

BUSINESS

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Tribune file photo

The former traffic court building on North LaSalle Street will be the future home of Encyclopaedia Britannica Inc.

Britannica bound for old Traffic Court site

Costly restoration project gets boost

By **Thomas A. Corfman**
Tribune staff reporter

Encyclopaedia Britannica Inc. is moving its offices from South Michigan Avenue to the riverfront Reid Murdoch building, giving a long-awaited financial boost to the redevelopment of the landmark structure.

Owned by Swiss investor Jacob Safra, the longtime Chicago company has signed a 10-year lease for 75,300 square feet of space in the 11-story structure at 325 N. LaSalle St., which many Chicagoans remember as the former home of Traffic Court.

Despite a time-consuming and costly restoration by River North developer Albert Friedman in 2002, the 310,800-square-foot building has been

slow to attract tenants, partly because of the weak leasing market and partly because even top-quality renovations appeal to a select audience of companies.

"We would have preferred things happen sooner, but by the very nature of the challenges of doing a historic building, it takes a little longer," said Friedman, president of Friedman Properties Ltd.

In August 2003, real estate firm Jones Lang LaSalle Inc. took over leasing of the building, which is now about 60 percent leased.

Britannica's pending move from 310 S. Michigan Ave., where it has been a tenant since 1982, was prompted by a plan to convert the building into residential condominiums.

"If you're a tenant, it's a fabulous time," said William Bowe, general counsel with

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Britannica, which was advised by Chicago-based MB Real Estate Services LLC.

The Reid Murdoch building seemed to suit Britannica. "There is a style and grace about this landmark building that fit our company's history," Bowe said.

The encyclopedia was first published in Scotland in 1768, moving to the U.S. in 1901 and to Chicago in the 1930s. In 1993, the company was one of the nation's largest privately held firms, with estimated revenue of \$591 million, according to Forbes magazine. The firm does not disclose revenues.

Safra's acquisition in 1996 was followed by a costly attempt at a major Internet play. After a dramatic downsizing, Britannica has seemingly become a steady publisher of electronic and printed reference works and educational materials.

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