

CAT Studies Future Of Peoria Headquarters

David Mercer, Associated Press

CHAMPAIGN, Ill. (AP) — Caterpillar Inc. announced Monday that it plans to spend the next several months studying ways to modernize its 45-year-old headquarters in Peoria.

The study will focus on the company's long-term needs, including its building and technology, and while there are no plans yet to add to or subtract from Caterpillar's Peoria presence, "all options are open," spokesman Rusty Dunn said.

"This thing was built in 1967," Dunn said, referring to the headquarters just off the Illinois River in downtown Peoria. "What Caterpillar was in 1967 is much, much different than what we are today and where we think we're headed."

Caterpillar, a Fortune 500 company, is the world's largest maker of construction and mining equipment and has factories all over the world. But it's also the Peoria area's largest employer, including about 3,200 jobs in the downtown headquarters and nearby offices.

Local elected officials and the United Auto Workers union, which represents some of Peoria-area Caterpillar employees, did not return calls seeking comment.

Caterpillar has been among the sharpest critics of Illinois' state government and the management of its economy. Last year, CEO Douglas Oberhelman reminded Gov. Pat Quinn that the company has out-of-state suitors to prompt the governor to work on improving the state's economy. Oberhelman later said he wasn't threatening to leave Illinois.

Earlier this year Caterpillar chose a site in Georgia over several sites in Illinois, including Peoria and Galesburg, and other states to relocate the operations of a Japanese tractor- and excavator-building plant that will employ 1,400 people. The company cited, among other things, concerns about Illinois' economy and a massive state government budget deficit.

When the headquarters building was built, almost all of Caterpillar's \$1.4 billion in sales were made in the United States, Dunn said. Last year, the company had \$60.1 billion in revenue — more than half of it generated outside the country — and Dunn pointed out that Caterpillar has divisional headquarters in Wisconsin, California, Geneva, Switzerland and elsewhere.

"This study's going to evaluate, one, the physical bricks and mortar requirements," Dunn said. "It will also focus on the technological and the organizational needs of the company — what they are today versus what they need to be 15, 20, 40 years from now."

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The company plans to spend three to five months on the study and, when finished, present options to its board of directors and give the public a look at least parts of it, Dunn said.

Caterpillar is already working on a new visitors center in downtown Peoria that it plans to open in October.

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