

# Chicago Real Estate Daily

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## Life Spine's new HQ offers backbone for growth

By Ryan Ori



Life Spine plans to move this week to this building in Huntley.

Life Spine Inc. is moving its headquarters, but not all the way to Texas, which wooed the Hoffman Estates-based spinal-implant company.

Life Spine and its 50 employees will move 17 miles west on Oct. 24 to a 58,400-square-foot building it bought in Huntley, said President and CEO **Michael Butler**.

**Life Spine** spent three years searching the Chicago suburbs and toured spaces in Austin after being pursued by Texas Gov. Rick Perry's office, which offered about \$1 million in annual tax breaks, Mr. Butler said.

"We would have had 50-plus-percent attrition if we'd moved (to Austin), and a growing company can't afford that," said Mr. Butler, whose firm will not receive Illinois state incentives.

### O'HARE, RECRUITING BASE

The pull of the Chicago area's larger airport and recruiting base also were factors in Life Spine's decision to buy its own building here, Mr. Butler said. The firm paid \$5.2 million in August for the two-story former Duo-Fast Corp. building at 13951 S. Quality Drive, according to Kane County records.

The seller was Glenview-based Illinois Tool Works Inc., which acquired construction products company Duo-Fast in 1999. The building has been vacant since 2000, an ITW spokeswoman said.

Life Spine, which moved to Hoffman Estates from Indianapolis in 2004, is expanding to more than five times its current 11,000 square feet at 2401 W. Hassell Road, Mr. Butler said.

The larger facility will allow the firm to add about 25 employees by the end of 2015, and it can hold more than 200 employees should the company's rapid growth continue, Mr. Butler said. The building sits on more than 10 acres, land that could accommodate even further growth.

"We're so jammed in here (in Hoffman Estates), we can't hire anyone," he said.

### GROWTH PROJECTION

Privately held Life Spine, which had about \$28 million in sales in 2013, projects revenue growth of 20 to 24 percent this year, Mr. Butler said. The company, whose surgical tools and implant products include a device that can be placed between vertebrae in patients with deteriorating discs, owns more than 60 patents and has about 80 pending, he said.

With overall suburban office vacancy of **23.4 percent** during the third quarter, and the northwest suburbs with 26.1 percent, Life Spine expected to find plenty of options. But much of the space seemed outdated, and the firm's unique requirements — a mix of office space, a wet lab and a testing lab — quickly narrowed the options, Mr. Butler said. It cost less to buy the Huntley building than to sign a long-term lease, he said.

"When we started, we absolutely assumed there would be a plethora of options, but there just were not," Mr. Butler said. "We were looking for something that had great curb appeal and a wow factor, and a lot of the buildings just didn't have that."

The new space along Interstate 90 will allow Life Spine to add on-site production of some parts. Life Spine, which has a sales office in Lebanon, already outsources manufacturing to 12 U.S. facilities and one in China, Mr. Butler said.