



A Culture of Excellence

An Interview with Mitchell E. Rudin, President and Chief Executive Officer, New York Tri-State Region, and Mary Ann Tighe, Chief Executive Officer, New York Tri-State Region, CB Richard Ellis, Inc.

EDITORS' NOTE Prior to assuming his current role, Mitch Rudin served as President of U.S. Brokerage Services for CB Richard Ellis (CBRE). He served as Insignia/ESG's President of U.S. Transaction Services until CBRE's acquisition of the firm in 2003 and ran Insignia's transition team in conjunction with that merger. Prior to joining Insignia/ESG, Rudin was a partner at Tishman Speyer Properties and a real estate attorney with Davis & Gilbert LLP.

A 23-year veteran of New York's real estate industry, Mary Ann Tighe has served in her current post since 2002. She is a five-time winner of the Real Estate Board of New York's Deal of the Year Award and also received the 2004 Louis Smadbeck Memorial Broker Recognition Award. Prior to entering the real estate field, she served as a Vice President of the American Broadcasting Company. Tighe also served as Deputy Chairman of the National Endowment for the Arts and Arts Advisor to Vice President Walter Mondale.

COMPANY BRIEF CB Richard Ellis, Inc., an S&P 500 company, and ranked 404 on the Fortune 500 list, is the world's largest real estate firm (based on 2007 revenues). Headquartered in Los Angeles, the firm has more than 29,000 employees and serves real estate owners, investors, and occupiers through more than 300 offices worldwide. CB Richard Ellis (www.cbre.com) 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.

Are you happy with CBRE's business in New York and throughout the Tri-State Region, and are you optimistic for growth?

Tighe: We are optimistic because of the inherent strength of the city. New York exists in a different universe than most American cities. The active presence of foreign capital, both in tourism and in sovereign wealth funds, helps sustain pricing and demand on residential, commercial, and retail real estate. In addition, CBRE continues to grow in markets that are more challenged and has a growing market share because of its strengths in a lot of different categories. We cover the market in all its diversity.

Rudin: The market and the industry have vindicated our strategy completely, giving us a



Mitchell E. Rudin



Mary Ann Tighe

leading position in geographies and across lines of business.

Do you need to have size and scale to succeed? There's always room for the niche and global players, but what happens to the middle?

Tighe: Real estate continues to be a local industry, but in the Tri-State Region, you need a significant presence just to cover the scale of the market. You also need to invest in research. We have a department of 20 people doing full-time marketplace research. The key is institutionalizing the expertise. We believe knowledge resides collectively within the organization, not in silos, which makes us different from our competitors.

Rudin: What historically would have been characterized as midsize is small today, and those firms are generating revenue that might be 5 percent of ours. They do not have the ability to invest back into the business, the people, or the technology.

How critical is research to the success of the business?

Tighe: It's not enough to get assignments and fulfill whatever the customer is asking for. The point is to bring ideas and approaches that will benefit our customers' businesses. Our research is used to help drive the creative aspect of our business.

Is this industry getting top talent, and do people understand the career opportunity offered by CBRE?

Rudin: This field has become so appealing. One of our challenges is balancing the requests for internships from highly qualified students who have chosen us over investment banks, commercial banks, and other areas. In addition, CBRE has unique and highly competitive entry-level training in the Wheel Program, in which nearly 100 applicants vie for five spots. Those

applicants are some of the finest performers from the best schools.

Tighe: We like growing our own talent. To have collective intelligence, we need people who are bred with the notion that it's not enough to know the answer. Our professionals share knowledge to develop best practices, strengthening every level of the organization.

Are employees engaged in philanthropic activities in their communities?

Tighe: Our homepage changes every morning, and 50 percent of the time, there is something on it that has to do with our philanthropic activities. It's part of how we bind ourselves to the community, which at the end of the day is our only product, and we must be supportive of it.

Rudin: We celebrate the successes that individuals at every level of the organization have in connection with their philanthropic activities. We make a conscious effort when we're participating in events to bring junior people along – we focus on leadership by example at every level.

What makes CBRE a place where people want to spend their careers?

Tighe: If you want to practice real estate, and you want to practice it at the highest level, this is the place where that's possible.

Rudin: No place in our industry conducts business at a higher level. No company in our industry has made a greater commitment to doing what is ethically correct. We are also an industry leader in corporate social responsibility with an emphasis on diversity, sustainability, and the previously mentioned philanthropy, which helps create a culture of excellence that binds people.

What has made the partnership between you two so effective?

Tighe: It's the trust we have in each other. There hasn't been a decision Mitch has made that I wouldn't have made. He commits 100 percent of his time to management. Because he has taken that on, I'm able to think about individual transactions and accounts, translate that into strategy for the region, and then use that strategy to form the directions we are taking with the business.

Rudin: It's about trust, respect, and the fact that our desires are so complementary. I decided 10 years ago to substantially step away from the production end. I do stay in regular contact with clients, as it's essential to keep abreast of market developments, but for my own professional development and pleasure, I pursue building businesses. With our almost 20 years together, we each know how the other thinks. ●