

Circuit City

Project Outline

When Circuit City sought to sublease its Chehalis, Washington, distribution center, the consumer electronics retailer plugged into the GVA connection.

Although Fred Meyer, a division of national grocery retailer, The Kroger Co., held a short-term sublease, the 175,000-square-foot facility required a long-term tenant. To fill the upcoming vacancy, Circuit City sent an RFP for leasing services to four national firms. Steven Klein, of GVA Kidder Mathews in Portland, responded with Patricia Loveall, in the firm's Seattle office, and Vanessa Herzog, in the Tacoma office. Together, they covered the three markets most likely to produce a viable tenant.

Initially, Seattle-based tenants said the Circuit City warehouse was too far south, while Portland-area prospects said it was too far north. The property is at least seventy-five minutes from the closest major market, in an area with little industrial activity; therefore, the GVA team faced a steep challenge to persuade brokers to show their clients this particular property.

Services Provided

- Leasing Services
- Space Marketing Strategy/Implementation

How GVA Kidder Mathews Added Value

Unable to change the property's location, Klein and his colleagues shifted their focus to businesses with distribution needs in both markets.

First, the team renamed the property to the Chehalis Distribution Center, which targeted a broader spectrum of space users. Next, to further their marketing efforts, they created a website with detailed information and virtual tours.

The team found a match in DHL, the world's leading global express delivery and logistics company. With perfect timing, GVA Kidder Mathews sealed the deal the day after Fred Meyer's lease expiration. Circuit City had expected to find a sublease within two years; fortunately, the GVA team completed the assignment in less than ten months.

"To level the playing field, you need a differentiator," Klein said of Circuit City's decision to work with GVA Kidder Mathews. "Patricia, Vanessa and I were able to act as a national firm with a strong local presence in three different markets to produce efficient and effective results."



**Chehalis Distribution Center
Chehalis, Washington**