

# HOW TO MULTIPLY YOURSELF

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$$2 + 2 + 2 = 16$$

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CURTIS SPENCER

“HOW TO  
MULTIPLY  
YOURSELF”

**By:**

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Dedicated to

*FJ*

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## **CHAPTER 1:**

**Introduction and Why  
I'm writing this book.**

I am about to enter my 45<sup>th</sup> year of being a consultant. A consultant in the “Foreign-Trade Zone industry, the Logistics Trends analysis industry, and the Industrial Real Estate Value-Proposition industry.”

Wow that’s a mouthful, and quite frankly getting to all 3 specialties listed above is the essence of this book. I’ve always operated with the belief that you can start out with a core competency, a specialty, and by keeping your ears open, your eyes moving and focusing on the trajectory of things, you can multiply yourself! I say it with certainty because that is how I got to where I am now. I am writing this book in hopes of being an inspiration, especially to those of you who are not MBA grads... you’ve gotten wherever you’ve gotten due to grit, stick-to-itiveness and drive. (You MBA grads can come along too...not short-circuiting you guys at all!)

This then is your “How-to Textbook” on multiplying yourself in your career. In addition to my own 40+ years of experience and history of watching and living success and failure, I have had the opportunity to see others master this process. I believe this combination can be used as a blueprint for others to quickly learn the value of multiplying oneself in their own field of business.

In nearly all areas of my life, my experiences have helped to pave my own way into making FTZ consulting my primary line of work. As a fresh faced 14-year-old, the thing I cared most about was playing music. I began playing drums at this young age. My first kit was purchased on a \$150 loan from my father that I paid back, with interest!

Sounds harsh, right? But no, this taught me the power of “owning something”; of wanting it bad enough that at 14, I was willing to pay for it!

After high school, I was traveling with my band all over the USA, playing 6 nights per week and rehearsing 5 days per week, all while making terrible pay. I was living the dream, until the dream ran out of gas! One night (six years into this failed experiment and only 75 hours of college squeezed in), I called my Dad and said “Hey, I’m coming home for a few weeks and I want to talk about my future.” I wasn’t sure at the time where this conversation would take me.

Looking back on it now, I am struck by the fact my father didn’t say “Son, I told you to go to college, right? I offered you a “free ride” to school. I told you to quit music and make something of yourself. I told you to let me pay for it, yet you refused; so, come on home, but I’m not helping you at all.” My Dad and I had a very good relationship and while the opportunities offered to me that I passed up for a life on the road were no longer on the table, his willingness to guide my career remained.

I learned from a very young age that there was very little uncertainty with my father. His 3 college degrees in French, advanced chemistry and chemical engineering made my 75 hours of college credits and no degree pale in comparison.

At this point in time, I was 24 years old and in serious need of a job that would start paying me “adult” wages. Luckily, my Dad’s business was getting busy and he offered me an entry-level position. I was told I would have to start at the bottom and work my way up. I jumped at the chance for a steady income of \$1,000 per month; a salary that my father would have paid anyone else taking the job-but quite frankly, significantly more than my music career!

The college credits I had accumulated consisted of 75 hours in accounting, finance and marketing. After getting hired



on, my first assignment was to work for an Airport Service Center for avionics that was dying from cash flow problems. They owed \$250,000 in payables and had over \$675,000 in receivables. (What possible training would I have had to take on this job you ask? Well, collecting “gig money” from rude club owners is a really good “college-for-collections” -- so I was indeed prepared).

Not a good situation to be in for this small business owner. In less than 12 months, I was able to get them over \$500,000 in improved cash flow and the owner was beside himself with joy. Within a few years’ time I had 3 more happy finance/accounting customers and my dad decided to introduce me to the FTZ program, which is what he was working on since 1967. It was also interesting in all of those companies that I did basically “controller” duties, I also assisted their parts, inventory and warehousing sections implement new time-savings, cost-savings initiatives that I’d use in the next phase of my life. In retrospect, this was the first time I “multiplied myself.”

At this point in time, my father was well on his way to becoming a pioneer in the FTZ field, and he’d only been doing it for 10 years. Over the span of his career, he created:

1. The first Zone located at a Port of Entry that was not a Seaport (it was a land “port of entry” on the Mexican border)
2. The first Zone with the bulk of the property owned by a private landowner. (George Mitchel in Galveston—Zone 39)
3. The first Zone with a US refinery attached to it on the US Mainland. (Corpus Christi TX, Zone 122)
4. The first Zone with multiple sites (32), instead of a single large publicly owned site. (Houston TX Zone 84)
5. The first Zone with a common, centralized computer system that later Customs used to rework their entire

regulations around and fully pulled officers out of zones replacing that format with an “audit and inspect” program vs. being located onsite full-time. (Zone 84)

In true-to-form style, my father threw me in the deep end to learn the trade. My dad’s #1 Rule was “Do your homework; Know the regulations better than the regulators; Never take “no” for an answer.” I have kept that perspective for all these 40+ years, and it has served me well. I used that advice often as I took over the company and built it into what it is today. My father truly believed that all his children could accomplish anything that we set our minds to if we were willing to work extra hard and follow that advice. And, he never “required” us to enter the family business....not at all; we were told to be the “Best at whatever we did, no restrictions, no second place!”

One more important fact that kept my attention and proved so useful; **Listen to and learn from old people....** they’ve got a lifetime of doing something right, (mostly), and if you learn from them you can save yourself some stupid mistakes and heartache. I’ve always believed that getting in trouble or going through pain for its own sake is stupid! Why take on more pain, more suffering than life is already going to dish out? Learn from other’s mistakes and hopefully you won’t make them and suffer for them.

To be sure, we are all going to make our share, and for 99% of us, that is the way we learn to avoid those mistakes in the future. It’s elemental; a 3-year-old realizes that touching something “hot” will hurt, so he won’t do that again. If we can learn that about an investing issue or a career move from a wiser, older “been through that before” person, then why wouldn’t we listen and learn? If we can just gain 11% off that 99%, and suffer only 88% of the time, that would be better, right? Its that simple. So, I’m giving you my mistakes, my impartation of a niche

knowledge that can allow you to “multiply yourself” so that you can morph and flex and grow your career as I did.

Hopefully, by now I have your attention, and you just can't wait to read about how to multiply yourself, so hold on.....



## **CHAPTER 2:**

**Reinvention is good for  
the soul, your bank  
account and your future.**

What this book can really teach you is how anyone can reinvent themselves by truly understanding your customers. It's imperative to identify their needs and how you can enhance what you are currently able to do for them. This is done by growing and adjusting your "core competency" to create another competency that is just as sellable. This is the real key to my story; it is the key to what I'm trying to impart. In reality, it is a very simple idea, a subtle viewpoint change. This subtle modification and belief in yourself is necessary so that you can be more to your clients. Here is the story of me reinventing myself, my company and using the "multiplication principle" to add to my bottom line.

My morphing, my multiplying myself all started with an FTZ presentation to a group of Industrial Real Estate Brokers in LA. I had been speaking almost exclusively about the subject of FTZs for the past 10 years, and how different segments of industry used them and for what purposes. Once we created the LA FTZ (No. 202), in 1993, I became aware of the huge level of industrial real estate that was concentrated in the Greater Los Angeles market, and how everything there was scaled up to gargantuan size! The Southern California market is where "all" of the imports happen!

From my experience in Houston, I knew that most of the warehouses, distribution centers, and parts depots, were in the 50,000 to 100,000-foot range. I was amazed to learn that in LA, 300,000-1,000,000 square foot buildings were commonplace!

It was 2002, the year after 9/11, and I was presenting a Foreign-Trade Zone marketing speech with the Port of LA and Watson Land Company. In the audience was a handful of industrial real estate brokers, potential zone users, and city officials in Carson CA. Jeffrey Morgan, a south-bay CBRE real estate broker was in the crowd that day, and as the last question of the day he asked me:

“So, Mr. Spencer, are you saying that if I learn this FTZ business and how it can help my real estate clients and me by being able to differentiate the industrial warehouses in the market, I can lease more buildings?” My response to his thoughtful question was one that would change my course; “You certainly can, Jeff, and you will be providing your customers with a value proposition based on the FTZ that very few brokers are aware of, **making you the smartest guy in the room!**”

Jeff was so impressed with this session on FTZs that he hired my firm to train his whole brokerage team (4 people) in LA to learn and understand the FTZ Value Proposition. I was to teach him and his “broker team” all about the value-proposition known as the FTZ Program. We spent two full days training him and his people on how the zone works, what its benefits were, why the Los Angeles marketplace (25 million people in Southern California) was so perfectly suited to FTZ use because of all the imports coming into the Ports of LA and Long Beach. And why the FTZ program for warehousing was so beneficial now that the new law (in 2000) created savings from Customs fees that could be as high as \$500,000 to \$800,000 per building!

He was beside himself after fully understanding that I could also take a full set of FTZ benefit dollars (annual dollar savings via the FTZ) and show that as a “per square foot” savings for his clients. This helped him, and me immensely. Jeff’s team succeeded in leasing over 2.5 million square feet of FTZ space over the next 3-4 years with this knowledge and we became great friends!

Jeff and I became so close that he invited me to attend the national CBRE convention in Las Vegas the next year. He paid my way to get there (I didn’t even know there was a cost, until several years later). He introduced me to all sorts of developers, brokers, and investment types in real estate and I

could sense a stirring of new business. It was not just FTZ business. No, these executives were trying to understand their audience, their constituents who were becoming more and more the import, retail or parts distributors that leased buildings. My FTZ clientele were the “Occupiers” that these brokers/developers were chasing! Many of these types of companies had been my “FTZ Clients” and these real estate execs wanted to know why they chose one state over another for a DC (distribution center) or why they routed cargo through this port or that port. They wanted information that I had.

It turns out that developers and brokers were much more interested in their tenant’s business than ever before. They wanted to know what they did, how they behaved, and what their supply chains were. There was a thirst for increasing knowledge of logistics. Developers and brokers alike wanted a better understanding of the so called “global conveyer belt of goods\*” from Asia to the USA. (\*My VP of Logistics, Steve Schellenberg coined that phrase, and I’ve stolen it 1,000 times--Thanks Steve!)

The influx of goods from Japan, China, and SE Asia was just becoming a huge trend, and being in LA, we were standing at the downspout of this huge incoming product funnel. (Remember that in 2001 China was allowed into the WTO, and therefore their imports to the USA went from the “communist country column of duty” to the normalized US Preferential country duty-rates.)

Approval of China into the World Trading Organization and the lowering of Chinese tariffs on imported goods to the USA created a flood of imports; all directed to the west coast ports of LA/LB, Oakland and Seattle/Tacoma.

There I was, actually doing for Jeff what I later realized I could do for myself. If Jeff could take his knowledge of commercial real estate and add FTZ knowledge to help him and

his team save their customers money, he was “morphing” his Real Estate career into a “logistics/supply chain knowledgeable RE Broker.” I realized then, I could do that same thing in reverse. He was so excited about this new-found knowledge, that he wanted all of his colleagues around the country to receive the same training and knowledge about FTZs so that every Industrial RE Broker in CBRE’s massive company would be smarter than their competition! What I learned from this was that by Jeff doing well and “multiplying” his skills to include FTZ, he was also multiplying my income as all of his “tenants” now needed FTZ consulting services.

Side note to all you history buffs in Real Estate---Jeff Morgan helped CBRE actually establish their Port/Logistic Industrial Group, and that terminology and practice specialty is in place at all of the largest 3 Brokerage Houses in the world!

I also learned how important real estate brokers are to the tenants, Zone users, and my customers. To this day, some 20 years after meeting Jeff, our firm gets over 50% of our leads and customers directly from real estate brokers. All types of RE Brokers. By teaching my skills to another completely separate industry that had some minor touch-points with potential customers, our business grew solidly! I probably spoke at over 45 different CBRE events over 20+ years teaching FTZs and supply chain. Furthermore, all 3 of the global RE Brokerage firms today have their industrial brokers organized around and knowledgeable in “Logistics and Supply Chains.” Thank you very much to CBRE, JLL and Cushman!

Here's the deal; I know how many dollars an FTZ can save any potential user. But putting those savings into “terms” that are KEY to the receiver (of information, whether it be on a call, doing a speech or any other form of marketing communication), is way more beneficial! Just showing dollars



and cents is not enough. But showing that a Zone can lower “operating rent” by \$1.25/sq. ft. --- now that is something! Or, to a manufacturer, showing FTZ savings as a PPV (purchase price variance for its imported parts) is a huge thing! It created the first real “morph” of our FTZ core competency into understanding and becoming a Real Estate Consulting firm, that was a new core competency. Here’s how that came about...

Jeff introduced me to Darla Longo, who is one of the most successful brokers in the history of industrial real estate! Darla’s reputation mushroomed after she brokered a \$2+Billion portfolio of industrial buildings in 1 transaction. Darla was and is a super star; and she knew every single CEO, CFO and COO of the industrial development world. As a result, Prologis, First Industrial, Duke, Hillwood, Panattoni, Opus, AMB, USAA, Clarion, Centerpoint and many, many others who were introduced to me through Darla, also hired me as their FTZ consultant and Supply Chain guru. She allowed me to attend her private receptions, CBRE’s annual closed events for clients and development partners.

Darla and her sister, Barbara were so wonderful and introduced me as their “logistics expert” to every key individual in the industrial real estate “who’s who” that existed. I was beside myself with gratitude and did many “free speeches” for Darla and her team, as well as detailed R&D assignments when her team needed it. What started out as a simple question: “What will the labor unrest in 2004 in LA/LB mean for West Coast industrial real estate?” “Will all the shippers get so upset that they move their freight from the West Coast ports to the East Coast ports via the Panama or Suez Canals or will they accept all of the delays and lock-outs on the West Coast?” This was truly the beginning of our firm’s 20+ year “trend analysis” on West Coast vs. East Coast Asia container market share. We were asked to share this at national conventions, seminars, workshops and conferences

from ULI, CSCMP, NAIOP, SIOR and many others dedicated to professional Real Estate and its service providers.

I listened to what these pillars of industry were asking, what they were saying they needed and the knowledge they were hungry for. I quickly worked on putting together  $2+2+2 = 16$  from that moment on. **I knew that for this industry, there was nobody explaining to them the “world of logistics”, which equaled the world of their tenants!** What it meant to have a growing port, the Panama Canal Expansion, the role Customs was playing on slowing down the supply chain for security purposes, inland ports....none of this was making its way into the planning and purchasing process for this industry.

I created the niche called “Global Logistics Impact on Industrial Real Estate”, and I preached it from every pulpit that would have me. Jeff and Darla, I love you guys and thank you for opening up your businesses to allow me to teach and preach about Logistics.



**CHAPTER 3:**  
**The early years. Learning  
what is what.**

Ok, so every book like this has to have a chapter on “How’d you get here? What prepared you for this career?” Here’s the story:

As I mentioned in the first chapter, I grew up playing music and have been a drummer since the age of 14. I come from a very musical family, but that didn’t mean that my parents approved. My dad played every instrument imaginable, and it got passed down to my kids, many of which are multi-instrumentalists and I’m a proud papa for my “artists”. My dad paid his way through college as a pianist for a dance band. It was in my blood.

Our paths were very different though as he immigrated to the United States from India in 1948, with one degree already under his belt. He pursued two graduate degrees while earning money as a musician. Academically, I was a smart kid. I made straight A’s throughout high school and managed to make the Dean’s List for the college credit I completed at both SMU and U of H. My wavering desire to stick it out for a degree was ambushed by the Dream! “I can be the best rock drummer ever!”

Talent has very little to do with making it in the music industry. The odds are severely stacked against you. It’s worse than any other field of “dreams” including sports at a national level. (Although my kids keep reminding me that “Today Dad, it’s really easy to get into the music business and be HUGE! Look at Billie Eilish”....I have to admit things have really changed there too, but this is about how hard it was in the late 1970’s!)

After coming on board with my father’s company, International Management Services, I began to thrive when given the opportunity to start on FTZ Consulting. We were just starting on the Galveston Zone, which is FTZ # 36, and it was the first zone with a private landowner in the country. My dad worked with

George Mitchell, the famous oil, gas, and land developer who owned a large piece of property in Galveston, Pelican Island. The Galveston Wharves Board decided to move forward with that zone project if supported by George Mitchell. My Father, FJ Spencer, had done some previous work for his company, Mitchell Energy, and because of that, the Zone started to take shape.

My dad's way of introducing me to any new task was to simply "throw me into the deep end." While he was always willing to give me help along the way, he wanted me to earn the knowledge rather than borrow it. Seemingly a very harsh way especially today when the constant cry from young recruits (especially if they have fouled things up) is to say; "Well, you didn't give me enough training, or my coaching wasn't available and I messed up!"

Along with that, he also believed in the freedom to fail, to fix the mess and to learn from my mistakes. A HUGE management factoid that is not so noticeable today. If my dad hadn't of been able to allow me to fail, allow me to pick myself up, face the fall-out of that failure, and learn from it, improve upon it, then I'd never have made it. This is singularly important to anyone managing others and to all those that learn from this type of management style.

One project led to another, and in 1981, we went to the Port of Houston, which was the nation's largest port by tonnage, and one of the largest metro areas in the country that still didn't have an FTZ. My dad's vision, which I quickly captured and made my own, was truly a first-of-its-kind in FTZs. **Multiple sites, all managed via a single operator, with public and private land ownership throughout the entire County.** Now, that was revolutionary in the FTZ World! We convinced the Port to support this concept, and right in the middle of the largest Protectionist time in pre-Trump history; we took on the steel lobby (Houston at

that time was the nation's largest steel importing port in the country) and we won!

I was involved in this Zone project from start to finish. It had every twist and turn that I have seen since included, and the public hearing was a doozy. The American Iron and Steel Institute, headed by a guy named David Phelps, went all out to destroy the application, the concept, and the validity of the feasibility work we had done to create this zone. They claimed that by allowing this zone, the domestic steel industry would die and that our zone would cause it. The presiding Executive Secretary of the FTZ Board, John J. DaPonte was managing the public hearing and after it was over, the Houston FTZ # 84 was born. (Side note, my nemesis, Dave Phelps later became a good friend and business associate as he changed teams and became the Executive Director of the Import Steel Association!)

Our firm bid on the “operating contract” for the zone and we were selected. First thing out of the gate was to “activate” or turn-on, 4 sites that were ready and anxious for Zone status, especially after waiting those 2 long years for approval. Our Team had to invent an inventory management system, that from Day 1, would be able to handle:

- Auto import centers, VW which used VIN numbers for their inventory tracking.
- Steel warehouses and yards that had unique styles of inventory (pounds or feet in, pounds or feet out),
- A food-grade warehouse, where I was introduced to SKUs for the first time, and how FIFO inventory worked, and finally,
- A liquids terminal, that used pumps, valves, certified meters to determine the volume of merchandise that was imported into that Zone site.

All this was to be created in a single, FTZ inventory system, with password-protected US Customs electronic signatures on forms (never done before or since), and restricted access for the users of each type of zone. WOW—this was completed in less than 9 months, and approved by Customs, and all done before the PC was invented! I learned a lot, a “PHD amount,” during those first 3 years of the Houston FTZ Corp days. Core competency that would propel my career for the next several decades, only because I had learned in the trenches of doing it, doing it multiple times, with multiple triggers of how inventory is kept.



## CHAPTER 4:

### Creating my own identity.



In 1989, I officially bought out my dad's ownership of the Houston FTZ Corp and created IMS Worldwide Inc. I found myself going through several changes during that time as I was planning to marry my soon-to-be wife and my business was picking up. It felt as if I was hitting my stride. Several factors led to this feeling and the growth of my business during that time. We had operated the Houston FTZ for 4 years. I had helped create a multi-dimensional Inventory Management software system, and because of that fact, we learned to JV on projects with much larger firms. We also added a couple of MBA's from Trinity University, which really helped us move the firm along.

By this point, I could see that understanding the reasoning behind regulations and knowing how they got where they were was key. One of the main ways I began to see growth was through my time volunteering for committee assignments in National Industry Associations. With those committee assignments, I was able to "help adjust" the Regulations for a more convenient/commercial use, modifying them to fit needed commercial realities. While they tend to be tedious and normally don't result in new business right away, they have proven to be a great investment when you are selective in joining the right ones. Nobody can claim to be more knowledgeable on a "regulated business" than the one who helped created, shape, form and get approval of those same regulations!

A bit about industry committees: The FTZ industry has an association called the National Association of FTZs. They are headquartered in Washington DC and are an advocate and educational association of the entire Zones Industry. I became a member in 1981 and have been continually involved to this day. So, a couple of examples about committee involvement will help.

Early on in my career, I joined the NAFTAZ committee to re-write the Customs and FTZ Board regulations. This

particular committee was led by a powerful attorney, an arch-rival of our firm. As the “new kid on the block,” I knew my place and I chose to absorb it all like a sponge and learn from my rival! It was a great move. In typical committee style, I was part of the 20% that did 80% of all the work. During that time, however, I was able to perfect my craft and gain expertise in the field. By digging into the regulations that cover and manage my industry, taking them apart, rewriting them to better fit the commercial realities while not pushing past what the law intended, I became that “expert”. Additionally, I got to really use my common-sense brain as we put in key elements of operating “ease-of-use” language that still exists today.

Another committee that I applied for was the COAC (Commercial Operations Advisory Committee) committee. This national committee is chosen by the Treasury Secretary, the DHS Secretary and the President. I applied online, as did 49 others, for one of 10 spots that are available once every 2 years. While attending a Customs Symposium in December 2003, I was expecting to find out if I had made the committee that would begin meeting at the first of the year. My good friend who grew up in Houston and was the Department head of Customs Office of Trade Relations notified me that I had just missed being selected. I was disappointed to not make it as I felt my application was solid and I was an independent small business consultant from Texas.

On the 4<sup>th</sup> of January, 2004, I got a call from the Undersecretary of Department of Homeland Security under President George Bush, asking me if I would like to serve on that very same Commercial Operations Advisory Committee. COAC is the most prestigious assignment within the “Customs world” and I was just being asked to join. Needless to say, I was at a loss for words. I didn’t hesitate to jump on board and with that came a huge set of tasks.

There were several hours spent in meetings and conference calls working out everything from Policy and specifics to developing a whole new set of tasks and initiatives that Congress had called on Customs to get done. The COAC was Congress' "watch-dog" on Customs to make sure they didn't get too "out of hand" and arbitrary in their dealings with the trade. I became the co-Chair of the "CTPAT" (Customs Trade Partnership program) committee with Lisa Schimmelpfenning of Walmart and was able to forge new partnerships with CBP personnel at the highest levels. After 4 years and countless hours, I am proud to have accomplished the following through my volunteered time on this committee:

1. Forged with my co-Chair Bruce Leads, the industry perspective on the ISF "10+2" security filing requirements that are still in place today.
2. Created additional benefits to CTPAT participants.
3. Co-Wrote (with the Ex-Customs Commissioner, Sam Banks) and conceived of the current practice within Customs to aggregate specific industry knowledge into a single, virtual group of officers to handle specific groups of products. For instance, there were specialists for oil and petroleum products at all seaports. Now they are combined into a single Center of Excellence and Expertise (CEE) headquartered in Houston TX. Makes a lot of sense to combine (physically and virtually) all Customs entries of a "type" into a single Center for processing so that security is better, and facilitating trade is better and more efficient. These CEEs are now up and running in all parts of the country, including Electronics, Footwear and Apparel, automotive, and 7 more covering all of the various 99 chapters of imports into the USA.
4. Made sure, with all my colleagues on COAC that Customs didn't run roughshod over the trade industry,

which is exactly what our “charge” was from Congress when COAC was created in the 1990’s.

Through the process of taking on the additional challenges of the volunteer work while running my own successful company I really became my own person. I got there with a lot of hard work, deep study of whatever subject I was speaking on or consulting on and doing my homework, and a whole lot of God’s intervention and help.

Homework at a job is just that; it is getting more involved in your industry, through local chapters of national organizations, moving up the ladder within them, hosting workshops, participating in committees, receptions, after hours study and debate over new legislation that could affect your industry; it is all of that and more! It is going beyond the call of just doing your job and choosing to have a vested interest in your field. Those that have a heart for succeeding and “multiplying” themselves will be the 20% that does the 80%!

Some of our best business came as a result of my volunteer work. Through my experience with the COAC, I was able to land one of our firm’s biggest accounts to date. When the former DHS Assistant Secretary (head of the COAC) became the Global Compliance Director at a Fortune 100 Company, they chose our firm to work on FTZ opportunities for them. We are currently working on our 8th contract with them and have additional projects in the pipeline. While gaining this great client wasn’t the “end result” I was focused on when I signed up my volunteer work, it sure was a wonderful reward.

In this book, I have tried to make sure and mention my “mentors” and what they have meant to me. However, there are far too many to mention, and some of them don’t even know that their kind word, or reassuring pat on the back even meant that

much to me, but I can assure you that it does. (see the final section in this book for more)

So, as you multiply yourself, as you absorb and learn from older people, make sure you thank them and honor them in all you do.

But in the end, nobody defines you as much as you do yourself.

How did I define myself? Well for one, you can't take yourself so seriously, and you are never as "good or as smart" as you think you are so make sure your pedestal is really short! I am constantly having to readjust myself as I get knocked off mine every day, by some stupid thing I say, being short with a colleague or my wife, and a hundred other things.

Here is a simple formula: **Be genuine**, warts and all, **be honest, be ethical** which is higher than just being legally ok; and finally, **be generous**. Let's take a look at each of these.

**Be Genuine:** This is really harder to do than it sounds. Everyone has a persona (or twelve). My dad spoke 9 languages, and I marveled at this over the years, especially when I got older and would watch him "morph" from one persona to another whether another language was involved or not. What was cute when I was 10, seemed so disingenuous when I was 30. He didn't do it to be cruel or shaming, but when he changed his whole personality right in front of a client or potential customer (and me), it became harder to swallow. I would become embarrassed over it and it forged in me a feeling of "Be who I am, around kings or paupers, around business or friends, and keep the same demeanor either way."

No way did I pull this off 100% of the time. I do have his DNA and I am so thankful I do!! But it is important to be who

you are, the same as you are, around multiple types of situations and people. Then, no one can claim that you are someone you are not. I have told all my business associates at one time or another that I used to play drums for a living and have for over 40 years! Many don't believe it until they see me in my suit, sitting in with the band at a BNSF conference, NAFTAZ conference or at a NAIOP event.

**Be honest:** This one, I guarantee isn't easy. Being honest and doing so with tact takes a great amount of maturity and empathy. I don't believe in beating up someone with hurtful honesty. The honesty that I believe in is whole heartedly never doing anything that you wouldn't want your loved ones to know about. I also believe in documenting anytime someone asks you to venture from this truth. Being honest sometimes hurts business, but never for long.

**Be ethical:** I love this because it carries with it all that is legal; but adds all that is good for others as well. If an assignment isn't ethical but is legal, don't take it. If it is a method, a means to an end that isn't ethical, but is legal, find another way. There are always alternatives, other ways to the same objective. Just "legal" isn't good enough in my book. It has to be the right thing to do.

If a job opening is in a business that is legal, but not ethical, take another job. In no way am I meaning some sort of environmental ethics or "Not-standing for the national anthem" ethics—these are bastardizations of the term "ethics" and should not be confused with ethics in business. Everyone knows what I am referring to here, and it is simple; do the right thing!

**Be generous:** I never really understood this concept growing up. In our family, we didn't grow up Christian, with the concept of tithing and giving to charities. It wasn't a life pillar instilled at a young age but one my mother chose to lend her talent

and money too after we were all grown. It is the difference in being generous and being “fair” I am referring to here. “Fair and square” is how we were raised. There were no discussions of mercy, or generosity beyond your excess.

If you grew up where everything in life revolved around “fairness, equity for all,” then charity/generosity might not be familiar concepts. Generosity that is one-sided doesn’t make sense to the fair and equitable crowd. Sure, you have to teach fairness, just like we teach our children to share, but being generous with our money, our time and our talents is a Judeo/Christian virtue that wasn’t around in our household growing up. I had to learn it as a grown man.

Once I understood the true benefits of generosity to both the giver and the receiver, I fell in love with it. From a real business sense, being generous and sharing the wealth is a huge rush, one that I have greatly enjoyed as I’ve grown older. (OK, “rush” for you millennials means a huge high, “it’s Lit!”). As an entrepreneur and business owner, it’s also awesome to show generosity to your employees/co-workers even when it’s not deserved. I can’t tell you how satisfying that is, and if you have the opportunity, just try it.

As you mature, your goal will be to create for yourself the man or woman you want to be. Then, stick with it, multiply it, grow it and be YOU! You aren’t your mom, or your dad, or your favorite professor; you are just you. There is also no room for excuses based on DNA, based on how poor or downtrodden you were as a child! “We all have the blues,” is an old saying in the music business..... “you got your blues, I got my blues, so don’t tell me your blues is harder than mine!” This old saying is so true and should be shouted out from the rafters today. Everyone is so sensitive and ultra “mad” about their gender or their ethnicity being made fun of. Good grief man, how would

these people ever make it on a Johnny Carson or Dean Martin Roast? Sammy Davis Jr. was the king of “roasts” and we all laughed together. It is so bad now that I don’t know what to say anymore for fear of “hurting someone’s feelings.” It’s crazy.

My dad was such a phenomenal public speaker. When I went to work for him, I never would have thought I would get on a podium. Never, ever, ever! Well, it didn’t work out like that for sure. The first time he came to me and said “Son, its time you take over the speaking engagements that come to us, and time for me to get out of the limelight.” My response was “Are you kidding me!” My father was a beautifully eloquent speaker with an IQ of 165 and here I was with no public speaking experience, no degree, and certainly no command of English. He made me take the podium, and it was the best “deep-end” experience of my life---changed everything in my career from that moment on.

And why? How? By doing the speech, but doing it my way, not his way!

My high-priced attorney in Washington DC tells it this way: “Spencer, you are the PHD of dumbing-it-down”. I was and still am today that kind of speaker that takes really difficult and/or boring subjects and by “dumbing it down”, I keep the listener engaged and am able to get across to my listeners very complex subject matter without them falling asleep. It takes being prepared, being a little bit funny, engaging and moving around! Don’t get stuck behind the podium. MOVE!

Speaking has become our company’s most prolific form of marketing for our services. After 43 years, speaking on subjects that are very well understood by our firm’s executives has become the single best way for us to earn new business. By being a speaker, moderator and programming committee member, IMSW executives stay on top of our subject matter, and



industry leaders look to IMSW for answers to technical and strategic questions. This takes a huge commitment to R&D, updating and re-doing graphs, slide-decks, spreadsheets etc., as the world changes in front of our eyes. The worst speakers (in my opinion) are those that give you “assurances” on 1–2-year-old data!?! How can someone do that and live with themselves?

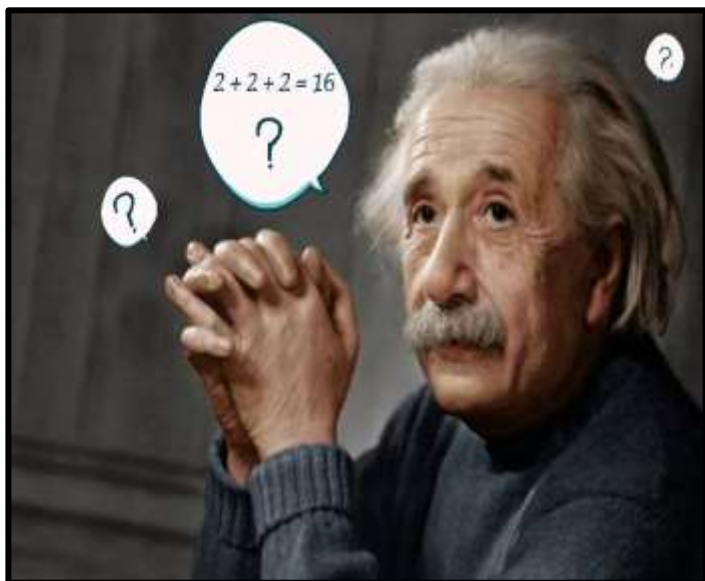
Note to the wise: It is much better for you, and easier and safer for you to follow and identify trends than to jump out there and give an opinion about a perceived or perchance trend when “all the facts are not yet in”. I have seen so many so-called “experts” fall on their swords 6 months or a year later, after they come out in the Press or on a Podium spouting all types of prognostications on subjects that they are not as well informed on as they suppose, only to watch them burn on the way to the ground when the real facts come out! Let it be a huge lesson/warning to you as you multiply yourself!

Speaking also requires that you are somewhat good at speaking in the first place! Some people are equipped with the gift of gab, they can think on their feet, are well spoken and don’t get too tongue tied! Believe me, everyone starts out afraid; I did!

It is a natural thing to be nervous, with butterflies in your stomach the first few times you speak, but for me my musician experience of my early 20’s kicked in, and for the first time I relied on that memory and experience of rock and roll gigs to help me in business! Never thought it would come up or ever be useful, but nothing could have prepared me better. Part of my role in the band was to be the emcee, the leader who would talk between songs moving a night along. That experience is critical when public speaking, as the worst thing for a speaker is to feel like he/she has “lost the audience” and the cell phones are coming out!

In closing for this chapter, let me say that there are many ways for young people with some good experience to “multiply themselves”. Speaking is just one way. Joining and participating in committees is a very good way. As you are “giving back” you are also setting yourself up for more lucrative assignments, jobs and opportunities in the future. For the introvert out there....there is help for you too in this! The best speaker on earth is nobody without the Research that creates the most mind-blowing slide in the whole deck! If your “thing” is not onstage, but behind the scenes, then bring the best of your best to evaluation, trend detection, and anomalies that others are missing.

There is no better way to get noticed without being the guy up-front. I’ve had Kelly, Rob, Kyle, Christina and Steve to thank for my “genius insights and knowledge.” Appreciate it guys!



## CHAPTER 5: $2+2+2 = 16$

My Dad often used the term “ $2+2+2=16$ ” to teach those smart enough to listen, how to multiply themselves. What made this phrase so weird to me at first, was that my dad was also a mathematician. He said “Math is finite; the answer isn’t close--it’s exact! There are no closest-to-the-hole answers in Math.” Well, then he says he wants me to learn how to do “ $2+2+2=16$ ”. At first I thought he had lost it, but then he explained.

It was one of the valuable lessons he passed to me that really wove itself into the very foundation of my career. The art of multiplying yourself is being able to take strengths from Discipline A and using them in a separate Discipline B. I had already begun doing this when I used my experience as a rock and roll “front man drummer” to assist me in my transition to public speaking. It is this type of transformational experience that allows an executive to multiply himself or herself. It also taught me humor and how to get an audience to stay engaged.

Here are the steps I took to multiply myself and my firm.

I realized early on as a consultant that credibility is extremely sensitive, valuable and fleeting. One’s credibility is the first to go if there are mistakes or a reputation for playing fast and loose with the facts. The simple answer is to protect your credibility with integrity. Don’t make up stuff, don’t create false sense of security within your organization and don’t stretch the truth. Holding your integrity above fear of looking bad will always pay off. Straying from the truth will always come back around to haunt you. I promise.

Secondly, I realized that to create credibility in a “new or related field” I had to make sure my team (those doing the R&D for us) was prepared. We had to know exactly the issues we would be called on to comment about, and they needed to be as accurate as possible in telling me every nuance. Not only did we

have to be accurate, but we also had to be timely. This was made abundantly clear when my team reported to me that “Port stats are provided by the American Ports Association and they are always 12-18 months late”. I told them 12 months wasn’t going to cut it; too many things can happen within a year’s time, and we would have to get more accurate information to watch the trends before they became ‘old news’.

So, my team began a process that is still in place today; they call each of the top ten ports – to their respective statistical research group within each Port, and they get the most accurate numbers, every 30 days after the previous month closes! When I speak about a port growing faster or slower it is because I have updated, timely data from the horse’s mouth as soon as it is possibly available. I am proud to say that so far, we have been correct in our trend evaluations every year, and have not been prone to falling for such headlines as:

“The Panama Canal 3<sup>rd</sup> lock opening will signal the end of West Coast dominance in Asian trades”. (2010-2012)

“The labor strikes on the west coast will shut down industrial real estate growth for several years in SoCal.” (2003/4)

“China slowdowns (2010) will cripple West Coast Ports”

“Mexico’s new Ports will steal significant volume from West Coast dominance.” (2003-2005)

None of these “sensations” came to be, but many other peers jumped on the band-wagon much too early without paying attention to the whole picture, the underlying truths that were still

evident and today, those same pundits are not as much in demand as we are!

Thirdly, and probably most importantly, is to make relationships in business. Simply put, be fun, be kind, be honest and cultivate real relationships. They will lead to all types of great business opportunities, but it also makes you a much better person. At the end of the day, relationships are much more important to how people make business decisions than experience, specifications, or Master's Degrees---All Day Long. And please remember, you start a relationship and it may take 10 years for the "fruits" of that relationship to develop, to mature, to yield cash money! But it is so worth it in the long run.

Relationships also follow that Golden Rule theory that says if someone needs my help, as a consultant, I'd usually want to do the work--but for a fee. If I'm building long-term relationships, and the recipient of my work is not someone who'd hire my firm, then I give them the advice, the direction, so that I'm building relationships.

Within the Industrial Real Estate world, whenever I got asked to participate as a speaker, attend this or that Association's annual conference, I did it. I paid my own way, paid for the conference and spoke for free. As my reputation grew, I was able to charge a fee or my expenses into those conferences and still donate my time for free.

However, as time went on further, and demand grew even more for my speaking sessions, I was able to charge for my speaking fees, and people started paying for me to speak privately, at their internal corporate events or investment retreats or sales meetings. This "relationship development" process really paid off. Today, and for the last 10 years, IMSW has received more than 50% of all FTZ and Logistics customer leads

from the Industrial Real Estate community; more than from any other source! There hasn't been a need to hire marketing people, pay for ads, or do any other type of brand marketing, other than continuing to speak at public and paid-for private events.

Now, once armed with these 3 key principles of credibility, accuracy, and relationship building, I was presented a huge opportunity to multiply myself and it is why I continue to do it today.

By 2007 through 2020, IMSW was sought after for over 50 - 60 presentations annually to industrial real estate association conventions, internal "workshops" for firms, investment houses and brokerage firms. We became the Global Logistics "thought leaders" within the Industrial RE Industry. Even during and after the downturn (2008-2016), IMSW was sought after as a speaker/presenter on these subjects. This level of speaking engagements lasted all the way up to the Covid 19 Pandemic that hit in early 2020!

In 2010, we were engaged on an FTZ project that had a "site selection" component added in. As part of the project, we were teamed with a site selection consultant from Southern California to assist with the Target.com site selection process that chose Tucson AZ for their new West Coast Fulfillment Center.

I had been doing quite a lot of work in AZ by that time, and it was work I knew how to do very well. But the "E-commerce" piece was still very new. Target surely was not leading the "E-commerce trend" at the time, and in fact they told us they felt as if they were "way behind the 8 ball" when it came to the trend of customers purchasing goods online. Being on the 'Inside' for this process was truly eye-opening. I learned more that year about site selection, E-commerce, and how the supply

chains (both in-bound and outbound) would be affected by E-commerce, by true on-the-ground experience.

I told my team: “Nobody in the industrial real estate space knows about this E-commerce phenomenon; I want you to make me an instant expert in 30 days!” They went to work, (thank you Steve and Kelly and Kyle) and within that month, the industry’s best minds had given us a good idea about the state of the industry. We gathered information constantly; from Amazon’s VP of Real Estate, the Target site-selection experience, Macy’s E-com center in Goodyear, and REI’s mixed-end customer Fulfillment Center that was created and built in Goodyear AZ. REI’s building became the subject of a NAIOP Developer of the Year Award, and also became the first Platinum LEEDS warehouse/fulfillment center in the country.

Because my team has supply chain gurus included, we could figure out the issues that they would face that are different than a Distribution Center model. It was in understanding this “difference” and being able to explain it to industrial real estate professionals that IMSW could again, “morph or multiply ourselves” to become a necessary addition to anyone’s Industrial Real Estate Team.

We applied this “Trend Analysis” to other areas within the industrial real estate world soon thereafter, and IMSW has continued to be considered a thought leader in FTZs, Global Logistics Trends affecting Real Estate and the Effect of E-commerce on Industrial Real Estate.

So, what does  $2+2+2 = 16$  really mean? Let me put a different kind of spin on this statement. First off, it’s not math. Anyone can see that! It’s an attitude of business strategy that has 3 key elements:



- The power of collaboration
- The power of thinking outside the arena, not just outside the box.
- There are no stupid questions.

The Power of Collaboration: When I first took over from my Dad, I realized that as a small Texas based 4-person consulting firm, we were never going to attract the larger companies, the larger contracts until we began to JV with other firms. Strategic Alliances are hard to come by, but by this time, I had a very good reputation within the FTZ World, and there were some powerful companies getting into the industry. All 6 of the big accounting firms were now involved, and the high-flying attorneys were involved, so it was becoming a big-fish game. We were a small fish with an excellent reputation and skill set.

Turns out that the largest legal entity in the FTZ industry was splitting up. My good friend Larry Blume, of Miller and Blume, was leaving to head up a large firm in Washington DC, called Graham & James. Larry had one of the most creative, intelligent minds in the International Trade Arena that I'd ever seen. He could wow the socks of any potential client, and he knew how to deal with competitors and regulatory hurdles alike.

I offered him this: "Larry, you charge \$500/hour for your services (this was back in 1993!!) and we charge \$250/hour. Let us do the grunt work, the nitty gritty work for our hourly rate, and you charge at your rate and if we split it up 80% for us and 20% for you, we can compete price-wise." "Your firm will win this bid, we'll price it right, and you won't have to lift a finger." "Just show up with your pretty face, do the client dance, and we'll get this new Zone for Los Angeles over the finish line." And that's exactly what we did. (Note: we were selected in 1993,

secured their zone – No. 202, and have re-bid and been selected every 3 years for 23 years now as their FTZ consultant!)

Larry wowed the FTZ Board at the public hearing, he was killer in keeping the competing zone from nixing our zone project, and we got the Zone # 202 for the Port of LA done in under 24 months. (Back then that was lightning speed, given that it was the second zone in a single port of entry.) We proved up several higher levels of need/demand and Larry and I started a beautiful relationship that lasted until well after he retired and moved off to New Zealand! Thanks a million Larry—you probably don't know how important you were to my personal growth and IMSW's expansion, but you were.

That strategic relationship was the start, and I cultivated others just like it; we the small niche firm with other much larger Engineering firms, Law firms, Master Planning firms, etc. that needed our strengths and expertise and without purchasing our firm, they added our knowledge to help them secure contracts. Those were contracts we would have never even been eligible to participate in, and therefore we expanded our business greatly.

Now, when I said; “Think outside the arena, not just the box,” let me expand on this concept. Whatever you have as your core competency; engineering, legal, accounting, banking, customs consulting; it can all be used by other disciplines if you can just see through to the “customer's need formula”. What is that? It's what is driving that specific targeted person inside the non-core competency client!

Example: When I started telling Jeff Morgan CBRE broker, how much an electronics importer in LA could save by using the FTZ, he said; “fine, but that doesn't help me with that company's Real Estate director!” “He doesn't know anything about imports, or logistics, or anything like that. I'm trying to get

him to lease a building that is \$0.84 per year more expensive than the other broker's building. I need something to fix that!"

So, we sat down and took the FTZ savings information, and I said (This is the thinking outside the arena part---pay attention!) "Jeff, how big is that building? "Well, it's 450,000 square feet." OK I said, now let's take the FTZ savings of \$1.1 Million per year and divide that by the total square footage. He said why? I replied, Jeff, if the FTZ can save this company \$1.1 million per year in "operating costs", then you bringing him this FTZ and the company implementing it is like getting \$2.44 per year in real annual "operating costs deducted" from the rent, isn't it?

He looked at me and said, "If this is really true and it works, I can sell the sh\*\* out of this!" And he did.

All I did was take the same calculation that I'd been doing for over 20 years, putting real FTZ savings into a spreadsheet that calculated annual benefits, less operating costs, and displayed it like a "5-Year P&L" spreadsheet, and converted those \$Dollars into \$/Foot savings for the real estate professionals! We still use this tool today. Interestingly, if we deal with a storage/fulfillment center Logistics VP, and his "mindset-criteria" for costs is all about "slot costs" per unit, we can convert those same FTZ savings to "Cents per slot" utilization on a per unit basis. That's thinking outside the box, the arena and more.

Now, why there are "no stupid questions." Actually, there are, and you have to stay focused and not start letting your mind wander around what I consider non-productive reasoning or non-productive processes; however, your audience, or potential clients are not nearly as familiar as you are with your "Core Competency" so therefore any questions that they have are serious questions that need to be continually addressed.

I know many people, especially those that are “thought leaders” or speakers who are not at all in the habit of allowing for “Stupid Questions” to be asked or even taken seriously. So, here is my take: The people that you meet in business, who are trying to understand your product, service or whatever, are not idiots! They didn’t get to where they are by being stupid, in fact, they are many times higher up the food chain than you or I may be.

Therefore, my take is they are asking the questions we might think are stupid, because they just don’t connect the dots yet, they are not as familiar with the subject, or (now, take this in the spirit it’s given.....to help out.....) it’s that you haven’t described it, explained it, or delivered your message well enough for it to be understood!?!? OUCH. Yes, ouch, it hurts to realize that a lot of times, especially for a technical or theoretical or even economical discussion we can talk “over people” and that is what gets them asking stupid questions! Dumb it down! For me, there are no stupid questions.

If you can come at the subject of “stupid questions” that way; that maybe it’s not them, but us, we, you and me, that didn’t get the point across because we are not “dumbing it down” enough, then you are making progress! I loved it when my attorney named me the “PHD of Dumbing it Down.” He was exactly right; I had to dumb it down, because I was speaking to FTZ professionals and newbies alike, but explaining some very detailed, technical Customs concepts to them and to get the points across, you have to make it very simple. Now, imagine not trying to explain FTZ’s to supply chain or other Customs nerds, but to Real Estate execs, and you begin to understand just how dumbed down it had to be! (Haha; joke time for all my RE buddies!)

I learned this lesson the hard way, watching my Dad speak so very eloquently and people asking me after “What did he say? How does that work, and Why?” By explaining what he

was trying to get across I came up with the idea that if I could dumb-down this very boring, hard, technical data, I'd have a way of communicating that didn't "compete" with my Dad (which would have been a 100% losing proposition) nor did I miss the boat with the audiences.

After my first speaking engagement, I "borrowed" this dumb-it-down philosophy when negotiating with Customs. Don't get me wrong, those Customs officers, port directors and HQ personnel are certainly not dumb, but they understand exactly what they do, and don't necessarily get what commercial enterprises do! I guarantee it. I became a "translator" between Customs and Business. That was the key to our company's early success. Our ability to "translate" what we knew which was designed for and utilized in business, into the Customs world, and vice versa was the key to our consulting.

It is very similar to a "software project" where the system designers, learning what is needed by the enterprise users and stakeholders, "translate" that need and requirement into language the coders can understand, so that the software does what it is supposed to do!

I learned first-hand about this when we started the Houston FTZ Corp., and I had my first "software job", and it was to write brand-new FTZ software, from scratch and have it approved by US Customs, with 4 different operating types of inventory records to keep (Specific identity, liquid bulk, FIFO SKU and manufacturing).

The translation skill was really honed during this creation and set up of the first Customs Automated FTZ Inventory system for the Houston Zone, in 1981-1985. Because speaking "IT code" vs. commercial reality is simply translating commercially needed functionality into computer language. I

don't code, I cannot and still don't fully understand it; but I did understand what the coder needed to hear from the commercial demands of a system, and therefore I learned to translate that. Not for one system, but for 4 different, integrated systems of "inventory management" that was needed for the kick-off of the Houston Zone Operations.



**CHAPTER 6:**  
**What I watch for, and  
what I wait for**

Move to where the puck is going, not where the puck is now.

I certainly didn't coin this phrase; no that belongs to the super hockey hero, Wayne Gretzky. He was uncanny in moving to where the puck was going to be, not where it was at this split second. He says that this vision was his greatest ally. I get it. Because as smart as we all are, there are other MUCH smarter people in the world. My VP of Logistics & Business Development, Steve Schellenberg introduced me to this phrase and its meaning in the Supply Chain, Logistics world.

Starting out playing the drums, I went through the first 10 years and thought: "I'm the fastest, greatest drummer of all time, and nobody is better today, or can ever be better than me!" This of course is the thought process of a 24-year-old egomaniac! Then, I went on the road with a band, who's key members were from Chicago, and they were so good that the guitar player was a better keyboard player than our guy playing keys!

So, it was a humbling experience, and it taught me a very good lesson...there's always someone faster, smarter, better looking, more adept and ahead of you and me in this world. If we concentrate on seeing an opportunity NOW that someone has told you about, written about, there's a meme or YouTube about it---then it's already done! Someone else, maybe even in Lower Estonia is already working on the next best thing using that idea! Already! Now, that doesn't mean your idea from the idea/concept you've seen is bad, it just means that it's not "where the puck is going" – it's where the puck is now. This is the key mind-set of successful entrepreneurial leaders.

Let this sink in for a minute.....Please don't think for an instant I'm the guy poo-pooing your idea, your dream; I'm not. I'm asking you to think ahead, where would the next 3 steps take this great idea/concept of yours? How would or could it get commercialized (the most important step in "great ideas") and how can YOU make money from it? When we force ourselves to "Wait for it....wait for it..." it



seems as if we can see much clearer where the puck will be heading. Now, get in front of that position, that location, that part of the synthesis of your idea/concept, and you will be at the forefront!

Part of this played out when I started teaching/preaching to Real Estate execs about Global Logistics and how it affects Industrial Real Estate. I'd see a trend, I'd spot something that was getting a lot of "air-play", and before divulging it, putting my name on it, I went back to the old adage: Do your Homework! Don't rely on someone else's stats, old data, get your own! I cannot emphasize this enough. Relying on old stats will kill you. Not doing your homework, for any kind of job, will bury you! If you can think of a question that someone may ask, and you don't have an answer, or cannot find one, your credibility goes down the tubes. I've been the victim of this so many times in my youth, I'm surprised I'm still alive!

I haven't mentioned it before, but you have to come to a gun fight with guns, not knives. You have to have your backup; you can't be a "Consultant" that doesn't have the answers. My first music gig, my first drum solo and I showed up with one pair of drumsticks. I got on to the stage, played the first 2 songs very well and when my solo came in song # 3, I was all into it! Then one of my sticks hit the side of the drum and flew off into the crowd! Any fool knows you always carry back-up sticks, close by for this eventuality, but I was 14 years old and had no experience. So, I did what any quick thinker would do, and I threw my other drumstick out into the crowd and finished my solo with my hands!!! OUCH that hurt, but I pulled out a "win," in the midst of a drowning. From then on, I mean EVERY time. ...I had a spare set of sticks, right by my side, ready to go in case I lost one in the middle of a song.

I will never forget that level of embarrassment. Which also gave me the best lesson I've kept to this day; the best way to learn or grow is from fear. Fear of failure, pain avoidance, embarrassment avoidance. I don't know any faster, better or more successful way to

learn. But these 3 are fool proof. So, the smartest among you will learn from, listen to and implement whatever you can from this book, so you won't make the same mistakes I made.

Therefore, being prepared, having done your homework is the best method of knowing what you are talking about, so that you don't go through the embarrassment of making a false prediction, advising someone incorrectly that turns into a multi-million-dollar mistake, and other bad outcomes. This brings me to the last point in this chapter and that is:

Making predictions is a fool's game. Watch trends and you will uncover truth.

What the heck does this mean? It means that instead of jumping out there at the beginning of a trend, or a new business direction and forecasting where it will go; you should "wait for it;" wait and watch for a trend to occur. More than 1 quarter of 20% decline is a "recession." Why, because just 3 months of downward growth may be an anomaly, may be just a bad, temporary situation. If it persists past the 6<sup>th</sup> month (2 quarters) you probably do have a recession. But by waiting and spotting the trend, and finding corollary evidence, you can now make or report or validate a "trend" that is real.

In our business consulting to industrial real estate, we were fortunate enough to be on several stages for ULI, NAIOP and SIOR revealing what we knew about E-commerce. I've spoken on the subject of E-commerce now for over 11 years, and at the beginning of that time, Amazon occupied less than 25 Million square feet of warehouse space/fulfillment space. Today, in 2020, they are just past 180 Million feet and still looking for new sites!!

In 2010, I moderated a panel of Industrial Real Estate investment pros who said outright that their portfolios didn't have ANY E-commerce buildings because they didn't fit the "investment grade

criteria” (32 ft. high, no mezzanine floors, and minimal bathrooms and employee parking). Less than 4 years later, every single one of them had changed their tune, on the exact same NAIOP conference stage saying, “Yes, we are bullish on E-com, and are buying and investing in them left and right!”

We followed that trend in 2010, reported in 2011 how it was exceeding demand, and in 2012 started to say “This trend is real, it’s not going to go away, and you should feel very comfortable in expanding your portfolio to include E-com buildings.”

Those that heard and followed that message made huge returns during that year and after with E-com industrial real estate. We weren’t the only ones, for sure, but we were at the forefront, and it was because we used caution, but started following trends before they were trends....before anyone else in our space was calling for it. And, we waited for that trend to really show up in the statistics before recommending investment in the “new thang called E-fulfillment centers!” Homework, homework, homework!



## CHAPTER 7:

How to keep from  
stepping in it (and an  
update regarding CV19)

Gather enough people around you who disagree and make you prove your theories.

I can't stress to everyone that a key element of anybody's individual success is to surround yourself with people who are not only smarter than you but can be trusted to challenge you while being 100% loyal. This takes a lot of trial and error, but soon, you become adept at finding those types of support staff, colleagues and partners that fit into that double-edged sword category.

They need to be loyal to a fault, but smart enough and be given the freedom to disagree and show another way, another opinion or solution that may be different than your own. This actually is really scary for a boss, but I can't tell you how many times Steve, Trey, Kelly and I will work through a problem – one-on-one or in a group that I think I have the answer for, only to be shown a MUCH better, more eloquent way. A better way of saying it, of portraying it, or of getting it approved by Agencies responsible for our very lifeblood! I've even brought my wife into this process, as she is a deeply empathetic person and able to discern "behind the scenes" issues that I roll right over. So, without a doubt surrounding yourself with knowledgeable, loyal and brave folks is key!

There is another reason and that is this: When you are ready to grow your business or a unit of your business, you have the leaders who aren't afraid of leading that are now experienced enough to do so! You cannot ask them to lead if they haven't been able to craft solutions, formulate processes/presentations that are first-in-class. They have to have the freedom to disagree and create their own solutions. And as a boss, my job is to allow them to fail (in a secure, but client-protected manner!) so that they can figure out how they stepped in it, and need to get extricated – both how to do that and how to never get in the same mess again.

This last paragraph allows me easy access to the next key point about “How not to step in it”: When presented with a better way, more accurate facts, an insight that is better, I’ve learned I have to be willing to adjust-- based on facts!

UGGH! I really hate this part of the book, because it’s meant to demonstrate the fallibility of yours truly so that everyone reading can get this concept through your heads! You are not always the smartest gal or guy in the room! Get over yourself! Learn to listen enough to really hear if another approach, another viewpoint, or different kind of logic can actually make sense. See the problem from the Customer’s perspective, from the Government’s perspective, from the investor’s perspective. This ability will help you immensely in “Multiplying yourself.”

Let’s take a look at this in a couple of examples:

Steve Schellenberg and I always “cuss and discuss” new Logistics Projects together after we know we’re going to bid on a project, and also after we secure it. He’s much more “in the weeds” than I am, and many times, after we’ve set the strategy, he comes back after his initial “boots on the ground” trip to report that what we thought about the “facts” were indeed erroneous.

We may come to the point that the basics of our “strategy” must change or we’re going to lead the client down a path to uncertainty and false hopes. We’ve had to say “No, your project is not going to make, it won’t pencil because now that we’ve done our research, our investigation under our strategy, the facts just don’t support that end-game outcome sought!” We have to back up, change direction or simply wait for the uncovering of more facts. Either way, if I as the President cannot be willing to adjust, change my view, alter course in the middle of a project, then our integrity, our “word” which is our Entire Asset Base becomes meaningless.

Sometimes it's even more specific than that: If I make a mistake in an assumption, in a spreadsheet that has gone through all types of edits, but gives the client false information, then it's discovered by my staff; I have to admit it and move on to the correct data.....Many times this is not an error; it's an assumption given by the client that once finished, has dramatically changed and therefore the "numbers don't work anymore". Admitting this, seeking further clarification, getting more accurate data and re-working everything is the best way to maintain credibility in everything you do. Kelly Halverson is great at this type of "Fact-checking" for me. She does it in huge Projections that we create, in presentations for speeches...always coming up with a fresh different way of looking at the same old data! I'm nothing without these key individuals.

Last but not least, as I've gathered these colleagues and surrounded myself with smart and free-to-speak executives, I've also allowed them to take the spotlight from me, so they can shine on their own.

Trey Boring, my Sr. VP and the next President of IMSW, has grown up inside our company. His 25+ years with IMSW has allowed me to develop his talent to the point that he now knows more FTZ technical data/information than I do! The student has become the Professor.

Many times, in analyzing how a company can operate within an FTZ environment, Trey's cutting edge, forward-looking assessments are way better than what I've planned for them. Being able to admit this and move forward for the best outcome for the client is what I'm talking about! Also, due to the fact that I got out of the way for his "public career in FTZs" to flourish, he's always at the leading, cutting edge of negotiations with US Customs in dealing with FTZ operations.

His rise included becoming the President/Chairman of the NAFTAZ for 2 years, and Trey serves on several high-level

committees re-writing the regulations, setting policy. and directing the entire industry. I'm really proud of Trey, and he is living proof of taking someone with skill sets that are not tied to a specific industry and "seeing" how he can use them to multiply himself. Interestingly, Trey started in the Music Industry, as a VP of Sales and Logistics, and we met in that regard. Turned him into a Customs Geek, just like myself and along the way, Trey has perfected the "multiplying oneself theory!"

This brings me to the next point: You don't own your theories, you just borrow them for a while, kinda like your kids! Everything you "know" now can be and will be changed....and yes, in your lifetime! I can't think of a better example about this than Covid 19!

None of us, **not a single one of us** knew in November of 2019 or had any idea of what was coming for us! "The only thing constant in life is change"---boy is that true!

A small, flu-like outbreak in the manufacturing capital of Wuhan China has changed the world forever. And, at this time of me writing this chapter, in July - December of 2020, I can tell you that we really don't know how deep, how long, how fundamental these changes are coming and what will happen next. This will be really fun to look back on in a few months (I'm breaking my own rule, and not "following trends" but making predictions based on current facts!!), but here goes what I believe at this 10 seconds, and it supports the statement that *You don't own your theories, you just borrow them for a time.....*

I really hope and believe that when we all wake up in the middle of 2021, here is what we'll find:

1. The global economy is still sputtering somewhat; with many countries still trying to get back on their feet, and some almost back to 100%. Therefore, there will be



great disparity.

2. The ocean shipping, air freight markets will all be back to 85-95% of their previous levels from 2019. It will be different, some companies will not be with us in 2021, but the vast majority of “capacity demand” will be back to some sort of normal.
3. Industrial Real Estate will fare much better than the other real estate “food-groups” for several reasons:
  - a. **E-commerce** will advance 2-3 years ahead of what was predicted for 2020. We will find ourselves with industrial E-com fulfilment centers and services that are closer to what was predicted in 2023, than 2021.
  - b. **Safety Stock** will take on a huge place in our supply chains, with close to 0% interest rates making the “JIT Global” system seem not so smart anymore. Yes, we all want it now, that won’t change, but the entire GLOBE saw what happened when our supply chains were “needing it now” and that was 4-5 weeks OUT. Not going to happen again. May not call it “safety stock” but to keep our homes/lives fed with the “2-Day Promise”, we will keep more stuff in the USA, inside industrial property. I’ve preached this for years: You don’t have a global JIT-reliable system—you have a North American JIT supply chain system. Period!
  - c. **Retail selling will fundamentally change forever.** Yes, there will be brick and mortar, there will be “Shopping in person” but there will be MUCH more bought online, returned online, and sold online.
  - d. Global growth rates, when we get back to consuming, will show up in SE Asia (more than now) and in Mexico/Canada and ultimately in

the USA (especially for medicines, PPE, etc.).  
**China will still sell us goods, but their market share dominance will show a shift to more SE Asia and Mexico.**

4. **Many large Chinese manufacturing entities will show up to build “XYZ” products inside the USA.** Count on it. I was seeing this before the Pandemic, and now, after 2020 it will be more important than ever to help them protect their market share. When VW wanted to keep selling automobiles into the US in 1979, they were about to get shut out by the Big 3, so they decided to build VW's in America. Wow that took the wind out of the Big 3! (And it turned out that VW plant started up in an FTZ!!). We will see the Chinese, who will face higher tariffs on more products decide that to serve the US Market, they'll have to be “making stuff” in the USA. That's what's coming next.



## CHAPTER 8.

Where do we go from  
here?

After several attempts at “retiring” I’ve decided not to. I really like what I do, and since turning most of the hard work over to the best staff on Earth, I’ve decided to keep working, keep educating, just on a smaller scale. The 70-hour work-week for this guy is now cut down to 40!

But enough about me, what about you? What are you going to take from this book that can actually help you in your life, your career? I hope you found some good nuggets; some key sensibilities to make your own! Some of the key points I hope you take with you:

- You can and you must think about your career as a “starting point” from which you should and are allowed to “Branch Out” and create new ancillary ways to use your skill sets to reinvent and expand yourself! The theory is called “ $2+2+2 = 16$ ”
- Learn from older people...they didn’t get older by being fools and idiots! They may not know how to TikTok, but their experiences shared and taken in by you, even the bad experiences should be a huge learning tool to propel your career!
- Collaboration is a key method of growing your career and/or your business.
- Be Genuine, Be Honest, Be Ethical, and Be Generous
- DO YOUR HOMEWORK!
- Surround yourself with loyal people that can and will challenge your theories, your strategies and your gut. It will pay off tremendously in the future.
- Volunteer for committees, association leadership and speaking. Jump out there with “nothing to gain” and you will reap rewards in the long term.....”wait for it”.....I promise.
- Don’t be afraid to expand into new core competencies

that you'll have to prove, but that can easily be explained as having strong ties to your current, well known competency. I had a lot of eyebrows raised and heads turned when I declared that IMSW was an E-commerce, logistics consultant. But, by parlaying my Target.com FTZ experience, meeting and speaking with Ben Conwell, VP Of Amazon RE in NYC, I was able to work those experiences, leads, and research into a truly new and respected platform for consultancy. Take the leap!

**THE END.....**

for now...



## CHAPTER 9: Acknowledgements and more stories

I want to first thank God for giving me the gift of gab, the outward personality and the mind inherited from my Mom and Dad to be both heavily vested in common sense (Thanks Mom), along with a strategically centered brain (Thanks Dad). Dad, you gave me this job in 1977 when I was coming off the road playing music. I will never forget how open and loving you were to give me a chance, wait for it to really take hold, and encourage me as I screwed up time after time, until I learned to get it right!

Secondly, my wife, Linda has really been the trooper putting up with traveling, the constant working from home, from vacations, until she got a little too much of me during Covid and decided, YES—You need to travel (read: GET OUT!) Linda gets me more than any other human, and that’s a tall order!

Third, I want to thank my kids; all 5 of them for teaching me patience, holding my tongue when I needed to, and for their smarts as they have gotten older. My oldest daughter, Kristin encouraged me to write this book from the start. Jenni, #2, helped me edit and shape this book in the early chapters. Robert, my adopted son has really honed my ability to understand some principles, some theories that are very foreign to me---to see other’s views as valid even though I would have never thought of them at all! Stunning!

Kyle and Nick are my # 4 and # 5 kids, and they have been with me through the last 26 years where my abilities, my re-invention and multiplying myself really took hold. They have seen the metamorphosis and have also gotten to enjoy the benefits of it! Both are completely different than each other, both are very talented and smart in completely opposite ways, and Nick may actually leave college in 2022 with a Masters in Supply Chain!? Go figure!

Key Acknowledgements in Business and at home:

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- Larry Blume. Retired Trade Attorney, and my first “partner”.
- John Hall, retired Customs HQ officer in charge of the Regulations. Wow, John taught me a lot!
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- Bruce Leeds and my COAC buddies. We changed the world one small piece at a time!
- All the men at Bay Area Christian Church.
- Herman Williams. My brother from a different mother!
- Reverend Handy. Mentor, teacher, friend.
- My techies: Steve Streich, (who is also my golfing and bourbon coach), and the first techie who didn’t even know it then, Christina Ousman! (Don’t tell anyone, but she’s the one that got me off of AOL!)
- My execs. Trey Boring and Steve Schellenberg. Trey has become my partner in IMSW and will lead it for the



next 30+ years. Steve is my soul-mate business partner. We live, breathe, eat and sleep Logistics. One of the smartest men I've ever known.

Last but not least, I've met literally 10,000 + professionals; Customs nerds, Real Estate brokers, Industrial RE Developers, financiers and staff over the past 45 years. I've really appreciated being "taken in" and counted as one of you guys, with the deepest sense of thanks!

It's taken me a couple of years to finish this little ditty, but it's been really fun, and brought back a lot of cool memories. Hope you liked it, and now I'm on to creating the sequel!

Much Love to you all,  
Curtis Spencer