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Strategic Operations Decisions Help Companies Profit From Downturn

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Area Development Online

Scott Grossfeld was quoted in an August 2012 article published by Area Development Online about how corporate managers have been able to see profits, despite the economic downturn, by making savvy facilities management decisions.

According to Grossfeld, tenants are in a better position in the current business climate whereas “landlords used to insert rigorous demands on the tenant, but that is not so easy to get by with today.”

The article notes that tenants have been encountering more favorable terms in retail lease agreements, including opening coverage for one business day.

“In today’s volatile economy, retail tenants do not want to commit to more than an one day opening in case the economy or market area turn down. Likewise, the co-tenancy clauses are very important,” Grossfeld said. “Retail tenants do not want to be tied to a property if a major anchor store closes. They want the right to terminate their lease in that event. This is not an absolute but contingent on specific instances. These provisions were unheard of several years ago.”

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Scott L. Grossfeld

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