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Intel starts prep work on new Austin offices, plans to move in by spring

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AMERICAN-STATESMAN STAFF

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Intel Corp. is doing demolition work on its new engineering campus on South MoPac Boulevard in preparation for the start of interior construction on the building, the former headquarters of now-defunct Guaranty Bank.

Intel, the world's largest chipmaker, expects to begin moving some workers into its new Austin campus at 1300 S. MoPac Blvd. (Loop 1) before the end of this year. The company expects to complete the move of its 1,000 workers in Austin by early spring of 2012.

Intel bought the 61-acre property late last year from the Federal Deposit Insurance Corp., which took ownership after Guaranty Bank failed in 2009. Intel paid \$39.8 million for the property, which contains 389,000 square feet of space. Part of the building remains occupied by more than 400 workers for Temple-Inland Inc., Guaranty's former parent, which has a long-term lease and no plans to move.

Intel currently leases offices across the highway at 1501 S. MoPac Blvd., but company officials say they have run out of space there.

Intel acquired an engineering operation in Austin in 1998 as a part of its acquisition of part of the former Digital Equipment Corp. By 2000, the chip company thought enough of Austin to start building a 10-story downtown engineering building in a project that was estimated to cost \$124 million. When the economy turned south the following year, Intel stopped the downtown project and never resumed construction.

But with its purchase of the former Guaranty Bank property last year, company officials said, Intel demonstrated its long-term commitment to Austin as an important engineering center for the company.

The chipmaker is expanding its local presence because Austin is the key engineering development center for the company's low-power Atom processor chips.

Atom is Intel's lowest-power chip family and is aimed at mobile products, including netbooks, tablets and smartphones.

Analysts say Intel is counting on Atom to make headway in the mobile device market, which currently depends primarily on processors that use a basic design created by ARM Holdings, which is seen as an increasingly strong competitor.

The new building will be the first by Intel in this country to completely incorporate the company's new plan for office design, which is called "The Way We Work."

The concept involves cubicles that have considerably lower walls — 54 inches tall — than the company's traditional cubicle walls, which are 62 inches tall.

Intel is known throughout the technology world for its devotion to cubicles. Even its top executives work in cubicles.

The purpose of the lower cubicle walls in the new design is to encourage more interaction and collaboration among workers, company officials said.

The building also will feature impromptu meeting rooms, where small groups of workers can gather in quick, unscheduled meetings to sort through work-related matters.

Courtesy of JB Goodwin



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