



# **Global Spa & Wellness Summit**

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**Panel: Philippe Bourguignon, John Kao & Peter  
Rummell**

**Imagining the Healthy Town of the Future**

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## Imagining the Healthy Town of the Future

[START 305729 GSWS Panel Imagining the Healthy Town of the Future.MP3]

MR. PHILIPPE BOURGUIGNON: Let me start very briefly introducing Peter Rummell, here on my left. You know now John Kao, since yesterday. I just told Peter Rummell that when he explains what he is doing, he should change the beginning, because Peter has a 40+ career in the world of real estate and I told him when I joined Revolution a few years ago, on my bio, they said, "Philippe Bourguignon, a 40 years veteran." And I said, "Take out veteran and take out 40 years."

So anyway, he is whatever you can say about real estate in the U.S., and he has done a lot of large-scale community developments. He started, in fact, developing Sea Pines on Hilton Head in the '70s. Also, you don't see in the bio that he managed Rockefeller Center, which for me was very, very impressive. But after that, he has made all of his career in real estate, but in addition to real estate, he was CEO of Walt Disney Imagineering, which is much more than real estate. And he has built the Disney Town of Celebration, so that is why talking about Healthy Town and the City of the Future, he is clearly somebody who has experience talking about it.

Before we start, to introduce the subject, I said yesterday I was happy to be back in Aspen because we did so many things here, and one of them is that Euro Disney design was not only a theme park and 5,000 hotel rooms around the theme park, it was an entire city, which Peter and I and a large team, at Disney there is no small team, a large team designed with I would say at least, what, 30 architects from Holland, France, Germany, Italy, United States, obviously, and so on.

And my introduction is going to be the following: Back in the '50s, De Gaulle, when he was President of France, decided that he had to avoid land speculation and create significant land reserves for housing development and office development. And it is called New Towns, Ville Nouvelle, in France. And those are obviously because it is the state, heavily regulated. So when we did this Euro Disney project, we built ultimately 10,000 housing units, two million square feet of retail, I don't remember how many offices, and the complexity was really to cope with the zoning regulations which the

government was imposing on us, which was killing any sort of creativity, so that is where I am going to start today is, Healthy Town starts with no state telling you what to do.

MR. PETER RUMMELL: That is a good start. Let me tell you a quick story that will tell you how I got interested in this originally. I live in Jacksonville, Florida, and there is a large installation of the Mayo Clinic there, and the CEO got to be a friend, and about 10 years ago, he told me the story about how they had taken Mayo Clinic completely paperless, this was 12 years ago. So that was before it was sort of the genre to do things like it is today, but they made it completely paperless, and the interesting thing was the reason. It wasn't because they were trying to be more efficient or cut costs, it was because the Mayo Clinic had decided that 20 years from then, which is now 8 years from now, they thought that a very large percentage of healthcare was going to be delivered from the home. We heard some people yesterday talking about the glasses that can feel you or the iPhone that can feel you, it is that kind of thing that is actually now starting to happen.

So, it seemed to me, as a real estate developer, if there was a way to be the first one to do that and you could capture the Mayo Brand to do it with, then that could really be something interesting. A little time after that, Philippe went to Revolution and invited me to come out to Miraval and I went and spent, with my wife, three or four days at Miraval, and had that experience, and then we put the two together, and the idea of the legitimacy of Mayo and the atmosphere of Miraval, seemed to me to be the makings of what we were calling a Healthy Place or Healthy Town. And the company that I was running at the time had a five-mile piece of beach that we didn't know what to do with, and we didn't want to build another golf course or just a bigger beach club, or something like that, so we thought that the idea of doing something that was health-related was interesting and innovative and we spent some time working on it. It didn't happen for a whole series of reasons, but it wasn't because it wasn't a good idea. It still hasn't been done. The one thing I know about it, for sure, is it is not a physical issue, it is not a planning issue, it is not an architecture issue, it is a motive issue, it is a marketing issue, it is a, "How do you convince people that they should care about their health and not let them feel like they are sliding into

a Stepford Wives kind of place where there is going to be granola at 7:00 and push-ups at 7:30 and it will invade your life?

So the aura of health is something that I think is translatable to the real estate business, but how you do it is something that nobody has figured out yet, but I think is an enormous opportunity.

MR. BOURGUIGNON: Can we have the video we talked about? We are talking about home now. Now it is going to be a discussion. So, John, any reaction?

MR. KAO: Quite a few, actually. Although Philippe specifically said that we weren't supposed to think about the topic until we actually arrived on stage, so I tried to observe that rule, or that creative constraint. I think that as we listened to the beginnings of the conversation and the topic area, it comes back to the question of, "What is health, and health in relation to whom, and is health related to well-being?"

From my own work, looking around the world at what people are doing in the innovation and creativity space for societies, it is clear that some geographies, for instance, Finland, is very much oriented, the national kind of mission statement around innovation is to create a well-being society through the use of technology and leveraging their prowess and design, healthcare and services. So this notion of a well-being or health-oriented place, as opposed to simply a hospital, facility, or a clinic or a spa, is out there, but it still begs the question of, "What do you mean?" In my own sense of well-being is that it has something to do with fulfillment of your potential, whether it is your potential biologically or psychologically, or professionally, or even spiritually, and I think that is why people have historically migrated towards cities. You are well aware of the fact that most of the human population, as recently as 100 or a couple hundred years ago, lived outside of cities, and now the majority of the world's population lives in cities, and that trend is accelerating, and there are obviously many reasons for that, but one is the archetypal notion that you come to the city for opportunity and opportunity in turn is based on a certain diversity, a certain availability and resources, cultural stimuli, and things of this kind.

Cities are increasingly where it is at, and I will use cities kind of as an extension of the town's concept, but urban centers are increasingly where it is at, in terms of the innovation game. There are cities like Bilbao, that have done remarkable transformations, cities like Helsinki, that have a Chief Innovation Officer. And we more and more these days think about visiting London rather than England or New York rather than the United States or Rio De Janeiro rather than Brazil, because cities have a kind of a sort of an idea of their own, which begs the question then of, what do we mean by a Healthy Town or a Healthy City?

You know, all of you I am sure are familiar with Maslow's hierarchy, remember that? So you don't have oxygen, you die. You don't have food, you die a little later. Then you want to have kind of human contact, and then at the top you have got meaning, or this kind of self-actualization notion, and I think the same matrix might be really useful to apply to cities, because if I think about health, okay so think about all the bad things about cities—pollution and congestion and accidents and unhappy people and roadside shootings and all of this kind of stuff. The opposite of all of those is kind of the bottom of the pyramid.

But then I think we are interested in what would a point of view be about a healthy city that is about the prospective side? So how green can a city be? Can you put 100s of rooftop gardens up? Can you have this notion, can a city be healthy in order to in turn engender health in its people? And then at the top, there is this whole notion of meaning, we go to Paris because it is a very meaningful city, we get something from it. Rio de Janeiro, etc., etc., and that relates, in turn, this is one more point to this notion of health for whom, and these kind of developments that we have been talking a little bit about, are very interesting leading indicators of where I think there is going to be a seismic shift in new service offerings, because baby boomers aren't going to go to retirement homes. Retirement homes are really bad, you know? They may have been good for a certain era of history, but Jung talked about how, in your life cycle, it was kind of like the sun transiting and then beginning to set, and then in the second half of life, he said, "This is when all the stuff that you didn't do, earlier in your life, came to the fore," it was like the return of the repressed, in a way.

So if you think about this in a life cycle sense, and you think about where people are going to want to go for enhanced health services, medical support, optimal stress environments, they are also going to want to be in a place where they can make meaning. Now, it doesn't mean that they want to have meaning shoved down their throats, but there are plenty of ways for architecture, public spaces, amenities, cultural stuff, media, even, and technology, to be able to create a kind of rich urban or town-like urban experience for people that will be highly desirable. So it is kind of a wicked problem, but it is also a wicked opportunity.

MR. BOURGUIGNON: And I would like to react to what you said, Peter, it is a marketing issue, but also a little bit what I would call a content issue, because when you say healthy, the idea is that it is a place for older people first, there is a special hospital or something, when in fact it starts—I would like to mention Denver, we are going to have the governor of Colorado, in a short while, here. He was the Mayor of Denver before, and he and his predecessor have done a very good job in Denver on the above things, but one of them is that you have a pedestrian mall in the middle of Denver, which is really very, very well done. It is not structured in a cold way, and you have - - and everything, but importantly, you have pianos in the street. At every corner of the street, you have a piano. At every other corner of the street you have a chess table. At every three corners of the street, you have a little, not a huge park, green, you have a little one, or you have a basketball field or an ice skating rink in the winter, and this is where it starts, in my view. It is not only living healthy, it is not only being able to practice yoga in certain places in the morning or a place where the architecture of the planning calls for more meditation.

MR. RUMMELL: If it is not already obvious, it is going to be obvious that I am a real estate developer, and so I am process driven, and my attitude is how do you get something done, and I just think Denver has taken 20 years to happen and Helsinki probably the same. I think there is an opportunity to do something that is reasonably small and contained, that is a proof, if you will, that the idea has legs, and if the idea has legs, and if the idea has legs, then the better parts of it can be picked up and taken to Denver or Helsinki or anyplace you want to go.

MR. BOURGUIGNON: Yeah.

MR. RUMMELL: One of the things I have already realized that we were wrong about, in the initial idea, was actually to one of John's points. I think it would be a mistake to try and start this as a second home community. I think it wants to be a first home, it wants to be a real place, it wants to be a place with families, and if you can't instill this idea of wellness and health into a 10-year-old, then it is not really going to be a change of attitude, so it needs to be someplace where families are and where there is real life, but I think it could be a suburb someplace, or a self-contained area of some kind, that somehow has this wrapper around it that allows you to partake of it in whatever way you want to.

MR. KAO: I think one of the challenges there, especially if it starts to scale and you get a lot of these Healthy Towns or whatever they are going to be branded as, is to make sure that there is some way of ensuring that there is a kind of authenticity and some gravitas, so that it isn't just Levittown with a hot tub or a clinic.

MR. RUMMELL: Right.

MR. KAO: And that is a challenge, right, because you can't legislate that for people. In a sense, there is kind of a user-defined quality to that, that tends to emerge, but there may be ways to accelerate that.

MR. RUMMELL: One of the reasons I liked the Mayo idea was because I thought it gave it a stamp of legitimacy that said that these are real guys and this is really serious and that it is not just someplace to lose weight.

MR. BOURGUIGNON: So what do you think, I was giving Denver as an example, more as what would be the components of a Healthy Town, so what do you think are the key components, beyond the Mayo Clinic or this stamp of legitimacy and seriousness?

MR. RUMMELL: One of the things, I don't know how many different golf course communities I have built in my life, but a lot of them, and one of the evergreen facts about golf course communities is only about 30 percent of the people who move into a golf course community play golf. The other 70 percent are there because they like the other people that are there, they think there is going to be long-term value creation, because they think the golf course adds to the real estate

value or it is near their kids, or there are all kinds of other reasons.

And so one of the things I think you have to do, and I am answering your question not structurally, but sort of in a thematic sense, is if it is going to be successful, it probably can't be so pervasive that it overpowers you, so you need to be able to select, you need to be able to be fat, in a Healthy Town, and you need to be able to—I guess you need to be able to smoke, probably, or drink.

MR. BOURGUIGNON: But drinking is healthy.

MR. RUMMELL: Sorry.

MR. KAO: If it is red wine.

MR. RUMMELL: I lost my senses, I am sorry. So the challenge is the governor on that, how do you create a place that makes you really want to think about it, but if you are going to smoke, I guess you are going to smoke, and so it is—to me, that is the issue, the physical part of it is not without its challenges, but I think is much easier to do.

MR. KAO: So to me, I am not saying this is the most important factor, but it is certainly potentially a very important X-factor, is curation or in a sense, experience management. We can call it a concierge kind of function, but just having the hard infrastructure and the amenities and the facilities, I mean, that is a necessary, but maybe not a sufficient condition for the kind of magic, you know? What is the function within the service delivery concept that creates surprise, that creates events, that opens up possible ways of using the facilities that you as a resident may not have thought of, you run into a problem—how do you develop a relationship between the inhabitants and the place that is more than just a connection to the bricks and mortar, right? And I think there is a different kind of service component that maybe pioneering companies like Disney have developed a lot of knowledge about, but I don't think it quite exists in that form, yet.

MR. RUMMELL: I think that's right.

MR. BOURGUIGNON: I think that is right, yes.

MR. RUMMELL: So it wants to be a menu of some kind, of things that are available to you, and there need to be a series of



exposures, so that you can understand why yoga may have some value, and as opposed to being forced to it at 7:00 in the morning, and if you do that enough, and you see your neighbors do it and other people do it, then you might give it a try, and also the other thing that obviously it takes is whatever you do has to be well-done, has to be high quality.

MR. KAO: I think there is that coaching component, optimizing the use of the facilities, I also think there is an extra added component, maybe at the higher end of the Maslow's hierarchy, you know, we were talking with our friend from Costa Rica last night and he was telling us this amazing story about the mayor of Bogotá, they have bit traffic problems, there is a lot of road rage, people got hurt a lot, and it was a real problem, so he did a pilot and hired 10 mimes to go out into the street and kind of, "Slow down," right, and then the program caught on, and ultimately he had 200 mimes, all over the streets of Bogotá, kind of directing.

MR. BOURGUIGNON: And it worked.

MR. RUMMELL: It worked.

MR. KAO: It was a roaring success. Road rage went down, accidents went down, injuries went down, etc., etc. Now, that is really out of the box thinking, that had to come from somebody who saw their job as creating magic, not just creating efficiency or creating a basic high quality experience.

MR. BOURGUIGNON: Yes, how do you create an environment which, as you say, Peter, does not oblige you to do this at 7:00 in the morning, but not solicit you either, but kind of—it makes everything user friendly. I keep remembering the first time I went to Beijing, way back, because now it is changed, but there was called a Co-Heal, it is behind the Palace, and it is a beautiful walk, by the way, in the morning. And that is where all of the people who live in Beijing do tai chi. And so you are tempted to do tai chi, even if you don't do it, so how can the master plan, the architecture, the type of retail or so on, how can it kind of take you there?

MR. RUMMELL: I am going to keep ignoring the architecture questions, because I don't think it is about architecture. You probably need to accept the fact if you are going to start this, you are going to get a certain kind of person, you are going to get an experimental kind of person and you

maybe need to accept that, and then there needs to be an attitude of experimentation within the community, so that you will try things, you will try tai chi, if nobody wants to do tai chi, cancel tai chi. And it seems to me that there is probably a group of people who would be interested in something like that and the challenge would be how do you find them, and then engage them and actually make them part of creating what this place will ultimately be.

MR. KAO: I think that is a very important point, Peter, that there is a mission here. And that there is a certain group of potential residents who will buy into the mission, and the notion that this should be a prototype, it should be a lab, it should be a place that engages a lot of different domain experts and representatives of different interest groups, but that the residents themselves are going to be proud to be part of that experimentation process, to be part of the vanguard, so I think a really important part of how you sell it.

MR. RUMMELL: And how you create that atmosphere and make it welcoming and not threatening. And the other thing is, by the way, people are investing hundreds of thousands of dollars in this, if it is a town you are moving in and buying a house or renting an apartment, so it is not something you do on a whim, it is something you have got to have a sense of comfort about it, and security.

MR. BOURGUIGNON: So we have unfortunately, for our chat around the fire, we have only five minutes left. So Peter, this is my little surprise, so there is an architect in Holland, and he has created an architectural firm called Water Studio, and his theory—I am going to read a little piece, that is why I have my paper, but his theory is that cities in the past were built to last, and that today cities should be like a smart phone, where you can change everything rapidly, and that there is no reason for a city to be the same 20, 25 years from now, so obviously it is very difficult to build big buildings and tear them down every 20 years, right? So he found an idea. It is called a water city.

I would like to get your opinion on this. Today in the 21<sup>st</sup> Century, cities are dynamic and constantly changing, yet we keep building them the same way, with irremovable urban elements which become obsolete or useless after 50 years. The idea of building for eternity or perpetuity is doomed.

So he has built a city called Ishberg [phonetic] next to Amsterdam, and it is built on a set of artificial islands, long buildings with flat roofs are spread over the lake. It conveys a sure sense of harmony that may well be a mark of forward thinking, and those homes he can change them as he wants. Can it be the beginning of a healthy city?

MR. RUMMELL: No. One way to guarantee mundane, boring, and trivial, is to try and build something with the idea that it can then be anything you possibly want it to be. That guarantees vanilla and so you are going to have a series of long stretched out buildings that will have no sense of place and no sense of being. I think you can do places and you can do architecture and you can make it user friendly and still keep in mind the fact that that storefront may be a different use 20 years from now because the Tai Chi is gone and there is now a bakery in there, and so there is lots of ways to do flexibility without doing boring, and that scares me.

MR. BOURGUIGNON: John?

MR. KAO: Well, Tokyo, for instance, is often referred to as the amoeba city, because it has been constantly evolving for centuries, and this notion of temporariness in architecture is baked into the Japanese esthetic. There is this shrine called the - - shrine, I don't know how many of you have heard of it, it is an amazing phenomenon where every 10 years they take the entire shrine down, it has no nails, so it is all wood puzzle construction, and they move it somewhere else and then rebuild it, and it is a reminder that nothing lasts forever, but it is almost a celebration of impermanence. But I also agree with Peter that cities thrive because of a sense of place, and simply giving people a set of tinker toys and saying that it can be whatever you want, when you decide to change your mind, isn't the answer either. All great art operates with constraints and so the fact that cities like New York and Paris and London and Tokyo, they have streets and established architecture and buildings that have been there for 100 years and may or may not be falling down, but provide a sense of orientation, I think is crucially important.

MR. BOURGUIGNON: Maybe we will ask the audience if there is any question you would like to ask. Yes?

FEMALE VOICE: How do you create character in something new?  
Surely sterility is the biggest problem, because didn't great creativity come out of adversity or a lot of it came out of adversity and if you try and create something that is sterile or—did people hear what I said?

MR. BOURGUIGNON: We heard, but evidently the audience didn't hear. You need to repeat your question.

FEMALE VOICE: What I was saying is, how do you create character and not sterility when you create. In London, we have Milton Keynes, which was an absolute nightmare, and what I said was, doesn't creativity often come out of adversity, which means from a demographic perspective and a cultural perspective, you need the mix so how can you create something that is a sterile environment, or why would you create something that is a sterile environment? Isn't it evolutionary?

MR. BOURGUIGNON: I will let Peter answer it, because I know he has a clear view on how to do it. I would just make one little comment, that is the difference between a new town in France, having to be regulated, and letting people express their own tastes, one building next to the other, with some minimum level of rules for consistency.

MR. RUMMELL: You don't have to go any further than Philippe's Paris example, that Disneyland Paris is now a real town, with thousands of residents and three or four million feet of office space, and 20,000 hotel rooms, and it is a real place, and if you compare it to the other New Towns in Paris, which are God awful, which were done by the government, this place has patina and style and has a sense of interest to it, and that is a matter of master planning and paying attention to it as opposed to trying to do everything by a stamp.

MR. BOURGUIGNON: By very, very specific rules. Yes.

MR. RUMMELL: I think there are ways to get patina without years.

MR. BOURGUIGNON: But one, there was a great French architect, when talking about France, or a city builder, his name was Osman [phonetic] and he didn't put any rule except height restrictions, and that is why Paris kept as Paris, because the rules of what is called Osmanian buildings, there was no rules on how that should be, on how the roof should be, on the angle of the roof, four sides, two sides, whatever, tiles or anything else, but there were rules regarding the height.

That is why Paris didn't get spoiled like London, with towers, with one exception, by the way, the - -.

There is one great thing in London, since we are talking about London is that London is giving incentives to create urban farms. That is one of the things, that those urban farms which can be put on top of buildings, in smaller gardens, or even in the urban structures. London. Another question, and then I think we should finish. Yes?

MALE VOICE: My question is a little bit long, so I will just read it quickly. The spa industry struggled with identity from different types of spas to lack of true integration with medical, wellness, and fitness industries and the like, and while I certainly feel that a Healthy Town can be done under that model with that integration, spa-traditionally Western spa, I am speaking of, with this healthy concept of town, is mostly made up of baby boomers or wealthy generation X-ers that it has been traditionally marketed to, and has never included children, which I think is where the transformation in this concept will happen. How do you see children incorporated into this model, versus the reality of the financials of who you are marketing to?

MR. RUMMELL: I didn't appreciate it until I got here and I spent the last two nights listening. If I were the king of your world, the first thing I would do would be get rid of the word, Spa.

[applause]

I had this conversation with some people who were more worldly and smarter than I am yesterday, and they reminded me that my reaction was an American reaction and that may well be true, but the word "spa," at least here in the United States has a connotation to it which is just deadly, compared to the openness and the broader thinking that I have heard in these rooms for the last two days. So I think there is some fundamental redefinition that needs to happen and it is as simple as branding.

FEMALE VOICE: What is the deadly definition, in your opinion?

MR. RUMMELL: The deadly definition of, "spa?"

FEMALE VOICE: Yes.

MR. RUMMELL: Is that it is for rich, white women. You asked me.

MR. BOURGUIGNON: Okay, end of session. Thank you very much.

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the Future.MP3]