



Raheem J. Brennerman

EDITORS' NOTE In 2004, Raheem Brennerman founded BLV Group Corporation, of which he now serves as Chairman of the Board. Brennerman also co-founded Blacksands Pacific Group. He earned his Bachelor Honors degree in Economics with Business Administration, and worked as an Investment Banker with a focus in mergers and acquisitions in the U.S. and European markets. Prior to establishing Blacksands Pacific and BLV Group, Brennerman worked for the family energy business, which was started by his paternal grandfather in Louisiana and was run by his father and brother. Brennerman also managed the family-owned real estate businesses and investments both in the United States and Europe, which were established by his maternal grandparents. Brennerman's stepfather introduced him to the oil and gas trading business in the African region (in particular West Africa). He is also an experienced investor and the principal of Jefferson III Holdings.

COMPANY BRIEF The Blacksands Pacific Group (blacksandspacific.com) is a Delaware-based U.S. Corporation with corporate offices in Los Angeles and Houston. The company operates in the United States, Canada, Asia-Pacific, and the African region, where it explores, produces, and distributes natural gas and crude oil. The company also specializes in the marketing and trading of crude oil and various petroleum products.

BLV Group Corporation (blvgroup.com) is a leading multi-disciplined organization with focus in real estate investing, management and development, advisory, hospitality, lifestyle, and nonprofit. The firm is also an owner, developer, and manager of substantial real estate assets. The firm is headquartered in New York City, and maintains presence or offices in other cities throughout the United States, London, and Hong Kong, and plans expansion into China, Brazil, the Middle East, and Africa.

What led to the creation of Blacksands, and what are your current areas of focus?

Blacksands started off as an energy-trading company, trading crude oil and petroleum product.

Building Multi-Generation Businesses

An Interview with

Raheem J. Brennerman, Chairman, President, and Chief Executive Officer, Blacksands Pacific Group, and Chairman of the Board, BLV Group Corporation, LLC

We did that for a number of years after I spent time in investment banking at JPMorgan Chase.

In 2009, we decided to convert our business into an E&P company, so we're focused on exploration and production, and 15 percent of what we do today is focused on crude oil trading.

Have you seen a lot of growth for the business?

Significant growth, especially with E&P. While we're still an energy-trading company, we maintain minority interests in non-operated interests in E&P assets. Since converting to an E&P company, we have gone through a phase of divesting our smaller interest assets and focusing on larger assets that we have acquired or are acquiring.

We'll see additional growth from a major project which we have in the Gulf of Mexico today, which in the next four to five years will produce 50,000 barrels and 60,000 barrels respectively from the four leases we're acquiring.

Is that business global? Are there other markets you're focused on?

We operate or have interest in nine countries today, so it's global. In early June, we signed an agreement with a government in an African country which will involve E&P but also focus on midstream oil and gas and building pipelines, as well as distributing gas to other countries within Africa.

How did your venture into real estate come about?

I come from a real estate investment family so I have it in my blood, and I started out investing in high-end condos. We combined real estate investment with interior design, so we created a single solution package for our clientele.

Today, we hold a huge multi-family portfolio where we lease real estate and we also create super-high-end real estate that we sell to our clientele.

These sound like two distinct businesses. Do they tie in?

I have a great understanding for oil and gas and I have a passion for real estate. This allows me to manage them collectively.

Is this predominantly in the New York market?

We're in New York, London, and some of the Asian countries such as Hong Kong and Singapore, and we're also in San Francisco.

After the major challenges the real estate industry went through, has it come back as you had hoped?

Some of the markets have been great. Hong Kong and Singapore were down for a short period

of time and they came back strong. But the New York market has recovered better than any other in the country and is currently doing far better than before because it stabilized itself. The buyers in the market today are different from what you were finding in 2007 and 2008.

Does brand building for the companies matter to you or is it more about being known in the areas in which you do business?

For us, initially, it was ensuring that we were focused on our core business, being the best in what we do, and from there, we focused on the brand. We now have the foundation in place where we're well-known in our own industry and are starting to build the brand as we expand.

On the energy side, there are a number of players. How do you differentiate?

Through things like innovation. For example, with Blacksands, aside from having the talent and expertise you would expect from an oil and gas company, we also now have partnerships with countries: China is a great one for us. Today, 80 percent of our financing is from China. We have contracts with the largest Chinese oil and gas companies to buy the next 10 years of our supply.

How do you approach the task of attracting talent?

It takes us a while before we choose people to fill positions because we want management to be fully invested in the company. Dedication from management is important to us, so we offer the management ownership of combined 5 percent of the company. We want to make sure they have a long-term benefit and long-term incentive in the business they are building with us.

Looking at the U.S. markets, are you optimistic that we're moving towards energy independence?

Two companies were recently granted licenses to export oil for the first time since 1970, which is a step in the right direction. It's only a matter of time before more companies are granted licenses to export crude oil overseas.

When you're building a successful company, can you reflect and appreciate what you've created?

It's important to step back and appreciate what you have created and what you aspire to create. I enjoy what I do – it's fascinating.

How big can the energy company get?

As big as we desire to build it. Our aspiration is that this will be a multi-generation business. ●