

Exclusive: Varsity Spirit plans to move HQ and hundreds of employees to Uptown

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With the employees assembled, Bill Seely — president of Varsity Spirit — made his way to the projector.

Standing in the main lobby at the company's headquarters in Lenox Center, Seely started the gathering today by congratulating the team on what had been a record year for the business across several categories.

At a table near Seely sat Billy and Benjamin Orgel, Ron Riley, and Adam Slovis — all in attendance for the big announcement.

"We have run out of space," Seely told the employees Tuesday, Nov. 19.

He said a search began, more than a year before, to find a new headquarters for the \$400 million company, which encompasses all things in the cheerleading, dance, and performing arts world, from apparel to competitions and camps.

That office exploration eventually led them to what he hopes will be their new home, which Seely also announced today: Varsity Spirit plans to relocate its headquarters to the Snuff District redevelopment in Uptown.

The Orgels, Slovis, and Tom Marsh comprise the ownership group behind the Snuff District, a planned mixed-use community that will sit on about 60 acres along Keel Avenue and Front Street next to the Wolf River Harbor north of Downtown. Varsity would be located in part of the former American Snuff Co. plant.

Slovis, principal of Slovis Commercial, served as the broker for the Snuff District partners; Riley, SVP of the office division for Colliers International-Memphis, was Varsity Spirit's rep.

"Your good deeds, your good work, your good heart inspire all of us," Billy Orgel told the Varsity employees. "That is the kind of company we want down in the Snuff District. ... I can't tell you how excited we are as a group to be partners with Varsity and to have you guys Downtown."

Orgel shared with the employees up-to-date details about the development, which is set to include 600 apartments, 800 to 900 parking spaces, retail, restaurants, single-family, green space, and a 27,000-square-foot wedding/special events venue.

Varsity would occupy 80,000 square feet of office space. The company's current HQ is housed in 50,000 square feet at Lenox Center, where they have resided for 20 years.

Prior to the companywide announcement, Seely sat down with the *Memphis Business Journal* to detail the relocation plans, which are contingent on the approval of both state and local incentives. Seely did not specify the nature of the incentives sought but said the an application has been submitted to the state, and the Memphis application has not yet been filed.

In addition to the overall redevelopment costs by the Snuff District ownership group, Varsity plans to invest \$10 million.

Seely said the entire Varsity Spirit leadership team had a very active role in the search process — which took them from Collierville and Germantown to East Memphis, Bartlett, Downtown, and everywhere in between.

The company toured about 15 spots, Seely said. The former *Commercial Appeal* building on Union, the former Gibson Guitar Factory, the old Butcher Shop building on Front, and even the Mid-South Fairgrounds were a few. But, ultimately, it was the



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Snuff District that scored the highest on Varsity's checklist of criteria.

"I included my entire leadership team in this process," Seely said. "I didn't want to be the one making the decision by myself. Obviously, I have my own interest [Seely and his son Hopper are opening a new brewery near the Snuff District], so I wanted to remove myself from that process. The entire leadership team — it was a unanimous pick. I feel really good about the decision we made."

The four criteria were based on financials, talent recruitment, a place where the company can live out its mission, and the ability to be an active part of the community. Seely said the company made the final decision about two months ago.

"Our mission — I always lead with that — is to elevate the student experience," Seely said. "Not how things are, but how things ought to be. And we are moving into a place that has so much potential, and what it could be is something really great for our community. We can help lift that community through the work we do there."

Varsity Spirit is a division of Dallas-based Varsity Brands, and Seely said there had been talks of the subsidiary also making the move to Dallas. But, he has been on a mission to preempt that and now has the support of the company's board.

"We are having a great year, and I wanted to make sure we did everything we could to keep the company that was started in Memphis in Memphis," Seely said.

If the project moves forward, Varsity plans to hire 25 to 50 new employees over the next five years. About 30 apparel design and IT employees who currently work out of Varsity's Bartlett distribution center on Appling Road would also move Downtown. The distribution functions would remain in Bartlett.

In total, the company would move 250 people Downtown, with a build-out that would eventually get them to upwards of 300 employees. That growth is expected to occur in part as a result of the company's recent foray into the school band sector.

Fleming Associates Architects PC is the architect on the development, and Linkous Construction Co. Inc. is the general contractor.

As for design, the office would retain the building's historic character, feature an open-concept layout, a rooftop pavilion, and lots of natural light made possible by a glass atrium. There would also be a space where customers can design their own uniforms. The building would have a similar feel to the Orgel's Tennessee Brewery redevelopment.

As for the other projects happening around the Snuff District — from the St. Jude Children Research Hospital multiyear, multibillion-dollar expansion to the recently announced \$1.1 billion mixed-use development in the Pinch — Seely said that will all help to create more jobs and elevate the entire community.

"The energy and the momentum that is happening Downtown — we want to be part of that," Seely said. "Our mission is to elevate the student experience. When we go in and do things, we want to make sure we are part of the community."

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