

# NORDICUM

scandinavian business magazine

6 • 2008

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2009

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**John Kao:**

**How Finland  
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# editorial

## Come Together, Right Now

The Greater Helsinki Region is about to enter an interesting development phase. As the brand new Vuosaari Harbour commenced operations on 24 November, the old Helsinki harbours are no longer needed for logistical purposes. Dynamic new construction is being planned for the old harbour areas, with both residential and office space in the mix.

The construction of the western metroline – connecting Helsinki and Espoo – could start a year from now. The metropolis is also reaching to the north, while a rail connection should link downtown Helsinki with the Helsinki-Vantaa International Airport around 2014.

Hannu Penttilä, the new Deputy Mayor for Helsinki, has remarked that the metropolis is not a problem, it is a solution. In the age of the Climate Change, we can not allow the community structure to fragment any further. City planning has to be sustainable inside and out.

Also in this issue, innovation guru John Kao – dubbed Mr. Creativity by *The Economist* – discusses his love for the arctic metropolis. Kao feels that the Greater Helsinki Region is brimming with “next practice” Living Lab potential. Whether it comes to human-centred design or wireless urban environments, Kao is convinced that the area will be in the forefront of future development.

The business of branding cities features an interesting paradox: the brand-builders strive to create a streamlined, polished end-product, but truly successful communities always tend to break the moulds set out for them. Success stems from the diverse urban undergrowth, stealing a page or two from Chaos Theory. Playing it safe is often the best way to get it wrong. Not the fastest way, but the best way.

A true metropolis acknowledges no arbitrary boundaries. In the final analysis, metropolis is all about the people and their everyday work and play. Viewed against this background, having four cities in the capital region seems wasteful. And confusing to boot: a visitor to Helsinki University of Technology finds himself in Espoo and taking a business flight to Helsinki will land you in Vantaa.

The Greater Helsinki Region is still no giant in terms of population and is easily dwarfed by other metropolises. In such a scenario, setting up separate camps to safeguard personal interest is simply unacceptable.

Let metropolis be one.

*Sami J. Anteroineen*  
Editor-in-Chief

# NORDICUM

scandinavian business magazine

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2/2009	April	Pulp & Paper
3/2009	June	Energy & Environment
4-5/2009	September	Cruise & Shipping
6/2009	December	Real Estate

### Russian language issues

1/2009	June	Energy and Pulp & Paper
2/2009	November	Russian Trade



**"Open markets, open minds!"**

# NORDICUM celebrates its 15th anniversary

*The magazine you hold in your hands is the 15th Anniversary Special Issue of NORDICUM. We take this opportunity to look back and reminisce a bit.*

**T**he genesis of the magazine is an unusual one, since the publisher PubliCo Ltd – which was founded only a year earlier – decided to launch a business magazine in the middle of a severe recession in 1993. Despite troubled domestic economy, the outlook for Finnish export companies remained strong. Having accumulated some success in export exhibitions, the core trio of Eero Iloniemi, Jukka Järvinen and Petri Charpentier thought that the time was right to set up an English-language export medium for mainly Finnish businesses.

Henceforth, NORDICUM 1/93 came out in the spring, with another issue to follow in the autumn. Under the leadership of Editor-in-Chief Eero Iloniemi, the new magazine dedicated itself to promoting "Nordic cooperation, free trade and Scandinavian EC membership".

"Despite a devastating economic situation, there was still optimism that Finland could serve as a gateway to the entire Baltic Sea Region," Iloniemi says now, fifteen years down the road.

In 1994, the magazine came out four times, gaining momentum as the economy was starting to show signs of improvement.

The following year gave plenty of cause to celebrate as both Finland and Sweden became members of the European Community which has since evolved into European Union. In 1995 the magazine also scored some big interviews to help solidify its position in the field.

For instance, the second issue of the year had Nokia CEO Jorma Ollila on the cover, holding a (rather large) mobile phone. The cover story for NORDICUM 3/95 was President Martti Ahtisaari, "Man at the Crossroads".



*Nordicum 1/1993*

In 1996, NORDICUM launched the Special Report concept – at the time known as Special Supplement. The first ever Special Report was Transportation in issue 2/96.

During these first years of publication, NORDICUM developed a reputation as a must-read for professionals with business in Scandinavia. Eventually, the Russian-language edition of the magazine made its debut (2000) and has been published ever since.

Iloniemi notes that Finland did not exactly become the gateway to the Baltic, but instead it became the gateway to Russia. Also, the rapid expansion of the EU has taken everybody by surprise.

Today, the average printing of NORDICUM is between 15,000-30,000 copies, with some issues receiving extra circulation due to fair and exhibition considerations. Furthermore, distribution is boosted via e-magazine which is e-mailed directly to over 20,000 decision-makers. The virtual version of the magazine has gone through intense development phases, especially in the new millennium.



*Nordicum 2/2008*

The present Editor-in-Chief, Sami J. Anteroine, assumed his duties in March 2007. Anteroine has, however, been a contributing writer to NORDICUM since 2000. Anteroine considers NORDICUM to be an established and respected Nordic business review, and the recent upgrades should only add to its appeal. Primary among these was the layout change which resulted in a more visual magazine.

"The articles are 30% shorter now which gives us more alternatives on the visual side." The first issue under the new format was the autumn double issue 4–5/08.

The magazine has also brought back columnists in an effort to encourage a more dynamic debate about current issues. In addition, NORDICUM has been expanding its scope by interviewing also top international experts – such as Richard Florida and John Kao (in this issue) – from well outside Northern Europe.

Looking into the future, Anteroine believes that there is still room for development:

"We want to do stories with an innovative edge, and to really get into the core of such themes as leadership and entrepreneurship." ●

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Photo: Herzog & de Meuron



*Water Dance.* A new world-class design hotel is in the works in Helsinki. NORDICUM showcases the Helsinki Waterfront Hotel by superstar designers Herzog & de Meuron. **Pages 12–14.**



Photo: ALA ARCHITECTS Ltd

*Switching Gears.* Helsinki urban development speeds up as old harbour areas open up for development. City of Helsinki is poised to make the most of the historic opportunity. **Pages 18–21.**

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# We are all in it together

by Paavo Lipponen



In November 1977, in a speech to the Finnish-American Chamber of Commerce in New York City, I quoted J.K. Galbraith's two principles for understanding the American economy:

Rule Number One: "Under all circumstances you should mistrust and hence ignore all official economic forecasts."

Rule Number Two: "Mistrust likewise the forecasts of other economists."

Within that year, 1977, the forecast for growth in the Finnish

economy had been revised from five per cent down to zero. The European economy was plunging into a recession. Today we are, as The New York Times put it, all in it together in a global economic crisis.

Every major player, including China, is making a huge effort to fight deflation as the financial crisis is rapidly spreading into the real economy. More layoffs in practically every sector in the economy – so far with the exception of the public sector – are everyday news in Finland, too.

How could it happen that the world should witness such a rapid and steep decline, never seen before? This is the first example of the integration of economies into a global system, where the effects of a major crisis in a major player can spread to the other side of the world in seconds. This time no country, not even China or Russia, is unaffected by the financial crisis.

Last time a comparable crisis happened in 1929, it took three years for the US government to react. This delay made the recession the Great Depression.

This time around, the necessary leadership is emerging in the United States and in Europe to make quick monetary and financial

policy decisions. We are witnessing an unprecedented show of concerted action by leading nations and the European Union.

The American presidential election, the election of Barack Obama, has generated optimism and confidence in new leadership by the United States that is so badly needed to tackle all the daunting challenges at this turning point in history.

The worst is still to come. Will the measures taken and planned be sufficient to remove the lack of confidence that keeps people from consuming and buying housing, enterprises from investing? Luckily, orthodox, ideological economic doctrines are being dumped as governments take emergency measures to save their economies.

State intervention is no more taboo, Keynesianism is back in force. Deficit spending makes sense if investment infrastructure and houses, education and new technologies are financed for future growth. The middle and low income consumers need an income boost through direct transfers and lower taxes. Unemployment benefits must not be cut and pensions need state guarantees.

This is no time for a post mortem of the crisis. But to prevent another recession, some conclusions must be drawn. We need more and better regulation, also on the global level to oversee the financial markets. Global financial architecture needs to be overhauled.

In the final analysis, this is a moral crisis. How could the financial community tolerate the manipulation that went on with the subprime loans? Why did the do-good federal government not see what was happening?

The arrogance in the financial sector reached record levels. The height of it in Finland was the statement by a financial tycoon about ordinary people only bringing "sand into bank offices with their feet". Three trillion dollars have vanished like sand in the wind because of such an attitude.

Banks and governments are now on their knees, begging the common man to trust them, consume and take mortgages. Is anybody on Wall Street and elsewhere in the financial community repenting? That'll be the day. ●

*The writer is former Prime Minister and Speaker of Parliament of Finland*

## Finnish Flash in the Pan

# National chef team goes for gold in Culinary Olympics

*The Finnish chef team pulled off its best-ever over-all performance at the International Culinary Exhibition in Erfurt, Germany. Finland won its first-ever gold level designation in warm dishes and similarly an unprecedented three silver level marks in cold dishes. Despite a solid track record, the Finnish chef team finished 15th in the final results – which was a disappointment for the chefs.*

Photo: Verband der Köche Deutschlands e.V.



In total, there were 32 national teams and 20 junior national teams included in the competition which was hosted over a four-day period in October.

International Culinary Exhibition – also known as the Culinary Olympics – attracted 1,600 cooks from more than 50 nations to show their skills and prove their mettle. The event is the biggest and most important culinary exhibition of the world. Organised by the Verband der Köche Deutschlands (The German Chefs' Society), the International Culinary Exhibition took place now for the 22nd time.

### Warm dish wizards

The highlight for the Finnish chef team was the golden performance at the warm dishes category. The Finnish three-course competition menu seduced the judges and the audience members with soft and fulfilling tastes.

The appetisers consisted of salmon, fried sea crab and spinach purée. The main course featured veal fillet, overdone veal neck and sweetbread sausage. And, last but not the least, the dessert dazzled food-lovers with strawberry / milk chocolate mousse and orange yoghurt cake.

The Men in White were pushed to the limits of their endurance, reported Jari Hämäläinen, head of the chef team. The team was really tired, but overjoyed after the race. Some members of the team got to sleep 30 minutes during the hectic night – and some didn't sleep at all, Hämäläinen revealed.

"This says something about the never-say-die attitude that the team demonstrated throughout the race," Hämäläinen commented.

### Beach boys

The performance of the chefs in the cold dish category was not too shabby either. The Finns were awarded the silver designation for their prowess in three individual categories: appetisers, main dishes and desserts.

Hämäläinen noted that the historic silver level was reached through a combination of team spirit, innovativeness and drive to succeed. Team leader did admit, however, that not everything worked out like a charm during the race, and the chefs had to fight through a set of difficulties in the process. Challenges were overcome in the end due to unflinching desire to excel.

The chefs flaunted their powers of imagination by picking summer, water and sand as the themes for the race. As a result, more than 250 litres of various rocks and sand was poured over the exhibition table! In

addition, successful colour scheme choices and sophisticated lighting helped the Finns rack up points in the race.

### Norway wins it all

Gold level could be reached by accumulating 90–100 points from the judges, where as a silver performance requires 80–89 points.

With such remarkable feats under its belt, the team could not help but feel the sting of disappointment as the final results came in. Finland had a strong gold to show from warm dishes, but the three silvers from cold dish category were not as solid.

"When it came to Finland, the point system was at its most treacherous. There's nothing you can do about it, however, the rules are the same for everyone," Hämäläinen commented.

In the final rankings, Norway came on top, winning both main course of cold dishes as well as warm dish category. Germany was the country to beat in appetisers and Singapore was number one in desserts. ●



## Innovation Sherpa

# Creativity guru John Kao sings Finland's praises

*Dr. John Kao sounds like a man in love.*

*"At first, there was this sort of a flirtation, then you could say we started going steady and now there's talk of deepening our commitment even more," he says.*



**T**he object of devotion for Kao – who also happens to be married with children, by the way – may surprise you. Kao is talking about his love affair with Finland – “the innovation nation model for the world,” as he puts it.

At the moment, the former Harvard professor is helping out Finland in the formulation of its National Innovation Agenda. He is a frequent visitor in the land, honing strategies with the likes of Sitra, Tekes and the Ministry of Employment and the Economy. In fact, Dr. Kao is in-country so often that he’s even contemplating moving to Finland with his family – if even for a semester or so.

And how is it that the world-famous innovation expert became so smitten with Finland? Kao traces this romance to start from his visit to Oulu last year where he appeared before the Nordic Council of Ministers. It was there that Kao met Esko Aho, the President of Sitra, and the two made an immediate connection.

“I have been coming back ever since,” the resident of sunny San Francisco laughs.

## Global race heats up

John Kao is one of the foremost innovation experts in the world at the moment. His recent book *Innovation Nation* was chosen by BusinessWeek as one of the best books of 2007.

In the book, Kao talks about America losing its innovation edge to countries like Finland, Singapore and China, even. But not everyone would agree that the global dominance of the USA is being jeopardised. For instance, the recent competitiveness ranking of the World Economic Forum places the US at the top while Finland is number six. Kao is undaunted by the findings:

“The problem with such rankings is that they give you snapshots, not the whole movie,” he says.

The professor advises people to focus on the long-term instead of the short-term: the USA is doing OK now, but how about 10 or 20 years down the road? He feels that the American education system is a mess – with drop-out rate in high schools reaching one-third – and there are less and less talented college students in the fields of computer studies and engineering, for instance. In addition, Kao views some of the attitudes of the Bush administration to have been downright “anti-science”.

“Unfortunately, all the major indicators look down for the US.”

## Platform for the future

Finland, on the other hand, is a member of the elite group of nations with a good handle



on the future. Kao notes that the Finnish education system is top-notch and there is willingness to keep improving, as evidenced by the launching of the Aalto University next year. Dubbed the "innovation university," Aalto University bridges technology, design and business in a novel way.

Kao points out that other universities feature similar combinations, but are not as committed to "true integration" of the disciplines as Finns. It is this type of a "silo mentality" that is holding down many universities, Kao believes.

He is of the opinion that the Aalto University could be an international blueprint and that many will observe it with a keen eye.

"It is like a start-up company in the sense that the launch must be performed very well for it to succeed." In order to melt down the walls between various disciplines, leadership, vision and commitment are needed. What is not required, however, is excessive benchmarking, Kao argues.

"My advice to Aalto University is this: do not read history, make history."

## Ecosystem of innovation

Academic excellence blends well with the strong research tradition of the land. With this connection in mind, the professor calls Finland a "hi-tech treasure trove" with plenty of untapped potential.

Furthermore, the national innovation system works like an ecosystem, providing various pathways and programmes for businesses.

"What this means is more choices for entrepreneurs," he points out.

In addition, Kao is impressed with the character of the Finns as a people: he perceives an inner toughness that has helped the small republic prosper against all odds.

"I see that there is a very good combination of strength and flexibility."

## 'Next practice' Helsinki

Kao is fond of Finnish design and so taken by the musical scene – jazz especially – that he is even taking music lessons from Finnish musicians.

"In general, I feel that Finland is just a very civilized, hip place to be." The professor can't say enough about Helsinki which he considers to be somehow "unspoiled" in comparison to other Nordic capitals.

"The world hasn't tramped all over it with muddy boots yet," Kao quips. In addition to the cosy atmosphere, Helsinki

is also a great testbed for "next practice" hi-tech solutions. Innovations ranging from human-centred design to wireless urban environments are encouraged in the metropolitan area.

"The city itself is a rather compact platform, making it easy for a variety of stakeholders to collaborate," he says, while pointing out that it is rare that a city has its own innovation strategy as is the case with Helsinki.

## Crusading for creativity

Due to this full-blown romance with all things Finnish, Kao has made it a personal mission to make sure that Finland retains its position as a global innovation leader. He says that the road ahead is not without its share of challenges and Finland might slip, just like the rest of them.

"For example, the role of the entrepreneur is not as strong here as it could be," Kao says, adding that commercial prowess is needed alongside technological wizardry as well.

"It's not just people in white lab coats that make innovation happen."

Another real bottleneck is the shortage of venture capital for start-up companies. Finnish companies tend to shun risks and stay small. With a help of the right business angel or business mentor, for instance, the fledgling companies could make the transition to the next level.

"And that's the difference between the company that is the size of a chamber music orchestra and a company that employs thousands and thousands of people."

## Stand up, stand out

In an effort to make Finland more attractive from the viewpoint of investors and tourists alike, the Ministry for Foreign Affairs set up a team of experts to "brand" Finland. Kao gives an approving nod: the global innovation economy is in a race where one must differentiate itself in order to succeed.

"Finland must find ways to attract the right people. And if those people don't know what's out here, they won't come."

Kao acknowledges that Finns may have to overcome some "misdirected modesty" to get their message out to the world, but the outlook is good:

"Finland has a head start in the innovation race – and is smarter than most." ●

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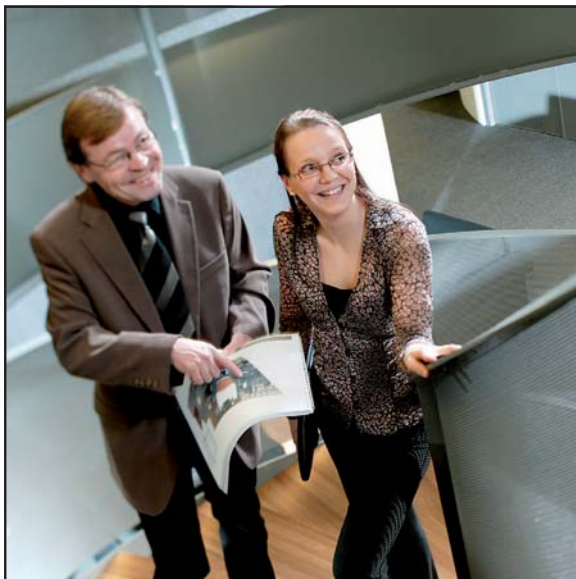


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## Introducing: Helsinki Waterfront Hotel

# Star-powered design hotel concept stirs up controversy



*The City of Helsinki wants to increase the appeal of its very core, the South Harbour area. Already home to President's Palace, City Hall and Market Square, South Harbour should attract even more tourists in the next decade if the planned projects are executed.*

**A**rguably, the most ambitious of these ventures is the Helsinki Waterfront Hotel. The world-famous Swiss architects Jacques Herzog and Pierre de Meuron have designed a prominent five-star hotel, to be located at the edge of Katajanokka.

The planned completion of the project is 2011. The concept design phase ran from May 2007 to March 2008.

The project has already sparked a lively debate in Helsinki. For instance, the National Board of Antiquities – which is charged with preserving Finland's material cultural heritage – has taken a very negative stance in the matter.

The Swiss architects have stated that they are aware of the historical significance of the area which contains the city's famous monuments and remains the most popular urban destination for residents and visitors.

For instance, the regular street grid of the centre was the great modern feature of the 19th century city and still defines its character and growth.

Looking beyond the streets and the buildings, however, the architects observe that Helsinki's greatest natural asset is its water. It is the reason for the city's location and has sustained its economy through the ages. The picturesque waterfront remains a favorite natural place to walk and relax.

### Five-star flavour

Herzog & de Meuron wants to combine these strong assets – historical centre and waterfront – to form a new prominent destination. Located at the point where the Esplanadi opens onto the South Harbour, the new building should continue the central public space further along the waterfront. Standing at the water, in a reflective glass wrap, the new hotel belongs to the city centre and the harbour water alike.

The form of the building is a direct response to the classicist grid and, at the same time, an efficient translation of the program: a five-star hotel with 200 guest rooms. A cross layout on the ground level contains the four main public parts and services. A second cross, hovering above, accommodates the guest units.

The cross on the ground is oriented to the local street grid and harbour bank at Katajanokka, relating the hotel to its neighbours on the street level. The hovering cross above is rotated to the grid of the historic city, bringing the strong features of the centre to the peninsula. The master architects feel that the different orientations of the two crosses create a dynamic presence: they anchor the building to its site and, at the same time, detach it from its immediate surroundings, linking it to the city centre.

The Swiss agency is looking to transform the entire area around the hotel by reclaiming back the water. The proposed pool continues the necklace of basins where the city centre meets the South Harbour. A new pier extends the walk from the Esplanadi deep into the harbour, allowing a spectacular view from the water back to the historic city.

### Nordic cooperation

Norwegian investor Arthur Buchardt is behind the venture, having already built a five-star hotel in downtown Stockholm. While planning Clarion Sign Hotel, Buchardt made contact with the Finnish design company Artek, the caretakers of Alvar Aalto's legacy. He wanted Artek to furnish Sign Ho-





tel – and the cooperation is to continue on “home soil”, with the Helsinki Waterfront Hotel project. Artek has even promised to equip the up-coming design hotel with select pieces of furniture that are not in production.

Artek Managing Director Mirkku Kullberg says that at the time of the initial contact, the Norwegian investment guru was quite taken with the architecture of Alvar Aalto and wanted to learn more about the history of his classic furniture – as well as the whole designing philosophy that drove Aalto.

“Buchardt believes that it is worthwhile to invest in furniture, architecture and design using a comprehensive approach,” Kullberg says. Seemingly, Buchardt is of the opinion that great design translates to great value by transcending time. Also sustainability issues were a factor in the decision to raise a design hotel in Helsinki.

### Courage under fire

With Herzog & de Meuron now on board, Kullberg has observed the project with great interest. He applauds the vision and courage of Arthur Buchardt to raise a high-quality, architecturally enticing project in the heart of Helsinki.

“The location is a challenging one and will certainly create some debate as the process moves on,” Kullberg says.

Alvar Aalto is to have his own square in the front of the hotel, but the building itself is not designed by Finnish talent – even if there are some Finns in the project team.

Kullberg doesn't think that nationality plays a major role here:

“International architecture knows no borders,” she says, while remarking that as Finnish top architects take on projects abroad, foreign architects can put their visions and expertise to good use here also.







## City support

Mikael Nordqvist heads the Helsinki City Real Estate Department which is backing up the venture. He says that the issue is presently under preparation:

“We will propose that a reservation is made for the plot, allowing the investor to go further with the project.”

The proposal is made, in all likelihood, in early 2009. Then the process will turn towards modifying the city zoning plan, which will probably take a while to take effect. Nordqvist assesses that complaints against the project are possible, but at the same time, the City is committed to the project.

“The hotel project is a significant part of the development of the South Harbour. We are going for something new and fresh here.” ●

## HELSINKI WATERFRONT HOTEL

### By the numbers

- Concept Design: May 2007 – March 2008
- Planned completion: 2011
- Partners: Jacques Herzog, Pierre de Meuron, Ascan Mergenthaler
- Project Architects:  
Tomislav Dushanov (Associate), Kivi-Mikael Keller (Project Manager)
- Project Team: Eetu Arponen, Michael Bär, Hauke Jungjohann, Osma Lindroos, Sara Secci, Iva Smrke
- Client: Arthur Buchardt, AB Invest A/S, Norway
- Architect Planning: Herzog & de Meuron, Basel, Switzerland
- Construction Management: Skanska, Helsinki, Finland
- Industrial Sector Contractor: Skanska, Helsinki, Finland
- Site Area: approx. 8 500 m<sup>2</sup>
- Building Footprint: approx. 2 450 m<sup>2</sup>
- Building Length: approx. 75m
- Building Width: approx. 75m
- Building Height: 21,70m
- Gross Volume (GV): approx. 44 000m<sup>3</sup> (above ground)
- Gross Floor Area (GF): approx. 12 100m<sup>2</sup> (above ground)
- Facade Surface: approx. 5 700m<sup>2</sup>
- Number of Levels: 5 (excluding basement)





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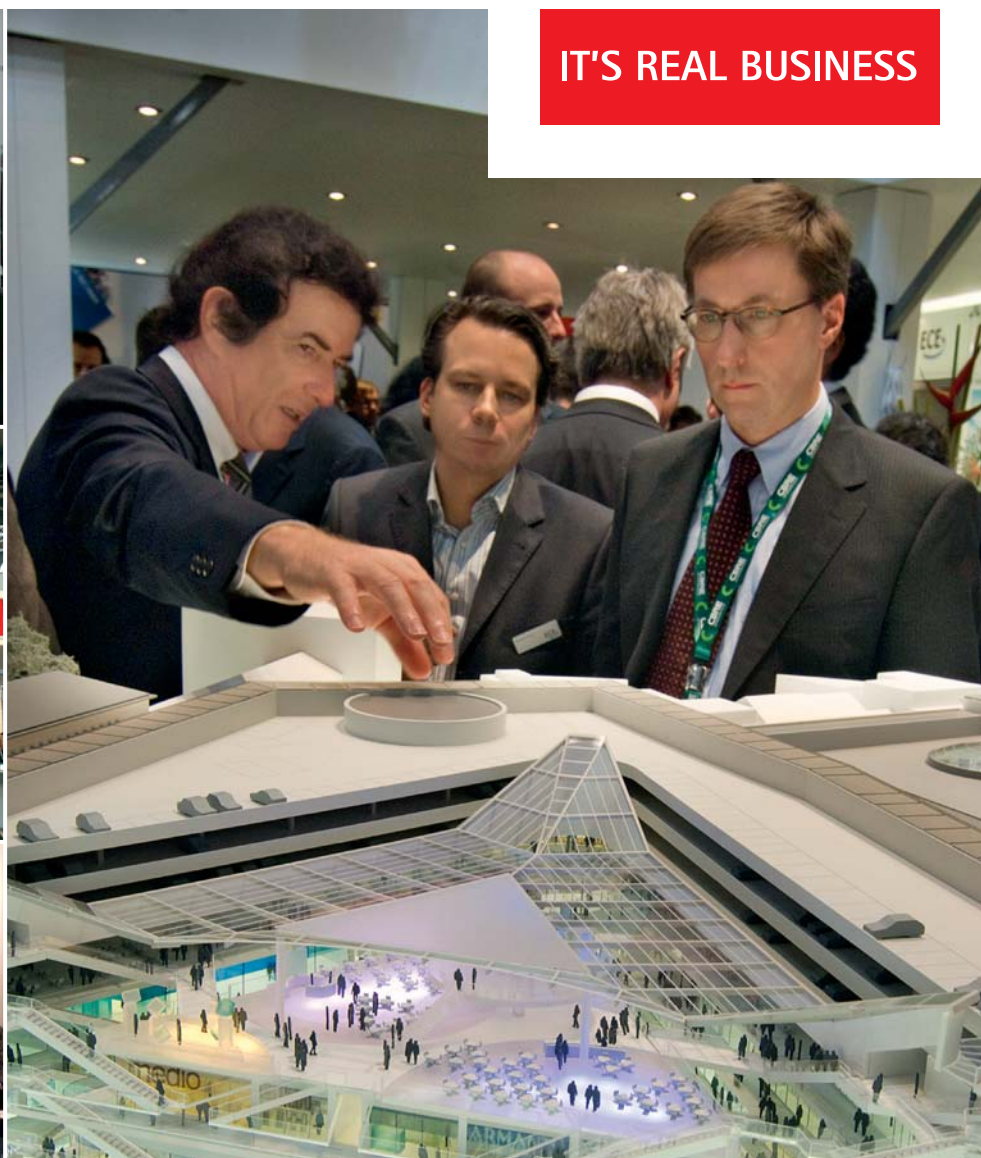
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IT'S REAL BUSINESS





# EXPO REAL 2008

## recorded strong growth

**T**he 11th International Commercial Property Exposition – EXPO REAL – took place in Munich from 6 to 8 October 2008. The event attracted 24,500 trade visitors from 77 countries, while in 2007 the number of participating countries was the same, but the visitor turnout slightly lower (23,800).

In addition to the visitors, there were over 17,500 company representatives at the exhibition stands. The actual figure for participation in EXPO REAL 2008 was thus 42,000 (against 39,000 of the previous year) – constituting a rise of 7.7 per cent over 2007.

Eugen Egetenmeir, a member of the management board of the organiser Messe München, stated that these figures show that even – and especially – in a time of uncertain financial markets, the sector needs a forum in which it can analyse the situation and develop perspectives for the future.

“That is why it is supporting the biggest commercial property fair in Europe, EXPO REAL,” commented Egetenmeir.

Ulf Buhlemann, Managing Director / Head of Valuation, CB Richard Ellis, Germany, assessed that at this year’s EXPO REAL a continuation of the positive effects of recent years was clearly visible.

“This trade fair is a platform for both generating new business and consolidating existing customer relations,” Buhlemann said.

### Back to basics

The top ten countries of origin among the visitors, after Germany, were Great Britain, Netherlands, Austria, Russia, Switzerland, Czech Republic, Poland, the USA, France and Spain.

The credit crisis was the topic on everybody’s lips, but the fair was decidedly not about “doom-and-gloom”. Dr Kurt R. Becker, Communication Director, Jones Lang LaSalle Germany, pointed out that EXPO REAL is a real place for encounter in a difficult time.

“We had some excellent conversations here on the theme of ‘back to the fundamentals’. Property is now firmly back on the ground,” said Becker.

Alongside the subjects of investment and finance strategies, another focus at the fair was sustainability. The Deputy Minister of Economics of Catalonia, Andreu Morillas, said that EXPO REAL featured projects of the highest quality that point out the “tremendous opportunities” that exist for sustainable development.

“EXPO REAL is an indicator for the direction of urban development generally in Europe,” Morillas stated.

### Russians are coming

A total of 1,856 companies from 45 countries exhibited at EXPO REAL 2008. Of this number, 487 came from outside Germany, which represents a stable international proportion of 26 per cent. The strongest contingent from abroad came from Russia, which was represented with 62 exhibitors.

Yuri Luzhkov, Mayor of Moscow, explained the appeal of the fair:

“We take part in many trade fairs, but for us EXPO REAL is one of the most promising platforms at which to present new projects. This explains why we are so active at this event.”

In 2008, for the first time, EXPO REAL encompassed seven halls, covering 74,000 square metres of exhibition space – which is an increase of 11,000 square metres, or 17 per cent, over last time.

The over 100 individual events in the conference programme at EXPO REAL provided an opportunity for 500 experts to exchange views on developments in the property markets. The most popular events were those on financial themes, for example, strategies for crisis management, global capital flows and how to finance investments against a background of dwindling liquidity. ●



## Real Estate Special Report 17-61

Photo: NCC





## Polishing the Pearl

# Hannu Penttilä talks about the Helsinki urban development strategy

Photo: Matti Tirri

*Helsinki has been basking in the glow of international attention of late. Especially international media seems to be smitten with the Daughter of the Baltic Sea; last year, for example, trend bible Monocle selected Helsinki to its list of top cities. At the same time, international gurus such as Richard Florida and John Kao have praised the city.*

**Y**et, the City of Helsinki believes that the metropolis has barely scratched its poten-

tial when it comes to urban development. Hannu Penttilä, the newly appointed Deputy Mayor (City Planning and Real Estate), says that the seaborne image of Helsinki will be forcefully boosted in the years to come. As the Vuosaari Harbour just launched operations east of the Helsinki centre, the old harbour areas will be utilised for residential and corporate use.

The waves of the transition are felt inland as well since the rail-bound logistics operations of Pasila area are no longer required to interact with the harbours. The area in question is about to experience a complete makeover: the plans calls for towering skyscrapers for both residential and business use.

“The mid-Pasila area will be the most coveted business premises area in all of southern Finland,” Penttilä says.

“There is a strong political will that the mid-Pasila area will be realised as a cluster of high-rise construction,” he adds, noting that the skyscrapers could be 20 storeys tall or reach even higher.

To speed things along, the City is arranging an investor and architecture contest in late 2009.

### Going the distance

However, the development of mid-Pasila is not a sprint; it is very much a marathon. With construction reaching all the

way to the year 2040, one can see that a lot of patience is required along the way.

“The project will run for decades, but the initial outlines have now been made,” Penttilä says. Presently, the process is about finding the right partners and forging the appropriate models for collaboration.

The City of Helsinki, however, owns only about 20% of the land in question. The majority of the land is owned by the State. Fortunately, the City and the State are quite united in the effort to develop the area.

Heikki Laitakari, Director for Senate Properties, says that the cooperation with the City has worked out extremely well. As a State-owned property serv-

ice provider, Senate Properties is used to interacting with municipalities around the country – and things don't always go very smoothly.

"The City of Helsinki acts very professionally and the collaboration is sound," Laitakari credits the City. Great collaboration is certainly needed, as the project features also big challenges – technically, administratively and legally speaking, Laitakari notes.

"There are endless challenges, but also endless opportunities," Laitakari addresses the task ahead.

## Sustainable development

With the advent of Vuosaari, seaside residential life may experience a real renaissance in Helsinki. Hannu Penttilä explains that during the next ten years, half of all construction will target former harbour areas; and a quarter of construction will consist of supplementary construction in the existing city neighbourhoods.

"We will solidify our city structure considerably through these efforts," he says, adding that relatively speaking Helsinki is approaching the level of London with regards to its structure.

The first area to experience a strong wave of development is Jätkäsaari (West harbour), which is supposed to be the site for something quite extraordinary. Finnish Innovation Fund Sitra wants to raise an "innovation quarter" in Jätkäsaari – an area that would showcase energy-efficient real estate construction and solutions. Sitra views Jätkäsaari as a great opportunity to build a convincing demo for Finnish expertise in the field.

Also in the Kalasatama harbour, the focus is very much on innovation.

"We want to make sure that the outcome is of top quality," Penttilä remarks, mentioning the so-called terrace buildings as an example of cutting-edge solutions. Kalasatama is to embrace Living Lab ideology and build new kinds of ad-



vanced networks to enhance a sense of modern community.

"The city zoning plans for Kalasatama will be approved by the end of 2008."

## Centennial approaching

Looking at the development of Töölönlahti bay, the Deputy Mayor is happy to note that the Finlandia Park is now being planned in earnest, with the construction of Music House finally launched on 22 October. Penttilä would like to see also the realisation of a downtown main library in the coming years: the library could conceivably open its doors in 2017 as Finland celebrates its centennial.

Closest to Penttilä personally, however, is the South Harbour project – at least in the sense that the Deputy Mayor's office looks over the harbour. The general idea of the development here is to "reclaim the shores"; to allow citizens and tourists access to the sea again. Two world-class hotels are in the works for the area, and, conceivably, a giant sealife aquarium.

Helsinki City Planning

Board approved the development plans in April 2008, noting that the new South Harbour should be full of variety and life, offering something for everybody.

"We're going to develop the South Harbour via competition in 2009," promises Penttilä.

## Urban evolution

With all the development projects that are underway in Helsinki, the city will surely feature intense construction for decades to come. Penttilä agrees that the level of investments is exceptionally high also in international comparison:

"We are meeting this present economic situation head-on and revitalising the scene via construction. The real estate development of the coming years will be branded very much through growth."

According to Penttilä, Helsinki is showcasing the rest of the country to the world, in many regards. He feels that Helsinki has carved a solid niche for itself among the metropolises of the world.

"There are the so-called mega cities with millions and millions of people and they follow their own path. In addition, there are vibrant cities – with one million inhabitants or so – that have managed to thrive in the present situation," Penttilä says, remarking that size is not everything.

## Fantastic Four?

Still, when asked about whether the four cities of the capital region – Helsinki, Espoo, Vantaa and the much smaller Kauniainen – should unite to create a true metropolis, Penttilä says that the administrative side of the equation is not relevant.

"People and companies conduct their business regardless of municipal lines," he says.

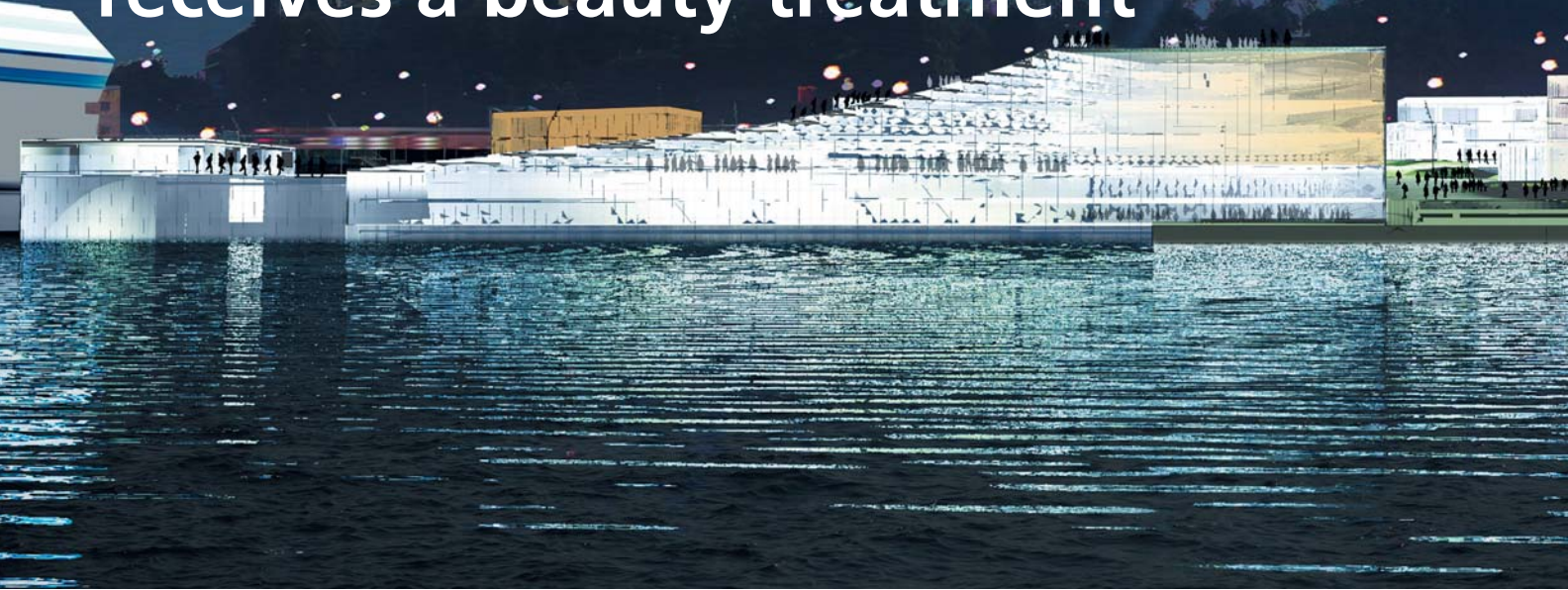
Penttilä observes that co-operation between the cities will tighten in any case, with the development of e.g. the airport area and the western metro line bringing unity into the ranks.

"The City of Helsinki wants to have good cooperation with its neighbours, welcoming also change into existing structures." ●



## Helsinki gets ready for a ball

# The Daughter of the Baltic Sea receives a beauty treatment



*Helsinki is scheduled for a real facelift. Development projects are starting around the city, and a feeling of excitement and expectation is in the air. One key area where the City of Helsinki wants to bring more energy and action is the downtown. In 2007 the City Board decided that boosting the appeal of the downtown is one of the priorities of the economy strategy. An interesting part of the puzzle is formed by the Tori Quarters (square quarters), located in between Senate Square and Market Square.*

**T**he Tori Quarters – Elephant, Lion, Rhino and Dromedary – are also known as the City Hall district. The area has been a focus point for city culture and leisurely lifestyle since the 18th century, but in recent years the venerable old buildings have been filled with hard-working City officials, for the most part. However, the City has now decided to return the neighbourhood back to its roots: the idea is to reinvent the Quarters as a dynamic shopping and leisure district.

During the next five years, the district will be developed by Helsingin Leijona Oy, a company founded by the City of Helsinki last year. Many changes will take place: new business premises will be taken into use, passage ways and interior yards are opened up and traffic arrangements are revamped. Furthermore, improved lighting

will highlight the magnificent architecture of the buildings.

### Five-year plan

Kari Tohmo, Managing Director of Helsingin Leijona, explains that the vision for Tori Quarters is that by 2013 they will form a city space that is versatile, safe and clean – while offering vivid experiences and even surprises for citizens and tourists alike.

The development work will be very much a group effort, with businesses, city offices and citizens working together. Tohmo points out that a lot depends on the level and quality of that interaction.

“We want to introduce new ways for interaction between the City and the private sector, as well as reawaken some of the existing ones.”

The City has put the project on the fast track which of course

features its share of challenges, especially since there are so many stakeholders involved.

“The biggest challenge is the great number of both stakeholders and their sometimes contradictory objectives. On the basis of these objectives, we have to create a development programme for a more appealing downtown area and make the stakeholders commit to the project,” Tohmo says.

### Finlandia goes green

Another ambitious project is in progress by the Töölönlahti Bay, in a prestigious neighbourhood which already features the Parliament House, Finlandia Hall and Opera House. Known for its lush green areas, the neighbourhood will be developed into a more cohesive entity: Finlandia Park.

According to the guiding

vision, Finlandia Park will become a “city haven” where culture, politics, travel, traffic and media come together. The Music House is being built in the park, and also the new Dance Centre will find root here.

The lofty name was invented by Pekka Korpinen, former Deputy Mayor of the City, who saw that the existence of key national institutions in the area more than justified the use of the name Finlandia Park. Furthermore, early designers such as Alvar Aalto had envisioned Töölönlahti bay as a starting point for the entire nation, in a sense.

Sirpa Kallio, Project Manager for Töölönlahti Bay area development project, says that Finlandia Park will be rather extraordinary also in international comparison:

“The park won’t be overrun by buildings but instead the





main emphasis is on the green nature with plenty of trees and water.”

### Construction starts in 2010?

According to Kallio, the plans will assume final shape during 2009 and construction could possibly kick off in late 2010.

“There is no sense in building the parks before the Music House and Dance Centre are complete.”

But as the creation of the parks gets underway, the marching order has already been determined. First area to be redone is the southern part of the park, which will be retooled around 2011-2012.

“From 2012 on, we concentrate on the northern part and hope to finish by 2015,” she lays down the schedule.

The tight timeline is not the only challenge in the venture. The soil in the area leaves a lot to be desired in many respects, with plenty of clay, for instance, that can not support any major construction.

“There will be extensive ground work first, before the

actual construction can begin,” Kallio says, adding that budget-wise, this is also the most costly part.

Also, the State owns a large share of the land in the park-to-be, so the development can take place only through negotiation.

### Pasila gets high

A couple of kilometres to the north, we find Pasila station, a present railway hub. In November 2008, as the major part of Helsinki harbour logistics functions diverted to the eastern suburb of Vuosaari, the Pasila area opened up for property developing. Already in 2002 the state – which owns the greater part of the land – and the City reached an agreement that prepared for efficient municipal re-planning for up to 15,000 jobs and 3,000 residents. By 2025, Pasila with its surroundings will host 30,000 new jobs and 10,000 new residents.

As far as office space is concerned, Pasila is clearly the most important area in the city: the area could hold as much as

one million square metres of office premises. Project Manager Niina Puumalainen says that the corporate world has received the new development plans with “a lot of enthusiasm”.

There’s a broad understanding that Pasila could mark the northern entrance of the city with a handful of buildings that range up to 30 storeys high. The investors are very excited about this possibility, Puumalainen says.

“The excellent location as an all-round traffic junction adds to the magnetism of the neighbourhood.”

### Hybrid hub

The future skyscrapers could also feature “hybrid” use, with lower levels reserved for companies and top floors dedicated to residential use only.

“We are looking into the possibility of such hybrid buildings. The first sketches should be ready by late spring,” Puumalainen comments.

In the first phase of development, there should be a grand centre complex similar to Kamppi commercial cen-

tre in Pasila. The City and the State will hold an international investor and architecture contest in December 2009.

“We will sell off at least 100,000 floor square metres’ worth of building volume,” Puumalainen explains that the price tag of a square metre will be decided in advance and that the competition will focus on quality.

“And by quality, we mean not just top materials, but also innovations and functional aspects.”

### Thinking ahead

The project is a demanding one, since there are various technical and traffic issues that enter into the equation. As it stands, the construction of the centre quarter could commence around 2012-2013.

“We want to do our homework well, so that we can solve the main issues in advance.”

Puumalainen adds that the collaboration with the state has worked out very well indeed:

“It is, first and foremost, a common effort.” ●

## Student Power

# HYY Real Estate adds education edge to downtown Helsinki

*The HYY Group is a multi-business, service sector corporate group that differs somewhat from your average enterprise. The HYY Group is owned by the Student Union of the University of Helsinki and is the Student Union's preferred way of organising its business operations.*

Profits from business operations are distributed to the Student Union to fund its various activities. The Group also provides services for students. In 2007, the HYY Group's employees totalled about 224 and its net sales accounted for approximately 28.4 EUR million.

Set against this background, it is clear to see why HYY Real Estate is an unusual player in the world of real estate. The Real Estate division of the Group serves commercial and office customers, offering also residences and activity and association premises to students and the Student Union.

Properties are primarily located in the centre of Helsinki around the Ylioppilasaukio and Kaivopihä squares, and also in Etu-Töölö in the vicinity of the new Kamppi Centre. Kaivopihä Ltd manages, rents and maintains the properties of the Student Union.

### Enabling success

Yrjö Herva, Business Director for the HYY Real Estate, comments that the function of the real estate organisation is not to lease out space as such, but



to provide suitable premises for successful operations.

"Our mission is to offer premises to the best clients in all of Finland," he says. Herva says that the guiding idea is to serve as real estate enabler: to create prerequisites for the clients, so that they can have the optimal circumstances that satisfy their needs – whatever those needs may be.

In 2007, the net sales of the

real estate business amounted to EUR 12.1 million and profit before extraordinary items totalled EUR 3.3 million. An average of 13 people were employed, and the rental occupancy rate for HYY Real Estate's premises was over 97%.

While the effects of the Credit Crunch are felt also in Finland, Herva says that the impacts on the operations of HYY are minimal, at least for the time

being. The Group is sitting pretty on a real estate fortune with a price tag of € 160 million. Even if the value of real estate would take a severe 10-20% hit, HYY would still have an excellent credit line to finance its present and future investments.

### Centre piece

The "crown jewel" in the HYY Real Estate's treasure chest is



the City Centre Property, located in the dynamic Helsinki city centre. With a leasable floor area of 32,685 square metres, the City Centre is one of the most attractive locations in the city.

The centre comprises of Kaivotalo building, Citytalo building, Hansatalo building, the New Student House and the Old Student House. Especially the Old Student House, known as Vanha, is a permanent part of the Finnish neo-mythology, having been the site of much student turmoil and drama 40 years ago.

Now, however, the student house concept is about to be updated for the new century. Officially launched on 26 November, Domus Gaudium represents the new generation of student houses. Located in the Kamppi district, the brand new student house will feature a range of services for students and companies alike.

Yrjö Herva explains that Domus Gaudium is a joint effort by HYY and Helsinki School of Economics (HSE). HSE Executive Education Ltd (HSE EE) will own 40 per cent of the building, with HYY owning the majority share.

Herva feels that HYY is expanding the very definition of the downtown area by branching out to Kamppi. The neighbourhood also features the Kamppi Shopping Centre, one of the premier shopping havens in the land.

"Traditionally, HYY Real Estate has been a significant player in the city centre. With this move, we will shift the focus of the downtown area somewhat," Herva says.

### From vision to reality

However, the new Student House has been long time coming. Herva, who came to work for the Group in 1990, says that the project outdates even his stint at the organisation:

"The plot, owned by the City of Helsinki, was originally designated for international student exchange use during early 1980's, but nothing ever came of the plans," Herva explains.

Finally, in the late 1990's, various student organisations under HYY reported a problem: they were running out of room. As a response to a request by HYY, the City commenced the process to alter the zoning plan to allow for the construction of a brand new student house.

The zoning plan was ready by 2004, but the City laid out tough terms for the realisation of the project: construction had to be started by 2006 and finished by 2008.

"HYY made the investment decision in the autumn of 2006 and we started building the new house," Herva looks back. At the same time, also the neighbouring Domus Academica went under extensive renovation, and the two projects proceeded hand in hand for a time.

"In fact, the renovation process of Domus Academica was even bigger than the construction of Domus Gaudium."

### Nurturing brains

The students are of course excited about their new facilities. Disciplines from natural sciences to theology will get to use the space, and there will be appropriate premises for also musical and cultural pursuits.

"The house includes, for instance, a multimedia hall," Herva adds.

In the years to come, Domus Gaudium is also expected to become an engine for Finnish business, with HSE EE carrying out the premier MBA programme in the country. With superb facilities in their disposal, the institute is likely to yield many future generations of Finnish business leaders.

Herva comments that the needs and wishes of the end-users guided the realisation of the premises – and the planning was flexible enough to accommodate also relatively late revisions:

"One of the last-minute additions is the MBA Lounge which is a self-study area equipped with just about everything you need." ●





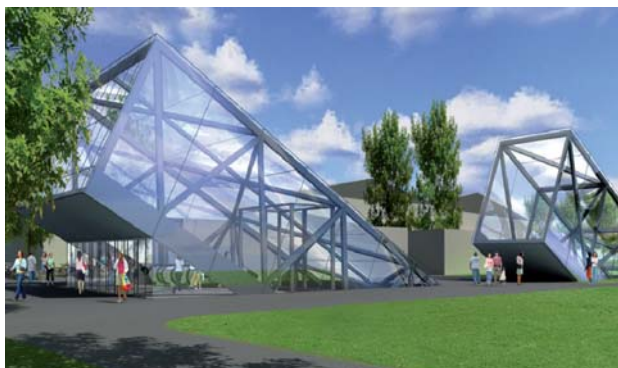
# art, science economy & living



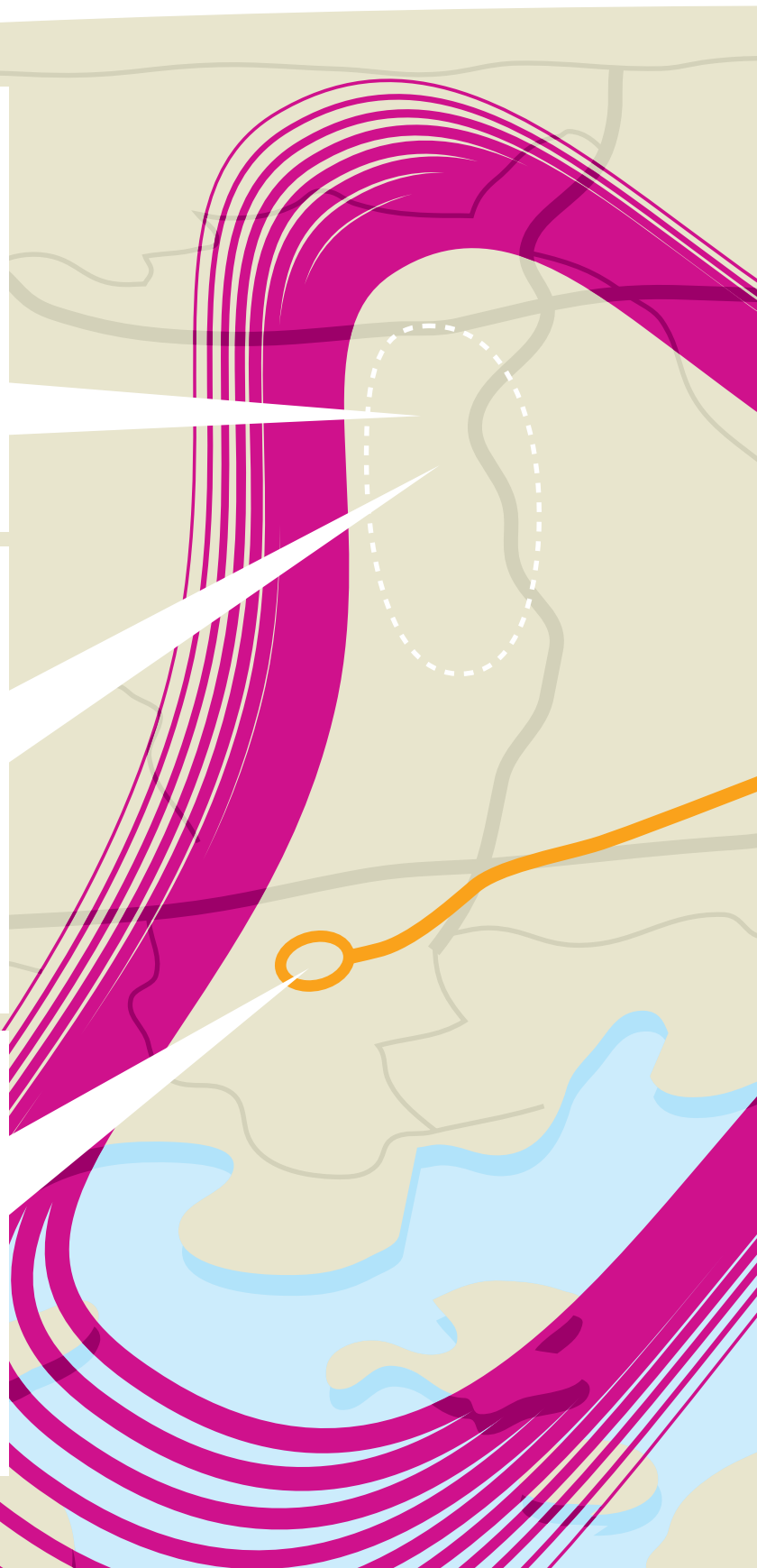
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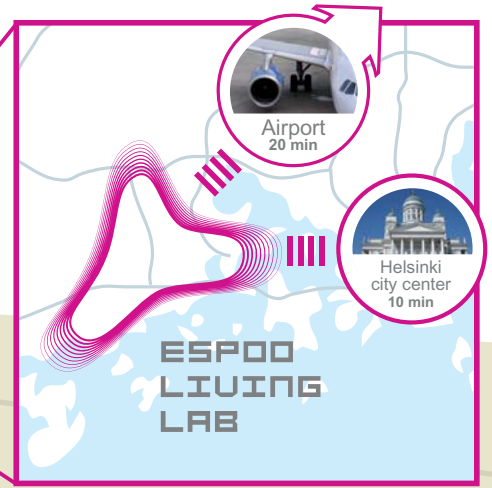
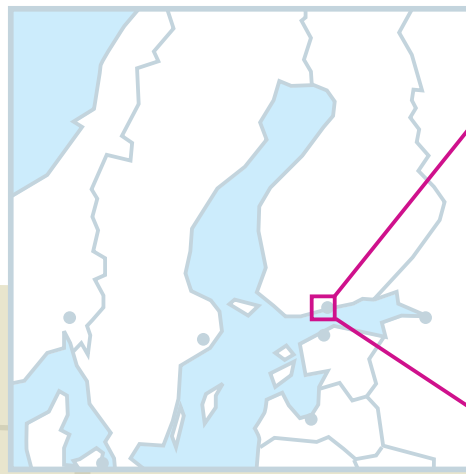


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## Great expectations

## Espoo metro vision taking shape

*Turbulent economy may prove to be a blessing in disguise for some key investments for the City of Espoo. Olavi Louko, Director of Technical Services for the City, remarks that the bases are loaded when it comes to investments. During the year 2009 alone, the City will take on construction of the new metro line, raising of the new Suurpelto community and developing existing city centres such as Tapiola and Centre of Espoo – to name but a few. In addition, infrastructure and real estate needs retooling. According to Louko, the common denominator for these projects is that they “simply have to be done”.*

**"O**ne can not sit around waiting for a more favourable economic outlook."

Besides, Louko agrees with the assessment of Mayor Marketta Kokkonen that economic woes may result in less expensive construction.

"For this reason, we do not want to slow these projects down. We are hoping to take advantage of the situation."

Of course, the premier project in the bunch is the west-

bound metro line which is supposed to connect Espoo with downtown Helsinki – and beyond – by 2013. The tentative price tag for the massive undertaking is € 713.6 million based on the price level of October 2007.

### Building costs dropping?

However, there are bargains out there right now, believes Mat-





ti Kokkinen, Managing Director of Länsimetro Oy.

"Availability of constructors is getting to be pretty good," he says, adding that much of the metro construction – especially the stations – is like old-fashioned house-building – it's just performed partly underground.

All and all, there will be seven metro stations (from west to east): Matinkylä, Jousenpuisto, Tapiola, Otaniemi, Keilaniemi, Koivusaari and Lauttasaari. The City of Espoo recognises that there are significant opportunities for development in the vicinity of the stations and is looking to realise these projects as partnerships with the interested players.

The City has raised the bar high when it comes to the

construction of the metro stations. The stations will combine functionality, quality architecture, top-level materials and technical solutions in order to create a pleasant environment which is safe, easy-to-use and aesthetically sound. In addition, the plans call for metro stations that provide "vivid experiences".

Louko and Kokkinen clarify what this means: the metro stations will all have their own profile and image, which is linked with the identity of the surrounding community.

### Take a tour

Matinkylä station – the end of the line – is located on a plot that is presently empty, south of Iso

Omena shopping centre. Included in the station complex there will be an integrated bus terminal and the connection feeder car park. Matinkylä's themes are likely to connect with the world of the children and youth.

Heading east from Matinkylä, there is Jousenpuisto station which is located in Niinimaa. The station will be placed in the north edge of the Jousenpuisto park, on a building plot owned by the City. There are sports grounds in the vicinity, and also LänsiAuto Areena. The station area is still undeveloped and offers plenty of possibilities for development and additional construction.

Next stop: Tapiola. The station is located in Tapiola city centre, north of Merituu-

lentie street, and is therefore placed right in the heart of the business and traffic centre of the world-famous Garden City. The connecting traffic takes the passengers to the bus terminal, with an easy access to the main entrance. Connection parking will be available in the Tapiola central underground car park which will be built next to the station.

"The local real estate owners are also on the move, which is of course a good thing," Louko comments on the evolution of the commercial centre.

Tapiola is an important cultural centre and this will be reflected in the design of the station, promises Matti Kokkinen. The main characteristics of WeeGee, the premier museum of modern art in Scandinavia, as



Map material: City of Helsinki Real Estate Department, Espoo City Survey Unit





well as features of the Garden City itself, will be recognisable already at the station.

### Next wave of education: Aalto

After Tapiola, the hi-tech hub of Otaniemi beckons. Already home for Helsinki University of Technology (HUT), Otaniemi will assume an even bigger role as the Aalto University is launched next year. It is likely that the main campus of the new entity is located here.

Otaniemi station will be located southwest of HUT main building, in the middle of an architecturally ambitious campus area.

“In Otaniemi the distinct architecture of the area will be visible already at the metro platform,” Kokkinen says. This mean, for instance, that the sig-

nature Otaniemi red brick will be utilised at the station, and special emphasis will be placed on the lighting. A view of the HUT main building unfolds when emerging from the main ticket hall via the escalators to the ground level.

Moving on to Keilaniemi, the identity of this station will be shaped by the hi-tech companies that have headquartered there. Keilaniemi station will be located on a narrow strip of land between Karhusaarentie street and Keilaniementie street, outside Fortum main office. The station has access to parking hall below Keilaniementie street which can be reached via a slip road outside the station.

“Keilaniemi is a challenging location since the corporate players all have their own interests,” says Olavi Louko.

“For this reason it is im-

portant that everybody is involved in the process right now,” adds Matti Kokkinen. The future is decided now, in many regards.

### Calling all visionaries

Keilaniemi – already a home for many proud corporate towers – is likely to enter into another strong development phase. The attraction of the multinational companies in the area creates a demand for office buildings, and the location next to Tapiola represents a natural basis for also residential building.

Further to the east, we find Koivusaari station, located below Vaskilahti bay, between the islands of Lauttasaari and Koivusaari. Just south of the Länsiväylä motorway, the station provides service to two city

districts: the future Koivusaari and the western part of Lauttasaari.

And then, finally, there is the Lauttasaari station, located in the centre of an existing city structure. The main entrance to the station is to run via the shopping centre.

Looking at the list of future metro stations, Louko and Kokkinen agree that the time for strong visions is now – they encourage innovators to step forward now or forever hold their piece.

The administrative process regarding the metro should run its course rather smoothly. Neither Louko or Kokkinen foresee any major problems.

“It’s not like we’re building an apartment building here – the metro line serves Finnish society as a whole,” Kokkinen says. ●



INNOVARCH

## Garden City Comeback

# Tapiola is riding high again

*For most Finns, the name Tapiola resonates with nostalgia. After the Second World War, the Garden City provided the blueprint for a lifestyle and an environment that was often imitated but never quite matched. But while Tapiola has aged, for the most part, quite gracefully, the time has come to give the beloved community the beauty treatment it deserves.*

**T**here are new Tapiola buildings – either already under construction or in planning phases – for a remarkable million square metres. Out of this number, 400,000 square metres is designated for residen-

tial use, another 400,000 sqm is earmarked for office premises and 200,000 sqm is reserved for education and service facilities.

The construction will be spread over the Greater Tapiola area, with new buildings being raised primarily elsewhere than in the original “core” Tapiola. Most of the work conducted in the old Garden City will be renovation.

Lauri Niemi, Director of the Tapiola Development Project, says that there were a number of development issues that were looked into during 2008. There are more resources now to take care of the community and its real estate, and thanks to insightful planning effort, those resources can be put to good use. Renovation construction and post-installation lifts are prime examples of

such effort. Arguably, however, the biggest thing to hit Tapiola in recent memory is the metro, scheduled for launch around 2013.

“If everything works according to the plans, the construction for both the metro and the linking shopping centre can start in late 2009,” says Niemi.

### Commercial renaissance

According to the master plan, Tapiola metro station is connected to the Tapiola commercial centre via a 200-metre Shopping Gallery. The preliminary plans called for the underground shopping boulevard to run from east to west, but revision to the plan has made the shopping alley run from south to north.

“In the vicinity of the Tapiola metro station, there are plans

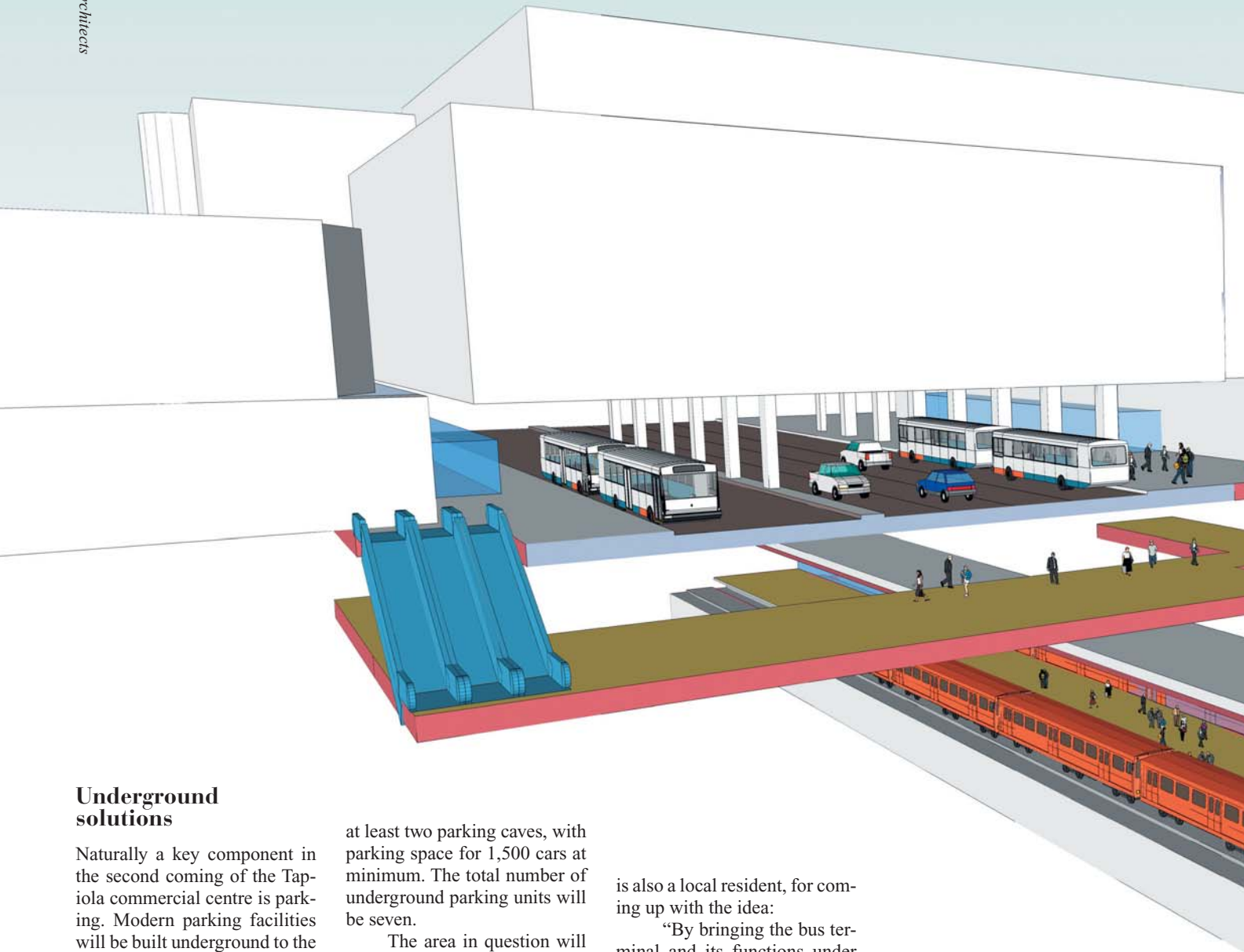
to realise almost 50,000 floor square metres,” Niemi says, adding that existing underground structures will be utilised in the project as much as possible.

Commercial space in the vicinity of the metro station and the bus terminal may grow even bigger: the new city plan makes it possible to expand the area up to 85,000 square metres.

Kyösti Pätynen, Managing Director of Tapiola Development Ltd, explains that the guiding idea behind the retooling effort is to link premises together in an optimal, functional way.

“The goal is to create a cohesive commercial entity which provides an attractive business environment for both domestic and international retail brands as well as various culture and leisure services,” Pätynen defines the agenda.





## Underground solutions

Naturally a key component in the second coming of the Tapiola commercial centre is parking. Modern parking facilities will be built underground to the tune of €109 million.

“The City of Espoo will invest 25 million euros which covers the entrance and exit routes,” Lauri Niemi reports. The rest of the funding comes from Tapiola property owners. The stakeholders formed a joint company in November which was charged with managing parking construction issues.

“The challenge is in making the cave parking attractive to the shoppers,” Niemi says. In the first phase, there will be

at least two parking caves, with parking space for 1,500 cars at minimum. The total number of underground parking units will be seven.

The area in question will be subject to extensive excavation, since the driving tunnel, central parking and central maintenance facilities will all be realised at the same time. Main engineers for the project have already been selected.

The link-up with the bus terminal has required some thought also. Originally, the idea was to create a street-level operation, but then the decision was made to take also the bus terminal underground. Niemi credits Timo Nieminen from SRV, who

is also a local resident, for coming up with the idea:

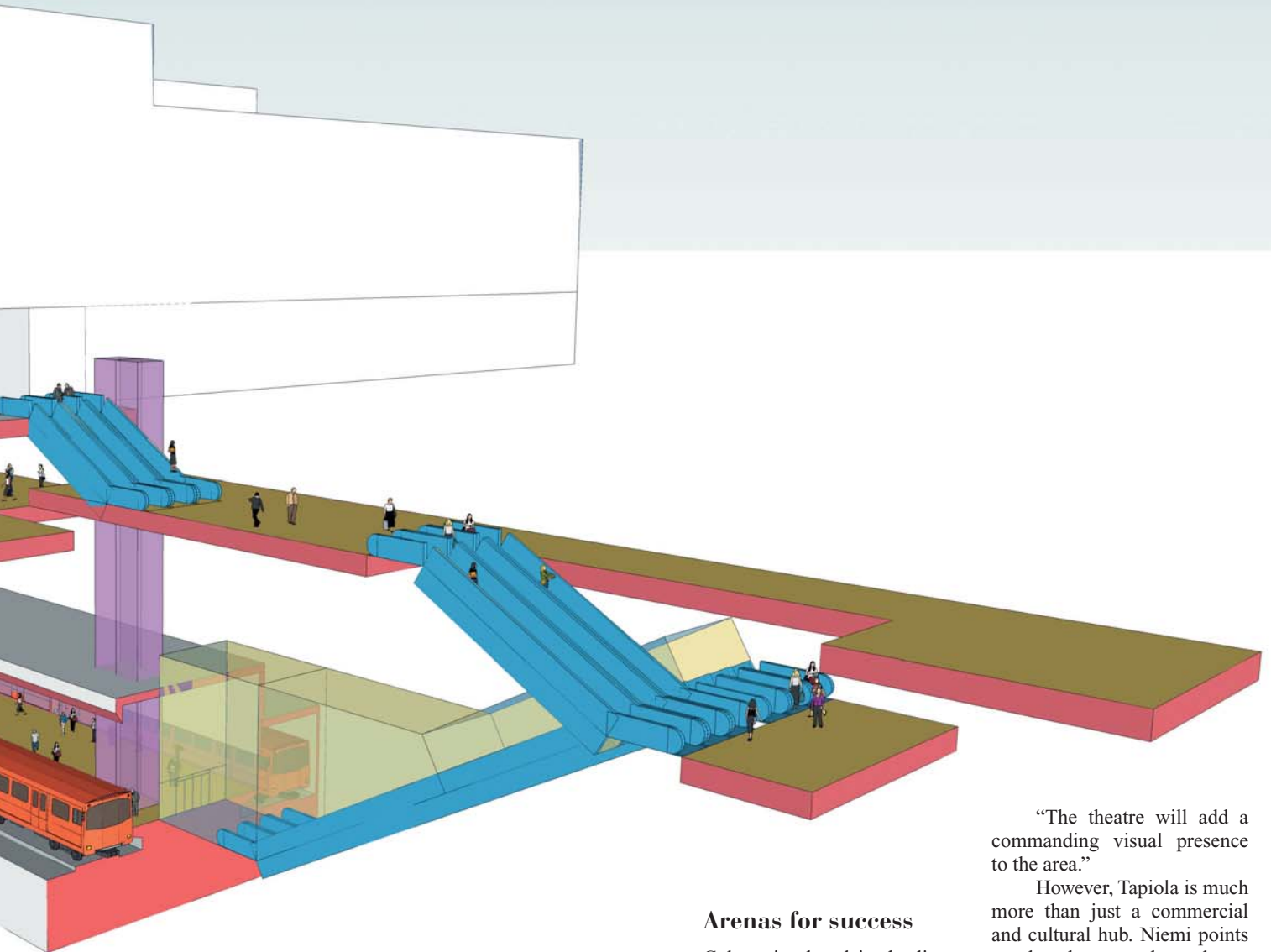
“By bringing the bus terminal and its functions underground, we have a better, more compact solution in place,” comments Niemi. Under the new plan, the parking facilities have to be completed before the bus terminal can be fully renovated.

## Funding improved

The new infrastructure investments will swallow a lot of money, but Niemi reports that the Tapiola budget-makers still have a reason to celebrate. Start-

ing next year, Tapiola is supposed to get the funds from the sales of its own plots for its own projects. So far, all the money from the plot deals – 70 million euros during the last seven years – has been poured into the City’s pockets. Last year alone, sales from Tapiola plots amounted to 20 million.

In addition to the metro, there is another eagerly awaited newcomer to the neighbourhood: Aalto University. The City of Espoo has made proper res-



ervations for units of the brand new university to be established in Tapiola or neighbouring Otaniemi and Keilaniemi. With regards to Tapiola, the area in the vicinity of WeeGee Exhibition Centre has been reserved for research, education and culture operations.

Espoo City Mayor Marketta Kokkonen has commented that it is very important to make sure Tapiola is developed as “a cluster of creativity, modern art, culture and design”. As a result, the City wants to make sure that nothing stands in the way of new culture institutions, such as various functions of the University of Art and Design Helsinki, which may consider moving into the neighbourhood.

### Arenas for success

Culture is placed in the lime-light also in the current plans to build a joint City Theatre and congress hotel in the very heart of Tapiola. The cultural combo is likely to boost Espoo’s appeal as a culture hub and help make Espoo a more competitive city in the minds of the Creative Class.

Lauri Niemi says that the theatre project is something which requires extra care and attention:

“The theatre will add a commanding visual presence to the area.”

However, Tapiola is much more than just a commercial and cultural hub. Niemi points out that also sports have always been a big part of the Tapiola identity.

“New visions are in the works for the Sports Park as well,” he reveals.

This year Espoo reached the respectable age of 550 years. As one of Espoo’s city centres, Tapiola hosted its share of festivities. The main celebration was held in Tapiola in August, with President Tarja Halonen as one of the guests of honour. ●



## Seaside attraction

# Keilaniemi towers raise the bar for residential living in Espoo

*The Keilaniemi area is known for its high-rise office buildings, situated almost on the shoreline. World-class headquarters can be found here – such as Nokia, Kone and Fortum – with more to come.*

*But now there is something in the works that differs from the regular office project.*

**A**s the Keilaniemi metro station is scheduled to start operating around 2014, the whole dynamic structure of the area will undergo a transition. A part of this transition will be the emergence of the very first residential buildings of Keilaniemi. As the name Keilaniemi Towers suggests, the newcomer to the scene will not be dwarfed by its corporate comrades.

Actually, the Keilaniemi Towers is to feature four housing towers. The plan includes four 27–28 storey buildings which will be realised by SRV Group.

According to initial plans, the area includes almost 60,000 square metres of residential building volume, and the total number of apartments would be around 700–800. The project is to be connected with the implementation of the Keilaniemi metro station.

Plans also include a deck that would span over Karhusaarentie road, connecting the residential site to Tapiola and thereby adding to its supply of high quality housing. Since Tapiola is known as the “Garden City”, also the deck will be transformed into a green, garden-like environment. Furthermore, the deck will provide the

Photos: SRV / SARC Architects





Tapiola residents convenient access to the shoreline.

## Coordination crucial

Project Manager Tuomo Poutiainen from SRV Group explains that building of the quartet will be somewhat challenging due to the arrival of the metro.

“The construction of the metro has to go hand-in-hand with the building of the towers which requires very good coordination, and sticking to the schedule.”

In addition to the towers and the metro, there is also a third piece in the puzzle. In order to alleviate the constant traffic jams of Ring I, the nearby intersection is retooled to allow for smoother traffic flow. Taking into consideration the car traffic, metro and residential use requires some thought, says Pekka Kuorikoski from Ramboll.

“Traffic arrangements must function properly in various phases of construction. The residential towers, metro station and tunnelling Ring I can not be built simultaneously,” Kuorikoski points out, adding that a certain degree of flexibility has to be maintained throughout construction.

According to Kuorikoski, public transportation, light traffic and passenger car traffic must be orchestrated safely, without compromising the level of service.

“Also residential parking, metro station feeder traffic and the special transportation route - which runs through the area also - all require their own arrangements in the different phases of the construction.”

## Solid base

Because of the considerable height of the towers - 105 metres - the foundation has to be firm. Linking the project into metro construction should assist in this.

Under ground one will find also a car park on four levels, serving metro feeder traffic as well as the residents of the towers.

“There will be parking space for up to 1,000 cars,” Tuomo Poutiainen says, adding that

some of the parking spaces can be rented out to the various companies in the neighbourhood, if need be.

The City of Espoo is the owner of the land and SRV is spearheading the development effort in cooperation with the City. Poutiainen remarks that SRV came up with this concept for high-quality seaside residential life rather recently. In 2006, around the time when the political decision was made to build the west-bound metro line, this became a recurring topic at SRV: is there something we could add to the picture?

“Then, having spotted an appropriate location, we started to plan,” Poutiainen thinks back.

## Ready for metro?

The project appears to be advancing through the administrative process without major problems. In January 2008, Espoo City Board accepted SRV's planning reservation application for housing towers above Karhusaarentie road.

Presently, the zoning effort is about to be launched, Poutiainen reports. Conceivably, construction could start in 2010 and the first tower might be ready just in time for the launch of the metro.

“After the first building, it would take two years to build the second tower. And another two for each remaining buildings,” Poutiainen envisions.

The finished towers should be “easy on the eyes” as well. At least, there are no sharp edges to get in the way of the aesthetic experience: the towers will be round. This form yields minimum front per square metre, Poutiainen reveals.

“Also, the round shape enables very creative use of space.” The plan is to place smaller apartments in the lower part of the towers - meaning, in essence, that the apartments get bigger as the distance from the ground increases.

“The lower floors, for instance, could feature up to ten studio apartments with 35 square metres. The highest floors could accommodate even 200 sqm apartments.”

## Maximising the view

The architect in the project is SARC Architects. Partner Anti-Matti Siikala from the agency was involved in also raising KONE Building next door, and now has returned to the neighbourhood, so to speak.

“The project represents an extremely interesting location,” Siikala says, adding that Keilaniemi shoreline already delivers a very powerful visual image with several high-rise towers. He is also quite pleased with the opportunity to finally link Tapiola with the shore area.

Spectacular view to the sea is the unique selling point of these towers. In fact, the towers

offer sea views in all directions. This is something quite rare in Espoo - even if some of the local residents are quite well-off. Tuomo Poutiainen acknowledges that this type of unique living concept is very much in demand:

“According to our studies, high-class, sea-view apartments which feature excellent traffic connections should receive a warm welcome,” Poutiainen says.

Siikala adds that since the shape of the buildings is round, there is no main direction that the tower is facing.

“This, in turn, boosts the impact of the view even more.”

## Sustainable construction

Also the City of Espoo believes in the towers. Olavi Louko, Director of Technical Services, agrees that top-notch apartments with a sea view are something that has been missing from Espoo - and Keilaniemi is an excellent location for these types of towers.

Louko also notes that the towers - build practically on the top of the metro - will solidify the community structure. Espoo wants to place added emphasis on the development of the metro station areas, and Keilaniemi appears to be turning out quite nicely, with both corporate and residential approach in the mix. ●





## FUTUReSPOO

# Suurpelto upgrades the Garden City concept for the new millennium

*A brand new community concept is in the works in Espoo. Building on a platform that emphasises connection with nature, Suurpelto promises to maximise innovation and living comfort in a way that is without equal also in international comparison. Tero Vanhanen, Managing Director of Suurpelto Marketing Ltd, says that Suurpelto is poised to take the Living Lab concept into another level entirely.*

**"N**o one has applied Living Lab ideology as comprehensively as we aim to do here," he says.

In Suurpelto, innovation will be built from ground up. Starting with extensive soil sample research, Suurpelto is a blueprint for something new. Tero

Vanhanen envisions a community where the best and the brightest minds meet, along with cutting-edge products and services.

"This type of an approach is certain to attract also international residents," Vanhanen believes.



## Last best hope

Suurpelto is also a project that is near and dear to the hearts of the political decision-makers in Espoo. When complete, the new community is supposed to house 7,000 residents and hopefully attract numerous companies and jobs to the hi-tech neighbourhood. Suurpelto is a "final frontier" of sorts: it is just about the only remaining strip of land in the core of the Greater Helsinki Area that enables greenfield approach. (Actually, the name Suurpelto means "big field".)

"Location, location, location" is something that Suurpelto has in abundance, being lo-

cated right next to Ring II, and clearly within a striking distance from Espoo city centres. Even downtown Helsinki is only a fifteen-minute drive away. And still, despite its urban location Suurpelto is very much a Garden City, which integrates into Espoo's broad-spanning Central Park.

Taking its inspiration from the original Garden City, Tapiola, Suurpelto wants to expand on a very Finnish tradition of living close to nature. While the total area of Suurpelto encompasses 325 hectares, 89 hectares have been reserved for parks and green areas.

## New paradigm for services

Pekka Vikkula, Project Manager for Suurpelto, says that one key element of the community is that services will be produced in a new way. The apartment buildings, for example, will feature a designated services space at the lobby, which is a drop off / pick up point for meals, medicine or groceries.

Vikkula says that one of the challenges of the project is to go beyond your everyday networking:

"The issue here is how to utilise those connections to get things started – and to make something happen."

Both Vanhanen and Vikkula feel that it is crucial to build a service chain model which links the Suurpelto resident with the opportunity. In order to "hold the line", one needs logistical expertise as well as operating and coordinating prowess. Unnecessary links in the chain will be eliminated to guarantee a smoother process – for this reason, e.g. food deliveries are planned to be made from wholesale operators.

"Suurpelto has enough residents – sufficient volume, so to speak – to develop brand new logistics solutions," Tero Vanhanen argues.

"The starting point for all planning is that the solutions must fit well into the total scheme of things. They must serve the core ideology of Suurpelto," adds Vikkula.

## Maximising multi-purpose

Part of that ideology is a new approach towards utilisation of space. Vikkula and Vanhanen talk about taking schools, for instance, and turning them into multi-purpose houses. While the school is still very much about educating kids during the day, the premises can be used for something altogether different during the weekend or in the evening.

Since the school function already provides a sufficient "anchor" in terms of utility rate, even more marginal pursuits can be entertained after-hours. The secret lies in real estate solutions that are flexible enough to accommodate a variety of end-users.

Another new living comfort innovation is the waste disposal system which is to run underground. The residents drop their garbage through a waste chute and sufficient negative pressure is created to suck the garbage to a waste terminal. From this terminal, waste is delivered on for further processing by trucks.

The waste disposal system was originally developed by the Swedes and similar solutions are already utilised in Stockholm and Barcelona, for example.

The green mindset of the community is evident also in the construction of low-energy apartment buildings.

## First residents in 2009

While the first residents of Suurpelto are expected to arrive in December 2009, the actual range of the development effort spans well into the next decade – and beyond.

"The area grows and diversifies for a period of 15 years," Pekka Vikkula confirms. During that time the community evolves and expands organically, but the vision of good living guides all actions. Vikkula paints a picture of a community where a citizen is provided with additional choices, offering no small modicum of freedom.

"People get to make bet-

ter choices with regards to how they use their time. One does not necessarily have to pick up the kids from day-care and groceries from the supermarket – there will be a service infrastructure in place which allows you to buy the services you need, when you need them."

Vikkula admits that buying e.g. domestic services is something that the Finns have been, at least in the past, hesitant to do. But the thirty-somethings with families are estimated to be more practical in this regard: services are used to make life more simple, and to attain more time for family, friends and hobbies.

## Redefining cross-cultural

But while the Finns may have a hard time adapting a service-centered lifestyle, the international residents of Suurpelto will probably welcome it with open arms. Suurpelto wants to be a multicultural community, with people from all over the world. Suurpelto is also supposed to feature an international school.

The realisation of this green utopia requires, of course, efficient public transportation. City of Espoo is already exploring the possibility of a rail connection which would link Suurpelto with rest of the metropolitan area.

City of Espoo Technical Director Olavi Louko has remarked that to offset weakening economic trends, Suurpelto must be linked with the upcoming metro line and coastline rails.

One option is to add an extra "branch" into the Espoo metroline, conceivably from Jousenpuisto where the distance to Suurpelto is less than two kilometres. Another solution would link Matinkylä metro station and Suurpelto with a fast rail connection.

Again, Pekka Vikkula encourages people to think outside the box:

"We must look for new ways – also unconventional ways – to move people from one location to another." ●





## Core Competence

# Eternal summer beckons at the heart of Suurpelto



**W**hile the original master plan for Suurpelto called for office complexes to form the core of the new area, those plans have been retooled to make way for a more ambitious setting. Toni Virkkunen, co-creator of the Ideapark concept, explains:

“Instead of the usual business park environment, we are lifting the bar higher now. We want to create something a lot more ambitious to serve as the vibrant heart of the community.”

Called Kookaksi (‘Kay-two’ in English), the centre-to-be takes its cue, in part, from Ring II which runs past the complex. But there is another meaning as well: K2 is a legendary destination for mountain climbers. Virkkunen acknowledges the challenge therein:

“We are driven by the idea of a totally new level for service.”

According to Virkkunen, Kookaksi will serve as a growth platform which is powered by a combination of ecology and technology. When complete, the centre is supposed to feature up to 300,000 square metres of space. Price tag for the first phase of development is approximately € 300 million. Kookaksi is envisioned to be an enticing mix of both residential and commercial space.

## Guru power

Master visionary Toni Virkkunen was called in to help with the project, as the Suurpelto land-owners decided they wanted to instil some fresh thinking into the venture. One of Virkkunen’s leading themes is the creation of an optimal “mosaic”.

“The starting point for creativity is real, flesh-and-blood interaction. Kookaksi is a place where different people and ideas can come together.”

This mix-it-up approach in itself is not revolutionary by any means, but Virkkunen has come up with a key ingredient to “break the ice”, so to speak. He wants to place a cover on the urban centre in order to eliminate the Northern cold and to invite summer for a permanent visit.

Kookaksi would feature a grand central square - reminiscent of the market squares of rural communities in Southern Europe, for instance – which features a sliding roof. This piazza would always be warm, full of light and life, sights and sound.

## Nothing like summer

Known simply by the working title “Summer 2”, this part of the plan is especially close to Virkkunen’s own heart.

“Of all these challenges we have to face, of the mountains we have climb, I feel that Summer 2 is number one on my list.”

But in the era of Climate Change, is it viable to realise such a vision? Virkkunen replies that the principles of sustainable development will guide the project at all times. Conjuring year-round summer conditions is no small feat, but Virkkunen ensures that it can be done in an energy-efficient way. Thermal heat energy is one of the options that has already been discussed.

Virkkunen has consulted an army of engineers to make sure that “the eternal summer” can be brought to life. And it’s not the only idea he has up his sleeve:

“After six months of intensive brainstorming, we have compiled about 3,000 ideas,” Virkkunen reveals, while admitting that he is not in a rush to see them all fulfilled in Kookaksi.

## Feel the difference

Nevertheless, Virkkunen and his inner circle – some ten experts from the fields of e.g. architecture, conceptual design and branding - have worked hard to create something unique for Suurpelto. In addition to environmental issues, he is also very concerned about the “emotional infrastructure” of Kookaksi.

“We must keep people and their needs as the central focus of this project – no matter what.” ●



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# Järvenpää – committed to boosting business





*The capital region features a number of smaller municipalities which have increased their appeal of late. While Helsinki is getting more and more congested – not to mention more expensive – many companies are opting for premises elsewhere. The City of Järvenpää seems to be one of the beneficiaries of the new situation.*

**W**ith a population of 38,200, Järvenpää is a dynamic commercial and industrial city specialising in hi-tech metal industry. The city is home to a number of internationally successful companies, such as Metso Paper and Rocla.

Pirjo Latva-aho, Director of Business Development for Järvenpää, says that location is a key factor why companies are making inquiries about settling in the area.

“Järvenpää is located along the Helsinki–Lahti motorway, and there is only a 30-minute drive to downtown Helsinki,” she says, while adding that the City boasts also the main railway line – the national artery running north. Furthermore, the Helsinki–Vantaa International Airport is no more than 20 minutes away by car.

### Service City

According to Latva-aho, establishing operations in Järvenpää is quite inexpensive at the moment, thanks to the City’s strategy which is committed to encouraging local business opportunities, for small and big companies alike. Järvenpää is quite “business-friendly” in other ways as well:

“We have about 470 b-to-b companies here, and a very convincing range of services is available for enterprises,” Latva-aho says.

Presently, the city is buzzing about the downtown beauty treatment that is to be performed

in a couple of years. The old Perhelä quarter is to be completely retooled, giving way for a new design of urban city centre with 28,800 square metres of apartments, office and business premises. The Semafori vision was clinched via an architectural competition with Skanska as the main constructor.

According to the master plan, the city will receive a new urban landmark with the advent of a 20-storey tower.

### Attractive industrial plots

For many companies, however, the downtown is not the best place to conduct operations. Järvenpää has acknowledged this by zoning attractive industrial areas in the vicinity of the city centre. Traditionally, the main focus has been on the Wärtsilä-Vähänummi area, with lots of industrial powerhouses in attendance.

“Wärtsilä-Vähänummi holds plenty of appeal for companies,” Latva-aho confirms, adding that the area still provides excellent opportunities for companies.

“There are some top-notch plots of about 20,000 square metres available.”

However, the area that is most pressing in the mind of the Business Development Director is Änäs, located on the eastern side of the old Helsinki–Lahti motorway. Totalling 5.5 hectares, the area could accommodate 25,000–28,000 square metres of business premises.

“The Änäs area could be a versatile, dynamic area especially for smart tech companies,” Latva-aho envisions, adding that engineering companies, for instance, could make their nest in the neighbourhood.

“The area is in a preparatory stage right now. We have already started talking with developers about the project,” she reveals.

### Retail renaissance

Terhola, on the other hand, is a great example of a business area which has gone through a facelift and is back in action. Latva-aho reports that “Terhola

2.0” has worked out very well indeed:

“The area is a lot more attractive now. The streets are wider and cleaner, and the green areas are in good condition.” As a consequence, Terhola has blossomed into a superb cluster of decorating, design and gardening that features a wealth of goods and services.

“Terhola attracts shoppers from the surrounding region as well,” Latva-aho comments.

With exciting development going on in the city, Järvenpää has been able to lure in new companies to the tune of 200 enterprises a year. Järvenpää has its own place and own identity in the Greater Helsinki Region, both as a place to work and economic area. From Järvenpää, the job market stretches down south to Helsinki and reaches north to Lahti – and the commuter traffic runs both ways, Latva-aho points out.

“Also, the companies here have been satisfied with the availability of labour.” As a city, Järvenpää is also committed to constant learning and education and businesses are able to reap the benefits of this.

### Legacy of creativity

The workers of companies settling in Järvenpää have discovered a garden city which offers excellent recreational and leisure time opportunities. In cultural terms, Järvenpää forms a permanent part of the national heritage as the hometown of the master composer Jean Sibelius.

After all, Sibelius built his Villa Ainola to be “sufficiently far from the temptations of Helsinki” and lived there with his family for more than fifty years.

Furthermore, a unique community of artists flourished at the turn of the 19th century along the shores of Lake Tuusulanjärvi – the first wave of Finnish innovation, so to speak. In addition to Sibelius, this influential group included other giants such as author Juhani Aho, poets J.H. Erkkö and Eino Leino as well as painters Eero Järnefelt and Pekka Halonen. ●



Let the Spirit Move You

# Put your company on the fast track in Tampere

*The Steam Engine Museum and the legacy of the old industrial community is a good platform for innovating new business sectors and companies.*

*In the picture (from left) Business and Economic Development Director Kari Kankaala and City Planning Director, Jyrki Laiho from the City of Tampere and Executive Partners Markku Teittinen and Matti Eskola from Tampere Business Region.*

*If you have no idea where Tampere is, you need to find out – and we mean, post-haste. Here's how to get there: think of Finland, find Helsinki and take a short hop – 150 kilometres or so – northwest. This is where you discover the biggest city of inland Scandinavia. Known for its powerful downtown rapids, this is a place for movers and shakers, for people and businesses who are passionate about what they do.*

**T**he appeal of any given city is a sum of many elements. A successful community thrives through cooperation, with all stakeholders pulling their weight. When all players – regardless of size – are committed to constant improvement, it is possible to achieve a positive flow which sustains everyone involved.

The corporate field has always embraced diversity in Tampere, recognising the fact that a wide-range of expertise is crucial for development. Tampere is the second largest commercial cluster in the land, and holds the pole position with regards to many industries. Building of intelligent machines is but one example of a field where Tampere expertise is acknowledged the world over. The sector has risen to prominence via utilising other industrial strengths of the region, such as automation and newest available technology.

Lately, in addition to traditional industries, the companies of the Tampere Region have made advances in the services sector also.

## Heartland

With all the drive, desire and top-level expertise that is accumulated in the region, it is no wonder that Tampere has gradually evolved into the heart of Finnish exports. To further boost its status, there are plans to raise a significant logistics centre in the immediate vicinity of the



city – the vision for this logistics hub calls for an inland harbour as well.

In addition to the corporate muscle, Tampere also features some of the best universities in the country which are active in conducting groundbreaking research. The collaboration between companies and universities has always been one of the driving forces here.

Another strong area is culture: acclaimed major theatres and various smaller players of the field have contributed in the formation of a unique cultural identity which is recognised internationally also. In the summer, the city is transformed into one big stage with theatre, music, dance and sports all playing their parts in the play – while the beautiful nature is never far away.

It is no wonder then that travel is a forcefully growing sector in Tampere and there are many intriguing opportunities for new entrepreneurs in the field.

## Ready, steady, grow!

Matti Eskola, Managing Director of Finn-Medi Research and Executive Partner of Tampere Business Region, says that the city brand of Tampere is not being built on words, but deeds:

"Our city brand communicates the vibe of the region – the active, can-do spirit of Tampere. Tampere brand is being built, in part, by people and businesses all over. Everything you see here is genuine; Tampere is the real thing," says Eskola.

According to Eskola, Tampere has been successful in building the total package: people want to live and work in the region, and the attraction is only increasing. For companies, the region offers possibilities to grow and expand.

However, Eskola remarks that a city brand is never totally under anyone's control.

"City branding can emphasise certain perspectives and areas, but the total management is impossible since there are too many factors that influence the outcome. Due to this reason it is vitally important that a city

brand is built together – and that it is built on facts."

## Feel the flow

When asked about the defining elements of Tampere, Matti Eskola comes up with the answer on the spot:

"In the City of Tampere – and in the entire region – the one constant is movement. The area features a lot of energy, a sense of flow. Tammerkoski rapids are, of course, a symbol for the entire community," he says, adding that the relentless rapids form a key ingredient in the minds of the people – a source of no small power.

Matti Eskola believes that the city has many characteristics that have been helpful in turning the community into a true success story. Tampere is a city which draws energy from versatility and collaboration, with dynamic networks – both big and small – in constant interaction with each other. Eskola likens the city into a mosaic which is formed out of different pieces.

The legendary Tampere Spirit is built on heart-felt experience of collaboration – as well as the desire to achieve something new, something great. The legacy of the old industrial community serves as a platform for achievement, enabling new, innovative sectors and companies to blossom.

The Tampere Region has always had strong international connections. As both the people and the businesses here possess a decidedly international mindset, there are plenty of opportunities to keep building bridges between cultures. Eskola assures that in Tampere the international approach runs more than skin-deep; for instance, the city has always featured its share of foreign investments.

"An important chapter in the history of the city has to do with Finlayson mill operations which received their funding from abroad. One could say that international activities are built-in in the community."

## Free Lunch 2.0

While conventional wisdom would argue that there's no such thing as a free lunch, Tampere begs to differ. Tampere Business Region (TBR) promotes the establishment of capable new companies into the area by offering them a totally new concept: Fast Track Finland. This service package – which is loaded with interesting perks and bonuses – is bound to energise the business operations of newcomers.

How 'bout that free lunch then? Well, any company that is considering establishing a corporate presence in Finland will be treated to a free lunch when its representatives come to visit Tampere. (The company is still expected to pay for its own travel arrangements and accommodations.) And the promised meal ticket itself might turn out to be a real Power Lunch as potential business partners, for instance, can be invited to join in.

The TBR service functions as contact channel to Finland, providing various service packages to foreign companies. After initial contact, TBR will map out the needs of the company and act in accordance to those prerequisites. Utilising the service, the company can receive key information on Tampere or Finland; attain useful practical advice on the wheelings-and-dealings of the local business scene; or help the company to tap into the existing regional networks.

There is council availa-

ble on various issues ranging from law to accounting practices, and quite often the formed partnerships benefit both parties for a long time. The TBR service seeks to develop the operations of the newcomer and to identify and secure key clients. TBR professionals can bring added muscle into sales, as well as help to start up a Finnish affiliate – or locate some extra resources in a tight spot. And here's the best part: these services are completely free-of-charge for the companies.

"One of the key ideas is that the customer doesn't have to face the challenges alone. Through the Tampere Business Region service, we jump right in there to help the customer build successful business operations," Eskola promises.

## Action is the best business card

TBR was created by a powerful consortium which features Finn-Medi Research, Inservio, Exportum, Tampere Chamber of Commerce & Industry and Technology Centre Hermia. The aim of the consortium is to nurture international, growth-oriented business in the Tampere Region.

"Tampere Business Region was born based purely on demand. Different companies need a natural access point into a new area and Tampere Business Region can provide a practical solution for this. Tampere is an attractive base for operations, and Finland and Scandinavia offer a productive, safe framework for business," Eskola says.

According to Eskola, the marketing of the service is based, for its part, in the utilisation of existing networks and channels.

"Of course, we invite also new players to join in. Regional marketing has had a more local flavour to it, but now the Finnish cities have become more active in boosting their visibility in the international circles. Tampere Business Region is engaged in this effort utilising its own operative model and strong areas." ●

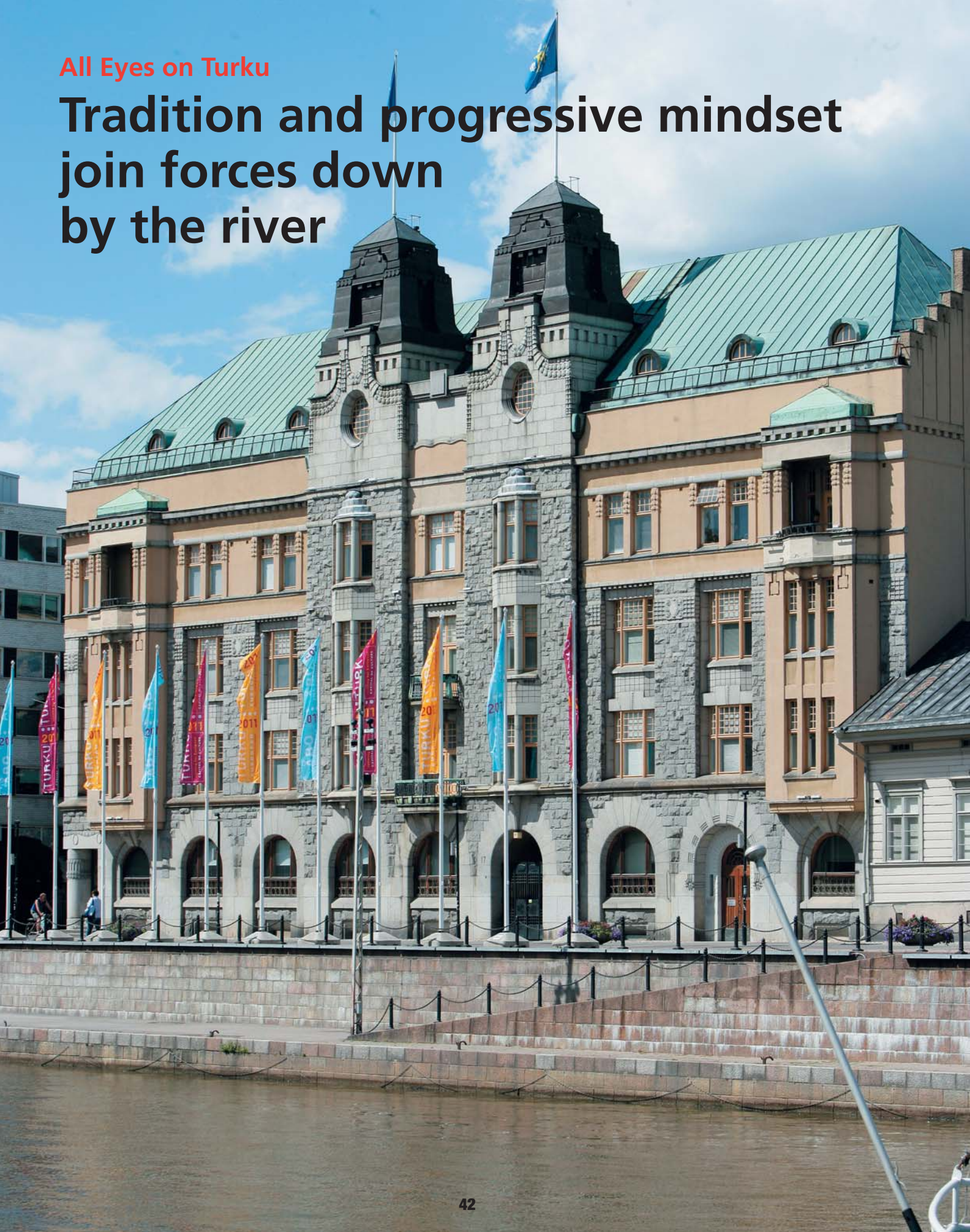
Heikki Ruski





All Eyes on Turku

# Tradition and progressive mindset join forces down by the river





*Turku, the original capital of Finland, is one of the true centres of the Baltic Sea Region. Famous for its rich water element and proud history, Turku has a decidedly cultured, European feel to it. Therefore it is quite fitting that Turku was chosen as the European Capital of Culture in 2011. Turku shares the honour with Tallinn.*

**T**urku has decided to involve also the corporate world in the making of a spectacular year. Already more than 150 companies have expressed their interest in the event. The goal is to release the names of the main corporate sponsors in the spring 2009.

The European Culture Capital programme features as many as 300 separate projects, providing businesses broad national and international visibility.

As the milestone year is little more than two years away, the entire city is a hotbed of activity in preparation. However, there are plans in motion that look well beyond 2011 – aiming to elevate the appeal and attraction of the city onto another level.

### Downtown renaissance

One key project is partly EU-funded 'Better centre for citizens' venture which was started this year. With a cost estimate of 5 million euros, the project is to run until 2013.

Jouko Turto, Director of Real Estate Department for the City of Turku, says that the project aims to enhance the collaboration between the City officials and corporate players. Developing commercial functions and improving attraction and safety are central elements in the plan. Cultural sights and pursuits form a permanent part of the identity of downtown Turku – and, of course, all key destinations are only a walking distance away.

According to Turto, the central investment needs involve expanding the pedestrian routes towards the River Aura, all the way to the Culture Quarters: Library Quarter and Old Grand Square (Vanha Suurtori).

"In order to make the cul-

tural hub come alive, we need natural routes for people that they can access these areas more easily," Turto says.

"The main idea here has to do with functionality: we are opening up the existing real estate properties around Old Grand Square to the citizens again and inviting activity back into the neighbourhood."

### Everyday culture

The Library Quarter holds the seed that may blossom into a diverse cultural entity. With the advent of the new library and renovation of the old main library, the area certainly brims with potential. Turto remarks that already the library usage patterns of the citizens are changing:

"People go to the Library Quarter to spend some time there; it has become a sort of a living room for the residents of the city," he says.

What is needed now, to form a more cohesive unit, is a bridge over Aura. A light traffic link by the name of Penny Bridge will make sure that the people get the most out of the Culture Quarters.

"As the dynamic structure of the area changes, new opportunities emerge for small businesses such as cafés, galleries, boutiques..." Turto lists.

In addition to the bridge and other light traffic upgrades, the Culture Quarter will undergo an intense facelift as buildings will be renovated in order to create a more inviting environment.

Some extra flavour is brought on by the archaeological excavations that are taking place in the heart of the city. As the people are able to observe, in part, how the work is conducted, this creates a living link with the history of the place.

EU funding for the project

is approximately € 2.8 million. The general plan for the area is due quite soon:

"Probably not this year, but very early on in 2009 the plan will be complete," Turto says.

### Wood excellence

Another interesting area under development is Linnanfältti which will showcase, in part, the future of Finnish wood construction. In fact, the Linnanfältti area is one of the national pilots – approved by the Government – in the wood construction promotion programme 2004–2010. The City wants to create a high-quality residential area in the vicinity of the Turku Castle; a neighbourhood that is a good match for the historical downtown and meets the expectations of demanding residents.

In order to get the ball rolling in earnest, the City of Turku declared a planning competition for the development of the area. The target area was divided into four separate planning entities with a total area of seven hectares. In November 2008, a winning entry was chosen for each of the four areas.

The winning proposal for Area 1 was 'Floretti' by NCC Construction and Optiplan. Also the winning entry for Area 2, called 'Karoliini' was composed by the same working group.

The competition jury remarked that the development of Areas 1 and 2 must be carried out in such a manner that especially the old residential buildings on Linnankatu street will be conserved and integrated into the new wood construction environment in a natural way.

The winner for Area 3 was 'Ringeblummat kukkivat' by Peab Seicon and architecture agency Tilatakomu. The jury noted that the land use in the vicinity of the tram halls must be

thoroughly evaluated as mandated by the zoning plan draft.

The winning entry for Area 4 was submitted by YIT Construction and architecture agency Sigge and entitled 'Duetto'. Jury observed that construction can be made more effective by using structured parking.

The City of Turku aims to draw a zoning plan based on the winning entries.

### From Hansa to Fortuna

While the development of Linnanfältti is still in the planning stages, the upgrade for the Hansa Quarter was just completed in the autumn. After one year of renovation – which advanced steadily plot by plot – the venerable Hansa is now back in business.

The beauty treatment for Hansa, however, created a new challenge for the City. Some Hansa craftsmen ended up without suitable facilities in the process and one had to relocate these companies into a better address. The solution: Fortuna Quarter.

"The master plan for the Fortuna Quarter calls for creative industries, artisans and craftsmen to take root in the area, with some degree of café culture in the mix," Jouko Turto explains. The centre piece of the plan is the old City Hall, located at Kristiinankatu street 1, which will be sold. Conceivably, the historical building will be useful to many entrepreneurs:

"The street-level premises are a great fit for arts & crafts, and the higher levels make for excellent apartments." The property features 4,500 square metres of space.

In addition to Hansa, also the Wiklund Quarter was reopened just recently, with renovation efforts joining hands with completely new construction also. ●



## Aviapolis takes off

# Vantaa is creating a world-class Airport City

*Airports are drivers for economic growth and innovation around the world, as companies flock to logistical hubs. In the Greater Helsinki Region there has been similar development, with Vantaa-based Aviapolis leading the way into the future.*

Over the years, as the Helsinki-Vantaa International Airport has won plenty of international acclaim, also corporations have woken up to the possibilities offered by the area. At present, high-flying Aviapolis continues to grow as investments are being made at a fast pace. Projects involving as much as 400,000 floor square metres are being planned for office space alone.

There are several major airport area investments, such as Aero Business and Logistic Center and Aviata Offices, in the works in the dynamic neighbourhood. Also, the international terminal extension will open its doors in 2009. The area is already famous for its strong conference and congress services which will be augmented further by these projects.

### Unique location

Mari Peltomäki, Project Manager for Vantaa Marketing Ltd, comments that Aviapolis has benefited greatly from its superb location, which holds plenty of international appeal.

"In fact, there isn't a single place in Finland that can compete with Aviapolis in this regard," she says, noting that the fastest flight routes to the Far



Eastern markets, for example, run through Helsinki-Vantaa.

"Convenient, direct flight connections are a prerequisite for international companies. If the company's personnel or its products simply demand solid flight connections, a base near the airport is a must," Peltomäki says.

However, one thing that Aviapolis has been missing all these years is a rail connection. Fortunately, there are now plans to remedy that situation: with the advent of the Ring Rail Line, the Helsinki-Vantaa airport will be connected to the rest of the Greater Helsinki Area with tracks. Ring Rail Line promises to be a vital urban rail line that provides a high-class public transport connection within reach of 200,000 inhabitants and 200,000 work places.

"The Ring Rail should start operating by 2014," confirms Peltomäki.

### Waiting for the train

Ring Rail Line is a part of the on-going transport system de-

velopment in the capital region. The implementation of Ring Rail Line includes the rail track and related arrangements concerning stations and feeder traffic.

"The Ring Rail makes it possible to develop Aviapolis – as well as the Greater Helsinki Region – in a more balanced manner," Peltomäki comments.

The cost estimate for the project is € 590 million. Ring Rail Line connects the Martinlaakso line with the main line via the Helsinki-Vantaa airport. In the first phase, there will be four new stations: Kivistö, Aviapolis, Airport and Leinelä. In addition, there are reservations for four stations.

The shortest travel time from Helsinki to the airport will be approximately 30 minutes. The new stations are estimated to serve 5 000–16 000 passengers daily in 2025.

"The City of Vantaa is funding the initial investments herself which sets a great example."

In addition to the rail connection, there is extra emphasis

placed on the road network now. The idea is to upgrade the key Ring III road – as well as to extend Ring III somewhat. As the Vuosaari Harbour just started operations, there are logistical challenges that have to be addressed.

"The City of Vantaa has an important role to play in making sure that traffic runs smoothly," Peltomäki acknowledges.

### Common effort

Aviapolis has risen to its present dominant status via a cohesive effort, with officials and businesses placing much emphasis on building something great. The City of Vantaa, for one, has acknowledged the strategic importance of the airport since the early 1990's. According to Mari Peltomäki, the area has been developed according to a common vision. The year 2002 was a milestone year in the sense that the City invited the most significant land-owners to take part in the process.

"Behind the Aviapolis concept there are clear economic in-



dicators, as airports are significant drivers for business around the world – especially new business forms around airports,” she says.

The attractiveness of Aviapolis is also reflected in job opportunities. The area boasts the greatest job growth in the entire Helsinki region – and there are already almost 40,000 people working there. Aviapolis is a highly attractive business environment for internationally operating companies – Philips, Kodak, Nike, BMW etc. – and the list keeps growing every year.

Furthermore, entire industry clusters emerge in the area:

“RFIDLab, for instance, is a prime example that cooperation boosts business opportunities for all parties involved,” Peltomäki comments.

“These clusters create a strong platform for the future.”

### PPP excellence

At present, major land-owners, property developers and service providers work together with the City of Vantaa in the Aviapolis Development Team.

“Aviapolis is the most extensive and unique public-private partnership project in the land,” reports Peltomäki, adding that the size of investments in the area is huge.

“Finavia alone has invested € 143 million in the expansion of the international terminal, making the investment the largest one in the history of Finavia.”

While the Aviapolis Development Team works to enhance the image of Aviapolis, this work

benefits also the entire nation – after all, nearly 83 per cent of air travellers arriving in the country do so through the Helsinki–Vantaa Airport. An important element in the total effort is landscape planning which is also historic in its scope: for the first time in Finland, there is a broad-based attempt to mould the entire visual image of a certain area.

Besides the ever-growing corporate presence, Aviapolis boasts its own high-quality residential areas. Co-existing harmoniously with nature, these areas will soon house 23,000 people – and new residential areas are currently being planned.

### Far from grey

The area already features Jumbo, the second largest shopping

centre in the country, but this year Jumbo received a neighbour that is not lacking in size, either. Flamingo, a versatile leisure and entertainment centre, opened its doors in autumn 2008. Promising to bring a touch of Las Vegas glamour into Vantaa, Flamingo is the largest single leisure investment ever made in Finland. Especially the innovative spa & pool area – complete with a stunning Mayan temple – has drawn lots of attention, from near and far.

Mari Peltomäki believes that Flamingo plays a key role in shaping the profile of the service offering in the area.

“Flamingo is a brand new, world-class concept, which will add something unique to the appeal of Aviapolis,” Peltomäki says. ●



## Make the connection

# NCC wants to build innovation offices with a green edge

*The entire concept of working is changing. While remote working is deemed carbon-friendly – and efficient communications make it feasible – there is still need for interaction and team work. Balancing between the individual and the work community is one of the puzzles that has to be solved while designing the offices of the future, says Reijo Päärni, Marketing Director at NCC Property Development.*

Photos: NCC



**N**CC has been very much involved in various studies which aim to predict the working trends of tomorrow. According to Päärni, the old stand-off global vs. local has resolved very much in favour of the first-mentioned: information society knows no limits, and ideas can come to exist anywhere – and anytime.

“People can work at the office or at home, but increasingly the focus turns to places where people can get together and exchange ideas,” Päärni says.

### Virtual office

As the baby-boomer generation starts to exit working life in record numbers, a new breed will take over. Dubbed as “digital natives”, the younger generations are more accustomed to utilising new technology. This

provides new opportunities for the designers of the future working places.

“More and more, the office will become virtual,” Päärni predicts.

At the same time, the office is a place where the workers are constantly bombarded by multimedia messages. Technology is used to make sure that people are never out of reach and some employees – and employers – are struggling to dif-

ferentiate between work and free time.

“According to studies, 80% of people on vacation still check their office e-mail with some regularity,” Päärni points out. Coping with stress is a serious issue in today’s workplace. Päärni suggests variation to deal with the problem:

“Office worker should have more free interaction and communication with colleagues.”

### Curbing energy consumption

Naturally, one of the megatrends steering along the development of offices is Climate Change. In April 2008, NCC became the first Finnish company to receive EU GreenBuilding Partner status. This status is granted to companies which commit to building commercial property, the total energy consumption of which is 25% below the national standard.

Project Engineer Marjaana Meriläinen says, however, that NCC is not content with simply slicing a quarter off the energy consumption: the company aims to halve the consumption.

“In our coming office and shopping centre projects the target of the reduction of consumption is around 40 per cent,” Meriläinen reports.

In residential construction, NCC is commencing the construction of the first low-energy and later “passive” houses at Vesirattaanmäki in Espoo. Reijo Päärne sees potential in e.g. geothermal energy and does not rule out the possibility of a “passive office” somewhere down the road.

## Airport Plaza goes green

The first NCC project to be built based on GreenBuilding standards is the Airport Plaza Business Park at Aviapolis in Vantaa. The second phase of the project is presently underway, with the third phase scheduled to kick off next year. It is this third phase, specifically, that has been granted Green Building status.

The target of energy saving is reached by, for instance, investing in windows, the airtightness of their frames, heat recovery and intelligent systems.

Commitment to the GreenBuilding programme is a natural continuation of NCC’s ongoing effort to build more energy-efficient office buildings. For instance in 2004 NCC’s head office was the first building in Finland to install decentralised energy-saving air-conditioning and a solar power system.

Presently there are 64 companies in 10 countries which have been granted the GreenBuilding Partner Status.

## Dynamic duo takes off

With regards to the GreenBuilding standard – and the future of offices – NCC is presently working hard to realise two projects which should serve as trailblazers into the next decade. Aviata Offices and Alberga Offices constitute a pair of ambi-



tious business park projects that should launch their first office buildings – the first of many – by 2010. Both projects are presently being approved for zoning purposes.

Aviata Offices will be constructed at Aviapolis, right next to the Helsinki–Vantaa International Airport. Marjaana Meriläinen explains that the location of Aviata is really something else, since the business park will be raised upon a very visible – and sizeable – rock.

“In fact, when visitors fly to Finland, Aviata will be one of the first things they see,” she says.

Constituting four separate building masses, each building adds two towers into the mix. In total, the business park comprises 42,000 square metres.

One key element that is driving the development of the project is the realisation of the railway connection between airport and downtown Helsinki. The Aviapolis Railway Station could start operating in 2014 – and Aviata does not want to miss that train.

“The main mass of the project should be complete around the time the rail connection becomes available,” confirms Reijo Päärne. He adds that raising office complexes next to railway stops is another example of the green mentality that NCC wants to promote.

## Get connected

Alberga Offices, on the other hand, does not have to wait for the tracks: Leppävaara station already serves the local community and the workforce therein. Boasting 38,000 square metres, Alberga will be realised as two separate entities which are linked by an indoor boulevard.

Unit Director Tapio Rantanen envisions the boulevard to be a key factor in the emerging identity of the new business park.

“The boulevard is a natural meeting place that will enhance the feeling of community,” Rantanen says.

Realised in four phases, Alberga is already causing a big

stir. Rantanen explains that the old adage “location, location, location” holds true here:

“Leppävaara is a very dynamic location which is deemed highly attractive by companies right now,” Rantanen says. While already being a home to many big corporations, Leppävaara also features one of the country’s premiere shopping centres, Sello.

Drawing comparisons between Aviata and Alberga, Meriläinen and Rantanen agree that the two business parks should satisfy the needs of even the most demanding customers.

## Winning touch

The innovative ways of NCC have not gone unnoticed within the industry: NCC Property Development was chosen the best real estate developer in Scandinavia in the annual poll by the Euromoney Magazine.

This year there were over 23,000 companies from 54 countries participating in the poll. ●





## Pushing for green

# Skanska is pioneering the cause of environmental construction

*Skanska has been in the forefront of so-called “green” construction for a number of years now. Skanska Commercial Development Finland (CDF) is looking to improve on an already stellar record by committing to even tougher regimen.*

**J**ukka Pitkänen, Managing Director of CDF, explains that Skanska has been trying to

find new ways to curb climate change and practise sustainable construction. Early in 2008, Skanska Commercial Development Nordic announced their first office building which complies with the EU Green Building standard. This standard requires for energy consumption to be reduced by 25% from the average national level.

Pitkänen, however, believes that the Finnish arm of the Nordic organisation can top this via utilising the Leadership in Energy and Environ-

mental Design (LEED®) certificate. Developed in 2000 by the US Green Building Council, the LEED Green Building rating system has spread around the world – presently there are companies from 70 countries using the system.

“Nobody in Finland has LEED certification under their belt yet. We want to be the first,” Pitkänen declares. In the USA, on the other hand, Skanska has been involved in several LEED projects, and has over 200 trained LEED experts.

## May the best system win

But how are the Americans – who have steered clear of the Kyoto Treaty, for instance – supposed to show the Europeans the way to more sustainable future? Especially keeping in mind that the EU is the global torch-bearer in the fight against climate change?

“LEED system is a lot broader than the EU Green Building system – and also tougher,” counters Pitkänen.



Project Engineer Mia Andelin provides the details:

"The EU Green Building certificate looks mainly at energy consumption reduction. Under LEED, use of energy is only one of five categories that are thoroughly evaluated."

Starting with planning stages of the project, LEED requires for the plot and its surroundings to subscribe to the principles of sustainability. This means, for instance, that you do not earn points by building in the middle of nowhere. Fragmentation of the community structure is not tolerated under the system.

### Materials and energy efficiency matter

The second factor in LEED is the selection and utilisation of proper materials.

"For instance, the use of wood is an option. Wood has to be certified as well," Andelin explains.

Also, the use of windows often plays a key part in the greater scheme of things. By optimising the size of glass surfaces, solar heat is reduced. By placing windows in the right way more natural light is also available to help illuminate interior areas.

Third LEED element is the use of energy. By looking intensively into the heating, cooling and lighting needs of the building, one can make reductions that go well beyond the EU-set Green Building target of 25 per cent. Not every room needs to be equipped with all the electronic gadgets of the modern workplace. Again, planning and simulations can contribute tremendously.

The fourth factor is water usage. In the USA, for instance, rainwater is collected to be used by the urinals in the toilets. Jukka Pitkänen acknowledges that the approach to water issues differs from country to country:

"There are some very hot and dry areas in the US where water is harder to come by. In Finland, water may not be such a priority. However, we emphasise water conservation for example by selecting bathroom

equipment that uses water sparingly."

### Maintaining indoor comfort

Fifth and final factor is the indoor environment and its quality. One has to be on the lookout for harmful VOCs (volatile organic compounds), for instance. There must be sufficient airflow and comfort in the office, and this too can be achieved in a sustainable way.

Pitkänen and his team did not stumble over LEED by chance: there was a long benchmarking process during which the CDF conducted a global search for the best system out there. The main idea was not to land a nice diploma on the office wall, but instead to make buildings as environmentally sound as possible.

"We're driven by a desire to build better buildings, not to garner points in some beauty pageant," Pitkänen says.

Skanska CDF will put the new commitment into the test in the construction of Lintulahti Office Building that will be located between the Hämeentie and Sörnäisten Rantatie roads in Helsinki. Lintulahti will combine the old, red-brick commercial building environment with the modern seaside park of the future. The office building will include more than 10,000 square

metres of modern and easily modifiable facilities.

"Lintulahti will be completed by summer 2009, and it is already 90 % let," Pitkänen lays down the schedule.

### Lintulahti goes LEED

The project has been developed along for a number of years, and the actual construction finally began in the autumn of 2007.

The Lintulahti building is now in the pre-certificate phase and has received the gold level pre-certificate as the first in Finland. The building is graded under the LEED for Core & Shell system.

"For completely new buildings, the final rating is given six months after the construction is complete," Pitkänen explains. There is a wait-and-see period in order to study how the building really interacts with its environment and to verify that it truly delivers on its promises.

Pitkänen points out that Skanska has been doing many – if not most – of the same things, anyway –but it is only now that there is a fully developed, comprehensive system to back it up.

"After Lintulahti, we should see LEED construction in Skanska's new headquarters in Finland," he reveals.

### Investor edge

While LEED is adding a dose of excitement into the operations, Pitkänen and his team at CDF have been busy on other fronts as well. CDF was launched in the beginning of 2007 to bring an extra element into developing commercial space: CDF is also an investor in the market.

"We are investing in self-developed commercial properties," Pitkänen says. The idea is to form an effective chain from the initial project idea to planning and leasing – and beyond:

"Construction services are purchased from our appropriate division after which we occupy the role of property manager, normally for a couple of years." In a normal scenario, CDF makes its exit after 1–3 years. By managing the property for a while, CDF is able to "iron out the wrinkles":

"After the functionality issues of the building are optimised and the building is leased out to capacity, it's a good time for us to go," Pitkänen explains.

But while CDF might only serve as the property manager for a year, there may be 6–7 years of effort that precede the final phase.

"This is a long-term operation with emphasis on lifecycle ideology." ●





## Low-energy houses:

# Learning process, but the direction is clear

*Manufacturing low-energy residential houses is a hot topic in the real estate industry. VTT Technical Research Centre of Finland has been studying these issues for years, says Juhani Laine from the organisation.*

Photo: Paroc



**“W**hile building new houses, the prerequisite is that usage routines do not have to change drastically,” he says, which is reassuring to those who figure that a low-energy house would automatically place a ban on all leisurely electrical devices, such as TVs or DVDs. And what is the cost of more environmentally-sound buildings?

“The building costs of a low-energy house are only 0–5% higher than those of a ‘normal’ building,” Laine claims.

In Finland, where the climate is often harsh, it has always made sense to place added emphasis on insulation, for instance. According to Laine, however, Finland is not a top-tier country when it comes to low-energy buildings:

“Fifteen years ago we were on a good level – after that we have been resting on our laurels too much.” The expert states that the Germans have taken the pole position in the field:

“Their development has been rocket-like.”

*As part of a Paroc/VTT collaboration, passive houses are being built in Vantaa. A passive house requires only one fifth of the energy consumption of a ‘normal’ house for its heating purposes.*

## Trial and error

Looking at low-energy houses, there are two separate tracks out there: residential houses and office buildings. Laine counts the evolution of Finnish low-energy residential construction to have started in 1993 at the Pietarsaari house fair. The model house utilised ground heating as well as solar energy (heat and electric-

ity). However, the pilot was also quite costly.

“After this, we found out that also a conventional ventilation heat recovery unit could serve to warm effectively.”

The next attempt was in Espoo two years later, where it was discovered that the energy consumption of a residential house could be halved.

“This started the devel-

opment phase with residential small houses, which were commercialised in the 21st century.”

## MERA delivers

Next phase for residential use was apartment buildings. MERA project featured an apartment building in Espoo in 2005. The MERA low-energy apartment



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exploited the heat generated by the occupants and the household equipment. This heat is recovered with a ventilation heating and heat recovery system.

Thus external energy, produced with the same system, is only required for heating during two or three months a year; in the summer the apartment is kept cool as a combined result of structural solutions and ventilation.

The placement of the kitchen and wet areas in the low-energy apartment helps avoid the heat losses due to the customary long pipelines. The sauna – this is Finland, after all – was designed to be easily scalable and repairable. Particular care was taken during construction to make the joints between the building elements, windows and doors airtight and to avoid thermal bridges. All these details contribute to the overall reduction in heating energy consumption, Laine remarks.

“It is not any one thing that

does the trick; rather it's the sum of the parts.”

The MERA apartment had a very inexpensive lifecycle structure, bringing the added construction costs down to 1.7%. The payback period is 5–7 years.

#### Window magic

The story of office buildings is similar, even though the energy-use profile is different. METOP low energy office house was a prototype which was raised in Espoo already in 1992. VTT partnered up with nine different companies in this venture.

“The heating consumption was 60% lower than average,” Laine says, adding that it took new innovations such as special windows to get there.

“The windows only allowed 12% of the solar heat to pass through.” During the daytime, it was necessary to actually heat the office only few times

a year, when the winter cold attacked. A good insulation works both ways, Laine points out:

“A solid heating insulation keeps the summer heat out.”

#### Targeting zero

As low-energy houses are spreading around the country, there are already innovators looking one step further down the road. A zero energy building (ZEB) means a building that has a net energy consumption of zero over a typical year. Worldwide, zero energy buildings are gaining considerable interest as a means to cut greenhouse gas emissions and conserve energy.

At the moment, Espoo-based company Airix is planning to build two zero energy buildings, with 2,000 square metres each. One building is located in Järvenpää and one in Kuopio, reports Jukka Korhonen from Airix.

“The building in Järvenpää is a service home for the elderly as well as a dementia house. The Kuopio project involves a residential building for students with physical disability.” Both projects are only in the starting stages, but should be completed by 2010.

“The idea is to look at all the modern technology we can utilise in this effort, as well as place special emphasis on structural issues, such as insulation and windows.” Also the heat generated by household appliances and the residents themselves will be put to good use.

#### New mindset

Juhani Laine is of the opinion that low-energy solutions will get more common as time moves on.

“Frankly, the current situation has to change. What is required now is a new way of thinking.” ●



## Building on tradition

# Lemminkäinen launches innovative construction concepts for businesses

*Building premises for business and logistics operations is a strong trend in the construction sector in Finland today. One of the most experienced frontrunners in the field is Lemminkäinen which was established already in 1910. The present-day Lemminkäinen Group operates internationally in all areas of the construction sector.*

One of the most exciting new projects for the Group is Aero Business & Logistic Center which will be raised in Aviapolis, in direct proximity to the Helsinki-Vantaa International Airport. Tuomas Sundell, Property Development Manager for Lemminkäinen subsidiary Alfred A. Palmberg Ab, explains that the concept of Aero Business and Logistic Center means taking efficient logistics to another level. While a company's logistics functions are handled in the logistics centre, other functions of the company can take place in the Business Centre.

"The Logistics Center will feature 10,000 square metres of storage, production and loading space, where as the Business Center offers 11,000 square metres of business premises," Sundell gives the breakdown.

"We are providing a rather unique combination here."

## Room to breathe

What is remarkable about the Business Center is the total area of the individual storeys: there are 2,000 square metres per level which can be divided up into smaller units (minimum 224 sqm).

"A bigger a company could snatch an entire floor for itself," Sundell offers an example.

At the moment, the negotiations are still going on as to the tenants of the new centre. Aero holds also plenty of head office appeal, Sundell believes. In addition, the built-in business park services are attractive in the eyes of many companies.

"The central location and the groundbreaking concept are very important here," he says. The rail connection from downtown Helsinki to the airport – scheduled to start operating in 2014 – has created some extra excitement. After all, the walking distance from Aero to the railway stop will be only 700 metres.

Once the suitable "anchor" tenants are found, the construction phase itself should be pleasantly brief.

"Once the deal is done, we can deliver the package in 18 months," Sundell promises, adding that he's talking about the entire project – there will be no extra construction dragging on for years. Therefore construction noise won't be an issue.

## Roaring Rock Stock

Another Vantaa project with big potential is Rock Stock which

will be built next to the Helsinki-Lahti motorway in the Vantaa Axis business area. The construction phase for Rock Stock is ready to commence in early 2009. Tuomas Sundell is very excited about the location of this project also:

"Rock Stock will be situated on the most visible piece of land in the Vantaa Axis," he says, adding that accessibility is another key factor. Two separate driving routes have been drawn out for the project which is to feature 20,000 square metres of modern storage and logistics space as well as another 3,000 square metres of office space. The plot itself encompasses 4.5 hectares.

"With Rock Stock, we have a project that is realistic and compact in its scope," Sundell analyses. Ideally, the premises can be tailored to the needs of one or two end-users – or alternatively, divided up into smaller units also.

Location in the core of Vantaa Axis, a growing business hub, has its perks: the Airport is only a seven-minute-drive away, and so is the Vuosaari Harbour.

"There is also plenty of skilful labour available," Sundell adds.

## History meets future

Even though the two Vantaa ventures hold plenty of promise, Sundell admits that his favourite project at the moment is located a lot closer to Helsinki downtown area. Next to the legendary military hospital Tilka

– an architectural marvel – Lemminkäinen Group is realising an office complex with massive HQ appeal. Called Tilkan Viuhka (Tilkka Fan) since the shape of the property resembles that of a lady's fan, this office building will feature 4,444 square metres of ultra-modern office space.

"There are five floors, with 900 square metres each," Sundell explains, while remarking that the unorthodox shape of the building provides also a functional edge.

Tilkan Viuhka is, in a sense, a little sister to the iconic hospital which now serves as a private nursing home. This is evidenced by, for instance, shared facilities such as parking and restaurant services. Furthermore, the auditorium and conference premises are actually located within Tilkka.

Sundell reports that "The Fan" is now entering its final construction phases: the office complex will be ready by summer 2009. Located right next to Mannerheimintie, the defining artery of the capital, Tilkan Viuhka combines downtown appeal with instant accessibility. Public transportation works like a charm, and the location is easy enough to reach with your own car also.

## Russian opportunities

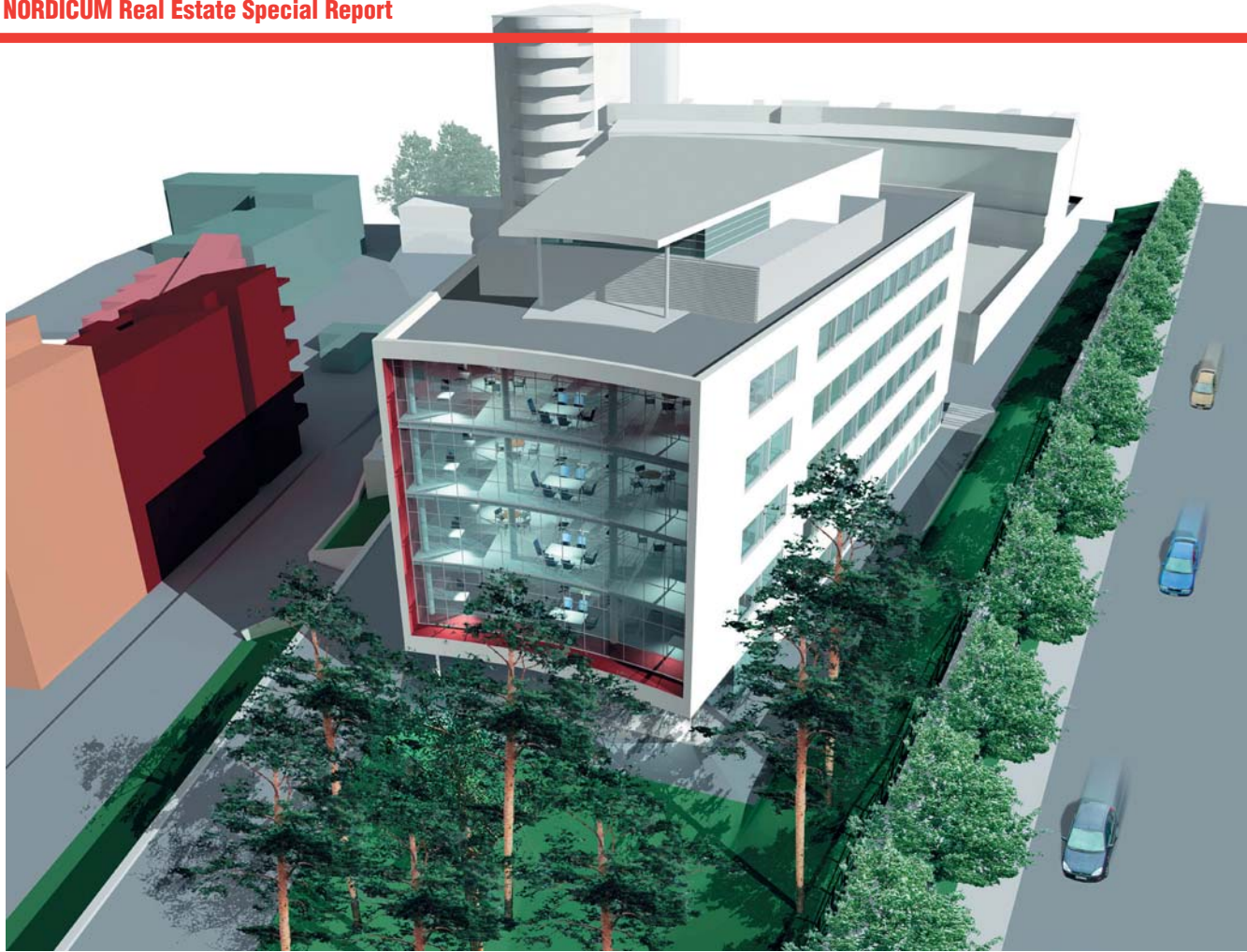
Presently, Lemminkäinen Group is also active in Russia. There is an ambitious industrial park project in the works just off Kaluga, 200 kilometres away





*Aero Business & Logistic Center – a dashing new HQ level solution located in Aviapolis, in the immediate vicinity of the Helsinki-Vantaa Airport.*





*Tilkka's Fan in located just off Mannerheimintie next to the legendary former military hospital.*

from Moscow. Called Lemcon I-Park, the project is expected to facilitate the needs of international companies looking to establish a strong presence in Russia. The area encompasses 135 hectares in its first phase, with various real estate totaling as much as 500,000 square metres.

Project Development Director Teemu Lantto reports that the project is presently in its starting stages.

"We estimate that the entire park will be realised during the next 5–7 years," Lantto says. However, the infrastructure in the area can be built to accommodate the launch of operations rather quickly also, if need be.

"With regards to smaller facilities that can be built rapidly, it is possible to reach production readiness during 2009."

### Making it easier

According to Lantto, the industrial park differs from competition in the sense that the investors get all the services which relate to e.g. land purchase, infrastructure, design, construction and permits from one partner.

"The investor does not need to have one's own construction organisation and can therefore concentrate in its true business operations."

The project has attracted a lot of attention since Lemcon announced the venture in the spring 2008. Especially the automotive industry subcontractors have been interested about the new industrial park. Lantto knows the reason for this:

"Volkswagen, Peugeot-Citroën and Volvo have all made decisions to build production plants in Kaluga." ●

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## LogiCity emerging

# Turku is creating a world-class logistical hub



The city where the wheels  
of business turn faster

**A**ri Niemelä is the Managing Director of Pilot Turku which is charged with the task of developing the area. He reports that the first construction project in the area is now underway, with Suomen Kaukokiito starting work on its plot.

"We will develop the area one step at a time, with a time-frame of 5–10 years."

Going over the list of logistical assets LogiCity will feature, Niemelä points out that the completion of the final lap of the Turku-Helsinki motorway is quite significant. The motorway is, after all, part of E18 "power artery" which runs to St. Petersburg.

"In logistics, every time when the time factor is reduced, it has a positive impact on the business," he says.

## East meets west

The entire LogiCity concept is based on logistical efficiency. The idea is to create an environment where all modes of transport and a supply of versatile logistics services meet to create an integral cluster. For businesses that utilise logistics, LogiCity offers an operating environment that generates genuine added value, Niemelä believes.

"We view LogiCity as a place where east and west come together." In the spring 2008, Niemelä visited St. Petersburg in a quest to promote the new logistics hub. He says that the Russian counterparts clearly understood the concept and the value therein:

"The interest level was high and there were genuine dis-

*Turku is strengthening its role as significant North European logistics hub. Rising in the immediate vicinity of Turku Airport, LogiCity is now in the making. The area in question features superb location, being bordered by the airport, the railway connection to Russia (and onwards to China), the motorway into Central Finland and the E18 ring road. Furthermore, the ports of Turku and Naantali can be reached by road from LogiCity in about 15 minutes.*

*Photo: Pilot Turku*

cussions on establishing operations in the area," he says.

According to Niemelä, LogiCity is designed for all companies seeking greater process efficiency through logistics. This includes companies typically operating in, for instance, transport and value-added logistics, the distribution centre business, warehousing and wholesale operations, and logistics functions for high-tech industries.

## Targeting one million sqm

LogiCity building permits currently cover around 400,000 square metres of floor space. Once the land use plan for the northern side of the airport has been completed, about one million square metres of floor space will be open for construction.

Looking at the future of the project, Niemelä assesses that LogiCity has three individual elements that together set it apart from the competition. The first one of these is the rail connection to the east: goods that arrive to Port of Turku, for instance, can be hurried away on the Trans-Siberian Rail – or,

eventually, the Trans-Manchurian Rail.

The second trump card is international air cargo with operations involving North America, India, Asia and North Europe.

"If one looks at flights to and from these destinations, the clear hub of operations is Turku due to shortest flight routes." He points out that air cargo should be viewed, not as a separate entity, but as a part of bigger picture.

"There is value added opportunity in distribution to Scandinavia as well as to Russia, for instance."

## Securing labour

Third piece of the puzzle is the availability of skilful labour. While the LogiCity is supposed to feature as much as 5,000 jobs, it is crucial that companies have access to quality work force.

"For this reason, we have created a labour force concept that is based on a partner network," he says, adding that the idea is to provide labour resources flexibly, based on demand. ●





Photos: SRV/Larkas & Laine

## Playing It Smart

# STC concept delivers flexibility for SMEs

*As one of the pioneers of office premises construction, SRV has introduced new ground-breaking concepts into the market for years. One recent innovation in a long line of killer concepts is STC or the Smart Tech Center.*

**T**he key idea of the STC concept is to provide an added degree of flexibility to the end-users: the same facilities can be used for storage, office func-

tions or light manufacture/assembly – or just about any combination of the three.

The STC concept targets primarily small and medium enterprises, explains Project Development Director Jouko Pöyhönen from SRV.

“SMEs get the most out of the concept, for they have the greatest need for space that links various functions together within the same building.”

The STC premises are normally not that big in size, but instead they opt to use wisely the square metres that they do have. Hence the name Smart Tech – the concept is a great fit for

companies that look for versatility in their facilities and demand effectiveness at all times.

“The STC premises are both presentable and inexpensive,” Pöyhönen says. Under the concept, various SMEs can get together and share premises, and one unit can feature both small businesses and medium-size companies.

### Mind the costs

Harri Koskinen from architecture agency Larkas & Laine is the main designer of the STC projects. Koskinen remarks that the architecture of the buildings

themselves is quite cost-effective in many regards:

“For instance, lobby and traffic space can be cut down to minimum as the user companies have their own direct access from ground level.”

Furthermore, the buildings are normally realised as two-floor entities – and if need be, the extra floor can be removed to allow for higher storage space, for instance. If a company needs loading spots more than actual parking space, this is easily achieved also. Another key element has to do with the smaller size:

“For a big building, the

regulations demand that you install an automatic fire extinguishing system and include a structural firewall. With a STC building, these are not necessary," Koskinen says, adding that especially logistics-oriented companies are happy if they don't have to raise restricting firewalls in their premises.

Also, the concept encourages setting up conceivably just one building or two, while leaving room for more. This way it is easier to acquire a suitable location from the city zoning plan also – while somebody might object to the construction of a giant corporate building, smaller buildings are more readily approved.

### Optimised versatility

The evolution of the STC concept started in the summer of 2001, as SRV began to develop the concept together with the architects. Harri Laine, co-founder of Larkas & Laine, remembers that the key word throughout the planning process – and beyond – has been "smart".

"We wanted to optimise versatility and flexibility. For administration people, there would be office space; for distribution, there would be logistics space; and for production, there would be small-scale manufacture and assembly space," Laine lists.

Jouko Pöyhönen looks back at the origins of the concept and points out that at the time, the office premises market had taken a hit as the IT bubble had burst. Therefore the master plan was to build small and smart – to stay nimble on your feet at all times.

The first project under the new concept was STC Espoo, which is located in Nuijala, just off the Turku road. The "business village" consists of two-floor units with a size of 4,300 square metres, respectively.

"Vaasan & Vaasan which is the main tenant of STC Espoo has been very satisfied with the modern facilities," Pöyhönen says.

STC Espoo was launched in 2004. The following year, STC Nummela (one unit, with

an option for a second one) was raised.

### Smart dozen

At the moment, there are about a dozen STCs in the works, either in planning stages or otherwise. Some of the new projects will expand the concept even more: for example STC Vantaa in Meiramintie street will feature four separate units. Meiramintie is also an example of a plot where large-scale construction would be difficult, says Harri Koskinen.

"The small-scale of the STC units – as well as the sensible modular approach – makes it possible to utilise the concept even on a challenging site."

"And once the decision is made, the construction phase is rather fast," Koskinen adds. There is no need to utilise heavy lifting cranes, for instance.

Jouko Pöyhönen believes that the STC concept is just warming up:

"We want to get many more projects underway to properly root the ideology."

And while conquering Finland is the starting point, there's

no telling how far the winning formula will spread. There are already talks about raising STCs in Russia – with Finnish export companies as end-users.

"As of yet, the Russian SME sector has not evolved into a level where it could effectively utilise the concept," Pöyhönen assesses, but notes that this may well change in the future:

"For us, Russia represents infinite market potential."

### Shout it out loud

Still, plenty of work remains also domestically in getting the word out about the new innovation. Harri Laine remarks that the over-all concept is so revolutionary that the customers may not know that it even exists.

"Firms go around asking, if somebody can build them a production facility, a storage unit and an office – and they don't have a clue that you can actually put all these functions under one roof," Laine says.

Pöyhönen adds that SMEs all over are struggling with the same types of problems – there isn't enough space; the premis-

es are an ill-fit for the activity; there's no flexibility to speak of.

"These problems are pretty much the same everywhere in the SME sector. But until now, nobody really took the time to solve them."

### Eye on energy

Looking into the future of STC, one area of possible development is the environmental approach. For instance, solar panels could be introduced into selected buildings.

"For big buildings, a solar panel system would not be of much use, but for a smaller unit it would work better," Harri Laine says.

According to Pöyhönen, the environmentally-conscious construction requirements are directing companies towards the use of greener solutions throughout the process.

"Thermal energy is one option, especially in Russia."

Also the use of wood can be boosted in the STCs, even if, at the moment, the usage is mostly conducted on aesthetic grounds. ●





## No roadmap for the crisis

# Real estate investors adopting a wait-and-see attitude in Finland

*The raging financial crisis is affecting also the Finnish real estate market. The first signs of the coming storm were visible in the property investment markets where values started to decrease as yields increased.*

In the autumn, the spreading crisis has thrown some shadows over the demand for business premises in the lease market. Insecurity is fed by two separate issues: demand is being softened by decreasing growth expectations and increasing unemployment and – at the same time – the market is being flooded with new office space.

The situation is a challenging one in several regards, but many investors still have both the will and the ability to invest in real estate, remarks Hanna Kaleva, Managing Director of KTI Finland.

“For the time being, however, the uncertainty in the market makes many investors adopt a wait-and-see attitude,” she says.

The field is open for speculation concerning the status and position of Finland in the global game. An optimist may point out that there is still plenty of capital out there searching for a good home, and the Finnish markets still hold a relatively strong competitive position.

### Steady as she goes

According to Jones Lang LaSalle, only three markets (Netherlands, Sweden and Russia) recorded an increase in volumes in Q3 2008 in comparison to respective time period in 2007. At

the same time, volumes in Ireland, Norway, Germany and the UK were all significantly down (–75% or even more). Finland joins Poland, Spain, Czech Republic and Italy in the group where the investment volumes change was 50% or less.

Jones Lang LaSalle also observed that the Netherlands and Finland were among the few markets that showed growth over the quarter with volumes increasing 40% to € 2.0 billion and 56% to € 585 million, respectively.

“Finland remains a relatively stable business environment in comparison to some other European countries,” Kaleva says. Still, she doesn’t believe that Finland is a “safe haven” for international investors – not yet, anyway.

### Date with a tightrope

Taking a more pessimistic view on the situation, it is also possible that the global investors are turning their attention elsewhere – specifically, looking at markets where bargains can be made due to lower pricing levels.

“Right now it’s a balancing act,” Kaleva admits. At present, she is also waiting for the Finnish pension funds to step up to the plate and assume a more active role in the game. As for the predictability of the current crisis, she says that it is very difficult to predict the days ahead due to the unprecedented scope and nature of the crisis. In addition, Finland is now fully integrated into the international real estate market – for the first time ever – which will probably make the crystal ball even foggier – there are simply too many factors at play.

Photo: CapMan



“We are facing a completely new situation here,” she says, while adding that the real estate market always features some share of turbulence.

“That’s a permanent trait in this business.”

### Diversity delivers

By the end of October, the total transaction volume of the real estate market was € 3.6 billion. During the past two years,

the threshold of € 5 billion was crossed rather easily, but now the market is treading water:

“My expectation is that we’ll go over four billion, if only slightly.”

But while the seas are stormy and the winds treacherous, Kaleva feels that one key strength of the Finnish real estate market lies in its new-found diversity:

“There are dozens of players now, and various degrees of

demand even in challenging situations.”

Janne Larma, Managing Director of Advium Corporate Finance, remarks that this year the total volume of large real estate transactions have stayed on the level with the previous year – if one looks at euros alone.

“If one looks at the number of transactions, there were significantly less trades.”

### Lock up the vault

Advium shares the general opinion that securing financing for real estate transactions is now considerably more difficult.

“Many banks which were quite active on the market earlier on have now limited their real estate financing in Finland,” Larma says, adding that these banks are mostly German or British by origin.

One of the recent trends in the market has been that foreign investors are now sitting

on the selling side of the table – whereas previously, that seat has been reserved for the Finns. Case in point: in 2006 and 2007 about two thirds of the real estate transactions were conducted with international investors as buyers.

This year, only half of the deals features foreign purchasing power – and about half of all transactions involves foreign investors selling assets. The biggest deals materialised early in the year with Northern European Properties selling an € 800 million hotel portfolio to Capman and Boultonbee unloading Kamppi shopping centre to a fund administrated by Protego Real Estate.

### Bye Bye, Baby?

Are international investors heading for the exit sign then? Hanna Kaleva doesn't think that we will witness a full-scale exodus of foreign capital:

“Investment cycles fluctuate, and strategies vary from investor to investor,” Kaleva says, while believing that the international operators are here to stay, if one looks at the long-term.

According to KTI market analysis, there is no going back to the extremely low risk margins of the recent years. The risk inherent in the investment will be calculated more dutifully in the pricing process. Therefore, it is likely that the crisis will hit especially high-risk targets, with low-risk targets ducking the bullet, for the most part. Hanna Kaleva narrows down the usual suspects:

“Normally, a good location and stable, long-term leases signify low risk. Therefore, properties which are not very modern, are located a little out of the way and feature some question marks with regards to tenants, would constitute high risk.”

### New office vs. old office

The occupancy rate for Helsinki downtown offices remains on a high level, even if some areas have plenty of vacant premises. Is it only new, top-of-the-line premises that will find tenants in the present situation, with older offices sitting idly by collecting dust?

Kaleva acknowledges that this is an interesting question, and one could argue that it is mostly modern premises that attract companies now. However, the flipside is that many businesses are playing their cards very carefully now, and looking at the rent more than anything else.

“Non-prime premises may find tenants by dropping the rents,” she counters.

“We've seen some older premises attracting tenants while vacancy rates for newer stock have increased.” ●

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## Real Estate Goes Green

# Climate Change offers unprecedented opportunities for real estate sector

*Climate Change is ushering in a new, carbon-conscious world. This was reflected also at KIINKO Annual Convention 2008 in November, with number of international experts expressing their views on the subject. It was widely assessed that real estate and construction industry are in the forefront in the fight against Climate Change.*

As the real estate professionals gathered at Hotel Aulanko, Hämeenlinna, Finland, they learned a great deal about what the future of green construction might be. Seppo Junnila, Business Director for Sitra, the Finnish Innovation Fund, pointed out that the climate challenge is so vast that the corporate sector is needed to cope with it.

Going through the strategic assets of the real estate sector, Junnila noted that 45% of climate opportunities are to be found in the sector.

"The challenge is to create a new market – the low-carbon market," he said.

### Role of buildings unclear

However, the role of real estate has yet to properly sink in. According to Junnila, only about 10–15 per cent of executives understand the significance of real estate – i.e. how buildings and their users impact environment.

While buildings generally cause 30–40 % of CO<sub>2</sub> emissions, in Finland that figure is even higher (45%). The upside is that buildings – both new and existing ones – therefore offer the best cost-benefit ratio for reducing carbon. Issues such as insulation, lighting and heating can make a big difference, Junnila said, adding that the indus-

try now stands on the threshold of unique opportunity.

"And even more importantly, no other industry can provide a believable roadmap to achieve a sustainable society," Junnila declared, urging the sector to take a leading role in the fight.

### Corporations joining carbon crusade

Andrea Smith from the UK-based Carbon Disclosure Project (CDP) talked about the work CDP is doing to get big corporations to own up to their carbon footprint and to do something about it. Smith remarked that in the UK professionals in the field look to Finland as a model of cost-effective, green construction – but Finland could market its expertise more.

Smith reported that companies are joining CDP to secure competitive advantage; the corporations want to "come prepared," she said.

Smith also acknowledged

that in real estate carbon benchmarking is difficult since every building project is unique.

"However, real estate leaves such a legacy, that the end product – the building itself – should be beautiful, practical as well as enduring."

### Mainstreaming the marginal

Gregory Franta, Senior Vice President of Rocky Mountain Institute, heads the Built Environment Team of the organisation. He is one of the global top experts in designing sustainable, high-performance buildings and communities. Since the 1970's, Franta has pioneered environmentally sustainable architecture resulting in successful "green" buildings around the world. Franta was also instrumental in the development of the U.S. Green Building Council's LEED certification programme.

According to Franta, a small ecological footprint is a sign of a healthy community – and there many ways to change for the better. There are number of existing community and corporate projects in the US, for instance, that give us a glimpse of the future. One day for instance, we might have "regenerative buildings" that make their own energy – or entire cities, for that matter.

Talking about high-performance green buildings, Franta pointed out that they are not just good for the environment – cost-savings are cost-savings, and "going green" makes perfect business sense, also.

For more information on the Annual Convention: [www.propertyinvest.fi](http://www.propertyinvest.fi) ●



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# DTZ – Strong partner for investors

The Finnish real estate market interests both domestic and international investors. DTZ has developed its range of services to better correspond to the needs of the players in the real estate market.

DTZ's roots in Finland go back over 15 years. During this time, DTZ has developed into a group of strong professionals.

"Our company is united by an analytical way of thinking. When co-operating with clients, our aim is to get the optimal result, which demands careful planning and proactive teamwork. The key driver of our business is our deep knowledge of the Finnish property market. This enables us to get things done for the benefit of our clients," states CEO Ilkka Kujanpää.

As the market situation continues to tighten, demand for DTZ's analytical approach and thorough research has increased. Investors need more in-depth information and better service to support them in their decision making.

"In addition to market analyses, DTZ produces research reports of different market segments. The latest report will

cover the retail segment in the Nordic markets," says DTZ Partner Katja Makkonen.

In addition to valuations for various purposes, investors order reports regularly in order to track their properties net-worth. "Property valuations have increased dramatically in recent years. We research the market constantly to serve our clients in the best possible way," continues Katja Makkonen.

DTZ is a strong player in the real estate market locally and globally. Excellent contacts and networks help in keeping up with the changes in the market. The future looks bright for DTZ as the company continues to grow. The Helsinki office has recently employed new staff and moved to new bigger premises.

"Thanks to DTZ's global network of over 12 500 people in 45 countries, we are a strong partner for our clients around the world," says Ilkka Kujanpää. ■



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Advium Corporate Finance, eQ Bank Ltd. is the leading advisor in major real estate transactions and one of the leading M&A advisors in Finland. Since its foundation in 2000, Advium has completed over 80 transactions worth over 7,5 billion euro.

See pages 11 and 58

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Finland  
Phone +358 9 2719 2221  
Fax +358 9 2719 2577  
www.jarvenpaa.fi



### Contact Person

Mrs. Pirjo Latva-aho  
Director; Business Development  
pirjo.latva-aho@jarvenpaa.fi

### Specialty Areas

A city of 37,500 inhabitants in the Helsinki Region,  
38 kilometres to the North of downtown Helsinki.  
Specialty area: High-technology metal industry.

See page 38

## TAMPERE BUSINESS REGION

Biokatu 12  
FI-33520 Tampere  
Finland  
Phone +358 40 557 5355  
www.tamperebusinessregion.com



### Contact Persons

Matti Eskola  
Executive Partner; Tampere Business Region  
matti.eskola@tbregion.com  
Kari Kankaala  
Director; Business and Economic Development  
kari.kankaala@tampere.fi

### Specialty Areas

Starting business in Finland?  
Tampere region offers lucrative business opportunities in the heart of Finland.  
Tampere Business Region provides all the relevant information about the region's business environment and also assists on setting up a business.  
Entering the Finnish markets has never been easier! Interested?  
Ask for more!

See page 40

## CITY OF TURKU MUNICIPAL PROPERTY CORPORATION

P.O. Box 355  
(Puutarhakatu 1)  
FI-20101 Turku  
Finland  
Phone +358 2 330 000  
Fax +358 2 262 7229  
kiinteistoliikelaitos@turku.fi



### Contact Person

Jouko Turto  
Managing Director  
jouko.turto@turku.fi

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**DTZ FINLAND OY**

Itämerenkatu 1, FI-00180 Helsinki, Finland  
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 dtzfinland@dtz.com  
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 Arno Jaulas, Partner  
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 Katja Makkonen, Partner; Valuation  
 katja.makkonen@dtz.com  
 Juha Mäki-Lohiluoma, Partner; Valuation  
 juha.maki-lohiluoma@dtz.com

**Specialty Areas**

Transactions  
 Letting  
 Corporate Services  
 Investment  
 Valuation

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**FINAVIA**

P.O. Box 50  
 (Lentäjäntie 3)  
 FI-01531 Vantaa  
 Finland  
 Phone +358 9 82 771  
 Fax +358 9 82 772 090  
 info@finavia.fi  
 www.finavia.fi

**Contact Person**

Irmeli Paavola  
 Director of Communications  
 irmeli.paavola@finavia.fi

**Specialty Areas**

Maintains Finland's network of airports and the air navigation system. Provides and develops safe, competitive airport and air navigation services as well as their supporting commercial operations, to an internationally high standard. Our customers are suppliers to the air travel industry and air passengers. At the end of 2007 Finavia's airport network consisted of 25 airports and the organization employed about 1 800 people.

**FINNMAP CONSULTING OY**

P.O. Box 88, (Ratamestarinkatu 7a)  
 FI-00521 Helsinki, Finland  
 Phone +358 207 393 300  
 Fax +358 207 393 396  
 info@finnmapcons.fi  
 www.finnmapcons.fi, www.fmcgroup.fi

**Contact Person**

Tage Eriksson, Managing Director tage.eriksson@finnmapcons.fi

**Subsidiaries & Representatives**

SIA Finnmap Latvija/Latvia, OOO FM Stroiprojekt/Russia, Oü Estkonsult / Estonia, Finnmap Polska Sp.z.o.o./Poland, UAB FMC Probalit/Lithuania, Finnmap Consulting Engineers (India) Pvt.Ltd./India

**Specialty Areas**

Services include structural design and engineering for power plants (e.g. nuclear power plants), boiler plants, power transmission lines, waste handling plants, industrial plants, bridges, water structures, house building and renovation projects. FMC Group include services additionally in environmental, mechanical/HEVAC, electrical and industrial design & planning.

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**GREATER HELSINKI PROMOTION LTD OY**

Mechelininkatu 1a  
 FI-00180 Helsinki  
 Finland  
 Phone + 358 9 562 6677  
 Fax + 358 9 562 6688  
 www.helsinkiibusinesshub.fi



**HELSINKI**  
 business hub

**Contact Person**

Arto Käyhkö  
 Director; Customer Delivery and Operations

**Specialty Areas**

Greater Helsinki Promotion Ltd is a publicly funded company supporting international professionals and companies by promoting all that the Helsinki Business Hub has to offer.

See pages 18, 20, 26 and 44

**HYY GROUP, REAL ESTATE, KAIVOPUHA LTD**

Kaivokatu 10 C, 3. krs  
 FI-00100 Helsinki  
 Finland  
 Phone +358 9 1311 4250  
 Fax +358 9 60 1020  
 vuokraus@hyy.fi  
 www.kaivopuha.fi

**Contact Persons**

Maarit Saloniemi, Marketing Manager  
 maarit.saloniemi@hyy.fi  
 Yrjö Herva, Director  
 yrjo.herva@hyy.fi

**Specialty Areas**

HYY Real Estate, Kaivopuha Ltd, serves commercial and office premises customers as well as offers residences and activity and association premises to students and the Student Union. Premises are located in the centre of Helsinki around the Ylioppilaskatu and Kaivopuha squares.

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**INVEST IN FINLAND**

Kaivokatu 8, 6th floor  
 FI-00100 Helsinki  
 Finland  
 Phone +358 10 773 0300  
 Fax +358 10 773 0301  
 www.investinfinland.fi

**Contact Person**

Pentti Pitkanen, Investment Director  
 pentti.pitkanen@investinfinland.fi

**Specialty Areas**

Professional Consulting Services for international companies  
 – Assistance in expanding a business into Finland  
 – Assistance in finding the best partners  
 – Guidance and advice in finding the location

**Meet us**

Invest in Finland will attend the Mipim and the ExpoReal 2009 fairs, and would be pleased to meet you there. Please contact us to arrange a meeting.



## LEMMINKÄINEN TALO OY

Esterinportti 2, FI-00240 Helsinki, Finland  
Phone +358 2071 5000  
Fax +358 2071 53888  
www.lemminkaintalo.com  
www.lemminkainen.com



### Contact Person

Jorma Kuoppala  
Director of Property Development  
jorma.kuoppala@lemminkainen.fi

### Subsidiaries & Representatives

Lemminkäinen Talo operates regionally in Finland through 12 local companies. In addition to Finland, the company operates through its local companies in Russia, Estonia, Ukraine, Poland and Sweden. Experience as a project construction specialist in over 70 countries on all five continents.

### Specialty Areas

Real estate development  
Contracting services  
Project management services and contracting  
Telecom network construction

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## NCC PROPERTY DEVELOPMENT OY

P.O. Box 13  
(Mannerheimintie 105)  
FI-00281 Helsinki  
Finland  
Phone +358 10 507 51  
Fax +358 10 507 5318  
pd@ncc.fi  
www.ncc.fi



### Contact Person

Reijo Päämi  
Senior Vice President  
reijo.paami@ncc.fi

### Subsidiaries & Representatives

Sweden, Norway, Denmark, Baltic countries

### Specialty Areas

NCC Property Development develops and sells commercial properties in defined growth markets in the Nordic countries and the Baltic region. We create future environments for working, living and communication.

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## SKANSKA COMMERCIAL DEVELOPMENT FINLAND OY

P.O. Box 114  
(Paciuksenkatu 25)  
00101 Helsinki  
Finland  
www.skanska.fi



### Contact Person

Jukka Pitkanen  
Managing Director  
jukka.pitkanen@skanska.fi  
Phone +358 20 719 2312

### Specialty Areas

Commercial development

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## SRV GROUP PLC

P.O. Box 500  
FI-02201 Espoo, Finland  
Phone +358 20 145 5200  
Fax +358 20 145 5279  
info@srv.fi  
www.srv.fi



### Contact Person

Jouko Pöyhönen  
Director, Project Development  
jouko.poyhonen@srv.fi

### Subsidiaries & Representatives

Russia, Estonia, Latvia, Lithuania

### Specialty Areas

The SRV Group is a leading Finnish project management contractor, also offering comprehensive property and construction services on a partnership basis. The company is engaged in the development and construction of commercial and office premises, housing, industrial, logistics and civil engineering sites as well as entire business parks and housing estates in Finland, Russia and the Baltic states.

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## SUURPELLO MARKKINOINTI OY

Tapiatori 3 A  
FI-02100 Espoo  
Finland



### Contact Person

Tero Vanhanen  
Managing Director  
tero.vanhanen@suurpelto.fi

### Specialty Areas

Suurpelto Marketing Ltd provides marketing services to several landowners and companies who are participating in developing the new cityarea of Suurpelto. The aim of Suurpelto Marketing is to create a unique parkcity for smart cosmopolitan people to live and work.

See pages 34 and 36

## YIT CORPORATION PLC

P.O. Box 36  
(Panuntie 11)  
FI-00621 Helsinki  
Finland  
Phone +358 20 433 111  
www.yitgroup.com/properties



Together we can do it.

### Contact Person

Seppo Martikainen  
Vice President, Transactions  
seppo.martikainen@yit.fi

### Specialty Areas

YIT is a successful European construction, building systems and industry service company. We build, develop and maintain quality living environments in Nordic and Baltic Countries, Russia and Central Europe, operating locally in 14 countries. In the field of property business we develop, lease, refurbish and maintain. We work for property investors as a supporting partner generating profitable investment solutions.

See page 1

# It is an act for the environment to move into Lintulahti.

## First in Finland!

The soon-to-be completed Lintulahdenvuori office building has been preregistered under the LEED® Green Building rating system. It has been precertified to the LEED Gold level. The internationally acknowledged and valued LEED rating system is a benchmark for the design, construction, and operation of high performance green buildings. LEED takes into account the environmental impact of a building during its entire life cycle.

Skanska aims to be the most eco-efficient construction company in the world. We create the framework in which your company can present itself as a pioneer in its own field.

For the last remaining facilities in Lintulahti that are free for rent, please contact Minna Sandholm, [minna.sandholm@skanska.fi](mailto:minna.sandholm@skanska.fi), tel. +358 20 719 2230.





# A RIGHT BUSINESS IN A RIGHT PLACE!

## AVIATA OFFICES, HELSINKI REGION

Building Right 42,000 sq.m  
Construction start 2009

NCC is one of the leading construction and property development companies in the Nordic region, with sales of 6 billion euros (2007) and 22,000 employees. We develop and sell attractive future environments for working, living and communication.

The target groups of NCC Property Development are users seeking inspirational environments and investors seeking properties that offer stability and a secure return over time. Our properties are hallmarked by inspirational working environments that help companies and individuals attain outstanding results! Contact us when you need a partner of whom you can expect a bit more.

## PROPERTY DEVELOPMENT IN FINLAND AND THE BALTIC STATES

Contracting | Marketing and letting  
of business premises | Planning and  
organizing facility services | Marketing  
and sales of investment properties

**NCC Property Development Oy**, P.O.Box 13, FI-00281 Helsinki, FINLAND  
Call +358 50 67 384, [www.ncc.fi](http://www.ncc.fi)

**NCC**   
EXPECT A BIT MORE