

Case Profiles

The following profiles of U.S. coworking facilities demonstrate the concept's flexibility and range of applications, which vary depending upon the target users.

- **Workbar** in Boston and Cambridge, Mass., is making the leap from being a boutique coworking center to becoming a multisite brand as well as diversifying into “distributed workspace” locations within the excess space of corporations through its Outerspaces program.
- **NextSpace** in San Francisco is part of a chain of coworking centers that recently expanded from California to Chicago, the first of several planned to locations nationwide.
- **Impact Hub** is a worldwide network of social entrepreneurship-centered coworking spaces, with centers in San Francisco, Boston, and 40 other locations.
- **Serendipity Labs** in Rye, N.Y., is a hospitality-driven, corporate-oriented center that doubles as a franchise pilot site and demonstration lab for licensing coworking billing, scheduling, security and membership database management operational systems to others.
- **State Street Bank** in Boston is a coworking-style workplace and an example of the mainstreaming of the coworking concept within corporations.

Workbar

Boston and Cambridge, Mass.

Having stabilized its flagship downtown Boston site, Workbar has progressed from tech entrepreneur-founded boutique coworking center to branded coworking chain by adding a second, larger center in nearby Cambridge as well as a second line of business, Outerspaces. Its Cambridge center contains an auditorium/event hall, which has significantly increased its programming capabilities, reflecting its evolving emphasis on events. Workbar has formed Outerspaces as “an interconnected network of shared workspace”; its purpose is to match workers with excess space in other companies while bringing both parties together under the Workbar membership umbrella of innovation.



The Basics

Type:

Evolving coworking company that is expanding and diversifying

Twist:

Newly added “distributed workspace” network, Outerspaces, matches the extra space in companies’ leases with coworkers for a fee; both companies and coworkers gain access to the Workbar community’s events, amenities and services

Market:

Tech startups, enterprise companies, and independent workers, all of which are selected with the goal of optimizing the community’s collaborative potential and entrepreneurial energy with a balanced, diverse set of skills

Formation:

Founded out of necessity by Bill Jacobson and David Ulrich when the company from which their tech enterprises subleased office space went out of business. Partnering with the building owners, Richard and Ken Epstein, they backfilled some of the space with other startups, forming Workbar in the process. Although Workbar has relocated, the now former landlords remain partners in the company.

Membership structure was modeled after Betahouse, a now-defunct Cambridge coworking center that pioneered the fostering of chance meetings and interactions. This was carried out initially through Jacobson and Ulrich's startup network, hosted events, startup weekends and Meetup groups (local groups organized online).

Workbar's expansion into Cambridge benefitted from a 40-person waitlist at the Boston location.

Business Structure:

Limited liability corporation

Financing:

Founder equity

Membership:

- 500+ member network, all of whom have access to the Boston and Cambridge centers
- 10 percent dedicated desk members
- 70 percent full-time, undesignated desk members
- 10 percent part-time package (five days/month)
- 10 percent daily users
- One corporate block member, Constant Contact; 25 Constant Contact employees have access to 45 total days of coworking/month
- Outerspaces members have dedicated desks or offices at a specific host company location.

Fee Structure:

- Daily Members: \$30/day for use of open workspace, business hours only
- Part-Time, Undedicated Desk Members: \$125/month for five days of open workspace use and five hours of meeting room use/month, business hours only
- Full-Time, Undedicated Desk Members: \$300/month for 24/7 access to open workspace, unlimited meeting space; \$600/month for 40 hours of shared, private office use



- Full-Time Dedicated Desk Members: \$500 to \$600/month, includes all of the above plus a dedicated, lockable file cabinet
- Full-Time Dedicated Office Members: \$1,400 to \$2,800/month, includes all of the above plus a furnished, lockable private room and mail service as well as membership for up to four people
- Outerspaces Members: \$400 to \$600/month for a dedicated desk, \$900 to \$3,000/month for a dedicated office

Income:

Membership fees make up most of Workbar's income, since meeting space is included in membership fees. Members have priority for use of both meeting and event space. Event space is a recent addition whose fee potential is not yet known.

Timeline:

- Original Boston location sublease taken over June 2009
- Current Boston location occupied November 2009
- Cambridge location leased July 2012
- Outerspaces founded September 2012
- Cambridge location occupied May 2013
- Boston location expanded September 2013

The Facilities

Locations:

Workbar Boston:

711 Atlantic Ave., on the edge of the city's financial district and directly across from South Station

Workbar Cambridge:

45 Prospect Street, in the heart of Central Square and its subway (MBTA) station

Outerspaces:

Various locations, in space licensed from host companies

Location Criteria:

Urban locations adjacent to mass transit

Outerspaces:

Both urban and suburban locations, hosted by innovative companies

Features:**Boston:**

- 8,000 square feet (including 3,000 square feet added in September 2013) on the ground level (partially below grade) of a downtown Class B office building
- 150 seats

Cambridge:

- 13,000 square feet in a Class A office building
- 330 seats
- Meeting space and event auditorium at street level
- Desk, office and meeting space on the fifth floor

Both:

- Fast, secure Wi-Fi
- Copier and fully equipped supply room
- Phone rooms
- Projection and audiovisual capabilities

Amenities:

- Kitchenette, with free coffee and snacks
- Foosball and other games
- Outdoor terraces (Cambridge location)

Support Services:

- Office supplies, printing, administrative support included in membership fees
- Storage and mail services available for an additional \$40/month each
- Event fees vary

Design Elements:**Boston:**

Brick-and-beam “techie” style with Turnstone furniture

Cambridge:

Slick, modern corporate style by Anderson Porter Design and Analogue Studios (both local design firms) with Allsteel furniture

Both:

Activity is zoned into areas based upon noise generation and social interaction, including — from lowest to highest expectation for quiet and privacy — Cafe, Commons, Switchboard and Study. The Cafe is entirely open seating, while all other areas contain a mix of open and dedicated seating and office types.

Operations:

- Seven full-time staff members (three community administrators, an event manager, an Outerspaces manager and two senior managers); community building is a specified staff function
- Administrative support
- Extensive programming, including professional networking and educational events
- Online scheduler/networker, using Workbar-created software that displays space availability, scheduling and real-time member occupants — and enables interaction and more productive use of space

Lease Terms:

Workbar Cambridge:

Eight-year term

Other locations:

Undisclosed

Addressing Challenges

- Determining if, when, where and how to grow a coworking center brand can be a challenge.
- Workbar is developing a new brand to create coworking centers for developers and property owners. These centers' operations would be facilitated by Workbar's technology; their members would have access to Workbar centers.

