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HOST

Welcome to the People Property Place podcast with me. Your host, Matthew Watts, founder and managing director of Rockbourne. This is a podcast where I share the stories, views, opinions and career journeys of the movers and shakers, innovators and leaders in the real estate industry.

00:00:26:20 - 00:00:35:00

HOST

Welcome to the People Property Place podcast. Today I'm joined by Phil Bailey, CEO of Infinium Logistics. Welcome to the show, Phil.

00:00:35:04 - 00:00:36:11

GUEST

Great to be here.

00:00:36:14 - 00:00:51:25

HOST

No. Well, thanks for coming on. So. So you've had a very career since you entered the real estate world in 2006 as an analyst at APM Capital Investors. How did you get into property and why did you want to pursue a career in this space? Yeah.

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GUEST

So, I'm Australian, grew up my my my background is, I come from a family of banana growers, which doesn't have much to do with, anything these days in my, in my career. But, I grew up in country Australia, studied, economics at university and did, I'm guessing, what a lot of listeners would have done, which is went to university, applied my trade and, applied for a lot of grad roles, and took a grad role in Sydney AMP capital is is like a legal in general or approve it's it's the main life insurer and investor for pension fund money in Australia.

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GUEST

They were growing at warp speed in the bull run. Which, I must be getting older because I have less people to share the, the stories of what it was like, when, your money was doubling every other year. And it meant, things were growing fast. I joined a grad program, on rotation.

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GUEST

I was an equities analyst for some time. That was a really helpful experience in, seeing what traded. And I think real estate people, if you haven't had the exposure, it's an interesting one to have is other asset classes. And having traded heavily analyzed markets wasn't for me. I had an interesting six months doing that, but it definitely refined.

00:02:10:29 - 00:02:29:26

GUEST

I thought I wanted to be an equities analyst. Yeah. And then I did it and I so, other than meeting with the C-suite of the list of businesses, and I was an equities analyst for real estate, which is a segue into how I got involved in real estate. That was very interesting. Being part of the top table is your first is your first job.

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GUEST

You're meeting with these, C-suite describing their over headline strategy, then getting back to the work of trying to pick up pennies in front of the trying and outperforming a listed index. I found a particularly brutal, day to day job. And I was actually found myself more interested in the strategies that the C-suite

was talking about on how they run the business, motivate the people, and build an operating business.

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GUEST

And so that led, led me to being more and more enthusiastic to the, direct the direct acquisition business inside AMP. So this is still still in Australia 15, 15 years ago now. And then I ended up specializing more and more in, how are you getting out and doing deals is pretty interesting, especially when you're in your early 20s at a particularly satisfying, fast paced environment.

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GUEST

And I specialized in out of buying sites and crunching the numbers, you know, doing the numbers, running the numbers, seeing if that works for our investors. And over time ended up being, a specialist in putting structures together, to invest via and did a little bit of work in Asia. And as I traveled, I saw, country boy, Australian country boy living in Sydney, which had no particular affinity to, and I actually just packed up, resigned with, with with no plan traveled the world, ran out of money.

00:03:59:06 - 00:04:18:16

GUEST

And literally I remember I had my backpack on. Everything I owned was on my back. Kings Cross station didn't have enough money to get to my mates house in Clapham. And that was my started my career in London and 15 years ago and, and thought I better get a job was the most urgent, pressing moment when you can't even afford to buy a beer.

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GUEST

That's that is there are bars. You've definitely run out of money. And, I find I tell that story sometimes, and it's playful. It was never, you know, it was never. It was out of choice that I read so close to the line. But, putting myself in the deep end, early risk taking early on in my career and, you know, informed, profession, betting on my professional, competency has paid dividends throughout my career.

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GUEST

So that that theme ends up we will touch on it later. But that theme ended up being the thing that evolved through my career is pushing myself, putting myself in the deep end and putting myself out there. So I turned up to London. I knew one person, which is a my pal who's, sleeping on his couch. And started, started to apply for jobs, and I and I applied for a job, at this place I'd never heard of.

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GUEST

And it didn't quite seem to be for me. And so I resigned, actually, three months in. And which is unlike me, I usually stick things through. And I was on to a guy called Bill Hughes. And this was legal and general, this place I'd never heard of. And, he said all the reasons you're saying you want to leave are the things, the reasons why I wanted to join and want to change.

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GUEST

So why don't you stick around and help me? Help me make some positive changes? And then I had a I had a wonderful, wonderful run, with some fabulous people at Legal and General who, remained pals with, many, many, of my ex-colleagues. And that that involved being financial analysts to start with. Yeah. And which having done that is I would say is my, my real technical apprenticeship in business as being business analyst.

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GUEST

Financial analyst. So connecting strategy, if you get rid of the fancy words what are you doing. Connecting strategy to business case. And how does it make economic sense to pursue something. And that that then started creating good connective tissue to hey, there's a business case here, why don't you go and implement it as well? Phil? And so the theme started to develop after that.

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GUEST

In my careers, I've actually never had a job that existed before I did it.

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HOST

You created your own path. Yeah.

00:06:32:10 - 00:06:55:13

GUEST

And, so, so I consistently started to try and address areas where I thought there was good opportunity. I also hopefully had some ability to be able to capture and create that opportunity. And, and also recognize in the firm I worked at and what is, of course, what's their, what's their strengths and our right to compete in that opportunity.

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GUEST

And what does that what did that look like? It looked like property derivatives for a time. How do we better manage hedge risk by risk in a more efficient way for property funds that are legal in general? And then subsequently, we were getting more and more proactive with how we might be able to utilize the balance sheet as opposed to, third party money.

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GUEST

So we started to do things and this is what I built up more and more fascination for is as I got close to investors, that eagerness to want to write a prospectus, lock down and invest money and then go and deliver that for many years felt like quite an outdated approach. I, I could understand the context from an investor's point of view.

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GUEST

They want to know what they signed up to. Yeah. But for for, dynamic capital market where often value sits just outside that cookie cutter, I was eager to make sure that, I was working in an environment where we pursue opportunity. We don't review prospectus information around allowable investments. Yeah. And, with Bill his help, Adele and Joe got more and more of that sort of sponsorship.

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GUEST

And what was the likes of Laura mason and Nigel Wilson, who's remains a group CEO? They're they're very proactive around utilizing the capital. To pursue opportunities others can't using patient money to build, you know, cathedral building, building really well to our business case. Not on a 4 or 5 year cycle, but really pursuing things for long term value creation.

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GUEST

So board, house protocol. Carla homes, I was lucky enough to, serve on the board of that for a time. And then again created another area in, legal and general capital, which was, at the time, a small team dedicated to investing own money into interesting investment ideas. And so I started to if going back to that to the start, I sort of went from traded assets, homogeneous asset class, highly tradable into, direct unlisted assets.

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GUEST

More centric and then more into private equity operating platforms with a real estate footprint. I worked with a great guy called Dumbarton women, men who, worked for, probably too long than I'd like to admit. I'm trying to establish the build to rent business in, in legal in general. And where, I was on the balance sheet, and Dan was, was been on the team building operating platform.

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GUEST

And then as I was doing that, it was pretty obvious that LNG is the biggest, pension provider in the country. Retirement is in our DNA. And the link between building great environments for people to thrive and what we're doing for retirees in the UK, it was quite coherent that we should have a retirement community offering. And then I was lucky enough to meet, reviewed many, many, many in the industry.

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GUEST

And then we close the deal with a business called Inspired Villages. And I still chair that. I'm executive chairman of Inspired Villages. And the evolution, of that went to, looking at two sites. We now have a 6 billion pound portfolio that's five years on. We've got a tremendous, partnership with NatWest Pension Fund, which is the UK's largest private pension and, and legal and general, and that that business is thriving.

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GUEST

When we when I teamed up with, Jamie in the team, with legal in general, there was, there was four main, executives and 20 in the business, and now there's about 350 in the business. And, and that. Yeah, that's thriving. The theme on the businesses that have done really well there is after making the tough decisions on behalf of customers, putting the customer first, to the extent you can just digitize and where there isn't legacy, make sure you use that as an opportunity to digitize and automate and standardize so you can elevate everyone's thinking to do higher order, higher value thinking, and then establishing making sure you establish

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GUEST

the mandate for people to just get on and do their best work. So, yeah, not not getting caught up in the, what's allowable is the funding mandate or, we want people thinking what is the most amount of value I can create for our customers, and how can we capture some of that? So that that was a, that was, 14 years at Legal and General, wonderful time during lockdown.

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GUEST

I did reflect on what I want to do with my life. Like a lot of people, I had, I had a one and a three year old at home as well, which made that, the sensation of, lockdown a little bit more extreme as well.

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HOST

Moved out.

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GUEST

But it's couch. Yeah, yeah. And, and, and, I was on holiday with the, with the parliament, funny enough. And, during lockdown and we were, well, just off lockdown and we were, we were talking about what each other do and, James Lee, who's the executive chairman of Finian Just Logistics, which I'm the CEO of.

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GUEST

At the time, he, you know, as far as I knew, you know, how you, you're pals with someone and you just have no idea what they do.

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HOST

Yeah.

00:12:35:18 - 00:12:54:27

GUEST

And I describe all my friends, and, and I thought I knew what he did, and he did cowpox and chickens. I didn't know what that meant, but that's what he did. And then as I got to know more over holiday with his family, he was he was on endless phone calls with one of the world's biggest logistics firms.

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GUEST

And I thought, how is this linked to what you do? Yeah. And he said, well, I when I say I do cowpox on chickens, I'm a, I'm a energy saving expert and I do, energy saving as a service is my background. Okay. And so how does that to do with logistics? And I was like, well, it turns out I know a lot of car parking.

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GUEST

And, there's an immediate urgency in the market during lockdown because of so much e-commerce growth. There's so much volume that has come through that the amount of parcels that can go through warehouses now does not match the parking availability for vans to get a parcel to add all. And, and this wouldn't be news to anyone in the logistics because it's people.

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GUEST

Power and parking is the three main issues facing facing a lot of a lot of operators in the logistics space. And he was well suited to address parking. So zoom forward a year and he's got 10,000 vans on his books, parking parking vans on a temporary basis for loads of logistics providers. And we we over over many, catch ups and, visit the pub we sort of there's a property play here and the potentially a very interesting property play.

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GUEST

And we actually started and this is, this is, this is what dwelling on a little bit it actually started in the wrong direction. We saw it. We were going to, repurpose all the car parks in the country. Yeah. And that was the initial pitch. And what we realized is the most pressing is actually more in the middle, middle mile.

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GUEST

And so we redesigned our business twice before we got going. And I don't mind saying that because, it was an important change that made a huge difference to our business because what I stumbled upon, which has been the feature centric, so I joined here a year ago now. Yeah. And, we've got the world's first ever fleet hub, with Fleet Hub Fund with, with with overcommitted our fund where oversubscribed.

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GUEST

We've got a tremendous amount of support. I've been lucky enough to present so 6 or 7 of the world's biggest investors, and they've all invested with us. So we've had a tremendous run on what what what is that? It is we're solving the problem for, fleets transitioning to electric vehicles.

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HOST

And there's a mandate in the UK to get 2030. Yeah. Is that right? And Amazon is certainly driving a lot of, green green vans and no doubt DPD and DHL and all the other carriers are as well. And that's the that's what you're trying to capture or get ahead of the curve or or service them.

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GUEST

It was certainly thought number two, was thought number one was the average parcel volumes going up probably 20, 30, 40, 50% in warehouses. And you know, and the bit that cannot robotics and automation can deal with a lot of that volume. Yeah. What can't deal with that volume is there's only so many parcels you can get into a van with a man on a 12 hour shift.

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GUEST

And so van volume goes up almost the straight line with parcel volume. Now there's coincidence, right? Drop rates out of home delivery. There's a few other nuance to that. Yeah. The logistics experts know better than I do. But that was the first or the second thought then went The far bigger trade here by by a magnitude of ten acts is the layman speak is the amount of money being spent at the petrol pump and that being transitioned into real estate value.

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HOST

Yeah.

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GUEST

And so the, the, the transition to electric vehicles, the willingness from logistics providers, high access to infrastructure is exceptionally low. So everyone's going straight to the easy one, which is how many charge points can I get at my depot. Right. Turns out the answer is very few. Almost operationally use useless number. And then the really advanced players like Amazon have started to say, I'll build multistory and get hundreds of them on my car.

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GUEST

But often a lot of developers are saying, I'm not going to I'm not that interested in building super bespoke, super bespoke parking and charging offer. If not everyone else would want that as a residual complication. And so our plan is simple. We go to, we go to customers, go to the logistics providers and say, bring your electric vehicles to us.

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GUEST

We're located in all the prime industrial locations across the country and across Europe. Park and charge your vehicles. And then over time, more fleet as a service. So we're working with some of the major manufacturers to see if we can bring van servicing, damage control. I into interaction with, damage at exit and at an, at, entry, client fleet cleaning and then the charging.

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GUEST

I like to use a pithy little example to just put this in context. We charge, you know, roughly the market charges something like 5 to 10 pounds a day. Obviously. Depends what bit of real estate to park a van in a prime industrial location. If you look at the numbers, the average van spends is about 60 to 70 pounds a day on diesel.

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GUEST

And, to charge that same diesel van in EV is about 15. So there's about 45 pounds or probably ten x the value creation for a customer. The transition to heavy. Now there's a cost to that EV van. But of course in simple operational sense and talking to real estate guys and the reason we're, you know, we're working with you guys, getting some fabulous talent into this business is, if done well, I see no reason that Infinium logistics won't be of the scale of the some of the major oil players.

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GUEST

And why is that? Because we can interact with most of the power producers. We're finding on most of our sites. We can produce on site about a third of the power we require, the other two thirds we can produce off site or work with producers who are well-established in renewable. So it has to come for renewable. Otherwise don't don't bother.

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HOST

Yeah, there's that solar on site.

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GUEST

Yeah yeah, yeah. And and then you start thinking about the value capture and the tonnage and miles that are done in the UK. The vast majority of tonnage on miles is fleet, but fleet is only 6 million of the 30 million vehicles on the road. Yet all the EV infrastructure focus is being quick. Let's get a welcome break.

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GUEST

Or a moto, charging point. Yeah.

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HOST

Council's in the side of the lampposts.

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GUEST

Exactly. And it turns out you can't get an eight meter. You can't get that eight meter, DPD, van parked in that. It's just not appropriate for a fleet user to turn up to a lot of these. So we think the focus has been in the wrong direction. And so that's, that's the problem was over.

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GUEST

We've had a, we've had a, a fabulous, fabulous start to the business and found, the customer centric approach has done as well, the, obsession with the operation. So surprisingly, for, for a predominantly real estate business, there's fewer in the state people here and there's a lot of logisticians and ex amazonians ex DHL, ex DPD is here.

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HOST

Yeah.

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GUEST

And we dial up their voices in every meeting to make sure we're obsessed by customer outcome. The things I've had to learn, I, you know, I wasn't a logistics expert, and I certainly wasn't an investment logistics person before we started here. And I've spent a lot of time sitting next to our chief operating officer, who used to run the south of Amazon Logistics.

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GUEST

Getting up to speed. What what does cost per shipment really mean? Let's get to the the bottom of exactly what costs, driving a a lower cost per shipment to get a parcel to your door. And that's how we think about it. And then we zoom back and say, what is our mission? We're here to decarbonize mobility.

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GUEST

And the fabulous bit the extension thought three is I thought one was we've got a parking crisis. Yeah. Thought two was, oh. Actually, it turns out that the transition to EV is a far bigger opportunity than the parking crisis. And then, so that's thought two and then thought three was, if we're putting all this infrastructure in, putting a public forecourt available to others, almost owes us nothing.

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GUEST

We've already put the connection issue with both the access to power and therefore we can get to market and, and, and offer a really high quality experience, charging experience to the public or semipublic, as in fleet owners who want to come in for a short term high power charge.

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HOST

Yeah.

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GUEST

And then the extensions to this, and the sort of as part of what Bourne's been helping us recently is the extensions to this thought process, which is but, you know, the wonderful transition out of big business is the agility to turn strategy into action. Is we've we've now identified that that exists with trucks and to those in the market, that's no news.

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GUEST

You know that. So that it's an obvious thought. But it probably sadly took me too long to get there. But now we're doing something about that, too. So we're about to launch the equivalent of fleet fleet hubs for trucks as well, and starting to think hard around what sustainable fuels will win energy density around payload. So starting to get quite technical and engineering around how do we create the right infrastructure footprint, that safe, secure and CO2 neutral for a transition for trucks as well as vans.

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HOST

And does that does that. Yeah, I don't know. The trucking space that well. But from what I've heard HGV g drivers are difficult to come by, difficult to to retain. But by offering this product and probably better amenities alongside the product, the hope is it'll give a better experience for the truck drivers. There'll be less of them leaving and so from a fleet perspective, they'll be able to retain talent for longer.

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HOST

Yeah. And put them in. Yeah. Take take better care of them fundamentally as well. Yeah.

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GUEST

And that has to be at the core of the offering I think you know, there's, there's what I call sort of hygiene things. And the hygiene things in the truck market will be the transition to EV or hydrogen. And I haven't met someone who factually knows which way that's going to go yet. But the transition to a clean fuel



solution, is a hygiene fact.

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GUEST

It's got to work. It's got to be. Yeah, I've got to have, I've got to have access to plenty of fuel. There's a there's a resilience piece that the fleet manager will need to know. There's a whole bunch of very sensible, resilient business process that needs to be designed around truck stops. They need to minimize cargo surf, which is a huge thing.

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GUEST

You'll point around, we was it was interesting, wasn't it, when we came through, in the pandemic and roles that perhaps a lot of us had in the sort of key roles that keep, keep our lives moving. And what became obvious is it turns out truck drivers are very important to everything that we do. But they're not treated that way.

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GUEST

And if you go to any average truck stop, you see the working environment that they have. And it's quite a punishing one. Yeah. They work long hours, heavily regulated, for the most part, can be quite lonely. Can be quite dangerous. And the physical aspect is, difficult to keep fit. Difficult. Eat well.

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GUEST

And so, part of the and you'll Ineos and Infinium oozes this at every point. But the part of we really my, my own personal mission is to leave this world better than I joined it. When we talk about ESG or finance, to call the point, and I'd rather talk about person centered improvement and worker welfare for trucks is a great example of that, where the little changes you can make for my from an an experience they're beyond just the economics means that it's always occupied, you know, and it's full.

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GUEST

So it makes good economic sense. You don't just have to be the nice guy. It makes economic sense to have a gym on site, to have a healthy food offering, to have better sleeping arrangements, all sorts of of those combinations then leads to, our customers saying, hey, we're now attracting a new sort of truck driver. We're attracting better talent.

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GUEST

We're making available training facilities on our site. So, they can grow professionally. And the skills that they adapt, they can stay up to date with all the regulations through every country they drive through all that good stuff. So that opportunity, there's 100, 150,000 trucks every day that park illegally across the UK. Wow.

00:25:50:19 - 00:25:51:11

HOST

Wow.

00:25:51:14 - 00:26:18:29

GUEST

And it doesn't get it doesn't get, enforced at the moment because the economy had gone to a halt, but they have no other option because nearly every decent truck stop in Europe is full. And so they, they park on the side of the road. And I don't know if anyone's aware, but, you know, the things you learn along the way is you're not supposed to be parking up for overnight in labor hours on the side of roads, but drive down the A5 on any given on any given evening, and you'll see.

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GUEST

You'll see what I mean. There'll be thousands of trucks on the side. So that that, opportunity into our right to compete, and, to get out into the market has been, a thoroughly enjoyable one, backed by some terrific investors. But none of this comes together with that good talent. So I think the journey I've described, today, has mostly been built around nearly entirely built around, great talent joining, picking up ideas, creating ideas and turning that into, into value for customers.

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GUEST

And,

00:26:57:01 - 00:27:07:03

HOST

So you've gone ideas first and then retrofitted it. So you've built it and then they'll come rather than, yeah, look at the perspective, as you said, and then try and try and match it up.

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GUEST

Yes. Yeah. Yeah. And a little bit of operational flexibility here has been helpful. So, we'll do something with our own money for a while. And then do it in big scale. Yeah. So often the equivalent of the prototype or the, the MVP in, in, in the minimum viable product in a in a, in VC speak in property.

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GUEST

The MVP will still cost you 5 or £10 million. But, to show people what you mean, by this is what our vision for the future is. And then use that many times over.

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HOST

So you raised 200 million pounds from Greenpoint Partners. As you said earlier, oversubscribed. You've got the ability to create a 500 million pounds portfolio initially. What? Just kind of coming back to the real estate piece. What what real estate are you going after? You mentioned kind of car parks initially and then you've pivot. So from a property perspective and property professional listening to this, you also talk about creating a new asset class within logistics.

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HOST

Can you just define that or explain that further.

00:28:10:06 - 00:28:34:13

GUEST

Yeah. Thinking about our pipeline, we've got about 1 billion pounds worth of real estate under review at the moment. And if I was to generalize, I'd say that's 2 to 10 acres. It needs a lot of power, which, depends where it is. Can be a challenge. So we will need. Rule of thumb is we need roughly one MVA per 100 vans.

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GUEST

Most of our customers want 100 to 200 vans, and often in locations will have several customers that will want to co-locate. And you can get roughly 60 vans an acre to just give you a scale. So. So most of our pipeline is 2 to 10 acres. What do they look like? We try not to compete head on with what would be a regular shed development.

00:28:58:15 - 00:28:59:00

HOST

Yeah.

00:28:59:02 - 00:29:26:09

GUEST

And so, unsurprisingly, the side of a railway, a quirky shaped bit of land. I don't think we own a standard. A standard lot, in our business yet. I can't think of one. They're triangles. They're long slithers. They're the, the the odd bit, the unloved odd bits in industrial locations for the most part. And what are we going to do that way?

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GUEST

We, we're going to put in, significant civils and infrastructure upgrade, often have an upgrade local power station or substation. Yeah. Well, and then and then for the most part, it's van storage. So it'll be put, solar panels on everything we can possibly, you know, the most we can produce on site, the better will have battery storage.

00:29:48:25 - 00:30:14:21

GUEST

We have a power trading strategy. There's a technological piece to this around fleet management that I mentioned earlier, which is around damage control on, on entry and exit and recognition, possibly even booking straight into a servicing. There's cleaning and then charging. So there's a whole lifecycle of fleet ownership and then everything associated with the workers in the worker welfare that need on site.

00:30:14:23 - 00:30:36:01

GUEST

Swindon was our first site as a, as a, as a little case study that was a park and ride and next park and ride. And it turns out that one thing we hadn't contemplated, and then it came out as pretty quickly, was, all of us are working agile now. Very, very few people, commuting to London anymore in volume.

00:30:36:03 - 00:31:05:24

GUEST

And so all of the old traditional parking rides where you park off site, get a bus to a train and then train into London feels like quite a foreign, foreign thought now. Yeah. So a lot of this and that is already being used as a parking asset. So utilize that. That's a triangular shape, not perfect for, efficient shed development and sort of a, we were the most competitive bid, and now we have a site, going in for planning next week for, several hundred, van storage and charging.

00:31:05:26 - 00:31:13:15

GUEST

And it will have 15 public high powered DC chargers to help the community, transition to EV as well.

00:31:13:17 - 00:31:16:16

HOST

What are the biggest challenges? Is power the biggest challenge?

00:31:16:18 - 00:31:25:26

GUEST

It's a real mix. Where across Europe. So. So, doing business across several countries is a challenge.

00:31:26:00 - 00:31:27:12

HOST

Yeah.

00:31:27:14 - 00:31:53:00

GUEST

Property ultimate is a local business. And building building teams, locally to execute is probably one of the biggest challenges. Getting the right people is the biggest challenge, actually. But building, building the team, finding the right talent, that also matches. I think a lot of people want to be involved in an early start up until they're involved in an early start.

00:31:53:02 - 00:31:55:15

HOST

And, they like the romantic idea, I think.

00:31:55:17 - 00:32:18:14

GUEST

Yeah, yeah, there isn't anyone that doesn't want to maximize their own personal influence and impact, you know, and I think that's a, a good positive thought is how can I be involved in something where I really make a difference? And you absolutely can in a small business, but a bit like I've got young kids and it's a bit like being a dad is you can't then switch it off though your dad all the time.

00:32:18:14 - 00:32:50:25

GUEST

And when you're working, you're in a small startup, you're working all the time. You can't you can't drop the ball and switch off. And so finding people with the right professional background, the right, balance of skills that enjoy the startup environment as well as, because ultimately, you know, up, up the people who back us, the funds that back us, global pension funds, some of the world's biggest pension investors are our lucky enough to be, you know, just to support us and be the in of fun.

00:32:50:27 - 00:33:15:00

GUEST

So they expect a, you know, the institutional grade, workforce and institutional grade reporting, the way we approach and investment underwriting. But yet in a startup, you'll be buying bus tickets one moment and then launching to fund the next. So being in that environment, that's probably been one of the biggest challenges. The, the technical aspects of real estate, time rather than not necessarily say, power.

00:33:15:00 - 00:33:37:00

GUEST

So, you know, if you if you go to West London at the moment, you, you can't get power for love, no money for, for the most part. And so it depends where you go, other areas and we've got a site in Croydon, it looks like we'll have all our immediately available power instantly. So it differs that Swindon is the example.

00:33:37:03 - 00:33:56:21

GUEST

With with we've secured power of three MVA. It's taking us 30 months to get in the queue. And that's something I was unfamiliar with when we got going. Yeah. And being a pretty pure capitalist, I thought, how can I jump the queue? What do I have to pay? You know, how do we do it? No, no, no, you just pay a small deposit and sit there and wait.

00:33:56:24 - 00:34:23:22

GUEST

So. And I recently wrote an op ed for on this point. Exactly. Is as we decarbonize as a society and we move towards renewable energy into electricity and our use of electricity goes up, we absolutely have to find a better way to upgrade and utilize the grid and of and make those who are finding the most economically useful use of power to get to the front of the queue.

00:34:23:25 - 00:34:28:12

GUEST

It's staggering that we all just join the same queue, even no further advance.

00:34:28:12 - 00:34:34:00

HOST

And the learnings that you've and the journey you've been on. Yeah, could sharing economy you could help give someone a leg up.

00:34:34:01 - 00:34:35:12

GUEST

Yeah, yeah.

00:34:35:15 - 00:34:36:06

HOST

We've learned.

00:34:36:09 - 00:35:07:11

GUEST

And so so power is certainly an issue. Planning permission. Not my time with Inspired Villages. I'm still privileged to to be the executive chairman there and a fabulous team and an incredible planning track record. But my involvement with that business, it's been incredibly slowed down by planning bureaucracy. And the UK planning system needs a significant overhaul. I can't I couldn't say it would be anything other than a almost start again, but the there's no incentive for local authorities to give you planning permission.

00:35:07:11 - 00:35:30:06

GUEST

They have to deal with the admin and the local politicians have to have the threat of, if they say yes, getting voted out at the next election. And we don't have we haven't found a revenue model for local authorities to say you should be incentivized, like a federated state in Australia or the US, local governments are incentivized to provide a competitive environment to encourage local investment.

00:35:30:09 - 00:35:55:17

GUEST

And in the UK, it's more it encourages a Nimby. Don't do it here because we don't see any upside from it. And so it's a long winded I've got quite a, quite a lot on my mind about planning at the moment, but it power would be one planning is another one, which is we really need as an industry to get together and work out how do we help industry and easily government and find a way that isn't just self-centered, driving our own commercial interests?

00:35:55:19 - 00:36:15:15

GUEST

And how do we find a way forward where planning permission is a first and foremost a benefit for the local community in either economics, in pure revenue, so that I get more public services paid because they've issued a issued a planning permission. And time. So how do we make sure we get these quicker and time kills all things.

00:36:15:15 - 00:36:35:18

GUEST

And my experience with inspired is when I came out of LNG, I vowed I wouldn't build a business around contentious planning permissions because you get locked up in time. And and here I am with lots of planning permissions again. So I suspect planning planning will be the other one that leads to time dies planning power. Yes.

00:36:35:21 - 00:37:06:28

HOST

The kind of three piece that yes, that caused that problem. Unfortunately, our industry people still get pigeonholed and they get casted as a retail specialist or a logistics specialist or a residential specialist. You've moved from the listed. Yeah, equity analyst space to working on a broad range of sectors to being a living or later living specialist, then probably not learned or knowing so much about the logistics space to creating a new asset class within it.

00:37:07:00 - 00:37:18:09

HOST

What advice would you give to someone who wants to move out of a a sector where they feel pigeonholed, or they're told that they're pigeonholed? And they want to broaden, broaden their experience.

00:37:18:12 - 00:37:36:29

GUEST

Be very purposeful about where you want to work and what you want to do. I think being an Aussie in the UK is allowed me to get away with some behavior traits that might otherwise not be allowable if I had a British accent. Those that know me would smile and know what I mean by that. Quite forceful and purposeful.

00:37:36:29 - 00:37:56:28

GUEST

So, when I set my mind to something, it surprises me how inactive or lack of proactivity a lot of people have in their career. They bumble along, things are okay. And then they get frustrated that something's not working out and there's not enough opportunity in front of them. And my experience, there's two things to that.

00:37:56:28 - 00:38:17:20

GUEST

I think my experience is there's not enough risk takers in the world. And I don't mean blind cowboy risk taking of of things you're not capable of managing good inform risk taking needs to be done a lot more, and the British economy needs to have more economic anxiety for risk takers. And we need to build a better culture of taking risks.

00:38:17:20 - 00:38:42:07

GUEST

So my my advice for early inquiry is take enough risk to make you quite nervous. Professional risks push yourself out there. Something that comes easy to me but not others sometimes is networking and getting to know. You know, ultimately, most of my best ideas came with my ideas. They came from a great discussion and a lively debate with someone else, and I needed that with another conversation.

00:38:42:07 - 00:39:05:07

GUEST

And nearly every problem I solve is via my network and every idea I come up with was knitting things together for my network. So have a wide, diverse network take quite a lot of risk. Really push yourself out into the deep end and you'll find your skills, transferable across them. I find there's very few niche specialist skills that aren't transferable.

00:39:05:07 - 00:39:14:27

GUEST

They usually, even if it feels quite micro, it's quite a transferable skill. And it's, force yourself to have the exposure. Don't wait for the invite.

00:39:15:04 - 00:39:33:19

HOST

You know, it's really good advice. And I always say that, you know, if you're good enough, you'll find a way rather than being labeled. So just looking to the future, you've got an awful lot on your plate. And you've clearly achieved a hell of a lot in the year that you've, that you've been here. What what does the future look like for Infinium?

00:39:33:21 - 00:39:56:16

GUEST

Very busy year this year. I suspect will fully commit the fund, probably by the first half of next year. And will reflect on all the investors in there, looking at this fund saying, looks really interesting. Show me you can deploy, do what you say you do. And also do it in some volume.

00:39:56:16 - 00:40:20:06

GUEST

And if we can do it in volume, I expect most of the investors will be very eager to follow on. So I do expect, so long as we do do what we say we do, we will be out into the market looking to, to expand the fund. We'll be launching a HGV focused clean fuel fund, shortly.

00:40:20:08 - 00:40:47:29

GUEST

And, we're building a team at the moment for that. The other areas that I'm focused on is power bringing engineers into the business. So the unusual bit of this business is very few traditional property surveyors and the ones that are abroad thinkers and much more logistician and engineers and problem solvers and the power piece, we're all as we transition and decarbonize.

00:40:48:02 - 00:41:16:23

GUEST

You won't be able to run a business in real estate without having power experts. And so we'll be building a power piece to our business, in pretty short order. And then and then and then in the future years, we've got a few, a few other ideas for, for fun launches. Yeah, sort of two and three around cargo bikes as a service, hyperlocal activity.

00:41:16:25 - 00:41:37:20

GUEST

How are you bringing not hundreds of thousands of parcels, but how you bringing tens of thousands of parcels per day, a truckload, say, to a neighborhood and distributing via CO2 neutral, possibly via cargo bikes. So we've got a few deals like that now that's growing far faster than we thought it would. And I think there's an opportunity there as well.

00:41:37:27 - 00:41:57:26

HOST

Amazing. So question that I ask at the end of every podcast is if you're given 500 million pounds worth of equity, who are the people? What property, in which place would you like to deploy that cash? I feel like we've probably covered all of that in this conversation. But, you know, if you had another check of 500 million pounds, who are the people?

00:41:57:26 - 00:42:06:25

HOST

And it could be a cross-sector of anyone that you've worked with previously or haven't worked with, but have heard good things that you'd love to bring on board, the property and, and the place.

00:42:06:27 - 00:42:09:20

GUEST

The people, that are alive.

00:42:09:25 - 00:42:10:29

HOST

Yeah.

00:42:11:01 - 00:42:42:00

GUEST

Tony. Pidgey. Y. Tony. I only met him a few times. Brilliant connector of people. He was doing ESG 20 years before people talked about it. He understood how to grow a business, execute and bring people along, with you as a as you went, he really he really left a mark on me on how to be an inspirational leader.

00:42:42:02 - 00:43:02:24

GUEST

Share share the positivity of of building a great business, making a positive legacy. And then he didn't mind a bit of detail to see it through. So I think if, Tony could come back and be my, business angel and and and show me how to execute ideas, he'd be he'd be a pretty strong partner.

00:43:02:26 - 00:43:26:06

GUEST

I couldn't leave Bill Hughes out. He's he's he's a he's a great mentor of mine. There's not many trends. Bill hasn't spotted it. LNG from when he took over from that real estate platform many years ago. Now, he's a he's a picker of trends and, deliver value. So I'd put Bill Bill on the, on the team as well on the, on the register.

00:43:26:08 - 00:43:50:02

GUEST

And then I would actually, you know, I'd put a, a no name to this because I, I'm just extending my network into this, but I'd go engineering, so, I think the blurred lines of real estate advice will get much more towards if you want to be a high quality, high quality real estate proposition to customers, you're going to have a deeper and deeper understanding of engineering.

00:43:50:05 - 00:44:17:13

GUEST

And, if we're going to decarbonize and make a real difference on how we find an exciting planet that we all want to be party to rather than destroy it, I think there's a lot of engineering solutions that need to happen in the embedded carbon, in the operational aspects of real estate and having, some engineering skills alongside me, which then probably leads you to surprise, surprise of answered the exam question, which is, where and when.

00:44:17:16 - 00:44:43:11

GUEST

It's interesting with London, you know, I'm Aussie, living in London. I've always said I think it's a great city in the world. And I couldn't, let me, I couldn't, I couldn't fault why you wouldn't, be in London over the next 2 or 3 years. Land markets softens opportunities. Looks terrific. And where would I be?

00:44:43:11 - 00:45:06:22

GUEST

I would be in the real estate and services as a service. So I would be in the space of the very difficult to replicate hyper local logistics play, with, with providing services as well. So linking in what the fleet is, linking the entirety of the service package would be very difficult to duplicate.

00:45:06:25 - 00:45:20:05

HOST

So the operational angle. Yeah. Amazing. Well, look, thank you so much for joining me today. I've really enjoyed this chat and look forward to seeing you absolutely smash it out of the park with, with your lofty ambitions. And, and the team exemplars are.



00:45:20:09 - 00:45:25:06

GUEST

Super things for you to.

00:45:25:08 - 00:45:45:11

HOST

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00:45:45:16 - 00:46:18:03

HOST

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00:46:18:05 - 00:46:30:13

HOST

Have a great day wherever you are and I look forward to catch you next time.