

# Case Study

## British American Tobacco Plc

### Industrial Relocation Consultancy



#### The Client

- World's second largest quoted tobacco company
- In 2004 generated net revenue of \$12 billion
- Over 90,000 employees worldwide

#### The Project

- 9,290 sq m (100,000 sq ft)
- Sales and Operations advice
- Lease disposal

#### Key Benefits

- Mitigated cost exposure
- Coterminal lease
- Maintained flexibility for business

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#### The Challenge

British American Tobacco (BAT) is the world's second largest quoted tobacco company with brands sold in 180 markets around the world.

Following a consolidation of their UK operations they wished to mitigate their surplus lease liabilities at their warehouse in Abingdon. The lease had slightly onerous provisions. The building was bespoke interconnected with the adjoining building which was to remain operational. Furthermore, access to the site was limited without interfering with BAT's operations.

#### The Solution

Nb Real Estate's Industrial Relocation Consultancy provided an optional analysis of potential solutions available. The decision was taken to demolish one third of an interconnecting building in order to create separate access in the yard area to make the building attractive to third party users. The Industrial Agency & Development team then initiated a marketing campaign which led to identifying a tenant who would occupy the majority of the space of a coterminal tenancy. A lease was agreed together with a demise line which would not prejudice or affect BAT's existing operations onsite.

#### The Benefits

NB Real Estate's Industrial Relocation Consultancy team managed to mitigate a large part of BAT's cost exposure on the surplus accommodation by creating an innovative solution in dividing the building and making it self-contained without disruption to BAT's ongoing operations. This clearly had both a business and operational benefit.