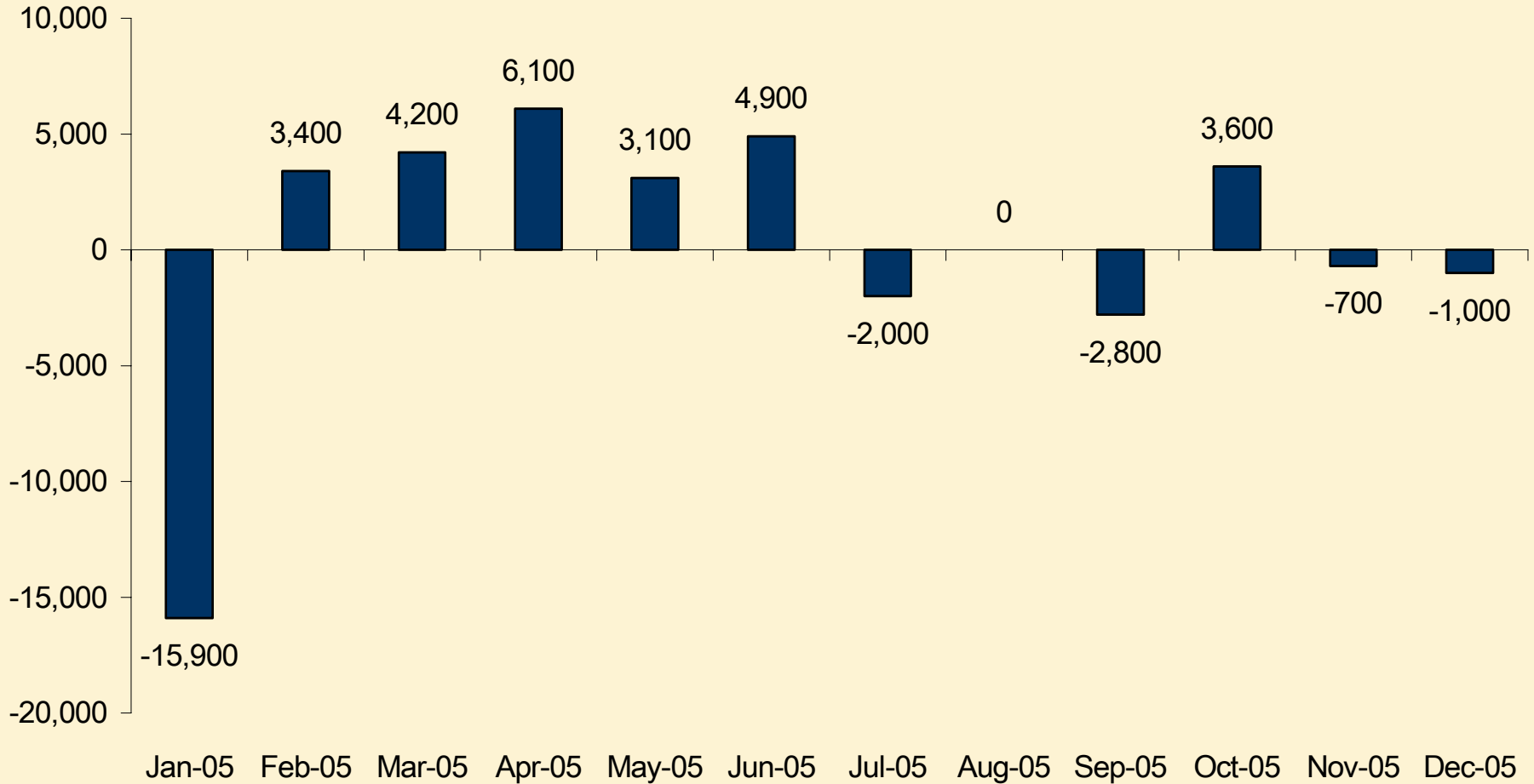


# **Economic Indicators**

**Office of Economic Development**

**February 6, 2006**

# 2,900 Jobs Gained in 2005, First Annual Job Gains Since 2000



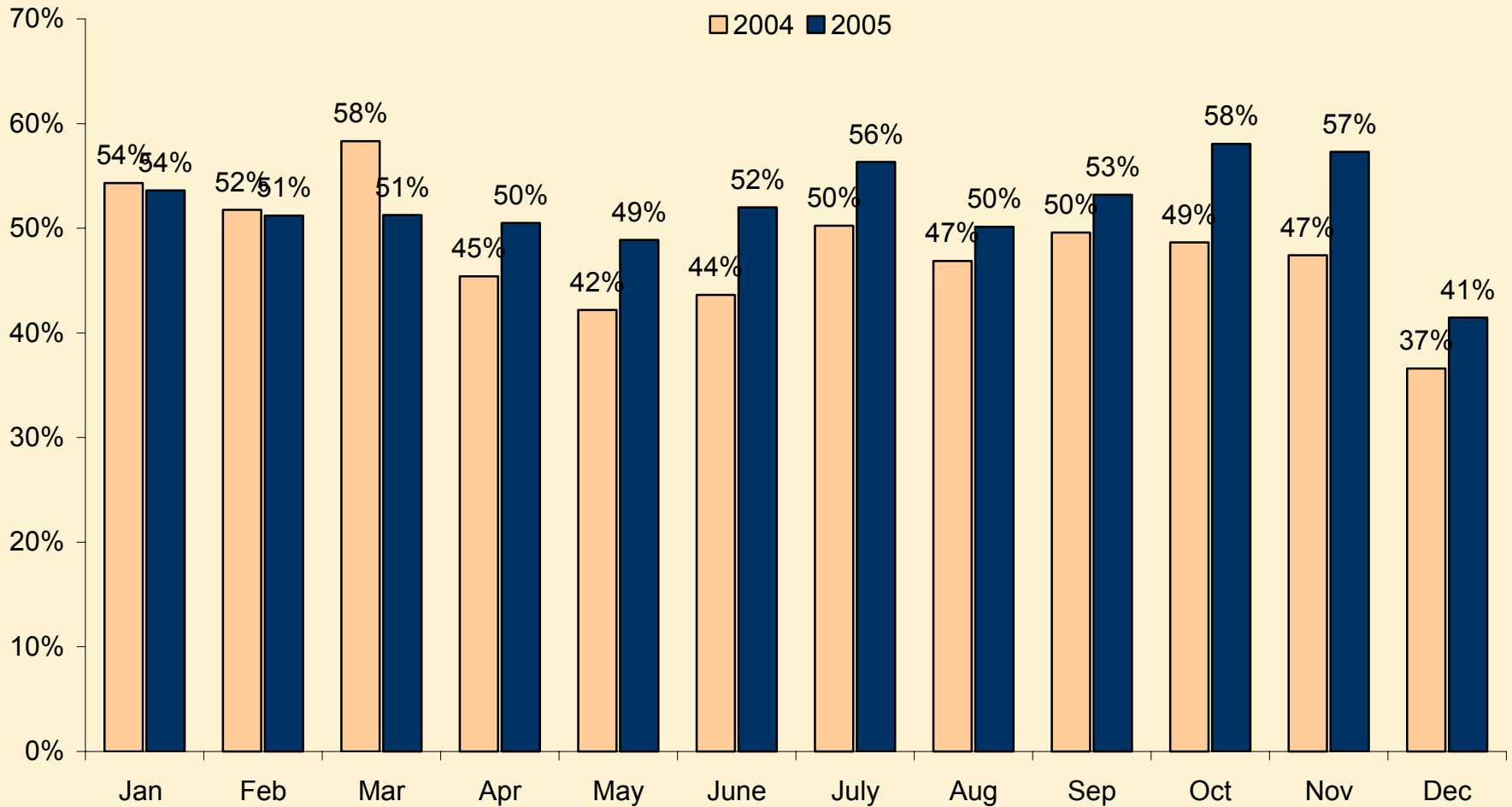
Job Loss/Gain in San Jose MSA

# TOP 10 INDUSTRIES IN PROJECTED EMPLOYMENT CHANGE

	2002	2012	Absolute Change
Hospitals, Doctors Offices	55,800	67,800	12,000
Restaurants, Bars & Fast Food	49,700	58,800	9,100
Scientific, R&D, other Technical Services	29,800	38,600	8,800
Temporary Employment Services	19,500	27,000	7,500
Computer Systems Design	47,100	53,800	6,700
Construction	42,300	47,000	4,700
Grocery & Other Retail Stores	83,600	87,500	3,900
Private Schools, inc. Higher Education	25,300	29,000	3,700
Architecture & Engineering Services	14,900	18,400	3,500
Internet Service Providers & Web Search Portals	8,500	12,000	3,500

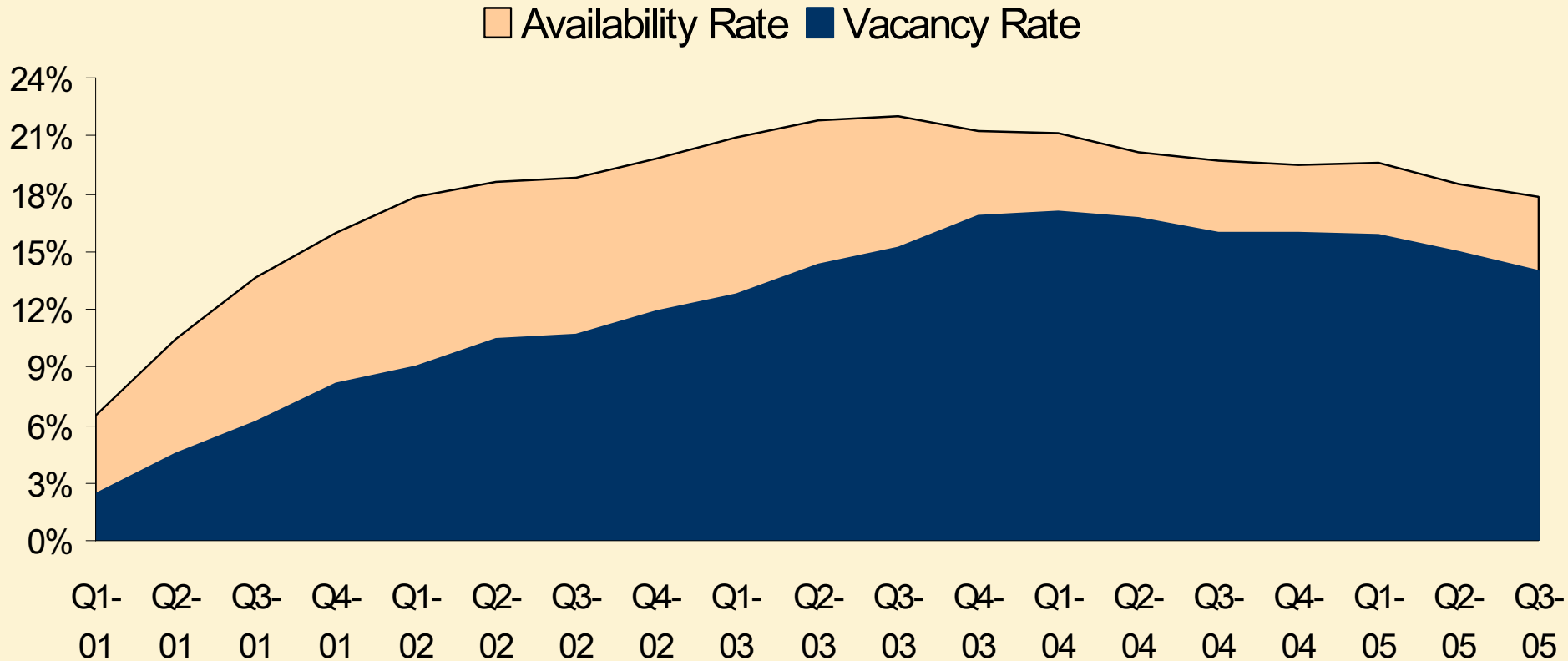
San Jose MSA

# 10 MONTHS IN A ROW THAT YEAR-OVER-YEAR HOTEL OCCUPANCY HAS INCREASED



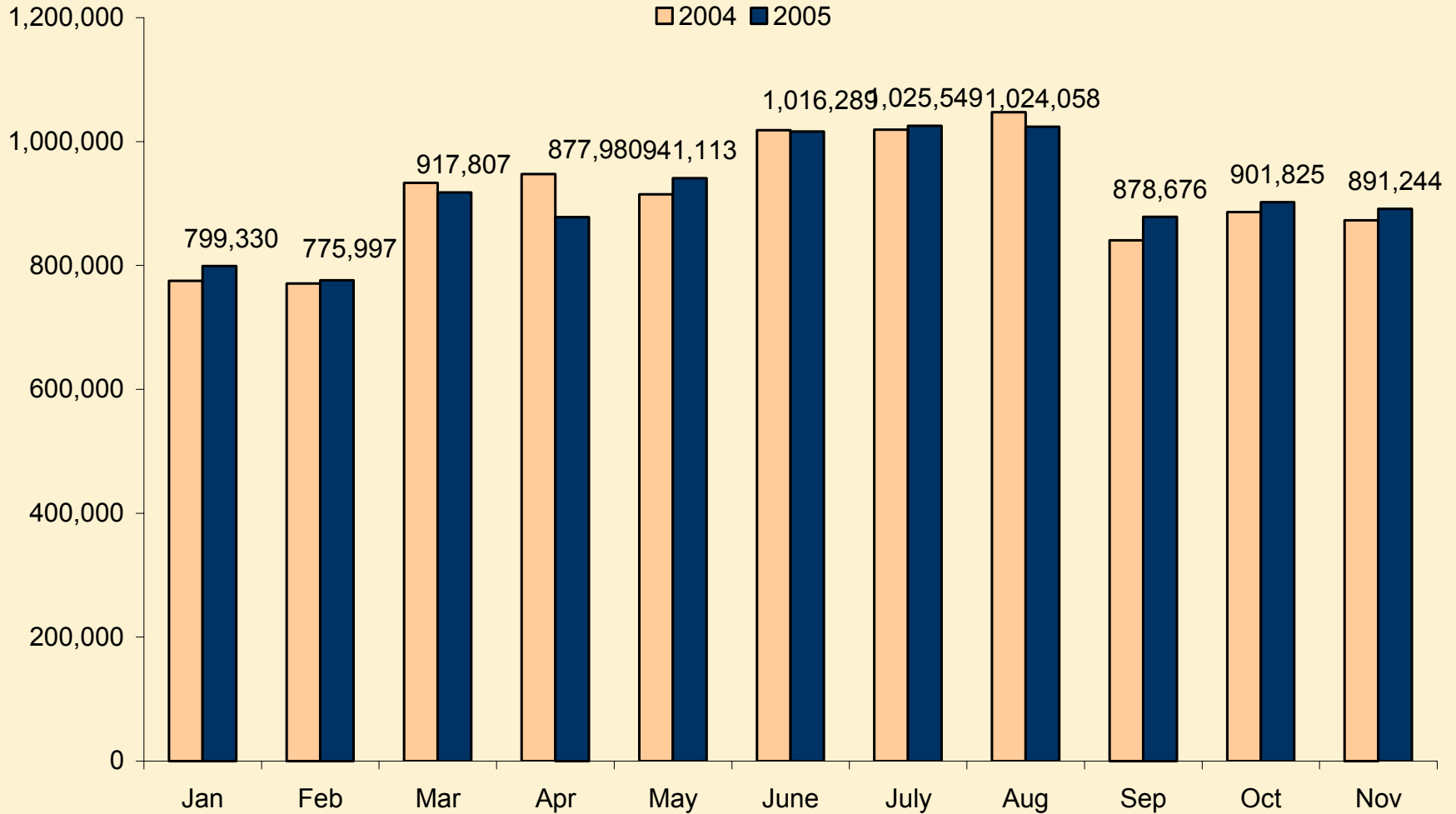
Hotel Occupancy, San Jose

# SIGNIFICANT Q3 FALL IN AVAILABILITY RATE, BY 2.0 MSF



San Jose MSA

# 3 MONTHS OF POSITIVE PASSENGER GROWTH



Passenger Traffic, Mineta San Jose International Airport

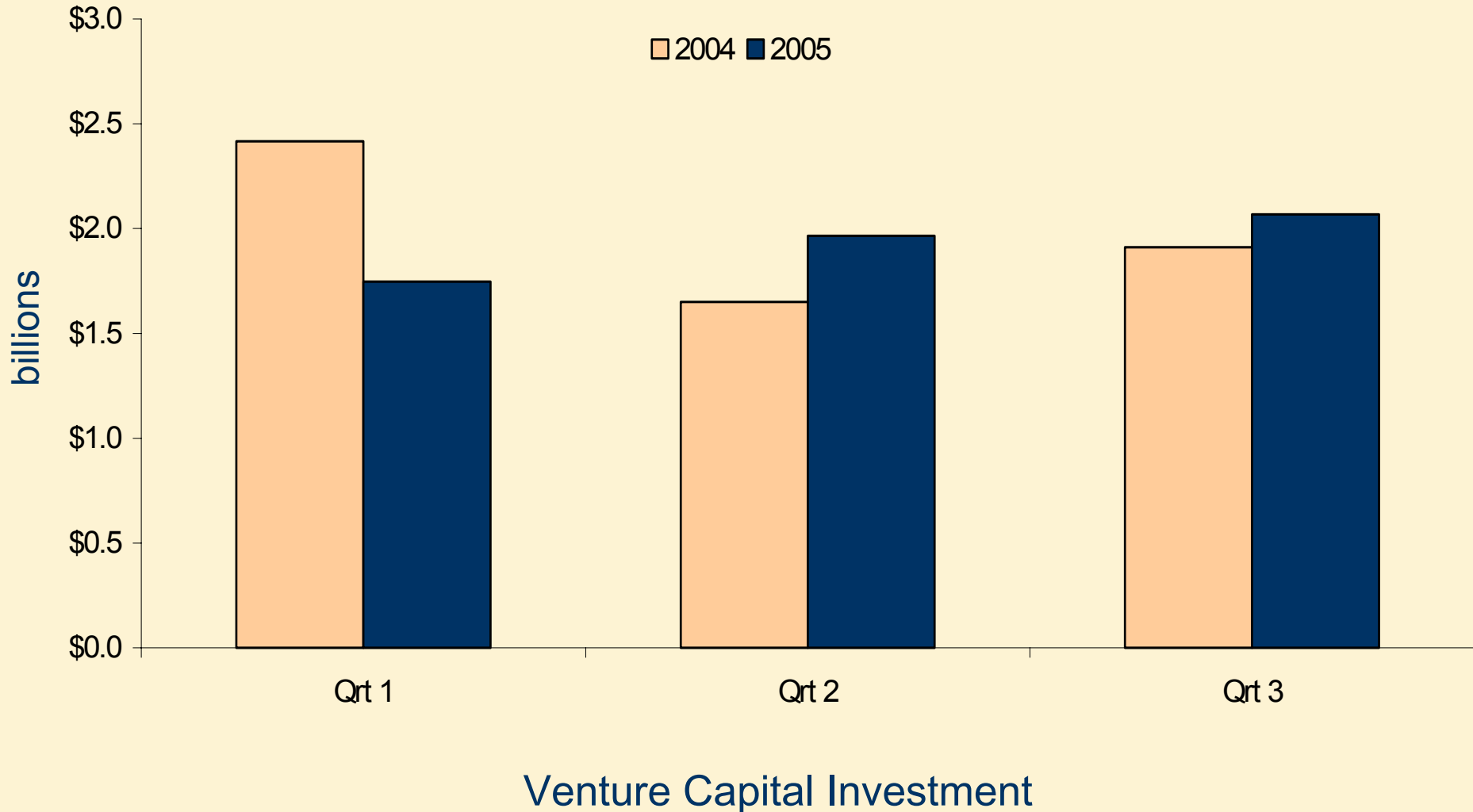
# 15 SJ COMPANIES GET VENTURE FUNDING IN Q3

	San Jose	Silicon Valley
3 <sup>rd</sup> Quarter 2005	15 (3%)	219
2 <sup>nd</sup> Quarter 2005	17 (10%)	217
1 <sup>st</sup> Quarter 2005	15 (7%)	204
4 <sup>th</sup> Quarter 2004	12 (5%)	219
3 <sup>rd</sup> Quarter 2004	20 (11%)	179
2 <sup>nd</sup> Quarter 2004	24 (10%)	230
1 <sup>st</sup> Quarter 2004	8 (4%)	193

# SAN JOSE VENTURE COMPANIES Q3

Company Name	Sector	Employment Sub-Areas
Acumen Medical	Biotechnology	-
NanoNexus	Semiconductors	NSJ 4 (Between N 1 <sup>st</sup> , 880, up to Trimble)
Apexon	Software	NSJ 4 (Between N 1 <sup>st</sup> , 880, up to Trimble)
Caymas Systems	Software	(Stevens Creek Blvd)
eBots	Software	(Saratoga Avenue)
Eternal Systems	Software	NSJ 4 (Between N 1 <sup>st</sup> , 880, up to Trimble)
Fujin Entertainment	Software	(South Winchester Blvd)
Octasoft	Software	NSJ 6 (Triangle of 101, 87, 880)
PlayPhone	Software	(Stevens Creek Blvd)
Roamware	Software	(Tisch Way)
Xactly	Software	Central SJ 1
Bay MicroSystems	Telecommunications	NSJ 6 (Triangle of 101, 87, 880)
Capella Photonics	Telecommunications	Edenvale 1
Discera	Telecommunications	NSJ 5 (Between 880, 680, down to Berryessa)
LGC Wireless	Telecommunications	NSJ 4 (Between N 1 <sup>st</sup> , 880, up to Trimble)

# TOTAL VENTURE CAPITAL REMAINS FLAT FOR 2005



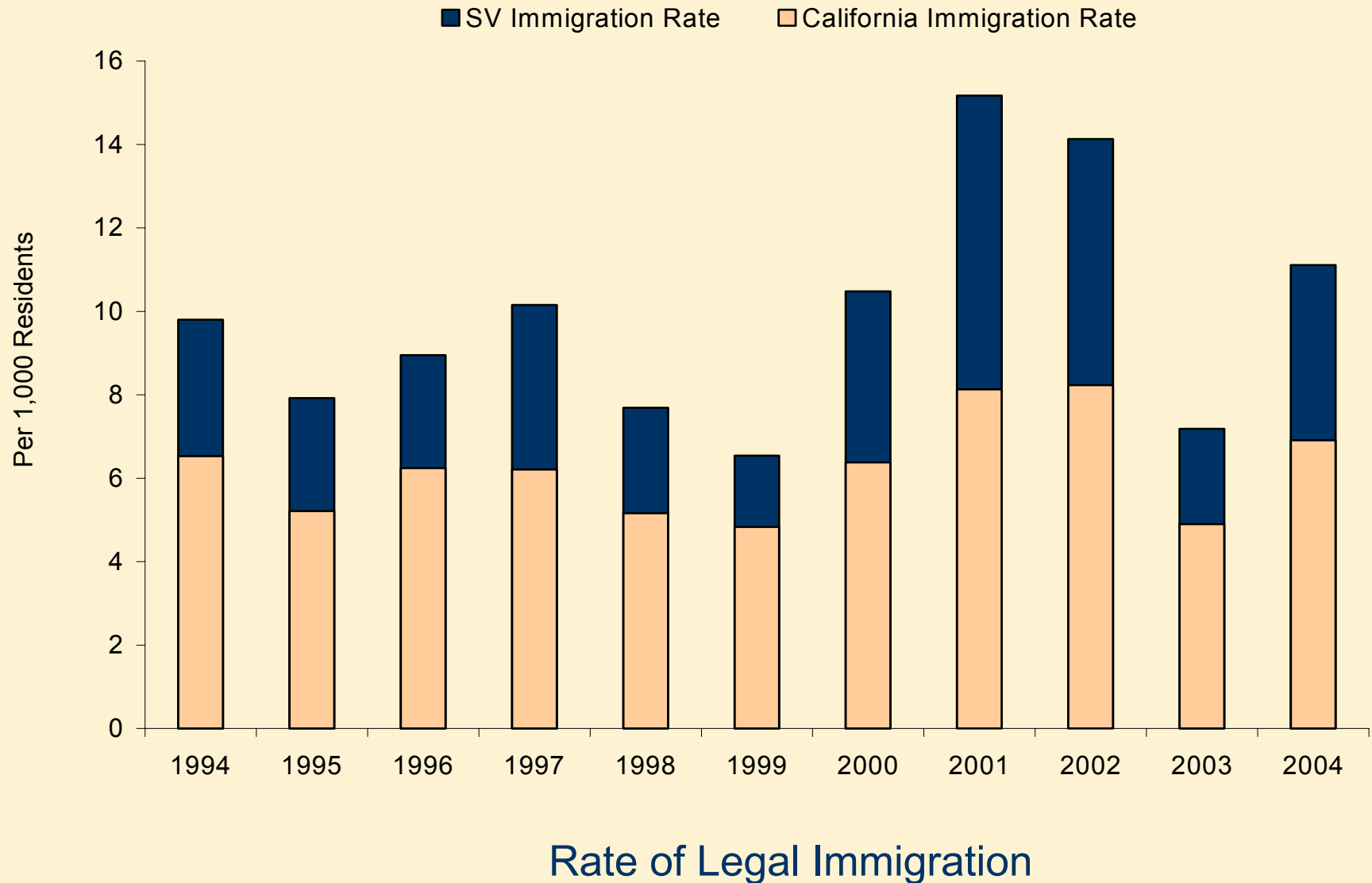
# SAN JOSE ARENA: #7 IN WORLD, #3 IN U.S., #1 IN CALIFORNIA

Rank	Venue	City, State	Tickets Sold
1	Madison Square Garden Arena	New York, NY	1,214,894
2	Manchester Evening News Arena	Manchester, U.K.	907,565
3	Wachovia Center	Philadelphia, PA	665,898
4	Bell Centre	Montréal, Can	544,238
5	Air Canada Centre	Toronto, Can	537,161
6	Sydney Superdome	Sydney, Aus	486,133
<b>7</b>	<b>HP Pavilion at San Jose</b>	<b>San Jose, CA</b>	<b>464,214</b>
8	TD Banknorth Garden	Boston, MA	442,498
9	Continental Airlines Arena	East Rutherford, NJ	420,366
10	Savvis Center	St. Louis, MO	369,383

# SAN JOSE THE WORLD'S MOST COMPETITIVE KNOWLEDGE ECONOMY

2005 Rank	Region	Index
1	San Jose, US	295.8
2	Boston, US	244.3
3	San Francisco, US	239.1
4	Hartford, US	224.7
5	Seattle, US	205.7
6	Grand Rapids, US	195.4
7	San Diego, US	193.5
8	Stockholm, Sweden	190.8
9	Rochester, US	176.3
10	Los Angeles, US	173.5

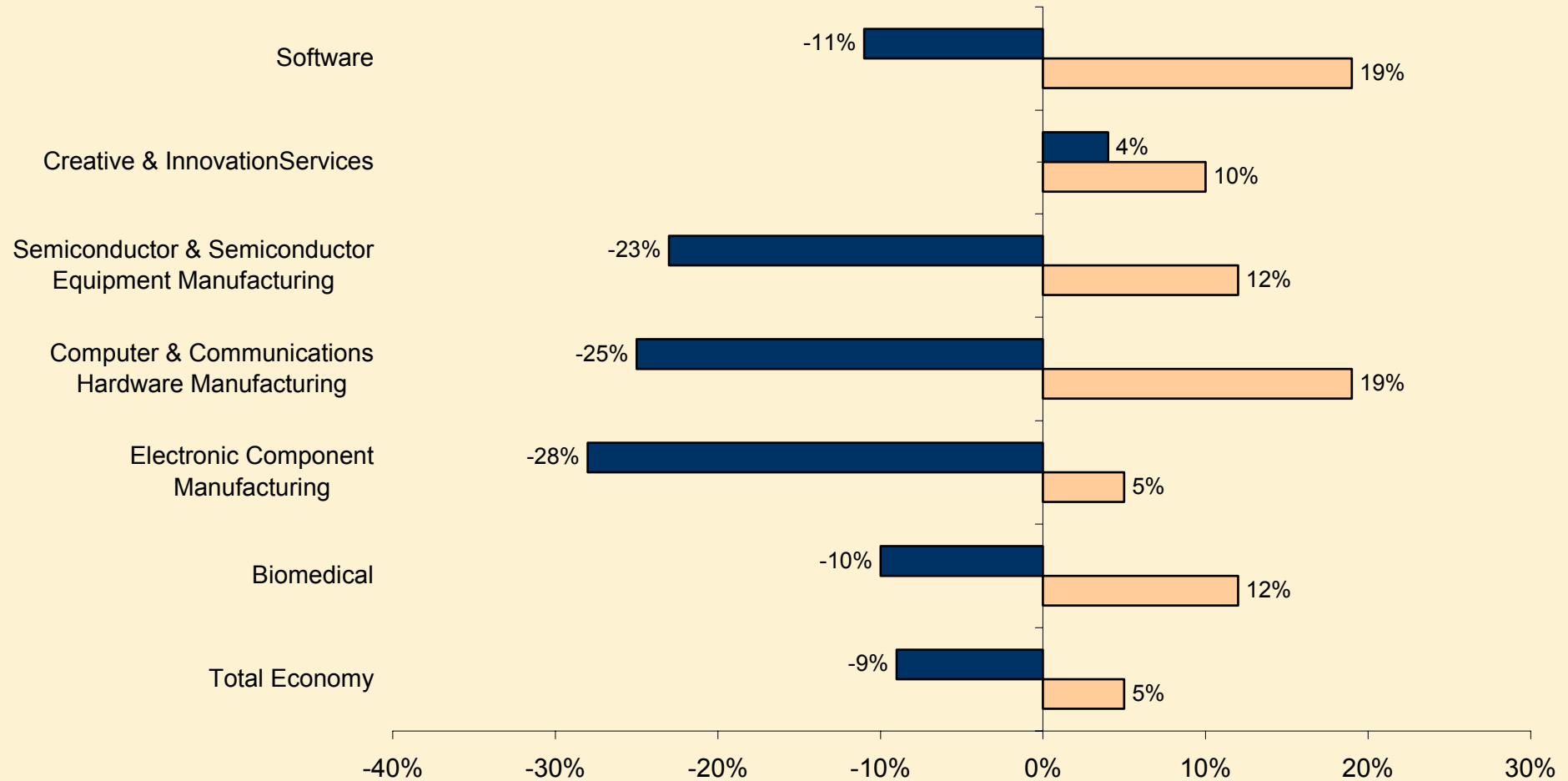
# SILICON VALLEY'S RATE OF LEGAL IMMIGRATION IS 60% HIGHER THAN CALIFORNIA, 350% HIGHER THAN NATION



# AS CLUSTER EMPLOYMENT SHRINKS, SILICON VALLEY WAGES GROW

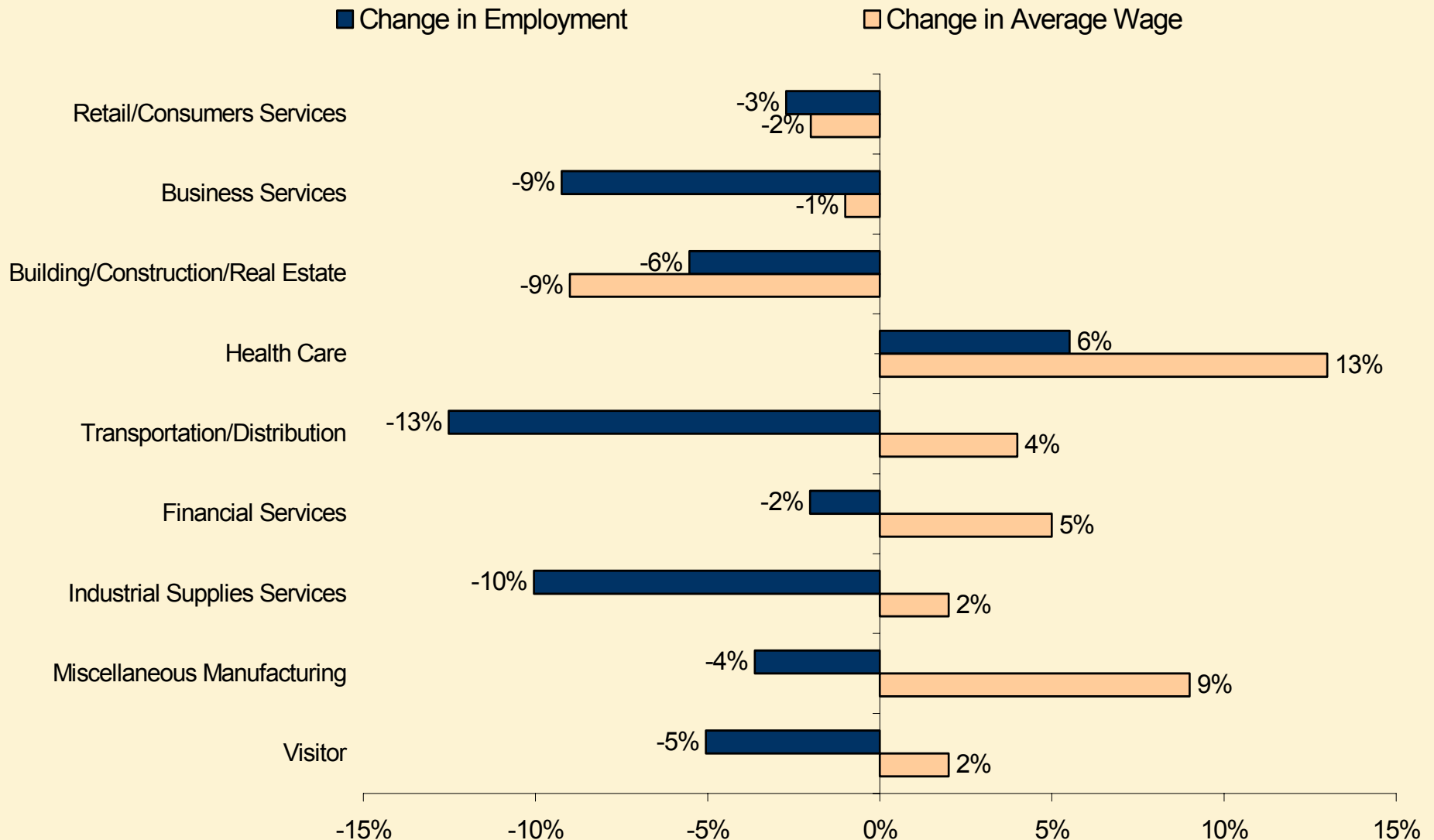
■ Change in Employment

■ Change in Average Wage



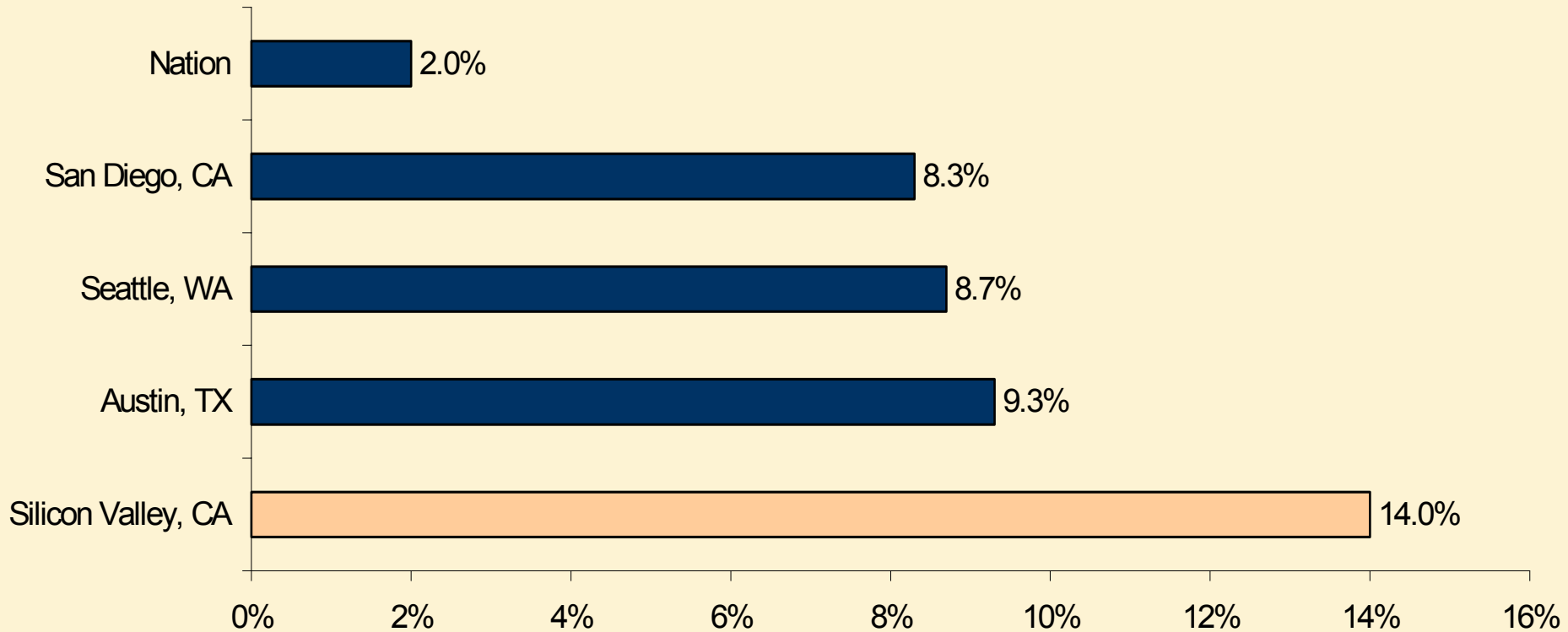
Change in Employment and Average Wages, FY2002-FY2005

# AS CLUSTER EMPLOYMENT SHRINKS, SILICON VALLEY WAGES GROW



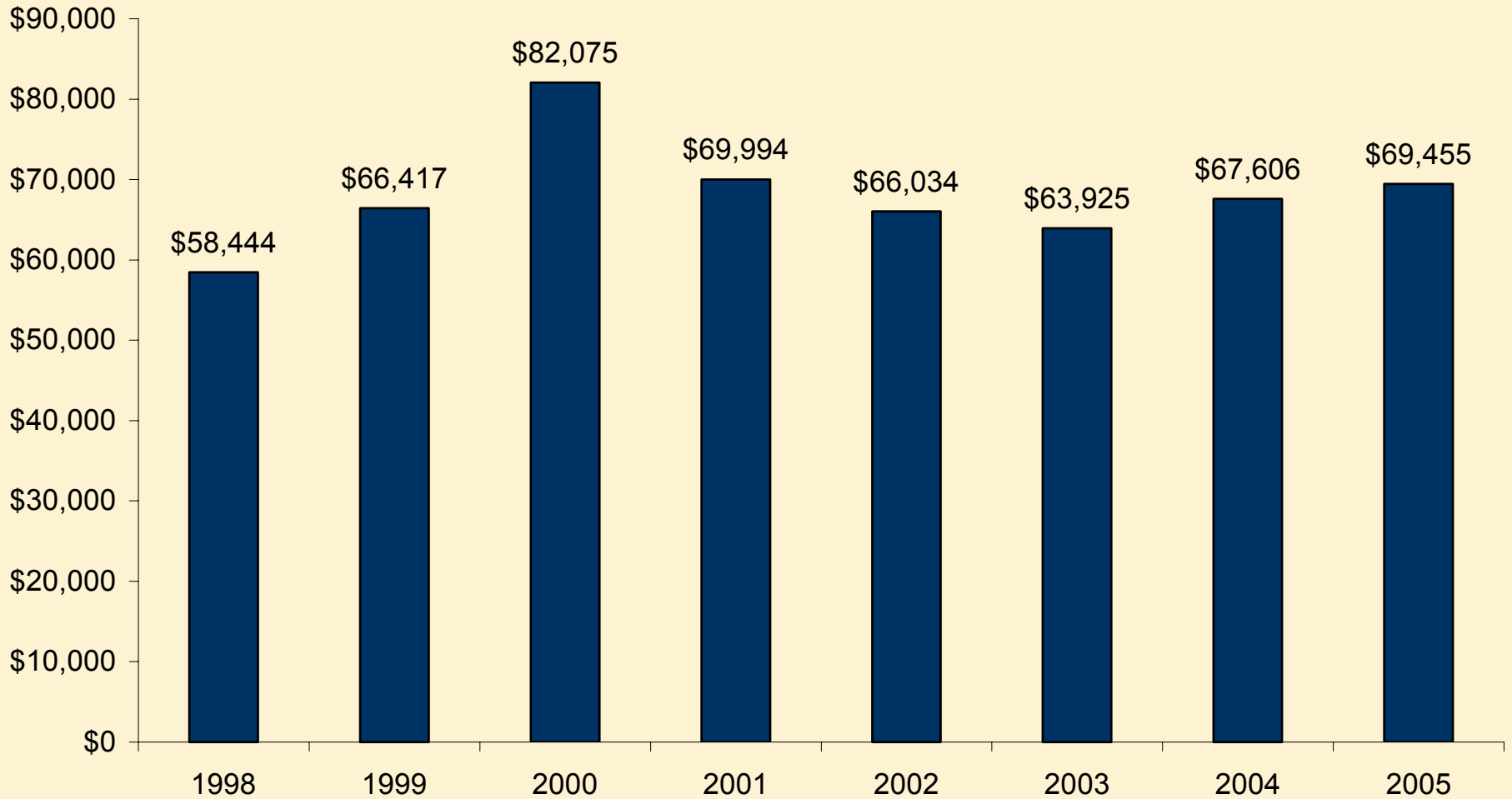
Change in Employment and Average Wages, FY2002-FY2005

# HIGH CONCENTRATIONS OF CREATIVE WORKERS



Core Design, Engineering, Scientific, and Business Management Talent Contribution to Economy

# AVERAGE PAY PER EMPLOYEE CONTINUES TO CLIMB



Silicon Valley, 2004 Dollars