

CAMDEN UNLOCKED

■ Market Tech chief executive Charles Butler tells **Mia Hunt** about his plans to use everything at his disposal - retail space, restaurants and shared occupancy offices - to lure Londoners back to the borough

Famed for its punk spirit and markets, the London Borough of Camden rarely plays by the rules. So for those who hold Camden Town up as a beacon for anti-gentrification, alarm bells must have begun to sound when, in 2014, a property company started buying up swathes of the area, referring to its new portfolio as an "estate".

That property company is Market Tech, which started life as a public company in December 2014, backed by Israeli entrepreneur and billionaire Teddy Sagi. So far, the collision between a location famed for its anti-establishment grittiness and a real estate company doesn't seem to have resulted in controversy, and Market Tech's chief executive Charles Butler is determined to keep it that way.

Sitting in the firm's boardroom overlooking the hustle and bustle of Camden Lock Market, Butler is at pains to explain that Market Tech's vision is not to turn Camden into the next Covent Garden; rather, to embrace its unique identity and enhance what is there.

Camden Town made its name in the 1970s when it was at the heart of London's punk

scene. Its lively musical culture, the alternative market stalls and the brightly coloured tattoo and piercing shops that lined the high street made surrounding areas seem dull by comparison.

Bringing back the cool

But while Camden has continued to pull in the crowds in the decades since its heyday, it has suffered from a lack of investment and, these days, it is no longer the epicentre of cool it once was for Brits. Market Tech's research shows that 50% of the visitors to Camden Town come from overseas, 25% from Greater London and 25% from the rest of the UK.

In other words, Londoners themselves have largely moved on. It is exactly that drift that Market Tech hopes to stem. "Twenty years ago, Camden was the place to be, but people started to go to Shoreditch and other places," Butler says. "What we're trying to do is bring the 'cool' back to Camden."

The company bought up Union Street Market, Camden Lock Market and Stables Market in a series of transactions in 2014 and 2015, bringing them under single ownership for the first time.

The acquisitions also included many surrounding properties. When added together, they form a portfolio totalling 16 acres. "The opportunity is huge," says Butler. "There's a lot of work to do, but I think this has to be one of the most exciting projects in London and a very different project. It isn't at all traditional."

Butler admits it would be possible to get Camden "very wrong" if not treated carefully. "Camden is a melting pot where everyone co-exists," he says. "I could go to the pub after work with my suit on and there'll be a punk in the corner with a mohican - everyone accepts you for what you are, whatever that may be. We have to be very careful not to disturb that. The one thing that you mustn't destroy is Camden's ethos and style - we certainly don't intend to do that."

That doesn't mean visitors to Camden Town won't see changes in the years to come. Butler believes Londoners who have abandoned the area could be tempted back if a new breed of bars and restaurants is provided. "People have a lot of affection for Camden but it doesn't always offer what they want," he says. "There aren't the right restaurants; there aren't the right bars - people go to the West End for that - so really what we want to do is to provide more for Londoners."

Butler also intends to use tech to enhance the value of the real estate. It is an area in which Market Tech is perhaps uniquely qualified as a



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property firm. Butler may have begun his career as an accountant at KPMG, but he made his name in e-gaming. More fundamentally, Market Tech has a stake in retail analytics company Minodes, which specialises in customer behaviour data-capture technology, as well as three other tech firms. This know-how enables Butler and his colleagues to see where people go, how long they stay, where they stop, where the cold spots and bottlenecks are and which stallholders are doing well and which are not.

Further insight gathered from website data shows that visitors to Camden are looking overwhelmingly for experiential shopping and entertainment. "We've got some fantastic experiential retailers; the likes of Half Hitch Gin and Chin Chin Labs make and sell produce on the premises. People want more of that," says Butler. "Provenance is important."

There is certainly room to expand. There are vast areas of underutilised space, particularly in the upper floors of Stables Market, but also in a network of underground tunnels and caverns that have been left idle since light industry left the area.

Food for thought

The company plans to restore derelict buildings to their former glory and Butler hopes to create a street-food market that garners a reputation as one of the best in the world. Future initiatives for Stables Market include the creation of a dedicated music zone, complete with stalls and facilities to host live music. The company also hopes to attract young fashion designers to co-working space that will include amenities such as communal cutting rooms (it is working with various London fashion colleges) and establish a cooking school.

At Camden Lock Market, the plan is to make it more accessible and inviting. "It becomes so busy here that you can't move, and that's not conducive to a pleasant shopping experience," explains Butler. "It's too cramped in some areas; there are bottlenecks and we want to relieve that. What we're working on is to make the whole area more permeable with more open spaces."

For now, though, Market Tech is focused on Hawley Wharf, a mixed-use scheme that will comprise a 180-pupil primary school, 195 apartments, retail and leisure space, an arthouse cinema, restaurants and other leisure facilities. The school will be open for the beginning of term in September, while the rest is scheduled to come online from the end of 2017.

Butler says Market Tech's overarching aim is to create "an eco-system" where people can live, work and play. So, as well as attracting more experiential retailers and bringing in more leisure and entertainment, it is also about drawing in more workers. To that end, Market Tech has moved quickly to capitalise on the trend for co-working, launching three buildings under its Interchange brand.



Snapshot: Charles Butler

- Butler began his career as an accountant at KPMG before moving into corporate finance and telecoms.
- He ran Bowman International for six years from 2001-07, during which time he moved the business online. He drove a 300% increase in revenue during his time at the company. The business was sold to Bet365 in 2006.
- He was chief executive at Netplay TV between 2010 and 2014, during which time he repositioned the business and increased shares from 3p to 19p.
- He was appointed as chief executive of Market Tech in September 2014 to lead the company's IPO.

Market Tech acquired its first co-working office building, Utopia, in April 2015 before launching two more schemes. The first, Triangle, opened in October last year with around 278 desks, 85% of which are currently occupied. Its second co-working office, Atrium, situated at the heart of Stables Market, opened in May with 650 desks and is already more than 77% occupied.

Retaining originality

"Co-working is about small businesses and helping them to grow," says Butler. "For us, it's not about bringing big brands into Camden Market - it really isn't. It's about ensuring we retain that originality."

The strategy seems to be working. The group floated on the Alternative Investment Market

(AIM) in December 2014, when it was valued at £750m, and it transferred to the main market in January this year. Its growth so far has also been impressive - the company's full-year results to 31 March show that revenue for the digital side of the business is up from £10m to £102.3m, while the real estate side is up from £20.1m to £28m.

"This has been a year of progress and it's been incredibly busy," says Butler. "We've had a big equity raise, we've secured long-term debt refinancing and we moved from AIM to the main market. Those are costly events. We don't envisage having to do any of those things again imminently, so while our cost base has been heavy this year, it has all been about positioning."

As for the impact of Brexit, Butler thinks Market Tech is well placed to ride it out. "Brexit will cause instability but we have a huge number of small tenants and we're very well diversified," he says.

Such is Butler's confidence that he already has an eye on future expansion. The last year has been about laying the foundations, getting the right people in place and setting up the right capital structure for future growth, he says, adding that "really we're just at the start of the journey".

He adds that the long-term plan is to expand the company's unique market-tech hybrid to other areas of London and, potentially, to other cities.

For now, Butler has his work cut out enhancing Market Tech's existing "estate". It's a challenging proposition but, if he gets it right, the young Londoners who made Camden cool in the first place will come flooding back. ■

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