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editorial

(De)sign of the Times

Christmas came early for Helsinki this year. The city won the coveted World Design Capital 2012 designation in November, almost immediately kicking off preparations for the special year.

World Design Capital is a great honour for Helsinki – as well as the participating cities of Espoo, Vantaa, Kauniainen and Lahti. After all, 46 cities from 27 countries were after the prize that was now given out only for the third time ever.

When Helsinki and Eindhoven were announced to be the two finalists, some faces in Finland turned pale upon seeing the budget the esteemed Dutch design hub had mustered for the occasion: \in 136 million, while Helsinki would have to do with a measly 15 million.

The duel of the two cities seemed like the battle of David and Goliath for an instant, but in the end, it wasn't the money talking. It was more like a matter of perfect timing – the Helsinki Metropolitan Region stands upon the threshold of unprecedented changes and the International Council of Societies of Industrial Design (Icsid) chose to recognise this historical moment.

During the coming decade, the Daughter of the Baltic Sea is about to reclaim her shores. As port operations from downtown have been shifted to Vuosaari Harbour, the old areas are now open for development. Helsinki wants to make the most of this opportunity and is seeking to create vibrant communities by the sea, where focus is very much on green values, innovation and quality of life.

But while the waterfront will be totally reinvented, there is a revolution sweeping through the academic world as well. The new Aalto University is the first of its kind in the world; a true "innovation university," which combines business, technology and design into an education powerhouse.

The new university is named, of course, after Alvar Aalto, an architect and designer of legendary proportions. Aalto once stated that in architecture, nothing is as dangerous as dealing with separated problems.

"If we split life into separated problems, we split the possibilities to make good building art," he said.

This ideology is inherent also in the formation of the new entity for higher learning. In the competitive environment of the new decade and beyond, one has to be able to pool together resources and embrace a holistic outlook.

ublication:

It's a competition of ideas out there – may the best one win.

Sami J. Anteroinen Editor-in-Chief

NORDICUM scandinavian business magazine

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EU catastrophy in Copenhagen?

by Paavo Lipponen

t is, by now, clear that no binding international agreement will emerge from the Copenhagen Climate Summit. From the beginning, expectations about so-called ambitious results were unrealistic. The United States was not going to change its approach 180 degrees from Kyoto, and the developing countries could not be expected to bear any extra burden.

The European Union has been the driving force for climate action and deserves credit for that. But this championing has taken the form of publicity-seeking hype and arrogant behavior on the global scene, as if the EU could dictate its terms to others.

The EU has been setting goals that are both unrealistic and hurting the European economy. The first mistake was the timeframe set at the Spring Summit 2007: to reach 20 percent emissions reductions and raise the share of renewable energy to 20 percent by 2020. Both goals were drawn from the hat, with no plan how to reach them. Particularly the renewables goal is pure fantasy. By 2020 most member states will not make the specific targets set for each of them. This kind of political culture seriously undermines the credibility of the Union.

The United States approach to Copenhagen looks less ambitious, but it represents a different, more realistic strategy. The US goal is set for 2050, giving time to turn the wheels. The Obama administration is investing heavily in new technology for renewable energy. To protect their own industry, the government will heavily subsidize pulp and paper mills, recognizing the ecological role of wood-based industries. Nuclear power is being openly promoted.

If the EU gives a unilateral, binding commitment at the Summit to 30 percent emissions reductions by 2020 – even with others committing themselves – the rest of the credibility of the community will be lost. There is no concrete plan on the EU level nor on member state levels on how to reach such a goal. At worst, a unilateral commitment would have catastrophic consequences for European industry competitiveness.

Climate change has become a vehicle for promoters of sheer economic and ecological madness. In the EU the effects of populist and fundamentalist campaigning has affected even the highest levels of decision making. The process of making EU decisions in energy and climate has not been transparent and the same kind of culture is now being adopted by the Finnish government.

Meanwhile, our dependency on fossil energy sources is increasing. Shell Chairman Jorma Ollila – nowhere in Finland considered a lobbyist for fossils – condescendingly recognizes nuclear power as a "transitional" form of energy. Does he mean the world being in transition to a new fossil era?

With Copenhagen approaching, we are witnessing the latest great achievement of EU energy policy, the closing of the nuclear power plant in Ignalina, Lithuania. Is this what the EU has to offer: making a member country to become totally dependent on imported fossil energy, forcing the country on her knees?

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



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Get the Story Straight

Simon Anholt discusses Finland, reputation and the death of nation branding

> If one were to ask Simon Anholt, the father of nation branding, what is the first thing that pops into his head when somebody mentions the word "Finland", the answer might surprise you.

he closest thing to a perfectly functioning society which humanity can offer," Anholt replies.

The 48-year-old Briton seems to have taken a special liking to Finland – he feels that the country has a unique identity and many features which could be used in boosting its significance in international circles. Number one would be the Finnish version of 'yes-we-can':

"Basically, the most important thing is that Finns know how to get things done. This is something the planet desperately needs, and Finland can provide. "

Anholt's familiarity with Finland goes beyond your basic Wikipedia article, it soon becomes apparent. He has, after all, visited the country about a dozen times. What is Anholt's connection to Finland then?

"My mother used to live in Nokia in the 1950s – she was an English teacher for the British Council – and spoke fluent Finnish," Anholt reveals. As a consequence, Anholt can, for instance, pinpoint similarities that Finland shares with other countries – but not too many foreigners know about. Two examples: Finland and Argentina share a deep love of tango while Finland and Hungary are linguistic cousins.

The Unknown Soldier

However, Finland is not all aces in Anholt Nation Brands Index – even if this year, Finland managed to move up from spot 18 to 17. The Nordic brethren Sweden and Denmark continue to do better in the Index (placing 10 and 15, respectively). Anholt is of the opinion that the one problem Finland has is differentiating itself from the rest of the Scandinavian countries.

"This is because people don't know much about Finland," Anholt explains, adding that he's talking about the general public here – not any type of elite audiences or people who happen to have direct experience of the country.

Being a relative unknown, some "Northern exposure" could be in order to boost the rankings:

"There is definitely room for improvement. At the moment, Finland's rankings mainly reflect a generic view of Scandinavia which is good and positive, but doesn't begin to do justice to Finland's real identity and capability."

Recently, Anholt has been diving into the country's "real identity and capability" with vigour, as he is consulting the Finnish nation branding team – led by Jorma Ollila, the Chairman of Nokia and Shell. Appointed by Alexander Stubb, Minister of Foreign Affairs, the nation branding team is a twoyear project aimed at enhancing Finland's image and reputation.

With one year under its belt, Ollila's team is expected to turn in its findings in autumn 2010. Anholt is not about to kiss-and-tell about what goes on in the project:

"There's nothing really to talk about just yet, as the process isn't finished," he says on this topic.

Brain Candy

Finland is, of course, not the first country to enlist the aid of the nation branding guru. During the last 12 years or so, he has advised the governments of more than 40 countries on questions of national identity and reputation. When pressed for the most memorable occasion, Anholt replies that all cases have their moments.

"No two countries are alike. Working with Finland has certainly been one of the most intellectually stimulating."

In addition to helping countries reinvent themselves, Anholt has been reinventing himself as well – in a manner of speaking. The father of nation branding would now like to give up fatherhood al-together.

Anholt first used the phrase 'nation brand' in 1996 and the idea has created plenty of excitement in government circles in many countries – now, finally, there was a quick fix for a weak or negative national image! This, however, was not the case – and is still not the case.

Brand No More

In his new book Places, Anholt maintains that nations may indeed have brands but the idea that it is possible to 'do branding' to a country in the same way that companies 'do branding' to their products, is "both vain and foolish".

"In the 15 years since I first started working in this field I have not seen a shred of evidence, a single properly researched case study, to show that marketing communications programmes, slogans or logos, have ever succeeded, or could ever succeed, in directly altering international perceptions of places," Anholt writes, causing many a spin doctor to fall into despair.

And wait, there's more: Anholt goes on to add that nation branding is, in fact, the problem, not the solution. It is public opinion which brands countries – in other words, reduces them to the "weak, simplistic, outdated, unfair stereotypes" that so damage their prospects in a globalised world – and most countries need to fight against the tendency of international public opinion to brand them, not encourage it.

"Governments need to help the world understand the real, complex, rich, diverse nature of their people and landscapes, their history and heritage, their products and their resources: to prevent them from becoming mere brands," Anholt thunders in his book.

Anholt observes that since countries aren't for sale, the marketing communications campaigns associated with them are little more than empty propaganda. The core marketing message 'please try this product' turns into 'please change your mind about this country', and the message misses its mark – and rather badly, at that.

Move Any Mountain?

Another reason why national images can't be changed so easily is because they are so robust. National image is a remarkably stable phenomenon as the Nation Brands Index would suggest.

"If you try and think about countries whose images have changed in the past – Ireland, South Africa, Germany and Japan after the Second World War, Spain after Franco – then it's obvious that every one of these changes has taken decades or generations, and has invariably been the result of big political, social or economic changes," Anholt says.

"It has got nothing to do with 'brand-ing'. "





SIMON ANHOLT

S imon Anholt is the leading authority on managing and measuring national identity and reputation, and the creator of the field of nation and place branding. He is a member of the UK Foreign Office's Public Diplomacy Board, and has advised the governments of some 40 other countries from Chile to Botswana.

Anholt is Founding Editor of the quarterly journal, Place Branding and Public Diplomacy, and author of five books. He publishes two major annual surveys, the Anholt Nation Brands Index and City Brands Index.

According to Anholt, all of us have need for these comforting stereotypes that enable us to put countries and cities in convenient "pigeon-holes". We will hold onto our stereotypes too – and abandon them only if we really have no other choice.

The point that Anholt wants to make in his new work is that national reputation cannot be constructed; it can only be earned. Imagining that such a deeply rooted phenomenon can be shifted by so weak an instrument as marketing communications is an "extravagant delusion," he believes.

Three Keys to Success

What is the solution then? Anholt digs deep to uncover the answer and comes back with this quote from Socrates: "the way to achieve a better reputation is to endeavour to be what you desire to appear."

This means that the countries genuinely interested about doing something to promote their image have their work cut out for them. There's no quick fix scheme and no short cuts. Instead, there's a three point agenda that they must follow.

According to Anholt, the first thing that the governments must do is understand and monitor their international image, in the countries and sectors where it matters most to them, in a rigorous and scientific way. The governments must understand exactly how and where this affects their interests in those countries and sectors.

Second of all, if the governments collaborate imaginatively, effectively and openly with business and civil society, they can agree on a national strategy and narrative – the 'story' of who the nation is, where it is going and how it is going to get there – which honestly reflects the skills, the genius and the will of the people.

Third, governments should ensure that their country maintains a stream of innovative and eye-catching products, services, policies and initiatives in every sector, keeping it at the forefront of the world's attention. This public exposure serves to demonstrate the truth of the national narrative and proves the country's right to the reputation its people and government desire to acquire.

Exception to the Rule

But how does Finland fit into the master plan? Should Ollila's nation branding team simply pack up its PowerPoint presentations and forget the whole thing?

Actually, Anholt claims that it has been a pleasure working with Ollila's team because they have understood his point from the very start. There is hope for the Finns yet, Anholt insists – even if he is generally of the opinion that countries get the reputation they deserve, the maestro is willing to give Finland the benefit of the doubt.

"Perhaps Finland is one of those rare cases of a country that truly does deserve a better reputation – it just hasn't been very good at telling its story."

But even a small country like Finland is flooded with stories –is Finland a dark, cold place where high school killers run rampart or is it a hi-tech heaven with the world's best education system? Anholt acknowledges that shocking news tends to be more potent than reassuring news, but it's still a matter of proportion.

"Finland just needs to make sure that it produces a constant, unbroken stream of achievements which are as good as, or better than, the PISA results so that the bad stuff is crowded out. But the most important thing is that these projects or events need to be relevant to people in other countries, or else it's just propaganda. "

Also companies should carry the torch: "If a country has powerful commercial ambassadors – Nokia being a good example of this – then those corporations can play a big part. If a country has none, then this is a serious disadvantage."

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The Family Plan

LLING FINLAND

Marketing wiz Petteri Kilpinen explains how Finland can become the next Silicon Valley

> Marketing an entire country is one tall order – but the upside of nation branding is so appealing that most countries simply can't resist. In Finland, the nation branding team headed by Jorma Ollila – of (mostly) Nokia fame – has been honing its strategies for a year now. Especially the Finnish media has been keen on the subject, but the members of Ollila's team have not been very forthcoming with their work so far.

etteri Kilpinen, CEO of TBWA Helsinki, has been observing the debate with interest. He comments that many people criticise Finns for trying to fix everything with committees and working groups – but if you don't first plan your action, the likelihood of failure is great indeed.

"If there is no direction of any kind, there can hardly be a roadmap for success," he says.

Kilpinen should know what he's talking about – according to recent advertising agency research, he is the most well-known CEO and the most wanted partner within the industry in the land. The marketing wizard feels that especially in the present economic situation it is vital that all tools are utilised to get Finnish competitiveness back on track.

Magnetic North

A new strategy is needed to lure foreign investments, professionals and students into the country. The new Aalto University could serve as catalyst for this process:

"Finland could target hi-tech companies who could rally around the Aalto University," Kilpinen says, picturing a Silicon Valley type of a international setting. But why should cutting-edge companies flock to Finland when there are plenty of other equally tempting alternatives out there?

Kilpinen answers that a new kind of family-orientation and the pull of a happier, healthier lifestyle could well attract young talent to the North.

"There is quality of life and sheer wellbeing in the Nordic countries that you will not find anywhere else," he claims. There's time for family and friends and safe environment is a big plus:

"An American friend of mine says that he knows of no other country where you can send your kid off to school by bus and not worry about it."

According to a recent British study, Finland is the world's most prosperous nation when one takes full stock of such factors as health, freedom, security and political governance – in addition to plain wealth. Similar news have become commonplace in Finland, which is not say that the Finns are not tickled pink every time they do well in the rankings.

Kilpinen, however, sees a slight problem with this mentality:

"Very often in history, yearning for outside recognition is a sign of a developing nation."

Growing Pains

Still, Kilpinen acknowledges that Finns are keen on such merits since the country is both small and young, still trying to figure out its rightful place in the world. The good news is that Finns are not too hung up on their own history like some older nations. Hav-

THE PRODUCT: Turun Sinappi

with its iconic castle logo and memorable commercials became a part of the Finnish culture over the years. Launched in Turku in 1948, the "national" mustard was originally manufactured by Finnish Jalostaja. However, as Turun Sinappi was snatched off by global giant Unilever the decision was eventually made to shift production to Sweden in 2003.

Finns, however, would not take this lying down. A Pro Mustard movement rose and gained momentum rather quickly – largely thanks to the media savvy of Visa Nurmi, a re-

ing worked in Paris for three years, Kilpi-

nen knows that the French are sometimes

so impressed by the past that they forget to-

ing also constituted to a full-blown culture

making process at all," Kilpinen reminisces.

Nevertheless, Kilpinen claims that he "fell

in love" with the country and its culture and

would like to see such passion for, say, liter-

familiar with is the United States. In fact,

Kilpinen became the new Chairman of the

Board for The American Chamber of Com-

merce in Finland in March and is clearly

excited about the challenge. Talking about

nation brands, Kilpinen feels that America

has made a strong comeback under the new

happen to American foreign policy in a long

Kilpinen observes that the US has the same

unattractive feature that France has: the

working days are grueling and there's very

little time left for family. Again, this father

of five returns to his original point about Fin-

land being a regular Shangri-La for families.

In Finland, he would still like to see a

while, Obama is the best thing."

Slave to the Grind

"If the Bushes were the worst thing to

ature, in Finland as well.

He adds that the French ways of work-

"There was no quick, clear decision-

Another country that Kilpinen is quite

morrow.

shock:

leadership:

cently deceased marketing man. Nurmi and his cohorts

could not stop Turun Sinappi from exiting the country but the movement did help kick-off a strong rival.

Aura Sinappi – Aura being the river which runs through Turku – became an instant hit product. Aura Sinappi is made in Turku by a family company. Turun Sinappi, on the other hand, did not stay in Sweden for very long and is now manufactured in Poland.



bolder mentality where there would be less looking for approval from others. He talks about a "teacher's pet syndrome".

"Our own way is the best way. We should not go around trying to adopt models from other countries."

Kilpinen notes that the Finnish identity is often based on comparison: "the Japan of the North" or "Poor man's America". This approach does not bode well in the brandbuilding business, he says.

Nail the Narrative

Kilpinen feels that a key part of the challenge for Ollila's team is to get the stories out, the real-life stories of the land and its people. The stories must resonate very strongly in the psyche of the nation or the citizens will reject them. However, a good story goes along way.

"The Swedes, for one, genuinely feel that they are fearless Vikings," Kilpinen points out, adding that the country has not fought a war in 200 years.

Yet, despite their collective insecurities the Finnish people can be surprisingly smug at times. In the land of thousand lakes and the midnight sun, it's easy to convince yourself that it's the place to be - if you keep listening to the local mantras. However, when an ice-cold autumn rain falls, a quick flight to the Bahamas might spring to mind.

"We have fallen in love with ourselves in some regards," Kilpinen admits.

Photo: Unilever Finland O

Metropolis: The Making Of

Mayors discuss the new Metropolitan Strategy in a joint interview

In recent international competitiveness studies, the Helsinki Metropolitan Area has ranked rather well, but the key players of the area recognise that staying on top requires continuous development. After all, there is a global competition between city regions over talented people, thriving businesses and international investments – and the competition is getting tougher by the day. or this reason, the metropolitan cities – Helsinki, Espoo, Vantaa and Kauniainen – set out to create a common strategy a couple of years ago. The strategy focused on themes that the cities could promote with their actions in order to enhance competitiveness.

NORDICUM sat down with the Mayors of Helsinki, Espoo and Vantaa who feel that the completion of the Competitiveness Strategy for the Metropolitan Area – launched in the summer 2009 – is excellent proof of the solid level of cooperation between the metropolitan cities. Once the city councils had approved the priorities and action lines towards the end of 2008, the cities committed themselves to strengthening the competitiveness in the area.

The drafting of the competitiveness strategy was begun in a completely different economic situation than today, but even faced with major challenges there is a strong consensus that cities must head towards an increasingly competitive metropolitan area – together.

Active On All Fronts

Jussi Pajunen, Mayor of Helsinki, notes that the cooperation of the metropolitan area cit-

ies is a broad-spanning process which goes well beyond the competitiveness strategy.

"We are tightening out collaboration in various fields and will continue to do so in the future as well."

Marketta Kokkonen, Mayor of Espoo, assesses that the cooperation has taken big strides of late:

"We have made advances in, for example, public transportation, water services and universities of applied sciences. Also the big infrastructure projects of the region require cooperation," Kokkonen says, pointing out to the western metro line presently in the works.

Juhani Paajanen, Mayor of Vantaa, adds that developing the metropolitan area is also important from a national perspective.

"The metropolitan area is a driver for the entire country."

The State has acknowledged the key role of the metropolitan area. Upon the completion of the Competitiveness Strategy for the Metropolitan Area, the central government and the metropolitan cities entered into negotiations regarding the central government's participation in the implementation of strategy's nationally important action proposals as part of the governmental Metropolitan Policy.

Jussi Pajunen notes that the Metropolitan Policy is included on the Government Agenda for the first time ever – and it appears that the Metropolitan Policy is there to stay.

"Also future governments are likely to include it on the agenda."

As for the implementation of the first Policy, Pajunen remarks that it is very much a learning process, but the start does contain promise.

"There are new opportunities emerging all the time."

Roots Run Deep

Within the past two and a half years, the competitiveness strategy has been honed over and debated – but the roots of the process run considerably deeper, points out Marketta Kokkonen.

"We've had cooperation for decades, and fixed structures in place for this purpose," she says, while admitting that now the cooperation is, indeed, entering a new phase:

"This is a challenge for the politicians, but also for the officials of the cities in question – the depth and intensity of the process will be demanding."

Juhani Paajanen agrees that the next development phase will require new operative models:

"For example, one must come to accept that the cities are different and the roles and tasks must be assigned accordingly," Paajanen comments. He adds that at present there are 70,000 municipal employees producing services in the Metropolitan Area.

"That is quite an apparatus."

Despite the obvious difficulties, the mayors claim that they are undaunted by the task ahead.

"The process is a demanding one, but what we've seen during the past couple of years has increased our faith in the common goal," Pajunen says, receiving approving nods from his colleagues.

Strategic Choices

How bad a monkey wrench is the current recession then? The mayors are in agreement that finances are sparse, but winds of the day do not make or break long-term plans such as the Metropolitan Strategy. The strategy looks well beyond the current economic turmoil. "Strategically speaking, the most important issue is to generate new jobs," says Paajanen who is seconded by Kokkonen who points out that a structural transition is inevitable.

"We must secure sufficient labour, and cooperation is a great tool in this," she says.

The Metropolitan Strategy crystallises the vision for the metropolitan area according to which the area strives to be "a dynamic world-class centre for business and innovation". According to the guiding vision, the Metropolitan area will be brimming with high-quality services, art and science, creativity and adaptability, promoting the prosperity of its citizens and bringing benefits to all of Finland.

"Already one third of the GDP is generated here," Pajunen says, adding that in the future, geography will come into play more and more. Building tighter networks with the neighbouring St. Petersburg and Tallinn offers many enticing opportunities, for one.

Acknowledging that the future does look very exciting, Kokkonen remarks that one must be vigilant for the "signs of the time".

"In the formation of the Aalto University, for instance, I feel that this has been done very well."

Paajanen comments that as geography and efficient logistics are increasing in importance, it is prudent to note that the Metropolitan Area is rather well prepared to face the future.

"The Helsinki-Vantaa Airport is world-class and so is the new Vuosaari Harbour."

Top Four

The four priorities of the competitiveness strategy consist of improving top-quality education and know-how; building good quality of life as well as a pleasant and secure living environment; strengthening user-driven innovation environments and developing public procurements; and internationalisation of the metropolitan area.

Pajunen feels that immigration is one key question, since only time will tell whether it will be a positive or a negative force.

"In order to make sure that the immigration policies are successful, metropolitan cooperation is a must," Pajunen says.

All the mayors rank the boosting of user-driven innovation environments as an important goal – under the Living Lab concept, the innovations emerge from the demand of the users and markets can come to exist almost over-night in such cases.

"Still, the role of the municipalities is to provide the proper framework for innovation – not the innovation itself," Kokkonen says.



Designing airport excellence

he World Design Capital 2012 is Helsinki and the entire metropolitan area is busy making plans for the big year. The Helsinki-Vantaa International Airport is one of the key pieces in the puzzle, since it is usually the first thing foreign visitors experience in Finland.

"The airport serves as a gateway to Finland and we want to make sure that the experience is a memorable one," says Samuli Haapasalo, President and CEO of Finavia. Finavia is a state-owned commercial enterprise offering airport and air navigation services. There are 25 airports in the network maintained by Finavia which will become a full-fledged company (still owned by the state) in the beginning of 2010.

The crown jewel of the network, so to speak, is of course Helsinki-Vantaa which received new, state-of-the-art facilities in the September extension. Passengers can now enjoy a new restaurant world, a number of stores, as well as spacious waiting rooms.

Haapasalo describes the current look – and the service offering – as both European and global.

"The end result is quite pleasing also architecturally speaking," Haapasalo comments.

Human Touch

According to Haapasalo, the feedback so far has been very positive. People find the airport easy to navigate, and there is plenty of space and services around.

"Especially international visitors have remarked that the size of the airport is somehow 'human' and that is what makes it so appealing."

The concept for the "faceliff" combines enjoyable experiences and fluent travelling. The new extension will have a total area of 39,000 square metres. The extended terminal will be able to handle annually 15 to 16 million passengers and 13.5 million items of baggage.

"In December we will launch also Via Spa and Via Lounge which will further upgrade the service offering," Haapasalo adds.

Mange sud – Mediterranean warmth in southern Helsinki

hen you enter the restaurant Mange sud you are greeted with the glow of the fireplace and friendly staff. At Mange the abundant Mediterranean flavours, considerate service and relaxing atmosphere create an environment for pleasant time together.

Both regular customers enjoying sea bass from daily menu and group of friends sharing a bowl of bouillabaisse delight in the Mange atmosphere. All the wines from the extensive wine list can also be ordered by the glass.

The daily changing lunch enjoys special reputation; the cosy restaurant hall is usually filled with work teams searching for innovation and smaller groups enjoying the tasty food.

More information: www.mangesud.fi

Restaurant Mange sud Tehtaankatu 34 D FI-00150 Helsinki Finland Phone +358 207 118 350 mail@mangesud.fi www.mangesud.fi



Time to Shine

Helsinki wins World Design Capital honours

Helsinki will be the World Design Capital of the year 2012. The designation was announced by the International Council of Societies of Industrial Design (Icsid) at the Icsid World Design Congress 2009 in Singapore on 25 November 2009. elsinki Mayor Jussi Pajunen comments that the achievement is an important recognition for the City of Helsinki as well as its collaborators Espoo, Vantaa, Kauniainen and Lahti.

"We have received a unique opportunity and will be taking every advantage of it," Pajunen said, accepting the World Design Capital 2012 designation in Singapore.

The title of Helsinki's bid for the designation was Open Helsinki – Embedding Design in Life. The theme will form the foundation for Helsinki's ambitious programme for the design year 2012.

Altogether 46 cities from 27 countries applied for the designation. An international jury first shortlisted Helsinki and Eindhoven and then awarded the designation to Helsinki after careful consideration.

Design Belongs to All

The World Design Capital project will bring a large number of design events and a great deal of visibility for the Helsinki Region. Programme planning and preparations begin immediately – Mayor Pajunen is inviting all citizens, enterprises and organizations in Helsinki, as well as visiting design professionals and enthusiasts, to participate in the preparations and the events of the design year 2012. "This is a major challenge for us to use design in Helsinki and in the other participating cities to further the development of our cities from the social, economic and cultural perspectives," he says.

"The work begins now. The effort will extend well beyond one year and one city. The World Design Capital 2012 project will support the long-ranging development of the entire region. The project will also strengthen our role in the international community."

Mayor Pajunen commends the excellent co-operation between all players in the bidding process that earned Helsinki the designation. The Helsinki bid was supported by the Finnish government, many schools and universities, and design enterprises and organisations.

Pajunen also points out that design should be seen from a broad perspective: the over-all goal is to build a better city and to improve the people's quality of life. Among other things, design-oriented thinking can be used to reform public services, Pajunen observes.

"The basic values of good design include user-friendliness, sustainable development and enjoyment."

Proud Legacy

Helsinki will be the third World Design Capital, following Turin (Torino, 2008) and Seoul (2010). The World Design Capital is a biennial designation given to one city at a time.

The collaborating cities Espoo, Vantaa, Kauniainen and Lahti will fully participate in the planning and execution of the design year's programme.

Espoo Mayor Marketta Kokkonen says that the year serves as an excellent foundation to launch the new multidisciplinary Aalto University and to build the university's international standing.

"The World Design Capital year 2012 will also strengthen Espoo's vision to build the capital region's competitiveness on the three pillars of arts, sciences and economy."

According to Vantaa Mayor Juhani Paajanen, Helsinki's designation as World Design Capital 2012 helps to increase the recognition of the capital region throughout the world.

"Vantaa will emphasise good city planning in the Kartanonkoski district and the development of new housing districts on the future Ring Rail Line," Paajanen stated.

For the time being, the planning and preparations for Helsinki's World Design Capital 2012 project are directed by Pekka Timonen, Director of the City of Helsinki Cultural Office, who also managed the bidding process.



Factory 2.0

Aalto University introduces next practice workshops

Finland is known its education edge, but it has been lacking a worldclass university. Aalto University – a newly created entity resulting from the merger of three Finnish universities: the Helsinki School of Economics, the University of Art and Design and the Helsinki University of Technology – wants to remedy this situation.

alto University will begin operating in January 2010, opening up a new world of possibilities for multidisciplinary education and research. The lofty goal of the new education powerhouse is to become an international elite university in ten years.

Tuula Teeri, President of the Aalto University, says that the objective is so demanding that the next decade is bound to be a busy one.

"We must work in a highly organised manner to achieve this target," she says. Teeri's recipe for success includes troubleshooting – preferably in advance – and constantly finding new ways of operating.

"We must do things in new ways and forge new partnerships along the way."

Brain Power

Leading the charge into the brave new future, there are the Factories. These new "expertise workshops" are based on areas in which the three universities already cooperate. The Factories are environments for learning, teaching, research, and co-creation. Within the Factory concept, academic teams and projects, as well as companies or communities, work together to create something new.

The existing Factories are Design Factory, Media Factory and Service Factory – but that is not to say that their number is set in stone. Tuula Teeri explains that the core idea behind the Factory ideology is to keep them dynamic:





"In the future, we might add new Factories as need arises. On the other hand, we can also discontinue Factories if we want."

The workshops support international principles, open innovation and an over-all interdisciplinary attitude. The objective is that the research information will be seamlessly transferred into teaching.

"The key here is to provide a truly multi-dimensional package. There is cooperation within the university and with outside parties in an unprecedented way," Teeri says, adding that the Factories differ from regular joint research projects in their extremely diverse and flexible nature.

"The Factory concept is very important to us and we want to keep developing it."

Banking on Innovation

Of course, the new President knows that you need something special to differentiate from the competition. Lots of universities have convincing research and teaching activities, but Aalto University wants to take this one step further. Aalto is striving to be a genuine innovation university where the best ideas and best talent come together to the tune of ringing cash registers.

After all, the research here is geared towards commercial application in one way or another – not every idea needs to generate massive cash flow, but the mindset is still more entrepreneurial than one is used to seeing in Finnish academia.

According to their initial roles, the Design Factory concentrates on product development, Media Factory focuses on media and Service Factory on services that produce higher added value. Teeri says that many companies have embraced the opportunity to work with the Factories:

"We've had a lot of companies involved in the Factory projects. The best part about their involvement is that the companies are really active participants in the projects, not just sources of funding," Teeri says, describing fruitful collaborations where students and corporate professionals both get a hands-on feel of the process.

All-You-Can-Design

According to Teeri, the Design Factory is probably the clearest example of the new approach.

Interdisciplinary teaching and networking are important forces in all Factories, but Design Factory may have succeeded in creating the most relaxed atmosphere when it comes to limits and boundaries.

"Anyone can walk into the Design Factory with a project and see what happens."

While most universities utilise the traditional give-and-take teaching method, the Design Factory seeks to facilitate learning by creating situations, networks and opportunities that are inspirational to learning.

Combining the teaching of technical disciplines, economics, and art should help create powerful design. In order to produce innovations, the Design Factory must operate in all the quadrants of learning at the same time and create a system that allows for specialisation but also improves the understanding of synthesis practices. This is the way, after all, that innovations have emerged in such companies as Nokia, Apple or Kone.

Tuula Teeri notes that it's not only the Finnish companies that Aalto is interested in

collaborating with – be it design or something else.

"There is a global trend that companies tend to go where the good universities are. We welcome also international companies to work with us."

Mastering Media

The Media Factory is an open network with a goal to identify new interesting areas of media research, launch joint research projects and look into possibilities for collaboration in teaching. The key areas for the Media Factory are media technologies, media production and management and media concepts and communications behaviour.

The Media Factory encompasses the entire communication and material chain of the media, starting with the raw materials. The chain features research of media production and media technologies, formation of media content and messages, the creation of media concepts, the reception of messages, media consumption and, ultimately, the behaviour of media consumers.

The Factory wants to become worldfamous for its knack to bridge the arts, technology and business. One of the key objectives is to recognise, support and utilise the diverse media-related competencies in Aalto University.

Smart Service

Service Factory identifies new areas of service research, carries out collaborative research through the use of thematic and networked projects and provides a framework for collaboration in teaching. It strives to make new research discoveries and to be at the forefront of service research, develop education on services and contribute to the creation of service innovations.

Topical themes and areas of expertise include Service innovation and management, Service design and experience, Service systems and infrastructure and Service engineering and metrics.

The ideology behind this Factory observes that the shift from product-dominant to service-dominant activities turns the attention towards service processes and contexts. The transformation of traditional manufacturing industries into service businesses calls for fresh thinking.

School's In

While the Factories are already in full swing, Tuula Teeri and her staff have plenty of other things to do before the school officially opens its doors next year.

"We're still building the organisation, but bit by bit the work is becoming more 'normal'," she says.

"There are a lot of issues to deal with, but we also have a lot of ideas and want to do this the right way." ●

City Campus Emerging

"Executive Factory" launched in downtown Helsinki

The waves of Aalto University are felt very much in downtown Helsinki. Executive Education, a part of Helsinki School of Economics (HSE), moved into new premises in November 2008. HSE, of course, is the business arm of Aalto, with Helsinki University of Technology and University of Art and Design Helsinki delivering engineering prowess and design, respectively.

he new home for Executive Education is Domus Gaudium, with EE owning 40 percent of the building. HYY is in control of the majority share. The HYY Group, in turn, is owned by the Student Union of the University of Helsinki.

Stiina Vistbacka, Managing Director of HSE Executive Education Ltd., says that

the first year in the new headquarters has been a very pleasant experience.

"Previously, we had our operations in a single floor of a Ruoholahti office building, and now we are excited to be in 'our own house', so to speak."

Vistbacka doesn't lay claim on the entire property, since the University of Helsinki student organisations use the premises as well. However, the two camps rarely come into any contact since the students have their various functions usually after office hours.

"Actually, I am rather surprised how little we bump into each other here," Vistbacka laughs.

Solid Platform

Yrjö Herva, Business Director for the HYY Real Estate, says that about 2/3 of the building is used by Executive Education while the students use the remaining third.

"The archives functions of HYY are here and three faculty associations and three students' clubs use the premises as well."

Vistbacka and Herva acknowledge that the students have had a rowdy party or two during the first year, but on the whole, the symbiosis has worked out well.

"We have a good platform on which to build for the future," Herva says, with Vistbacka clearly agreeing.

Within the last twelve months, Domus Gaudium has become a strong engine for Finnish business, with HSE EE bringing world-class education to international executives. With superb facilities at its disposal, the institute is likely to yield many future generations of Finnish business leaders.

Vistbacka says that the students of HSE EE have given very good feedback on the premises. The building has been characterised as modern and timeless, featuring impressive visuals.

"There is a lot of light, and the use of wood makes for a nice atmosphere. The premises are flexible enough, promoting a certain sense of sustainability."

Born International

Domus Gaudium is also a dynamic centre of international activity, as about half of the operations of Executive Education are very much global.

"About half of the professors and students come from outside of Finland," Vistbacka says, adding that the degree programmes are also carried out in English.

The premier calling card for the organisation is the HSE Executive MBA – one of the leading Executive MBA programmes in all of Europe. The programme has functioned in Helsinki for two decades and more than 600 business executives have graduated from the Finnish unit alone. The programme has spread also to Korea, Singapore, Poland, China and Taiwan and the number of graduates abroad is around 2,300.

"This autumn, the Financial Times ranked our Executive MBA as the 55th best programme in the entire world – which is some achievement considering the number of programmes out there," Vistbacka says. In over-all rankings of executive education (that came out in the spring) HSE EE came in at 42.

Leading the Way

With most of the graduates coming from abroad – the vast majority are from Korea, actually – one is curious to learn, is there something distinctively Finnish about the



programme – blue-and-white leadership, so to speak?

Vistbacka believes that there are, indeed, certain leadership qualities that define good Finnish leaders.

"Integrity and character come to mind, as well as willingness to engage in dialogue and encourage low hierarchy. The Finnish executive is a democratic leader who is straightforward in his or her actions," Vistbacka comments, adding that equality is also one of the key values for Finns.

More and more, Vistbacka has come to notice that Domus Gaudium complements this value system very well.

"The building, in a sense, supports the prevailing image of a Finnish executive."

Scope Expanding

The location of Domus Gaudium on Mechelininkatu street, near Kamppi Shopping Centre, has been found to be a very good one. Herva notes that the existing two HYY student houses are located in the very core of downtown, but Domus Gaudium is expanding the concept of the city centre.

"The area has a lot of appeal, but as there is construction still going on in the neighbourhood, we have to wait a while before the block reaches its full potential," Herva analyses.

For the innovation university Aalto, Domus Gaudium is an important "beachhead" in the downtown environment – a city campus in the making. While Aalto University already has its Factory concept – with Design, Media and Service units – one could make a point that another de facto factory is Executive Factory.

"From a global perspective, Executive Education is right there in the forefront. We have broad networking experience and an international operative model that can benefit Aalto a great deal," Vistbacka says. Furthermore, Aalto wants to position itself between the corporate world and the academic world, which has always been the strong suite of HSE Executive Education.

"We can serve as a bridge-builder in this regard," she says.

New Wave Coming

According to Herva, HYY Real Estate is proud to be a part of the "new wave of education". In addition to boosting academic pursuits, however, the Real Estate division of the HYY Group serves commercial and office customers.

HYY properties are primarily located in the centre of Helsinki around the Ylioppilasaukio and Kaivopiha squares. Kaivopiha Ltd manages, rents and maintains the properties of the Student Union.

Herva says that despite the recession HYY has had little trouble filling the premises. By October 2009, the occupancy rate for the year was over 98%.

"Our set target for 2010 is slightly lower at 95%," Herva says.

All and all, the real estate assets of HYY are valued around \in 140 million, showing a drop of 10-20 million in contrast to the previous year. This, however, does not mean much since HYY is not looking to sell any of its properties.

"Quite the contrary, we would rather explore various options for growth," Herva comments.

Also existing assets can be utilised in more efficient manner.

"At Domus Gaudium, for instance, there could be an additional player," he says, hinting at a possibility of an underground super-medialab.



GRENKELEASING makes IT leasing possible

GRENKELEASING is one of the biggest IT financing companies and is independent of banks and manufacturers. Grenke operates in 20 European countries and last year started also in Finland under the name GC Leasing Finland Oy. Grenke offers contracts in the field of small-ticket IT leasing for such products as PCs, notebooks, copiers, printers, software or state-of-theart technology such as medical equipment. e have a service that is flexible and fast," says Managing Director Teemu Simola.
 "We provide a personal contact for dealers and participate in joint marketing with them. Starting with a 500 euro purchase, you can start renting IT equipment or basic software regardless of the model or manufacturer."

For Companies of All Sizes

Grenke often talks directly to the end customer to customise the leasing contract to fit the need. This enables faster implementation of the leasing contract and acquired equipment. When the first leasing contract is activated, and a customer relationship has been established, the renting of new equipment will be even faster. Grenke will always make sure that the customer has received all the products. Customers will be well informed about their leasing agreements.

Price comparison also supports leasing very strongly. Leasing saves capital for operational expenses and helps estimate the total costs more easily. The products are always up to date and they are managed more effectively. Grenke can help also your company to compare the benefits of leasing.

More information: www.grenke.fi Contact information on page 63.

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REAL ESTATE SPECIAL REPORT

Waterfront Revisited

The coming decade will transform Helsinki's shores

elsinki is faced with changes on a magnitude that has not been seen for more than a century.

Hannu Penttilä, Deputy Mayor (City Planning and Real Estate), says that 2009 and 2010 will see development to the tune of \in 750 million – for each year.

"This is an impressive pace we want to keep up," Penttilä says, acknowledging that recession is still very much a factor in the plans of just about everybody. Still, in trying times you must show leadership through example – and Helsinki wants to do just that.

"It is widely recognised that economic growth comes from metropolises and the Helsinki Metropolitan Area is one of the fastest growing regions in the EU," he says.

Complete Makeover

Penttilä is not aware that a similar "complete makeover" is in the works anywhere else, but London is some sort of a kindred spirit in many regards:

"London is dealing more with brownfield than greenfield, but they have the same focus on density as we do."

The first area to experience a strong wave of development is Jätkäsaari (West harbour) where construction started in the summer. According to the plans, Jätkäsaari is supposed to evolve into quite an extraordinary neighbourhood. Finnish Innovation Fund Sitra wants to raise an "innovation block" in Jätkäsaari – an area that would showcase energy-efficient real estate construction and solutions.

Sitra maintains that the built environment is now the largest negative factor in the stability of ecosystems and the climate. The evolution of cities will shape the outcome of mankind's dependence on natural resources. In order to address these issues, Sitra hosted an international contest to draw out the best ideas on how to build a modern seaside community with a green edge.

With the selection of a team comprised of Arup, Sauerbruch Hutton, Experientia and Galley Eco Capital, the competition is now moving from ideas to implementation. This next phase includes design development of the architectural and strategic solution – and also many activities targeted at raising the level of awareness in the sustainability discussion.

"And it is not only the Sitra block that will benefit from the innovations: we expect the ideas to spread to the neighbouring blocks as well," says Penttilä.

Finding the Right Balance

Planning for the replacement of Sörnäinen Harbour and Hanasaari with Kalasatama is already in progress also. Kalasatama will be planned for 18,000 residents and 10,000 jobs. Floor area is 1,350,000 m² in total. One of the questions that is still somewhat open concerns the ratio of apartments and offices. Penttilä remarks that the picturesque seaside community – that already has a metro connection – will need both. hoto: City of Hels

"In the long run, Kalasatama is one of the best locations out there, but it can be demanding from the investor's point of view."

At present, the master plan calls for small shops and other services to vitalise an environment. Given time, Penttilä believes that the neighbourhood will feature a very wide range of services. The City remains open to dialogue with all concerned parties about any questions concerning the Kalasatama project – and recently launched a contest for visionaries to get the ball rolling, also. Helsinki, the Daughter of the Baltic Sea, is about to receive an unprecedented beauty treatment. The Launch of the Vuosaari Harbour will completely transform the inner city as all cargo port operations have been transferred from the West and Sörnäinen harbours to Vuosaari. Railway carriage operations will also cease in Keski-Pasila. These measures will free seven kilometres of shoreline and a large piece of land next to Pasila, the second largest train terminus in Finland.

Kruunuvuorenranta is another seaside area with plenty of promise and Penttilä says that the realisation of the neighbourhood will differ somewhat from the norm: there will be open planning and development phase, spurred on by a completion here.

"In Arabianranta, on the other hand, the construction is almost complete," Penttilä says, clearly pleased with the modern, versatile community by the sea.

Vertical Dreams

Moving inland from the waterfront, we find Pasila, a "spectacular transportation hub". The existing plans call for towering skyscrapers for both residential and business use. There could be as many as ten towers in total, with the tallest building reaching 40 storeys and even the smallest hitting 20. Going vertical like this is something quite unprecedented in Finland – and the Pasila towers could be up by the end of the coming decade.

"We have been working on the city plan and solving problems one by one," Penttilä describes the process. He believes that, one day, the mid-Pasila area will be the most coveted business premises area in all of southern Finland.

"Initial outlines have been made and the City of Helsinki is eager to move forward," Penttilä says.

To speed things along, the City and the State of Finland are arranging an investor and architecture contest in 2010. The City can not call all the shots here, since the majority of the land is owned by the State. Fortunately, the City and the State share an equal desire to develop the area.

Finlandia Park in the Making

Travelling south from Pasila, there is another exciting project

with national significance. Finlandia Park, located between the Töölönlahti bay and the downtown, is expected to add versatility to already prestigious neighbourhood. For instance, the Finlandia Hall and National Opera are located there, and the muchtalked about Music Centre will start operations in 2011.

"The park is supposed to feature also brilliant office premises," Penttilä says, hinting that the first business palaces could be realised in early 2010s. In the Deputy Mayor's mind, the park is also the best place for the main library, the location of which has been debated for a longest time.

"The central library could open its doors in 2017 which is the centennial year of Finland."

Penttilä is also keen on the South Harbour project where the aim is to "reclaim the shores"; to allow citizens and tourists access to the sea again. The newand-improved South Harbour should be full of variety and life, offering something for everybody.

"The area should have more design boutiques, for instance, as City officials are moving out," Penttilä explains.

Design Capital

The late November selection of Helsinki as the World Design Capital 2012 is a matter of great significance for the entire metropolitan region, assesses Penttilä.

"I feel that architecture and city planning represent design at its very finest."

Penttilä is convinced that Helsinki has succeeded in striving for a certain "equality of beauty," meaning that the entire cityscape can be aesthetically pleasing and attractive.

"At the same time, we have an environment that is also functional and sustainable."



Sixteen minutes of fame

Construction of west metro line kicks off

The construction phase of the west metro has been launched. At the end of November, the construction commenced in Ruoholahti, Helsinki – and Finland's largest infrastructure project is finally 'GO'. The brand new metro line will be opened in 2014.

The west metro is a long-time dream for the citizens of the capital region. Metro traffic began in Helsinki in 1982 and the metro line has been expanded many times since. The extension of the metro line to Espoo has been on the table ever since the metro was introduced, and the development of the public transport system from Helsinki to the west has been studied on several occasions.

The design process for the west metro was finally launched in March 2007 as the Espoo City Council and the Helsinki City Board came to see eye-to-eye on the issue. The construction of the west metro was approved by both City Councils in May 2008.

Olavi Louko, Technical Deputy Mayor for the City of Espoo, believes that the time is right to roll up the sleeves and start digging.

"The metro line is one of the key engines for development in the region and a strong backbone in times of economic turmoil, also," he says. Finding construction experts is now easier than, say, two years ago, since there isn't too much building going on in the land.

"The price level is quite reasonable right now," he says.

Matti Kokkinen, Managing Director of Länsimetro Oy, agrees with Louko's assessment:

"At present, the price level is that of 2007 and we already have fixed costs to the tune of 80 million euros." Of this figure, 50 million consists of planning costs and 30 million comes from purchases.

Split the Bill

The total costs of the west metro are estimated at \in 713.6 million. Espoo and Helsinki have agreed to distribute the costs in accordance to a "split at the border" principle: both cities will cover the costs of construction incurred in their own areas. Subsequently, Espoo's share will be 72 percent and Helsinki's 28 percent.

Furthermore, the State has agreed to participate in the construction costs of the west metro with a share of 30 percent.

Kokkinen states that the metro project is also a very green venture, since quality public transportation is one of the key issues in the fight against Climate Change.

"Timing for this is a good

one in many ways," he says, adding that the launch of an ultramodern metro line should raise some eyebrows also internationally. With the advent of the new line, for example, the entire metro system will adopt fully automated trains.

"Similar driverless system was piloted in Barcelona," Kokkinen explains. The idea is to utilise top technology that has already proven itself in actual use – this way, there is no need to fight through the bugs of the pilot stages.

According to Olavi Louko, the metro will be very different from the current one.

"In addition to hi-tech solutions, also safety issues will be world-class."

Daily Passengers: 100,000 +

The metro will connect the southern parts of Espoo to the regional rail transport system. It is estimated that nearly 100,000



passengers will use the metro daily and that around 60,000 will cross the border between Helsinki and Espoo every day.

"Ultimately, the daily volume may be as much as 150,000 people," remarks Kokkinen.

The western expansion will introduce seven new stations, located in Espoo at Matinkylä, Jousenpuisto, Tapiola, Otaniemi and Keilaniemi, and in Helsinki at Koivusaari and Lauttasaari. A further station is planned for Niittykumpu in Espoo. The metro ride from Matinkylä to Ruoholahti will take 16 minutes.

The west metro will be 13.9 kilometres in length, comprising two parallel tunnels travelling underground for the entire length of the track. In addition to the stations, excavation work will be carried out for fifteen vertical shafts designed for emergency exit, pressure equalisation, ventilation and smoke extraction. Nine work tunnels have been designed for construction and maintenance work.

Each metro station will transform its surroundings, creating new opportunities. The surroundings of each station will be developed towards uniform and easily accessible zones. The stations will be designed to have a tight connection to the local environment and its construction, services and traffic connections. The individual needs of each area will be taken into consideration in the design of the stations' surroundings.

The Look

One of the starting points of the design is instant recognition: that you can but glance at the station from the train and know immediately where you are.

"We have great freedom of expression here and a lot of surfaces to carry the message," Kokkinen says, while adding that the focus will still be on the long-term usage.

"We want visuals that still look good after hundred years."

The platforms will be 90 metres in length, spacious and unbroken, with tracks located on both sides. The stations of the west metro will be fitted with platform screen doors, increasing passenger safety in the platform area.

"In addition, also the old stations will be equipped with platform screen doors," Kokkinen says, adding that the new glass doors will improve the "user experience" a great deal.

Special consideration will

also be given to the lighting of the stations. Natural light will be exploited where possible and over all, lighting solutions will aim to promote accessibility and prevent glare. There will be no separate ceiling designs; ceilings will be shotcreted. The master plan calls for all stations to be accessible and each level easy to reach.

Developer's Dream?

The locations of the stations have been decided with a view to the current and future needs of the area. The metro has been designed in close cooperation with city planners and land use and traffic designers. The metro is a long-term project, where the ultimate benefits will take vears to materialise.

Nevertheless, both Louko and Kokkinen are excited about the prospects for development in the vicinity of the stations.

"Especially Matinkylä and Jousenpuisto have a lot of potential, but also more mature areas such as Tapiola and Otaniemi offer opportunities for developers," Louko says.

Antti Mäkinen, Tapiola Project Manager for the City of Espoo, adds that also the highpowered corporate neighbourhood of Keilaniemi still has untapped real estate potential.

"There is space for companies and for residential living, also."

Mäkinen is charged with the development of the Tapiola-Otaniemi-Keilaniemi triangle – and happy to note that the metro line will boost the profile of each of these key areas.

"Behind the development, there is the City's T3 strategy, bringing together culture, science and business which are the strong points of the triangle," Mäkinen explains.

Open Eyes, Open Minds

During the last year or so, both Louko and Kokkinen have observed that the recession has not culled the ranks of the wouldbe partners. Having issued a call for visionary thinking, they feel that the project has, indeed, received innovative input from various parties.

"Many visions have become more solid recently, but we can still find room for more visionaries in this project," Louko comments.

"The window is still open," adds Kokkinen.



Keilaniemi Station

Keilaniemi station will be located on the narrow strip of land between Karhusaarentie and Keilaniementie at the Fortum head office. There will be two entrances to the metro station, with the main entrance located at the south end of the station and the north entrance situated near the bend in Keilaniementie. The ticket halls will be located on an underground floor, with access to the platform level using lifts and escalators. The platform will be around 20 metres below ground level.

The Keilaniemi area is home to several high-profile companies at the forefront of Finnish business life. The station will thus act as the terminus of thousands of commuters. The multinational companies situated in the area create the need for the construction of additional office space.

Furthermore, the location of the area in the fabled Tapiola garden district offers ample opportunities for residential construction. In fact, the Ring I road will be covered to allow passage from the core of Tapiola to the seaside.

"There will be residential buildings with spectacular seaside views," says Olavi Louko. While the Ring I is being remodeled at the same time, the planners have their work cut out for them. Still, Louko, Kokkinen and Mäkinen perceive no real problem with many separate projects taking place simultaneously:

"Actually, the over-all schedule should be tighter due to this, so we are expecting a fast realisation," Louko comments.

High Four SRV introduces residential towers into Keilaniemi

New age is dawning for the Keilaniemi-Tapiola area as the construction of the metro pushes west from Ruoholahti, Helsinki. The excavation started in November and the western metroline should be up and running by 2014. The metro line will dive under the sea to surface again in Keilaniemi, the most high-profile corporate neighbourhood in the land. The proud towers of such companies as Nokia, Kone and Fortum will get more company over the coming years – and, as it turns out, not all buildings will be jam-packed with office premises.

Project Director Tuomo Poutiainen from SRV Group explains that the company is looking to introduce residential living into the mix.

"Keilaniemi Towers will add a strong residential element into Keilaniemi. The residential development plan is an excellent fit for the new metro line and we are looking to open the first tower at the same as the Keilaniemi station starts operations."

The Keilaniemi Towers is to feature four housing towers. The plan includes four 27–35 storey buildings which will be realised by SRV.

According to initial plans, the area includes almost 80,000 square metres of residential building volume, and the total number of apartments will be around 1,000.

Full Circle

The buildings will focus very much on the aesthetic experience: the towers will be round, which in turn makes the buildings "presentable" from any direction. The round shape also enables space to be used very creatively.

And what about the size of the apartments then? The plan is to offer something for everyone: there are smaller apartments in the lower part of the towers and bigger apartments the higher you go. Furthermore, SRV wanted to let everybody in on the seaside magic and placed the saunas and the club house at the very top.

"This way, everyone gets to enjoy the view no matter where they live." The towers will be more than 100 metres high, so the view to the neighbouring Tapiola and Otaniemi should be something to see – but the real deal, of course, is the sea.

"We will be able to provide seaside views which are unprecedented in this country," says Poutiainen. The Keilaniemi towers will be higher than Vuosaari-based Cirrus which is currently the highest residential building in Finland at 86 metres.

"Some of the apartments



will probably be bought or rented by the local companies."

Raising Profile

Olavi Louko, the Technical Deputy Mayor of Espoo, comments that such apartments have been missing from Espoo, and is happy to see the situation rectified.

"The four towers will upgrade the skyline which already features a set of impressive buildings," he says.

Matti Kokkinen, Managing Director of the western metroline company Länsimetro Oy, agrees with Louko, saying that the towers are a welcome asset to the neighbourhood.

"The over-all balance of the Keilaniemi area will be improved, as there will be both corporate and residential buildings there."

Tuomo Poutiainen acknowledges that the big corporate players in the neighbourhood are already excited about the prospect of being able to house their visiting professionals so close to the headquarters.

Missing Link

The plan also includes a deck that would span over Ring I, 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 Tapiola residents convenient access to the shoreline, allowing both pedestrians and bicyclists to get to the sea.

According to Poutiainen,

the deck will also reduce noise and help transform the area in many regards. For example, during the evenings there should be much more action in the area.

"We're looking to instil some metropolitan spirit in here."

The four towers will improve the situation considerably, since the bottom floors of the buildings have been reserved for services – the master plan calls for cafés, restaurants and the like to help energise the neighbourhood.



"With the launch of the metro line and the covering of Ring I, we feel that city structure will become more solid. Building high-rise buildings will serve this purpose also," Poutiainen comments.

Smart Solutions Needed

The building of the quartet will be somewhat challenging since the construction has to go hand-in-hand with the build-ing of the metroline – this requires very good coordination,

and one must be able to stick to the schedule at all times.

Poutiainen, however, is not fazed by the challenge:

"Actually, it is great that the metro is constructed in connection with the towers. This way the whole neighbourhood will be completed within a reasonable amount of time and won't drag on forever which is sometimes the case."

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:

"Traffic arrangements must work during all phases of construction," Poutiainen says. Therefore, special focus will be placed on the needs of traffic during the entire process.

One key issue that the planners have been wrestling with is sufficient parking space. The towers will feature parking space for up to 1,000 cars and some of the parking space can be rented out to local corporations, if need be.

Start in 2012

It appears that the recession is

not hindering the project very much, since the target is in the post-recession world, well into the next decade.

"Under the schedule, the construction of the first tower could start in the spring of 2012 and be ready for metro."

The remaining towers could be realised in two-year intervals, or faster if need be. The ground-level access for the metro station will be located on the strip of land between the towers 2 and 3.

SRV has previous experiences from the neighbourhood, having just completed the fourth and final building of HTC Keilaniemi in March 2009.



TANIEM

The Station of the Architecturally significant campus area. The main entrance will be located on the west side of Otaniementie, opposite the main building of the telsinki University of Technology, while the western entrance will be south of Tietotie.

"Part of the area is conserved, but there is still space left for development," Olavi Louko analyses the neighbourhood.

OTANIEM

The main ticket hall will be located at the eastern end of the station, one floor below street level. The platform will be excavated in rock, approximately 20 metres below ground level.

Otaniemi is known for the Helsinki University of Technology and its engineering students. The metro will bind Otaniemi as part of the new Aalto University by connecting Otaniemi and the campuses in the centre of Helsinki with an eleven-minute metro ride. A large number of students also live in the area; the station will be developed in cooperation with the university and the students.

Aalto University – heralded as the "innovation university" – will no doubt make a strong impression in the area, Louko remarks.

"After all, 75 percent of the Aalto students will study in Otaniemi."

There are already plans to put the building for the Arts Department right on top of the metro station. Another intriguing possibility is a shopping centre:

"We could realise it underground, on the level with the ticket hall," Matti Kokkinen says.
Innovation Space

Aalto University real estate assets are in need of retooling

As the education powerhouse Aalto University stands poised for launch in the beginning of 2010, the new entity possesses also a considerable volume of real estate. Under Aalto, there are about 40 buildings which feature as much as 260 thousand square meters.

n order to care of the real estate assets, a company by the name of Aalto-Yliopistokiinteistöt Oy (Aalto – University Properties Ltd) was founded. The Aalto University Foundation owns 2/3 of the new real estate company and the State owns the remaining 1/3.

The company was set up to administrate, uphold and develop the premises and real estate assets of the new university – with the focus on the long term. The newly appointed Managing Director Mr. Kari Kontturi recognises that the real estate arm of the university certainly has some work to do.

"We are looking at an investment programme that is very challenging indeed," he says, explaining that while the related expenses for 2010 are relatively minor ($\in 5$ million), the extensive renovations needed in the campuses will swallow $\in 15-25$ million on an annual level.

"This is the required level all the way until 2018," Kontturi says. Despite a sense of urgency in the renovation agenda, Kontturi and his crew have to bide their time, because the strategic outlines regarding the use of the premises have not been drawn out yet by the university management.

"While we are waiting for those strategic decisions, we do not want to risk unnecessary investments," he says.

Encouraging Interaction

At present, the assets have a total book value of \in 270 million, churning a turnover of \in 37.5 million. Through renovation, and completely new properties as well, the company wants to develop premises worthy of the "innovation university" designation.

Kontturi is of the opinion that as the new education entity is kicking off, the transformation will go far beyond mere administrative structures. Completely new teaching and research methods are likely come to existence – new ways of doing things that will require new types of premises, also. In order to give birth to innovation, people need space where interaction is instant, natural and cross-disciplinary.

"This approach to premises is a new one, and there has been little time to think it over," Kontturi says, pointing out that the formation of a new education player of world-class substance is a massive undertaking and all issues can not be resolved at once.

"Still, I am convinced that this is a high priority also for the management of the university."

At present, the premises do not exactly encourage free mingling of the minds as the vision for the school suggests.

"There will be a reorganisation process that will take some time."

Master Plan

The famous Otaniemi campus hosts the majority of the assets and has some significance architecturally also. Drawn up by legendary Alvar Aalto – after whom the entire university is named – the neighbourhood delivers a simple vision of red "buildings in a Finnish forest."

"There's a standing principle that mandates that all of these buildings are treated as if they are conserved, even if they are not protected as such," Kontturi explains.

Kontturi himself has been on the job – full-time – only since October. The countdown to Aalto is hectic enough:

"We have six people working here now in November and 12 by the turn of the year," he says. Next year, a couple more may be hired but the idea is not to marshal a huge roster.

"We want to focus on core business only."

Homecoming

Otaniemi welcomes Aalto University

As the launch of Aalto University is getting nearer by the day, there is excitement building in Otaniemi which is the largest campus of the new entity. Of course, Otaniemi is also much more than academic excellence: it is a true innovation hub jam-packed with cuttingedge companies and research institutes.

According to Ari Huczkowski, CEO of Otaniemi Marketing, there are as many as 800 companies, 16,000 hi-tech professionals (including 5,000 researchers) and 16,000 higher education students all co-existing within a four square kilometre area.

"The PhD and CEO density is very high. This kind of a concentration is essential for the success of a small country like Finland. Take Otaniemi away, and what does Finland have?" asks Huczkowski.

Huczkowski is convinced that the arrival of Aalto will play to the area's strengths – and give them an added boost. He expects Aalto to be in the TOP20 of world's elite universities by 2020.

"It's like getting Stanford or MIT or Cambridge University inside Otaniemi," he describes.

The Place to Be

As for the main campus of Aalto, Huczkowski doesn't think that there can even be a serious alternative for Otaniemi.

"Aalto University main campus should, of course, be where Alvar Aalto designed the campus in the first place," he says. Also, "innovation university" should be where innovation takes place.

"Some 50% of all Finland's hi-tech innovations are made within a three kilometre radius from the Helsinki University of Technology's main building, also designed by Alvar Aalto."

As for the distance to downtown Helsinki, it is already small – and continues to diminish. The western metro line will feature Otaniemi as one of its key stations in 2014.

"The metro will shrink both time and distance, physically and mentally. The centre of Helsinki will be just a fewminutes away," Huczkowski says.

Tapiola Group: Revitalising Tapiola Centre

The Tapiola Commercial Centre is about to be revitalised with the advent of the new metro line, new underground parking and upgraded bus terminal. One of the key corporate players in the Finnish real estate area, Tapiola Group, is keen on developing commercial premises on Merituulentie street. Vesa Immonen, Managing Director of Tapiola Real Estate Ltd, says that he is extremely satisfied to see the wheels finally in motion.

Tapiola Group is aiming to place specialty stores – featuring top fashion, beauty & health services and entertainment – in the new part of the commercial centre. The new offering would complement well the current service mix, Immonen believes.

Tapiola Group is also one of the most significant real estate owners in the area and remains fully committed to the neighbourhood. Immonen himself is a fan of the legendary Tapiola centre: the centre is a true marvel culturally, commercially and historically and all real estate investors would do well to recognise the unique nature of the opportunities inherent here.

"The Tapiola Centre has already made its mark, as a 'green garden centre' planned by the best architects of that time, but it keeps developing intensely with regards to its services, traffic and living environments."

Immonen acknowledg-

es that the metro is a key driver of that development. Making all the pieces of the puzzle fit – parking, bus terminal, new Shopping Galleries etc. – is a big challenge. The perfect balance is needed to get the commercial and cultural offering to where it needs to go – to another level entirely.

"This transition will boost the attractiveness of the area for residential purposes."

However, the required investments are based on the longterm benefits, but somebody needs to fork up the bills in the short term.

"The residents, actors and real estate owners of the area, as well as the City of Espoo, look at these things from different angles. We must be able to bring these views together somehow, when we are planning the new Tapiola Commercial Centre."

Tapiola Real Estate Ltd

apiola Real Estate Ltd provides real estate investment and management services. Half of the company is owned by Tapiola General Mutual Insurance Company and the other half by Tapiola Mutual Life Assurance Company.

Tapiola Real Estate Ltd offers real estate investment, managing and counselling services as well as manages real estate investments and fixed assets. The company also engages in rental business, marketing, house management and administration, maintenance, outsourcing and sales services.



Tapiola is a legendary cultural environment of no small national significance. Therefore it is crucial that the overall appearance of the Garden City will be visible in the design and implementation of the station. In the history – and the fact that very little has been done in the neighbourhood for decades. Now, Tapiola will be revitalised," Olavi Louko comments.

The Tapiola station will be integrated with the Tapiola commercial and traffic centre. It is estimated that around 20,000 passengers will use the station daily, making it the most popular station after Matinkylä.

The station will be located on the north edge of Merituulentie street. Entrances to the ticket hall will be located on both sides of Merituulentie. The platform will be excavated in rock approximately 30 metres below ground level.

Tapiola Project Manager Antti Mäkinen notes that as Merituulentie is brought down one level, new opportunities will emerge.

"Structurally, the area will be more cohesive," Mäkinen says.

The metro has already given a significant boost to Tapiola's development, aimed at strengthening the centre of Tapiola from the perspectives of both housing and commercial services. The decision to construct underground parking facilities for the joint use of the commercial centre and the metro station is a demonstration of cooperation between the different operators in the area, Mäkinen comments.

Tapiola has been waiting for a City Theatre for a while now, and Louko reports that the zoning plans are going forward.

"Probably the marching order is that first there will be the metro, then a congress hotel and finally the theatre." •



Jousenpuisto Station

The Jousenpuisto station will be situated in Niittymaa, at the northern edge of Jousenpuisto park, on city-owned land south of the tennis halls. The station will be characterised by the proximity of the sports park and versatile sporting opportunities ranging from tennis and floorball halls to an indoor ice-skating rink. We have intriguing possibilities for joint parking here, since metro and various sports functions can utilise the same parking," says Matti Kokkinen. With 35–50 big sports events held annually, there is a great need for parking in the area – but at the same time, also metro users benefit from ample parking space.

The surroundings of the Jousenpuisto station are quite undeveloped, offering a wealth of opportunities for the development and further construction of the area. "There could be compact residential apartments in the neighbourhood," envisions Antti Mäkinen.

The station designs also allow for construction on top of the metro station.

The entrance to the station will be located at the western end of the station, along Koivu-Mankkaantie road. The ticket hall will be located just below ground level, and the platform will be around 27 metres below ground level.

Near Jousenpuisto, one finds also Niittykumpu, where

an initial metro station reservation has been made. The proper excavation will be performed in any case, and time will tell when the Niittykumpu station will open its doors.

"Sooner or later we will see also Niittykumpu station in action," Kokkinen promises. He is not ruling out a scenario where Niittykumpu does, in fact, open in 2014 along with the others, but there are hurdles to cross along the way:

"The land use in the area is not optimal and the structure of the area needs more cohesion." •

Matinkylä Station

The Matinkylä station will be located on the empty lot at the southern end of the Iso Omena shopping centre. Matinkylä is the end of the line, making it an important feeder traffic hub which is estimated to accommodate over 30,000 passengers daily. Based on passenger estimates, it will be the busiest station of the new line. "Mattinkylä is a key station since most feeder traffic is concentrated there," Matti Kokkinen says, adding that Matinkylä will provide service for half of South Espoo.

The main entrance will lie at the east end of the station, on the square located on the corner of Piispansilta and Suomenlahdentie. The ticket hall is to be located one floor below ground level, accessible also from the shopping centre. The platform will be approximately 25 metres below ground level.

The block where the station will be located is owned by the City, and is expected to witness a boom in complementary construction. The plan for the area allows the placement of commercial services, offices or even residential buildings. The metro is expected to attract both new businesses and residents.

"For example, a swimming hall is in the works," says Olavi Louko.

The neighbouring Iso Omena is already one of the biggest shopping centres in the land and it will be expanded in the near future, boosting integration with the metro station. Matinkylä, however, will not remain the end of the line forever: eventually the metro will travel on, continuing westward.





Matinkylä metro station: Superhub in the works

As the west metroline will be realised within the next few years, also the metro stations and their surroundings will enter a phase of intense development. The end of the line at Matinkylä promises to be the busiest station and many expectations target the station from day one.

Commercially speaking, the anchor for Matinkylä is the shopping centre Iso Omena, the fifth largest shopping paradise in the land. Built in 2001, Iso Omena is located approximately 13 kilometres from Helsinki to the west, near the junction of Länsiväylä and Ring Road II.

Iso Omena is the largest shopping centre property owned by the investment company Citycon Oyj. In September, Citycon and NCC received a site reservation for the underground metro station and the related extension of Iso Omena.

"Also the traffic terminal is included in the reservation," says Property Development Director Marko Juhokas from Citycon.

"The initial reservation makes it possible to explore the possibility of residential and office construction," he says, adding that a swimming hall could be in the cards for the neighbourhood in the future also.

Big Upgrade

According to Juhokas, Citycon wants to achieve full zoning readiness by spring 2010 and is expecting the actual zoning process to take a year. The visions are still taking shape, but the new construction could add around 25,000 square metres of commercial premises and 10,000 square metres of apartments.

Juhokas believes that the

metro will benefit the area a great deal:

"Movement will become so much more convenient, and access to services will be tremendously improved as well."

Juhokas promises that Matinkylä centre will be more than just a place you pass through:

"With all that traffic volume, we are looking to make the metro station a fully integrated part of the shopping centre."

Living It Up Suurpelto promises to put 'unity' back in community

A residential revolution is in the making in Espoo. Located near the crossing of Ring II and Turku road, a completely new cityscape is being built with innovation as the main driver. Suurpelto is the first of its kind, an information community with a green edge, ready to update the Garden City concept into the new millennium.

Construction of two first apartment buildings started in the summer of 2009. Asuntosäätiö is building a right of occupancy house and VVOyhtymä Oyj has started out with rental housing, raising a low energy apartment house in the neighbourhood. In accordance to the environmental mindset, future construction will focus on low energy solutions as well. The first residents will move to Suurpelto at the end of 2010.

"What is remarkable about Suurpelto is that the infrastructure and the environment will be all finished when the people move in," Olavi Louko, Technical Deputy Mayor for the City of Espoo, describes the biggest construction project in the Helsinki metropolitan area.

Target: 10,000 homes

One million floor square metres will be built in Suurpelto within an area of 325 hectares, of which 89 hectares will be dedicated to parks where the residents and the people who work in the area can go to relax and be refreshed. Nearly 10,000 apartments and several thousand jobs will be created.

The area will be built as an undivided and compact entity where less infrastructure than normal will be needed. Homes, workplaces, culture, and pastime services will all be within walking distance.

Suurpelto is striving to be a true e-community: under the Living Lab concept, products and services will be developed and tested in everyday environments and genuine real-life situations with the residents contributing to the process. The aim is to, in addition to creating better services and products, to generate also totally new business opportunities.

Pekka Vikkula, the City's Suurpelto Project Manager, says that the entire concept revolves around the people: their needs, hopes and expectations.

"We wanted to put the people in the centre of all planning from the start – that is the best way to make sure that the new community is a success."

Summer Time!

A good example of this approach is Kookaksi, the unique city centre of the new community. The city centre will be covered to allow for eternal summer – or at least according to the master plan. Sustainable solutions will be utilised to make sure that the innovation does not prove too taxing for the environment. The most modern services, housing and business activities will be brought together in the centre.

The planner guru Toni Virkkunen refers to the eventual end result as "emotional infrastructure" – everything you need within arm's reach, the perfect heart for the community of the future.

Kookaksi is made for those people who respect and value comprehensive and all-inclusive services that are available close by. Homes, companies, schools, public and private services, venues and actors related to cultural and pastime activities will all be located in Kookaksi.

The project plans for Kookaksi were completed at the beginning of 2009 and discussions with various investors have ensued. In November, it was confirmed that HOK-Elanto and Lemminkäinen are among the main partners for the project. According to Pekka Vikkula, the troubling economy has not impacted the project too much:

"The sit-around-and-wait period is over and the world is moving again," Vikkula says. Olavi Louko agrees with this assessment, drawing a comparison to Ruoholahti in Helsinki where construction took off like a rocket after a slower initial phase:

"I believe we will see similar development in Suurpelto."

Stand and Deliver

One of the perks of the e-community is advanced home delivery system. What this means in practise is that 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.

"This is but one example of the focus on services in Suurpelto," Vikkula says, adding that the new community wants to help introduce an unprecedented level of service in Finland.

Another strong element in Suurpelto is the international approach. Opinmäki International School offers education in Finnish, Swedish and English. It is hoped that also international families can find flats, jobs and schools within a short distance here.

Reinventing Future Office

NCC celebrates 20 years of business parks by launching 4G

In 2010, NCC will celebrate the 20th anniversary of its Business Parks concept which revolutionised the industry in 1990 with the advent of Spektri. Launched against the economic turmoil of the early 90's, Spektri became the measuring stick for quality office premises – and remained so for eleven years. The concept was updated in 2001 and again in 2005. And, finally, this year NCC announced that it is bringing the fourth generation business facilities to the market.

N CC is launching the third stage of the Plaza Business Park project in Aviapolis, Vantaa, comprising five office buildings and a car park. The project focuses on new era working environments, and is one of the most significant construction projects in the Helsinki Metropolitan Area. As was the case with Spektri, NCC is once again issuing a bold response to a recession in the construction business.

NCC started the construction of Aviapolis in 2000: Plaza 1 was completed in 2002 and Plaza 2 in 2009. Upon completion, the Plaza Business Park will comprise 13 office buildings, and be one of the largest business parks in Europe.

Going the Distance

Taking stock of the past two decades, Reijo Päärni, Senior Vice President (Marketing and Letting), notes that NCC – and the world – have come a long way.

"When we started to plan for Spektri, there was no model for the blueprint anywhere. But we had a feeling that we were building a winning concept," Päärni explains.

Innovation work of the NCC professionals paid off and customers came running to enjoy the services of a brand new era. But why did it take all of the nineties to go the distance and develop the next generation? Päärni replies that the recession cast a long shadow on the decade and new experiments were not that popular at the time. Also, NCC was developing its concepts mostly on its own in the beginning – there was no joint research or networks to speak of, really.

"This changed when we teamed up with Elisa under a TEKES project and learned that we could apply research results into our concept very effectively."

Research Drives Innovation

As a consequence, generations two and three were rootThe third stage of Plaza Business Park in Vantaa will be the first commercial site in Finland complying with the requirements of Energy Class A.



ed in interdisciplinary research that put the person in the limelight. NCC set out to build offices where people would thrive, thus boosting productivity onto unprecedented levels.

"Many elements came together here, from technology and environmental concerns to the comfort of the workplace," Päärni says.

"The main thing moving from the second generation to third was emphasis on stressfree working environment and workplace management," adds Jorma Ahokas, Managing Director of NCC Property Development.

At present, NCC has realised 11 Business Parks which encompasses 36 buildings. All and all, this means working places for 15,000 people.

Ahokas notes that as the Finns have been working hard on the concept, slowly but surely the rest of the world has been starting to pay attention. Now there are even export prospects for the concept.

"The first Business Park under our concept abroad is being built in Stavanger, Norway."

Paradigms Shifting

The 4G office buildings of the Plaza 3 will honour the original NCC Business Parks concept which offers companies of various sizes the best possible facilities. In the Plaza 3, special attention has been paid to the future challenges of work: rapidly developing technology, globalisation and well-being at work.

"Globalisation in this context means that we have witnessed a shift in the nature of work itself: now it mainly the 'hard drive' of the personnel that is being put to the test," Päärni explains.

Therefore, the updated concept provides the workers with more inspiration, meeting places, ecology and modern virtual solutions.

While the focus is still very much on the people, 4G has also another definite target: the environment. NCC Property Development was the first company in Finland to receive the status of EU's Green Building Partner and in its activities it complies with the international BREEAM environmental assessment method. Environmental development work will be continued during the NCC Green Working project.

Green to the Core

Jorma Ahokas notes that the big transformation between 3G and 4G is the added emphasis on energy-efficiency: green is very much the colour of the day, and NCC wants to make sure that it runs all the way to the core.



Spektri Business Park in Espoo city is the grand old lady of Business Parks in Finland.

The company is ready to walk the talk: while the EU system requires that the energy consumption of a Green Building project must be at least 25 percent less than previously, NCC is cutting consumption by half.

"Energy Class A mandates that energy consumption is reduced by 50% from the existing norms – and this is precisely what we are doing now and in the future," Ahokas says. In fact, the third stage of Plaza will be the first commercial site complying with the requirements of Energy Class A.

Ahokas believes that especially investors are paying a close eye to the project:

"In addition to location, the attention turns more and more towards energy efficiency now," he says.

The excavation work at the site will kick off in January 2010 and after one year of labour, the first office building of the third stage of Plaza will be completed by February 2011. The project is looking forward, onto the next decade and better days: even the names of the buildings – Pilke (glimmer), Hehku (glow), Loiste (lustre), Tuike (twinkle) and Halo – signal the arrival of a new, brighter era.

"We will most likely put up one building per year," Päärni says, adding that the airport Ring Rail (scheduled for 2014) is boosting the appeal of the area. The distance to the station will be only 400 metres from the nearest building.

Next Wave of Shopping Centres

In addition to Business Parks, NCC has strong experience in developing shopping centres. At the end of August, it was announced that the City of Espoo has given NCC Property Development and Citycon the planning reservation for the Matinkylä metro station (see related story on p. xx), the biggest station of the new western metro line. The construction of the metro station and the feeder terminal is intimately linked with the expansion of the shopping centre Iso Omena.

Jorma Ahokas says that one starting point of the planning will be to place the metro passengers in the lap of the shopping centre the moment they step off the train.

"We want them to be immersed in services right from the start," Ahokas envisions.

Other active shopping centre projects include Hämeenlinna and Kauklahti shopping centres. The future of shopping centres:

Accessibility meets sustainability



While the recession is pressing on, shopping centres are hard at work formulating strategies and concepts that will help connect with the consumers in the next decade. One trend that shows no waning down is accessibility: according to Finnish Council of Shopping Centers, 96.1% of all shopping centre visits took place in central locations in 2008.

A conscious consumer is now looking to use public transportation to get to his/ her shopping paradise. As a consequence, shopping centre projects of today are looked at – more and more – from the viewpoint of logistics and CO₂ footprint. One key project for the coming years is the expansion of Iso Omena Shopping Centre in Matinkylä, Espoo.

Iso Omena, built in 2001,

is Finland's fifth largest shopping centre and the centre is owned by Citycon. The coming expansion will link with the construction of the metro as the Matinkylä station will be the end of the line. Matinkylä metro centre will be developed as joint venture project between Citycon and NCC Property Development.

Property Development Director Marko Juhokas from Citycon admits that accessibility of the shopping centre is sometimes in question, as owning your own car is often the best way to get there.

"With the launch of the metro, the situation will be upgraded a great deal."

Environmental Focus

In addition to more sustainable traffic solutions, Citycon – and

its partner NCC – are looking to realise a greener shopping centre. Citycon is in the habit of putting out environmentally-conscious shopping havens, having adopted LEED (Leadership in Energy and Environmental Design) ideology as a guiding principle.

In November, Citycon opened the third phase of the Rocca Al Mare shopping centre located in Tallinn. Citycon



is seeking LEED certification for Rocca Al Mare as confirmation of its environmental focus. Thus far, no building in the Baltic countries has been awarded the LEED certification. Among Citycon's shopping centres, Trio in Lahti, Finland, is LEED certified and for Liljeholmstorget Galleria in Stockholm, Sweden, the certification is pending.

Juhokas was in charge of Rocca Al Mare which is also the biggest shopping centre in Estonia.

"The LEED process was a challenging one, since we started utilising the method halfway through the project instead of the very beginning."

Best in the Business

While Citycon is an experienced veteran with regards to shopping centres, its partner NCC is no spring chicken either. In fact, the company was just selected as the best developer of business premises and shopping centres in Scandinavia by Euromoney magazine.

NCC is eager to take on the challenge of Iso Omena, since it has a comparable experience under its belt already: the shopping centre Sello, also located in Espoo.

"In Sello there was a similar setting where traffic arrangements posed a big part of the challenge. We are confident that we can take what we learned from Sello and apply our knowledge in Matinkylä," says Jorma Ahokas, Managing Director of NCC Property Development.

"The level of service will be completely modernised in Matinkylä," Ahokas promises.

Another shopping centre

project in the making can be found in Hämeenlinna where downtown will be expanded from promenades directly into a shopping centre, making it easy to reach on foot, too. NCC is hoping that the shopping centre will evolve into a new kind of meeting place for the citizens of Hämeenlinna. The city planning for the centre should be completed during the year 2010.

In its own projects, NCC uses BREEAM (BRE Environmental Assessment Method) which is the classification system of choice utilised by ICSC (International Council of Shopping Centres).

Off the Ground

Vantaa pursues dynamic development on many fronts

The Helsinki Metropolitan Region is the economic engine for the entire country, and within that area one key player is the Vantaa-based Aviapolis, the proud Airport City. Over the years, Helsinki-Vantaa International Airport has won plenty of international acclaim and also corporations have embraced the opportunities offered by the area.



Over the years, Aviapolis has developed into a world-class Airport City, leading the country in the growth of jobs.

Jukka Peltomäki, Deputy Mayor for the City of Vantaa, comments that Aviapolis leads the country in the growth of jobs.

"Aviapolis has experienced strong growth in the past and we see no reason as to why this trend would end," Peltomäki says, noting that in today's world, great connections are everything – and Aviapolis is really a hub par excellence.

"For those companies aiming to get a piece of the lucrative Asian markets, for instance, Helsinki-Vantaa is a good option, since Finland has the fastest routes from Europe to Asia."

"And since the new Vuosaari Harbour opened, more and more business has been coming this way."

Strong Axis

Actually, there is also another strong business zone taking advantage of the Vuosaari Harbour. Vantaa Axis (Vantaan Akseli) is located in the intersection of Ring III and Lahti road, presenting a real "metropolitan gateway" when one enters the capital region area.

Peltomäki sees that Aviapolis and Vantaa Axis have been successful in developing distinct profiles:

"There is a lot of industrial production in the Axis and many companies with ties to the harbour. Aviapolis, on the other hand, has attracted international companies with more focus on air connections."

In a few years, the logistics will improve even more, as the Ring Rail will be completed. Actual construction started with the excavation of maintenance tunnels in April 2009, and the line will be completed in 2014.

The Ring Rail Line will provide a rail link to Helsinki-Vantaa Airport and be an essential part of the urban line network that will improve public transport in the entire Metropolitan Region. The line will connect residential and job areas.

"The Ring Rail will revolutionise the community structure, as jobs can be reached far better than previously was the case," Peltomäki says, predicting that especially the Aviapolis area will benefit from the connection.

Green Rail

The 18-kilometre line will bring rail services to new areas in Vantaa, and feeder traffic will allow people living farther away to take advantage of services as well. The Ring Rail Line will reduce the need for bus and car traffic along with associated environmental impacts and thus promote the EU's climate policy objectives.

"More environmental-

ly-conscious communities will come to exist along the rail and the city structure will solidify."

New SM5 low-floor trains designed for commuter services will operate on the Ring Rail Line. These will run at 10-minute intervals in both directions during peak periods. Rail capacity can be utilised more efficiently since trains will be able to run in a loop. The journey time from the centre of Helsinki to the airport will be about half an hour. The maximum line speed will be 120 km/h.

The Ring Rail Line will be a two-track urban line reserved exclusively for passenger traffic. It will have surface stations in Kivistö and Leinelä as well as the Aviapolis and Airport tunnel stations. The Ring Rail Line will go under the airport in an 8-kilometre tunnel.

Plans allow for additional stations under ground in Ruskeasanta and Viinikkala and



Marja-Vantaa is a blueprint for ecological living – not only for Vantaa, but for the entire country.

on the surface in Vehkala and Petas. The busiest stations will be Kivistö and Airport.

"Our first new community along the Ring Rail is Leinelä which will feature high-quality living close to nature," Peltomäki says.

Showcasing the Future

Still, the most ambitious community development project taking place in the City is Marja-Vantaa, located near the Helsinki-Vantaa airport. Marja-Vantaa will create excellent preconditions for complementary building in the urban structure as well as improve the prerequisites for housing production. Marja-Vantaa will also help to integrate large retail business concentration to the city structure.

On the whole, the local master plan facilitates accommodation of approximately 30,000 new inhabitants and creation of about 25,000 jobs. The main living area near the Kivistö railway station comprises about 300,000 square metres which could encompass over 6,000 inhabitants.

Marja-Vantaa is hailed as prime example of tomorrow's ecological construction: the City of Vantaa is committed to realising a vibrant community that is rooted on greener, cleaner ideology.

"For instance, bicycling will be the preferred mode of transport, along with the rail. The community will be planned from the point of view of a bicyclist," says Peltomäki.

Reinventing the River

Also fishing should be in the cards more and more. Deputy Mayor Peltomäki acknowledges that the River Vantaa has been an underrated element in the big picture for a long time, but now there are plans to fully explore the possibilities brought about by the river and its environs.

"Vantaa River will introduce knew recreational opportunities for Aviapolis and Marja-Vantaa in the future."

And naturally, the Ring Rail is there to link the new community closely to the surrounding regional structure and to the national transportation network. The accessibility of the area via Hämeenlinna highway and Ring Road III is also excellent.

"According to calculations, residents' jobs will be about five minutes away."

With regards to energy solutions, Peltomäki admits that remote heating is hard to beat but also other options will be explored. All and all, Peltomäki believes that Marja-Vantaa is the most interesting community development project presently underway in the Metropolitan Region.

"New technology and solutions will be utilised from the beginning," Deputy Mayor says, mentioning resident identification systems as but one example.

"Of course, the full-scale realisation of the community will take a long time, 15–20 years."

Kartanonkoski Adds Charm

Still, Vantaa has great momentum facing these new challenges since the new Kartanonkoski neighbourhood has proven to be a total success. Excellent city planning and innovative visual solutions have turned Kartanonkoski into a very special area, a decidedly modern community with a strong sense of tradition.

"Kartanonkoski has been praised for its architecture and it really has a heartwarming sense of community."

Design and aesthetic values are an elemental part of the new communities in the making, and this trend is only strengthened by Vantaa's participation in the World Design Capital 2012 programme.

"Marja-Vantaa and the Ring Rail have their own art plans, for instance. We want to bring design into the everyday life of the people."



The Kartanonkoski residential area has been praised for its architecture which adds to the strong sense of community.

Get Connected – Lahti

combines smooth logistics with cutting edge innovation industries

The global recession inevitably leads to changes in various areas of international business. Flow of goods is one issue which is already being scrutinised and reorganised – the demand is for more efficient and sustainable logistics. With the launch of the Vuosaari Harbour in Helsinki, Finland has a solid anchor in the field – but versatile in-land logistics centres are also needed.

O ne city which has made considerable strides in developing logistics is Lahti. Erkki Karppanen, Managing Director of Lahti Regional Development Company LAKES, says that the transportation business comes quite naturally for Lahti – and the three key reasons are "location, location, location."

"With Helsinki – and both the international airport and Vuosaari – only one hour away and St. Petersburg two-and-ahalf hours away by train, one

ours away by train

can say that Lahti is really centrally located."

Actually, the fast connection to St. Petersburg won't be possible until the end of 2010 as Allegro is launched. Still, the Lahti Region has fresh experience of how a quicker connection changes people's mindset – and the face of business.

"When the new rail connection between Helsinki and Lahti was launched a few years ago, it cut down on the travel time considerably and energised the entire region," Karppanen explains, adding that especially retail units have come to town in force.

Eye on St. Petersburg

Logistically speaking, the key hubs in the region are Kujala, Nostava and Henna, located in Lahti, Hollola and Orimattila, respectively. Kujala logistics centre, for instance, combines great rail and road connections with a highly conceptualised operative area. The centre was planned to maximise the synergies inherent in the partnership concept and is equipped with a full range of supplementary services. Kujala centre is located only three kilometers southeast of downtown Lahti.

"Henna, on the other hand, is an area which includes also residential activity," Karppanen says, pointing out that Henna subscribes to "pearls on a string" ideology which calls for sustainable communities to be formed along rail connections.

Thanks to the superb location, the logistics hubs are within easy reach of St. Petersburg.

Of course, it's not only the great connections which are firing up the engines in Lahti. The city has been a key centre for growth in Finland for a long time and the improved connections only add to the appeal.

"Lahti is known for versatile services and pioneering efforts in both culture and sports."

For companies, there is something about Lahti that makes networking and building business relationships pretty easy. Karppanen attributes this to the entrepreneurial mindset of the citizens – Lahti has launched many successful family businesses, for instance, to the world. The phrase "Business City" summed up what the community was all about in the 1980's, and business is still very much in the DNA of the people here.

Bayside Appeal

The experts at LAKES are quite aware of the interest generated by their region. Karppanen notes that Lahti is a solid option for companies both big and small – and coming from various fields. There are a few industries, however, which are especially keen on Lahti.

Perhaps the most exciting sector right now is cleantech which is currently making its international break-through. Lahti Region is home to Finland's second most important centre for the environmental industry as approximately 10% of Finland's environmental trade is located here.

In recent years, the cleantech cluster in Lahti has been growing at an annual rate of 17%. The special environmental expertise found in the region encompasses public water system maintenance, international projects, soil treatment, waste management, and recycling. There are also first-class technology-intensive recycling and waste management companies.

Lahti boasts an impressive scientific roster in the field as well: Department of Ecological and Environmental Sciences (Helsinki University Faculty of Biosciences), Lahti University of Applied Sciences, Helsinki University of Technology Lah-

LAHTI-INFO:

- 100 840 inhabitants
- 1 hour away from Helsinki
- less than 3 hours away from St. Petersburg (by end of 2010)
- less than 1 hour away from the international airport
- fast highway and train connections



ti Centre and Lahti Science and Business Park are among the key players. Lahti also spearheads the national cleantech cluster programme.

Karppanen acknowledges that the so-called green industries are brimming with potential.

"We want to keep developing and be one of the top players on a European level by 2015," he lays down the strategy.

Building Partnerships

Linked more and more to cleantech, there is also the mechatronics cluster which is built around the local technology industry. Mechatronics is the biggest industrial cluster in the Lahti area - when measured in terms of number of companies, overall turnover, and number of employees - making up 30% of all industry. The mechatronics industry plays an important role in most of the central areas of production. The Lahti Region has special expertise both in product applications and in production technology.

"Increasingly, cleantech is being 'built-in' into mechatronics. Similarly, the use of smart solutions in the sector is growing," Karppanen points out.

Karppanen uses these two industries as examples of sectors where there are diverse subcontracting networks already in place – and newcomers find it rather convenient to jump right in.

"There are many potential collaboration partners out there and LAKES can help companies find just the right ones." He acknowledges that as soon as a certain "critical mass" is achieved within any given industry regionally, this will create a "snowball effect" of sorts. "This is how significant clusters come to exist."

Winning Design

Another factor contributing to the success story of Lahti is design. The City has composed Lahti Design Manual in order to pool together resources and create fresh cityscape. As Helsinki won the honours for Design Capital of the World 2012, Lahti is in fact one of the participants of the application – and the only city coming from outside the capital region.

Since the 1950s, Lahti has been the centre of the Finnish furniture industry; still today, approximately half of the employees in the sector work in the region. Academically speaking, the anchor for design excellence in Lahti is the esteemed Institute of Design, today a part of Lahti University of Applied Sciences. In architectural consideration, the Lahti Sibelius Hall by the lakeside is a must-see for any visitor.

The newest player in the field is Finnish Design Foundation, established in November. The Lahti-based foundation supports design-related research, education and development in Finland.

The Lahti Design Manual calls for services which feature also a strong design element. Managing Director Karppanen perceives that, from the business side, the role of design can be very relevant for companies.

"Design is a key complementary component for many corporate – also industrial – players in the Lahti Region."





Sibelius Hall by the Lahti Harbour is world-famous for its excellent acoustics and innovative use of wood – for instance, The Sydney Morning Herald has chosen Sibelius Hall on its Top 10 list of the world's best concert halls.

The Lahti Region

- Finland's fifth largest urban region
- 200,000 inhabitants
- ideal logistical location in the centre of Southern Finland
- bridges culture and sports in a natural setting
- 10,000 companies in the region
- logistics, cleantech and mechatronics among key industries
- strong international expertise, especially Russian

Riverside Celebration

Turku is getting ready for Capital of Culture 2011



The City of Turku is looking to be immersed in culture in a year's time. In 2011, Turku will be the European Capital of Culture 2011, sharing the honours with Tallinn.

Marketing Manager Laura Aalto from Turku 2011 Foundation describes the year as a unique event on a grand scale: "The Capital of Culture

designation, the contents of the programme and the audiences provide various companies with creative marketing solutions and promotions," she says. In accordance to the Turku 2011 collaboration strategy, there is a wide-spread search for corporate partners. The main sponsors Finnair and Tallink Silja and other participating companies are involved in the making of the year and get value for their investment through e.g. visibility and boosted sales.

"Participation in the Capital of Culture year is also a way for the company to make a statement about what type of a corporate citizen it wants to be and how that company wants to participate in the development of the community," Aalto says.

Culture Club

For local companies, there is even a Turku 2011 culture club. The idea is to make the local business scene as committed to the project as possible.

All and all, the Turku 2011 programme will feature as many as 150 separate projects which encompass thousands of individual events. The full repertoire will be unveiled in June 2010, six months before the Culture Capital year is launched.

The 150 projects can be loosely divided into four areas:

Great experiences, Enjoyable city, Everyday touch and Lasting imprint.

Professor Alf Rehn has used the term "creative infrastructure" to describe those methods that a city can utilise to support human creativity and find links to business. One of the research projects of Turku 2011 is *Creatin*' which will look into the entire Culture Capital process and explore the workings of the creative industries.

Retooling Infrastructure

Coinciding with the festivities, the city is going through a "fitness programme": there are many projects either being planned or already being implemented around town.

Jouko Turto, Director of Real Estate Department for the City of Turku, says that the impact of Capital of Culture designation runs all the way down to the infrastructure. For instance, the Library Quarter is about to be re-energised in a new way. By adding a bridge – the so-called Penny Bridge – in the neighbourhood, the access to Vanha Suurtori (Old Grand Square) is improved.

"Finally, the Vanha Suurtori quarter really opens up to the people, as it becomes a natural part of people's movement around the city," Turto envisions. He would like to see boutiques, cafes, galleries and restaurants flourish in the area,



generating some "medieval action" there.

"There will be a planning competition for the bridge and we will announce the winner in the beginning of 2011 to kick off the Culture Capital Year," Turto explains, adding that actual construction will take place during 2012.

Dig in!

A new sense of excitement is in the air also in the Fortuna Quarter where the master plan calls for creative industries, artisans and craftsmen to take root in the area. The centre piece of the plan is the old City Hall.

"We are presently looking into various opportunities to see what we could achieve in the quarter,"Turto says. The area already features Culture Corner which will serve as a kind of "pit stop" for those interested about the Culture Capital happenings.

Turto also notes that the special year will feature a rather unique event: in the downtown area, there will be a largescale archaeological site which will uncover artefacts from 16th and 17th century.

"In fact, the site will be the biggest in all of Europe."

The archaeological work is scheduled to run for three years, giving both residents and tourists a real sensation of the rich history in the city.

Of course, the venerable Market Square and its surround-

ings form a powerful heart for the city that must be preserved at all costs. Jouko Turto says that the city plan for the square will go under some retooling to accommodate better parking facilities, among other things.

Wood Renaissance

Yet another interesting area is Linnanfältti which will showcase ambitious Finnish wood construction in the years to come. In fact, the Linnanfältti area is one of the national pilots in the wood construction promotion programme. 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 as well.

A couple of years ago the City declared a planning competition for the development of Linnanfältti. The winners were announced in November 2008 and the proposals have been worked on during this year.

"NCC, Peab and YIT will be involved with the development of the area. The zoning proposal is presently being drawn up," Turto says.

In 2009, Turku also received an architectural policy which will direct future planning and construction. A key theme in the policy is combining old and new architecture in a meaningful way. Turku wants to be in the forefront of complementary construction, preserving valuable environments but striving to make modern, courageous solutions as well. Issues such as identity, cityscape and heritage are very high on the City's agenda.

"The architectural policy features a great range of issues and we will proceed with the policy one step at a time," Turto notes, adding that the policy is very much a long-term vision.

Good Vibrations

Director of Tourism Anne-Marget Niemi from Turku Touring perceives the most important thing for the success of the Culture Capital project to be the enthusiastic atmosphere.

"It is only through genuine, rich experiences that a great 'vibe' is created – for citizens and tourists alike."

Furthermore, she observes that the nomination of Helsinki as the World Design Capital 2012 supports the Capital designation of Turku and vice versa.

"Both cities receive added value for their respective capital status. In addition, the international exposure of Finland is boosted."

Niemi is quite pleased with the sponsors of the special year, remarking that the corporate partners are established companies in their fields and in the community.

"Even more companies will probably come along as the programme becomes better known."

Transforming Downtown

Director Niemi notes that the citizens of Turku have been pleased with the recent urban upgrades. The city centre – especially the entertainment central – keeps expanding which is a process that was visible already in connection to the first Tall Ships' Races when the riverside was revamped.

"These types of upgrades get the people to venture out to a broader area more and more and when there is action and a pleasant environment – cafes, restaurants and boutiques for instance – the tourists will come as well."

Renovating the Wiklund quarter is very important if one wants to keep increasing the appeal of the city centre, Niemi believes.

"At the same time, there is still plenty of purchasing power left over for the Market Square which is an important pillar for the vitality of the downtown."

Logistical Excellence

One of the focus areas of Turku is logistics, as the city prides itself as a meeting point of East and West. The most ambitious project in this regard is the development of LogiCity. The first logistics premises (for Suomen Kaukokiito Oy) in the area will be completed by March 2010 and various other logistics play-



ers are also settling in at Logi-City, reports Ari Niemelä, Managing Director of Pilot Turku.

LogiCity is rooted on multimodality – Turku is a significant European traffic hub, with great connections via land (both road and rail), air and sea. With all the relevant logistics tools in its disposal, LogiCity is on its way to great things:

"A competitive operative environment will be created at LogiCity, from the point of view of the logistics services offering and also those companies who deploy logistics in a key role in their activities," Niemelä says, adding that there will be room in the area also for various players of assembly industries who are seeking additional value from a multimodal environment.

Niemelä adds that the core operations of the logistics hub also receive plenty of support from all sides. There are, for instance, new operative models in the labour sector, targeted at making sure that the new logistical entity has all the hands and brains it needs.

"Making allowances for RFID technology already in the infrastructure construction phase – and the actual remote identification service production – is bringing additional value into the area, and boosting national profile, even." The role of RFID will be fine-tuned in the beginning of 2010.

Air Supremacy

Talking about the air cargo, the focus is very much on the longdistance connections between Europe and Asia, as well as between the Old Continent and North America. According to Niemelä, the idea is to link air cargo handling and distribution with the management of traffic flow going through the ports of Turku and Naantali (mostly bound for Scandinavia and Russia).

"With regards to air cargo, both TNT and DHL have made investments in Turku so we have a good platform for future development."

According to Niemelä, one of the most significant changes that will impact the development and practical implementation of LogiCity is that the process will soon be spearheaded by the companies themselves.

"In this way, it is possible to add more expertise and network power into – especially – construction and real estate development," Niemelä says. The coming transition has been in the works for a while now and the implementation should take place in the first half of 2010.

Take A Number

CLX Business Zone combines logistics, hi-tech and retail expertise

Tampere Region has been one of the most dynamic areas in Finland for years. Already the biggest in-land city in Scandinavia, Tampere is now seeking growth from logistics excellence. For a while now, a new business zone has been developing near the Tampere-Pirkkala Airport, southwest of the Tampere city centre. The new entity is called Pirkkala CLX and it is extremely well connected: the hub is served by the airport and a modern road network which has recently been upgraded. And the railway is there as well: the main North-South and East-West lines interact here.

E rkki Korkala, Business Director for the Pirkkala municipality, says that location has been the strongest asset of CLX from the beginning.

"In addition, the entire region is growing and developing with remarkable rate," Korkala observes.

The main concept of CLX is apparent already in the name of the business zone, but only if one has at least passing familiarity with Roman numerals. CLX, of course, translates to 160. And why 160, you may ask? Well, Tampere-Pirkkala lies at the dead centre of a circle that encompasses within its 160 kilometre radius eight of Finland's ten largest cities – covering over 60% of the entire population of the country in the process.

In addition to big population numbers, the CLX sphere of influence delivers also prosperity – this is the most developed, the most industrial area in Finland, with the best prospects for investors also.

Think Big

The genesis of CLX goes back four years, as the co-operative agreement on CLX was signed in September 2005. The area comprises hundreds of hectares primarily owned by the municipality of Pirkkala and Finavia on a stretch of land lying on the axis between the airport and Tampere. In addition to the municipality of Pirkkala and Finavia, NCC Property Development and SRV have also been contributing to the joint scheme from day one. Korkala remarks that in the days and months leading up to the agreement there were plenty of ideas being thrown back and forth:

"We had the original vision that we should attempt to go for something big here." For a project of this magnitude, it made sense to take in two veteran developers instead of just one. Four years down the road, all the partners are still very much committed to the project.

"At present, SRV is involved in a project by the airport and NCC has a 20-hectare reservation for a car retail centre in the zone."

Airport Appeal

The objective of the joint scheme is to get new companies to locate their operations in the zone as well as the creation of thousands of new jobs there. The scheme relies on the growing popularity of the airport environment as a company location; this is a trend that can be observed all over the world.

"The business areas which hold the most appeal and potential from the point of view of dynamic, modern companies are very often located right next to thriving airports," comments Executive Partner Markku Teittinen from Tampere Business Region which is an organisation helping investors to set up business operations in the area.

Teittinen also observes that very little about the launch of CLX has been left to chance: the concept is based on a long-term strategy.

"The Pirkkala municipality has been very committed to carrying out the strategy and the results have been tremendous."

B2B + B2C = CLX

In addition to logistics, the area features strong participation from trade and hi-tech sectors. There are both business-to-consumer and business-to-business companies in CLX, comments Erkki Korkala.

"The area is up and running and the speed of development is pretty good," he says, adding that most new jobs in the municipality emerge here. For instance, the immediate vicinity of the airport is vibrant enough: especially technology companies – such as Raflatac, Labkotec and TTS Liftec – have found homes here.

Tatu Miikkulainen, Managing Director of TTS Liftec, says that the stellar image of the business zone was a key factor behind the decision to move to the neighbourhood in June.

"The connections are very good and there are a lot tech-intensive companies here, so we feel that this is the right place for us."

TTS Liftec designs and delivers e.g. systems for loading and unloading ships in ports. Of the new premises, two thirds are used for assembly and storage, while one third is reserved for office use.

Miikkulainen believes that



the business zone will continue to evolve:

"There is already cooperation between the companies here, but the synergies will grow even more as new players settle in."

Retail Renaissance

With regards to trade, there is a retail centre in Partola that already has solidified its position with its diverse offering. The retail formula in CLX is, more often than not, to concentrate on a specific niche of a certain re-



tail sector and to become the number one. Once the pole position is secure, the centres can expand their reach.

"We have a centre for heavy-duty machines featuring about a dozen big players," Erkki Korkala says, mentioning Ponsse, Valtra and Volvo as examples of the companies here.

"Then there is a car centre in the making and a hardware store cluster."

Erkki Korkala analyses that specialisation has worked well in the area: there are hundreds of companies in CLX, with about 5,300 jobs, along a zone of nine kilometres. The municipality has jumped at the chance to generate more business opportunities here: zoning operations are as fluid as they come and the municipal decision-makers really understand the needs of the companies.

Over time, the municipality has consistently increased its land holdings by acquiring over 300 hectares of new area.

"Once zoning is carried

out, quite a number of projects are given a green light immediately."

No Baggage

According to Markku Teittinen, the area has been able to blossom since it comes with almost no existing baggage.

"This is mostly greenfield construction, with everybody on the same page."

The scheme also relies on the popularity and excellent location of the municipality of Pirkkala, currently a home for 16,500 people. For years, Pirkkala has led Finland in the percentual growth of new jobs. When asked about the secret of success, Erkki Korkala replies that the current situation is a sum of many factors.

"The municipality has offered solid services and the quality of life has been deemed to be on a high level here, largely thanks to nature," he says. As a consequence, especially the young and educated are flocking to the municipality.

Winglet Business Park opens in CLX

One of the developers of CLX Business Zone is construction company Rakennustoimisto Pohjola Oy. The company saw the potential offered by the area and bought 30 hectares of land just off the airport in 2008, with the aim to turn the area into a blossoming business park.

n the summer, the first phase of Winglet Business Park was opened. Located just one kilometre away from the airport, the Business Park features modern premises which can be tailored according to very demanding specifications, for e.g. laboratory use.

"The most important thing for us was to realise a business park that meets the image criteria of demanding, international companies," says Antti Saxlin from the company.

"In the first phase, there are 7,500 square metres of space. Over time, there could be as many as four phases in the Business Park," Saxlin adds.



WINGLET BUSINESS PARK

03.02.2009

Arsatek. arkkiteht

Investment Opportunities

The Winglet Business Park is expected to grow into a real power player in the Tampere Region, with as many as 2,000 employees and 100,000 square metres of premises.

"Especially internationally-minded hi-tech companies get additional value from the location by the airport," comments Saxlin, adding that when certain types of companies get together, this serves to attract more of their kin.

The Phase I of Winglet was sold to Kiinteistö-Varma in the summer of 2008, providing some proof of the attractiveness of the area – also in the eyes of the investors.

"The investors have noticed the potential of the business zone and are paying attention," Saxlin says.

The recession caused for the development plans to be placed on hold momentarily, but Saxlin is happy to report that the start of 2010 looks quite positive.

"We also offer companies project development free of charge, so those interested in the area should get in contact."

Vaasa Airport Logistics Center moving forward

All four modes, air, road, rail and sea transport will be effectively combined in Vaasa. Vaasa Airport Logistics center (VALC) is located right next to Vaasa airport and will be supported by a land traffic logistics center with own rail traffic loading area and an improved road connection to the port, which is only 10 kilometres away. The construction of this new air cargo logistics center is initiated in 2010, says Development Manager Riitta Björkenheim from VASEK. Nordic Logistic Center (NLC) in Umeå, Sweden offers an ideal supportive partnership for growing east-west transport.

Pulse of the Industry Still Strong

Real Estate players rallied around the flag in Aulanko

The Finnish real estate professionals met in Aulanko, Hämeenlinna, with mixed feelings in November. The headlines of the past year have emphasised the negative with construction declining and property transactions being put on ice. The aim of the Kiinko's Annual **Convention of Property Investment Prospects** was to rally the troops, so to speak: to focus on the positive messages, the success stories, solutions and innovations.



To help with this goal, the organisers had enlisted the help of couple of gurus: philos-opher Esa Saarinen and Swed-ish professor, author Kjell Nord-ström. The pair did their best to fire up the participants with their often unorthodox think-out-of-the-box ideas.

A more conventional look was delivered by Sakari Tamminen, Chairman of the Board for the Confederation of Finnish Industries EK as well as the CEO of Rautaruukki. While Tamminen assessed that the recession is far from over, he expressed a view that construction business might recover faster than many other industries – globally, at least.

Schizophrenic Situation

Some of the most precise international observations in the convention were delivered by Michael Schönach, Managing Director of Catella Property. Schönach offered an insightful overview of the Finnish real estate market fundamentals and trends. He called the current situation "schizophrenic" with the (dropping) rents as the driving factor in business premises investments, while it used to be yields just a little while ago.

"Even 30% reductions in rents are being negotiated now," he said, while adding that this does not apply to prime real estate.

Still, the situation is not as gloomy as it was with the recession of the early 90's, where speculative development led to the eventual downfall of many a real estate player. Now, there are still business parks in the pipeline but not too many projects are kicked off.

Perhaps surprisingly Schönach analysed that Helsinki may be more vulnerable to the crisis than some other parts of the country.

"Growth cities which are vibrant communities are less liquid and thus less volatile." Helsinki on the other hand is part of the international playground and more open to global effects.

Game Still On

While exercising cautious tones, Schönach was still upbeat about the future.

"There are still good real estate deals to be made today," he commented, adding that there is nevertheless a check list to go through before committing. Of course, properties should have long term leases with prime tenants – right now the public sector is quite desirable in this regard.

A great location does not turn bad overnight, even with ill winds blowing. Add good traffic conditions and versatility and you might have a winner in your hands, Schönach believes.

According to Schönach, the big trends in the sector are to raise environmental buildings and fill them with ethical tenants.

And there are still opportunities in the field: Schönach used Citycon as an example of a company which was able to maintain stable financing status in spite of the exceptionally challenging market conditions. The rapid fall of the interest rates and the successful repurchase of Citycon's own convertible capital bonds reduced the company's interest expenditure.

"In effect, Citycon bought back its convertible bonds at 50% of the price."

This goes to demonstrate that good bargains can be struck in all types of circumstances. Still, Schönach echoed the words of the old sergeant from Hill Street Blues when he advised:

"Be careful out there!"

REAL ESTATE SPECIAL REPORT



Something new and exciting is in the works at the start of the legendary Mannerheimintie street in Helsinki. Skanska is raising an ultra-modern office complex in the area which is already being hailed as the "Gateway to Helsinki". In fact, the complex is the first set of buildings one will encounter, approaching the downtown area from the north via Hämeenlinna road. The location in the corner of a busy junction of Mannerheimintie and Hakamäentie is optimal for travelling to downtown, to the Pasila train station or to the Helsinki-Vantaa international airport.

S kanska will raise four buildings which are to provide top-notch business premises for companies of various sizes. One of the buildings – the first one – will become headquarters for Skanska Finland itself. The complex will feature 33,000 square metres of space for 1,600 people.

The main idea behind the construction is simple enough: Skanska wants to spare no effort in order to make the best possible office building, jam-packed with innovation from top to bottom. Skanska's own headquarters will function as a pioneer of sorts, a test bed for new solutions, and once those solutions are deemed to be efficient, they can be utilised in the following three buildings. This way, Skanska will go through the process of trouble-shooting instead of the clients – the tenants of the other three buildings receive hitech that is virtually bug-free.

"We are looking to realise a state-of-the-art business complex," confirms Leasing Manager Eero Ojala, adding that the company wants to be a true industry forerunner in the area.

Smart & Sustainable

New and impressive office facilities will be built using the latest energy-efficient technology. Sustainable solutions have been taken into account already in the design phase and throughout the whole construction process so that the eventual end-users can enjoy them on every-day basis.

Project Manager Hannele Vainio explains that one of the special features is "corner office belongs to everyone" ideology where, thanks to open office solutions, more employees get to enjoy the view.

"Office traffic is 'centralised' in the middle of the buildings," Vainio says.

Car parking facilities will be built under the office buildings. The office block can be reached with bicycle via many beautiful routes, for example through Helsinki Central Park. There will be a separate bicycle parking area, as well as good social facilities including showers.

Eero Ojala would like to see companies with a progressive mindset find their nests here: "Certainly the entire concept is very attractive to forerunners and innovators of their specific industries," Ojala comments. The inspiring facilities are being built to serve companies who value the open space and flexibility of new premises.

As Green As It Gets

Jukka Pitkänen, Managing Director of Skanska Commercial Development Finland (CDF), points out that Skanska has no objection to letting all three buildings to a single tenant, but more realistically speaking, each floor can also be split in three parts, if needed.

"One floor encompasses about 1,000 square metres."



According to Pitkänen, green thinking is really in the core of the ambitious project. He says that environmental principles have guided the undertaking from day one.

"Skanska, in general, wants to be the leading company in green construction. Here in Finland we share the same commitment and this is another opportunity to show everybody what we can do."

Skanska is the Finnish pioneer under LEED (Leadership in Energy and Environmental Design) certificate. Developed in 2000 by the US Green Building Council, the LEED Green Building Rating System has spread around the world.

In principle, the LEED system is similar to the EU Green Building system, but it covers more specific areas. Starting with planning stages of the project, LEED requires for the plot and its surroundings to subscribe to the principles of sustainability. The second factor is the selection and utilisation of proper materials. Third LEED element is the use of energy, with water usage coming in at number four. Fifth and final factor is the indoor environment and its quality.

"Out of these five, energy and emissions is really the crucial element. The use of materials is also becoming more and more important," Pitkänen explains.

Going for Gold – and Beyond

Skanska "earned its wings," so to speak, by building the Lintulahti Office Building, located between the Hämeentie and Sörnäisten Rantatie streets in Helsinki. Lintulahti was the first building in Finland to receive LEED gold level pre-certificate during the construction phase.

"Lintulahti was completed last summer, and now we're waiting for the final LEED rating," he says, adding that gold status is already in the bag, but the building has a decent shot at platinum also.

"We'll find out after Christmas," he says.

Still, Pitkänen points out that LEED is still just a tool for the company – the idea is not to go around parading fancy certificates, but to build better, more sustainable buildings for the future.

"It is important for us to develop the construction culture in Finland. It is a big challenge and we want to cooperate with other industry players in this."

LEED is the talk of the industry right now, but Pitkänen and his troops are already envisioning a period "beyond LEED" where environmental efficiency is wired into the DNA of the building already in its planning stages.

Horse Power

And speaking of driving forces, the complex will also feature "horse power" – of sorts. Here's the explanation: Carl Gustaf Mannerheim – after whom Mannerheimintie is named – was a legendary soldier and president. In recognition of the great man and his achievements, the four buildings of the complex have been named after Mannerheim's horses: Kathy, Neptun, Talisman and Lilly.

The first building to go up is Kathy, and the 320 employees of the present Skanska headquarters in Paciuksenkatu street will move there in a couple of years, as the building is completed.

"The Skanska building will be finished by the end of 2011," says Jukka Pitkänen.

After Kathy, Neptun will be completed. And here's the catch:

"Of these four, Neptun has the most visible location and we believe it will be a highly attractive option for smart companies," Pitkänen concludes.

Real estate investments expected to pick up



Photo: SARC Architects Lta

As the stormy 2009 draws to a close, there are some signs of better weather ahead – at least in the real estate investment market where cautious optimism is slowly finding root.

anne Larma from Advium sees that there are quite many positive signals out there.

"First of all, yield-spread is on a historically high level and banks are interested in financing real estate transactions again," Larma says, adding that the banks' focus is still mostly on prime real estate and longterm contracts.

"In addition, there is a lot of money in funds that need to be invested somewhere. Interest rates are down and those players using their own capital to make investments – such as pension funds – are looking for yields that are stable but nevertheless higher than bond yields."

Larma also notes that share prices have risen significantly during the last eight months while the real estate prices have not followed suit. However, in the big European countries, such as the UK and France, the prices have already started to climb in the real estate market.

"As a consequence, the eyes of the European investors will fix, more and more, on markets with higher yields and less competition – such as the Nordic countries."

Stability Returning

Furthermore, the rise in yield demands seems to have stabilised, especially in the prime areas and prime assets. According to recent RAKLI-KTI barometer survey, the investor demand is expected to increase in the Finnish commercial real estate market. The transaction volume is predicted to go up in all property types during the next 12 months. The prime yields have moved up during the last two years, but now the respondents expect that yields have reached the peak and will be stable for the next year or so – especially with regards to prime areas/ assets.

Janne Larma agrees with this assessment: it is likely that the elevation of yield demands has peaked and in a year or two the yields may be on a level that is lower than presently is the case. Yield levels are dropping as the banks are giving out more loans and the margins shrink.

"I believe that during 2010 the margins will come down to the level of 1.25-1.50 %."

Pressure Still On

According to RAKLI-KTI Barometer, the investors would now be willing to commit to a downtown Helsinki office premise on a 6.2% net yield. Nevertheless, the values of the properties are still under pressure since cash flow from the rents is not what it used to be during the fat years.

In addition, there is still not that much trade to speak of. At the end of October, the real estate transaction volume was on the level of \in 1.2 billion for 2009 – only one third of the comparative figure the year before. The transaction volume is quite well spread across different types of properties, offices, retail and residential. The main reason for the small volume has been that sellers and buyers have been quite apart from each other regarding the price tag.

Since Finland is still a very stable economy, there will be both international and domestic attention on the markets here, Larma analyses.

"The volume will double going from 2009 to 2010. The rents will still go down in 2010," he predicts.

Union Investment Real Estate: Sustainability all the way

Sustainability is highly-ranked on Union Investment's agenda when it comes to initiating new projects and buying new commercial buildings. In an interview, Dr. Karl-Joseph Hermanns-Engel, member of the management board of Hamburg-based Union Investment Real Estate GmbH, outlined the international investment strategy and investment plans for the Nordic countries.

The portfolio of Union Investment's open-ended real estate funds covers some 230 properties and projects worth \in 14.5 billion. Union Investment, active in Europe, Asia and the Americas, is the second largest German manager of open-ended real estate funds with total assets under management of more than \in 18 billion.

One of the topics of the interview was the various projects which Union Investment has realised in Scandinavia since entering the region in 2005. Union Investment has invested in a 14,000 square metre shopping centre in Gothenburg as well as a 22,000 sqm office block in Stockholm, its first project in a Scandinavian country.

Union Investment also owns the Duetto business park (14,000 sqm) and the Logistics Centre Tikkurilantie (6,600 sqm) in Helsinki. The company has ambitious plans for the future in the Baltic region; one of them being a new business park in Oslo. Additional projects in Sweden are also planned.

Active in 25 Countries

Large investments have already been made in the USA, Canada and in Mexico where Union Investment acquired a minority stake in the "Torre Mayor", South America's tallest office building. In New York, the "140 Broadway" complex belongs to Union Investment as does the LEED-certified "1111 South Wacker Drive" in Chicago.

Another major market is Chile, where five projects have been purchased for the funds since entering the market in 2007. The exposure in the Asia Pacific region – in Japan, Singapore, Malaysia and South Korea – comprises 18 properties worth some € 870 millions.

"We are active in 25 countries and have expanded our activities into several new markets this year," Dr. Hermanns-Engel explains.

The company's core orientated property funds take several sustainability aspects into account: location, construction quality, cash flow, positive long-term tenants etc. The distribution of total portfolio by type of use is 60% office buildings, 25% retail, 12% hotels and the rest logistics centres and residential. Currently the portfolio comprises 19 hotels worth \in 1.6 billion and 19 shopping centres in Germany, Austria, Belgium, Poland, Italy, Spain and Turkey worth \in 3.6 billion.

Power of Partnerships

Union Investment's strategy is to cooperate with other market players and invest in properties initiated by third parties. In the case of shopping centres, for instance, they cooperate with ECE with regard to two properties in Essen and Ludwigshafen.

The theme of Union Investment's "2010 Prime Property Award" is "Creating sustainable investments and places". The award focuses on European real estate projects which combine commercial success with ecological and social cultural sustainability in an exemplary fashion. Amongst the prize-winners of the 2008 competition is the Alsion complex in Sonderborg, Denmark.

The Prime Property Award 2010, with prize money of 30,000 Euros, will be presented in a ceremony at the EXPO REAL Munich in October 2010. Applicants with projects of either new buildings, refurbishments or redevelopments realised between 2004–2009 and with a rental area of at least 5,000 sqm can transmit their application until December 15th 2009.

The competition documents can be downloaded at www.prime-property-award. com ●

Lutz Ehrhardt

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Citycon is a property investment company which concentrates exclusively on retail premises. It owns, leases, manages and develops its properties and plans and commissions the construction of new premises. Citycon operates in Finland, Sweden, and the Baltic countries. The company owns a total of 32 shopping centres and 53 other retail properties. The fair value of the company's entire property portfolio on 30 September 2007 was EUR 2,191.2 million.

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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 2008 Finavia's airport network consisted of 25 airports and the organization employed about 1 700 people.

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HYY Real Estate, Kaivopiha 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 Ylioppilasaukio and Kaivopiha squares.

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Grenke offers financing in the field of small-ticket IT leasing for such products as PCs, notebooks, copiers, printers, software or state-of-the-art technology such as medical equipments.

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LAKES – Lahti Regional Development Company is a regional development organization. Its core tasks are co-ordination of the regional business strategy, enterprise services, marketing of the region and looking after the general interests of business life in Finland and abroad.

Specialty Areas

LAKES – Lahti Regional Development Company offers tailored and individual assistance to help companies find the best possible business premises and industrial land in the Lahti region. See page 48

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LAHTI REGIONAL DEVELOPMENT COMPANY



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Specialty Areas

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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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Specialty Areas

Tapiola Real Estate Ltd provides real estate investment and management services. Half of the company is owned by Tapiola General Mutual Insurance Company and the other half by Tapiola Mutual Life Assurance Company. Tapiola Real Estate Ltd offers real estate investment, managing and counselling services as well as manages real estate investments and fixed assets. The company also engages in rental business, marketing, house management and administration, maintenance, outsourcing and sales services.

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SKANSKA COMMERCIAL DEVELOPMENT FINLAND OY

SKANSKA

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

Contact Person

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

Specialty Areas

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Commercial development

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TAMPERE BUSINESS REGION

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



Tampere Business Region

Contact Persons Markku Teittinen

Executive Partner, Tampere Business Region markku.teittinen@tbregion.com Matti Eskola Executive Partner, Tampere Business Region matti.eskola@tbregion.com

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VAASA AIRPORT LOGISTICS CENTER

Contact Person Tommi Tuominen tommi.tuominen@vasek.fi



VAASA REGION DEVELOPMENT COMPANY

www.vasek.fi



Specialty Areas

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