

# The Tri-Valley

The future has arrived



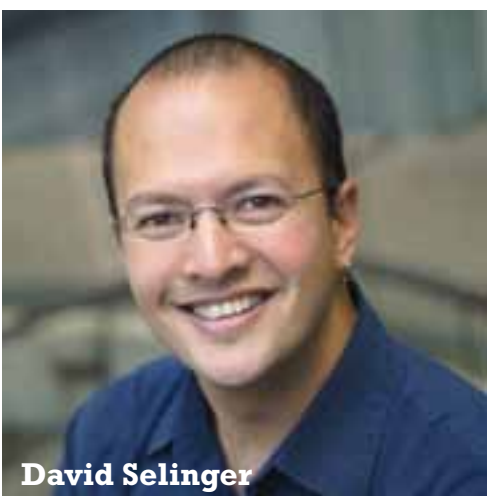
**Stephanie Beasley**

National labs unleash innovation



**Chris Weeks**

Bishop Ranch reinvents transportation



**David Selinger**

A new hub for artificial intelligence



**Sanjeev Saxena**

The pulse of medical technology

SPONSORS



A Sunset Development Project



CERTIFIED PUBLIC ACCOUNTANTS AND BUSINESS ADVISORS







Danville Branch



Dublin Branch

Fremont Bank Tri-Valley locations

- Danville Branch (pictured)
- Dublin Branch (pictured)
- Pleasanton Branch
- Livermore Branch
- San Ramon Branch



# Over 50 Years of Building Lifelong Community Bonds.

We don’t just work in the Tri-Valley. We proudly live, play, and support the Tri-Valley area. Ever since we opened our first Tri-Valley location, our executive team has built connections with the people and businesses of the area. And to this day, supporting those businesses and ensuring our Tri-Valley neighbors receive the unprecedented support, exclusive access and first-class service they deserve, continues to be a top priority.

We are proud to feature our VP of Commercial Banking, Don Marek, as part of the *View to the Future* panel that will discuss pushing the Tri-Valley economy to new heights during the State of the Tri-Valley event.



**Don Marek**  
VP of Commercial Banking  
*Proud Pleasanton resident*



**Andy Mastorakis**  
President and CEO  
*Proud Danville resident*



**Ken Jones**  
VP of Retail Banking  
*Proud Danville resident*

Call or visit us online at (800) 359-BANK (2265) or [www.fremontbank.com](http://www.fremontbank.com).



INTRODUCTION

The Tri-Valley tipping point

Drive East on highway 580 anytime around rush hour, and you'll reach an inevitable conclusion: a whole lot of people are coming and going to the Tri-Valley.

Even in comparison to Silicon Valley's rapid sprawl to San Francisco, Oakland and adjacent cities, the population and economic growth in the Tri-Valley is happening at breakneck pace. The City of Dublin, for instance, has seen its population swell by more than 25 percent in the past five years alone, state estimates show.

The question now: how will local cities and a growing number of big-name business tenants navigate this growth — especially as they strive to maintain an often-cited high quality of life.

"We can't ignore the fact that there's traffic. We can't ignore that it's expensive," said Dale Kaye, CEO of nonprofit business advocacy group Innovation Tri-Valley. "But what we do have is a region rich with Innovation Assets that also boasts an excellent education system, a great quality of life and most importantly a passion, which eclipse any negatives."



Dale Eldridge Kaye  
CEO  
Innovation Tri-Valley

Geographically speaking, the Tri-Valley lies at the junction of the Amador, Livermore and San Ramon valleys, spanning parts of both Alameda and Contra Costa counties. The biggest cities in the area are Danville, Dublin, Livermore, Pleasanton and San Ramon, though some of the region's

estimated 360,000-plus residents also call small communities like Norris Canyon, Diablo and Camino Tassajara home.

In addition to ongoing population gains, the Tri-Valley is also seeing a wave of commercial activity. Well-known companies like Tesla and Phillips have recently moved to Livermore and Pleasanton, respectively. They join growing industry clusters in fields like medical technology and cloud software, which are comprised of a blend of homegrown upstarts and incumbents like GE, Workday and SAP.

Among the brightest lights is the region's burgeoning local technology sector, which has for decades been bolstered by proximity to two national laboratories and plentiful jobs in nearby Silicon Valley. Now, however, data shows that more capital and new enterprises are being attracted to the Tri-Valley proper.

Familiar California planning woes like housing and transportation loom large for those thinking about the region's economic development, but there are plenty of reasons to believe the trend toward local growth is here to stay.

"If you look at innovation's inevitable path, and knowing that the Tri-Valley has more advanced degrees per capita than even Silicon Valley, it just makes sense," said Don Garman, founder and chief investment officer of Pleasanton-based financial advisory firm Mirador Capital Partners.

CONTENTS

- 3 The tipping point
- 4 Where are we now?
- 6 Building the Tri-Valley brand
- 7 Innovation: There's a logo for that
- 8 The in crowd
- 10 A roadmap to the cutting edge (graphic)
- 12 Show me the money
- 15 Silicon Valley goes global from Tri-Valley
- 16 Linking up on transit
- 18 Diagnosing the med tech market
- 20 The elephant in the room: housing
- 22 Cloud software takes flight
- 24 A new artificial intelligence hub
- 25 Out of the lab, into the market
- 26 City-scale transformation
- 32 A space race at Hacienda
- 34 Bishop Ranch redefines work
- 36 Focus on foodies
- 38 Who's next

Lauren Hepler  
Writer

Michael Grant  
Creative Director

Carol Collier  
Designer

Carolyn Seng  
Designer

ON THE COVER

Left to right: Brandon Cardwell,  
Dale Eldridge Kaye, Vijji Suryadevara  
Photo by Spencer Brown

Fiercely Independent Financial Advice  
By Specialists In The Tri-Valley

We launched the Mirador Tri-Valley Index (MTVX™) to take  
advantage of the investment opportunities in our community.  
Contact us to learn more.

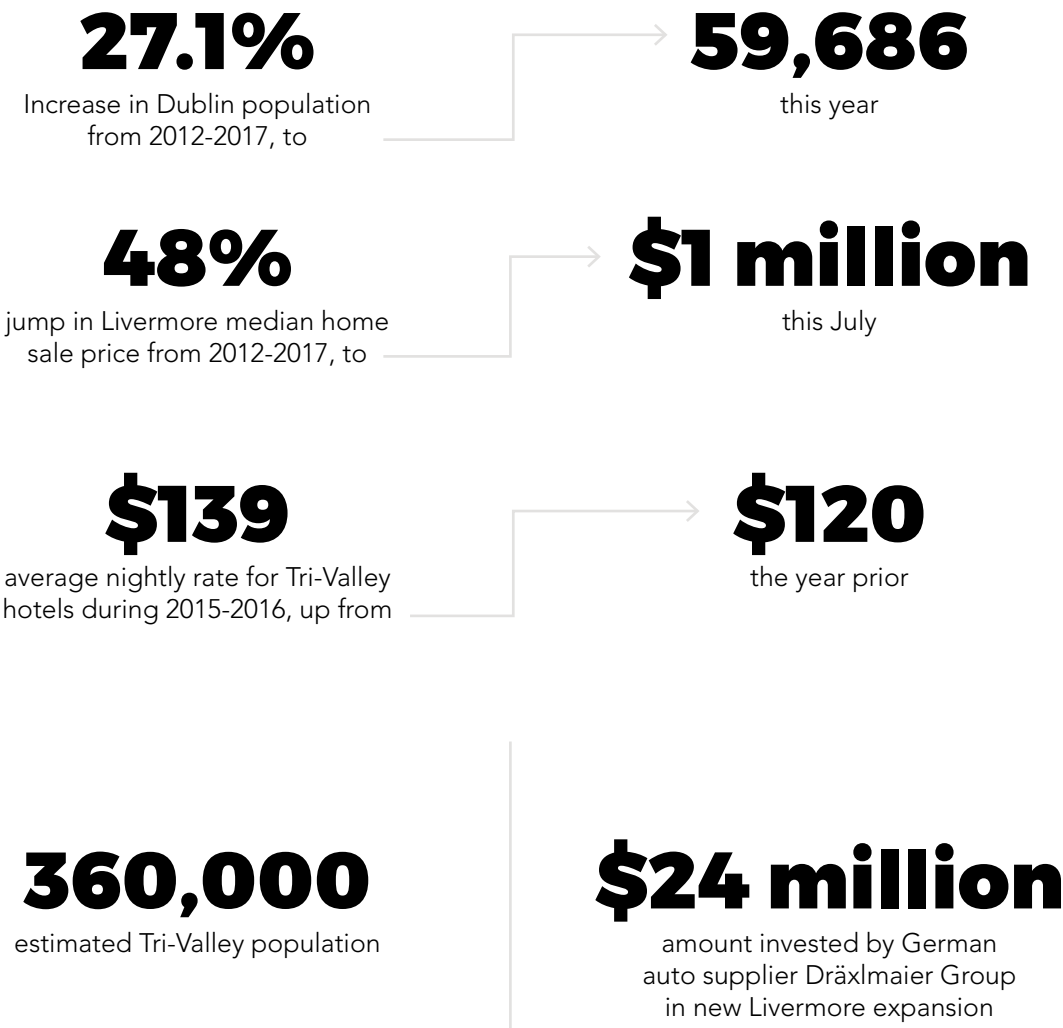
@miradorcapital  
925-621-1000  
 @miradorcapital

Visit [miradorcp.com](http://miradorcp.com) to download our Tri-Valley Economic Research Report

“The Tri-Valley is leading the Bay Area, and the state of California, in job growth, income, quality of life, and growth in venture capital investment.”

Mirador Capital's  
Mirador View report

Growth at a glance:



WHERE ARE WE NOW?

Deal flow grows along with Tri-Valley cities

It may seem like a rapid ascent, but the Tri-Valley has been gaining residents and business tenants for decades.

With roots in the post-Gold Rush development boom and the historic downtowns to show for it, the region today aims to leverage a combination of desirable local amenities and forward-looking economic prospects to kickstart more homegrown commercial activity.

The current economic upcycle has only served to amplify that goal.

“The Tri-Valley really is becoming a particularly robust sub-region of the Bay Area,” said Pamela Ott, who leads economic development for the City of Pleasanton. “Each of the cities brings something unique.”

All five cities in the Tri-Valley — Danville, Dublin, Livermore, Pleasanton and San Ramon — have seen year-over-year population growth from 2016-2017. There’s also been no shortage of leasing or expansion activity at both Class A office hubs, like San Ramon’s Bishop Ranch, and R&D or industrial space in neighboring cities including Livermore.

With that growth also comes longer-term questions about what’s next for the region’s talent pool, development pipeline and a new wave of locally-founded companies.

To better understand the state of play in the Tri-Valley, here’s a snapshot of key data on deal flow, regional economic context and growth already underway.

## Silicon Valley vs. Tri-Valley

How does the Tri-Valley stack up economically against its famously tech-fueled neighbor?

### Population growth

37%

Tri -Valley 2010-2015

13%

Bay Area 2010-2015

### Unemployment

2.7%

Tri-Valley 2016

4%

Bay Area 2016

### Office space \$/SF/month (2016 average)

\$2.55

Tri-Valley

\$5.45

San Francisco

\$5.13

Peninsula

### Percentage of residents with advanced degrees

22%

Tri-Valley

18%

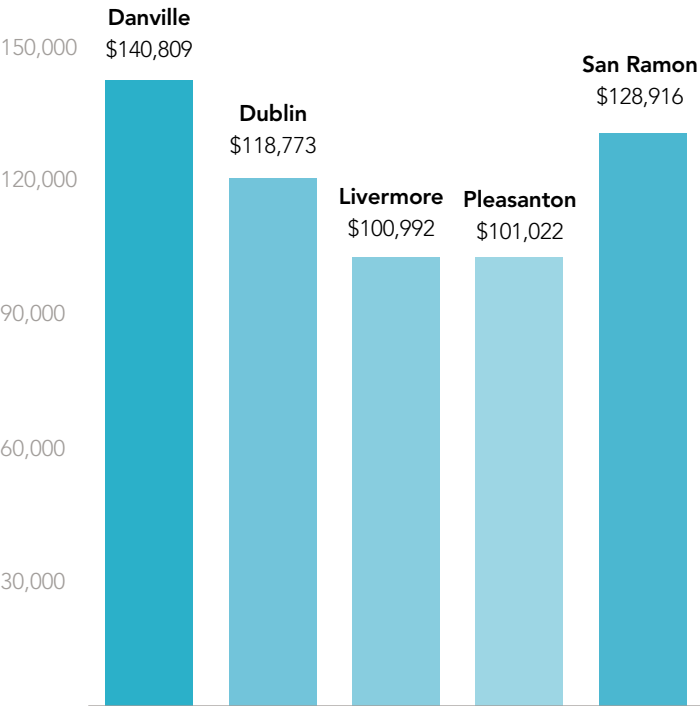
Bay Area

21%

Silicon Valley

## Salary spotlight

Median incomes around the Tri-Valley, according to the latest available Census estimates in 2015.



## A tech hub growing fast

The Tri-Valley has long provided ample housing for workers in nearby San Francisco, Silicon Valley and the East Bay cities along the bay.

What's changed of late is the number of companies setting up shop or choosing to grow in the region, particularly as M&A activity heats up.

Livermore-based regional tech incubator and co-working space i-GATE crunched the numbers on the local tech industry using data from Crunchbase and the Bay Area Council, tallying the following figures:

450

estimated number of tech companies in the Tri-Valley region

\$16 billion

estimated number of startups in the Tri-Valley region

\$1 billion

amount of capital raised by Tri-Valley companies since 2015

\$75 million

median price of Tri-Valley companies acquired since 2010



## BRAND

# Building a brand on empathy and innovation

## How do you brand an entire region?

In the case of the Tri-Valley, that question was the focus in April at a tech-themed, black-lit party complete with lightsaber-equipped ushers and Tri Tini cocktails.

“Attendees loved the purple ice cubes, the tritinis and the vibe,” recalled Dale Kaye, CEO of regional business group Innovation Tri-Valley. “But what resonated with them was the sentiment of the logo and the need for a brand.”

The Innovation Tri-Valley brand unveiling party this spring — marked by a distinctive new logo and the tagline “The heart of California Innovation” — capped nearly two years of research and strategic planning for Kaye and branding specialists at San Francisco design firm Blackbelt.

A regional identity became increasingly important over time to enabling a new level of growth in the region’s budding ecosystem of startups, incubators and large businesses, Kaye said.

“We are a region that hasn’t ever marketed like a region,” she said. “As Innovation Tri-Valley grew, so did the need for branding for business purposes.”

For Liza Nebel, founder and COO of Blackbelt, the project was a chance to lend the regional nonprofit the branding expertise the firm has employed with clients like IBM, Salesforce and AT&T. In differentiating from other tech hubs like the “stress land” of Silicon Valley, Boston and North Carolina’s research triangle, the theme of collaboration and empathy soon emerged.

“It’s hard because we’re so trained to think that business shouldn’t be empathetic,” Nebel said. “Geographically, they’re obviously competing with San Francisco, Silicon Valley, Fremont. There are all these regional economic hubs in the Bay Area, and it’s something that is truly differentiating.”

In addition to attitude, Kaye said name recognition and a brand that highlights quality of life were also priorities as regional employers and cities seek to attract new workforce — especially with costs of living climbing in the current economic cycle.

“When you’re recruiting people to come to an area



Liza Nebel

they’ve never heard of, it’s harder for them to swallow these sort of head-spinning prices of homes,” Kaye said. “A lot of people do come from places like Austin and the regional triangle. There’s international recruitment as well.”

“Bringing in new businesses and getting buy-in from Tri-Valley residents is another priority of the branding process,” Kaye added.

“If you can’t convince your own community you’re cool, you’re probably not going to convince anybody else,” Kaye added.

With the new brand out in the market, Nebel said the next step is translating the ideals highlighted in the process to everyday life.

“If businesses can come together and own this regional identity, it will make all of them stronger,” Nebel said.

INNOVATION

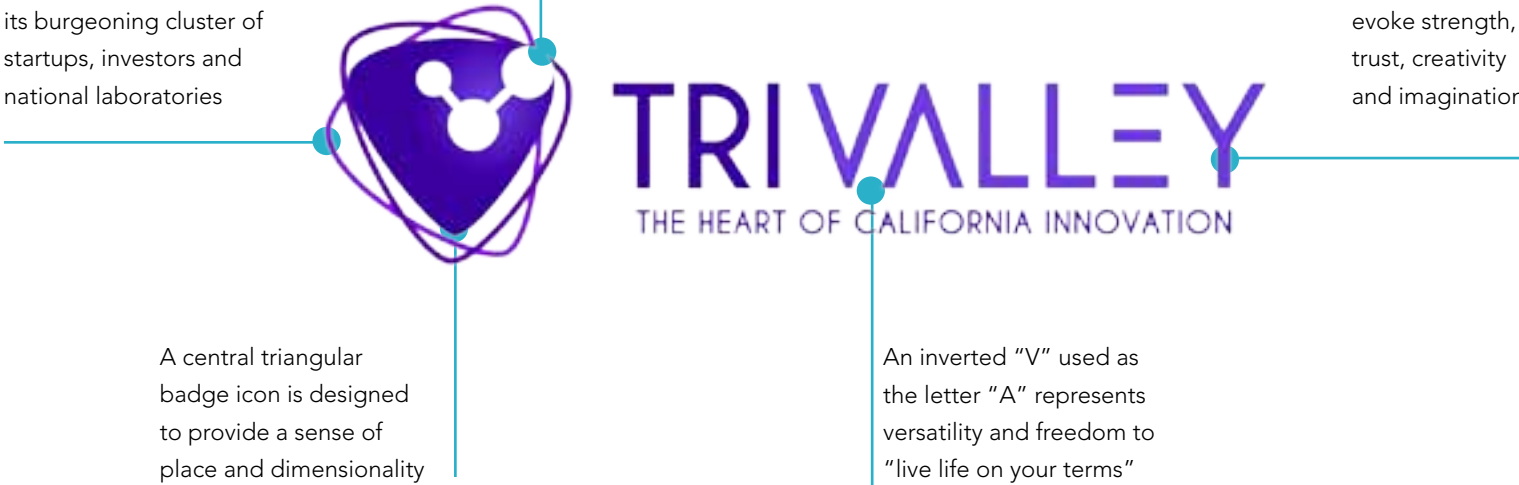
# There’s a logo for that

What goes into building a brand? In many cases, visual elements like a logo are front and center. Here’s a look behind the scenes at the creation of Tri-Valley’s new logo developed by Innovation Tri-Valley that debuted earlier this year:

Interlocking triangles signal the connectivity and collaboration the region strives to achieve with its burgeoning cluster of startups, investors and national laboratories

Three connected dots convey a sense of growth and upward mobility with the right-most dot being bigger and higher than the others

The color indigo is meant to evoke strength, trust, creativity and imagination



A central triangular badge icon is designed to provide a sense of place and dimensionality

An inverted “V” used as the letter “A” represents versatility and freedom to “live life on your terms”



## Educational Excellence | Curriculum Relevancy | Community Collaboration

CHABOT-LAS POSITAS COMMUNITY COLLEGE DISTRICT

Chabot and Las Positas Colleges both provide an educational foundation for transfer to a four-year college/university, career and technical education (CTE) certificates, and life-long learning opportunities. A combined student population of more than 29,000, they represent the Bay Area and Central Valley, as well as other states and more than 40 foreign countries.

- **Educational Excellence** forms the foundation of our district and governs the planning, implementation, and evaluation of everything we do
- **Curriculum Relevancy** ensures that our students benefit from the latest and most innovative curriculum available; this requires constant, active improvement
- **Community Collaboration** with local business, government, educational institutions, civic organizations, community groups, science, and industry partners results in a team effort to provide educational opportunities that best serve our students and our community



25555 Hesperian Blvd.  
Hayward, CA 94545  
(510) 723-6600  
[www.chabotcollege.edu](http://www.chabotcollege.edu)



3000 Campus Hill Drive  
Livermore CA 94551-7623  
(925) 424-1000  
[www.laspositascollege.edu](http://www.laspositascollege.edu)

## M&A activity heats up

As incubators and accelerators sprout up in Livermore, San Ramon and beyond, a pair of companies native to the Tri-Valley have cashed in on a strong cycle for tech.

### \$2.5 billion

**Zeltiq-Allergan - February 2017**

Zeltiq Aesthetics, a pioneer in the field of cosmetic cryolipolysis, or fat-freezing "CoolSculpting," acquired by botox giant Allergan

### \$915 million

**ServiceMax-GE Digital - November 2016**

Pleasanton-based equipment field service software provider ServiceMax bought by neighboring GE software division, GE Digital, of San Ramon

## Funding highlights — 2016-2017

### June 2017

**Aeye** – A robotic "vision" company with applications for autonomous vehicles, Pleasanton's Aeye raised a \$16 million Series A round from investors like Kleiner Perkins and Intel Capital

### April 2017

**Deep Sentinel** – The artificial intelligence-based home security startup founded by Tri-Valley serial entrepreneur and Amazon veteran David Selinger closed a \$7.4 million Series A round

**Trov** – On-demand insurance company Trov netted \$45 million in a Series D funding round, bringing the company's total equity haul to more than \$87 million

## THE IN CROWD

# Incubating a new generation of Tri-Valley tech talent

**O**n a recent Tuesday just before lunch, an open co-working space in a converted phone switching facility is buzzing with people typing at tall communal desks, huddling in conversation and meandering through a "robot garden" assembled in front of a neon wall.

It's not downtown Mountain View or any of the myriad incubators around the Stanford campus, but rather, the downtown Livermore home of the seven-year-old i-GATE incubator.

"You want to be in a place where lots of people can accidentally find out about you," explains i-GATE Innovation Hub Executive Director Brandon Cardwell. "Being in a downtown is extremely important."

The Livermore native is describing plans for the incubator's new 16,000-square-foot space down the street, where i-GATE is slated to move this September, a lightbulb tattoo on his forearm visible as he sips a mug of green tea to combat a cold.

"It would be sort of like a porous membrane," Cardwell summarizes of a plan to add

a coffee shop to the mix of co-working space, designated stations for incubating startups and industrial lab areas for more technical endeavors.

As a city-backed, business-focused non-profit, Cardwell is also technically a city of Livermore economic development official but i-GATE is at the forefront of a convergence between growing incubators, accelerators and new streams of local capital in the Tri-Valley.

Though the region has seen the extended effects of boom-and-bust economic cycles up close in the past, startup founders, investors and a growing number of area tech boosters contend that this time around is different.

First, there's an employment base bolstered by two federal laboratories and the spillover from the neighboring Bay Area and Central Valley that has swollen the Tri-Valley's population and job numbers. Beyond that, in a region with one of the highest per capita concentrations of PhDs in the nation, business groups also hope that a reputation for luring Silicon Valley veterans craving open space and suburban amenities to raise

a family will increasingly translate to more homegrown entrepreneurs.

"There's this primordial soup of executive talent in this area," said Greg Hitchan, co-founder and managing partner of the recently-launched area venture capital firm Tri-Valley Ventures. "The entrepreneurial spirit is embedded."

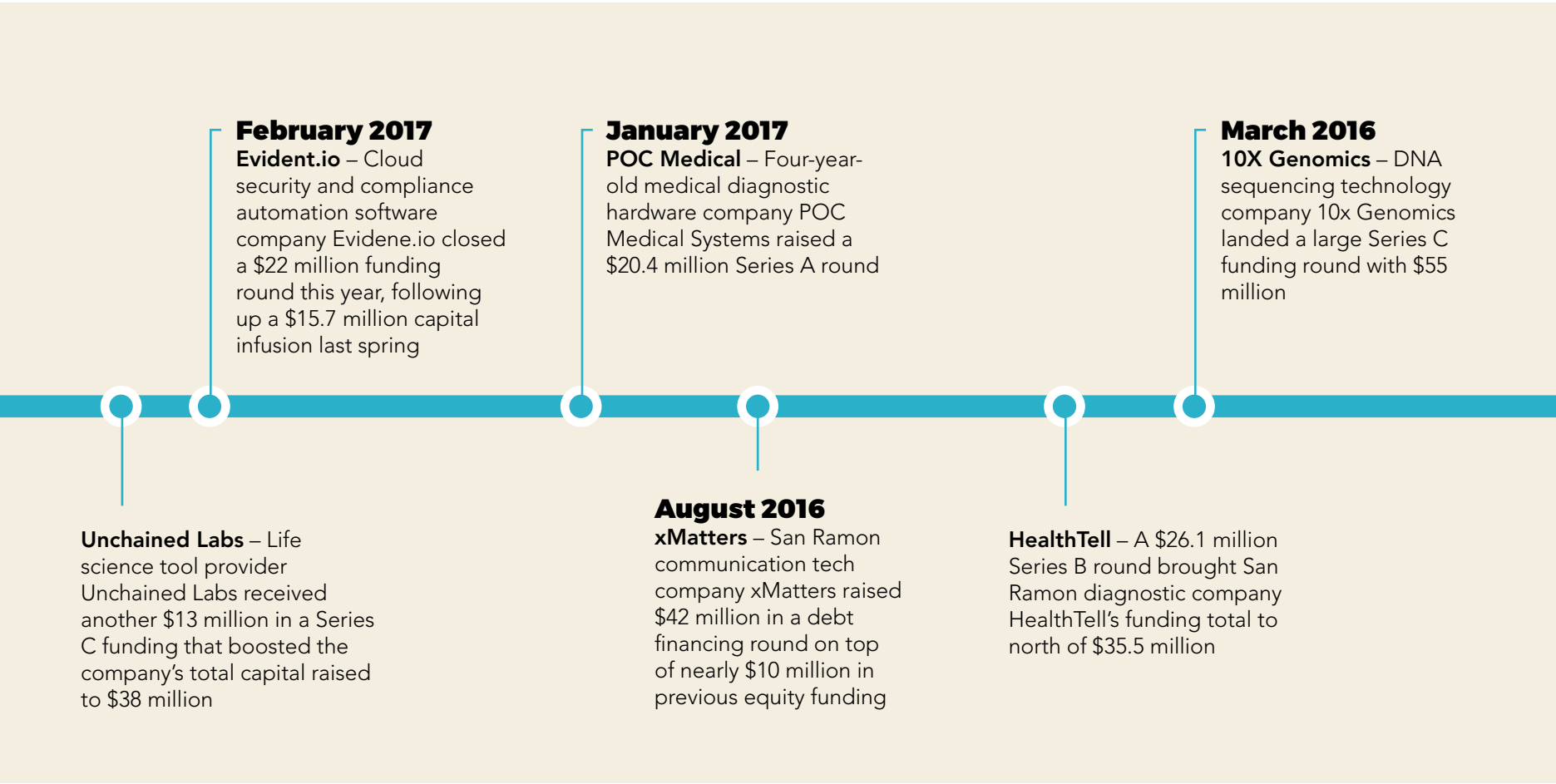
## THEN AND NOW

To put today's tech economy in perspective, seven-time entrepreneur and Tri-Valley resident Les Schmidt thinks back to the rise of Silicon Valley.

He draws a parallel between the founding of Intel and birth of computing — the seed that ultimately spawned Apple and countless other companies — and the dot-com era tech companies drawn to the Tri-Valley, like PeopleSoft and Sybase.

"We continuously run into what people call the PeopleSoft mafia," Schmidt says of alumni from the human resources tech company that would go onto be acquired by Oracle. "We're kind of at generation one or two, whereas I'd





call Silicon Valley generation five or six.”

Don Garman, founder and chief investment officer of Pleasanton financial advising firm Mirador Capital Partners, sees that evolution reinforced by an ever-expanding pool of tech talent drawn to housing at non-San Francisco prices and other suburban lifestyle perks.

“This is where those guys live – not when they’re 25, but when they’re 35,” Garman explains.

Cardwell has noticed a similar demographic trend at i-GATE in Livermore.

“You don’t get the 24-year-old, hoodie-wearing, code-monkey entrepreneur out here,” he said. “You get people with 10-15 years of experience.”

In the Tri-Valley’s case, with experience often comes a blend of work at large companies and more entrepreneurial pursuits. That potential source of more locally-developed business activity is what groups like i-GATE, Innovation Tri-Valley and others are trying to harness.

Garman and Hitchan, for instance, are two of the partners behind a new \$10 million investment fund raised by Tri-Valley Ventures.

“Venture capital being here as opposed to being somewhere else is a new development,” Schmidt said. “I’ve already been introduced

to partners from Accel Partners, Google Ventures, Andreessen. They all live here.”

Still, connecting the nascent push for more local funding to founders already active in the Tri-Valley will be key.

“The primary issue has been access to capital,” said Vijji Suryadevara, a veteran startup founder and CEO of two-year-old Pleasanton skills training platform Career Waze. “There is still a stigma that the hard startups are only on the Peninsula.”

CONNECTING THE DOTS

With talent and investment capital combining to buoy the Tri-Valley startup ecosystem, it’s easy to get caught up in the momentum.

Particularly encouraging for industry supporters like Dale Kaye, CEO of Innovation Tri-Valley, is the brand the region is building for a more “empathetic” approach to launching new ventures.

“Unlike the pressure cooker atmosphere of other tech hubs, the Tri-Valley is known for its work-life balance and collaborative culture,” Kaye explained.

Still, those watching the evolution of the industry closely say there is reason to keep a close eye on dynamics that could pose problems down the road, like a high proportion of out-of-region commuters, rising

housing costs and increasing traffic gridlock. Providing opportunity to a mix of veteran and aspiring entrepreneurs who aim to keep their companies local is another issue.

“For young women entrepreneurs, there is very little infrastructure,” said Suryadevara of Career Waze, who added that she has encountered skepticism about her executive prowess due to gender despite a successful past acquisition and two computer science degrees. “We don’t need extra marks for being women. We just don’t want negative marks for being women.”

For Garman, one big potential benefit of growing the business case for launching companies in the Tri-Valley, rather than driving the 35 miles to Palo Alto or elsewhere in the Bay Area, is keeping the benefits of the area’s talent pool closer to home.

“We shouldn’t be outsourcing our No. 1 asset, which is all these brainiacs, to other valleys,” Garman said.

Though the flurry of new companies, funders and startup meeting points are all steps in the right direction for many, Cardwell adds that success won’t happen in a vacuum.

“Innovation ecosystems are entirely about people,” he said. “The extent to which artificial barriers are constructed that keep people out — whether its housing our whatever it is — is bad for the ecosystem.”

## ARTIFICIAL INTELLIGENCE

## A new “center of the universe” for artificial intelligence?

**T**his September, a new node in the Tri-Valley tech network will officially come online with the Bishop Ranch Intelligence Innovation Accelerator’s first class of startups.

“We’re on a mission to make San Ramon the center of the universe for artificial intelligence startups,” Founder and Executive Director Les Schmidt says matter-of-factly.

The new accelerator, which goes by the shorthand BRIIA, will operate as a for-profit enterprise within 12,000 square feet earmarked by the developers of the Bishop Ranch office park for entrepreneurial endeavors.

And BRIIA is also far from the only game in town when it comes to artificial intelligence and machine learning ventures taking root in the Tri-Valley. Startups in industries ranging from education (Career Waze) to home security (Deep Sentinel) and self-driving vehicles (AEye) also now call the region home.

“It’s this interesting combination of three things happening concurrently,” explained Deep Sentinel Co-Founder and CEO David Selinger, a veteran of Amazon, co-founder of Redfin and entrepreneur multiple times over. “We believe we’re in the second inning of A.I.”

What attracted Selinger to artificial intelligence now, he said, is a combination of hundred- or even million-fold improvements in computational power enabled by parallel technical breakthroughs. In an industry like home security, a mix of incumbents like ADT and newcomers such as Google-owned Nest, the opportunities for artificial intelligence are vast, he said.

Deep Sentinel, which recently closed a \$7.4 million funding round and employs 11 people in Pleasanton and Taiwan, aims to mass produce A.I.-equipped camera systems that evaluate potential threats to prevent both home invasions and increasingly common property crimes like package theft.

“We can provide a fundamentally different value to the end consumer,” Selinger said, citing a goal of going from 60 to 99 percent accuracy in threat detection. “Let’s not have ADT having thousands and thousands of false police

alarms.”

At BRIIA, Schmidt, an entrepreneur seven times over after two IPOs and two acquisitions, said the program will admit no more than 10 companies and offer a set 12-week lineup of mentoring, business planning and other events. That will leave room for several dozen co-working members at the space, plus time to develop corporate partnerships.

“Over time, we’re going to raise a fund,” he added.

With 10 million square feet of office space at Bishop Ranch, the idea is that founders who hit their stride at BRIIA will then stick around to grow their companies.

“They always have room for companies to grow at almost any size. It’s very strategic on their part,” Schmidt said of Bishop Ranch ownership. “Do you have to stay in San Ramon? No. But why would you leave?”

While nascent industry gathering places like BRIIA and a machine learning meetup that Selinger now hosts at the Deep Sentinel office in downtown Pleasanton are building momentum, he said the region will need to continue to focus on building infrastructure for local funding and more sophisticated talent recruiting.

“Right now I think it’s on balance a little risky,” Selinger said of the decision to launch in the Tri-Valley. “Capital is certainly important, but I think recruiting is probably the most important thing.”

Partnering with Livermore startup incubator i-GATE to host a job fair to better advertise the number of locally-based tech companies — estimated at around 450 by i-GATE — is one current pet project for Selinger.

Moving forward, he is also cognizant of allaying fears about his new industry’s pop culture associations with Big Brother-style surveillance.

“The two things come down to control and transparency,” Selinger said. “If you can accomplish those two in a really effective way consistently, you’re in a good position.”

## PLAYERS TO WATCH

**AEye** – Fresh off a \$16 million Series A funding round from Silicon Valley backers like Kleiner Perkins and Intel Capital, Pleasanton-based AEye uses Lidar technology for the “robotic vision” systems the company hopes to apply in the field of autonomous vehicles

**Deep Sentinel** – With seven employees in downtown Pleasanton and a nascent manufacturing arm in Taiwan, the home security startup is using \$7.4 million in venture capital funding raised this spring to work toward commercialization of its smart camera systems

**Career Waze** – The online education space is nothing if not busy, which is why Pleasanton-based Career Waze is using machine learning to more precisely identify and suggest educational opportunities for users looking to hone their technical prowess

**BRIIA** — The Bishop Ranch Intelligence Innovation Accelerator, or BRIIA, will host its first class of startups this September in a bid to become a “center of the universe” for artificial intelligence in San Ramon.





## Roadmap to the cutting edge

A new geography of innovation takes shape in the Tri-Valley with a growing network of incubators, accelerators and co-working spaces.

### 1. i-GATE

**What:** Nonprofit co-working space and startup accelerator  
**Where:** 2324 Second Street, Livermore  
**Why:** After launching in 2010, i-GATE is now home to 15 resident companies and about two dozen co-working members. The nonprofit supported by several Tri-Valley cities will move to a new 16,000 square-foot space in downtown Livermore this fall.

### 2. Livermore Valley Open Campus

**What:** An offshoot of Lawrence Livermore and Sandia national laboratories focused on bringing federal research technologies to the private sector  
**Where:** 7000 East Ave, Livermore  
**Why:** From traditional tech licensing to more agile partnerships and even a few spin out startups, the open campus works with companies like IBM to leverage technologies developed at the Tri-Valley's federal labs.

### 3. Innovation Tri-Valley

**What:** A business led membership group aligning the region's private sector, national labs, political leaders from local to federal as well as education institutions.  
**Where:** 5960 Inglewood Dr, Pleasanton  
**Why:** Innovation Tri-Valley acts as the umbrella organization for the Tri-Valley innovation ecosystem bringing together the public and private sectors to advance priorities like workforce development, education, regional housing and transit planning as well as regional marketing.

### 4. BRIIA

**What:** The Bishop Ranch Intelligence Innovation Accelerator, which launched this year and focuses on developing startups using machine learning and artificial intelligence  
**Where:** Bishop Ranch, San Ramon  
**Why:** A dual data innovation accelerator and community for Tri-Valley entrepreneurs, BRIIA is one of the region's newest tech hubs. Mentors for participants in the program's first startup class will include venture capitalists, startup veterans and more.

### 5. iValley Innovation Center

**What:** A startup accelerator and co-working space focused on finance tech, or fintech, operating out of the Bishop Ranch development  
**Where:** Bishop Ranch, San Ramon  
**Why:** iValley aims to connect domestic and international fintech startups to Silicon Valley through an accelerator program, "co-creation studio" and industry conference.

### 6. Silicon Valley Global's Launching Pad

**What:** Bay Area arm of the nonprofit Silicon Valley Global, which operates both a business membership group and a "Silicon Valley Offshore Incubator"  
**Where:** 2220 Camino Ramon, San Ramon  
**Why:** Drawn to site of the former San Ramon city hall for the Tri-Valley's density of well-educated tech talent, including many Chinese nationals, Silicon Valley Global recently launched The Launching Pad incubator with early participants representing China, Thailand and more.

### 7. GE Digital Foundry

**What:** An incubator housed at the Bishop Ranch headquarters of software-focused General Electric offshoot GE Digital  
**Where:** 2623 Camino Ramon, San Ramon  
**Why:** Industrial giant GE now operates several startup foundries worldwide, including the Digital Foundry at the San Ramon headquarters of GE Digital, which offers young companies guidance in "creat(ing) a strategic business case for digital transformation."

### 8. Victory Workspace

**What:** A co-working space started as a "laptop lounge" in 2012 that now has two locations in Danville and Walnut Creek  
**Where:** 100 School St, Danville  
**Why:** As a residential enclave for many executives and entrepreneurs in Silicon Valley and the Tri-Valley, Victory was launched as an alternative to traditional offices with three floors of community space, dedicated desks, private offices and meeting space.

## SHOW ME THE MONEY

# Growth mode: Funding a tech ecosystem

**D**on Garman has lived in the Tri-Valley since the dot-com boom, but there's one thing about the current tech cycle in the Bay Area that's gotten under his skin.

Despite the Tri-Valley's concentration of affluent executives and entrepreneurs, the vast majority of venture capital bankrolling local companies — a full 100 percent raised in the first quarter of 2017, he said — still comes from the region's famous Western neighbor.

"All of the capital that's come in here to fund these great ventures is Silicon Valley," said Garman, the founder and chief investment officer of Pleasanton's Mirador Capital Partners. "We ought to be the incumbent player."

Though tech boosters in the Tri-Valley are pleased to see more locally-grown companies raising seven- and eight-figure sums, anxiety remains that a lack of concentrated capital close to home is a missing link in the region's economic development.

There are signs, however, that the math could be starting to change.

This summer, Garman and three partners at the recently-formed Tri-Valley Ventures closed an initial \$10 million fund. The nascent venture capital firm has already started a portfolio with area companies including Pleasanton robotics company AEye, home security startup Deep Sentinel and software provider SwarmSales.

Add to that an ever-expanding network of incubators, accelerators and other entrepreneurial ventures — some with plans to launch their own new investment funds — and the financial picture gets more intriguing.

"You start to see this infrastructure with space and collateral services developing from Livermore all the way up to Walnut Creek," said Greg Hitchan, managing director of Tri-Valley Ventures. His new firm, he adds, is "focusing on the earlier stage in the funding cycle, the first kind of institutional capital in."

## THE PITCH

Garman's firm calculates that venture capital funding for Tri-Valley companies grew to a total of \$350 million in 2016, up 29 percent since 2012. Only a small fraction, however, came from local investors.

For Jayati Sengupta, co-founder and chief product and marketing officer for Pleasanton personalized learning startup Career Waze, a lack of local funding has been

among the biggest obstacles after starting her two-year-old company in the Tri-Valley instead of the Peninsula where she previously worked.

Also a factor, Sengupta said, is a dearth of local investors with technical backgrounds. A nagging sense in investor meetings throughout the Bay Area that venture capital remains largely a "male club" is another hurdle she hopes to see resolved.

Though Career Waze is currently growing in the Tri-Valley and India, Sengupta said one approach she and co-founder Vijji Suryadevara are considering is leveraging connections in Silicon Valley to launch their own investment outfit.

"If nobody does it, we're thinking about creating a fund of our own," Sengupta said.

## FINDING A NICHE

As Tri-Valley Ventures gets off the ground, Garman said the firm aims to make 10-12 investments over three years with its initial fund. At the new Bishop Ranch Intelligence Innovation Accelerator (BRIIA) slated to host

its first cohort of entrepreneurs in the fall, Founder Les Schmidt said the goal is also to create an in-house investment fund.

Whether these and other seed-stage funding efforts will lead to larger funds for more mature companies remains to be seen. In the meantime, better leveraging a concentration of investors who live in the Tri-Valley but work at firms in Silicon Valley is another approach.

One point of emphasis for Garman is to support emerging industry clusters, what he calls "under-appreciated themes," or an increasing density of local companies working in fields like medical technology, cloud software and robotics.

"We just need one to really hit," he said.

Though Tri-Valley companies may stretch their networks for funding today, Garman said he is also thinking longer-term about reversing the dynamics currently in play — that is, luring away businesses that have traditionally located in the Bay Area or elsewhere.

"Eventually, the holy grail will be attracting companies where the technology is elsewhere but we're bringing them here," he said.

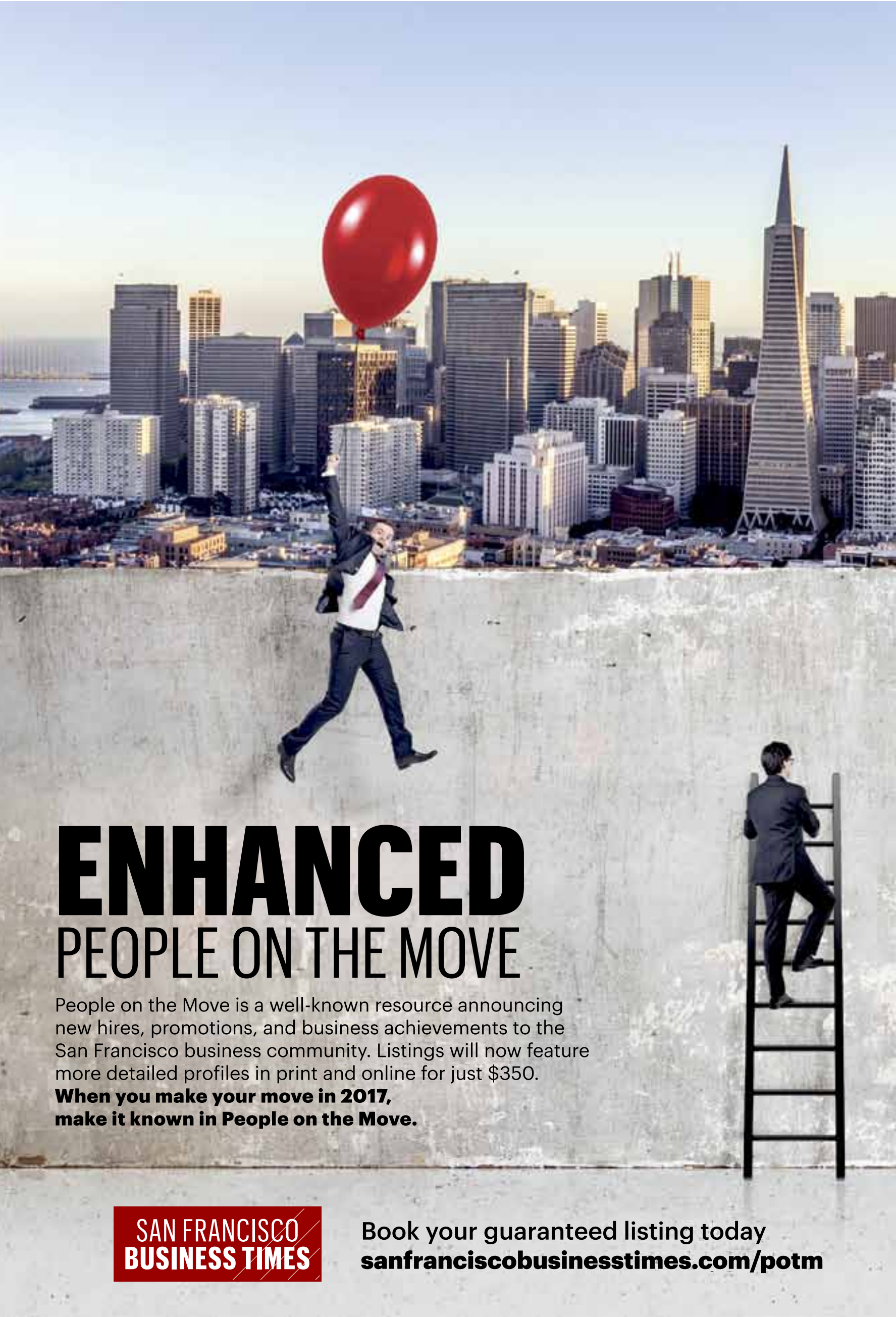
## CASHING IN

\$272 million – total 2012 venture investment in Tri-Valley startups

\$350 million – 2016 venture capital investment in Tri-Valley startups

29% – Five-year change in Tri-Valley venture funding from 2012-2016





# ENHANCED PEOPLE ON THE MOVE

People on the Move is a well-known resource announcing new hires, promotions, and business achievements to the San Francisco business community. Listings will now feature more detailed profiles in print and online for just \$350.

**When you make your move in 2017,  
make it known in People on the Move.**

**SAN FRANCISCO  
BUSINESS TIMES**

Book your guaranteed listing today  
[sanfranciscobusinesstimes.com/potm](http://sanfranciscobusinesstimes.com/potm)





## GLOBAL TOPCON

# Topcon Positioning targets Tri-Valley expansion

It's no accident that the Tri-Valley-based American division of Japanese ophthalmology and surveying equipment manufacturer Topcon ended up in Livermore.

As a company with 500 local employees spanning design, manufacturing, testing and corporate functions like finance, Topcon Positioning Group in 2004 moved to the edge of the Tri-Valley for easy access to both the region's immediate workforce and the neighboring Central Valley.

"We catch all those people who don't want to commute into Silicon Valley," said Topcon Positioning Group CEO Ray O'Connor. "Probably 60 percent of our workforce comes from the Central Valley."

Now, after growing from one building to five, O'Connor said the company is planning a bigger expansion. If all goes according to plan, he sees Topcon Positioning occupying a total of around 300,000 square feet in six buildings, plus a new parking structure in Livermore.

"We're looking to expand, and we've bought the land around us," he said. "We would expect, hopefully, if we get all the approvals and everything, to break ground early next year."

The headwinds driving Topcon's growth are varied, illustrating the unexpected overlap between wide-ranging industries — from surveying to precision agriculture to autonomous vehicles — that can happen in the Bay Area's fast-paced tech industry.

First, there are the applications for contractors in need of surveying equipment for major infrastructure or building projects, which is Topcon Positioning's core business.

"By 2030 — which seems like a lifetime away, but it's not — there is a need for about \$64 trillion of infrastructure," O'Connor said. "The amount of public capital available is \$24 trillion. We have to come up with ways to close that gap."

In the meantime, the company is also keeping a close eye on emerging technologies like the Internet of Things, agriculture tech and autonomous vehicles. Connectivity and precision controls of industrial equipment are the primary variables in play, which could change the cost landscape for expensive GPS and other advanced positioning technologies used in other industries.

"There's no doubt that robotic control of the machinery is the big space," O'Connor said. "That's going to be big, as you can imagine, with autonomous vehicles. You're not going to be able to put a \$100,000 system on a car."

And being close to the action with bigger hardware players, like Apple, has already proved beneficial for Topcon in harnessing new industry breakthroughs as fast as possible.

"When the iPhone was developed, it was a great day for companies like us," O'Connor said, citing the "backbone" for cloud connectivity pioneered with the device while also lowering processing and memory costs.

Today, he still considers easy access to scope out new technology in both the Tri-Valley and Silicon Valley one of the biggest perks of his company's location.

"Very early on with startups we're looking at what they're doing," O'Connor said. "Whether that happens in Silicon Valley or the Tri-Valley doesn't really matter. You're so close."



**Ray O'Connor**  
CEO  
Topcon Positioning  
Group



SILICON VALLEY GOES GLOBAL FROM TRI-VALLEY

Building a bridge between China and San Ramon

What do tech, wine and China’s emerging startup scene have in common? A lot, if you ask the leaders of the trans-continental nonprofit Silicon Valley Global.

After purchasing space at the former San Ramon City Hall last year, the year-old organization with a sister office in Beijing plans to open a “New Silicon Valley Offshore Incubator” this fall after renovations are complete. In the meantime, the group is staying busy exporting wine produced by Tri-Valley winery Clos de Mayo to eager markets back home, said Silicon Valley Global Chairman Cindy Cui.

“We want to be a bridge between business in China and business in Silicon Valley and the Tri-Valley,” Cui said.

And Cui is deliberate in labeling her organization’s San Ramon office part of Silicon Valley. A major point of attraction to the space was being on the next frontier of Bay Area tech industry expansion in the Tri-Valley.

“I see the improving development. That’s why we call it the new Silicon Valley,” said Cui, who was previously based in Stockton and moved to the Tri-Valley four years ago. “A lot of scientists or high-tech people move out to the Tri-Valley.”

While the region has seen population gains across the board in recent decades, growth in the number of Asian residents has been par-

ticularly rapid. Between the 2000 and 2010 Census estimates alone, the Asian population in the Tri-Valley cities of Danville, Dublin, Livermore, Pleasanton and San Ramon increased 160 percent, to 65,575 people.

At Silicon Valley Global, which has 10 employees, plans are being laid to move into 20,000 square feet at 2220 Camino Ramon in September. Cui said several groups have already signaled an intention to participate in incubator or co-working programs, including the Bangkok Innovation Cooperation Center of the Chinese Academy of Sciences, Nantong Hi-tech Industrial Development Zone, Clear Strategy Group, WYL Consulting and American Corporate Services.

“As a newly-established incubator, we have already attracted several Chinese and U.S. companies to come and reside in the center,” Cui said. “It’s not like others starting from scratch. We’re just building a platform.”

In addition to growing emerging companies with an interest in international expansion, Cui said the group was also drawn to San Ramon for close proximity to corporate tenants like Chevron, AT&T and GE Digital.

The winery, she said, comes as an added bonus.

“It’s really popular,” Cui said. “A lot of people said this wine tastes better than the wine from France.”

ENTERPRISE LICENSE

DESIGNED for business,

TAILORED to your team.

Give your entire staff access to the resources they need to build business.

- Customized with news written about your company, as well as industries and keywords relevant to your business.
- Access thousands of executable leads.
- Easily read each weekly edition.
- Custom email notifications.

FIND YOUR FIT

For a demo contact:

Charles Machado

415.288.4930

cmachado@bizjournals.com

SAN FRANCISCO BUSINESS TIMES

We're at your service

We specialize in helping businesses succeed.

Our products are great, but its our people who really make a difference. We are a solution-driven team of experienced and dedicated bankers who offer premier, high touch service that is unparalleled by any other community business bank in our area. Get to know us! You'll be happy you did!

HERITAGE BANK OF COMMERCE

Visit one of our East Bay locations today:

Danville

387 Diablo Rd

(925) 314-2851

Fremont

3137 Stevenson Blvd

(510) 445-0400

Pleasanton

300 Main St

(925) 314-2876

Walnut Creek

101 Ygnacio Valley Rd, Ste 100

(925) 930-9287

HeritageBankofCommerce.com

Member FDIC

TRANSIT UPGRADES

# Linking Up: A Transit overhaul for the Tri-Valley?

Three valleys, three interconnected economies, and one big logistical question: What will it take to move between Silicon Valley, the Tri-Valley and the Central Valley?

With a lack of housing supply in the Bay Area and job growth in inland cities that make up the Tri-Valley increasing the flow of people and goods through the region, transportation has become an inflection point in efforts to plan ahead for a better-connected Northern California.

TRI-VALLEY TRAVEL AT A GLANCE

1 million - annual number of riders on the Altamont Commuter Express train line connecting Sacramento to Silicon Valley through the Tri-Valley

60% - expected increase in traffic on Interstate 580 from 2013-2040

\$4,830 – estimated annual cost of commuting by car from the Tri-Valley to Silicon Valley

12,109 – Daily entries at Dublin/Pleasanton and West Dublin/Pleasanton BART in June 2017

“We’re currently in the midst of a regional effort to connect two megaregions — the Sacramento region and the San Francisco region,” said Livermore Director of Innovation and Economic Development Stephan Kiefer.

From linking up existing rail systems to refining bus offerings and

taking advantage of a new wave of connected car technology, the possibilities for easing regional traffic congestion are numerous. In July, the California state assembly took up a bill that would create a new 12-person “Tri-Valley-San Joaquin Valley Regional Construction Authority” that would be tasked with stewarding transit upgrades to reality.

As many locals have been saying for years, state lawmakers are increasingly casting transportation issues as key to sustaining economic activity in the region. Of particular concern is the increasingly crowded Altamont Pass, which serves as the gateway from fast-growing residential hubs in the Central Valley and jobs in the Tri-Valley and Bay Area.

“Commute patterns throughout northern California, and in particular through the Altamont Pass Corridor, traverse the boundaries of traditional metropolitan planning agencies,” the text of AB 758 explains, calling a new approach, “essential to sustained economic vitality in the megaregion.”

Among the most high-profile efforts are a proposed \$1.2-billion BART extension to Livermore, ideally linking the Bay Area rail system to the Altamont Corridor Express Amtrak service that brings riders in Sacramento and the Central Valley toward the coast.

In the meantime, while bond funding, land use and other potential roadblocks are debated, there’s also the question of how the region’s commuter dynamics may evolve with new technologies being honed by area tech companies, from shared rides and cars to autonomous vehicles.

“As a technology hub we have to continue to think beyond concrete and bricks,” said Dale Kaye, CEO of business advocacy group Innovation Tri-Valley. “In 10 years, what will our transportation structure look like?”

ACCELERATING CONNECTIVITY

The number of transportation upgrades on the table in the Tri-Valley can seem dizzying at first glance. Here’s a breakdown of projects proposed or in the works:

**State Route 84** – After several previous expansions of the State Route 84 expressway, planning is currently underway for a \$220 million proposal to widen the route by expanding a high-occupancy vehicle lane and improving the I-680 interchange.

**BART** – According to the last formal estimate, it would take 5.5 miles of new track and \$1.2 billion to extend Bay Area Rapid Transit rail service from Pleasanton to Livermore. About half of that sum, \$552 million, has been committed through various sales tax measures, and an environmental review is currently underway.

**ACE** – Amtrak’s Altamont Corridor Express, or ACE train, is the only rail service that links the residential hubs of the Central Valley through the Tri-Valley to Silicon Valley. Cities in the Tri-Valley are teaming up to advocate for more frequent service and connectivity to BART.

**Private alternatives** – With several major public transit expansions hanging in the balance, some operators of large regional developments, like Bishop Ranch owner Sunset Development, are taking matters into their own hands by investing in subsidized or free bikesharing, car sharing, daily shuttles and other services.





# Powering the Tri-Valley Startup Community

**The Switch is an incubator and coworking space for startups, tech developers, and freelance creatives. Our diverse community is building everything from mobile apps to nanomaterials, and collaboration is at the core of everything we do.**

Located in the heart of Downtown Livermore, The Switch offers shared and dedicated workspaces, a makerspace, and light industrial lab space to support our diverse community of entrepreneurs and innovators.



## MEDICAL

# Pulse quickens for Tri-Valley medical technology

**W**hen Sanjeev Saxena took his last health care company to India, he noticed something while frequenting the local hospitals that would plant the seed for his next venture.

"I'd see people just lined up waiting for days," Saxena recalled. "You go to China, you go to Africa, you see the same thing. There are far and few hospitals and people just camping out."

The obvious lack of timely point-of-care medical services — abroad, but also in large swaths of the U.S. — set Saxena on a path that would lead through the Tri-Valley's two

national labs, Livermore's i-GATE startup incubator and onto a \$21 million funding round this January for his four-year-old company, POC Medical Systems. With a "lab in a box" approach to diagnostic testing, particularly for breast cancer detection, POC has grown to 40 employees in Livermore, plus another 10 people in India and Malaysia.



**Sanjeev Saxena**  
CEO  
POC Medical Systems Inc.

And as Saxena points out, his company is just one example of a growing medical technology cluster in the Tri-Valley.

"There's Roche, there's Thermo Fisher and a bunch of other startups in medical," Saxena said. "Then there's the digital health software guys."

Potential applications include DNA sequencing from startup 10x Genomics, more streamlined lab equipment supply from Unchained Labs and better male fertility testing from Livermore National lab spinout Sandstone Diagnostics. All told, Tri-Valley companies in the medical and biotechnology industry attracted upwards of \$200 million during 2016, with an additional \$40 million and counting raised so far this year, according to news reports.

"I think life sciences is actually our best play," said Brandon Cardwell, executive director of regional tech incubator i-GATE. "Look at the talent pool for engineering and science."



Despite turmoil when it comes to domestic health policy, the emergence of new medical technologies and drug development platforms has boosted the greater Bay Area's science and medical technology companies from South San Francisco to Marin County and beyond.

In the Tri-Valley, entrepreneurs like Saxena say they are drawn to the combination of affordable real estate for a mix of use types and access to a residential talent pool attracted to the area's amenities for families. Saxena, who moved from San Jose to Livermore in the mid-1990s, said his company currently occupies 24,000 square feet of space dedicated primarily to R&D in Livermore and will likely look to expand locally by up to 20,000 square feet in the next year.

In the meantime, POC Medical Systems is also hiring as it looks to ramp up manufacturing capacity ahead of large-scale trials planned in both the U.S. and international markets.

"There's a bunch of positions coming open right now as we speak," Saxena said. "We have some people from here, and some people who are living as far away as Redwood City or San Francisco. They love it because it's reverse commute."

In the meantime, POC is completing a 2,500-person study in India and plans to be on the market in the South Asian country later this summer after an initial government order for testing equipment. Among the advantages afforded by the startup's rapid diagnostic technology is faster trial times, since the company's microfluidic CD technology works quickly.

"We're running 10 tests at a time, and all 10 studies take 15 minutes," Saxena said. "You're talking about running 200 patients a day."

## PLAYERS TO WATCH

**Sandstone Diagnostics** — A spinout company from Sandia National Laboratories, Sandstone Diagnostics creates male fertility testing equipment and data visualization

**10x Genomics** — Since 2012, 10x Genomics has been honing a DNA sequencing technology that has netted the company more than \$113 million in funding

**Purigen Biosystems** — In less than an hour, Pleasanton-based Purigen's electric field-driven technology allows for extraction, purification and testing of samples like cancerous cells

**POC Medical Systems** — Founded in 2013 by life science industry alum Sanjeev Saxena, Livermore-based POC aims to sell "lab in a box" diagnostic systems in the U.S. and abroad

**Unchained Labs** — Pitched as "the next cool life sciences tools company," Pleasanton lab equipment company Unchained Labs has raised \$38 million since its late 2014 founding



## JOHN TAYLOR

Trauma Nurse, retired

Part-time singer

**Knee replacement patient**

**Now performs pain-free**



**Stanford**  
**HEALTH CARE**  
STANFORD MEDICINE

**ValleyCare**

**John was a trauma nurse and his knee was so unstable he was constantly falling.**

When he decided to have his knee replaced, he only wanted to have it done at Stanford Health Care – ValleyCare. Where experienced specialists use proven approaches to speed recovery. 21 days after surgery, John walked three miles around Lake Merritt and now performs in his son's band with no pain. Our Knee and Hip Replacement Programs have earned the Joint Commission Gold Seal of Approval,<sup>®</sup> and patients go home faster than the national average. Just ask John.

**Learn more and see his story: [ValleyCare.com/Ortho](https://www.valleycare.com/Ortho)**

**Or call: 844-576-0266**



## HOUSING

## How to house a tech hub

**F**or Sblend Sblendorio, there are more commonalities between today's Tri-Valley and the early days of Silicon Valley's emergence as a tech powerhouse than a busy startup scene.

Take the familiar struggle to reconcile high demand for housing with limited local supply.

"I see a lot of similarities," said Sblendorio, an attorney at Hoge Fenton and chair of regional business group Innovation Tri-Valley's Housing, Infrastructure and Transportation (HIT) committee. "We're dealing with the same issues they dealt with 25 years ago."

In Danville, the median home sale price surged to nearly \$1.3 million in July, up 48 percent since the summer of 2012, according to market analysis by real estate data site Trulia. Further East, in Livermore, prices are up 65 percent during the same period, to a median \$735,000.

Rental rates don't offer much reprieve. Average rent for a one-bedroom apartment in Pleasanton has climbed from \$1,581 five years ago to \$2,213 in June, housing data site Rent Jungle reports.

While that's still a far cry from San Francisco's \$3,500-a-month average rents, Sblendorio and a growing chorus of peers in the Tri-Valley business community are arguing that assuming the market will self-correct is a risky proposition.

"I'm afraid we may lose some of our economic vitality because of some self-inflicted wounds," he said.

Economic reports, meanwhile, already document a sharp increase in the number of people vying for housing in the region. The Tri-Valley's population swelled 20 percent between the 2000 and 2010 Census estimates, while commutes from the Tri-Valley to San Francisco and Silicon Valley grew 66 percent from 2011-2014, according to the Bay Area Council.

Among the issues that often stop project-level housing proposals in their tracks are resident objections to traffic and other familiar congestion concerns, often criticized by housing advocates as a "Not in my backyard," or NIMBY, sentiment. For Innovation Tri-Valley and a range of other business and citizen-led groups that support more building to accommodate population growth, overcoming that skep-



MICHAEL KERN / ESSEX

**One of two new Essex Property Trust housing developments in Pleasanton.**

ticism often entails both education and advocacy.

"Finally, businesses and C-level executives are telling city councils that housing is key to their growth and sustainability," said Innovation Tri-Valley CEO Dale Kaye. "And millennials are becoming key and powerful advocates for more housing, starting online organizations like Livermore Rising."

Perhaps the most under-appreciated dynamic in the region's housing market, Sblendorio said, is the extent to which high housing costs have accelerated regional sprawl as far as the Sacramento and Central Valley regions.

A lack of political advocacy for proactive measures, Sblendorio said, has real impacts for workers — and, increasingly, the children of longtime Tri-Valley residents — struggling to find balance between sustainable housing costs and proximity to work in growing job centers.

"Our short-term goal is to educate the people in the Bay Area," he said. "We need to get people to understand they are part of a bigger megaregion with Sacramento and Stockton. People are suffering for that."

Individual development proposals aside, state lawmakers have moved to adopt policies like a reduction in restrictions for backyard in-law units and discussed various funding and planning changes to encourage growth in housing supply.

Meanwhile, the stakes of action on housing are already clear to Sblendorio: "To maintain the quality of life we have. To maintain the ability of folks to move here. To maintain the ability of our children to live here," he said. "We cannot just expect people to move to the Central Valley."





2021 WEBSTER STREET / THE PACIFIC Green, built by THURMOR Urban, designed by Handel Architects, engineered by Holmes Structures and photographed by Scott Hargis



PLANT

1947 - 2017  
 PLANTCONSTRUCTION.COM





## CLOUD

# A cloud software cluster takes flight

**R**ecently, the software division of industrial giant GE took another big step in the Tri-Valley.

After setting up shop in a 240,000-square-foot headquarters at Bishop Ranch, the company in April officially moved into an expanded 350,000 square-foot space.

“When GE decided to build out what became Digital, our first location where we really set up shop was in San Ramon here,” said Jason Chukel, GE Digital’s financial planning and analysis leader. “It has the right mix of talent and access to the local market. It sort of has grown with us.”

GE Digital’s pursuit of the “Industrial Internet” based in the Tri-Valley is also just one example of a growing base of cloud software companies in the region. In addition to other heavyweights like SAP that have also taken up residence nearby, software companies spanning a range of industries have moved to set up shop or expand their presence.

For human resources, there’s Workday. In the life science field, there’s Veeva Systems. In the realm of cloud-based sales management is CallidusCloud. Safeway offshoot Blackhawk Network focuses on digital gift cards and payments. Finally, with iTrade Network, food and beverage supply chains are adapted for enterprise cloud management.

“Two of the 10 largest public cloud service providers are based in the Tri-Valley,” notes the 2017 Mirador View economic report authored by Pleasanton financial advisory firm Mirador Capital Partners. “In the startup space, Tri-Valley cloud companies raised over \$137 million in VC funding in 2016 and early 2017.”

Four-year-old Pleasanton cloud security company Evident.io, for example, has raised \$49 million to develop its services. Danville-based Trov, meanwhile, raised another \$25.5 million for its on-demand insurance software last spring.

For GE Digital, too, a wealth of local software talent has proved useful. The company acquired Pleasanton-based field service management company ServiceMax for \$915



million in January.

“We’re very plugged into the local up-and-coming companies,” Chukel said. “We actually were an early investor in ServiceMax.”

In other cases, however, companies come to GE Digital’s San Ramon space looking for guidance on how technologies like Internet of Things connectivity, artificial intelligence and renewable energy could change the way industrial processes are done. Last year alone, Chukel said, some 700 groups toured the company’s on-site startup Foundry, representing industries like aerospace, automotive or oil and gas.

More broadly, Chukel said GE Digital is looking to leverage proximity to talent in both the Tri-Valley and Silicon Valley to develop a new suite of software offerings for end users. The company sees three primary ways cloud software will shape the industrial Internet, or the term used as shorthand for connected or automated production.

“Really what we’re after is to be the leading technology or software company for the industrial Internet,” he said. “As a service provider, we have an opportunity to benefit from those technologies ourselves as well as do them for others.”

One focus has been GE Digital’s Predix platform, which functions as a central operating system for industrial equipment. Another new product, Digital Twin, promises detailed digital representations of physical assets, allowing companies to better monitor and predict usage patterns for big ticket machinery.

“We’re only really a year and a half in,” Chukel said. “The way we look at it is we’re really at the very, very early stages here.”

## KEY PLAYERS

### Veeva Systems –

Following a 2013 IPO, Pleasanton life sciences tech service provider Veeva sells platforms for commercial, medical and regulatory uses that tallied \$409 million in 2016 revenue.

### CallidusCloud –

Based in Dublin, enterprise software provider CallidusCloud offers cloud-based tools to track and improve sales performance.

### GE Digital –

Built on the pursuit of the “Industrial Internet,” the San Ramon-based division of GE sells software for manufacturing, asset management and equipment service.

### Evident.io –

A security service targeted to companies that rely on Amazon Web Services, this Pleasanton upstart has raised \$49 million in funding.

### Workday –

After being founded by former PeopleSoft CEO David Duffield in 2005, Pleasanton-based Workday is now a human resources and financial management giant with a market cap of more than \$20 billion.



# Bishop Ranch: A workplace that works for you.



Our goal at Bishop Ranch is to make your work (and life) how it should be: simple. With 10 million feet, 600+ companies, and a comprehensive host of amenities in a single location, Bishop Ranch is more than just office space:

- Award-winning transit program
- Park-like setting
- Abundance of food options
- On-site childcare
- Year-round farmers markets
- Social and networking events
- Modern conference center
- 24/7 security
- On-site medical center
- Commuter-friendly parking

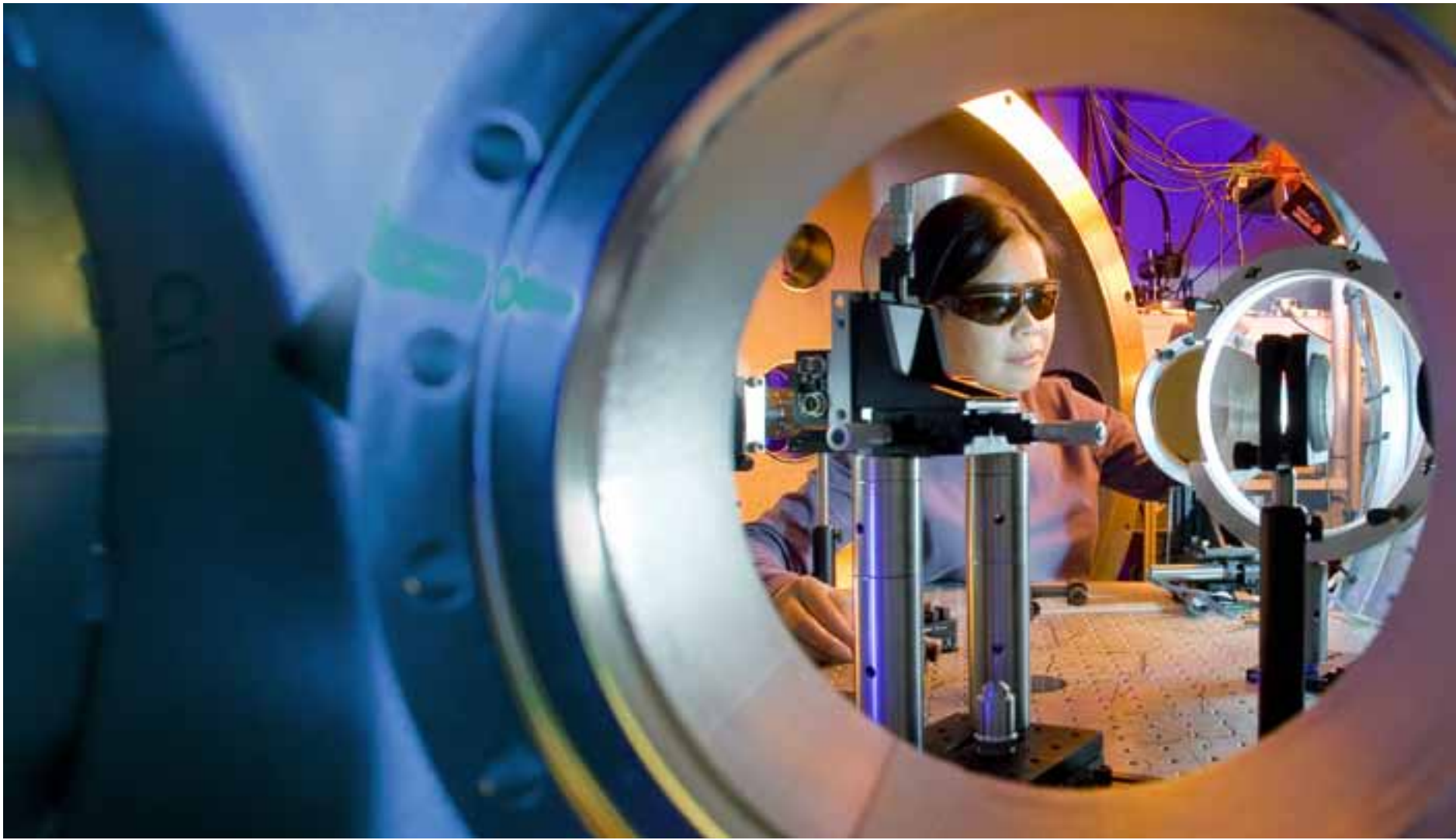
With the amenities of an urban location and a firm dedication to quality and customer service, Bishop Ranch is the ideal place to grow your business.

Don't miss your opportunity to join the world-leading companies and more than 30,000 employees that call this place home.

Bishop Ranch is one of Northern California's premier business addresses with space available from small executive suites to full buildings.

For leasing services, please call Josh Hitchcock at 925.866.0100.





## LABS

# Out of the labs, into the market

**B**y now, startups, incubators, venture capitalists and a highly-educated workforce are all well-known ingredients in efforts to bolster a region's tech economy.

But in the case of the Tri-Valley, what role should two federal laboratories play in such a fast-moving environment?

It's a question that Sandia National Laboratories and neighboring Lawrence Livermore National Laboratory (LLNL) have been asking for years. Their answers, however, have started to change with the rise of new open innovation models, decreasing corporate reliance on traditional licensing deals and ever-expanding opportunities to collaborate with emerging companies close to home.

"You really can't do what we do successfully without having a regional economic development perspective," said Richard Rankin, director of industrial partnerships at LLNL. "We have connections with many of the incubators and accelerators. It's all about providing a good, healthy place for technologies to get out there and turn into products."

At the lab, this can mean everything from informally allowing companies to test out the "horsepower" of LLNL's supercomputing programs to rapid material diagnostic

systems that have provided a jumping off point for several young companies in the region.

"Everything we do here comes out of our mission areas, and then there's another use found for it," Rankin said.

Between the two labs, the Livermore Valley Open Campus opened in 2009 as a way to help physically break down the barriers that can stand in the way of a successful tech transfer opportunity.

"What that did was just change the environment and made it more welcoming," said Stephanie Beasley, a Sandia National Laboratories veteran named director of open campus partnerships in January. "When you drive in, you no longer see guards, guns and gates."

In the meantime, the open campus has beefed up programming in fields that naturally stem from Sandia's homeland security focus, like energy, bioscience and cybersecurity.

"When we originally opened there were just a few dozen researchers," Beasley said. "Between the two campuses, we now have over 200 researchers."



## THE TECHNOLOGIES

For Rankin, one of the biggest shifts impacting the way national laboratories think about outside opportunities for in-house technology is the evolving corporate innovation landscape.

“Traditionally, you do licensing and so on with large companies,” he said. “More and more big companies aren’t doing that. They’re buying small companies, so we work a lot with startups.”

The shift is evident in data on LLNL’s formalized relationships. The number of active licensing deals has dipped from 125 during the 2012 fiscal year to 110 in 2016. Meanwhile, another type of tech transfer program — Cooperative Research and Development Agreements, or CRADAs — have grown. The lab had 33 such active deals at the close of the 2016 fiscal year.

Smaller programs, like individual \$300,000 federal grants for use of the lab’s supercomputing equipment, also help.

“Not everything is formalized,” Rankin said. “We do quite a

lot of informal arrangements.”

At Sandia and the Open Campus, Beasley said that the number of researchers actually leaving the lab to start new companies is relatively modest. There are examples, though, like male fertility testing company Sandstone Diagnostics.

“The numbers that actually leave the laboratory are pretty small,” Beasley said, adding that, “tech transfer isn’t a one-size-fits-all [process]. We customize the solution based on the desired outcome for our partners and the lab.”

Rankin added that one remaining obstacle for aspiring lab-grown startups is a so-called “valley of death” between capital-intensive R&D and commercialization.

“A lot of the stuff you see in this area is very transactional. It’s all about cashflow,” he said. “This valley of death is well known in the tech transfer community. The kinds of tech we typically develop, I see them as generating more long-term value, but they take longer.”

### Lawrence Livermore National Laboratory annual tech royalties

2016 - \$8.4M  
2015 - \$9.9M  
2014 - \$10.3M  
2013 - \$8.6M  
2012 - \$9.8M

### Lawrence Livermore licensing and corporate R&D deals

While licensing is still a major component of technology transfer efforts at federal laboratories, other forms of corporate research agreements and other less formalized arrangements are becoming increasingly common.

### Total active licenses

2016 - 110  
2015 - 119  
2014 - 116  
2013 - 124  
2012 - 125

### New Cooperative Research and Development Agreements, plus total funding (CRADAs)

2016 - 13 - \$6.7 million  
  
2015 - 12 - \$3.2 million  
  
2014 - 5 - \$3.6 million  
  
2013 - 4 - \$1.6 million  
  
2012 - 4 - \$4.7 million

### Licensing Stats for Sandia Labs

#### Number of Licenses

2016: 31 commercial, 259 non-commercial (typically government use)  
2015: 30 commercial, 289 non-commercial  
2014: 39 commercial, 225 non-commercial  
2013: 23 commercial, 183 non-commercial  
2012: 28 commercial, 186 non-commercial

#### Income from Licensing

2016: \$2.4M  
2015: \$2.2M  
2014: \$2.9M  
2013: \$2.9M  
2012: \$4.4M

#### Agreements – New Cooperative Research & Development Agreements

2016: 29  
2015: 32  
2014: 31  
2013: 18  
2012: 19

#### Agreements – New Strategic Partnerships Projects

2016: 69  
2015: 53  
2014: 52  
2013: 62  
2012: 65

#### Agreements – Industry Funds-In to Sandia (Partnership projects and CRADAs)

2016: \$36M  
2015: \$42M  
2014: \$38M  
2013: \$28M  
2012: \$25M



Recognizing that regional change is afoot in the Tri-Valley is one thing. Figuring out how to harness an influx of new residents and businesses at the local level, however, is quite another.

All five major cities in the Tri-Valley — Danville, Dublin, Livermore, Pleasanton and San Ramon — have added 3 percent or more to their populations during the current economic cycle. All five have also charted steady increases in home values, and several are juggling development priorities like downtown strategic planning and major new office tenants.

So, how do they prioritize, and what's still in the pipeline for the Tri-Valley? We asked each city's economic development lead for a snapshot of his or her community.

CITIES

# Danville embraces local 'consultant economy'

For a relatively compact residential enclave, Danville can sometimes seem like an anomaly.

One example: despite a reputation for housing CEOs and other busy executives, a surprising number of people can be found cruising around downtown during work hours.

"A disproportionate number of people who live here are entrepreneurs or work on a consulting basis," said Danville Assistant Town Manager Tai Williams. "It explains all those people who are riding around on bicycles at 10:00 in the morning."

The emergence of a local "consultant economy," as one city report called the phenomenon, has pushed policymakers in Danville to reconsider what types of commercial space and services are most valuable for the community.

Especially in a town known for reviewing new development proposals "with a microscope," as Williams said, the shift to emphasizing "shared infrastructure" is a major shift. "

"They are a hard group to reach. They certainly don't congregate in one place," Williams said of Danville's disparate consultant base. "We've thought long and hard about trying to create co-working spaces."

With a stroke of good timing, regional co-working company Victory Workspace decided to open up shop in the city late last year. Now, the city with a median household income of \$140,616 is thinking strategically about opportunities to further

leverage the demographic shift toward remote work.

"There is a network of supporting businesses who could benefit from our cottage industry of consultants," Williams said.

One idea on the table is to work with business associations like the Chamber of Commerce to help connect independent entrepreneurs or consultants with support services like accounting, logistics or other needs.

Marrying those efforts with a broader bid to evolve the city's commercial offerings is another imperative the city council will debate in late August, when a proposal to alter the city's zoning ordinance to encourage non-traditional land use concepts is expected to be discussed.

"We want to change our regulatory structure so we support more of what I call blended uses," Williams said, giving examples like a grocer such as Whole Foods also operating a beer bar or retail shops adding a coffee shop to round out revenues. "In order for retail to survive, they need to offer more than just retail."

Longer term, Williams said the city is also thinking about how Danville fits into the Tri-Valley's overall development prospects on issues like transportation. Commuter connectivity is of particular importance given Danville's location between job corridors along both the 680 and 580 freeways.

"We are at the center of those venn diagrams," Williams said. "Transportation connectivity is a priority."

DANVILLE

2017 population —  
**43,355**

2012-2017 change —  
**+3%**

2017 median home sale price —

**\$1.2 million**



## CITIES

# San Ramon readies for a new City Center

**F**or the City of San Ramon, the birth of a new downtown retail hub is only a year away.

It's a major turn of events for a city that has historically lacked a dense central commercial district, but one that is now tantalizingly close to reality with Sunset Developments' plans for the two-phase, 900,000 square-foot City Center project at Bishop Ranch.

"That is a huge opportunity for the community," said San Ramon Assistant City Manager Eric Figueroa. "What we're bracing for is the impact of having a retail center right in the middle of town."

The plan to add a new hotel, residential space and 75 retail slots at the City Center project — which is expected to come online between 2018-2020 — comes after an active slate of office leasing in the city.

Companies including GE Digital and SAP have taken large spaces at Bishop Ranch in recent years, and developer Sunset is also now aiming to kickstart smaller enterprises by backing the Bishop Ranch Intelligence Innovation Accelerator (BRIIA) launching this summer.

"We have a significant job base here. Not all communities do," Figueroa said. "In an ideal world, we'd love for people and our intellectual capital here to both live and work here."

Down the road, Figueroa said the city is also thinking about the trajectory of high-profile tech tenants in the neighboring Bay Area — and hoping that they

might look East for expansion opportunities.

"We're hoping some of these big name tech companies will find a way to expand out here too," he said.

That's not to say the city isn't already thinking about how to diversify. Like many small- and mid-sized cities, reorienting sales tax-generating retail in the age of e-commerce is one open question.

"We've been traditionally a grocery-anchored retail community," Figueroa said. "How do we retail-up correctly?"

With the prospect of more business activity also comes the need to brace for residential growth. That's especially true given the 8.2 percent population gain San Ramon posted between 2012 and 2017 alone, according to California state estimates.

Figueroa said several residential projects are in the planning stages, including a 170-unit project at the former site of the locally-beloved Outpost Sports Bar shuttered in February and a senior housing development on the South side of the city.

"Anywhere in the Bay Area there's tremendous pressure for housing," he said. "We as a community are wrestling with how to do that in an effective way."

Aside from engaging Bishop Ranch transportation planners on early efforts to roll out self-driving buses, he said the city is focused on adding non-automotive options like a new pedestrian and cycling overpass near the popular Iron Horse Trail.

## SAN RAMON

2017  
population —  
**80,550**

2012 and 2017  
population  
growth —  
**+8.2%**

2017 median  
home sale  
price —  
**\$967,000**



CITIES

Livermore's new industrial revolution

A bus manufacturer, an electric car company and a German auto parts manufacturer all drive into town. No, it's not the start of a bad joke, but rather a snapshot of the flurry of demand for industrial space happening in the City of Livermore.

Gillig, Tesla and German component company Dräxlmaier Group's burgeoning automotive cluster in the city is just one example of growth afoot. In recent months, existing tenants like Topcon, Lam Research and FM Industries have all also disclosed plans to increase their footprints in Livermore, said Director of Innovation and Economic Development Stephan Kiefer.

"They're all either moving in or expanding," Kiefer said "We have some larger spaces, more industrial-focused spaces, and we're attracting some of the larger manufacturers."

With a total of 17 million square feet of flex, industrial and R&D space, the city is looking to leverage its location at the crossroads of the agro-industrial Central Valley to the East and Silicon Valley to the West to attract both new business tenants and residents.

So far, it's working. Livermore's population swelled another 1.6 percent in the last year alone, when the Tri-Valley suburb added almost 1,500 new residents, state estimates show. In the meantime, regional city-backed co-working space and tech incubator i-GATE has outgrown its downtown digs, and the area's famous wine region has expanded to encompass new craft beer players and a distillery.

"There's a lot of quality of life attributes," Kiefer said. "We're focused on the people

more so than the businesses. We believe that bodes well for the future."

Having two federal laboratories within the city limits, Sandia and Lawrence Livermore, doesn't hurt, either.

Still, Kiefer added, the city isn't take the current economic upcycle for granted.

Among the policy priorities Livermore is working with neighboring cities to address is an expansion of the Altamont Corridor Express (ACE) train to Bay Area Rapid Transit (BART). Addressing a dearth of new housing, particularly in suburban areas where, "there's traditionally a push back to putting in more housing," is another ongoing challenge for planners.

One local debate that has played out in recent months is how the city should approach downtown development. One plan from Lennar Multifamily Communities for 260 housing units, a 12,000-square-foot retail space and 4,000 square-foot conference center was shot down early this year, signaling that density is likely to remain a contentious issue.

Still, Kiefer said the city also sees more immediate opportunities in daily commuter flows. The increase in daily employee shuttles to the Bay Area, for instance, double as new business leads.

"There's a number of companies, particularly down in Silicon Valley, that have daily shuttle service," Kiefer said. "What we're doing is analyzing that demographic and inviting companies to expand here."



Stephan Kiefer

LIVERMORE

2017 population —  
**89,648**

2012-2017 population growth —  
**+8.3%**

2017 median home sale price —  
**\$715,000**

Total square ft. of industrial, flex, R&D space —  
**17 million**



CITIES

# Business flourishes in Pleasanton

**W**hen it comes to doing business in the Tri-Valley enclave of Pleasanton, big names like Workday, Roche and Thermo Fisher Scientific might spring to mind.

But for Director of Economic Development Pamela Ott, the real story is how the city has seen its business community diversify with an influx of young or growing companies.

“You can be a large company, but you can also be a start-up and find an environment for success,” Ott said. “We have a range of space, but also the infrastructure of services and amenities to meet the needs of a variety of business types.”

Just look at homegrown businesses that have chosen to grow in place, like mortgage software company Ellie Mae, global life sciences software firm Veeva Systems and Safeway finance tech spin out Blackhawk Network. In line behind them are a new wave of companies, several in the city’s expanding life sciences industry, like 10x Genomics, Unchained Labs and Purigen Biosystems.

A strong cycle for M&A activity has also benefitted local companies that have opted to stay in place after recent acquisitions, including heart pump manufacturer Thoratec, now Abbott, and cosmetic cryolipolysis company Zeltiq Aesthetics, recently acquired by Allergan.

Key to the attraction across the board is the variety of options afforded by 12.5 million square feet of office space in the city, Ott said.

“Companies locate where the type of space they need is available,” she said. “A tech company, particularly a software company, might be looking for more traditional office space, often in a campus setting. A life science

company often needs more flexible space where they can do manufacturing or R&D.”



Pam Ott

Front and center in the city’s office portfolio is the nearly 10 million-square-foot (and growing) Hacienda mixed-use development just east of the junction between the 580 and 680 freeways. Though office space has been Hacienda’s bread and butter for years, more recent housing and retail additions have diversified the 825-acre complex.

Essex Property Trust, with two new adjacent apartment developments coming online near the East Pleasanton BART station, is among the developers that have embarked on multi-family large housing projects for the suburb of 75,900 people.

“Pleasanton has several projects that have just come to completion or are getting there in the near term, adding to the range of the city’s housing options for workers and their families,” Ott said.

Like many neighboring cities, transportation is also top of mind as Pleasanton seeks ways to address congestion and get residents and employees where they need to be. This includes working regionally to expand rail service to the East or bolster heavily-trafficked auto corridors.

“As successful as each of our cities has been, and as we’ve been collectively in the Tri-Valley, there is so much opportunity for each of us in continuing to grow in ways that suit our individual communities,” Ott said. “We certainly know that we haven’t achieved all that we know we can achieve.”

## PLEASANTON

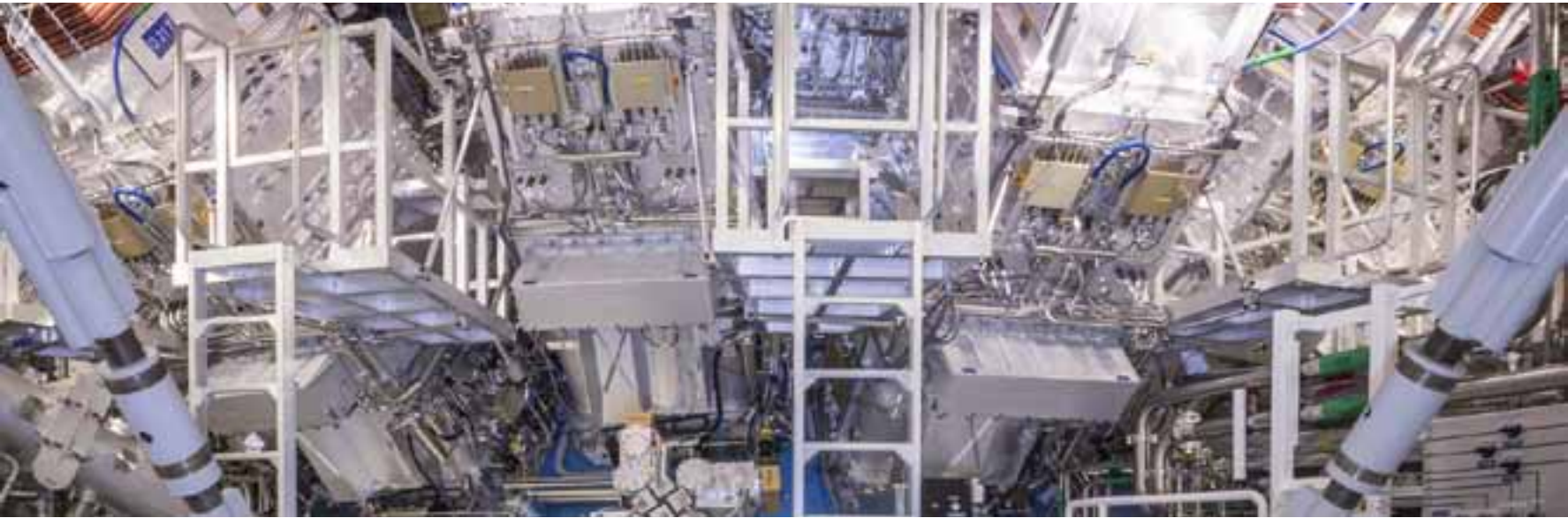
2017 population –  
**75,916**

2012-2017  
population  
growth —  
**+6.7%**

2017 media  
home sale  
price —  
**\$985,000**

Square feet of  
office space —  
**12.5 million**





CITIES

# Dublin reaps rewards of planning for growth

**A**s just shy of 60,000 residents, the Tri-Valley suburb of Dublin is still small by city standards. But size hasn't stopped the city from joining the ranks of California's fastest-growing municipalities multiple times in recent years, with the local population climbing 4 percent from 2016-2017 alone, state department of finance estimates show.

If you ask Dublin Assistant City Manager Linda Smith, the root causes of the influx are clear.

"There is tremendous demand in the market for housing," Smith said. "Very few communities have planned for future housing in the way that Dublin did back in the 1990s."

From 2007-2014 alone, the city saw construction of 2,644 new units. The vast majority of new inventory targeted area workers and commuters making over the region's median income, according to a 2015 housing inventory.

Adding to the appeal is connectivity, with the 2011 opening of the West Dublin/Pleasanton BART stop providing more direct access to the Bay Area.

"What it comes down to is we simply had the land availability and the land use plan that made our development possible," Smith explained.

As with cities throughout California, balancing residential and commercial growth has become a priority in Dublin.

Kaiser Permanente, for example,

broke ground in November on a planned 220,000-square-foot outpatient services facility that the medical provider says will serve some 135,000 Tri-Valley patients. One negative, the recent departure of software giant SAP for a new space in neighboring San Ramon, is also being seized as a potential opportunity to diversify.

"The property owner is re-positioning that property, called Park Place, and making it possible for them to attract multiple tenants," Smith said. "That's very exciting for Dublin because we believe that smaller firms will get an opportunity to locate here and grow their businesses."

At the same time, she added, the city is working with one of its largest employers, medical equipment company Carl Zeiss, on a new campus in Dublin that would consolidate operations from throughout the Tri-Valley — one of several efforts in the pipeline that could have major implications for future development.

"We have three specific plan areas in various stages of implementation," Smith said, for Dublin's downtown, Dublin Crossing and Eastern Dublin areas.

Among the focus areas is building on the addition of recognizable names in retail, like Whole Foods and Nordstrom Rack. The goal now is to bring in new local businesses, "filling in around traditional retail experiences" with concepts like Three Sheets Craft Beer Bar and Inc 82 Brewing, Smith said.

DUBLIN

2017 population —  
**59,686**

2012-2017 population growth —  
**+27.1%**

2017 median home sale price —  
**\$860,000**



# TRUSTED GUIDE

NORTHERN CALIFORNIA | CA

The climb to the peak of success can be challenging, but you don't have to go it alone. As your trusted partner, Colliers International can help you reach the top.

From concept to construction, pre-leasing to full occupancy and management to disposition, we're here to help you reach your goals. In providing expert guidance on land acquisition, market research, pro forma forecasting, project management and more, we will bring stability to your development project and provide steady support every step of the way.

[colliers.com/norcal](http://colliers.com/norcal)



Accelerating success.





HACIENDA

Record occupancy boosts Pleasanton's mixed-use Hacienda

James Paxson doesn't have to look far to see signs that the Hacienda mega-mixed-use development where he's worked for the last 32 years is entering a new phase in its evolution.

Just outside his window at the 900-acre Pleasanton complex home to 685 companies and 5,000 (and counting) full-time residents, a wave of new construction is wrapping up.

"You do all this planning work and put all these ideas on paper," said Paxson, who is the general manager for Hacienda. "To see things manifest and actually happen is really exciting."

The growth at Hacienda to 13.8 million approved square feet of total building space is reflective of more than just routine real estate trends.

"We are a microcosm of what you see and hear happening in the larger Bay Area," he said. "Our activity, especially over the last couple of years, has been phenomenal."

While transplants from the Peninsula or other parts of Silicon Valley are always welcome, Paxson credits the Tri-Valley's increasingly evident "entrepreneurial churn" as a significant factor in Hacienda's office growth.

"Tenants that have started out small at Hacienda have grown and grown and grown," he said, citing companies like Ellie Mae, Zeltique and Veeva Systems. "These are all really classic examples of this sort of homegrown activity."

With more local jobs also comes more opportunity to employ new residents at Hacienda. Already, 7 percent of people who live at Hacienda also work within the development, and almost one-third of residents work somewhere within the Tri-Valley.

"Our residential population is increasingly significantly. Lots more live-work opportunities for people," Paxson said. "We really feel like that's creating a synergy. The access to labor is such a huge component of making the business sector here successful."

The shift to becoming "more of an integrated mixed-use development" has Paxson and others eyeing the addition of more retail options, like a high-end grocery store, fast-casual food or a brewpub.

"We haven't run out of space yet," he said.

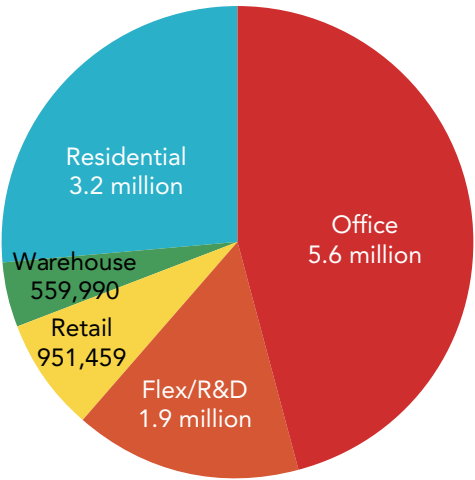
Though Hacienda dates back to the early 1980s, when tenants like AT&T and Hewlett Packard buoyed the business park, Paxson said the current surge in activity is unprecedented.

"We've had seven years at this point of positive absorption," he said. "We're at the highest occupancy in our history."

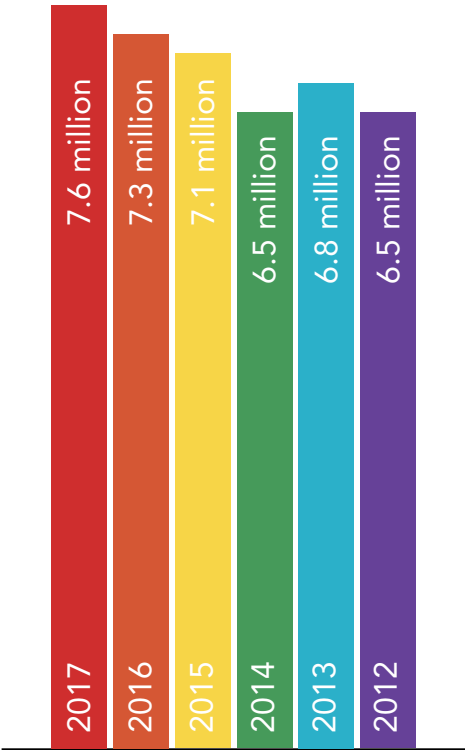
Two big, BART-adjacent residential projects by Essex Property Trust are among the newest additions to the combination office, residential, retail and R&D space at Hacienda. Recent commercial activity includes a first quarter lease for Phillips, which is moving to Pleasanton from Foster City, and a

new 70,000-square-foot building for medical giant Roche.

TOTAL APPROVED SQUARE FOOTAGE  
13.8 MILLION



JUNE OCCUPANCY PER SQUARE FOOT



**A LIVE-WORK LIFESTYLE**

Total tenants: 685  
Current employees: 19,812  
Current residents: 4,994  
Residents who work and live at Hacienda: 7.4%  
Residents who work and live in the Tri-Valley: 30%



© John Sutton Photography 2017



© John Sutton Photography 2017



© John Sutton Photography 2017



925.560.9906    WWW.ENVISIONCDI.COM

HEALTHCARE CONSTRUCTION  
specialty knowledge includes:

GENERAL CONSTRUCTION  
OSHPD Projects  
San Francisco

DESIGN/BUILD SERVICES  
Diagnostic Imaging  
Peninsula

COMMERCIAL & INDUSTRIAL  
Radiation Therapy  
East Bay

AMBULATORY SURGERY CENTERS  
Ambulatory Surgery Centers  
South Bay

SHELL CONSTRUCTION  
Skilled Nursing Facilities  
North Bay

DEVELOPMENT  
and more...

CA LICENSE# 794702

AZ License# ROC242737

NV License# 72870

OR License# 179524



## LEASING

## Residential, retail on tap for Bishop Ranch

**W**ith 600 companies employing some 30,000 on-site employees in 10 million square feet of office space, San Ramon's Bishop Ranch is already a giant in the Tri-Valley commercial market.

So why not add 300,000 square feet of retail and entertainment space, a 169-room hotel and 500 residential units?

"It's creating sort of the next version of Bishop Ranch with an eye toward our audience and what they're presented with," said Jeff Dodd, senior vice president of retail at Bishop Ranch operator Sunset Development. "The trend has been a little bit more of a blurring between the lines of where you work, where you live, where you eat."

In two phases, the forthcoming City Center Bishop Ranch will add roughly 900,000 square feet of new buildings, plus design elements like outdoor plazas and seating.

Phase one, slated for a grand opening in October 2018, will include 75 retail slots for food, shopping, entertainment such as a full-service movie theatre and personal services like fitness concepts and salons. Phase two, expected to come online two years later, will include the hotel and residential components of the project.

"We'll have added almost a million square feet of vibrant city elements," Dodd said. "It will sort of round out the evenings and the weekends."

In the meantime, Bishop Ranch's signature office businesses is staying busy.

Dodd points to four blockbuster deals in recent years: GE Digital's 100,000 square-foot expansion; Blackberry's 50,000 square-foot lease; beauty company Rodan & Field's new 150,000-square-foot space and software giant SAP's 150,000-square-foot space.

While those familiar names have helped fill a central 1.8 mil-



lion-square-foot office building at 2600 Bishop Ranch, Dodd said that many smaller companies on site should not be overlooked.

"The storyline at bishop ranch has always been dominated by those big names because they take up those large blocks," Dodd said. "The total composition here is about 600 companies. Four hundred of the 600 are under 5,000 square feet."

When it comes to industry representation, however, corporate names still tip the scales.

"The largest single sector is energy because we have the big Chevron headquarters and the big PG&E headquarters," Dodd said. "Our second largest sectors are telecom and tech. Then we have finance, insurance and accounting."

With the addition of the new City Center elements to a campus already buzzing with a major conference complex, ever-expanding food options and an emphasis on transportation connectivity, Dodd also expects to see a more intangible shift in the environment at Bishop Ranch.

"We think that's enough to have a critical mass to bring that energy of the city, but not so much that you have to do everything," he said.

## TRANSPORTATION

# Disrupting your commute (in a good way)

**C**hris Weeks wanted to make sure that the alternative transportation options really worked at the supersized San Ramon mixed-use development Bishop Ranch.

So the transportation director for the sprawling 585-acre complex decided to see if he could make one of 100 new shared bikes available to Bishop Ranch tenants and their employees his primary mode of transportation.

"I actually did that for three months to see if I had any problems," Weeks said. "I got a lot of funny looks when I was 20 miles away and riding a bike that said Bishop Ranch."

For Weeks, who got his start as a museum curator at San Francisco International Airport before going back to school for city planning, this fall will mark five years at the San Ramon office park home to some 600 companies. After working for both the Metropolitan Transportation Commission and as an on-site transit coordinator for Google, Weeks saw the task of aligning transit options at commuter-heavy Bishop Ranch as a natural next step.

"He saw what I had been doing at Google and could see that I had a lot of experience working in transportation for campuses," Weeks recalled of an early meeting with Alexander Mehran, Jr., president and COO of Bishop Ranch operator Sunset Development.

In the case of the shared bikes, Weeks was evolving a concept first pitched to Google to offer free, GPS-enabled bikes for use anywhere on or off the campus, so long as they were tracked and reserved. It was a concept the Mountain View tech giant rejected, Weeks said, when the CFO decided that tracking and locking bikes was too far from the company's carefree persona.

Starting with 100 bikes made by manufacturer Social Bicycles, Weeks and his team at Bishop Ranch initially rolled out the "BRiteBikes" program to 400 early paid users. The idea: "You can use it anywhere, lock it anywhere." If any GPS data appears suspicious, like a stolen bike traveling at the speed of the car that drove it away, employees monitoring the inventory via mobile app can immediately lock the bike and set off an alarm.

The program will be tested at scale this year after the recent campus-wide debut of BRiteBikes.

"This summer we opened it up to everyone for free," Weeks said. "We've seen the number of rides going up massively – three or four times."

## BEYOND BIKES

Still, with commuters to Bishop Ranch coming from as far away as the Central Valley and San Francisco, biked



Chris Weeks

**This summer, the BRiteBikes shared program launched at Bishop Ranch.**

don't always cut it. Lacking transit connections in the area have made other alternatives, from shared rides to autonomous buses, increasingly necessary.

"We are a suburban location," Weeks said. "Getting BART here is unfortunately just not a viable option at this point"

During a regular month, an express bus that connects to BART provides about 20,000 rides, or 500 trips per day, Weeks said. A direct bus to San Francisco adds about 40 trips each day. Commuters can also try subsidized carpool apps like Scoop, where they pay only \$2 per ride.

For those who need wheels during the day, Bishop Ranch is evaluating carsharing providers like ZipCar and AAA's Gig. In the event of a need for an immediate option, Uber and Lyft provide fallbacks. For those coming from the notoriously gridlocked South Bay and Peninsula, smaller-scale vehicles like vanpools are one of the more agile options Weeks continues to explore.

And then there's the technological upheaval in automotive technology that stands to make the program more cutting edge.

"We have purchased two fully autonomous buses," Weeks said, which are currently being tested at Concord's former naval weapons air station. "If this all goes well, it will be much more innovative. We foresee the possibility of rolling out hundreds and hundreds of these vehicles and not having them on a fixed route."



## DRINK

# Beer Baron booms with new locations

**W**hen Harpreet Singh Judge bought the aging Livermore Saloon at age 23, he didn't exactly plan to create a craft beer empire that would expand to four locations in three years.

"It was a bar that had been in existence for 40-50 years," said Judge, who grew up in Livermore. "I thought I'll buy it, run it for a year or two years, save up money and rebrand it."

Today, at 28, Judge and his younger brother, Raj, are 50-50 owners of the Beer Baron locations in Livermore and Pleasanton, plus two soon-to-open locations in Santa Rosa and Oakland. Though the focus is on California for now, Judge said longer-term expansion to other markets could also be possible.

"When we did Livermore, we didn't have any thoughts about opening a second one," said Judge, who himself worked behind the bar for two years before switching gears to focus on expansion. "People really appreciated what we were doing."

In addition to stocking rare, small-batch brews, the Beer Baron Bar & Kitchen in Pleasanton provided a jumping off point for in-house food offerings.

Judge hired San Francisco chef Stephen Silva of Melons Catering to develop a menu that will now be replicated by Beer Baron Executive Chef Daniel Taylor at the locations in Santa Rosa and Oakland slated to open next month and in September, respectively.

"I was very nervous in the beginning," Judge said of the foray into food. "The overhead was a lot more, a lot more people working for you."

When it comes to drink, road trips to distilleries and brewers in craft alcohol hubs like San Diego and Oregon are part of the groundwork that Judge said has differentiated the company from others in the increasingly crowded market. Judge also credits his father's bottle shop located near the former Livermore Saloon with planting another idea for the business.

"The focus started out as being beer, but we did have a full liquor license," Judge said. "My own passion working at the bottle shop was good whiskey and good beer."

In July, Beer Baron's Pleasanton location officially launched a whiskey club, where members buy in with the purchase of a \$250 gift card they can use at private events, specialty tastings and to purchase small-batch whiskeys.

"Most of what makes us different is we do a lot of footwork to bring our product in," Judge said. "We're dealing with a lot of smaller brewers and distillers that have smaller distribution. We like putting our money back into the craft."

**"We're dealing with a lot of smaller brewers and distillers that have smaller distribution. We like putting our money back into the craft."**

Harpreet Singh Judge



## FOOD

# Restaurateur goes whole hog in Pleasanton

**R**estaurateur Matt Greco sees Pleasanton as the anti-Brooklyn.

And that's a very good thing, as far as he's concerned, when it comes to opening his new restaurant Salt Craft in a converted house near downtown this fall.

"We have no desire to go to Berkeley or Oakland or even the city," said Greco, who previously opened Char No. 4 in Brooklyn before relocating to Pleasanton with his family six years ago. "I'm done cooking in a city."

With a culinary pedigree that includes training at the Culinary Institute of America and working in restaurants for world-renowned chefs like French restaurateur Daniel Boulud, Greco, 41, was most recently the executive chef for Livermore's Wente Vineyards.

After considering Livermore for the restaurant, which will focus on whole-animal utilization and local ingredients, Greco was attracted to Pleasanton's mix of lower prices for unconventional space and a busy daytime crowd of office workers. The restaurant at 377 St Mary St. is currently slated to open in October and will serve breakfast, lunch and dinner in addition to offering catering.

"The name salt really references a timeless ingredient, something in constant evolution," Greco said. "And then we're dedicated to craft. We make everything in house."

Greco has won acclaim for dishes like lamb pastrami using once-undesirable cuts of protein such as lamb shoulder. With Salt Craft, he aims to build a network of local food suppliers, including one farm in Sunol that plans to offer up 20 varieties of tomatoes to perfect a sun-dried tomato recipe.

"That's what's kind of fun when we talk about (being) sustainable," Greco said. "When you do a project like this, so much stuff comes out of the woodwork. You

become an outlet for people."

Still, the path to a grand opening hasn't been clear cut. After pairing an SBA loan with capital from small investors, Greco opted to take on a major construction project.

Salt Craft will be housed in a converted 1,200 square-foot-house — he's designing the commercial kitchen from scratch — on a property that includes a 500 square-foot-basement for storage and 2,700-square-foot lot for outdoor seating that he plans to weatherproof.

"I had a great location, and the catch was that it was residential," Greco said. "Turning it into commercial was going to be a little more challenging, but a lot of competition really didn't want to deal with the conversion."

As the retrofit moves ahead, the chef is optimistic that the timing is ripe for a new venture with a unique perspective — even if it's a messy road to get there.

"I totally understand why startups lose a lot of money," Greco said with a laugh. Still, he adds, "I see people go in and maybe change the table and chairs. How can you be successful if you don't change the backbone of a place?"



SALT CRAFT

**Matt Greco, chef and owner of the new Salt Craft restaurant in Pleasanton.**



# Employees drive business at Sensiba San Filippo

With 175 employees spread across six offices in Northern and Central California, John Sensiba knows that adapting to the needs of employees is crucial to sustained business success.

That's why Sensiba, managing partner of Pleasanton-based accounting and businesses services firm Sensiba San Filippo, has staked his firm's brand on flexible work schedules, support of employee's philanthropic endeavors and the pursuit of a 10-year "impact goal" alongside traditional business metrics like revenue growth.

His philosophy, in a nutshell: "It's family, community, firm," Sensiba said.

And that's not an abstract notion. He cites his own son, a paramedic, with putting the firm's work in perspective.

"He really helps people in a very direct and identifiable way. It's harder to identify how we impact people," Sensiba said, adding that he finds providing financial stability and peace of mind the most rewarding aspects of the business.

When it comes to community involvement, charitable causes that Sensiba San Filippo employees have become involved with (and the firm now supports) include pediatric hospice provider the George Mark Children's House and annual efforts to provide back-to-school backpacks or holiday food bank services.

Part of that effort, Sensiba said, is focusing on local need in cities where the company operates.

"The San Francisco office and the Fresno office are about as different as you can get," he said.



**John Sensiba**

Day to day, another imperative is making the connection between impact efforts and the broader evolution of the workforce. Accommodating telecommuting preferences, even as large companies like Yahoo and IBM pull back on remote work, has been one boon for retaining talented employees, Sensiba said.

"I've found over the last 20 years that people who tend to be really successful within our four walls tend to be successful wherever they are," he said. "We have a tax manager in Michigan, and I don't think I've seen her in seven years."

Thinking longer term about the success of his business and employees in the Tri-Valley and beyond, however, Sensiba finds himself increasingly worried about more daunting systemic challenges. Exceedingly difficult immigration processes and the nagging lack of housing options throughout the region are two major examples.

"As the Tri-Valley's reputation grows to become the heart of California innovation, we will continue to surpass more and more regions throughout the nation."

## TRAINING NEXT GEN TALENT FOR NEXT GEN JOBS

In 2012, Vijji Suryadevara found herself at a crossroads. After hitting \$10 million in revenue, she had sold her content management and delivery company BPA Technologies to Moody's offshoot ICRA Group, which left her deciding what to tackle next.

While raising her family in the Tri-Valley, Suryadevara turned her focus to emerging technologies — Big Data, mobile, the early days of artificial intelligence — and encountered a sharper learning curve than might be anticipated for a seasoned technologist.

"Despite having two degrees in computer science and having worked with industry, it was very hard to get a grip of what was going on," Suryadevara said, which triggered a realization. "If it is hard for me, imagine how hard it is for everybody else."

That realization eventually manifested in Career Waze, a two-year-old Pleasanton startup that harnesses machine learning to personalize skills training recommendations for individual students. After securing the buy in of co-founder and former Oracle and startup executive Jayati Sengupta in early 2016, the company now has a staff of four in Pleasanton and 15 in India, where both women grew up.

With Career Waze, the pair is in many ways aiming to connect the dots between disparate innovation happening in the multibillion-dollar education tech, or ed tech, industry. With both consumer and enterprise offerings, the company aims to build out a "skill profile" for users and tell them what, where and how they might address gaps.

Locating their company in the Tri-Valley made sense given the combination of more affordable real estate and the specter of many long days ahead.

"As a startup, you have to work long, long hours. There's no way around it," Suryadevara said. "If we have our company far, far away, that's two to three hours a day you're not spending with your family and not working on your company."

For Sengupta, who moved to the Tri-Valley from the Peninsula in 2012, the 2013 IPOs of local companies Veeva Systems and Workday has always symbolized a chance to finally end "that soul-crushing commute to the peninsula."

Now, she said, growth of the local tech industry is encouraging for her own company — though access to capital beyond angel investors, a dearth of funders with a technical background and few accelerator options for more seasoned entrepreneurs remain areas for improvement.

"There are a few people who want to foster innovation and a tech center here," Sengupta said. "It's still small."

One other idea on the horizon as the pair targets growth and additional fundraising for Career Waze: creating their own Tri-Valley venture fund to broaden the playing field for other startups willing to bet on starting their companies in the region.

"You don't really see a lot of women," Sengupta said. "I'm sure there are more. We just haven't met them yet."

**"As a startup, you have to work long, long hours. There's no way around it."**

**Vijji Suryadevara**




# Positioned to Meet Today's Infrastructure and Agriculture Challenges



In a rapidly changing world, we're reshaping how things are built, grown, and managed. We're based in Livermore, but our presence and impact is global. Our innovative positioning technology helps contractors and farmers work smarter and faster to create sustainable infrastructure and agriculture.





There are  
some things  
you can always  
count on.

The fog in the Bay Area.  
Traffic on 880. And the  
high-level accounting and  
advisory services Sensiba San  
Filippo provides to businesses  
and individuals in our area.

For over 40 years, we've been  
building a reputation as the  
go-to CPA firm in Northern  
California with close ties to  
the communities, businesses,  
and people that make this  
region unique.

**So let's talk about how we can  
help you cut through the fog.**

[www.ssflp.com](http://www.ssflp.com)

**SENSIBA SAN FILIPPO**

CERTIFIED PUBLIC ACCOUNTANTS AND BUSINESS ADVISORS