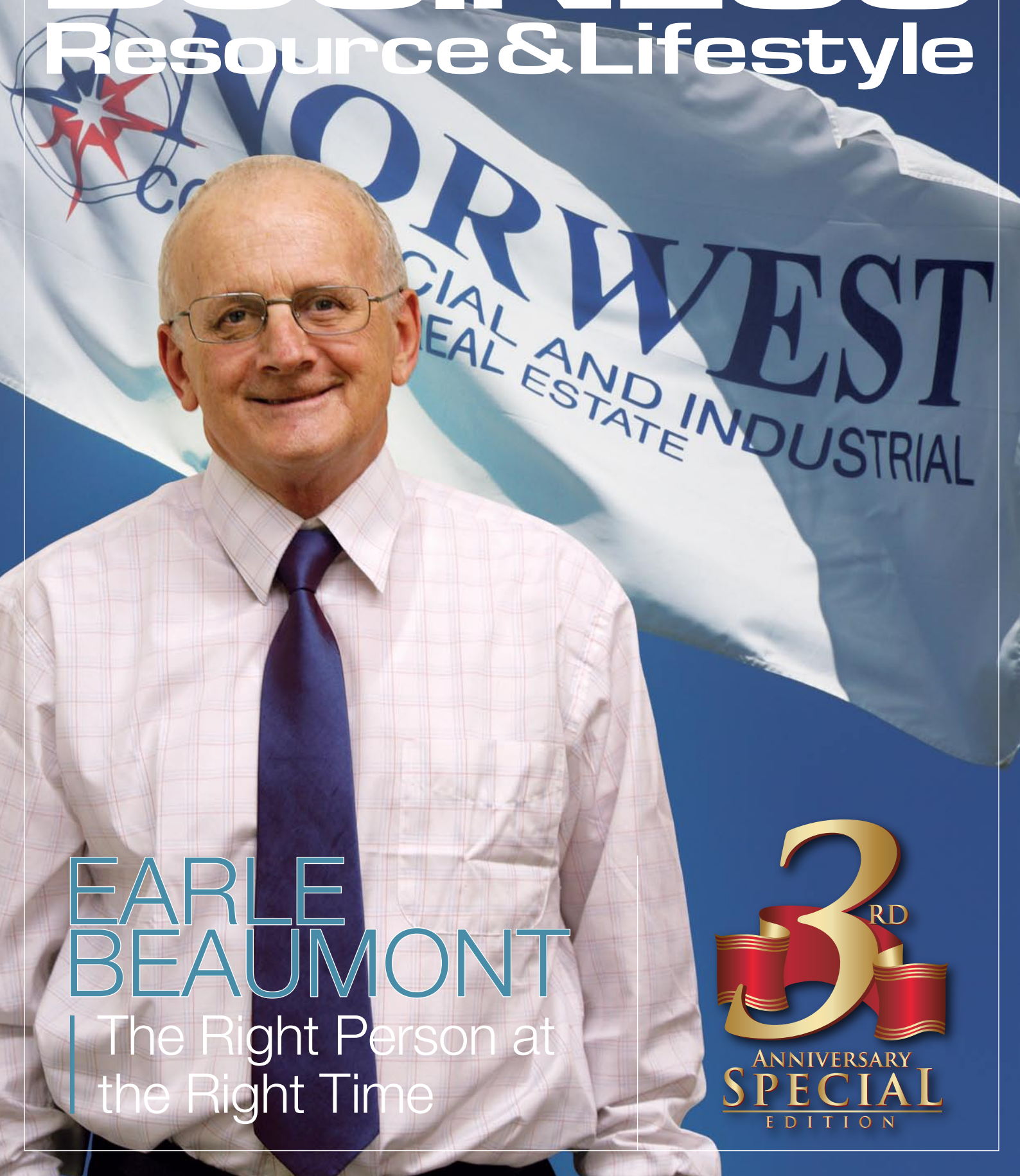


BUSINESS

Resource & Lifestyle



EARLE
BEAUMONT

| The Right Person at
| the Right Time

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Jobs for the boys -
(l-r) Mark, Grant, Earle and Peter

How Earle Beaumont became the Right Person at the Right Time

Norwest Business Park is fast becoming an Australian icon. It contains more than 1,100 businesses employing more than 30,000 people, and the latter number is likely to increase by another 12,000. The Park is the first employment zone nationwide to contain a blend of residential, industrial and commercial properties. And at the epicentre of it all stands Earle Beaumont.

Business Resource & Lifestyle magazine had the privilege of interviewing Earle in his Norwest office. This is his story.

To start with, we found Earle to be very friendly and approachable. As a man of sixty-three years of age, he was very lively and quick-witted. Yet he was fast to explain that he has cut back his work week to 3 days a week. Now his two sons, Grant and Peter plus his son-in-law Mark are running the empire.

But perhaps we're getting ahead of ourselves. What empire? What exactly does Beaumont Strata Management

(Earle's firm) do? In a nutshell, they don't own Norwest Business Park, they manage it. In fact, 97% of all the Strata Schemes in the park are managed by Beaumont Strata. Through Norwest Commercial and Industrial Real Estate (also established by Earle) they are the most active and largest local specialist commercial and industrial real estate agents in Norwest Business Park. Not too shabby a record. But how did they get there? We were certainly curious!

As Earle put it, it all started in Lismore when a school headmaster told the young Fourth Form student he might just as well leave and milk the cows. So Earle took that advice and went to work for his father in Dorrigo but decided that just like grade school, farm life wasn't for him. So he joined the Bank of New South Wales (now Westpac) as a trainee and soon became a Senior Teller. This took him to Hay, Tweed Heads, Canberra, Gunnedah and elsewhere.

But while serving the bank, he also began taking courses at TAFE. This lasted 9 years as he completed his accounting degree and became an accountant — something, he explained, that served him well throughout his business career. Later he also completed courses in Strata Management, Real Estate and Chartered Secretarial studies. Together these uniquely qualified him for his future career as a strata manager and licensed real estate agent.

But first he put 2 years in at Coopers and Lybrand where he was told he had “too virile a personality for accounting”. He then worked for a BHP subsidiary as an assistant accountant, Cambridge Credit until they went bust, Handford Industries where he became State Manager and, finally before going out on his own, Peter Johnson Pty Ltd — a manufacturers agent based in Castle Hill.

It was while he worked as Company Secretary for Peter Johnson doing property development for the company that he was inspired to go into real estate. This was a pivotal moment in his business life, for it was then that he decided to study strata management. Accordingly, in 1981 he set up Beaumont Strata Management to manage the property (10 Salisbury Road, Castle Hill) they had developed. When the development ended up making a greater profit for his employer than the base business, Earle decided to go into business for himself. This was for good reason, for he had discovered that there were very few strata managers around and even less with the required commercial expertise.

In 1987 he started Norwest Industrial Real Estate as a sister company to Beaumont Strata Management. Between the two firms Earle could now sell, lease and manage client properties. At this time most of Earle’s work was in Castle Hill as Norwest Business Park was still in its infancy. Earle never took credit for the vision of Norwest Business Park. As he describes it, this was the creation of the late Doug Lancely. Lancely had acquired 346 hectares of largely farmland (originally owned by Norwest Brick and Tile) and was looking for people to develop the blocks. Out of this sprung the Norwest Business Association. The idea of creating the first Employment Zoning combining residential, commercial and industrial real estate was something Lancely picked up from the United States. This vision has been carried on by the current owners, Norwest Land. Earle is a director of Norwest Association which represents Norwest landowners and controls the building standards in the Park.



As often happens with visionaries, the task of accomplishing their vision often falls upon the shoulders of others. And this was precisely what happened with Norwest, for it seems that Earle was the right man in the right place. He was already acquiring a reputation as “someone who could get the job done”. And his foresight to get exactly the needed education really paid dividends. There simply weren’t any other Strata Managers/real estate agents around who could match his expertise and focus on service.

As Earle describes it, the Castle Hill Trading Zone started with industrial zoning in 1972, while Norwest started in 1987. Both were slow to get started. But as opposed to the adjacent Trading Zone, Norwest included greater office and retail space. This precipitated a change in the name of his firm in the year 2000 to Norwest Commercial and Industrial Real Estate.

Now Earle concentrates his effort on the Business Park and Castle Hill. Consequently, in 1998 he sold off the strata management of strata titled properties outside the area to an employee, David Inkster (who now runs Integrated Strata Management). As Earle

puts it: “To be successful in real estate, you must sleep and eat it.”

This move allowed him to be more proactive in Norwest and Castle Hill to ensure the highest quality service to his clients. He and his staff are able to regularly visit all the properties under management and “add real value to strata owners and tenants”. This proved to be fortuitous as Beaumont Strata Management now manages 97% of all strata schemes in the Park and a further 90% of all schemes in the Trading Zone. In total, Beaumont Strata manages over 2,200 lots, the majority of which are in the Baulkham Hills Shire. From one Strata Manager (Earle) in 1981, Beaumont Strata now employs ten strata management staff based in Norwest.

Norwest Commercial and Industrial Real Estate transacts the greatest number and amongst the highest value transactions in Norwest, as well as managing in excess of 700 properties worth in excess of \$500 million for investor clients. There are more than 30 people employed by Norwest, Beaumont Strata and three associated offices. Norwest and Beaumont Strata staff “work closely together to offer a high quality integrated service to clients”.

Perhaps it can be said that the success of Beaumont Strata and Norwest Commercial and Industrial Real Estate comes from Earle’s work ethic that he has strived to develop in his employees. When a client comes to Earle, it’s often before construction begins. Even in the design stages, Earle and his firm’s extensive experience means they can contribute useful ideas and the service doesn’t stop there. It continues through development, sale and leasing processes right through to the strata and property management and beyond.

Earle’s concerns for quality are reflected in his answers to a question we posed concerning obstacles he encountered during the running of his business. The first thing that came to his mind was “getting good staff”. Because strata management, in particular, is so dependent on the quality of personnel, this is Earle’s number one concern. But also, of course, would be the quality of training his office provides which is clearly top notch.

As to other obstacles, Earle mentioned the 1989-1995 major recession. “In 1990-1,” he added, “you couldn’t give buildings away.”

One would assume that Councils would

Castle Hill Trading Zone the year Earle started his business - 1982



have been a problem, but Earle claimed just the opposite. “The Councils have been very supportive as has the Chamber of Commerce,” he commented. In fact, originally Bella Vista Waters in the Park was to be a golf course, but this changed to residential.

Norwest Business Park has been so successful that Earle estimates the Park is now two-thirds full. Not bad when you take into account that the entire Park was masterplanned on a site as large as the entire Sydney CBD. Earle believes that the remaining area will be filled within 3-4 years. Then another Park will be needed. Consequently, both the Baulkham Hills Shire Council and the Blacktown Council are looking at duplicating the concept.

To illustrate the Park’s success, land values in the Park were around \$100/square meter in 1987. Now the same land is worth \$800/square meter — an increase of over eight fold!

Alongside 220ha of business land, Norwest will incorporate two shopping centres, an International Hotel, 41ha of lakes and parkland and 151ha of residential land. The beautifully landscaped surroundings include

restaurants and cafes fronting onto tree-lined boulevards and lakes with plenty of fresh air and open skies.

Not only this, but with each new construction buildings are becoming increasingly green. The newest ones will have Five-Star ratings with electricity-saving features, double insulated glass, water retention strategies, controlled air conditioning, shading screens, and recycled watering with grey water coming next.

With the success of Norwest Business Park, other Councils are looking at also incorporating its model. Newcastle was one city mentioned, but there will be plenty of others including inter-State councils.

There was one more obstacle that Earle didn’t mention in the initial interview, but later clarified. It was a personal one, but something he thought every reader should be aware of — heart attacks.

In 1998 Earle’s health was imperiled by the unforeseen. Always a hard worker, he started experiencing chest pains. As he explains: “What people don’t know is that the heart

Norwest Business Park

Norwest Business Park and Castle Hill Trading Zone - Today



Earle still has time to tend to his prize winning garden



Dog - Kenny, Earle's running partner

and lower organs have the same nerve fibre, so I thought I was just having a stomach ache. Unfortunately, I turned out to be wrong. Very wrong.

"I went away for a holiday to the States and when I came back these chest pains started. They would come and go sporadically, so I took no notice of them. After a few months I suddenly found myself in the hospital. Worse yet, I had two cardiac arrests. If it weren't for the quick thinking staff who twice applied the paddles, I wouldn't be here to even give an interview," he commented.

The amazing part of the story is that although Earle took a month off work, he soon returned to his normal hard-working schedule. So how did he survive another 10 years? The answer lay in his response to the heart attack. He changed his lifestyle.

"They had put a stent in my blocked artery which fixed the immediate problem," Earle explained, "but I knew history would repeat itself if I didn't follow the doctor's advice."

"Basically, I've tried to stay trim. How? By exercising and changing my diet. Now I stay away from fatty foods and am careful with

my sugar intake. I eat lots of greens, fruit, fish and lean meat including skinless chicken.

"For exercise, I walk my son's dog 5 times a week for 30-45 minutes. I also love gardening. Back in the nineties I won prizes in the Orange Blossom garden competition. Now I don't have the time I had back then. My advice to everyone is to get regular check-ups and pay attention to any chest pains. Prevention is the best cure, he concluded.

We asked Earle what constituted his business philosophy. He answered:

- Give high-quality service at all times and ensure this ethos is ingrained in all staff.
- Assist people to grow their own businesses. Add value whenever possible.
- Be honest and reliable.
- Treat others as you would like to be treated.

We then queried Earle as to what caused businesses to fail. He replied:

- Lack of working capital (excessive borrowings).

- Not planning for economic recessions.
- Lack of effort. Not putting enough time into one's business.
- Lack of training to manage all aspects of running a small business.

When we asked what was needed to start a business, he said:

- Do your homework.
- Seek the advice of your accountant, solicitor, mentors and your bank manager.
- Check out the market and see where the competition is. Make sure before you start that the market isn't already saturated.

- Study every aspect of business including basic accounting, marketing, debt collection and taxation.
- Have your first year's costs in the Bank.

No one would dispute how Earle Beaumont personifies the very philosophy he espouses. By doing so it seemed almost inevitable that Earle found himself to be the right person in the right place at the right time. The success of Norwest Business Park bears testimony to that claim. 