



Valley execs flocking to networking groups

BY RHONDA ASCIERTO

Misery loves company, which may explain why memberships to Silicon Valley networking groups are surging. And it's not just job-seekers, but also CEOs and other professionals, who are flocking to groups of like-feathered folk.

"As times get more challenging, chief executives really do look to each other for real-world help," says Paul Witkay, Founder and CEO of the ALLIANCE OF CHIEF EXECUTIVES. Membership in the group grew a record 35 percent last year, bucking its average membership growth of 15 percent for the past several years, Witkay says. This year about 250 pre-screened Bay Area chief executives are paying \$500 per month to be part of the ALLIANCE. That's up from 180 members a year ago, or about a 39 percent increase.

Prevalent topics of discussion? "Hard-core strategic issues," Witkay says, "including acquisition and consolidation strategies, as well as how to pick a good time in a bad economy to roll-out new products."

For Jim Untiedt, President of Allied North America Insurance Brokerage Corp. of Fremont, joining the ALLIANCE OF CHIEF EXECUTIVES a few months ago was key to managing his company's recent growth spurt. After all, insurance brokers do well in a down economy and his company's revenue grew 50 percent last year. Untiedt joined the ALLIANCE to get honest feedback and advice. "Employees will not give direct feedback because they are afraid of talking to the boss," Untiedt says. "Everyone is more concerned about keeping their job."

The Bay Area's valiant entrepreneurial core is also bonding. In the past two years, membership in the Silicon Valley Association for Startup Entrepreneurs (SVASE) has jumped from 250 members to about 570. "Because so many startups went under, there's a lot of talent in this community who would like to start something new, but have trouble finding each other," says SVASE president Laura Roden, who also teaches corporate finance at San Jose State University. "With the [dot-com] fallout, we lost a lot of companies that didn't have substantial business models or technology, but the rate of formation of companies with good ideas hasn't changed."

SVASE connects entrepreneurs with each other, venture capitalists and service providers that are interested in working with startups. In response to membership demand, SVASE had its first job fair in April, which drew 400 members, Roden says. And by popular request, she's now planning another job fair for October. The Silicon Valley chapter of the American Marketing Association also has flourished. Its membership grew about 60 percent in the past year, with about 238 new members handing over \$240 to join. "We have been going through the roof," says Melanie Meyer, president of 650-strong SVAMA. Meyer says Silicon Valley is the fastest-growing chapter for the nationwide AMA. Members gather three to five times a month to share resources, she says. And for its roughly 130 members who are unemployed or seeking a better job, SVAMA also may provide that elusive foot in the door.

For instance, Judy Rzaca landed a job with a San Jose maker of computer storage hardware, Snap Appliance Inc., after joining SVAMA in June 2002 when a contract job ended. Rzaca, now worldwide channel marketing manager for Snap, says joining a networking group in a tight job market makes sense. "There are jobs out there," Rzaca says. "But it's almost to the point employers don't want to post them on job boards because they'll get 500 resumes in two days." Instead, many employers prefer interviewing candidates that have been recommended, as was Rzaca's experience.

Gerald Brady joined the ALLIANCE OF CHIEF EXECUTIVES when he was named CEO of Siemens Mobile Acceleration GmbH of San Jose in April. It was his first chief executive position. He says the past few years have been humbling for most first-time CEOs and that the executive arrogance of boom times is now long gone. "Clearly it's a challenging time for everyone in the economy here," Brady says. "People have realized they don't know it all and so are able to actually ask someone for help in an open environment, where they can trust the people around the table, is a great opportunity."

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