

SENTRÉ PARTNERS BOOSTS VALUE OF COMMERCIAL PROPERTIES WITH CISCO INTELLIGENT BUILDING NETWORK ARCHITECTURE

ABSTRACT

SENTRÉ Partners, a real estate investment and services company based in San Diego, California, is a firm believer in adding value to its properties using technology.

- To differentiate itself from competitors, SENTRÉ needed a network that could deliver high-performance wired and wireless access to tenants throughout an entire building.
- SENTRÉ deployed Cisco Systems end-to-end switched network solutions in its new commercial buildings to deliver far-reaching network access that is flexible, scalable, manageable, and cost effective.
- Delivering broadband network access provides a substantial return on investment (ROI), enabling SENTRÉ to attract better tenants, enjoy faster leases, higher rents, and better retention.

SENTRÉ Partners is deploying Cisco Systems® wired and wireless networking solutions in its commercial properties to improve tenant satisfaction, increase revenue, decrease operating expenses, and improve overall property valuation.

BACKGROUND

Founded in 1989, SENTRÉ Partners is a real estate investment and services firm headquartered in San Diego, California. SENTRÉ, an acronym for Stewards and Entrepreneurs of Real Estate, has built its business around the philosophy of adding value to real estate using technology.

SENTRÉ has diverse real estate investment experience, including office, research and development (R&D) and industrial properties in southern California and Mexico. The company has acquired and developed projects valued in excess of US\$500 million, totaling more than three million square feet. SENTRÉ provides a comprehensive range of real estate services, including property management, landlord and tenant representation, acquisitions and dispositions, asset management, development, and construction management. These services enable clients and investors to maximize the asset value and minimize real estate or occupancy costs.

THE CHALLENGE

In the highly competitive commercial real estate industry, property owners and managers are continually seeking ways to differentiate themselves and attract the most desirable tenants. To develop an effective competitive strategy, owners must be acutely aware of tenant business needs, and tailor their services and properties accordingly. As information technology became increasingly important to businesses of all sizes in the 1990s, SENTRÉ determined that the ability to deliver high-speed networking and Internet access was crucial to maintaining its leadership in the industry.

“We consider the network to be more than an amenity, but an essential infrastructure that property owners will need just to compete,” says Matthew T. Spathas, managing partner, SENTRÉ Partners. “Voice and data networks are a fraction of the cost of other networks like electricity, gas, and water, yet they can provide the most value to tenants.”

Delivering state-of-the-art network access to tenants at its properties was only part of SENTRÉ’s challenge. To achieve a high return on investment, SENTRÉ would have to deploy networks that were cost effective, scalable to accommodate new technologies and changing applications, and easy to maintain. After performing an in-depth study of

networking architectures and products, SENTRE determined that a single, end-to-end network owned by each building would provide the best combination of manageability, performance, and value for money. By focusing its investment on the network foundation, SENTRE would make adding services simpler and less expensive.

“There’s only one electrical network in a building, not 10—why can’t bandwidth be treated the same way?” says Spathas.

“We believe that our Cisco network can enable us to get better tenants, faster leases, higher rents, and better retention inside our buildings. There’s nothing to keep competitors from doing what we’re doing, but we think we’re a long way ahead, and we’ve got a very strong competitive head start.”

Matthew T. Spathas, Managing Partner,
SENTRE Partners

THE SOLUTION

After considering a variety of different networking products, SENTRE decided to deploy Cisco® switched network solutions in its new commercial buildings, including One America Plaza, a 34-story building that encompasses 580,000 square feet.

“We wanted a solid foundation to build on, and Cisco is the industry leader,” says Rob Jones, building manager at One America Plaza. “We wanted to make sure that we were using reliable equipment. We knew where we were planning to add additional services going forward, and we wanted to make sure that we had equipment that would be able to accommodate them.”

At One America Plaza, SENTRE installed Cisco Catalyst® 4500 and 3550 Series switches to connect the building’s high-speed building optical network (BON). Designed for business services aggregation, modular Cisco Catalyst 4500 Series switches deliver high performance and intelligent bandwidth control at the network core. And on every third floor of the building, Cisco Catalyst 3550 Series switches further extend high bandwidth and availability to building tenants. SENTRE purchases bandwidth for the entire building in bulk, delivering up to 100 Mbps Internet connectivity to each user over a fiber-optic backbone, at a fraction of the cost of a T1 line. Tenants can establish a network connection almost immediately, without having to waiting for a carrier to provide service. A Cisco 2610XM multiservice router on every floor of the building provides support for multiprotocol data routing as well as integrated switching.

“Our users can just plug into their Ethernet network connection in their office, and they’re up on the Internet instantly, at speeds 60 times faster than a conventional T1 connection,” says Spathas.

As an additional utility for tenants, SENTRE provides free Wi-Fi wireless access throughout One America Plaza. Approximately 80 Cisco Aironet® 1200 Series access points located throughout the building provide untethered broadband connectivity to tenants, guests, and visitors using a laptop or PDA equipped with a wireless adapter card. Fully compliant with IEEE 802.11a/b/g standards, Cisco Aironet access points deliver up to 54 Mbps bandwidth to wireless users.

“We’ve moved from the concept of a wireless hot spot to a hot building,” says Spathas. “The network is already in place and the bandwidth is already there, so providing wireless access to our tenants is similar to putting a drinking fountain on every single floor.”

Because every business has specific security requirements, SENTRE lets tenants specify and provide their own firewall or VPN configuration. To help ensure that the network remains available on a 24-hour basis, SENTRE selected San Diego's Wireless Facilities, Inc. to provide network management and administration. Outsourcing network management enables tenants to enjoy maximum performance and reliability, while freeing SENTRE to focus on its core business initiatives.

"We're used to outsourcing management tasks in the real estate industry," says Spathas. "We hire companies to manage our elevators, and I would equate managing the data network to that. Wireless Facilities handles the remote management of the wired and wireless networks, and they have done a great job."

RESULTS

SENTRE's network offerings are quickly producing benefits, enabling the company to attract dynamic, Internet-savvy tenants that are using technology as an important part of their business operations.

"In all of our buildings, every new tenant that has moved in has jumped on the wired network," says Spathas. "Tenants like the fact that the network can be turned on in minutes, and deliver up to 100 Mbps of bandwidth. And they're relieved when they find out that they don't have to locate a telecom carrier, place an order, and sign a long-term contract with them."

The company's wireless infrastructure has proven to be a popular offering as well, and SENTRE's tenants are taking advantage of the flexibility provided by wireless networking to stay productive when they're on the move.

"I was in another office within the building conducting arbitration, and during the breaks I was able to tap into the wireless network and, utilizing my VPN, access my e-mail and my files as if I were sitting in my office," says Guillermo Marrero, an attorney at International Practice Group. "As a result, I was able to respond to a number of e-mails and provide instructions to my office staff on a variety of matters."

By delivering the services and technologies that businesses need, at a fraction of the cost, SENTRE is able to increase its tenants' satisfaction and enjoy a broad return on investment.

"We believe that our Cisco network can enable us to get better tenants, faster leases, higher rents, and better retention inside our buildings," says Spathas. "There's nothing to keep competitors from doing what we're doing, but we think we're a long way ahead, and we've got a very strong competitive head start."

The Cisco network infrastructure has also enabled SENTRE to extend the benefits of high-speed networking to its own internal operations. For example, property management and security organizations have found that the flexible wireless network can enhance productivity and responsiveness.

"We're finding a wide range of uses for the wireless network on the back end of our operations," says Spathas. "Our engineers at One America Center are using wireless tablet PCs with Web access to download and respond to work orders anywhere. And we're installing a Web-enabled security system that will enable security guards to access live video on their laptop or pocket PC. "

NEXT STEPS

As SENTRE prepares to open new buildings in San Diego and Phoenix, Arizona, a Cisco switched network has now become a standard part of the infrastructure at every location.

“In our most recent network at Kohl Center in San Diego, we’re dropping an Ethernet handoff to every single tenant whether they request it or not,” says Spathas. “We’ll determine later whether or not we’re going to charge for it, but with our economies of scale, it really doesn’t matter. Every single tenant will have a gigabit Ethernet connection in their suite that they can plug into, and they’ll have access to the wireless network as well.”

Now that SENTRE has deployed robust core intelligent building networks in its commercial properties, the company can easily add advanced technology solutions and applications to the network. For example, the organization is investigating adding IP telephony to its set of network services.

“We’ve solved our tenants’ data problem—they just plug into the network for easy, cheap, fast access,” says Spathas. “With a Cisco IP telephony solution, we’ll be able to solve their voice problem as well, enabling tenants to walk into a new office, plug in their phones, and enjoy all the benefits of IP telephony and unified messaging.”

With its flexible, scalable Cisco infrastructure, SENTRE is poised to extend its leadership in the commercial real estate arena, offering businesses convenient access to the most advanced networking services—well ahead of the competition.

Contact:

Matthew T. Spathas, partner, SENTRE Partners

mspathas@sentre.com



Corporate Headquarters
Cisco Systems, Inc.
170 West Tasman Drive
San Jose, CA 95134-1706
USA
www.cisco.com
Tel: 408 526-4000
800 553-NETS (6387)
Fax: 408 526-4100

European Headquarters
Cisco Systems International BV
Haarlerbergpark
Haarlerbergweg 13-19
1101 CH Amsterdam
The Netherlands
www-europe.cisco.com
Tel: 31 0 20 357 1000
Fax: 31 0 20 357 1100

Americas Headquarters
Cisco Systems, Inc.
170 West Tasman Drive
San Jose, CA 95134-1706
USA
www.cisco.com
Tel: 408 526-7660
Fax: 408 527-0883

Asia Pacific Headquarters
Cisco Systems, Inc.
Capital Tower
168 Robinson Road
#22-01 to #29-01
Singapore 068912
www.cisco.com
Tel: +65 6317 7777
Fax: +65 6317 7799

Cisco Systems has more than 200 offices in the following countries and regions. Addresses, phone numbers, and fax numbers are listed on the
Cisco Web site at www.cisco.com/go/offices

Argentina • Australia • Austria • Belgium • Brazil • Bulgaria • Canada • Chile • China PRC • Colombia • Costa Rica • Croatia
Czech Republic • Denmark • Dubai, UAE • Finland • France • Germany • Greece • Hong Kong SAR • Hungary • India • Indonesia • Ireland
Israel • Italy • Japan • Korea • Luxembourg • Malaysia • Mexico • The Netherlands • New Zealand • Norway • Peru • Philippines • Poland
Portugal • Puerto Rico • Romania • Russia • Saudi Arabia • Scotland • Singapore • Slovakia • Slovenia • South Africa • Spain • Sweden
Switzerland • Taiwan • Thailand • Turkey • Ukraine • United Kingdom • United States • Venezuela • Vietnam • Zimbabwe

All contents are Copyright © 1992–2004 Cisco Systems, Inc. All rights reserved. Cisco, Cisco Systems, the Cisco Systems logo, Aironet, and Catalyst are registered trademarks or trademarks of Cisco Systems, Inc. and/or its affiliates in the United States and certain other countries.

All other trademarks mentioned in this document or Web site are the property of their respective owners. The use of the word partner does not imply a partnership relationship between Cisco and any other company.
(0402R) EC/CC/LW5892 03/04