

← Back to Original Article

Dropbox shows off sleek new San Francisco headquarters

The booming tech firm gives the city's tech-friendly mayor a tour of the work site, which includes a cafe, gym and music lounge.

April 26, 2012 | By Jessica Guynn, Los Angeles Times

SAN FRANCISCO — Dropbox can now tick off one of the major benefits of being a booming tech firm — fabulous new digs, complete with cafe, gym and music lounge.

Founder and Chief Executive Drew Houston gave the city's tech-friendly mayor a tour of the company's sleek new headquarters that sports major-league views of the San Francisco Giants' ballpark and the San Francisco Bay.

The tour came just a day after Google introduced its own competing cloud storage service that lets users load photos, documents, and videos and access them from Web-connected devices. If Houston was sweating the competition from yet another industry giant, he wasn't showing it.

"Google has been on the horizon since we founded the company," Houston said Wednesday. "I am still feeling really good about the stuff we are building and the stuff we have cooking."

In his trademark hoodie and jeans, he showed Mayor Ed Lee around the 2 acres on a single floor of premium San Francisco commercial real estate.

It's the latest start-up Shangri-La, perks-filled cocoons designed to keep workers at their desks building the next big thing. No one at Dropbox has an office, not even Houston; there's just a rolling tundra of desks. The cafe is set to open as soon as the company completes a nationwide hunt to hire a chef.

A big draw for musicians at Dropbox is a music lounge lit by chandeliers and outfitted with a grand piano, guitars and drums for Friday-night jam sessions. A guitarist, Houston used to play '90s covers with alternative rock band Angry Flannel in Boston and originally dubbed his company "Even Flow" after one of his favorite Pearl Jam tunes.

Whimsically named conference rooms include the "Bromance Chamber," for some one-on-one time, and "The Breakup Room," presumably for some alone time. One conference room has been set aside for building elaborate Lego sculptures, and another is appropriately called "First World Problem."

"Doorman Drew" is named not after Houston, but the doorman at Dropbox's previous digs, 12,000 square feet of far more modest space in an older building on a seedy stretch of Market Street.

Houston called the airy 87,000-square-foot headquarters, which has exposed duct work and 21st century "Mad Men" minimalist decor, an "upgrade." It also makes a significant bet on Dropbox's future — it has enough room to accommodate 550 staffers. The company currently has 120.

"I can't think of a better place in the world to start a company," Houston said. "I am really proud to put down roots here."

Dropbox has enjoyed a storybook rise to success, quickly growing to more than 50 million users despite competition from Apple and Microsoft. Last year the company raised \$250 million in venture capital funding, including celebrity investments from U2's Bono and his bandmate, the Edge, giving Dropbox a valuation of \$4 billion and making it one of an elite group of San Francisco start-ups such as Airbnb and Square that have attracted hundreds of millions of dollars at sky-high valuations.

The mighty explosion of tech start-ups not seen in San Francisco since the height of the dot-com boom more than a decade ago has created tens of thousands of jobs and set off a mad scramble for pricey apartments. City officials are banking on companies like Dropbox to breathe life into the economy and help clean up stubbornly blighted stretches. They have doled out tax breaks and other incentives.

Lee is the tech industry's cheerleader in chief as more companies set up shop in San Francisco. Influential start-up investor Ron Conway promoted the mayor's election campaign with a music video filmed on the deck of Conway's Pacific Heights pad featuring Twitter co-founder Biz Stone and Giants pitcher Brian Wilson to the refrain of rapper and tech entrepreneur MC Hammer's "Too Legit to Quit."

Lee credited the growth of companies like Dropbox in helping San Francisco survive cuts to state and federal funding. And he called on Dropbox employees to help the city think outside the box and find creative solutions to the paucity of low-income housing and the plight of the homeless.

"San Francisco is ground zero for innovative companies like Dropbox," Lee said.

jessica.guynn@latimes.com

