

Chamber bolsters its California recruiting efforts

By [Lori Hawkins](#)

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The Greater Austin Chamber of Commerce wants more California companies to move here, and it has hired a California firm to target relocation candidates.

The RSH Group, an Irving, Calif., consulting firm specializing in site selection and incentives negotiation, will work on Austin's behalf to identify and recruit companies.

"Starting Jan. 1, we'll have boots on the ground in California, working day in and day out to drum up new leads for Central Texas," said Dave Porter, senior vice president of economic development for the chamber.

The move comes as Austin closes out one of its most successful recent recruiting years. 27 companies, including nine from California, moved their headquarters or opened new operations in Austin in 2010, including Hanger Orthopedic Group, Facebook and LegalZoom. In 2009, 17 companies moved their headquarters or other operations to Central Texas.

Last week, the Austin City Council approved an incentives package for San Jose, Calif.-based SunPower Corp., a solar panel technology company that is opening a 450-employee operations center here.

James Renzas, a principal with RSH, said California companies continue to be attracted to Austin by its lower cost of doing business and its educated work force.

Renzas said he was unaware of any other U.S. city that is targeting California companies from within the state.

"California is the primary market for Austin to recruit from, so it makes sense to get closer to the companies and be very responsive," he said. "These companies are used to being ignored by state and local officials. This is about showing them the love."

RSH will target a range of industries including life sciences; green technology; software and semiconductors; automotive technology, such as electronic cars; and data centers.

The companies will typically have annual revenue in the range of \$50 million to \$200 million and 75 to 300 employees.

Porter said California's ongoing financial crisis will continue to push companies to look outside the state.

"There are healthy companies using this downturn to re-evaluate their locations and look at getting out of high cost areas. Austin tends to be on their radar screen," he said. "We see a lot of companies that aren't necessarily moving their headquarters out of the state, but they're saying, 'no more growth in California.'"

Courtesy of JB Goodwin