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Inside Linode's bold move to Old City & multimillion-dollar renovation of the 'Real World' house (Video)

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Philadelphia, meet Linode.

The tech company's name may be familiar already. Its cloud-hosting service counts more than 400,000 customers in 114 countries, and it's already begun wading into the city's tech scene after quietly growing in the rural outskirts of Atlantic City for more than a decade.

But now it's time to make the introduction formal, as this week Linode showed off its bold move into the city— an intense, years-long renovation of the historic Corn Exchange National Bank & Trust Co. building, once home to MTV's "Real World: Philadelphia" cast, that brings about 150 new tech workers to on the corner of 3rd and Arch streets.

"We were doing everything in a vacuum. We had no sense of community, no commingling, including cross-pollinating with anyone else," said Founder and CEO Chris Aker as he stood on the second floor of the roughly 15,000 square-foot space Monday afternoon.

That's far from the case now. Mayor Jim Kenney stopped by the evening's ribbon cutting to welcome Linode to town, and open houses held later in the week will give the surrounding neighbors a look at the renovated space employees have been quietly working out of since February.

Since Aker **purchased the property out of foreclosure in 2015 for \$5 million**, it's undergone years of planning, approvals and large-scale renovations to restore the former bank building to its early 20th century glory, while at the same time outfitting it to house a fast-growing tech company.

It was the building's layers of history and rich architectural character that first captivated Aker, a history buff and antique collector whose desk decorations include a motorcycle part from a 1950s BMW racing bike. The Atlantic County native bootstrapped the company after founding it in his Nashville apartment with \$10,000 in 2003, moved it to Galloway, Atlantic County in 2007 and never took outside investment.

"When we came across [the building,] it just crushed everything we looked at. It ruined me, nothing else compared," Aker said, pointing out the slight dent in the foyer's original marble floors formed from decades of customers standing there to fill out bank slips.



JEREMY MESSLER

Linode Founder and CEO Chris Akers cuts the ribbon at Linode's new headquarter in Old City, the former "Real World" house at 3rd and Arch.

Out of all of the renovations the company completed in the past two years — Linode completely replaced the roof, elevators, plumbing system, electrical system and third-floor sky light, and restored windows — that was one flaw he didn't want to fix. That tangible link to the past is powerful, he said, especially for a company that operates in such a rapidly changing industry.

"I love that dichotomy between the old and the new," he explained.

Linode poured "millions and millions" into the overhaul, with some help from the National Park Service's Historic Rehabilitation Tax Credit, which reimbursed the company 20 percent of some expenses.

"It wasn't falling down by any means, but it was rough, it needed love," said Linode Vice President Casey Smith.

Linode did bring in the design flair seen in a typical tech headquarters. The foyer's central light fixture forms the Linode logo when looking at it from below. High-efficiency HVAC units are hidden in the ceilings and automatic LED lights turn on when you enter a room. The entire building is RGB-themed, with a red-motiff on the third floor, green on the second and blue on the first.

While the structure standing today was built in 1907 and added onto in 1920, the basement is the foundation of the original Union Bank that was built on the property in 1858 – before Abraham Lincoln was president and before the city got electricity, Aker noted.

The company built archways into the brick walls of the original vault in the basement and converted the space into relaxed, lounge-like huddle rooms, down the hall from the massive vault that was also restored. The company left markers of the recent past as well, like the circuit breaker labels for the living room and confessional, one of few remnants of the property's MTV days.

It's a new chapter for the historic building and also for the company itself.

With talent acquisition a difficult task for most tech companies out there, Aker said the company wasn't going to reach its full potential in South Jersey. In order to draw talent, he knew he needed to be in a city — but Philadelphia wasn't "a default," Aker said. "It wasn't a fall-back position, it wasn't a safety net."

Linode, which operates data centers in the United States, United Kingdom, Germany, Singapore and Japan, considered moving to San Francisco, Denver and Austin. Yet Philadelphia – as the fifth largest city in the country with a growing tech scene, rich talent base and plenty of other companies for Linode to do business with – fit. Now that Linode's here, and operating in an industry with enormous runway as companies ditch costly on-premise servers and move to the cloud, Aker said it can grow unbounded by previous restrictions.

"We've been stifled by where we were in our ability to acquire talent. We've overcome that. This was a deliberate maneuver to try and address that," said Aker, who hired 12 new employees in the past week. "We're beyond that now. Everything I had hoped would work has come true."

With the move largely complete, Aker will now focus on other things. Based on its current growth, he plans on reinvesting about \$25 million back into the company this year. He is also preparing to execute a new strategy, which he said he wasn't at liberty to discuss yet, but could be a gamechanger that makes the cloud "easier" and more accessible. He's also hunting for another Old City property to accommodate its swelling ranks. Given the long timeline for renovation and Linode's rapid growth, after just a few months in the new space, it's already reached capacity.

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