



## **GE to decide fate of Conn. headquarters in January, with Boston a top contender**

### **Company to decide in January on possible move from Connecticut**

By Larry Rulison

December 21, 2015 Schenectady

General Electric Co. says it will decide next month whether it will move its headquarters out of Connecticut, and Boston has emerged as one of the leading candidates, along with Providence, R.I., and the New York City area.

Speculation on the move has been rampant since July, when GE CEO Jeff Immelt announced plans to explore moving GE's headquarters out of Connecticut following Gov. Dannel Malloy's approval of \$1.5 billion in tax increases that hit GE and its executives particularly hard.

Although it is believed that GE once considered sites as far away as Texas, Ohio and Georgia, the candidates have been narrowed down to just the three Northeastern sites, according to the Boston Globe. GE employs about 800 people at its Fairfield County headquarters.

"I can confirm we now expect to announce a decision in January," GE spokesman Seth Martin told the Times Union on Monday, although he added that GE has "not specified what locations we are looking at."

Connecticut also could get last-minute consideration to retain GE after the Connecticut General Assembly voted two weeks ago to roll back some of the new tax increases in an act that was supported by Malloy.

A move by GE to Boston would be interesting because Steve Bolze, the CEO of GE Power in Schenectady, has his home on Boston's South Shore and is considered to be among the handful of GE executives who might one day replace Immelt.

However, none of that factors into the company's decision, according to sources within and outside the company. Instead, Immelt is trying to ensure that GE's headquarters are located in a state that will benefit the company in the long term, regardless of who is CEO.

John Boyd Jr., principal with The Boyd Co., a corporate location consulting company based in Princeton, N.J., said GE is likely looking at not only corporate income tax rates, but also personal income tax rates on the highest earners and a state's long-term pension obligations, which can affect future taxation.

He said Rhode Island Gov. Gina Raimondo has led the state to the most successful pension reform in the country, which likely has GE's eye.

Boyd also said many GE executives have summer homes in Rhode Island and would like the prestige. Rhode Island is the home of the first offshore wind turbine in the U.S., a new business for GE.

Ultimately, Boyd believes GE will pick Boston but that not is all lost for Rhode Island, which will likely get more looks from other companies in the future.

"Providence even being in the discussion is a win for the city's image," Boyd said.

Boyd believes GE is only looking at New York state, either New York City or the Westchester suburbs, by default, although he says the Cuomo administration has large potential subsidies it could offer GE.