

# Workforce Review

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

## June 2015

*Did you know?*

### Silicon Valley slips to No. 3 spot in nation on influential startup index

Unseating Silicon Valley, Austin has moved up to be the No. 1 U.S. city for startups in the latest annual Kauffman Index report [<http://bit.ly/1H4lEdl>].

The Kauffman Index, from the Ewing Marion Kauffman Foundation, measures entrepreneurship at the national, state and metropolitan levels across a three metrics: The rate of new entrepreneurs, the number of entrepreneurs who started their companies when unemployed and the number of startups per capita.

In 2014, the Kauffman Index ranked San Jose No. 1 and Austin No. 2. This year's report has San Jose falling two spots to No. 3. San Francisco is No. 6, falling from the fifth spot.

The latest Kauffman Index ranked Miami as No. 2, with Los Angeles as No. 4, followed by Denver, San Francisco, and New York City. The full metro-area rankings from the report can be found [here](#).

According to the data, roughly 410 out of every 100,000 adults in the San Jose region became entrepreneurs in a given month during the past five years, on average. San Jose claims about 168 startup businesses — defined as businesses less than a year old that employ at least one person besides the owner — per 100,000 residents.

Elsewhere in California, Los Angeles snagged the No. 4 spot, staying even from last year, while San Diego ranked ninth, gaining one spot, and Riverside fell to No. 18 from No. 11.

At the state level, Montana was ranked as the No. 1 state in the U.S. for entrepreneurship. California placed 14th on the list, falling nine spots from the 2014 edition.

*Source: Silicon Valley Business Journal (06/04/15)*  
<http://bit.ly/1CfXpD2>

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

Unemployment Rate	May 2014	April 2014	May 2015	Percentage Point Change	
				Monthly	Annual
San José–Sunnyvale MSA	5.1%	3.9%	4.1%	+ 0.2	- 1.0
California	7.2%	6.1%	6.2%	+ 0.1	- 1.0
United States	6.1%	5.1%	5.3%	+ 0.2	- 0.8

  

Labor Force	May 2014	April 2014	May 2015	Percentage Change	
				Monthly	Annual
San José–Sunnyvale MSA	1,016,400	1,051,400	1,058,300	+ 0.7%	+ 4.1%
Civilian Employed	964,200	1,010,000	1,015,200	+ 0.5%	+ 5.3%
Civilian Unemployed	52,100	41,400	43,000	+ 3.9%	- 17.5%

**Select Regional Industry Statistics (San José–Sunnyvale–Santa Clara MSA)**

Change in Employment	May 2014	April 2014	May 2015	Percentage Change	
				Monthly	Annual
<b>Total Nonfarm</b>	<b>1,000,300</b>	<b>1,051,700</b>	<b>1,057,400</b>	<b>+ 0.5%</b>	<b>+ 5.7%</b>
Specialty Trade Contractors	27,300	31,100	32,000	+ 2.9%	+ 17.2%
Transportation Equipment Mfg.	6,900	6,600	6,500	- 1.5%	- 5.8%
Retail: Health & Personal Care	4,900	5,100	5,200	+ 2.0%	+ 6.1%
Employment Services	19,600	21,200	21,400	+ 0.9%	+ 9.2%
Government: City	12,500	12,600	12,600	0.0%	+ 0.8%

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 Metropolitan Statistical Area (U.S. High-Tech Regions)**

	Labor Force			Unemployment			Unemployment Rate		
	May 2014	May 2015	Annual Change	May 2014	May 2015	Annual Change	May 2014	May 2015	Annual Change
<b>United States</b>	<b>155,841,000</b>	<b>157,719,000</b>	<b>+ 1.2%</b>	<b>9,443,000</b>	<b>8,370,000</b>	<b>- 11.4%</b>	<b>6.1%</b>	<b>5.3%</b>	<b>- 0.8</b>
<b>California</b>	<b>18,737,500</b>	<b>19,061,500</b>	<b>+ 1.7%</b>	<b>1,342,600</b>	<b>1,180,400</b>	<b>- 12.1%</b>	<b>7.2%</b>	<b>6.2%</b>	<b>- 1.0</b>
Austin, TX	1,049,053	1,060,249	1.1%	43,017	32,978	- 23.3%	4.1%	3.1%	- 1.0
Boston, MA	2,585,429	2,652,112	+ 2.6%	132,409	107,169	- 19.1%	5.1%	4.0%	- 1.1
Portland, OR	1,192,500	1,198,300	+ 0.5%	73,400	60,600	- 17.4%	6.2%	5.1%	- 1.1
San Diego, CA	1,536,600	1,563,100	1.7%	94,500	77,300	- 18.2%	6.1%	4.9%	- 1.2
San Francisco, CA	954,600	985,500	3.2%	39,100	33,400	- 14.6%	4.1%	3.4%	- 0.7
Seattle, WA	1,555,780	1,584,170	1.8%	69,800	60,570	- 13.2%	4.5%	3.8%	- 0.7
San José, CA	1,016,400	1,058,300	4.1%	52,100	43,000	- 17.5%	5.1%	4.1%	- 1.0

NOTE: Totals may not add correctly due to rounding

Source: California Employment Development Department, LMID

**Regional Layoff Activity: May 2015**

Company	WARN *	City	Affected	Cause	Layoff Summary	
Cache	No	Santa Clara	10	Closure	Individuals Affected YTD <sup>†</sup> :	4,386
Fresh Market	Yes	Palo Alto	54	Closure	Events Current YTD <sup>†</sup> :	72
Lockheed Martin	No	Sunnyvale	25	RIF	Events Previous YTD <sup>†</sup> :	80
Unilever	Yes	Sunnyvale	57	Closure		
Zynga	Yes	Santa Clara	1	RIF		
Company confidential	Yes	Milpitas	120	Closure		
			<b>267</b>			

\* **WARN: Worker Adjustment and Retraining Notification** (notice of mass layoff or closure)  
<sup>†</sup> **YTD: Year to Date** (Program year: July 1–June 30)

NOTE: Layoff data are reported by NOVA staff responding to layoff events and should be considered only an estimate of regional activity

Source: NOVA's internal Rapid Response database