

# Quantifying the CBRE Difference

An Interview with Matt Van Buren,  
President-New York Tri-State Region, CBRE Group, Inc.

**EDITORS' NOTE** Before being elevated to his current post, Matt Van Buren served as Managing Director of CBRE's Midtown Manhattan operations. Van Buren spent the first eight years of his career in positions with General Electric and GlaxoSmithKline. From 1991 through 2005, he built and managed sales organizations for Wolters Kluwer and Thomson Reuters. He is an active member of the Real Estate Board of New York, serves on the Executive Committee of the New York Section of Urban Land Institute, and is a member of The Association for a Better New York.



Matt Van Buren

**COMPANY BRIEF** CBRE Group, Inc. ([www.cbre.com](http://www.cbre.com)), a Fortune 500 and S&P 500 company headquartered in Los Angeles, is the world's largest commercial real estate services and investment firm (in terms of 2012 revenue). The company has approximately 37,000 employees (excluding affiliates), and serves real estate owners, investors, and occupiers through more than 300 offices (excluding affiliates) worldwide. CBRE 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.

## To what do you attribute the strength of CBRE within the industry?

First and foremost, it's the people, who came from three preceding companies: the Edward S. Gordon Company (later known as Insignia ESG); Trammell Crow Company; and CBRE.

Each of these brought a different element in with their set of people. They complemented each other so the architects of the business were thoughtful about that.

From Trammell Crow, we have some of the strongest corporate management types and a great outsourcing business; from Edward S. Gordon, we have the best creative brokerage professionals in New York; and from CBRE, we have a broad breadth of services and an integrated global platform.

The second element to our success is the structure of the organization. CBRE has figured out as a real estate services company how to combine those pieces in such a way that they complement as opposed to compete with each other. This means we can take care of customers better.

## How critical is it to have a clear and consistent culture within CBRE?

When I arrived here eight years ago, there was a transaction-driven brokerage culture here, dominated by Insignia ESG. As the outsourcing business grew and we integrated the businesses, Trammell Crow had a set of values that they brought with them that were great but thought about here from a slightly different perspective. We thought about the client first and we were driven by making deals.

This process of bringing our culture to where it is now took work. Part of it is that the leadership of the company cared enough about that to make the effort – they saw that you have to provide many different services, but you must have one common culture or you won't be able to grow as we have grown.

## In leading the Tri-State Region, is there close coordination with other areas?

The business was a multi-local business when I arrived and now it's a highly integrated business.

Building the infrastructure to connect people, building the information infrastructure to be able to look out for a client globally, and building the relationships to bring those services to life in a way that is beneficial to our clients has been a tremendous work in progress but has paid huge benefits for CBRE.

## How does one truly differentiate in this space?

It's one of our greatest challenges. Increasingly in the real estate business, clients are quantitatively oriented in all of their decision-making. You see some of the best financial professionals in organizations and corporations moving through the real estate function specifically as a development area and as an area of great financial consequence.

As a result, we focus tremendously on quantifying the argument for the superiority of our service. If you have the right client, we have the data to make the case and that is shown in the way we have priced our services.

There is a set of clients that think of it more as a commodity but we don't tend to serve those clients.

## Were you surprised at how quick and deep the economic challenges developed from 2008 onward and how did the Tri-State area deal with them?

We were all surprised by how fast and deep the recession came on, but as early as the summer of 2007, we were battenning down the

hatches. One of the key ingredients in our business is economic forecasting.

We were, however, mildly surprised by how fast we came out of it in 2009 in the leasing and investment property space in New York. There had been no leasing happening for the late part of 2007 and most of 2008, but we never looked back from May of 2009.

So from 2010 to 2013, we have become extraordinarily thoughtful about what was essential to our business, but we have come out as a leaner and more profitable business as a result of that downturn.

## How will the Hudson Yards project change New York?

The West Side rail yards and that project is the next city within the city. The greatest driver of the appeal of that site is the demographics of young workers and where they want to live.

The reality is, there will be plenty of multi-family residential in the rail yards proper. But as you go just east and south, and look at the residential development, that particular area is well-positioned for the next generation of workers. They will have the opportunity to develop it in a way that will be of interest to that next generation, which is very exciting.

## How else are your clients' workforce needs evolving?

The reality of the physical location of where people work is evolving quickly. The industries that have come to New York require highly specialized people living and working in close proximity to each other in order to create value. These companies value the density of high-level talent found in New York and the verticality of our workplaces.

But the definition of proximity and how people are occupying space is changing. We are seeing a rapid move from traditional offices to open-space, bench seating not only in the tech companies but in other industries as well. The next generation of workers is coming into the work world at a really interesting time of great change.

## Given CBRE's success, are you always looking ahead to the next challenge?

We are still growth oriented and set high goals as a company. However, it is important to also acknowledge and to celebrate success or you risk lowering workers' morale and overall performance. Being recognized is one of the most potent motivators there is and we focus on celebrating the achievements of all of our people at CBRE. ●