Nicklaus Companies, and T-Squared (in partnership with Tiger Woods and Justin Timberlake). He has been repeatedly named one of the top 20 most powerful people in the golf industry by* Golf Inc. *magazine. For his work as a business leader and entrepreneur, Milstein was named the 2008 Entrepreneur of the Year by Cornell University. In civic and philanthropic arenas, he is a Trustee at Cornell University, an Overseer of Weill Cornell Medical College, and serves on the Dean's Advisory Board of Harvard Law School. He is Chairman of the American Skin Association, the Howard and Georgeanna Jones Foundation for Reproductive Medicine, and the Milstein Medical Asian American Partnership Foundation. Milstein also serves on the boards of the National September 11th Memorial, the Nicklaus Children's Healthcare Foundation, and PGA REACH. He is also Chair of the Regional Plan Association's Committee on Critical Infrastructure, and from 2011-2014 served as Chairman of the New York State Thruway Authority, where he successfully led the design and procurement process for a new Tappan Zee Bridge – the largest infrastructure project in the nation.*

Howard Milstein

Partnerships have been a key aspect of your work throughout your career. Will you discuss the importance of partnerships in helping an initiative reach its potential?

My job, at its most basic, is to help our partners succeed. And it has always been my practice – in business, in philanthropy, and in civic life – to draw upon the best ideas from partners in a range of disciplines. Leveraging the strengths of a diverse team allows us to challenge existing assumptions, finding new approaches and new solutions to pervasive and often seemingly intractable problems. Intelligent leaders across a range of disciplines – academia, medicine and technology, business, sports and entertainment – provide insight from their unique perspectives, and that allows us to innovate in every area in which we operate. Together, the right partnerships raise all of our games. The whole becomes greater than the sum of its parts.

Will you highlight how you have built partnerships to advance your work in medical philanthropy?

For generations, the Milstein family has partnered with leading scientists and institutions to address some our most pressing global medical needs. I am proud to continue that tradition. For example, we created the Abby and Howard P. Milstein Program in Chemical Biology and Translational Medicine at Weill Cornell Medicine and funded the launch and operation of its first Chemical Biology Core Facility, led by Dr. Carl Nathan. With our support, Dr. Nathan's lab discovered the first molecules that kill Mycobacterium tuberculosis (Mtb) by inhibiting an enzyme complex called the proteasome. The practical impacts of discoveries such as these have been felt worldwide. We also funded research at the National Institute of Health (NIH) by Dr. Steven A. Rosenberg, who pioneered the first effective immunotherapies for patients with advanced cancer. Dr. Rosenberg's studies on the adoptive transfer of genetically modified lymphocytes resulted in

"...support we received from the Milstein family was critical in enabling us to do work we couldn't do otherwise."

Steven A. Rosenberg

Senior Investigator, National Institutes of Health (NIH)

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"Our effort is a prime example of an emerging paradigm; a new type of partnership, where academia works with private, government, corporate and even venture capital partners to develop critical, next-generation technologies."

Dr. Emmanuel P. Giannelis

Walter R. Read Professor of Engineering, Cornell University

themselves, who had deep experience in building bridges all over the world – on a collaborative bidding process that all agreed was the most effective they had ever seen. The results? We were able to complete the procurement ahead of schedule, and approximately $2 billion under budget. That is the power of partnership.

You also forged a partnership with Cornell University, the Thruway Authority, and private enterprise to use nanotechnology to revolutionize road covering materials. Will you discuss this?

This was another great initiative launched during my time at the Thruway Authority, a true partnership between government, academia, and private enterprise. Early in my chairmanship, I asked the following questions: How can we come up with new materials that decrease road wear and thereby the cost of constant resurfacing? Was there a way to increase pavement strength while decreasing surface permeability and water susceptibility? Could we increase the shelf life of paving materials to overcome the tendency of these materials to break down before they are used? To help answer these questions, in 2015 my Foundation made a grant to Cornell University to study ways to use new materials and new technology to break this endless cycle of scraping and resurfacing. Through the tremendous work of researchers led by Dr. Emmanuel P. Giannelis, the Walter R. Read Professor of Engineering at Cornell, the solution was found in nanotechnology. Nearly a decade later, patents have been issued covering new technologies that eventually will be used on roads across the nation. These materials vastly outperformed traditional surfacing material. This means stronger, longer-lasting surfaces, even in extreme weather conditions. With less frequent need for resurfacing, infrastructure funds can be redirected to other priorities, such as bridges, tunnels, airports, energy transmission and digital infrastructure. We are now working with private-sector entities to commercialize our work, which holds the promise of extending the life of road surfaces dramatically. The savings to New York State and our nation will be breathtaking.

How have partnerships played a role in your involvement in sports, including with leading golf brands?

We've had wonderful partnerships in the golf industry, including with legendary Japanese clubmaker Katsuhiro Miura and his two sons, Yoshitaka and Shinei. Miura irons are known around the world for their quality and craftmanship, and it has been great to work with the Miura family to bring these hand-crafted irons to new audiences. We have also worked with Justin Timberlake since 2020. Justin is a partner and investor in 8AM Golf and leads creative initiatives across the 8AM portfolio of companies. In September, we partnered with Justin, Tiger Woods, and the Nexus Luxury Collection to create T-Squared Social, which redefines the sports dining experience, merging elevated cuisine and craft cocktails with state-of-the-art games and simulators for golf and other sports.

Beyond the world of golf, sports entrepreneurship has been a passion of mine for some time. For more than two decades, I've been partners with Sal Galatioto in Galatioto Sports Partners, which is the premier specialty banker serving the sports industry, including in the sale of sports team and the financing of sports arenas.

Along with your son, Michael, you pioneered Grand Central Tech and other technology initiatives. Will you provide an overview of this work?

Michael has been the true leader of this effort. About a decade ago, we created Grand Central Tech, a residency program designed to partner with dozens of Series A tech startups. We had an idea – somewhat radical at the time – to foster a high-tech ecosystem right in midtown Manhattan, close to the centers of business, finance and media that drive our global economy. That initiative is now part of Company Ventures, and it has graduated more than 300 companies with a diverse array of founders from more than 160 countries. We partner with these startups to provide free rent with no equity commitment or strings attached. This idea led to the creation of a full vertical technology campus at one of our flagship buildings, 22 Vanderbilt.

Michael and I have also been very involved with Cornell Tech, Cornell's groundbreaking technology campus on Roosevelt Island. We partnered with Cornell to create the Milstein Program in Technology and Humanity, which offers select undergraduates in the College of Arts and Sciences a specialized curriculum to prepare them as leaders in an increasingly digital world. With advances in areas such as artificial intelligence (AI) and quantum computing, it is critical to understand the human impacts of new technologies – both for our world today, and for future generations. By merging technological understanding with a broad liberal arts curriculum, our cross-disciplinary program is designed to do just that.

How have partnerships played a role for Emigrant Bank and its parent organization, New York Private Bank and Trust?

My belief in effective partnerships extends to banking, of course, where there are many, many examples. Recent initiatives include partnering with some of the leading families in Sarasota to create the Sarasota Private Trust Company, which provides comprehensive wealth management services to area residents and their families. We are working on similar initiatives in Cleveland (through our Cleveland Private Trust Company) as well as in other local communities. We also created Emigrant Partners, which has made minority investments in more than 20 RIAs overseeing more than $100 billion in assets under management or advisement (AUM/AUA). We don't just provide investment to our partner firms, but a range of operational, marketing and strategic guidance – as well as the ability to leverage Emigrant's extensive network of affiliated businesses.

What do you see as the key ingredients that make for a successful business partnership?

Three ingredients that come to mind are excellence, commitment, and trust. First, our partners must be true leaders – intellectually, operationally, and strategically. Then there's commitment: each partner must have a passion for the goals we are trying to achieve, and a laser-like focus on moving ever closer to those goals. And finally, the most important ingredient: trust. Partners may argue, they may disagree, but each needs a dedication to dealing fairly with the other – operating in good faith, and with the best interests of the partnership in mind – to ensure the collaboration is effective. Over the years I have learned that a partner who doesn't have good faith and fair dealing among their bedrock principles is not a true partner at all. ●

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