

CASE STUDY



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LOCATION

Global

SIZE

50 million square feet

SERVICES

Portfolio Management

Strategic Consulting

Transaction Management

Data Management

Audit & Recovery

Tax Appeal

JABIL INC.

Challenge

Until 2016 Jabil's real estate portfolio had been handled on a globally decentralized basis. With the hire of a seasoned Global Director of Real Estate for the first time in its history, Jabil set course to establish a best in class model that was effective and not overburdened. We were charged with assisting Jabil in developing a formulaic and strategic process of decision making, while aggregating for analytical research and predictive analysis, the real estate portfolio data for this +250-location portfolio. In addition, more localized resources specifically in Mexico and China/Taiwan were required in order to further establish Global Real Estate as a partner to the Operating teams, in lieu of the prior model where real estate was viewed as more of a Facilities department.

Solutions

Our Team, alongside internal Jabil resources, set about the collection of all documents existing at all locations and followed back up with all Landlords and business units to acquire missing or suspected documents and agreements identified in our initial analysis of materials. Based upon a now established database we devised processes, programs and procedures to ensure proper address and completion of the Transaction Management process, from initiation of an opportunity through close-out and inclusion in the database and reporting. Through an established program of weekly reporting and portfolio status review we began to methodically review each market where Jabil had strategic or looming property needs, looking forward 24, 18 and 12 months and the alternatives and potential solutions for all projects identified by Jabil.

By reassessing Operational input and its influence on the real estate strategy, we have been able to begin to challenge the status quo of needs based acquisitions and charge the Operations teams with a more thought provoking, creative solution methodology that was also a finely tuned procurement process of both procuring local resource experts (integrator model) as well as meeting the spatial needs of the business.

Results

Over the initial three years of the engagement, leakage was nearly non-existent; savings achieved were at levels between 8 and 17 times fees paid to CBRE (only fees paid by Jabil direct – not Landlord fees) and the transaction cycle time was reduced by nearly 20% from the baseline, which was established after 1 year of the engagement.

In addition, several key transactions helped to support the ongoing new and organic growth of the organization, a sample of this type of activity is expressed below:

Individual Project Outcomes

Guadalajara Mexico is a key market for Jabil. With over 1.5MSF of space in the market, the ongoing business needs and continual process / operational improvement requirements are ever changing.



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Over the course of one-year from the initiation of the Request for Service to the eventual signing of a 325,330 sf state of the art facility which can eventually be renovated to allow for covered employee shuttle pick-up/drop-off and allows for 2-storey production for one of Jabil's core clients.

The concept of having production on 2 floors is not a common practice, however through the dedication and attention of Jabil's engineering team working with CBRE, the facility met the FAR limitations of the site, as well as the vast parking and on-site detention requirements mandated by the park.

This project achieved an overall savings from the next best option of 12% and limited the total term required, as well as provided operational efficiency as it was engineered and constructed on a parcel adjacent to one of Jabil's main facility in Guad Tech Park.