

GSK to sell remaining real estate holdings in RTP

BY JOHN MURAWSKI

GlaxoSmithKline announced to its Triangle employees Wednesday that it plans to sell its real estate holdings in Research Triangle Park and lease back the three buildings it now occupies.

Such moves are common among companies that are scaling back operations, but [GSK](#) assured its employees that the new real estate strategy is not a sign that the pharmaceutical company is leaving North Carolina or planning further cuts here. GSK's operations in RTP remain the company's largest site in the United States.

"Our heritage in North Carolina runs deep, as does our commitment to the state. But that heritage is not tied to buildings, it's tied to our work and the mission we strive for everyday," Jack Bailey, GSK's president of U.S. Pharmaceuticals, said in a statement. "For over 30 years, GSK employees in North Carolina have made a significant contribution to our company, to the community, and to the patients and consumers we serve and we look forward to continuing to contribute to the communities where we live and work."

London-based GSK was once the largest landowner in RTP with 690 acres. Over the years it built a sprawling corporate presence that at one time included about 40 buildings and 3.85 million square feet.

But GSK has experienced significant staff cuts here recently and now occupies only 600,000 square feet of the 1.8 million square feet the company owns in RTP.

The company's staffing in RTP has fallen to 2,600 employees and contractors from about 5,000 in years past. The company now occupies only three of the 29 properties it owns in RTP – two office buildings and a training facility on its recently renovated Moore Drive campus.

“This reflects a global trend at GSK toward leasing office space and toward smart working and open plan workspaces,” spokeswoman Mary Rhyne said in an email. “The two buildings are adequate for the current workforce. This decision has no impact on jobs at the site.”

This is the second major real estate consolidation GSK has undertaken in the park in recent years. In 2010, the company initiated a plan to vacate about 1.1 million square feet of space and relocate 1,000 employees to its Moore Drive campus.

Last year GSK consolidated its research and development functions in Philadelphia, eliminating more than 1,000 positions in RTP as a result. The company, which employs 15,000 in the United States, has been hurt by foreign competitors.

It is also facing a future in which it is developing numerous medicines in a bid to replace revenue from blockbuster drugs such as asthma inhaler Advair that earlier fueled GSK’s global expansion.

GSK’s main functions today in RTP are mostly commercial in nature. They include the U.S. sales and marketing operations for respiratory medications and other drugs that are manufactured in Zebulon. GSK’s RTP site also houses an HIV products division with sales, marketing and medical staff.

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