

# ArthroCare adding space, jobs in Austin

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AMERICAN-STATESMAN STAFF

Wednesday, April 6, 2011

Medical device maker ArthroCare Corp. is more than tripling its office space as it plans to move some operations from California to Austin later this summer.

The company has signed an office lease for 136,075 square feet in two buildings in the Lantana Corporate Center, 7000 W. William Cannon Drive, according to a securities filing Wednesday.

The company now has its headquarters in about 41,000 square feet nearby.

**CFO Todd Newton declined to say how many jobs will be moving from California. He said the details will be available when the company makes its quarterly report in May.**

"Certainly it's an expansion of our Austin facility; it will mean jobs," he said.

ArthroCare has a research and development center in Sunnyvale, Calif., and a product and prototype center in Irvine, according to its 2010 annual report.

The new lease with CarrAmerica Lantana is for 130 months. The two buildings have been empty for about two years.

**ArthroCare said it hoped to move in during early August.**

"That's fantastic," Dave Porter, senior vice president of economic development at the Greater Austin Chamber of Commerce, said on hearing the news.

**"What we're seeing is companies finally coming back to life and growing and expanding," Porter said, citing a recent of companies adding space and jobs in the region. "It's a healthy sign."**

The move will continue Austin's trend of attracting high-quality jobs from companies with headquarters or operations in California.

**Facebook's year-old Austin operations center is now at about 110 jobs, most of them engineers, for example.**

**Last week, eBay Inc. declared its intention to create 1,000 jobs in Austin over the next 10 years, pending approval of incentives from the city and the state.**

ArthroCare itself is a California transplant, having moved its headquarters here from Sunnyvale in 2004. Then-CEO Mike Baker said it was just too expensive for the company to grow in California.

The company makes a variety of devices for arthroscopic and spinal surgery and others that allow doctors to perform minimally invasive procedures on knees, elbows and other joints.

The company had a profit of \$33.8 million last year on revenue of \$355.4 million.

Its shares closed Wednesday at \$34.02 , up 3.1 percent for the day and up 9.5 percent so far this year.

The office transaction is the largest new lease signed in the last 12 months in the region, said Sam Houston, office partner with Austin-based HPI Real Estate Services & Investments, which was not involved in the transaction.



Courtesy of JB Goodwin