

Peninsula life science industry may help offset tech layoffs

With minimal biotech growth, tech uncertainty, county unemployment still lowest in state

By Alyse DiNapoli, Daily Journal staff
Jun 24, 2026



MORE INFORMATION





Meta slashes 8,000 jobs, or 10% of its workforce, as Microsoft offers buyouts

After several sluggish years, the Peninsula's life science industry might be recovering enough to start offsetting some of the tech industry's layoffs.

Announced tech firm layoffs in San Mateo County went from 575 in 2025 to over 3,000 in just the first six months of 2026, however, the majority were concentrated at Meta. Oracle and C3 AI also announced layoffs.

With the lowest unemployment rate in the state — at 3.1% — San Mateo County has benefited from having both strong tech and life science sectors, the latter of which is often seen as a buttress against some of the volatility of the former.

“Having a diversified industry base allows us to balance the highs and lows of any one industry,” Rosanne Foust, president and CEO of the San Mateo County Economic Development Association, said.

The last few years, however, have been difficult for Peninsula life sciences, which saw some of the most workforce reductions in over a decade — over 2,200 announced in 2023, about one-third of all the county's layoffs, according to WARN notice data. The number has decreased since but remains high. Last year, there were about 1,600 announced layoffs across a number of biotech giants like Genentech, Bristol Myers Squibb and Gilead.

While other industries were reducing headcount in the early stages of the pandemic, biotech firms saw rapid investment and expansion in 2020 as vaccine and medical demands were in full swing, and the growth continued into 2021 along with other industries.

But after vaccines were fully rolled out and the pandemic-related dust settled, biopharmaceutical demands changed, and companies started mass layoffs and re-shifting priorities.

Experts are hopeful the industry is finally on the upswing.

So far this year, as of early June, there have only been about 350 announced layoffs among life science companies, a fraction of the amount the same time last year and year before.

Venture funding within healthcare — much of which consists of biotechnology — is getting back to pre-pandemic levels, with \$60 billion invested in 2025 globally, up from \$44 billion in 2023 and \$54 billion in 2024, according to a report from HSBC.

“The VC money is there. I feel like it’s getting healthy, in terms of hiring,” Tricia Stewart, Head of People and Culture at Genentech, said.

Life science job postings in the county have also remained relatively steady, fluctuating between about 7,190 to 7,990 annually since June 2023, according to Lightship data.

“Statewide, biotech [research and development] employment is pretty flat from 2024. There was an increase in employment from 2019 to 2022, but since then we’ve been flat,” Jeff Bellisario, executive director of the Bay Area Economic Institute, said.

As the industry slowly starts picking up, it might be well-positioned to start absorbing some of the layoffs from large tech firms of late.

“While it’s hard to see some of these layoffs, and we hope the market can absorb some of this ... this talent has been a boon for us,” Stewart said.

Out of the 400 new hires in January, about 20% were from tech companies, Stewart said, and they’re starting to see more interest from former tech employees.

“The applicants for job postings has definitely increased,” she said.

Life science firms are, in many ways, an ideal option for those with a tech background, as they have comparable compensation packages and, at least historically, have been less economically volatile. There’s also an altruistic draw.

“Our big draw is, ‘Look what you get to do. You get to build healthier lives for people,’” she said. “You get to be part of a purpose-driven company.”

Perhaps unsurprisingly, some of the most common tech-to-biotech transitions are within data science, AI and workflow automation-centered roles.

“They’re used to product fast product lifecycles, and they have a higher risk tolerance,” Stewart said.

The reductions don’t mean that new hiring is at a standstill, it’s clear Big Tech firms are shifting priorities and focusing heavily on artificial intelligence investments.

Despite the recent layoffs, tech-focused job postings in the county have held relatively steady over the last couple years, going from about 12,859 between June 2024 to May 2025 to 12,402 between June 2025 to May 2026. The figures are still higher than the number of biotechnology job postings in the county.

“We’re still not nearing the massive layoffs of 2022 to 2023 in terms of size and breadth,” Bellisario said. “The legacy tech titan companies are the ones that are reducing headcount. They grew very quickly in 2021, and they’ve been pulling back headcount for three to four years.”

The county's unemployment rate has slightly decreased year-over-year, indicating that laid off tech workers are not having too much trouble finding new jobs, whether in tech or other industries. Or, it could be that they're not actively looking — a strong possibility, given many received hefty severance packages lasting six to nine months or more.

“It's hard to figure out what is the net effect of all this,” Bellisario said. “We know that anecdotally, it doesn't appear that there are massive amounts of people sitting on the sidelines who want to be employed.”

alyse@smdailyjournal.com

(650) 344-5200 ext. 102



Alyse DiNapoli, Daily Journal staff

Daily Journal staff