



Quod

Economic Statement

Big Yellow Staples
Corner, Brent Cross

NOVEMBER 2023

Q230789

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Economic Headlines



Big Yellow, Staples Road

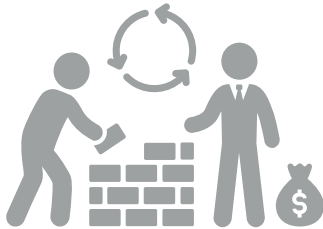


18,190m² of storage and flexible office



Headline Economic Benefits of relocating and expanding the Big Yellow Staples Road self-storage facility

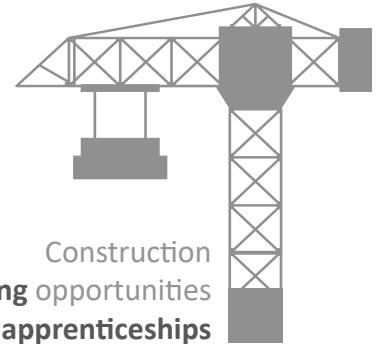
01 REDEVELOPMENT & CONSTRUCTION BENEFITS



Delivering modern and expanded space securing the future of Big Yellow at Staples Corner



Average of c. **95 jobs** over the duration of the 20 month construction period



Construction training opportunities and apprenticeships

02 END-USE EMPLOYMENT BENEFITS



900 jobs (securing existing employment and expansion supporting c. **100 net additional jobs**)



£2.8 million p/a spending by employees (with an uplift of c. **£300,000** from the new jobs)



£80 million GVA p/a from end use employment (an increase of **£9m p/a**)

03 WIDER REGENERATION BENEFITS



Flexible units & lease agreements supporting local business needs



An **incubator** for small businesses and start ups - helping to **support & grow Brent Cross's diverse business community**



Space attractive to **charities and community organisations** - a base from which to serve the local community

1 Introduction

This Economic Statement has been prepared by Quod on behalf of .Big Yellow Self Storage Company Limited. It is submitted in support of the detailed planning application for a self-storage facility with flexible office space and external storage units ('the Development') at Renault/Dacia, Staples Corner, North Circular Road, Brent Cross, NW2 1LY (the 'Site').

1.1 Big Yellow's existing store at Staples Corner Business Park is a successful local asset, with a large number of businesses occupying the space. However, the leased building is dated and has an inefficient layout for Big Yellow's purposes.

1.2 Development of a replacement store is therefore proposed on the Site, which is currently occupied by a Renault car dealership, in the Brent Cross Growth Area (London Borough of Barnet). Moving to a new site gives Big Yellow the opportunity of a freehold purpose-built property allowing them to invest and modernise thereby securing the future of Big Yellow's operations at Staples Corner

1.3 The description of development is as follows:

Demolition of the existing building and the construction of a self-storage facility (Use Class B8), with flexible office space (Use Class E(g)(i)) and external storage units (Use Class B8), with associated parking and servicing areas.

1.4 The Development would provide improved facilities for Big Yellow Staples Road existing business customers retaining their operations in the area, and new additional space to support more local businesses. This Statement considers the existing context of Big Yellow Staples Road and the economic benefits of the proposals including:

- Construction employment;
- Permanent job opportunities;
- Spending generated by employees;
- Gross Value Added (GVA) from end use employment;
- Uplift in business rate revenue; and
- Wider regenerative benefits supporting Brent Cross.

2 Background Context

Big Yellow's offer

- 2.1 Big Yellow is a leading UK self-storage provider and one of the country's biggest SME landlords. It currently has 109 trading stores across the UK, including 47 Big Yellow stores in London - Big Yellow Staples Corner being one of them.
- 2.2 Big Yellow's stores provide a secure, do-it yourself facility for business customers and private individuals let on a flexible basis. There are no long-term contracts or leases to sign and rentals prices are all inclusive including utilities, maintenance, security and business rates.
- 2.3 A variety of room sizes are provided, typically from 1 to 40 sqm dependent on the requirements of the customer and the space is configured to expand or downsize in response to changing needs.
- 2.4 Some Big Yellow stores also provide flexible office space alongside self-storage. This typically includes serviced offices 10 to 50 sqm subject to the same flexible rental terms as the storage units. Office space can either be used independently or in conjunction with storage provision.
- 2.5 Big Yellow's offer is attractive to businesses – every store across the country has a significant number of business customers. In London 40% of Big Yellow's space is occupied by businesses, compared to 35% outside London (37% nationally). And seven of the ten stores with the most business space are in London.
- 2.6 In 2018 Quod surveyed Big Yellow's business customers¹ which revealed the storage space attracts a wide range of business occupiers, using the space in different ways to support their commercial activities. For many the space acts as an essential base where stock and equipment can be stored from which to serve customers.
- 2.7 Tenants identified in the survey include: retailers, wholesalers and importers; construction, design, maintenance and IT firms, caterers, architects, solicitors, event organisers, financial services, as well as not-for-profits and organisations working in health, education, training or the arts. Four **case studies** of existing Big Yellow Self-Storage customers illustrating how businesses use the space are included at **Appendix A**.
- 2.8 Big Yellow's flexible terms are particularly attractive to SMEs and start-ups who benefit from both the flexibility and assurance in cost. The Quod

Businesses at Big Yellow typically undertake the following activities from storage units:

- Packaging stock for distribution, e.g. online retailers
- Businesses with no fixed place of work that visit customers everyday, using the space to store equipment and materials
- Businesses that maximise their customer-facing floorspace by using Big Yellow as their stock room

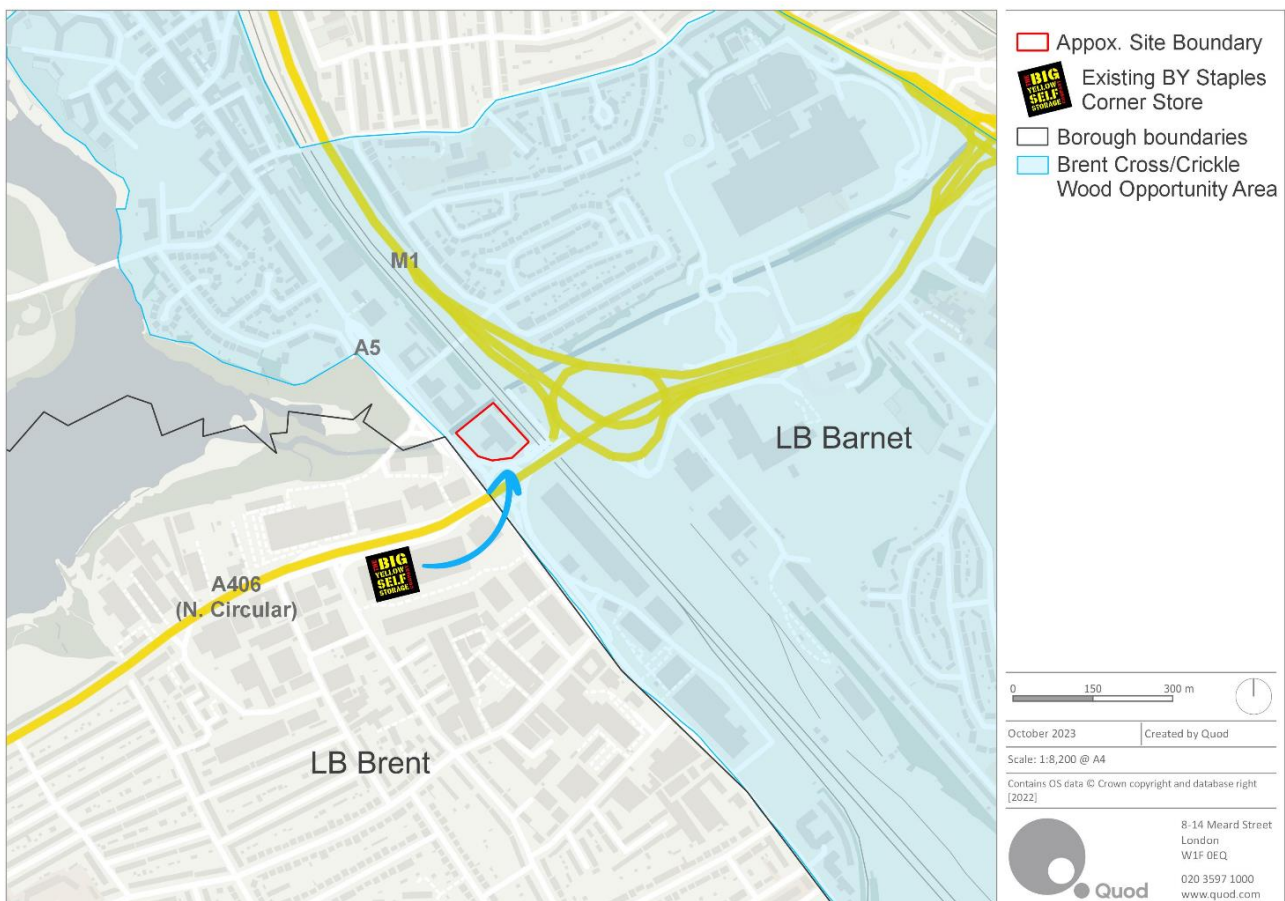
¹ Quod, February 2018. Big Yellow Employment Survey. Findings based on responses from over 500 businesses operating from Big Yellow sites nationally. A summary of this survey is provided in **Appendix B**.

survey found that for 60% of Big Yellow business tenants, Big Yellow was the first space their business rented – highlighting the key role Big Yellow plays as a business incubator for new start-up enterprises.

Big Yellow at Staples Corner

- 2.9 Big Yellow’s existing Staples Corner store is on the south side of the North Circular in the Staples Corner Business Park, in the London Borough of Brent. It provides 14,785 sqm of self-storage space alongside 567 sqm of flexible office space.
- 2.10 It is a successful store with 40% of let space currently occupied by over 200 different businesses. As with other Big Yellow stores, businesses at Big Yellow Staples Road are from a wide range of sectors including retail, creative industries and media, events and exhibitions, construction/building services, engineering and manufacturing, IT and telecoms, real estate, professional, legal and financial services, hospitality/leisure, healthcare, education, and charities.
- 2.11 The store is therefore an important component of the local economy, however the current leased building is dated with an inefficient layout. Moving to a new site gives Big Yellow the opportunity of a freehold purpose-built property, enabling the investment and modernisation that is needed. The new site is c. 300m to the north east of the stores current location, adjacent to the Staples Corner West roundabout, in the London Borough of Barnet. A prime location for business activity given the proximity and access to the North Circular (A406), M1 and Edgware Road (A5).

Figure 2.1: Location Context



2.12 The new store will provide 2,430 sqm GIA of permanent self-storage floorspace that will be able to be increased to up to 17,656 sqm GIA through the introduction of demountable mezzanine floors. In addition, the Development will provide 378 sqm of flexible office space and 160 sqm of external storage units. This equates to a total of 18,194 sqm GIA of Big Yellow floorspace including the mezzanine floors, an uplift of c. 2,800 sqm of space over the existing store. The existing store will remain in operation until the new store is complete, at which point existing occupiers will relocate to the new site. The proposed Development will therefore enable continuity for existing occupiers. It will provide new modern facilities and an uplift in floorspace to meet further demand, securing the future of Big Yellow's operations at Staple Corner.

Brent Cross Regeneration

2.13 The proposed new Site is within the Brent Cross/Cricklewood Opportunity Area (OA) as shown in Figure 2.1. The area is undergoing significant regeneration having first been identified as an OA in the 2004 London Plan – it is expected to deliver at least 9,500 new homes and 26,000 new jobs by 2041.

2.14 Barnet Council adopted the 'Cricklewood, Brent Cross and West Hendon Regeneration Area Development Framework' as Supplementary Planning guidance in 2005 to establish the strategic principles for redevelopment of the area. Outline planning permission was subsequently granted in 2010 for comprehensive redevelopment of Brent Cross with the proposals including a new commercial quarter and Metropolitan Town Centre incorporating and connected to Brent Cross Shopping Centre.

2.15 Barnet's emerging new Local Plan² continues to support regeneration of Brent Cross, dividing the area into three parts to reflect land ownership and delivery strategy. The site falls within the 'Brent Cross West Growth Area' which is earmarked for new light industrial and employment floorspace. Draft Policy GGS03 of the emerging Local Plan supports proposals in the Brent Cross West Growth Area which 'optimise density, infrastructure and jobs, while improving the amenity of the area'.

2.16 The Site proposed for the new store is currently occupied by a Renault car dealership which is relocating to west London. The Development will replace the low-density car dealership use with new, expanded and intensified employment floorspace which will support new jobs and contribute to the regeneration of Brent Cross. The following section explores the economic benefits the Development is expected to generate.

² Barnet Council, 2021. Barnet Draft Local Plan (Reg 19) 2021 to 2036.

3 Economic Benefits

- 3.1 The existing Big Yellow Staples Corner is an important local business asset, contributing to the local economy. The Development will secure existing economic benefits in the area, such as local jobs, spending and gross value added (GVA), as well as result in additional economic benefits such as construction jobs and an uplift in end-use employment, spending, GVA and business rates from expanded and optimised space.

Construction Jobs

- 3.2 It is estimated that construction of the Development would take 20 months and would support an average of 95 jobs within the construction sector over this duration, based on the Construction Industry Training Board (CITB) Labour Forecasting Tool³. Construction employment provides opportunities from entry-level positions to highly skilled and specialised roles.

End-Use Jobs

- 3.3 Big Yellow Staples Road directly employs six staff to manage the store who will transfer to the new store once complete. However, these jobs are not the main direct employment impact of Big Yellow space, this comes from the large number of jobs created by the business occupiers.
- 3.4 As part of the 2018 Quod Survey, Big Yellow business customers were asked how many jobs were created or retained specifically “because of your space at Big Yellow”. This identified jobs that were directly reliant on the occupied Big Yellow space and were not attributable to other premises.
- 3.5 The results averaged one job per 28 sqm GIA of self-storage floorspace, which is a significantly higher density than standard B8 floorspace (70-95sqm per job)⁴. Based on this the new Big Yellow store would support 650 FTE jobs – 100 jobs more than the existing store.
- 3.6 At the time the 2018 Quod Survey was undertaken, 28% of Big Yellow floorspace across the country was occupied by businesses; this has since increased: the Big Yellow Staples Corner store currently has 40% business occupation. At this level of business demand (40%) there would be approximately one job per 20 sqm GIA of Big Yellow floorspace. The new store is expected to continue to support the levels of business occupation currently seen at Big Yellow Staples Corner, therefore the Development is likely to support approximately 900 FTE jobs – 130 more jobs than the existing store.
- 3.7 As noted above, the site proposed for the new store is currently occupied by a Renault car dealership. The car dealership supports very low levels of employment – estimated to be

³ Construction Industry Training Board (CITB), (2020). Labour Forecasting Tool (Accessed online by subscription: www.labourforecastingtool.com)

⁴ Homes and Communities Agency, 2015. Employment Density Guide, 3rd Edition

around 30 jobs based on standard employment densities⁵. The Development is therefore expected to result in a net uplift of approximately 100 jobs.

Table 3.1: Employment Generation

Use	Floorspace (including demountable mezzanine floors)	Density	Jobs
Existing Big Yellow Staples Corner	15,352 sqm (14,785 sqm self-storage and 567 sqm flexible office)	One job per 20 – 28 sqm ⁶	550 - 770
New Proposed Big Yellow Staples Corner	18,194 sqm (17,656 sqm self-storage, 378sqm flexible office, 160 sqm external storage units)		650 - 900
Uplift over existing store			100 - 130
Existing jobs on Site at car dealership			30
Net jobs			70 - 100

3.8 Despite having a successful local business community, the Brent Cross area has above average levels of unemployment. Latest available Claimant Count data⁷ indicates that in September 2023 5.5% of residents aged 16-64 years living in West Hendon ward (where the new site is) were claiming unemployed related benefits – higher than the averages for Barnet (4.4%) and London (5.0%).

3.9 The Development will secure the existing employment at Big Yellow Staples Corner, and the uplift in space will generate new jobs which will create new local employment opportunities for residents. Considering the type and range of tenants Big Yellow typically supports, these jobs are likely to provide a wide range of opportunities for local residents across a range of skill-sets.

Wider Economic Benefits

Employee Spending

3.10 Workers in the UK spend an estimated £14 per day in the local area around their place of employment⁸. On this basis 900 jobs (which the new store is expected to support) could generate up to £2.8 million per year in spending. Considering the uplift in employment only (100 jobs), this would be an increase of up to £300,000 per year in spending.

3.11 Given the proximity of the Site to Brent Cross Shopping Centre and the new Metropolitan Town Centre, there is likely to be a high proportion of trip-chaining. As such a proportion of spending by business owners and employees of Big Yellow is likely to be captured in surrounding shops

⁵ Homes and Communities Agency, 2015. Employment Density Guide, 3rd Edition – one job per 90 sqm NIA

⁶ Estimation based on robust survey evidence as set out in paragraphs 3.4-3.6. As the surveyed sites included all Big Yellow space (self-storage space as well as some flexible office), the densities informed by this survey have been applied to the self-storage, office and external storage space.

⁷ ONS, 2023. Claimant Count.

⁸ Visa Europe, 2014. UK Working Day Spending Report. (Daily spending rate has been adjusted to account for inflation based on Bank of England inflation rate change since 2014. Inflation as per September 2023).

and services. This is likely to also be the case for domestic customers of the store, if visits are combined with running errands and other activities.

Gross Value Added

- 3.12 Gross Value Added (GVA) is a measure of the increase in value to the economy from the production of goods and services.
- 3.13 Using data on regional level GVA for all industries⁹, the businesses in the Development are expected to generate approximately £80 million per annum in GVA. Considering the uplift in employment only (100 jobs), this is an increase of £9 million per annum in GVA.

Business Rates Revenue

- 3.14 Business rates are a tax on non-domestic properties. Rates are levied on business properties on the basis of their rateable value and the national multiplier.
- 3.15 The existing Renault car dealership on the site provides approximately 3,000 sqm of floorspace. The Development will therefore deliver a significant increase in floorspace (uplift of c. 15,000 sqm), and as such is likely to generate additional business rates revenue (depending on the agreed valuations) for Barnet council to spend on local priorities.

Regeneration Benefits

- 3.16 As identified in Section 2, the Site is within the Brent Cross Growth Area which is undergoing significant change. A key objective for the Growth Area is to generate new jobs and support economic growth. A key part of economic growth is supporting small and growing businesses.
- 3.17 At the early stages of a business there is uncertainty over factors such as how fast or slow it will grow – flexibility of space and lease is therefore key. This is highlighted in Barnet’s adopted Core Strategy¹⁰ Policy CS8 which states *“to support small to medium sized enterprises new employment provision should include a range of unit sizes and types such as affordable and flexible workspaces”*. Big Yellow’s offer does exactly that - the flexibility of space with ability to scale up and down alongside assurance of cost is ideally suited to SMEs and start-ups.
- 3.18 The Development will secure provision for its existing business customers providing new modern facilities to support their operations, whilst the expanded space will accommodate more local businesses, with knock on employment benefits which will help to contribute to the regeneration of the area. The additional spending by the employees will also help support the vitality and viability of the new Metropolitan Town Centre.
- 3.19 The Development will also improve the amenity of the Site. The flexible office space will front onto Edgware Road and will have its own dedicated ground floor entrance to help activate the street frontage. Extensive landscaping will also be delivered improving the quality of the public realm. Overall, the Development is a significant opportunity to support the regeneration objectives of the OA/Growth Area.

⁹ ONS, 2021. Regional gross value added by industry: NUTS1 / ONS, 2021. Business Register and Employment Survey.

¹⁰ Barnet Council, 2012. Barnet’s Local Plan (Core Strategy).

4 Conclusions

- 4.1 Big Yellow Staples Road is an important local business asset, with over 200 businesses from a wide range of sectors occupying 40% of its space. Small businesses benefit from the assurance in cost and flexibility that Big Yellow offers, which can be difficult to find elsewhere.
- 4.2 Whilst the existing store is highly successful, the leased building is dated and has an inefficient layout for Big Yellow's activities. A purpose-built replacement store is therefore proposed on a new site 300m to the northeast of its current location in the Brent Cross Growth Area/OA.
- 4.3 Development of the new store will enable continuity for existing customers who will continue to operate from the existing store until the new store is complete – at which point they will relocate across to the more modern facility. The new store will also provide an increase of 2,300 sqm of Big Yellow space which will be able to support more local businesses. This in turn will generate new jobs providing opportunities for the areas growing population.
- 4.4 The proposed Site is currently occupied by a car dealership – a very low density use for a prominent location in a Growth Area. The Development will optimise the Site providing a significant uplift in commercial floorspace alongside public realm improvements. The Development therefore presents a significant opportunity to secure the future success of Big Yellow at Staples Corner and to contribute towards regeneration objectives for Brent Cross. A wide range of economic benefits will be generated for Barnet and the local community including:
- An average of 95 construction jobs over the duration of the 20-month construction period;
 - A new store likely to support 900 FTE jobs – a net uplift of 100 jobs creating new opportunities for local residents;
 - A total of up to £2.8 million per year in employee spending (an uplift of £300,000 per year) helping to support shops and services in the new Metropolitan Town Centre;
 - £80 million GVA per year associated with the employment (an uplift of £9 million GVA);
 - Additional business rates revenue for the Barnet Council to spend on local priorities;
 - Improved streetscape onto Edgware Road through office frontage and public realm improvements; and,
 - Flexibility that supports small, local businesses – their growth and survival including:
 - no long-term contracts or leases to sign,
 - ability to upsize and downsize in response to business cycles,
 - an all-inclusive price including utilities, maintenance, security and business rates.

Appendix A – Big Yellow Customer Case Studies



Big Yellow Customer Case Studies

This section provides three case studies of existing Big Yellow Self Storage customers to illustrate how businesses use the space to support their businesses. Further case studies are available on Big Yellow's website: www.bigyellow.co.uk/business-storage/case-studies/

Eco Printers

Now in its 15th year, Eco Printers' evolution and success has been driven by its ability to deliver its customers significant savings through the provision of a fixed-price, full-colour printing solution.

The company's cleverly configured printers – which have been manufactured and stored at Big Yellow Twickenham since 2012 – to be fitted with a hidden bulk ink system that automatically refills cartridges as you print, removing the need to constantly replace costly consumables.

It is a service that has been warmly received by the education sector, with Parmi's machines found in more than 120 primary schools across the UK – a number which increases with each passing academic term.

Reflecting on his company's humble beginnings, the 50-year-old said: "The idea for the business came about when I worked at PC World, looked at the profit and loss account and saw that most of the money was made from the sale of printers and cartridges.

"Initially, I considered a franchise but they wanted in the region of £65,000 so I thought I'd just do it myself," he added. "During those early days, customers would give me their empty cartridges and I'd re-fill them for £12.



In addition to ensuring classrooms across the country have a ready-supply of teaching materials, the ever-expanding business provides a major pub chain with the means to print its daily menus at a fraction of the previous cost.

The budgetary savings Eco Printers delivers to its customers is certainly no small beer and is a characteristic the company shares with Big Yellow.

"I could take a warehouse facility of my own but it wouldn't make sense financially," Parmi, who plans on expanding his service to small- and medium-sized businesses in and around London over the next five years, explained. "The business rates alone would equate to half of the rent I pay for my storage and, once the printers are with customers, I'd be paying for space I don't need.

"Big Yellow gives me the flexibility to scale up and down as I need to."

"We help schools save money but it is warm and comforting to know those schools we supply are also doing their bit for the environment."

Similarities may be at the core of Eco Printers enduring relationship with Big Yellow but Parmi acknowledges that he is not colour blind. "As a brand, Big Yellow is immediately recognisable," he concluded. "You see their stores everywhere and that gives you confidence that they have got their own processes right.

"It is my company's stock in storage, so peace of mind means a lot."



Big Yellow Customer Case Studies

CameraCrate

When his cache of classic cine cameras found itself competing for space with a new-born child's cot and clothing, Ben Grace knew it was time for a business storage solution to enter the frame. However, while the arrival of a baby daughter proved the prompt for the experienced filmmaker's Big Yellow premiere, it was the additional services he found on offer at the company's Portsmouth store that ensured his stay was more than a fleeting cameo.

Explaining his decision to find a new set for the operations behind CameraCrate.com – an online enterprise specialising in the sale of reconditioned Super 8, 8mm and 16mm cine cameras – in April 2021, Ben said: "Thanks to the pandemic I had spent almost an entire year fixing and selling our stock from home. Fortunately, the lockdowns didn't affect us massively because it was my wife and I running the business and it was easy for us to continue to do that because we had everything with us.



"Then we had a baby at the end of the year, and it got to the point where there was actually not any space left in the house," added the 34-year-old, whose own passion for film first turned to profit while capturing footage of live extreme sport events.

"Cameras need to be stored in a temperature-controlled environment to stop mould getting into lenses and damaging the electronics, so Big Yellow's office space was a perfect environment, providing me with the space, in one room, where I could both keep stock and work on repairs".

With a new 200 ft² hub for the business identified and sales soaring, the budding feature film director has since discovered his choice of location for CameraCrate comes with a raft of unexpected extras. Top of the bill, according to Ben, is finding himself with a superb supporting cast.

"I receive a huge amount of parcels each week and before the move that meant having around 10 couriers a day knocking on our door," he said, commending the role played by Big Yellow staff in receiving and dispatching goods. "It was non-stop and there is a mental stress associated with knowing you have to be in to take a delivery and keep track of who is coming to collect what and when.

"It is amazing to know that I can actually pop over to see my grandparents or spend some time with my child at the park and then come into the office and find my parcels are there waiting for me, and orders have been picked up without any stress." Having ready access to his lovingly restored Super 8s, which have become sought after collectors' items for cinephiles and those looking to add a vintage aesthetic to their filming, has also allowed the proud father to focus on another great passion.

"Big Yellow has given me the opportunity and flexibility to strike a good work-life balance," concluded Ben, whose past credits behind the camera include being selected for a Creative England scheme funded by the British Film Institute, producing marketing materials for a number of charities and filming for a television advert starring Only Fools and Horses' Boycie (John Challis).

"Rather than feel that my business is always just upstairs, now when I am at home I can switch off and be a husband and dad. "The fact that the store offers extended hours access means I can begin work early and be back playing with my daughter by 2pm. Similarly, if she's had a bad night because she's teething, I can stay at home to help out and then head to the office later."



Big Yellow Customer Case Studies

Planted

As the world's top scientists were tearing their hair out trying to curb the coronavirus pandemic last year, Big Yellow customer Ama Amo-Agyei was instead focused on the challenge of putting hair back on people's heads.

With time on her hands as a consequence of Covid cutting short a career in recruitment, the alopecia sufferer began experimenting with home-made remedies and discovered a follicle-friendly formula that delivered dramatic results. Fast forward just ten months and Ama's wellness brand Planted is growing at a phenomenal rate and now boasts a range of natural products that are tackling problems such as balding and patchy beard growth head on.

Such is the demand for the 24-year-old's hair-restoring treatments that sales are doubling month on month and Ama has had to take additional space at Big Yellow to facilitate the necessary ramp up in production required to satisfy the thousands of orders being placed.

"We do everything at Big Yellow now; from making the products and putting them into jars and bottles to labelling and packing," said Ama explaining how her company quickly progressed from being a kitchen table venture to full-time operation. "It has been the perfect place to start and the flexibility it gives us is awesome.



"When we need more space it is there – everything is so quick and easy and that is amazing for a business that is unpredictable in scale"

"Coming to Big Yellow is one of the best things I've done," she added. "I considered getting a warehouse but in terms of cost and flexibility of lease, you can't beat Big Yellow. The staff are brilliant and really care about helping out wherever they can" Caring for customers is also a priority for Planted, with a desire to enrich lives – as well as locks – a key driver for Ama.

"Having had alopecia, I know exactly how it feels to not feel great about yourself," she said. "I had bald patches at the front of my head and I used to hide behind things like wigs or by wearing certain hairstyles.

"I just wanted to be me and to not have to wear makeup or extensions to feel fine with that. I spent hundreds of pounds on products that didn't work and I don't want anyone else to go through what I did; to give up and feel that there is no hope.

"The fact that I created a solution that works for me and is now working for so many others around the world makes me feel so fulfilled."

While sharing striking before-and-after photos on social media has been pivotal to Planted capturing the attention of customers across the UK and further afield, Ama attributes her own geographical roots with seeding the company's success. "I looked at the labels of products I had used before and decided to try to find natural alternatives for the ingredients," continued the eco-conscious entrepreneur. "As well as using an Indian herb I went back to my African roots and experimented with ingredients that have been used by people for hundreds of years.

"We rely on a lot of artificial things today but I wanted to see if we could go back and use some of the methods that have helped in the past and I guess I made it work."

And having proven herself adept at identifying invigorating blends, Ama insists that Big Yellow possesses all the necessary ingredients to help other start-ups shine.

"Pretty much anything you need to do, you can do in the stores," she concluded. "I would definitely recommend Big Yellow to other small businesses."



Big Yellow Customer Case Studies

Wufwuf

“Working out of Big Yellow has truly helped our business thrive and the staff at Big Yellow are like an extension of the Wufwuf family. They are able to accept packages on our behalf when none of our team are on-site, as well as providing us with a handy forklifting service when our stock is delivered.”

Wufwuf is an online subscription box service providing monthly dog treats and toys to pet owners across the UK. Since it was founded in November 2018, Wufwuf, a monthly subscription box for dogs, has been based out of Big Yellow Self Storage in Sheen. The business operates out of a 400 ft² unit, large enough to house the wide variety of different dog treats and toys that it sends a to its 1,500 subscribers every month.

Although Wufwuf is only just over a year old, it has seen significant growth, which Big Yellow has been able to support. The business has already upgraded the size of its storage space twice, thanks to the flexibility of Big Yellow. With one of the Wufwuf goals being to achieve 10,000 subscribers this year, its already looking towards acquiring a second unit at Big Yellow in Sheen.

Wufwuf isn't CEO and Founder Umut Ilhan's first venture into dog subscription boxes, as he also founded Turkish service Havhav in 2017. Having seen huge success and become Turkey's largest subscription box business, he chose to move to London and tackle the UK market. Umut said: “Working out of Big Yellow has truly helped our business thrive and the staff at Big Yellow are like an extension of the Wufwuf family. They are able to accept packages on my behalf when none of our team are on-site, as well as providing us with a forklifting service when our stock is delivered.”

The Wufwuf team did consider renting it's own warehouse when they started the business, but they quickly realised that Big Yellow provided them with an affordable alternative. It has all the facilities they need to store, package and ship the boxes each month, as well as WIFI and printing capabilities meaning that the team can be semi-operational inside the space.

Umut commented: “The space at Big Yellow is at the core of our company and we're able to operate lots of areas of the business here, from packing our boxes to having meetings and signing on new investors. We're really proud of the growth that the business has made over the last year, and Big Yellow has definitely played a large role in that.”



Appendix B – Summary of Big Yellow Employment Survey, 2018



Big Yellow

Summary of Employment Survey, 2018

MAY 2018

Quod

Ingeni Building | 17 Broadwick Street | London W1F 0DE

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1 Introduction

- 1.1 Big Yellow Self Storage Company Ltd (“Big Yellow”) has 74 stores nationwide and is one of the country’s biggest providers of self storage floorspace, much of which is utilised by small businesses.
- 1.2 Big Yellow carried out a survey of the business tenants in its stores in February 2018. The survey was conducted online, by invitation. The aim was to find out what sort of businesses they were, how and why they used Big Yellow, and how many jobs they created.
- 1.3 A total of 6,761 businesses were surveyed, and 545 responses were received, an 8% response rate.
- 1.4 This report summarises the survey’s findings. The survey provides evidence that the average Big Yellow store is home to 105 businesses, who between them employ more than 300 people as a direct result of their space at Big Yellow.
- 1.5 Thousands of firms across the country use Big Yellow because of the high-quality space in convenient locations on completely flexible terms.
- 1.6 Self storage frees small businesses from the risks and long-term commitment of leases with traditional business landlords.
- 1.7 This important business role is not always visible to the public, who know Big Yellow mainly for domestic self-storage. However well over a quarter of the space in a typical store is rented to businesses, making a vital contribution to the local economy.
- 1.8 Across the country, that adds up to over 7,700 firms working out of Big Yellow, and 23,000 jobs created, making Big Yellow one of Britain’s most important small business landlords.
- 1.9 Companies of all sorts use Big Yellow – from accountants to engineers, from IT to retail. The majority of these businesses (60%) are start-ups who have never rented anywhere else before. The flexibility of self storage is ideal for new firms, allowing a low-risk, low-cost start, and then rapid scaling up. Big Yellow stores act as “business incubators” for their local area.
- 1.10 For half the firms occupying space at Big Yellow, it is the only business space they rent anywhere. For others it complements other space. And it works well for them – at least half have been renting at Big Yellow for three years or more.
- 1.11 The rest of this report looks at the survey and its results in more detail.

2 Who are Big Yellow?

- 2.1 Big Yellow is one of the leading self storage operators in the UK. It is a publicly-listed company which develops, owns and operates modern self storage centres for personal, business and leisure storage. It now has 74 trading stores open across the UK, totalling over 5.4 million sq. ft of storage space, and has 39 stores in London.
- 2.2 Big Yellow has been a pioneer in the self storage industry, being the first operator to build purpose-built warehouses, as well as providing high quality, sensitive conversions of existing premises. Big Yellow directly employs over 300 full and part time staff.
- 2.3 Big Yellow’s stores provide a secure, do-it-yourself facility for business customers and private individuals. Each store provides a variety of different room sizes from 10 sq. ft to 400 sq. ft, dependent on the requirements of the customer. The storage space provided is high quality, comprising modern, secure rooms each accessed from wide, well-lit corridors designed for easy manoeuvrability. The individual rooms can be rented for as short a period as 7 days or for as long a period as the customer requires. Each individual room has its own door, is alarmed and is locked by each customer’s own padlock.
- 2.4 Customers of Big Yellow use self storage for either domestic or business purposes. The majority of customers of a store will be domestic, with the remaining 16% being business customers. This proportion relates to the numbers of customers, but business customers usually take a greater area of floorspace and thus the floor area they occupy is actually much greater, at 28% of the average store.
- 2.5 In addition to self-storage, Big Yellow also has 12 stores which incorporate areas of flexible office space (Use Class B1 (a)), aimed specifically at Small and Medium Enterprises (SMEs).

3 Big Yellow's business customers

- 3.1 Quod analysed the results of the survey and used them to draw out those elements which are particularly important in relation to how businesses use Big Yellow. The survey results are summarised at Appendix A and further details can be provided on request.

How many businesses use Big Yellow?

- 3.2 Big Yellow has 74 stores across Britain, which together have nearly 50,000 customers, of whom more than 7,700 are businesses or other organisations.
- 3.3 These business customers generally take more space than private customers; so in the typical Big Yellow store there will be 105 businesses, occupying 28% of the space. This is a consistent pattern across the country, with every Big Yellow store having at least 15% of its space in use by businesses, and in some the majority of space is taken by businesses.

Who uses Big Yellow?

- 3.4 The businesses occupying Big Yellow vary hugely, including independent retailers who use Big Yellow as their warehouse. There are also wholesalers and importers who hold and distribute stock from Big Yellow and on-line specialist retailers who operate entirely out of Big Yellow.
- 3.5 There are a huge range of construction, design, maintenance, engineering and IT firms with staff who travel to customers' sites. They use Big Yellow as their main base and store for equipment and supplies.
- 3.6 An enormous variety of other firms can be found in Big Yellow – caterers, architects, manufacturers, solicitors, events organisers, financial services. Big Yellow provides somewhere for them to work from, or space to support what they do elsewhere.

- 3.7 Big Yellow also plays host to lots of charities – the average store provides space for around a dozen not-for-profit organisations, as well as more than half a dozen organisations working in health, education, training or the arts.

Why do businesses choose Big Yellow?

- 3.8 The reasons businesses give for choosing Big Yellow are varied, but the top one was location, a factor for 90% of respondents to the survey. Big Yellow provides small business space in locations where there was often very little before. By providing an alternative to renting a whole office or warehouse, it opens up an area to different types of firm.
- 3.9 The survey found that the next most important factor for business customers was the flexibility. Big Yellow requires no commitment to a long-term lease, and also allows firms to quickly increase or decrease the space they use, as required. This greatly reduces risk for a small firm, and also saves costs as they only need take what space they need at any particular time.
- 3.10 The majority of businesses also said the quality of space was a factor in choosing Big Yellow. In the past, affordable space for small firms has too often been of very variable quality, whereas in Big Yellow businesses get a consistent offer of modern, clean, secure space, constantly monitored by on-site staff or CCTV.
- 3.11 These factors not only attract businesses, but also keeps them. The majority of business customers in Big Yellow have been there for three years or more, with almost one in five having been there for six years or more. For half the business customers of Big Yellow, it is the only space they need.

Big Yellow – the local business incubator

- 3.12 Big Yellow has business customers of all sizes, including national chains, but the space offered is particularly popular with SMEs and start-ups.

- 3.13 Independent firms have said that they value the affordable, flexible terms without commitment. They also benefit from the services Big Yellow's own staff offer to support customers – including accepting deliveries, couriers, and forklifting.
- 3.14 As a result, 60% of businesses in Big Yellow are start-ups, who have never rented elsewhere before. Big Yellow meets an important business need, often filling a gap in provision locally, and this supports local small businesses to start up and to grow, creating jobs and providing new services.

4 Big Yellow's employment

- 4.1 Every Big Yellow store has on-site staff, managing and maintaining the building and offering a range of services to the businesses based there.
- 4.2 However, this direct employment – around three people per store – is not the main employment impact of Big Yellow. That comes from the large number of jobs created by the business occupiers themselves, which we have been able to quantify as a result of the survey data collected.
- 4.3 Some Big Yellow stores have flexi-offices, as described in section 2 of this report, which is essentially office space with regular employees sat at desks.
- 4.4 Many businesses that are supported by Big Yellow are operating from storage units where people work regularly – packaging stock for distribution. In addition to these regular on-site workers, there are many jobs outside Big Yellow which are nonetheless dependent on the space rented there.
- 4.5 An example might be an electrical contractor with no fixed place of work, visiting customers every day, but returning to Big Yellow at the start and end of each day to access their stock of equipment and materials.
- 4.6 Another might be a retailer, who has used Big Yellow to store stock so they can maximise the sales floorspace in their shop and take on extra staff.
- 4.7 With such a complex mix of customers using Big Yellow in so many different ways, it has been difficult to quantify how many jobs Big Yellow really supports. Big Yellow therefore carried out this business survey to help understand better how businesses use Big Yellow and how many people they employ.
- 4.8 The results show a huge employment impact from Big Yellow. The average business customer employs around three people directly because of their space in Big Yellow. This means that the average Big Yellow store directly accounts for over 300 jobs.
- 4.9 The local economic benefit of this is significant – the jobs in the average Big Yellow generate a local Gross Value Added (GVA) of around £17m a year.
- 4.10 This level of employment compares very favourably with many alternative employment uses. Allowing for non-business occupiers, and all the non-lettable space (like corridors, lifts, toilets and reception), it works out on average as one job for every 28 square metres gross internal area (GIA) across the whole store. This is a significantly higher job density than, for example, Class B2 Manufacturing at 36sqm GIA per job, or B8 storage/distribution at 70-95sqm per job.
- 4.11 This means that a three-storey Big Yellow store would typically create four times as many jobs as a single-storey industrial unit of the same footprint.
- 4.12 Across Britain, Big Yellow is home to over 7,700 businesses, and 23,000 jobs (assuming an average of 315 jobs per store). The businesses in Big Yellow together generate a GVA contribution to the national economy of over £1bn a year. Big Yellow is therefore a small-business landlord and start-up incubator on a huge scale.

5 Summary

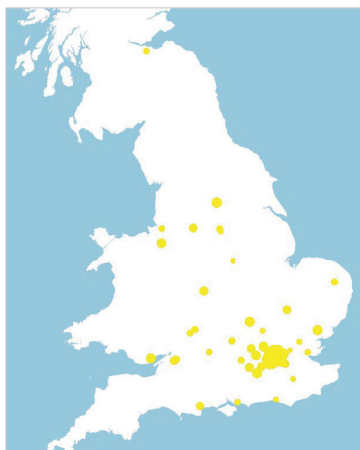
- 5.1 The survey carried out in February 2018 has evidenced the huge employment impact of Big Yellow. The number of SMEs occupying Big Yellow means that they are becoming one of the top small-business landlords in the country, and an incubator to thousands of start-up firms.
- 5.2 The average Big Yellow store:
- Is home to 105 businesses and other organisations
 - These businesses generate a local GVA of £17m a year
 - Employ over 300 people directly because of their space in Big Yellow
 - For half of these businesses it's the only space they have
 - 60% are start ups
- 5.3 Across the whole country, Big Yellow's 74 stores:
- Are home to over 7,700 businesses
 - These businesses generate a national GVA of over £1bn
 - And create around 23,000 jobs
- 5.4 New Big Yellow stores, therefore, provide a place for local businesses to start and grow, and can create hundreds of jobs.

Appendix 1 – Questionnaire

The survey was conducted online, by invitation. A total of 6,761 businesses were surveyed, and 545 responses were received.

Geographically, around half the responses were from London and half from elsewhere in the Great Britain – broadly in-line with the overall distribution of Big Yellow stores.

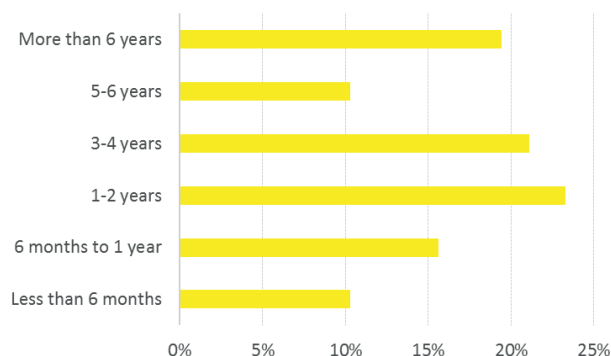
Distribution of survey responses from Big Yellow stores



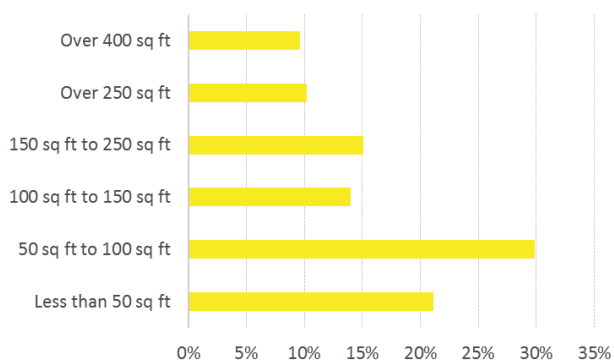
For the analysis of employment, the sample was cross referenced with data from Big Yellow on the rental size mix of all their business customers.

The questions asked in the survey were as follows:

- Q1. Name of business
- Q2. Sector of business (drop down menu or free text “other”)
- Q3. What Big Yellow store do you mainly use?
- Q4. How long have you been using Big Yellow?



Q5. How much space do you use at Big Yellow?

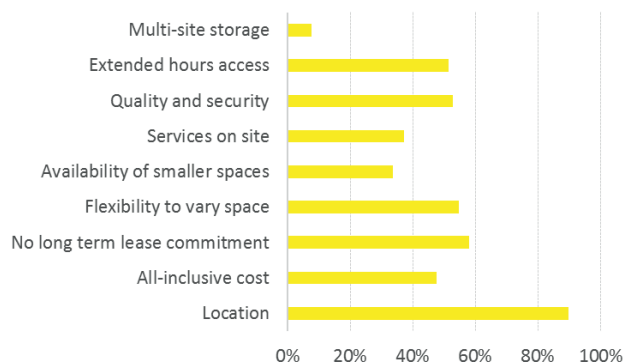


Q6. Is Big Yellow your only business premises?

Q7. When you came to Big Yellow, was it the first business space rented by your business?

Q8. We want to understand our business customers' contribution to the local economy. Many of you work in, or from Big Yellow, or have employees working elsewhere who still depend on your space here. Thinking about the people in your business, how many jobs (including your own) have you been able to create or keep because of your space at Big Yellow?

Q9. Which of these factors were important to you when choosing Big Yellow Self Storage rather than traditional business space? Tick all that apply to you. (drop down menu or free text “other”)



Q10. Are there any additional business services which you would like Big Yellow to offer or is there anything else you would like to comment on regarding Big Yellow? (free text box)