

Merchant & Gould

Intellectual property firm

Merchant & Gould
An Intellectual Property Law Firm



An intellectual property firm helps inventors birth new ideas. What would it take, then, for the nation's most successful intellectual property firm to reinvent itself? It would require ingenuity, tenacity, and a forward-thinking attitude. Merchant & Gould found just that with the help of Keewaydin Real Estate Advisors, and an opportunity they might not have otherwise imagined.

Merchant & Gould has a new home in the IDS Center in downtown Minneapolis. The firm has been reinvented with innovative space design that has enhanced communication, created opportunities for mentoring relationships, and created a new image.

Defining Success. In 1998 Merchant & Gould asked Keewaydin to create a strategic real estate plan that would evaluate the firm's real estate needs and determine a plan of action for the future. Keewaydin conducted a series of interviews and workshops with senior management and other members of the firm to identify the factors that would be critical to the firm's future success.

During the interviews, it became clear that the ability to attract and retain bright, young lawyers was essential to the future of the firm. Another consistent theme of the interviews was the need for change and varying willingness to accept change. Kathy Ehrmann, Keewaydin Partner who developed the strategic plan for Merchant & Gould, said "They had a good sense of who they were, and also what could be changed to make the firm better. They were critical of themselves in an honest, objective way."

Using Keewaydin's proprietary strategic real estate planning process, Ehrmann helped Merchant & Gould translate these critical success factors into an actionable real estate strategy. The firm wanted to continue to grow and remain competitive in the marketplace, while maintaining an efficient and cost-effective practice. Keewaydin suggested that Merchant & Gould consider what a leading national intellectual property firm should look like, and then position itself to have that image. The recommended strategy showed how Merchant & Gould could use real estate to:

- Ensure flexibility for future growth,
- Balance needs of individuals with the firm's business goals,
- Position facilities as a recruiting asset, and
- Improve efficiency and encourage interaction and team-building.

Jack Clifford, a lawyer with Merchant & Gould and head of the facilities planning team, noted that the strategic planning process was important to the success of the entire project. "It helped us understand the issues we were facing," he said, "and get everyone on board. Kathy (Ehrmann) showed us how changing the traditional law firm paradigm could be cost effective."

Creating a Long Term Solution. Merchant and Gould was being forced from their present space due to the expansion of another tenant. The firm wanted to maintain a presence in the central business district of Minneapolis, but a search for appropriate space yielded very few buildings that could accommodate their needs and schedule. Keewaydin identified an ideal space in IDS Center, but it would not be available when Merchant & Gould needed to move.

Peter Kitchak, Keewaydin President, found temporary space in IDS Center which Merchant & Gould could occupy during the build-out of their permanent space. Unfortunately, this meant that Merchant & Gould would have to move twice. To make the double move feasible for Merchant & Gould, Kitchak persuaded the building owner to absorb all of the costs. Because the landlord absorbed the costs of the move and provided a significant tenant improvement allowance, the transition had a very attractive long-term cost. “We would have liked to avoid two moves,” said Jeff Sjobeck, Merchant & Gould COO, “but the long term impact on the firm justified the decision.”

Managing the Details. Michelle McGuire, Senior Project Manager at Keewaydin, worked with Merchant & Gould to hire and manage the design team, supervise the build out, monitor the schedule and budget, and to communicate all of the details of the process to the firm. McGuire also planned and supervised both of Merchant & Gould’s moves. “Michelle and her team really stepped up to their role for this project and both of our moves,” said Melissa Kolbjornson, Director of Facilities Services for Merchant & Gould. “They worked around the clock to make sure everything was done,” she added. “We couldn’t have done this without them.” Sjobeck noted, “We couldn’t afford disruptions. Keewaydin put all the pieces in place and made sure were up and running on Monday morning.”

The nature of this project – two moves, each with significant costs – forced McGuire and her team to find creative ways to cut costs. Her experience in managing large and complex real estate projects was a considerable asset to Merchant & Gould. “Keewaydin knew the right people to go to, knew what the costs should be, and worked with vendors to negotiate significant cost savings,” said Sjobeck. “Michelle is a tough negotiator, she always had our best interests in mind.”

A Refreshing Change. The result of the diligent effort of the entire team is intelligent space design that supports the firm’s objectives and has fostered a significant change in the environment. Universal office sizes help to level the playing field and break down the hierarchy that existed in the firm’s former space. The new office layout also creates team-building opportunities and encourages the formation of mentoring relationships. The space offers clearly defined private “quiet spaces” and many areas for interaction. Standardized furniture systems make it easier to rearrange teams when working on new projects.

Merchant & Gould also “put their facilities to work” by providing amenities that would attract and retain good people, a critical success factor identified in the strategic real estate plan. Because Merchant & Gould recruits lawyers with an engineering background, the firm realized that incorporating the most advanced technology in their

space and establishing an infrastructure to accept future changes was a critical recruiting tool. Merchant & Gould's headquarters includes desktop connectivity in all meeting areas and in "hoteling" offices for visiting lawyers, state-of-the-art videoconferencing equipment, and hardware and cabling to support future advances.

Members of the firm are amazed at how different this space is, at the refreshing feel. Both Clifford and Sjobeck say that the space reflects the firm's forward-thinking attitude and shows clients that Merchant & Gould is the leader in their field. In fact, they say, the space gives Merchant & Gould a competitive edge, both in attracting business and in bringing new talent to the firm. "This space sends a message that Merchant & Gould is the law firm of choice for clients and employees," says Clifford. Sjobeck adds, "This space makes sense for who we are today, and who we want to be in the future."

A Start-to-Finish Solution. "In my mind, the biggest value Keewaydin offered," said Sjobeck, "was that they provided stability all the way through the process. They managed the chaos and were the stable force throughout everything." Perhaps a greater value, one that will be recognized even more in the future, is the efficiency and tenacity Keewaydin applied to Merchant & Gould's project. Sjobeck added, "Our project was done on time, on budget, and everything worked the way we expected it to work. Keewaydin met and exceeded all of our expectations."

Although one might expect it would be difficult for this 100-year old law firm to reinvent itself, all attorneys and staff have enthusiastically embraced the change and the firm is well positioned for the future. The changes Merchant & Gould adopted have not only affected a significant shift in culture, but will save the firm an average of \$5,600 per attorney per year. There is consensus within the firm that, without Keewaydin and its process, this change may never have occurred. "Keewaydin did for us things we couldn't have done for ourselves. We needed to be challenged, because we never could have come to this decision without their help," said Clifford.

Keewaydin Services:

- Strategic Real Estate Planning
- Site Selection
- Real Estate Negotiation
- Contract Negotiation
- Project Management
- Headquarters Facilities
- Tenant Representation