



Playing to Win

Centers Regroup to Leverage Marketing, Sponsorships

A major marketing reorganization, launched last November, has put Taubman shopping centers on track to maximize marketing impact and increase sponsorship revenue.

The new plan places each center into one of two groups, "Foundation Centers," which draw shoppers almost exclusively from their immediate marketing area, and "Premier/Value Centers," whose destination stores attract customers from greater distances (see sidebars).

Most marketing programs for the Foundation Centers, whose primary goal is retaining customers they now serve, will originate at the corporate level in partnership with center Committee team members. A single agency will create the programs, which will have many identical components for centers to implement in their own markets.



*Denise Anton
Senior Vice President
Center Operations*

"The key word for the Foundation Centers is efficiency," observes **Denise Anton, Senior Vice President, Center Operations.** "By grouping properties with similar customer-bases, store mixes and marketing positions, we can expand the effectiveness and decrease the overall costs of marketing, advertising and event-planning across the country."

The Premier/Value Centers, whose primary goals are to attract new shoppers and build brand awareness while retaining current customers, will initiate their own locally driven marketing plans

FOUNDATION CENTERS

Fairlane – Dearborn, Mich.

Fair Oaks – Fairfax, Va.

Northlake Mall – Charlotte, N.C.

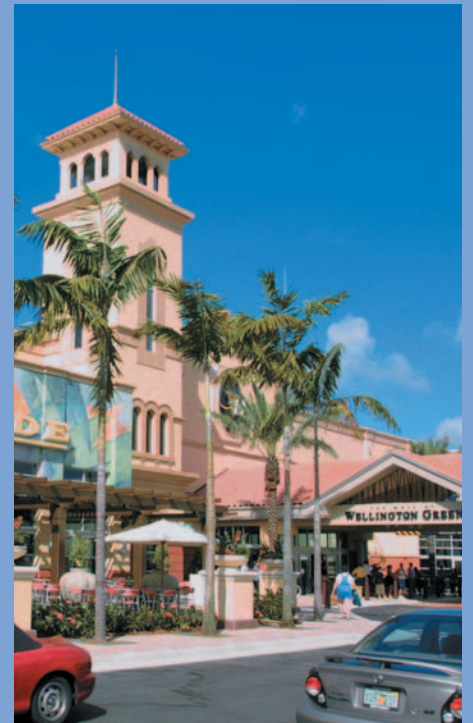
Regency Square – Richmond, Va.

Stamford Town Center – Stamford, Conn.

Stony Point Fashion Park – Richmond, Va.

Sunvalley – Concord, Calif.

Twelve Oaks Mall – Novi, Mich.



The Mall at Wellington Green – Wellington, Fla.

Westfarms – Farmington, Conn.

Woodland – Grand Rapids, Mich.



10 TTC Executives Take Lead In 'Growing Our Talent'

Ten executives are leading the launch of a new TTC initiative to enhance on-the-job executive performance.

The idea behind the Individual Development Plan (IDP) program is to pinpoint each executive's strengths and weaknesses, compare them to an executive competency model and then create a road map for

improving targeted skills. IDPs are an outgrowth of the 'Grow Our Talent' (GOT) initiative launched in 2003.

Members of the Operating Committee last year volunteered to be the first participants and are currently working on their IDPs.

"Everyone knows that a company's success is about more than products and processes," observes **Marguerite Harris, Director, Professional Development**. "It's also about people – about having the right number of people with the right skills doing the right things."

EXECUTIVES SPEAK UP: THE IDP EXPERIENCE

Here's what the first wave of IDP participants has to say about the experience:



Steve Kieras, recently named **Senior Vice President of Development**, found IDP an ideal opportunity to consider essentials too often overlooked.

"We're all so busy with daily tasks, putting out fires and planning ahead, we often don't take time for personal development. This process helped me pull back, take a breath and focus on extremely important but often neglected goals," he observes.

Although he admits the idea of a 360-degree assessment can be a bit intimidating, he says he gained invaluable insight from the process. "I always felt I did a good job helping my direct reports advance their careers," he explains, "but I learned that some people thought I wasn't as proactive as I could be. That's something I now know and intend to work on.

"In a way, this is just like going on a diet or beginning an exercise plan," he adds. "Getting started is one thing, but you have to maintain momentum and follow through to be successful."



Lisa Payne, **Executive Vice President, Chief Financial and Administrative Officer**, viewed the process as an effective framework for discussion with her boss, Robert Taubman.

"If I think my job priorities lie in one direction,

but my boss thinks they lie in another, we have some serious talking to do," she notes. "Establishing common expectations and aligning goals and priorities is the key to succeeding in any job."

Lisa also liked the road map idea. "The IDP gives you a direction and a focus because once you learn where you need to improve, such as having better listening skills, the road map helps you figure out how to get there.

"And because you share your IDP with other people in the organization, they can provide constructive feedback on your progress – and that's a great motivator."



Bill Taubman, **Executive Vice President**, volunteered to be among the first IDP participants. "It offers a truly interesting perspective on personal behavior," he observes.

He was pleased that his assessments gave him high marks as a visionary with a clear understanding of the business. But they also noted a need for quicker decision-making and stronger, more consistent feedback to his direct reports. "I've developed a plan to work on these things, which I'd never have known about had I not participated in the assessments.

"Building on strengths and improving weaknesses is the best way to manage and build the business," he adds. "I hope people share my very positive view that IDP is an opportunity to gain insight."

How IDP Works

Participants log onto a protected website where they complete a questionnaire about themselves. They also list their supervisor, their peers and those who report directly to them.

Feedback from these people, who are notified by e-mail and submit their assessments via a secure website, creates a 360-degree assessment of the executive's current performance.

The on-line process guarantees total anonymity to those who submit feedback because the executive receives only aggregated data. Although the feedback is grouped by categories – from superiors, from peers and from direct reports – no names or individual statements appear.

Based on the 360-degree assessment, personality tests such as Myers-Briggs and one-on-one guidance from an outside professional performance-management consultant, executives can compare their strengths and weaknesses with a model of competencies critical to executive

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Putting the spin on trends that are 'in'

Taubman Targets New Retail Concepts

Taubman leasing agents are aggressively pursuing "point-of-difference" retailers that continually evolve the merchandising of Taubman shopping centers. "Finding and delivering new



David Weinert

retail concepts is the lifeblood of our business," says **David Weinert, Senior Vice President, Leasing.**

Abercrombie & Fitch, Gap and American Eagle are among the national retailers that have developed, or are working on, new store concepts to move their brand to the next age segment and grow customers up through the chain.

Abercrombie & Fitch

In the same way it developed the Hollister retail brand for the 14- to 18-year-old segment, Abercrombie & Fitch launched **Ruehl** to appeal to the post-collegiate crowd. The store's first leases were signed for Taubman's International Plaza, Woodfield and Twelve Oaks. Ruehl occupies 9,000-square-foot spaces that resemble vintage houses in New York's Greenwich Village.

GAP The name of Gap's new store concept is still under wraps, but it will be geared toward women age 25 to 50. "Gap is going after a piece of the department-store women's apparel business, which is underserved in the specialty store market," says David. "The plan is to test nine new stores, one with us at Woodfield. It will occupy 13,000 square feet and open in the third quarter of 2005."

Likewise, American Eagle Outfitters is about to announce its plans to launch a new retail chain skewed to the 30-and-under customer.



In another category, **Williams-Sonoma Home** is the new spin-off of the upscale gourmet cookware retailer. Williams-

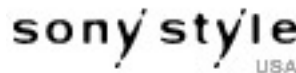
Sonoma launched a home furnishings catalog this fall and also plans to open retail stores. "One of the first leases is for The Mall at Oyster Bay, our new center on Long Island, New York, slated for a fall 2006 opening," says David.

TIFFANY & CO.

Tiffany & Co. has created **Iridesse**, a new retail entity specializing in pearls and pearl jewelry. Its first two leases in the country were signed at Taubman's Short Hills and Oyster Bay, and a third Taubman deal is under negotiation.



Iridesse at The Mall at Short Hills



Manufacturers seeking greater visibility for their brands also are opening boutiques at malls.

Beverly Center garnered one of the first lease deals for **Sony Style**. "The new venture is going great and now Sony is signing leases to open electronics stores with us at Cherry Creek, Woodfield and Oyster Bay," reports David.



Puma, which has emerged as a top-selling logo brand, is opening dedicated stores to capitalize on the fashion momentum of its athletic footwear and sports apparel.

Woodfield became its first mall store in the country and leases are under negotiation at Willow Bend and Oyster Bay.



Taubman also is attracting web and catalog retailers who want

to establish a brick-and-mortar presence. **Babystyle**, which started with online and catalog sales, tested the retail landscape for its maternity and baby apparel lines in California and Arizona. With this initial success, it's ready to go into malls, including Willow Bend and West Farms.

Free People, the popular catalog and wholesale seller of young women's apparel, is pleased with the performance of its first store and is planning to expand into key markets. The Urban Outfitters, Inc. subsidiary is negotiating its next two deals with Taubman in 2,500 square-foot spaces.

URBAN OUTFITTERS

"We already have a good track record with **Urban Outfitters** and its **Anthropologie** stores," says David. "They used to be exclusively street-front, but we were instrumental in convincing them to go into malls. In the first year of operation, their mall locations produced more sales per square foot and brought in a better return on investment than their street units. We now have another five to seven leases in the works. Their president was recently quoted

as saying, 'I have to acknowledge...we missed the mark on malls until now.'

"With our top-rated shopping center portfolio and our strategy to aggressively approach unique point-of-difference retailers, we're well-positioned to get part of any new retailer's initial expansion program," says Weinert.



FLASHBACK

FLASHBACK

The Early Bird Gets the Deals this Holiday at Taubman Centers



The country's most dedicated shoppers were rewarded the day after Thanksgiving with early-bird deals and complimentary breakfast as part of Taubman Centers' partnership with Revolution Studios and Columbia Pictures to promote the holiday movie "Christmas with the Kranks."

The first 50 shoppers at each Taubman shopping center received a movie pass to the holiday comedy starring Tim Allen and Jamie Lee Curtis, the CD soundtrack, John Grisham's book, "Skipping Christmas," that inspired the movie, a chance to win a Sony digital camera and a list of early-bird store specials. In markets served by Spirit Airlines, one lucky shopper walked away with the gift of travel.

Candy Cane Lounge Sweetens Holiday Promotion



More than 2,000 people attended "A Night at the Candy Cane Lounge," a private, after-hours shopping event at Beverly Center on Nov. 7 to benefit four Los Angeles charities. The retro-themed party kicked off the holiday shopping season and a weeklong promotion that featured 80 retailer special offers, entertainment, chair massages and special photo ops for creating unique holiday cards.

"Opening Night" shoppers were entertained by DJs playing vintage holiday tunes, live bands and roving musicians. They were treated to chocolate and candy cane martinis, as well as hors d'oeuvres and desserts from Beverly Center restaurants.

Eight Hunky Santa finalists from the casting call of 600 were on-hand to meet guests and rally for their vote in the online balloting. In addition, cast members from "Quintuplets" on Fox TV and "Passions" soap opera on NBC; Jackie Guerra of "You're Invited" on the Style Network; and former Detroit Pistons basketball player John Salley were among the celebrity sightings.

The event raised over \$40,000 for Make-A-Wish Foundation of Greater Los Angeles, Dress for Success, AIDS Service Center and The Heart Touch Project, reported **Barbara Bach, Marketing Director**. "We had good feedback from merchants, too. Many of the participating stores made special offers – everything from giveaways and raffles to one-night discounts and charity donations based on percentage of the sales."



A pajama party at The Shops at Willow Bend that started at 5:30 a.m. was one of the many special events held at Taubman Centers the day after Thanksgiving.

"Early" meant 4:00 a.m. at Woodfield and as late as 9:00 a.m. at Beverly Center (that is early for Angelenos!). Each center added its own early morning holiday entertainment and giveaway spin such as a pajama party at Willow Bend, a tailgate at Sunvalley, shopping aerobics at Fairlane Town Center, a pep rally at MacArthur Center and a Red Bull Energy Lounge on Beverly Center's rooftop terrace.

"The goal was to create an event that would generate local and national publicity on one of the most competitive media days of the year," says **Karen Mac Donald, Director, Communications**. "And respond they did, as the company and our shopping centers generated over 100 stories on the event by USA Today, Associated Press, CNN, LA Times and the Palm Beach Post, to name just a few."



Candy Cane Girls, dressed in specially designed fur-trimmed outfits, passed out holiday treats to Beverly Center party guests.

Richmond Community Adopts A New Holiday Tradition



Holiday skaters at Stony Point.

STONY POINT FASHION PARK

Stony Point Fashion Park in Richmond, Va., scored the next big wow factor to attract families during the holiday period by installing an artificial ice surface for skating. The 30x40-foot rink and skate rental shed occupied a strategic spot in the Park District close to Limited Too, Gymboree and Build-A-Bear Workshop stores.

“Since we’re an outdoor center, we don’t have a Santa Claus,” says **Deidre Goodrich, Marketing Director.** “But

our skating rink attracted families and created a lot of buzz. Combined with our nightly ‘Magic Snow’ show, we created a new holiday tradition for the community.”

The skating rink was a hit as it averaged 250 to 300 children a day on weekends. A portion of the \$4 admission benefited the Boys & Girls Club of Metro Richmond.

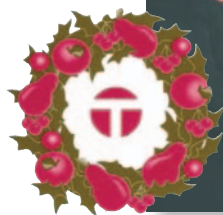
Holiday Recipes Inspire Employee Potluck

One of the goals of the Westfarms Employee Recognition Committee (ERC) is to promote team bonding, and there’s no better way to do that than with food! Throughout the year ERC planned monthly “potluck lunches,” usually held on Wednesday afternoons, and encouraged everyone to participate.

The recipes in the Taubman greeting card, *A Taste of the Holidays 2004*, provided the inspiration for the December luncheon. The menu consisted of Apricot Chicken, Artichoke Squares, Banana Split Salad, Cassoulet, Christy’s Crock Pot Pineapple Stew, Classic Beef Bourguinonne, Corn Casserole, Escarole & Bean Soup, Grandma Selma’s Sweet & Sour Meatballs, Pork Tenderloin with Raspberry Walnut Sauce and Sweet Potato Casserole. Everything was delicious!



WESTFARMS



A TASTE OF THE HOLIDAYS 2004



Front Row L-R: Betty Zmijewski, Customer Service; Christy Desiree, Specialty Leasing; Judy Caturano, Internet Sponsorship Coordinator; Chris Carpenter, Marketing Coordinator; Kevin Keenan, General Manager; Linda Martin, Management Assistant; Lisa Storm, Receptionist. Back Row L-R: Paul Listro, IPC Security Director; Cheryl Thompson, Senior Financial Assistant.

‘Santa Paws’ Holiday Photos Put Pets Front and Center

Pets took center stage at 11 Taubman Centers during Holiday Santa Paws photo sessions.

“Santa Paws was a natural for us,” says **Janet Cesario, Marketing Sponsorship Director at The Mall at Short Hills** in New Jersey. “In our trade area, 25 percent of the households have a dog or cat and our customers are devoted to their animals. We averaged 100 pets, almost exclusively dogs, each of the three nights of Santa Paws.”



The Mall at

SHORT HILLS

Many of the centers that feature a Santa Paws program give a portion of the photo proceeds to animal-related charities. Short Hills partnered with St. Hubert’s Animal Welfare Center, which in addition to being a shelter and adoption center, offers doggie daycare, dog obedience training, pet care classes and therapy for seniors. “With St. Hubert’s providing a dog-loving Santa Claus and trainers who could monitor the animals waiting in line, the event was easy to manage,” says Janet.

Beverly Center, Cherry Creek, Fair Oaks, International Plaza, MacArthur, Regency Square, Twelve Oaks Mall, The Mall at Wellington Green, Westfarms and The Mall at Willow Bend also participated in Santa Paws.

Online Manager Training Supports Taubman Values

A new online training initiative rolling out during the second quarter of 2005 will equip managers to support Taubman associates who are concerned about discrimination, sexual harassment or the threat of workplace violence. The training exemplifies the Taubman Values of “We take the high road,” “We respect everyone” and “We play for the team.”

“In the past, we’ve done training on these topics, but it is critical that every manager keeps current on these very sensitive areas so they can respond properly if an issue arises,” says **Marguerite Harris, Director, Professional Development.**

“We are using e-learning courses by Corpedia that are accessible through TTCconcierge and take an hour or less each to complete,” explains Marguerite. “This interactive, online delivery system allows users to test their knowledge with mastery checks that identify what they need to review. It provides effective and user-friendly training with a built-in mechanism to track participation and knowledge.”



Several managers participated in a pilot test to ensure the quality and suitability of the three required courses. **Jarrell DeBrohun, Vice President of Planning and Design,** liked the convenience of being able to fit the training into his busy schedule. “This online tool really works for me, because you can do it anytime and in short segments. If you get interrupted, you can go back to it or pick it up the next day.”

Jarrell also found that e-learning promotes active learning. “You can’t just sit back and be spoon fed. You are engaged in the learning process and have to respond to the questions.”

Overall, Jarrell feels he now has a heightened awareness of the laws pertaining to discrimination and harassment. “What struck me was the backbone, the laws to back up our policies. I’m now more knowledgeable about the liabilities we face, the cautions we must exercise and the sensitivities that affect workplace productivity.”

Individual Development Plans

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success. TTC’s Grow Our Talent Team, in partnership with an outside consultant, created the attributes by customizing a general executive model to TTC’s specific current and future business needs (see sidebar).

The executive, with input from the consultant, then selects one to three of the competency areas to concentrate on in the coming year and completes his/her IDP with specific action steps to accomplish the new goals. Each IDP includes quantitative and qualitative ways to measure success and a timetable to track progress.

Progress in targeted areas is re-evaluated at year’s end and new goals are set.

“We know that *how* things get done is just as important as *what* things get done, so individual skills enhancement is very important in moving our company forward,” explains Marguerite. “We wanted to garner top-down support for this corporate-wide initiative, and the 10 members of the Operating Committee enthusiastically volunteered to go first. We anticipate an equally positive response from future participants.”

The Taubman executive competency model includes four basic skill clusters:

- 1 Thought leadership (confronting and resolving tough company-wide issues, actively supporting new ideas, visionary thinking)
- 2 People leadership (developing talent and building relationships)
- 3 Results leadership (delivering financial results and driving continuous improvement)
- 4 Self leadership (role modeling and embracing self-development)

Centers Regroup

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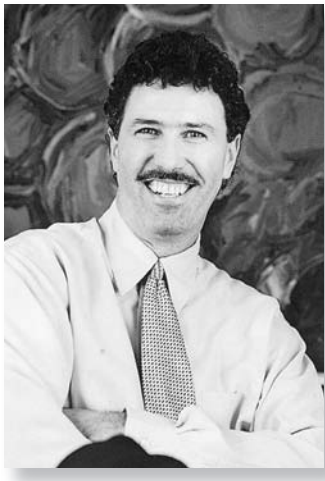
with back-up corporate support, though cost effectiveness and grouped opportunities will also be pursued, where appropriate.

The revamped marketing strategy gives shopping centers more resources to create and fulfill lucrative sponsorships with partners such as auto dealerships, health facilities, community colleges and newspapers in their local trade areas.

The goal, according to Denise, is a 50 percent increase over current sponsorship revenue within three years.

To reflect the new emphasis on sponsorships, the title Marketing Director has been changed to Marketing Sponsorship Director (MSD). A key responsibility for all MSDs will be to sell and fulfill sponsorship deals within their communities. Increased support will come from corporate staff, who will provide templates for proposals, pricing and best practices as well as standardized toolkits and other aides.

Early this year, the position of Internet Coordinator also will be changed to Internet Sponsorship Coordinator (ISC). ISCs will divide their time equally between Internet responsibilities (website content) and assuring that the center meets all contractual sponsorship obligations.



David Goldberg

“We think this new direction will expand our already successful sponsorship activities and convert what was once an entrepreneurial initiative within the company into center-wide institutional behavior with more consistent results,” says **David Goldberg, Vice President, Sponsorship and Center Marketing.**

The marketing reorganization evolved from nine months of research, study and analysis by The Helios Group, a Chicago-based consulting agency, and a team of Taubman associates including **Denise Anton; Bob Reese, Senior Vice President, Strategy and Business Improvement; David Goldberg; Bill Taubman, Executive Vice President; and Lisa Payne, Executive Vice President, Chief Financial and Administrative Officer.**

“After extensive fact-gathering and surveys, both internally and externally, we realized the value of merging marketing and sponsorship into one functional area and aligning centers by their common characteristics,” says Denise. “We are excited that David Goldberg is heading up this new department.”

PREMIER/VALUE CENTERS



Beverly Center – Los Angeles, Calif.

Cherry Creek – Denver, Colo.

Dolphin Mall – Miami, Fla.

Great Lakes Crossing – Auburn Hills, Mich.

International Plaza – Tampa, Fla.

MacArthur Center – Norfolk, Va.

The Mall at Short Hills – Short Hills, N.J.

The Shops at Willow Bend – Plano, Texas

Woodfield – Schaumburg, Ill.

Under the reorganization, **Glenda Cole** is now **Regional Marketing Director, Foundation**; and **Sharon Garrett** is **Regional Marketing Director, Premier/Value**. **Peggy Gronewold** is the **Director of Sponsorship**. **Anna Wenzler**, who joined Taubman in December as **Manager of Sponsorship Services**, will assist Peggy along with **Vanessa Fick, Account Executive, Sponsorship**, who is responsible for the soft drink vending category as well as national touring events and the Cherry Hill Photo relationship and program.

“We’re hosting a national meeting among General Managers and Marketing Sponsorship Directors in Detroit Feb. 28 for the purpose of team building and further clarifying this new direction,” says Denise. “We have a solid strategy with the right people and the right structure to achieve all of the goals that emerged from this project.”

BHO Outreach Team Renovates Salvation Army's Denby Center

In the spirit of TV's house makeover reality shows, the Taubman Community Outreach Program (TCOP) took on a building improvement project at The Salvation Army's Denby Center in northwest Detroit for its annual volunteer and donation drive. The assignment: renovate and furnish three rooms in a foster children care facility.

painting and installation tasks. "The results really show the dedication of associates from all levels of the Company to get involved. We also had tremendous commitment from vendors who donated labor and materials or gave us discounted pricing," says **Ken Dixon**, TCOP committee member who served as construction foreman.



The 80 residents of The Salvation Army's foster care facility in Detroit now have use of a fully equipped learning center and a bright new activities lounge.

With donations, design expertise and physical labor from associates, the Taubman team transformed drab and decaying spaces into inviting and functional rooms. The 80 residents of Denby now have a learning center with computers and desks and a fully supplied arts and crafts room. In addition, an activities lounge has been refurbished and children who earn reward points get privileges to use the new TV/DVD/VCR unit.

During the 10-week project, 120 Taubman volunteers from the Bloomfield Hills Office signed up for half-day work sessions that involved cleaning, carpentry,

All during the fall, fundraising activities were going on to cover the furnishings, equipment and wish list items. "Associates found many different ways to contribute – from tried and true blue jean days and department bake sales to walkathons and marathon pledges," says **Beth Hendrick**, from Sponsorship, who oversaw fundraising efforts. "All in all, associates raised \$8,800, which supplemented the company-paid construction budget. As an added bonus, we were able to contribute money to The Denby Center holiday parties as well."

"We are very grateful for Taubman's enthusiastic participation in Denby Center programs and the warm-hearted corporate and individual support we have received," says Nathaniel Warshay, Director of Corporate Foundation Relations for the Salvation Army. "Right through the day of dedication, the Taubman committee was asking what else we needed and kept on giving. Over and above the renovation project, they brought in cribs, toys and bassinets for mothers in our maternity program and provided funds for holiday parties."

THANK-YOU NOTE RAFFLE WINNERS

A "Thank You SVT" raffle drawing was held Jan. 14 to recognize associates who received hand-written or electronic thank-you notes from fellow associates during the fourth quarter. Congratulations to the following winners:

- **Kim Nash**, Computer Support Analyst-BHO
- **Sally Owens**, Assistant II, Leasing Services-BHO
- **Tammy Stone**, Financial Assistant-The Shops at Willow Bend
- **Jennifer Reid**, Assistant II, Leasing Services-South San Francisco Office

Each received a \$25 Shopping Center Gift Certificate.



Taubman Talk is a quarterly publication for associates of The Taubman Company.

Lana Bilovus **Executive Editor**

Phone: 248-258-7443

E-mail: lbilovus@taubman.com