Insight Enterprises to move HQ from Tempe to another Valley city

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After 31 years in Tempe, Insight Enterprises is moving its headquarters to Chandler.

The Tempe-based information technology services provider plans to move its 1,600 employees to a 300,000-square-foot building along the Price Road corridor. The building is about double the size of its current two-building setup in Tempe, Ken Lamneck, Insight's president and CEO, said Tuesday.

"We wanted to consolidate into one building and have expansion room for the future," Lamneck told the Business Journal. "We looked around and didn't want to build a building from scratch. We found this facility and it really met our needs."

Insight (Nasdaq: NSIT) bought the building on 48 acres at 2701 E. Ryan Road for \$48 million, he said.



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A photo illustration shows Insight's new headquarters in Chandler, with employees planned to move in the summer of 2020. Insight is moving its headquarters from Tempe after 31 years.

Covance Laboratories, a Madison, Wisconsin-based division of Covance Inc. (NYSE: CVD), was the building's previous tenant until 2012.

Covance Laboratories said in October 2005 it planned to build the \$100 million facility to conduct clinical trials for major pharmaceutical companies.

Lamneck said the building has a large cafeteria that looks like it was never used and a big auditorium. Insight plans to add a health center, fitness center and innovation center, and add some modern amenities.

"The Valley's tech corridor is growing, and this is a great area," he said. "It met all of our requirements. We're pretty excited about it."

Chandler is one of the most desirable submarkets for technology businesses in the Phoenix metro area, according to Insight. It's one of the top office markets for construction in the Valley right now.

Cascade Financial Services is another tenant in the 370,000-square-foot building.

The renovations will be finished and employees will move in by next summer, Lamneck said.

"We love Tempe. Tempe treated us well," he said. "We found one possible facility in Tempe, but it was pretty old. We wanted to stay in the Phoenix area."

Tempe has the highest Class A office rent of any submarket in the Valley, according to Colliers International.

The new Chandler headquarters will be about 15 to 20 minutes away from the current Tempe offices, Lamneck said.

"It will be nice to get everyone under one roof and to modernize the facility," he said. "We bought our current buildings about 20 years ago. We have to provide a more modern environment for our teammates. Everyone is excited for the move."

Insight opened its current 100,000-square-foot Tempe headquarters at 6820 S. Harl Ave. in 1997 when the company had 700 employees. A second location at 910 W. Carver Road opened in 2008. Insight plans to sell both buildings, Lamneck said.

The headquarters change comes on the heels of Insight acquiring its largest company. On Aug. 30, Insight completed its \$579 million acquisition of El Segundo, California-based PCM Inc.

This is the second public company that is moving out of Tempe. In September, <u>Limelight Networks</u> Inc. (Nasdaq: LLNW) moved its 220 employees to its new Scottsdale headquarters at SkySong after 18 years in Tempe.

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