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Intelligent Office turning heads

Local entrepreneur foresees shaking up how people work

By Greg Avery, Camera Business Writer

With his friendly demeanor and silver hair, it doesn't seem anyone should be afraid of Ralph Gregory.

But commercial real estate investors may get scared when they hear the Boulder entrepreneur's epic pitch about his company's concept of remaking how people use work spaces.

Gregory's Boulder-based Intelligent Office has grown rapidly since starting to franchise its concept nationally five years ago, providing office suites and support services to professionals who want to work from anywhere and be free from having a full-time office.

If Intelligent Office succeeds in reaching its goal of 300 locations, it could make more than 45 million square feet of office space nationwide irrelevant, the equivalent of almost half of the Denver metro area's leased office space.

Gregory touts Intelligent Office as nothing short of liberating the nation's work culture, adding a whole new choice between a traditional office and working from home.

"We're really bomb-throwing revolutionaries, we just don't look like it because we dress professionally," Gregory said.

Intelligent Office's oldest location, off the southeast corner of Foothills Parkway and Arapahoe Avenue in Boulder, acts as a home office for nearly 400 professionals, Gregory said. If they were all to rent



photo Cliff Grassmick

Ralph Gregory created Boulder-based Intelligent Office, a business that provides office suites and support staff for other businesses, 10 years ago. His concept has grown to 32 locations around North America.

full-time offices, the building would have to be roughly the size of The Home Depot currently under construction at the Twenty Ninth Street shopping center in Boulder.

"We're really bomb-throwing revolutionaries, we just don't look like it because we dress professionally."

Gregory predicts that more companies — particularly knowledge-based service industries — will move away from the traditional, centralized office culture

and turn increasingly to sharing outsourced space. The savings on rent can be large, and, Gregory said, autonomous workers are more productive.

Gregory launched an advertising campaign through television and radio to try and tell potential clients about the concept.

"How many people are able to work this way? Is it 5 percent, is it 20 percent? I don't know, but without question the number is big," Gregory said.

Claims that the traditional office real estate industry will be hurt by an increasingly mobile work force have

been around for years, said Jim Costello, a senior economist for the Boston-based Torto Wheaton Research subsidiary of real estate giant CB Richard Ellis Group Inc.

"When e-mail, Internet and this stuff first came out 10 years ago, people said there'd be no more demand for office space," Costello said. "That hasn't been true."

The rise of "telecommuting," or working remotely, was too small to affect real estate trends, he said.

If Intelligent Office and similar businesses thrive, it likely will bring businesses into office space that might otherwise have remained home-based or in more traditional executive suite arrangements. In other words, Gregory's success adds to the office market instead of subtracts from it, Costello added.

"In a way, it's all just redistributing where the demand for office space occurs, not replacing the demand," Costello said.

Intelligent Office operated in Boulder, Cherry Creek and the Denver Tech Center in 2000, five years after its founding. Then Gregory started issuing franchise rights.

Despite the ensuing economic recession, telecommunications industry meltdown and dot-com bust, Intelligent Office has grown to 32 locations across the United States and Canada.

It grew by 55 percent in the past year and is adding franchises at a pace of one per month, Gregory said. He expects to have as many as 300 locations within 10 years.

Each Intelligent Office facility can accommodate somewhere between 600 and 1,000 professionals.

All have a minimum of five conference rooms and at least a dozen offices, all of which can be booked by the hour by fees-paying members. The facilities include a break room and reception space.

The Office Business Centers Association International, which tracks the executive suite industry, estimates

there are about 4,000 shared office space locations around the country. That number has stayed relatively flat since the economic downturn four years ago.

Companies like Intelligent Office are finding success pushing the old executive suite format in new directions, said Jeannine Windbigler, the association's executive director.

"A lot of companies are growing," she said. "It's safe to say things have turned around."

The things that separate Intelligent Office from its competitors is its "Follow Me Communications" technology and reception service, Gregory said. It handles client's phone calls, mail and faxes, forwarding calls to anywhere or screening them according to each client's wishes.

The goal is to give Intelligent Office clients a reception service that's personalized and professional.

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The Intelligent Office formula has worked well for Crocs, the rapidly growing funky shoemaker based in Niwot.

Crocs had 10 employees two years ago and didn't want the expense of building a phone system for customer calls and hiring a receptionist.

Crocs hired Intelligent Office to handle its 1-800 number telephone traffic. Crocs still relies on the company, even though Crocs has become an 800-employee, global shoe phenomenon.

"We really think it makes a difference," said Crocs spokeswoman Tia Williams of its arrangement with Intelligent Office. "As a company of our size and with our volume of calls, the alternative would be to have an automated phone system, and that's not customer-friendly."

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