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With robust infrastructure, a strong talent pipeline, and a thriving collaborative ecosystem, the region is primed to support and drive the future of the life sciences sector.

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Susan Davenport, chief economic development officer at Opportunity Austin, outlines an ambitious vision for Central Texas as a rising force in the life sciences sector. Drawing on over 20 years of experience in regional economic development, Davenport highlights how Austin's tech infrastructure, top-tier universities, and growing population position it as a strong contender to established biotech hubs. Balancing on the convergence of AI, semiconductor expertise, and pharmaceutical innovation within the "Texas Triangle," Austin stands to lead the pack as the rising life science hub of the southern US.

Could you provide an overview of Opportunity Austin's economic development mandate and the broader regional vision that guides your strategic initiatives?

Opportunity Austin has been at the heart of Austin's economic development strategy for nearly two decades, guiding the region's transformation from a creative hub into a dynamic innovation ecosystem. Serving the five-county Central Texas area, Opportunity Austin has helped foster growth that supports over 2.5 million residents. Since its inception in 2004, Austin has become the fastest-growing metro area among the top 50 U.S. markets, with 159 new residents joining daily. This demographic boom has bolstered the region's workforce to over 1.5 million professionals, alongside 424,000 students from local higher education institutions, creating a talent pipeline that is one of the city's key competitive advantages.

Given the competitive landscape with established biotech hubs like Massachusetts and California, what specific competitive advantages does the Austin region offer to life sciences investors?

Austin’s transition into the life sciences sector is a natural evolution of its established technological strengths. The region’s expertise in semiconductor manufacturing, software development, and artificial intelligence creates unique opportunities for pharmaceutical innovation. Austin is home to nearly 300 life sciences entities, ranging from healthcare delivery systems and pharmaceutical manufacturing to medical device development and biotechnology research. This momentum is tangible, with life sciences venture capital investments growing by 137 percent from 2018 to 2020. Over the same period, the region also generated 350 life sciences patents, showcasing the successful translation of research into commercial intellectual property.

What truly sets Austin apart from other biotech hubs is the convergence of sectors. The region’s semiconductor fabrication knowledge directly informs pharmaceutical manufacturing processes, while the software engineering talent readily adapts to biomedical device development. This cross-pollination of expertise distinguishes Austin from traditional life sciences clusters, where sectors often develop in isolation. In Austin, the fusion of technologies accelerates innovation and creates an environment where advances in one field spark progress across others, making it a highly attractive destination for life sciences investment.

How has Austin’s infrastructure development evolved to support life sciences operations?

Austin’s infrastructure development has evolved significantly to support the growing life sciences sector, with strategic investments aimed at capturing emerging opportunities, particularly in AI-driven healthcare innovation.

A major milestone in this evolution is the establishment of the MD Anderson Cancer Center’s Austin facility. This development positions one of the world’s leading cancer research institutions next to the University of Texas flagship campus, Dell Medical School, and our burgeoning innovation district. This creates a unique concentration of research excellence and technological capability, which is crucial for advancing life sciences in the region.

In addition to this, Austin has proactively addressed the regulatory and infrastructure needs essential for success in life sciences. For instance, Texas boasts more efficient CLIA certification processes than any other state, and municipal zoning adjustments have been made to accommodate specialized pharmaceutical and biotechnology operations, including the necessary environmental controls and ceiling height specifications.

Our innovation district now spans 4.4 million square feet dedicated to science, with an additional 1.1 million square feet under construction. This infrastructure is a direct response to the demonstrated demand in the market, not speculative investment. A prime example of this momentum is the 220,000-square-foot CLIA-certified facility being contracted by BillionToOne, slated for completion in 2026. Once fully operational, it will employ over 1,000 professionals across various fields from lab technicians and clinical scientists to automation engineers and postdoctoral researchers. This facility highlights the scale and sophistication of the investments currently taking shape within Austin's life sciences ecosystem.

Austin is one of the cities that makes up the "Texas Triangle." What is the significance of this region within the state?

The Texas Triangle represents a unique demographic and economic phenomenon that fundamentally alters traditional site selection calculus. Bordered by five of America's eleven largest cities, 83 percent of Texas's population resides in the Texas Triangle metropolitan corridor. This concentration generates immediate market access for pharmaceutical and medical device companies, eliminating the distribution challenges that constrain operations in less populous regions.

The demographic foundation is extraordinary: Texas has added 2 million residents over the past five years, with projections indicating similar growth rates for the next quinquennium. Austin specifically ranks as the 11th largest US city by population, with our five-county metropolitan area now exceeding 2.5 million residents.

Population growth projections indicate continued expansion at current rates for the next decade, ensuring sustained demand for healthcare innovation and pharmaceutical services. This demographic foundation supports not only end-market consumption but also talent recruitment and retention strategies essential for knowledge-intensive industries.

What policy frameworks and incentive structures has Texas implemented to attract life sciences investment, and how do these compare to offerings in competing jurisdictions?

Texas's legislative environment offers several competitive advantages designed to attract life sciences investment. For example, a key development is the recent passage of the Texas Medical and Biomedical Manufacturing Tax Exemption. This new property tax exemption for tangible personal property used in biomedical manufacturing is a game-changer for pharmaceutical and medical device companies. By addressing the capital-intensive nature of life sciences operations, it significantly reduces long-term operational costs, making the state an even more attractive location for manufacturers.

In addition to this, Texas offers a variety of other incentives, including research and development tax credits, early-stage funding mechanisms, and specialized cancer prevention research grants through the Cancer Prevention Research Institute of Texas (CPRIT). These initiatives reflect the state's commitment to fostering innovation and collaboration in the life sciences field. CPRIT, in particular, has been instrumental in driving cancer research for over a decade, underscoring the state's focus on solving complex health challenges through investment in research.

On top of these incentives, Austin enjoys foreign trade zone designation throughout the metropolitan area, which enhances supply chain operations and logistics efficiency for international pharmaceutical and medical device manufacturers. These combined policy frameworks position Texas as a strong contender in the global life sciences landscape, providing compelling advantages over competing jurisdictions.

Can you elaborate on Opportunity Austin's international collaboration strategy and how you leverage existing global relationships to advance life sciences partnerships?

Our approach to international collaboration leverages existing global relationships while developing life sciences-specific partnerships. We leverage Austin's established connections in software, semiconductors, and information technology, particularly with European and Asian markets. These existing ties provide a solid foundation for life sciences collaboration, especially in areas like supply chain development and technological transfer, which are crucial for accelerating innovation in the sector.

Additionally, the University of Texas system plays a pivotal role in fostering international engagement. With research partnerships that span across institutions like UT Austin, Dell Medical

School, Texas State University in San Marcos, and Texas A&M Health Science Center, the educational ecosystem in Austin is uniquely positioned to support life sciences growth. Austin Community College's technical programs also complement this network, ensuring a strong pipeline of talent from technician-level roles through to postdoctoral research positions.

This robust talent pipeline, which includes 76,000 healthcare professionals already working in the region and 4,700 healthcare graduates each year, positions Austin as an ideal partner for international collaborations. As we move forward, we expect to announce several significant international partnerships, further formalising our outreach strategy and enhancing life sciences innovation in the region.

Looking ahead to the next two to three years, what key milestones and strategic objectives will define success for Austin's life sciences landscape?

We have a three-year strategic vision that emphasises seamless integration across the innovation ecosystem. Our success will be measured by the ability to scale start-ups efficiently, expand operations for established companies, and ensure that new enterprises integrate smoothly into our existing infrastructure and talent pools. Achieving this requires strategic developments like Round Rock's life science district and the Highpoint project, which provide diverse geographic options tailored to specific operational needs such as proximity to research institutions, manufacturing facilities, and transportation networks.

Another essential part of our vision is an aggressive approach to talent development. We plan to build a robust pipeline of graduates ready to contribute immediately to pharmaceutical development, medical device innovation, and healthcare delivery. This will be supported by internship programmes, collaborative research, and workforce development initiatives that create a self-sustaining cycle of innovation and employment.

Ultimately, our goal is to establish Austin as the leading hub for solving healthcare's most complex technical and logistical challenges. We want to be a hub of excellence across the entire value chain, from drug delivery and manufacturing efficiency to regulatory compliance and supply chain security.

What message would you like to convey to the global life sciences community regarding Austin's emergence as a strategic location for the pharmaceutical and biotechnology

sector?

Austin’s emergence as a strategic location for this industry is the natural culmination of over two decades of strategic development. While we do want to attract new companies to set up operations here, we are also committed to building long-term partnerships. Whether you’re looking to establish or expand life sciences operations, Austin is ready to collaborate.

With robust infrastructure, a strong talent pipeline, and a thriving collaborative ecosystem, the region is primed to support and drive the future of the life sciences sector. Looking forward, we have an exciting opportunity to contribute to advancing healthcare outcomes while securing a sustainable competitive advantage for Central Texas in the global knowledge economy.

On behalf of Opportunity Austin, we’re proud of what has been accomplished, and equally excited about what’s ahead. We welcome global life sciences companies to explore the possibilities in Austin and look forward to working together to shape the future of healthcare innovation.

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