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Top 10 COVID-19 Takeaways For Corporate Site Selection

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John H. Boyd, founder of The Boyd Company, Inc., shares how he expects the COVID-19 pandemic to impact corporate relocation, commercial real estate and the states' battle for new industry and jobs.

How will the COVID-19 pandemic impact corporate relocation, the commercial real estate industry, and “the war between the states” for new industry and jobs?

John H. Boyd, founder of corporate site selection firm The Boyd Company, Inc., has shared his top 10 COVID-19 takeaways:

1. Overextended and risky **supply chains** are no longer tolerable. COVID-19 is providing new and forceful momentum for the re-shoring of manufacturing investment back to the U.S. from China and elsewhere. The U.S. medical devices and biopharma sector — now dangerously concentrated in China — must be the first in line to disinvest there and reinvest back in the U.S.
2. **Remote working**, already a trend, will accelerate greatly and have a significant impact on the commercial real estate industry as offices will continue to get smaller. Currently, many U.S. offices average less than 150 square feet per worker. That number is down from 200 square feet per worker a decade ago and as high as 500 square feet when Boyd started in the 1970s.
3. The weakened economy will put a premium on **cost efficiencies in the site selection process** and favor lower-cost states. Improving the bottom line on the cost side of the ledger will be far easier than the revenue side for companies for the foreseeable future.
4. Unheard of **low interest rates and an overabundance of job seekers** eager to go back to work will kickstart many site selection projects that have been put on hold due to COVID-19.
5. Expect a New Deal-like COVID-19 **infrastructure bill**. President Trump has an opportunity to make the most significant investments in our nation's infrastructure since the New Deal. Boyd's New York City clients are hopeful for the much needed third Hudson River tunnel.
6. When the smoke clears, cities and states will be turning to big-budget Madison Avenue **marketing techniques** in the battle for new industry and jobs. Politicians on both sides of the aisle will be running on the platform of jobs, jobs, jobs.
7. Expect a trend to more **rural and suburban markets**, as major urban centers have become epicenters for COVID-19. The remote workforce, new IT apps and the rise of new suburban mixed-use developments with an urban feel provide momentum here.
8. Some of the nation's most prized commercial real estate will be the many millions of square feet of **retail space** that will not be coming back after COVID-19. Developers will be quick to re-purpose top retail sites due to advantages like cost, open architecture, parking, visibility and highway access.
9. **Retail workers** keeping open essential businesses during the COVID-19 crisis (supermarkets, pharmacies, gas stations, delivery firms and take-out restaurants) will be a new force in the movement for a living wage, paid sick leave and other social service benefits.
10. States hardest hit by COVID-19 will have unprecedented **budget challenges** and the need for new revenue sources. Look for major tax hikes and toll increases but also calls for new market-based revenue streams like sports betting (already legal in 21 states and in Washington, DC) and recreational marijuana (currently legal in 11 states).

Founded in Princeton, NJ, in 1975, **The Boyd Co.** provides independent location counsel to major U.S. and overseas corporations. Clients include JP Morgan Chase, PepsiCo, Philips, GlaxoSmithKline, Dell, Boeing, UPS and other *Fortune* 500 and up-and-coming companies.