

# Valmet Atlanta

Valmet is a Finnish company and a developer and supplier of technologies, automation systems and services for the pulp, paper, and energy industries.



## Client Objectives

Valmet had recently acquired an Atlanta based company who was being forced to relocate their plant in the Atlanta Region. Simultaneously, Valmet was considering a real estate consolidation strategy across their existing portfolio to drive efficiency for manufacturing and distribution functions at other locations across North America. The objective was to identify a suitable relocation option for the recently acquired Atlanta plant while also evaluating opportunities that could accommodate both the Atlanta relocation and consolidation from other markets.



**Space**  
100,000 SF

## Process

1. Cresa, in coordination with their strategic consulting partner, Hickey & Associates had already been engaged in studies to help evaluate consolidation strategies and options for existing North American operations.
2. Additional evaluation was performed for the manufacturing relocation in the Atlanta Region to identify:
  - Location requirements (focused primarily on employee retention and trucking access)
  - Power and other major infrastructure requirements
  - Use constraints – particularly focused on zoning and corporate image parameters; and
  - Time constraints (they were in a lease that was expiring in the near term with no renewal options)
3. The team put together options and analysis for 2 different scenarios:
  - Simple relocation of Atlanta plant with consolidation of additional functions in a separate market; and
  - A larger facility to accommodate both plant relocation and consolidation of manufacturing and distribution functions from other markets
4. Cresa assembled a team including Hickey & Associates, internal project management, and zoning experts/attorneys to evaluate multiple options within the two scenarios to help Valmet find the best option to align with their business goals.



**Industry**  
Technology/  
Manufacturing

## Results

In a challenging industrial submarket for tenants with only 2% vacancy, Cresa assisted Valmet to pursue and execute on the larger building/consolidation strategy which included:

- Increasing in size from roughly 50,000 to 100,000 SF
- Advising Valmet on a short-term lease extension in the current location to mitigate timing risks and constraints
- Work with local utilities and electrical contractors to formulate a strategy to bring in additional needed power
- Confirm with the appropriate zoning authorities the suitability of the intended use; and
- Negotiate satisfactory lease terms with the building landlord