

The image features a vertical banner with an orange top section containing the text 'THE UNIVERSITY OF TEXAS AT AUSTIN'. Below this is a photograph of the UT Tower at sunset, with a large Texas state flag overlaid on the left side. The tower is illuminated from the right, casting a warm glow. The sky is a mix of blue and orange.

THE UNIVERSITY OF  
**TEXAS**  
AT AUSTIN

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 \$644 million in total research  
grants in 2010. 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

IMPACT ON TEXAS



# 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 23 million people in our state and beyond.



## ECONOMIC ACTIVITY IN TEXAS

—★—  
**\$8.5 billion**  
generated in Texas business activity

—★—

With about 17,000 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 \$8.5 billion, 68,000 jobs and \$2.7 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.

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## ECONOMIC EXPANSION EFFECT ON TEXAS ECONOMY



# \$2.8 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 \$2.8 billion in Texas business activity annually, creating more than 16,000 jobs throughout the state.



## 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 5,700 students from more than 125 countries were enrolled for fall term 2009, 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 multi-disciplinary 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



A LEADER IN EDUCATION

—★—  
**500,000 degrees**  
awarded



The University of Texas at Austin's 12 undergraduate colleges and schools offer more than 115 undergraduate degree programs and 170 graduate degree programs. Since its inception, the university has awarded more than 500,000 degrees, including more than 12,000 in 2010. The university confers more doctor's degrees than any other university in the United States, and ranks ninth in the nation and first in Texas in science and engineering doctor's degrees conferred.

TOURISM DOLLARS

—★—  
**\$118 million**

income for Austin per year



Visitors to the university's sporting events spent about \$170 million during the 2009 academic year, generating about \$118 million in income for the Austin area. It is estimated that university home football games alone create an economic impact of \$99 million through visitor spending at hotels, restaurants, retail stores and transportation.



## 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 4.5% African American, 16% Hispanic and 15% Asian American. Only seven 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 fifth 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



THE UNIVERSITY OF TEXAS AT AUSTIN



## THE ENTREPRENEURIAL SPIRIT

★  
**68,000 jobs**  
created in Texas

★

The university annually generates 68,000 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 IC<sup>2</sup> Institute, aids the growth and development of emerging technology companies in Central Texas. Since 1989, ATI’s graduate companies have created more than 3,000 jobs and generated \$1.5 billion in revenue. Four of those companies have gone public on NASDAQ and more than a dozen have been acquired. ATI has made a significant impact on making Austin a recognized international hub for entrepreneurship. The Global Commercialization Group (GCG), another key unit of IC<sup>2</sup> Institute, has trained more than 1,200 entrepreneurs in 16 countries around the world, making GCG the most active international outreach arm of the university.

CONTINUING AND  
INNOVATIVE EDUCATION



# 200,000 Texans

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



About 200,000 Texans are served each year by the many programs and services of Continuing and Innovative Education. From kindergarten students to retired adults, Continuing and Innovative Education provides quality educational opportunities to people at anytime in their lives. Students from across our state and around the world can take online high school and college credit courses, professional development workshops and classes, and participate in life-enriching seminars, travel opportunities and much more.



## RESEARCH & DEVELOPMENT

—★—  
**\$644 million**  
annual research expenditures  
—★—

In the past four years, total research grants have grown from \$496 million in 2007 to \$644 million in 2010. University of Texas at Austin researchers were awarded more than 140 patents in the past five years. That was a major reason that Austin ranks second in the nation in patents issued per capita. The university's Austin Technology Incubator and Office of Technology Commercialization help turn those inventions into products and companies.





“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



The University of Texas at Austin is a major source of innovation for Texas and the world. The university's strength in the sciences positions Texas as an international center in fields of growing significance.

The Center for Nano and Molecular Science and Technology advances nanotechnology in Texas through collaborations and partnerships with other universities throughout the state.

Biomedical researchers collaborate with the world-renowned MD Anderson Cancer Center and the University of Texas Health Science Center in Houston. The Dell Pediatric Research Institute fosters collaboration among university researchers and medical practitioners at the nearby Dell Children's Medical Center and other health care facilities. The Texas Institute for Drug & Diagnostic Development fosters medical therapeutic and diagnostic research efforts between the university and the commercial sector.

It's estimated that the Department of Computer Science has a strategic economic impact of \$8.7

billion per year. Two-thirds of the department's graduates stay in Texas, where each individual has an annual economic impact of \$1.3 million and accounts for 5.7 permanent jobs.

A new professorship in the Cockrell School of Engineering fosters interaction among faculty, students, venture capitalists and industrial partners.

Startups include ActaCell, which develops high-powered, low-cost lithium ion batteries. It has three patents and more than \$6 million in annual funding. Another startup, DermDx Inc., is working on non-invasive skin cancer diagnosis and is predicted to achieve sales of \$162 million in five years.

The McCombs School of Business Texas Venture Labs accelerates the rate of startups on campus by providing students, faculty and researchers links to entrepreneurial, business, technology and legal resources. Companies that have successfully been acquired using the Venture Labs model include Phurnace Software and eVapt.

The Office of Technology Commercialization ensures a fast transfer of intellectual property created at the university. The university's licensing agreements generate more than \$9.5 million in annual income.





“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

## ECONOMIC GROWTH

—★—

# 1 of 3 main components

for economic growth

—★—

A 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.

## 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. Citing its high academic quality and relatively low cost, the magazine recognizes the university as one of the best values in higher education. A 2004 global ranking produced by the Times of London newspaper ranked The University of Texas at Austin as the 15th-best university in the world. 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."

\* 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.

### **About the Bureau of Business Research (BBR)**

The Bureau's mission is to provide Texas businesspeople and policymakers with applied economic research and data to strengthen the state's business environment. Since its founding in 1926, the BBR has developed a reputation for nonpartisan analysis of economic trends through publications like Texas Business Review, independent reports and sponsored research. The BBR is headed by Dr. Robert A. Peterson, Director, and Dr. J. Bruce Kellison, Associate Director and Editor, Texas Business Review.

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**WHAT STARTS HERE CHANGES THE WORLD**

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