

Unique client requirement for a new build distribution centre.



SBM provided the optimal solution for our client to open their new National Distribution Centre, delivering within a tight timeframe whilst reducing operational costs by 25%.

Our client's property scenario

As a leading international manufacturer, our client wanted to acquire and operate their own national distribution centre in the UK.

Historically it had relied on a number of third-party logistics contracts to manage its distribution channels.

A viable, sustainable, in-house solution was required to enable our client to take control of its distribution methods, deliver cost savings in line with 10 year projections whilst simultaneously portraying their strong corporate image.

“The procurement of a new national distribution centre enabled our client to take control of their distribution channels whilst benefitting from a 25% reduction in costs.”

Property challenges

It was important to identify locations close to our client’s existing manufacturing facilities to enable cost synergies and logistical efficiencies.

The client wished to pursue our recommended option, however construction work on the new build development had already begun, meaning we had to negotiate amendments to the specification of the 80,000 sqft development at pace.

Due to the nature of the client’s products to be stored, a unique floor loading capacity was required.

Property solution

Following market search, three separate options were identified as potential locations.

Once the preferred option was agreed, SBM integrated with the client’s internal team to resolve amendments to the build specification swiftly and ensure the client was fully aware of all discussions.

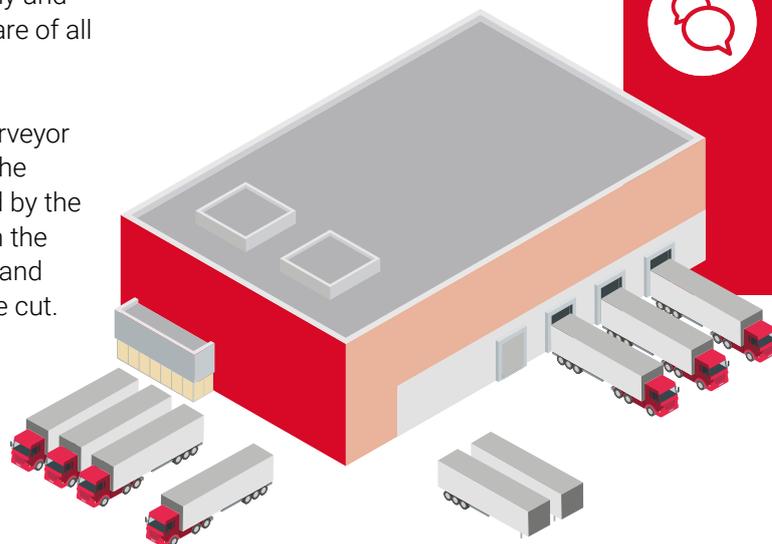
Our RICS qualified Building Surveyor provided a detailed report on the building specification provided by the developer, ensuring it met with the client’s specific requirements, and also to ensure no corners were cut.

SBM also reviewed the lease agreement with a specific focus on future liabilities.

The client pursued our recommended option, signing the lease agreement and taking occupation after completion.

Result

- ✓ **Providing the optimal solution within a tight timeframe, enabling our client to take control of their distribution methods and begin operating their new National Distribution Centre**
- ✓ **Procured a site that fitted with our client’s corporate image**
- ✓ **Delivered significant cost savings against the client’s existing situation**
- ✓ **Negotiated incentives worth over £500,000 for our client**
- ✓ **Limited our client’s future obligations by providing a detailed review of the Agreement for Lease**



SBM expertise applied



Research

In-depth market research of suitable options available with a specific emphasis on the unique build requirements and the importance of location.



Building Surveying

A formal review of Building Specification from a RICS Registered Building Surveyor, providing input on floor loading capacity and other considerations, ensuring no corners were cut by the developer.



Negotiations

Experienced negotiators secured the building specification required and cost savings under tight timeframes.