

Webinar

ULI Poland: Digitalization of the World

Date: July 07, 2020

00:00:00 --> 00:00:04: OK, I guess we can start good afternoon everybody,
 00:00:04 --> 00:00:08: ladies and gentlemen, my name is the rotten sadness
 Kapusta
 00:00:08 --> 00:00:11: MD chairman of the Polish National Council of your life
 00:00:11 --> 00:00:14: and I would like to welcome you very warmly to
 00:00:14 --> 00:00:17: our annual conference with this year went digital.
 00:00:17 --> 00:00:21: Today we have the closing session be closing for dinner
 00:00:21 --> 00:00:24: number about digitalization of the world,
 00:00:24 --> 00:00:27: within touching about the city of the future that was
 00:00:27 --> 00:00:29: working on number one,
 00:00:29 --> 00:00:31: which is then how to became more time at.
 00:00:31 --> 00:00:34: Radiance we discussed pain, ability,
 00:00:34 --> 00:00:38: and investment, including the well being of our people and
 00:00:38 --> 00:00:41: today we will try to touch about the digitalization.
 00:00:41 --> 00:00:44: I would like to thank you all.
 00:00:44 --> 00:00:47: Our conference partners, sponsors and patrons.
 00:00:47 --> 00:00:49: Without you, we could not be here.
 00:00:49 --> 00:00:53: So thank you very much and our today's has moderate
 00:00:53 --> 00:00:57: torrent who will does in a second introduced himself and
 00:00:57 --> 00:00:59: said I'm sorry I keep talking to you.
 00:01:02 --> 00:01:04: OK, thank you very much for that,
 00:01:04 --> 00:01:07: but also yes this is the the final of a
 00:01:07 --> 00:01:11: series of webinars helps by you and I Poland and
 00:01:11 --> 00:01:14: we hope this will be interesting for all of you.
 00:01:14 --> 00:01:18: We have an amazing panel aligned up from you for
 00:01:18 --> 00:01:21: you an which is from all over the world.
 00:01:21 --> 00:01:24: You can say that your panel today is sitting in
 00:01:24 --> 00:01:25: New York in London,
 00:01:25 --> 00:01:29: in Berlin, in Warsaw and I am myself broadcasting from

00:01:29 --> 00:01:33: the North and part of Poland just South of academic
00:01:33 --> 00:01:34: so.
00:01:34 --> 00:01:37: Really, truly diverse. My name is sore and I'm here
00:01:37 --> 00:01:42: to capture markets at Cushman and Wakefield in Poland and
00:01:42 --> 00:01:45: and with that I will hand over for a short
00:01:45 --> 00:01:49: introduction of each of our speakers to just tell you
00:01:49 --> 00:01:53: who they are and what kind of organization they work
00:01:53 --> 00:01:53: for.
00:01:53 --> 00:01:56: So it's Sarah. If we can start with you,
00:01:56 --> 00:02:00: please. Sure, good afternoon. Good morning everyone,
00:02:00 --> 00:02:05: Sarah Enzinger, senior VP of measurable.
00:02:05 --> 00:02:07: And for those of you who don't know,
00:02:07 --> 00:02:12: measurable is a venture capital backed software company
based in
00:02:12 --> 00:02:13: California,
00:02:13 --> 00:02:17: offer an ESG data management system specifically for the
real
00:02:17 --> 00:02:18: estate sector.
00:02:18 --> 00:02:22: So for real estate owners and investors and we currently
00:02:22 --> 00:02:26: have about 850 million square meters on our platform valued
00:02:26 --> 00:02:30: at around 2 trillion dollars across 75 countries.
00:02:30 --> 00:02:34: So a global platform and we've increasingly been growing in
00:02:34 --> 00:02:35: Europe with 40%
00:02:35 --> 00:02:37: of our growth coming from.
00:02:37 --> 00:02:41: The continent last year with clients like Credit Suisse CV
00:02:41 --> 00:02:44: Ari Global Investors in Core State so I'm very much
00:02:44 --> 00:02:48: looking forward to the discussion today and thank you for
00:02:48 --> 00:02:53: inviting me. Thank you Sarah over to you roll off.
00:02:53 --> 00:02:57: Hi, I'm role offer minimum managing Director with 5th Wall.
00:02:57 --> 00:03:01: 5th Wall is the world's largest venture capital firm focused
00:03:01 --> 00:03:04: on what we call the built world which is really
00:03:04 --> 00:03:07: just real estate technology and innovation.
00:03:07 --> 00:03:11: About 1.3 billion under management and the unique thing
about
00:03:11 --> 00:03:14: us as well is that most of our investors or
00:03:14 --> 00:03:16: big owners and operators of real estate,
00:03:16 --> 00:03:20: Cushman Wakefield Pro Lodges, Heinz British Land.
00:03:20 --> 00:03:23: So I'm really excited to be here and you know.
00:03:23 --> 00:03:25: Really looking forward to the discussion.
00:03:25 --> 00:03:28: Thank you very much for payment.
00:03:28 --> 00:03:33: Hello, good afternoon everybody. My name is Raymond Pets
Menander
00:03:33 --> 00:03:33: VP,

00:03:33 --> 00:03:35: corporate real estate, port Solano.
00:03:35 --> 00:03:38: For those who don't know Salon do.
00:03:38 --> 00:03:41: In case there are some where the Europe's biggest pure
00:03:41 --> 00:03:46: fashion online platform delivering 17 countries in the
European Union
00:03:46 --> 00:03:47: or in Europe.
00:03:47 --> 00:03:50: With our fashion products.
00:03:50 --> 00:03:54: I myself I consider myself as a digital native,
00:03:54 --> 00:03:57: not because I'm so young and grew up with it,
00:03:57 --> 00:04:00: but I've been on almost all my career with digital
00:04:00 --> 00:04:04: cutting edge technology companies starting 1999 with
Amazon.
00:04:04 --> 00:04:07: Now the logical volume going to company with the sets
00:04:07 --> 00:04:08: its alando.
00:04:08 --> 00:04:11: Yeah looking forward to the great discussion.
00:04:11 --> 00:04:13: Thanks for having me.
00:04:13 --> 00:04:16: Thank you very much, Simon and then finally,
00:04:16 --> 00:04:18: Joan.
00:04:18 --> 00:04:20: Hello, my name is your home owner.
00:04:20 --> 00:04:24: I'm the Managing Director for Film Co in Central Asia,
00:04:24 --> 00:04:28: Europe. We are mainly focusing on office development.
00:04:28 --> 00:04:31: We also do residential. We also do leisure an only
00:04:31 --> 00:04:36: in Russia somewhere housing we originally Belgium
company in Belgium.
00:04:36 --> 00:04:40: We are also active across all sectors and we are
00:04:40 --> 00:04:42: a little bit active in France.
00:04:42 --> 00:04:48: In Central Europe we have constructed the highest office
tower
00:04:48 --> 00:04:53: and we have four towers on the construction as well
00:04:53 --> 00:04:54: at the moment.
00:04:54 --> 00:04:57: Thank you very much, you're wrong.
00:04:57 --> 00:05:02: Look, we we gonna kick off shortly with a short
00:05:02 --> 00:05:05: presentation by all of Alderman.
00:05:05 --> 00:05:08: And I should tell you that if you have any
00:05:08 --> 00:05:12: questions or any other speakers or the panel to hold
00:05:12 --> 00:05:13: during this session,
00:05:13 --> 00:05:17: you can, depending if you are accessing via laptop,
00:05:17 --> 00:05:19: I think you will find the Q and a button
00:05:19 --> 00:05:21: at the bottom of your screen.
00:05:21 --> 00:05:24: And if you are looking at this from your phone
00:05:25 --> 00:05:26: or from your iPad,
00:05:26 --> 00:05:29: probably you will find the Q&A.
00:05:29 --> 00:05:33: Top of your screen, if you tap the the screen,

00:05:33 --> 00:05:36: so feel free to file for any questions during this
00:05:36 --> 00:05:40: entire webinar and we will try to answer as many
00:05:40 --> 00:05:43: of the questions towards the ends good.
00:05:43 --> 00:05:46: We also would show you some pause.
00:05:46 --> 00:05:48: Will try to interact with you.
00:05:48 --> 00:05:52: You can sort of share your views throughout and then
00:05:52 --> 00:05:56: we can actually kick off at the 1st pool because
00:05:56 --> 00:06:00: you have had the introduction by all of us so.
00:06:00 --> 00:06:02: Now it's time to understand who you are.
00:06:02 --> 00:06:05: So Oh my gosh if you can pick up the
00:06:05 --> 00:06:07: first pole and if you can.
00:06:07 --> 00:06:10: Look at which sector do you actually work for?
00:06:10 --> 00:06:13: Where do you come from?
00:06:13 --> 00:06:16: And then just click on the one and off we
00:06:16 --> 00:06:16: go.
00:06:26 --> 00:06:31: I'm gonna give you another 5 seconds to vote who
00:06:31 --> 00:06:31: you are,
00:06:31 --> 00:06:35: where you come from.
00:06:35 --> 00:06:36: And then we're going to show the results.
00:06:40 --> 00:06:44: OK, let's have a look at who's out there.
00:06:44 --> 00:06:46: If anybody?
00:06:46 --> 00:06:51: There we go. So there are quite a few developers,
00:06:51 --> 00:06:56: an investment fund. Professional consultants is
consultancies,
00:06:56 --> 00:07:00: an an open actual services.
00:07:00 --> 00:07:01: That might be a good thing.
00:07:01 --> 00:07:03: Thank you very much for that.
00:07:03 --> 00:07:06: Moving moving forward. As I said before,
00:07:06 --> 00:07:09: we will start off with a short presentation,
00:07:09 --> 00:07:12: so if I could ask you roll off to share
00:07:12 --> 00:07:16: your screen and talk through your presentation and then after
00:07:16 --> 00:07:20: that we'll have a discussion between the panelists.
00:07:20 --> 00:07:23: Great, I assume everyone can see my screen.
00:07:23 --> 00:07:25: So what I thought would do today is give you
00:07:26 --> 00:07:29: a quick overview of proptech activity within Europe.
00:07:29 --> 00:07:31: Football is AUS focus fund mainly,
00:07:31 --> 00:07:34: but we do have a number of European players and
00:07:34 --> 00:07:37: we we I think will increase our work overtime in
00:07:37 --> 00:07:37: Europe.
00:07:37 --> 00:07:40: So what I thought I'd give you a quick overview
00:07:40 --> 00:07:44: of the product activity within Europe and then some of
00:07:44 --> 00:07:46: the changes that happen because of covid.

00:07:46 --> 00:07:49: I wouldn't say anything has changed,
00:07:49 --> 00:07:52: just more that. Almost everything has accelerated so.
00:07:52 --> 00:07:55: In terms of practical activity for Europe,
00:07:55 --> 00:07:58: we've seen a real massive increase in terms of the
00:07:58 --> 00:08:02: amount of funding within real estate technology or proptech
from
00:08:02 --> 00:08:04: a basically insignificant amount.
00:08:04 --> 00:08:06: In, you know, 10 or 11 years ago,
00:08:06 --> 00:08:08: to roughly about 2 billion last year,
00:08:08 --> 00:08:11: growing at about 20%, although obviously year to year there
00:08:11 --> 00:08:13: can be different fundings.
00:08:13 --> 00:08:16: We've listed some of the bigger rounds on the right
00:08:16 --> 00:08:16: here,
00:08:16 --> 00:08:19: but you're clearly seeing a lot of momentum in terms
00:08:20 --> 00:08:23: of investors backing companies that are in this space,
00:08:23 --> 00:08:26: and generally that's also because of the prospects by which.
00:08:26 --> 00:08:29: They're looking at those companies,
00:08:29 --> 00:08:32: meaning that there's a lot of activity within the space,
00:08:32 --> 00:08:35: more customers, more real estate players,
00:08:35 --> 00:08:38: developers, owners, operators, signing up for contracts,
00:08:38 --> 00:08:42: being active in space. You will see that the average
00:08:42 --> 00:08:44: deal sizes increased as well,
00:08:44 --> 00:08:46: roughly about three times what it was in 2009.
00:08:46 --> 00:08:50: The one thing that's interesting is that it's still relatively
00:08:50 --> 00:08:53: small compared to the rest of the world in terms
00:08:53 --> 00:08:54: of profit X,
00:08:54 --> 00:08:57: so the deals on average are much smaller.
00:08:57 --> 00:09:00: Then the rest of the world and also the number
00:09:00 --> 00:09:03: of deals are still small compared to the rest of
00:09:03 --> 00:09:03: the world,
00:09:03 --> 00:09:06: so it's something to look for in the future,
00:09:06 --> 00:09:11: as you would expect this to increase as activity increases.
00:09:11 --> 00:09:14: And I think the other thing that's also interesting is
00:09:14 --> 00:09:18: that the penetration within overall venture capital activity is
small
00:09:18 --> 00:09:20: versus you know the global statistics.
00:09:20 --> 00:09:23: So what this is showing is basically that if you
00:09:23 --> 00:09:27: took all venture capital investment in the world roughly about
00:09:27 --> 00:09:27: 12%
00:09:27 --> 00:09:29: of that is proptech in Europe.
00:09:29 --> 00:09:32: If you took all the venture capital activity in Europe,
00:09:32 --> 00:09:34: roughly about 6% is proptech.
00:09:34 --> 00:09:37: And So what that actually shows is that there is

00:09:37 --> 00:09:39: a lot of room for growth in the future and
00:09:40 --> 00:09:42: that Europe can kind of bridge that.
00:09:42 --> 00:09:43: Going forward from what we see,
00:09:43 --> 00:09:46: we see a tremendous amount of growth and opportunity in
00:09:47 --> 00:09:47: the future.
00:09:47 --> 00:09:50: I think Sarah, you know her company is a good
00:09:50 --> 00:09:52: example of that where a lot of US companies a
00:09:52 --> 00:09:55: lot of Asian based companies are looking at Europe at
00:09:55 --> 00:09:59: the future, and I really think that's just more of
00:09:59 --> 00:09:59: a.
00:09:59 --> 00:10:03: A the thing driving that in my opinion is just
00:10:03 --> 00:10:08: the increased institutionalization of Europe that as Europe
institutionalizes more
00:10:08 --> 00:10:10: as more funds get deployed,
00:10:10 --> 00:10:15: it drives efficiency and people will look to technology to
00:10:15 --> 00:10:18: get that efficiency in their assets.
00:10:18 --> 00:10:21: 2020 is off to a great start for Europe.
00:10:21 --> 00:10:23: We've had some really big fundings.
00:10:23 --> 00:10:24: I think we'll have a few more.
00:10:24 --> 00:10:27: This is just catching up to Q1 already into two.
00:10:27 --> 00:10:30: There's been a few. There may be some slowdown in
00:10:30 --> 00:10:30: Q32,
00:10:30 --> 00:10:33: four just given the global economic cycle.
00:10:33 --> 00:10:35: But if you talk to a lot of our companies
00:10:35 --> 00:10:36: in the US,
00:10:36 --> 00:10:38: if you talk to a lot of companies on the
00:10:38 --> 00:10:39: ground in Europe,
00:10:39 --> 00:10:41: they probably been busier than ever.
00:10:41 --> 00:10:44: That doesn't always lead to funding activity,
00:10:44 --> 00:10:45: but it's a good sign for,
00:10:45 --> 00:10:49: you know, the organic growth that a lot of them
00:10:49 --> 00:10:50: are seeing.
00:10:50 --> 00:10:52: The other thing I thought I'd talk about very,
00:10:52 --> 00:10:55: very quickly and we we want to keep it brief.
00:10:55 --> 00:10:58: Here is just some of the trends we're seeing.
00:10:58 --> 00:10:59: We essentially have kind of.
00:10:59 --> 00:11:02: I would say in your three phases of proptech you
00:11:02 --> 00:11:05: know the first was very consumer oriented in the in
00:11:05 --> 00:11:07: the residential space,
00:11:07 --> 00:11:10: right? So you would think of things like listing sites
00:11:10 --> 00:11:12: where you have Internet sites,
00:11:12 --> 00:11:16: listing residential properties and also something text in text

derivative

00:11:16 --> 00:11:17: type products.

00:11:17 --> 00:11:20: You then move over to more of a beta P.

00:11:20 --> 00:11:22: Those can be things like software within office.

00:11:22 --> 00:11:24: It can also be tech enabled.

00:11:24 --> 00:11:28: What's called operating Opco propco operating companies with the property

00:11:28 --> 00:11:29: companies.

00:11:29 --> 00:11:31: Think of things like coworking,

00:11:31 --> 00:11:34: coliving, those kitchens. And also then you start having a

00:11:34 --> 00:11:38: lot of companies that are digitising physical buildings and their

00:11:38 --> 00:11:40: operations and we give a few examples there.

00:11:40 --> 00:11:44: But certainly I think Sarah's company would be one of

00:11:44 --> 00:11:48: those types of companies measurable in terms of digitizing operations

00:11:48 --> 00:11:50: and digitizing physical assets.

00:11:50 --> 00:11:52: And then you'll get on to the next phase and

00:11:52 --> 00:11:54: it this isn't necessarily mutually exclusive.

00:11:54 --> 00:11:57: Alot of the B to B companies or the operations

00:11:57 --> 00:12:00: companies are looking at a lot of this next Gen

00:12:00 --> 00:12:00: technologies.

00:12:00 --> 00:12:03: They might just be kind of facilitating that next Gen

00:12:03 --> 00:12:06: technology in their existing business model,

00:12:06 --> 00:12:09: but you're going to start seeing things like artificial intelligence,

00:12:09 --> 00:12:13: artificial intelligence, augmented reality, virtual reality,

00:12:13 --> 00:12:15: blockchain, and then some advanced robotics.

00:12:15 --> 00:12:18: And so you'll see in proptech what we call 3.0.

00:12:18 --> 00:12:20: Those types of activities start getting.

00:12:20 --> 00:12:23: Finding those types of tools start to roll out what

00:12:23 --> 00:12:25: we're also seeing in Europe is that,

00:12:25 --> 00:12:28: much like the real estate ecosystem is a lot like

00:12:28 --> 00:12:28: the US.

00:12:28 --> 00:12:32: You're also seeing that a lot of the successful concepts

00:12:32 --> 00:12:34: that have worked in the US are starting to migrate

00:12:34 --> 00:12:35: over to Europe.

00:12:35 --> 00:12:38: I don't want to bore you with all of them,

00:12:38 --> 00:12:39: but anything from my buying,

00:12:39 --> 00:12:43: which is basically being able to sell your house online

00:12:43 --> 00:12:44: in 5 minutes to Co.

00:12:44 --> 00:12:46: Living to coworking, real estate,

00:12:46 --> 00:12:49: fintech, technology, energy efficiency, IO T we're seeing a lot

00:12:49 --> 00:12:51: of those migrations happened,
00:12:51 --> 00:12:53: and there's kind of two ways to happen.
00:12:53 --> 00:12:55: Either the US company or you know,
00:12:55 --> 00:12:58: sets up an office in Europe and comes over.
00:12:58 --> 00:13:01: So we have a company called Wired scored which is
00:13:01 --> 00:13:01: you know,
00:13:01 --> 00:13:05: really prominent within Europe that it's US based company or
00:13:05 --> 00:13:08: if the business model is particularly unique or there's a
00:13:08 --> 00:13:11: lot of regulatory components to it will just see a
00:13:11 --> 00:13:13: lot of replication within Europe.
00:13:13 --> 00:13:16: So I buying is a good example where we backed,
00:13:16 --> 00:13:19: you know one of the initial by buyers and the
00:13:19 --> 00:13:22: biggest high bar in the US Open door you're starting
00:13:22 --> 00:13:25: to see open door like companies pop up in different
00:13:25 --> 00:13:28: countries. And the reason for that generally is that buying
00:13:28 --> 00:13:31: and selling a home in the US is radically different
00:13:31 --> 00:13:32: than it is in France,
00:13:32 --> 00:13:35: which is radically different than it is in Germany or
00:13:35 --> 00:13:36: Poland or the UK.
00:13:36 --> 00:13:39: And so it makes sense for a domestic company that's
00:13:39 --> 00:13:42: using that type of business model to pop up in
00:13:42 --> 00:13:44: that particular that particular geography.
00:13:44 --> 00:13:47: And then I just want to give you a few
00:13:47 --> 00:13:47: innovation.
00:13:47 --> 00:13:51: Priorities were seeing with a lot of European players in
00:13:51 --> 00:13:51: residential.
00:13:51 --> 00:13:55: It really runs the gamut from everything from smart homes
00:13:55 --> 00:13:56: to insure tech,
00:13:56 --> 00:13:58: circular Economy, energy CEO to savings,
00:13:58 --> 00:14:02: VMS Systems, Wellness. And then you'll see some very
00:14:02 --> 00:14:02: specific
00:14:02 --> 00:14:06: things.
00:14:06 --> 00:14:10: So obviously lost out now delivery and hubs visualization
00:14:10 --> 00:14:12: automation.
00:14:12 --> 00:14:16: An EV charging plus new models like Flex Warehousing is
00:14:16 --> 00:14:17: something we're seeing Justin Industrial.
00:14:17 --> 00:14:18: But you'll notice that circular economy and energy and see
00:14:18 --> 00:14:20: 02 saving tech.
00:14:20 --> 00:14:24: And for the most part,
00:14:24 --> 00:14:26: VMS systems are really running the gamut,
00:14:26 --> 00:14:28: so these are technologies and innovations that basically all
00:14:28 --> 00:14:30: asset
00:14:30 --> 00:14:32: classes really care about,

00:14:26 --> 00:14:28: and you know, warning on this.

00:14:28 --> 00:14:32: We did exclude Hospitality Tech on this particular slide.

00:14:32 --> 00:14:34: Now some of the post covid checklist.

00:14:34 --> 00:14:38: So again you know when Covid hit there were kind

00:14:38 --> 00:14:41: of an initial phase of business owners and office owners,

00:14:41 --> 00:14:44: residential owners as well as retail owners.

00:14:44 --> 00:14:48: Kind of adjusting to that particular shock to the system.

00:14:48 --> 00:14:52: You then had an assessment of what tech was important

00:14:52 --> 00:14:55: coming out of this and then you're going to have

00:14:55 --> 00:14:58: an assessment long term of what tech is going to

00:14:58 --> 00:15:03: be important long-term based on the changes that Covid brings.

00:15:03 --> 00:15:07: Our assessment is again that nothing really changed with

00:15:07 --> 00:15:11: it's just everything accelerated, so all the moves that you're

00:15:11 --> 00:15:14: seeing happen prior to COVID-19 all you've seen is just

00:15:14 --> 00:15:16: accelerate through this crisis,

00:15:16 --> 00:15:20: and so all these things we're talking about in terms

00:15:20 --> 00:15:21: of commercial owners,

00:15:21 --> 00:15:25: checklist coming out of covid are things that were happening

00:15:25 --> 00:15:25: beforehand.

00:15:25 --> 00:15:29: I highlight a few of these elements because in the

00:15:29 --> 00:15:33: dotted lines are ones where there's kind of existing

00:15:33 --> 00:15:35: technology

00:15:35 --> 00:15:39: solutions that are helping.

00:15:39 --> 00:15:41: So in landlord operations, obviously you're looking at

00:15:41 --> 00:15:43: redundancy on

00:15:43 --> 00:15:46: your on site labor with a lot of software packages

00:15:46 --> 00:15:47: that help with that.

00:15:47 --> 00:15:50: Personal protective equipment. Obviously it's not a tech

00:15:50 --> 00:15:51: component to

00:15:51 --> 00:15:53: that,

00:15:53 --> 00:15:55: but people are thinking about that where there's mass in

00:15:55 --> 00:15:58: the building or gloves.

00:15:58 --> 00:16:01: You also have queuing processes,

00:16:01 --> 00:16:02: so I think we've all been in the office is

00:16:02 --> 00:16:05: now with signs on the floor signs in the elevators,

00:16:05 --> 00:16:08: etc. Surface cleaning. We've seen a lot of advancement in

00:16:08 --> 00:16:11: robotics.

00:16:11 --> 00:16:11: Alot of robotics companies starting to get.

00:16:11 --> 00:16:11: Attacked by office owners in terms of the amount of

00:16:11 --> 00:16:11: cleaning that's needed you have on site vendor

00:16:11 --> 00:16:11: management,

00:16:11 --> 00:16:14: but that's you know pretty much something you were dealing
00:16:14 --> 00:16:17: with before and then also package delivery management.
00:16:17 --> 00:16:20: Again new protocols in order to adhere to the guidelines
00:16:20 --> 00:16:22: that are needed to help keep everyone safe.
00:16:22 --> 00:16:25: You've seen a lot of technology movement within signage
and
00:16:25 --> 00:16:28: then I would also say within what we call tenant
00:16:28 --> 00:16:29: engagement apps,
00:16:29 --> 00:16:32: so there's a lot of technologies that are helping with
00:16:32 --> 00:16:34: people navigate particular office spaces,
00:16:34 --> 00:16:37: communicate with their tenants to let them know that it's
00:16:37 --> 00:16:38: safe to come in.
00:16:38 --> 00:16:42: Or book particular spaces. So you want to be particularly
00:16:42 --> 00:16:42: careful.
00:16:42 --> 00:16:45: How many people going to a particular room and so
00:16:45 --> 00:16:48: you have a booking app that helps you with that?
00:16:48 --> 00:16:50: We've seen improvement beverage design,
00:16:50 --> 00:16:53: obviously. Again, new protocols to make sure that everyone
safe
00:16:54 --> 00:16:55: visitor and and you know,
00:16:55 --> 00:16:58: kind of staff management is something that you know.
00:16:58 --> 00:17:01: There's been a more focused on in terms of tenant
00:17:01 --> 00:17:01: services.
00:17:01 --> 00:17:04: And then we all know about this kind of 6
00:17:04 --> 00:17:04: foot.
00:17:04 --> 00:17:06: You know a 3 meter or two meter or 1
00:17:06 --> 00:17:08: meter depending on where you are.
00:17:08 --> 00:17:11: Guidelines and trying to adhere to that which you know
00:17:11 --> 00:17:13: is a bit of a challenge,
00:17:13 --> 00:17:16: but I think office owners are trying their best.
00:17:16 --> 00:17:19: And then we're seeing some new processing capabilities.
00:17:19 --> 00:17:21: Again, I don't think it's brand new,
00:17:21 --> 00:17:24: but more things that are kind of accelerating because of
00:17:24 --> 00:17:27: what's happened in Covid one is certainly access control.
00:17:27 --> 00:17:30: There's a lot of apps out there and technologies out
00:17:30 --> 00:17:33: there that are helping builders owners with really touchless
control,
00:17:33 --> 00:17:36: right? Being able to get into a building with an
00:17:36 --> 00:17:38: app and not having to touch the door in order
00:17:38 --> 00:17:40: to open open the facility.
00:17:40 --> 00:17:43: Air quality is something that really a lot of building
00:17:43 --> 00:17:44: owners are starting to focus on.
00:17:44 --> 00:17:46: This is an airborne disease.

00:17:46 --> 00:17:49: There's been an increased focus on HVAC systems and filtration

00:17:49 --> 00:17:50: systems.

00:17:50 --> 00:17:53: Make sure that. Buildings aren't spreading it themselves,

00:17:53 --> 00:17:55: and so we've seen more of a focus in that

00:17:55 --> 00:17:56: area.

00:17:56 --> 00:17:58: There's also a lot of you know space and occupancy

00:17:59 --> 00:18:00: management companies out there,

00:18:00 --> 00:18:03: so that is a combination of physical sensors plus an

00:18:03 --> 00:18:04: app.

00:18:04 --> 00:18:07: And So what it's doing is allowing the building to

00:18:07 --> 00:18:09: make sure that people are properly,

00:18:09 --> 00:18:12: socially distancing and then also communicating with tenants.

00:18:12 --> 00:18:15: If there's too many people in the space or it's

00:18:15 --> 00:18:16: overcrowded,

00:18:16 --> 00:18:19: and again, you've seen more of a focus on that

00:18:19 --> 00:18:20: particular area,

00:18:20 --> 00:18:21: and then I think something that.

00:18:21 --> 00:18:25: Is part building, but then also part infrastructure is mobility.

00:18:25 --> 00:18:28: It's an issue that a lot of cities are grappling

00:18:28 --> 00:18:31: with katan move millions of people around the city.

00:18:31 --> 00:18:34: If you can't use public transport in the way you

00:18:34 --> 00:18:35: did before,

00:18:35 --> 00:18:39: we're seeing some estimates of public transport systems only being

00:18:39 --> 00:18:41: able to do one 7th or 1/8 of the of

00:18:41 --> 00:18:42: the amount of people,

00:18:42 --> 00:18:45: and so increasingly cities are looking at bike sharing,

00:18:45 --> 00:18:48: scooter sharing, alternative transport methods,

00:18:48 --> 00:18:50: by which they can move people around,

00:18:50 --> 00:18:52: and that's going to be,

00:18:52 --> 00:18:55: I think, something critical. Going forward so anyway,

00:18:55 --> 00:18:58: that was a little bit about an overview of Europe

00:18:58 --> 00:18:59: in prospect.

00:18:59 --> 00:19:00: What we see out there,

00:19:00 --> 00:19:03: what we're seeing and then some text that's a little

00:19:03 --> 00:19:06: more practical as people deal with,

00:19:06 --> 00:19:08: you know, the new reality or the new normal of

00:19:08 --> 00:19:09: code 19.

00:19:13 --> 00:19:16: Thank you very much. Let it roll off and actually

00:19:16 --> 00:19:19: we we couldn't do it a little bit different than

00:19:19 --> 00:19:22: what we've done in the other webinars.

00:19:22 --> 00:19:25: So we actually have a question that was popped up
00:19:25 --> 00:19:26: during the presentations.
00:19:26 --> 00:19:29: Is quite relevant to take that right now and and
00:19:29 --> 00:19:31: maybe that's you roll off,
00:19:31 --> 00:19:33: which is do you? Do you find that Europe is
00:19:33 --> 00:19:36: is more conservative or more slow compared to the US
00:19:37 --> 00:19:38: and perhaps Asia?
00:19:38 --> 00:19:41: When it comes to protect?
00:19:41 --> 00:19:44: Yeah, no, I don't. I don't think it's more conservative
00:19:44 --> 00:19:45: or more slow.
00:19:45 --> 00:19:46: I really think it's a.
00:19:46 --> 00:19:49: It's just a it's really just an outgrowth of the
00:19:49 --> 00:19:52: lack of institutionalization in Europe and and what I mean
00:19:52 --> 00:19:54: by that is if you know if you looked at
00:19:54 --> 00:19:56: the US market for real estate,
00:19:56 --> 00:19:59: it's the most forward thinking market and the most penetrated
00:19:59 --> 00:20:00: market in proptech.
00:20:00 --> 00:20:03: But it also happens to be the most institutionalized real
00:20:03 --> 00:20:04: estate market.
00:20:04 --> 00:20:05: In fact, if you took,
00:20:05 --> 00:20:08: you know the real estate investment market.
00:20:08 --> 00:20:09: You know in the US,
00:20:09 --> 00:20:12: that is the biggest. Asset class in the world.
00:20:12 --> 00:20:15: There's nothing bigger, and so I think as Asia started
00:20:15 --> 00:20:19: institutionalizing a little bit ahead of Europe and then Europe
00:20:19 --> 00:20:19: started rate,
00:20:19 --> 00:20:22: you know more and more bigger funds would take,
00:20:22 --> 00:20:25: you know, land and property that was owned by families
00:20:26 --> 00:20:27: and institutionalized it.
00:20:27 --> 00:20:30: You started having a lot of the pressures on an
00:20:30 --> 00:20:32: institutional owner operating profits,
00:20:32 --> 00:20:37: you know. Sustainability, operational efficiency and that led
00:20:37 --> 00:20:39: to people
00:20:37 --> 00:20:39: looking for technology solutions,
00:20:39 --> 00:20:42: so I don't think it's necessarily a mindset or that
00:20:43 --> 00:20:45: it's slower or that there's lack of talent.
00:20:45 --> 00:20:48: I think there's tremendous talent.
00:20:48 --> 00:20:51: I think it's just that there wasn't as much institutional
00:20:51 --> 00:20:55: assets and combine that with the fact that the markets
00:20:55 --> 00:20:57: the micro markets are smaller.
00:20:57 --> 00:21:00: I think that that added to some of the pressure,
00:21:00 --> 00:21:03: but in some ways it can be a good thing,

00:21:03 --> 00:21:05: you know. There are mistakes that have been made in
00:21:05 --> 00:21:08: the US in real estate tech that Europe can learn
00:21:08 --> 00:21:11: from their mistakes in Asia that Europe can learn from.
00:21:11 --> 00:21:13: So in some ways, yes,
00:21:13 --> 00:21:15: it's good that before, but in some ways it's great
00:21:15 --> 00:21:17: to kind of learn from others mistakes.
00:21:17 --> 00:21:19: And so I think that that's the benefit,
00:21:19 --> 00:21:21: but I will tell you that I think in certain
00:21:21 --> 00:21:24: areas there is the chance that Europe will surpass the
00:21:24 --> 00:21:25: US in Asia.
00:21:25 --> 00:21:27: I think, particularly in sustainability tech,
00:21:27 --> 00:21:29: in green Tech, and I think part of that is
00:21:29 --> 00:21:32: just that the mandates are much stronger at the government
00:21:32 --> 00:21:33: level.
00:21:33 --> 00:21:36: You have much, much stronger rules and laws at the
00:21:36 --> 00:21:37: government level.
00:21:37 --> 00:21:40: For adherence, 40% of CO2 emissions are buildings,
00:21:40 --> 00:21:43: and so the governments are going straight at land owners
00:21:43 --> 00:21:44: and being very aggressive.
00:21:44 --> 00:21:48: And I think those tech tools will have to advance
00:21:48 --> 00:21:51: faster because there's just a mandate for them.
00:21:51 --> 00:21:54: OK, thank you for that one of the questions I
00:21:54 --> 00:21:58: had to the panel was whether they think the COVID-19
00:21:58 --> 00:22:02: crisis has changed the course of digitalization in the world
00:22:02 --> 00:22:04: of a real estate and enroll.
00:22:04 --> 00:22:05: If you already said, well,
00:22:05 --> 00:22:10: definitely it has accelerated the course of digitalization in the
00:22:10 --> 00:22:11: wall real estate.
00:22:11 --> 00:22:13: Do you guys agree Sarah?
00:22:13 --> 00:22:15: Do you agree with that?
00:22:15 --> 00:22:18: I do, yeah. I felt like Ruloff really took the
00:22:18 --> 00:22:20: words right out of my mouth there.
00:22:20 --> 00:22:23: I think that often you know in crises tend to
00:22:23 --> 00:22:27: accelerate and amplify right pre existing trends and I think
00:22:27 --> 00:22:31: that that's certainly you know what we're seeing right now.
00:22:31 --> 00:22:35: So digitalization within the real estate sector has been
00:22:35 --> 00:22:37: established
00:22:37 --> 00:22:40: for a number of years.
00:22:40 --> 00:22:43: Now that's not new, but I think what we expect
00:22:43 --> 00:22:45: to play out is that there will be more sort
00:22:45 --> 00:22:47: of movement in using technology.
00:22:45 --> 00:22:47: In this space, and so you know,

00:22:47 --> 00:22:51: using it to scale business models to certainly preserve margins,
00:22:51 --> 00:22:53: and increasingly to move into.
00:22:53 --> 00:22:57: I would say data, particularly in new areas like sustainability
00:22:57 --> 00:22:57: ESG,
00:22:57 --> 00:23:01: but also building operations, investment due diligence,
00:23:01 --> 00:23:04: and certainly what we're seeing a lot of right now
00:23:04 --> 00:23:06: is forecasting and risk analysis,
00:23:06 --> 00:23:11: especially around physical climate risk exposure said something we've actually
00:23:11 --> 00:23:14: worked on the last month in partnering with the movies
00:23:14 --> 00:23:14: for 27.
00:23:14 --> 00:23:18: Is that because? Um, definitely something on the scene,
00:23:18 --> 00:23:22: and I think in terms of COVID-19 in particular,
00:23:22 --> 00:23:25: it is absolutely highlighted. The social or S component in
00:23:26 --> 00:23:26: ESG.
00:23:26 --> 00:23:29: And when we think about that in terms of technology
00:23:29 --> 00:23:30: and real estate,
00:23:30 --> 00:23:34: is really about people in groups and how they're interacting.
00:23:34 --> 00:23:39: So whether it's you know landlord and tenant employer employees,
00:23:39 --> 00:23:44: investors LP's and GPS or or solution providers and building
00:23:44 --> 00:23:45: owners?
00:23:45 --> 00:23:47: You know, I think I think that we will see
00:23:47 --> 00:23:49: technology as rule off,
00:23:49 --> 00:23:53: you know, outlined attempting to to further those relations and
00:23:53 --> 00:23:55: and make for smoother engagement,
00:23:55 --> 00:23:58: especially in this environment. OK,
00:23:58 --> 00:24:01: well just stay on the topic of covid and how
00:24:01 --> 00:24:04: that is changing the way we work on the way
00:24:04 --> 00:24:06: we shop and live.
00:24:06 --> 00:24:08: I mean this.
00:24:08 --> 00:24:12: Change and E Commerce and the way people have been
00:24:12 --> 00:24:15: been spending money over the past four months.
00:24:15 --> 00:24:19: I mean that must have been amazing for solando in
00:24:19 --> 00:24:21: the Europe's largest fashion,
00:24:21 --> 00:24:25: retailer or EE Cummings retailer.
00:24:25 --> 00:24:26: Is that is that is,
00:24:26 --> 00:24:30: is my assumption right at that that's accelerated your business
00:24:31 --> 00:24:33: and the technology in cilantro?
00:24:33 --> 00:24:35: Is it up for it or is there sort of

00:24:35 --> 00:24:36: is as good as it is?
00:24:36 --> 00:24:39: Or or do you think that this will this change
00:24:39 --> 00:24:44: in consumer behavior will further put pressure on upgrading
or
00:24:44 --> 00:24:48: changing technology for for somebody like Solando
Raymond?
00:24:48 --> 00:24:51: Yes, I definitely think you know it has been pointed
00:24:51 --> 00:24:51: out.
00:24:51 --> 00:24:55: You know the digitalization is just accelerating all over the
00:24:55 --> 00:24:55: place,
00:24:55 --> 00:24:58: and I think the code has proven that it's really
00:24:58 --> 00:24:59: difficult that you are.
00:24:59 --> 00:25:02: You cannot survive without the digital business model,
00:25:02 --> 00:25:04: and you can actually see everyone,
00:25:04 --> 00:25:06: even the brick and mortar shops.
00:25:06 --> 00:25:10: Everyone who had something you know connected to a
delivery
00:25:10 --> 00:25:10: service,
00:25:10 --> 00:25:14: or you know, could sell something online they actually could
00:25:14 --> 00:25:15: handle the crisis pretty good,
00:25:15 --> 00:25:18: but everyone was who really had to shut the doors
00:25:18 --> 00:25:20: and nothing happened anymore.
00:25:20 --> 00:25:23: I think it was really a problem and they have
00:25:23 --> 00:25:26: not seen they have not been so resulted in resilient
00:25:26 --> 00:25:28: as I would say I have all I have to
00:25:28 --> 00:25:30: be careful with forward looking statements.
00:25:30 --> 00:25:34: We gave already announcement to the stock market saying
that
00:25:34 --> 00:25:37: we have a fix xpectations so it is definitely a
00:25:37 --> 00:25:40: move forwards in Commerce that you see in another call.
00:25:40 --> 00:25:43: Somebody asked me whether it's the boredom factor.
00:25:43 --> 00:25:46: The wife so successful with people are just sitting at
00:25:46 --> 00:25:49: home and buying stuff so I cannot tell you what
00:25:49 --> 00:25:49: it's for.
00:25:49 --> 00:25:52: Is driving them. But we definitely see him.
00:25:52 --> 00:25:56: See an increase. Also because people don't want to go
00:25:56 --> 00:25:57: to the retail shops.
00:25:57 --> 00:26:01: Coming back and of course there's some adjustment right
now.
00:26:01 --> 00:26:04: Balancing again, but you know you will not lose the
00:26:04 --> 00:26:07: additional customers you you got on the website.
00:26:07 --> 00:26:11: It's probably one of the most successful parts during this
00:26:11 --> 00:26:12: crisis,

00:26:12 --> 00:26:14: so it's it's good to work for a company that
00:26:14 --> 00:26:17: has always been in the digital sector,
00:26:17 --> 00:26:20: and I guess that's really important part in it for
00:26:20 --> 00:26:22: a long time for everyone.
00:26:22 --> 00:26:24: Digitalization was a little bit there.
00:26:24 --> 00:26:26: We actually change our model,
00:26:26 --> 00:26:29: become more digital. For some it was even.
00:26:29 --> 00:26:31: Great if you could do something on Excel that was
00:26:31 --> 00:26:35: already digital and now people realize in a digital is
00:26:35 --> 00:26:38: much more as a business model you really have to
00:26:38 --> 00:26:40: make it. It's not enough to have a director of
00:26:40 --> 00:26:44: EPA really need someone in for taking care of digitalization
00:26:44 --> 00:26:47: as the same in real estate applies for E Commerce
00:26:47 --> 00:26:49: and also for brick and mortar.
00:26:49 --> 00:26:52: There was one question I answered written saying you know
00:26:52 --> 00:26:56: whether technology will help for retail sectors and drinking
00:26:56 --> 00:26:57: water
00:26:57 --> 00:26:59: sector.
00:26:59 --> 00:27:03: I could imagine, you know with pop-up stores and.
00:27:03 --> 00:27:07: Making renting easier. This could help and also you know
00:27:07 --> 00:27:11: having a different environment and much more screen driven
00:27:11 --> 00:27:15: interior
00:27:15 --> 00:27:19: design where you can easily switch so you can change
00:27:19 --> 00:27:22: the colors. You can change the trademarks and everything in
00:27:22 --> 00:27:25: the retail area and it makes it much more flexible
00:27:25 --> 00:27:29: and not so expensive to change so overall.
00:27:29 --> 00:27:32: Yes, it's good and be also connecting.
00:27:32 --> 00:27:36: That's also important. We also connecting brick and mortar.
00:27:36 --> 00:27:40: If it was, I think survival effective for many enterprises
00:27:40 --> 00:27:43: that we have connected retail and making inventory from
00:27:43 --> 00:27:46: shops
00:27:46 --> 00:27:46: available on our website so they could send it to
00:27:46 --> 00:27:49: the customer and cooked set apart of their inventory.
00:27:49 --> 00:27:51: So for us we can say what say it's a
00:27:51 --> 00:27:54: good.
00:27:54 --> 00:27:59: He says with a smile on his face,
00:27:59 --> 00:28:03: then clearly digitalization and then,
00:28:03 --> 00:28:06: bizarrely, COVID-19 has boosted the business model of
00:28:06 --> 00:28:10: solando.
00:28:10 --> 00:28:14: But I'm sure that there must have been other chances
00:28:14 --> 00:28:17: at technology technology challenges,
00:28:17 --> 00:28:20: for for building owners and developers.
00:28:20 --> 00:28:24: Jerome, what, what? What challenges do you see in terms

00:28:14 --> 00:28:19: of new technology and and creating office buildings and?
00:28:19 --> 00:28:21: And how has that been a challenge?
00:28:21 --> 00:28:25: Going through a lock down in Poland where you still
00:28:25 --> 00:28:28: had to create workspace for for new tenants and they
00:28:28 --> 00:28:31: not being able to to move into that.
00:28:31 --> 00:28:33: So what what? What has been sort of?
00:28:33 --> 00:28:38: What was the biggest technology change chances you have
seen
00:28:38 --> 00:28:42: and you see for for your business and also for
00:28:42 --> 00:28:44: for for for other landlords.
00:28:44 --> 00:28:46: Sorry no.
00:28:46 --> 00:28:49: Process of digitalization is already ongoing.
00:28:49 --> 00:28:51: Of course, for quite some time,
00:28:51 --> 00:28:55: but OK. What is already set before I think.
00:28:55 --> 00:28:59: Many people went through a huge education process in the
00:28:59 --> 00:29:01: last couple of months.
00:29:01 --> 00:29:05: Even having you know the discussion which we have today.
00:29:05 --> 00:29:08: A lot of the decision makers were not aware about
00:29:08 --> 00:29:10: the digitalization too much.
00:29:10 --> 00:29:14: I think it was more requested from the younger employees
00:29:14 --> 00:29:17: in the company and it was an employee market.
00:29:17 --> 00:29:21: So you know the I would say the managers were
00:29:21 --> 00:29:25: like a bit pushed to fulfill certain requirements from the
00:29:25 --> 00:29:26: younger generation.
00:29:26 --> 00:29:28: But now all these managers,
00:29:28 --> 00:29:32: they went through the learning process themselves in the last
00:29:32 --> 00:29:36: couple of months and now they see suddenly the urgency
00:29:36 --> 00:29:38: of digitalization of their own organization,
00:29:38 --> 00:29:41: but also of the building where they are the way
00:29:41 --> 00:29:45: the people in their organization need to communicate the
way
00:29:45 --> 00:29:48: they can communicate with the building itself.
00:29:48 --> 00:29:51: So what we see is that in the past there
00:29:51 --> 00:29:54: was not so much interest from board members and decision
00:29:54 --> 00:29:57: makers to discuss applications for the buildings.
00:29:57 --> 00:30:00: And also their investment in that.
00:30:00 --> 00:30:04: And now we have every week presentations to our clients
00:30:04 --> 00:30:06: because they're asking for this now,
00:30:06 --> 00:30:10: and I think that's when we were building.
00:30:10 --> 00:30:14: The Water Spider project we wanted to integrate everything,
00:30:14 --> 00:30:18: but the problem was that we didn't sign the agreements
00:30:18 --> 00:30:22: with our safe providers of hardware that all the systems
00:30:22 --> 00:30:22: are open,

00:30:22 --> 00:30:26: but in the in the in the buildings which are
00:30:26 --> 00:30:29: constructing now everywhere is open ended systems.
00:30:29 --> 00:30:32: What we saw about this happening to cover it and
00:30:32 --> 00:30:35: something which we of course nobody was expecting,
00:30:35 --> 00:30:37: is now there is like a different dimension,
00:30:37 --> 00:30:41: which is we are always analyzing of course and we
00:30:41 --> 00:30:44: are having all the filters to have like Swiss Alps.
00:30:44 --> 00:30:47: Air quality within the building,
00:30:47 --> 00:30:50: but this was not taking into Agar into account.
00:30:50 --> 00:30:54: The viruses so at the beginning of the covered situation
00:30:54 --> 00:30:56: and or are already in February,
00:30:56 --> 00:31:00: we gave the instruction to.
00:31:00 --> 00:31:03: A team from from University and they made a whole
00:31:03 --> 00:31:04: big report.
00:31:04 --> 00:31:07: What we need to do to make save the buildings
00:31:07 --> 00:31:10: say pandemic proof so that everything in the end is
00:31:10 --> 00:31:13: up to the users how they are using the buildings,
00:31:13 --> 00:31:16: but that we as a building owner can give a
00:31:16 --> 00:31:19: you know a safe location to go to so so
00:31:19 --> 00:31:22: part of it is of course implementing that you know
00:31:22 --> 00:31:24: hardware solutions in the buildings.
00:31:24 --> 00:31:27: What we are doing and part of it is that
00:31:27 --> 00:31:31: we have now integrated this in the application as well.
00:31:31 --> 00:31:36: So it's up to tenants how they for example.
00:31:36 --> 00:31:38: How far they want to go?
00:31:38 --> 00:31:42: Yes we can. We can measure every single person coming
00:31:42 --> 00:31:45: to the building that you have to put your access
00:31:45 --> 00:31:47: card to that ammeter.
00:31:47 --> 00:31:51: Somebody can you know, be measured and when he is
00:31:51 --> 00:31:54: having the OK temperature he can enter the building.
00:31:54 --> 00:31:58: Otherwise not yes. So and HR Department can see in
00:31:58 --> 00:32:01: case somebody will say rejected for example.
00:32:01 --> 00:32:05: So also you know the when somebody is say moving
00:32:05 --> 00:32:08: inside of the building and turns out to.
00:32:08 --> 00:32:11: Turns out to have covered you can see with who
00:32:11 --> 00:32:15: this person was in contact in the last days because
00:32:15 --> 00:32:17: of the tracking system in the building.
00:32:17 --> 00:32:21: So you know, yes, certainly certain things went,
00:32:21 --> 00:32:23: you know, in a different direction.
00:32:23 --> 00:32:25: I think you know this is,
00:32:25 --> 00:32:28: you know something which is natural and this is an
00:32:28 --> 00:32:29: opportunity.

00:32:29 --> 00:32:32: Of course for many companies to start offering this type
00:32:32 --> 00:32:35: of services to the buildings and I think in a
00:32:35 --> 00:32:38: couple of years from now when you saw in the
00:32:38 --> 00:32:42: past. You're so Graham and leaves coming into the market
00:32:42 --> 00:32:44: and in a very short time.
00:32:44 --> 00:32:46: Every building now is, say,
00:32:46 --> 00:32:50: certified. Pretty soon you know you will have all the
00:32:50 --> 00:32:54: buildings certified for you know the whole digitalization in the
00:32:54 --> 00:32:55: building.
00:32:55 --> 00:32:58: So this and linked to two energy whatsoever.
00:32:58 --> 00:33:02: So this is coming very very fast now.
00:33:02 --> 00:33:06: That's absolutely amazing here. That is not only that it's
00:33:06 --> 00:33:07: coming fast,
00:33:07 --> 00:33:11: but also something like COVID-19 and has helped
accelerating that
00:33:11 --> 00:33:15: and also changed peoples their minds and decision makers.
00:33:15 --> 00:33:18: Their mind and look going to come back to the
00:33:18 --> 00:33:23: PMS integration and optimization and tracking and
measurements with use
00:33:23 --> 00:33:23: Arabs.
00:33:23 --> 00:33:25: But before we do that,
00:33:25 --> 00:33:29: if we can just pull up the next Pall Mall
00:33:29 --> 00:33:30: Gosha.
00:33:30 --> 00:33:33: Which is if you. If you think the technology in
00:33:33 --> 00:33:38: the building where you work today or where you normally
00:33:38 --> 00:33:39: work is sufficient,
00:33:39 --> 00:33:43: or if it's outdated, does he need upgrading?
00:33:50 --> 00:33:50: Yep.
00:33:54 --> 00:33:56: OK, let's see the results.
00:34:07 --> 00:34:09: Sort of a fair per splitter.
00:34:09 --> 00:34:12: Luckily, nobody is.
00:34:12 --> 00:34:15: Nobody, everybody cares about it,
00:34:15 --> 00:34:18: so basically.
00:34:18 --> 00:34:21: I would I would read into this that.
00:34:21 --> 00:34:23: That's a little bit more than 50%.
00:34:23 --> 00:34:27: Believe that the building technology where they work today is
00:34:27 --> 00:34:30: the sufficient and then and almost 50%
00:34:30 --> 00:34:33: believes that it needs upgrading or it's it's outdated.
00:34:33 --> 00:34:38: That's that's very interesting, and it actually certain from my.
00:34:38 --> 00:34:42: Personal experience of working in real estate and then
particularly
00:34:42 --> 00:34:45: with office buildings in Poland and the properties of a
00:34:45 --> 00:34:49: fair assessment of how picture looks in polar think probably

00:34:49 --> 00:34:50: in a year from now.

00:34:50 --> 00:34:53: If you will ask the same question that may look

00:34:53 --> 00:34:54: that may look very,

00:34:54 --> 00:34:56: very different.

00:34:56 --> 00:34:59: Sarah, how how? How does your organization look at at

00:34:59 --> 00:35:01: at Bemis integration?

00:35:01 --> 00:35:06: Also, the tracking and measurement of environmental impact and perhaps

00:35:06 --> 00:35:07: also now with.

00:35:07 --> 00:35:12: How the world is looked like is looking after COVID-19.

00:35:12 --> 00:35:15: Yeah, we're building management systems.

00:35:15 --> 00:35:18: Or VMS are certainly well suited to optimize the energy

00:35:18 --> 00:35:22: performance of the building and your room can probably speak

00:35:22 --> 00:35:25: much more eloquently to that than than I can given

00:35:25 --> 00:35:28: his hands on experience. But having the system that can

00:35:29 --> 00:35:33: communicate you know with with smart meters and sensors directly

00:35:33 --> 00:35:35: at the point of of energy consumption,

00:35:35 --> 00:35:38: is something that allows a building manager,

00:35:38 --> 00:35:41: as he mentioned to have control over those systems,

00:35:41 --> 00:35:44: and to, you know, turn systems on or off,

00:35:44 --> 00:35:46: or optimize them based on occupancy.

00:35:46 --> 00:35:50: Usage demand, whether it's heating and cooling systems,

00:35:50 --> 00:35:54: lighting, etc. So you know we we certainly think that

00:35:54 --> 00:35:58: building management systems have their place in our important.

00:35:58 --> 00:36:03: That said, it's not what measurable focuses on or provides.

00:36:03 --> 00:36:08: What we provide is a data management system.

00:36:08 --> 00:36:11: Which really allows for multiple integrations,

00:36:11 --> 00:36:14: pulling, and relevant ESG data,

00:36:14 --> 00:36:19: and many different ways, including meter level data directly from

00:36:19 --> 00:36:21: utility providers for energy,

00:36:21 --> 00:36:25: water, etc. And calculating carbon emissions off of those,

00:36:25 --> 00:36:29: but also directly integrating with LEED and BREEAM,

00:36:29 --> 00:36:35: which you also mentioned. Green building certification schemes ratings like

00:36:35 --> 00:36:37: Energy Star in the US.

00:36:37 --> 00:36:39: Now physical climate risk data.

00:36:39 --> 00:36:42: Through our partnership with Moody's for 27,

00:36:42 --> 00:36:47: and we also had direct integrations with reporting frameworks or

00:36:47 --> 00:36:49: schemes like Greizmann CDP,
00:36:49 --> 00:36:53: so the data management system is really about.
00:36:53 --> 00:36:55: Kind of looking one level above,
00:36:55 --> 00:36:58: so rather than just looking at the optimization of a
00:36:58 --> 00:36:59: building,
00:36:59 --> 00:37:02: which is what a building management system does,
00:37:02 --> 00:37:04: we're looking at how to optimize.
00:37:04 --> 00:37:08: Let's say a real estate portfolio and an investment vehicle.
00:37:08 --> 00:37:13: By collecting all of that data and providing for analytics
00:37:13 --> 00:37:15: and reporting to investors.
00:37:15 --> 00:37:20: One thing that that will last mentioned in his presentation
00:37:20 --> 00:37:22: is the driver of regulation,
00:37:22 --> 00:37:26: especially in the EU with the Sustainable Finance action plan
00:37:26 --> 00:37:28: and the Green New Deal,
00:37:28 --> 00:37:32: and I think this is really informing the importance of
00:37:32 --> 00:37:37: how imperative it is really to be tracking and verifying
00:37:37 --> 00:37:41: the in viral environmental impacts that buildings do indeed
have
00:37:41 --> 00:37:45: an I think compliance is only one reason for that,
00:37:45 --> 00:37:48: so I mean. Compliance aside,
00:37:48 --> 00:37:52: there are a number of reasons why that's increasingly
important.
00:37:52 --> 00:37:55: One is something we've all known for a long time,
00:37:55 --> 00:37:58: right? Which is that it impacts the bottom line in
00:37:58 --> 00:37:59: real estate,
00:37:59 --> 00:38:02: so lower utility expenses means higher net cash flow.
00:38:02 --> 00:38:06: Higher values. That's a pretty well worn argument,
00:38:06 --> 00:38:08: but increasingly, you know, and I think,
00:38:08 --> 00:38:12: especially with covid, what we see is increased consumer
and
00:38:12 --> 00:38:16: tenant demand for efficient green and healthy buildings,
00:38:16 --> 00:38:19: and academic research also shows that.
00:38:19 --> 00:38:24: You know these types of buildings generally show higher
occupancy
00:38:24 --> 00:38:24: rates,
00:38:24 --> 00:38:30: higher rental rates, and are actually less likely to credit
00:38:30 --> 00:38:31: default.
00:38:31 --> 00:38:33: You know the third thing I would say,
00:38:33 --> 00:38:35: and that kind of segues into.
00:38:35 --> 00:38:39: Being able to track and manage environmental impacts at the
00:38:39 --> 00:38:43: at the building or asset level is also now informing
00:38:43 --> 00:38:47: access to capital and cost of capital and linking those
00:38:47 --> 00:38:50: with ESG performance, energy, carbon performance.

00:38:50 --> 00:38:54: And there seems to be just an ever increasing demand
00:38:54 --> 00:38:56: for these types of investments.
00:38:56 --> 00:39:01: From from investors where it's really reached a tipping point
00:39:01 --> 00:39:05: and the sustainable debt market reached 465 billion dollars
last
00:39:05 --> 00:39:06: year and.
00:39:06 --> 00:39:09: 30% of that was allocated to buildings.
00:39:09 --> 00:39:12: Um, so I think there's some interesting links there,
00:39:12 --> 00:39:16: and I certainly think there's absolutely room for integration of
00:39:16 --> 00:39:20: a data management system with building management
systems.
00:39:20 --> 00:39:24: Just wanted to distinguish between the two and the space
00:39:24 --> 00:39:25: that measurable works in.
00:39:25 --> 00:39:28: Rolla just on that point.
00:39:28 --> 00:39:33: Do you think technology can help changing slowing climate
change?
00:39:33 --> 00:39:37: We talk about in relation to real estate and real
00:39:37 --> 00:39:38: estate.
00:39:38 --> 00:39:41: This yeah you know it is big and in our
00:39:41 --> 00:39:42: world,
00:39:42 --> 00:39:45: but it's it's. Is it enough?
00:39:45 --> 00:39:50: Is this technology helping to change the climate in a
00:39:50 --> 00:39:52: positive positive direction?
00:39:52 --> 00:39:55: Especially now after COVID-19 or you think,
00:39:55 --> 00:39:58: perhaps not.
00:39:58 --> 00:39:59: No, I mean, I again,
00:39:59 --> 00:40:02: I think you know the stats are that 40%
00:40:02 --> 00:40:03: of CO2. Are buildings now?
00:40:03 --> 00:40:05: Building has a long life,
00:40:05 --> 00:40:08: right? There's the building of the building.
00:40:08 --> 00:40:10: Those embedded carbon in the materials.
00:40:10 --> 00:40:13: There's so you know. But if you look at that,
00:40:13 --> 00:40:17: it's hard to solve something when you don't take care
00:40:17 --> 00:40:17: of 40%
00:40:17 --> 00:40:20: of the problem, right? So I think you have to
00:40:20 --> 00:40:23: deal with real estate and and part of it is
00:40:23 --> 00:40:25: going to be a tech solution,
00:40:25 --> 00:40:28: right? So part of it is just tracking so.
00:40:28 --> 00:40:30: We hear a lot of fun terms like this building
00:40:30 --> 00:40:30: is,
00:40:30 --> 00:40:33: you know, carbon neutral and no one really knows what
00:40:33 --> 00:40:34: that means,
00:40:34 --> 00:40:36: right? I mean, if you know there's a tracking system

00:40:37 --> 00:40:40: by which technology is getting better at looking at embedded
00:40:40 --> 00:40:42: carbon and looking at the full scale of something.
00:40:42 --> 00:40:44: So when a steel beam arrives on site,
00:40:44 --> 00:40:47: there's a certain amount of carbon that has gone into
00:40:47 --> 00:40:50: the making of that beam as well as the transport
00:40:50 --> 00:40:51: of that beam.
00:40:51 --> 00:40:53: And so people are getting at the tracking system.
00:40:53 --> 00:40:56: And then there are systems and IoT systems that are
00:40:56 --> 00:40:59: getting better of the use of the building.
00:40:59 --> 00:41:00: And so yeah, I mean.
00:41:00 --> 00:41:01: And then there's materials, right?
00:41:01 --> 00:41:04: So there's. There's just no way we're going to hit
00:41:04 --> 00:41:09: these goals without significant significant research and
development put into
00:41:09 --> 00:41:12: building materials and put into the use of buildings on
00:41:12 --> 00:41:16: HVAC systems. Better cement mean cement is incredibly
carbon intensive,
00:41:16 --> 00:41:19: so you know, cement wood building is something that Europe
00:41:19 --> 00:41:20: is really taken on,
00:41:20 --> 00:41:23: which is great. You know you're getting kind of wood
00:41:23 --> 00:41:24: skyscrapers,
00:41:24 --> 00:41:27: which I think 20 years ago people thought would have
00:41:27 --> 00:41:28: thought you were crazy,
00:41:28 --> 00:41:31: but you're actually seeing those in development now,
00:41:31 --> 00:41:35: but I think there's just no way unless the sector
00:41:35 --> 00:41:38: puts a significant amount of R&D into the space.
00:41:38 --> 00:41:40: That you're going to deal with this,
00:41:40 --> 00:41:43: and I think Europe's advantage is that it already has
00:41:43 --> 00:41:44: a lot of buildings,
00:41:44 --> 00:41:47: so you can. You know it's much much more environmentally
00:41:47 --> 00:41:50: sensitive to retrofit a building than it is to build
00:41:50 --> 00:41:51: a new one right now,
00:41:51 --> 00:41:54: and so because of that there is a lot of
00:41:54 --> 00:41:55: advantage to that.
00:41:55 --> 00:41:57: But I do think it's going to be key.
00:41:57 --> 00:41:59: I think the thing that's the shock to the system
00:42:00 --> 00:42:00: right now,
00:42:00 --> 00:42:03: quite frankly, is just. Do we need as many offices
00:42:03 --> 00:42:06: and do we need as many buildings an I think
00:42:06 --> 00:42:10: that the work from Home thing although that is accelerating
00:42:10 --> 00:42:14: alot of changes. That was something I don't think anyone
00:42:14 --> 00:42:17: in the office sector or even thought of and so

00:42:17 --> 00:42:18: I think that.
00:42:18 --> 00:42:20: And really, to me I think it's less in the
00:42:20 --> 00:42:21: worker.
00:42:21 --> 00:42:23: I think if you ask the worker and you see
00:42:23 --> 00:42:24: the surveys,
00:42:24 --> 00:42:26: a lot of them want to be in the office.
00:42:26 --> 00:42:29: I think it's really the company I think companies are
00:42:29 --> 00:42:32: realizing they can save a lot of money on real
00:42:32 --> 00:42:35: estate and potentially get a national workforce,
00:42:35 --> 00:42:39: but because it's distributed and therefore have cheaper labor
rates
00:42:39 --> 00:42:41: as well as more productive employees.
00:42:41 --> 00:42:43: And so I think that that's the thing that is
00:42:43 --> 00:42:46: something that may help the climate change in a very
00:42:46 --> 00:42:47: inadvertent way,
00:42:47 --> 00:42:50: right? So maybe? Maybe it's that it's not that the
00:42:50 --> 00:42:52: technology gets better in terms of lower,
00:42:52 --> 00:42:54: lower emissions based on building.
00:42:54 --> 00:42:57: It's maybe just that we don't need as many buildings,
00:42:57 --> 00:43:00: and so I think that that's a debate that we
00:43:00 --> 00:43:01: really need to have.
00:43:01 --> 00:43:03: I do think that the data is a little sparse
00:43:03 --> 00:43:04: right now.
00:43:04 --> 00:43:06: It's very tough to tell one way or the other,
00:43:06 --> 00:43:09: and I think anyone making bold predictions,
00:43:09 --> 00:43:11: you know. I think it's a guess,
00:43:11 --> 00:43:13: but I do think it's something to watch out for
00:43:13 --> 00:43:16: because if we use existing space in the home as
00:43:16 --> 00:43:16: an office,
00:43:16 --> 00:43:19: it therefore lessens the need for the office,
00:43:19 --> 00:43:22: right? And that's an important part of it.
00:43:22 --> 00:43:25: Real estate is such a wonderful industry.
00:43:25 --> 00:43:28: Because on one hand you made it date that there
00:43:28 --> 00:43:31: will be less and need for for office real estate
00:43:31 --> 00:43:32: in the future,
00:43:32 --> 00:43:34: perhaps even also for retail.
00:43:34 --> 00:43:37: And then certainly the past four months have shown that
00:43:37 --> 00:43:40: you know we've been able to to shop and live
00:43:40 --> 00:43:43: and work in a different way than than what we
00:43:43 --> 00:43:45: used to, and that's great.
00:43:45 --> 00:43:48: I mean, I've been ordering more stuff online and what
00:43:48 --> 00:43:51: I've ever done before and I thought that's great,

00:43:51 --> 00:43:55: but. How does how does that lead into the climb?
00:43:55 --> 00:43:58: This world I meant? You know it's great for me
00:43:59 --> 00:44:02: to sit in Warsaw and and and and order something
00:44:02 --> 00:44:05: online and that it might not be great for four
00:44:05 --> 00:44:08: person living in a village next to a huge distribution
00:44:08 --> 00:44:08: center.
00:44:08 --> 00:44:10: So how? How do you?
00:44:10 --> 00:44:12: How does your organization deal with climate,
00:44:12 --> 00:44:16: climate change and the environment knowing that it's a lot
00:44:16 --> 00:44:19: of trucks going in and out of those fulfillment centers?
00:44:21 --> 00:44:23: First of all, is really on top of our agenda.
00:44:23 --> 00:44:26: I think we were one of the first moment just
00:44:26 --> 00:44:29: making nice words who really committed to the science
00:44:29 --> 00:44:29: based
00:44:29 --> 00:44:29: targets,
00:44:29 --> 00:44:33: but when it's really challenging reading to the D2 degree:
00:44:33 --> 00:44:34: that means it's not offsetting.
00:44:34 --> 00:44:38: It's really making the buildings and supply chain cream.
00:44:38 --> 00:44:41: And that's all I could link to the technology.
00:44:41 --> 00:44:43: I think where we can help 'cause how you monitor
00:44:43 --> 00:44:44: it.
00:44:44 --> 00:44:45: So we have to challenge.
00:44:45 --> 00:44:48: We have signed it now and between everything in the
00:44:48 --> 00:44:49: company to do it.
00:44:49 --> 00:44:51: But we have to track it and that's it.
00:44:51 --> 00:44:54: It's really a challenge and we need sensors and we
00:44:54 --> 00:44:56: need a lot of things.
00:44:56 --> 00:44:59: That's the technology, technology, parts to improve it and
00:45:00 --> 00:45:02: monitor
00:45:00 --> 00:45:02: it on the other side for me is always important
00:45:02 --> 00:45:04: because this questions comes.
00:45:04 --> 00:45:08: Question comes often with E Commerce and the point.
00:45:08 --> 00:45:10: Is you know that it's not provement.
00:45:10 --> 00:45:14: I'm not saying this because I'm a Commerce guys and
00:45:14 --> 00:45:15: since 25 years almost.
00:45:15 --> 00:45:18: I'm saying this becausw it is not proven since you
00:45:18 --> 00:45:20: know you have tracks,
00:45:20 --> 00:45:22: the tracks have to go to the shops as well
00:45:22 --> 00:45:26: because surprisingly people always forget that all the men
00:45:26 --> 00:45:29: Tori
00:45:26 --> 00:45:29: has to get to the washer shop for example.
00:45:29 --> 00:45:32: So they have to send it from the distribution center
00:45:32 --> 00:45:33: to the shop in in the shop.

00:45:33 --> 00:45:37: They don't even know whether you know this is false.
00:45:37 --> 00:45:40: It's called actually a push supply chain because you have
00:45:40 --> 00:45:42: a sales and operation plan and you say,
00:45:42 --> 00:45:46: OK, I assume we sell 100 of the Adidas sneakers
00:45:46 --> 00:45:47: in these sizes.
00:45:47 --> 00:45:49: But you don't know, so it might happen that 50.
00:45:49 --> 00:45:53: Go back to the factory or the distribution center have
00:45:53 --> 00:45:54: to be sent to different ones.
00:45:54 --> 00:45:57: So so far, even if some retail guys tried to
00:45:57 --> 00:45:59: brick and mortar retail guys,
00:45:59 --> 00:46:01: so there is no proof that one or the other
00:46:01 --> 00:46:05: is more environment friendly or home stay environment
more.
00:46:05 --> 00:46:08: And of course our distribution centers we try to make
00:46:08 --> 00:46:11: them nice and there also with solar panels and everything.
00:46:11 --> 00:46:14: I guess of course nobody wants to directly beside it,
00:46:14 --> 00:46:17: but it's even better than some factories.
00:46:17 --> 00:46:17: Pause.
00:46:19 --> 00:46:22: So I think we do a lot for it and
00:46:22 --> 00:46:24: it's really important.
00:46:24 --> 00:46:25: All of our agenda email.
00:46:25 --> 00:46:28: See yours and really behind it and I guess we
00:46:28 --> 00:46:31: will make a lot of progress in just one comment
00:46:31 --> 00:46:34: on the fusions and was in this situation having a
00:46:34 --> 00:46:37: lot of offices here in Berlin and behave exactly the
00:46:37 --> 00:46:39: discussion was about officers.
00:46:39 --> 00:46:41: And other than Roloff said,
00:46:41 --> 00:46:44: I think they said behavior high demand from our people
00:46:44 --> 00:46:47: and not from the company that people actually say we
00:46:47 --> 00:46:50: want to have remote working because we would like,
00:46:50 --> 00:46:52: like Sarah, she's trending in the US.
00:46:52 --> 00:46:55: But we have also people who take should move during
00:46:55 --> 00:46:58: the crisis saying I want to go home to the
00:46:58 --> 00:47:00: US because I don't know when I can go back
00:47:00 --> 00:47:02: home and now they just somehow enjoy it.
00:47:02 --> 00:47:05: We have people going to India to many other countries
00:47:05 --> 00:47:08: and working from from real home and we figure out
00:47:08 --> 00:47:10: actions in a lot of areas.
00:47:10 --> 00:47:13: Works perfectly, so I think it will have a big
00:47:13 --> 00:47:14: impact that you know send.
00:47:14 --> 00:47:17: It will have the impact that we get for it's
00:47:17 --> 00:47:19: completely or officers,

00:47:19 --> 00:47:20: but it will have an impact.
00:47:20 --> 00:47:23: So my guess is that roughly minimum 20%
00:47:23 --> 00:47:25: of the capacity, 20 to 30%
00:47:25 --> 00:47:27: of the office capacity will.
00:47:27 --> 00:47:31: Vanished somehow, you know, because we're changing to
remote working,
00:47:31 --> 00:47:34: but on the other side coming to the buildings.
00:47:34 --> 00:47:37: There's also this discussion that maybe this kind of Co
00:47:37 --> 00:47:40: living will have a another renaissance in because on the
00:47:40 --> 00:47:40: other side,
00:47:40 --> 00:47:43: people living in a small apartment they have difficulties to
00:47:43 --> 00:47:44: work from home,
00:47:44 --> 00:47:47: so either you provide them the place and that's also
00:47:47 --> 00:47:48: something we want to do.
00:47:48 --> 00:47:51: We still want to provide for everyone who wants to
00:47:51 --> 00:47:54: work from home and help from the office should be
00:47:54 --> 00:47:55: capable to work in the office,
00:47:55 --> 00:47:58: but there will be other different.
00:47:58 --> 00:48:01: Workplace, because these guys want to have the same it
00:48:01 --> 00:48:02: is at home.
00:48:02 --> 00:48:05: It's more back to the single office almost or silent
00:48:05 --> 00:48:09: working spaces and then we have huge collaboration areas.
00:48:09 --> 00:48:12: When people come back because then it's about
communicating team
00:48:12 --> 00:48:15: building and all this kind of stuff so I could
00:48:15 --> 00:48:18: talk for hours is really a complicated stuff.
00:48:18 --> 00:48:23: I'm gonna stop. I'm gonna stop you right there because.
00:48:23 --> 00:48:26: One thing just one thing you said,
00:48:26 --> 00:48:28: like the that perhaps 20%
00:48:28 --> 00:48:32: will work less in in the officers and immediately looked
00:48:32 --> 00:48:34: at the Jerome here.
00:48:34 --> 00:48:36: Who is head of the Golan Cohen,
00:48:36 --> 00:48:41: central Eastern Europe and Kotanko is known for for
00:48:41 --> 00:48:46: creating world class workspaces and has some of really
taking
00:48:46 --> 00:48:50: an active part in changing the landscape that their skyline
00:48:50 --> 00:48:53: of Warsaw. How do you look at that?
00:48:53 --> 00:48:55: Your owner? That that is,
00:48:55 --> 00:48:57: will that change your business model?
00:48:57 --> 00:49:02: Will you will? That doesn't mean that Kelambu may.
00:49:02 --> 00:49:06: Built smaller schemes in the future but packed with more
00:49:06 --> 00:49:06: technology.
00:49:06 --> 00:49:10: So basically the cost of construction might be the same

00:49:10 --> 00:49:14: for a smaller building than a bigger building going forward.

00:49:14 --> 00:49:17: How do you see that potential threat to to your

00:49:17 --> 00:49:18: business model?

00:49:20 --> 00:49:22: First of all, the trend,

00:49:22 --> 00:49:26: which is often called which is ongoing already for I

00:49:26 --> 00:49:27: would say.

00:49:27 --> 00:49:28: Last five to seven years.

00:49:28 --> 00:49:31: Is that a lot of companies in the past,

00:49:31 --> 00:49:33: it was all about cost savings.

00:49:33 --> 00:49:36: Before that time, looking cost savings.

00:49:36 --> 00:49:39: Looking at, you know, occupancy costs,

00:49:39 --> 00:49:42: so you had all these business parks which were far,

00:49:42 --> 00:49:45: far out of town and everything like that.

00:49:45 --> 00:49:47: And then you saw the trends.

00:49:47 --> 00:49:51: That's in order. The companies made a decision that they

00:49:51 --> 00:49:52: actually.

00:49:52 --> 00:49:55: I willing to increase the office cars,

00:49:55 --> 00:49:58: go back to the center because you know all the

00:49:58 --> 00:50:01: employees were it was a fight for good employees,

00:50:01 --> 00:50:05: so therefore office became a part of attracting these good

00:50:05 --> 00:50:07: employees at that time.

00:50:07 --> 00:50:10: So we saw you know the amount for outside city

00:50:10 --> 00:50:13: center going down and city center going up.

00:50:13 --> 00:50:16: Also, some offices already at that time said OK,

00:50:16 --> 00:50:19: maybe we need a bit less office space,

00:50:19 --> 00:50:22: but we take, say better quality office space.

00:50:22 --> 00:50:27: Now I would say looking at everything what happens with

00:50:27 --> 00:50:31: covered everything with this maybe you know as as a

00:50:31 --> 00:50:32: as a result of.

00:50:32 --> 00:50:35: Often are working. Working at the moment at home still

00:50:35 --> 00:50:38: a lot of the companies when we talk to our

00:50:38 --> 00:50:39: clients and our potential clients,

00:50:39 --> 00:50:42: they don't have fully the answer about what is the

00:50:42 --> 00:50:45: longer term impact on the efficiency of the employees.

00:50:45 --> 00:50:48: A lot of people say today that they are everybody

00:50:48 --> 00:50:50: is needed because everybody work from home,

00:50:50 --> 00:50:52: so there is no problem.

00:50:52 --> 00:50:55: There is a fantastic efficiency but even the largest

00:50:55 --> 00:50:57: organizations.

00:50:55 --> 00:50:57: They don't test it really.

00:50:57 --> 00:50:59: So The thing is they are not because of the

00:50:59 --> 00:51:00: privacy regulations.

00:51:00 --> 00:51:04: They're not checking what time other people exactly logging in.

00:51:04 --> 00:51:08: What was the activity they did on their computer?

00:51:08 --> 00:51:11: So how how many hours they were active on their

00:51:11 --> 00:51:14: telephones or on their teams or on their zooms?

00:51:14 --> 00:51:17: But this is coming anyway now because now the companies

00:51:17 --> 00:51:18: are going to check.

00:51:18 --> 00:51:21: Actually, you know what is the efficiency of the people

00:51:22 --> 00:51:24: and can they do the work with less people as

00:51:24 --> 00:51:24: well?

00:51:24 --> 00:51:27: Yes, so I think the trends that people want to

00:51:27 --> 00:51:31: have good quality office space because of all other things

00:51:31 --> 00:51:34: which were ongoing already before they covered that.

00:51:34 --> 00:51:35: This will keep on going.

00:51:35 --> 00:51:38: I think the people are not going back now to

00:51:38 --> 00:51:40: business parks far out city center.

00:51:40 --> 00:51:42: Also, when you want to get a once in awhile,

00:51:42 --> 00:51:44: your people to the office,

00:51:44 --> 00:51:47: they don't want to give them company cars anymore.

00:51:47 --> 00:51:48: We see a big lead,

00:51:48 --> 00:51:52: you know the percentage of company cars is going down

00:51:52 --> 00:51:52: rapidly,

00:51:52 --> 00:51:55: so they want to be on good communication on the

00:51:55 --> 00:51:56: on the tram,

00:51:56 --> 00:51:58: on the bus, everything on on main,

00:51:58 --> 00:52:00: you know public transportation hubs.

00:52:00 --> 00:52:02: I would say so.

00:52:02 --> 00:52:05: I think that the trend of going out of older

00:52:05 --> 00:52:06: quality buildings,

00:52:06 --> 00:52:09: two very good quality new buildings.

00:52:09 --> 00:52:12: I think this will be even going faster now because

00:52:12 --> 00:52:16: now the whole technology in digitalization part will be part

00:52:16 --> 00:52:19: of it and a lot of old buildings with all

00:52:19 --> 00:52:23: technical systems they are not able to provide that they

00:52:23 --> 00:52:23: cannot.

00:52:23 --> 00:52:28: You cannot digitalise fully the building when the hardware

00:52:28 --> 00:52:30: systems

00:52:28 --> 00:52:30: in the building are totally out dated.

00:52:30 --> 00:52:33: So you can of course do part of it.

00:52:33 --> 00:52:36: When we go through all the say.

00:52:36 --> 00:52:38: You know bricks. We call it,

00:52:38 --> 00:52:42: we can. We can integrate for property in the state

00:52:42 --> 00:52:46: if that's called the digitalization of the building.

00:52:46 --> 00:52:48: There is like approximately 35 percent 40%
00:52:48 --> 00:52:50: is linked to the systems in the building as well.
00:52:50 --> 00:52:51: When you want to really,
00:52:51 --> 00:52:55: really integrate everything. So therefore I think,
00:52:55 --> 00:52:58: uh, who will suffer are the older type of buildings
00:52:58 --> 00:53:02: and there will be much bigger investment costs to upgrade
00:53:02 --> 00:53:03: them.
00:53:03 --> 00:53:05: And then we have already said,
00:53:05 --> 00:53:08: and I fully agree with that it will be cheaper
00:53:08 --> 00:53:11: to demolish them and build new or build something else
00:53:12 --> 00:53:14: then to try to make from an old old old
00:53:14 --> 00:53:17: building a brand new quality project.
00:53:17 --> 00:53:20: It's it's it's, it's too expensive.
00:53:20 --> 00:53:21: So yes, I think you know,
00:53:21 --> 00:53:24: even if. Also you see office buildings which were constructed
00:53:24 --> 00:53:27: 20 years ago that they are demolished and they are
00:53:27 --> 00:53:31: building something else or again office or apartments or
something
00:53:31 --> 00:53:34: like that. But I also think that.
00:53:34 --> 00:53:38: A lot of people, especially when you look in Poland
00:53:38 --> 00:53:39: or Central Europe,
00:53:39 --> 00:53:42: you know people are living in apartments,
00:53:42 --> 00:53:44: which I say 25 to 45 kilometers.
00:53:44 --> 00:53:47: Yes, not everybody has a good workplace,
00:53:47 --> 00:53:50: so I think the whole trends of coworking,
00:53:50 --> 00:53:53: which was also ongoing already before you know,
00:53:53 --> 00:53:57: before the coffee. And I would say in Holland already
00:53:57 --> 00:54:00: say 15 years ago there was a kind of push
00:54:00 --> 00:54:01: to go for coworking,
00:54:01 --> 00:54:05: but but coworking in the way that everybody has.
00:54:05 --> 00:54:08: Say within 15 minutes from his house or apartment,
00:54:08 --> 00:54:10: A place where they can work.
00:54:10 --> 00:54:13: Yes, some. Some students can study at home and some
00:54:13 --> 00:54:16: have to go to University library because there is an
00:54:16 --> 00:54:21: environment of studying and therefore this coworking gives
an environment
00:54:21 --> 00:54:24: of working. So and in the past it was in
00:54:24 --> 00:54:26: Holland to omit the traffic jams.
00:54:26 --> 00:54:29: Yes, that people can work closer to their houses when
00:54:29 --> 00:54:31: they went to a meeting,
00:54:31 --> 00:54:33: they don't have to travel all the time and be
00:54:33 --> 00:54:34: inefficient.

00:54:34 --> 00:54:36: So I think this coworking.
00:54:36 --> 00:54:39: We'll keep on developing as a as a as a
00:54:39 --> 00:54:42: as a thing in between working purely from home,
00:54:42 --> 00:54:45: but being able to work very closely for from home.
00:54:45 --> 00:54:49: For people who don't have a good facility at home
00:54:49 --> 00:54:52: to work so but also coworking needs to be an
00:54:52 --> 00:54:52: officers,
00:54:52 --> 00:54:56: yes, so so I think you know the big discussion
00:54:56 --> 00:54:57: that suddenly,
00:54:57 --> 00:54:59: 3040% or 25% of the people will not have a
00:54:59 --> 00:55:01: place to work anymore.
00:55:01 --> 00:55:04: I think it will go a little bit slower than
00:55:04 --> 00:55:07: everybody is expecting at the moment.
00:55:07 --> 00:55:10: And as I said, I think the older buildings will
00:55:10 --> 00:55:12: have a problem to adapt,
00:55:12 --> 00:55:16: because now the the the energy situation in the building
00:55:16 --> 00:55:20: and the digitalization of the building become a significant part
00:55:20 --> 00:55:23: of choosing buildings in the you know,
00:55:23 --> 00:55:25: today and in the future.
00:55:25 --> 00:55:28: Well, so not only the technology is changing,
00:55:28 --> 00:55:32: buildings are changing and also the way we're working is
00:55:32 --> 00:55:34: changing and locations not working.
00:55:34 --> 00:55:37: Let me just ask one thing out there and my
00:55:37 --> 00:55:38: gosh,
00:55:38 --> 00:55:39: can you pull up the third?
00:55:39 --> 00:55:41: Paul just wanted to ask what,
00:55:41 --> 00:55:44: how, how, people most people take.
00:55:44 --> 00:55:47: Isn't this the the changes we've seen in real estate
00:55:47 --> 00:55:50: and in work that we just touched on lightly?
00:55:50 --> 00:55:52: You worried about that?
00:55:52 --> 00:55:56: For the future, how do you how your children will
00:55:56 --> 00:55:59: work or or how their lives will be late?
00:55:59 --> 00:56:00: Are you worried about that,
00:56:00 --> 00:56:02: or rather not at all?
00:56:08 --> 00:56:09: And let's see the results.
00:56:22 --> 00:56:25: Over 50% of our viewers are not so much worried
00:56:25 --> 00:56:30: about how technology will change the future of lives and
00:56:30 --> 00:56:32: jobs are children.
00:56:32 --> 00:56:36: So which is actually a positive thing is probably is
00:56:36 --> 00:56:41: an indication that it's it's already happening is already here.
00:56:41 --> 00:56:46: It's already a a reality for how we we work
00:56:46 --> 00:56:49: and and we and we live an.

00:56:49 --> 00:56:52: Do any of you out there have any any anymore
00:56:52 --> 00:56:52: questions?
00:56:52 --> 00:56:57: I'm just here. There's a question here.
00:56:57 --> 00:57:01: Um? And it says maybe COVID-19 will influence coworking
spaces
00:57:01 --> 00:57:05: to emergent places further away from the city center,
00:57:05 --> 00:57:07: but closer to where people live.
00:57:07 --> 00:57:10: Would it affect office space locations?
00:57:13 --> 00:57:16: Maybe I'll try to ask that question too.
00:57:16 --> 00:57:18: I think you partially answered that already.
00:57:18 --> 00:57:22: Did all, but maybe if you want to touch on
00:57:22 --> 00:57:23: that briefly.
00:57:23 --> 00:57:25: As I, as I said before,
00:57:25 --> 00:57:29: I think that you know you will have companies there
00:57:29 --> 00:57:33: who have their offices in the center on good communication
00:57:33 --> 00:57:37: hubs and you will get a kind of like satellite.
00:57:37 --> 00:57:41: Coworking centers, which are not only in the center,
00:57:41 --> 00:57:44: but also close to, you know dense.
00:57:44 --> 00:57:48: Populated areas because so that people can have,
00:57:48 --> 00:57:50: like you know, you know all that said,
00:57:50 --> 00:57:52: before I kind of like,
00:57:52 --> 00:57:56: you know the working environment where they can go and
00:57:56 --> 00:57:58: where they can quietly do their job.
00:57:58 --> 00:58:00: Yes, and this was in the past.
00:58:00 --> 00:58:04: Traffic, jams, ANAN, but now it's also more becoming more
00:58:04 --> 00:58:05: acceptable.
00:58:05 --> 00:58:09: I would say for managers that their employees are going
00:58:09 --> 00:58:11: to work in this type of flexibel ways,
00:58:11 --> 00:58:14: while a couple of years ago it was.
00:58:14 --> 00:58:18: Not really pushed from management point of view,
00:58:18 --> 00:58:21: more requested by employees or like in Holland.
00:58:21 --> 00:58:24: It was like promoted to omit the.
00:58:24 --> 00:58:26: You know the rush hours on the roads.
00:58:26 --> 00:58:31: So yes, I think this will further further develop in
00:58:31 --> 00:58:32: in that way as well.
00:58:32 --> 00:58:34: Big ships are always absolutely right,
00:58:34 --> 00:58:36: because I knew, you know,
00:58:36 --> 00:58:38: having 6000 people, I think it can really speak for
00:58:38 --> 00:58:38: it.
00:58:38 --> 00:58:40: They because it's also something.
00:58:40 --> 00:58:43: Whether I'm surprised that people think it's now a trend
00:58:43 --> 00:58:46: back to the suburb and so this has been always

00:58:46 --> 00:58:46: the case.

00:58:46 --> 00:58:49: You know, when you have a family you move out,

00:58:49 --> 00:58:52: but the young people specially want to live in the

00:58:52 --> 00:58:53: city.

00:58:53 --> 00:58:56: Do not see a big impact on city location offices,

00:58:56 --> 00:58:58: so this will remain. You may have some offices,

00:58:58 --> 00:59:02: but we never thought. Maybe we have a small coworking

00:59:02 --> 00:59:04: office in New York in the future in Paris,

00:59:04 --> 00:59:07: but I guess not really in the countryside.

00:59:07 --> 00:59:09: So, OK, well we we had just about out of

00:59:09 --> 00:59:10: time,

00:59:10 --> 00:59:12: but I just would like also roll off and start

00:59:12 --> 00:59:15: to come in at this because this seems is very

00:59:15 --> 00:59:18: European view and if we look at this in the

00:59:18 --> 00:59:19: context of the United States,

00:59:19 --> 00:59:22: what what's your opinion in this respect?

00:59:24 --> 00:59:26: I can quickly speak to that,

00:59:26 --> 00:59:29: so there are a lot of interesting trends that that

00:59:29 --> 00:59:31: you run touchdown in this question as well.

00:59:31 --> 00:59:35: So safe and healthy coworking space is the trend toward

00:59:35 --> 00:59:36: urbanization,

00:59:36 --> 00:59:37: and I think you know what.

00:59:37 --> 00:59:41: What I am fascinated by is these more secondary tertiary

00:59:41 --> 00:59:45: markets right where these older antiquated properties?

00:59:45 --> 00:59:48: You know, maybe they will be demolished and new things

00:59:48 --> 00:59:49: will be developed.

00:59:49 --> 00:59:53: But also, is there an opportunity to repurpose those and

00:59:53 --> 00:59:54: part of that trend?

00:59:54 --> 00:59:57: Ford organization? Certainly in the US,

00:59:57 --> 01:00:00: has created a real problem for affordable housing,

01:00:00 --> 01:00:03: so I wonder sometimes if this will also become an

01:00:03 --> 01:00:04: opportunity to,

01:00:04 --> 01:00:07: you know. Focus more on providing affordable housing

01:00:07 --> 01:00:08: outside of

01:00:07 --> 01:00:08: city centers.

01:00:08 --> 01:00:10: Maybe repurposing some of those older,

01:00:10 --> 01:00:15: more antiquated buildings, but certainly there's a need for it.

01:00:15 --> 01:00:18: In city centres as well I guess.

01:00:21 --> 01:00:23: The other thing I would touch on is that this

01:00:23 --> 01:00:26: is another trend that was already underway.

01:00:26 --> 01:00:29: You know remote working, but I think it was much

01:00:29 --> 01:00:32: more developed and acceptable in Europe to be honest,

01:00:32 --> 01:00:33: until not too long ago.

01:00:33 --> 01:00:36: Even here in the US in certain regions in certain

01:00:36 --> 01:00:37: sectors like finance,

01:00:37 --> 01:00:41: for example, still didn't feel like it was really.

01:00:41 --> 01:00:44: Socially or culturally acceptable to work remotely,

01:00:44 --> 01:00:47: and so I think that this is been an opportunity

01:00:47 --> 01:00:51: for business to business is to see that remote working

01:00:51 --> 01:00:51: can work.

01:00:51 --> 01:00:54: It's just a matter of you know how how they'll

01:00:54 --> 01:00:55: adjust going forward.

01:00:55 --> 01:00:58: Re purpose face, use it differently.

01:00:58 --> 01:01:01: Use technology to manage it differently and you know 90%

01:01:01 --> 01:01:03: of our time is spent indoors,

01:01:03 --> 01:01:05: so I don't think that's going to change,

01:01:05 --> 01:01:08: but but how is trade offs work and which types

01:01:09 --> 01:01:12: of buildings and for which types of purposes we're using

01:01:12 --> 01:01:13: them?

01:01:13 --> 01:01:17: Will likely change. Thank you Sir Roelofse final comment on

01:01:17 --> 01:01:18: that topic.

01:01:18 --> 01:01:21: Yeah. Look, I mean, I think you need to look

01:01:21 --> 01:01:22: at the data.

01:01:22 --> 01:01:24: I think you know it's it's always funny.

01:01:24 --> 01:01:27: When you hear occupants who are about the sign big

01:01:27 --> 01:01:30: leases talk about not needing office space.

01:01:30 --> 01:01:32: You know you have to think about the audience by

01:01:32 --> 01:01:35: which they are saying this right so of course,

01:01:35 --> 01:01:38: they're going to say that before they go into a

01:01:38 --> 01:01:40: negotiation about leasing office.

01:01:40 --> 01:01:42: I think you know, we will human beings will do

01:01:42 --> 01:01:45: what's most efficient and I think that if you drive

01:01:45 --> 01:01:46: efficiency.

01:01:46 --> 01:01:49: You know likely it will be slightly less office and

01:01:49 --> 01:01:51: I think what you'll do is.

01:01:51 --> 01:01:53: You'll just go to the office for things that you

01:01:53 --> 01:01:56: can only do in the office and that's more efficient

01:01:56 --> 01:01:58: and that will save you on commute time and it

01:01:58 --> 01:02:00: will it will do that,

01:02:00 --> 01:02:03: so you know right now if your allergies your computers

01:02:03 --> 01:02:05: one hour one way one hour another you need to

01:02:05 --> 01:02:08: be 2 hours more more effective in the office.

01:02:08 --> 01:02:10: Then you would be at home to be equal so

01:02:10 --> 01:02:11: that's a lot of time,

01:02:11 --> 01:02:13: so the the way to think about it is just
01:02:13 --> 01:02:16: efficiency now human beings always didn't work in offices at
01:02:16 --> 01:02:19: some point we decided this was a better way to
01:02:19 --> 01:02:21: organize work so there are efficiencies to it,
01:02:21 --> 01:02:23: there's a reason to. Do it,
01:02:23 --> 01:02:26: but I think we'll drive towards efficiency.
01:02:26 --> 01:02:28: I think the thing we need to be careful on
01:02:28 --> 01:02:32: these pronouncements of the office being dead is that one
01:02:32 --> 01:02:36: pandemic doesn't change millions of years of evolution.
01:02:36 --> 01:02:37: And we are social beings.
01:02:37 --> 01:02:42: We are social creatures. We need interaction we need.
01:02:42 --> 01:02:45: No contact with people you know socially and I don't
01:02:45 --> 01:02:47: think that changes because of this pandemic,
01:02:47 --> 01:02:50: because by the way, this is probably the third dozen
01:02:50 --> 01:02:53: pandemic humans have gone through and we still end up
01:02:53 --> 01:02:56: going to pubs and going to parties and going to
01:02:56 --> 01:02:58: football games. So I think that you know it's going
01:02:59 --> 01:03:00: to be about efficiency.
01:03:00 --> 01:03:03: I think the technology is finally being used in the
01:03:03 --> 01:03:05: right way to unlock that efficiency and there will be
01:03:05 --> 01:03:06: an equilibrium.
01:03:06 --> 01:03:08: We will fall into at some point.
01:03:08 --> 01:03:10: I do think it will be slightly less office,
01:03:10 --> 01:03:13: but I don't think it's going to be completely done
01:03:13 --> 01:03:13: and.
01:03:13 --> 01:03:16: And we'll just have to watch the data to see
01:03:16 --> 01:03:18: where it falls out.
01:03:18 --> 01:03:21: Thank you very much for that look.
01:03:21 --> 01:03:25: I'm gonna hand the word back to the Rosa our
01:03:25 --> 01:03:30: our chairwoman of the UI Poland just a couple of
01:03:30 --> 01:03:35: takeaways that I've noted that and those are COVID-19.
01:03:35 --> 01:03:40: Has accelerated the need for further improving and
implementing technology
01:03:41 --> 01:03:42: in real estate.
01:03:42 --> 01:03:46: Digitalization will has already started to accelerate the way
we
01:03:47 --> 01:03:50: we we live the way we work at the change
01:03:50 --> 01:03:53: of how we we're working and where we are working
01:03:53 --> 01:03:56: in. What type of buildings and more.
01:03:56 --> 01:04:00: So also how we're traveling that is not related to
01:04:00 --> 01:04:00: cobit 19.
01:04:00 --> 01:04:05: That is something that's already started and and will continue

01:04:05 --> 01:04:06: to change.
01:04:06 --> 01:04:09: How we interact with each other and and then,
01:04:09 --> 01:04:11: and in the way we we work?
01:04:11 --> 01:04:13: Or then perhaps more positively,
01:04:13 --> 01:04:17: on a final note that that would probably not probably
01:04:17 --> 01:04:21: not change the human need for for social interaction to
01:04:21 --> 01:04:23: be able to meet face to face,
01:04:23 --> 01:04:25: to be able to ever be in the pop and
01:04:26 --> 01:04:27: and on that final note,
01:04:27 --> 01:04:30: I look forward to the time where I can meet
01:04:30 --> 01:04:33: all the panelists face to face and shake hands.
01:04:33 --> 01:04:37: And thank you so much for for joining this panel
01:04:37 --> 01:04:37: and.
01:04:37 --> 01:04:40: And with that I'll hand over to you to Rosa.
01:04:40 --> 01:04:42: Thank you very much, Sir,
01:04:42 --> 01:04:44: and thank you very much to all our panelists.
01:04:44 --> 01:04:46: This was in fact, our you know,
01:04:46 --> 01:04:50: last webinar of Aurino Annualy Portlands annual conference.
01:04:50 --> 01:04:52: We had five amazing webinars.
01:04:52 --> 01:04:55: We had amazing speakers, amazing guests,
01:04:55 --> 01:04:59: amazing house, so I'd like ready to thank you.
01:04:59 --> 01:05:03: Everybody who participated and who was you know part of
01:05:03 --> 01:05:04: this of this event.
01:05:04 --> 01:05:07: Also thank you again to all our you know partners
01:05:07 --> 01:05:09: and you and I will do now.
01:05:09 --> 01:05:12: Let's say together with all of you the summer break.
01:05:12 --> 01:05:14: So stay tuned For more information.
01:05:14 --> 01:05:16: What will happen after summer.
01:05:16 --> 01:05:19: I wish you a wonderful break so this will be
01:05:19 --> 01:05:22: a slightly different summer but still I hope you can
01:05:23 --> 01:05:26: enjoy the summer and we see each other in September.
01:05:26 --> 01:05:29: Thank you very much. I want one important element.
01:05:29 --> 01:05:31: All the recording will be available so.
01:05:31 --> 01:05:34: Whoever missed one of those webinars,
01:05:34 --> 01:05:37: this will be available, so we send you also respective
01:05:37 --> 01:05:40: information to you that you don't miss and can listen
01:05:40 --> 01:05:42: every time you want.
01:05:42 --> 01:05:43: Thank you so much.

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