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CT giant Frontier eyes Texas or Florida for new headquarters

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The 401 Merritt 7 headquarters office of Frontier Communications in Norwalk, Conn. Alexander Soule / Hearst Connecticut Media

Frontier Communications has signaled its intent to move its official headquarters from Norwalk to outside of Connecticut, according to officials in Dallas, where its CEO lives, with a backup option of Tampa, Fla.

In an Aug. 11 memo from Majed A. Al-Ghafry, an assistant Dallas city manager, Frontier has asked for an "enterprise zone" designation for its corporate office there, where it has nearly 640

employees not including more in nearby Allen, Texas. The proposal will be considered at an Aug. 23 city council meeting in Dallas.

"Frontier is now considering relocating its headquarters to either Dallas or Tampa," the memo stated. "The designation will allow Frontier to apply for a rebate of state sales and use tax refunds on qualified expenditures of up to \$2,500 per job created or retained."

A Frontier spokesperson could not be reached immediately Tuesday for confirmation of any such plan. The company lists its headquarters office at 401 Merritt 7 in Norwalk, just off the Merritt Parkway.

A spokesperson in the office of Gov. Ned Lamont said the state has sought to engage with Frontier in discussions on its future plans.

"The administration and our economic development partners have engaged in regular outreach to Frontier," stated Adam Joseph, a spokesperson in the governor's office. "The company has not communicated any intentions or plans to our office. Connecticut remains a great place to raise a family, work or start a business. In the last year, our administration has delivered the largest income tax cut in state history while making record investments in critical programs including education, childcare, and housing."

Frontier has been based in Norwalk since 2015, and before that Stamford where it was created from the former Citizens Communications. In 2014, Frontier acquired the historic Southern New England Telephone territory and operations of AT&T, while building out a national business with a pair of acquisitions of Verizon Communications territories.

Funding the Verizon deals with debt it could not support, Frontier filed for bankruptcy protection from creditors in 2020 weeks into the COVID-19 pandemic. The company hired CEO Nick Jeffery the following year, with Jeffery working out of a Dallas area office along with most other senior Frontier executives.

Dallas-Fort Worth metropolitan region is a corporate headquarters hotbed, as a base of operations for AT&T, American Airlines, ExxonMobil, Kimberly-Clark, Southwest Airlines and Texas Instruments among others.

Frontier has approximately 14,100 employees across 25 states, according to its most recent update in a Securities & Exchange Commission filing.

"We're disappointed that they're not going to have their senior leadership in Connecticut anymore," said Dave Weidlich Jr., president of the Communications Workers of America Local 1298, who has been critical of the company's use of external contractors. "They've been heading in that direction for the last several years. ... I just hope Frontier continues to invest in Connecticut, and Connecticut jobs."

Connecticut suffered the recent loss of Lego's North American headquarters to Massachusetts, while offsetting that with a few gains including the headquarters of Philip Morris International. Charter Communications is based in Stamford as the second largest broadband carrier in the nation after Comcast.

Jeff Kagan, an Atlanta-based independent telecommunications industry analyst, said decisions about where to locate headquarters for companies in the sector are typically based on where the CEO and top executives want to be and where they think it will give them a competitive advantage.

John Boyd, whose Florida-based company evaluates headquarters and office locations for corporations around the country, said one factor that may have made Dallas a more active location is the presence of the Dallas-Fort Worth International Airport.

"One of the reasons that the Dallas area has become a superstar in attracting corporations is access to the global market place," Boyd said. "They have access to premier air service."

Boyd said financial services company Charles Schwab relocated its world headquarters from San Francisco to the well-heeled Dallas suburb of Westlake in 2019.