

Blockbuster Deal

from *Site Selection*'s exclusive New Plant database

LOOKING FOR A PREVIOUS STORY? CHECK [THE ARCHIVE](#).

Financial Powerhouse DTCC Taps Tampa for 500- Job Center

By **JACK LYNE**, *Site Selection* Executive Editor
of Interactive Publishing



Tampa (pictured) won DTCC's high-profile project over 24 other Southeast cities, including runner-up Atlanta.

TAMPA, Fla. – Sept. 11's enduring facility-location fallout, **Tampa's** robust financial-services cluster and a magazine ad all played large roles in the Florida city being tapped for **Depository Trust & Clearing Corp.'s** (DTCC at www.dtcc.com) new operations center. The New York-based finance powerhouse will mount a \$34-million project that will create 500 high-end jobs.

The horrors of 9/11 yielded a host of cautionary lessons. One of those lessons was in contingency planning - a major driver in DTCC's Florida migration. The company's headquarters stands less than a mile (1.6 kilometers) from the site of the World Trade Center towers leveled on 9/11.

That infamous day wiped out communications links for many firms in the core of the world's financial capital. One of them, for example, was a key service provider for government securities transactions. Its shutdown sparked a multibillion-dollar backlog in securities clearing, leaving many market participants with severe (albeit temporary) liquidity shortages.

DTCC, though, was able to remain fully operational throughout the 9/11 crisis, owing to its New York-metro back-up facilities. Nonetheless, Sept. 11 deepened the company's belief in dispersing operations to strengthen operational stability.



The Tampa center "is an outgrowth of our business continuity efforts to decentralize and thereby safeguard the certainty and continuity of U.S. capital markets," explained

"The decision to create a new operating center away from the New York metropolitan region is an outgrowth of our business continuity efforts to decentralize and thereby safeguard the certainty and continuity of capital markets in the United States," DTCC Chairman and CEO Jill M. Considine explained.

Location Strategies for 'Unthinkable, Unimaginable Scenarios'

To the general public, DTCC has virtually no visibility. To U.S. capital markets, however, the company's operational continuity is mission-critical.

DTCC is the world's largest provider of technology infrastructure for financial transactions spanning stocks, bonds, mutual fund shares and pensions. It processes the electronic records that have supplanted stock and bond certificates. The company is owned by the small army of financial institutions that rely on it. And for them, DTCC's services are as bone-

DTCC Chairman and CEO Jill M. Considine (pictured).

level essential as basic utility services.

Last year, DTCC settled a staggering \$923 *trillion* in securities transactions. Every three days, the value of transactions that the company processes almost equals the entire U.S. gross domestic product.

The first seeds for locating a new operations center were sown less than two weeks after 9/11, when DTCC began a rigorous review of its disaster recovery and business continuity systems. One of the key findings was a decision to "implement an out-of-region operations center," DTCC COO Donald F. Donahue wrote in the company's business continuity planning report (which was released to the financial-services sector in February of 2004).

"The events of Sept. 11th made clear to us and to all in the financial-services industry that we were operating under a new paradigm," Donahue observed. "We now had to plan for previously unthinkable or unimaginable scenarios with potential repercussions across an entire region or financial market - or beyond."

The company's focused its new dispersal paradigm on the south.

"We conducted an exhaustive search throughout the southeastern United States for the ideal location for this new facility," said Considine.

Atlanta Other Finalist Site

DTCC's search first narrowed to 25 Southeast cities. The Sunshine State fared particularly well in the competition, according to Considine.

"Florida," she explained, "quickly rose to the top of our list, with its highly skilled work force, its quality of life, and the growing number of financial-services companies already [here] who rave about this business environment."

DTCC's site search team also rated Jacksonville favorably. But it gave high marks as well to Atlanta, regarded by many as the New South's business hub.

The Tampa Chamber of Commerce (www.tampachamber.com) was first contacted about the project in November of 2002. The organization got a call from an executive with Dallas-based real estate consultant Partners National Real Estate (www.partnersnational.com), requesting basic site selection information for an unnamed client. Tampa Chamber staffers codenamed the inquiry "Project Flo."

At approximately the same time, a Tampa Bay Partnership (www.tampabay.org) magazine ad caught the eye of Anthony Savarese, DTCC's managing director of corporate services. Savarese, according to city officials, made a low-profile visit to Tampa in February of last year to learn more.

DTCC Finds Lots of Familiar Faces

Tampa's chances got a major lift from local recruiters' noteworthy success in targeting financial-services firms. DTCC had an impressive array of companies to talk to in assessing the Gulf Coast city's strengths.

A study by Enterprise Florida (www.eflorida.com), the state's chief economic development agency, found 28 financial-sector firms with major operations in the Tampa-Clearwater-St. Petersburg metro. And that group includes top-of-the-line names like **Capital One Services, JP Morgan Chase, Citigroup, Raymond James Financial, T. Rowe Price Group** and **Franklin Templeton Investments**. DTCC executives' discussions with such corporate kinsmen allayed their biggest worry. Yes, they were reassured, the city offered a large, skilled work force.

In addition, some other familiar industry faces lobbied DTCC: the Florida Financial Services Cluster Initiative (FFSCI), formed last summer to nurture that sector of Florida's business community. The FFSCI is



DTCC is locating its operations center in Highwoods Preserve (pictured), an office park in the New Tampa area that was developed by Highwoods Properties.



Gov. Jeb Bush (pictured), who actively pursued the project, called Tampa's win "a testament to Florida's growing reputation as a financial-services hub."

made up of top executives with in-state financial-services firms, plus state and local economic development officials. The idea for creating the group first sprang from discussions between Tampa business leaders and the Tampa Chamber of Commerce Committee of 100.

Bush Added 'Quick-Closing' Aid

FFSCI Chair Irv Cohen, president of J.P. Morgan Treasury Technologies, played a major role in recruiting DTCC. So, too, did Gov. Jeb Bush (R), who called the project win "a testament to Florida's growing reputation as a financial-services hub."

"Back in May, in my capacity as FFSCI chairman, I wrote Gov. Bush, asking him to help us create the conditions that would bring DTCC to Florida," Cohen explained after Tampa had bested Atlanta for Project Flo. "The governor responded by promising to do whatever he could to achieve our objective."

One thing Bush did was call DTCC chief Considine to personally make the state's case. In addition, the governor bolstered Florida's odds by tapping the state's "quick-closing fund" to offer DTCC \$4.4 million in cash incentives over a two-year period. Created by the Florida Legislature earlier this year, the \$10-million fund is designed to land high-priority projects. It can only be accessed with the unanimous consent of the governor, the House speaker and the Senate president.

Hillsborough County and Tampa are jointly providing DTCC with another \$1 million in subsidies. And the company further qualifies for \$500,000 through a state program for large firms paying above-average salaries. DTCC's jobs, including positions in finance, legal, information technology and risk management, will pay \$72,000 a year on average, said Committee of 100 Chair Judy Genshaft, president of the University of South Florida. That's more than double the state's average salary of \$31,817.

Tampa's win "once again validates our region's reputation as Wall Street of the South," said Dan Mahurin, chair of the Tampa Bay Partnership and chief executive of SunTrust Bank's Tampa Bay operation. "DTCC strengthens our region's position as a leader in the financial-services industry."

Headed for Highwoods

DTCC is moving rapidly to implement the expansion.

The company may open the Tampa center as early as this summer, employing 350 workers within two years, according to DTCC officials. Total employment is projected to rise to 400 workers after three years and 500 workers after four years.

Some of the Tampa jobs will be filled by transfers, while others will be new hires, DTCC officials said. The company, which currently has some 2,800 employees, is already listing its Tampa job openings on its Web site.

DTCC will locate in Highwoods Preserve, an office park developed by Raleigh, N.C.-based REIT Highwoods Properties (www.highwoods.com). The company's application for local incentives specified that it would locate in the park if Tampa won the project.

Some Tampa-area real estate players anticipate that DTCC may pick a vacant Highwoods Preserve facility that was built in 2000 to serve as **Intermedia Communications'** network operations center. Early



"The Committee of One Hundred's hard work to bring high-paying jobs like these that will average \$72,000 is paying off," said Committee of 100 Chair Judy Genshaft (pictured), president of the University of South Florida. Photo: Florida Holocaust Museum

last year, Intermedia moved out of that building, along four other park facilities, after parent firm **WorldCom** filed for bankruptcy.

In contrast, DTCC, with its trillion-dollar transaction volume, clearly isn't headed in any such direction.

And neither is Tampa's financial-sector cluster. That pillar of the area's economy got yet another boost June 7, when Orlando-based mortgage lender **Pinnacle Financial Corp.** (www.pinnaclefmc.com) announced that it will open a Tampa sales and support center. The project will create 160 new jobs with an average salary of \$64,000.

CONTINUE TO THE LATEST EDITION OF **[“SNAPSHOT FROM THE FIELD”](#)**

RETURN TO: SITESELECTION.COM

LOOKING FOR A PREVIOUS STORY? CHECK [THE ARCHIVE](#).