



Executive of the Month: David Birnbrey is striving to create the best "retail only" real estate service platform in the U.S.

May 07, 2012 - Shopping Centers

David Birnbrey is the co-CEO of The Shopping Center Group (TSCG), one of the largest, privately-owned retail real estate advisory firms in the eastern U.S. Earlier this year, Atlanta-based TSCG joined forces with Northwest Atlantic Real Estate Services out of White Plains, N.Y., expanding its reach beyond the southeast and mid-Atlantic into the significant, but complex markets of Manhattan, the boroughs, Long Island, New Jersey and Connecticut.

Recognizing the importance of a presence in Manhattan, they immediately identified and opened a new Columbus Circle office adjacent to Time Warner at 60th and Broadway complementing TSCG's regional base in White Plains.

"So much of our country's retail real estate is suburban in nature," said Birnbrey. "Typically, shopping centers are characterized by big-box discounters, grocers or category killers surrounded by small shops and complemented by freestanding outparcel users. This is not the case in New York City where the demographics of a city block can mirror those of a suburban 5-mile radius. Only in Manhattan are you concerned about what's under you, over you, in front of you and around you. Subway stops are as important as expressway exits. Construction, noise and detours can affect your occupancy for years, turning an otherwise ideal location into a less than ideal one. Simply put, it's complicated."

Introducing SCG Retail

TCSG clearly recognized the distinction between urban and suburban real estate, and in particular the unique way business was done in Manhattan. To address this, they formed an urban team with exacting technological and intellectual capabilities and a special brand to handle their clients' NYC needs. Birnbrey said, "SCG Retail is the moniker we've chosen to differentiate ourselves, our platform and our services offered in Manhattan. The acronym acknowledges the history and time honored tradition of The Shopping Center Group, while at the same time recognizing that Manhattan isn't about shopping centers."

According to Birnbrey, the merger with Northwest Atlantic is a true partnership. "Led by David Firestein, the Northwest Atlantic team has been doing major deals throughout the metro region with premier tenants like Staples, Starbucks, Papryus, REI, Guitar Center, Bobby Flay and Whole Foods." Birnbrey said, "Many of these relationships are exclusive to this area which is a testament to the confidence retailers and restaurateurs have in our new partners."

"There are obviously differences between urban and suburban real estate, each can learn from the other and we bridge that gap," said Birnbrey. The former Northwest Atlantic team brought Starbucks to the metro region. "They've done over 200 deals for them here, none more significant than the Starbucks flagship in Times Square at 47th & Broadway." The same team has been involved in similar noteworthy deals such as Whole Foods at Columbus Circle and AMC Theaters at 42nd St.

Birnbrey's Early Days

Birnbrey began his career in real estate in 1980 working for a general commercial real estate company in Atlanta, specializing in industrial real estate. "Within two years," he said, "I recognized that my heart was in retail, and since then, that's all I've done."

It's said that success is when luck meets preparation. "Sometime in the early 1980s," Birnbrey said, "I was alone in my office at about 7 p.m. when I received a fateful phone call. The caller explained that she was from Taiwan and had just relocated to Atlanta. She simply said that her brother made computers and she wanted to sell them. As such-she needed space. Without any history and with an ambiguous description of her intended use, I might have dismissed the call as a waste of time. I chose not to and within a few short weeks identified a small flex space and helped her get a lease signed."

Two years later, Birnbrey assisted her again in the relocation of their burgeoning business to a larger facility; two years later, an even larger facility; and less than seven years after he first answered that fateful phone call, he helped secure a lease for their new 150,000 s/f global corporate headquarters to house their publicly traded company. "Sometimes it pays to work late," Birnbrey said.

The Shopping Center Group

The Shopping Center Group was started in 1983 by two insightful and perceptive guys who recognized that although the retail world revolved around malls at the time, the future of retail would include and in fact, be focused on shopping centers. Central to these efforts was a fresh and unique understanding of the nuances of open-air centers that mall occupants didn't deal with, nor could they address being headquartered far from most of their locations. They would need local market experts with local market knowledge and relationships to achieve success. That's where The Shopping Center Group came in.

According to Birnbrey, "I joined TSCG several months after its founding. One of the first success stories I remember didn't involve me but rather, my partners who had heard about an opportunity to interview for the disposition of a large portfolio of Mervyn's stores. Our competition for that assignment included all the well known international names in our industry with proven track records and historic successes, each an easier choice for Dayton Hudson, a nationally recognized department store chain, to trust with this critical assignment. My partners' promise was simply one of service, local market knowledge and a dedicated commitment to the task. They went to the meeting in Minneapolis hoping to succeed, but expecting to fail. Three days after the first interview, following three additional meetings and countless trips to the mall to buy clothes for those unanticipated additional days, they received the assignment. Not only did we achieve success for Mervyns, but we accomplished it in record time and at a profit that Dayton Hudson never anticipated.

The Future

TSCG's ultimate vision is to create the best "retail only" real estate service platform in the country. This will involve additional mergers similar to what we've accomplished in New York with the prerequisite that any new partners are culturally aligned, talented, ethical and put service ahead of sales.

"The experiences I've enjoyed during these past 32 years have been incredible," said Birnbrey, "but my wife, kids, son-in-law and future daughter-in-law have always and will always be the most important part of my life. All but one is actually in the industry-go figure."