

DEALING

A Week in the Life.

I Don't do it for money. I have got enough, much more than I will ever need.

I do it to do it. Deals are my art form.

Other people paint beautifully on Canvas or write wonderful poetry - I Like making

deals, preferably big deals. That's how I

get my kicks. Most people are surprised by the way I work - I play it very close.

I don't carry a briefcase. I try not to schedule too many meetings. I leave my

door open - you can't be imaginative or entrepreneurial if you have got too much

structure - I prefer to come to work each day and just see what develops.

There is no typical week in my life. I wake up most mornings very early, around

six, and spend the first hour or so of each day reading the morning newspapers.

I usually arrive at my office by nine, and I get on the phone. There's rarely a day

with fewer than fifteen calls, and often it runs to over a hundred.

Page 2.

In between, I have at least a dozen meetings. The majority occur on the spur of the moment and few of them last longer than fifteen minutes. I rarely stop for lunch. I leave my office by six-thirty, but I frequently make calls from home until midnight, and all weekend long. It never stops, and I wouldn't have it any other way. I try to learn from the past, but I plan for the future by focusing exclusively on the present. That's where the fun is. And if it can't be fun what is the point?

MONDAY.

9:00 AM. My first call is to Alan ("Ace") Greenberg, on the trading floor of Bear Stearns, a major Wall Street investment banking firm. Alan is the CEO of Bear Stearns, he's been my investment banker for the past five years. And he's the best there is. Two weeks ago we began buying stock in Holiday Inns. It was selling in the 50s. As of this morning Alan tells me, I just own over one million shares, or slightly more than 4 percent of the company.

page 3

The Stock closed Friday at \$65 a share, mostly, Alan says because word is out on the street that I've been a big buyer, and there's speculation I am planning a run at the company. The truth I'm keeping my options open. I may ultimately go for control of Holiday, which I think is somewhat undervalued. At the current stock price, I could get control for less than \$2 billion. Holiday's three casino hotels could be worth nearly that much - and the company owns another 300,000 hotel rooms besides.

A second option, if the stock price goes high enough is to sell my stake and take a very nice profit. If I did that today, I'd already be up about \$7 million. The third possibility is that Holiday may eventually offer to buy back my shares, at a premium, simply to get rid of me. If the premium is big enough, I'll sell. In my case, I enjoy seeing the lengths to which bad managements go to preserve what they call their independence - which really just means their jobs.

page 4.

9:30 AM. Abraham Hirschfeld calls me, looking for advice. Abe is a successful real estate developer but he wants to be a politician. Unfortunately for Abe, he's a far better developer than politician. This fall, Abe tried to run for Lieutenant Governor against Governor Cuomo's hand-picked candidate, Stan Lundine. Cuomo led a court fight to get Hirschfeld off the ballot on technical grounds and sure enough, halfway into the campaign, the court ruled Hirschfeld out. Abe knows I'm friendly with the governor, and he wants my advice now on whether he should endorse Cuomo or switch parties and endorse Cuomo's opponent. I tell him it's a no contest question - stick with the winner and a good guy at that. We set a meeting for Thursday.

10:00 AM. I call Don Imus to thank him. Imus has one of the most successful radio shows in the United States on WNBC, and he is been helping to raise money for the Annabel Hill Fund. I'm amazed at how this has snowballed into such a media event. It began last week when I saw a national news

Page 5.

report by Tom Brokaw about this adorable Little Lady from Georgia, Mrs. Hill, who was trying to Save her farm from being foreclosed. Her Sixty-Seven years Old husband has Committed Suicide a few weeks earlier, hoping his Life Insurance would Save the farm, which had been in the family for generations. But the Insurance proceeds weren't nearly enough. It was a Very Sad Situation, and I was moved. There were people who had worked Very hard and honestly all their Lives, only to see it all Crumble before them. To me, it just Seemed wrong.

Through NBC I was put in touch with the wonderful guy from Georgia named Frank Abgenbright, who had become Very involved in trying to help Mrs. Hill. Frank directed me to the bank that held Mrs. Hill's mortgage.

The next morning, I called and got some Vice president on the Line. I explained that I was a businessman from New York, and that I was interested in helping Mrs. Hill. He told me he was sorry, but that it was too late. They were going to auction off the farm, he said. You Listen to me.

Page 6.

If you do foreclose, I will personally bring a lawsuit for murder against you and your bank, on the grounds that you harassed Mrs Hill's husband to his death. ALL of a sudden the bank officer sounded very nervous and said he'd get right back to me.

Sometimes it pays to be a little wild. An hour later I got a call back from the banker, and he said, Don't worry, we are getting to work it out Mr. Tramp. Mrs Hill and Frank Argenbright told the media, and the next thing I knew, it was the lead story on the network news. By the end of the week, we had raised \$40,000. Imus alone raised almost \$20,000 by appealing to his listeners. As a Christmas present to Mrs Hill and her family, we have scheduled a mortgage-burning ceremony for Christmas Eve in the atrium of Trump Tower. By then I'm confident, we'll have raised all the money. I've promised Mrs Hill that if we haven't I'll make up any difference. I tell Imus he's the greatest, and I invite him to be my guest one day next week at the tennis matches at the U.S. Open.

page 7.

11:15 Am. Harry Usher, the Commissioner of the United States Football League, calls. Last month, the jury in the antitrust suit we brought against the National Football League ruled that the NFL was a monopoly, but awarded us only token damages of one dollar. I've already let the better players on my team, the New Jersey Generals, sign with the NFL. But the ruling was ridiculous. We argue about the approach we should take. I want to be more aggressive. What worries me, I say to Harry, is that no one is pushing hard enough on an appeal.

12:00 noon. Gerry Schuenfeld, head of the Shubert Organization, the biggest Broadway theater owners, calls to recommend a woman for a job as an ~~job~~ office administrator. He tells me the woman specifically wants to work for Donald Trump, and I say she's crazy but I'll be happy to see her. We talk a little about the theater business, and I tell Gerry I'm about to take my kids to see Cats, one of his shows, for a second time. He asks if I'm getting my tickets through his office. I tell him that I don't like to do that sort of things.

page 8.

1:15pm. Anthony Gliedman stops by to discuss the Wollman Rink project. Gliedman was Housing Commissioner under Ed Koch. At the time we fought a lot, and even though I ended up beating him in court, I always thought he was bright. I don't hold it against people that they have opposed me - I'm just looking to hire the best talent, wherever I can find it. Tony has been helping to coordinate the rebuilding of the Wollman Skating Rink in Central Park, a project the City failed at so miserably for seven years. In June I offered to do the job myself. Now we are ahead of schedule, and Tony tells me that he's set up a press conference for Thursday to celebrate the last important step in construction - pouring the concrete. It doesn't sound like much of a news event to me, and I ask him if anyone is likely to show up. He says at least a dozen news organizations have RSVP'd yes. So much for my news judgement.

2:00pm. I get deposed in a lawsuit we've brought against a contractor Trump Tower. Halfway into the job we had to fire the company for total incompetence.

Page 9.

For total incompetence, and we're suing for damages. I hate lawsuits and depositions, but the fact is that if you're right, you've got to take a stand, or people will walk all over you. In any case, there's no way I could avoid depositions, even if I never brought a lawsuit myself. Nowadays, if your name is Donald Trump everyone in the world seems to want to sue you.

3:00 PM - I ask Norma Foerderer, my executive assistant and the person who keeps my life organized to bring me lunch: a can of tomato juice. I rarely go out, because mostly, it is a waste of time.

3:15 PM: I put in a call to Sir Charles Goldstein: he's out, and I leave a message. He's a successfully real estate attorney, but not one of my favorites. A mutual friend, William Fugazy, first mentioned that Lee and I should do a real estate deal together. I think Lee is an extraordinary businessman who has done wonders in turning Chrysler around and I also like him a great deal personally. So one thing led to another and we began talking about the towers. It's a substantial investment, and I'm not certain Lee is absolutely sure yet that he

page 10.

that he wants to go forward. If that's the case, it occurs to me, he's done the perfect thing by hiring an attorney I don't like. And that's precisely what I intend to tell Sir Charles when he calls me back.

3:30 pm. I call my sister, Maryanne Barry to discuss a decent decision in a lawsuit we are contesting in Atlantic City. Maryanne is a federal court judge in New Jersey, and her husband John, is a talented attorney I have used on many occasions. Can you believe they ruled against us?

4:pm - I go to our conference room to look at slides of potential Christmas decorations for the atrium in Trump Tower. The spectacular six-story marble atrium has become of the leading tourist attraction in New York. More than 100,000 people a week come from all over the world to see it and shop in it, and it's now a symbol of the Trump Organization. That's why I still get involved in details like what Christmas decorations we should use.

I don't like most of what I'm shown. Finally, I see a huge and magnificent gold wreath for the entrance to the building and decide we would use just that.

Page 11.

4:00pm Nicholas Ribis, a New Jersey attorney who handled the licensing of both my Atlantic City Casinos, calls to say he's about to leave for Sydney Australia, to pursue a deal I'm considering. He tells me it's a twenty-four hour flight, and I tell him I'm very glad he's going instead of me. The deal, however, may be worth the trip. The government of New South Wales is in the midst of choosing a company to build and operate what they envision as the world's largest casino. We're a front-runner for the job, and Nick is going over to meet with the key government people. He tells me he'll call from Australia as soon as he has any news.

5:15pm. I call Henry Kanegsberg, the NBC executive in charge of choosing a new site for the network's headquarters. We've been courting NBC for more than a year, trying to get them to move to our West Side yards site - seventy-eight acres along the Hudson River that I bought a year ago and on which I've announced plans to build the world's tallest building. I know Henry just been shown our latest plans for the site and I'm following up.

Page 12.

5:45 pm. My nine-year old son, Donny calls to ask when I'll home. I always take calls from my kids, no matter what I'm doing. I have two others - Ivanka, six and Eric, three and as they get older, being a father gets easier. I adore them all, but I've never been great at playing with toy trucks and dolls. Now, though is beginning to get interested in buildings and real estate and sports and that's great.

I tell Donny I'll be home as soon as I can, but he insists on a time - perhaps he's got my genes; the kid won't take no for an answer.

6:30 PM: After several more calls, I leave the office and the elevator upstairs to my apartment in the residential part of Trump Tower. Of course I have a tendency to make a few more calls when I get home.

Tuesday.

9:00 AM. I call Ivan Boesky. Boesky is an arbitrageur, but he and his wife are also the majority owners of the Beverly Hills Hotel and I've just read that he's decided to sell it. I have no ideal when to call that just two weeks from now.

Boesky will plead guilty to insider trading and that

page 13.

the real reason he's eager to sell the hotel is that he needs to raise cash fast. My deal is to hire Steve Rubell and Ian Schrager, the creators of Studio 54 and the Palladium to run the Beverly Hills Hotel for me. Steve is an incredible promoter and he'd make the hotel hot as hell again. I get Boesky and tell him I'm very interested. He tells me Morgan Stanley and Company is handling the deal, and I will get a call from their people shortly. I like Los Angeles. I spend a lot of weekends there during the 1970s, and I always stayed at the Beverly Hills. But I won't let my personal preferences affect my business judgment. Much as I like the hotel, I'm interested in it only if I can get it for a much better price than they're now asking.

9:30 AM. Alan Greenberg calls. We've bought another 100,000 shares of Holiday, and the stock is up another point and a half.

Trading is very active. I tell Alan I've heard that the top guys at Holiday are in panic and that they are holding emergency meetings to discuss how to react to me. Alan says that he thinks Holiday will enact some kind of

page 14

poison pill as a way of fending off any attempts I make at a hostile takeover.

Our call lasts less than two minutes. That's one thing I love about Alan: he never wastes time.

10:00 AM. I meet with the contractors in charge of building my 2,700 space parking garage and transportation center across the street from Trump Plaza on the Boardwalk in Atlantic City. It's a \$30 million job, and they are here to give me a progress report. They tell me we're on schedule and under budget. The garage will be ready in time for Memorial Day 1987 - the biggest weekend of the year in Atlantic City - and it's going to increase our business enormously. Right now we are doing well with virtually no parking.

11:00 AM. I meet with a top New York banker at my office. He's come to try to solicit business and we have a general talk about deals I'm considering. It's funny what's happened: bankers now come to me to ask if I might be interested in borrowing their money. They know a safe bet.

12:15 pm. Norma comes in and tells me that we have to switch the Kollman Rink press conference from Thursday to Wednesday.

Page 15

12:45 pm. Jack Mitnik, my accountant, calls to discuss the tax implications of a deal we're doing. I ask him how bad he thinks the new federal tax Law is going to be for real estate, since it eliminates a lot of current real estate write-offs.

To my surprise Mitnik tells me he thinks the Law is an overall plus for me, since much of my cash flow comes from casinos and condominiums and the top tax rate on earned income is being dropped from 50 to 32 percent.

1:30 pm. I tell Norma to call John Danforth, the Republican Senator from Missouri. I don't know Danforth personally, but he's one of the few Senators who fought hard against the new tax bill. It's probably too late but I just want to congratulate him on having the courage of his convictions, even though it might cost him politically. Danforth isn't in, but his Secretary says he'll call back.

1:45 pm: Norma sees an opening between calls and she comes in to ask me about several invitations. Dave Klinfield, the New York Yankee Outfielder, has asked me to be the Chairman of a dinner to benefit his foundation,

Page 16.

I don't kid myself about why I'm asked to speak at or chair so many events. It's not because I'm such a great guy. The reason is that the people who run charities know that I've got wealthy friends and can get them to buy tables. I understand the game, and while I don't like to play it, there is no graceful way out. However, I've already hit up my friends twice this month - and there's only so many times you can ask people to donate \$10,000 for a table. I tell Norma to turn Winfield down, with regrets. The other invitation is from the Young Presidents Organization asking me to speak at a dinner they're having at 2:00 PM - I get an idea and call Alan Greenberg again. My idea is based on the fact that if I make a takeover move against Holiday, I have to get licensed as a Casino Operator in Nevada, where Holiday owns two Casinos. What do you think? I ask him about just selling out Holiday shares right now, taking a profit, and then rethinking a takeover bid after I get licensed? Alan argues for holding tight with what we've got. I say okay.

Page 17.

2:15 pm John Danforth calls back. we have a nice talk, and I tell him to keep up the good work.

2:30 PM - I return a call one of the owners of the Dunes Hotel in Las Vegas. They also own perhaps the best undeveloped site on the Vegas Strip - for the right price, I'd consider buying it. I like the casino business. I like the scale, which is huge, I like the glamour, and most of all, I like the cash flow. If you know what you are doing and you run your operation reasonably well, you can make a very nice profit. If you run it very well, you can make a ton of money.

2:45 pm. My brother Robert, and Harvey Freeman both executive vice presidents in my company, stop by to report on a meeting they've had that day with Con Edison and executives from NBC about the West Side Yard project. Con Ed has a large smokestack on the southern end of the site, and the meeting was to discuss whether the fumes from the stack would dissipate as effectively if a large building goes up adjacent to it.

Page 18.

Robert, who is two years younger than I am, is soft-spoken and easy going, but he's very talented and effective. I think it must be hard to have me for a brother, but he's never said anything about it and we're very close. He is definitely the only guy in my life whom I ever call honey.

3:20 PM. Gerald Schrager calls. Jerry's a top attorney at Dreyer & Traub, one of the best real estate firms in the country, and he's handled nearly everyone of my major deals since I bought the Commodore Hotel back in 1974. Jerry is more than an attorney. He's an absolute business machine, and he can see through to the essence of a deal as fast as anyone I know.

We talk about the Holiday Inns situation and several other deals that are in various stages.

Like Alan Greenberg Schrager isn't big on wasting time. We cover a half dozen subjects in less than ten minutes.

3:30 PM. My wife, Ivana stops in to say good-bye. She's on her way to Atlantic City by helicopter.

Page 19.

I like to kid her that she works harder than I do. Last year, when I bought my second casino from the Hilton Corporation and renamed it Trump's Castle, I decided to put Ivana in charge. She is incredibly good at anything she's ever done, a natural manager. Ivana grew up in Czechoslovakia, an only child. Her father was an electrical engineer and a very good athlete, and he started Ivana skiing very early. By the age of six she was winning medals, and in 1972 she was an alternate on the Czechoslovakian ski team at the Sapporo Winter Olympics. A year later, after graduating from Charles University in Prague, she moved to Montreal and very quickly became one of the top models in Canada. We met at the Montreal Summer Olympic Games in August 1976. I'd dated a lot of different women by then, but I'd never gotten seriously involved with any of them. Ivana wasn't someone you dated casually. Ten months later, in April 1977, we were married. Almost immediately, I gave her responsibility for the interior decorating on the

Page 20.

on the projects I had under way. She did a great job. The Castle is doing great, but I still give Ivana a hard time about the fact that it's not yet number one. I tell her she's got the biggest facility in town, so by all rights it should be the most profitable. Ivana is almost as competitive as I am and she insists she's at a disadvantage with the Castle. She says she needs more Suites. She isn't concerned that building the Suites will cost \$40 million. All she knows is that not having them is hurting her business and making it tougher for her to be number one. I'll say this much: I wouldn't bet against her.

3:45 pm. The executive Vice president for marketing at the Cadillac Division of General Motors is on the phone. He's calling at the suggestion of his boss, John Gretenberger, the president of the Cadillac Motors division whom I know from Palm Beach. Cadillac, it turns out, is interested in cooperating in the production of a new Super Stretch Limousine that would be named the Trump Golden Series. I like the idea. We set a date to sit down and talk.

page 21.

4:00pm - Daniel Lee, a casino analyst for Drexel Burnham Lambert, stops by with several of his colleagues to discuss being my investment bankers on a deal to purchase a hotel company.

5:00 pm. Larry Conka, former running back for the Miami Dolphins, calls. He has an idea for keeping the USFL alive. He wants to merge it with the Canadian Football League. Larry is both a bright and a nice guy, and he's very enthusiastic but he doesn't convince me. If the USFL

couldn't get off the ground with players like Herschel Walker and Jim Kelly, how is Canadian football, with a lot of players nobody has heard of, going to help? We've got to win in the courts first, to break up the NFL monopoly.

5:30 PM. I call Calvin Klein, the designer, to congratulate him. Back when Trump Tower first opened, Klein took a full floor of offices for his new perfume line, Obsession. It did so well that within a year, he expanded to a second floor. Now he's doing better than ever, and so he's taking over a third floor.

I have a lot of admiration for Calvin, and I tell him so.

Page 22.

6:00pm I draft a letter to Paul Goldberger, architecture critic of the New York Times. A week ago, in a Sunday Column, Goldberger gave a great review to the design of Battery Park City, the new development in Lower Manhattan. He also called it "a Stunning Contrast to what he claimed we're doing with the Television City project at the West Side yards. In other words, he killed us.

Dear Paul, I write. Your recent article is an obvious setup in preparation for the negative review you intend to do on Television City - no matter how great it is just think, if you are negative enough (which I am sure you will be) you might even help convince NBC to move to New Jersey.

My people keep telling me I shouldn't write letters like this to critics. The way I see it, critics get to say what they want to about my work, so why shouldn't I be able to say what I want about theirs.

Wednesday.

9:00AM I go with Ivana to look at a private school for my daughter. If you had told me five years ago that I'd be spending mornings looking at kindergarten classrooms, I would have laughed.

Page 23.

11:00 AM: I have a press Conference for the Wallman Rink. When I get there, I'm amazed. They are at least twenty reporters and photographers milling around. Henry Stern, the parks Commissioner, goes to the microphone first and he is very complimentary to me. He says that if the City had tried undertake the current renovation by itself, we would now be waiting Board of Estimate approval for what Donald Trump has already done.

When it's my turn, I explain that we've laid twenty-two miles of pipes, that they've all been thoroughly tested and there are no leaks, that the project is ahead of schedule by at least a month, and under budget by about \$400,000. I also announce that we've set set a grand opening for November 13 - and that we have a show planned for that day which will include most of the world's great skaters.

12:45 pm. The minute I get back to my office, I started returning calls. I want to get as much done as I can now, because I have to leave early for Trenton, to attend a retirement dinner of a member of the New Jersey Casino Control Commission.

Page 24.

1:30 pm. I return a call from Arthur Sonnenblick, one of the City's leading brokers. Three weeks ago, Arthur called to say he had some foreign clients who were interested in buying the west side yards. He wouldn't tell me their names, but he said they were serious people, and they were prepared to make me a very substantial offer for the site - far more than the \$100 million I paid a year ago. I didn't get too excited. On the contrary, I say to Arthur, the bid sounds low. If you can get them higher, I might be interested.

2:00 pm The contractor who's building my pool at Mar-a-Lago is on the phone. I'm busy but I take call anyway. We're going to great lengths to build a pool in keeping with the original design of the house, and I want to make sure every detail is right. Buying Mar-a-Lago was a great deal even though I bought it to live in, not as a real estate investment. The call takes two minutes but it will probably save two days of work and ensure that the job doesn't have to be ripped out and done over later.

Page 25.

2:30pm - A prominent businessman who does a lot of business with the Soviet Union calls to keep me posted on a construction project I'm interested in undertaking in Moscow the idea got off the ground after I sat next to the Soviet ambassador, Yuri Dubinin, at a Luncheon held by Leonard Lauder, a great businessman who is the son of Estee Lauder. In partnership with the Soviet government. They have asked me to go to Moscow in July.

3:00 pm Robert stops in, and we talk about several issues relating to NBC and the West Side Yards.

3:30 pm. A friend from Texas calls, to tell me about a deal he's got working. He happens to be a very charming guy - klonderful looking, wonderfully dressed, with one of those great Texas drawls that make you feel very comfortable. He calls me Donny, a name that I hate, but which he says in a way that somehow makes it okay. That experience taught me a few things. One is to listen to your gut, no matter how good something sounds on paper. The second is that you're generally better off sticking with what you know. And the third is that sometimes - four

page 26.

5:00pm I'm driven to the 60th Street heliport,
in time to catch a helicopter and be in Tr

Thursday.

9:00 AM. I sit down with Abe Hirschfeld. Basically Abe feels hurt that Governor Cuomo personally led a fight to push him off the ballot. I tell Abe I understand how he feels, but that the governor is a good guy, and that in any event it would look ridiculous for Abe, who is a Democrat, to suddenly turn around now and endorse a Republican. I also point out that as a practical matter, Cuomo is going to win re-election by the landslide, and that it's a lot better to side with a winner than a loser. Abe is a pretty stubborn guy, but finally he says, look, why don't you get the governor to call me? I tell him I'll do my best. Abe has always been considered difficult. But I like him and his family a lot.

10:15 AM. Alan Greenberg calls. The market is down 25 points less than an hour after opening. Alan tells me everyone's a seller, that nearly all stocks are down, but that Holiday is holding firm. I can't decide whether I should be happy or sad.

Page 27

10:30 AM - Harvey Myerson, the attorney who handled our USFL antitrust case, comes in for a meeting.

Harvey is an incredible trial lawyer. He took a case in which no one gave us a prayer going in, and he managed to win on antitrust grounds, even though we were awarded only token damages.

One thing I like about Harvey is his enthusiasm. He's still absolutely convinced he's going to win the appeal.

11:30 AM - Stephen Hyde calls. After I bought out Holiday Inns interest in the Trump Plaza Hotel and Casino in Atlantic City and took over the management in June, I hired Steven to run facility. Steve had been working as a Vice president for Stephen A. Klynn at the Golden Nugget. Klynn is one of the best gaming guys around, and my philosophy is always to hire the best from the best. After a long-running negotiation, I offered Hyde a bigger job and more money, and he said yes. I think he also liked the idea of working for me, and he didn't mind leaving Steve Klynn. Now all you've got to do is get the hotel in mint condition. We are working on it, Donald. Steve says good-naturedly it's already improving.

Page 28

12:00 noon I walk over to the Krollman Rink, to watch the pouring of the concrete. This morning all of the papers had stories about our press conference. When I get to the rink, it is surrounded by a convoy of cement trucks lined up as if they're in a military operation. HRT, the construction company in charge of the project, has done a fantastic job moving things along, but this has to be the most incredible sight yet: thousands of pounds of wet concrete being poured from the truck after truck into this huge rink. It is like watching the world's biggest cake get iced. Even though the press conference was yesterday, I notice photographers and camera crews all over the place. This is the event everyone was waiting for.

1:30 pm I sit down with a reporter from Fortune who is doing a story about real estate and the new tax laws. Walk me on the cover. Nonetheless, I understand that getting press can be very helpful in making deals, and I don't mind talking about them. I just try to be very selective. Norma must turn down twenty requests a week from all over the world. Also, when I do give an interview, I always keep it short.

Page 29.

2:45 PM. A Friend of mine, a highly Successful and very well known painter, calls to say hello and to invite me to an opening. I get a great Kick Out of this guy because, Unlike Some artists I've met he is totally Unpretentious.

I've always felt that a lot of modern art is a con and that the most Successful painters are often better Salesmen and promoters than they are artists. I sometimes wonder what would happen if Collectors knew what I knew about my friend's work that after. The art world is so ridiculous that the revelation might even make his paintings more valuable! Not that my friend is about to risk finding out.

4:00 PM A group of us meet in our Conference room to go over the latest plans for the West Side yards project, which were Scheduled to show to the City tomorrow morning. It turns out that ~~Stuz~~ of the planning Commission won't be able to attend, but this key people will be there.

On the other hand, if the City won't approve something I think makes sense economically, I'll just wait for the next administration and try again. This site is only going to get more valuable.

page 30.

6:00 PM I excuse myself because I am due at an early dinner, and it is not the kind to be late for. Ivana and I have been invited, by John Cardinal O'Connor, to have dinner at St. Patrick's Cathedral.

7:00 PM. No matter whom you've met over the years, there is something incredible about sitting down to dinner with the Cardinal and a half dozen of his top bishops and priests in a private dining room at St. Patrick's Cathedral. It's hard not to be a little awed. We talk about politics, the city, real estate, and a half dozen other subjects, and it is a fascinating evening. As we leave, I tell Ivana how impressed I am with the Cardinal. He is not only a man of great warmth, he's also a businessman with great political instincts.

Friday.

6:30 AM I'm leafing through the New York Times when I come to a huge picture of the concrete being poured onto Kollman Rink. It's on the front page of the second section. This story just won't quit.

Page 31.

9:15 AM. We meet with the City on the West Side Yards project. Almost everyone from yesterday's meeting is here, and we are together by four City planners, including Rebecca Robinson and Con Howe, who are directly in charge of evaluating our project. The only time the density issue came up how tall the buildings will be - Alex just says we're still working it out. When it is over, we all agree it went well.

10:30 AM. I go back to my office for a meeting to discuss progress on construction at Trump Parc the Condominium I'm building out of the Shell of the Barbezou - Plaza Hotel on Central Park South. It is an incredible location, and the building we're doing will be a great success. After almost a half hour, we finally agree on a light that will blend right into the color of the stone. I happen to ~~like~~ like earth tones. They are richer and more elegant than primary colors.

11:00 AM. Frank Williams leaves, and we turn to a discussion of the demolition work at Trump Parc. Andy tells me it is not finished, and that the contractor has just given us a \$175,000 bill for extras.

Page 32.

Extras are the costs a Contractor adds to his Original bid every time you requests any change in the plan you initially agreed on. you have to be very tough and very high with most Contractors or they'll take the shirt right off your back.

This time the guy has a response. Every guy on the job is a pro" he says' klevre given you our best man, Mr Trump.

Good, I say Call me later and let me know how you're doing."

12:noon Alan Greenberg calls to tell me that Holiday has gone ahead and enacted some poison pill provisions that will weigh the Company down with debt and make it much less

attractive as a takeover target. I'm not worried. No poison pill is going to keep me from going after Holiday Inn. if that's what I decided I want to do. The market is still taking a drubbing. I was off 80 points yesterday, and it's down another 25 today.

But Holiday is off only a point. Alan tells me that we are now bought almost 5 percent of the Company.

page 33.

12:15 Blanche stays on after Andy leaves to get me to choose a print advertisement for Trump Parc. She shows me a half dozen choices, and I don't like any of them. She is furious. Blanche wants to use a line drawing that shows the building and its panoramic views of Central Park. I like the idea of a line drawing; I tell her. But I don't like these. Also I want a drawing that shows more of the building. Central Park is great, but in the end I'm not selling a park, I'm selling a building and apartments.

~~12:30~~

12:30 PM. Norma comes in, carrying a huge pile of forms I have to sign as part of my application for a Nevada gaming license. While I'm signing, Norma asks who I want to use as character references. I think for a minute, and tell her to put down General Pete Dawkins, a great Army football hero, a terrific guy, and a good friend who's now an investment banker at Shearson; Benjamin Hollaway, Chairman and CEO of Equitable Real Estate Group; and Conrad Stephenson of Chase Manhattan Bank. Also I tell Norma, put down John Cardinal O'Connor.

Page 34.

12:45 P.M. Ivana rings. She's in the office and wants me to go with her to see another school we're considering sending our daughter to next fall. "Come on Donald!" she says. "You haven't got anything else to do." Sometimes I think she really believes it. Actually, honey, I'm a little busy right now, I tell her. It doesn't work. Three minutes later she's in my office, tugging at my sleeve. I finish signing the form, and we go.

2:30 P.M. Bill Fugazy calls. I like to call him while the fug, but he doesn't seem to appreciate it. Fugazy's business is limousines, but he really should have been a broker. The guy knows everyone. He's one of Lee Lacocca's best friends, and he's the person who recommended to the Cardinal that he meet with me to discuss real estate and get to know each other better. Fugazy asks me how dinner went last night at St. Pats and I tell him it was great. Before we hang up, we set a golf date for the weekend.

2:45 P.M. John D'Allesio, the construction manager on my triplex in Trump Tower, comes by to discuss the progress. He's carrying drawings.

Page 35.

Except for the third floor, where the kids are, and the roof, where someday I'm going to build a park sixty-eight stories up, I've gutted the whole apartment. In truth, I've gone a little overboard - first of all I practically doubled the size of what I have by taking over the adjacent apartment.

I look over the drawings with John and mark up a few changes. Then I ask him how the job is going. Not bad he said. We're getting there. Well, push John "I say" push hard.

3:30 P.M. A Greek shipping magnate is on the line. How's the shipping business? I ask. He tells me he has a deal he'd like to discuss. He doesn't say what it is, but with certain people you don't ask. If it wasn't big, I assume he wouldn't waste my time. We set a date.

4:00 P.M. I get a call from a guy who sells and leases corporate airplanes. I've been considering buying a G-4, the jet that most corporations use. I tell the guy on the phone that I'm still interested in a plane, but that he should keep his eye out for a 727, which is what I really want.

Page 36.

4:30 pm. Nick Ribis calls from Australia. He tells me things are going well on our negotiations to be designated builder and Operator of the world's Largest Casino. Nick fills me in on the details and says that we should know more by the following Monday. Sound great, I tell him call me before you fly back.

4:45 pm. Norma tells me that David Letterman, the talk-show host is down stairs in the atrium of Trump Tower, filming a day in the life of two out of town tourists. He'd like to know if they could stop up and say hello. I almost never stay up late enough to watch Letterman, but I know he's hot. I say sure five minutes later, Letterman walks in, along with a cameraman, a couple of assistants, and a very nice looking married couple from Louisville. He kid around a little, and I say what a great town I think Louisville is - maybe we should all go in together on a deal here. Letterman asks me how much an apartment goes for in Trump Tower. I tell him that we might be able to pick up one bedroom for \$1 million. Truthfully, David I say you're right absolutely nothing to do.

page 37.

2

TRUMP CARDS.

The Elements of the Deal.

My style of deal-making is quite simple and straight forward. I aim very high and then I just keep pushing and pushing and pushing to get what I'm after. Sometimes I settle for less than I sought, but in most cases I still end up with what I want. More than anything else, I think deal-making is an ability you're born with. It's the genes - I don't say that egotistically. It's not about being brilliant. It does take a certain intelligence, but mostly it's about instincts - you can take the smartest kid at Kharnton, the one who gets straight A's and has a 170 IQ and if he doesn't have the instincts, he'll never be a successful entrepreneur.

When I look back at the deals I've made - and the one I've lost or let pass - I see certain common elements. Well, I still hope you won't follow my advice - because that would just make it a much tougher world for me.

Think Big

Page 38.

I like thinking big. I always have. To me it's very simple: if you're going to be thinking anyway, you might as well think big. Most people think small, because most people are afraid of success, afraid of making decisions, afraid of winning. And that gives people like me a great advantage. My father built low-income and middle-income buildings in Brooklyn and Queens but even then, I gravitated to the best location. When I was working in Queens, I always wanted Forest Hills. And as I grew older, and perhaps wiser, I realized that Forest Hills was great, but Forest Hills isn't Fifth Avenue. And so I began to look toward Manhattan, because at a very early age, I had a true sense of what I wanted to do.

I don't say this trait leads to a happier life, or better life, but it's great when it comes to getting what you want. This is particularly true in New York real estate, where you are dealing with some of the sharpest, toughest and most vicious people in the world. I happen to love to go up against these guys, and I love to beat them.

Page 39.

Protect the Downside and the Upside will
take care of itself

people think I'm a gambler. I ~~prefer~~ never gambled in my life. To me, a gambler is someone who plays slot machines. I prefer to own slot machines - it is very good business being the house. It has been said that I believe in the power of positive thinking. In fact, I believe in the power of negative thinking. I happen to be very conservative in business - I always go into the deal anticipating the worst. If you plan for the worst - if you can live with the worst the good will always take care of itself. The only time in my life I didn't follow that rule was the USFL. I bought a losing team in a losing league on a long shot. It almost worked, through our antitrust suit, but when it didn't, I had no feedback. The point is that you can't be too greedy. I lost time but I also kept my exposure much lower. He ended up selling to me at the last minutes, under a lot of pressure and without a lot of other options. I renamed the facility Trumps Castle and it is now one of the most successful hotel casinos anywhere in the world.

page 40.

Maximize Your Options.

I also protect myself by being flexible. I never get too attached to one deal or one approach. For starters, I keep a lot of balls in the air, because most deals fall out, no matter how promising they seem at first. In addition, once I've made a deal, I always come up with at least a half dozen approaches to making it work, because anything can happen, even to the best laid plans. For example, if I hadn't gotten the approvals I wanted for Trump Tower I could always have built an office tower and done first just fine. I'd been turned down for licensing in Atlantic City, I could have sold the site I'd assembled to another casino operator at a good profit.

Perhaps the best example I can give is the first deal I made in Manhattan. I got an option to purchase the Penn Central rail yards at West 34th Street. It took two years of pushing and promoting, but ultimately the City did designate my site for the Convention Center - and that's where it was built. Of course, if they hadn't chosen my site, I would have come up with a third approach.

Page 41.

Know Your Market.

Some people have a sense of the market and some people don't. Steven Spielberg has it. Lee Iacocca of Chrysler has it, and so does Judith Krantz in her way. Klod Alben has it, for the audience he care about reaching, and so does Sylvester Stallone, at the other end of the spectrum. Some people criticize Stallone, but you've got to give him credit. I mean, here's a man who is just forty one years old, and he's already created two of the all time-great characters, Rocky and Rambo. To me he's a diamond in the-rough type a genius purely by instinct. He knows what the public wants and he delivers it.

I like to think I have the instincts. That's why I don't hire a lot of number-crunchers, and I don't trust fancy marketing surveys - I do my own surveys and draw my own conclusions. I'm a greater believer, in asking everyone for an opinion before I make a decision - it's a natural reflex. If I'm thinking of buying a piece of property, I'll ask the people who live nearby about the area. What they think of the schools and the crime and the shops.

Page 42.

When I'm in another city and I take a Cab, I always make it a point to ask the Cabdriver questions - I ask and I ask, until I began to get a gut feelings about something - And that's when I make a decision. I have learned much more from conducting my own random surveys than I could ever have learned from the greatest of consulting firms. They send a crew of people down from Boston, rent a room in New York and charge you \$100,000 for a lengthy study. In the end, it has no conclusion and takes so long to complete that if the deal you were considering was a good one, it will be long gone.

Trump Tower is a building the critics were skeptical about it was built, but which the public obviously liked. I'm not talking about the sort of person who inherited money 175 years ago and lives on 84th Street and Park Avenue. I'm talking about the wealthy Italian with the beautiful wife and the red Ferrari. Those people - the audience I was after came to Trump Tower in droves. I always follow my own instincts, but I'm not going to kid you: It's also nice to get good reviews.

Page 43.

Use Your Leverage.

The worst thing you can possibly do in a deal is seem desperate to make it. That makes the other guy smell blood, and then you're dead. The best thing you can do is deal from the strength and leverage is the biggest strength you can have.

Leverage is having something the other guy wants. Or better yet, needs. Or best of all, simply can't do without. Unfortunately, that is not always the case, which is why leverage often requires imagination, and salesmanship. In other words, you have to convince the other guy it's in his interest to make the deal. My leverage came from confirming the impression they were already predisposed to believe.

When I bought the West Side rail yards, I didn't name the project Television City by accident, and I didn't choose the name because I think it's pretty. I did it to make a point. Keeping the television networks in New York - and NBC in particular - is something the City very much wants to do. Losing a network to New Jersey would be a psychological and economic disaster.

Leverage: don't make deals without it.

Page 44.

Enhance Your Location.

perhaps the most misunderstood concept in all of real estate is that the key to success is location, location. usually, that's said by people who don't know what they're talking about. first of all you don't necessarily need the best location. what you need is the best deal. just as you can create leverage, you can enhance a location, through promotion and through psychology.

My point is that the real money isn't made in real estate by spending the top dollar to buy the best location. you can get killed doing that, just as you can get killed buying a bad location, even for a low price. what you should never do is pay too much, even if that means walking away from a very good site. which is all a more sophisticated way of looking at location.

Get the Word Out.

You can have the most wonderful product in the world, but if people don't know about it, it's not to be worth much. There are singers in the world with voices as good as Frank Sinatra's but they're singing in their garages because no one has ever heard of them.

Page 45.

One thing I've learned about the press is that they're always hungry for a good story, and the more sensational the better. It's in the nature of the job, and I understand that. The final key to the way I promote is bravado. I play to people fantasies. People may not always think big themselves, but they can still get very excited by those who do. That's why a little hyperbole never hurts. People want to believe that something is the biggest and the greatest and the most spectacular. I call it truthful hyperbole. It's an innocent form of exaggeration - and a very effective form of promotion.

Fight Back.

Much as it pays to emphasize the positive, there are times when only choice is confrontation. In most cases I'm very easy to get along with. I'm very good to people who are good to me. But when people treat me badly or unfairly or try to take advantage of me, my general attitude, all my life has been to fight back very hard. The risk is that you'll make a bad situation worse and I certainly don't recommend this approach to everyone.

Page 46.

When Holiday Inns, Once my partners at the Trump Plaza Hotel and Casino in Atlantic City, ran a Casino that consistently performed among the bottom 50 percent of Casinos in town, I fought them very hard and they finally sold out their share to me. Then I began to think about trying to take over the Holiday Inns Company altogether. Even if I never went on the offensive, there are a lot of people gunning for me now. One of the problems when you become successful is that jealousy and envy inevitably follow. There are people - I categorize them as Life's Losers - who get their sense of accomplishment and achievement from trying to stop others. As far as I'm concerned, if they had any real ability they wouldn't be fighting me, they'd be doing something constructive themselves.

Deliver the Goods.

You can't con people, at least not for long. You can create excitement, you can do wonderful promotions and get all kinds of press and you can throw in a little hyperbole. But if you don't deliver the goods, people will eventually catch on. I think of Jimmy Carter.

Page 47.

The dollar always talks in the end. I'm Lucky, because I work in a very, very Special niche, at the top of the market, and I can afford to spend top dollar to build the best. I promoted the hell out of Trump Tower, but I also had a great product to promote.

Contain the Costs.

I believe in spending what you have to. But I also believe in not spending more than you should. When I was building low-income housing the most important thing was to get it built quickly, inexpensively, and adequately, so you could rent it out and make a few bucks. To this day, if I feel a contractor is overcharging me, I'll pick up the phone, even if it's only for \$5,000 or \$10,000, and I'll complain. People say to me, what are you bothering for, over a few bucks? My answer is that the day I can't pick up the telephone and make a twenty-five cent call to save \$10,000 is the day I'm going to close up shop. They were all set to rip out the concrete and start over when I finally couldn't stand it anymore, and I offered to do it myself. The job took four months to complete and a

page 48.

Of the City's Cost.

Have Fun.

I don't kid myself - Life is Very fragile, and Success doesn't change that. If anything Success make it more fragile. Anything can change, without warning, and that why I try not to take any of what's happened to seriously. Money was never a big motivation for me, except as a way to keep score. The real excitement is playing the game. I don't spend a lot of time worrying about what I should have done differently, or what's going to happen next. If you ask me exactly what the deals I'm about to describe all add up to in the end, I'm not sure I have a very good answer. Except that I've had a very good time making them.

3

GROWING UP.

The most important influence on me, growing up, was my father, Fred Trump. I learned a lot from him. I learned about toughness in a very tough business, I learned about motivating people, and I learned about Competence and efficiency. Get in, get it done get it done right and get out.

Page 49.

At the same time I learned very early on that I didn't want to be in the business my father was in. He did very well building rent-controlled and rent-stabilized housing in Queens and Brooklyn. But it was a very tough way to make a buck. I wanted to try something grander, more glamorous, and more exciting. I also realized that if I ever wanted to be known as more than Fred Trump Son, I was going eventually going to have to go out and make my own mark. I'm fortunate that my father was content to stay with what he knew and did so well. That left me free to make my mark in Manhattan. Even so, I never forgot the lessons I learned at my father's side. He graduated from high school in 1922, and with a family to support, he couldn't even consider college. Instead, he went to work as a carpenter's helper for a home builder in Queens. He was better with his hands than most, but he also had some other advantages - for starters he was just a very smart guy. He was able to show the carpenters most of whom had no education at all, shortcuts such as how to frame a rafter with a steel square.

Page 50.

In addition, my father was always very focused and very ambitious. Most of his co-workers were happy just to have a job. My father not only wanted to work, he also wanted to do well and to get ahead. Finally, my father just plain loved working. From as early as I can remember, my father would say to me. The most important thing in life is to love what you're doing because that is the only way you'll ever be really good at it.

Fortunately for me, I was drawn to business very early, and I was never intimidated by my father the way most people were. I stood up to him and he respected that. We had a relationship that was almost businesslike. I sometimes wonder if we'd have gotten along so well if I hadn't been as business oriented as I am. Even in elementary school, I was a very assertive, aggressive kid. In the second grade I actually gave a teacher a black eye - I punched my music teacher because I didn't think he knew anything about music and I almost got expelled. I'm not proud of that but it's clear evidence that even early on I had