

## A City on the Rise

An Interview with The Honorable  
Phil Gordon, Mayor, Phoenix



The Hon. Phil Gordon

**EDITORS' NOTE** Elected Mayor of Phoenix on September 9, 2003, Phil Gordon has served in public office in that city since 1997. A former Chairman of Landiscor, an aerial photography company, Gordon has also served as Chair of the Arizona Child Occupant Protection Task Force and of M.A.N. (Men's Anti-Violence Network). He is currently a member of the Voice for Crime Victims Board and a thought leader on the Chrysalis Shelters advisory board.

### Are you pleased with the rate of Phoenix's economic growth?

I'm ecstatic. The last decade – particularly the past two years – has been just unbelievable. We truly are a city on the rise. All sectors have been booming. There has been an increase in good paying jobs. We're focused on investing for the future, particularly in infrastructure and education.

### What initiatives have you put in place to bolster Phoenix's educational system?

We've created a series of initiatives. We're partnering with the high school system to build new, smaller high schools designed for the future – both physically and in terms of the curriculum. These are schools for the 21st century – what this community needs. My first partnership high school was a so-called “public safety” high school, which trained students to

become police officers, fire fighters, and emergency room technicians. These are necessary jobs and ones that pay well. Kids know early on that they don't have much of a future if they're not getting the education they need; they know they're getting lost. We want to work with our youths, before they make the wrong choices, and put them on a career path early in life. If they see some relevancy in a career when they are 13, 15, or 16 years old, we hope they will go on to college. If they don't, they will come out of high school ready to join the police or fire academy.

### How have you managed to develop the funding to support all of the construction projects that are underway in Phoenix?

Our plan created density fast enough and soon enough to stimulate even more development. That development, in turn, creates new jobs with increased earning capabilities, allowing people to buy more homes and generating the need for more construction. So it's a positive ripple effect. Again, it comes back to education. In two and a half short years, we're opening a university downtown with 2,500 students and faculty members. Within seven years, that number will grow to 15,000. Also, within two and a half years, we're opening a medical school. Those new schools have generated the need for condominiums and commercial buildings. It's an instant boost to the downtown area.

We have also invested in infrastructure. Just a few months ago, we passed a bond initiative to put in new streets, parks, police stations, and fire stations. We're also building a 20-mile light rail system, on time and on budget. The expanded convention center is already booking conventions that are double and triple the size of the largest we've ever hosted. So people have seen that continuous investment by the citizens in this city's future can work. We're moving to the future, and not looking backward. Businesses know they can invest in Phoenix for the long term, because our city is so stable.

### As a city councilman, you spearheaded legislation now commonly known as Shannon's Law, which

### makes it a felony to discharge firearms within city limits. In general, how successful have you been in improving public safety in Phoenix?

First and foremost, the local government is obligated to keep our residents safe. If a community isn't safe, the residents and businesses won't stay. It's a downward spiral. So we have gone after slumlords and have increased more personnel to our anti-graffiti efforts. Shannon's Law outlaws random gunfire in the city, and is a reaction to the number of people who were hurt and killed as a result of people shooting weapons into the air on holidays and to goof off. We made random gunfire a felony and we enforce that law.

As Mayor, I also started a “front porch bench” initiative, through which we put benches out in neighborhoods and encourage people to sit out and keep an eye on their neighborhoods.

We've added money to our police and fire budgets every year.

We partner with our parks department to create after-school programs so kids have something to do – not only recreational activities, but also educational opportunities to supplement their education. All of these enhance public safety.

### Does the overall quality of life in a city boil down to the quality of its neighborhoods?

One's neighborhood is the essence of one's life. We want everyone to go to bed in a safe, clean neighborhood, and wake up in that neighborhood in the morning and go to school or work. We want them to be able to go outside and enjoy their neighbors. If your neighborhood isn't safe, you won't stay there if you are able to get out. People become prisoners in their neighborhoods, and slowly a city deteriorates, block by block. It spreads like cancer if one neighborhood isn't safe and secure. On the other hand, safety spreads from one neighborhood to the next if people work together. The essence of a dynamic city is neighborhoods, and a neighborhood is more than just homes. It's businesses, churches, and schools, too; these are all like body parts that need to be healthy for the overall neighborhood to thrive. ●

## Building a Global Economy

An Interview with Barry G. Broome, President and Chief Executive Officer, Greater Phoenix Economic Council, Phoenix



Barry G. Broome

**EDITORS' NOTE** *With over 16 years' experience in economic development, Barry Broome joined the Greater Phoenix Economic Council (GPEC) in 2005 after spending five years as the founder and CEO of Southwest Michigan First. He has also served as the Director of Economic Development for the City of Toledo.*

**COMPANY BRIEF** *The Greater Phoenix Economic Council ([www.gpec.org](http://www.gpec.org)) works to ensure the economic vitality of Greater Phoenix. Since its inception in 1989, GPEC has helped more than 386 companies expand or relocate into the region, creating more than 70,550 jobs. A public-private partnership, GPEC works closely with its statewide partners, as well as 16 member communities, Maricopa County, and more than 130 private investors, to promote Greater Phoenix to companies seeking a business location. GPEC provides an array of services designed to assist in evaluating, planning, and implementing a corporate relocation or expansion to Greater Phoenix.*

### How would you define GPEC's main mission?

Our job is to design and build an economic development model for the region, optimizing and supporting each communities' distinct ability to contribute to the regional economy. At the same time, we're

trying to create a single, systemic approach to Greater Phoenix's economy as well. So within that macro, regional approach, each community has a unique role to play.

### Is it challenging to create that regional consistency among various communities?

Developing one message is simple. The complications lie in understanding how different communities drive the region's economy. For instance, the life sciences industry is concentrated in downtown Phoenix. If we were to market our regional science capabilities, the emphasis might be downtown Phoenix's medical research assets. But that doesn't mean Mesa, Surprise, Goodyear, and other communities won't realize key economic benefits from that marketing. If we tried an overly balanced message, we would lack the necessary distinction in the marketplace. Our message has to be niche-driven and about our centers of excellence.

### What industries are you most interested in bringing to Greater Phoenix?

Obviously, we have strength in financial services. The area is becoming a kind of commerce center for the southwestern United States. All types of financial houses are of great interest to us, because they bring expertise and stable, scalable, high-wage jobs to the area. We also focus on biotechnology – on science enterprises that have the need for strong clinical-trial support, which our market can provide, and on therapies, like neuroscience or oncology, in which we tend to have strong competencies. Greater Phoenix was branded as a retirement community about 50 years ago, so our hospitals have unique capabilities in geriatrics, which is one of the reasons we're such a strong neuroscience center. Of course, now Greater Phoenix is one of the youngest markets in the United States, but our history as a retirement community has created some interesting and sophisticated health-care strengths in our market. The market also has excellent capabilities in advanced manufacturing, and like a lot of regions, we have a very interesting nanotechnology play emerging. Broad information technology talent exists,

and I think Greater Phoenix has a chance to play a really important role in renewable energies as well.

### What is your strategy for keeping Greater Phoenix competitive with other U.S. cities?

Our global competitiveness is important to maintain. More mature cities have had to revisit all of their infrastructure and business models; their economies aren't working. Greater Phoenix, on the other hand, has an economy that organically produces 70,000 to 90,000 new jobs every year and produced nearly double-digit growth in personal income in 2005. There's an old saying: Keep it simple, stupid – the KISS principle. Greater Phoenix has lived off the KISS principle for competitiveness, and it has worked pretty well for us. We keep government small. We're deregulated. We work very hard at keeping the cost of doing business down. We put in good community infrastructure, and we support the market forces. That has worked for the region and Arizona so far. Ironically, our success and prosperity has come easily, so it has made us a bit risk-averse. The challenge going forward is to develop a bigger appetite for risk.

### Is there an effective working relationship between the private- and public-sector leaders in Greater Phoenix?

I would challenge anyone to name a market in the United States where the public-private relationship is as good. The working relationship between the 16 Mayors in this area is phenomenally cooperative. We are commonly asked how we get our public-sector and business leaders to work so well together, and it's just the natural way people like to work here. A lot of our leaders are new to Greater Phoenix and are not from here. We don't have the traditional institutional investments that the East Coast has so we don't have a lot of their headaches. The culture here is to get things done, and it's something that is going to really work in our advantage as Greater Phoenix grows larger and more complex as a community. That working relationship will become even more important. ●



## Delivering Value Beyond Price

An Interview with Alfredo J. Molina,  
President, Molina Fine Jewelers, Phoenix



Alfredo Molina

**EDITORS' NOTE** Born in Cuba in 1959 and raised in Chicago, Alfredo Molina began his career at age eight as a jeweler's apprentice to his grandfather. Now considered one of the top gemologists in the world and an expert in country of origin, Molina is a graduate of the Gemological Institute of America and is a certified Gemologist Appraiser of the American Gem Society, a senior member of the American Society of Appraisers, and a Fellow of the Gemmological Association of Great Britain, with distinction. Also an active philanthropist, he descends from José Molina, a master silversmith and jeweler in Milan during the late Renaissance.

**COMPANY BRIEF** Founded in 1987, Molina Fine Jewelers operates a 8,400-square-foot store and adjoining by-appointment-only salon in Phoenix's premier shopping district. The store carries luxury brands including Audemars Piguet, Chopard, David Oscarson, Vacheron Constantin, and Masriera. In the masterpiece salon, clients may select rare gemstones and jewelry, historic estate jewelry, as well as one-of-a-kind, custom-designed pieces. Molina Fine Jewelers ([www.molinafinejewelers.com](http://www.molinafinejewelers.com)) also has a by-appointment-only salon on 48th Street and Madison Avenue in New York.

**Are you satisfied with the brand**

**awareness for Molina Fine Jewelers?**

I'm very pleased with our current brand awareness. Locally, nationally, and internationally, our brand is associated with exceptional products that deliver value beyond price. That having been said, I don't think anyone can ever be satisfied with the positioning of his brand, because we live in a world where the consumer – and especially the luxury consumer – is constantly expecting the baseline to move in an upward direction. Therefore, you have to keep evolving, and you have to deliver a superior experience on every occasion.

**Is your target market just the top tier, or is it broader than that?**

It's interesting: Because we deal with such a high quality of product, people assume that our clients have no resistance to price. That's absolutely incorrect. I think that the consumer of truly high-end luxury is someone who, without asking any questions, expects and demands that a certain level of value be delivered. That's why we have to deliver value beyond price. Our prices are not necessarily going to be the lowest in the marketplace, because we present the rarest and finest gemstones in our creations and the level of our knowledge and expertise provides a level of trust that has added value attached. These exceptional stones represent the pinnacle of quality in the world of gemstones. They are not just for adornment; they also have an emotional value. They often become part of a family's estate – heirlooms that are passed from generation to generation. So, ultimately, we have to deliver a value that the client perceives as superior to the price that he or she is paying.

The starting price point for our products is around \$1,200 and our prices go from there up to about \$30 million. So at the low end, our products are extremely affordable luxuries. Most people think they have to spend \$1 million to buy one of our products, but that's just not the case.

**Are you planning any extensions to your product line in the future?**

We have a real concern about brand extensions. We are constantly being approached by other companies that want to put our name on leather goods, eye-

wear, and various other products. But we want to make sure we stay very focused on what we stand for. In my view, if you broaden your brand too much, the brand gets diluted and you can lose your identity. We prefer to stand for one thing only, and that's high-end jewelry.

**Do you think the term "luxury" is overused?**

Yes, I do. It has become just another adjective that people use to describe what they do. The unfortunate part is that they very rarely actually deliver a truly luxurious experience. I think that's one of the things that differentiate us from everyone else in the market: We strive to deliver an experience that defines true luxury.

**How large a role does technology play in the creation of your products?**

We use technology in many different ways, but technology by itself is not enough. To use the technology you must first understand how to create the piece by hand. The technology assists in the design but without the craftsman's expertise the piece is never going to come to fruition on the bench. So there's no question that technology is improving our ability to produce wonderful creations, but, at the end of the day, no great piece will ever be made by a computer. Most of our pieces are hand fabricated, and I believe all great pieces need a master's touch.

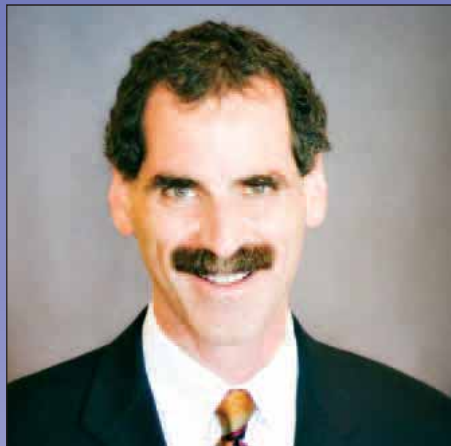
**You have chosen to base your company in Phoenix. How involved are you in the local community?**

Phoenix has been a paradise for me and my family. I came to Phoenix from Chicago in 1980, and the city has grown so much since then. It is a great place to live, and it's a fantastic place for our business because there are so many international visitors. It's a wonderful place to visit. The quality of life here is exceptional. My kids were able to walk to school every day – there are just so many things that make Phoenix a great community.

Everyone in my organization is involved in at least two charitable organizations. We currently support 167 charities and we give about \$3.5 million a year. We believe it is our social responsibility to be an integral part of this community. ●

## Caretaker of the Estate

An Interview with Greg Miller, Vice President and Managing Director, Royal Palms Resort and Spa, Phoenix



Greg Miller

**EDITORS' NOTE** After 15 years with Hyatt Hotels & Resorts, serving in executive positions at the Hyatt Regency Waikiki in Honolulu, the Grand Hyatt Wailea Resort and Spa, and the Hyatt Regency Scottsdale, Greg Miller became General Manager of Royal Palms Resort and Spa in 1996. A past President of the Valley Hotel & Resort Association, Miller sits on the board of directors of that organization and the Arizona Hotel & Lodging Association.

**PROPERTY BRIEF** Just minutes from Scottsdale, Arizona's famed art galleries, golf courses, and shopping and entertainment venues, Royal Palms Resort and Spa – built in 1929 – was originally the winter home of Cunard Steamship executive and financier Delos Cooke. With 117 exquisitely appointed designer casitas and guest rooms, more than 20,000 square feet of meeting space, Spanish Colonial architecture, Tuscan-style landscaping, the luxurious Alvalora Spa, and superb dining at T. Cook's restaurant, Royal Palms Resort and Spa ([www.royalpalmsresortandspa.com](http://www.royalpalmsresortandspa.com)) is one of 30 independent luxury hotels, resorts, condominiums, and golf clubs managed by Destination Hotels & Resorts, a privately-held company based in Englewood, Colorado.

### What changes have taken place at Royal Palms Resort and Spa?

Royal Palms is an historic property, so it has been a great experience to participate in the property's evolution over the years. Since the restoration in 1996, our 350 associates have served as caretakers of the estate. As improvements take place, we're always very careful to retain the original architectural design. For example, Alvalora Spa, which opened in late 2002, is probably the most significant recent addition. It blends seamlessly with the existing property.

### Why did you decide to add the spa?

Spas have become expected amenities in luxury resorts, so we would have been at a competitive disadvantage without one. Fortunately, we were able to create a wonderful spa that has garnered national recognition.

### Does it generate revenue as well as attract guests?

Absolutely. Alvalora Spa is a successful business entity on its own. But, clearly, it also helps drive occupancy and our average daily rate.

Going forward, we are looking to position Royal Palms as more of a spa destination. Since we already have an extraordinary spa, it made sense to parlay that ambience into our new spa suites. Our focus is to create a truly unique hotel experience where the suites include steam showers, soaking tubs, light therapy and massage tables. There will also be yoga mats, dumbbells, and aromatherapy, in the rooms. So, essentially, we're enabling guests to fully enjoy the spa experience throughout all aspects of their stay.

### Who is your target client?

We have a fairly defined niche – we're certainly not trying to be all things to all people. On the leisure side, we cater very strongly to individual leisure travelers, and particularly those seeking a romantic experience. If you bring together the T. Cook's dining experience with Alvalora Spa, and then add our very distinctive guest accommodations and extraordinary service, it's really the perfect formula for an ideal weekend getaway.

That's a big part of our business. We also specialize in hosting high-end groups and we arrange a lot of meetings for boards of directors and executive retreats.

### What meeting space is on offer at Royal Palms? Do you cater mainly to small or large corporate groups?

We can accommodate meetings of up to 200 people. All of our meeting rooms have been designed by different interior designers, and that helps to create a very residential experience. Salons all have French doors and lots of windows, as well as unique design characteristics, so you don't feel as if you're in a hotel meeting room at all. We also offer a high degree of privacy and individualized service, which is conducive to a relaxed and comfortable gathering.

We're also very open to buy-outs, when groups may choose to have sole use of the entire property. That creates a very exclusive experience for guests, and we have done that on select occasions including for national leaders and heads of state.

### Many leading hotels are now employing celebrity chefs to boost their food and beverage offerings. What is your approach to that side of the business?

Our restaurant, T. Cook's, received acclaim before Royal Palms was as well known as it is now. The restaurant has earned many national awards. We've got a rock-solid culinary team, and the restaurant has been a major driver of business for the whole property. Fortunately, we've also been able to replicate an extraordinary dining experience on the banquet and catering side, and, consequently, we're regarded as one of the top catering venues in the Southwest.

### How important is it for you to reach out to the local community?

I personally believe that it's essential for any business to contribute positively to the community in which it operates and I encourage all of our associates to do that. We're very involved in a lot of associations locally, and the hotel makes an extraordinary number of donations to local charitable causes. ●