

Business Bullet ~ Moving your businesses?

OK, your business has finally reached a point where the basement is no longer an adequate office and the family room an acceptable conference facility. What's your next move?

Location and Square Footage

Many small business start-ups begin just like this. At some point, it's time to move out of the house and grow up just like the others. Finding office space can be a tedious and frustrating task especially if you don't have a well thought out plan of options. Location is a factor that should be high on your list. If you have customers coming to your place of business, a convenient, professional location, with ample parking is crucial. The location should also be convenient for you as well. You certainly don't want to locate so far away where it becomes a hassle getting to your own place of business.

The next thing is to determine how much square footage you need. If your business has grown considerably within the last year or you plan to add staff, you may want to double your square footage to allow for additional growth. Decide how to divide the space. Do you need several offices, conference room, storage, manufacturing and computer equipment areas? Other issues to consider in renting space are who pays the utilities, real estate taxes (some landlords tack taxes onto rental fees), and maintenance. Some landlords will offer build-to-suit options, constructing your design space within their building. The cost of construction is typically included in the monthly rent over the lease period. There also may be common areas in a building (such as halls, stairways, elevators) that all tenants in the building use. Each tenant pays a proportionate share of the cost of upkeep of those common areas. Sometimes the common area cost is expressed as a dollar amount based on the percentage of the building you'll be occupying. Sometimes, landlords add a percentage of the common area square footage to the square footage each tenant occupies. In such cases, while the lease says you're renting 1000 square feet, the actual useable area inside your office may be only 850 square feet, or less.

And, before you sign on the dotted line, ask whether you'll be able to get high speed internet access in your preferred location. Don't ask the landlord. Call the providers and find out. Make sure there will be enough wiring to handle the amount of phones you need before you move in. Don't guess and don't judge by the types of phone jacks you see in the wall. Have your IT person or someone you trust look under the cover plates to see what kind of wires are really there. If the space isn't already wired for Internet, call the Internet service provider you hope to use and make sure they have Internet hookups available in the location you are considering.

Executive Suite

If you're not sure renting space will work out, or if you need other support services, you may want to consider relocating to an executive suite. Executive suites are typically housed in an office complex, and comprised of many small businesses using the same resources. Executive suites are private offices, but share conference facilities, receptionists, and provide personalized telephone answering. Many executive suites provide administrative services, accounting, faxing, postal services, and libraries for an additional fee. If you don't want the hassle with hiring and training secretarial and administrative personnel, an executive suite may be your answer.

Business Incubator Concept

Another avenue to explore in your office relocation, is to look into the business incubator concept. A business incubator is similar to an executive suite, however, the incubator has a vested interest in the success of your business. The incubator helps start-ups when they're in real need of expertise by offering management assistance, financing and marketing and technical support. The National Business Incubator Association (www.nbia.org) promotes the importance of incubating successful businesses, and new technologies. Leases are generally flexible, and space expandable to meet a growing concern. Typically, two to three years after going through incubation, the business is freestanding and financially stable. The NBIA also has a link to Member Incubators on their site if you think this may be a suitable option. One caveat: some incubators take a piece of your business in exchange for providing low cost rent and other help in your startup phase. In those cases, you need to consider whether it's worth giving up a percent of your company in exchange for their help.

Whichever option you take in relocating your office, research and plan your move carefully. Consult with commercial real estate professionals, your business associates, and seek advice from your local Chamber of Commerce. Taking your business to this next step can be nerve-racking, but fun and exciting.

