

Successfully navigating corporate campus relocation, renovation presents diverse real estate challenges



COLOPLAST CORPORATION

Coloplast Corporation is a Danish medical device manufacturer that acquired the Minneapolis-based urology division of Mentor Urology. Following this acquisition, Coloplast decided to move the company's U.S. headquarters to Minneapolis from Marietta, Ga. Coloplast hired NorthMarq Corporate Solutions to manage all real estate matters associated with this move, including the development of a new office tower.

Challenges

Coloplast needed to rapidly relocate its U.S. headquarters to Minneapolis. Coloplast selected NorthMarq to help the company align its real estate with its business strategy and manage all of its real estate in the United States. The existing Minneapolis campus, previously owned by Mentor, presented several challenges. To fully accommodate Coloplast's needs, the company also needed to acquire additional land around the site.

Solutions

NorthMarq determined Coloplast's facility needs and developed several real estate alternatives. Working with the Coloplast steering committee to ensure the company be operational quickly, NorthMarq relocated the healthcare manufacturing operations into a vacant clean room facility that required minimal renovation. After negotiating the lease, NorthMarq managed the design, build-out and move into the 90,000-sq.-ft. facility in just three months. NorthMarq also secured a 42,000-sq.-ft. sublease space in downtown Minneapolis to house the company's U.S. sales and marketing divisions, saving Coloplast approximately \$1 million, compared with the initial recommendation by another firm.

NorthMarq executed cost-effective solutions that enabled Coloplast to consolidate its U.S. headquarters on the original site of Mentor Corporation. NorthMarq navigated difficult and lengthy governmental approval processes and obtained more than \$9 million in governmental incentives while ensuring that the project met Coloplast's desire for a distinctive building and campus that utilized sustainable design principles. Coloplast's new campus includes a 100,000-sq.-ft., five-story, Class A office tower and 40,000 sq. ft. of research and development space. The existing research, development and sterile manufacturing space will be remodeled to provide greater flexibility for added research and development functions, new product introduction and surgical manufacturing products.