

Apple unveils plan for \$1 bn campus in Texas, US expansion

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Apple will spend \$1 billion on its new Texas campus

Apple unveiled plans Thursday for a \$1 billion campus in Texas that will create jobs for the tech giant outside Silicon Valley, a move made without the fanfare of the recent Amazon headquarters bidding war.

The new campus—which will be used for engineering and other functions, but not manufacturing—will be near the tech giant's existing facility in Austin and initially accommodate 5,000 new employees, with room to grow to 15,000.

Currently, Apple employs some 6,200 in the Texas capital, the largest cluster outside its headquarters in Cupertino, California.

In January, Apple said it would invest \$30 billion in the US over the next five years and create 20,000 new jobs, using some of the overseas profits repatriated at a tax rate lowered under a law passed by Congress last year.

The move comes amid intense pressure from President Donald Trump to move jobs, especially in manufacturing, to the US, with the White House imposing heavy tariffs to counter what he calls unfair trade practices.

Trump in September singled out Apple, calling for the California giant to bring iPhone manufacturing back home.

"Apple prices may increase because of the massive Tariffs we may be imposing on China - but there is an easy solution," the president tweeted on September 8.



Apple CEO Tim Cook unveiled plans for new facilities and jobs in the United States, but not for manufacturing of the iPhone

"Make your products in the United States instead of China. Start building new plants now."

Apple's announcement on Thursday does not concern manufacturing of its iPhone, which is assembled in China with components from various locations.

No 'Hunger Games'

Employees at the new campus will work in fields including engineering,

research, operations, finance, sales and customer support, Apple said in a statement.



The site of Apple's future billion-dollar campus in Austin, Texas

"Apple is proud to bring new investment, jobs and opportunity to cities across the United States and to significantly deepen our quarter-century partnership with the city and people of Austin," Apple chief executive Tim Cook said.

"Talent, creativity and tomorrow's breakthrough ideas aren't limited by region or zip code, and, with this new expansion, we're redoubling our commitment to cultivating the high-tech sector and workforce nationwide."

Apple also said it plans to boost its employee base in regions across the United States over the next three years.

It will expand to over 1,000 employees each at new sites in Seattle, San Diego and Culver City, California, and add hundreds of jobs in

Pittsburgh, New York, Boulder, Colorado, Boston and Portland.



Apple, which last year opened its "spaceship" headquarters in California, has announced plans for new facilities and jobs in Texas and elsewhere

Apple said it plans to invest \$10 billion in US data centers over the next five years, including \$4.5 billion this year and next.

The statement did not indicate whether Apple had received any tax incentives for its new facilities. Some reports said Apple could receive up to \$25 million from the state's Texas Enterprise Fund.

The iPhone maker steered clear of the public bidding war employed by

tech rival Amazon, which last month unveiled two new locations for major investments in its selection of a second headquarters, or "HQ2"—a process denounced by critics as a "Hunger Games" contest.

Amazon selected Long Island City in New York's Queens neighborhood and Crystal City, across the Potomac River from Washington, for its \$5 billion investment said to create 50,000 jobs.

The Amazon deal was clinched with up to \$3 billion in incentives from New York and \$2.5 billion in Virginia, which have been criticized from both the political left and right.



Apple did not get into the bidding war for its new facility unlike Amazon, whose tax incentives have drawn protests in New York like this one in November

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