

# Koreans need inspiring space to shop, CEO says

By Jillian Thomas

Shopaholics, rejoice — the face of retail in Korea is about to change, and the man behind what promises to be the country's first "real" shopping center says "it will just blow everything else away."

Morgan Parker, the ebullient president of retail real estate developer Taubman Asia, was in Seoul last week and spoke to The Korea Herald about why he thinks Korean retail is at a turning point. He is working with renowned architect Daniel Libeskind on what shoppers can look forward to at the new Songdo International City mall.

"Korea is an interesting market because there are over 50 million people and no real shopping centers to speak of," Parker said. There are very good department stores, he conceded, and some malls, but there's a "fundamental deficiency in the real estate format. It's very hard to shop here. There's not that much choice, and it's a very unappealing shopping experience."

Retailers, on their part, have evolved, and brands now want to express themselves in their own spaces, he said. "So the whole notion of being subordinated to part of a department store and being given 25 square meters to present your wares is becoming a redundant concept."

The result is that Korean consumers are woefully under-served, he said. "Koreans are well-educated, well-traveled, increasingly sophisticated shoppers in terms of fashion and food and so forth. But there's a dichotomy that exists between the sophistication of the Korean consumer and the growth desires of the Korean retailers, and the provision of retail

venues for them to expand into, for people to shop in."

This pent-up demand was what drew Taubman, a leading U.S. shopping center developer, to Korea, Parker explained.

"The U.S. has got about 4 square meters per person of retail space, this country has about one. Roughly it's a quarter to a third of the retail space per capita."

"It's like all the stars of the show, the cast are here, but there is no movie, no director. So we're really just the director putting it all together."

The show in question is the Songdo International Business District Shopping Center, part of the New Songdo City project located near Incheon, southwest of Seoul. Led by Gale International and POSCO Engineering & Construction,

## CEO PROFILE

- 2005-present: President, Taubman Asia, Hong Kong
- 2001-2005: Vice president, Morgan Stanley, Tokyo
- 1997-2001: Development director, Lend Lease (Seoul, Singapore, Taipei, Shanghai)
- 1994-1997: Director, Macquarie Bank (Sydney, Beijing, Jakarta, Singapore)

## COMPANY PROFILE

- Name: Taubman Asia
- Established: Hong Kong, April 2005
- Location: Headquartered in Hong Kong, Korean office in Seoul Finance Center
- Major business: Ownership, development and management of luxury retail real estate



Morgan Parker,  
CEO of Taubman Asia

## HERALD INTERVIEW

Songdo is an ambitious project building an entire city — apartments, offices, parks, schools and even a Jack Nicklaus golf course — from scratch.

The shopping center is designed by world-famous architect Daniel Libeskind, whose most notable projects include the Jewish Museum in Berlin, Germany, and the master plan for the rebuilding of the World Trade Center site in New York.

"When we met him he was a very eccentric, out-there type architect who had only ever really done civic buildings," Parker recalled. "He created amazing spaces which have won international design awards. They're buildings that people go to just to look at, they're that in-

spiring."

Taubman, in contrast, had built its 50-year history on "logical, sensible plans that work for retailers and customers. So it was like a clashing of cultures."

But this tension is what makes a good project great, Parker said. "We helped him learn how to do retail, and he challenges us to do things differently."

While architects bring aesthetics to a project, developers have to think about functionality, Parker explained, such as getting merchandise from the loading dock to the stores, cleaning and myriad other logistical considerations.

"So over the collaboration of three projects, Songdo being the third, we've developed a tremendous personal relationship and personal collaboration."

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