

# India-based IT company Infosys plans Indiana tech center

May 2 2017, by Brian Slodysko

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Indiana Gov. Eric J. Holcomb, right, greets Dr. Vishal Sikka, CEO of Infosys, following an announcement at the Statehouse in Indianapolis, Tuesday, May 2, 2017, plans for Infosys to increase its operations in the U.S, establishing four new state-of-the-art technology and innovation hubs in the U.S., with the first one in Indiana. (AP Photo/Michael Conroy)

India-based outsourcing and information technology company Infosys announced Tuesday that it will establish a central Indiana tech center as part of a broader expansion in the United States that is projected to create 10,000 jobs in the coming years.

CEO Vishal Sikka joined Republican Gov. Eric Holcomb to announce the plan, which includes an \$8.7 million investment to lease and equip office space in the Indianapolis area to accommodate 2,000 new workers by the end of 2021.

"You can't spell Indiana without starting with India," Holcomb said after the event at the Statehouse. "I've always said that we need to take Indiana to the world and bring the world back to Indiana, and today underscores that fact."

But some experts question whether the deal is a good one for Indiana, given the generous financial incentives offered by the historically frugal state, which top out at \$31 million and include tax credits worth as much as \$15,000 for every worker hired. And Tuesday's announcement comes as President Donald Trump has targeted the American H-1B visa program that tech companies have heavily relied upon to temporarily bring in workers from other countries at lower wages.

Ron Hira, a Howard University political science professor, said he doesn't think state officials "thought this one through," noting that the incentives are subsidizing a company that specializes in helping other companies offshore IT-related jobs.



Dr. Vishal Sikka, chief executive officer of Infosys, announces at the Statehouse in Indianapolis, Tuesday, May 2, 2017, plans to increase its operations in the U.S, establishing four new state-of-the-art technology and innovation hubs in the U.S., with the first one in Indiana. Indiana Gov. Eric J. Holcomb, right, joined in the announcement. (AP Photo/Michael Conroy)

"It's absolutely crazy for the (Indiana) government to subsidize the offshoring of its own citizens' jobs. But that's precisely what these tax breaks do," said Hira, who is an outspoken critic of the H-1B visa program. "Hiring U.S.-based on-site workers, whether H-1Bs or Americans, still means that much work will be offshored."

Sikka said the recent focus on the visa program didn't affect the company's decision to expand its U.S. operations, an effort that he says has been in the works for several years. Still, a move to the home state of

Vice President Mike Pence, who was Indiana's governor until January, couldn't hurt.

"Over the last few decades (the industry) became very reliant on the visas and all of that, but we need to change that," said Sikka. "This is about a longer term journey, about having employees locally, complemented by a global talent pool. Having employees from the community working in close proximity to the clients."



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The announcement caps a whirlwind courtship by state officials that

started in February, shortly after Holcomb—and Trump—took office. Infosys officials said Indiana's business-friendly climate and a network of college campuses in Indianapolis that could provide a pipeline of workers made it an attractive place

The Indiana center will be the first of four facilities the company plans to open in the U.S. and will be focus on developing emerging technologies like artificial intelligence and cloud computing. Infosys has not yet signed a lease, but is considering a number of locations in the Indianapolis metro area and hopes to be up and running by August.



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Indiana Gov. Eric J. Holcomb, left, and Dr. Vishal Sikka, CEO of Infosys, announces at the Statehouse in Indianapolis, Tuesday, May 2, 2017, plans for Infosys to increase its operations in the U.S, establishing four new state-of-the-art technology and innovation hubs in the U.S., with the first one in Indiana. (AP Photo/Michael Conroy)

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