



Talent Matters

By Andrew Lane

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Nice Guys Finish Best

Patrick Lynch connects the dots at CBRE.

Interviewing nice guys is hard work. They tend to be smart, ambitious, organized, and calculated, therefore they tend to be too prepared and too careful with disclosure, maintaining that shiny veneer. They qualify for big jobs for a reason. It's easy to get them to talk business. The challenge is getting them to reach around and pat themselves on the back.

largest commercial real estate services firm (2012 revenue) with 37,000+ employees in 330+ offices worldwide. More surprisingly, he was actually considering joining despite the sometime negative stereotype of the commercial real estate broker. I'm qualified to say that coming from the recruiting business. There's been a bit of "Johnny Come Latelies" to the data center real estate market endeavoring to join the category kings, Jim Kerrigan, Bo Bond, Curt Holcomb, and Miles Loo; types who were there before the boom.



Patrick Lynch

Given his tenure on the owner's side, Pat had been talking with the leaders at CBRE for a number of years so there was a comfort in the familiarity of relationships, a diversity of projects all over the globe, and a platform to deliver. CBRE had a critical environments practice, which, was more of a specialty of brokers and members vs. a formal management led group or initiative. I wondered how Pat was going to come in as the core leader of a national practice and differentiate himself. His options included a few smaller private equity-backed, three- to five-year event proposition situations where Pat's impact might be more obvious. These options had a much more linear path to the financial end of the rainbow, but that wasn't Pat's thing. Maybe he's just too nice and needed to spread his intellectual capital around and benefit the industry a bit more broadly. Yep, one of those guys.

So Patrick Lynch is now the managing director of CBRE's Data Center Solutions Group encompassing a continuum of strategy, transaction management, project management, and facilities management services in 75 markets globally. Not surprisingly, Pat has set a high bar growth plan requiring he deliver significantly above the performance he inherited in 2011. This starts with the heavy lifting of marketing and educating a broader audience to substantiate a consultative mentality and a holistic change in how a long standing real estate brokerage value proposition is perceived.

Historically real estate is an "eat what you kill"

Pat's initial differentiation strategy was to be an advocate for the ROI of a strategy, analysis, and consulting and a global site selection and transactions service as an investment, which would secure CBRE's CE recurring revenue based on an early seat at the decision-maker's table requiring both facilities and IT to attend.

I was introduced to Patrick Lynch by Greg Pettine, currently with Schneider Electric's design build initiative. Pat and Greg reside in metro Denver and are both healthy examples for the rest of us to emulate. While the majority of us are regretting that last adult beverage at the conference hotel bar as our ambitious 7 a.m. breakfast becomes a reality, Pat and Greg are returning from their morning 10K. Yep, those guys. Greg introduced me to Pat when he was the vice president of Data Center Real Estate at Coresite, then CRG West, when they needed a vice president of critical infrastructure. Pat came to CRG West from Level3 Communications where he was head of global real estate during a time of incredible growth in the telecommunications industry. Today, legacy Level3 executives sprinkle the C-Suites in the data center market and Pat worked with them all.

Fast forward a few years to 2011 and Pat is in the midst of a career change. Not surprisingly, he has a few options to choose from including CBRE, the world's

commission-based, transaction-based, high reward, locality-based profession. One might go a year without closing a deal but that one deal's commission might pay more than many of the CEO's annual compensation packages in the hosting market, sans the equity packages at event. Anyone wonder why Andy Cvendros left HP for JLL?

Pat's initial differentiation strategy was to be an advocate for the ROI of a strategy, analysis, and consulting and a global site selection and transactions service as an investment, which would secure CBRE's CE recurring revenue based on an early seat at the decision-maker's table requiring both facilities and IT to attend. He also felt it imperative to bring the best possible talents of his team to bear in any given circumstance vs. just deciding based on geographic issues. This approach worked for Cyrus Izzo when he took Syska Hennessy Group's Mission Critical Practice from 8% of the company's revenue to over 40% and look where he ended up — as co-CEO. Pat's analogy is that just because you were born in Colorado doesn't mean that you pitch for the Rockies. He was committed to creating a management role in what has been a broker environment and focus on the overall success of the group vs. incremental deal orientation.

Pat's experience on the buyer's side helped him "cut through the BS" and see CBRE's process and value proposition objectively. Pat wanted to approach the data center audience with a unique service delivery to the IT decision maker who, in many cases, is less focused on cost alone and more focused on the overall value proposition where risk avoidance might be worth \$1 more per sq ft. The differences to Pat were pretty obvious. Colocation is license agreements vs. real estate leases. Talk to real estate executives and 99% know CBRE. Unfortunately, few CIOs knew CBRE. So Pat had to learn how to increase CBRE's awareness to this influential audience. Real estate and IT budgets don't typically co-exist and seemingly sit under a different C function in every organization. In order to have an empowered and collective decision maker, Pat needed to connect the dots on the expense side.

THREE WISHES

Mission accomplished as Pat is exceeding even his own targets dramatically and his role is expanding globally to include joint projects with Andrew Jay's EMEA and APACs Data Center Practice in places like Israel, Turkey, and Australia. In a short breather moment before world domination, I had the opportunity ask Pat his three wishes for the data center industry.

1. Clearer definitions. There is a clear need to understand and embrace the fundamental differences in the

data center space. So many customers get caught up in holding the enterprise data centers up as precedent for how they want to build theirs. They don't realize that Google or Facebook or Microsoft represent a small and unique minority of data center requirements. They are purpose built to manage failure, with assets for redundancy and fail over with an imperceptible change in latency to the common consumer. Corporate data centers and colocation have different customers entirely and the MEP requirements are entirely different.

2. Increasing efficiencies. Given I've been through, around, and behind as many data centers as anyone in the world I feel I'm qualified to say the opportunities to drive efficiencies are remarkable. There is so much opportunity to invest dollars to take old and antiquated data centers and utilize the space's energy so much more effectively.
3. Consistency. We have certainly come a long way in terms of building, owning, and operating data centers, whether internal or outsourced, but there remains a multitude of approaches and options. You have modular delivery like Compass, which continues to evolve and innovate while the wholesale space improves with other approaches to modular building and design and then corporate clients of CBRE who still want to design and build their own data centers. These options are a blessing and a curse as they retain innovation and a robust competitive market, but can slow down and confuse a customer's decision making process as they swim through the waves of options coming at them.

Not surprisingly, Pat was the high school football quarterback and captain who married his high school sweetheart, who, you guessed it, was captain of the cheerleading squad. Yep, can you see them riding in the back of the convertible at prom with Pat wearing his letter jacket over his tux, one arm around the girl?! I got him to pat himself on the back a little bit and give us a peek into his 30 years since senior prom. As it turns out, this nice guy now settles the All American Family into the family room on Friday nights to watch the MMA match of the week. It serves as inspiration for the high school cheerleader currently testing for her 3rd degree black belt.

Honey, what's for dinner? No wonder he's one of the nice guys. ■

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