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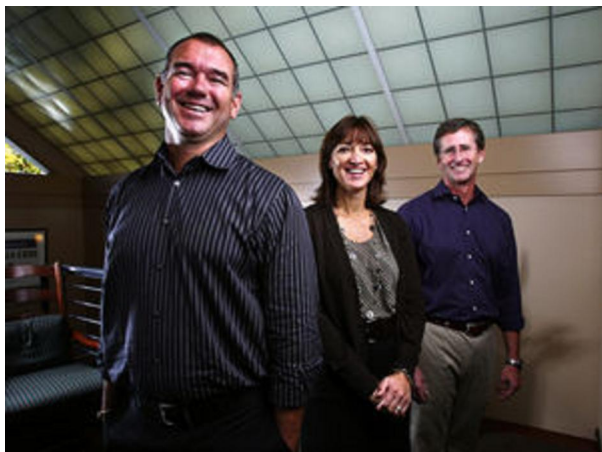
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It's a family affair at 40-year-old Windermere

Family credits collaboration, not competition, among partners as key to Windermere's longevity and success.

By Reid Champagne

Special to The Seattle Times



Even when they are on a family vacation together, the three principals of Windermere Realty admit to talking shop.

“For the family members not involved in the business, it does sometimes reach an ‘enough already’ point,” admits Jill Jacobi Wood, daughter of Windermere’s founder, John Jacobi, and president of Windermere Services and Client Services.

“It’s not a day job for us,” says John’s son OB, president of Windermere Real Estate. “It’s a 24/7 ongoing conversation of how can we do things better and succeed.”

Nothing heightened the urgency of that never-ending conversation more than the collapse four years ago of the real-estate industry, which that is still shaking itself out.

“The market is still down 35 percent from its peak,” says Geoff Wood, who is CEO and Jill’s husband. “And the most dramatic change that has caused in the last five years has been in agent counts.”

Wood says that during the height of the bubble, there were too many agents for whom real estate was not a full-time profession.

“Those agents have dropped out of the market, and those full-time professionals who have held on are doing well again.”

The recent success comes as the family-owned company celebrates its 40th year as an independent company.

“National companies would like to absorb us because of our recognized and respected name,” says OB. “But this recent crisis proved that we could hang on and remain independent.”

Geoff says he told Windermere’s franchisees throughout the crisis, “We are not a discount operation, that such a change for us would adversely affect our reputation and brand.”

Paul Bishop, vice president of research for the National Association of Realtors (NAR), says the national organization does not keep longevity statistics.

But, he says, “the most successful are those who have looked ahead to see what was next and then

planned for the long term.”

The core of Windermere’s business model is franchising. The company is the umbrella for some 300 offices operated by 110 franchisees, making it the largest regional real-estate company in the Pacific Northwest. It’s a tight-knit group, according to OB.

Unlike Subway or McDonald’s franchises, for example, “we don’t compete against each other,” Geoff says. “When there’s a good idea generated, we share it with all our owners.”

The family believes the lack of competition among the Windermere franchises is one of its strengths and attracts real-estate brokerages interested in becoming a franchisee.

“We do it on a handshake and a six-month rolling commitment,” says OB, comparing that to the more typical industry standard of a five- to 10-year written contract. “If they’re not happy after six months, they are free to leave.”

Janet Haberbusch, a partner of the Windermere Real Estate/Wall Street franchise since 1991, says the close, collaborative relationship among all franchise owners is something the Windermere culture has fostered.

“There are not a lot of levels here,” Haberbusch says. “We can pick up a phone and talk to Jill, Geoff or OB anytime we need to.”

A key element in whether Windermere selects a brokerage to become a franchisee is based on that brokerage’s entrepreneurial spirit.

“John Jacobi was entrepreneurial in buying this company in 1972, and that spirit remains an integral part of Windermere,” Geoff says.

Competitor Tanda Sullivan, a broker with The Force Realty in Bellevue, says Windermere has built up an advantage on the listing side of the transaction as potential clients are more comfortable going with a well-known name and a good reputation.

“They are the Cadillac of real-estate companies,” says Sullivan. “Windermere is the name you think about, when you think about real estate in Washington.”

The company has expanded beyond the Seattle area into 10 states. In September it opened its first franchise in a growing Mexican hot spot, Los Cabos, at the tip of Baja California.

“We are seeing a lot of growth here in Los Cabos coming from the Western states where Windermere already has a strong presence,” says Jay West, whose CaboRealty Partners recently merged with another Cabo area firm before signing on together as a Windermere franchisee.

West thinks the market for second and retirement homes in the Cabo area will grow threefold, from more than 2 million to 6 million in 10 years. He expects Windermere clients will want to deal with a Windermere company if they buy there.

“We’re expecting our business to grow by a minimum of 50 percent,” West says.

Windermere has been disappointed in the past with attempts to set up brokerages outside the Seattle area, says Jill.

“We want to offer the same level of success we enjoy in the Seattle area to brokerages located beyond in other states. The failures we’ve sustained in these outer areas have been due to either a lack of knowledge of or of trust in what Windermere can offer.”

The company has also worked on using technology to compete. In October it unveiled new initiatives for some 400 agents.

“They’ve already aeri ally mapped the entire MLS for the Cabo area,” says West.

And what are the prospects for a third generation of the Jacobi family to guide Windermere through the next 40 years and beyond?

“It’s still too early to know whether or not any of our kids will work at Windermere,” Geoff says. “But the older ones have been introduced to the business through odd jobs like sweeping the sidewalks in front of our offices and answering phones during school breaks.

“Ultimately, we want our kids to do whatever makes them happy, and if that ends up playing a role at Windermere, all the better.”