

DISPATCHES

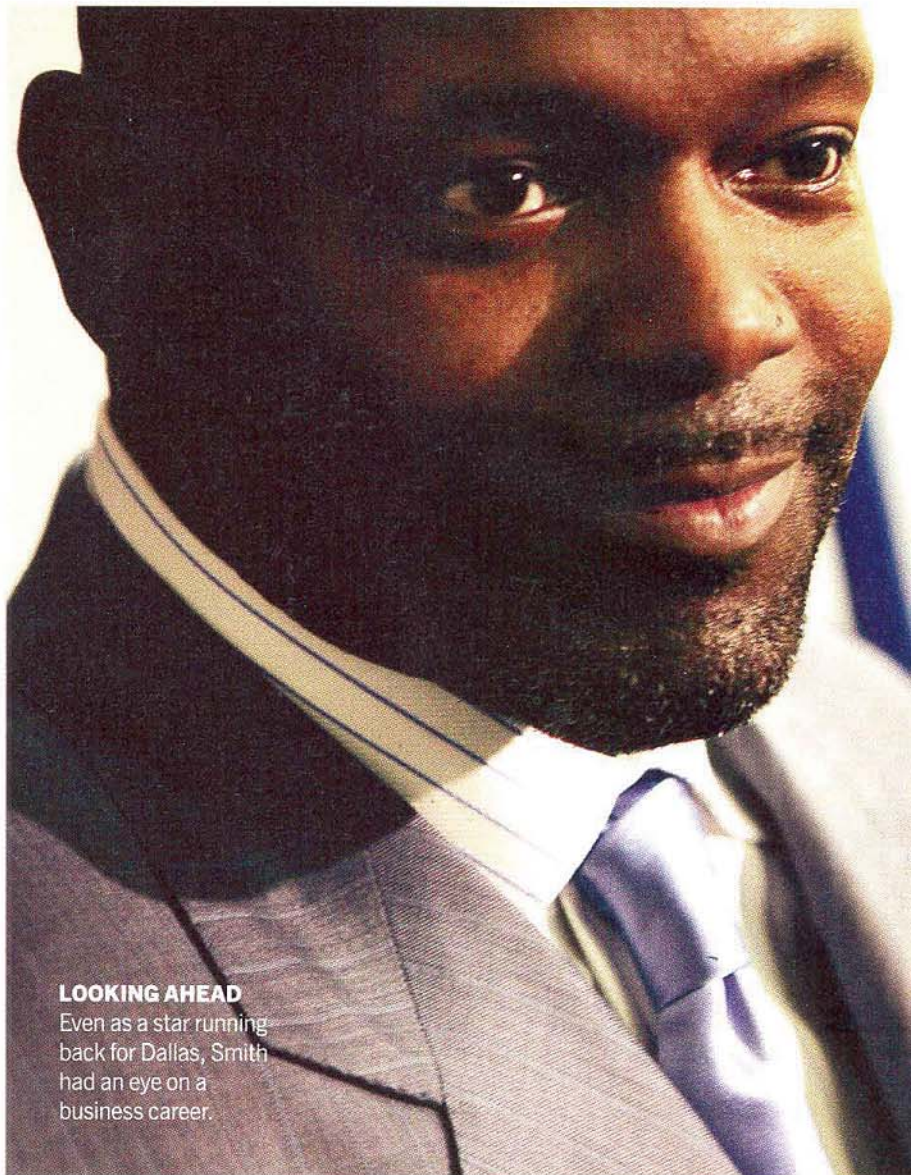
Build 'Em, Cowboy

Emmitt Smith has covered a lot of real estate on the football field and the dance floor. Now he's developing it.

BY ROY S. JOHNSON

ON A CHILLY winter day in Dallas, the most prolific running back in National Football League history is being tackled at every turn. As Emmitt Smith climbs into his silver Hummer and heads to lunch, a young woman pulls alongside, powers open her passenger-side window, and, with a syrupy Texas drawl, yells, "I'm soooo proud of you." Minutes later in the restaurant, women of all ages greet him like a favorite son, and men shake his hand with Texas pride. But none of this adulation has a thing to do with the many highlights Smith produced as a member of the Dallas Cowboys during his 15-year, sure-to-be-Hall-of-Fame career. "You sure did do some dancin'!" bellows one barrel-chested fellow in the oil business. Smith flashes that familiar killer smile and thanks the man, just as he does every well-wisher. Finally sitting down, he can only shake his head. "This is nothing," he says. "The ballroom dancing crowd? They're out of control."

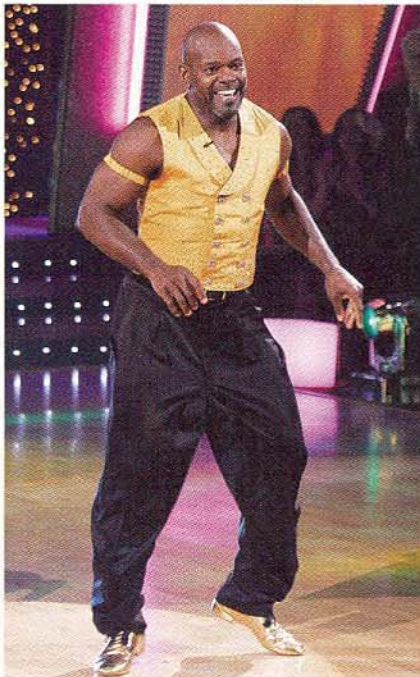
Being celebrated more for tango than for touchdowns isn't exactly how Smith, 37, envisioned life after pro football. But that's what happens when you win one of television's most



LOOKING AHEAD

Even as a star running back for Dallas, Smith had an eye on a business career.

DISPATCHES TRIPLE THREAT



FROM LEFT: DANNY MOLOSHOK—GETTY IMAGES; ADAM LANKRY—ABC

HAPPY FEET The NFL rushing champ won *Dancing With the Stars*, a reality-TV show.

popular reality-show competitions, ABC's *Dancing With the Stars*. Smith tapped and twirled his way to the surprise victory last fall, which only broadened his circle of admirers. "No one expected me to be able to move around on the dance floor," Smith says proudly, "including my wife."

But if you run into Smith these days, don't ask him to dance. His sights are now set on his true post-career ambition, one he has held for many years: becoming a real estate tycoon. In rushing for an NFL-record 18,355 yards with Dallas and the Arizona Cardinals, Smith covered a lot of real estate. He also invested in the sector, and he has profited by buying and selling properties in and around Dallas

and his hometown, Pensacola, Fla., since he was a rookie. Last year Smith made his first move toward becoming a developer. He teamed with another Cowboy legend, Roger Staubach, the founder and CEO of Staubach Co., to form Smith/Cypress Partners LP, a real estate development enterprise specializing in transforming underutilized parcels in densely populated areas into commercially viable properties anchored by national retail giants.

In his first deal, Smith helped the firm sign Mervyn's, a California-based department store chain, to anchor a \$45 million, 230,000-square-foot project in Phoenix, where he last played for the Cardinals two seasons ago. With access to \$50 million in capital, Smith has several other projects in the works. He has a letter of intent to develop a 65-acre site in a densely populated yet underserved area near northwest Fort Worth (it was formerly a college operated by a Masonic lodge), and he's haggling over another potential project in southeast Fort Worth. On one of the sites, Smith plans to build a complex with as much as 600,000

square feet of retail space, more than double the size of the Phoenix property. "There's a huge need for top-quality retail in these areas, and I understand how the deals are cut," Smith said before lunch. "I'm not an engineer. I'm not a contractor. And I'm still learning the jargon. But I understand deals, and the only way to grow is to be in the middle of the deals."

If you're thinking Smith is following the path laid by former NBA star Earvin "Magic" Johnson, whose Magic Johnson Enterprises has built movie theaters, restaurants, and Starbucks franchises in urban areas, you're partly correct. Smith aims for Johnson's entrepreneurial success but is not restricting his projects to the inner city. "I love what Magic's doing," Smith says. "He's inspired all athletes to pursue successful business careers. But I'm not confining myself to urban areas. If there are rural areas with economic potential, I'm right there."

Smith/Cypress is a joint venture (Smith owns 51%) with Cypress Equities, the retail development arm of Staubach's real estate services company. Early in his own playing career, Smith approached the former Cowboy quarterback with an interest in learning more about real estate. Skeptical at first, Staubach told Smith to spend some time at his company's offices during the spring and summer if he was sincere. "I was 27 with three kids when I was a rookie," Staubach says, sitting in an office with nary a trinket that would tell you its inhabitant is an NFL icon. "My motivation to work during the off-season was to make sure that if I got hurt I could take care of my kids. Today's athletes make so much money they don't have to work. You've got to pay the price to get anything in life."

Smith did just that, spending the off-season at Staubach Co.'s headquarters in Dallas. Staubach founded the company almost 30 years ago to locate and negotiate office and retail space for clients. Last year the privately held firm had transactions totaling \$26 billion and 835 million square feet of space. Just over a decade ago, Staubach launched Cypress Equities because clients were also looking for

"NO ONE EXPECTED ME TO BE ABLE TO MOVE AROUND ON THE DANCE FLOOR, INCLUDING MY WIFE."

CAREERSTATS

255: Smith's highest value to fantasy football players, during the 1995 season.¹

175: Touchdown balls Smith collected during his career. Many have been donated to charity.

27 MILLION: Viewers for *Dancing With the Stars* finale.

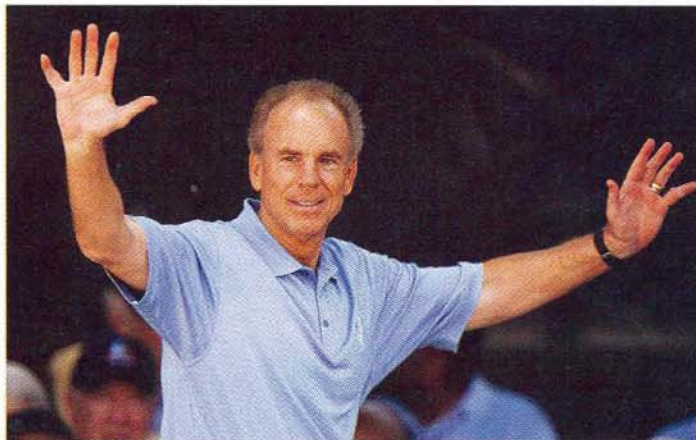
build-to-suit and other development services. "We were leaving money on the table," Staubach says. Today Staubach Co. has offices in 65 cities around the world, many of them joint ventures with local owners.

Smith typically arrives in his office just down the hall before 9 A.M., but he convinced Staubach long ago that he brings more than star power to the job. "He has the leadership skills to build a real business," Staubach says. "Someday he may come in here and say 'I'm buying you guys out.'"

Staubach says it was important to him that Smith be the majority owner of the entity, and not just because the venture would thus be able to bid for projects as a minority-owned enterprise. "We've got a wonderful country, but we have a disease that's cancer: It's discrimination. There are some positive things happening in business today for minorities, some real opportunities. But not enough. The idea of a minority-owned business was appealing to Emmitt, and it was especially appealing to me."

Smith's interest in real estate began during his days in Pop Warner football in Pensacola, when he sometimes stayed at the home of his coach the night before a game. The 3,500-square-foot house was no mansion, but it was enough to impress a young man who lived in a public housing project, the Courts, with his mother and four siblings. The coach owned a small construction firm, and he began to teach Smith how to use drawing boards and read floor plans. Smith was enthralled by the thought of a profession that might let him move his family into a home similar to his coach's.

When he went to the University of Florida, Smith wanted to major in architecture. But as sometimes happens to student athletes, a university advisor persuaded him to sign up for a less rigorous major,



TONY DEJAK—AP

TEAMMATE Roger Staubach's company is backing Smith's venture.

public recreation, instead. "It made sense at the time because it looked like I was going to leave after my junior year, and they said it was something that would be easier for me to come back and finish at a later time," says Smith. The future eight-time Pro Bowler did leave school after his third year, and was selected in the first round of the 1990 NFL draft. Six years later he obtained his degree.

Smith was pondering the endgame of his career while other young players were still discussing their next extravagant purchase. Cowboys owner Jerry Jones, who made his own fortune (estimated to be about \$1 billion, give or take) in real estate, recalls Smith approaching him early during the player's career with a unique request: Could

he observe Jones "doing business" in order to see how a successful entrepreneur conducted himself? "During breaks in practice he'd sit on a couch in my office and just watch me talk on the phone," Jones recalls. "He was soaking it all up and figuring out ways he could put what he heard to work." Jones says Smith's request reminded him of, well, himself, when as a young man he traveled to the now defunct American Football League meetings and sat in the lobby in hopes he'd "brush into" Lamar Hunt, one of the league's founders (who died in December). "I was 23, 24 years old and was starting to think

the opportunity to get into pro football had passed me by. But you've got to have the vision. More than any player I've had, Emmitt has always had a vision."

Smith recalls another encounter with Jones in which he wrote down a list of all the goals he wanted the owner to help him achieve. He handed the list to Jones and asked him to check the ones he thought were doable. "He looked at the list and checked every one," Smith recalls. "He said, 'We'll get to some of

these now, and some of these later, but we'll get to all of them.' I'll always appreciate that."

Smith still walks with the swagger of a successful athlete. Yet he is fully aware that he's a rookie in this arena. Smith/Cypress's day-to-day operations are handled by Cypress Equities CEO Chris Maguire, who built the retail entity that now supports Smith with research, financing, and economic projections. Maguire confirms that Smith's value, even at this nascent stage of his new career, goes beyond a high recognition factor and popularity that opens doors. "He's a smart guy," Maguire says. "He has a sense for knowing when to push buttons and when to sit back. And when he speaks, he's like E.F. Hutton: People listen."

As he drives back to the office from lunch, Smith spies an empty retail "box" on a prominent corner. His eyes light up, as I'm sure they did when he saw an opening wedged by his offensive line. He likes its location, its visibility. And he has a client for whom it just might be perfect. "My job," he says as he turns the corner, "is to work as hard as I can to maximize the gifts I've been blessed with, whether physical, mental, or otherwise. I've worked hard to maximize my physical gifts—even on the dance floor. Now my focus is on maximizing my other gifts to the fullest possible extent."

Quickly, the big silver Hummer turns the corner and speeds away, its driver eager to get in the middle of yet another deal. ■

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PLAYING POP WARNER BALL, HE DREAMED OF MOVING HIS FAMILY INTO A HOUSE AS GRAND AS THE ONE HIS COACH LIVED IN.