

THE TRUMP EMPIRE

AN EXCLUSIVE *MILLIONAIREASIA* INTERVIEW WITH DONALD TRUMP

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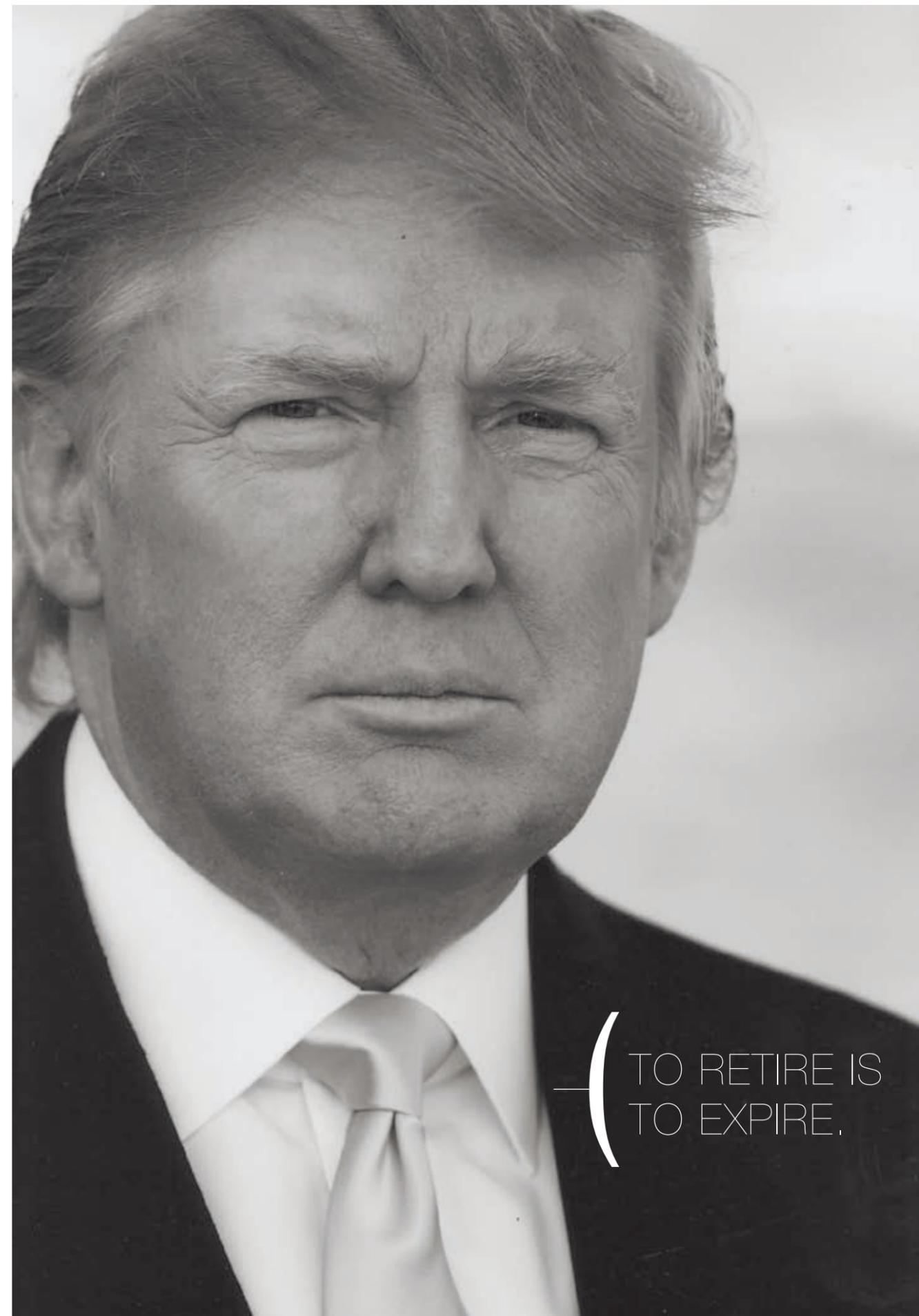
As recognisable as the Statue of Liberty, the Trump brand can be seen on hotels, casinos, golf courses, TV shows, restaurants and even consumer merchandises. *MillionaireAsia* poses some exclusive questions to the face behind the name, Donald Trump.

Donald J Trump needs no introduction. Before he became a household face on primetime television, firing executive hopefuls in the reality series *The Apprentice*, his claim to fame was building some of the most distinctive and prestigious properties in prime locations in the US.

The son of Fred Trump, an established real estate developer in New York City, Donald joined the Trump Organization where he helped his father with middle-class rental housing in Brooklyn after graduating from the Wharton School at University of Pennsylvania.

In the early 1970s, Donald then shifted his focus to commercial real estate developments in New York where generous tax concessions allowed him to secure investments loans with little collaterals. He landed the rights to develop a plot of land on the West Side and turned the troubled Commodore Hotel into a new Grand Hyatt. As his empire grew, so did Donald's reputation for turning bad real estate into pots of gold.

Faced with a growing recession in the late 1980s however, Donald fell victim to the crisis and was forced to declare business bankruptcy. He had to relinquish



TO RETIRE IS
TO EXPIRE.

Below: Beach Club at Trump Ocean Club International Hotel & Tower Panama located in the Pearl Islands;

his airline, Trump Shuttle, and sell off his real estate parcel in Manhattan. However, he managed to retain Trump Tower in New York, three casinos in Atlantic City and he continued to oversee the developments on the West Side in exchange for a modest management fee and a portion of future profits.

By the mid 1990s, Donald repaid a bulk of his USD900 million personal debt and USD3.5 billion business debt. He continued to slip in and out of debt, and only saw a resurgence in his financial situation and fame in early 2000s, after almost three decades in the business.

In addition to his widely publicised financial problems, Donald also had to deal with the media's constant attention to his personal life – his extramarital affair and the resulting divorce from his first wife, Ivana Trump.

Having overcome the odds, Donald Trump is today, a prominent real estate mogul and well-known Hollywood celebrity. The 64-year-old is blessed with five children and two grandchildren, and shows no signs of slowing down. Quoting his father, Donald commented, "To retire is to expire."

Thanks to your father, you had a head start in the real estate business. How instrumental was your father in helping you get a leg up in business?

My father was a tremendous influence and I learned from him starting from an early age. If I hadn't been interested in real estate, I may not have paid as close attention as I did. I think the aptitude was there, and to have an example to watch and follow gave me a fantastic background. What was also important was the passion, so while it may have taken longer without having such a great mentor, I think I would have been in real estate eventually anyway. He was instrumental as he was a daily example to watch in action and that is the best

way to learn. I was extremely fortunate and am always grateful for his example and guidance.

You've lived through some rough patches in your life, what has been your biggest challenge to overcome?

The financial turnaround I had in the early 90s was an enormous challenge. It



could have been a disaster and in fact it was reported that I was finished, but I didn't believe it. Sometimes we need a wake-up call; I had lost my focus and momentum, and since then I make sure I keep them both intact. Everything I do is largely publicised so you learn to live with it, and to make the best of it. It comes with the territory. Today, my company is bigger and stronger than ever in the past.

On the topic of the financial problems in the 1990s which

ran into a multi-billion debt, how exactly did you pull off one of the most amazing business turnarounds in history and what were some of the key business lessons you learned from that?

My first resolve was not to believe all the negative press. I knew I had it in me to turn the situation around. I didn't know exactly how I would do it, but I had the confidence that I could pull it off. That's a key component to success whether you're facing disaster or a new endeavour. I decided to look at the solution, not at all the problems. That's a key business lesson because it involves focus. Acknowledge the problems, and then choose what you will focus on and keep your vision intact even when everything seems to have closed in on you. Focus, vision and momentum are required.

Please share a few thoughts about the development in Puerto Rico and Panama – why did you choose these locations and what potential do you see in these markets?

They are fantastically beautiful places and destination points. Their location is in exceptionally beautiful surroundings, and our desire is to make them not only part of that environment, but to enhance it. The tremendous potential has been recognised and will be developed to match the significance of the locations.

When you have an extraordinary site, it's only natural to match and exceed that condition.

You also have a hand in the entertainment industry, namely Hollywood, Miss Universe Pageant, and WWE. What fuels your passion for this industry?

The huge success of *The Apprentice* in 2004 was a big impetus to this interest in the entertainment industry, but I had already joined forces with NBC on the Miss Universe, Miss USA, and

Miss Teen USA pageants which have met with continued great success as well. In addition, before I decided to attend the Wharton School of Finance, I had thought for awhile of attending USC to study film. I had an interest in the entertainment industry which served me well later when it became a big part of my brand. I already had some background study. However, the success (and continued great success) of *The Apprentice* came as a surprise to me. I hadn't thought I'd have the #1 hit show on television. That was a risk that paid off. The next season, airing this March, will be the best one yet.

What fuels my passion for this industry is that it's exciting as well as lucrative, and the charity aspect of the *Celebrity Apprentice* has been a philanthropic effort that has proven of great advantage to many people. It's a great feeling.

"You're fired" has become a household catchphrase. What are the key qualities you look out for when hiring your top executives?

They have to have a passion for what they're doing. It's not just a job. They are an important cog in an organisation that moves quickly and with purpose. They must also be able to work individually as well as a team, and be able to keep up with our tempo, which is definitely a momentum to be reckoned with. The big picture is definitely big and their aptitude has to fit that dimension.

Could you give us a sneak preview into a day in the life of Donald Trump?

I'm usually up by 4.30am and I read the newspapers and watch the television news coverage. That gives me an indication of what's going on around the world that could impact my many businesses. I'm usually in my office by 8am and usually stay until 7pm, sometimes later unless I have an event to attend. I eat lunch at my desk whenever possible.

I don't like the work momentum to be interrupted.

To most people who know you through the media, you are a shrewd businessman living the high life. How do you think the media has misrepresented you?

The media can spin things with something as simple as a tone of voice,



properties to maintain, and they are beautiful properties so I don't mind at all. I love what I'm doing. I have fantastic golf courses but I also love to golf – so that's not a hardship for me to keep up with them.

The media likes to hear from me because I tell it the way I see it. They may not agree with me but they'll be getting my honest opinion. Having a private jet provides me extra quiet time to work and saves time in travel. Yes, it's a great way to travel but has a purpose as well. There's nothing wrong with the high life, especially considering the amount of jobs I provide and the amount of charities that have benefited from my work, which continues to escalate.

Who has been the biggest influence in your life?

My father, Fred C Trump was my first example and the best one anyone could have. He taught me the ins and outs of construction and of every aspect of the real estate industry. He was a hard worker and had told me that "to retire is to expire" and I agree. I have more energy and enthusiasm now than I've ever had.

There's a Chinese saying that family wealth doesn't survive past the third generation. What's your take on that and what are some of the succession plans you have in place for your family?

Since my three eldest children are with me now at the Trump Organization and have done a fantastic job, I think the plans are in place. It was their choice to join, as I wanted to make sure they were passionate about the business. Otherwise it wouldn't work. They are incredibly responsible and dedicated to the brand and I am proud of how it's worked out. Their work on the Trump Hotel Collection, for example, has

or with one well chosen word. I've learned to spin it myself. Sometimes that's the only defense. I come off as a tough guy because I am a tough guy. Try accomplishing what I've accomplished without being tough. It won't happen. I'm ready for problems every single day, in fact, every single hour, because that's the way it is when you have as many properties as I have. I keep an active interest in all of them.

As for living the high life, a lot of that time is spent working. I don't take vacations because I have too many



PHOTO COURTESY OF ALI PAIGE GOLDSTEIN

SUCCESS IS BEST WHEN THE LOVE FOR YOUR ENDEAVOUR IS YOUR MOTIVATION. IT WILL NEVER SEEM LIKE WORK.



PHOTO COURTESY OF STEVE BECKER

Donald Trump with his three children (from left), Eric, Ivanka & Donald Trump Jr

brought the Trump name international recognition just as *The Apprentice* did. I have full confidence the Trump gold standard will remain intact.

How important is family to you and what are some of the values and life lessons you try to impart to your children and grandchildren?

Family is and has always been extremely important to me. Again, it's a matter of example. When Don, Ivanka and Eric were growing up, no matter what kind of meeting I was in, I always took their calls. They knew they had priority. They also saw how hard I worked, and they see that everyday now. So there's a balance – work is important, family is important, and loyalty to family is first.

Your son Eric started a foundation for children battling life-threatening medical conditions. What are some of the philanthropic efforts you're personally involved in and how do you go about selecting them?

I've been involved with the Police Athletic League in New York City for many years and have many others, from the Make-A-Wish foundation to the reconstruction of St John The Divine Cathedral. There are a multitude of charities I'm involved with, but for

the most part, I keep it quiet. The number of appeals that come in are astounding and not all of them can be attended to, so my philanthropic work is largely kept quiet.

You are a known world-class golf course developer with award-winning course in the US. As an avid golfer, what is the best golf advice you've received?

Gary Player said, "The harder I work, the luckier I get", and I have to believe that's true. I work hard at my game, although it's a labour of love, but that's when you see results. The greats are never complacent. Every day is another day to learn and improve.

What is your parting advice to our readers on being rich and successful?

The most important thing is find something you love doing. Passion provides great energy and can overcome a lot of obstacles. If you don't have that passion, it's not likely you will become successful because it will be too easy to become discouraged. Just recently, the Olympics have been on, and the Olympians are good examples of what it takes to succeed. They are beyond determined. The same applies to business. Success is best when the love for your endeavour is your motivation. It will never seem like work. ▲

TRUMP TRIVIA

Golf: Donald Trump is a passionate golfer with a low single handicap.

Net worth: Forbes estimates his salary in 2009 to be USD50 million and his net worth in 2010 will be USD1.6 billion.

Lifestyle: He has never used an ATM machine in his life.

Entertainment: As the executive producer and host on *The Apprentice*, Trump earns a reported USD3 million per episode.

The Trump Brand: Real estate developers around the world pay a "licence fee" to market their properties using his name. This portion of the business, run by his children, is valued at USD562 million. He has 33 licensed projects under development including seven "condotels".

Family: Trump has been married three times (Ivana Trump, 1977–1992; Marla Maples, 1993–1999; and Melania Trump, since 2005) and has five children (Donald, Ivanka, Eric, Tiffany and Barron).

Education: Trump attended Fordham University for two years before transferring to the Wharton School at the University of Pennsylvania. He graduated in 1968 with a Bachelor of Science in economics and concentration in finance.

Social Habits: He does not drink alcohol.

Hairstyle: He chooses to keep the same hairstyle throughout his career. He said, "I don't say my hair is my greatest strength in the world, but it's not terrible."