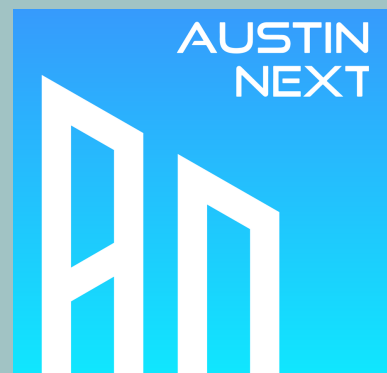# AUSTIN LIFE SCIENCES SECTOR

A Powerhouse Emerging at a Pivotal Crossroads

A collaboration between
Austin Medtech Connect & Austin Next

AUSTIN MEDTECH CONNECT

AUSTIN NEXT

EXECUTIVE SUMMARY

Austin's Life Sciences Sector Embarks on an Ascendant Path as it Nears a Transformative Inflection Point

- **Venture Capital Surge:** Life sciences venture funding skyrocketed 10X from 2017-2023, climbing from 23rd to 10th place nationally, rivaling Research Triangle Park, NC.

- **Innovation Diversity:** A vibrant tech scene and lack of a dominant subsector have catalyzed groundbreaking companies like Colossal Biosciences, Elligo Health Research, Everly Health, and Wheel.

- **Dynamic Workforce:** Austin's youthful workforce (median age 35.8) is bolstered by 20+ higher education institutions and over 177,000 enrolled students.

- **Talent's Meteoric Rise:** Austin's life sciences workforce, though modest at 18k compared to Houston's 35k and Boston's 183k, has seen a staggering 74% three year growth.

- **Leveraging Scarcity:** Despite having only 5,800 hospital beds compared to Houston's 21,000 beds and 1.6M sq. feet of lab space versus Boston's 52.7M, Austin's life sciences sector thrives by capitalizing on the limited available resources.

- **R&D Excellence:** Ranking 11th in the US for total patents and 3rd in patents per capita, Austin is an innovation hub. Life sciences publications grew from 2,000 in 2013 to 6,200 in 2022.
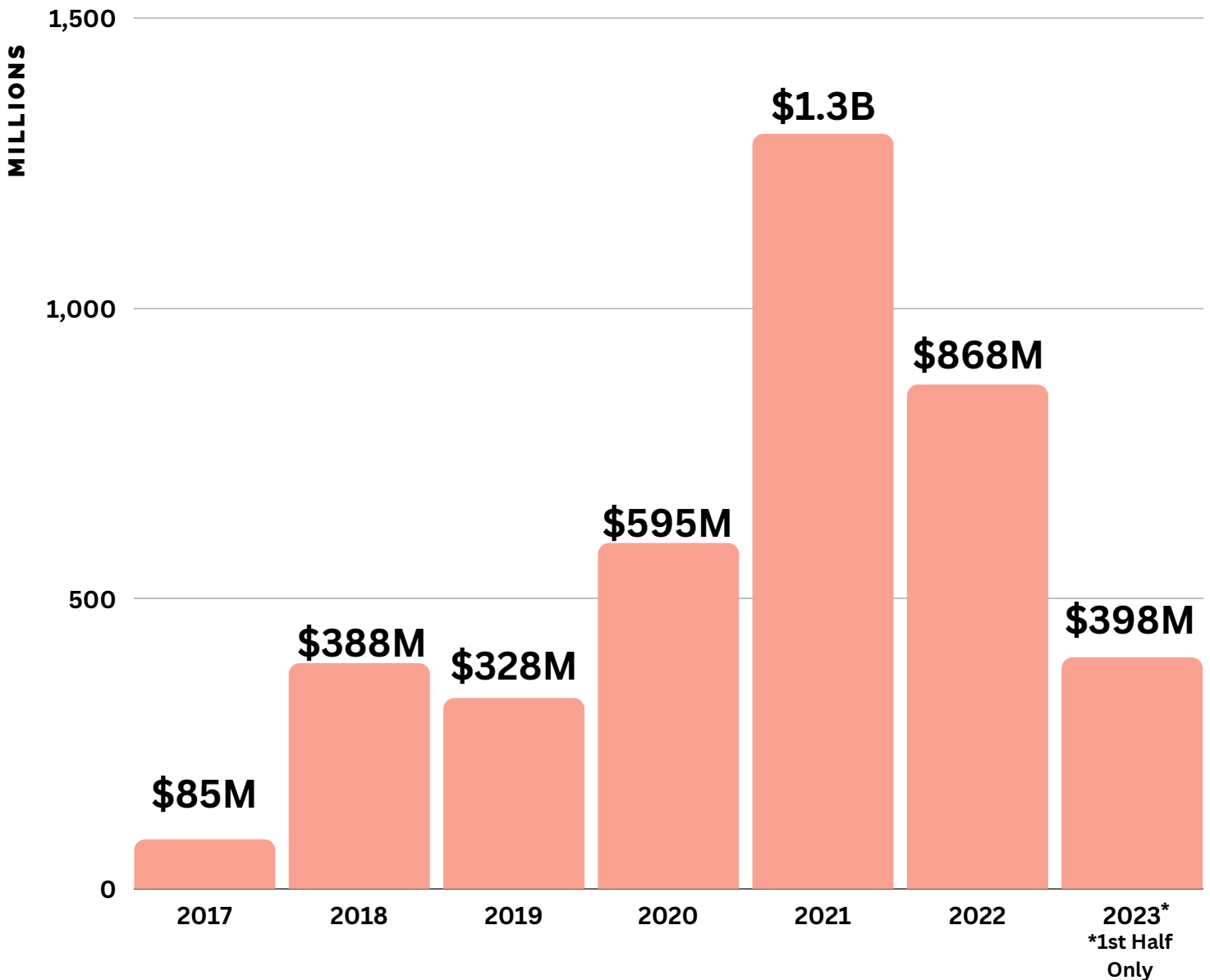
What's Next?

- **Resource Needs:** Strategic investments in talent and infrastructure are critical for Austin's life sciences sector to scale sustainably.

- **Innovation Surge:** Robust VC activity and cutting-edge R&D establish Austin as an emerging life sciences innovation hub.

- **Catalyzing Momentum:** Addressing resource needs and capitalizing on innovation positions Austin for exponential growth and global impact.

AUSTIN'S VENTURE BOOM
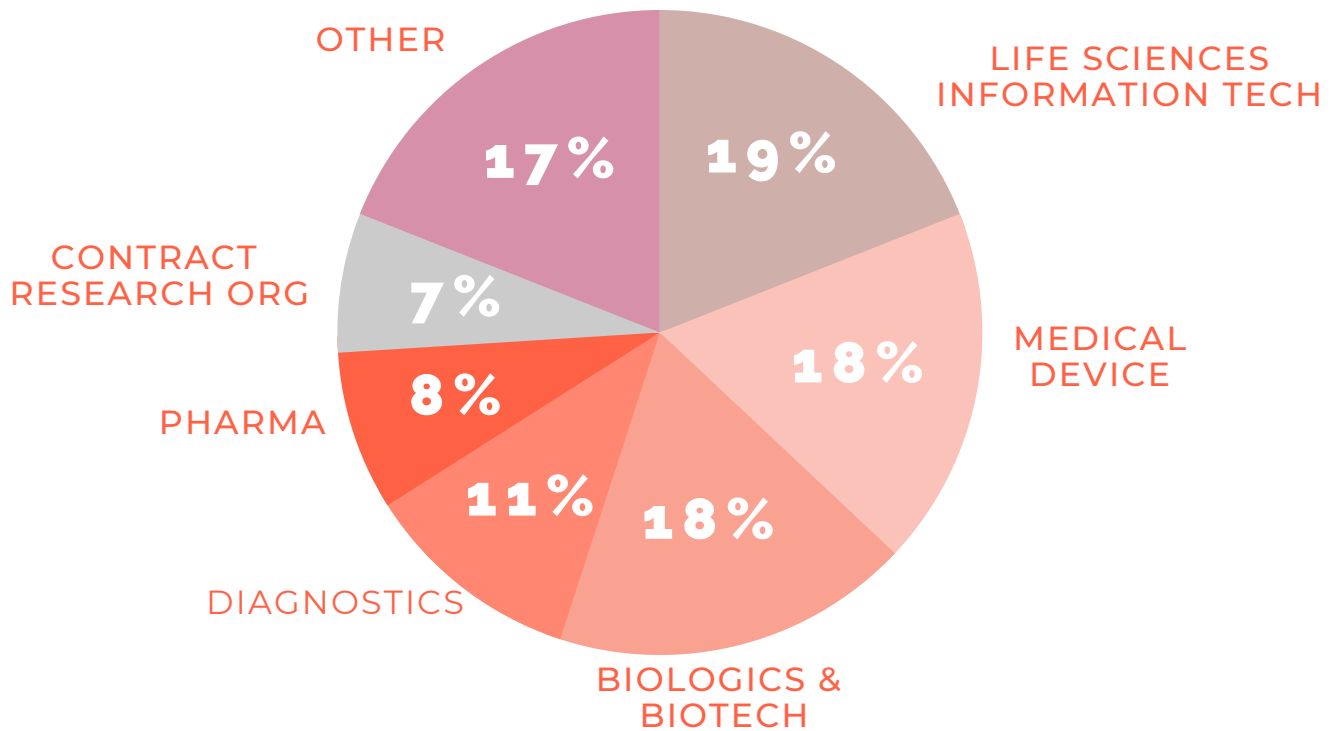
LIFE SCIENCES VENTURE FUNDING

#1 AUSTIN SECTOR FOR VC INVESTMET (2018-22)

MILLIONS

1,500	
1,000	
500	
0	

- **$85M** — 2017
- **$388M** — 2018
- **$328M** — 2019
- **$595M** — 2020
- **$1.3B** — 2021
- **$868M** — 2022
- **$398M** — 2023* *1st Half Only

From 2017 to 2023, venture funding in Austin's life sciences sector surged 10X. This propelled Austin from 23rd to 10th place in the US, placing it ahead of other regions in Texas and on par with Research Triangle Park, NC.

DIVERSE ENGINES OF INNOVATION

LIFE SCIENCES SECTOR BREAKDOWN

OTHER
17%

LIFE SCIENCES INFORMATION TECH
19%

CONTRACT RESEARCH ORG
7%

MEDICAL DEVICE
18%

PHARMA
8%

DIAGNOSTICS
11%

BIOLOGICS & BIOTECH
18%

260+
companies

18,000+
employees

73.7%
employment growth in the past 3 years

Absence of a single dominant subsector and a robust tech scene foster convergence opportunities. Unicorns (& near unicorns) include Colossal Biosciences, Elligo Health, Everly Health, & Wheel.
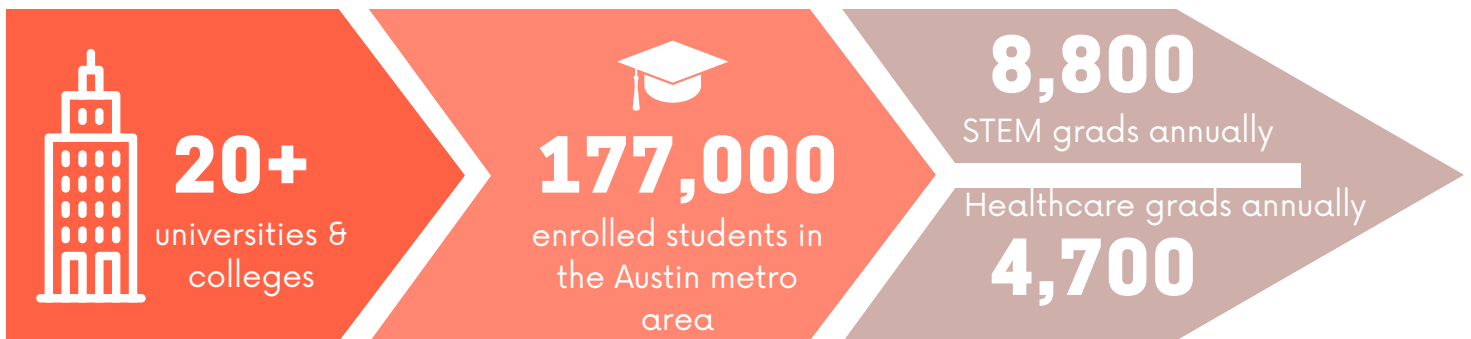
THE TALENT BEDROCK

A TOP-PERFORMING METRO
Austin ranked as the 4th most dynamic metro based on knowledge intensity, income, and overall growth in job, pay, and GDP.

A YOUNG AND HUNGRY WORKFORCE
Austin's growing workforce has a median age of 35.8, three years younger than the national median.

A STRONG EDUCATIONAL FOUNDATION

20+
universities & colleges

177,000
enrolled students in the Austin metro area

8,800
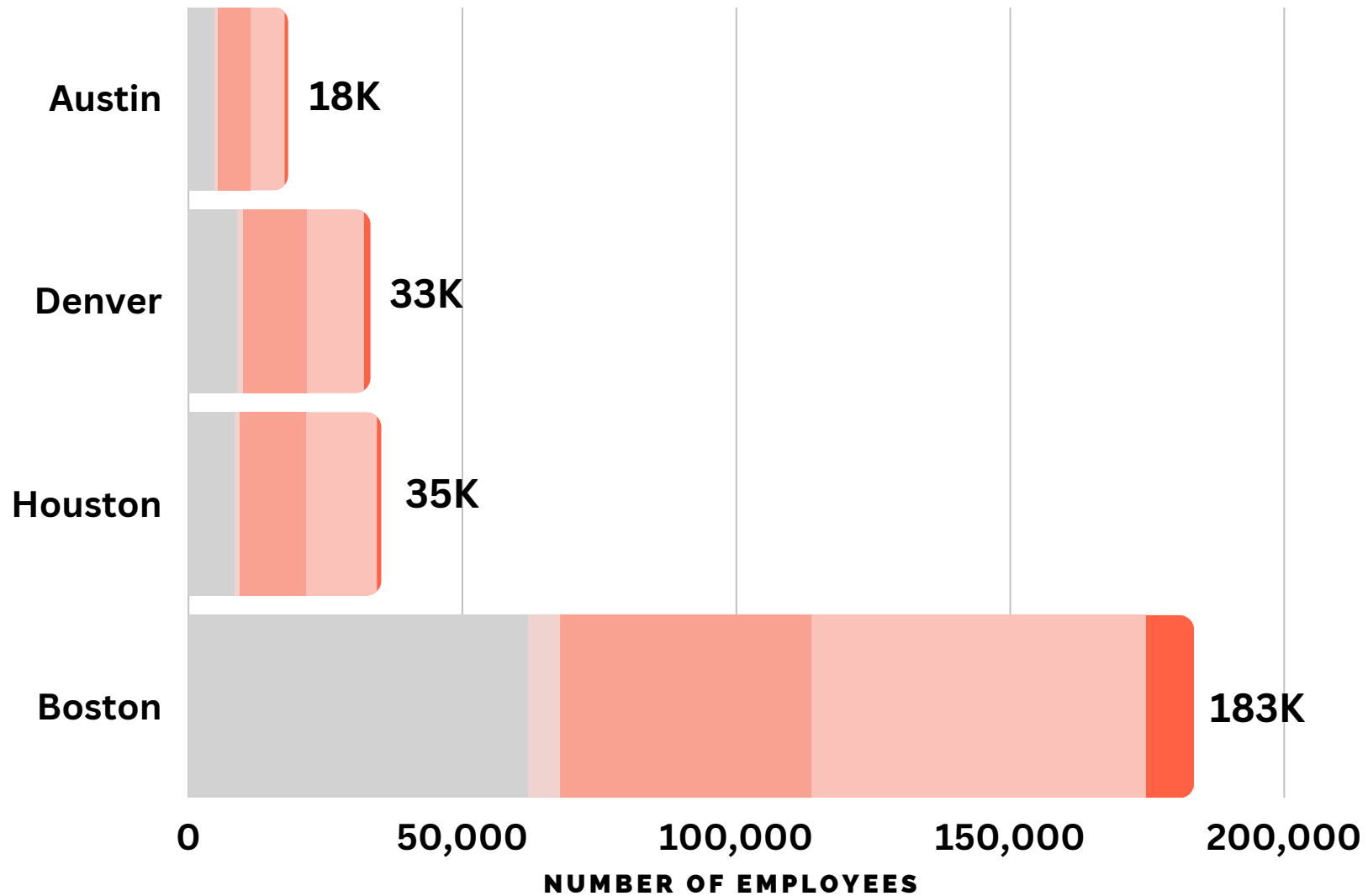STEM grads annually

Healthcare grads annually
4,700

Austin's workforce is the dynamic flywheel at the heart of the city's life sciences ecosystem. With its youthfulness and educational vigor, it continually propels the sector forward.

LEAN FORCE, LARGE IMPACT

WORKFORCE BREAKDOWN & COMPS

■ R&D   ■ Manufacturing   ■ Commercial
■ Back Office/Ops   ■ Executive

Austin — 18K

Denver — 33K

Houston — 35K

Boston — 183K

NUMBER OF EMPLOYEES

0   50,000   100,000   150,000   200,000

Austin's life sciences workforce is agile, formidable, and driving outsized success. Targeted investments in R&D talent (inspired by Boston's example) could be transformative.

HARNESSING LIMITED ASSETS

INFRASTRUCTURE SNAPSHOT & COMPS

	AUSTIN	DENVER	HOUSTON	BOSTON
POPULATION	2.4M	3.0M	7.3M	4.9M
STAFFED HOSPITAL BEDS	5,791	6,913	21,428	12,391
LAB SPACE (SQ FT)	1.6M	3M	1.6M	52.7M
PROVIDERS	45.1K	77.6K	161.8K	189.0K

With a notably leaner infrastructure, Austin's sector maximizes what it has on hand. The key to elevating its position lies in expanding clinical facilities, lab spaces, and essential healthcare resources.

INGENUITY UNLEASHED

EDUCATIONAL RESEARCH INSTITUTIONS

University of Texas at Austin
- $680M annual research funding
- 50+ research units related to life sciences

Dell Medical School at UT Austin
- $295M teaching hospital

Texas A&M Health Science Center
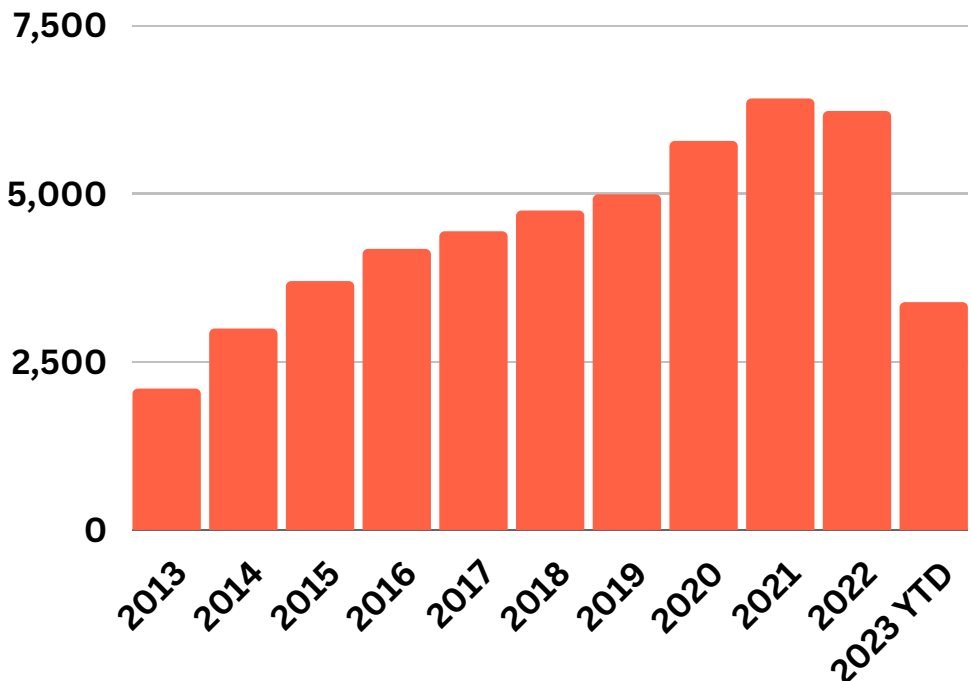- Regional clinical training

Texas State University
- STAR Research Park

Austin Community College
- Bioscience Incubator

11th
US ranking for total patents awarded

3rd
US ranking for per capita patent activity

Austin Metro Life Sciences Papers Published

Strong academic institutional backing, steady growth in life sciences publications, and consistent patent activity is compelling evidence of Austin's cutting-edge research.

THE TIPPING POINT

Austin's life sciences industry has been quietly building momentum, concealed by the towering shadows of the local tech sector and national life sciences hubs.

Now at a pivotal inflection point, this burgeoning powerhouse is primed for exponential growth and poised to seize its place on the global stage.

RESOURCE CHASM
Austin's talent and infrastructure are potent yet lean; there is an urgent imperative for strategic investments to fuel scalable growth.

INNOVATION SURGE
A growing torrent of VC funding and cutting-edge R&D herald Austin as an emerging epicenter of innovation in life sciences.

CATALYZING MOMENTUM
By bridging the resource gap and harnessing the innovation engine, Austin's life sciences sector is primed for exponential growth and global impact.

AUTHORS & CONTRIBUTORS

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Jawad is a frontline clinician who loves helping founders build. Austin Medtech Connect's mission is to break the silos among stakeholders in Central Texas and catalyze our potential to create the next generation of health technology and care delivery.

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Jason is an experienced strategy executive and active angel investor in the life sciences and digital health sectors. He is also the creator and host of the Austin Next podcast, an exploration of Austin's transformation into the next innovation powerhouse.

Joyce Zhuang
Joyce is currently an undergraduate student at UT Austin studying Biochemistry under the Plan II program. She is interested in healthcare leadership and innovation.

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Nirjhar has a passion for strategy and business development, conducting due diligence, portfolio operations in personalized medicine, and cutting edge tech sectors. He has an MBA from UT Austin, specializing in Healthcare and VC, and Biochemistry BS from Occidental.

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REFERENCES

Austin's Venture Boom

Austin Data: Austin Ecosystem Platform, initiated by Opportunity Austin and the Greater Austin Chamber of Commerce, powered by Dealroom.co
All Other Regions: App.Dealroom.co
Note: The venture data was pulled using the health filter. Our definition of the industry is broad, encompassing tools, diagnostics, therapeutics, medtech, digital health, care delivery, and more. This reflects the inclusive and rapidly evolving landscape of the sector.

Diverse Engines of Innovation

Sector Breakdown: Austin Chamber of Commerce - Life Sciences Snapshot
# of Companies: Austin Chamber of Commerce - Life Sciences Snapshot
# of Employees: Morris, Sydney M. "Principal Recruitment Consultant." Real Staffing, May 16, 2023
Employment Growth: 2022 Mid-Year Life Science Overview & Market Clusters NewMark

The Talent Bedrock

Top Performing: Heartland Forward Most Dynamic Metros 2022
Young Workforce: Austin Chamber of Commerce - Population by Age & Sex
Educational Foundation: Austin Chamber of Commerce - Life Sciences Snapshot

Lean Force, Large Impact

Morris, Sydney M. "Principal Recruitment Consultant." Real Staffing, May 16, 2023

Harnessing Limited Assets

Population (Metro): US Census 2022 Estimate
Staffed Hospital Beds: American Hospital Directory 2021
Austin Lab Space: Keep Austin Weird: How The Nascent Texas Life Sciences Market Could Grow With Fewer Labs; BISNOW; November 15, 2022
All Other Regions Lab Space: 2023 US Life Sciences Outlook CBRE
Providers: Bureau of Labor Statistics 2022 SOC 29-0000

Ingenuity Unleashed

Research Institutions: Austin Chamber of Commerce - Life Sciences Snapshot
Patents: Austin Chamber of Commerce Patent Activity
Life Science Papers: PubMed and filtered by Austin author affiliation