



2015 Self Storage Hall of Fame

The Self Storage Hall of Fame recognizes annually the contributions of storage professionals to their businesses, to this industry, to the Association and to their communities. In addition to honoring those who are successful entrepreneurs and active within the SSA, we take great pride in inducting well-rounded self storage citizens.

And that is precisely what we have in our 2015 inductees: Ken Nitzberg (Devon Self Storage) and Mike Burnam (StorageMart). Because Ken and Mike are long-time friends, we thought it was only fitting that they write a profile on one another.



Mike Burnam



Ken Nitzberg

Mike Burnam: All in the Family

By Ken Nitzberg

I first met Mike, his father Gordon (a member of the first SSA Hall of Fame in 2005) and his younger brother Cris in a hallway of the Fairmont Hotel in San Francisco at my first-ever Self Storage Association conference in the mid 1990s. I had been a seasoned veteran of the industry for two years when I met the Burnam clan. Little did I know that Mike and I were to become great friends, travel the world together to hunt and fish, and constantly compare notes about each other's business successes and failures. Isn't that what friends are for?

Mike has a long history in the self storage business. His father Gordon started in the self storage business in 1972. Mike soon joined in the family business, but as Mike tells it, the Burnam family was in many, many different businesses over the past 40 years, ranging from raising horses for meat to be shipped to France, all other types of real estate including apartments and retail centers, and even to servicing and inspecting sewer facilities. In fact, Mike at one time studied for and received his certification in wastewater management, which is not intended to be a commentary on his self storage management skills!

The company's efforts and achievements in the storage industry really began to accelerate in earnest in the early 1990s with the formation of Storage Trust, which would become the second self storage REIT to go public in 1994. In 1999, Public Storage completed a hostile takeover of Storage Trust, leaving Mike and his family with 14 facilities, down from the 237 that Storage Trust was operating at the time of the takeover.

After Public Storage fired Mike and his family, they teamed up with Warburg Pincus, a leading Wall Street private equity firm, in 1999. At the time, many of the Wall Street investment banking firms were eager to get a foothold in the self storage industry by partnering with a proven self storage operator. The Wall Street firm would provide the capital, while the experienced self storage operator would run the day-to-day operations. This proved to be a very successful venture, but in 2006 Warburg decided to cash in its chips.

See Burnam, page 30

Ken Nitzberg: Storage Pioneer

By Mike Burnam

I met Ken at the Fairmont Hotel in San Francisco during one of the first Self Storage Association meetings after Storage Trust went public. I don't recall what brought us together; it might have been Ken's experience in the public markets, but I suspect it was because he was one of the only Californians I knew who owned a gun and hunted! After that I knew we would become long-time friends and frequent roommates on hunting trips around the world.

Ken's history was just a primer for his entry into the self storage business and was much more professional than mine. We both had degrees in agriculture, but his background was much more financially oriented than mine with his co-founding of Equitec Financial Group in 1973.

Ken became Equitec's president in 1977, eventually growing the company to \$4.5 billion of assets under management with more than 250,000 clients. The company went public and was listed on the New York Stock Exchange in 1985. Then, in true Ken fashion, a controlling interest was sold in 1987 to an outside group and he promptly began looking for greener pastures. Those pastures contained a storage conversion facility in Houston that became the first of many conversions Ken and his new company Devon developed.

Ken was one of the leading self storage conversion pioneers, and that is probably where I first saw some of his converted stores on the East Coast with his signature drive-through lane. Ken attracted many different investors over the years. Although he has done business with name-brand investors—Harvard Endowment Fund, State of Michigan Retirement System, Wells Fargo, J.P. Morgan and many others—I first got to spend time with him after he sold his company to Goldman Sachs in 1998, which led to Devon becoming one of the U.S. pioneers entering the European self storage market.

Pioneers always get the arrows, and Ken's pioneering efforts in Europe were no different. After creating the first U.S.-style self storage facilities in Holland, Germany and France, he was lucky (tongue in cheek)

See Nitzberg, page 30

Mike's family wanted to purchase the assets from Warburg Pincus but needed a new capital partner to pull off this acquisition. Ever the entrepreneur, a perfect partner was found who happened to live in Columbia, Missouri—where Mike was raised, attended the University of Missouri and lives today. Together they purchased the portfolio from Warburg, which at the time had 58 stores in nine states.

Immediately thereafter they began to acquire additional stores, growing the new company, StorageMart, to a total of 70 stores in 12 states, while employing four family members in addition to all of the other jobs Mike was instrumental in creating. The company then ventured into the Canadian market and ended up doing its own hostile takeover, buying the only publicly traded self storage REIT in Canada. The successful takeover netted StorageMart an additional 67 stores in five provinces of Canada, making StorageMart the largest self storage operator in the country.

During all of this growth, Mike did not forget to give back to the industry that gave so much to him and his family. He served on the board of the Self Storage Association from 1991–1993 and was chairman in 1993. After being off the board for 10 years, he was cajoled into rejoining for an additional three-year term in 2003. Mike has been a very frequent speaker at both the national level and at numerous state SSA association meetings.

He is always available to unselfishly give of his experience and knowledge in the self storage industry. Today, Mike's brother Cris runs StorageMart very well and the company is one of the largest private self storage companies in North America, owning 170 stores with 80,000 units and employing 510 people in two countries. The company has a market value of almost \$2 billion. Mike just continues to do the things he likes to do!

On a personal basis, Mike is married to Janice and they have two children and seven grandchildren. Mike is very active in his church activities and helped organize and sponsor the annual prayer breakfasts at the spring SSA meetings. He and Janice like to bicycle, especially when they lead bike tours in Europe. He is an avid fisherman and a dedicated bird hunter, which is something that we both enjoy together with our many friends in the industry.

Mike is as proud as am I to be part of the Self Storage Association, a great organization where one can call competitors friends.

Ken Nitzberg, who is also being inducted into the Self Storage Hall of Fame this year, is the chairman and CEO of Devon Self Storage.

enough to have had one of the biggest fires in self storage history in an Amsterdam facility! In 2002, Ken repurchased his management company after Goldman Sachs sold the U.S. assets at a significant profit to U-Stor-It (before it became CubeSmart).

Ken again began developing self storage in the U.S., successfully building and selling several portfolios at just the right time, as well as expanding into acquisitions and third-party management. Today Devon's portfolio operates 50 stores in 19 states, employing 120 people, with a market cap above \$350 million.

In 2002, Ken founded the Mid-Sized Owners Group to create a platform for mid-sized owners to meet and share ideas and information. The MSOG started with 25 member firms and grew to more than 175 representing 5,000+ stores. The name was changed to the Large Owners Council after including the public REITs. The LOC meets at the spring and fall SSA conferences.

Ken was asked to join the SSA board in 2003, elected vice chair in 2004 and chairman in 2005–06.

Even though Ken was in constant motion over the years, he still gave back to his alma mater, the University of California, Davis. He was a trustee of the UC Davis foundation for nine years, two of those as chairman while completing the \$15 million UC Davis Students First campaign. As part of the campaign, Ken and his wife Joanne funded the Kenneth E. and Joanne M. Nitzberg scholarship endowment for the UC Davis Graduate School of Management.

Ken also served on the board of trustees for the Head-Royce School, a 120-year-old K–12 private school in Oakland, California, from 1992–2001, raising money for a new lower school. Through the years, Ken told me many stories about his long-time association beginning in 1982 with the Young Presidents Organization (YPO). In classic Ken fashion, he held every office including chairman while also serving on three YPO University committees in Paris, Istanbul and Israel. Ken is now a member of the Northern California Chapter of the World Presidents Organization (WPO), the graduate group for YPO, and was chairman in 2006–07.

Ken is still active in the self storage business and recently co-founded and is chairman of Self Storage Insurance Associates, Ltd., a Cayman Island tenant reinsurance company with 25 member firms and more than 700 member self storage facilities. Ken lives in Berkeley, California, with his wife Joanne, and has two daughters and one granddaughter.

Mike Burnam, who is also being inducted into the Self Storage Hall of Fame this year, is the CEO of StorageMart.

Eleven Years of Hall of Fame



The Inaugural 2005 Class

2005

Frank Blumeyer, Sr.
Gordon Burnam
Dan Curtis
Hardy Good
Harold Leslie
Edmund Olson
Arthur "Buzz" Victor

2006

Charles Barbo
Thomas Brundage
Don Daniels
Harvey Linken
Alan Minter
Daniel Webster

2007

B. Wayne Hughes
W.W. Bill Woodard
Tom & Millie Swanson

2008

Joanne Geiler
David Mackstaller
Dave Reddick

2009

Bob Abernathy
Foy Cooley
Don Temple

2010

William Kenney
Steve Wilson

2011

W. Michael Schoff
Bob Soudan
Ron Boorstein

2012

Lorin Christean
John Yelland

2013

Bob Bader
Dean Jernigan

2014

Ken Woolley
Barry Hoeven

2015

Mike Burnam
Ken Nitzberg

