

# Pittsburgh Post-Gazette®

## That sound from Seattle? Only silence on progress of Amazon HQ2



Mark Belko - Pittsburgh Post-Gazette  
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For HQ2 finalists, the silence coming from Seattle is anything but golden.

As Pittsburgh, Philadelphia and 18 other cities or regions await word on where they stand in the competition for Amazon's second headquarters, the words coming from the e-commerce king's Seattle base apparently have been few and far between.

At least that has been the case locally. Other than an occasional question or request, Amazon has been anything but a talker, Allegheny County Executive Rich Fitzgerald said Thursday.

“They’re very tight lipped. They’re keeping things close to the vest,” he said.

Getting the cold shoulder could be a cause for alarm in the high-stakes competition for HQ2, which could bring as many as 50,000 jobs and \$5 billion in investment to the winning city.

It could signal that Amazon is not that interested. Except that the other finalists appear to be getting the same brush off, said John Boyd, principal of The Boyd Co., a Princeton, N.J.-based site selection consultant.

“What’s the term, radio silence? They’ve been mum to the universe of candidates since their on-site visits,” he said. “Your scenario is not unique to Pittsburgh. It’s what I’m hearing throughout the universe of candidate cities.”

Amazon has not had much to say publicly about the search for its second headquarters since announcing the 20 finalists in January. Since then, there have been visits to each of the cities, but no indication from the online retailer as to the status of the selection process.

Mr. Fitzgerald said there has been a question here and there or a request for information but little beyond that. Amazon, he said, has not tipped its hand either way as to where Pittsburgh stands in the hunt.

“You’d love to have them call and say, ‘guess what, Pittsburgh is selected.’ But we understand the process, that they would take their time. This is a very, very big decision for the company. They’re not going to rush into anything,” he said.

Local officials, on the other hand, have been doing their best to chat up the city.

They have not been shy about sending Amazon positive news, from the British Airways nonstop to London announced last week to a recent report that ranked Pittsburgh fifth among 50 “momentum markets” in terms tech job growth. They also boasted about Allegheny County having its highest bond rating since 1983.

The goal, Mr. Fitzgerald said, is to “just kind of keep in front of them as much good news as you can” and to show that Pittsburgh, from employment to government stability and other factors like cost of living, is the perfect fit for HQ2, as the second headquarters is called.

“It’s like any sales pitch a company would make going after an account,” he said.

Mr. Boyd believes Amazon is taking the wrong approach in shrouding the process in secrecy, particularly after launching the highly-publicized search for a second headquarters last fall.

“I think they could do a better job in community relations in dealing with this project, especially because it’s so public. The 24-hour news cycle has embraced this project,” he said.

“It behooves Amazon to do more in reaching out to the communities and in a public way. It doesn’t help their brand if they come off too smug. There’s a whole universe of opposition just on the premise of incentives.”

One way Amazon could be more engaging is by doing another round of site visits, Mr. Boyd said.

Sources close to Amazon on Thursday indicated that all 20 cities are still in the running and that the company continues to talk to them and review data supplied by the communities.

The overheated competition for HQ2 has touched off a bidding war among cities and states. Maryland is dangling \$8.5 billion in incentives, the largest of the publicly known offers. New Jersey has promised \$7 billion. Pennsylvania is believed to be offering at least \$1 billion, although that has not been publicly disclosed.

While state and local officials await word — or even a hint — from Amazon, they have not been exactly forthcoming in discussing what they are offering the company.

Pennsylvania has gone to court to block the release of the incentives it is proposing to Amazon after the state Office of Open Records ruled that they should be disclosed. The city and the county also are fighting in court to prevent the release of the region’s bid, including incentives, after the independent open records office decided it should be public. The Pittsburgh Post-Gazette and other media organizations have been seeking the information.

State and local officials claim that giving up the information would put them at a competitive disadvantage with the other finalists, an argument the open records office has rejected.

Nonetheless, Mr. Fitzgerald sees incentives as only a small factor in Amazon’s final decision. He believes the company is looking more for a city with a business environment where it can thrive and where the cost of living is low.

Amazon has said it will make a decision on HQ2 this year, but has given no definitive timetable. Mr. Boyd predicted it would be near the end of the year after the mid-term elections.