

Speyer's Strengths

An Interview with
Jerry I. Speyer, Chairman, Tishman Speyer



EDITORS' NOTE *Jerry Speyer is one of the two founding partners of the company. He is Chairman of the Museum of Modern Art and Vice Chair of New York-Presbyterian Hospital. He is the former Chairman of the Board of Directors of the Federal Reserve Bank of New York; Chairman Emeritus of Columbia University; Chairman Emeritus of the Real Estate Board of New York; Chair Emeritus of the Partnership for New*



York City; and past President of the Board of Trustees of the Dalton School. Speyer's other board affiliations include Yankee Global Enterprises, Columbia Business School Board of Overseers, National September 11 Memorial & Museum, the National Committee on United States-China Relations, and the Kennedy Center Corporate Fund Board. Speyer is a Trustee of the Städel Museum, Frankfurt, Germany. He is a member of the Council on Foreign Relations, the Business Roundtable, and the American Academy of Arts and Sciences. Speyer graduated from Columbia College and received an M.B.A. from Columbia University Graduate School of Business.

COMPANY BRIEF *Tishman Speyer (tishmanspeyer.com) is one of the leading developers, owners, operators, and asset managers of first class real estate worldwide. Active across North America, Europe, South America, and Asia, Tishman Speyer is relied upon by many of the world's most prestigious corporations to meet their office space needs. The firm has acquired, developed, and/or managed more than 391 projects and a portfolio of more than 166.5 million square feet with a total value of approximately \$80.2 billion since its founding in 1978. Signature assets include New York's Rockefeller Center, Chrysler Center, Yankee Stadium, São Paulo's Torre Norte, Ventura Corporate Towers in Rio de Janeiro, and the OpernTurm and the Messeturm in Frankfurt. Tishman Speyer also has projects at different stages of development in Brasília, Chengdu, Frankfurt, Gurgaon, Hyderabad, Los Angeles, Paris, Rio de Janeiro, San Francisco, São Paulo, Shanghai, Suzhou, and Washington, D.C.*

There are business leaders across all industries who now talk about slow growth

with approximately 2 percent as the new norm. Is there growth within this market?

Yes. I think we are witnessing slower growth and lower returns, and people have adjusted their thinking along these lines. As we see central banks all over the world reducing rates, a change in return expectations is inevitable. However, this can change very quickly.

Tishman Speyer is clearly strong within New York and also in many markets like Latin

America and Europe. Are you concentrating on consistent U.S. growth for the firm?

I'm optimistic about the United States. I think we are at a point where the U.S. is the envy of other countries because our economy is much healthier. It is showing more promise than economies in other parts of the world.

You have a 1.1 million square foot project of retail and office space in Long Island City, as well as The Spiral at 66 Hudson Boulevard. Have those opportunities broadened your focus based on their unique locations, and do you see additional opportunities in the outer boroughs?

We're seeing a change in how people think about location.

New York is unique in many respects and evolving views on location is one of them. We're seeing these changes in other big cities around the country as well, such as in Los Angeles, San Francisco, Chicago, and Boston.

The truth is, people think about the dynamics of the boroughs as being different from the growth that we see in other places. It's really about a reinvention.

Tishman Speyer has held quite a few buildings for many years. How do those buildings with a long heritage compete with newer buildings that are customized for the tenants of today?

It's the bones and location that matter. Older buildings can do just fine if they are in good locations.

The interiors of buildings generally are flexible. It's all about location and how the space is organized for tenants. Many buildings in New York and around the world have been changed to accommodate the needs of tenants.

Tishman Speyer and a number of other leading global real estate firms have the capabilities to do large complex and special projects. Within those firms, is there a real difference? Everyone has great people with current technology, so does it come down to culture?

I prefer not to discuss the competition, but there are ways to stand out from other companies, and yes, culture plays a big role in our success. We built our own following over a period of time based on how we conduct ourselves and the product we create and make available to our clients.

You're involved with the project at 66 Hudson Boulevard. When you look at what is happening in that part of the city, known as Hudson Yards, what kind of impact do you anticipate that area having on the city? Do you see it as being a city within a city?

No, it's a new area. It's not a city within a city. Clearly, the total development space there is very large, and larger than some small cities. But, it's certainly not a city.

New York City originated in Lower Manhattan and every generation since has expanded this core area. As the city expanded, it moved uptown. During the 20th Century, the business district moved sequentially, as far as 57th Street, both to the east and to the west. This is just another expansion of the city.

You have made a strong commitment to social responsibility, and have put much time and energy into philanthropic efforts. What makes this so critical and personal for you?

I see it more as an undertaking. It's a truly important part of our lives. We encourage people in every part of our company to think about giving back to the communities where we are active.

Tishman Speyer supports many important causes, particularly the arts. Would you discuss the areas you are involved with?

One particular area of focus for me is the visual arts, but I also support music and education. However, Tishman Speyer also supports an outreach in healthcare, the environment, youth development, medical research, and performance arts, among numerous other valuable causes. There are many areas where we can make an impact, and we certainly intend to continue our efforts. ●