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MATTHIAS MUCKLE | *Team Manager, U.S. Corporate Real Estate*

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Prescribing the right
real estate medicine





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Growing up in the West German capital of Bonn, in the uncertain years before and after reunification, Matthias Muckle marveled at the city's multicultural verve: the kaleidoscope of faces on every street, the mix of gothic and postmodern architecture, meeting families from foreign embassies on early evening strolls with his parents.

Today, he still yearns for a world where the people are as diverse as the buildings they inhabit.

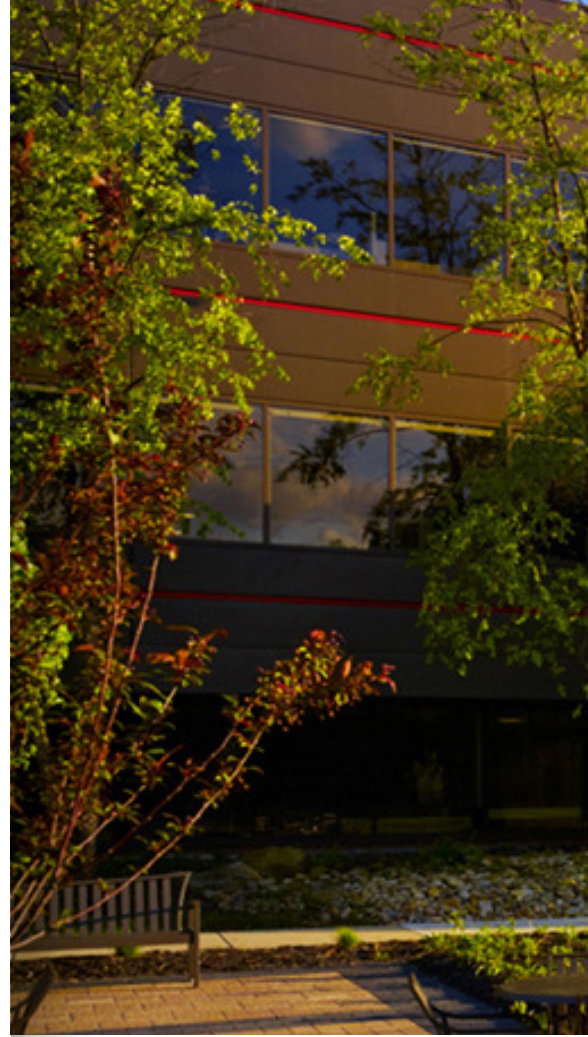
Only now, it's Muckle who's helping build the reality for a company embracing its own kind of reinvention.

"Bayer is in the process of becoming more American, and our real estate portfolio is an important part of that transition," says Muckle, team manager of U.S. corporate real estate for the German-based pharmaceutical and life sciences company. "It involves a lot of consolidation, a lot of integration. It's a challenge, but a rewarding one for sure."

Under one roof

In August 2018, after nearly two years of negotiations, Bayer announced it had acquired American agricultural giant Monsanto for \$63 billion—the largest cash bid in German corporate history. That move instantly made Bayer the biggest player in the agricultural sector, making Muckle’s duties measures more complex.

In the event Bayer decides to sell off a property—say, farmland in Illinois—Muckle and a corporate real estate team in St. Louis and Pittsburgh helps set the sale price and terms of transfer.



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U.S. Corporate Real Estate Manager for Bayer, Matthias Muckle is helping the German pharmaceutical giant navigate a record-setting merger, through strategies granular and grand.

More broadly, working closely with his Pittsburgh-based team, Muckle is leveraging market analytics and other data to determine which properties have the potential to be part of Bayer's future, and which are ripe for divestment.

"Because we have brokers in states where Bayer already has sites, we have that on-the-ground knowledge at our disposal," Muckle says. "But we're involved at every step. We believe there's real value in meeting face to face with owners and landlords."

For properties Bayer intends to keep, the presence of the corporate real estate team can be key to securing things like tenant improvement allowances, a huge source of savings for a company of this size.

All of his business

On a more granular level, process efficiency looms large. In 2016, Muckle's department introduced a new real estate database designed to establish and standardize benchmarks for the broader business, such as the ideal number of employees a certain-sized space should house. The initiative required a massive data-gathering effort: how much the properties were worth, what the lease structures looked like, employee capacity and occupancy, the list goes on.

The goal, he says, was to bring as much value to the company as possible—for example, by negotiating better rates with landlords well in advance of the lease expiry.

In addition, Muckle has introduced a bevy of initiatives for functions including lease administration and real estate auctions, to standardize the transaction process.

"For us to be most effective, we have to understand what the business wants," Muckle explains. "Sometimes that's difficult to answer, because the business is so volatile. Real estate, on the other hand, is much more predictable. Our challenge is to navigate those two very different forces."

Generating more reliable data is crucial to the department's support efforts. But Muckle says it's also important for understanding how the properties themselves are designed, configured and staffed.





EPIC Award from Bayer's US CFO Community where Muckle's team was selected from 700 CFO community colleagues as the most efficient team.

All about the details

Since joining Bayer in 2012, following a five-year run with the corporate real estate department of accounting giant KPMG, Muckle has made office space innovation one of the pillars of his role.

He and his team are ensuring that the spaces adhere to Bayer's growing emphasis on collaboration: incorporating more shared workstations and huddle rooms, establishing common areas that promote mingling between departments, and so on.

"I would guess that I spend 60 percent of my day somewhere other than my desk," Muckle says. "It's about increasing activity within the work environment."

At the same time, Muckle says it's important that the company not take a "one-size-fits-all" approach to office realignments. For instance, people working in the accounting department are far more likely to spend more time at their desks.



A photograph of a wall with large blue letters spelling "For A". The letters are three-dimensional and mounted on a light-colored wall. The image is partially cut off on the right side.

All for one

That attention to detail underscores Muckle's belief that, in an organization like Bayer, everything—people and processes, designs and departments—is interconnected.

When his department is able to secure the best possible divestment terms, those savings can be used to make the company's remaining spaces more dynamic and engaging. Conversely, innovative approaches to the office environment can enhance productivity—and increase the property's value.

"In the end, it's about letting information flow more freely, whether it's ideas or data or capital," Muckle says. "I was always interested in the built environment, but I've learned that it runs much deeper than the walls and what's between them."

That big-picture expertise hasn't gone unnoticed. In 2018, Muckle's department received an award from Bayer's corporate U.S. headquarters, in recognition of the team's efforts in the areas of efficiency and accountability.

As Bayer begins the years-long process of integrating Monsanto's massive portfolio, Muckle says he's ripe for the challenge, citing the "experienced and passionate" Monsanto corporate real estate team based in St. Louis.

"There is nothing ordinary about this job, which is what I love about it," Muckle says. "Trying to implement new strategies and think about how the portfolio can thrive and be optimized—every day is a big complicated puzzle."

Even now, many miles and years removed from his beloved Bonn, he still finds time to enjoy the faces and facades of the city—and the company—he calls home. •



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Building 14