

Sealed Air Corp. moving headquarters to Charlotte, bringing nearly 1,300 jobs

By Andrew Dunn - adunn@charlotteobserver.com

Sealed Air Corp., a Fortune 500 company known for making Bubble Wrap, announced Wednesday that it will move its headquarters to Charlotte, bringing 1,262 jobs.

The move marks the largest corporate headquarters relocation in Charlotte history, in terms of jobs and investment, the Charlotte Chamber said. The company will spend at least \$58 million building a new campus in the city.

The state Economic Investment Committee approved up to \$36 million in incentives Wednesday morning. The jobs have an average salary of \$119,482, the chamber said. The average pay in Mecklenburg County was \$59,046 in 2013, according to Gov. Pat McCrory's office.

The state also awarded Sealed Air a \$2.5 million grant that is contingent on a local match.

The effort to lure Sealed Air was code-named "Project Infinium," according to a presentation City Council reviewed in closed session June 23.

According to the presentation, the project would require \$4.4 million worth of city and county incentives, with \$1.6 million from the city paid out over seven years. That's on top of the state money.

Sealed Air was also considering Greenville, S.C., South Carolina and Atlanta at the time. South Carolina had offered a total of \$48 million in incentives.

According to the presentation, half the new jobs will be transfers and half will be local hires.

The relocation will shift the company's headquarters from Elmwood Park, N.J., to the Queen City. Sealed Air has about 25,000 employees serving customers in 175 countries.

The Charlotte campus will also consolidate three divisional headquarters locations and research and development. Sealed Air will move employees from Saddle Brook, N.J.; Danbury, Conn.; Racine, Wis.; and Duncan and Greenville, S.C. The company notified employees of the move Wednesday.

The company hopes to be in temporary offices by the start of the new year, CEO Jerome Peribere said. A location has yet to be determined. Sealed Air will build a new office campus somewhere in the city, likely in the southern part, he said. The company hopes to be finished with the move to Charlotte in 2016.

It is unclear how many people will be hired locally. Peribere said it would depend on how many employees decide to relocate.

A formal announcement kicked off at 10 a.m. at the Charlotte Chamber's headquarters uptown. Audience members popped Bubble Wrap as McCrory announced the jobs.

"We welcome you to Charlotte. We welcome you to North Carolina," McCrory said. "This is a place of unlimited opportunity, a place with a great quality of life."

Peribere said the decision culminates a national search for a location to consolidate its divisions. Sealed Air ultimately chose Charlotte for its headquarters over Greenville, S.C.

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Peribere said the company decided on Charlotte because of its quality of life, climate, schools, and also an aggressive recruiting effort from state and local officials. The company's chief financial officer, Carol Lowe, also hails from the Charlotte area. McCrory presented Peribere with a sweatshirt from Sun Valley High in Union County, where Lowe went to school.

"It's a very, very important day for Sealed Air," Peribere said. "We are here to stay, and we are absolutely delighted to be able to call this place home."

Bigger than Bubble Wrap

McCrory and Charlotte Chamber officials noted the high-paying jobs and said the firm's presence will have a big impact on the region's economy.

Top executives at Sealed Air earn large pay packages, likely boosting the average salary reported. Peribere was paid \$8.3 million in 2013, largely in stock grants. The other seven top executives at Sealed Air were paid between \$1.5 million and \$3.1 million, according to securities filings.

Peribere spent 35 years at Dow Chemical before joining Sealed Air in 2012 as president and chief operating officer. He became CEO in March 2013.

Sealed Air's founders invented Bubble Wrap and launched the company in 1960. The product now makes up only 2 percent of the company's sales, Peribere said. The company also makes food packaging, packing foam, medical packaging and other products.

Sealed Air has been through several years of rapid changes since buying cleaning products company Diversey in 2011. Sealed Air has had several restructuring initiatives in attempts to cut costs, according to securities filings.

In 2012, Sealed Air reported a \$1.6 billion loss. Most of that was due to a non-cash charge the company took after writing down the value of its Diversey acquisition.

Last year, Sealed Air's results improved. The company reported a \$94 million profit for the year, as sales rose 1.7 percent, to \$7.7 billion.

Sealed Air attributed much of the improvement to savings as it restructured and more closely integrated its Diversey division with the company.

In February, Sealed Air said it completed a \$930 million settlement related to asbestos claims from a company it had acquired from W.R. Grace & Co.

Sealed Air currently has small manufacturing facilities in Richmond and Caldwell counties in North Carolina.

History of moves

The news about the new headquarters comes a day after the chamber announced that New Jersey-based Spectra Group would bring 250 new jobs to Charlotte.

Sealed Air's announcement is the biggest for Charlotte since insurance giant MetLife said in March 2013 that it would bring its U.S. retail hub to Charlotte, along with 1,300 employees.

MetLife picked two towers in Ballantyne Corporate Park for its offices. Officials with the Bissell Cos., developers of the park, told the Observer in January that they had another 11-story tower on the drawing board and could finish it in about 16 months, should a company desire it.

Bissell officials declined to comment Wednesday when asked whether they have had any contact with Sealed Air.

One of the last major headquarters relocation announcements at the chamber, Chiquita's move in 2011, has had a bittersweet coda for the city. The company was lured in part with \$22 million worth of state and local incentives, promising to bring almost 400 jobs.

While Chiquita has brought the jobs it was required to, the company has struggled financially. Earlier this year, Chiquita announced it will merge with an Irish fruit company and move its headquarters to Dublin, though most of the Charlotte jobs will stay.

Chiquita CEO Ed Lonergan, who was brought to Chiquita to help turn the company around, has previous experience with Sealed Air. As CEO of Diversey, he helped engineer that firm's \$4.3 billion acquisition by Sealed Air in 2011.

The Sealed Air move would bump the total of Fortune 500 companies headquartered in the Charlotte area to eight, helping offset a recent decline.

Wells Fargo purchased Wachovia in 2008, Kroger bought one-time Fortune 500 company Harris Teeter in January, and conglomerate SPX fell off the list this summer. Investor Carl Icahn is pressing for a sale of Matthews-based Family Dollar Stores.

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