

Thursday, February 25, 2010

Facebook may open 200-person Austin office

Austin Business Journal - by [Jacob Dirr](#) Staff Writer

Facebook may create 200 jobs in Austin over the next four years, thanks to a \$1.4 million incentive from the state of Texas.

The move would be the first major U.S. expansion outside of Palo Alto, Calif., where the company is headquartered, according to officials. The city has also offered the company a \$200,000 incentive. Facebook is investing about \$3.1 million to set up operations in Texas, according to Gov. Rick Perry's office.

News of the Facebook deal is being tempered with unhappy memories regarding Google Inc.'s 2008 decision to open a planned 100-person office in downtown Austin.

Google (Nasdaq: GOOG) closed that office four months later as part of a company-wide reduction and said it will not reopen it, bruising Austin's ego and reputation as a tech hub in the process.

In a statement today, Facebook said it is still considering other cities to locate its new operation. However, it is unlikely that Austin and Texas officials would have disclosed the offer unless they were confident in Facebook's selection.

Facebook employs about 1,200 people. Although the company does not report revenue, market watchers have placed it at about \$500 million. The local sales and operations jobs would have average salaries of \$54,000, according to city documents.

Facebook said it is attracted to Austin for the deep talent pool and alluded to help from Capitol Hill politicians in forming an agreement, in addition to city and state officials.

"Facebook continues to grow and Austin, with its deep talent pool, would allow us to hire the high-caliber employees we need to properly serve the people, advertisers and developers that rely on our service," Facebook Chief Operating Officer Sheryl Sandberg said.

Sources close to the deal said Facebook is still in the site selection process and is favoring downtown Austin.

Several office buildings downtown are in pre-development stages and are seeking pre-lease tenants that would entice banks to finance them.

Gov. Perry said the new jobs would enhance the Central Texas' robust technology industry and strengthen the economy.

Courtesy of JB Goodwin