

Workforce Review

A monthly review of labor market information for Northern Santa Clara County

April 2010

Did you know?

Fenwick & West's Silicon Valley Venture Capital Survey: Improved Valuations in Q1 '10

Fenwick & West LLP, one of the nation's premier law firms providing comprehensive legal services to high technology and life science clients, today announced the results of its First Quarter 2010 Silicon Valley Venture Capital Survey.

The First Quarter 2010 survey analyzed the valuations and terms of venture financings for 104 technology and life science companies headquartered in the Silicon Valley which reported raising capital in the first quarter of 2010.

"During the first quarter of 2010, up rounds exceeded down rounds 49 percent to 32 percent with 19 percent flat. This was similar to the fourth quarter of 2009, where up rounds exceeded down rounds 47 percent to 30 percent, with 23 percent flat, and the third consecutive quarter in which up rounds exceeded down rounds," said Barry Kramer, a partner in the firm and co-author of the survey.

An up round is one in which the price per share at which a company sells its stock has increased since its prior financing round. Conversely, a down round is one in which the price per share has declined since a company's prior financing round.

The Fenwick & West Venture Capital Barometer™ – which measures the change in share price of Silicon Valley companies funded during the quarter compared with the share price of their previous financing round – showed a 21 percent average price increase for the quarter, compared to 19 percent in the fourth quarter of 2009.

"This was also the third consecutive quarter in which the Venture Capital Barometer was positive," said Kramer.

"The best performing industries in the quarter from a valuation perspective were the internet/digital media industry, and to a significantly lesser extent, the software industry," added Michael Patrick, survey co-author and also a partner at the firm. "With the continued improvement in venture valuations in the first quarter, and reported improvements in the M&A and IPO sectors for venture backed companies in the quarter, there is reason to believe that venture valuations will continue to improve," Patrick concluded.

Complete results of the survey with related discussion are posted on Fenwick & West's website at www.fenwick.com/vctrends.htm.

Source: PRNewswire (05/19/10)



Developing a skilled workforce for Silicon Valley

April 2010

Labor Force Statistics (San José–Sunnyvale–Santa Clara MSA)

Civilian Unemployment Rate	April 2009	March 2010	April 2010	Percentage Point Change	
				Monthly	Annual
San José–Sunnyvale MSA	10.5%	12.3%	11.7%	- 0.6	+ 1.2
California	10.6%	13.0%	12.3%	- 0.7	+ 1.7
United States	8.6%	10.2%	9.5%	- 0.7	+ 0.9

Civilian Labor Force	April 2009	March 2010	April 2010	Percentage Change	
				Monthly	Annual
San José–Sunnyvale MSA	903,400	906,200	902,800	- 0.4%	- 0.1%
Civilian Employed	808,500	794,600	797,400	+ 0.4%	- 1.4%
Civilian Unemployed	94,900	111,500	105,400	- 5.5%	+ 11.1%

Industry Statistics (San José–Sunnyvale–Santa Clara MSA)

Greatest Change in Employment	April 2009	March 2010	April 2010	Percentage Change	
				Monthly	Annual
Total Nonfarm	859,600	841,300	843,600	+ 0.3%	- 1.9%
Construction	34,800	29,000	29,300	+ 1.0%	- 15.8%
Educational Services	33,600	34,500	34,200	- 0.9%	+ 1.8%
Health Care	75,700	75,700	75,800	+ 0.1%	+ 0.1%
Real Estate	13,100	12,300	12,200	- 0.8%	- 6.9%
Semiconductor Mfg.	42,100	39,900	39,900	0.0%	- 5.2%

NOTE: San José-Sunnyvale-Santa Clara MSA (Metropolitan Statistical Area) = Santa Clara and San Benito Counties

Source: California Employment Development Department, LMID

Labor Force by County (San Francisco Bay Area)

	Labor Force			% Change Annual	Employed			% Change Annual	Unemployment Rate	
	April 2009	April 2010	Annual		April 2009	April 2010	Annual		April 2009	April 2010
California	18,251,400	18,257,100	0.0%	16,320,000	16,019,400	- 1.8%	10.6%	12.3%		
Alameda	764,400	757,600	- 0.9%	688,600	670,100	- 2.7%	9.9%	11.5%		
Contra Costa	525,800	522,800	- 0.6%	476,700	463,900	- 2.7%	9.3%	11.3%		
Marin	132,600	130,500	- 1.6%	122,900	119,700	- 2.6%	7.3%	8.3%		
Napa	75,500	75,500	0.0%	69,400	68,000	- 2.0%	8.1%	10.0%		
San Francisco	461,000	454,900	- 1.3%	422,600	411,400	- 2.7%	8.3%	9.6%		
San Mateo	375,400	370,600	- 1.3%	345,700	336,500	- 2.7%	7.9%	9.2%		
Santa Clara	878,200	876,400	- 0.2%	786,900	776,100	- 1.4%	10.4%	11.4%		
Solano	214,400	214,400	0.0%	193,100	188,200	- 2.5%	10.0%	12.2%		
Sonoma	258,200	255,600	- 1.0%	234,700	228,600	- 2.6%	9.1%	10.6%		
San Francisco Bay Area	21,936,900	21,915,400	- 0.1%	19,660,600	19,281,900	- 1.9%	10.4%	12.0%		

NOTE: Totals may not add correctly due to rounding

Source: California Employment Development Department, LMID

Regional Layoff Activity

Company	WARN **	City	Affected	Cause
M2 Medical, Inc.	No	Sunnyvale	6	RIF
Company Confidential	No	Santa Clara	11	RIF
Company Confidential	No	Santa Clara	125	RIF

WARN Summary	
Individuals Affected YTD †:	4,987 ‡
WARN Current YTD:	62
WARN Previous YTD:	90

** WARN: Worker Adjustment and Retraining Notification (notice of mass layoff or closure)

† YTD: Year to Date (Fiscal year: July 1 - June 30)

‡ Summary Total may not equal sum of monthly numbers due to internal adjustments

NOTE: Layoff data are preliminary and should be considered an estimate of monthly regional activity

Source: NOVA's internal Rapid Response database