

New Economy Thinking for the South Bay

Space conditions are tight, prices are high, deals are hard-to-find.

Where's the opportunity?

Finding companies who have things figured out or who are getting there.

Many companies are doing things the same old way. Believe it or not they are running around with hand-written purchase orders, calling up their suppliers, looking for material, having the stuff delivered, manufacturing the material, and sending it out. Then they send out the invoice and wait to get paid.

These companies haven't found their specialty, or haven't realized their specialty has changed. They haven't looked for partners or better methods. Of course, there is no electronic infrastructure. And surprise, they are complaining about poor business.

The New Economy is not about the Internet. It's about how the Internet is changing business. Breaking it down and building it up. The New Economy is about people getting together and figuring out better ways to run their companies. The Internet helps, but intelligence, relationships, global-sourcing, and creativity are the foundation

That is the macro-picture. But can it relate to businesses in the South Bay? It does to the ones who get it. And the others, well they just complain about business. Or they are eating the last egg from the golden goose.

The real estate opportunity is with those companies that are looking for new ways and helping the lost companies find their way. It means helping customers with new ideas and building relationships. It's not looking for space or soliciting a building that's not needed.

Today, you have to throw away the old parts that don't work and build up the new, successful ones. When you figure out those parts for the customer, the real estate deals will follow.

Sometimes it's new space that is needed. Other times, you throw more business down the supply chain and they need the new space. Many times, you can take the real estate and turn it into financing for the new project. Or just close up, sell the property, and take early retirement.

The key to the real estate business today is new ideas and relationships. You need to know the customer and introduce them to other customers and supply

ideas. Every meeting is an opportunity to probe into a customer's business to see what else can be supplied.

Improving a business often means new real estate.