

Macromedia Designs a Better Real Estate Strategy

Visit almost any Web site and you'll see Macromedia's work in action. As supplier and supporter of Internet technologies such as ColdFusion®, Flash™, and Dreamweaver®, the company's products are essential to interactive, modern communication. Like many other technology companies, Macromedia has weathered its share of growth, consolidation, and acquisitions in recent years. But thanks to ARCHIBUS, Macromedia has used these changes to its advantage by strategically applying space usage information to the company's real estate planning process. As a result, Macromedia has saved millions of dollars through thoughtful consolidation and helped provide a more comfortable working environment for its employees—all with an eye towards the future.



A Company in Flux

Jim Morgensen, Vice President of Real Estate, Facilities and Services arrived at Macromedia when the company still relied on planners making physical rounds of the buildings. "Macromedia was a growing company at the time, with lots of moves, adds, and changes taking place," he says. Despite the company's high-tech image, planners were walking the floors, counting cubes and the people in them— not a very reliable way to develop a strategic plan for a dynamic company. Morgensen had already seen the value of facilities management software at his previous job at Silicon Graphics, Inc. (SGI). There, he used ARCHIBUS to create space efficiencies, ultimately discovering that 6-7 percent of the company's space was either vacant or underused.

Given his experience at SGI, Morgensen was able to recommend ARCHIBUS as a way to increase Macromedia's space efficiency as well. "I was used to having tidy monthly reports from ARCHIBUS on vacancies and occupancies," he says. "Instead, we had a set of floor plans and employee counts, but neither were accurate. We didn't know whether a space was occupied by a temp, a consultant, or in those days, someone's dog! By bringing in ARCHIBUS, optimizing our space became almost instantly easier."

Consolidation Pays Off

Macromedia began by creating accurate, defensible reports on the company's space and infrastructure usage. "Early on, ARCHIBUS helped us identify excess space and find ways to put it to better use. Now that the company is back into growth mode, it helps us proactively plan for our future needs," says Morgensen. Having accurate occupancy figures paid off quickly. Following a business acquisition, Macromedia took on a lease obligation for a building in Massachusetts. "After evaluating how each business unit in the building was using space, we were able to consolidate operations from about 225,000 square feet to about 80,000 square feet and sublet the rest, resulting in cost avoidance of approximately \$2 million a year," says Morgensen.

Macromedia was able to consolidate its operations to a lesser extent in some of its San Francisco buildings—a laudable achievement in that heated real estate market. "With ARCHIBUS, we were able to plan contiguous space for employees and arrange for shared space and infrastructure—such as software engineering labs—bringing our total real estate costs down," says Morgensen. "In addition to the revenue potential we realized from subletting space, we saved money by writing off the costs of our real estate and associated equipment that was under obligation."

Employee Tracking



Morgensen and his team work with Macromedia's Human Resources (HR) department to track how and where employees work and the resources they require. "We've linked personnel records in ARCHIBUS with HR's PeopleSoft® records," says Morgensen. "New hires and terminations are fed into ARCHIBUS to maintain accurate occupancy and vacancy figures." Macromedia manages its internal move process via the customized "Quick Move Process" developed by ARCHIBUS Business Partner Robert Stephen Consulting, LLC. "Our space records have never been more accurate," says Morgensen. And thanks to a nightly synch between ARCHIBUS and PeopleSoft that updates Macromedia's internal people finder, Macromedia employees no longer need to wander

aimlessly in search of a colleague's desk.

Synchronization with HR records yields other benefits, too. For example, a customized table in ARCHIBUS developed by Macromedia's ARCHIBUS Business Partner associates key cards, physical keys, parking, and any training an employee might have (such as EMT training), with each staff member. With these tools, it's easy for Macromedia to identify what needs to be collected from a terminated employee, as well as the workstation and parking vacancies that will become available.

ARCHIBUS also helped the HR department get a handle on the number of remote workers at Macromedia. Comparing an ARCHIBUS occupancy report with an HR report on all employees generated an accurate count of remote workers. Today, HR uses this information to justify and develop initiatives, such as ergonomic programs, for telecommuters. Meanwhile, Morgensen and his team have a better sense of spaces that are only being used on a part-time basis. The ARCHIBUS AutoCAD® Overlay with Design Management application has proven to be a very valuable tool to Macromedia's planners in communicating space availability to end users. Managers can view the entire floor where their team resides and better plan their own team adjacencies, as well as adjacencies with other departments.

Information Made Accessible

Macromedia also uses SpaceView, a product from Robert Stephen Consulting, LLC, which makes vacancy and occupancy figures available on-line. Automated AutoLisp routines create the DWF files each night, so data is always up-to-date. A Data Condo™ from ARCHIBUS Business Partner AssistGlobal acts as a reliable Application Service Provider (ASP) for Macromedia. "The Data Condo works really well, keeping our system running smoothly without requiring a lot of time and resources from our IT department," says Morgensen.

As the company whittles down its real estate needs, Macromedia will soon handle its own lease administration services with the help of the ARCHIBUS Real Property & Lease Management application. And the new headquarters building that the company recently purchased will be an opportunity to implement the work order features of the ARCHIBUS Building Operations Management application. For all the future goals the implementation holds, Morgensen is still sold on the value of ARCHIBUS for optimizing the company's use of its space. "The greatest value is that we can plan with certainty," he says. "We can project growth and know precisely the amount of space and infrastructure we'll need. ARCHIBUS gives us a better way to measure our requirements and apply this knowledge to our real estate envelope."

Vital Statistics

Organization:

Macromedia

Location:

San Francisco, California

Facilities Facts:

30 buildings worldwide measuring approximately 1 million square feet; 90% managed with ARCHIBUS

ARCHIBUS Applications:

Space Management

Overlay for AutoCAD with Design Management

Furniture & Equipment Management

3rd Party Applications:

Space View from Robert Stephen Consulting; Data Condo from AssistGlobal

Impetus for Implementation:

Needed a system to maintain accurate space usage figures

Benefits Gained:

Cost savings and avoidance of approximately \$2 million per year due to consolidation; accurate occupancy figures enable enhanced strategic real estate decisions; integration with employee information leads to more relevant Human Resources programs

Future Plans:

Bring lease administration in-house; add work order management functionality to owned buildings; track all telecommunications and cable infrastructure

ARCHIBUS Integration:

PeopleSoft

Business Partners:

Robert Stephen Consulting, LLC; AssistGlobal

Web Site:

www.macromedia.com