

ABB moving main site to Cary

Energy firm to bring 100 jobs

BY DAVID RANI - STAFF WRITER

Swiss energy conglomerate ABB is beefing up its already-substantial Triangle presence by relocating its North American headquarters to Cary, a move that is expected to bring at least 100 jobs.

The company, which produces power generation and distribution equipment for electric utilities, announced Tuesday that it is transferring about 100 positions from its former headquarters in Norwalk, Conn., over the next few years. Additional employees could be hired as well, but that will depend on the economy, spokesman Bill Rose said.

"To have these professional jobs coming to Cary, especially in this economic climate, is fantastic, even though it will take time," said Cary Mayor Harold Weinbrecht.



PHOTO COURTESY OF ABB - Enrique Santacana, head of ABB in North America.

The company did not seek state or local incentives because it is making the move gradually, said Enrique Santacana, president and CEO of ABB in North America.

"We couldn't make a commitment for a certain number of positions right away," he said.

"It speaks well for the city that incentives were not a requirement for them to move their headquarters," said Sandy Jordan, vice president of economic development at the Cary Chamber of Commerce.

A key factor in the move is that ABB has a growing employee base in the region, said Santacana. That includes about 500 employees in the Triangle -- up from 300 two years ago -- and nearly 900 workers across North Carolina. It has manufacturing facilities in Greensboro, Pinetops and Moncure.

In addition, he said, Cary is within a three-hour drive of another 1,200 employees in Virginia and South Carolina.

Cary's other benefits, according to the company, include "significant cost savings" and a favorable business climate. Commercial property rates in Cary, ABB said, are nearly 50 percent less than in Norwalk.

Cary was the winner over sites in Texas, Ohio and Florida. ABB also considered remaining in Norwalk.

A year ago the company announced it was leasing its third office in the Triangle -- and adding dozens of workers -- in Regency Creek I in Cary. It has leased additional space there, giving it a total of 60,000 square feet, to accommodate the headquarters.

ABB is the world's largest builder of electricity networks for customers such as Progress Energy and Duke Energy. ABB's North American Power Products and Power Systems division has operated out of N.C. State University's Centennial Campus since 1991. It also has a research center at Centennial Campus.

The Cary office will be the hub for a business that encompasses more than 15,000 employees in the United States, Canada, Mexico, Central America and the Caribbean. Its revenue last year was "north of \$5 billion," said Santacana.

Revenue up

The parent company, based in Zurich, employs about 120,000 people worldwide. Its revenue rose 20 percent to \$34.9 billion last year.

The company's North American business has been bolstered in recent years by utility companies' efforts to upgrade equipment.

"There is a lot of aging infrastructure out there that needs to be replaced," Santacana said.

In addition, the \$4.5 billion-plus included in the federal stimulus plan for modernizing the nation's electrical distribution system augurs well for the future.

Optimistic approach

Still, Santacana said, "we have not been immune to the present economic conditions. We had a record year in 2008. Now we are facing a slowdown like everybody else. [But] it is not a slowdown that in any way eliminates our optimism about the future once this economic crisis is over."

Santacana, who already has relocated to Cary, knows the Triangle well. He received his M.B.A. from Duke University and worked in the area for 18 years, including a stint as head of ABB's research center at Centennial Campus. After he was transferred to Florida in 2002 he continued to maintain a home in North Raleigh because both of his grown daughters live and work in the Triangle.

"I always thought, eventually, it would be a place to come back to," he said.

But he added: "Let me make very clear that the decision to move to Cary had nothing to do with that. It was completely a business decision."

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