

Location, Location, Location

One of the most important factors for a business to “get right” when considering a new location, is the actual site. Siting has a couple of connotations so keep in mind that today we are talking about the physical, actual address as opposed to the “community” or area site. There are a variety of factors that weigh into that decision, and of course every one is different. There are however, some standard considerations that we will attempt to review at this time. Remember that there are a variety of businesses, and what is right for one may be totally inadequate for another – and there are always going to be exceptions. Let’s take a look at a basics:

Accessibility: This one varies with the business. It can be extremely important to some, not so important to others. Obviously, if you are in a retail business or a service business inherent on walk-in customer traffic, it is important to be easily accessible to your target customer base. Heck, some retailers even get down to which side of the street is desirable! For example, if you’re a donut shop you would try to locate on the right hand side of the street for “in-bound” or morning traffic. A liquor store, on the other hand, would likely try for the right hand side of the street on an “out-bound” thoroughfare, being easily accessible to their market on their way home. In manufacturing or warehousing, the accessibility concern is usually with truck access for shipping and receiving purposes. Believe it or not, consideration is also given by many firms to being accessible to the largest prospective employee base!

Affordability: Not too much of a mystery here. All businesses like inexpensive, or fairly priced land and buildings. Remember that whatever they end up paying for their location obviously has to be recaptured through their business in order to attain profitability. This is particularly important from day one for those who lease or rent their facilities.

The Neighborhood: Again, more emphasis is placed on this factor for some types of business than for others. However, studies

show that it ought to be important to all! Surroundings are important! Surroundings reflect on image – image is important. It makes sense for most businesses to be around similar types of businesses, i.e. manufacturers (even types of manufacturers), retailers, etc. etc. Furthermore, neighborhood can affect employee attitude, pride, dress, and degree of commitment and loyalty!

Investment Readiness: You heard a lot about this one in the last election. Is the location “business ready”? The legislature passed a \$25+ million dollar appropriation (over a three year period) for Wyoming communities to access to get properties business ready. This includes infrastructure things like sewers, water lines, curb & gutter, streets, grading, possibly even buildings.... the rules are not completed yet so I will stop there – more on that in another column. Anyway, the idea is that when a company is looking it usually means they know what they want and they are ready to do it. If all we can show them is a piece of undeveloped prairie land and ask them to “visualize” with us what it could be in a couple of years when we get it ready, we don’t stand much of a chance.

These are but a sampling of the considerations given to a particular site. It’s a lot more in depth than most would assume. Other considerations that I haven’t touched on could include: zoning and covenants, visibility, existing building availability, nearness of relevant suppliers or customers, utility availability (sometimes the usual isn’t enough, sometimes there are special needs such as 3-phase power or fiber optic redundancy), and a myriad of other considerations, many unique to the particular business.

Physical location is important!