



## Then & Now



# SIOR Celebrates 70 Years of Service

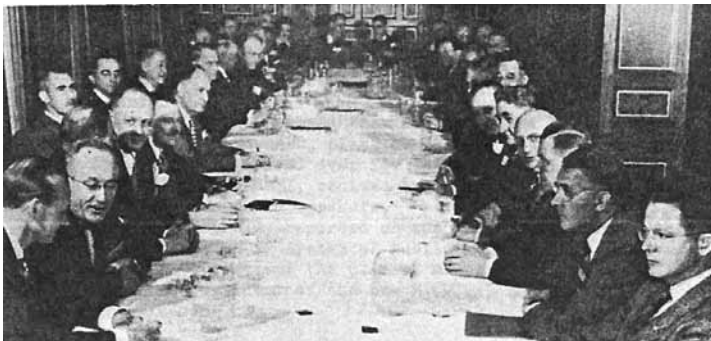
As the 70th anniversary of the Society of Industrial and Office Realtors (SIOR) draws to a close, we thought it would be a fitting time to reflect on our history, our mission, and our enduring legacy.

## Patriotic Beginnings

The Society of Industrial Realtors (SIR) essentially began in response to the United States entering World War II. Prior to the war, the National Association of Real Estate Boards (“NAREB”), just had a “Broker’s” Division (a ‘commercial’ division you could join for \$5.00 a year!). SIR Founders Frank Binswanger, Sr., David T. Houston, and Joseph J. Greenberg wanted to establish an association which more accurately reflected the specialty of industrial real estate. These men, Fred Dietsch and five other industrial brokers, began meeting in 1939 and 1940 in Philadelphia and eventually in Washington, D.C. in 1941 to create the framework of what became SIR. In 1941, the Department of War asked the leadership to assemble the top industrial agents in markets around the U.S. to inventory available properties that could be used in preparation for WWII. These men, along with 200 other eventual Society members worked around the clock to survey every suitable facility across the U.S. and Canada and reported their findings to the War Department—compiling a list of over 10,000 available properties totaling millions of square feet of space. These industrial spaces became a driving force in the war effort, producing war materials ranging from munitions to Boeing B-17 bombers.

The years following WWII found sustained reconstruction and consequent economic growth. During this time SIR members were instrumental in helping the government’s Reconstruction Finance Corp. (RFC) to repurpose the excess property.

The original 200 brokers would become the Society’s charter members—members who during the height of World War II did their part with ability, integrity, and sincerity—three qualities we have held in high regard to this day.



1946 SIR Governing Council Meeting



Shown in this picture: SIOR's 1949 Governing Council during a luncheon meeting

## Early Financial History

A brief look at the Society’s dues structure reveals that Active members paid \$50.00 per year and Affiliate members paid \$25 per year in 1941. The budget for that year was set at \$10,000.

Space for the SIR headquarters was found on the floor of the National Association of Real Estate Boards (NAREB), now the National Association of Realtors (NAR)—in an area formerly used for residential purposes. NAREB would supply two desks and chairs, but the Society would have to purchase a typewriter. Then president Bethel Hunt advised the Society that he would supply a typewriter for the Society’s use. The Society advanced rapidly and by 1943 the dues, as well as the annual budget, had doubled, our rent had increased five times, we were in a deficit and publicity entered the picture.

## The Society Network

On March 25, 1943, the first issue of *The Society* (SIR’s first newsletter) began with a statement that still exists in our rhetoric to this day, “With this first issue of The S.I.R. Newsletter goes a plea for your cooperation and suggestions. No organization regardless of its size can function progressively unless its membership participates actively in its program.”

From the onset, the message was clear. Through the SIR, professionals would be able to provide commercial real estate brokerage services to virtually every industrial area across the United States. Despite the industry growing exponentially over the past 70 years, it is this sense of community and tradition around the SIOR that has kept the organization thriving.

This value of the SIR “network” became apparent almost immediately after the organization’s founding.

Then President Bethel Hunt wrote in the June 15, 1943 issue of *The Society*, “Shout it from the house top! The excellent reputation gained by nearly 200 highly qualified industrial real estate

*Continued*

property specialists who are members of the SIR places us in a position to be of service intelligently, aggressively, and cooperatively with the Committee of Economic Development. This is an opportunity, gentlemen, to give everything you've got for your community and for the future of the Society of Industrial Realtors."

In November 1985, at our national convention, our board of directors voted to change our name to the Society of Industrial and Office Realtors ("S.I.O.R."), formally acknowledging the acceptance of office realtors into the association, and the change was formalized with the approval by NAR on May 12, 1986.

## The Big Picture

From its beginning, the SIR has played a necessary role in serving the commercial real estate industry and contributing to the national economy.

In 1943, then SIOR President Bethel Hunt wrote, "There is no longer any question as to the value of our Society. I say that the Society of Industrial Realtors will make a greater contribution to the postwar era than any other institute of NAREB. Disposition of surplus property is where we will figure. We as a group want to serve the industry and today in order to serve the industry we must serve the government... One of the major problems confronting the government today is the disposal of the great amount of surplus property."

Even today these words hold their relevance as SIOR members endeavor to aide in the disposing, repurposing, and/or leasing of surplus property from the economic crisis of 2008.

SIOR members are skilled, experienced industry practitioners who maintain a commitment to business and our industry by providing expert professional services. As leaders in the commercial real estate industry, it has been left to us to approach difficult times as a challenge to be conquered. Clearly, the importance of our industry in relation to the economic well being of the United States cannot, and should not go unnoticed as we look ahead to the future.



*Society members display musical talents during a dinner function. From left to right (not including non-member banjo player): Blackie Krafzur, Bob Walker (singing), Dan Wilkinson and Les Lehman.*



*Shown in this picture from left to right: Robert J. Walker, Jr, SIOR (1993 President); Mervyn E. Kirshner, SIOR (1991 President); Daniel F. Wilkinson, SIOR (1992 President)*

## Mervyn E. Kirshner Recounts

Mervyn E. Kirshner, SIOR Retired, 1991 SIOR President, and member since 1973 was kind enough to sit down with us in his La Quinta, CA home and talk with us about his time with SIOR.

### *On his memories of SIR:*

"Clearly, it was a 'good old boys club' <laughs>. It was a wonderful organization of quality people, who became very good friends and friends with each other's families. There were parties, the wives would pass out martinis to the members—it was all very social. But very exclusive."

### *On the value of SIR:*

"The exclusivity was a huge benefit. I could walk into a client meeting and say, 'There are only three SIRs in this market, and I'm one of them—I'm part of the best and that's what you need.' SIR also allowed you to meet people from all over the country, with different backgrounds, and become friends with them, and share things with them that are different from the things you share with people at home. They became great friends, extended family, really. In the end, you get out of it what you put into it. If you don't put anything into it, you're not going to get anything out of it. But if you go to the conventions, and work them and network, then you are going to get a lot out of it."

### *On the admissions process:*

"I clearly remember reading *Industrial Real Estate* (the landmark textbook published in 1967 and updated in '71, '79 and '84). I remember getting up Saturday mornings and studying it like I was going to work, cause it was dry, really dry <laughs>, I just couldn't read it casually. After, I took the exam (which was on the entire 700 page text) and passed, there were financial qualifications that had to be met. Also, if your peers didn't like the way you looked, if you didn't pass the 'smell test', you didn't get in."

### *On his experience as President of SIOR:*

"It was probably one of the best professional experiences I have ever had. I loved what the organization has done for me. In 1991,

it was a tough economic year, and just being able to travel the country and speak at different chapters was very rewarding.”

### **Roger P. Nordblum Reflects**

Roger P. Nordblum, SIOR (Retired), CRE, 1977 SIOR President, was kind enough to sit down with us and have a conversation about his fond memories of SIOR.

#### ***On the benefits of being an SIOR:***

“...the friendships that developed over the years. That was the number one benefit of being involved with SIOR. I have made friendships from SIOR that have lasted for over 40 years.”

#### ***On the SIOR Conventions:***

“The fall convention was the biggest, and it coincided with the NAR convention. The winter conventions were much smaller...but was usually held in a warmer climate. And the Spring convention was more like the fall, minus NAR. During my term, coincidentally, we voted to terminate the winter convention.”

#### ***On how SIOR impacted business:***

“When I would pitch business and a client saw that I had SIOR on my card, it absolutely helped me get an account. We had good recognition—mainly because we had a lot of publicity. Speaking at chapters around the country gave SIOR a lot of visibility. The press would always be there, and always write something up about the organization. We also conducted a number of analytical surveys for local and federal government on developing certain areas around the country, to gain publicity.”

#### ***On the issues he faced as an SIOR:***

“The big problem we had during our time was the initiation of the Clean Air Act, the environmental act. It was seen as inhibiting industrial development, and we felt very threatened by these new regulations.”



*Members gather during the 2011 SIOR Fall World Conference Closing General Session in Chicago*

#### ***On the future of SIOR:***

“Back in my day, SIOR was recognizable across the country and an indicator that you were among the best of the best. I would like to see SIOR go after the best guys in each market. The goal should not be about increasing the organization’s size, or doing anything to impact the friendships and comradery. Just target the best guys, and bring them into the organization.”


### **SIOR Today**

From our humble beginnings, SIOR has grown in membership, influence, and international prowess. We are now considered the leading office and industrial real estate brokerage association with more than 3,000 members in more than 630 cities in 29 countries. As always, SIOR represents today’s most knowledgeable, experienced, and successful commercial real estate brokerage specialists. Real estate professionals who have earned the SIOR designation are recognized by corporate real estate executives, commercial real estate brokers, agents, lenders, and other real estate professionals as the most capable and experienced brokerage practitioners in any market.

### **SIOR Tomorrow**

Looking ahead, the priorities of SIOR remain focused in delivering the highest possible value in services back to its membership, and maintaining its gold standard of excellence. Evidence to this commitment can be found in SIOR’s organizational initiatives, focusing on digital communications, education, international expansion, membership retention and recruitment.

New organizational initiatives, such as the launching of the new SIOR website, the development of mobile and online applications, improved educational sessions and the work of SIOR’s Global Expansion Task Force to bring the SIOR (and its networking benefits) to overseas firms and practitioners, will play a big part in making the coming years a truly exciting time.

The society has grown in recognition, stature, and importance. But throughout this expansion, we have not forgotten the core standards of knowledge, integrity, quality, and professionalism—the standards which set Society members apart. Because of this, SIOR continues to be, and will remain, the preeminent organization of industrial and office real estate professionals for generations to come. 



*SIORs 1978 Spring Gala Dinner honoring Past President (1977) Roger P. Nordblum. Shown in this picture from left to right: Hugh J. Zimmer, SIOR (ret.), CRE, (1979 President); Robert P. Boblett (1978 President); Mr. Nordblum; and Lester E. Lehman, Jr., SIOR (Ret.) (1980 President)*

**Thanks to author, historian, and interviewer of this feature article - Stan Mullin, SIOR, CRE, CCIM, FRICS, SIOR Past President. Special acknowledgement to Nicholas Kinni, SIOR Communications Coordinator**