

Turner & Townsend has appointed infrastructure expert Murray Rowden to lead their North American business. He spoke to *Andy Walker* from his office in New York.

A land of opportunity for infrastructure

With infrastructure opportunities growing significantly across the pond, global head of infrastructure at Turner & Townsend, Murray Rowden, seems an ideal choice to take over as the firm's new managing director for North America covering the US and Canada.

Under his leadership, global revenue in infrastructure at Turner & Townsend is set to treble – from £59m to £150m – by the end of this year so he's well placed to take on such an important role stateside. Since joining the consultancy in 1990 as a graduate, Rowden has risen through the ranks to spearhead strategy and drive business growth in its infrastructure and real estate sectors. He's certainly looking forward to his new challenge in a market where his firm is not traditionally strong.

"In North America, our income largely comes from real estate and natural resources, with only 5% of our income coming from infrastructure," he explained. "However, we are seeing some real opportunities to accelerate growth, so the logic was to put somebody from the executive board with infrastructure experience into North America. That's how I got here, with the aim of accelerating our infrastructure income

over the next few years from the 5% we currently have," he said.

Rowden sees a number of opportunities in the region arising from the need to upgrade infrastructure. "What's interesting about North America is that infrastructure assets are not in great condition," said Rowden. "That is recognised and there have been a number of initiatives to improve the situation in the US, such as a federal loan to Amtrak to upgrade the rail system. We are currently working on programme management on Houston Airport's redevelopment and at Dallas Fort Worth. Our role is to be an extension to the client providing executive programme management and project controls. At Dallas we have been establishing project control methodologies for how they deliver their portfolio and programme of work," he explained.

Rowden told me that in the US in particular, infrastructure is increasingly being looked at on a more long-term basis. "Things have tended to operate on annual budgets because it's largely a state-based system but they see that longer-term planning is the way to go," he said. "Looking at alternative sources of funding and building up asset management capability and getting more from existing

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Murray Rowden in his office at Turner & Townsend in New York.

assets will be important. They do reference the UK and Australia as a model to follow and what's also interesting is that ISO for asset management is getting applied to all authorities so they have to be qualified and measured and certified against ISO 55000, which is also creating a market opportunity," he explained.

Rowden said that there were differences in attitude towards infrastructure development in North America. "Canada is committed to rail with long-term infrastructure plans and big developments particularly around the Vancouver and Toronto areas, with the state very much into funding it," he said. "What we are seeing in rail in the US is the federal loan to upgrade the Amtrak lines with a big development around the eastern seaboard corridor. In Texas there's Lone Star Rail, in California there's high speed rail, so rail is becoming more prevalent when in the past infrastructure development was more around cars and planes. Now more and more it's rail, both intercity and also commuter lines, and there's opportunity there," said Rowden.

Those opportunities include challenges around who owns the land near rail lines and helping to map a route through. "The US is joining with Canada, who are one of the global leaders, in looking at PPP and how to create innovative funding models," he said.

Rowden also highlighted the connection between infrastructure and real estate development and the opportunities that are coming to Turner & Townsend. "In New York there are a number of station developments that are integral with mass real estate developments," he said. "We are programme managers on behalf of Time Warner on a good proportion of the Hudson Yards development, which will have the fifth tallest building in New York. Sitting beside that is the Moynihan Station redevelopment, so understanding the development opportunities on that is a real test bed for future urban environment work we hope," said Rowden.

"If you link infrastructure development with urban planning the economic stimulus it brings and the attraction to invest in cities and towns can make a major

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impact. You can see the difference that urban development intersecting with infrastructure makes. I've only got to look out of my office window here in New York to see that," he told me.

On a global basis, Rowden thought there was a trend towards infrastructure development being looked at more strategically by governments. "More and more internationally, we are seeing the approach of setting an infrastructure plan. There is a lot of interest in the UK model around the world and a number of countries including South Africa, Australia and Canada have adopted strategic

planning and investment in infrastructure as a powerful economic lever. This is less the case in the US because things differ state by state," he said.

So should the industry be doing more to make the case for infrastructure, especially in the UK? "The US political system is markedly different from the UK," Rowden said. "The US system involves lobbying and putting a commercial case forward, that's very much in their culture. The concept of a lean state is still prevalent here whether the Democrats or the Republicans are in power. The US also values its industry and with construction being 8% of GDP here, it's one of the largest sectors," he said.

"In the UK we haven't been particularly good at advocating for more investment in infrastructure but with the recent announcements in the UK it's encouraging that we are now beginning to get more valued as an industry," said Rowden.

Turning back to his new role, Rowden said he was relishing the challenge. "I'm looking forward to bringing my knowledge to bear in a marketplace where we are not a big player to gain us influence and bring new ideas," he told me. "It's perhaps a little grandiose to say it, but I want to find a way of helping the US and Canada really look at global learning and to think about how they can drive efficiencies in asset management, investment and better set up and execute large projects.

"If we can combine the great things that have happened over here with the learning from 20 years of infrastructure development in the UK, building on experiences from clients like Heathrow, Anglian Water and Highways England about how you better do programmes, better get value and efficiency and about how you better use technology and deliver infrastructure, then I'm really looking forward to that. You have to do it client by client so that as an organisation your reputation is enhanced by the client you are working for," Rowden said.

"There some great opportunities here to accelerate the growth of our business while applying new alternative models that would better serve the US and Canada," said Rowden. "Through our experience on high-profile projects over here, such as Time Warner's New York headquarters, San Francisco International Airport, the Toronto Metrolinx Regional Express Rail programme and Freeport LNG's natural gas liquefaction project in Texas, I'm sure that we will continue to extend our position in the region," he said.

With Rowden's experience, determination and drive at the helm, it will be interesting to watch Turner & Townsend's progress and success in North America in the months and years ahead.