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Partying Through The Downturn

In bad market, brokerages find party-planning a fraught issue, but they still celebrate

By Amy Tennery



From left: Studley's soiree was in its new offices at 399 Park Avenue; Charles Rutenberg Realty celebrated the holidays at bowling alley Lucky Strike Lanes, and Halstead Property held its bash at Guastavino's at 409 East 59th Street, where Brown Harris Stevens also celebrated the season

In a real estate market that's been challenging at best, knowing how to celebrate the bounty of the holidays is a tricky thing.

Celebrate too much and you risk looking out of touch with the economic climate. Too little, and your firm could look like it's struggling.

"Perception is everything," said Cindy Seidowitz, a senior vice president at Studley. It could seem terribly gauche, for example, "if [people] are canceling parties and scaling back and you're throwing this lavish bash," she added.

Most years commercial real estate firm Studley would decamp to a restaurant or club for its annual Christmas party -- this year, it stuck to its home base.

The firm, which is planning to move into its new 11th-floor office at 399 Park Avenue in the first quarter of 2010, decided to celebrate the holidays and its relocation to the 60,000-square-foot space by holding its annual holiday bash there.

"Regardless of the economic environment, you always keep costs in mind," Seidowitz said of the party planning. "Of course raising morale and getting people excited about [the new office] is always a good thing [too]."

Seidowitz said she used party décor that jived with the space -- the firm opted to display renderings of what the interior will look like when the team moves in next year, rather than pricey murals. The Studley exec took red ribbon and wrapped it over the loose wires that still hang from the ceiling of the vacant office, resulting in faux-wreaths.

And, by hosting a two-and-a-half-hour cocktail party rather than a four-hour buffet, the team was able to spend more on finer cocktails and passed hors d'oeuvres.

In the end, the firm spent half of what it did the last year, Seidowitz said.

Mindful of the economy, Stribling & Associates had one party instead of two this year, according to Elizabeth Stribling, the firm's president. The event was a cocktail party at the Chelsea office attended by brokers and staff and no guests because of the size of the building, she said.

"Naturally it was less expensive to have it at our townhouse than at the private club," Stribling said. But, in the end, "the private caterer was better and with all the waiters and coat check people and champagne and liquor it still was a big check to write. [And] everybody seemed to really enjoy it more."

Halstead Property, however, said that the market is stable enough that "business as usual" is okay when it comes to planning an office bash.

"Confidence is back," Robyn Kammerer, vice president of communications for the primarily residential firm, said. "Is it back 110-percent? Maybe not. But it's growing."

Halstead hosted an event for around 400 to 500 of its staff and agents (roughly the same number as last year, Kammerer said) at Guastavino's at 409 East 59th Street, underneath the Queensboro Bridge, a spot that has hosted the brokerage during the

holidays in the past.

Kammerer said that the market is stable again and that the party is a chance not only to celebrate that, but also to look forward to next year's market.

When asked whether she's concerned about outsiders viewing the company's party as out of touch with the city's fiscal realities, Kammerer said that Halstead's priority is celebrating its agents and that the party was well-within the realm of acceptability.

"When I think 'lavish,' I think excessive... we're not an over-the-top company," Kammerer said, joking that no "oyster bar" adorned Halstead's venue. "Brokers work hard... we thought it was important to reward our agents."

Guastavino's was also the venue of choice this year for sister company Brown Harris Stevens. BHS' philosophy, president Hal Willkie told *The Real Deal* in a written statement, is that a bad economy doesn't mean you should scale back on celebrating your brokers' efforts.

"Brown Harris Stevens believes in celebrating the holidays and has done so through all markets," Willkie said.

And, high-end residential broker Barbara Fox, head of Fox Residential Group, hosted a private cocktail party at her Upper East Side residence.

Last year, the biggest residential and commercial brokerages -- including Prudential Douglas Elliman, the Corcoran Group, CB Richard Ellis and Cushman & Wakefield -- canceled their company-wide holiday parties, saying it was inappropriate to celebrate given the troubled economic climate. Meanwhile, others, like Brown Harris Stevens, forged ahead with their holiday parties, while other companies like Bellmarc Realty scaled back their parties, similar to what several companies did this year.

One firm tailored this year's holiday party to have a more laid-back feel, given the stressful market.

Kathy Braddock, co-founder of Charles Rutenberg Realty, said that her firm decided on a bowling party this year, rather than a traditional cocktail party. Her brokerage's party at Lucky Strike Lanes at 624-600 West 42nd Street near the Hudson River gave brokers the chance to mingle and bond, Braddock said, something that's needed in a tough economy.

But some in the industry claim that the time isn't right for a holiday party, no matter how modest. Citi Habitats hasn't hosted a holiday celebration since 2007. This decision to suspend company parties is out of deference to the rocky market, according to Gary Malin, president of the residential rental giant.

"Given the state of the overall economy we do not feel having a party is appropriate," Malin told *The Real Deal* in an e-mail.