

# Small technology companies making new homes downtown

*Winston Tower Main has right rent and space, executives say*

**By M. Paul Jackson**  
JOURNAL REPORTER

It's a place that is attracting interest from software and technology companies.

No, not the Piedmont Triad Research Park. It's Winston Tower Main.

The newly renovated office building on North Main Street is becoming a draw for software-development and technological companies, which see the site as an opportunity to move downtown without paying high rentals, tower officials said this week.

X1 Communications, a high-speed wireless telecommunications company, Altadonics Corp., a high-tech dentures manufacturing

company, and Document Technologies Inc., an information-technology and document-management business, have recently set up homes there, said John Kelly of Magnolia Partners, a real-estate-development company that partly owns the once-neglected building.

Miller Johnson Steichen Kinnard, an investment-banking company in Minnesota, is also considering opening a branch in the tower, according to company officials. Miller Johnson typically invests in startup medical-device companies.

The tower charges up to \$12 a square foot, an affordable price for smaller companies that might not be able to afford higher rent elsewhere, Kelly said.

Leasing space for other buildings can run as

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**Tom Laydon, the chief executive of X1 Communications, a tenant at Winston Tower Main, said that the site "is absolutely the perfect location for a wireless company."**

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high as \$20 a square foot, Kelly said.

The tower is "seeing some pretty good interest in the tech companies and software development companies that want to keep their cash flow right," he said.

X1 Communications is one of those. The company, which provides much of the Internet service for the tower, moved into the 24th floor early this year. Tom Laydon, the company's chief executive, estimated that he pays about \$250 a month for rent.

The tower, Laydon said, "is absolutely the perfect location for a wireless company."

Magnolia Partners bought the tower — once the Main Street headquarters of Wachovia Corp. — along with Turnpike Properties Inc., developer Dick Anderson and the JDL Castle Corp. in 2003. The group also bought the Phillips Building on Church Street, which is called Winston Tower Church.

The revamped 435,933-square-foot building has been heavily marketed and is about 34 percent leased, Kelly said. That is



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**Chevol Davis, a partner in X1 Communications, works in its control room in Winston Tower Main.**

expected to rise to 40 percent by the end of the year, he said.

Gayle Anderson, the president of the Greater Winston-Salem Chamber of Commerce. Said that Winston Tower Main could serve as an "incubator" space for startup and early-stage companies.

Smaller companies can sometimes lose money on overhead costs — including the high price for laboratory space — and opening an office in the tower could help them save money, she said.

The tower is a "good transition space" for young companies, Anderson said. Companies that expand and need to develop more laboratory space can then move elsewhere, she said.

"We really see it as a complete option for folks," she said.

Kelly said he was talking with another software-development company about moving into the tower, but he declined to identify the company.

Bill Dean, the president of Idealliance, the company managing the research park, said

that the tower is unlikely to siphon high-tech companies away from the nearby research park.

"Hopefully they'll go into that building (the tower) to be closer to downtown," Dean said. "If anything else, it can probably complement" the research park.

The more research-and-development activity in the city the better, Dean said.

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