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Goodbye Chevron, who's next?



Chevron's headquarters departure to Houston raises questions on who might be next. Mark Calvey | San Francisco Business Times



By Mark Calvey – Senior Reporter, San Francisco Business Times

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Chevron's confirmation Friday of long-running speculation that it would move its San Ramon headquarters to Houston raises the question of the next corporate HQ to fall. The years-long exodus of prominent corporate HQs from the Bay Area already includes McKesson Corp. and Charles Schwab Corp. and will soon be joined by X Corp.

A strong departure candidate to follow Chevron (NYSE:CVX) seems to be Wells Fargo.

The San Francisco bank is building a huge campus in suburban Dallas that's not your typical back-office operation. The \$455 million, 855,000-square-foot campus in Las Colinas, near Dallas, will consist of two 10-story buildings on 22 acres to eventually accommodate 3,000 employees. The campus will include a gym, walking and biking trails, golf courses, a food hall and a library. The campus is scheduled to be completed in 2025.

"Chevron and Wells Fargo have a lot in common," John Boyd, a site selection consultant and principal at the Boyd Co., told the San Francisco Business Times Friday. "Up until this morning, Chevron was officially in California. But over the past decade or so, they've really shifted their center of gravity and corporate brand to Houston."

Wells Fargo (NYSE:WFC) is on a similar path, with the bank's nominal San Francisco headquarters becoming a C-suite ghost town in recent years, with none of its uppermost executives here. The bank's new head of technology, Bridget Engle, will be based in New York when she starts Aug. 12. She joins the bank's operating committee and will report to CEO Charlie Scharf, who is also based in New York.

Wells Fargo could take advantage of Dallas's rising profile in financial services by moving its headquarters, Boyd said, pointing to plans for the Texas Stock Exchange in Dallas as a sign of that city's financial ambitions. "Dallas is now a financial superpower."

In October 2022, Boyd was asked about the prospects that the Bay Area could eventually lose the headquarters of Chevron, Twitter (now X) and Wells Fargo. At the time, Boyd said: "I certainly wouldn't be surprised to eventually see all three move their headquarters out of California."

So far, Wells Fargo is the only holdout of the three. Asked Friday whether he thinks Wells Fargo's heading out the door too, Boyd said, "If that becomes official, that shouldn't be much of a surprise to anyone at this point.

"Dallas has really become the center of gravity for the company, with staffing and its real estate expansions."

Would Dallas be a draw even for members of Wells Fargo's C-suite, who largely sit in New York?

"The Dallas metroplex region really has proven itself to be a desirable place for executives leaving New York and California over the course of the last decade or so," Boyd said. "You have not just the tax advantages, but you have a lot of highly desirable planned communities. The Las Colinas address has a lot of prestige right now."

The executives and celebrities leaving California are becoming ambassadors for Texas, attracting others to follow them, Boyd said, pointing to Elon Musk as one of the most prominent.

Wells Fargo, like Chevron, has subtly changed its statements over the years when asked about the prospect of moving headquarters out of the Bay Area. Each company told the Business Times several years ago that their headquarters was in the Bay Area and would remain so. But in the

intervening years, both companies' statements about their HQs omitted the second part, simply stating that their headquarters is in the Bay Area.



Banking giant Wells Fargo and Dallas developer KDC have unveiled renderings of the financial institution's future North Texas office home.

Asked earlier this year about the prospect of Wells Fargo's headquarters leaving California, the bank said: "There are no plans to move our headquarters from San Francisco."

On Friday, the bank reiterated that stance. "There are still no plans to move our headquarters from San Francisco."

Another sign of the bank's diminishing presence in the Bay Area is its shrinking workforce in the region. Wells had 10,493 employees in the Bay Area in June 2023, down from 15,148 at the end of 2019, according to Business Times research.

Another prestigious headquarters that could be heading out of California is that of the Walt Disney Co. (NYSE: DIS). The company, at one point, was said to be preparing to move its Southern California headquarters to Florida before legal wrangling between the company and Florida's governor ended the speculation. That's now been patched up.

"CEO Bob Iger has improved his relationship with Florida Gov. Ron DeSantis' office," Boyd said. "So again, whether or not Orlando becomes an official headquarters designation, who knows.

"But it wouldn't surprise me to see Disney continue to put film and multimedia investments, as well as more C-level executive positions, in Florida."