www.insideselfstorage.com

ISS®
INSIDE SELF-STORAGE®
INTERNATIONAL

INSIDE:
- Evolution in Canada
- Fluctuations in Australia
- Growing pains in Asia
- Resilience in Brazil
- Education in Finland
- Introduction in India
- Expansion in Italy
- Momentum in the UK

DRINK IT IN!

The thirst for self-storage drives development and investing activity worldwide

A WORLD OF KNOWLEDGE…
At your fingertips! Get what you need to succeed in any self-storage market.
iss-store.com

Fall 2018 $15.00 US
informa exhibitions

CONTENTS

FEATURES

USC

UNIVERSAL STORAGE CONTAINERS®

The Leader in Storage Container Solutions

#1 2018, 2017, 2016, 2015, 2014, 2013, 2012, 2011

International Award Winner for "Best Self-Storage Container"

To All Our Customers

THANK YOU!

For Helping Us Win For The

8th Year In A Row

The "Best Self-Storage Container" Award

The #1 selling storage container in the world

For more information, please call 1-800-385-0755

or email us at *sales@universalstoragecontainers.com*

See our videos and request a quote or demo online at www.universalstoragecontainers.com

Call Now!

For your FREE quote or demo

Evolution of the CANADIAN INDUSTRY

Discover the forces shaping this expanding market

By Robert Madsen

The Canadian self-storage market has seen another evolutionary year, with many changes occurring from coast to coast. In some cases, the trends mimic those seen in the U.S. market, but with a twist. Here's an overview of what's been occurring across the nation in the areas of industry development, financing, taxes and more.

An Economic Overview

Overall, the Canadian economy remains positive but slow. Let's look at some of the individual provinces:

Alberta. Albert appears to be gradually moving off the bottom of its oil-price-related recession. Self-storage occupancies in the region remain low but are recovering into the 70 percent range.

British Columbia. Facilities in British Columbia have cooled to more normal occupancies and rate-increase percentages. This has been in part fueled by significant changes in the home-sales market in the region. Greater Vancouver has only begun to generate data that shows 10-year lows in home sales. This has meant a significant reduction in residential activity, which can be felt at the self-storage level in far fewer rentals. It's still too early to tell how far or long this trend will continue, but it's noticeable.

Ontario. The province has also seen a cooling in the residential real estate market, which reduces the immediate demand for storage.

U-Lock Mini Storage in Burnaby, British Columbia

Most of this has come from high historic prices, interest-rate increases, foreign buyers' tax and more stringent mortgage qualifications for residential borrowers.

Maritimes (New Brunswick, Nova Scotia, Prince Edward Island) and Quebec. These self-storage markets have been reportedly good and steady, though it's unclear what will result from North American Free Trade Agreement negotiations with the United States. This may result in significant impact, as each is the other's largest trading partner.

Saskatchewan. This province is seeing slow and steady improvement from a rather depressed economy over the last couple years.

Development

As in the United States, self-storage development is booming in Canada, with significant amounts of new self-storage planned or underway. The many years of industry success continue to encourage new investors to enter the business. However, there are significant barriers to entry, namely the high cost to buy land and build.

Major markets like Calgary, the Greater Toronto Area (GTA) and Vancouver have seen significant growth and interest. (It's extremely important to understand here that "rapid growth" in Canadian cities means two to five new sites in a trade area vs. the dozens of sites that might pop up in American locations.) Still, these new facilities can create significant disruption in mature markets.

New, modern sites are much larger than their predecessors. In the past, new facilities ranged from 40,000 to 75,000 square feet. Today they can be 100,000, 250,000 or, in an extreme case, 500,000 square feet of net rentable space. This has never been the norm in Canada, so it'll be interesting to see how these mega-facilities perform. Moreover, what will be their impact on surrounding sites? For example, markets that have traditionally stabilized at 2.5 to 3.5 square feet per person of population will now be tested to see how fast they can absorb the new supply and at what rate.

In Vancouver, most new supply is still in development or under construction. Unfortunately, some trade areas are seeing multiple new projects go up simultaneously. This will likely prove similar to what's happening in the GTA, where several large sites will open at the same time to compete directly. It's anticipated that occupancies will need significant time to recover and rates will be heavily impacted. Given the significant costs of these sites and the aggressive pro forma that often exists in the business plans, it'll be interesting to see if these markets become overbuilt. It's certainly possible.

Fortunately, some operators are being extremely disciplined with new development. Their internal feasibility studies are based on conservative expectations, and if construction costs exceed model limits, the projects don't proceed. Moreover, lease-up periods to stabilization are often accomplished in four to five years. This reflects how conservative some veteran operators are. This is with good measure, as there's enough evidence to show that large, new facilities have often taken surprisingly long to stabilize.

Overall, construction pricing has been rapidly increasing. A modern, multi-story site ranges from $120 to $230 per square foot for building hard costs. This is far from the $55 to $70 of only a few short years ago.

Typical class-A projects in urban and suburban markets are often working out to $15 million to $30 million on the cost side. This may explain why there are a significant proportion of new operators entering the industry. It hasn't been uncommon to see experienced operators pass on projects that are then picked up by a new developer. It'll be interesting to see if the new operator's business model performs to his expectations or ends up being a significant cash burden for years to come.

Two other factors affecting new construction are steel tariffs and development cost charges (DCCs). Tariffs have increased the cost of steel systems used in self-storage, resulting in double-digit percentage increases. City officials haven't lost sight of the opportunity to charge developers significant DCCs, either. In the most extreme cases, these can be more than a couple million dollars and must be paid prior to construction. These large increases are further testing the ever-narrowing feasibility gap on new projects.

> "Fortunately, some operators are being extremely disciplined with new development. Their internal feasibility studies are based on conservative expectations, and if construction costs exceed model limits, the projects don't proceed.

The Impact of New Builds

All the new development is understandably affecting existing operators. For example, the GTA has seen a fair number of new sites open in traditionally strong and well-performing markets. Not surprisingly, the first new property reduces the overall occupancy of existing facilities. Then, as more new locations continue to open in the same area, the impact becomes more substantial, leading to a significant reduction in market occupancy and, eventually, rental rates.

In Calgary and Edmonton, Alberta, where new facilities have opened recently, operators were already weathering a multi-year recession, which started when oil pricing collapsed. Consequently, most new entrants to the market have planned for a slow and steady lease-up, and their expectations around rent increases are extremely low to non-existent. Finally, they've planned greater operating cash reserves to carry the business for many years to break even.

Sadly, there are too many operators with rent-up projections of 12 to 24 months and rates of 40 percent above market. This isn't conservative and will likely prove to be a costly mistake.

Financing

On the finance side, higher interest rates have created challenges. The Bank of Canada's benchmark rate has increased to 1.5 percent, up from .5 percent in 2017. Consequently, the five major banks have further set the tone by increasing rates to 4 percent to 6.5 percent on a term loan. Construction loans are typically higher, but interest-only. When these rates are added to longer rent-up lengths, cash-flow constraints and conservative Canadian lending, it can create issues. In many cases, this is where some veteran operators wait for acquisition opportunities of lesser experienced operators.

On that note, self-storage sales in Canada are extremely few, with most provinces rarely exceeding more than five to 10 transactions per year. This explains why the top five facility operators only have around 250 facilities between them. Most industry ownership portfolios remain in the single digits.

Taxes

Unfortunately, property taxes remain one of the largest annual expenses for self-storage businesses. The government continues to aggressively assess storage sites and tax them at rates that can far exceed what a homeowner would pay. For example, a Vancouver facility would pay more than four times the rate of a residential owner; yet that same site would put far less demand on local roads, emergency responders, schools and other city services. In some circumstances, a full month and a half of gross income is required to pay this expense.

In addition, jurisdictions that assess taxes on an income-approach calculation use a full stabilized occupancy rate, even though the facility may have just opened and be years away from that percentage. This puts a large, immediate burden on the site, causing it to operate at a financial loss. Organizations such as the Canadian Self Storage Association have had significant success in dealing with Provincial Assessment Authorities, explaining the business of self-storage and what could be deemed fair taxation.

Ongoing Operation

Operationally, self-storage facilities continue to modernize and take on a more professional, retail look. In many cases, improvements start with the basics of site upkeep and maintenance. Older facilities have been renovating to add a more contemporary style with new doors, hallway reskins, fencing, gates and LED lighting.

Increasingly, customers are using their mobile devices to find storage, and more people are finding storage via the Web. A strong website and online presence is, therefore, a must. This can be a challenge for individual operators as they work hard to understand and optimize digital advertising and search engine optimization.

Not surprisingly, it's common to see self-storage management software being used at storage facilities today, regardless of whether they're a family-owned, single location or part of a multi-site portfolio. These applications tie into online payments and rentals, and even remote-management tools. Even onsite lien sales are phasing out, with most properties choosing online auctions through industry platforms that allow for greater sales transparency and ease of sale.

The Canadian self-storage market has enjoyed varying levels of stability but will now be tested with significant growth, particularly as land and construction costs are at all-time highs. New sites are being pushed to fill faster and at higher rates to meet their pro formas. This may not be realistic, especially in markets that risk overbuilding. It'll become increasingly important for older facilities to modernize and stay competitive. **ISS**

Robert Madsen is president of the U-Lock Mini Storage Group and a director of the Canadian Self Storage Association. Born into the industry, he has more than 25 years of professional experience. Madsen started in the business with plunger, broom and hammer in hand, progressing to manager and, ultimately, executive. He's also a moderator for the Self-Storage Talk online community, going by the username "Madman." For more information, visit www.selfstorage.ca.


BREAK THE CHAINS
OF WHAT THEY
TELL YOU IS NORMAL
The days of using multiple programs that interface with one another to manage your property are long gone.
Sentinel Anywhere does all of this and much more from one application suite.
Access control and management functions, rent units, lease units, billing, monitoring alarms, reports, security settings and so much more.
All from one application.
SENTINEL
ANYWHERE
SENTINEL
ANYWHERE
1620 Kipling Street | Lakewood, CO 80215 USA | 800-456-9955 | www.sentinelsystems.com

AUSTRALIA'S Ups and Downs

Prices climb, occupancies slide as competition intensifies

By Sam Kennard

The Australia self-storage market saw a 2.2 percent dip in occupancy in the second half of 2017, while rate per square meter increased 3.4 percent. New supply is opening across the country, and there are 50 new facilities in the pipeline. As a result, some submarkets will likely enter a phase of subdued occupancy and revenue.

The December 2017 Storage Index released by Urbis Pty. Ltd., which tracks self-storage demand, rental rates, occupancy and revenue along the East Coast of Australia and in Auckland, New Zealand, revealed that actual storage rates had increased by 3.4 percent over the preceding six months. (This is the rate paid by existing customers, not prevailing street rates for new renters.)

The observations from the field at my company, Kennards Self Storage, are that competition is biting hard and aggressive pricing is becoming commonplace. Indeed, our same-store analysis reveals our move-in rate is 0.7 percent lower than the same time last year. This is the first time move-in rates have fallen since we began analyzing this data. The inevitable consequence of lower street rates will flow into the actual storage rate in time.

It's likely new-store revenue will also fall short of feasibility expectations. The following table offers a closer look at occupancies year-over-year in five local markets.

AUSTRALIA MARKET OCCUPANCY

	DECEMBER 2016	DECEMBER 2017
Auckland	91.1%	88.8%
Brisbane	83.0%	82.4%
Melbourne	89.8%	89.1%
Perth	Not measured	72.2%
Sydney	85.2%	82.7%

Source: *Urbis Storage Index*

The occupancy in Perth, at just 72 percent, deserves special mention, as it reflects the economic conditions in this uniquely positioned mining-reliant city. Having enjoyed a spectacular boom fueled by China's interest in minerals, the mining investment fell away and the Western Australian economy reversed gears a couple of years ago.

The self-storage operators that previously enjoyed strong 95-plus percent occupancy and robust prices are now experiencing challenging times. Notwithstanding this, some local operators remain optimistic and continue to build new stores. Indeed, some within the city's submarkets are reporting strong occupancies.

Kennards Self Storage in Rydalmere, New South Wales

New Supply

In March, Urbis released its first “Self Storage Supply Tracker” report, which measures new facilities in planning or under construction across the major metropolitan markets of Australia and New Zealand. It showed that there were 50 new facilities in the planning or development stage, though that could prove to be an understatement.

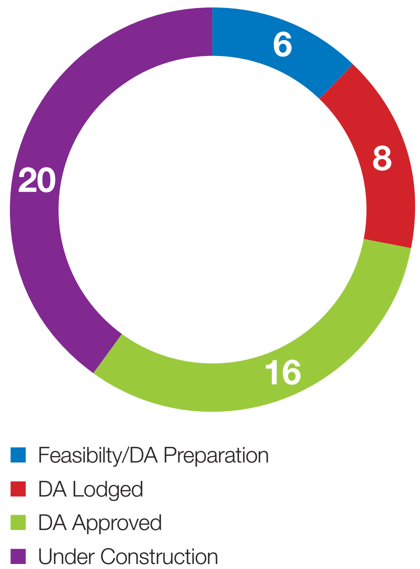
FACILITIES PROPOSED OR UNDER CONSTRUCTION

MARKET	# OF FACILITIES	# OF UNITS
Sydney	16	>10,000
Melbourne	11	>6,800
Brisbane	5	>2,400
Adelaide	4	>1,800
Perth	4	>2,000
Auckland	4	>2,600

Source: *Urbis Self Storage Supply Tracker, March 2018*

Despite the warning signs, there’s plenty of interest for new investment in the sector. Funds are looking for a home, so prices for traditional asset classes have soared. Investors are climbing the risk curve to put their money to work. As a result, self-storage has received plenty of attention. Capitalization rates continue to strengthen for operating facilities. In addition, investors are taking the risk and building new sites.

On the surface, some projects have dubious economics. Several that have come across my desk to be rejected were later picked up by exuberant, hungry new investors. The counterweight to the supply surge is booming population growth, particularly in Auckland, Melbourne and Sydney. Australia and New Zealand remain exceptionally appealing places to live, so immigration levels are very high.



Source: *Urbis Self Storage Supply Tracker, March 2018*

There’s much to be positive about in our region. While its seems inevitable that some submarkets will suffer sluggish performance until conditions restore, there are still growth opportunities. It’s a time to be cautious, and opportunities demand careful analysis. Sound site selection and appropriate scale are necessary for projects to flourish. **ISS**

Sam Kennard is the managing director for Kennards Self Storage, which operates in Australia and New Zealand. Under his stewardship since 1994, the company has grown from 14 facilities to 90. Valued at more than $1.3 billion, the portfolio comprises 600,000 square meters of rentable space. Sam has extensive experience in business and property development, and has served on the board of the Self Storage Association of Australasia as well as for private companies. Kennards remains a privately owned family business, employing more than 250 people. For more information, visit www.kss.com.au.

Kennards Self Storage in Hoxton Park, New South Wales

ASIA'S GROWING PAINS

The challenges of rising in the region

By Luigi La Tona

Many self-storage investors and operators from Europe, the United States and elsewhere have recently come to Asia to learn about the local industry landscape. They often see similarities between our market and the early days of growth in their respective countries, particularly in the challenges we face.

In 1984, the U.S. industry supplied one square foot of self-storage per person. Now it's more than 8 square feet per capita, and business that makes more money than Hollywood! While I'm not well-versed in the specific trials the U.S. industry tackled during its growth periods, inflection stages and turning points, I'm sure seasoned experts remember it with a profound smile. I'm also sure there was plenty of strategy, speculation, doubling down and pulling out during critical moments because, unlike hindsight, foresight *isn't* 20/20.

Today, the Asia self-storage industry is facing its own key moments of transition, and the business is growing at a different rate in each country. Still, facility operators in these markets are learning from each other, sharing what they've discovered about technology, capabilities, best practices, investor interest and more.

Getting the Product to 'Catch On'

The Asian countries that first offered self-storage were Japan (1990), Hong Kong (1997), Singapore (2003) and China (2008). Since 2008, Bahrain, Brunei, Dubai, India, Jordan, Malaysia, Philippines, South Korea, Taiwan, Thailand and Vietnam have included the business in their most cosmopolitan cities. Each market has its own industry characteristics (property types, locations, ownership styles, investment models, etc.), but they all function relatively the same.

In its 2017 report, "The Rise of Self Storage in Asia Pacific," investment-management firm JLL stated, "The Asian markets are evolving as the notion of storing personal belongings outside the home catches on. This is driven by growing affluence, changing lifestyles (especially smaller dwelling units in major cities, seasonal goods, etc.) and business practices."

One of the biggest lessons operators in all Asian markets are learning is product awareness isn't always there yet. Sometimes, supply comes before demand. One developer told me she didn't even know the business existed until she saw a flier on her car windshield!

A key element to building awareness is marketing. While the world focuses on search marketing and social media, the Self Storage Association Asia (SSAA) is proactively working with its members to collaborate on marketing, share costs and potentially target "blue ocean" consumers. Hopefully, this will bring more attention to the industry.

A Look at Specific Markets

When I visited the Philippines in 2016, there were only a handful of self-storage sites. Now, some of the most well-known developers and business families are building new facilities there, and the country boasts more than 15 sites in the capital of Manila. That may not sound like a lot in a city of 1.8 million people and a country of 107 million, but it must start somewhere! Obviously, there's a lot of potential to grow.

Within the last year, Thailand has practically exploded with self-storage, with more than 12 sites in Bangkok and another 20 nationwide centered in Chiang Mai, Pattaya and Phuket. Keeping in mind this is a country of more than 69 million people, we believe this market will go through its own turning points as the industry comes into its own.

Hong Kong has its own story of growth. Given the higher product awareness, rising consumerism, small apartments, high cost of living and working spaces, and general population density, it's one of the most attractive markets for self-storage. Since the big fire in June 2016, the local industry has had its own inflection point and now faces some of the toughest regulations around the world. However, we call this "the perfect storm." Hong Kong is still one of the most appealing Asian cities in which to operate self-storage.

Which brings us to China—a key point of interest for many. The country has a total population of 1.3 billion. In the four major, tier-one city centers where self-storage exists, there's nearly 85 million people: Guangzhou (14.5 million), Shanghai (24.2 million), Beijing (21.8 million) and Shenzhen (24.2 million). As self-storage slowly becomes more well-known, it's starting to creep into tier-two cities as companies that see the upcoming "boom" stake their claim. The industry has grown more than 122 percent year-over-year, from less than 180 facilities to more than 320, according to a 2018 survey by the SSAA and Ipsos Business Consulting.

It's clear the opportunity is great in China, however, before rushing in, investors had better know their way around. Business ownership in the country has its own nuances, particularly if it comes with property ownership. That said, it's been done by many and will continue to get done by many so long as they spend the time and effort to learn the market.

"It's clear the opportunity is great in China, however, before rushing in, investors had better know their way around. Business ownership in the country has its own nuances, particularly if it comes with property ownership.

Looking Ahead

In its report JLL predicted, "Although self-storage is still at the early stages of being defined as a single product, this dynamic sector is now emerging on the radar of many investors because of potential market growth and increasing public awareness. We believe good, quality platforms that largely comprise of self-owned assets—and have the scale—will present a highly investable product."

According to the SSAA/Ipsos survey, roughly 54 percent of Asia operators plan to expand their business, with the core focus being the market in which they operate locally. Hong Kong, Mainland China and Singapore are perceived to be the most attractive markets for expansion.

Ten to 15 years from now, the "elders" of the Asian self-storage community will reflect on this period. They'll remember the actions they took, problems they faced and lessons they learned. Rest assured, they'll share their story with the next group of upstart investors with a smile on their faces. **ISS**

Luigi La Tona is executive director of the Self Storage Association Asia, which is dedicated to helping self-storage operators, investors and suppliers who work and are interested in Asia. For more information, visit www.selfstorageasia.org.

An American in Bangkok

A U.S. industry veteran gains fresh perspective from Self Storage Expo Asia

By M. Anne Ballard

Knowing the population of Asian countries to be the highest in the world, you might expect self-storage would take off in these markets and experience explosive growth. This is true in some areas, but not all. It's a truly diverse assembly of nations and cultures.

The Asia self-storage market is also dealing with some dynamics that were never faced by U.S. industry professionals. For example, a devastating fire at a Hong Kong facility in 2016 has led to extremely regulated conditions. As a result, some stores have closed, and year-over-year growth is down in number of facilities and overall square footage. This is just one of the obstacles the local business faces.

After attending the Self Storage Expo Asia in Bangkok in May, I came away with a fresh perspective of this emerging market. Here's a quick overview of the industry and my observations of its challenges and achievements.

By the Numbers

Below is a summary of the Asian self-storage market, based on survey conducted this year by Self Storage Association Asia (SSAA) and Ipsos Business Consulting. Association members receive the full results, which contains more data and trends than I've shared here. It's invaluable to collect and disseminate this information and support smart growth and standards for a growing industry. The SSAA is to be congratulated on its ability to provide such a valuable tool.

COUNTRY	NUMBER OF FACILITIES	SQUARE FEET PER CAPITA
Japan	2,450	0.064
China	378	0.003
Hong Kong	369	0.514
Taiwan	108	0.038
Singapore	56	0.380
Malaysia	13	0.005
	Total = 3,374 **(19.86M Square Feet)**	**Average = 0.167**

Average occupancy in the region is 76.5 percent. Monthly rents per square foot range from $2.05 in Malaysia to $6.25 in Hong Kong, so it's easy to see there's limited competition. As the years pass and new operations are established, rents will no doubt fluctuate as they have in other international markets. According to the survey, roughly 54 percent of Asia operators plan to expand their business in the core markets in which they currently operate.

Mainland China showed the best performance in the 2018 survey, with an impressive 122 percent year-over-year growth (from 170 to 378 facilities). As Asia's leading market, Japan reported a slow but steady 8.9 percent growth, which was consistent with the last eight years of 8 percent to 10 percent growth.

Industry Challenges

According to the survey, the top five challenges faced by Asian self-storage operators are:

- Government compliance
- Suitability of available space
- The high cost of converting an existing building to self-storage
- High startup costs
- Availability of space to build

Local operators also face the challenge of industry awareness. The key to growing a customer base in new markets is educating the populace about the product, including benefits to consumers and small businesses and how self-storage differs from warehousing or other more traditional storage methods. Asia's operators need inexpensive but highly effective means to tell their story and grab consumers' attention.

The industry associations can lead the various countries in establishing laws that determine how self-storage is leased and governed. This will be challenging in such diverse cultures, but it's easy to see how monumental these issues will be to the success of the industry.

Expansion

Operators in this region of the world will likely continue to expand and have plenty of room to grow. One would expect to see a rising sophistication in their operations as they complete the education portion of the development curve and move into refinement of management and customer-service programs.

As in many other self-storage markets of the world, there will be pioneers in Asia willing to set the stage and endure the learning curve, applying technology to enhance the business and teach the population, then graduating to a more state-of-the-art product, using differentiation of service and amenities to exceed customer expectations and grow brand loyalty. Some will choose to sell on price alone as they have done in the U.S., while others will aim to attract "the cream of the crop" through more upscale offerings. The great news is there'll be room for everyone willing to fight through the challenges of these formative years. **ISS**

M. Anne Ballard is president of training, marketing and developmental services for Universal Storage Group and the founder of Universal Management Co. She's past president of the Georgia Self Storage Association and has served on the national Self Storage Association's board of directors. She's also participated in the planning, design and operation of numerous storage facilities. For more information, call 770.801.1888; visit www.universalstoragegroup.com.

Entertainment at the 2018 Self Storage Expo Asia in Bangkok

Asia's Rising Stars

Here are a few of the industry's "bright stars" I had the pleasure to meet at Self Storage Expo Asia in Bangkok, May 16-18.

Kevin She, Co-Founder and CEO, SC Storage

Kevin was a self-storage pioneer in Hong Kong, where he launched in 2001. The company now has 63 locations throughout Hong Kong and Macau. Kevin has attended self-storage conferences in the United States for many years and possesses an indomitable spirit and drive.

Kevin donated money to the families of two firefighters who were killed during a 2016 fire at one of his Hong Kong facilities. I participated in a podcast with him during the conference, and I could see the profound impact the catastrophe had on his business and personality.

Working to achieve a higher understanding of his life and purpose, Kevin displays remarkable resilience and innovative thinking. He's received many accolades in his career. I'm sure there are many more to come.

Kevin Chan, CEO, Store Friendly and Store Friendly GO

A young entrepreneur, Kevin serves on the SSAA Board of Directors. His operation has more than 130 locations in Hong Kong, Macau, Shanghai, Singapore and Taiwan. This includes 80 franchisees, a program that helped the company experience incredible growth since launching in the early 2000s.

Charlotte Sun, Co-Founder and CEO, Locker Locker Mini Storage

That's Charlotte on my right. Her operation has five self-storage locations in Shenzhen, China. Sun also owns a firm that manufactures metal partitions and other fabrications and serves on the SSAA Board of Directors. In speaking with her, it becomes crystal clear that she wants to achieve excellence in her facilities.

THE RABCO CORPORATION

A dream that started in 1987 for The Rabco Corporation has exceeded all expectations.

Twenty-two years later, we still have the pleasure of leading this industry through many phases of development via innovative design and building techniques.

The Rabco Corporation has focused and will continue to pursue one very important goal: to maximize your site utilization for the best possible return on investment. We will continue to lead this industry in the new era of self-storage building using the best quality materials and exceeding customer-service standards.

Count on The Rabco Corporation to continue its legacy for many years to come! For more information, visit our website at www.rabco.com.

U.S. GREEN BUILDING COUNCIL MEMBER

To find out more or to receive a no-obligation consultation on your next U.S. project, call toll-free: **1-800-989-0220**

THE RABCO CORPORATION

1041 Crown Park Circle
Winter Garden FL 34787
E-mail: rabco@rabco.com

The Resilience of the Brazilian Industry

Positive momentum helps operators overcome challenges

By Thiago Cordeiro

My business partners and I founded GoodStorage in Brazil in December 2013 and opened our first store in São Paulo in June of the following year. After many years in the real estate investment world, it was my turn to be an entrepreneur and take some risks.

I was confident the self-storage sector was ready to take off as soon as long-term institutional capital landed. The complete lack of financing, both equity and debt, had kept the industry restricted to small operators that were mostly running lease-hold properties and cash-cowing from an underserved market. I believed adequate capital would enable competent, creative companies to build awareness and the business. I was ready for the challenge.

What I couldn't see was that our first store was launching concurrently with Brazil entering the longest, deepest economic recession it has ever known. The general real estate industry had just enjoyed eight golden years. We tried to believe the recession would pass quickly, but the Brazilian economy has cycles, and the challenges would be with us for a while.

So, when the going gets tough, the tough get going! This is when I fell in love with self-storage, and that passion became a source of motivation. Through adversity, the industry has solved an important urban need in Brazil and managed to grow. Storage companies have invested in improving their operations, digital presence and marketing.

GoodStorage stands out in the prosperous Aclimação neighborhood of São Paulo.

Making the GoodStorage Identity

We were lucky to be a startup. We could dedicate our deepest efforts to implement all initiatives from scratch, with no biases or legacies and in the best of our knowledge and capacity. From the very beginning we knew we wanted to be three things: a true real estate company; a retail, customer-centric platform; and a great place to work.

As a true real estate company, we wanted to be simple, trusting in the best locations and developing assets we wanted to hold for life. The market was mostly concentrated in suburban areas, lacking access and visibility. We knew that to become relevant and create impact in awareness, we needed to seek urban-infill sites. We wanted to be our customer's neighbor; we needed to be truly functional.

As a retail, customer-centric platform, we wanted to learn how to better serve the demands of our customers. From the start, we invested heavily in business intelligence, enterprise resource planning, customer relationship management, omnichannel strategies and client segmentation, inbound and outbound. In a segment with absolutely no track record, data collection and mining would later be our compass through the storm.

Last but certainly not least, we wanted to be a great place to work. We believe there's no separation between personal and professional life. We wanted to build a business in which each member could be the best version of his true self, providing a virtuous atmosphere where all understand their vital role in the company's success.

This combination of company characteristics has enabled us to open 12 freehold stores (with 12 more developments planned) and become the largest self-storage operator in São Paulo. On average, the stores are 4,000 square meters. They vary from strategic, large, ground-level, edge facilities with the best available access to infill vertical properties, such as an eight-story facility in the city center next to a high concentration of new studio apartments. GoodStorage is present in three of the city's five most affluent neighborhoods.

GoodStorage operates 12 facilities in the city.

Widespread Acceptance

The GoodStorage story demonstrates the positive momentum of self-storage in Brazil over the past four years. It hasn't only proven to be resilient but also an important solution for individuals and businesses as they change the way they interact with the urban centers.

The capitals are becoming denser, with individuals choosing the location of their homes to optimize mobility, even if that means living in more compact apartments. At the same time, Internet penetration is growing rapidly as is the use of smartphones. It's no surprise that e-commerce has also grown significantly. All these trends are increasing the acceptance and use of self-storage in Brazil.

A Strong Sector

The self-storage sector is well-organized here, with a national association and an annual tradeshow that attracts suppliers and operators from all over South America and overseas. Between 2014 and 2017, the Brazilian Self Storage Association estimates 80-plus new stores were launched, representing an average growth of 12 percent per year while gross domestic product has shrunk 2 percent annually.

Between 2014 and 2017, the Brazilian Self Storage Association estimates 80-plus new stores were launched, representing an average growth of 12 percent per year while gross domestic product has shrunk 2 percent annually.

The market is mostly focused in São Paulo and Rio de Janeiro, although you can find class-A facilities in most states. The occupancy levels vary, depending on the age of the store. In São Paulo, which holds about 50 percent of Brazil's self-storage supply, occupancy is estimated to be around 65 percent. Individuals make up approximately 70 percent of storage renters, leasing an average of 7 square meters. Rates are north of R$65.

The obstacles haven't been easy to overcome, but they're making the industry stronger. The continuing urbanization trend should continue to support the need for storage in the years ahead. The market, however, should still see supply driving demand for quite some time, meaning our challenges won't go away any time soon and creativity will still be a key differentiator. At the end of the day, the question is: How fast can awareness can grow? **ISS**

Thiago Cordeiro is CEO and a founding partner of GoodStorage, a Brazil self-storage company he launched in 2013 with Evergreen Capital Partners and Hemisfério Sul Investimentos. He's been involved in real estate investment since 2003, raising and managing real estate funds as well as developing various assets classes. For more information, visit https://goodstorage.com.br.

PERFECTING THE CX:

HELPING YOU CRAFT YOUR CUSTOMER EXPERIENCE

EDUCATION › EXHIBITS › CONNECTIONS › DIGITAL

REGISTRATION OPENS IN EARLY DECEMBER!

ISSWORLDEXPO.COM

ISS®

INSIDE SELF-STORAGE WORLD EXPO

APRIL 1-4, 2019

THE MIRAGE | LAS VEGAS

The Fledgling Finnish Market

Building awareness, filling demand

By Jussi Tolvanen

Finland has a relatively young self-storage market, and most people are positively surprised when they tour a modern facility for the first time. Customers visit because they have an urgent need. This includes storing items while moving, renovating or downsizing, or during family changes such as marriage or divorce. Only in a relatively few cases do they seek self-storage to free up space at home. For that purpose, Finns still typically find other solutions.

This means the main competitor for storage companies isn't other facility operators but home storage, summer houses and even saunas. Yes, a sauna, the holy room of Finns, is very often used as a storage space! A recent study shows that as many as 28 percent of Finland saunas aren't used as relaxation rooms but to store sports equipment, children's stuff and more.

The Finnish Self Storage Association (FSSA) commissioned a consumer survey from YouGov Finland about space at home and solutions to free it. Key findings include:

- 54 percent of Finns ages 35 to 54 feel they have too little space for their belongings in their homes.
- Storage space outside a home is more popular among men than women. Women are more apt to purchase less and organize their homes.
- Up to 67 percent of families with young children feel they have too little space. More than half feel they should consider new storage space or give up some of their items. In addition, more than half say their need for storage varies according to season.
- 54 percent of respondents living in the Helsinki metropolitan area reported they have too little space for belongings in their homes. In other large cities, 41.6 percent agree.
- Self-storage isn't well known. Two thirds of respondents said they aren't familiar with the service.
- Respondents reported they would most likely use self-storage during a renovation or a move.
- 15 percent of respondents said they'd consider using self-storage to free up space at home, while 11 percent reported they'd use it for seasonal or hobby storage.

Building Awareness

What's critical in a young market like this is improving product awareness. Finnish operators need smart ways to make customers more aware of self-storage and how it can improve their lives, so they'll see it as an alternative for storing one's belongings. Also, people need to understand the real cost of living in a big apartment or house just to store an excessive amount of stuff. Investing in a large home is somehow more accepted than investing in storage space.

So, how should self-storage operators educate this undeveloped market? The best way is to get people to visit facilities and explain the product to them. Once they try it in an urgent-need situation, they'll see how convenient it is. It's much easier to retain existing tenants than to get someone else to consider such an alternative.

Other important education methods include public relations, content marketing and social selling. The industry needs more coverage in newspapers and lifestyle media. In addition, operators need to conduct smart content marketing to explain the solution to individuals and businesses in different situations. Most important, everyone in the storage business needs to spread the word about the offering, its benefits, its quality and the high customer satisfaction, both for individuals and commercial tenants.

Future Growth

The Finnish self-storage market is growing approximately 15 percent annually. The growth of modern, high-quality facilities is even higher, as this figure includes conversions of old sites that have been acquired by the market's strongest players. The local industry leaders include Cityvarasto and Pelican Self Storage. The FSSA counts seven companies as members.

The need for extra space is evident in Finland, but only a small portion of the population knows about modern self-storage. Local operators are doing their best to increase awareness to consumers and businesses. In a young market like this, communication, public relations and content marketing are especially important tools to drive growth. **ISS**

Pelican Self Storage in Espoo, Finland

Jussi Tolvanen is the chairman of the Finnish Self Storage Association and country director for Pelican Self Storage. He's worked most of his career within the consumer-goods business. Before joining Pelican in 2016, he spent 14 years in leadership roles in retail and wholesale. He also has three years of experience representing a consumer-goods supplier. For more information, e-mail jussi.tolvanen@pelicanselfstorage.com; visit https://pelicanselfstorage.fi.

INTRODUCING SELF-STORAGE TO INDIA

Orange makes its market debut

Industry newcomer Orange Self Storage (OSS) opened its first facility this year, in North Bengaluru, Karnataka, India. The three-story building contains 110 units and 685 “safe lockers” for the storage of valuables. The location is the first of several OSS has planned in the country. Additional sites are slated for Central and South Bengaluru as well as Koregaon Park, a suburb of Pune, Maharashtra.

The OSS mission is to provide safe, secure and private storage. “Our customers wish for a hassle-free experience, and Orange Self Storage offers just that—the ideal location, a variety of storage size options, [the ability] to access the items as required, and [the] paraphernalia needed for packing,” says general manager Sesha Babu.

The company chose its name because of the similarity of self-storage to the popular fruit. An orange contains multiple segments within a protective peel. Similarly, OSS holds multiple cubicles under a single roof with features like digital video surveillance, electronic access, fire and pest control, and backend customer support, Babu says.

Branching Out

OSS was established in 2016 by Nitesh Group, a well-known, diversified Indian business. Founded by Nitesh Shetty, a first-generation entrepreneur, the group started primarily in real estate, focusing on commercial and residential spaces, and then expanded to hotels and malls. Its primary region of operation has been Bangalore, commonly considered the nation’s information-technology capital.

In a city where people compete for better and larger living space, residents can easily run out of room to store goods and household items, Babu says. That’s why OSS introduced the self-storage concept to the market. Although the industry is still in its infancy, it’s picking up. “It has a huge potential to grow and flourish in coming days, with an increased number of expats, corporate mobility and relocation options, and smaller, restricted living space. We did a dip-stick study to understand the mindset of people and the market scenario,” Babu added.

Obstacles to Growth

The biggest challenges to industry growth in India are product awareness and the consumer mindset. Rather than store their goods—because many don’t know it’s an option—people simply throw out, donate or sell their items when relocating or facing a shortage of space.

Since opening, OSS has targeted working professionals who opt for corporate mobility and seek a temporary storage solution. It also markets to people who live in smaller spaces such as apartments and condominiums, small-business owners, and even corporations that need to store office overflow, excess factory supplies and business records.

In addition, the lack of product awareness has led to difficulty in securing capital to fund new projects. Currently, there’s no well-established brand that has forged a path and caught investor attention. Developers and owners are forced to look to private-equity investment or self-fund options for their projects. But that, too, is changing.

“Self-storage as a concept is new to the society and it will take time to grow. People are still learning about the concept and are willing to invest their time and money,” Babu says. ISS

The Young ITALIAN MARKET

Development and consumer trends in 'The Boot'

With only about 50 facilities countrywide, the Italian self-storage industry is young compared to other European markets that boast hundreds of sites. Still, the service has been embraced by the country's consumers, and a handful of operators are enjoying great success.

One reason is the guidance of the local self-storage association, Associazione Imprese Selfstorage Italiane (AISI). Acting as the voice of the local industry, the organization aims to promote best practices and facilitate development. **Inside Self-Storage** spoke with AISI Business Developer Vanessa Digoncelli about the state of the market, new development, challenges and more.

What's the state of the self-storage industry in Italy?

The Italian market is extremely interesting, and the possibility to open a self-storage facility is tangible. One needs desire, courage and expertise to invest. Between 2000 and 2006, the industry saw good numbers coming through; then the 2008 economic crisis changed that. However, in the last two years, we've seen a positive comeback of those initial results, and we foresee that it's only going to get better.

What's happening with new development?

In July 2017, Boxintown opened its doors a few steps from Vatican City. Located within a historical Roman building—with marble floors and 32 video cameras to survey just a little over 600 square meters—it really represents the first high-end Italian facility. It allows Roman citizens who don't own a cellar or extra room in their tiny city-center apartments to keep their belongings nearby.

This September we also expect a new self-storage operator to join the market. The facility is coming to life in L'Aquila in the Abruzzo region, just 120 kilometers from Rome. The fact that someone is building self-storage in an earthquake zone shows how much Italy is changing shape and the strong willingness to grow.

The project is an interesting one. It's a smart combination of 66 storage units, 300 square meters of open space for offices and shops, and a remarkable 1,500 square meters of guarded parking. The owner strongly believes this will help grow Italians' awareness of self-storage as a very versatile industry where one can take risks and come up with new business concepts. Obviously, like all changes, this requires time and consciousness before turning into reality.

On the heels of this opening, Casaforte Self Storage has a new entry, its 23rd, expected to open in late 2018. It'll be in the postcard-perfect city of Bolzano, not far from The Dolomites, a UNESCO (United Nations Educational, Scientific and Cultural Organization) World Heritage site. Architects are working on a multi-functional center, combining ground-level shops featuring big windows facing the main street as well as self-storage units.

Is the look and design of facilities evolving? How so?

Just like shops invest greatly in their look to give customers the best first impression, the self-storage industry takes this into account. Therefore, it's giving more importance to its design and image.

On the other hand, though, Italy is a country with great rooted history where buildings can't be turned into extremely modern ones. Unlike in the United States, it's hard to find land to build something new. What operators can do is renovate old buildings and turn them into more attractive and clever ones.

What challenges is the association helping operators to overcome?

The legal aspect of the Italian self-storage contract is still something we're working on. Also, there's the importance of insurance, so we're spreading awareness of why it's so critical.

What role does technology play?

Just as in the rest of Europe, technology plays an important role in the Italian self-storage industry. Facilities use video cameras and access-control systems.

A big change perhaps is the introduction of kiosks, which allow clients to sign a contract at a satellite facility without an operator present. With an ID and a credit card, anyone at a kiosk can communicate remotely to a self-storage operator and will be guided through the process of renting a unit. This will allow more flexibility and easier access to a self-storage solution for those working office hours or in an emergency. ISS

Casaforte Self Storage in Milan, Italy

A Virtual 'Hop' AROUND THE UK

Kangaroo Self Storage provides insight to industry growth, trends and activity

By Chris Stevens

The self-storage industry is growing across Europe, led by the United Kingdom. In fact, the U.K. represents 48 percent of the European market, with France at No. 2 and considerably smaller.

In terms of number of operators, rentable space and number of users, the U.K. market dominates in Europe. Local operators remain bullish, with many predicting increased demand and occupancy, leading to an ability to charge higher rates. According to 2018 data from the Self Storage Association United Kingdom (SSA-UK), there are more than 1,500 sites in the country, up 5 percent from the previous year. They comprise 44.6 million square feet, up 8.8 percent over last year.

Indicators point to continued progress in the region. Occupancy and profitability are rising, demonstrating strong customer demand. Yet, the market is fragmented, with significant numbers of container-based facilities, and product awareness is still low. Together, these factors present great opportunities for expansion. Let's look at some market trends and factors.

Major Players

The U.K. market is led by three major players: Big Yellow Group PLC, Lok'nStore Group PLC and Safestore Holdings PLC. Combined, they represent 17 percent of the market. Beyond them, large operators managing 10 or more sites account for more than 40 percent of the market. Twenty-two percent of the market is container-based storage.

In Scotland where my company, Kangaroo Self Storage, is based, there are only a few operators. They're clustered around the Central Belt and focused largely in Edinburgh and Glasgow, reflecting population density and travel infrastructure.

Store Openings

Last year was very active for self-storage. The SSA-UK reported 2.4 million square feet was added through more than 70 store openings, 29 of which contain more than 150 units as part of the first phase. More space was added by new builds than by facility expansions and fit-outs. For the first time, the openings of purpose-built or converted sites exceeded those of container-based sites.

In addition, store openings were in regional locations, indicating expanding geographic interest. London and South East England have traditionally been the focus for new development, and large operators have largely focused their efforts in these areas. As a result, London's amount of storage per capita is about twice that of the U.K. average.

Rental Rates

Average net rental rates in the U.K., while on the up at £23.08, show regional variances with London at £28.22. Scotland comes in at £20.49. (Operators are pushing yields aggressively here, so rental costs are proportionally more expensive.) The lowest rates are in the East Midlands at £15.68.

Compared to the mature markets of Australia or the United States, the U.K. has limited land availability, and the price of land is much higher, particularly in London and the South East. This impacts individual store profiles and product pricing.

Product Use

Despite being relatively mature, the U.K. self-storage market is still developing. While only 2 percent of the population uses self-storage, of those that have stored, more than 40 percent will use the product again. Move-in incentives are still common. They remain largely unchanged over the last five years, with the aim being to raise industry awareness.

Self-storage remains a needs-driven purchase rather than a lifestyle choice. Education about the product's value and benefits is key. Most customers—whether students, homeowners or businesses—have no concept of storage prices and unit sizes. However, domestic and commercial customers are storing for longer periods, with business users storing the longest. The average length of stay at our facilities is more than 100 weeks. Customer retention is key.

While the average size of rented units is increasing, domestic users tend to use smaller spaces, with just under 70 percent renting less than 100 square feet. These customers are usually older and will travel around 20 minutes to a facility. Business renters choose larger units, with a significant proportion renting multiple spaces.

Kangaroo Self Storage in Edinburgh, Scotland

The balance between domestic (60 percent) and business (40 percent) customers has stayed largely unchanged for many years, but there are regional and store variances driven by location.

Some operators are also beginning to offer a wider range of services including goods disposal, extended operating hours, unit shelving, Wi-Fi and more. However, most customers (34 percent) only visit their unit about once per month and are unlikely to use these services.

Operator Challenges

As potential customers increasingly turn to the Internet to search for storage, it reduces their level of interaction with staff. While this is undoubtedly the way forward, in the short term, it makes it difficult for customers to understand the product and how they can use storage to their benefit.

In addition, the U.K. is still post-recession, with the availability of mortgages only now increasing. We're still seeing relatively low levels of housing transactions. Both trends impact the self-storage market.

Limited land has also affected storage operators. Only recently have expectations around land prices adjusted to realistic levels. Going forward, the U.K. industry should expect to see more sites available for development. In addition, there's a preference by operators for freehold sites, with a move toward increasingly higher levels of freehold in maturing portfolios.

Acquisitions Activity

The growth of the U.K. market has stimulated the appetite for self-storage as an asset class. Investment-management firm JLL (Jones Lang LaSalle) reported more than £250 million in transactions in the last year in the U.K. alone. And while the government-funded Enterprise Initiative Scheme concluded in April, there's been an uplift in significant activity by institutional investors.

Global investment-management firm Schroders PLC entered the U.K. market last year, purchasing The Self-Storage Co.'s five-property portfolio in London for £44 million. My company entered the English market this year with the acquisition of Smart Storage Ltd. The £13 million deal tripled our portfolio to nine locations 442,000 square feet, with 310,000 square feet under lease.

More portfolios are expected to change hands this year, with the real estate investment trusts as active players. The SSA-UK reports the below significant acquisitions in England in the past 18 months.

Like many U.K. self-storage operators, Kangaroo is looking to grow, organically and through acquisitions. However, until recently, there's been limited supply. Our Smart Storage acquisition was the right opportunity at the right time. We'll continue to pursue growth when appropriate across North England and, indeed, in Scotland. ISS

Chris Stevens is CEO of Kangaroo Self Storage Ltd., which he established as an independent company in Scotland in 2004. It operates facilities in Dundee, Edinburgh and Glasgow, and entered the English market in 2018 with the acquisition of six Smart Storage facilities in North West England. For more information, visit www.kangarooselfstorage.co.uk.

March 2017	Armadillo Self Storage acquires QuickStore, which operates three facilities in the Southwest.
July 2017	Storage Giant acquires DHD Self Storage Ltd. in West Midlands.
August 2017	Schroders acquires The Self Storage Co. portfolio, which operates stores in London and the Southeast; and Ready Steady Store purchases three Jumbo Self Storage assets in the Midlands.
September 2017	Stor-Age Property REIT of South Africa acquires Storage King's 13-store portfolio in the Southeast.
October 2017	Safestore acquires Alligator Self Storage, a portfolio of 12 stores.
December 2017	Stor-Age acquires Storage Boost in the North.
January 2018	Storage Giant acquires Your Self Storage in Cannock.
February 2018	Ready Steady Store acquires Store 'N' Go and Ace Self Storage in the Midlands.
March 2018	Armadillo Self Storage acquires 1st Storage Centres' two stores in the Northeast, while Kangaroo Self Storage acquires the Smart Storage portfolio of six facilities in the Northwest.

We're open 24/7 … Come on by!

ISS-STORE.COM

Keeping Pace With UK Expansion

After being acquired, Storage King gears up for growth

By Rob Baird

Storage King, one of the United Kingdom's largest self-storage companies, is geared for growth following its acquisition by South Africa-based Stor-Age Property REIT. The company aims to develop more than 14 stores in the next five years in response to predicted industry expansion.

It's been nearly a year since Stor-Age purchased a controlling interest in Storage King. The deal was part of the REIT's initiative to pursue international expansion opportunities. The Storage King portfolio of 13 owned facilities and 12 properties under licensing and management agreements, primarily in Southeast England, was the ideal acquisition for Stor-Age's first foray outside of South Africa.

"Storage King offers established critical mass through a high-quality portfolio, proven local expertise, and a track record in self-storage with consistent earnings growth, especially over the past three years," says Gavin Lucas, CEO of Stor-Age, which operates 44 facilities. "This provides us with a strong and scalable platform, with in-place management for future growth and expansion."

The deal was also enticing for the U.K. operator, as Stor-Age has a management team with considerable operations expertise. It was this factor that interested Storage King CEO Robin Greenwood. "I have had a business relationship with the directors of Stor-Age for the past decade, so when our private-equity partners were looking to exit the investment, it was a natural decision to contact Stor-Age to see if the portfolio would be of interest," Greenwood says.

Self-storage is a growth sector globally, not only in emerging markets, but also in the first world. "The U.K. self-storage market is a significant growth opportunity," Gavin says. "It offers a more robust macro environment, but with a relative undersupply of self-storage compared to the United States and Australia, and a language, culture and regulatory system familiar to us in South Africa."

Pipeline for Growth

In 2015, Stor-Age was South Africa's first (and currently only) self-storage fund to list on the Johannesburg Stock Exchange, when it was mooted for ushering in a new era of specialist listings. Although it has replaced Storage King's existing investors, the U.K. company's structure has remained the same. Despite the geographic distance, Stor-Age insisted it come on board as an involved management team. Already, Storage King has seen a reinvigoration of momentum and a pipeline for growth.

"Following the acquisition, both companies have been working on a strategic expansion and development plan that involves increasing the portfolio from the current 26 stores to more than 40 stores over the next five years," Greenwood says. This includes acquisitions of current competitors, new developments, and the launch of a fully managed operational service to oversee and run stores for third parties under the Storage King banner.

Storage King hopes to keep pace with the industry's projected growth in the country. The 2018 Annual Industry Report produced by the Self Storage Association UK (SSA-UK) shows the U.K. holds 48 percent of the European self-storage market. "This is particularly interesting when one considers the size of the U.K. relative to the rest of the Europe," Greenwood says. The U.K. contains 0.674 square feet of storage per head of population, whereas Europe is at 0.192 square feet. With demand outstripping supply, the outlook is extremely positive.

The same report revealed that demand for self-storage space in the U.K. is growing faster than supply, with occupancy rising 3 percent in 2017. All regions of the country are experiencing growth, with the main focus around the more established areas of London and the Southeast, Greenwood notes.

The self-storage sector has also remained resilient post-Brexit and the 2012 imposition of the value-added tax on rentals. "It's,

Storage King in Gloucester, England

Storage King in Derby, England

therefore, an attractive investment given the defensive nature of the asset class," Gavin says. "The U.K. has a largely undersupplied market relative to first-world peers such as the United States and Australia and, thus, we expect to see this growth continue in the near future. Self-storage is relatively new to Europe and the asset class is still in the education phase. Even in the U.K., only 46 percent of people have a good or reasonable understanding of the product, according to the SSA-UK report."

Industry Challenges

Despite excellent growth in a slow economy, the U.K. self-storage industry still faces several challenges. It's remains in its educational phase, as many customers don't understand how the product works. Many operators believe a key driver of anticipated growth is more consumers becoming aware of the benefits. The lack of suitable locations and availability as well as the cost of land are additional barriers. However, these can be overcome by an experienced development team.

Storage King is addressing another consumer demand: up-to-date technology and security. Its website includes a four-step guide to help new tenants find and rent a unit, while its properties address security with pin-code entry and video cameras. The market appears to be responding well to the company's offering of convenient and accessible business and personal storage. Storage King promises to be one to watch in the coming months. **ISS**

> Despite excellent growth in a slow economy, the U.K. self-storage industry still faces several challenges. It's remains in its educational phase, as many customers don't understand how the product works.

Rob Baird has a thorough understanding of the self-storage industry in South Africa and the United Kingdom as well as extensive experience in the media industry. He contributes articles on behalf of Storage King, a U.K. storage company that has provided services business and personal self-storage since 2014. For more information, visit www.storageking.co.uk.

INSIDE SELF-STORAGE®

Inside Self-Storage (ISS) is the leading critical information source for self-storage owners, managers, investors and developers. The ISS brand includes publications, e-media, a discussion forum, tradeshows, an online store and educational resources. Established 1991, ISS provides solutions to the challenges operators face in a competitive and economically challenging environment, and covers topics essential to every self-storage professional: day-to-day management, facility marketing, legal issues, construction and development, finance, real estate, staffing and more. The ISS family includes *Inside Self-Storage* magazine, now in print more than 27 years; Inside Self-Storage World Expo, the industry's largest conference and tradeshow; selfstoragetalk.com, a rich, interactive online community; and the Inside Self-Storage Store, where industry professionals get on-demand insight and education.

About Informa Exhibitions LLC

Informa Exhibitions LLC is a leading business-to-business media company that delivers relevant content to key markets. With 20 brands including leading magazines, websites, tradeshows and conferences, online communities, training programs, and more, Informa Exhibitions provides integrated media solutions to industries including self-storage, medical, health and nutrition, and communications.

informa exhibitions

PRESIDENT
Rick McConnell

SHOW DIRECTOR
Jayne Dalton

HUMAN RESOURCES DIRECTOR
Erin Dudley Colvin

Published by Informa Exhibitions LLC

2020 N. Central Ave., Suite 400, Phoenix, AZ 85004
Phone: 480.990.1101 • Fax: 480.990.0819
Website: www.informaexhibitions.com

VICE PRESIDENT, INSIDE SELF-STORAGE
Teri L. Lanza • teri.lanza@informa.com

BUSINESS-DEVELOPMENT MANAGER
Debbie Pirkey • debbie.pirkey@informa.com

EDITOR
Amy Campbell • amy.campbell@informa.com

CONTRIBUTING EDITOR/ISS STORE MANAGER
Tony Jones • tony.jones.us@informa.com

MARKETING & EDUCATION MANAGER
Melissa Black • melissa.black@informa.com

PROJECT COORDINATOR
Kortney Hannes • kortney.hannes@informa.com

VICE PRESIDENT, MARKETING SERVICES
Danielle Dunlap

ART DIRECTOR - DIGITAL
Darcey Saxton

PROGRAM MANAGER - DIGITAL
Kristin LaBarbera

SUBSCRIPTION CUSTOMER SALES
1.800.581.1811