



Reynaldo Alejo Carpio, Ph. D.
President - Grand Monaco Es
Developers, Inc.

CEO Series:

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STD formula earns multi-millions... and counting

It is better said in Filipino: *sipag, tiyaga at diskarte* or STD.

Thus did Reynaldo Alejo Carpio explains how he managed to turn around the crises and challenges he was faced since he was a teenager.

“The *diskarte* is what makes the difference. *Diskarte* is all about common sense. It also means working smart, compared to working hard. It means being bold and aggressive. It means being confident. It means doing the right thing all the time,” he explains.

Focused on improving his and his family’s lot, Carpio has single-mindedly pursued the path, initially towards survival, and eventually, towards a multimillion-peso real estate business. He is proud of what he has accomplished and is not tired of sharing his experiences for others to learn from as well.



Odd jobs

Born the fifth child among the nine children of a rice farmer and a market vendor, Carpio has what one could say a childhood bereft of material things and of the trappings of a "good" life. But Carpio believes these circumstances were blessings because he learned to be more resourceful.

Asleep by 8 p.m., and up by the very unholy hour of 3 a.m., Carpio would be in the town market by 5:30 a.m. In spite of this, he was often exempted from final and midterm exams, and would even check the papers of his classmates; which made him a natural magnet for the class muse he had a crush on.

Carpio had a series of what others may consider very "demeaning" jobs: a *taga-takal* or repacker of sugar and cooking oil back when he was in grade school and high school in Tuguegarao, Cagayan; a mechanic, a gasoline boy, and a messenger-cum-clerk in his aunt's law office in Metro Manila.

His first informal job as a *taga-takal* or repacker taught him an important lesson: that one could earn another peso from an investment of a peso. Later in life, his stint as a gasoline boy in Edsa corner Boni Avenue, fronting Camp Aguinaldo while going to college in the University of the Philippines (UP) and the Technological Institute of the Philippines (TIP), would teach him the tricks of the trade enough to bag him construction contracts with multinational oil companies.

Even his job as a messenger and clerk in a law office – where he got impressed with and photocopied many legal documents and attended countless court hearings – taught him how to draft pleadings, affidavits, demand letters and lease contracts which one day proved to be useful to him in the real estate field where he is an important player. It was only after receiving his professional fee as contractor of his first project did he realize that all these odd jobs were meant to prepare him to be a highly successful entrepreneur.

But even after graduating from the UP with a degree in Upgraded Geodetic Engineering and from TIP with a degree in Civil Engineering, Carpio found it difficult to get a job. Employers wanted to hire someone "with experience", particularly five years experience in one job he was eyeing.

Exasperated, Carpio made an offer to his potential employer to allow him to work for his company with just an allowance and no salary until after six months, just to prove that he could do the job even without the required experience.

The CEO of this construction firm was impressed with such an attitude and hired him. After



only two months, Carpio was not only given his just compensation, but was also absorbed as a regular employee. Apparently, his double Engineering degree was a plus factor.

Continuing education and improvement

Not one to fold his hands and just sit back and relax whenever on vacation, Carpio used his employee leaves to give him time to take short courses at the University of the Philippines or Ateneo de Manila University to enhance and sharpen his managerial skills.

Once he returned to the office after a vacation, he explained to his boss what he did during his short break. Since the company would benefit from such courses, could it reimburse him for the tuition? Inspired by what he learned from these short courses, Carpio eventually took up Masters in Business Administration (MBA) at the University of the East (UE) and his Philosophy Degree (PhD) in Management at the International Academy of Management and Economics (IAME). He is also set to take a two-year masteral level advance management development program at Harvard University in the U.S.

"Once you stop learning, you stop growing," he says.

So convinced is Carpio about the importance of higher degrees, that four senior members of his

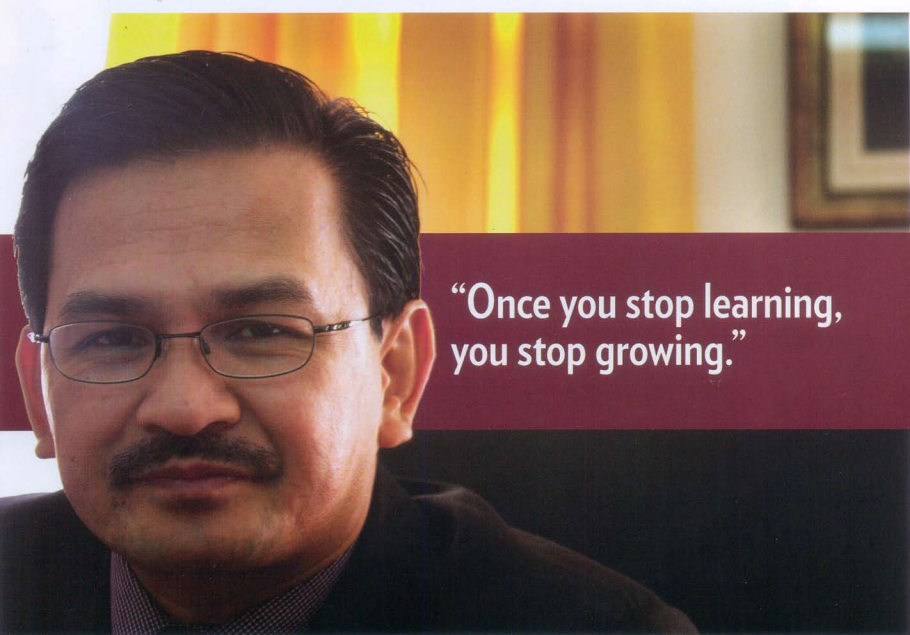
managerial team have already finished their MBAs at company expense. Six more are graduating from a continuing educational enhancement course on Real Estate Development at the De La Salle-College of St. Benilde this month, while four others are taking a continuing manager's course at UP.

"When you take up MBA, you get to meet future leaders; PhDs, you meet owners of companies, CEOs, top executives, leaders..." he says.

Birth of Grand Monaco

The entrepreneur in him readily spots opportunities when these are presented. Once, while on the site of a project as Engineer where he earns P4,000 a month, an impressed passer-by gave Carpio a contract to build his house. With no money but a string of construction material suppliers as "assets", he managed to complete the house in six months as agreed and earn his first half a million peso.

Inspired by this initial success, he resigned from his job to become a full-time contractor of mass housing projects where he was earning some P120,000 a month. It was a couple of years after when he realized that what he earned in 12 years as a contractor, he would earn in as little as two years as a real estate developer. Today, he is owner and President of Grand Monaco Estate Developers, Inc., the name inspired by a trip to Monaco and Monte Carlo.



“Once you stop learning,
you stop growing.”

His vision for the company? To create quality and affordable homes for people in the metropolis and help them live better lives.

Carpio must be a workaholic to be spending 16 hours of his day in his office, where he always keeps his door open to employees who need counsel or help. But it was not all rosy.

When the Asian financial crisis hit in 1997, he was left with practically no money but a lot of hard assets, most of which were payments by partners and clients whose businesses closed shop. With no money to pay for salaries, he downsized the company to its current 42 regular employees and about 300 to 400 in the sales force. The challenge then is to keep cash flowing in to sustain operations.

Using his *diskarte* mastered through the years, Carpio made use of the construction materials paid to him by clients to finish his units that were under construction. He started out with just three housing units which to date has grown to about 1,600 units in 12 locations including Quezon City, Marikina, Antipolo, Pasig, Paranaque and Taguig.

The properties – which he made sure are in flood-free locations – cater to the middle-income sector, costing anywhere from P2 million pesos to P4.5 million, requiring only 20% down payment without interest and payable in two years. The rest of the amount can be settled via bank financing.

As of press time, units in six out of the 14 loca-

tions had been completed, with all the units already sold out. Around 70% of his market are OFWs.

“Owning a house used to be an impossible dream,” he said. “But with the easy financing schemes available these days, more and more Filipinos have the chance to give his family a decent house”.

His company is also building a Mediterranean-style 150-room three star hotel called Grand Monaco Hotel and Resort for conventions, conferences, and even weddings, in Ortigas Avenue Extension at the very strategic Tikling in Taytay, Rizal.

Noteworthy is the fact that satisfied customers make “repeat orders.” Happy about their first purchase of a unit, they come back for a second, a third, even a fourth unit, but this time for investment purposes.

“Success in this business comes from the repeat orders, not the first one,” he notes. “And repeat orders happen only if you give clients quality houses payable at affordable terms. It is also important to spread goodwill which we generate from being honest and fair in our dealings.”

The real estate developer targets at least P600 million in sales this year, double the 2009 sales. Initial reports from his sales team up to the end of May show that the monthly target even exceeds expectations, prompting him to express confi-

dence that the annual target is within reach.

Carpio, however, is not all work. He enjoys golf, singing and ballroom dancing. At least once every quarter, he travels to keep track and learn new designs and pick up concepts which he could apply to improve his “products.”

He also finds time to serve the real estate industry, having been the National President of the Association of Geodetic Engineers of the Philippines in 2003 to 2004 and National President of the National Real Estate Association (NREA) in 2000. He became the International President of FIABCI, a Paris-based international real estate federation that operates in 48 countries all over the world. In October this year, he will be the convention chair of the Chamber of Real Estate Brokers Association (CREBA) which he says is “going international” via an exhibit and business matching in Macau.

He is also very active in civic activities, especially with Rotary Club, doing dental and medical missions, giving away relief goods, and adopting schools and donating books to these schools.

These days, Carpio no longer finds the need to hide his hands which used to be stained black by oil grease and grime from his work as a mechanic in a vulcanizing shop. It is amazing how the hitherto grime-stained hands – just like the proverbial Midas – has figuratively turned everything they touch into gold. – Susan Claire Aghayami/LCL