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FirstService Closes on GVA Williams Acquisition

By Paul Bubny



Mark Jacom, CEO, Williams

NEW YORK CITY—FirstService Corp., based in Toronto, has closed on its purchase of a **65% interest** in locally-based GVA Williams. To be known as Williams Real Estate, the company will be run locally rather than having all day-to-day decisions cleared through the parent company. Senior executives at Williams will retain operational control and share 35% of the firm's equity, according to a prepared release.

During a press briefing Thursday at Williams' headquarters here, FirstService and Williams executives emphasized their common interest in a decentralized platform for operating efficiency. "The brokers are, to a certain extent, our clients too," said Michael

Cohen, president of Williams, and therefore they need a quick turnaround on decisions in order to be able to service clients.

Douglas Frye, president and CEO of FirstService Commercial Real Estate and chairman of Colliers International, said the acquisition of Williams provides a gateway into the New York market that the company has not had before. At the same time, Williams management said their company will benefit from the greater capabilities of FirstService's international platform, which generates \$1.9 billion annually in revenues.

"This is a game-changer for us," said Robert Freedman, executive chairman of Williams. Its range of services will be expanded to include mortgage brokerage, asset management, project management and hotel and hospitality consulting, according to the release.

Mark Jacom, CEO at Williams, and Frye said their firms were united as well by a client-first mentality. "In any service business, the only way you create a brand is if it's consistent," Frye said. Therefore, he added, it's essential that any FirstService division shares the intent of providing the best service for its clients. Jacom noted that GVA Williams was built on a platform of focusing on clients rather than transactions.

Frye asserted that his company has "the most aggressive training program in the industry." About one-third of that training is behavioral, focused on team-building rather than nuts-and-bolts procedural points, he added. He acknowledged that because most of its marketing is done under the Colliers name, FirstService is not widely known—but, he said, it's the fourth-largest commercial real estate services company in the world after CB Richard Ellis, Jones Lang LaSalle and Cushman & Wakefield.

Jacom predicted a period of growth during the currently turbulent market. "We're in expansion mode," he said. "There will be no layoffs," in contrast to other firms that are cutting back. Jacom added, however, that new hires at Williams would not be evaluated simply on their deal velocity, but also on their ability to fit into the client-first model. He asserted that FirstService would be the world's number-one commercial real estate company "within five years."

The integration of Williams into FirstService and the expansion of the local company's capabilities will be done methodically, Jacom said. "We're not going to do it haphazardly and we're not going to cherry-pick," he said. "We're going to execute it like a military maneuver."