



Kelly Scanlon:

Welcome to Banking on KC. I'm your host, Kelly Scanlon. Joining us on this episode is Tom Proebstle. Tom is the cofounder of Generator Studio, which is a sports architecture firm located right here in Kansas City in the crossroads. Nationally and internationally, Kansas City is known as the sports architecture capital of the world and Generator Studio is part of that legacy.

Kelly Scanlon:

Tom's here to talk with us on this episode about how Kansas City earned that title, what it means for the city, and where the industry is heading. Welcome to the show, Tom.

Tom Proebstle:

Thank you, Kelly. I'm glad to be here.

Kelly Scanlon:

Yes, quite an interesting story. In fact, Forbes just ran an article on how Kansas City attained this designation, so take us through that. Talk us through how Kansas City actually earned this designation, sports capital, sports architecture capital of the world.

Tom Proebstle:

Well, Kelly, the Forbes article you mentioned does a great job of laying it out for those that want more detail. I will try to put this into a brief nutshell for everybody, but it started with the Truman Sports Complex here in Kansas City, which of course we all know about. And it was designed by a past firm, but important firm, called Kivett & Myers. And they're also known for designing KCI, which of course is important these days with the new terminal. But Truman Sports Complex was revolutionary at the time because when everybody was designing the sort of multipurpose stadiums where they would have baseball and football in them, Kivett & Myers designed it in a way where they're obviously separate. So Kauffman was designed for baseball and Arrowhead was designed for football. This was revolutionary at the time. And sports executives from around the United States were flocking to Kansas City to figure out what was going on, what was the magic sauce to this facility?

Kelly Scanlon:

Yeah, I remember when it was announced and then it opened and one of the really big features that was touted was that there was not a bad seat in the house, that all the sight lines were clear. And is that

because they did it according to the sport itself and weren't trying to consolidate several sports into one place? Is that why?

Tom Proebstle:

That's exactly right. Yeah. And yeah, you should go into the sports architecture world.

Kelly Scanlon:

It's all about sight lines.

Tom Proebstle:

It is about Sight lines partly, we'll talk about that more in a little bit. But what came out of that, because of the success, there were a couple of individuals that saw some bigger opportunities. And there was one key person at Kivett & Myers that really got the whole thing going, a man by the name of Ron Labinski. And so he spun out to build, he spun out of Kivett & Myers to build a sports practice at a local multidisciplinary firm that I think most of us have heard of called HNTB. And so with a little bit of time there, Ron saw another opportunity to start a sports practice that just focused on sports alone. And that led him to seeking HOK in St. Louis, who agreed that it made sense to open a practice here in Kansas City called HOK Sport.

Kelly Scanlon:

And that was pretty revolutionary, wasn't it? I mean, correct me if I'm wrong, but I don't think there was any architecture firm at the time anywhere specializing just in sports architecture, was there?

Tom Proebstle:

There wasn't.

Kelly Scanlon:

This was very revolutionary. Big risk, in some respects.

Tom Proebstle:

It was, and it was new thinking. So the opportunity was rising. Other architects spun out of HNTB. One in particular was Minneapolis-based Ellerbe Beckett, which is now AECOM, one of the world's largest architecture firms. But they were convinced to open a practice sports only in Kansas City as well. And so what was happening was that we had these three firms that were growing like crazy and our local talent pool of architects was growing fast. And we, the sports firms, were absorbing all these architects. And so what was interesting is that you had to be in Kansas City if you were going to work on a college facility, a stadium, arena, Olympic stadium, you had to be in Kansas City at that time to be doing it.

Kelly Scanlon:

Yeah. And that brings up a question, why did it have to be in Kansas City? Was it the thought of being able to work side-by-side with other people who had the same types of ideas and inspirations would be beneficial rather than working in isolation?

Tom Proebstle:

The knowledge base was being built in Kansas City. That was the key thing. So people around the United States knew that if they wanted the best and brightest and the best thinking in sports architecture, they had to come to Kansas City at the time because we had that knowledge base and it was building.

Kelly Scanlon:

Right. And if I remember, you're building this talent pool, this think tank in a new industry, you're creating the industry, actually. And you're going to start building these stadiums. And if I remember right, one of the real keys was that there was someone on one of the teams who had the bright idea to watch as leases for the stadiums across the country came up and started pursuing them as clients. Do I have that straight?

Tom Proebstle:

Oh, yeah. I mean there's all kinds... We all had different ways of tracking sports. Everybody has a list of every single team, both professional and college. And it's literally a roster of when the building was built, what renovations have they done, how is the team doing, are fans showing up, all those sorts of metrics. Even now we can track those metrics even more and see how the team's doing and what that might mean from a renovation standpoint or new building standpoint.

Kelly Scanlon:

What made you make that leap personally? Why did you think, "Yeah, we really think that..." Because it was still kind of risky. I mean there was a lot of opportunity but it was still kind of risky. And it sounds like you were pretty well settled where you were. What caused you to make the leap? What made you finally decide to open your own firm? And what are you doing to succeed?

Tom Proebstle:

Yeah. 2009 was a tough year.

Kelly Scanlon:

Oh, yes, for a lot of industries.

Tom Proebstle:

It was. And architecture got hit hard. Mike Kress and I were at Crawford Architects at the time and we saw an opportunity with some local work to perhaps strike out on her own. We agreed that we may leave sports forever. We didn't know.

Kelly Scanlon:

You were really contemplating that?.

Tom Proebstle:

We didn't know. And particularly with such great firms that we would have to compete against, how would we compete? And so in 2009, thank you to our wives, they gave us the opportunity to leave and start our own firm called Generator Studio. And we literally started in Mike's garage, one of the garage success stories, I guess. And we started doing some local work here in town through relationships that we had built over time. And then not long after we opened the doors, we got a call from somebody in the sports business who said, "Hey, I heard you guys started your own firm. We've got a little deal down

in Tampa, Florida called the Tampa Bay Lightning, an NHL team. I'm the CEO. Would you like to come down and work for us?"

Tom Proebstle:

So the backstory to that was that Mike and I, through all our years at Ellerbe Beckett and Crawford Architects built relationships with people. Which, as simple as it sounds and cliché as it sounds, Tod Leiweke, who's one of the most important guys in sports, said, well, remembered that Mike and I were the guys on the ground getting work done. And at the end of the day, they said, "I really like these guys. They look you in the eye and they deliver on their promises." And so that's literally the point where Tod called and said, "We'd like you to come to Tampa and work on the Tampa Bay Lightning renovation."

Kelly Scanlon:

And from there it was... You didn't consider getting out of sports architecture after that.

Tom Proebstle:

No, it was, the gates opened.

Kelly Scanlon:

Yes. Yes, absolutely. Tell us about what those relationships led to other than the decision to, yes, we are going to specialize in sports architecture after all. We are not going to leave this segment. And what else propelled you during that time when you were just getting started?

Tom Proebstle:

There's a couple things. As architects, we're good at some things and sometimes it's hard for us to admit that we're not as good at some other things. And so Mike and I looked at that closely and we charted it out as we looked at Generator Studio and how we would grow, particularly with the sports work because these are large projects. There's a lot of eyeballs on it. We have to deliver on our promises.

Kelly Scanlon:

And get a lot of publicity.

Tom Proebstle:

It's on TV. Yes. So we talked about delivering on our promises, which we were going to uphold that idea. But for us, with our local work, what we were doing was we were blending the market segments that we're going into. So all of a sudden we had sports work, but at the same time we were doing local work such as, more recently the Beacon Hill Hotel on Troost we just open the other day. So it's hospitality-related. We're currently renovating the historic Kansas City Star building right now into a mixed use development project. And even some very high-end houses we're also working on as well. And the key thing to all this is that it all revolves around hospitality.

Kelly Scanlon:

When somebody looks at your portfolio, the uninitiated to your philosophy might look at it and go, "High end home, sports stadium somewhere in the world. How in the world do you marry these two?" But there are, as you say, hospitality connects it all. There are elements that overlap that can be transferred from one project to another no matter how big it is. And then at the same time, you have

found a formula, then, for when you hire someone young out of school, you can promise them so many small businesses can't do this. You can promise them so much room for growth.

Tom Proebstle:

And people are excited by that. And the other part of it that's really important as an architect, and particularly for Mike and myself who have to train the next generation, is teaching them about other things besides design. And that's a really important part of being a small business owner and growing. And how do you manage that growth? And a couple things that we've done from day one was we said, "Okay, we think we're smart with finances, but we know a lot of architects that haven't made any money. Some have, some haven't. So what can we do to improve that and stay focused on architecture?" And so one of the things we did was we hired COO, CFO, if you will, consultant to bring onboard to help us with the finances. And this is somebody...

Kelly Scanlon:

So you could focus on what you are good at and they could advise you on the other.

Tom Proebstle:

If I'm up at one in the morning looking at my books, at my QuickBooks or whatever, I'm not going to be the best person I can be in the morning to work through issues with my client. So I needed someone else to handle this that knows what they're doing. And an interesting part of that was that we were very clear to find somebody who hadn't been involved in architecture before. Because I'd heard so many things, so many bad things about firms that have opened up and they never made any money.

Tom Proebstle:

And so then when you hit a financial crisis, like we all went through in 2008, 2009, 2010, all these, there are many firms that disappeared because they weren't prepared financially for a downturn. And so we felt if we had somebody that was looking over our shoulders to say, "Hey, you don't have three months of burn in the bank, we need to be concerned about these invoices that are not getting paid." Someone else handling that for us so that we could go out and win work, we could focus on our clients. Let someone else worry about that.

Kelly Scanlon:

You mentioned Beacon Hill just a few minutes ago as a project that you've recently finished up with, but talk to us about some of the national and international projects that you have worked on, particularly in the sports area. And then if you don't mind, maybe some other ones that are very well known throughout the world that other firms from Kansas City. Again getting back to Kansas City being the sports architecture of the world, what are some manifestations of that?

Tom Proebstle:

Well, Kansas City's design impact around the world is the stuff of legends. It's astounding when you sit back and think about it. And just a couple that sort of pop off are Camden Yards, which I think everybody knows about. The '96 Atlanta Olympics, the London's O2 Dome, most of Major League Baseball stadiums have been designed by Populous here in Kansas City. It's extraordinary.

Tom Proebstle:

Recently a lot of people would be familiar with the Atlanta Falcons just opened their new stadium called Mercedes Benz Stadium, which is just an amazing building. So these projects are seen by people around the world, whether they're in the United States or elsewhere.

Kelly Scanlon:

They've had their roots right here in Kansas City.

Tom Proebstle:

That's right. And for Mike and I at Generator Studio, I'd mentioned we were recruited by Ellerbe Beckett, which is now AECOM. And the opportunity for us, we wouldn't be in this position if it wasn't for Ellerbe Beckett hiring us, believing in us, and allowing us to sort of cut our teeth in the sports business. And during that time, and then I shifted over to Crawford Architects and helped them open their office. But these are some notable projects as well that I was personally, Mike and I were both personally involved with, including everything related to the Seattle Seahawks. So their stadium, their training center, were really important projects for us, particularly for Mike at the time. And then I had the opportunity to work on the renovation of Lambeau field. We designed the green monster seats at Fenway Park, which a lot of people are familiar with. Across the world, a Olympic stadium in Guangzhou, China, Auckland, New Zealand's first modern arena. So yeah, I've had the opportunity to travel around the world because of sports architecture.

Kelly Scanlon:

Right. And again, it comes back to Kansas City. Talk to us about how this has raised the preeminence of Kansas City nationally and internationally. And what kind of economic impact has it brought back to Kansas City?

Tom Proebstle:

Well, I like to say that there's an easy way to visualize Kansas City's impact around the world in sports. And this is how we visualize it. You walk into any sports bar, point to any TV, and it's likely that that sports event that's on the TV is in the building that was designed in Kansas City.

Kelly Scanlon:

That's a great way of thinking about it. Yeah.

Tom Proebstle:

Yeah. And as it turns out, it's also a great conversation starter no matter where you go. And there's a lot of us that hit the road, at any given moment, if I step onto an airplane, there's likely somebody else from another sports firm on that airplane. It's inevitable. So it's a funny thing and there's a lot of handshakes and back slaps in the business. Because we do see all of our colleagues around the United States on an almost continuous basis.

Kelly Scanlon:

Yeah. People come in to talk with you from outside of town and they're exposed to Kansas City for the first time and realize everything that we have here during their stay here. In that way, you're an ambassador to the city. Yeah.

Tom Proebstle:

Oh, absolutely. And we always hear the, "Oh, you know, I want to come to Kansas City and eat some barbecue. Take me to one of the best spots," and it's cute, but we also roll our eyes a little bit and say, "Well, there's so many great restaurants here and there's so many other things we can do besides barbecue. If you want barbecue, we'll go, we'll go hit a barbecue joint. But there's so many great creative restaurants here in town." So it's a lot easier, we're very proud of it. We're finding that our clients would rather come to us now. And I think it's true for any of us now that clients want to come to Kansas City, they want to spend a couple of days, see what's going on. And then take that knowledge home to their town.

Kelly Scanlon:

Yeah. Talk to us about some of the trends. You just mentioned knowledge. Talk to us about some of the trends that you see in the industry. Where is it going and what is Generator Studio doing to shape the industry and these new trends?

Tom Proebstle:

Yeah, there's a lot going on and there's probably a whole nother topic or podcast on technology. But a couple of key things are, that we're working on and having an impact, is the idea of flexibility. And the bigger trend is something that it's worth having a sort of higher level discussion about, like what is it about stadiums and arenas and why has this industry continued to grow? And up until the '90s, a stadium and arena, when it was designed, it was an engineering project. No more, no less than that.

Tom Proebstle:

And as sports became more relevant to our society, the TV deals kept growing. And so when we got into the '90s, and when I stepped into the business, they evolved, these projects evolved from being an engineering project to a project that it needed to compete with your local pub, with an amusement park. They're becoming more experiential.

Tom Proebstle:

Fast forward to today. What we're talking about is we're breaking apart the sports project into this myriad of experiences that are catered to the individual. And so what that means is, again, back in the day we were designing these things for 72,000 people to sit in the stadium and that was it. Well now it's a 72,000 individual experiences that come together to witness a live event where the outcome is unknown. And where else can you do that? As a result, these projects keep evolving, there's more money that is driven into these projects to support all these individual experiences.

Tom Proebstle:

And back to the trends, so as we evolve the stadium and the arena, this idea of flexibility allows our clients, so the sports teams, the facility operators, we're designing in flexibility so that if I have a group of 50 people or I have a group of 20 people or a group of 200, I can flex my building up or down to accommodate that. So it's not I'm just going to walk in and grab a hot dog and sit in my seat. It's what's the experience for every single type of person and group that's going to walk into the building.

Tom Proebstle:

And to accommodate that means that we have to be more flexible. A good example of that, an arena that we were recently hired for, we are looking at taking the suites and building them into shipping containers so that a forklift can pull the shipping container out, set it aside, and create a different space that the sports team can sell, if you will, to accommodate 400 people in the space.

Kelly Scanlon:

Okay. And probably not just increase the size or decrease the size of the space as needed, but different types of amenities can be brought into the space as well, I suspect.

Tom Proebstle:

That's right. Yeah. And everybody wants that unique experience and a different level amenity and different type of food, different type of beverage. But I will tell you, though, even though you walk into a stadium and you might be able to find sushi, people still want their chicken fingers.

Kelly Scanlon:

Yeah. And hot dogs, too, probably.

Tom Proebstle:

And hot dogs.

Kelly Scanlon:

Yeah. Can't forget the hot dogs. Okay. So e-sports, too, that's a trend. Can you talk to us about that?

Tom Proebstle:

Yeah. Watching people play video games. That's a tough one for a Gen X.

Kelly Scanlon:

It's crazy. Yes. I mean I'm not-

Tom Proebstle:

For me, being a Gen X. And so e-sports is phenomenal. It's exploded from a child playing in mom and dad's basement to a, in 2019, it's expected to be a billion dollar business. And it's something that all of the sports architects here in Kansas City are looking at and are involved with. Generator has been hired for two facilities that we're under NDAs currently, and so I can't talk about it. But a good example is Populous is working on a facility, a e-sports only facility in Philadelphia called Fusion Arena. And that's a real marker of where we're going where we have a dedicated facility that focuses on being flexible for e-sports and the different types of games that will roll through a facility like Fusion Arena and these other ones that are coming up.

Kelly Scanlon:

Yeah. And so as far as, if you had to leave our listeners with one thought about what to expect from their own experience, whether they're sitting on the couch and watching it, because obviously you're not just, you're designing for the people who are actually in attendance, but you're very keenly aware, you mentioned technology earlier, that people are watching this in many different ways. And so for our

listeners, what would you leave them with that they should be looking for? Like some fresh new things that might be exciting to them?

Tom Proebstle:

Well, there's, from a technology side, it's about the experience on your mobile phone and driving data to your phone. And there are hundreds of different ways that that's starting to manifest itself. And how we look at it in the sports business, and really what we're talking about is entertainment. And as mentioned earlier, hospitality. The experience is starting at home before you head out. So your tickets are on your phone, you don't need to print them out anymore. And it might tell you something on your tickets, like as you get into your car, or maybe you're given a discount if you take Uber or Lyft as part of that. So they package these things together. You know what? I might want a couple of beers. I don't want to drive, I don't want to deal with parking. I'm going to take you up on that Uber opportunity and take me and my family to the game.

Tom Proebstle:

When you get to the game, they know that you're there. They know that tickets one, two, three, and four, those people have shown up in the building. And then you may get a little marker that says, "Hey, there's no line around the corner here. If you take a left and walked down 200 feet, there's no line to grab a hot dog."

Kelly Scanlon:

It's crazy.

Tom Proebstle:

And, "Oh, by the way, we'll give you \$5 off your meal." So it just goes on and on and on. You can sit in different seats, with flexibility over time. So if you're a season ticket holder, it will move you around so you get different experiences over the course of a year. It's extraordinary. You can sit court side, like an NBA basketball game, and view the seat from court side like you've spent \$6,000 for a court side seat. It's amazing some of the things that are going to be coming.

Kelly Scanlon:

Yeah, it's going to be exciting to watch and we really appreciate you being with us on this episode of Banking on KC to talk with us about some of this. I know we could probably go on forever, but we just don't have the time to do that. We wish you continued success and really looking forward to seeing some of these things come online.

Tom Proebstle:

Well, thank you. It was a pleasure.

Joe Close:

This is Joe Close, president of Country Club Bank. During the financial crisis in 2008 through 2009, Tom and his team set out to do something on their own. They took that leap of faith in a garage with a dream and a plan. Like many entrepreneurs before them, they pooled their collective knowledge of architecture and founded Generator Studios. Tom and his team saw an opportunity in the sports

architectural field. They studied the market and they worked night and day. During a time of 40% unemployment in the architectural field, they designed and built a formidable firm.

Joe Close:

Resilience and growth during The Great Recession mirrors that of Country Club Bank. Those were tough days, but thanks to strong leadership and a heritage of integrity, Country Club Bank successfully avoided the industry downdraft of subprime lending, broker deposits, and government bailouts. As evidenced by Tom and Generator Studios, it goes to show that no matter your industry, a plan, integrity, determination, and a good amount of resilience will deliver you through difficult times. Thanks for tuning in this week. We're banking on you, Kansas City. Country Club Bank, member FDIC.