

# Built to Last

John L. Scott Real Estate celebrates 75 years of growth

By Maria Patterson

**W**hen Lennox Scott's grandfather, John L. Scott, immigrated to the United States from Scotland in 1923, he probably never imagined the scope of the business he would build nor the legacy he would leave behind. As Seattle-based John L. Scott Real Estate celebrates its 75<sup>th</sup> anniversary, it stands committed to maintaining its progressive bent on the industry as well as the family values it was founded upon.



"Our vision is living life with purpose and passion," says company Chairman and CEO J. Lennox Scott. "Within our business we strive to be the premier provider of real estate services, but our vision includes creating the ultimate platform for our team members to express and achieve their greatest potential. Every day I come to work serving our goal to keep moving that platform forward."

Scott points to each individual agent as the primary reason behind the company's longevity. Today, in fact, John L. Scott is home to 4,500 agents in 131 offices throughout Washington, Oregon and Idaho.

"Selectively asking people to join our team over the years has furthered our reputation through their commitment to and professionalism toward their customers. Nowadays, we've empowered that with technology, but the focus is still on the individual customer relationship."

Lori Hawkins, principal broker/owner of John L. Scott Southern and Central Oregon, has been in real estate for 18 years and with John L. Scott since 2000. Formerly with the John Douglas Company in Los Angeles, Hawkins and her husband relocated to Medford, Oregon to purchase a real estate company and went "shopping for a franchise."

"John Douglas was a very family-oriented company," Hawkins explains, "and Steve and I wanted the same environment that we had come from—a real family and value-oriented company. When we landed on John L. Scott it was like an epiphany. It was just what we were looking for—both very techie and family oriented."

Today the Hawkins' have 230 agents in six offices in southern and central Oregon.

"Technology was also critically important to us," she continues. "We wanted to be on the cutting edge and we wanted the same culture and the same advancements we had experi-

W. Lennox Scott



John L. Scott



enced before. John L. Scott has all of that. Their systems, tools, technology and agent service is, in our opinion, above and beyond all other companies."

### The history

**Company namesake, John L. Scott (Lennox Scott's grandfather), came to the United States from Edinborough in 1923. He lived in Michigan temporarily with his new wife, before heading west to begin a job in San Diego as a ship building engineer. "On the way to San Diego, he stopped off in Seattle." Scott explains. "It reminded him of Scotland so he decided to stay." John L. Scott began working with timber companies and shortly thereafter, the residential real estate business. John L. Scott Real Estate was founded in 1931.**

The early generations, says Lennox Scott, established an important foundation for John L. Scott Real Estate. "Our reputation and the company grew with the city," he explains. "As the city put trolley lines in, we opened up more offices. When my dad came into the company in the mid '50s, the bridges had just gone across Lake Washington a couple of years earlier and we expanded over to the east side of the lake. When the freeways came in in the '60s, the company expanded north and south, and then across Puget Sound. Now we're in Portland, Boise and Spokane and all areas in between. We literally grew with the region."

Lennox Scott himself joined the family business at a very young age...fourth grade to be exact. "I painted all the signs for the company and then I'd help my Dad put the signs up on the weekends." While in junior high, Scott maintained the yards at the homes of corporate transferees and in high school worked at a title company. Scott received his real estate license at the age of 18 while pursuing a degree in business administration—with an

emphasis in marketing—at the University of Washington. Naturally, Scott reports, "all my term papers in college were on real estate."

When Scott's father passed away in 1977, he inherited ownership of the company at the young age of 23. "I didn't have the experience, but over the next couple of years I continued to learn and tried to help out where I could," he recalls. "When our president (at the time) was hired by another firm in 1980, I became president. Because of the loyalty and love that the team had for my Dad, they said, 'Lennox we'll back you up,' and they gave me the opportunity to grow fully into the job."

"That's when we went right into the deepest recession of our industry," Scott laughs. To get through the early '80s real estate market, Scott held manager's meetings every Saturday morning and stepped up communication. "All I could do was draw upon past experience, huddle up, get our game plan down and execute. We needed to focus in on a vital few items, keep our heads straight and be open to the possibilities of how we could best serve people."

Serving people is the primary lesson that John L. Scott established at the inception of the company and has served as a common, unifying thread throughout the company's 75 years in business.

"When I would walk down the streets of Seattle with my grandfather in the early '60s, he knew everybody," says Scott. "He and his team were specialists in the residential real estate business. They were relationship oriented and involved in the community. I also remember my Dad coming home at night and sitting around the table with the sales associates going over the purchase and sales agreements."

Scott says that his grandparents and parents were "friends to all. They saw each person as a powerful spirit in society. That's what I grew up



J. Lennox Scott

with. That's who we are as a team. This is the heritage my grandparents and parents brought forward."

### The current landscape

**Having experienced 75 years in the business means that John L. Scott Real Estate has certainly endured its share of market changes.**

**Thanks to the strong principles the company was built upon, John L. Scott had been able to not only weather the changing markets, but thrive throughout their many seasons.**

"I see all changes as more of an evolution," says Scott. "Change is more like a dimmer switch getting brighter and brighter, versus a light switch that you flip on. We anticipate and try to live forward from our future vision. If we think things are changing up ahead, we change our practices today. We're evolving into them instead of waiting for them to happen."

D'Ann Jackson, a managing broker at John L. Scott in Mercer Island, Washington, agrees. With the company for nine years, Jackson attributes much of her success directly to Lennox and the environment he has created with the John L. Scott organization.

"He is always in a forward-frame of thinking and pushing forward," says Jackson. "He'll say, 'this is working for us today, but where do we need to be 10 years from now.' He thinks about what will help not only the management team, but the agents as well, to survive in this ever-changing business. He's keeping brokers educated as well as the agents."

According to Jackson, attention to the fundamentals is critical in the education and training process. "One of the most important things our company has done has been to keep the fundamentals alive and keep customer service at the forefront."

That said, Scott is excited about the current and future real estate landscape, thanks to technological advancements, communication enhancements, increased access to

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John L. Scott Real Estate

information, heightened marketing and the amount of business agents can do. "This is a market for professionals and an industry for professionals," he says.

Scott devotes a lot of time and attention to ensuring that his agents are prepared for today's and tomorrow's market. "We discuss, we collaborate, we read all the time," he says. "That way we get to analyze, create, and implement our strategies. We set our own direction and vision. You don't get ulcers this way! We look forward to going to work. That's part

of the joy of being on a progressive team."

"The industry today is so competitive, you have to work on your business from the inside out," says Hawkins. "That's what I love about what John L. Scott brings to the table. They're always challenging us to get better. They're always feeding us with the latest news and the greatest new ways to do business."

Such support and training enables brokers like Hawkins to compete in today's environment of discounted commissions. "You have to fine

tune your systems and services so that every one of your agents can articulate and deliver the benefits to customers."

#### The future

**Known for being one step ahead of market trends, John L. Scott Real Estate is well prepared for what the future holds.**

Scott points to immediacy as one of the biggest trends of the near future. "The speed of the residential transaction processes is going to be instant," he says. "We used to call it 'real time,' but now we're calling it 'quick-action.' Marketing, communication and information are instant. We're excited about this because it creates a better customer experience and keeps us moving forward."

The trend of immediacy will trickle into consumer habits as well, says Scott. "Ten years ago, it might have taken two weeks for a home buyer to find a day to take off and go see

houses," he explains. "In the Internet world, it takes people one minute to enter the marketplace and seconds for them to view properties and communicate."

Brokers like Jackson are starting to see important demographic trends come into play, as well, such as a wider variety of ethnic backgrounds and the influence of Baby Boomers and Echo Boomers. "In the next 10 to 15 years it will become even more important for agents to get an education on how the different generations work and the different types of properties they'll be buying. John L. Scott keeps us informed, which allows us to keep our agents informed. They give us the tools we need to succeed no matter what the changes are."

Scott also believes that the issue of transaction management will become critically important in the not-so-distant future. "We have 40 transaction coordinators that agents

can hire on a per-transaction basis. This is part of our 'living life with purpose' platform, because this frees agents up to focus on service, business development, and a more balanced life.

For the future of John L. Scott Real Estate, Scott sees further company expansion, based on "migration patterns" and the packaging of John L. Scott Premium Services, such as mortgage, escrow and title. He also sees continued commitment to the company's charitable arm, the John L. Scott Foundation, which helped sponsor events that raised over \$8 million for children's hospitals throughout the Northwest.

For Scott, the future is bright both for John L. Scott as a company and for each individual team member. At the end of the day, he says, "It's not just the number of transactions. It's about being a contribution to others and living life with purpose and passion." **RE**