

Industrial Renewal  
150,000 sq. ft.  
Restructuring

## CASE STUDY



StackTeck Inc. has been manufacturing, repairing and refurbishing injection molds and systems for the plastics industry for more than 30 years. It is a global leader in integrated plastic tooling for the food packing, housewares, consumer goods, medical/pharmaceutical and cosmetics sectors.

All of StackTeck's operation facilities are located in Brampton, Ontario.

### The Challenge

When they met with Stan, StackTeck was leasing approximately 194,000 square feet of industrial space in two buildings from the same landlord. StackTeck's corporate offices, engineering and manufacturing operations were housed in one building, and its testing and development operations were housed in another across the street. In an effort to save money in a challenging economy, StackTeck was trying to sublet 50,000 square feet of excess space with little success. There was a term of at least seven years remaining on both leases, and relocating was cost-prohibitive, as the expenses of moving the company's state-of-the-art machinery was beyond the boundaries of StanTeck's budget.

### Our Response

In conducting an audit of the existing leases Stan Krawitz and his team discovered options to terminate a full five years before the actual termination date outlined in the leases. The team then went to work creating a competitive environment by developing an RFP on behalf of StackTeck that invited rental bids from competing landlords for a space that would consolidate operations under one roof. This RFP was shared with the current landlord. This strategy assumed that the current landlord did not want to have to find new tenants for a split space in a challenging economic climate and StackTeck would have the upper hand at the bargaining table.

### The Solution

As planned, the landlord capitulated, talking back the 50,000 square feet of excess space and providing a short-term extension on the leases for both buildings. Thus, StackTeck was able to shed 25 percent of its costs and avoid an expensive move.

"There is a card that I think says it all about Savills and the way they work: 'Never Give Up...Go Over, Go Under, Go Around, or Go Through, But Never Give Up.'"

Randy Yakimishyn  
President, StackTeck