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Austin named headquarters of new billion-dollar tech company as city awaits Amazon HQ2

By John Egan
Oct 30, 2018



Austin just landed the headquarters for a multibillion-dollar tech company. Visit [Austin Texas/Facebook](#)

As Austin waits for Amazon's decision about where it'll put its second headquarters, another multibillion-dollar company is moving its top offices to the Capital City.

Resideo Technologies Inc., a brand-new spinoff of Honeywell International Inc., says it's shopping for office space in the Austin metro area for its headquarters. Honeywell, based in New Jersey, is a Fortune 100 technology and manufacturing conglomerate that posted revenue of \$40.5 billion in 2017.

Resideo, now based in the Minneapolis-St. Paul metro area, would become the largest publicly traded company in the Austin area, moving ahead of the current leader, chipmaker Cirrus Logic Inc.

In its 2018 budget year, Cirrus Logic reported revenue of \$1.5 billion. By contrast, Resideo's sales for 2018 are projected to be around \$4.8 billion, up from \$4.5 billion in 2017. The Honeywell spin-off's stock started trading Oct. 29 on the New York Stock Exchange.

Resideo — which offers “smart home” technology under the Honeywell Home brand, including smoke detectors, security alarms, and thermostats — says it plans to move its headquarters from Minnesota to Austin sometime in early 2019.

So far, it's unknown how many Resideo employees will move here or be hired here, although the company says its leadership team will be located in Austin, along with software engineers and designers. In all, Resideo employs about 14,500 people, and says it'll maintain corporate offices in Minnesota and New York.

Representatives of Resideo couldn't be reached for comment.

John Boyd, principal of site selection consulting firm The Boyd Co. Inc. in Princeton, New Jersey, calls the Resideo headquarters a “significant win” for Austin. Having Resideo pick Austin over other potential candidates, such as Dallas-Fort Worth, Atlanta, Nashville, and Raleigh, “is a positive endorsement of the city's business climate and its labor market,” he says.

Aside from the direct economic benefits of Resideo being based in Austin, Boyd tells CultureMap that there's a “branding and prestige element that comes with a city growing its roster of corporate headquarters that we expect Austin to be able to leverage and promote.”

“Corporate headquarters are the major targets of the economic development community,” Boyd adds. “Why? Because as famous crook Willie Sutton supposedly said when asked why he robbed banks, it's ‘because that's where the money is.’ Headquarters projects are viewed as trophy projects by economic development leaders, and by mayors and governors. Attracting a headquarters is part of their legacy.”

One of the people responsible for creating that legacy here is Mike Nefkens, president and CEO of Resideo, and a graduate of Texas Christian University in Fort Worth.

“The home is the biggest investment most of us will ever make — the place where we create a lifetime of memories,” Nefkens said in a July 2018 release. “Because the home is a centerpiece

of our lives, we expect it to be secure, comfortable, and safe at all times. Resideo builds on Honeywell's strength in providing the world's best solutions to help people to live more productive, comfortable, and safer lives."

Although it's not known why Resideo selected Austin for its headquarters, one of the top executives at Resideo — Inder Reddy, vice president of corporate strategy — has a direct connection to the city. He earned a master's degree in mechanical engineering from the University of Texas at Austin.

Charisse Bodisch, senior vice president of economic development at the Greater Austin Chamber of Commerce, says Resideo is a welcome addition to Austin's business community.

Bodisch tells CultureMap that Resideo's "'smart home' products, forward-looking technology, and partnerships with Amazon and Google fit well with our innovative tech culture and further reinforce the Austin region's position as a top destination for tech companies."