

CASE STUDY



HOME DEPOT



Home Depot Selected New Braunfels, Texas for Commercial Supply Call Center

QUICK FACTS

- Home Depot needed to open a specialized call center for commercial projects
- LAG helped Home Depot select a site in New Braunfels, TX
- Home Depot built a 63,000 SF building for its new center
- Home Depot hired 350 people at a tremendous cost savings

Challenge

The Home Depot is the world's largest home improvement retailer and second largest retailer in the United States. Part of The Home Depot's growth strategy to expand into emerging markets and professional customer channels, The Home Depot Supply division caters to large commercial accounts, including homebuilders, facility maintenance professionals, construction contractors, and government customers.

The company was looking to establish its third customer service center for the division to handle inbound calls for commercial projects, such as large housing complexes, hospitals, schools, and government installations. Search criteria included a skilled labor pool, proximately to a major university, and opportunities for expansion. It was also important that the selected community be enthusiastic about the project and willing to provide attractive financial incentives.

Solution

Because labor markets don't end at city boundaries, the Labor Analytics Group (LAG) has developed models and indicators that identify smaller, more rural communities as potential call center locations. For Home Depot, LAG provided the industry knowledge, comprehensive profiling, detailed analysis, market data and reports, and specific community intelligence needed to identify potential locations for its new call center.

The Home Depot Supply and LAG visited each finalist community to gather anecdotal information from community employers, employment agencies, economic development, academia, and potential employees themselves. After careful investigation and evaluation, New Braunfels, Texas, an area that had been hit by significant manufacturing job losses in recent years, emerged as the best location. Deciding factors included location, workforce, and good financial incentives. Another attraction was the new Central Texas Technology Center that will help train workers for the new facility, including customer service representatives and managers.

Benefit

The Home Depot Supply built a 63,000 square-foot building for its inbound call center that opened in 2005. The call center hired 350 people for top-of-the-line customer service jobs. In addition, the company was able to secure a beneficial financial incentive package.

The call center, located on 10 acres, handles the national operations for the company's commercial service arm, taking orders for products that will be shipped from the Home Depot Supply distribution centers in Texas. The company estimated that the new facility would have an annual payroll exceeding \$6.2 million.

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