

'Pack' may follow American Express

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GREENSBORO — Greensboro never gave the world anything like the Eyjafjallajokull volcano or pop singer Bjork.

But we're second in the world only to Iceland as an excellent place to build a data center like the one American Express will build here, a major international contractor for such centers says.

To put it another way, Greensboro may well be the best place in the United States for data centers.

It has cheap, reliable power, available land and workers, excellent telecommunications and protection from natural disasters, said Ronald Bowman, executive vice president of Tishman Technologies in New York.

His rating also puts this region ahead of such powerhouse cities as Shanghai, China; Mumbai, India; and Vancouver, Canada, also among the top 10.

American Express confirmed last week that it will build a data center worth up to \$600 million east of Greensboro.

That likely will attract the attention of other companies that also will want to build here.

"I think there's a pack mentality," Bowman said. "I think everyone else wants someone to go first."

Despite the real estate recession, suitable sites for data centers are in high demand, driving up prices.

In Guilford County, American Express will build two buildings in separate industrial parks. One will go up at a 100-acre site at Rock Creek Center, an industrial park south of Interstate 40/85.

The other building will be at an undeveloped corporate park across Interstate 40 from the first site. That site is owned by developer Roy Carroll.

The buildings will go up one after the other. The larger will be built first at Rock Creek and cover 350,000 square feet and cost between \$350 million and \$400 million. It will serve as the main data center. The second will be 150,000 square feet and act as a backup for the main building.



Top 10 locations

1. Iceland (Reykjavík)
2. United States (North Carolina)
3. China/Vietnam (Shanghai)
4. Latvia (no city given)
5. India (Mumbai)
6. Russia (St. Petersburg)
7. Canada (Vancouver)
8. Japan (Toyko)
9. New Zealand (no city given)
10. United Arab Emirates (Dubai)

Source: Ronald Bowman, Tishman Technologies

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Bowman was not a paid consultant for American Express in this site search, but the company did ask his opinion of the site.

He said he has visited Greensboro and talked with government and business officials to research the area. He believes the city may see an influx of data centers now that American Express has made its decision.

"It's the gift that keeps on giving," Bowman said.

The initial corporate outlay is impressive by itself, he said. But data centers not only attract other data centers, they attract suppliers and companies that can provide services to these massive buildings that house thousands of computer servers.

Major network companies such as Cisco Systems, Siemens AG and Johnson Controls are typical suppliers, he said.

"If they don't (already) have an office in Greensboro," Bowman said, "they will have an office in Greensboro either near or at the site."

Greensboro and this region surpass the Research Triangle and Charlotte areas for two major reasons.

- Bowman says the Research Triangle has too many data centers, including one that IBM opened earlier this year. "Raleigh and the Triangle is overdiscovered," he said. Data centers tend to be built in clusters, he said, "so sooner or later you overabsorb."
- Charlotte has financial institutions and an excellent power grid, but it is too close to one major source of cheap, reliable power — Duke's Catawba Nuclear Station, 12 miles away in South Carolina. That puts the city well within the 50-mile "kill zone" of a potential nuclear catastrophe, Bowman said.

"It's a mixed blessing," he said.

That does make one wonder how safe a country with an ash-spewing volcano may be.

Iceland remains perfect for data centers, Bowman said.

Bowman said in an e-mail that 1 percent of Iceland had ash and that the recent volcano eruption was a media event that did not affect daily life for most businesses.

The "infotainment world of cable had their moment," he wrote. "Overnight experts emerged and have gone away."

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