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Japan's Shiseido Moving U.S. Headquarters to Renovated NYC Tower



(Bloomberg)—Japan’s Shiseido Co. plans to move its U.S. headquarters to 390 Madison Ave., a midtown Manhattan office tower that has been renovated down to its steel frame.

Shiseido Americas Corp. is taking about 225,800 square feet (21,000 square meters) in the tower at the southwest corner of Madison and East 47th Street. The beauty-products company agreed to pay about \$100 a square foot under its 15-year lease, according to a person with knowledge of the deal, who asked not to be named because of the terms are private.

The 900,000-square-foot building, originally built in the 1950s, is undergoing a renovation to make it one of the more modern towers in Midtown’s aging stock of offices. L&L Holding Co., the real estate firm overseeing the development, demolished part of the building to make the structure airier, with more open floors and larger windows, and shifted part of the base to elevate it to 32 stories from 24. Shiseido is the second tenant to take space at the reconfigured property, following the law firm Hogan Lovells. The renovation will be completed next year.

“There are a certain number of tenants in the marketplace that need to be in 21st century buildings,” said David Levinson, chief executive officer of L&L, which was hired by owner New York State Common Retirement Fund and its agent, Clarion Partners LLC. “390 is really the first 21st century building that is going to be completed in Midtown.”

Shiseido, whose units include cosmetics maker Laura Mercier and fashion and fragrance brand Issey Miyake, is taking the 15th through 22nd floors at 390 Madison, including outdoor terraces and a double-height amenity area, according to a statement from L&L. The company is relocating from 900 Third Ave., and also is moving workers from an office on Lexington Avenue and East 57th Street, said Marc Rey, CEO of Shiseido Americas.

“Our preference was to be Midtown, so this checks the box,” he said. The company was looking for something “that was either new or very modern in the way it was remodeled.”

L&L is also redeveloping 425 Park Ave., where investment firm Citadel LLC has agreed to be the main tenant.