

THE UNIVERSITY OF
TEXAS
AT AUSTIN

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WHAT STARTS HERE CHANGES THE WORLD

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* This report, compiled by the Office of Public Affairs at
The University of Texas at Austin, updates a study by
the Bureau of Business Research titled
"Economic Contributions of the University of Texas System:
A Study in Three Parts," 1994.

An investment
that pays off
for Texas

WHAT STARTS HERE CHANGES THE WORLD

“A NATIONAL RESEARCH UNIVERSITY
delivers many benefits to our local
economy and beyond. One clear benefit is
faculty-generated research, which attracted
more than \$450 million in federal grants
in 2007-08. Advanced research at the
university has created many opportunities
for patents, licensing, corporate start-ups
and spin-off companies in Texas. Perhaps
our biggest contribution is educating the
young people who will soon become
leaders in the sciences, the professions, the
humanities and the arts.”

William Powers Jr.
President

—★—
Best
Investment
in Texas
—★—

Every state tax dollar invested in the University
generates more than \$18 in spending in the
state economy.

The University of Texas at Austin, founded in
1883, is the oldest and largest component
of The University of Texas System. With an
enrollment of about 50,000, the university is one
of the largest institutions of higher education in
the nation. The concentration of brain power,
ambition and expertise at the university makes it
a natural partner in building a strong regional
economy, spawning a diverse, abundant and
educated work force for Texas. Through its
teaching, scholarship, research and public service
the university is a magnet for business and culture
and is developing intellectual and instructional
resources to meet the rapidly changing needs of
the 22 million people in our state and beyond.



ECONOMIC EXPANSION EFFECT ON TEXAS ECONOMY

—★—
\$2.1 billion

in research and out-of-state
funding activity per year

—★—
The University of Texas at Austin each year attracts out of-state students and research funding to Texas that would not otherwise flow into the state. This has an expansion effect on the Texas economy that totals about \$2.1 billion in Texas business activity annually, creating more than 15,000 new jobs throughout the state.

ECONOMIC ACTIVITY IN TEXAS

—★—
\$8.2 billion

generated in Texas business activity

—★—
With about 22,000 employees, The University of Texas at Austin is Austin's largest employer and one of the largest in the state. The university generates an annual level of Texas business activity of \$8.2 billion, 59,000 jobs and \$2.4 billion in personal income. The university's students provide an annual economic boost of \$823 million into the local economy. The student spending leads local businesses and employees to spend another \$5.8 billion across the state in the form of indirect spending, increasing productivity and new economic development.



GLOBAL REACH, LOCAL IMPACT

—★—
\$132 million

contributed to the Austin economy

—★—
The University of Texas at Austin has about 20,000 international alumni. More than 4,550 students from more than 125 countries were enrolled for fall term 2007, the seventh-highest enrollment of international students in the nation. The estimated contribution to the Austin economy from international students enrolled at the university is about \$132 million.

—★—
“The large universities of the United States, including UT, are becoming critical assets to the country. They have become the wellspring of multidisciplinary research and innovation as some of the large corporate labs have begun to be shrunk back.”

—★—
Mark Melliar-Smith
CEO, Molecular Imprints Inc.,
in the Austin American-Statesman





TOURISM DOLLARS

—★—
\$24 million

brought to Austin per game



Each home football game attracts about 36,000 out-of-town visitors. Their spending at local hotels, restaurants, retail stores and for transportation creates a total economic effect of \$24 million per game. It is estimated that this fall's six home games will translate to a total economic impact of \$144 million for the 2008 season.

A LEADER IN EDUCATION

—★—
500,000 degrees
awarded



The University of Texas at Austin's 12 undergraduate colleges and schools offer more than 100 undergraduate degree programs and 170 graduate degree programs. Since its inception, the university has awarded about 500,000 degrees, including more than 12,000 in 2006-07. The university confers more doctor's degrees than any other university in the United States. The university ranks ninth in the nation and first in Texas in science and engineering doctor's degrees conferred.



COMMITMENT TO DIVERSITY

—★—
Top 10
in degrees awarded to Hispanics
—★—

The University of Texas at Austin is committed to serving a diverse student population. The student body is 4% African American, 15% Hispanic and 14% Asian Americans. Only five other universities in the nation award more bachelor's degrees to Hispanics than The University of Texas at Austin. Among U.S. doctorate-granting institutions, the university is a national leader in the number of Hispanic Ph.D. recipients.

—★—
“UT President William Powers Jr. has vowed to continue making diversity a top priority. That is good for UT and for Texas.”

—★—
Austin American-Statesman





★

“UT Austin is a great economic engine for this area. It provides knowledge, research, collaboration and people. That, in turn, creates jobs and is one reason Austin was recently ranked third in the nation (by Forbes magazine) as the best area to launch a business or a career.”

★

The Neal Spelce Austin Letter



CONTINUING AND EXTENDED EDUCATION



250,000 Texans

served annually by the university's continuing and
extended education program



THE ENTREPRENEURIAL SPIRIT



82,000 new jobs

created in Texas



The university annually generates 82,000 jobs throughout the state by directly employing workers and indirectly through construction, purchasing and through the economic “multiplier effect,” which takes into account the university’s expenditures on salaries, equipment, and the goods and services it relies on to conduct its business. Through the nationally ranked McCombs School of Business and specially designed centers and institutes, the university helps Texas entrepreneurs. The Austin Technology Incubator (ATI), a unit of the university’s IC² Institute, aids the growth and development of emerging technology companies. Since 1989, ATI’s graduate companies have created more than 3,000 jobs and generated \$1.5 billion in revenue. Five of those companies have gone public on NASDAQ and more than a dozen have been acquired. ATI also has made an impact on a global scale, creating business ventures that have extended to Australia, Brazil, Canada, China, England, Germany, Israel and Japan.

Continuing and Innovative Education served more than 233,000 persons in 2006-07. From kindergarten students to professional development to retired adults, across the campus, throughout the state and around world, in classrooms and on the Web, Continuing and Innovative Education provides quality educational opportunities. The university's executive education programs are considered among the nation's best. Many of the programs are tailored to the individual needs of the companies employing the participating managers.



RESEARCH & DEVELOPMENT

—★—
\$440+ million
annual research budget

Researchers at The University of Texas at Austin have attracted an average of \$440 million over the past three years, enabling a number of commercialization opportunities to emerge. In 2006, Austin area inventors received a record number of patents, giving Austin one of the highest rates of patents per capita in the country.



—★—
“The University of Texas at Austin is on anybody’s list of the top 10 public universities in the nation. The Plan II liberal arts honors program is one of the nation’s most renowned. Though it is also the capital of Texas, Austin ranks among the nation’s best college towns.”

—★—
Fiske Guide to Colleges

ECONOMIC DEVELOPMENT

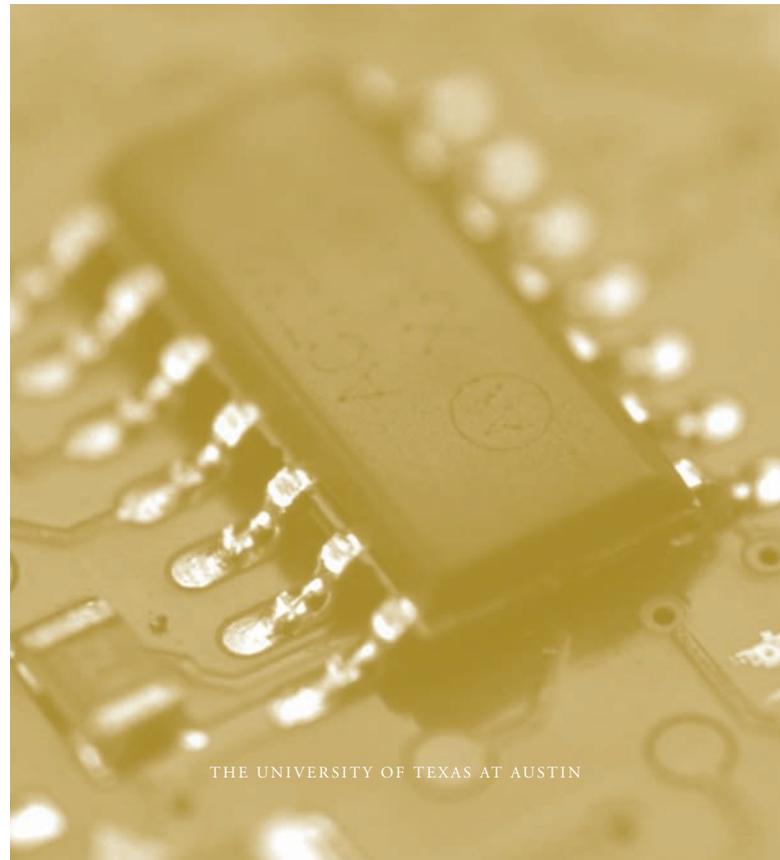
—★—
\$9.5 million

generated annually by
all licensing revenues



A new catalyst for economic development in central Texas, enabled by nanotechnology, is driven by the “convergence” technologies of biotech, informatics and cognitive sciences. These forces promise not only millions of new jobs and trillions of dollars in new product sales, but also social and economic shifts potentially greater than those brought on by the automobile and the personal computer combined. By 2015, the nanotechnology industry is projected to generate \$1 trillion in product revenues worldwide and employ up to two million new workers. The university is uniquely positioned to promote Texas as a center for research in nanotechnology. Its Center for Nano and Molecular Science and Technology, a multidisciplinary research center created in 2000, is advancing and promoting nanotechnology in Texas through collaborations and partnerships with other universities throughout the state. The university is engaged in other significant efforts to strengthen the regional economy and benefit society. Biomedical researchers are collaborating with the world-renowned M. D. Anderson Cancer Center in Houston and the University of Texas Health Science Center in Houston.

Scientists housed in the Institute for Computational Engineering and Sciences, established in 2003, are producing world-class interdisciplinary research in computational engineering, science and technology. The Office of Technology Commercialization is a bridge between the research community and commercialization partners, ensuring smooth and fast transfer of intellectual property created at the university. The university’s licensing agreements with Texas companies and other businesses generate more than \$9.5 million in annual licensing income, furthering research in areas such as wireless technology, enzyme technology to benefit the agricultural industry and the drug discovery process to treat illnesses.



—★—
1 of 3
main

components
for economic growth
—★—

A new study by the Brookings Institution, a research group in Washington, D.C., ranks Central Texas No. 1 for anticipated growth for industrial space and No. 2 for commercial and residential space over the next three decades.

According to the report, a strong educational setting established by the presence of The University of Texas at Austin is one of three components that create the "perfect triad for economic growth" in the Austin area. Other factors are the presence of state government, which employs thousands of people, and a location in a growing state. Forecasts call for the Austin area's population during the next 35 years to soar from about 1.5 million in 2006 to between 2.7 million and 3.5 million.



“UT Austin can lay claim to being the single most important catalyst for the Austin area economy.

Its stature and success, in large measure, will dictate the area's future prosperity. The greater the university, the better for Austin's economy. High tech jobs would not be in Austin if not for UT Austin. Many companies have spun out of UT Austin's research. There are countless other examples to illustrate UT Austin's economic value.

As UT Austin grows in stature, the economic benefits for all who live and work here are significant.”



The Neal Spelce Austin Letter

A BARGAIN FOR TEXAS



An internationally renowned university



The University of Texas at Austin was supported almost entirely by state funds in the 1960s. Since then, state support of higher education has diminished and students and their families have had to pay an increased share of the cost of education. Despite this shift, the university remains one of the nation's best bargains, combining high quality with relatively low cost.

U.S. News & World Report magazine's annual survey ranks the university among the top 15 public national universities in the United States. Combining high academic quality with relatively low cost, the magazine annually recognizes the university as one of the top dozen best values in higher education. A 2004 global ranking produced by the Times of London newspaper cited The University of Texas at Austin as the 15th-best university in the world. Other prominent and widely used college and university ratings publications, including the Fiske Guide to Colleges, the Princeton Review and Kiplinger's Personal Finance magazine, tout the university as a "best buy" and "best value" based on academics, tuition and the average amounts that



students receive in scholarships and grants, among other factors. The University of Texas at Austin was named the nation's "hottest" state university in the 2005 Kaplan/Newsweek "How to Get Into College Guide."