JAPAN CHAPTER CELEBRATES 10TH ANNIVERSARY

In marking 10 continuous years of operation this January, the Japan Chapter of CoreNet Global is among the early influencing factors of the international organization, serving as one of several key entry points into the Asia-Pacific region at a time when the European region was also coalescing.

CORENET GLOBAL TARGETS TRAILBLAZER INITIATIVE TO PROMOTE MEMBERS

CoreNet Global has taken action on a recruitment initiative aimed at increasing membership to a 1:1 ratio of end user members to service provider and economic developers.

The CoreNet Global Trailblazer campaign is off to a strong start, thanks to the early commitment of a growing number of Chapters and members like you.

Being a Trailblazer means that you’re playing a leadership role in helping forge the future development of CoreNet Global and the corporate real estate profession.

CoreNet Global has selected the city of Budapest, Hungary to host the CoreNet Global Europe Summit from 19 – 21 September 2004.

The September 2004 event in Budapest is expected to attract more than 350 industry professionals from Europe, as well as North America, Asia and Australia. CB Richard Ellis will serve as the title sponsor.

CORPORATE REAL ESTATE 2010 ENABLING WORK IN A NETWORKED WORLD

The future of corporate real estate. Where it’s going, what’s driving it — and how you get there.

At the Chicago Summit, CoreNet Global releases its findings from one of corporate real estate’s biggest visionary efforts ever – a study of long-term industry trends and a forecast of the role and function of corporate real estate in 2010.

Early Bird Registration Extended To March 15th – Save $150! www.corenetglobal.org See inside for more event information

Former U.S. President Bill Clinton to address May 17th Opening General Session; Author Gary Hamel on “Lead the Business Revolution” and Consultant Larry Downes on “Harness IT’s Disruptive Power”
CORPORATE REAL ESTATE 2010...continued from page 1

SUMMIT SESSIONS AND HIGHLIGHTS:

• Former U.S. President Bill Clinton will speak on the global economy. Business strategist Gary Hamel will set the big-picture view for the future of corporate real estate. IT expert Larry Downes will focus on real estate and the CIO.

• New educational sessions on government real estate for Federal property and workplace managers, and the role of the CFO in developing real estate strategy and the interdependence of a networked workplace with former Bristol Myers Squibb CFO Dennis Raney.

• Register now for EDP (Executive Development Program) PreSummit seminars – your source for solutions-oriented knowledge. Learn how you’ll play a leadership role in the new world of corporate real estate.

• Take part in the introduction of Project Green, a program that focuses on sustainable development — part of the CoreNet Global Expo, which runs concurrently with the Summit.

The future of corporate real estate. How you get there.

CORPORATE REAL ESTATE 2010
ENABLING WORK IN A NETWORKED WORLD

The future of corporate real estate. Where it’s going, what’s driving it — and how you get there.

Your Education

The Chicago Global Summit will broaden your business skills by offering programs built to address what you learn and how you want to learn it:

■ Design the curriculum that best suits YOU based on your level of experience by choosing sessions geared toward, and taught by Corporate Real Estate professionals.

■ Take control of your learning by attending the type of sessions you prefer inspiring keynotes, workshops and roundtables.

■ Enhance your knowledge by choosing from more than 40 different learning sessions.

Your Business

CoreNet Global's 2004 Global Summit offers a uniquely intimate environment for qualified buyers and industry suppliers to interact and network throughout the conference and during the Education Program. Establish new business relationships here because doing business with CoreNet Global can really pay off.

Consider:

■ CoreNet Global’s members generate real impact! Our 7,500 members are based in 25 countries and manage more than $1.2 trillion in real estate and workplace assets.

■ Most of the Fortune 100 companies are represented among CoreNet Global’s members. The CoreNet Global Global Summit is the only industry association event dedicated to meeting the business and educational needs of the Corporate Real Estate professional including end users, service providers and economic developers.

Your Knowledge

At the Global Summit, CoreNet Global aims to deliver comprehensive and balanced professional development for both corporate end-user planners service provider participants. A specially built curriculum offers even more to enhance your career and personal goals through:

■ Keynote addresses featuring world-renowned presenters

■ 90-minute concurrent sessions led by real estate business experts.

■ More hands-on roundtable discussions and industry specific topics than ever previously offered.

Register by March 15 and Save $150!
www.corenetglobal.org

more on page 3
Japan Chapter Celebrates 10th Anniversary

Industry’s Coming of Age in Asia Parallels CoreNet Global’s Evolution

Looking back over the formative years that shaped CoreNet Global’s worldwide network of 7,500 members in 25 countries, the establishment of international chapters in major cities around the world helped define the slow but steady evolution of the corporate real estate profession’s global base. In marking 10 continuous years of operation this January, the Japan Chapter of CoreNet Global is among the early influencing factors of the international organization, serving as one of several key entry points into the Asia-Pacific region at a time when the European region was also coalescing.

Like any of the more than 50 major local markets where members are based, the Japan Chapter’s development largely in Tokyo is a reflection of constantly changing economic conditions and business practices. Yet, even with the rigorous economic challenges Japan has faced globally and at home almost on a continuous basis since the late 1980’s, CoreNet Global remains strongly rooted there.

Its original handful of members totals more than 65 today and counts leading Japanese companies such as Fujitsu Ltd., Takenaka Corp., Kajima Corporation, and Mitsubishi among them. And companies like IBM Japan, Ikom/AC Richard Ellis, Federal Express and Nihon Sun Microsystems add balance to the group’s impressive national and multinational roster.

Co-Founders Remain Leaders

The first meeting of the Japan Chapter was held January 20, 1994, under the aegis of IDRC, which integrated NACORE International in 2002 to form CoreNet Global. The founders, Mototsugu (Moto) Nakatsu and Pak K. Kwan, are still leading the organization today.

"Moto is the driving force behind the Japan Chapter," says Chapter Chairman Kwan who is Representative Director of Prudential Real Estate Management Company, a Prudential Financial company.

"When the chapter was founded, Japan was in the middle of an economic bubble and now the economy has changed significantly," says Nakatsu, President of Nakatsu CRE/FM Consulting Inc. in Tokyo.

When recession hit the nation, companies began to outsource more functions and became more localized. As part of this change, now all members are Japanese-speaking. Still today, members have re-evaluating their practice of decentralization.

One reflection of the ongoing change of view in Japan was Dr. Prentice Knight’s visit to the Chapter in 2003. Knight, who serves as Vice President of Discovery for CoreNet Global Learning, examined Japan’s corporate landscape with chapter members.

The special Discovery Forum - held in Tokyo last April - found that while many Japanese companies tend to view corporate real estate as a decentralized function, more of them are interested in the globally- or regionally-centralized operating models that serve as the current predominant industry standard.

CoreNet Global has expanded corporate real estate to show how we make a difference in a company’s bottom line and earnings.

Real Growth Potential

“I found the meetings in Japan very stimulating, and the Japanese hospitality was wonderful,” said Dr. Knight. “Japanese companies have historically taken very decentralized approaches to corporate real estate management. Based on the questions and comments I received, there seems to be growing interest among Japanese multinationals in developing more centralized and strategic approaches to global management of corporate real estate (CRE). Given this interest, I believe there is real growth potential for our

Japan chapter. I hope this is true, because the Japanese companies have an important role in a truly global CRE network and association."

Today, other forms of change are redefining the membership experience in Japan, just as the country’s corporate demographics are shifting. A prime example is that more women are involved in the facility and corporate real estate profession in Japan. A recent meeting of the CoreNet Global Japan Chapter included 20 women from a local women’s facility management group.

Aspiring to Strategic Value

For many of the members in Japan, the decade-long odyssey to CoreNet Global reflects their aspirations to make themselves and real estate a strategic asset. "We elevated facilities management to the next level and turned corporate real estate into a more serious subject," explains Kwan, adding that the profession has come a long way in Japan, where previously corporate real estate facilities management primarily provided general support services and back-office functions.

"The industry’s coming of age parallels the evolution of the association," says Kwan. "CoreNet Global has expanded corporate real estate to show how we make a difference in a company’s bottom line and earnings. Our role has become an integral part of operation," Kwan concludes.
CoreNet Global’s Community Reinvestment Challenge: Chapter Involvement Takes Root in 2003

Giving back – returning something to the communities where we live, conduct business and hold Chapter meetings or Global Summits – is becoming an important part of your CoreNet Global membership experience.

The original idea of investing in our local communities started with the East Lake area of Atlanta, which sparked the formation of the CoreNet Global CRC. According to Scott Smith (Nortel Networks) of the Atlanta Chapter, the group identified an opportunity, which was the essence of what the CRC is all about. “Neighbors in Need” is a program in the East Lake Community where the vision of Atlanta developer Tom Cousins transformed an area once called “Little Vietnam” for its drugs and violence into a thriving mixed-income and mixed-use community. It was Cousins’ presentation about the East Lake Community at an IDRC World Congress in New York City in 2000 that inspired the formation of the CRC.

In 2002, the Board of Directors unanimously endorsed the community reinvestment concept as an integral part of the CoreNet Global program of work. That decision paved the way for the formation of the CoreNet Global Community Reinvestment Challenge, or CRC.

A core team of member volunteers was formed to serve as coordinators and organizers for all local Chapters. Juan Cano with Nortel Networks and co-chair Scott Foster with Booz Allen Hamilton led this team. Under their leadership, CRC calls on us to utilize our collective talents and resources to enrich people’s lives and improve communities worldwide through both volunteer involvement and financial contributions. CoreNet Global Chapters recognize that community need is ongoing. Even when Summits are not in progress, work continues at the Chapter levels.

Thanks to strong Chapter leaders who are constantly promoting CRC initiatives and gathering support among their members and in their cities all year long, our communities will benefit for years to come.

This first CRC project was initiated to coincide with the Toronto Global Summit in the spring of 2003. The project was a success in spite of the Global Summit cancellation there due to the SARS virus. According to Toronto Chapter Vice Chair Vanessa Perdue (Canadian Imperial Bank of Commerce), the Chapter teamed up with Habitat for Humanity to tackle the largest project ever by the Habitat for Humanity Canada, the construction of 14 homes in nine days.

In addition, the 10-acre Eastlake Community Park now has a master plan for continuous improvement and through the ongoing support of the Atlanta Chapter will become a safe place for children and families to enjoy once again.

Including the events in Toronto and Atlanta, through October 15, 2003, thanks to the caring and generosity of members and volunteers, CoreNet Global reinvested 2,200 man-hours and $147,000 to help with a variety of charitable projects at the local level. These are extraordinary numbers for an initiative that is less than 3 years in the making.

Together with Atlanta Housing Authority and East Lake Village, over 120 CoreNet Global volunteers contributed in excess of 800 hours during the Atlanta Global Summit cleaning up, painting, re-roofing, renovating and landscaping 8 Eastlake homes for senior citizens and their families. As part of the effort, volunteers converted the home of Cedrick Mills to be wheelchair accessible. He was the victim of a random drive-by shooting, and his family could not bring him home from the hospital until CoreNet Global stepped into to retrofit his home, according to local press reports. Financial contributions exceeded $48,000.

Because of CoreNet Global member and chapter generosity shown throughout North America, and with the support of the CRC Global Core Team under the leadership of Mike Greidanus with BLJC, we were able to make a dream come true for Cheryl and Emma Santiago in Toronto. Pictured: Vanessa Perdue, Vice-chair (left) and the Santagos. More than 40 CoreNet sponsored volunteers helped build the Santiago home, and in excess of $43,000 was raised to pay for the construction costs.

CoreNet Global’s Community Reinvestment Challenge Team:

Juan Cano, Nortel Networks
Sharon Barrett, Liberty Greenfield
Scott Foster, Booz Allen Hamilton
Mike Greidanus, BLJC
Elaine Groves, CoreNet Global
Sandy Lynch, PageSouterland Page
Gary Micianas, HOK Advance Strategies
Scott Smith, Nortel Networks
Greg Smook, Capital One
Bob Shiman, Hanscomb
Faithful & Gould

For more information, visit http://chapters.corenetglobal.org/CRC/pages/pledges.jsp
The Real Estate Executive of the Year event has honored some of the most prominent individuals in Real Estate and in Real Estate Services in the Western United States. For the past eight years, the Southern California Chapter of CoreNet has acknowledged those individuals who have committed their time and effort to the industry and to the community while serving as a leader in the real estate profession. Held at the Century Plaza Hotel in Century City, more than 500 Corporate Real Estate and industry leaders participate each year. Each year a nominating committee assembles a list of individuals who are nominated by the members.

The highlight of the evening is a video presentation on the business accomplishments of the honorees. As you can imagine, the award is highly sought after and serves as a prestigious honor on anyone’s resume.

This year, in addition to honoring a real estate executive and service provider our chapter honored an agency of the federal government - the General Services Administration - for its incredible dedication to innovation. GSA Deputy Administrator David Bibb graciously joined us from Washington DC to accept this award on the GSA’s behalf. Foremost to the goals of the Southern California Chapter of CoreNet Global is integrating and leveraging the expertise of the public and private sectors relative to real estate portfolio management, strategy and best practices.

The benefits of the event are dedicated to furthering the work and educational programs of CoreNet Southern California. The Chapter has provided scholarships for members to attend the annual summits, EDP (Educational Development Programs), host membership and networking events and develop course curriculum.

The Southern California Chapter of CoreNet Global is proud to confer the Executive of the Year honor on those individuals who have supported the Chapter’s efforts and excelled in their career in real estate and most importantly, participated in improving our community.

CoreNet Global Faculty Appreciation Award:
From left: Steve Marcussen, Executive Managing Director, Cushman & Wakefield; Stephen Barker, President, Boeing Realty Corporation; Todd Anderson, Director, Cushman & Wakefield; Alice Wilson, President, CoreNet Global Southern California Chapter

From left: David Bibb, Acting Deputy Director, GSA accepts the Award for Innovation on behalf of GSA; William Lawson, Senior V. P., The Staubach Company

Outstanding Chapter Service Awards:
From left: Michael Hobbs, Vice President, Grubb & Ellis; Cheryl Yanez, Senior Vice President, Chicago Title; Charmaine Alexander, Vice President, Charles Dunn Co.
To order, or for more information from the Atlanta Summit.

Introductory Pricing

The following special is being offered as an introductory price for this pilot program:

- Introductory Pricing
  - Individual: $75 each
  - Group: $50 each

To order, or for more information, contact 404-589-3222.

Corporate Real Estate Leader’s 2004 Economic Development Leadership and Accomplishment Award

How did your economic development organization provide leadership in your community in 2003? Which accomplishments and results set your organization apart last year? CoreNet Global and Corporate Real Estate Leaders want to know!

The 2004 Call for Nominations will be sent to CoreNet Global’s economic development members via e-mail on Feb. 3, with nominations due March 15. Winners will be recognized on stage at the Chicago Global Summit in May, so be sure to enter the competition!

The Economic Development Leadership and Accomplishment Award is sponsored by Global Direct Investment Solutions. For more information on the award, please contact Tim Venable at CoreNet Global Learning (phone 404-589-3221 and tvenable@corenetlearning.org).

Hong Kong Chapter Hosts First MCR Program in Asia

All in all an excellent response to the launch of CoreNet Global’s flagship education program – Masters of Corporate Real Estate (MCR) in Hong Kong, October 2003.

The Hong Kong Chapter welcomed faculty Michael Joroff, Director of Research, MIT who led the seminar for the 2 day duration assisted by Andrew Hawkins, Director, Corporate Services, Cushman & Wakefield Asia. The seminar theme – Aligning Real Estate and Business Strategy is one of the three required seminars within the program and was deemed appropriate to kick off the series to Asia members patiently awaiting the opportunity to become MCR accredited. A full turnout with all 25 seminar spaces snapped up, the seminar attracted 80% corporate end users and introduced four new members to a growing regional membership. With member representatives from Shell, JP Morgan, Citibank, Chevron Texaco, Hong Kong Land, Proctor & Gamble and Shanghai based developer Shui On, to name a few, the two day seminar fostered some good debate and discussion amongst a diverse industry group. Case studies were given by William Taam, Director – Asia, AIG Global Real Estate, Andrew Barker, Regional Director, Cushman & Wakefield PREMAS and Joseph Pereira, Consultant, JP Morgan Chase & Co.

What Attendees Said:
The dialogue between all attendees helps me to understand their perspectives – Joseph Pereira, Consultant, JP Morgan Chase & Co.

The interaction, sharing of ideas and course content, benchmarking against other companies cultures and work practice is very useful – Michael Johnston-Smith, Singapore Chapter Chair

The understanding of my peers and their skills was quite an eye opener – William Taam, Director – Asia, AIG Global Real Estate
New EDP Technical Series Highlighted in Long Beach

CoreNet Global Learning’s Executive Development Program (EDP) will introduce its new Technical Series (TS) certificate program in Long Beach, CA, March 15-19. In addition to MCR and SLCR offerings, the EDP Long Beach Regional event will feature two new Technical Series seminars — Strategy and Planning and Financial Analysis of Leases and Purchases.

This new foundation-building certificate program covers the lifecycle of corporate real estate, from the development of strategy through the eventual disposition of non-core assets. The six seminars that make up the Technical Series scrutinize strategy, process improvement, technology, cost reduction and operational effectiveness. Rich in content and methods, the Series enhances your capability to think ahead, anticipate needs, effectively solve problems, and deliver real estate services cost effectively.

The new Series begins with the Strategy and Planning seminar on March 15-17 and is followed by Financial Analysis of Leases and Purchases on March 17-19. The seminars are ideal for those who are new to the profession, those who desire to move from a specialist to generalist, or anyone who needs a refresher on a specific aspect of the real estate lifecycle.

For detailed information about the new Technical Series and for convenient online registration, please visit the EDP website at www.corenetglobal.org/learning/edp_seminar_series or call 1-800-726-8111.

EDP Seminars Receive Consistently High Ratings!

- 6.0 overall rating of all seminars (on a 7 point scale)
- 6.2 faculty rating
- 99.5% of attendees reported that they increased their professional knowledge
- 97% of attendees reported that they learned new ways to increase their job performance (and 75% would be able to apply new learning immediately)
- 100% said that they would take another EDP seminar

EDP participants recognized and honored at the Atlanta Summit:

- 69 Graduating MCRs
- 66 Graduating SLCRs
- 22 Top-Rated Faculty (those who achieve a 6.4 rating on a 7 point scale)
Global Summits Examine Corporate Real Estate 2010

Enabling Work in a Networked World

Corporate Real Estate 2010 is the new research and leadership development initiative of CoreNet Global aimed at defining the corporate business environment in the future. It is envisioned that the future will be complex, networked, and global and will include increased challenges such as changing labour dynamics and business risks. The research will explore the implications of the changing business environment on the corporate real estate and infrastructure executive.

The seven research topics are:
- The Changing Nature of Work and the Workplace
- The Strategic Role of Place
- New Models for Service Delivery and the Transformation of the Service Provider Industry
- Asset Management and Portfolio Optimization
- Integrated Infrastructure Management
- The Role of Technology and the Web
- Enterprise Leadership: Skills and Competencies for Successful Corporate Real Estate and Infrastructure Leaders

A European team of leading end users and service providers representing the major global corporations is providing the European dimension to the research. The European team will also focus on cultural diversity and sustainability and how these either effect or influence the work of the other research areas. A key output from the project will be to synthesize the results into the learning programmes of CoreNet Global. For more information on Corporate Real Estate 2010 and how to get involved contact Ron Adam at radam@corenetglobal.org.

For more information on the MCR programme contact:

Australia
Giselle Grynbaum, at GGrynbaum@corenetglobal.org
Asia
Melanie Hill at mhill@corenetglobal.org
Europe
Kathleen Beeckman at kbeeckman@corenetglobal.org

Global Summits

Asia: Mumbai, 22 — 24 March 2004
Enabling Work in an Integrated World: Challenges & Opportunities in Asia

The subtle, but steady advance towards an integrated, global business environment is one of the most significant long-term trends in business - transforming almost every aspect of the way in which firms operate. This integrated business environment - a network of people and assets - includes internal resources (such as collaborative service support departments, business units, and global product development teams) as well as external partners (such as service providers, communities, marketing and distribution partners). The technology implications of this integrated world are intricately connected to the people and group networks. The Mumbai Summit will explore strategies that are being envisioned or implemented today to prepare for the dynamic changes associated with the acceleration of the integrated world. To find out more about Summits in Asia contact Melanie Hill at mhill@corenetglobal.org.

Australia: Sydney, 8 — 10 August 2004
Alignment with the Business Agenda: Focusing & Amplifying your Corporate Real Estate Contribution

Today's Corporate Real Estate Executives are uniquely positioned to add strategic value to the ever-changing and complex business environment - a network of people and assets - that includes internal resources (such as service support departments, business units, and global product development teams) as well as external partners (such as service providers, communities, marketing and distribution partners). Knowledge of the nature of work, workplaces, physical assets, locations, process management and service delivery combine to provide insight essential to the firm's ability to act quickly and capitalise on market opportunities.

These trends and questions are the theme and focus of the CoreNet Global Australia Summit 2004, as well as the focus of the recently launched Corporate Real Estate 2010 Research and Leadership Development initiative. To find out more about Summits in Australia contact Peter Chenoweth at pchenoweth@corenetglobal.org.

Budapest, 19 — 21 September 2004
Enabling Work in an Integrated World: How Do We Prepare For This Future?

An agile corporate real estate executive that provides responsive and productive environments enables both workers and the enterprise itself to work and thrive in this emerging, integrated world. The Europe Summit will explore the innovative strategies being envisioned or implemented today to prepare for the dynamic changes associated with the acceleration of the networked world. To find out more about Summits in Europe contact Kathleen Beeckman at kbeeckman@corenetglobal.org.

Global Learning

MCR Launched Globally

Launched in the UK and Australia in 2003/04 and introduced to Asia in 2003, the MCR Professional Development Programme provides essential skills that focus on urgent and critical business issues. The MCR designation communicates special competence and successful experience as a corporate real estate (CRE) expert. The designation has contributed significantly to the professionalism of corporate real estate.
UTILITY FUNDED GRANTS SUPPORT LOCAL GROWTH AND JOBS

PPL affiliate’s Blue Ribbon Project is changing the landscape of economic development

PPL Electric Utilities and PPL Gas Utilities presented a total of 27 company funded grants for marketing, promotion and advertising initiatives aimed at attracting development in the areas they serve in Pennsylvania.

“PPL believes that support for community and economic development is not only good for our business but also the right way to do business. Through our partnership approach to economic development, we focus on direct support that enables regional and local organizations to do what they do best,” said Donald M. Bernhard, manager of Community and Economic Development for PPL Electric Utilities.

Added to a first round of grants awarded earlier this year, PPL Electric Utilities has provided more than $153,000 in funding for economic development projects in its service area in 2003.

Blue Ribbon grants are awarded on a competitive basis, Bernhard said. In the selection process, PPL looks for initiatives that it feels will be effective in marketing areas that its utility subsidiaries serve.

Of these initiatives website enhancement has received the most support. The project also supports seminars to bring in website developers. Aside from website enhancement the Blue Ribbon project has funded direct mail campaigns, provided the mean necessary to update printed materials and sponsored special events.

“In the fiercely competitive world of economic development, we partner with organizations that represent the communities we serve. We want to help them become more effective in getting their messages across to corporate executives, real estate brokers and site selection specialists,” he said.

Bernhard described the application process as brief and informal. PPL looks for applicants who show a constant effort to improve and grow. They also want organizations to have other grants. This gives an organization a chance to leverage the grant by making request for public grants to match PPL’s private donation. Once the organization has been approved for a grant, PPL request that they complete the designated efforts before they are reimbursed. This effort has provided PPL a chance to work with nearly all of their partners and numerous networking opportunities. The project has received positive feedback.

In addition to the marketing program, PPL helps its regional and local partners by funding training for their economic development professionals, providing leadership for community and economic development activities. The PPL Company provides this support by contributing to the basic training of new staff members to economic development teams by granting scholarships to send them to the Pennsylvania Basic Economic Development Course. PPL also maintains a database of available industrial and office properties that covers 45 Pennsylvania counties. The database is accessible through PPL’s Economic Development Web site: www.pplweb.com/edcondy.

PPL Electric Utilities is a subsidiary of PPL Corporation. Headquartered in Allentown, Pa., PPL Corporation controls about 11,500 megawatts of generating capacity in the United States, sells energy in key U.S. markets and delivers electricity to customers in Pennsylvania, the United Kingdom and Latin America.

Get Involved!

“I’ve already benefited personally by recruiting four new corporate end user members into CoreNet Global. It’s enhancing my value in the eyes of these corporate contacts. Our Chapter is also benefiting directly from the increased involvement of the new members. I’m committed to doing even more recruiting to build our local and global base of corporate end user members. -- Sandy Lynch, President, Houston Chapter (PageSoutherlandPage)

Remember!

Trailblazers are focused exclusively on recruiting corporate end users as new members. Only newly recruited corporate end users will be counted toward Trailblazer recognition and other incentives.

Everyone Wins as Recognition & Rewards Await!

The more new End User members you recruit, the greater the chances of winning.

Trailblazer Success Story!

Houston’s Tracy Elkine of Halliburton thanked CoreNet Global for making her Atlanta Global Summit experience a success by recruiting five new end user members in December, emerging as a top producer in the Trailblazer campaign. Trailblazers like Tracy will be recognized at the Chicago Global Summit in May. The Chapter recruiting the most new corporate end user members will win the President’s Award for excellence in membership development.

CORENET GLOBAL TARGETS TRAILBLAZER INITIATIVE TO PROMOTE MEMBERS...continued from page 1

It’s an excellent way to become actively involved in the association.

The Trailblazers are focused exclusively on recruiting corporate end users as members of CoreNet Global and on optimizing their overall membership experience with us.

Your company will get a credibility boost by bringing new corporate end user members into CoreNet Global, and you’ll be adding to our status as the organization defining the future of corporate asset management.

You’ll be selling a great product starting with Corporate Real Estate 2010, CoreNet Global’s industry research and leadership development initiative.

You’ll expose them to a resource that gives corporate real estate executives the understanding of how new networked-based business models will fundamentally change the corporate infrastructure by 2010 – and the added knowledge to play a leadership role in implementing those models.

You’ll introduce them to an unparalleled peer group – one that embraces a performance culture where our members are shaping the nature of work and influencing strategies supporting the value networks of their enterprises.

There’s never been a better time to introduce CoreNet Global to your non-member corporate clients, to lead them to our extensive network of ‘Best-in-Class’ colleagues and to the knowledge sharing to improve their performance.

Please contact Director of Business Development Susan Woodbury at 404-589-3211 with any questions, or click here to learn more about how you can “Blaze a New Trail to Success, Recognition and Rewards!”
When is a square foot not a square foot?

THE OPEN STANDARDS CONSORTIUM FOR CORPORATE REAL ESTATE LOOKS TO CREATE UNIVERSAL STANDARDS FOR THE INDUSTRY

When the definition of a rentable square foot means one thing in San Francisco and another in New York City, or that real estate deals done metrically in Europe won’t calibrate with U.S. data base records measurements, it’s clearly time for more consistency.

This small example points to the larger problem: the industry of Corporate Real Estate lacks a consistent, common vocabulary. “And without a common vocabulary, it’s difficult for us to develop a common way for our Industry to interact via the web using new technologies, much less in person,” says Keith Perske, Manager of Business Systems for Sun Microsystems’ corporate real estate department.

In response, OSCRE, the Open Standards Consortium for Corporate Real Estate, has been established to drive the development of industry vocabulary and data standards. The consortium is made up of a number of US firms and is working closely with other standards groups and professional associations serving the corporate real estate and corporate asset management industry.

The new consortium will develop and introduce open standards currently not available to the industry that will provide a universal resource for the consistent preparation and delivery of electronic transactions, portfolio and facility management, process management, project management, performance metrics, communications, and other asset management needs.

Various interests are coalescing around OSCRE, which began as the CoreNet Global initiative known as e-CRE. CoreNet Global is the world’s leading professional association for corporate real estate executives engaged in the management of the corporate workplace. Among the prominent industry standards groups that have aligned themselves with OSCRE is the U.K.-based PICES, the Property Systems Common Exchange Standard which has been focused on developing real estate and related operating standards for six years. “We’ve been able to deploy several sets of standards in the UK that are now being used by large sectors of the real estate industry, including backing from key government agencies,” says Chris Lees, CEO of Calvis and former Chairman of PISCES. “Our aligning with OSCRE will help leverage this effort internationally.”

“The corporate real estate and asset management industries still lack a resource to fill a key need,” according to Igoe. “That need is based on the length of time it takes to complete detailed real estate and other transactions due to the inconsistency of terminology and systems serving the industry across a range of geographic lines and industry categories. Data is not easily moved from seller to buyer as a result of these gaps, and it simply takes too long to do a deal in today’s increasingly networked and globalized world.”

Ultimately, OSCRE is expected to improve interoperability of real estate and other parts of the corporate infrastructure that fills the extensive strategic and operational support needs of the world’s largest enterprises and their service providers. “Technology that is linked in a simple way is the key to driving costs out of our industry and improving our ability to make better, faster decisions,” observes Perske, “OSCRE is that technology linkage.”

OSCRE will become an important asset management tool with the capability of addressing the entire life cycle of a facility or some other corporate asset, adds Dave Clute, Manager, Global Operations for Workplace Resources at Cisco Systems. “The standards established by OSCRE will enable the design of systems that turn our current ways of working into true work flows, encompassing all of the now-disparate information that is exchanged from the time a facility is designed, built and occupied to the time it is replaced or redesigned. And OSCRE is here to stay. It will be a robust and sustainable organization that can be home for all real estate electronic data standards in all real estate sub-verticals and in all locales.”

continued on page 12
India, site of the March 22 – 24 CoreNet Global Summit in Mumbai, offers new operating alternatives to a growing number of global corporations, and CoreNet Global member Ashok Kumar is one of the biggest boosters of this emerging economic giant.

“Most of the top 500 multinational companies already have a presence in India,” explains Kumar, Principal and Managing Director for Gennex-CRESA Partners India in Mumbai (formerly Bombay). Kumar also is founder and Chairman of the CoreNet Global India Chapter and Chairman of the India Global Summit Host Committee.

A recent Goldman Sachs report predicts India will have the third-largest economy internationally by 2050 and that by 2010 its growth could outpace China’s. “India has the potential to show the fastest growth over the next 30 and 50 years. Growth could be higher than five percent over the next 30 years and close to five percent as late as 2050 if development proceeds successfully,” states the company’s October 1, 2003, report. “This will be driven largely by the demographic dividend India is likely to reap with a sharp surge in its working-age population.”

“India provides an ideal outsourcing environment for all growing companies,” adds Kumar about this growing trend of outsourcing IT and other high-tech jobs to countries with lower cost structures. This practice, also known as offshoring, enables firms to send professional and support services overseas for more cost-effective delivery while remaining under the direct control of the company.

“The low cost of highly educated labor, an abundance of property, improving infrastructure, and government incentives are driving multinationals to India,” Kumar recently remarked to Real Estate Forum magazine.

India’s Business Climate

During the recent Atlanta Global Summit, Kumar shared from the podium insightful details about the Mumbai and India business climates.

“The Indian economy is one of the world’s fastest growing economies at eight percent of GDP growth. Business confidence is at its peak and the service and manufacturing sector is leading the wave through IT, ITES, Pharmacy, Healthcare and Entertainment,” said Kumar.

“India has emerged as the leading location for the outsourcing because India offers significant cost savings of up to 70 percent on labor and other expenses compared to other parts of the world,” he added.

CoreNet Global Provides Invaluable Opportunities

“CoreNet Global provides invaluable opportunities to learn about best business practices from other commercial real estate professionals,” Kumar says. “In addition to offering the best networking and business opportunities, I use CoreNet Global to achieve the best of the benchmark and work-standards through enterprise partnership and working together with business unit leaders.”

“I have gained a lot from IDRC and now CoreNet Global,” he adds. “The association has helped me to learn and achieve greater value for the company’s customers through adopting innovative practices. Integration has made it broader and enabled representation from all stakeholders of real estate.”

“The best way CoreNet Global can help me in the future is through providing the best networking and learning opportunities,” concludes Kumar.
Ron Adam takes on European Corporate Real Estate 2010 Role

Ron Adam

Ron Adam, formerly of Regus, is now leading the Corporate Real Estate 2010 research initiative in Europe.

Corporate Real Estate 2010 is the new research and leadership development initiative of CoreNet Global aimed at defining the corporate business environment in the future. It is envisioned that the future will be complex, networked, and global and will include increased challenges such as changing labor dynamics and business risks. The research will explore the implications of the changing business environment on the corporate real estate and infrastructure executive.

A team of leading end users and sponsoring service providers representing 18 major corporations is providing the European dimension to the research.

OSCRE will serve corporate real estate in the same way that COVISANT unifies auto industry standards or that SABRE has revolutionized airline industry transactions. In much the same way, OSCRE constitutes an important transport mechanism for the transfer of data from company to company and from system to system, regardless of whether they are internal or external to the enterprise. This fluidity of data and information exchange will enable a significant trend toward the outsourcing of more non-core functions to the growing global service provider industries serving the internal needs of companies with worldwide operations, according to CoreNet Global’s Corporate Real Estate 2010 industry initiative which incorporates the concept of interoperability across platforms, companies, and regions.

One example of how OSCRE will benefit corporations is by improving cash liquidity. By completing transactions and related functions faster and more efficiently, companies will move capital into place at a quicker pace, thus enhancing returns for investors, pension funds and REITs. “Ultimately, the standardization will create a valuation system that bridges systems between sellers to buyers as well as between service providers and their clients,” says Perske, describing a system that readily recognizes information from outside the company but that can still be integrated within the finance and corporate real estate departments.

Industry groups in addition to companies with global or large regional operations that will benefit include owners of and investors in commercial and corporate properties, construction companies and architects, as well as service companies focused on lease management, facilities operations and planning. Regardless, they will all realize cost savings and other values through less labor and greater accuracy of data.

One other deliverable OSCRE promises is a common vocabulary for all players to speak with each other, outside of systems. “We still need to know how to talk to each other, regardless of what technology we use or where we are based,” Perske emphasizes. “How can our systems talk to each other if we can’t?”

CoreNet Global is the world’s leading professional association for corporate real estate executives engaged in the management of the corporate workplace.

OSCRE International is a not-for-profit consortium that drives the development, synthesis, and adoption of e-business standards that enable the Real Estate industry to function effectively and efficiently.

For more information on CoreNet Global, visit www.corenetglobal.org For more information on OSCRE, visit www.oscre.org For more information on Pisces, visit www.pisces.co.uk

When is a square foot not a square foot?.. continued from page 10

“Ultimately, the standardization will create a valuation system that bridges systems between sellers to buyers as well as between service providers and their clients”
MEMBER VIEWPOINT

SARBANES-OXLEY & THE CORPORATE REAL ESTATE EXECUTIVE

By Mark Rose and Jeff Groh
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What is Sarbanes-Oxley and what does it mean to Corporate Real Estate executives? Emerging from the wake of corporate scandal, the Sarbanes-Oxley Act of 2002 was passed with the express goal of advancing guidelines and process for corporate governance. It devised new standards requiring companies to improve record and document management, automate financial reporting and strengthen governance policies.

The major concepts of the Sarbanes-Oxley Act are as follows:
1. CEO/CFO Certification Of Financial Reports - Requires full disclosure on financial reports and imposes criminal penalties for violations.
2. Broadened Enforcement and Defined Criminal Penalties - Establishes stiffer penalties reaching beyond the C-Suite.
3. Improved Financial Disclosures - Disclosures must include any off-balance sheet transactions as well as disclosures of internal controls.
4. The Formation of Audit Committees - Imposes added responsibilities on board members.
5. Limited Roles For Accountants And Attorneys - Places restrictions on fiduciaries performing multiple service roles in order to eliminate conflicts of interest.

The impact of Sarbanes-Oxley is not simply the establishment of financial reporting requirements for publicly-held corporations. Sarbanes-Oxley Act goes beyond the financial data, affecting the organization by requiring a structure and mind-set for the administration of the corporation’s finances. This regimen benefits employees, investors, and clients by increasing the quality and reliability of financial acumen while concurrently reducing the risk of reputation loss.

Section 404 compliance extends to:
- Third Party Administrators
- Information Technology Providers
- Custodial Relationships
- Client Accounting
- Investment Accounting

Compliance Costs
Most corporations will spend dearly for employees and consultants to perform the work necessary for initial compliance and on-going maintenance of these standards. Accounting firms find themselves in a position of greater profitability and risk as they provide such services. The business gained in assisting corporations in preparing for Sarbanes-Oxley is counter-balanced by the increased liability of attesting that a corporation’s financial controls are adequate.

Sarbanes-Oxley and Corporate Real Estate
The advent of the Sarbanes-Oxley Act should affect Corporate Real Estate executives in the following ways:
1. Vendor relationships will be made more carefully. Engagements will become more formal (complete with documented decision rationale) and vendors will need to comply with the Sarbanes-Oxley Act in order to be considered for top assignments.
2. The real estate accounting function and other business processes will be outsourced at increasing levels - Corporations will opt to simplify, assign risk and gain efficiencies in these non-core activities.
3. The C-Suite, Auditors and Board Members will begin to push for adoption of "best practices". They will be required to personally attest to the financial processes and controls of a corporation.
4. De-centralized real estate structures will be discouraged - The development and management of controls will prove much more costly and complicated than centralized structures.

Corporate real estate executives have the opportunity to get ahead of the wave of process rigor and scrutiny. Developing, measuring and managing processes for delivering real estate services to the corporation is now more important than ever before.

“What Sarbanes-Oxley Act goes beyond the financial data, affecting the organization by requiring a structure and mind-set for the administration of the corporation’s finances.”
Staubach Promotes Brian Terrell To Executive Vice President

The Atlanta office of The Staubach Company announced that Brian Terrell has been promoted from Senior Vice President to Executive Vice President. Mr. Terrell leads Staubach’s Design & Construction Consulting Services Practice Group (DCCS), which provides comprehensive project management, design and construction consulting services for clients in the public and private sector. He is responsible for over $1.6 billion of projects for prestigious corporate and higher education clients such as Time Warner Cable, BellSouth, Scientific-Atlanta, E*Trade, Earthlink, Jones Day, AIG, The University of Georgia, The Georgia Institute of Technology and Georgia Southern University.

Ascendas hires Vice President Investment

Michael Johnston-Smith has joined Singapore-based Business Space Provider, Ascendas as Vice President Investment. His responsibilities include Asian Investment in the R&D, Office, Retail Warehousing, Industrial and Logistics sectors. He is the current Singapore Chapter Chair.

The Beck Group Awarded Governor’s Business Diversification Award

The BECK Group was presented with the Governor’s Business Diversification Award this fall at a luncheon at the Governor’s Mansion in Tallahassee, FL. BECK won this prestigious award in the Innovation category for the development and application of its Destiiny proprietary software. The software package incorporates object-oriented, parametric modeling technology to develop a rules based application for the architecture, engineer and construction industry. This technology allows all aspect of BECK to work at a more productive pace.

Cooper Industries Names Nora Fay Vice President, Corporate Accounts

Cooper Industries announced in early December that Nora Fay had been promoted to vice president, Corporate Accounts, Cooper Connection. In her new position, Fay will be responsible for expanding and enhancing relationships between corporate customers and the Cooper Connection business. The Cooper Connection program coordinates and facilitates the cross-divisional sales and marketing initiatives of Cooper’s North American Electrical Products divisions. “Nora’s extensive contacts in corporate real estate, facilities management, architectural firms and commercial construction make her a great addition to the Cooper Connection team” says Martin Pint.

EMCOR Group, Inc. Names William Rodgers President and CEO Facilities Services Inc.

William A. Rodgers, Jr. has been elected President and Chief Executive Officer of EMCOR Facilities Services, an EMCOR Group, Inc. subsidiary located in Arlington, VA. “Bill Rodgers joined EMCOR in 2001 as Executive Vice President of EMCOR Facilities Services and has been instrumental in establishing EMCOR as a full service provider of comprehensive facilities services,” said Frank T. Macchiarini, Chairman and Chief Executive Officer of EMCOR Group, Inc. “Bill is an established leader with a proven track record in business development, implementing effective business practices and establishing customer relationships that result in business success. His new position recognizes the significant contribution he has made towards developing our nationwide presence and increasing domestic annual revenues of EMCOR Facilities Services to over $650 million. Today, EMCOR companies provide facilities services to approximately 1 billion square feet of space and generate annual revenues in excess of $1 billion.”

EMCOR Group, Inc. is a worldwide leader in mechanical and electrical construction services and facilities services.

Mintax Announces Major Expansion; Hires Four For Executive Posts

Mintax, Inc., announced a major expansion of its tax credit and government incentives consulting business, hiring four executives to broaden capabilities and serve a rapidly expanding customer base.

Atty. Richard Weiss, most recently Executive Director-Income Taxes at Verizon Communications, was named Mintax Executive Director, Incentive Services. Michael Huber, formerly a manager at KPMG, was named Senior Manager, Location Strategies. Eileen M. Lomoriello, an accountant at Sedore & Company, was named Project Manager, Economic Development Services, and Jerry E. Reese, Manager of Operations and Manufacturing Training at St. Louis Community College, joined the firm as Project Manager, Economic Development Services.

RRG Announces Appointment Of Edward A. Matisoff As Vice President

Real Estate Resource Group, LLC, a specialized lease auditing firm, today announced the appointment of Edward A. Matisoff as Vice President. Matisoff will be based out of RRG’s Dallas office.

Matisoff, President of the CoreNet Global Southwest Chapter, joins RRG with more than 20 years of experience in the real estate, accounting, tax, program, and general management expertise. Matisoff was previously employed with Verizon Communications, a Fortune 10 company, one of the world’s leading providers of communications services, where he most recently served as Manager, Quality & Performance Assurance for the company’s real estate group. He created the team that wrote, “Statement of Management Accounting 4-0: Accounting for Occupancy Costs” published by the Institute of Management Accountants in 1990 and regarded as the authoritative guide to defining real estate occupancy costs.

First Stage Financing Arranged For Greater Philadelphia World Trade Center

The Carl Marks Real Estate Group, a division of Carl Marks and Co. Inc. announced today that it had arranged the first stage of development financing for the Greater Philadelphia World Trade Center. The loan, funded on behalf of Waterfront Renaissance Associates, the Carl Marks affiliate partnership developing the Trade Center, consolidates, extends and lowers the cost of the various elements of the debt used to assemble the site. The master plan for the Greater Philadelphia World Trade Center will allow for the phased development of nearly 4 million square feet of space, consisting of a residential tower, three office buildings, a garage providing for 2100 parking spaces and over 100,000 square feet of retail space.

Binswanger/CBB Named Exclusive Real Estate and Advisory Services Provider to NovaCare Rehabilitation

Binswanger/CBB has been chosen as the exclusive Real Estate and Advisory Services provider for NovaCare Rehabilitation. Binswanger/CBB work with NovaCare will include lease transaction management, disposition of underutilized assets and lease administration services for all of the company’s US locations. “Partnered with NovaCare’s Business Development Group, we are supplying strategic portfolio management services; ensuring their real estate portfolio is aligned with their business objectives,” said Patrick Kelly, President of Commercial Mid-Atlantic, a recent affiliation.

members on the move...continued from the left
Former Base Offers Business Benefits

A new master plan and over $6 million in facility upgrades positions Merced County's Castle Airport, Aviation and Development Center as one of California's hottest new business properties. Strategically located in Central California, the former Air Force base offers a variety of business benefits, especially to those involved in aviation and international commerce.

With a 12,800 foot overstrained runway the airport's assets are ideally suited for air cargo, maintenance and other commercial aviation businesses. The runway's construction allowed it to serve as a designated alternate space shuttle landing site and offers the capability of landing any existing aircraft. The facility can also accommodate 100 parked 747s without infringing upon runway operations.

Infrastructure upgrades, which include a dual loop fiber optic system, offer high tech capabilities. In addition, Castle Airport is a designated foreign trade zone with international landing rights and the location is a designated LAMBRA site, offering benefits similar to enterprise zones.

John Fowler, director of the Merced County Department of Business Opportunity, says the county is now seeking a master developer for 700 of the airport-business park's 1,800 acres; 1,100 acres are dedicated to airport facilities.

General Electric Selects Cushman & Wakefield as Transaction Management Provider

Cushman & Wakefield announced today it has been retained by General Electric Co. as one of three exclusive service providers for GE's real estate interests. Under terms of the agreement, Cushman & Wakefield's Brokerage and Corporate Services divisions will provide transaction management for a portfolio of commercial real estate interests in the United States. "Cushman & Wakefield has a robust platform of services and expertise to assist GE's Corporate Real Estate group in increasing efficiency, adding value and improving process execution," said Harry Stein, Director of Corporate Real Estate for GE's Real Estate Services Operation.

Countrywide Home Loans Has More Than 300 Formal Strategic Alliances

Countrywide Home Loans, Inc. announced that it currently has more than 300 formal business partnerships under its strategic alliance umbrella. The company works primarily with real estate brokerages, home builders and financial services companies to provide complete one-stop shopping services for home buyers across the country.

As part of its strategic alliance services, the company offers joint mortgage ventures through Countrywide Mortgage Ventures, LLC. These are capitalized through a cash investment contributed equally by both Countrywide and the strategic partner. Each partner invests in the venture and receives a return on investment commensurate to their ownership interest in the venture.

The company also creates a win-win situation by offering desk rental agreements (DRA) where a Countrywide loan officer provides onsite mortgage services for its business partners. With its one-stop shop capabilities, this is an effective way to convert customers at the point of sale. In turn, Countrywide pays fair market value rent for the space it leases.

CoreNet Global Member Profile

Sweden's Larry Servin Helped Shape CoreNet Global's Future in Europe

As the organizer of the 2000 IDRC Copenhagen-Malmo World Congress, Larry Servin, a precursor to today's CoreNet Global Summits, Servin set a precedent by having two cities host the event. A major attraction of the conference was the tour of the Oresund Link, a 15-mile long bridge connecting Sweden to Denmark and creating a new economic region overnight.

Like many members of CoreNet Global Larry Servin had a long involvement in corporate real estate before the launch of CoreNet Global. Servin joined IDRC over a decade ago. He joined because he foresaw the opportunity to shape Europe's then rising profession of corporate real estate. During his tenure with IDRC Servin served as the European President in 1997 though 1998.

Today as a member of CoreNet Global he works for himself as CEO of Larry Servin AB. Servin's primary responsibility is relocating sites. Sites, which were intended to lie on the outskirts of their cities, have now been surrounded by the city's growth. Servin's professional focus is also corporate infrastructure. His goal is to put the individual in the center of workplace planning. He also sits on the board of several companies and eventually hopes to belong to more.

Servin says that joining CoreNet Global "was the only right thing to do when the association was formed." CoreNet Global has provided him with a thorough network all over the world as well as numerous vital educational lessons. He feels that the industry will grow as long as CoreNet Global promotes the importance of corporate real estate for all companies. Servin believes that globalization is our key to the future and feels fortunate that CoreNet Global allows him the chance to connect with professionals from around the world.

So what does this native of Sweden do when he is not running companies or sitting on boards?

True to his Swedish heritage Larry Servin swims year round in the warm and even in the freezing sea.

He lives by the sea in Malmo, Sweden. Servin has plenty of hobbies. He performs musical concerts. Servin, who plays the trumpet, accompanied by a pianist give frequent concerts. He also enjoys riding motorbikes though Europe with his kids. He and his son recently rode to Austria to pick up his daughter. Together the three of them toured the countryside's of Southern Germany, Austria, Switzerland and Italy. Other adventures have included a recent backpacking trip trough Malaysia with his son.
 Corporate end users with global or global-regional responsibilities will learn about how companies like yours are integrating global operations and optimizing portfolio performance through the networked enterprise. This is a key reason why we have selected the conference learning theme of Enabling Work in an Integrated World: Challenges and Opportunities in Asia.

In turn, providers of corporate services will also benefit by gaining insight on how the globally integrated workplace can add to a company’s operating efficiency, productivity and profitability. The learning agenda includes a strong array of programs illustrating how end users are adding to the competitive advantage of their enterprise – from the global, Asia regional and India-based perspectives.

Economic developers will also gain an edge by attending. Strategic location decisions will become even more important in coming years as companies seek proximity to skilled workers, markets and customers. By understanding the new approaches of corporate clients, you will be better able to serve their changing needs.

Moreover, be among the first to know how Corporate Real Estate 2010 – CoreNet Global’s industry initiative defining the changing nature of work and the workplace – will also change the way companies do business on an integrated global scale.

Education Programmes Include:
- Workers and the Workplace
- Implementing Real Estate Projects in India
- Enterprise Partnerships
- Global Portfolio Optimization Strategies
- Real Estate Outsourcing in Asia and Beyond

Other Reasons to Register Today:
- Corporate Real Estate 2010
- Our Journey to India’ Corporate Panel
- Keynote Speakers to set the big-picture view
- Educational Site Tours