

US Market Access Center



**The Global Business Embassy
of San José & Silicon Valley**
www.usmarketaccess.com



Silicon Valley Snapshot

San Jose Facts and Figures

- 10th Largest City in America with nearly 1 million people
- 6,600 High-tech companies employing more than 254,000 people
- Highly educated and international workforce



Silicon Valley Snapshot

Hot Tech Industries

- Biotech and Healthcare
- Converging Telecoms
- Alternative and Green Energy
- Web-based Applications
- Wireless Applications
- Network Security

Silicon Valley Snapshot

Venture Capital

- \$2.4 billion invested in the Silicon Valley in Q2 2006 through 306 deals
- Top 3 Industries: Software (24.6%), Semiconductors (11.2%), Biotech (9.6%)
- First Round and Expansion Stage deals at highest points in over four years
- The biggest increases over Q1 can be found in Alternative Energy, Networking & Equipment, and Biotech

Silicon Valley-Habitat for Innovation

- Environment that rewards risk and accepts failure
- Results-oriented; its about outcomes
- Smartest and most creative workforce
- Sound public policies that ensure fast time to market
- Industry Clusters: Large concentration of driving industry technology giants, thousands of start-ups and emerging companies, and specialized suppliers and professional service firms
- Unparalleled infrastructure including venture capital, legal, financial and accounting firms, banking institutions
- Intellectual capital for innovation including universities and national research institutions
- Collaboration between government, private industry, development community and academia
- High quality of life.



San Jose-Most Inventive City

Rank	Town/City	# of Patents
1.	San Jose, CA	3,867
2.	Sunnyvale, CA	1,881
3.	Austin, TX	1,705
4.	Palo Alto, CA	1,601
5.	Fremont, CA	1,440
6.	San Diego, CA	1,382
7.	Cupertino, CA	1,360
8.	Boise, ID	1,213
9.	Mountain View, CA	1,128
10.	Santa Clara, CA	1,096



Intellectual Capital



University of California,
At San Francisco
*(40.3%)



University of California,
At Berkeley *(86.6%)



Stanford University,
Palo Alto *(95.3%)



San Jose State
University *(38.1%)

Majority Work for Mid-Sized Firms

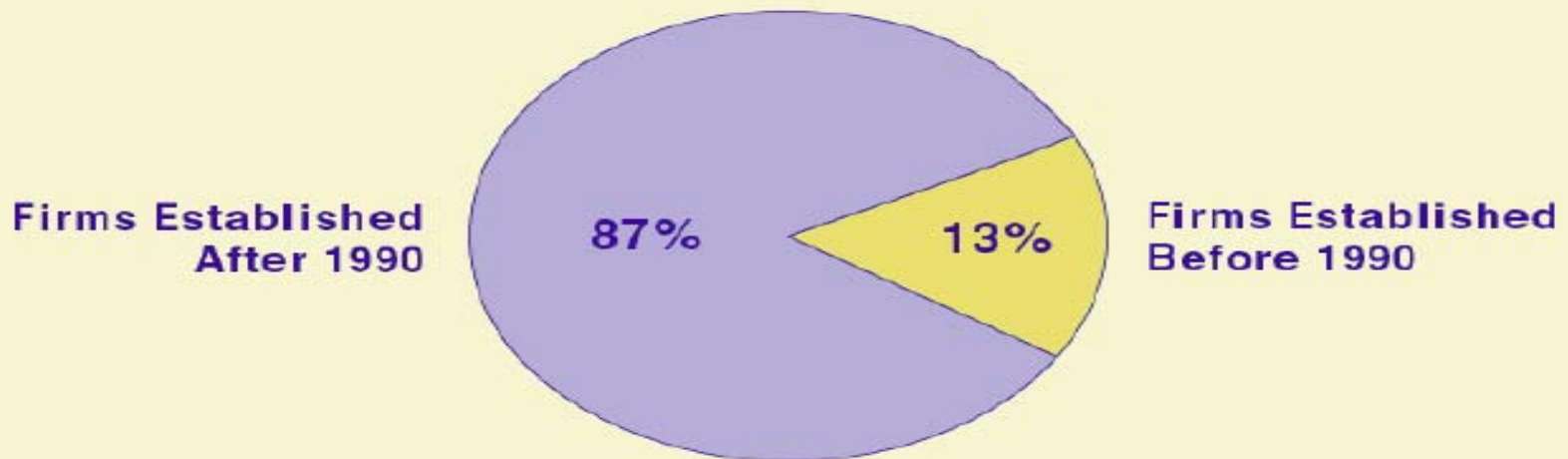
	Small		Medium		Large
	<10	10-35	35-100	100-1000	1000+
Share of Workers	12%	18%	21%	34%	15%
Share of Companies	70%	19%	7%	3%	1%
Number of Workers	43,810	63,580	74,960	120,290	52,930
Number of Companies	13,070	3,440	1,320	540	20

Distribution of Employment And Businesses by Company Size

SOURCE: EDD 2002 ES202



- Young Firms Accounted for Most Job Growth in 1990s

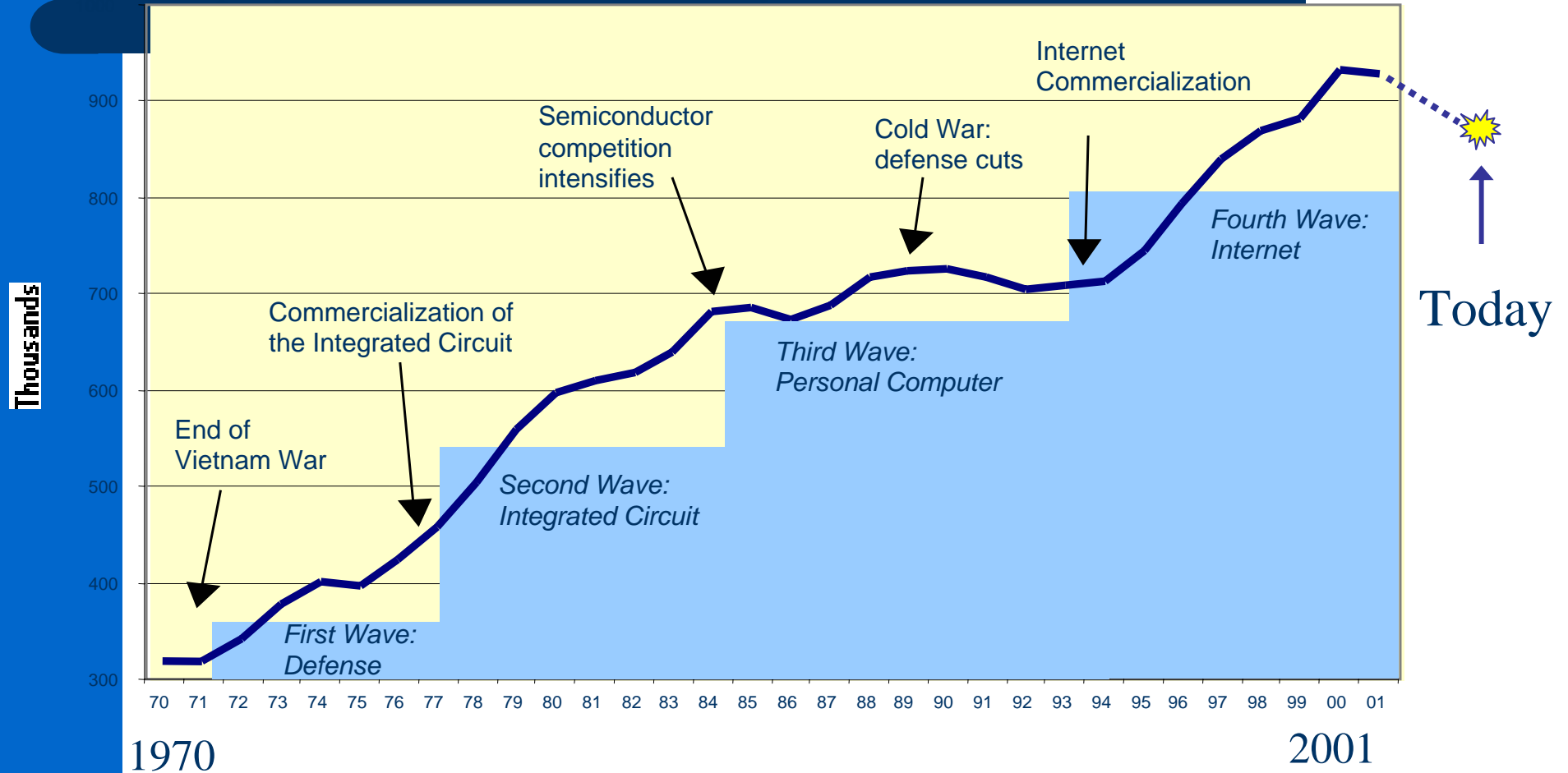


Share of Silicon Valley Job Creation 1990–2001



At the end of a wave the economy slows.

Employment in Santa Clara County



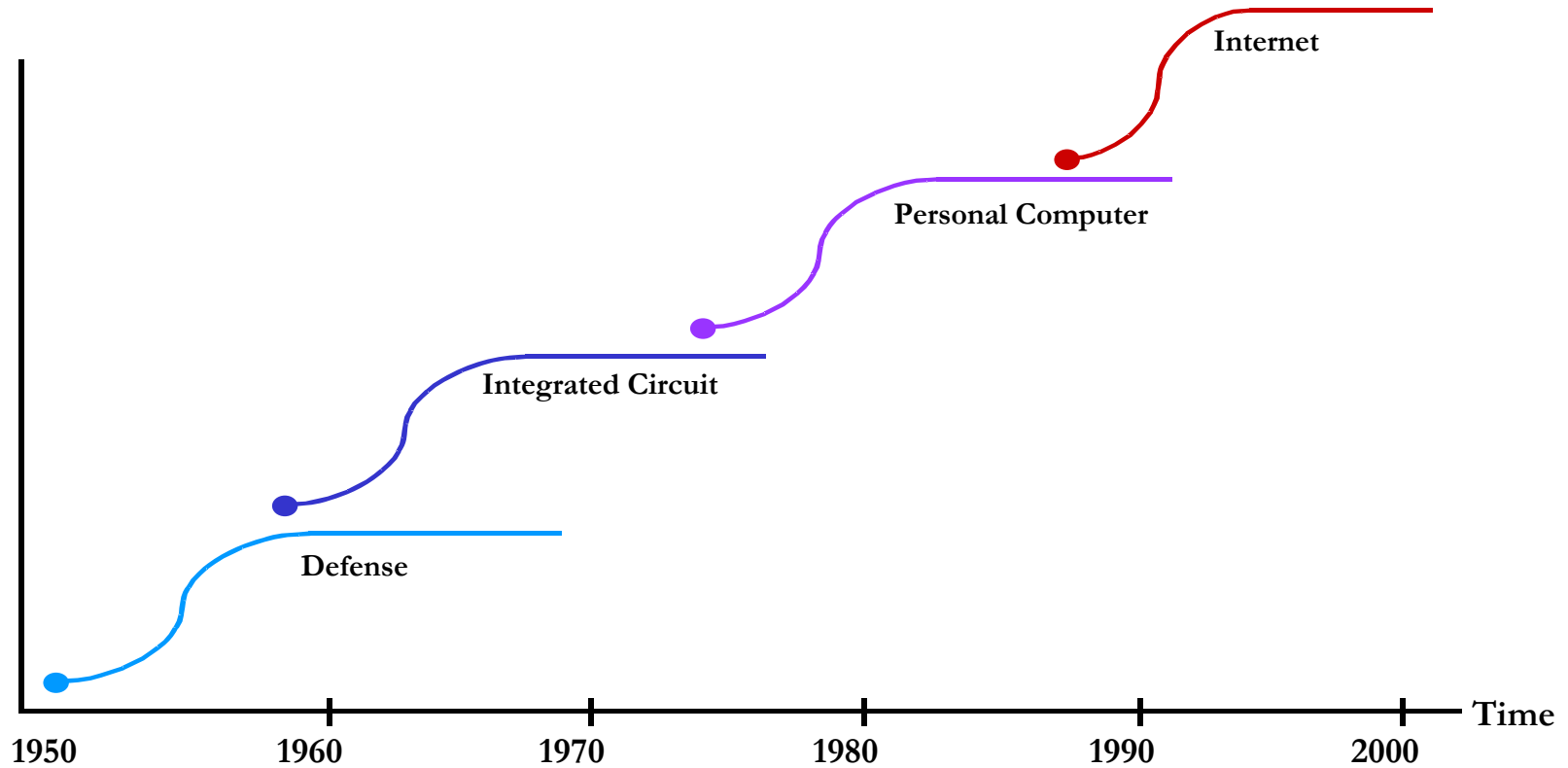
Slide Courtesy of Joint Venture Silicon Valley Network

San Jose: Evolution of Capital of Silicon Valley

1950

2000

Value Added



Silicon Valley Snapshot

Example: MobiTV

- Founded in 2000: Emeryville, CA
- \$70 million in Series C VC funding, Q3 2006
- Brings streaming television and radio to over 1 million mobile phones, handhelds, and laptops around the world
- Partnered with over 20 service providers and dozens of tv and radio stations



Silicon Valley Snapshot

Example: Trinity BioSystems

- Founded in 2002 upon receipt of Series A financing by a scientist with 20+ years of experience at ALZA and Genetech
- \$21 million in Series B VC funding, Q2 2006
- Develops a proprietary system to make medications and vaccines more effective by enhancing the delivery of proteins and peptides.



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New Businesses Drive Growth

- 87% of the region's job growth in the 1990s came from firms that did not exist before 1990
- Of the 40 largest tech companies in Silicon Valley today, more than half did not exist in 1982
- Only 4 of the 40 largest tech companies in Silicon Valley today were on the Top 40 list in 1982



US MAC Structures

Objectives

- Provide insight and local US value to international companies through professional research, marketing and consulting services.

Background

- Established by the city of San José in 1995
- Converging Business, Government, and Academia
- Founding and Managing partners are:
 - The San Jose State University Foundation
 - City of San José Redevelopment Agency



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3 Service Offerings

- Market Assessment and Strategy Consulting
 - Market environment analysis
 - Strategic & operational plan to enter US market, partner with US companies, or purchase US goods and services
- Revenue Generation Services
 - Partner development
 - Customer development
- US Home Office
 - Establishing a local office and accessing local services



US MAC Companies-Technology Convergence

Example: NL Nanosemiconductor

- Received Series A financing in Germany in 2003. Began working with the US MAC in May 2006
- Uses laser technologies to grow semiconductor crystals using an epitaxy method
- Increasing success has allowed them to open a new, 400 sq. m. clean room in Dortmund, Germany.



US MAC Companies-Technology Convergence

Example: Globalintech

- Founded in Japan as an IBM spin-out in 2001. Began working with the US MAC in 2004
- Develops internal and USB-based ultra wideband wireless technologies
- In 2006 formed a strategic partnership with Magic Control Technologies of Taiwan to wirelessly link computers to projectors and television screens



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San Jose: Factors for Success

- **ENTREPRENEURSHIP:** Turn ideas into revenue
- **PRODUCTIVITY:** Provide “return on location”
- **INNOVATION:** Stay one step ahead
- **COMMUNITY:** Ensure quality and adaptability

(new technologies)

(new companies)

SV's edge: Innovation + Entrepreneurship = Growth and Wealth Creation

