



Goodwill of Silicon Valley

Transforming lives through the power of work.

1080 N. 7th Street, San Jose, California 95112

Phone: 408.998.5774

Fax: 408.283.0201

Email: Contactus@goodwillsv.org

www.goodwillsv.org

www.shopgoodwill.com

Photos by Jesús Piceno

www.jpphotography.biz



LOOKING BACK & MOVING FORWARD

GOODWILL OF SILICON VALLEY | 2012 ANNUAL REPORT



“Goodwill saw the potential in me that no one else did”



JUDITH *Fregoso*

was lost in life and found herself being homeless. Born and raised in Kansas, and being one of nineteen children, she joined the Air Force. During her time in the air force she suffered a shoulder and neck injury that prevented her from doing many things. She met her husband and decided to start a family. While raising 4 children Judith and her husband attended college and worked the night shifts.

A couple of years later, Judith and her husband decided to move their family to California. She was having trouble finding a job as well as maintaining one. Judith went from job to job with minimal experience, leading to emotional distress. Not being able to have a steady income, Judith ended up living in her car.

Feeling depressed and hopeless, Judith attended a meeting that helped homeless veterans get housing. She enrolled in Goodwill’s Veteran Family Services (VFS) for housing assistance. Judith cooperated with the Veterans Individualized Placement (VIP) program to seek employment assistance and within one month started in Goodwill’s paid on-the-job training program as a full-time janitor. This opportunity allowed her to move from living in her car to an apartment. With her eagerness to move up, Judith showcased hard work, professional demeanor, and networking skills as she cleaned offices. Her qualities were noticed, later recruiting her as an Administrative Clerk for Mission Services.



6 years *Stronger*



"I gained self-respect because Goodwill believed in me."

FRANK *Cardenas*

was employed at Target for 5 years, he was off to a good start in life and had goals in mind but he slowly started hanging around the wrong crowd. Unfortunately, it took only one bad decision to detour his future in the wrong direction. Frank found himself addicted to Drugs. He was continuously in the wrong place at the wrong time until one day he was unable to run from his mistakes and was incarcerated for 8 months. Learning from his mistake and having a mindset to become better, he was put on probation and agreed to all terms and conditions. Frank joined a church oriented Men's home called Victory Outreach. After 6 months of attending Victory Outreach he moved in with his Mom. Motivated and determined, he started job searching and attending job fairs. Frank was introduced to the Goodwill of Silicon Valley's Career Readiness Program while visiting the Sacred Heart Community Service facility. He then attended Goodwill's orientation met with an Assessment and Intake Counselor, Sonya Nazari. Upon enrollment and completion of the Career Readiness Program Frank received a position as a material handler. Not long after, he completed his probation and was able to obtain his Driver's License. Frank now has a stable income, a home, computer knowledge, an up-to-date resume, and best of all he gained self-respect and is proud of who he has become and where is heading in life.



5 years *Stronger*



“Goodwill helped me realize the importance in education”



RAUL *Sandoval*

Raul Sandoval found himself lost in the world after losing his job at Hanson Rock Quarry. The only hope he had left was to enroll himself in Victory Outreach Men’s Home in Vallejo, California. After living in Vallejo for two and half years and not being able to find a job he returned to San Jose, California. While at Inn Change someone told him about the programs that Goodwill of Silicon Valley offered. Raul decided to attend an orientation session at Goodwill that explained the different programs offered. During the orientation session, Raul became interested in the Career Readiness Program (CRP), which he later became a part of. Before the program was over, Raul was offered a full time position as a Driver’s Helper at Goodwill. Not only did this program offer him a career opportunity but it also taught him how to manage his finances, develop computer skills and knowledge, and how to work effectively with other co-workers.

When Raul was younger he did not have the opportunity to finish school, but as time passed he learned the importance of school and education. He is currently taking classes at West Valley College. In his spare time he volunteers at a Christian Church as an usher or helps at a men’s Christian home.



2 years *Stronger*



“Goodwill gave me a second opportunity in life.”

LINDA Hill

had been struggling with a drinking problem and had to overcome many barriers before she decided it was time to get help. In 2006 she entered rehab where she was in treatment for 1 year. Following rehab Linda was placed in a Transitional Housing Unit (T.H.U) for 14 months.

After her stay at the T.H.U expired Linda moved into a sober living home. Things were looking bright and she thought she had met the love of her life. They both decided to move in together, unfortunately, the relationship became unhealthy and she became a victim of domestic violence. During this difficult time Linda lost her job and turned to drinking again, which resulted in the loss of her job and housing.

After many attempts to find stability, she moved to an InnVision site for women and children. This is where Linda heard about Goodwill’s Career Readiness Program (CRP), this 12 month program assists individuals with barriers to employment in obtaining and retaining employment. Goodwill works with the individual’s strengths and abilities to help them achieve their greatest potential by providing them skills training, paid work experience, and other services. She decided it was time to turn her life around and she enrolled in the program. Linda quickly began working as a sales associate at a Goodwill store. After the CRP program ended, Linda was hired full time with benefits. It didn’t take long before she found a room to rent within walking distance to her job.

In the past 7 years Linda has faced many barriers, but with the help of Goodwill’s CRP program she has a stable job and a place to call home.



3 years *Stronger*



"I am able to help others because Goodwill helped me."

GREG Thenn

successfully fought stage four melanoma and became homeless with no ability to pay rent. He had been unemployed for three years before starting with the Veterans Individualized Placement (VIP) program.

Greg had an enlisted tour in the Air Force and then spent over two decades building a career in Shipping & Logistics in the Silicon Valley. With many years of experience and his eagerness to work, he became a Sr. Logistics & Compliance Analyst at Solyndra. Unfortunately, Solyndra filed for bankruptcy and laid off 1100 skilled employees, Greg was one of them. He was now competing for jobs with many he knew in his industry.

Greg attended a meeting designed to share resources with the homeless in Santa Clara County. After hearing about our VIP program he made an appointment to come to our office. He was accepted into the program in March of 2012.

The VIP program provided Greg with meals, access to computers, and classes which helped his job search. With his determination Greg was able to get job interviews. Having no form of transportation, the program provided him with a bus pass and a Goodwill gift card for interview and work clothes. Along with Goodwill clients and staff, he spent a day at LinkedIn headquarters networking with their staff and learning how to better leverage technology as part of his job search. Greg also went to a veteran's job fair at the Oakland Coliseum, accompanied by a VIP staff member, to search for work and possible retraining opportunities.

In May 2012 Greg accepted the position of Recovery House Manager at Our Brothers Home, a faith based non-profit; his job includes housing and a salary. He guides men who are homeless and staying at the Recovery House, mostly veterans, during their recovery and transition. Greg, who is 25 years clean and sober, is leading by example and using both his personal experience and faith to guide others who are on a path to self-sufficiency. He has been back at Goodwill for collegial purposes, to learn more about our range of programs so he can make referrals to his residents and others in the community.

Greg is still interested in, and working on, a career track back into the industry where he has 25 years of experience but knows that this is a process. He is feeling extremely positive about his impact at the Recovery House and is grateful for all that has been provided and the opportunity to give back.

25 years *Stronger*



“Goodwill helped me move forward in life.”

CHRIS *Anthony*

came to Goodwill of Silicon Valley’s (GWSV) VIP program in April 2012. After one week he had completed orientation, received a bus pass, and secured a job with Goodwill’s On the Job Training (OJT) Mattress Recycling program. After completing six weeks of work Chris was involved in a debilitating bike accident and had to go on medical leave for over three months while his broken ankle healed. He returned to normal duty in September and after three months of excellent work, interviewed and was promoted to the position of Mattress Supervisor. Chris currently manages three people and is using the Excel training he received in the OJT program’s computer classes to track metrics and generate sales reports. He is interviewing, hiring staff and working on building an industrious team that exceeds its production goals.

As a manager, Chris is also very conscious of the substance abuse recovery of his employees. In recovery himself, he is working to create an environment where his staff feels supported in their progress.

Chris is also the proud father of three boys ages three, four, and five. He recently was awarded 50% custody of his children and is working with the courts to obtain full custody. Chris has received a HUD-VASH housing voucher and is looking forward to creating a home for himself and his boys. Chris’s tenacity, resilience, and positive attitude make him a great addition to the GWSV team and a testament to the value our veteran program brings to veteran clients. We are all looking forward to watching and supporting his future accomplishment.



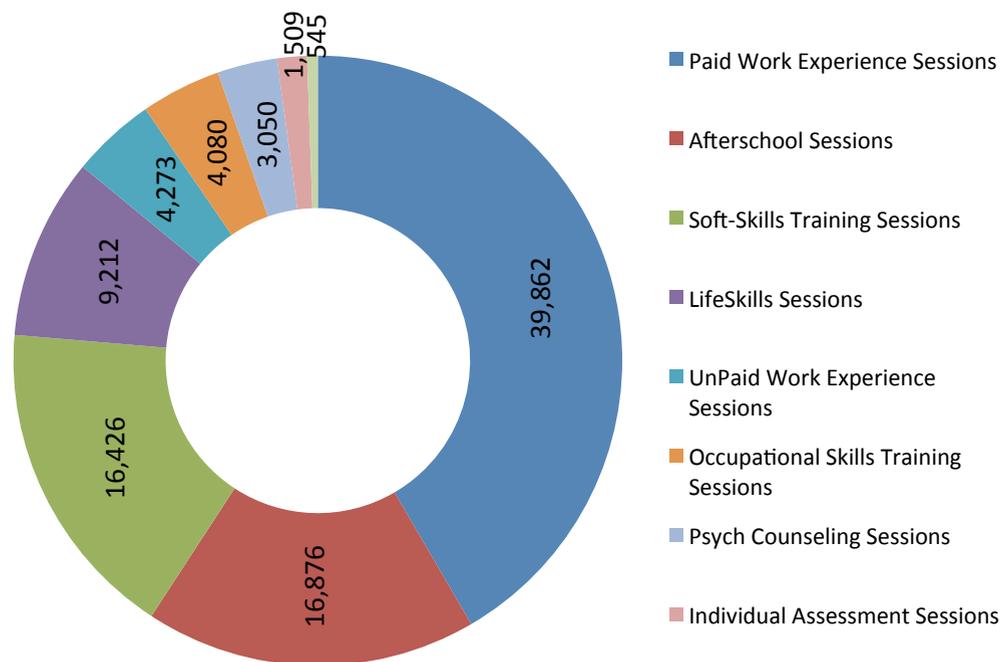
2.5 years *Stronger*

MISSION SERVICES

TOTAL NUMBER OF PEOPLE THAT RECEIVED SERVICES



PRIMARY SERVICES PROVIDED IN 2012



RETAIL

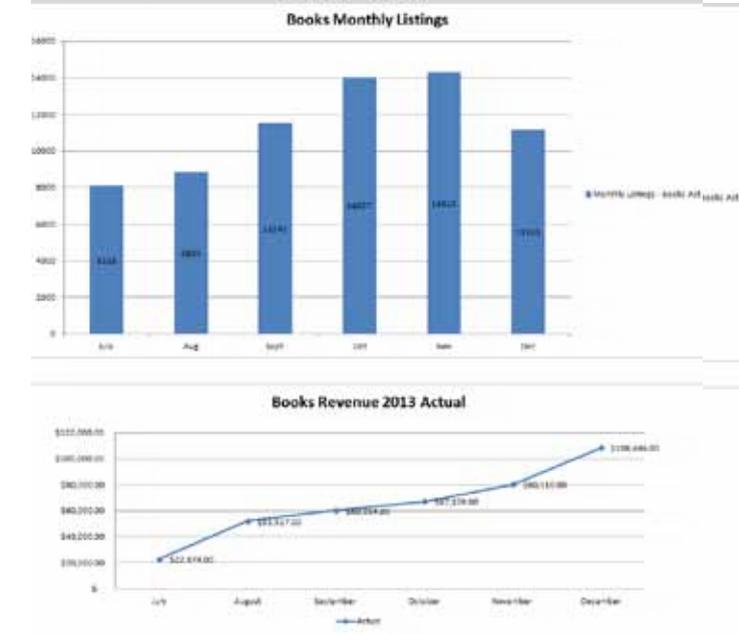
In 2012 Goodwill of Silicon Valley (GWSV) operated 19 stores, which included a new store, Snell store and 3 remodels; Campbell, Winchester and the Morgan Hill store. In 2012 the store revenue totaled \$22,620,812, an 11.52% increase compared to 2011. GWSV continued to implement Gi Kaizen in the remaining 11 stores. Kaizen has allowed the stores to have cleaner backrooms with less clutter with more space in the workplace. As a result, Kaizen has helped improve employee morale and productivity.



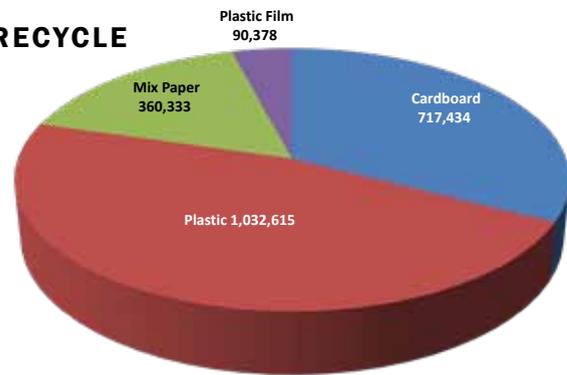
Almaden Store 3060 Almaden Exp Way San Jose, 95118-1201	Milpitas Store 91 S. Abbott Ave. Milpitas, 95035-4803	Silver Creek Store 1640 E. Capitol Express Way San Jose, CA 95121
Alum Rock Store 3020 Alum Rock Ave. San Jose, CA 95127	Morgan Hill Store 17630 Monterey Rd. Morgan Hill, 95037-3612	Snell Store 461 Blossom Hill Road San Jose, 95112
Blossom Hill Store 1339 Blossom Hill Road San Jose, CA 95118	Mt. View Store 855 E. El Camino Real Mt. View, 94040-2880	Sunnyvale Store 151 E. Washington Ave. Sunnyvale, 94086-6151
Campbell Store 60 S. San Tomas Aquino Rd. Campbell, 95008-2515	Palo Alto Store 4085 El Camino Way Palo Alto, 94306-4002	Willow Glen Store 1579 Meridian Ave. San Jose, 95125-5316
Cupertino Store 1125 De Anza Blvd. San Jose, 95129-3628	San Carlos Store 1691 West San Carlos St. San Jose, 95128-5207	Winchester Store 1303 S. Winchester Blvd. San Jose, 95117
Gilroy Store 845 First St. Gilroy, 95020	Santa Clara Store 2800 El Camino Real Santa Clara, 95051-2934	
Hollister Store 550 Tres Pinos Road Hollister, 95023	Santa Tersea Store 7098 Santa Teresa Blvd. San Jose, 95139	

ECOMMERCE

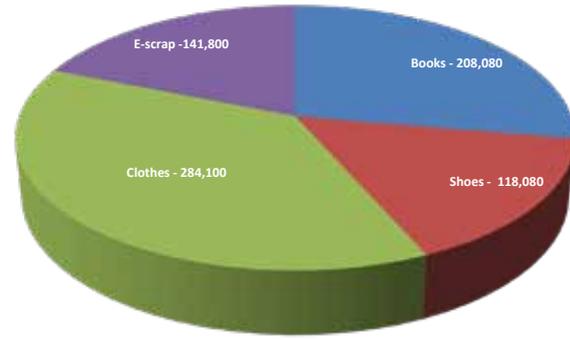
Did you know Goodwill of Silicon Valley started an eCommerce business? The eCommerce department was launched in July 2012 and has quickly grown. The department is made up of three groups: An E-Books unit that sells books on Ebay, Amazon, Half.com and Alibris.com; an E-Goods unit that sells consumer goods and collectibles on Shopgoodwill.com; and a distribution unit that ships out 700-1000 times every day to customers worldwide. The eCommerce department is deeply integrated with our mission by employing individuals living with Autism Spectrum Disorder and Asperger Syndrome. Currently, the department is comprised of 31 individuals of which over half are mission employees.



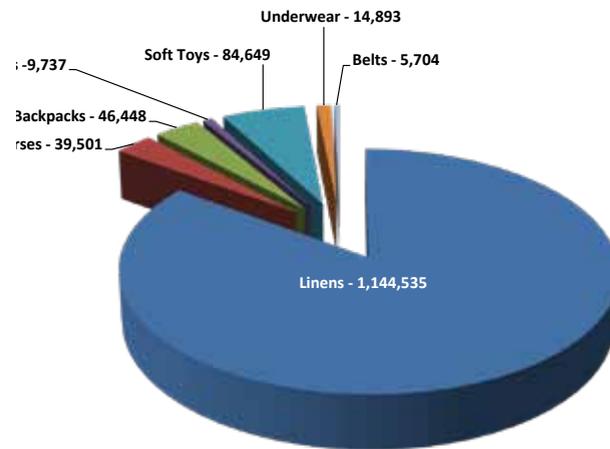
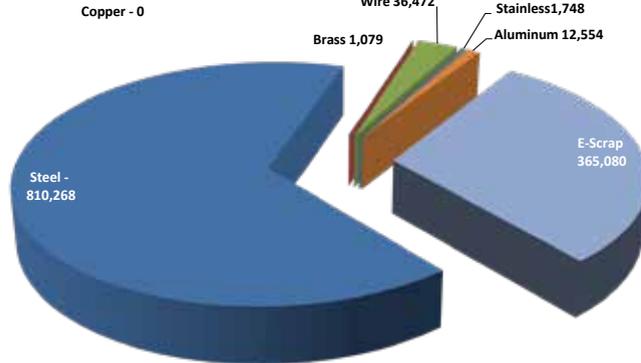
RECYCLE



RECOVERED DONATIONS

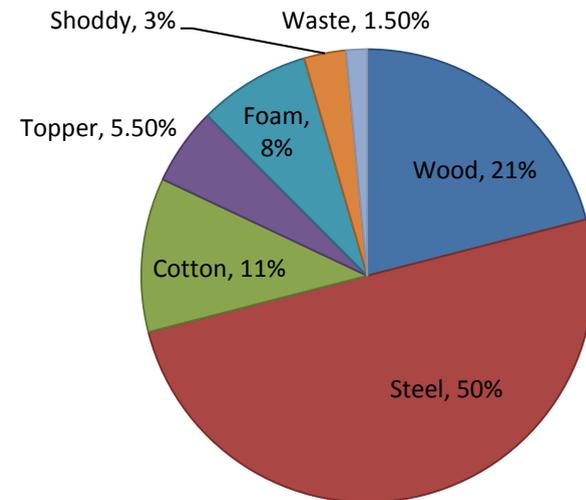


METAL



GOOD SOURCE

In 2012 there was 15,553 mattresses that were given to Goodsource. In addition, 877,656 pounds was diverted from Landfill. The total revenue was \$204,561.



PUBLIC SUPPORT AND REVENUE:

	UNRESTRICTED	TEMPORARILY UNRESTRICTED	TOTAL 2012	SUMARIZED 2011
Retail programs	\$22,710,537		\$22,710,537	\$20,339,619
Donated goods	\$8,999,304		\$8,999,304	\$7,177,136
Operations programs	\$6,170,512		\$6,170,512	\$5,488,267
Grants and contributions	\$1,507,711		\$1,507,711	\$2,002,895
Production programs	\$1,084,571		\$1,084,571	\$1,050,003
E-commerce	\$581,350		\$581,350	
Miscellaneous	\$403,858		\$403,858	\$73,780
Rent income	\$329,452		\$329,452	\$407,300
Vocational school fees	\$259,186		\$259,186	\$9,034
Investment income	\$146,150		\$146,150	\$8,891
Total public support and revenue	\$42,192,631		\$42,192,631	\$36,556,925

EXPENSES:

Program services:	\$21,536,321		\$21,536,321	\$19,408,217
Retail programs	\$8,524,712		\$8,524,712	\$7,223,678
Cost assigned to donated goods sold	\$1,531,372		\$1,531,372	\$1,592,280
Production programs	\$2,927,117		\$2,927,117	\$2,628,972
Vocational school programs	\$34,519,522		\$34,519,522	\$30,853,147
Total program services				
Supporting services: Management and general	\$3,667,697		\$3,667,697	\$3,186,533
Fundraising	\$77,723		\$77,723	\$174,075
Total supporting services	\$3,745,420		\$3,745,420	\$3,360,608
Total expenses	\$38,264,942		\$38,264,942	\$34,213,755

Change in net assets before pension plan

investment loss and impairment	\$3,927,689		\$3,927,689	\$2,343,170
Pension plan investment loss	\$(254,530)		\$(254,530)	\$(613,488)
Impairment loss on antique collection	\$(62,500)		\$(62,500)	
Change in net assets	\$3,610,659		\$3,610,659	\$1,729,682
Net assets, beginning of year	\$13,158,189	\$25,000	\$13,183,189	\$11,453,507
Net assets, end of year	\$16,768,848	\$25,000	\$16,793,848	\$13,183,189

BOARD OF DIRECTORS

Officers

Brian Shetler - *Chairman of the Board*

Phillip Boyce - *Vice Chairman*

Christopher Schumb - *Secretary*

Dale Achabal, Ph.D. - *Treasurer*

Directors

Jim Cunneen

Erik Hallgrimson

John Hirokawa

Jeanice Owens

Jessica Welker

Inder Sidhu

LETTER FROM CEO & BOARD CHAIR



2012 DONORS

Thank you to our donors!



Ebay

Mike E. Fox

Walker Construction Company

United Way Silicon Valley

Silicon Valley Community Foundation

Richard and Sheryl Haller

JustGive

PwC Giving Campaign 2011

Network for Good

Steven Olsen

Los Altos Community Foundation

Levi Strauss Foundation

Wells Fargo Foundation

Sandy Yu (c/o National Charity Services)

Silicon Valley Trust - Estate Bequest McGowan

Caitlin Cunneen

Dale Achabal

Phillip Boyce

Jim Cunneen

Erik Hallgrimson

John Hirokawa

Jeanice Owens

Chris Schumb

Brian Shetler

Inder Sidhu

Jessica Welker

Aurora Properties, LLC

R.G. & A.L. Goltiao

Richard and Emily Levin Foundation

Phuc Hong Duong

Stan & Diane Chinchin

Mary Firenze & Jamie Cordera

Google (Gift Matching Program)

VMWare Foundation (Matching Gift Program)

Big Joe Leasing & Rentals, LLC

Casas Riley & Simonian, LLP

Patricia B. Kelly

The year 2012 was one of challenges and growth for Goodwill of Silicon Valley as we continued our strong performance for the fourth year in a row. Our strong, double-digit revenue growth was driven by our retail and operations business lines. The Goodwill team did an outstanding job of managing the complexities of our business and delivering record results in all facets of the organization.

We began a stepped up reinvestment program in our operating assets investing more than \$2 million into store remodels, equipment, and improvements to our headquarters. The extensive rehabilitation began on our headquarters with more than 150,000 square feet of new roofs, replacement of HVAC's, newly repaired parking lot, and a new paved lot for our trailers. This investment sets us up for strong revenue growth for the coming years and preserves important Goodwill assets.

Retail opened two new stores and remodeled three stores. Our retail program grew 10% in 2012 to a record of \$22,710,537.00. In July of 2012, we launched our e-commerce initiative furthering our mission by employing young adults in the Autism/Asperger's spectrum.

Mission Services continued to grow our footprint in the community as we increased our job services to ex-offenders and housing services for veterans. Mission services provided services to more than 3600 individuals. In 2012 we welcomed three new partners to our organization, Sunday Friends, Teen Force, and Loaves and Fishes. We provided rent free space as well as financial assistance. Our Mission Service Team made great strides in delivering our vision to be the most relevant nonprofit in Silicon Valley. Our People Services expanded on our mission of family strengthening for our employees and clients providing free income tax preparation, food distribution, nutritional counseling, free flu shots, and planning and execution our annual GoodFest event for all of the families of Goodwill.

We want to extend our sincere gratitude to our partners, customers, donors, employees, and volunteer board who have supported us throughout the years. Goodwill's success is your success.

Michael E. Fox
President & Chief Executive Officer
Goodwill of Silicon Valley

Brian Shetler
Chairman of the Board