

SPEC BUILDINGS & CERTIFIED SITES

Is your business taking advantage during site selection?



Oh, What a Site!

In today's competitive global economy, businesses must relentlessly analyze and identify opportunities to enhance their positions. For companies considering a new location, that analysis begins with the site selection process.



There are dozens upon dozens of factors tied to site selection. Knowing how drawn-out that process can be, communities across the country are becoming more aggressive in "preparing" their potential sites for consideration. More and more, economic developers, in collaboration with private sector partners, are certifying sites, and then beyond that, constructing spec buildings.

"A lot of site selection is about risk mitigation, so being able to eliminate time and cost aspects of taking a site and making it development-ready, that really jumpstarts the timeline for a client to make a decision about a particular site," said Jason Hamman, president, Hamman Consulting Group.

For companies seeking new sites, those risk mitigation factors are where they can first build their advantages. Consider these significant benefits for businesses which consider certified sites or spec buildings during the site selection process:

- ✓ **Overall risk reduction**
- ✓ **Speed to market**
- ✓ **Reduces development costs**
- ✓ **Saves time (potentially 6-18 months with spec buildings)**
- ✓ **Spec buildings still allow for client customization**

In the site selection process, companies/consultants might face between 75-100 criteria in determining the right site. Site certification helps address that arduous process for clients.

Indeed, certified sites and spec buildings can be a major incentive for companies, especially those looking to move quickly to get a new facility up and running, according to Business Facilities magazine. Those site advantages provide potential corporate decision makers with less worry about surprises emerging that could delay a project's speedy completion. That time savings is a valuable commodity.



Spec Building Brings Manufacturing for Automotive Giant Back to Toledo



"THE SPEC BUILDING AT OVERLAND WAS AN OVERWHELMING FACTOR THAT HELPED US IN MAKING OUR DECISION TO LOCATE IN TOLEDO."

– Paul Watroba, senior manager, Dana



Finding the Right Location: Dana

With plans to develop enhanced versions of its industry-leading axles, Dana Inc. needed to determine where to build a new high-tech manufacturing facility to accommodate production. It was an extremely competitive search process, with Dana ultimately selecting a spec building in Toledo, where it became the first tenant at Overland Industrial Park. The decision marked a return of the company's manufacturing to its home base and world headquarters. Officials stated that without the spec building already constructed on site, Dana would not have selected the Toledo location for its new facility.

Project Details:

- ▶ \$70 MILLION CAPITAL INVESTMENT
- ▶ 300 NEW JOBS
- ▶ MOVED INTO 100K SQUARE-FOOT SPEC BUILDING & IMMEDIATELY BEGAN PLANNING TO EXPAND TO 300K SQUARE FEET

At a Glance

Dana Inc. is a world leader in the production of drivetrains, axles and other products for automotive, commercial vehicles and off-highway markets. With headquarters in Maumee, Ohio, (just outside Toledo), Dana has \$7.2 billion in sales and employs more than 30,000 people worldwide.



CERTIFIED SITES ARE ATTRACTIVE TO BUSINESSES BECAUSE OF THE READINESS OF INFORMATION, ACCURACY AND DEPTH OF INFORMATION, AND IDENTIFICATION OF PROPERTY RISKS

Spec Building Opens Window for Automotive Supplier in Northwest Ohio



"HAVING THIS BUILDING SPECED-OUT ... HAVING IT PRE-BUILT, GAVE US A QUICKER WINDOW IN TO START THE MANUFACTURING PROCESS."

- Tom Charnesky, plant manager,
Hanon Systems



Finding the Right Location: Hanon Systems

In order to support its growing business with global vehicle manufacturers, Hanon Systems sought a new U.S. location for its manufacturing facility. This would be the company's first U.S. plant to open since 2003. Along with searching for a central Midwest location, Hanon also desired an existing site to kick-start new operations. In Northwest Ohio's Wyandot County, construction had already been completed for a 100,000 square-foot spec building, which more than met Hanon's needs. The foresight to create viable product for an industrial end user such as Hanon was described as the definitive reason for the company's site location decision. Company and economic development leaders agreed the project would not have come to fruition without construction of the spec building.

Project Details:

- ▶ \$16 MILLION CAPITAL INVESTMENT
- ▶ 139 NEW JOBS
- ▶ 100,000 SQUARE-FOOT SPEC BUILDING
- ▶ PRODUCTION STARTED IN 2017

At a Glance

Hanon Systems is a global leader specializing in automotive thermal and energy management solutions. The company supplies a full line of products for automotive thermal applications including heating ventilation and air conditioning. With close to \$6 billion in sales, Hanon employs more than 16,000 people across the world with 40 manufacturing sites and 18 engineering sites.



62 PERCENT OF BUSINESSES CONSIDERING A MOVE REQUEST A SITE WITH A BUILDING ON IT

Certified Site Helps Secure Campbell's Distribution Center

**"HAVING A
CERTIFIED SITE
ABSOLUTELY IS
A BENEFIT."**

- Jim Prunesti, V.P. Global
Engineering, Campbell Soup
Company

Finding the Right Location: Campbell's

Campbell's Soup Company determined the need for a new Midwest distribution hub to handle shipment of soups, V8 beverages and other products. The company had considered locations in Indiana and Ohio. According to economic development officials, Campbell's was working on an aggressive decision-making timeline. Local officials in Findlay, Ohio, had been working with AEP over the past 18 months in certifying the site, making it ready for immediate development. That factor ultimately helped secure the new distribution center to its site. Campbell's executives cited the advantages of the certified site in the development process, noting the shorter development time window and lower risk and cost exposure.

Project Details:

- ▶ \$44 MILLION CAPITAL INVESTMENT
- ▶ 220 NEW JOBS
- ▶ 750,000 SQUARE-FOOT FACILITY
- ▶ OPERATIONS BEGAN IN SPRING 2018

At a Glance

Campbell Soup Company is a global food company with annual sales of approximately \$8 billion. The company makes a range of high-quality soups and simple meals, beverages, snacks and packaged fresh foods. Founded in 1876, Campbell's employs 18,000 people around the world. Its Northwest Ohio plant is the largest soup factory in the world.



**CERTIFIED SITES AND SITES WITH SPEC BUILDINGS ARE OFTEN
THE FIRST LOCATIONS VISITED IN THE SITE SELECTION PROCESS**

Automotive Company Jumps at Chance With Spec Building



"HAVING THIS BUILDING UP AND READY TO GO WAS KEY FOR US AND REALLY IS WHAT MADE THIS THE RIGHT SITE FOR US IN NORTHWEST OHIO."

- Jeff Joseph, plant manager, Trèves Inc.



Finding the Right Location: Trèves

Trèves was looking to site its first U.S. production facility having received a new contract from an OEM. Heavy competition existed for the project from Ohio, Alabama, Michigan and Mexico. The company was on a short time table after being awarded the new business, meaning it didn't have time to find a Greenfield site for new construction. Local development officials had worked diligently in securing financing to construct a spec building, which ultimately proved as a key differentiator, leading to Trèves acquiring the Fostoria, Ohio facility. Trèves described the Fostoria spec building as the perfect size at the perfect time.

Project Details:

- ▶ \$11 MILLION CAPITAL INVESTMENT
- ▶ 91 NEW JOBS
- ▶ 40K SQFT. SPEC BUILDING, EXPANDABLE FOR ANOTHER 60K
- ▶ BEGAN PRODUCTION IN SPRING 2018

At a Glance

Founded in 1836, Trèves is a recognized automotive supplier, a specialist in automotive interiors and acoustic environment. As an international group with headquarters in Paris and employing 4,500 people, it has 23 factories across 17 countries. Trèves focuses on four soft trim and acoustics product ranges in the cabin, the trunk, the engine bay and the body.



SPEC BUILDINGS ARE ESTIMATED TO SAVE BETWEEN 6-18 MONTHS IN THE BUILDING PROCESS

“ACCESS TO SPECULATIVE BUILDINGS AND SITES WITH QUALIFIED DUE DILIGENCE PRESENTS A UNIQUE SITE SCREENING ADVANTAGE THAT OFTEN REDUCES OVERALL RISK AND SAVES TIME IN THE SITE SELECTION PROCESS”

Mark Williams, President
Strategic Development Group

“HAVING A BUILDING ALREADY PERMITTED AND CONSTRUCTED REALLY MAKES A CLIENT’S DECISION PROCESS THAT MUCH MORE QUICK.”

Jason Hamman, President
Hamman Consulting Group

“WHEN YOU CERTIFY THE SITE, YOU TAKE ALL THE RISK OUT OF IT FOR CLIENTS, AND OUR CLIENTS ARE REALLY TRYING TO MAKE SURE THAT THEY MINIMIZE RISK.”

Tim Feemster, President
Foremost Quality Logistics

“KNOWING THE SITE IS CERTIFIED HELPS THE END USER KNOW THAT MOST ENCUMBRANCES HAVE BEEN ADDRESSED.”

Paige Webster, President
Webster Global Site Selectors

As global competition becomes more fierce, communities across the country have become more proactive, aggressive and determined to put forth sites and inventory ready for new business today.



And that is where businesses seeking new sites and locations must take advantage in order to keep ahead of competition. By pursuing certified sites and spec buildings, companies will reap the rewards of the hard work and due diligence put forth by communities, including:

- ✓ **Speed to Market**
- ✓ **Reduction in Development Costs**
- ✓ **Risk Elimination**

Communities in Northwest Ohio and new businesses coming to the region have both succeeded in this win-win initiative. Across the 17-county Northwest Ohio region, more than a dozen spec buildings have been constructed, with many already occupied. In addition, currently eight sites in the region are certified or authenticated - meaning all due diligence has been completed and they are ready for development today.

To learn more about available sites and buildings in Northwest Ohio, contact the Regional Growth Partnership



Gary Thompson

Vice President, Business Development
419-304-9585 | thompson@rgp.org

www.rgp.org

