



# MARKET EDGE

BY partners

## TEXAS FIRST

### PART 2

## All roads lead to Texas

**Texas First** is an ongoing series detailing the explosive growth of Texas' economic landscape.

The majority of corporate relocations to Texas are from California. This is likely due to the fact that California has a high cost of living and a regulatory environment that is not as business-friendly as Texas.

The most popular destinations for corporate relocations in Texas are Dallas-Fort Worth (48%), Austin (31%), and Houston (13%).

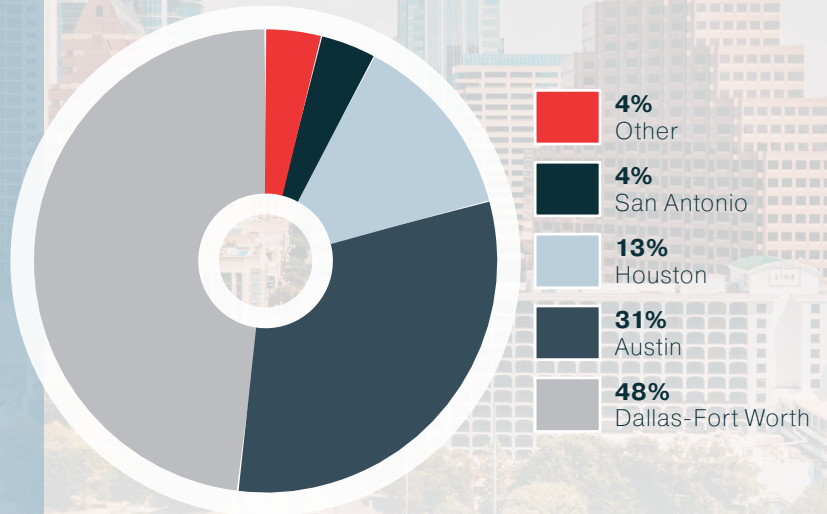
According to the Texas Economic Development Corporation, there were 63 corporate relocations to Texas in 2021, which was a record high. These relocations represented over 10,000 jobs and \$1.6 billion in capital investment.

In 2022, the Texas Economic Development Corporation (TEDC) announced that it had helped to facilitate over \$100 billion in new capital investment and created over 100,000 new jobs in the state.

The majority of these relocations were from California, with 25 companies moving to Texas from the Golden State. Other states that saw a significant number of corporate relocations to Texas include New York, Illinois, and Florida.

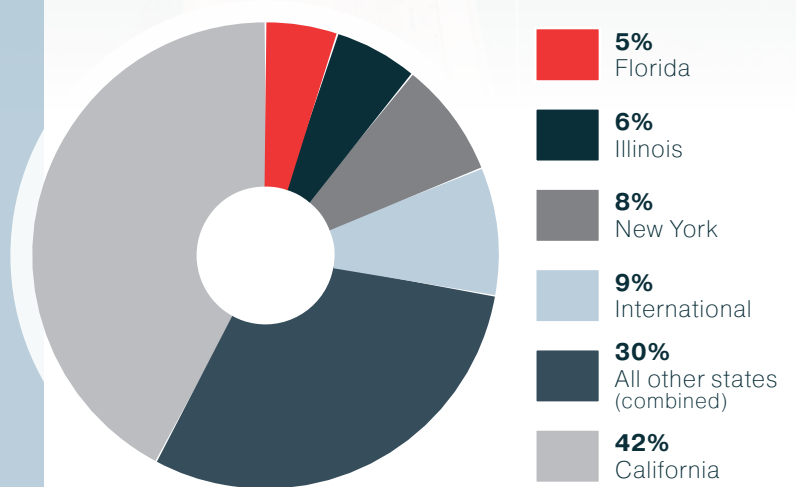
- **Tesla** is relocating its headquarters from Palo Alto, California to Austin, Texas. The company is expected to create 5,000 jobs in Austin over the next few years.
- **Oracle** is relocating its headquarters from Redwood Shores, California to Austin, Texas. The company is expected to create 10,000 jobs in Austin over the next few years.
- **Hewlett Packard Enterprise (HPE)** announced its plan to relocate its headquarters from California to Houston, Texas, in December 2020. The move was projected to bring around 2,600 jobs to the Houston area.
- In 2021, financial services company **Charles Schwab** moved its headquarters from San Francisco, California, to Westlake, Texas. The relocation created about 1,200 jobs.
- **McKesson**, a pharmaceutical distribution company, announced in 2017 that it was moving its corporate headquarters from San Francisco, California, to Irving, Texas. This move created around 1,000 jobs.
- **Caterpillar** moved 230 corporate jobs from Deerfield, Illinois, to Irving, Texas. The move is expected to save Caterpillar \$12 million annually.
- **McAfee** is currently in the process of relocating its headquarters from San Jose, California to Frisco, Texas. The company is expected to create 3,000 jobs in Frisco over the next few years.
- **Samsung** is building a new semiconductor manufacturing plant in Taylor, Texas. The plant is expected to create 2,000 jobs during construction and 18,000 jobs once it is operational.

RELOCATIONS BY MARKET (2005 TO PRESENT)



For over 15 years, Texas has consistently been the number one state for headquarters relocations.

WHERE THE HQ RELOCATIONS ARE COMING FROM (2005 TO PRESENT)



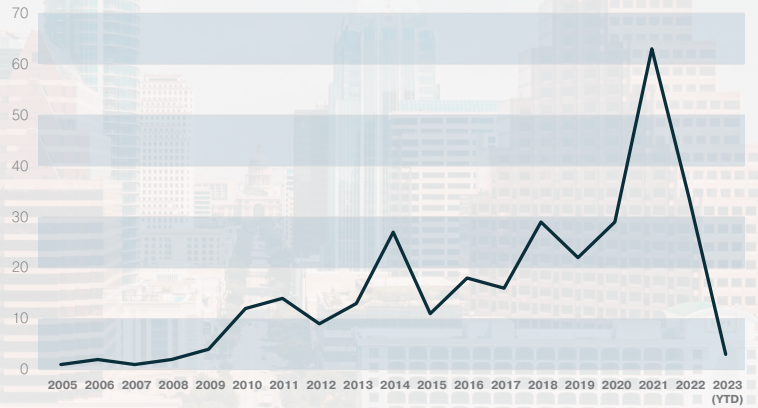
These are just a few examples of the more notable large companies that have relocated to Texas in recent years. The state's business-friendly climate, low taxes, and growing population have made it an attractive destination for businesses of all sizes.

In addition to these large corporate relocations, Texas has also seen a significant increase in the number of businesses expanding their operations in the state. In 2022, the Texas Economic Development Corporation (TEDC) announced that it had helped to facilitate over \$100 billion in new capital investment and created over 100,000 new jobs in the state.

The trend of businesses relocating and expanding in Texas is likely to continue in the years to come. The state's strong economy and favorable business climate make it an attractive destination for businesses of all sizes.

## TEXAS IS THE TOP DESTINATION FOR HEADQUARTERS RELOCATIONS

At the peak in 2021, there were 63 corporate relocations to Texas, representing over 10,000 jobs and \$1.6 billion in capital investment.



## HQ RELOCATIONS BY MARKET

In 2021, when record high relocations took place, Austin took the number one spot, mainly due to relocating tech companies.

