

THE

*Real Speake*

# AUSTIN LETTER

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Dear Client:

**In early June, the Texas Department of Transportation will unveil a complete transportation system plan so bold in concept it could change the Texas way-of-life, and our ability to interact personally and professionally, in much the same way cattle drives, covered wagons, telegraphs and steam engines did when the Lone Star State was born.**

Imagine huge 1,200-foot swaths of right-of-way criss-crossing every geographical nook and cranny of Texas, going near (encircling or bypassing) population centers large and small. Imagine in **the center of the 1,200-foot swath, six rail lines** – three in each direction – one dedicated to *high-speed passenger* rail between cities, one dedicated to *high speed freight* and one dedicated to commuter and freight rail to serve small cities, as well as the bigger metros.

Then, flanking the rail lines on both sides, imagine **six vehicle toll lanes**, three in each direction, with plenty of room to expand with our population. And, on the outside of those vehicle lanes, imagine arterials for safe and reliable lines for water, petroleum, natural gas, electricity and communications. This entire system would spider-web Texas for **4,000 miles**, take **several decades** to complete and **cost at least \$175 billion**. Gulp!

Do we need to tackle this unbelievably large undertaking? Consider only one fact as you fight congestion and increasing pollution each day: Texas will likely grow from **21 million people today to more than 50 million** over the next few decades. “This is a plan to **ease traffic congestion** and increase the safety and security of Texans living in crowded cities and suburbs, near congested border crossings and in our smallest communities in rural Texas,” said Governor **Rick Perry**. “It will **reduce air pollution** and lead to better stewardship of our natural resources.”

“It will create hazardous materials routes outside of our crowded cities, **improve the movement of electricity, telecommunications and water**, and provide more transportation alternatives in the event of a disaster,” the governor said. “And, it will provide **unprecedented opportunities for economic growth** for all Texans, whether they live in rural, urban, developed or undeveloped areas of the state.”

There will be ample time for cussing and discussing the Trans Texas Corridor details when they are unveiled in June. Be forewarned: this will likely get caught up in political campaign talk. But it is **too important to be lost in political rhetoric**. We need to pay close attention.

**After all the numbers have been tweaked, adjusted and double-checked, they still show the Austin area -- amazingly -- added 2,900 jobs during 2001. This becomes all the more impressive when you realize that at least 23,000 Austin area workers were laid off or re-located during 2001.**

In February each year, the Texas Workforce Commission (TWC) prepares employment benchmark revisions for the state and each metropolitan area. TWC's annual February revisions use **state unemployment insurance reports**, which every company is required to file, to adjust its sample-based employment monthly estimates. So, the increase in 2,900 jobs is the "official" tally and the most accurate number you will be able to garner.

Think about this. During the robust, go-go, phenomenal growth year of 2000, the Austin metro area grew to where 672,700 people were gainfully employed and (most of them) paying taxes. Then, during the downturn of 2001, when to some it seemed like everything was "going to Houston in a hand-basket," **Austin's solid economy grew to the point where 675,600 people were working.**

Sure, the increase was only .4%, but it was an *increase* during a time when metro areas, including Austin, were losing jobs right and left. The headlines blared "layoffs" throughout the year, but the **silent story was steady job growth**. What we had was a "re-shuffling" of jobs. And the bottom line is that more people had jobs last year than the year before.

**The Austin area's largest private employer, Dell Computer, was one of those companies announcing layoffs in 2001. And, that reduction in overhead helped the company maintain profitability while becoming the leading seller of home computers in the US.**

As we've been telling you for the past year, Dell used the downturn (when its competitors were pulling back to weather the business storms) to spend massive amounts of marketing dollars to grab market share in the home PC business. It paid off handsomely. **Dell has just moved from way back in the pack at #5 two years ago to #1 in home PC sales today.**

But this surge to the top of the mountain is coming with a price. Dell's impeccable service reputation is becoming tarnished. Personal PC users require a lot more "hand-holding" than Dell's business clients. And, complaints are piling up about Dell's capacity to handle the service/support side of the Personal PC business (see our 2/8/02 edition).

Service is a high overhead item. **It costs a lot to staff those phones with quality techs** who can make using a Dell computer a pleasurable experience. So, while Dell is cutting costs by cutting back people in certain areas, it may have to increase costs by beefing-up its tech support side. Remember: a lost reputation is awfully hard to regain.

**The focus was on the money initially. After all, the largest monetary gift (\$150+ million) ever made to a single public university in the nation is very significant. And when the Dallas philanthropist's gift pushed UTAustin's capital campaign total to more than \$1.1 billion, almost three years ahead of schedule, it takes on added importance. But how will the income from the single gift and some of the capital campaign be spent?**

(By the way, the gift from elderly Dallas oilman/philanthropist John Jackson and his late wife, Katie, is the gift of his entire estate. **The ailing Jackson has no heirs and the \$150 million dollar amount is a conservative estimate.** After Jackson's death, UTAustin will begin a systematic process of liquidating his estate to get the maximum return. The final tally could be significantly higher than the announced amount.)

Jackson's gift should ensure that UTAustin will be *the* center for research into our planet – its environment, its geology and geophysics, earth sciences and of course, energy, mineral and water resources. The geology department at UTAustin is already one of best around. His gift should cement its **worldwide stature as the place where important discoveries related to our land, water and energy will emanate in the future.** Jackson says he is investing in the future of Texas, with UTAustin acting as a manager of his investment.

One of the most exciting initiatives funded by the billion dollar campaign is what UTAustin president Dr. **Larry Faulkner** calls a “**digital knowledge gateway.**” This is unprecedented. And you — as well as every person in Texas with a computer — will benefit from this gateway.

What is envisioned is an **online service that goes far beyond anything existing today.** The electronic gateway project represents a major commitment by UTAustin to, as Dr. Faulkner puts it, “transform lives for the benefit of society.”

Let your imagination run wild and you still can't envision the full scope of what this will mean, unless you're intimately familiar with everything that is available to students, researchers and professors at UTAustin. **Every Texas resident will have a personalized Internet window into the vast resources of UTAustin's libraries** (acknowledged as one of the best library's in the world), **collections, museums and much more.**

You want to look at the **Gutenberg Bible**, go to your personal window on the web. The very **first photograph** ever made in the world will be there. You want to see some of the best **American, Western and Old World art**, your window will have it. But more importantly, if you need **facts, background info on just about any topic imaginable**, it will be at your fingertips on your personal Internet window. Just think what this will mean to you.

What is it that's carved in stone across the front of the Main Building, at the base of the UTAustin tower? “Ye Shall Know The Truth And The Truth Shall Set Ye Free.” Before, those words referred to UTAustin students. Soon, they will have meaning for *all* Texans.

**Before Ron Howard shows up in Hollywood 3/24/02 to see if he will win an Academy Award for directing the thoughtful *A Beautiful Mind* (that almost surely will also win a Best Actor Oscar for frequent Austin visitor Russell Crowe), he's going to sit down for lunch 3/19/02 with Governor Rick Perry to "Remember The Alamo."**

The buzz around Texas is that Howard, who directed the award-winning Texas-based *Apollo 13*, will team up with **John Sayles**, another filmmaker who has turned-out critically-acclaimed films on Texas (*Lone Star*) to tell, once again, the legendary, larger-than-life story of the Battle of the Alamo. (Do you realize it's been more than 40 years since **John Wayne** took a few liberties with the facts to bring you his version of the sacred story? His title: *The Alamo*.)

While nothing is ever certain with Hollywood filmmaking until the finished product is "in the can," the word is that **sites around the state have been scouted** for another telling of the epic battle. (When you visit The Alamo in San Antonio and hear how the Daughters of the Republic Of Texas talk in hushed tones about the historic setting, you can understand how their reverence for this all-important shrine of Texas history has **prevented them from allowing any movie to be shot inside the Alamo**. That's why Wayne reconstructed the Alamo on the dusty desert outside Brackettville to film his version of the event. By the way, it's still there.)

There's no word on who might be cast to play **Davy Crockett, William B. Travis** or **Jim Bowie**. It's not even certain Howard would direct the epic. Only two facts have emerged: Howard and Sayles are seriously scoping out the project and Sayles is writing a screenplay. If another Alamo movie is made, you should hope someone like Howard, who has exhibited good taste in all his films, is directing it – rather than an **Oliver Stone**, who has never let facts stand in the way of a story. Footnote: the anniversary was just last week, 3/6/02, when about 200 Texans died in the Alamo after a 13-day siege by a massive Mexican force in 1836.

**Dr. Louis Overholster** notes the first day of Spring is next week: "It's that special time of year when seeds are sprouting, grass is growing, flowers are blooming – and you know the message that conveys to every sensitive and caring person: it's getting harder to find your ball in the rough."

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