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St. Louis creative agency headquarters move will double its downtown footprint

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COURTESY OF NITROUS EFFECT

St. Louis creative agency Nitrous Effect on Friday said it's relocating from one downtown building to another in a move that will double its space and add to its already growing workforce.

Nitrous Effect, a collective of several different creative marketing agencies, will move four of its divisions from the Park Pacific Building at Tucker Street and Olive Boulevard downtown to two floors of St. Louis Place at 200 N. Broadway, where it will double its current footprint to 35,000 square feet.

Nearly 100 employees will be making the move into the new space. The CPG, Evntiv and Vidzu Media units will occupy the building's 14th floor, while Eventiv will take part of the 15th floor. The space will accommodate up to 50 new jobs. A spokesman for Nitrous said the company is already in the process of hiring 15 new people.

At the same time, another Nitrous company, Geniecast, will expand in its current location at 555 Washington Ave., near America's Center downtown.

Chairman and CEO Keith Alper said he spent the past year scouting sites across the St. Louis metro area for a home for his collection of companies. The expansion became necessary after what the company describes as

"robust growth" over the last five years. Nitrous did not disclose specific revenue figures, but its local workforce has grown from 85 in 2017 to 150 this year, making it the region's seventh-largest creative services firm, according to Business Journal research.

"Our new home at 200 N. Broadway benefits from significant new investments and new amenities," Alper said in a release. "That creates a dynamic environment for our team and our visiting clients, many of whom are Fortune 500 companies who also enjoy the vitality of a downtown environment."

The owner of St. Louis Place, Balfour Pacific of Vancouver, British Columbia, acquired the building last September and put "significant investments" into it, including an "amenity floor" on the 7th floor with a balcony, bar, wifi lounge, fitness center and conference area that can be accessed by all tenants, said John Warren of Cushman & Wakefield. Warren and his partner, Jim Mosby, represented both the building owner and Nitrous Effect.

Nitrous' move will increase the building's vacancy rate to 74%, Warren said, with about 85,000 square feet left to fill. The amenity floor on its own, though, has drawn close to 100,000-square-feet of proposals from prospective tenants, "which is really impressive for downtown," Warren said.

Nitrous' announcement is the second major corporate downtown relocation development this week.

San Francisco-based payment processing technology firm Square on Monday announced it was moving its 500-person local office from the Cortex innovation district to the St. Louis Post-Dispatch Building at 900 N. Tucker Blvd. in what is expected to become the start of a new innovation district downtown.

Both developments are an indicator of growing momentum downtown, home to the region's highest office vacancy rates. While the St. Louis metro area's overall office vacancy rate held steady at 10.5% in the second quarter, it was 13.1% downtown, according to research from Newmark Knight Frank. Class A office vacancy downtown was 27.1% compared with just 14.4% for the region as a whole.

That higher vacancy rate has, at least in one aspect, made choosing downtown appealing for companies in search of office space.

"When you compare the relative cost of Class A downtown office space compared with other parts of the region, the math is simple," Alper said in a news release. "Downtown is a good business investment. I want to invest my resources in great people, not overpay for square footage. Downtown enables me to do that and still have Class A space that will improve our team and clients."