



American Express

Location Study for South American Headquarters

Janus Senior Principals directed a study to find a new location for the South American headquarters of American Express. The cost of business, particularly the telecommunications tax, was too high in Sao Paulo and the company wanted to find a lower cost yet productive location elsewhere in Brazil. The site location team worked with the Sao Paulo office of a U.S.-based engineering company to help identify buildings and sites that met the technical specifications of American Express for both a headquarters office and a customer support center.

Working directly with South American economic development agencies and realtors, the project team gathered critical data on labor costs, occupancy costs and, above all, telecommunications costs and taxes. Numbers that at first seemed misleading had to be clarified. For example, some locations provided wage costs without benefits while others included government-mandated benefits which in some cases amounted to 50 percent of compensation. The project team identified several alternative locations away from Sao Paulo with lower costs for American Express to consider, and a new location was chosen.