



Green tech blossoms in tough Silicon Valley climate

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SAN FRANCISCO (AFP) — Firms devoted to clean energy and other "green tech" promise to revive a Silicon Valley economy sagging beneath a global financial meltdown and the US mortgage disaster, a report said Tuesday.

Home foreclosures, economic instability, and year-end job losses have cast a pall over the northern California computer technology region that is home to firms such as Intel, Apple, Google, Facebook, and Yahoo!

Employment in Silicon Valley slipped 1.3 percent in November and per capita income eroded, decreasing nearly one percent, according to the report by the Silicon Valley Community Foundation and Joint Venture: Silicon Valley Network.

Meanwhile, investment in clean technology has climbed 94 percent since 2005 and employment in the sector has risen 23 percent during the same years, it said.

Overall venture capital investments in Silicon Valley dropped 7.7 percent in 2008, breaking an upward trend started in 2005.

"Our economic challenges are greater than they have been in years," said Joint Venture chief executive Russell Hancock.

"At the same time, we have become a magnet for green innovation and a new epicenter for solar technology. New technologies and employment in the green sector may help offset the Valley's economic woes."

The report includes a warning that Silicon Valley is not producing the skilled workers needed to fill green technology jobs as the industry grows.

"We need a strong system of workforce development to support adult worker retraining and transition," said Silicon Valley Community Foundation president Emmett Carson.

"The cost of inaction will undermine the region's innovative capacity and overall competitiveness and with it, our regional prosperity and quality of life."

The annual Silicon Valley Index gauges the region's economy and the health of the community.