

## Telecom a top local employer

### Industry survey sought specifics for county

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A survey to be released today reports that 36,831 San Diego County workers are employed in the telecommunications industry, one-third more than previous estimates.

The first-of-its-kind survey was commissioned by the San Diego Telecom Council and was conducted by the accounting firm Deloitte & Touche.

"I think it establishes that the San Diego area in general is a technology center that provides worldwide leadership for wireless technologies," said Bob Egan, a president of Mobile Competency, a market research and consulting firm in Rhode Island. "I can look back at the pre-wireless days of San Diego and say, 'Baby, you really came a long way.' "

Julia Wilson, executive director of the telecom council, said the survey confirmed the council's suspicions about the telecommunications industry here.

"We had pretty much believed that we were the wireless capital of the world, that we are doing more wireless innovation here than anywhere else," Wilson said. "And we certainly are."

A study by the state four years ago established San Diego as the wireless capital of California. It found that 500 out of every 100,000 workers in San Diego were in the wireless industry, more than in Silicon Valley or Los Angeles.

Today's study sought specifics about the region's telecom industry.

Deloitte & Touche contacted executives at the approximately 300 telecommunications companies in the county. Of those, 134 responded.

The area is home to wireless giants such as Qualcomm, Nokia, Kyocera Wireless, Siemens, Infocomm and Ericsson. Eighty percent of local wireless companies have fewer than 50 employees, the survey said.

"They're young, they're hungry," Wilson said. "This group of small companies is doing the bulk of innovation and feeding that into the large multinational companies."

Wireless technology is San Diego County's primary telecommunications market, the survey said.

The survey also found that the telecom industry in the county includes a wide range of companies that are developing ultrawideband communications, remote sensing, optical wireless technologies and software for cell phones.

"San Diego has redefined telecommunications," Wilson said. "Telecommunications is really twice as broad, and the rest of the country has not yet redefined this industry sector. Through this survey, we have definitely shown that this is the new face of telecommunications."

The San Diego Association of Governments ranks the telecom industry as the primary driver of San Diego's economy.

"Telecommunications is a very important industry to the region, not only in terms of jobs, but in terms of wages," said Marney Cox, SANDAG's chief economist.

estimate is probably lower than the telecom council's survey because SANDAG does not count telecommunications workers who technically are employed by agencies as temporary workers.

Even at SANDAG's lower estimate, the telecommunications industry employs more people locally than any other industry, Cox said. It is followed by biotech, computer manufacturing, software publishers and defense contractors.

The average annual salary for a telecommunications worker is \$85,000 compared with \$38,000 for workers in the region as a whole. Cox said telecom workers' salaries take into account any stock options they cash in.

The telecommunication industry got its start here when Irwin Jacobs, Qualcomm's co-founder and chief executive, helped found Linkabit in 1968. Linkabit focused on defense communications.

Martha Dennis, president of the San Diego Telecom Council and one of the early employees of Linkabit, said it spawned 75 companies in San Diego County.

They were either spinoffs of Linkabit or were started by former employees of the company. One of them was Qualcomm, founded in 1985.

As Qualcomm grew from having no products at all into a wireless giant with its patented code division multiple access technology, other telecom companies sprang up or moved into the area.

"The multinationals have pretty much come to San Diego in the last seven or eight years to be where the innovation is happening," said Wilson of the telecom council.

The council was started almost six years ago in part to promote the region as a technology center in hopes of luring companies.

"I've watched San Diego change from a military defense-related town and aerospace town into a high-tech, biotech town," Dennis said. "This is the future of San Diego."