

General Electric to open Rhode Island high-tech office

June 10 2016, by Matt O'brien

Drawn by nearby universities, General Electric is opening a high-tech office in Rhode Island that could employ hundreds of people in the coming years.

The company's GE Digital division and Gov. Gina Raimondo jointly announced plans Thursday for the office in Providence. Raimondo said the jobs will be in engineering, user-interface design and other high-paying careers in building software and making apps.

"They're going to start with 100 jobs and move to several hundred jobs in the years to come, all high-wage, high-skill, advanced economy jobs," Raimondo told reporters.

The office is a consolation prize for the Democratic governor and her state, which last year tried to persuade GE to relocate its headquarters from suburban Fairfield, Connecticut. The company opted for Boston instead, drawn by about \$120 million in Massachusetts state incentives, additional property tax relief and the appeal of being in a big city with an international reputation as a technology hub.

GE Digital spokeswoman Amy Sarosiek said one of the chief reasons for the move is to tap into the talent at Brown University and the Rhode Island School of Design.

"It's really about talent," she said.

The company is looking for a temporary office now before settling into a permanent location next year, Sarosiek said. The new office will focus on building internal GE apps, such as those used for employee communications or expense reporting. There would also be work on advances in high-performance computing.

Rhode Island Commerce Secretary Stefan Pryor said his state is offering an estimated \$5.65 million in tax breaks and other incentives that will make the smaller GE Digital office possible. He said the return on that investment in increased state revenue could be as much as double over the next 12 years.

He said GE will apply for a \$650,000 business incentive meant to help a company close a major transaction, such as the cost of opening a new office. GE might also use it to recruit talent by offering to pay back student loan debt, Raimondo's office said. The other estimated \$5 million would come from corporate income tax breaks over time.

The announcement is a victory for Raimondo, a former venture capitalist who since taking office last year has pledged to draw high-skilled jobs and businesses to the economically depressed state. She signed into law last year a suite of new business incentives, two of which are the incentives GE is applying for, and traveled to Connecticut to make a direct appeal to GE CEO Jeff Immelt.

Raimondo said aggressively competing for the GE headquarters helped educate the company and others about Rhode Island's promise as an innovation hub fueled by its cluster of universities, close proximity to Boston and improving fiscal outlook.

"I think it's fair to say we went from the 'no' list to the shortlist," she said Thursday.

Downtown Providence is just an hour train ride from GE's future Boston headquarters, and only a 20-mile drive from an existing GE Digital [office](#) in Foxborough, Massachusetts. A pitch that Rhode Island state officials have been making to GE and other companies has emphasized Rhode Island's lower cost of living and other amenities.

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