

Panasonic 松下电器



- ↳ SOHO Hongkou
- ↳ 11,000 sqm Relocation

Panasonic Shanghai

The Challenge

Panasonic, one of world top 500 enterprises, which is a traditional manufacture with over 100 years of experience. Panasonic entered into the Chinese market over 20 years. Their Shanghai headquarter is located in Little Lujiazui, the rental within this area is gradually increasing due to inefficient supply and large demand. This meant that Panasonic were likely to be burden with higher costs upon their lease renewal. Panasonic wanted a long-term solution for their real estate needs in terms of cost effective and space consolidation. To consider flexibility of vacancy, Savills not only suggest Panasonic to look at new project as major target in the market but also more focus on completion date of new project.

Our Strategy

We selected over 50 buildings as initial option to Panasonic for 3 years. Eventually, Panasonic decide to choose SOHO Hongkou as final their final choice. This decision was based on location, cost effectiveness and vacancy flexibility. The building was handed over for fit-out works at the end of 2015, however Panasonic's lease commencement date is in September 2016. This meant The SOHO would not receive a rental income for the next 9 months if SOHO accepted the offer from Panasonic. We arranged a very serious meeting with the Chairman of SOHO, Mr. Pan to directly discuss the timing issues. We pointed out a good branding as the anchor tenant is essential to a new project and it's helpful to attract further potential tenants in the future.

The Outcome

After several meetings with Mr. Pan, we assist him to realize the importance of this significant anchor tenant and he not only accepted Panasonic's time line but also provided very competitive rental package which is below the prevailing market rate.