

RETAIL

## Macerich brings co-working to shopping centers

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*Rendering of Macerich's planned renovations to its luxury wing in its Scottsdale Fashion Square*

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By STAFF REPORTS

Mall owner and operator Macerich is looking to drive traffic to its shopping centers through a partnership with co-working company Industrious.

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This alliance will bring Industrious' office concept to multiple properties, with the first location opening at Macerich's Scottsdale Fashion Square. Malls are increasingly becoming mixed-use properties as developers seek to bring people in for more than shopping.

### Commerce meets co-working

According to Macerich, it is the first major mall operator to enter a partnership with a co-working space for multiple properties.

Among Industrious' tenants are Lyft, Pandora, Pinterest and Pfizer, with clients ranging from startups to Fortune 500 companies. Currently the company has locations in 33 cities.

Industrious will debut at Arizona's Scottsdale Fashion Square in January. This will complement the mall's updated luxury offering, set to open this fall.

In the first phase of its remodeling and expansion, the luxury wing of the mall, anchored by Neiman Marcus, will be getting a new main entrance as well as new two-story shops and restaurants that complement the retailers. In a similar move to other developments, Macerich will also add other mixed-use features to boost mall traffic such as residences, office space and a hotel in future phases of its renovations ([see story](#)).



*Macerich is bringing co-working to a number of its malls. Image courtesy of Macerich*

"Macerich is on the cutting edge when it comes to adding exciting, traffic-driving new uses to our market-dominant retail properties across the country," said Art Coppola, CEO of Macerich, in a statement. "With time-limited marquee attractions like Candytopia, luxury fitness/wellness concepts, destination restaurants and appealing first-to-market digitally native brands, our well-situated centers are high street, town square locations where shoppers, retailers and brands absolutely want to be.

"Our settings deliver top-tier, built-in amenities for today's professionals, which is why a partnership with experience-focused Industrious makes so much sense," he said.

Co-working companies have inked other partnerships with high-end retail.

For instance, retailer Hudson's Bay Company entered a global, multi-faceted strategic relationship with communal workspace network WeWork.

One of retail's primary stressors is the operational cost associated with bricks-and-mortar storefronts now that so much of the market share has moved online. HBC's strategic partnership with WeWork and Rhne Capital, an affiliate of WeWork Property Advisors, hopes to lessen the burden by maximizing the productivity and value of the retailer's global real estate assets while also positioning its brands as being on the forefront of experiential retailing.

Lord & Taylor's flagship will maintain current operations throughout the entire 11-floor building through the end of the 2018 holiday season.

After, WeWork will convert the building into its New York headquarters and office space. At that point, Lord & Taylor's floorplan will be redesigned and scaled down to selling floor of approximately 150,000 square feet ([see story](#)).