

Former WeWork Executive Launches a Co-Working Company of His Own

Frank Bistran saw a void in the market for spaces that were more professional, private and quiet



Network Group LLC plans to launch co-working spaces in the next year in eight to 10 locations. Its largest location, above, is set to open this summer in Austin, Texas. PHOTO: WORK WELL WIN

By Cat Zakrzewski

Shared-office space isn't just for startups anymore.

Network Group LLC is skipping the beer on tap and instead offering amenities like meditation rooms and purified air to court professionals in more mature industries.

Chief Executive Frank Bistran has held varied real estate positions from JPMorgan Chase to WeWork. He said he saw a void in the market for spaces that were more professional, private and quiet, but that still offer the flexibility and efficiency that have been hallmarks of co- working.

"More grown-up professionals don't always thrive on the energy that there is in these great co- working spaces," Mr. Bistran said.

Network Group, which does business named “work well win,” has raised \$22 million from five individuals with ties to the real-estate industry. The company declined to identify the investors or disclose its valuation.

Mr. Bistran said he began raising the round of funding in July and decided to forgo funding from private equity or venture-capital firms to take advantage of the individual investors’ connections to the real-estate industry.

By focusing on wellness and offering amenities like fruit-infused water and yoga classes, Mr. Bistran says his company can differentiate itself from other co-working brands.

He expects 60% of work well win tenants will be professional services and satellite offices of Fortune 500 companies. He anticipates about 40% of the business will come from startups.

As the company launches shared-office space, it will be competing against Mr. Bistran’s former employer, WeWork. The office space-sharing giant is the fourth most valuable tech startup following Uber Technologies Inc., Airbnb Inc. and Space Exploration Technologies Corp.

Mr. Bistran worked at WeWork for about a year, leading domestic development from June 2015 to July 2016. He said the company opened 80 locations during that time.

WeWork’s fast growth has been fueled by billions of dollars from venture capitalists, who have valued the company at \$20 billion. Silicon Valley investors and real-estate industry watchers have questioned this valuation, which outpaces real-estate companies that manage more square footage. WeWork Chief Financial Officer Artie Minson told The Wall Street Journal the company’s valuation made sense because investors are looking at its plans for growth.

Mr. Bistran declined to comment on WeWork’s valuation, but he said he’s “incredibly impressed” with WeWork’s success.

“I don’t see this as an us against them,” he said.

Mr. Bistran said he plans to open between eight and 10 locations in 2018, starting next month in Greenwich, Conn. An average work well win location will be 25,000 square feet. Its largest location in Austin will be more than 100,000 square feet when it opens to tenants this summer.

The prices for work well win locations will be competitive with other co-working offerings, Mr. Bistran said.