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Guess Who's Coming to OC

By Dees Stribling

One of the **linchpins** of the US economic recovery (as **bumpy** as it's been) has been manufacturing, but that sector's growth has been **slow** to translate into real estate activity in SoCal. That **might be changing** as manufacturers here feel the need to expand or relocate within the region.



Newport Beach-based Saywitz Co SVP **Robert Ritschel** tells us that he expects to see **more** industrial transactions involving manufacturing companies in SoCal. These deals are likely to involve **relocations** and **expansions** of existing companies, rather than new companies coming into the area, because SoCal is an **expensive** place for manufacturers to do business. (Haven't you seen an episode of *The Real Manufacturing Companies of Orange County*?) Companies that found it cost-effective to relocate from SoCal have for the most part already left. But those manufacturing companies that need to be here for business purposes, or which are owned by SoCal entrepreneurs, will **continue** to operate here, Robert says.



The Saywitz Co recently repped **Pacific Urethanes and Precision Foam** in securing a facility for the company's West Coast operations. The manufacturer took **193k SF** in Ontario, Calif., in the recently renovated 1671 Champagne Ave, where it will make **foam** for the bedding industry. Robert says that many newer buildings provide for **greater** ceiling height, **increased** power and **more functional** layouts than older manufacturing buildings. "We're working on a number of transactions in which companies find it **more cost-effective** to be in a newer building," he says. "And we expect to see **more** of these transactions. A recovering economy will create an additional need for **better and bigger** manufacturing real estate."