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Mercedes-Benz eyes Atlanta for U.S. headquarters

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German luxury automaker Mercedes-Benz is considering relocating its U.S. headquarters to Atlanta from New Jersey, Atlanta Business Chronicle has learned.

MBUSA is responsible for the distribution, marketing and customer service for all Mercedes-Benz products in the United States. The company is likely to have considered Texas and Virginia for the relocation.

In Montvale, N.J., Mercedes-Benz USA (MBUSA) occupies about 141,000 square feet of office space on about 37 acres, where it employs about 1,000.

Mercedes-Benz has not made any announcement on this subject, spokesman [Rob Moran](#) said. "As a matter of policy, the company does not comment on rumor or speculation," Moran said.

While all indications point to Atlanta, site consultant [John Boyd](#) warned against ruling out New Jersey.

"Don't discount New Jersey's ability to offer a last second Hail Mary pass with an incentive package," Boyd said, pointing to the several hundred million dollar Grow New Jersey Fund.

The New Jersey fund is one of the most compelling incentive programs in the country, the site consultant said. "It's dying for deals like Mercedes," Boyd said.

Mercedes' possible relocation underscores the continued southward migration of the auto industry. The Southeast has become an emerging threat to the Midwest's domination as an auto industry hub, as **Nissan**, **Toyota**, Kia and **Volkswagen** put plants in low cost, union-free Southern states.

Metro Atlanta is also an attractive site for corporate headquarters, with a globally connected airport, a deep pool of knowledge workers and a low cost of doing business. Those were some reasons **Porsche Cars North America** headquartered in the city, said [Thomas Wuelfing](#), German Consul General in Atlanta.

The migration of the auto industry southward has extended beyond manufacturing.

"Now we're seeing the office projects migrate to lower-cost markets for many of the same reasons," Boyd said. "At the end of the day, companies want to be as fiscally responsive as possible."

The Mercedes headquarters relocation is likely to trigger consolidation of some back-office operations from around the country.

"That's likely to happen in a market like Atlanta because of the low cost and has abundant high skilled workers," Boyd said. "Expect Mercedes put some IT operation in the Alpharetta area."

Indeed, Last year, **General Motors** opened a 1,000 employee IT center in Roswell. The automaker is said to be expanding there again with plans to add 400 more jobs.

Atlanta is a top East Coast sales market for Mercedes. The automaker also uses the Port of Brunswick near Savannah to ship its vehicles from. Mercedes builds C-class and SUVs in Tuscaloosa, Ala.

Next year, Porsche will open a \$100 million headquarters at Aerotropolis, a 130-acre mixed-use development near Hartsfield-Jackson Atlanta International Airport.

Porsche will move from its Sandy Springs, Ga., headquarters to a 26-acre campus that will include a 150,000-square-foot office tower and a test track.

Porsche's presence in Atlanta likely drove Mercedes' decision. The Porsche headquarters suggests the area has a pool of auto industry corporate workers and business friendly government officials.

"Companies don't want to be pioneers," Boyd said. "They want to know that elected officials in Atlanta and Georgia have been through the incentive process before and know the dance to get this type of deal done."

Urvaksh Karkaria covers Technology.