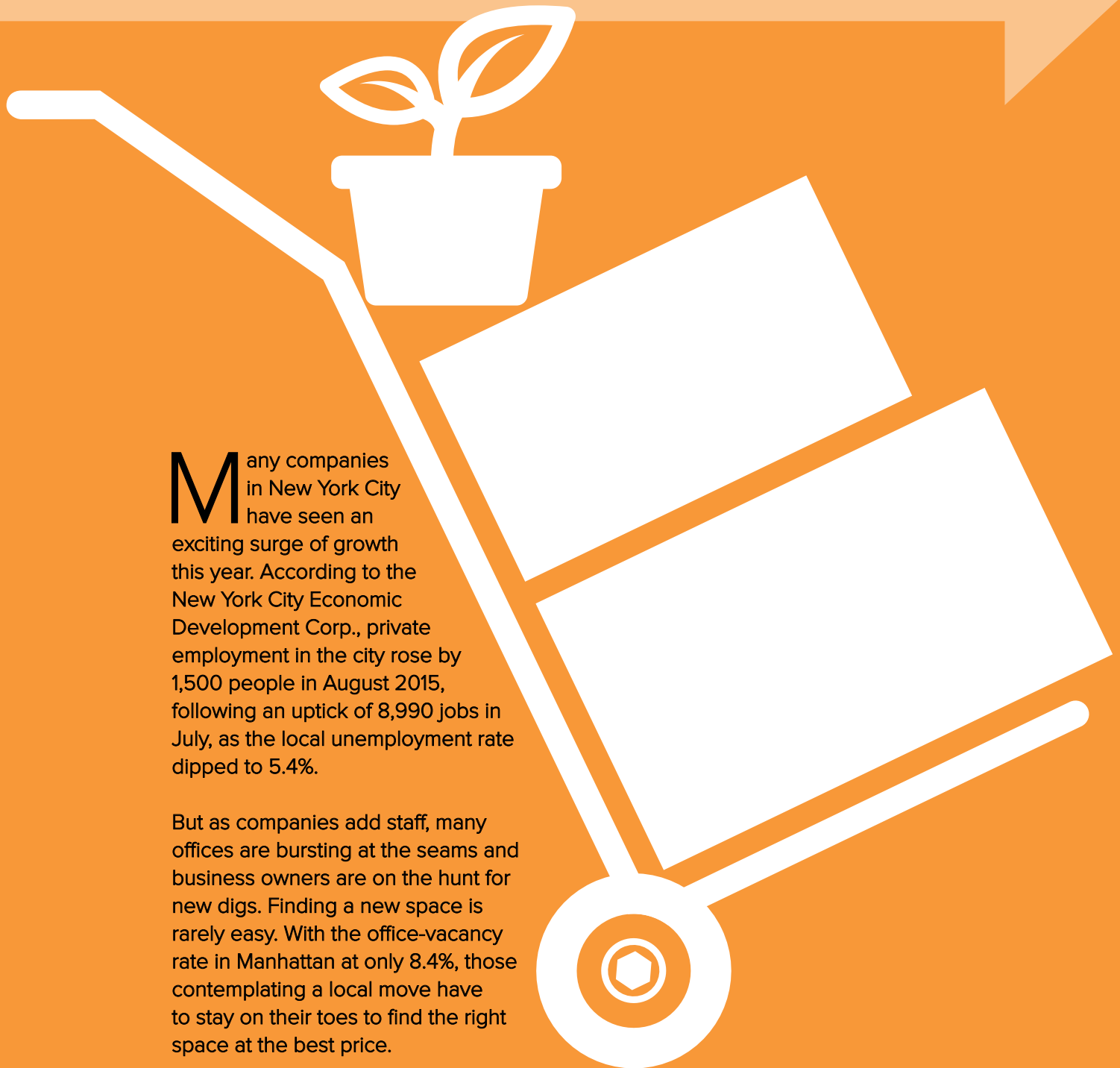


M On the Move!

Crain's 2015 Guide to Relocating Your Company



Many companies in New York City have seen an exciting surge of growth this year. According to the New York City Economic Development Corp., private employment in the city rose by 1,500 people in August 2015, following an uptick of 8,990 jobs in July, as the local unemployment rate dipped to 5.4%.

But as companies add staff, many offices are bursting at the seams and business owners are on the hunt for new digs. Finding a new space is rarely easy. With the office-vacancy rate in Manhattan at only 8.4%, those contemplating a local move have to stay on their toes to find the right space at the best price.

Fortunately, smart planning can go a long way when it comes to office relocation. In this guide, we offer tips from company owners and experts on how to select the right site, operate successfully from a temporary space (if you need to), keep your move on schedule, make sure your employees stay connected to vital technology, and welcome your employees to their new space.

"It's all a matter of getting the right team together," said Michael Cohen, operations manager at Metropolis Collectibles, Inc. & ComicConnect Corp., a comic marketplace and auctioneer on West 37th Street in Manhattan. It paid off for Cohen, who describes himself as "incredibly happy" with the 5,000-square-foot space his firm recently moved very smoothly to, in November.

Corporate Relocation: The Crash Course

Poppin, a provider of colorful, modern office furniture, often helps New York City firms with corporate relocations. But about a year and a half ago, its team had to plan its own. The fast-growing company, which had just expanded from 10 to about 40 employees, found new, roomier digs in the Flatiron District. Its new space on 25th Street now houses a team that has grown to 110.

Although Poppin's team knows a great deal about office moves, it brought in professionals to handle its own relocation. To reduce the stress of the move on employees, the company arranged for its staff to stay home on moving day and return to a fully functioning office.

"It's really important to do it correctly," said Josh Huber, work stylist and space-planning expert at Poppin.

Like Poppin, many companies are finding themselves outgrowing their space these days and figuring out how to make a smooth transition to a new one. Forty-three percent of firms that relocated last year did so because of company growth, according to 2015 corporate relocation surveys by Atlas Van Lines.

But with that growth come challenges. Deciding on where to relocate an expanding company can prove difficult in its own right, especially in a sought-after locale like New York City, where competition for the ideal space may be fierce.

"Companies not only want to have access to the best people and the best outside talent but also to a highly-developed public transportation infrastructure," said John Boyd, Jr., principal of The Boyd Company, a Princeton, N.J.-based corporate-relocation firm that

has helped clients find space in New York City. For firms in industries such as finance and fashion, he says, New York is "really the center of the universe. With that comes enormous branding value."

To make sure a corporate relocation helps a company continue to achieve its goals throughout a move, leaders need to consider both human resources and logistical factors carefully, experts say. One key HR issue to look at is potential attrition. Forty-seven percent of small firms and more than 40% of larger firms said employees were declining requests to relocate, according to Atlas' 2015 research. Many couples are no longer willing to gamble their family's security on one income, in the wake of the Great Recession, and therefore will not accept corporate transfers that end up requiring one spouse to give up a job and gamble on finding another, Atlas concluded.

Firms that don't want to lose employees will generally fare best if they choose a location within 60 miles of their existing one, according to Boyd. Beyond that radius, they will typically have to pay severance to employees who can no longer make the commute and refuse an offer to relocate. Many firms make it a policy to pay severance in that scenario, he said, adding, "Not wanting to pay burdensome severance packages is a factor companies look at very closely."

Another key consideration is future expansion. Leaders need to ask themselves some key questions. "Does the new environment have the capacity for growth? How will you manage that?" said Paul Rigby, senior vice president of business operations at Vitalyst, a provider of Microsoft application and device support based in Bala Cynwood, Pa.,

which has clients in the New York City area.

There are also technological issues that may come with a new location. If, for instance, a move to a new space will require employees to commute longer distances, they will likely end up doing more work using wireless devices like iPads on public transportation. "That brings up a whole new problem of security," said Matt Richards, vice president of products at ownCloud, an open-source file-sharing provider

in Lexington, Mass., that works with clients in the New York City area. "There's a lot to think about when you're working in an open environment on a device that's easy to lose."

It's also important to consider how convenient a new location will be for customers. Planning the expansion of his fast-growing fitness franchise, I Love Kickboxing, Michael Parrella has discovered he needs his New York City locations to be right on a subway line to maximize

membership. "If your subway is four blocks away, no one is going to come to you," said Parrella, whose runs a 3,800-square-foot location of his national chain, based in Merrick, Long Island, on West 27th Street in Manhattan. He is about to sign a lease for an additional location at Carmine and Varick Streets. Although rents have gone up since the last time he leased, he's willing to pay market rates at the moment. "Manhattan is very hungry for our concept," he said.

Countdown to a Successful Move

Most people don't relish the thought of bubble-wrapping their office lava lamp or sorting through files before an office move, but starting early can prevent moving day from becoming overwhelming. Ideally, planning should start three to 12 months ahead of time, say experts.

"The larger the move, the further in advance you have to plan," said Anthony Parziale, vice president of Advance Commercial Movers, a New York City firm that serves Fortune 500 companies and nonprofit and government clients. "There are some companies in New York that will move thousands of employees. For a move like that, the planning starts well over a year in advance. For 50 employees, that can happen two to three months before."

Here are some key steps all firms should take as moving day approaches:

Three to six months in advance:

- Decide if you are going to move your furniture or buy a new set. "An office furniture order can take up to 12 weeks," said Parziale.
- Contact your telecommunications provider to let them know you will need

to transfer the lines to a new location. Telecomm providers may require months of lead time.

- Work with a space planner to design the layout of your new office and see what you have room to bring. "People often bring things that won't fit in the footprint," said Parziale. If you have to ask the mover to remove those items, it will cost you extra.

Two months:

- Start a purge campaign. Have your team recycle or shred excess paperwork. "Get rid of files that can be transferred to an offsite storage facility," recommends Parziale. "Don't move anything that is not needed to the new space."
- Select a mover. "Book with them well in advance, even if the date is still up in the air," advises Mr. Parziale. "It's much easier to have someone on board and switch the date than to hire someone with only a week or two notice and expect them to be able to perform the move."

- Ask your mover for a detailed proposal, that describes everything the mover will be transporting, so you are not surprised

by unexpected costs not covered in the contract later, Parziale advises.

One month:

- Meet with the mover's project manager. Ask how to label each item so it ends up at the right work station.
- Start planning how you'll celebrate the move with an office-warming party or others gestures. Poppin, a furniture company in Manhattan, says some clients surprise their teams with customized desk sets with pens and notebooks, to welcome employees to their new home.

Week before:

- Pack up common areas. Often companies neglect to assign someone to tackle file rooms and storage areas. If you have to ask movers to pack them up on moving day, you'll face additional costs.
- Ask your team to start packing non-essential items from their work stations.

Day before: Finish any last-minute packing. Get ready for a much-needed day off as your movers do the work!

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Moving in the Digital Age

When Manhattan-based technology firm Better Cloud moved to a bigger space within its current residence at 7th Avenue and 28th Street in Manhattan, in January, Tim Burke, director of information technology, often recalled the motto he learned as an Eagle Scout: be prepared. The company has about 55 employees in Manhattan.

To make sure they could continue to work smoothly, Burke had to anticipate the possible occurrence of, both, big IT problems—like weak internet connections—and small ones—like surge protectors gone missing. Burke armed himself with a tool kit, so he doesn't have to wait for maintenance to deliver what he needs. "I have Super Glue, duct tape, and a hammer and nails," he said.

He also made sure ahead of time that he was battle-ready. "The week before the move I knew I was going to be working some really long hours," he said. "I made sure I was really well-rested. I almost tried to bank up energy and bank up sleep."

As many technology pros discover, tackling the IT issues that come with a move can require an all-out effort. "There's a lot of little gotchas," said Burke. Preventing them means preparing for glitches large and small—and figuring out how to prevent them. Here are some technology-related problems that commonly crop up in corporate relocations, and tips from experts on how to prevent them.

Lack of accountability.

No matter what size your firm, everyone needs to know who is responsible for dealing with particular types of IT problems that may emerge during a move, and how to reach those people—even if your usual office technology is not

available. Expecting your IT people to be available 24/7 is not realistic, so make sure you have a schedule in place for who is on duty and responsible at any point in time, for every application, server and service, suggests Imad Mouline, chief technology officer of Everbridge, a firm in Burlington, Mass., that offers a mass notification platform that employs SMS messaging and has clients in New York City.

"You want to make sure the way you are going to be communicating with

related projects don't fall through the cracks, he likes to use the application Asana for task management.

Poor Wi-Fi connections. In densely populated areas of the city, you may discover once you move that you are competing for small slices of bandwidth with thousands of other neighbors in the immediate vicinity. "Especially in Manhattan and Downtown Brooklyn—any of the high-density areas—Wi-Fi can become very difficult," said Burke. He recommends doing a site survey three or four months before you

of products at ownCloud, an open-source file-sharing provider in Lexington, Mass., that works with clients in the New York City area. You should be able to connect up to 10 people to each MiFi device, which will allow them to keep working as you try to find a more permanent fix for the problem.

"It's that temporary loss of productivity that really costs you," Richards said.

If you have poor mobile-phone reception, setting up a gadget known as a repeater can also help. Convention

doing space planning, can prevent this. If you won't be able to get your new site very often prior to moving day, take a video of the space, so you can plan better, suggests Paul Rigby, senior vice president of business operations at Vitalyst, a provider of Microsoft application and device support based in Bala Cynwyd, Pa., which has clients in the metropolitan area. "If the team can come around and take video shots of the nooks and crannies, that helps maintain the visual perspective of what the target site will look like," he said.

In densely populated areas of the city, you may discover once you move that you are competing for small slices of bandwidth with thousands of other neighbors in the immediate vicinity. "Especially in Manhattan and Downtown Brooklyn—any of the high-density areas—Wi-Fi can become very difficult," said Burke, director of information technology, Better Cloud. He recommends doing a site survey three or four months before you move into a new space, to see if this will be a problem.

everybody isn't tied to the move itself," he said.

Long waits for contractors.

Burke learned he needs to be "joined at the hip" with the head of operations as a move approaches, to avoid delays in executing projects. "I've done some office moves at previous jobs where IT and operations were not synced up very well," he said. "It was always 'IT needs this but operations can't do it until the contractor comes in next week.'" To make sure move-

move into a new space, to see if this will be a problem. If your laptops and mobile devices are aging, it may pay off to invest in wireless gear that can support new Wi-Fi frequencies that are available.

Should you discover your new office has poor internet connectivity or bad cell-phone reception, inexpensive MiFi devices, which can connect you to a cellular network, can offer an interim solution, according to Matt Richards, vice president

centers commonly use this type of technology. "Usually there's a spot in your office where you can get cell-phone receptivity," Richards said. "It basically transmits and receives from an antenna in that good cell spot."

Inadequate wiring. Many companies discover after a move that they haven't installed cable in the places that will best support their work stations. Doing a walk-through three or four months in advance, when you are

Bad weather. If you're preparing for an office move this fall or winter, make sure to plan how you will communicate if a storm happens at the worst possible moment—like moving day. "Look at all of the processes you have in place and make sure you have them in the new location, too," said Richards. None of us has a crystal ball, but if you plan for worst-case scenarios, it'll be easier to approach your move with confidence.



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Temporary Space: Making the Best Out of the Situation

Not every corporate relocation is a one-step process. Sometimes, a company's team may have to stay in a temporary office facility or coworking space until the new office is ready.



want their doors shut for privacy reasons," said Farley.

More firms are finding themselves using such flexible spaces. The \$2 billion serviced office leasing space—which provides fully outfitted offices for rent—saw 3% annual growth from 2010 to 2015, according to market research firm IbisWorld.

According to Farley, the general manager of a coworking space typically sets the tone of the entire environment. Make sure, therefore, you are comfortable with whoever that is. "The general manager will be spending a lot of time with you," said Farley. "They really set the mode."

Know the vibe you want.

Invest time in finding a temporary space with a look and feel that will keep your team feeling energized and inspired, so they don't lose productivity while staying there. The best way to identify the right space is to ask for a walk-through of several spaces. When touring, look closely at offices, cubicles and common areas, such as the lounge, conference room and kitchen space. Make sure you're comfortable not only with fundamentals such as cleanliness, but with the aesthetic vibe as well, before moving in.

If you are among them, here is some advice on how to find and outfit a space in a way that will keep your team productive. While a two-step move isn't always ideal, it is very possible to find a temporary space where your employees will thrive.

Consider your firm's culture.

Serviced office spaces, even within the same chain, each have their own personality. Check out several facilities and look for one that fits the existing personality of your firm, so your team will feel at home.

"The aesthetics and view are important," said Farley.

"There's always a feeling for a center when you walk into it," said Stephen Farley, North American CEO for Regus, a provider of temporary office space that operates 47 locations in New York City and is preparing to open a new one in Long Island City.

If you don't like the way a space is decorated, it may be possible to make some changes. "We've had people come in and say, 'I want the room just as it is,'" said Farley. "Other people want to paint the walls."

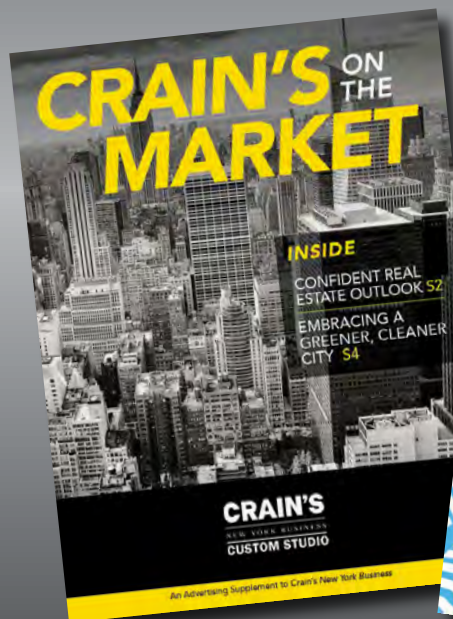
At some spaces, you may be surrounded by startups, where the temporary residents like to hold events like Halloween parties. That could work if you're running a startup, too, but some offer a quieter, more buttoned-up environment to cater to their existing residents. "It could be a bunch of lawyers who

Keep your contract flexible. Your need for temporary space may be unpredictable, so make sure your contract reflects that. At Regus, for instance, it's possible to get contracts for three months, six months or other durations, said Farley. "If it's not right, you can easily move," he said.

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Throwing out the Welcome Mat: How to make a New Office Appealing

When Florence Quinn moved 60 employees of her publicity firm, Quinn, to a new penthouse space in Manhattan's Bryant Park this past December, she wanted to make sure her team felt at home quickly.

To some extent, the decor of the 10,000-square-foot office made that easy. Visitors step into what feels like a contemporary living room, complete with long, comfortable sofas from Restoration Hardware. "The elevator doors open and their jaws drop open," said Quinn. "Some say 'Wow I feel I am at home. Some ask: Did I get off at the wrong floor?' In the background, staffers meet at dining room tables and banquettes.

Quinn was aware that creating a spectacular space was only one part of helping her team settle in quickly. She made sure to celebrate the space with a housewarming party—called Havana Night at the Penthouse—to which she invited staff, clients and colleagues. "I think we ran out of red wine, we had so many people," said Quinn.

Office relocations can be stressful for the leadership team and IT staff of any company. What often gets overlooked, however, is the pressure that relocating can put on other staffers, who need to get work done while their office supplies are still in boxes and equipment seems to have gone AWOL during the move. The good news is that a proactive approach

can help greatly. Here are some strategies to help your team settle in successfully after a move.

Ask for input early. That was the approach Michael Cohen took as operations manager at Metropolis Collectibles, Inc. & ComicConnect Corp., a comic marketplace and auctioneer on West 37th Street in Manhattan. Months before the company moved from a 2,500-square-foot space on Broadway and 18th Street to its current 5,000-square-foot space, last November, he asked the company's 15-employee team for suggestions. "It's all about making everyone feel included," said Cohen.

Minimize downtime. Given the pace of business today, missing even one day of

work can lead to stressful catch-up time for employees, so the more you can minimize the days you are closed, the better. Metropolis Collectibles planned its move for a Friday so that it would have the weekend to unpack. That was important, given that firm had to move 175,000 valuable comic books. "We worked extra hard to make sure we were ready to work on Monday," said Mr. Cohen. "It's all about planning and getting a good group of vendors and your team on board."

React to snafus quickly. Quinn was not happy when she discovered, with the move in progress, that her new building was not set up for high-speed internet. "That was difficult," she said.

She opted for a work-around while waiting for high speed internet access to be installed—a surprisingly slow process. "We had to cobble something together with cable for maybe four months," she said. "Someone had to watch it. Every couple of hours they had to tell us all they had to reboot it."

Fortunately, her luxurious digs have cushioned the blow of having to work through that inconvenience. Not long ago, she noticed two staffers sitting at a table in her office with glasses of red wine at about 7 p.m.

One told her, "It's so lovely here, sometimes I think I'll just stay here and not go home."

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