

[Comments \(6\)](#) | [Recommend \(1\)](#)

 [Buzz up!](#)

- [Print](#)
- [Reprint or License](#)
- [+ Share](#)

# Electrolux's HQ for N. America to bring 738 jobs

**Swedish appliance maker plans to move here, consolidate operations in University City area.**

By Stella M. Hopkins  
shopkins@charlotteobserver.com  
Posted: Thursday, Dec. 17, 2009

Swedish appliance maker Electrolux said Wednesday it will move its North American headquarters to Charlotte, bringing 738 jobs and millions in payroll, in the city's largest headquarters announcement in 25 years.

"This is a big day," said Gov. Bev Perdue, making the announcement at the chamber while standing before a display of Electrolux kitchen appliances. "This is a big company."

The company's move into a former bank headquarters in the University City area makes it eligible for what could be more than \$27 million in state and local incentives based on promised job creation and wages. The average headquarters wage is expected to be \$94,264, said a state Commerce Department spokeswoman. Executive salaries skew the average upward.

Electrolux couldn't say how many new jobs would be created locally versus how many would be filled by employees moving from its sites in other states. The employment total is expected within five years.

"It's never a good time to move, to have hundreds of people you're displacing," said Kevin Scott, chief executive of the company's North American major appliances unit. But, he said, "at some point, as we want to grow globally and share global strengths in more effective ways, we had to come together under one roof."

The Electrolux announcement comes as Charlotte struggles through the national downturn facing above-average unemployment and a severe income drain in its battered financial sector.

In a recent Observer survey, business and community leaders said diversifying the local economy is the most important issue facing Charlotte, and job creation ranked third.

Scott, who plans to relocate from Augusta, said the first wave of workers would arrive next summer as the company consolidates operations from seven sites, including sales and finance for major appliances in Huntersville. An S.C. design center also is among the operations moving to Charlotte. Others are in Cleveland, Columbus, Pittsburgh and Springfield, Tenn. Other undisclosed office operations will move here as needed.

The jobs will be in general management, including finance, marketing, sales and logistics, not manufacturing. Electrolux has about 650 N.C. workers now, most at a Kinston dishwasher making plant.

Scott said he was impressed with the Charlotte area's transportation network, its work force talent, and the professionalism of the local and state officials who recruited the company.

"We are planning to utilize some of the talent," he said.

The North American unit has about \$5 billion in revenues, which represents nearly one-third of total sales for the Stockholm-based company. Scott drew laughter from the audience when he challenged US Airways to start daily direct flights between Charlotte and Stockholm.

Perdue said Electrolux plans to invest \$8.3million in its new headquarters.

State incentives for the relocation include up to nearly \$25 million if Electrolux meets job and wage creation targets and sustains them for 12 years. The company also is eligible for up to \$1.2 million from the state's One North Carolina Fund, which requires a local match.

City and county officials, who were on hand for the announcement, have to vote on the local grant dollars, which are tied to the company's property taxes.

Scott called the incentives "an enormous factor" in the decision, saying they will help offset moving expenses.

The company also considered moving to Atlanta, Dallas, Jacksonville, Fla., and Lancaster, S.C., said Commerce spokeswoman Deborah Barnes.

Talks with Electrolux began in 2006, were shelved and then resumed this year, said Justin Hunt, a vice president working on economic development for the chamber.

The chamber, the Commerce Department, city and county officials, and the Charlotte Regional Partnership were among those that recruited the company.

The biggest headquarters announcement before Wednesday came in 1984, the chamber said, when then-Royal Insurance announced it would move its U.S. headquarters from New York and employ as many as 1,500 people. Other coveted headquarters announcements, including Goodrich and SPX, came with smaller numbers of workers.

The Electrolux deal "demonstrates again Charlotte's ability to attract operations of that stature," the Chamber's Hunt said. "It enhances our international business community significantly."

Staff writers Patrick Scott and Steve Lyttle and staff researchers Marion Paynter and Maria David contributed.



[Subscribe to The Charlotte Observer & Earn Miles.](#)