

Amazon is investing another \$7.8B in Ohio-based cloud computing operations, state leaders say

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The Amazon logo is displayed, Sept. 6, 2012, in Santa Monica, Calif. Amazon's profitable cloud business will invest roughly \$7.8 billion by the end of 2029 to expand its central data center operations in Ohio, state leaders announced Monday, June 26, 2023 — further advancing the state's efforts to establish itself as the Midwest's technology hub. Credit: AP Photo/Reed Saxon, File

Amazon's profitable cloud business will invest roughly \$7.8 billion by the end of 2029 to expand its data center operations in central Ohio, state leaders announced Monday, further advancing the state's efforts to establish itself as the Midwest's technology hub.

The new investments by Amazon Web Services, or AWS, were announced by Republican Gov. Mike DeWine and Lt. Gov. Jon Husted, who leads the governor's technology office. The financial outlay "further cements Ohio as the heart of our nation's technology and innovation," the governor said in a statement.

AWS launched its first data centers in the region in 2016 and currently operates campuses in two counties in central Ohio, home to the capital city of Columbus. The administration said numerous locations are being considered as sites for the new data centers, in a selection to be announced later this year.

The cloud computing company is now responsible for the second largest private sector investment in the state's history, behind only the \$20 billion chip plant announced by Intel last year. Facebook and Google also operate Ohio data centers.

Also underway in the region are a \$3.5 billion battery plant being built by Honda and LG Energy Solution of South Korea and a new \$110 million Center for Software Innovation at Ohio State University. A chemical research clearinghouse headquartered in Columbus has long been a leader in big data storage and processing.

Once a [reliable cash cow](#) for Amazon, AWS has recently begun to feel pressure, as companies trim cloud computing expenses in the face of high inflation and fears of a recession. The tech giant's first quarter earnings report showed its cloud unit generated \$21.4 billion and was growing at 16% in the first three months of this year, down from the

37% growth rate a year earlier.

Still, Roger Wehner, economic development director for AWS, said the company has a long-term commitment to Ohio, having invested more than \$6 billion in the state since 2015. He said Monday's investment will include new workforce development and educational programs "that support the next generation of talent by emphasizing collaborative, long-term public and private partnerships across the state."

The new AWS data centers will contain computer servers, data storage drives, networking equipment and other technology infrastructure for cloud computing. As of last year, the existing operation employed roughly 1,000 people across the state. JP Nauseef, president and CEO of JobsOhio, the state's privatized economic development office, said the newest investment will create 230 direct new jobs and an estimated 1,000 support jobs.

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