

No. 211 (17/07/06) - Total property transformation

Telstra offices

Over the last 12 months, Vito Chiodo and his Real Estate and Accommodation Management (REAM) team in Telstra Operations have begun a total property transformation that will consolidate and rationalise Telstra's land and accommodations by the year 2010.

The REAM team's achievements in removing costs and complexity form part of the strategy to create the new Telstra. For instance, as of 30 June 2006, Telstra has exited 25 building leases. This equates to almost 45,000 m2 of space, which is an annual saving of \$14 million.

Ian Wheatley, Managing Director Procurement said Telstra's property management strategy was by no means a short term strategy.

"The REAM's transformational plan is literally based on giving Telstra's business and our people a very strong foundation on which to work and build upon into the future," Ian said.

While REAM's strategy is strongly focused on consolidation, the team also seeks to unlock hidden value. One example of how the REAM team does this is the 10-year agreement they recently forged with Monash University, which will see us share facilities with Monash University in one of our buildings in Clayton, near Melbourne.

Currently, the REAM team are working on the largest Expression of Interest to ever be offered in the Brisbane property market. Consolidation plans are also on target for Canberra premises. Additionally, preparatory work has also begun into the better utilisation of Telstra's exchange portfolio.

When asked what the future holds for property management, Vito Chiodo said, "Expect to see a totally integrated, single point-of-contact for property."