



GREATER AUSTIN REGIONAL GUIDE



“With the Austin manufacturing operation, we’ve been able to compete with anyone anywhere in the world.”

– Michael Splinter
President & CEO
Applied Materials, Inc.



Austin, the capital of Texas, is at the heart of the dynamic Central Texas region recognized for its talented workforce and superior business environment.

Austin is a metropolitan region of 1.4 million persons that thrives on a balance of technology, business services, education and government. With its highly trained workforce, well-recognized quality of life, moderate cost environment and vast experience in manufacturing and research and development, Austin offers business of all kinds extraordinary opportunity for productivity, cost savings and profitability.

In Austin you’ll find:

- One of the fastest growing major job markets in the United States
- Lower business and living costs than most major metros
- A youthful, well-educated workforce
- A geo-central major metro situated in the nation’s most business-friendly state
- A city renowned for its rewarding quality of life

Austin’s major corporate players include perennial Forbes/Fortune list giants like:

3M	Eastman Kodak	Sears
Advanced Micro Devices	Emerson	Siemens
Affiliated Computer Services	Freescale Semiconductor	Soletron
Apple Computer	Hewlett-Packard	State Farm Insurance
Applied Materials	Home Depot	Sun Microsystems
AT&T	IBM	SYSCO
BAE Systems	Intel Corporation	Temple-Inland
BMC Software	MCI	Time Warner
Cisco Systems	Nextel	Tokyo Electron
Computer Sciences Corporation	Oracle	Unisys
Convergys	Progressive Insurance	URS
Dell	Qualcomm	Whole Foods Market
Dresser	Samsung	
	SBC Communications	

Austin’s combination of big-city business amenities and small-market ease of living have made the metro a magnet for investment. Recent announcements to either locate significant new operations or expand existing operations have been made by:

360Commerce	Motion Computing	SEMATECH
Abbott Spine	Motive Communications	SigmaTel
Advanced Micro Devices	NetBotz	Silicon Laboratories
Ambion	Opus Healthcare Solutions	Sun Microsystems
Apple Computer	Oracle	TASUS (Tsuchiya Automotive Systems U.S.)
Applied Micro Circuits	PerformanceRetail	Temple-Inland
Bernard Harris Publishing	PharmaForm	Texas Instruments
Convergys	PPD	Tokyo Electron
GTECH	Progressive Insurance	U.S. Aquaculture
Harte-Hanks	Qualcomm	Wayport
Home Depot	Samsung Austin Semiconductor	Wi-Fi Alliance
IBM		
Molecular Imprints	Seiko	

FOCUS: 5-COUNTY OVERVIEW AND POPULATION

2005: Austin ranks third among 150 U.S. metro areas as best place to launch a business or a career.

FORBES "BEST PLACES FOR BUSINESS"

2004: Austin ranks third as best place to do business or advance your career.

FORBES "BEST PLACES FOR BUSINESS"

2003: Austin named best place in U.S. to do business or advance your career.

FORBES "BEST PLACES FOR BUSINESS"



POPULATION GROWTH, 1994-2004



Source: U.S. Bureau of the Census.

POPULATION

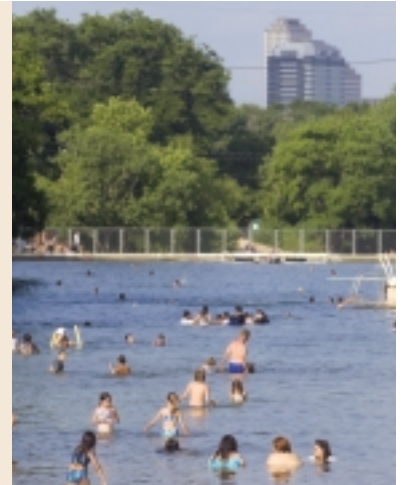
2004

Austin MSA	1,412,271
Bastrop Co.	68,608
Caldwell Co.	36,498
Hays Co.	119,359
Travis Co.	869,868
Williamson Co.	317,938
Texas	22,490,022

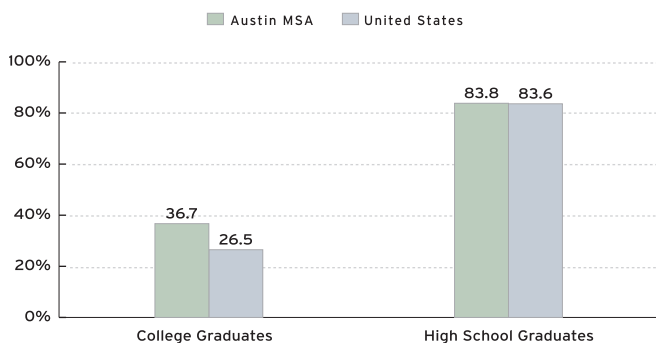
Source: U.S. Bureau of the Census.

A LARGE, FAST GROWING AND YOUTHFUL POPULATION MAXIMIZES THE LABOR POOL

Fast growing, largely because of its draw as a destination for migrating talent, metro Austin's population exceeds 1.4 million in 2005. The 1990s saw a 47 percent increase in population, and growth has been averaging three percent annually since the 2000 census. The 2000 census indicated that only three U.S. metros saw greater total net migration than Austin between 1995 and 2000. The median age of the Austin metro is four years younger than the national median (31.7 years vs. 36.0 years). Nearly half the metro's population, 45 percent, is in the working years between 18 and 44 (compared to 38 percent nationally).

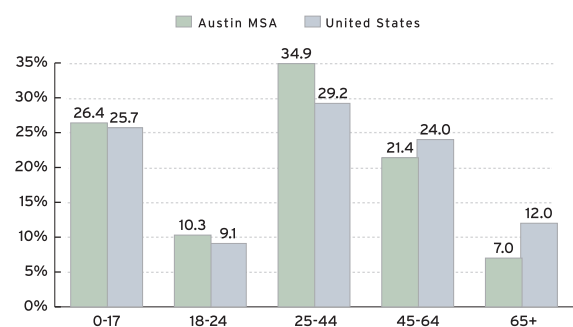


EDUCATIONAL ATTAINMENT, 2003



Source: U.S. Bureau of the Census.

POPULATION DISTRIBUTION BY AGE, 2003



Source: U.S. Bureau of the Census.

Austin isn't a talent pool. It's an ocean.

COLLEGES AND UNIVERSITIES

The University of Texas and seven other universities and colleges with a combined enrollment of over 114,000 provide an ample supply of well-educated workers to area employers. Within 200 miles of Austin, an additional 21 major colleges and universities enroll over 250,000 students. Thirty-seven percent of Austin area residents age 25 and over hold a bachelor's degree. In addition, a dozen vocational-technical or career schools in the metro award associate degrees or certificates in business and computer-related programs, trades, engineering-related technologies and health professions.

COLLEGES & UNIVERSITIES IN THE GREATER AUSTIN AREA

	Fall 2004 Enrollment
Austin Community College	29,004
Huston-Tillotson College, Austin	685
St. Edward's University, Austin	4,686
Southwestern University, Georgetown	1,270
Temple College-Taylor Center, Taylor	652
Texas State University, San Marcos	26,783
The University of Texas, Austin	50,377
Total	114,533

Source: Texas Higher Education Coordinating Board.

ELEMENTARY & SECONDARY EDUCATION

Highly rated elementary and secondary schools contribute to both quality of life and the exceptional labor pool. Austin area households enjoy diverse options in education, including 29 public school districts, 14 charter schools and 69 private schools.

Nine of the major public school systems, representing 78 percent of area enrollment, are included in *Expansion Management* magazine's annual education quality ratings of nearly 2,800 school districts nationwide. Two districts—Eanes and Round Rock—are rated "gold medal," the highest of the magazine's cost-performance categories. The Austin Independent School District, the largest in the region, was awarded a "blue ribbon" rating, the next highest category. Georgetown and Pflugerville also garnered blue ribbons.

WORKFORCE TRAINING RESOURCES

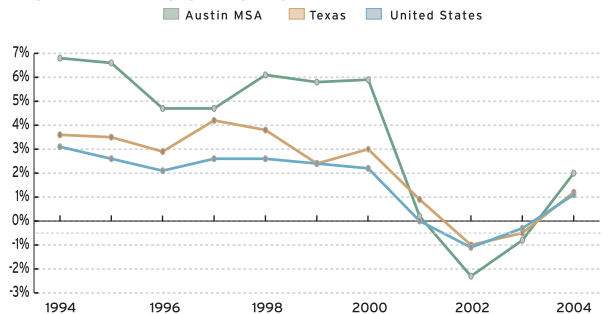
The Austin area features several organizations and training providers including the Austin Community College, the Skillpoint Alliance and WorkSource. These organizations have developed customized training programs for the biotechnology, semiconductor, automotive, healthcare and information technology industries. The Austin area workforce training community has shown a unique ability to adapt to the training needs of the private sector and has funding systems in place to support the changing needs of business in the future.

LABOR FORCE, EMPLOYMENT & UNEMPLOYMENT, 2004

	Labor Force	Employed	Unemployed Number	Unemployed Rate
Austin MSA	771,569	732,179	39,390	5.1%
Bastrop Co.	32,880	31,035	1,845	5.6%
Caldwell Co.	15,927	14,911	1,016	6.4%
Hays Co.	62,546	59,480	3,066	4.4%
Travis Co.	494,955	468,767	26,188	5.3%
Williamson Co.	165,262	157,986	7,276	4.4%
Texas	-	-	-	6.1%
U.S.	-	-	-	5.5%

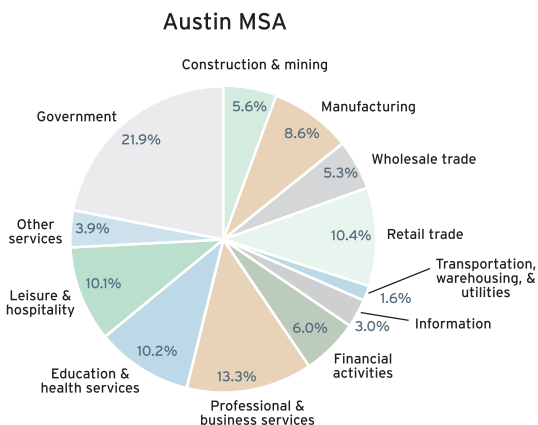
Source: Texas Workforce Commission.

NONFARM JOB GROWTH

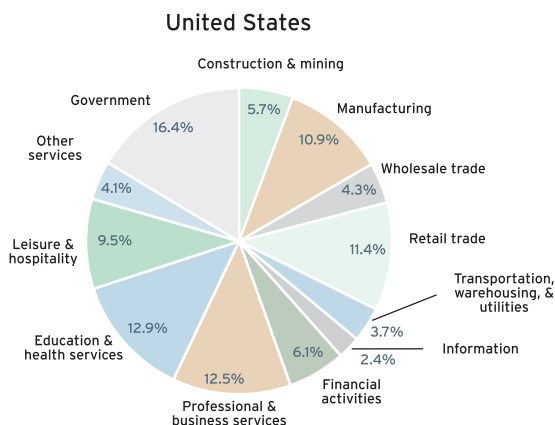


Source: Texas Workforce Commission.

EMPLOYMENT BY INDUSTRY, 2004



Source: Texas Workforce Commission.



FOCUS: BUSINESS AND INDUSTRY

SELECTED MAJOR EMPLOYERS

NAME	TYPE OF OPERATION
Employing 6,000 or More	
Austin School District	Public education
City of Austin	Government
Dell	Computer equipment mfg./sales (Hdq.)
Federal Government	Government
IBM	Computer hardware & software R&D
Seton Healthcare Network	Health care
State of Texas	Government
University of Texas at Austin	Higher education
Employing 2,000-5,999	
Advanced Micro Devices	Semiconductor chip mfg.
Applied Materials	Semiconductor production equipment mfg.
Austin Community College	Higher education
Freescale Semiconductor	Semiconductor chip design & mfg. (Hdq.)
National Instruments	Computer software developer & hardware mfg. (Hdq.)
Round Rock School District	Public education
St. David's Healthcare Partnership	Health care
Texas State University-San Marcos	Higher education
Travis County	Government
Employing 1,000-1,999	
3M	Electronic connectors & test equipment mfg./R&D
ACS State Healthcare	Medicaid & CHIP programs administrator for Texas
American Achievement Corporation	Commemorative & scholastic products (Hdq.)
Apple Computer	Computer maker's tech & admin support center
AT&T	Telecommunications
Austin American-Statesman	Newspaper publishing
Capital Metro Transportation Authority	Public transit
Emerson Process Management	Electronic industrial process control systems mfg.
Girling Health Care	Health care (Hdq.)
Guaranty Financial Services	Banking (Hdq.)
Harte-Hanks Response Management	Marketing & advertising services
Hospira	Health care products mfg.
PPD Development	Pharmaceutical, medical device & biotech R&D services
Progressive Insurance	Insurance
SBC Communications	Telecommunications
Sears Home Services	Customer service center
Solectron Texas	Electronics mfg.
State Farm Insurance	Insurance
Temple-Inland	Corrugated packaging, building materials, & financial services (Hdq.)
Time Warner Cable	Media & communications
Whole Foods Market	Grocery retailer (Hdq.)



"TOP BUSINESS CLIMATE"

Texas triumphs in this ranking due to pro-business measures, ease of doing business, overall business costs, actual capital investment and the state's fiscal health.

SITE SELECTION



INNOVATION AND GROWTH

From its major research institution, UT Austin, to its high profile as a focus of venture capital investing, Austin supplies business the fundamental framework for innovation and growth.

Access to **investment capital** in Austin is well established with the region being among the top targets for venture capital investment in the United States. Total VC investment in Austin companies was up 11 percent in 2004 over the previous year.

Austin outpaces much larger and more economically diverse regions such as Phoenix, Seattle, Denver and Raleigh-Durham according to a Patent and Trademark Office analysis of **patent activity** for the decade of the 1990s. This demonstrated capacity of generating new ideas has only increased since the period of that study. During 2004, Austin inventors were granted over 2,000 patents, double the number seven years earlier. This amounts to more than 150 patents per 100,000 residents. The national rate is 30 patents per 100,000 residents. UT is the fourth most patent-earning university in the country.

REAL ESTATE OPPORTUNITIES

Opportunities abound for growing companies with long-term expansion plans. Thanks to an abundance of office and industrial space and a wide variety of environmental characteristics, the region can accommodate nearly any operation, large or small. With much of Austin's development occurring over the past 15 years, facilities are modern and attractive.

As of the first quarter of 2005, Austin has more than 9 million square feet of vacant office space and a 15.3 percent office vacancy rate. Ample Class A space is available in a vibrant downtown as well as a variety of suburban markets. Available industrial space exceeds 10 million square feet and the vacancy rate for industrial space is 15.7 percent. In addition, the area has several campus style facilities that are available for lease. The Greater Austin Chamber can help your company locate the site that fits your needs.

FOCUS: COST ADVANTAGE & TAXES/INCENTIVES

AVERAGE OCCUPATIONAL WAGES AND SALARIES, NOVEMBER 2003

	AUSTIN MSA	UNITED STATES	AUSTIN/U.S. WAGE INDEX
All occupations	\$38,170	\$36,520	104
Management	82,480	83,400	99
Business & financial operations	50,920	56,000	91
Computer & mathematical	66,050	64,150	103
Architecture & engineering	62,260	60,390	103
Life, physical, & social science	56,050	54,930	102
Healthcare practitioners & technical	59,820	56,240	106
Sales & related	31,270	31,560	99
Office & administrative support	29,170	28,540	102
Construction & extraction	31,630	37,000	85
Installation, maintenance, & repair	35,630	36,560	97
Production	27,190	28,930	94
Transportation & material moving	24,670	27,630	89

Source: U.S. Bureau of Labor Statistics.

"BEST METROS FOR BUSINESS EXPANSIONS"

Austin finished fourth in an evaluation of 332 metro areas based on criteria used by site selectors in making location recommendations. Austin's abundance of well-educated workers and the state's favorable business climate helped drive Austin toward the top of this ranking.

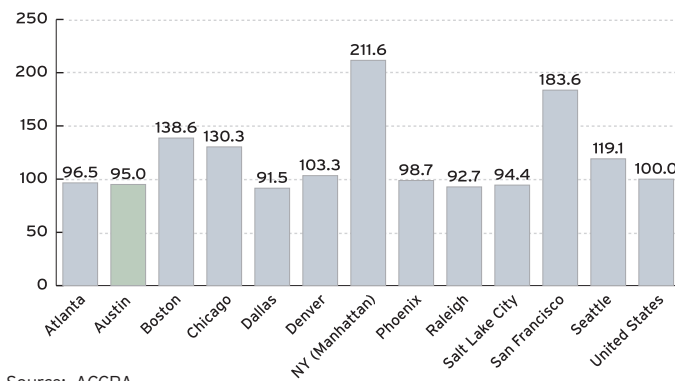
EXPANSION MANAGEMENT

HOME PRICES: MEDIAN SALES PRICE, EXISTING SINGLE-FAMILY HOMES

	2002	2003	2004	ANNUAL PERCENT CHANGE 2002-2003	2003-2004
Austin MSA	\$156,500	\$156,700	\$154,700	0.1%	-1.3%
United States	\$158,100	\$170,000	\$184,100	7.5%	8.3%

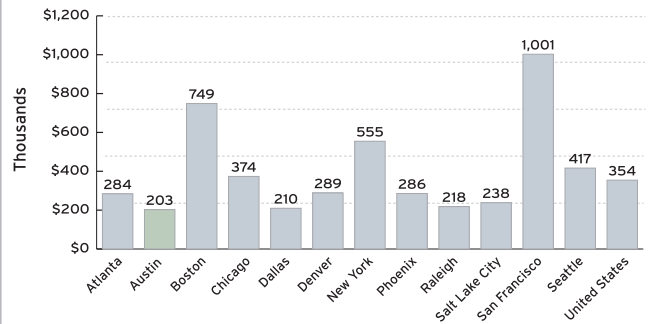
Source: National Association of Realtors.

COST OF LIVING INDEX, 4TH QUARTER 2004



Source: ACCRA.

HOME PRICES: AVERAGE PRICE, 'MIDDLE MANAGEMENT' HOUSING, 2004



Source: Coldwell Banker.

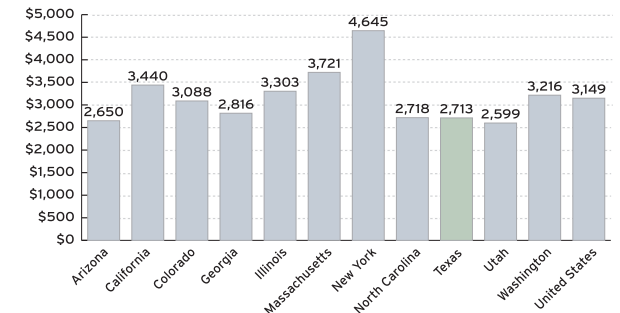
TAXES

In Texas and the Austin region, we've formalized a friendly attitude into a business climate that is truly user-friendly. The tax structure is fair, competitive and designed to make companies feel welcomed.

Texas is one of only six states with no individual income tax (a very attractive environment for transferring employees). Texas also has no corporate income tax.

Total state and local taxes averaged \$2,713 per person in 2002, 14 percent less than the national average. Similarly, state and local taxes in Texas are low relative to income, amounting to \$95 per \$1,000 of personal income, compared to the national average of \$104 per \$1,000.

TAX BURDEN: STATE AND LOCAL TAXES PER CAPITA, 2002



Source: U.S. Bureau of the Census.

TEXAS INCENTIVES OPPORTUNITIES

The State of Texas offers a variety of incentive programs designed to make capital more available for businesses looking to expand or locate in the state, as well as for companies already doing business in Texas. Committed to retaining its "business friendly" reputation, Texas stands ready to help businesses expand and become globally competitive.

There is a reason why the Austin business community includes such famous names as IBM, Applied Materials, Advanced Micro Devices, Samsung, 3M, Freescale, Tokyo Electron and others. We worked hard to get them here. The city, the counties, the region and the state-government, community and business leaders-rallied to attract these businesses. They are ready to do so again so that the incentives available for investment and job creation are competitive with peer regions anywhere in the nation.

Austin boasts proven telecom, transportation, electric and water capacities to satisfy diverse kinds of operations ranging from sensitive data center operations to semiconductor manufacturing, as well as Fortune 500 firms and international businesses.

COMMUNICATIONS

Austin provides a rich, modern communications infrastructure. True to Austin's reputation as a high-technology center, businesses can rely on a sophisticated, reliable and robust suite of information technologies to maintain their competitive advantage.

POWER

High tech industries sensitive to fluctuations in power quality thrive in Austin. Area providers are experienced in providing specialized technical and engineering support to high-tech companies. Austin Energy, which serves a 421 square mile area, has achieved outage duration and outage frequency ratings that are among the best in the nation.

TRANSPORTATION

Austin's land and air transportation are favorable for materials distribution and business travel. Distribution takes advantage of the region's location in Central Texas at the intersection of I-35 and a network of U.S. and state highways. Three of the nation's 10 largest cities—Houston, San Antonio and Dallas—are no more than three hours away. Laredo, the major port of entry between the U.S. and Mexico, is four hours from Austin via I-35, the NAFTA corridor.

"TOP 20 BOOM TOWNS"
 Austin places fourth in ranking of metros by their capacity to generate high-wage jobs. 318 metros were compared based on growth of skilled occupational clusters, prevalence of college degrees and salaries.
BUSINESS 2.0

NON-STOP JET DESTINATIONS



INTERSTATE SYSTEM NEAR AUSTIN



Opened in 1999, Austin-Bergstrom International Airport is a valuable asset for business travelers and shippers. Eight major airlines served 7.2 million passengers in 2004. These airlines offer nonstop service to 29 destinations in the U.S. and Mexico and connections to other destinations. Air cargo shipments pass through a \$20 million state-of-the-art cargo facility opened in 1997. Cargo shipped from ABIA in 2004 totaled over 254 million pounds.

MAJOR AIR CARRIERS SERVING AUSTIN

- | | | |
|----------------------|-------------------|-----------|
| America West | Delta | Southwest |
| American Airlines | Frontier Airlines | United |
| Continental Airlines | Northwest | |

RAILROADS SERVING AUSTIN

- | | | |
|---|---|---|
| CLASS 1 RAILROADS
Burlington Northern
Santa Fe Railway
Union Pacific Railroad | REGIONAL RAILROADS
Georgetown Railroad
Austin Area Terminal Railroad | PASSENGER RAIL SERVICE
Amtrak's Texas Eagle (Chicago-San Antonio) serves Austin daily and travelers can connect in San Antonio with the Sunset Limited (Orlando-Los Angeles). |
|---|---|---|

PORTS

Austin is within 250 miles of four of the top 10 U.S. ports (ranked by total tons of foreign and domestic commerce): Houston, Beaumont, Corpus Christi and Texas City.



"Austin is a high-tech city with an attractive quality of life. It is an appealing environment for the innovators we need at Freescale."

–Michel Mayer, CEO
Freescale Semiconductor

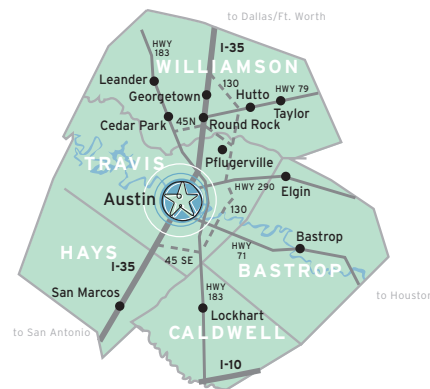


What better balance can a city offer than being both the 'Best Place for Business and Careers' and the 'Live Music Capital of the World'? Austin pleases all in rankings ranging from 'Best City for Relocating Families' to 'Best Cities for Singles.' Other assessments consistently recognize the region as among the most inventive, creative, wired, rockin', educated, fit and loved.

- Affordable and diverse neighborhoods, from urban lofts to hill country estates
- A climate made for outdoor enjoyment and recreation nearly year round
- Many professional and amateur sports venues and events
- More fine restaurants and clubs per capita than any other U.S. city
- A lush environment highlighted by parks, lakes and trails
- A creative culture that supports the arts, music and the theater
- Year-round festivals and celebrations for people of all ages

**GREATER AUSTIN
FIVE-COUNTY REGION**

Austin anchors a five-county region of 1.4 million residents.



REGIONAL PARTNERS

Austin	www.ci.austin.tx.us
Bastrop	www.bastropedc.org
Cedar Park	www.cedarparkchamber.org www.ci.cedar-park.tx.us
Elgin	www.elgintx.com
Georgetown	www.investgeorgetown.org www.georgetownchamber.org
Hutto	www.huttoedc.com www.cityofhutto.com
Leander	www.ci.leander.tx.us
Lockhart	www.lockhart-tx.org www.lockhartchamber.com
Pflugerville	www.pfdevelopment.com www.gppc.pflugerville.tx.us
Round Rock	www.roundrockchamber.org
San Marcos	www.sanmarcosedc.com
Taylor	www.taylorredc.com

"Headquartering in the Greater Austin Region has provided Dell access to world-class talent which has been a key driver to our success."

– Kevin B. Rollins
President & CEO
Dell

"We picked Austin because it's a wonderful place for recruiting employees. People just enjoy living here."

–Kenneth Jastrow
Chairman & CEO
Temple-Inland Inc.

"We wanted a market with high-tech talent. The talent here now and to come in the future will fuel our growth in future years."

– Bob DeRodes
Executive VP & CIO
The Home Depot

NOW IS THE IDEAL TIME TO EXPLORE GROWTH OPPORTUNITIES IN AUSTIN.

Contact: Greater Austin Chamber of Commerce
Economic Development Division
210 Barton Springs Road, Suite 400, Austin, TX 78704
Phone: 512.322.5650 Fax: 512.478.9615
Email: ecodev@austinchamber.com Web: www.austinchamber.com

