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Gearing Up For Growth

By Jennifer Henn



From left, Laura Bennett, Dafney Hoge and Franz Muster of Engel & Volkers in Southampton at a company luncheon last week.

“Before you run, you walk.”

That’s what Franz Muster of Engel & Volkers real estate in Southampton told a group of journalists last week at the company’s East End press luncheon.

Two years ago, Engel & Volkers, a European real estate powerhouse, walked into Southampton and opened up shop. It was only the firm’s second outpost established in the United States. Today, it remains one of just four.

But in the coming weeks, months and years, the company is planning to take a hard run at the American real estate industry by importing its brand through dozens of new shops across the country—including new branches in East Hampton, Sag Harbor, Bridgehampton and eventually Westhampton.

“We’ll expand in Florida and the Northeast, then California and the mid-Atlantic region, the Washington corridor,” said Michael Audet, head of Engel & Volkers’s licensing distribution. “Then we’re planning to move into the Great Lakes region and Canada.

“Then we’ll conquer the world,” he added with a laugh.

Mr. Muster and Mr. Audet were joined by Princess Bettina Wittgenstein of the Engel & Volkers headquarters in Hamburg, Germany, Laura Bennett, managing director of the company's Southampton office, and a number of other E&V officials at the lunchtime press event Thursday, May 24, at Wolffer Estate Vineyards in Sagaponack. The group offered a preview of the news it announced Friday regarding the company's expansion plans, especially those for the Northeast region.

Engel & Volkers will open a shop in Greenwich, Connecticut while the Hamptons team works on establishing offices across the East End—something the company thinks is necessary to get a foothold in the famously lucrative Hamptons market.

“We want to move on the East Hampton, Sag Harbor and Bridgehampton locations very soon, because operating with a single shop, it's very difficult to compete,” Mr. Muster said, though the company has not disclosed a specific timeline for opening the additional East End branches. “After that, we'll see about Westhampton.

“In order to be successful, you have to have a presence in the Hamptons among all the corporate [real estate] offices,” he said.

The Southampton office will serve as the flagship and model, not only for the new Engel & Volkers shops on the East End, but for all the new shops opening in the Northeast, Ms. Bennett said.

The Engel & Volkers group is one of the world's leading real estate licensing companies with more than 200 Engel & Volkers residential real estate shops in 25 countries—including luxury resort areas in Switzerland, France, Spain, Italy, Dubai, South Africa and Thailand—specializing in the sale of high-end properties.

Company officials have spent the last two years working on getting the necessary approvals to being licensed in the United States, Mr. Audet said. When they sign on, licensed partners receive detailed instructions on how to open their local businesses and are invited to attend the Engel & Volkers real estate academy, an intensive three-week course taught at the Hamburg headquarters.

Ms. Bennett said she recently completed the training course and found herself learning the company's business model alongside licensed partners from all over the world. “No matter if you're from Germany or Spain or South Florida or Southampton, real estate is real estate,” Ms. Bennett said.

In addition to bringing more Engels & Volkers shops to the U.S., the company plans to begin producing and printing an American version of its fledgling lifestyle/property magazine GG—short for Global Guide—in the near future. The quarterly publication, more than half of which is comprised of editorial content, will be sold at newsstands.