

## **Stantec to Deepen Expertise in Mission Critical Facilities and Data Center Design through Environmental Systems Design Acquisition**

*June 8, 2023*

Global sustainable design and engineering leader, Stantec, has entered into an agreement to acquire Environmental Systems Design, Inc. (“ESD”), an engineering firm headquartered in Chicago with offices in New York, San Francisco, and Phoenix. ESD, established in 1967, is renowned for its excellence and innovation in high-performance design, serving a prestigious clientele. The terms of the transaction have not been disclosed.

Stantec's acquisition of ESD significantly enhances its expertise in mission critical facilities and data center design. Mission critical facilities, an expanding sector of purpose-built infrastructure, require heightened reliability to sustain essential functions during adverse weather conditions and utility disruptions. Data centers, particularly hyperscale facilities, necessitate resilient design considerations provided by expert teams with extensive exposure to the evolving demands of large-scale companies.

The addition of ESD expands Stantec's mechanical, electrical, plumbing (MEP), and structural engineering practice by 40 percent in the United States. This strengthens the company's smart building engineering capabilities, supporting the workplace of the future and addressing emerging trends such as decarbonization, building repositioning, and adaptive reuse.

Leonard Castro, Executive Vice President and Business Operating Unit Leader for Buildings at Stantec, states that the integration of ESD's 270-person workforce positions Stantec as one of the top integrated design firms in the US market. The expanded services in data center design, smart buildings, and high-performance facilities will enable Stantec to provide clients with flexible and sustainable facilities that meet their operational needs for the long term.

Raj Gupta, Executive Chairman at ESD, emphasizes that Stantec is a top-tier firm that shares ESD's vision of improving society through the built environment. ESD has expanded its service offerings in recent years, and joining Stantec enhances its global reach while creating exceptional career growth opportunities for employees.

ESD brings valuable experience in data center design, having served prominent technology clients. The company has been involved in peer review and hyperscale data center design projects across the United States. Hyperscale campus developments encompass single or multiple facilities ranging from 500,000 square feet to several million square feet, designed for efficient phased buildouts without disruptions.

ESD's project portfolio includes MEP and mission critical engineering for the United Airlines Network Operations Center in Chicago, MEP and fire protection engineering for the expansion of the Las Vegas Convention Center, and MEP and fire protection engineering for Northwestern Medicine Lake Forest Hospital in Illinois, among others.

Stantec, with its existing offices in Chicago, will further expand its presence in the city with the addition of ESD.

The acquisition is expected to be completed on June 30, 2023.

*Link to original press release:*

<https://www.stantec.com/en/news/2023/stantec-acquire-environmental-systems-design-inc>

