

"SUNCOAST BUSINESS FORUM"

APRIL 2008

MICHAEL SAUNDERS

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>> THE FOLLOWING IS A SPECIAL PRESENTATION OF WEDU, TAMPA, ST. PETERSBURG, SARASOTA.

>> THERE'S NO ONE EXACTLY LIKE YOU.

NO ONE HAS THE SAME FINANCIAL GOALS OR CARES ABOUT THE SAME PEOPLE.

THAT'S WHY RAYMOND JAMES FINANCIAL ADVISORS HAVE THE INDEPENDENCE TO OFFER UNBIASED ADVICE THAT'S RIGHT FOR YOU, AND IT'S WHY WE PIONEERED THE IDEA OF FINANCIAL PLANNING.

YOU MIGHT SAY WE'RE JUST AS UNIQUE AS YOU ARE.

RAYMOND JAMES, INDIVIDUAL SOLUTIONS FROM INDEPENDENT ADVISORS.

>>Geoff Simon: WINNING AGAINST THE ODDS.

WHAT DOES IT TAKE TO BE NUMBER ONE IN ONE OF THE MOST COMPETITIVE REAL ESTATE BROKERAGE MARKETS IN FLORIDA?

HOW DO YOU DISTINGUISH YOURSELF WHEN YOU'RE THE LOCAL GUY OR THE LOCAL GAL UP AGAINST STIFF NATIONAL COMPETITION?

YOU'RE ABOUT TO MEET A SARASOTA REAL ESTATE PRO WHO HAS BEEN SETTING THE PACE AND DOING IT HER WAY FOR MORE THAN 30 YEARS NEXT ON THE "SUNCOAST BUSINESS FORUM."

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>>Geoff Simon: DID YOU EVER LOOK AT A BUSINESS SITUATION AND SAY, I COULD DO THAT BETTER?

WELL, THAT'S EXACTLY WHAT A YOUNG REAL ESTATE SALES AGENT NAMED MICHAEL SAUNDERS DID WHEN SHE LEFT THE BROKER SHE WORKED FOR AND OPENED HER OWN BROKERAGE FIRM IN SARASOTA. SHE WAS A SINGLE MOM AND HAD TO BORROW \$5,000 TO GET STARTED.

NOW, 30 YEARS LATER, MICHAEL SAUNDERS AND COMPANY HAS GROWN TO MORE THAN 500 SALES AGENTS AND MORE THAN \$3 BILLION A YEAR IN SALES AT THE RECENT PEAK OF THE MARKET.

HOW DID SHE DO IT?

WELL, LET'S FIND OUT.

MICHAEL, WELCOME TO THE "SUNCOAST BUSINESS FORUM."

>>Michael Saunders: WONDERFUL TO BE WITH YOU.

>>Geoff Simon: NOW, YOUR FAMILY HAS A LONG HISTORY HERE IN FLORIDA.

IT GOES BACK MORE THAN A HUNDRED YEARS, AM I RIGHT?

>>Michael Saunders: YOU ARE INDEED CORRECT.

>>Geoff Simon: GIVE US SOME OF THE BACKGROUND OF YOUR FAMILY IN FLORIDA.

>>Michael Saunders: WELL, I ALWAYS SAY I HAVE LOTS OF SAND

IN MY SHOES.

I FEEL LIKE I WAS A PIONEER, BUT, TRULY, IT WAS MY GREAT UNCLE WHO WAS THE PIONEER, KIND OF GOT SOME OF MY ENTREPRENEURIAL BLOOD FROM HIM, BUT HE RAN THE FIRST STEAMBOAT -- AND I SAY THAT A BIT TONGUE-IN-CHEEK -- FROM TAMPA TO SARASOTA WITH MAIL AND SUPPLIES IN THE LATE 1800s, EARLY 1900s.

SO IT REALLY IS WHAT OPENED UP SARASOTA.

>>Geoff Simon: THEY LIVED HERE IN TAMPA, AND THE --

>>Michael Saunders: HIS NAME WAS JOHN SAVARESE.

HE WAS ONE OF THE FOUNDERS OF THE TAMPA YACHT CLUB.

AND HE LIVED HERE, BUT REGULARLY, I THINK IT WAS A COUPLE OF TIMES A WEEK, MAIL AND SUPPLIES TO AND FRO, WHICH REALLY WAS THE CURIOSITY SEEKERS, THE ENGINEERS, THE SURVEYORS, WHICH THEN ALLOWED ME TO BE THE NEXT GENERATION OF PIONEERS.

>>Geoff Simon: WELL, SPEAKING OF PIONEERS, YOUR PARENTS WERE SOMEWHAT PIONEERS.

TELL US ABOUT YOUR PARENTS AND YOUR SIBLINGS AND SOME OF THE VALUES THAT THEY INSTILLED IN YOU WHEN YOU WERE A YOUNGSTER.

>>Michael Saunders: WELL, MY FATHER'S FAMILY WAS FROM BARBADOS IN THE BRITISH WEST INDIES.

LONG LINE OF ANGLICAN CLERGY.

MY MOTHER'S FAMILY, A SOUTHERN FAMILY FROM SAVANNAH.

JOHN SAVARESE WAS ON MY MOTHER'S SIDE OF THE FAMILY.

SO FROM BOTH SIDES OF THE FAMILY, PEOPLE WITH A SPIRIT OF

ADVENTURE, PEOPLE WHO HAD A DEEP REVERENCE FOR THE ENVIRONMENT.

SO COMBINING THOSE TWO CREATED A VERY FAVORED CHILDHOOD FOR ME.

MY PARENT REDEEMED ONE PIECE OF UNCLE JOHNNY'S PROPERTY, WHICH WAS THE NORTH END OF LONGBOAT KEY IN 1933 FOR \$500 IN BACK TAXES.

UNCLE JOHNNY'S FAMILY HAD LET ALL THE PROPERTY GO FOR BACK TAXES BECAUSE THEY THOUGHT IT WAS INDIANS AND ALLIGATORS.

SO ON THIS PIECE OF PROPERTY, A MAGICAL PIECE THAT I STILL OWN, MY PARENTS BUILT A MAGICAL COTTAGE, AND WE SPENT EVERY WEEKEND AND ALL SUMMER THERE GROWING UP.

SO FIRST IT WAS THE LOCATION, AND THEN IT WAS THE SOLID VALUES THAT BOTH MY MOTHER AND FATHER'S FAMILY BROUGHT TO THEIR UNION AND TO THE FOUNDATION UPON WHICH WE WERE RAISED.

>>Geoff Simon: SO THE BEACHES AND THE WATERWAYS OF TAMPA BAY, THE SARASOTA COMMUNITY, THE TAMPA AREA, YOU REALLY GREW UP, YOU WERE IMMERSSED IN THAT ENVIRONMENT.

HOW DO YOU THINK THAT AFFECTED THE BUSINESS THAT YOU ULTIMATELY ARE GOING TO GO INTO?

>>Michael Saunders: WELL, I THINK, FIRST OF ALL, AT THE BASE OF IT ALL WAS A REVERENCE FOR THE ENVIRONMENT, FOR THE WATER, FOR CLEAN WATER, CLEAN AIR.

SO IT'S A REVERENCE, AND I WAKE UP EVERY MORNING AND PINCH MYSELF BECAUSE I'M SO FORTUNATE TO STILL LIVE HERE.

I'M TRYING TO CONVINCING PEOPLE FROM ALL OVER THE WORLD TO MOVE HERE.

AND HERE I'M LUCKY ENOUGH TO BE BORN, IF YOU WILL, INTO THIS WONDERFUL LIFESTYLE.

SO I THINK IT, ONE, INFLUENCED ME IN BUSINESS IN THAT THERE'S NOTHING I WOULD RATHER DO THAN TO SELL TO OTHERS THE JOYS OF THIS LIFESTYLE.

THERE'S SOMETHING SO SOOTHING AND CALMING ABOUT THE WATER. THE WONDERFUL THING ABOUT OUR PART OF THE WEST COAST IS THAT WE KIND OF THROW OUR ARMS OPEN FOR THE PUBLIC TO ENJOY THE WATER.

SO NO MATTER WHERE YOU LIVE, YOU'RE REALLY ONLY 20 MINUTES AWAY.

I GREW UP WITH MY FEET IN THE WATER FISHING WITH A CANE POLE OUT OF A LITTLE HOLE WE WOULD POKE IN THE SCREEN OF THE COTTAGE, WHICH WAS REALLY PERCHED OUT OVER THE BAY ON THE NORTH END.

I CAN THROW A CAST OUT BETTER THAN I CAN DANCE.

VERY COMFORTABLE, MORE COMFORTABLE RUNNING A BOAT THAN A CAR.

SO IT REALLY, I THINK, INSTILLED IN ME A SPIRIT OF INDEPENDENCE, A SPIRIT -- KIND OF A PIONEER SPIRIT.

>>Geoff Simon: WELL, SPEAKING OF SPIRIT, YOU HAD AN IMPORTANT EXPERIENCE IN YOUR FORMATIVE YEARS GOING TO SCHOOL.

YOU WENT TO SCHOOL AT THE ACADEMY OF HOLY NAMES, A PAROCHIAL SCHOOL HERE IN THE TAMPA AREA.

THAT HAD A PRETTY IMPORTANT IMPACT ON WHO YOU WERE TO BECOME, AM I RIGHT?

>>Michael Saunders: WELL, IT DID, INDEED.

I THINK THE HOLY NAME NUNS WERE THE SECOND MOST IMPORTANT INFLUENCE ON MY LIFE.

FIRST MY PARENTS AND THEN THE HOLY NAME NUNS.

THE WONDERFUL THING WAS THAT THE HOLY NAME NUNS AND MY PARENTS SHARED THE SAME BASIC VALUES.

SO THERE WAS NO CHANNEL CONFLICT.

WHETHER I WAS IN SCHOOL OR AT HOME, THERE WAS STILL THIS FOUNDATION.

THERE WAS THE BELIEF ON THE HOLY NAME NUNS' PART AND MY PARENTS' PART THAT ONE COULD BE ANYTHING ONE WANTED IN LIFE IF YOU WERE PREPARED TO PAY THE PRICE.

AND SECONDLY, IF YOU HAD A VERY VALUE-BASED FOUNDATION TO YOUR LIFE.

SO IT WAS ALL ABOUT VALUES, VALUES, VALUES AT HOME AND AT SCHOOL.

FOR THAT I AM ALSO GRATEFUL.

>>Geoff Simon: AFTER HIGH SCHOOL YOU WENT ON TO FSU.

>>Michael Saunders: I DID.

>>Geoff Simon: DEGREE IN EDUCATION.

>>Michael Saunders: A DEGREE IN HISTORY AND PSYCHOLOGY.

>>Geoff Simon: OH, OKAY.

THEN YOU WENT ON AND BECAME AN EDUCATOR.

>>Michael Saunders: I DID.

-- ALLOWED ME TO TEACH ONE YEAR WITHOUT A DEGREE IN  
EDUCATION AT MANATEE HIGH SCHOOL USING MY HISTORY.

AND DURING THAT TIME, I WAS INTRODUCED TO WHAT BECAME A  
PASSION, WHICH WAS WHEN JUDGE RICKY, WHO WAS THE JUVENILE  
COURT JUDGE, ASKED FOR MY ASSISTANCE WITH GIRLS WHO HAD BEEN  
INVOLVED IN RAPE AND INCEST AFTER SCHOOL.

SO I WANTED TO GO TO LAW SCHOOL, SO NOW TWO JOBS WERE BETTER  
THAN ONE JOB SINCE NEITHER JOB PAID VERY WELL.

>>Geoff Simon: SO YOUR PLAN WAS TO GO TO LAW SCHOOL.

YOU WERE WORKING AS A TEACHER AND THEN YOU WORKED IN THE  
CRIMINAL JUSTICE SYSTEM.

YOU WERE THERE FOR A NUMBER OF YEARS.

HOW DID THAT AFFECT YOUR OUTLOOK AND AFFECT YOUR AMBITION?

>>Michael Saunders: WELL, I THINK THAT IN TEACHING, I HAD  
180 STUDENTS WHO WENT THROUGH MY CLASS.

IF THEY WENT TO SLEEP ON THEIR DESK, I DIDN'T KNOW WHETHER I  
BORED THEM TO TEARS, WHETHER THEY WERE FROM AN ABUSIVE  
HOUSEHOLD, WHETHER THEY HAD A PAPER ROUTE IN THE MORNING TO  
HELP SUPPORT A FAMILY, I DIDN'T KNOW WHY THEY WENT TO SLEEP.  
WHEN I WENT TO THE COURT SYSTEM, ON THE OTHER HAND, I COULD  
GO TO THE SCHOOL, TO THE CHURCH, TO THE NEIGHBORS, TO THE  
GRANDPARENTS, I COULD GET INVOLVED IN THE CHILD'S LIFE SO

THAT I COULD MAKE A DIFFERENCE.

AND THAT REALLY WAS THE MOMENT, THE KIND OF AHA MOMENT IN MY LIFE THAT MAKING A DIFFERENCE IN OTHER PEOPLE'S LIVES WOULD BE CRITICAL TO ME IN PLANNING THE REST OF MY LIFE.

>>Geoff Simon: YOU DID IT FOR SEVEN YEARS.

BUT AT THE END OF SEVEN YEARS, YOU ACTUALLY MADE A CAREER SWITCH INTO REAL ESTATE.

WHAT LED TO THAT SWITCH?

>>Michael Saunders: WELL, KNOWING THAT I WOULD BE SOON A SINGLE MOTHER RAISING A CHILD, I REALLY COULDN'T BE AT THE JAIL AT 2:00 IN THE MORNING.

I COULDN'T BE CHASED WITH THE BUTCHER KNIFE AND THE BROKEN RC BOTTLE.

I REALLY HAD A HIGHER PRIORITY, WHICH WAS MY SON DRAYTON. HE WAS BORN IN '72, AND IT WAS TIME TO MAKE A CAREER SWITCH.

>>Geoff Simon: HOW DID YOU PICK REAL ESTATE, AND WHAT WAS THE BUSINESS LIKE BACK THEN?

>>Michael Saunders: WELL, I THINK IN CHOOSING, YOU DO THE OL' BEN FRANKLIN, YELLOW PAD, YOU PUT YOUR TALENTS AND THE CHALLENGES AND THE PLUSES AND THE MINUSES.

AS A COUNSELOR, I REALLY WAS A GOOD MOTIVATOR.

I WAS A GOOD COMMUNICATOR.

I WAS PASSIONATE ABOUT MAKING A DIFFERENCE, AND I REALLY LOVED CRAZY PEOPLE.

SO THERE YOU HAVE IT!

GREAT SKILLS FOR REAL ESTATE.

PLUS, I THOUGHT REAL ESTATE WOULD GIVE ME THE FLEXIBILITY TO BE A MOTHER FIRST.

I COULD PLAN MY APPOINTMENTS.

I COULD PLAN MY DAY IF I WANTED TO BE A DEN MOTHER, WHICH I WAS, IF I WANTED TO BE THE HOME ROOM MOTHER, WHICH I WAS, IF I WANTED TO GO ON FIELD TRIPS, I COULD SCHEDULE MY REAL ESTATE LIFE AROUND IT.

SO IT WAS A CAREER THAT, ONE, GAVE ME THE ABILITY TO USE MY TALENTS, AND, TWO, TO FOCUS ON MY TOP PRIORITY, WHICH WAS MY SON DRAYTON.

>>Geoff Simon: NOW, IN 1976, YOU LEFT THE BROKER YOU WERE WORKING FOR.

YOU HUNG OUT YOUR OWN SHINGLE.

WENT INTO BUSINESS FOR YOURSELF.

WHY DID YOU DO THAT, AND WHAT WAS IT LIKE SETTING OUT ON YOUR OWN?

>>Michael Saunders: WELL, IN 1972, IF YOU CAN GO BACK, AND NOT MANY PEOPLE CAN, THAT'S THE ONE GREAT THING ABOUT AGING, BUT REAL ESTATE WAS VERY DIFFERENT THEN THAN IT WAS NOW.

I REALLY TALKED ABOUT MAKING A DIFFERENCE IN PEOPLE'S LIVES, I REALLY VIEWED HELPING PEOPLE MAKE THEIR DECISIONS ABOUT REAL ESTATE AS ONE OF THE MOST IMPORTANT DECISIONS THAT PEOPLE MAKE.

SOME DECIDE TO GET MARRIED.

SOME DON'T.

SOME HAVE CHILDREN.

SOME DON'T.

BUT TRULY, EVERYONE'S DREAM IS TO OWN THEIR OWN HOME.

I LOOKED AROUND AT THE INDUSTRY IN 1972, AND I THOUGHT, I  
COULD DO THIS BETTER.

I FOUND THAT VALUES WERE THINGS THAT MAYBE WERE NOT THE TOP  
PRIORITY.

I LOOKED AT THE PLACE PEOPLE CONDUCTED THEIR BUSINESS.

IT WAS MISMATCHED DESKS AND METAL CHAIRS.

AND IF THERE WAS ANY PHOTOGRAPHY, IT WAS SCOTCH TAPED TO A  
WINDOW, AND IT WAS CURLING AND YELLOW.

I THOUGHT, WAIT, THIS IS A PRETTY IMPORTANT THING WE'RE  
HELPING PEOPLE DO.

SO, ONE, I WANTED TO CREATE A COMPANY BASED ON VALUES.

TWO, I WANTED TO CREATE A COMPANY THAT SERVED THE PUBLIC AND  
REFLECTED THOSE VALUES AND THE SERIOUSNESS WITH WHICH I TOOK  
THE REAL ESTATE BUSINESS.

>>Geoff Simon: NOW, YOU HAVE BEEN VERY SUCCESSFUL AT SALES,  
BUT YOU SET OUT TO BE THE BEST.

WHAT'S THE DIFFERENCE BETWEEN BEING SUCCESSFUL AT SALES,  
WHICH NOT EVERYBODY IS, VERSUS BEING THE BEST AT SALES,  
WHICH YOU'VE BECOME?

>>Michael Saunders: WELL, I THINK ONE OF MY MANTRAS IS A  
LITTLE BIT MORE.

I THINK YOU HAVE TO DO WHAT'S EXPECTED AND THEN A LITTLE BIT MORE.

AND TO BE THE BEST, YOU HAVE TO DO A LOT MORE.

SO FOR 32-PLUS YEARS, I REALLY WAKE UP EVERY DAY THINKING WHAT MORE CAN I DO TO MAKE THIS INDUSTRY BETTER, TO MAKE THIS COMPANY BETTER, AND TO PROVIDE BETTER SERVICE?

SO IT'S A LITTLE BIT MORE, WHICH I THINK HELPS ONE RAISE ABOVE THE CROWD AND BECOME EXCELLENT.

>>Geoff Simon: NOW, YOU TALKED ABOUT VALUES.

YOU HAVE SOME CORE VALUES THAT YOU'VE INSTILLED INTO YOUR COMPANY.

LET'S REVIEW WHAT THOSE ARE, BECAUSE THIS IS SOMETHING THAT IS EMBLEMATIC OF WHAT YOU DO AND SOMETHING EMBRACED BY EVERYBODY AS PART OF YOUR ORGANIZATION.

YOUR ORGANIZATION IS VERY LARGE NOW.

>>Michael Saunders: WELL, I THINK THAT I'M A VERY HANDS-ON KIND OF PERSON.

SO WHEN THE COMPANY WAS SMALL, I WAS EVERYWHERE.

MY HANDS WERE ON EVERYTHING.

BUT AS WE GREW, I FELT THAT WE HAD TO SOMEHOW INSTITUTIONALIZE THE VALUES THAT WERE A DAILY PART OF MY LIFE AND EVERYONE ELSE'S LIFE.

SO WE BROUGHT IN SOMEONE, MICHAEL O'CONNOR.

WE SPENT ONE YEAR IN A FACILITATED PROCESS TO COME UP WITH OUR VALUES.

WE HAD FOCUS GROUPS OF OUR AGENTS, OF OUR MANAGERS, OF OUR EMPLOYEES, OF THE COMMUNITY, OF OUR VENDORS.

AND TOGETHER WE CAME UP WITH THESE FOUR CORE VALUES.

THE FOUR CORE VALUES ARE INTEGRITY, WHICH MEANS RELATIONSHIPS BASED ON HONESTY AND TRUST.

AND THAT'S WITHIN THE COMPANY AND OUTSIDE.

THE SECOND ONE IS EXCELLENCE, EXCEEDING EXPECTATIONS.

THE THIRD ONE, WHICH CAME OUT OF THIS GROUP WHICH WAS VERY INTERESTING, WAS MUTUAL PROFITABILITY.

NOW, I WOULD NOT, HAD I BEEN WRITING MY FOUR VALUES, INCLUDED THAT.

I WOULD HAVE PUT SOMETHING LIKE LOYALTY OR SOMETHING ELSE THAT'S VERY IMPORTANT TO ME.

PASSION.

BUT THE ENTIRE GROUP SAID, WHOA, IF WE'RE NOT MUTUALLY PROFITABLE, IF WE DON'T CONDUCT OUR BUSINESS TO HELP OUR CLIENTS HAVE WIN-WIN SITUATIONS FINANCIALLY, YOU'RE NOT GOING TO BE IN BUSINESS LONG, MICHAEL, AND WE'RE NOT GOING TO HAVE A JOB.

THE THIRD ONE IS MUTUAL PROFITABILITY AND THE FOURTH ONE IS COMMUNICATION, WHICH IS CREATING ON ALL LEVELS AN ATMOSPHERE FOR HARMONIOUS COMMUNICATION.

>>Geoff Simon: NOW, BEING GREAT AT SALES IS ONE THING. MANAGING A SALES ORGANIZATION IS SOMETHING ALTOGETHER DIFFERENT.

HOW DID YOU WEAR BOTH HATS?

>>Michael Saunders: WELL, I THINK IT WAS VERY EASY SINCE I ALWAYS SURROUNDED MYSELF WITH PEOPLE SMARTER THAN I. SO WHEN I NEEDED TO EXPAND THE COMPANY, WHETHER IT WAS FINANCIALLY OR IN MARKETING OR TECHNOLOGY, PROPERTY MANAGEMENT, I ALWAYS FOUND SOMEONE WHO EXCEEDED EXPECTATIONS AND WAS THE BEST OF THE BEST, AND THEY WERE SMARTER THAN I, AND THEN INSTEAD OF MANAGING, I JUST HAD TO BE THE LEADER.

>>Geoff Simon: NOW, IS BEING A LEADER FINDING THOSE PEOPLE? THERE'S A DIFFERENCE BETWEEN FINDING GREAT PEOPLE AND THEN MOTIVATING AND LEADING.

>>Michael Saunders: I REALLY THINK THE JOB OF A LEADER IS PLANTING THAT FLAG ON THE HILL.

AND THEN HAVING THE PEOPLE AROUND YOU TO GET TO THE FLAG, BASED ON YOUR VALUES.

KIND OF HAVING YOUR HEART BEAT IN THE HEART OF THOSE WHO ASSOCIATE WITH YOUR COMPANY.

AND I THINK I'M A PRETTY GOOD MOTIVATOR.

I'M VERY PASSIONATE ABOUT WHAT I DO AND VERY COMMITTED.

SO I THINK I FIND TODAY IN THIS WORLD WHERE OFTEN IN MANY PLACES YOU DON'T FIND VALUES COMING FIRST AND YOU DON'T FIND PEOPLE DOING WHAT'S RIGHT, AND YOU DON'T FIND PEOPLE DOING A LITTLE BIT MORE, THAT THERE ARE A CORE OF PEOPLE WHO ARE VERY EXCITED TO JOIN A COMPANY THAT GIVE THEM THE OPPORTUNITY TO DO THAT.

>>Geoff Simon: NOW, THE COMPANY THAT YOU STARTED OUT WITH WAS RESIDENTIAL REAL ESTATE SALES.

BUT OVER THE LAST 30-PLUS YEARS, YOU'VE GONE WAY BEYOND THAT.

HOW DID YOU EVOLVE INTO THESE OTHER AREAS OF BUSINESS?

>>Michael Saunders: IT WAS REALLY FOLLOWING THE REQUEST OF OUR CUSTOMERS.

IT'S ALL ABOUT CUSTOMER SERVICE.

IF THAT'S WHAT IS IMPORTANT, THEN WHEN A CUSTOMER SAID I WANT TO BUY COMMERCIAL PROPERTY AND I WOULD SAY, WELL, WE DON'T DO COMMERCIAL PROPERTY, I CAN REFER YOU.

THEY SAY, OH, NO, WE TRUST YOU.

SO THEN A COMMERCIAL DEPARTMENT.

THEN WHEN THEY NEEDED THAT PROPERTY MANAGED, WE WOULD TRY AND REFER THEM.

THEY WOULD SAY, NO, WE TRUST YOU.

SO THEN COMMERCIAL PROPERTY MANAGEMENT, THE INTERNATIONAL DIVISION, NEW HOME MARKETING, THE INTERNET.

I MEAN, I CAN REMEMBER WHEN IN 1994ISH, I THINK, SOMEONE CAME TO ME AND SAID WE NEED AN INTERNET SITE.

I SAID WHAT IS THAT?

AND THEY SAID, WELL, THERE'S THIS NEW THING AND YOU CAN PUT ALL YOUR PROPERTIES UP ONLINE AND THE PEOPLE ONLINE CAN LOOK AT THEM.

I SAID, OH, WELL, THAT'S A FAD.

THAT'S NOT GOING TO LAST, BECAUSE WE HAD BEEN WINNING ALL KINDS OF NATIONAL AWARDS FOR OUR PRINT AND OUR BROCHURES, AND THEY TOLD US \$2500, IF YOU JUST REGISTER MICHAEL SAUNDERS.COM, YOU CAN DO THIS.

I SAID, WELL, SURE, FOR THAT, DO IT, BUT IT WON'T LAST.

AND NOW, 88% OF THE CONSUMERS BEGIN ON THE INTERNET TO EITHER DO PROPERTY SEARCHES OR FIND A BROKER TO WORK WITH. IT'S AMAZING.

>>Geoff Simon: WOW.

SO ALONG THOSE LINES, WHAT ROLE DO YOU SEE THE INTERNET PLAYING GOING FORWARD?

OBVIOUSLY, IT'S BECOME AN IMPORTANT PART OF YOUR BUSINESS.

HOW WILL IT CONTINUE TO EVOLVE OR CHANGE AS YOU SEE IT?

>>Michael Saunders: WELL, I THINK THAT WE CONTINUE TO INVEST HUGE RESOURCES IN MAKING THE INTERNET MORE USER FRIENDLY, HAVE MORE CONTENT, BE MORE INTERACTIVE WITH THE CONSUMER. I THINK THAT IT WILL CONTINUE TO BE A VERY, VERY IMPORTANT PART.

YOU CAN SIT IN HONG KONG, AS SOMEONE DID A COUPLE OF WEEKS AGO, ON OUR WEB SITE, RESEARCHING PROPERTIES, E-MAIL FOR FLOOR PLANS, E-MAIL FOR SURVEYS, GET IT ALL, GET ON A PLANE AND THAT PERSON BOUGHT THAT EXACT PROPERTY IN EXCESS OF \$3 MILLION.

NOW, THAT DOESN'T HAPPEN EVERY DAY, BUT THE CONSUMER BEGINS THERE, AND, AGAIN, YOU HAVE TO BUILD TRUST WITH YOUR

INTERNET SITE.

IT'S ALL ABOUT TRUST.

ALL ABOUT INTEGRITY.

SO WHEN PEOPLE BEGIN TO DEVELOP THAT RELATIONSHIP WITH YOU ONLINE, WHEN THEY ARE READY TO PURCHASE, THEY ARE GOING TO COME AND WORK WITH YOU IN YOUR MARKETPLACE.

I DON'T THINK THAT LITTLE BLACK BOX IS EVER GOING TO TAKE THE PLACE OF PROFESSIONAL REAL ESTATE ASSOCIATES.

THAT BLACK BOX CAN'T ANALYZE IT.

IT CAN'T TELL YOU WHICH NEIGHBORHOODS HAVE BLOCK PARTIES OR WHICH NEIGHBORHOODS SUE EACH OTHER.

SO, ULTIMATELY, WHEN THEY GET ON THE GROUND, THE CONSUMER NEEDS A TRUSTED PROFESSIONAL, AND THAT'S THE GAME WE'RE IN, PROVIDING TRUSTED PROFESSIONALS.

>>Geoff Simon: YOUR MARKETING, AS YOU JUST POINTED OUT, HAS EXPANDED GLOBALLY, AND YOU'VE ESTABLISHED AFFILIATIONS WITH ORGANIZATIONS OUTSIDE OF MICHAEL SAUNDERS & COMPANY.

HOW IMPORTANT HAS THAT BEEN CREATING THESE OTHER AFFILIATIONS TO THE GROWTH OF YOUR BUSINESS?

>>Michael Saunders: WELL, FIRST OF ALL, I SAID I CAME FROM A FAMILY OF ENTREPRENEURS, AND THAT I'M FIERCELY INDEPENDENT. SO AS THAT BECAME MORE AND MORE INGRAINED IN MY BUSINESS STRATEGY OVER THE YEARS AND THE FRANCHISES BEGAN TO MOVE INTO THE MARKETPLACE, I KNEW TO COMPETE THAT I HAD TO BECOME GLOBAL IN EXPOSURE.

I HAD TO BE OUT THERE LEARNING ALL THE NEW THINGS, AND I ALWAYS SAY I ALLOW OTHERS TO BE ON THE CUTTING EDGE, WHICH MEANS THEY BLEED.

THEN THE IDEAS THAT HAVE TRACTION MAKES ME ON THE LEADING EDGE.

SO I WENT OUT AND BEGAN NATIONALLY TO GET INVOLVED IN THE INDUSTRY.

I NOW CHAIR LEADING REAL ESTATE COMPANIES OF THE WORLD, WHICH IS THE LARGEST INDEPENDENT NETWORK OF 125,000 AGENTS, ALMOST 700 COMPANIES FROM ALL OVER THE WORLD.

AND SO I REALLY BELIEVE IT'S NOT JUST ABOUT JOINING, BUT IT'S ABOUT PERSONAL INVOLVEMENT BECAUSE IT'S ABOUT RELATIONSHIPS.

>>Geoff Simon: THINK GLOBAL, ACT LOCAL.

>>Michael Saunders: THAT'S RIGHT.

SOMEBODY ELSE USES THAT, BUT I WAS DOING IT LONG BEFORE ANYONE ELSE TOOK THE TAGLINE.

I'M SPEAKING IN LONDON TO WHAT IS THE UK VERSION OF THE NATIONAL ASSOCIATION OF REALTORS IN OCTOBER.

I'M SPEAKING IN SEPTEMBER IN ROME TO A GROUP OF INTERNATIONAL BROKERS.

I JUST GOT BACK FROM THE DOMINICAN REPUBLIC.

SO I'M ON THE ROAD SELLING THE WEST COAST OF FLORIDA.

>>Geoff Simon: NOW, YOUR SON IS YOUR NEW BUSINESS PARTNER. HE HAS BEEN FOR A LITTLE WHILE.

>>Michael Saunders: HE IS.

>>Geoff Simon: LET'S TALK ABOUT ADDING A NEW PARTNER TO YOUR BUSINESS.

>>Michael Saunders: HE IS MY GREATEST JOY AND MY GREATEST ACCOMPLISHMENT.

I THINK ANY PARENT, ANY MAN OR WOMAN WHO STARTS THEIR OWN BUSINESS, THEIR DREAM IS TO HAVE THEIR CHILD IN THEIR BUSINESS, AND I THINK FEW COULD REALIZE THAT IN SUCH A POSITIVE WAY AS I HAVE.

DRAYTON IS MY BUSINESS PARTNER.

HE'S PASSIONATE AS I AM.

HE'S VERY VALUE-BASED AS I AM.

HE HAD EIGHT YEARS IN SANTIAGO, CHILE, WHICH GAVE HIM A TASTE OF WHAT IT'S LIKE ABROAD.

IT'S WONDERFUL TO HAVE HIM BY MY SIDE.

>>Geoff Simon: DO YOU PERSONALITIES COMPLEMENT EACH OTHER? ARE YOU SIMILAR TO EACH OTHER?

>>Michael Saunders: WELL, I THINK IN BASIC VALUES WE'RE SIMILAR.

IN PASSION WE'RE SIMILAR, BUT THEN WE'RE VERY DIFFERENT.

I AM VERY INSTINCT, GUT.

I'VE BEEN DOING THIS FOR A LOT OF YEARS.

DRAYTON IS VERY PROCESS, NOT TASK, BUT STRATEGY ORIENTED.

HE HAS A WICKED SENSE OF HUMOR.

SO I THINK WE'RE DIFFERENT IN TERMS OF OUR APPROACH, BUT OUR

GOAL IS ALWAYS THE SAME.

OUR VISION IS ALWAYS THE SAME.

SO IT'S SUCH FUN TO HAVE SOMEONE 35 YEARS OLD GIVING YOU DIFFERENT PERSPECTIVES, AND YOU'RE GOING TO THE SAME PLACE, BUT IT'S SOMEWHAT DIFFERENT.

>>Geoff Simon: NOW, THE RESIDENTIAL REAL ESTATE MARKET HAS COOLED OFF.

IT PEAKED A COUPLE OF YEARS AGO, HOW DO YOU DEAL WITH BUYERS AND SELLERS IN A MARKET THAT HAS CHANGED RATHER DRAMATICALLY?

>>Michael Saunders: WELL, YOU KNOW, I'VE BEEN IN BUSINESS 32 YEARS SO WE'VE HAD UPS AND DOWNS.

THAT'S WHY THEY CALL IT A MARKET BECAUSE IT CHANGES.

THIS ONE HAS BEEN MORE OF A CHALLENGE THAN ANY OTHER.

I THINK THE COMPANY IS BIGGER FROM MY STANDPOINT.

I THINK THE INVESTORS THAT WERE IN THE MARKET AS DAY TRADERS AND FLIPPERS WERE GREATER IN THIS MARKET RUN-UP THAN IN ANY OTHER ONE I HAVE SEEN.

THE FINANCIAL INSTITUTIONS WERE A PART OF THE CULPRITS IN IT ALL AND LENDING TO ANYONE WHO COULD FOG A MIRROR, AND YOU DIDN'T EVEN NEED TO OWN THE MIRROR, AND I THINK IT ALL CAME TOGETHER IN THE PERFECT STORM OF OVERBUILDING, OVERINVESTING BY SPECULATORS AND INCREDIBLE RUN-UP IN VALUE, AND ALL OF A SUDDEN NOW WE HAVE TO DEAL WITH THAT.

SO I THINK THAT IT IS WORKING WITH THE SELLERS TO SAY THIS

IS NOT '04 AND '05.

IF YOU ARE NOT REALISTIC AND YOU ARE NOT PREPARED TO PRICE YOUR HOUSE TO THE MARKET TODAY, IF YOU LIKE IT BETTER THAN THE BUYERS, TAKE IT OFF THE MARKET AND LIVE IN IT AND ENJOY IT, BECAUSE I SAY ANYONE THAT HAS OWNED THEIR HOUSE FOR FIVE YEARS IN THIS MARKET WILL NEVER, NEVER BE DISAPPOINTED WHEN THEY SELL IT.

BUT IF YOU BUY IT ONE DAY AND WANT TO SELL IT NEXT MONTH, YOU MAY HAVE SOME PROBLEMS.

SO IT REALLY IS BE REALISTIC IN YOUR PRICING, BE PREPARED TO NEGOTIATE, OR TAKE IT OFF THE MARKET AND LIVE IN IT AND ENJOY IT.

BECAUSE WHAT'S THERE NOT TO ENJOY ON THIS PART OF THE GULF COAST?

>>Geoff Simon: WE HAVE ABOUT A MINUTE LEFT.

LET'S TALK ABOUT PHILANTHROPY, AND LET'S TALK ABOUT COMMUNITY ACTIVISM, BECAUSE YOU ARE VERY ACTIVE IN THE COMMUNITY, AND YOU ARE VERY PHILANTHROPIC.

>>Michael Saunders: WELL, I THINK IT IS ONE OF THE BLESSINGS OF, ONE, BEING ABLE TO GIVE BACK.

I THINK, AS YOU KNOW, I'VE SAID IT'S ALL ABOUT MAKING A DIFFERENCE.

AND TO BE IN A POSITION TO MAKE A DIFFERENCE, I CAN'T IMAGINE EVER RETIRING FROM PASSION OR GIVING BACK.

WHETHER IT'S IMPROVING COMMUNITY DIALOGUE ON A GOVERNMENTAL

LEVEL OR WHETHER IT'S CHARITABLE AND PHILANTHROPIC, I AM THRILLED TO BE PART OF THAT.

HOPE I DRAW MY LAST BREATH GIVING BACK.

>>Geoff Simon: LAST BUT NOT LEAST, PERSONAL TIME.

THAT'S VERY IMPORTANT TO YOU.

>>Michael Saunders: IT IS IMPORTANT TO ME.

IT'S VERY DIFFICULT TO FIND A BALANCE, BUT I LOVE TO COOK.

I LOVE TO FLY-FISH.

I LOVE TO READ.

SO I DO THINGS THAT YOU CAN DO VERY EASILY.

IT'S EASY FOR ME -- I MEAN, I GIVE 200%.

AND WHEN I GO HOME, I HAVE NO GUILT FEELINGS HAVING MY TIME,

WHETHER I'M ARRANGING FLOWERS OR COOKING OR PLANNING A

FLY-FISHING TRIP.

>>Geoff Simon: MICHAEL, I WANT TO THANK YOU VERY MUCH FOR BEING WITH US.

IT'S BEEN GREAT HAVING YOU HERE.

>>Michael Saunders: THANK YOU SO VERY MUCH.

IT WAS WONDERFUL TO BE HERE.

>>Geoff Simon: IF YOU WOULD LIKE TO REACH US AT THE

"SUNCOAST BUSINESS FORUM" OR SEE ANY PREVIOUS INTERVIEWS,

YOU CAN GO ONLINE TO [SBF@WEDU.ORG](mailto:SBF@WEDU.ORG).

THANKS FOR BEING WITH US.

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