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Crowd Builder

Sue McLean

went from a college student booking bar bands for extra scratch to one of the nation's top concert promoters with revenue in the millions

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The Business of Shopping [Centers]

BY STEVEN SCHUSSLER

THE SHOPPES AT ARBOR LAKES (Maple Grove) and Woodbury Lakes are among the more forward-thinking Twin Cities shopping destinations. Dan Lowe is managing partner and one of the founding partners of the developer behind both: RED Development, LLC, which develops, leases and manages a total of 30 shopping centers nationwide. The company primarily focuses on open-air lifestyle centers and destination retail and entertainment developments. Lowe's development responsibilities include project coordination, financing, budgeting, equity structure, due diligence, governmental relations, lease review and legal aspects for each project.

SS: The retail environment has been challenging in the past few years but your properties in Minnesota have enjoyed high visibility. How do you continue to draw visitors?

A: The key is to understand who is shopping there and why. We don't build cookie-cutter centers, so each has its own unique assortment of tenants in its own, unique demographic area. It takes time and a lot of effort, but you have to speak to your true customer, not some one-size-fits-all creation. You do yourself a lot of favors if you really pay attention to the mix of retail during the lease-up of the center and don't just rent space to the highest bidder.

SS: What is the most important thing a retailer can do to help ensure repeat business and visitors? And what is the most common mistake you've seen made by retailers?

A: The most common mistake I can think of is when retailers don't really take the time to understand their demographic. More and more retailers understand this and spend a lot of effort to gather information about their customers. This is very powerful information. I think we've seen the last of the days where a retailer could sign a lease and expect to be successful based solely on the fact that retailer X was in the center. You've got to know that your customer is shopping there regardless of what someone else is doing.

SS: What's on the horizon for RED Development?

A: From a development perspective, the future is mixed-use and urban infill. There will be few greenfield, suburban shopping centers built in the next few years. For retailers, the future is in value. Even if you are a high-end retailer, there needs to be some

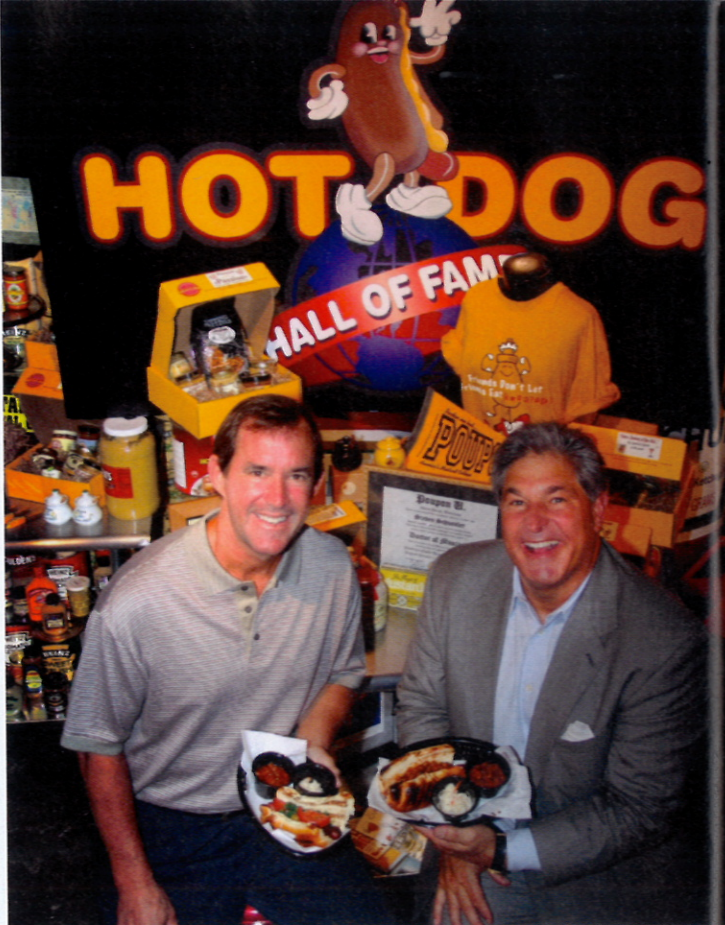
value proposition—whether it's service or selection—that you offer the consumer.

SS: You are actively involved with such causes as The Gift of Life, which is a nonprofit organization that offers hope and inspiration for the transplant community and raises awareness for organ and tissue donation. How has your work with them impacted you?

A: This is a really big question. I could answer this in about two pages. I believe that what goes around comes around. Obviously, my own life has been greatly affected by organ donation, but there are a myriad of causes that our organizations supports—not because of a personal interest—but because it helps the community as a whole.

SS: To what do you attribute your success? Have you made sacrifices along the way?

A: People around the office have a joke about my attitude. They claim that my motto is: "Don't let your reality get in the way of my vision." In a sense they're right. I do have a strong vision of what a project can be. I have big dreams, but like Thoreau said, I put a foundation under them. I don't accept "no" lightly. I take the same determination that saw me through my liver transplant and use it to overcome business obstacles. I try to infuse that same attitude in the people who work for RED. Another really important belief I have is in the importance of relationships. We treat people with respect and do what we say we're going to do. You may lose out on a deal or two here and there, but character and integrity are paramount. It's hard to think of a single deal I have ever done that didn't involve a prior relationship in some way. It's how RED came to have projects in Minnesota.



« Steven Schussler (steven@schusslercreative.com) is the founder, chairman and CEO of Schussler Creative, Inc., which specializes in creating, designing and developing theatrical attractions, restaurants, retail stores and entertainment venues worldwide. He is also the author of *It's a Jungle in There - Inspiring Lessons, Hard-Won Insights, and Other Acts of Entrepreneurial Daring*.