



What will it take to keep Sherwin-Williams in Cleveland?

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CLEVELAND-- What will it take to keep Sherwin-Williams in Cleveland?

As the company searches for a new location for its global headquarters and R&D facility, experts said several key factors, including transportation and workforce talent, are likely being considered.



Sherwin-Williams announced the search last month, noting it has outgrown the downtown headquarters where it's been since 1930. The company has about 4,400 employees in Northeast Ohio, spread across multiple locations.

Sherwin-Williams CEO John Morikis told shareholders this week the company expects to announce a location selection by the end of this year or early next year. The company said the transition to a new facility will not occur until at least 2023.

While a local real estate development blogger recently cited sources claiming the company has settled on four downtown Cleveland locations, a

Sherwin-Williams spokesperson said the company can not yet comment on specifics.

"This comprehensive evaluation is a transparent process looking out into the future for the next 100 years," Sherwin-Williams spokesman Mike Conway said in a statement.

"It includes evaluating buildings and land in Cleveland, Northeast Ohio, across the state of Ohio and other states to make sure we find the long-term opportunity to best serve our customers, employees, shareholders and communities where we do business."

Those involved in corporate searches like this are typically bound by non-disclosure agreements.

John Boyd, with the corporate site selection firm The Boyd Company, helps large companies considering a move. He is not directly involved in the Sherwin-Williams search.

"Cleveland retaining Sherwin-Williams would really be a pivot moment," Boyd said. "Retaining it would send a message to a global audience that Cleveland is open for business."

He said air transit is a key factor in site selection. As Cleveland vies to keep the company that employs more than 33,000 people worldwide, Boyd said the region's lack of non-stop flights to markets around the globe is its biggest hurdle.

Cleveland Hopkins International Airport was ranked second-worst among 16 similar-sized airports in the J.D. Power 2019 North America Airport Satisfaction Study. The airport has commissioned a firm to create a new master plan for upgrades.

"Every time there's a major trophy headquarters project, you always think about the usual suspects: Atlanta, Charlotte, Chicago, Dallas, Houston. Cities with major gateway airports," Boyd said.

Attracting and retaining top talent, including young professionals, is another key factor companies consider. Tech talent was cited as one reason Amazon selected Arlington, Virginia for its HQ 2 location. Sherwin-Williams has an established workforce in Northeast Ohio, which would need to relocate if the company moves to another region.

"This is something Cleveland has going for it," Boyd said. "There certainly would be an operational disruption should this project leave Cleveland."

Financial incentives, including tax abatements and credits, are also considered.

Boyd said they are now an expected part of the competitive process to attract large companies.