Florida's governor woos big-name Nashville companies. Did they take him to heart?

Adam Sichko Senior Reporter Nashville Business Journal - Aug 15, 2017

The governor of the third-largest state in the nation spent two days in Nashville and Brentwood last week, pitching some of the area's headline employers on expanding in Florida.

Gov. Rick Scott's daily schedules, which his office publishes, disclose meetings with Bridgestone Americas, Tractor Supply Co. (Nasdaq: TSCO), Griffin Technology, Louisiana-Pacific Corp. (NYSE: LPX) and a fifth undisclosed company. The five "business development" sessions occurred Aug. 9-10.

Scott's recruiting visit reinforces the aggression states are showing as they battle for big jobs announcements, at a time when "corporate headquarters now are more footloose and fancy-free than ever before," according to corporate site selection consultant John Boyd Jr.

The stakes are higher than ever and the incentives are larger than ever, Boyd said. And as Scott's schedule shows, states are unafraid of targeting an area's highest-profile employers — in this case, even Bridgestone, which will open a 30-story skyscraper headquarters downtown this fall. If nothing else, it's a reminder to the region's business community and government leadership that no company is off-limits in the increasingly intense contest states are waging to grow their economies.

"Economic development has moved up the political food chain. In the old days, we
would meet with county commissioners or a mayor to assess a community. Now, every governor is involved, and even members of Congress," said Boyd, principal of his 42-year-old firm based in Princeton, N.J.

In a statement, a spokesman for Scott said: "Governor Scott takes every opportunity to meet with businesses and convince them to move to Florida, including meetings with businesses in Tennessee last week. The governor will continue to find businesses across the country and world to recruit to move to our state."

The visit (which the Tampa Bay Times called "another raid for jobs") caught the attention of Williamson Inc., the county's combined chamber of commerce and economic development agency:

I brought up the governor’s visit while meeting Monday with Scott Becker, a senior vice president at Nissan North America Inc. The automaker moved its headquarters from Los Angeles to Cool Springs in 2005 and now employs more than 10,000 people there and at a factory in Smyrna that cranked out almost 650,000 vehicles last year. That output rivals the production of any auto plant on the continent. This year alone, Nissan has opened a workforce training center and a 1.5 million-square-foot addition to its massive Smyrna facility which the company has said will involve 1,000 new jobs.

Though the governor did not meet with Nissan on this trip, Becker said he wasn't surprised at the governor’s direct outreach to others in town. That kind of prospecting happens several times a year to Nissan, Becker said, whether at its Cool Springs headquarters or at industry trade shows.

"They'll say, 'We know you haven't necessarily announced anything. We know at some point you'll be looking to expand and we'd love to be part of that conversation,'" Becker recalled. "A lot of states want a leg up."

"What do you tell them?" I asked Becker.

"We politely listen, and we take their card," he replied. He added: "We're very proud of the investments we've made in Middle Tennessee."

It's worth noting that Scott is the former CEO of another Nashville marquee name. He led Columbia/HCA, now known as HCA Healthcare, in the late 1990s when the company was under investigation for Medicare fraud.

At LP, which moved its corporate headquarters from Portland to Nashville in 2004, Gov. Scott and his chief of staff met with new CEO Brad Southern and senior vice president Mike Sims. The meeting lasted for less than 30 minutes, said company spokesman Mark Morrison.

"I'd say it was an informal meeting. It had nothing to do with recruiting, other than if we were going to expand our business, he encouraged us to look at Florida," Morrison said. LP, which
makes building materials used to make homes, is expanding its siding business. Morrison said that growth likely will occur north of here, as the aspen wood LP uses is found mostly in the Great Lakes and Canada. Morrison noted that LP's sales in Florida are up 30 percent year-over-year, and that the company's annual international sales meeting will occur in Miami next year.

"We look at Florida as being a large housing market for us, and that's kind of what the conversation centered on," Morrison said.

Paul Oakley, a spokesman for Bridgestone, said in an email: "The meeting was a courtesy call as we have approximately 3,000 teammates in Florida, primarily in our retail operations, and routinely meet with government officials to discuss our operations."

Requests for comment made to Tractor Supply and Griffin Technology.

As for that fifth, unnamed company? The governor's office referred me to Nate Edwards, spokesman for Enterprise Florida, the state's chief economic development organization. Edwards said Florida law prohibits him from discussing potential or ongoing economic development projects. "Some companies allow us to disclose meetings and other information, but this is not always the case," Edwards said.

Adam covers commercial real estate and manufacturing.