



Volume 36, Number 7

May 9, 2014

Dear Client:

UTAustin's inaugural dean of the Dell Medical School says he wants "to keep Austin at the leading edge in health for years to come." And Dr. Clay Johnston wants to approach that goal by planting "seeds of real change in the nation's health care system."

How will the practicing neurologist do this? "By preparing future Longhorn medical students to **practice medicine in a health care environment that's on the verge of a revolution,**" he explains. "We have an opportunity to start from scratch to redesign what health care can be."

So what does he think about the current system? "**Medicine is a bad business.** It's built on a foundation that needs a reexamination, and there's a huge **opportunity to change the business so that it's focused more on delivering high-value health care,** which it's not focused on now," Johnston observes.

How does he propose doing this in an academic environment? **By reinventing the curriculum for medical students** "to reflect both how medicine has changed over the last half-century and anticipate ways that health care as a system must transform to become more sustainable." He notes that **medical curriculum hasn't changed much in the last 30 years, despite massive evolution in technology and medicine.**

One approach he suggests includes "flipped classrooms" being used in other parts of higher education, where "**lectures are absorbed via video outside of class, and class time is spent more interactively,** working through problems in teams, guided by the professor."

Johnston says "**the amount of knowledge out there in medicine is growing so rapidly it's not possible to get your arms around that anymore.**" His solution: many medical facts no longer need to be learned by rote. "You need a general familiarity, but **you do not have to devote this impossibly large tome of information to memory.**" Instead, he says, medical students need to learn how to learn – "**how to use the tools that are available.**" (Google or science library?)

And he sees Austin as integral to the med school's success. "The school district, transportation, food, all those things play into the health of an area. "**How can we work together,**" he asks, "**to think about ways in which Austin can demonstrate leadership in improving health?**"

“Austin is the new Brooklyn?” What? C’mon, Brooklyn? Yep, that was the headline on an article about Americans fleeing big cities in a recent issue of *BusinessWeek* magazine.

Quoting a couple living in New York City with a housing budget of \$700,000, they “could afford only a two-bedroom in the far reaches of Brooklyn.” Then they started thinking about having kids. So they ditched the East Coast for Austin. The magazine used this example to reinforce its thesis that **“hundreds of thousands of Americans who enjoy city living are abandoning major population centers not for suburbs but for more affordable, second-tier metropolitan areas.”**

We’ve reported regularly about the influx of residents from states like California. But this is the first study we’ve seen about big-city residents moving to second-tier metros like Austin. This could be one of the explanations (though not mentioned in the article) for the recent **increase in downtown Austin living – residents from bigger cities like the Austin high-rise lifestyle.** (Though, of course, Austin area *suburbs* are also feeling the population boom.)

Analyzing USCensus data from 2010 to 2013 that showed Austin as the fastest-growing major metro area in the nation, ***BusinessWeek* ranked the Top 15 Big Cities that lost residents to Austin.** While seven of the 15 were from western states, guess which city sent more of its residents to Austin than any other biggie.

Chicago was #1, followed by #2 Los Angeles and #3 New York. The remainder: **#4 Phoenix ... #5 San Diego ... #6 Tampa ... #7 Naples, FL ... #8 Atlanta ... #9 Riverside, CA ... #10 Washington DC ... #11 San Jose ... #12 Santa Ana, CA ... #13 Denver ... #14 Oklahoma City and #15 Philadelphia.**

Some of the big cities won’t necessarily miss the residents who have left because new people are always moving in to take their place. This is why two metros made both lists. **Austin led the list of metros that *attracted* residents from other areas,** followed by Raleigh, San Antonio, *Denver*, Charlotte, Nashville, *Oklahoma City*, Orlando, Houston and Dallas-Fort Worth.

Another bit of interesting info uncovered in this latest USCensus data dump is that a **middle class family can afford 50% of the homes for sale in the Austin area.** But middle class families can only **afford 14% of the homes for sale in San Francisco** and middle class families can only **afford 25% of the homes listed for sale in New York.** Quite a disparity.

Austin’s ranking comes with a price. The real estate website Redfin reported the housing markets in the USCensus data’s hot cities have become the tightest in the country. **“In Austin, almost 22% of homes sell within three days,”** reported *BusinessWeek* and Redfin noted **“this population growth is driving housing demand and buyers are feeling the crunch in 2014.”** Tell us something we didn’t know, Redfin.

Despite intensive efforts, two major corporations – Toyota and 7-Eleven – bypassed Dallas and will create thousands of jobs in nearby North Texas cities. The Dallas mayor blames the city’s school system for the losses.

Sure, cities lose job-creating companies all the time. Even highly-desirable Austin has missed out on a few jewels. **But the two Dallas losses were especially hurtful.**

Toyota gained the most attention because it will establish its new North American headquarters in Plano. Within the next three years, Toyota’s three separate North American headquarters for **manufacturing, sales and marketing, and corporate operations** – currently spread among California, Kentucky and New York -- will be combined on one corporate campus in Plano.

This is a huge deal for *Toyota* that called the move “**the most significant change we’ve made for our North American operations in the past 50 years.**” It is also a huge deal for *Plano* that will **gain about 4,000 workers as Toyota invests \$300 million** to establish its HQ in the fast-growing Dallas suburb.

For Dallas that thought it was engaged in a battle with Atlanta and Charlotte for the economic development plum, it is especially galling to lose out to its neighbor. And Dallas Mayor **Mike Rawlings** laid the blame for the loss squarely on the Dallas Independent School District (DISD). He was quoted in the area news media as saying “**it is difficult to recruit companies to Dallas because the public school district has a high number of low-performing schools and schools that have lower graduation rates.**”

The Dallas mayor said **DISD schools also played a part in 7-Eleven’s decision to abandon its longtime headquarters in Dallas for a move to nearby Irving.**

7-Eleven grew to a national convenience store powerhouse from its Dallas origins.

The Toyota move was hush-hush prior to the announcement. A handful of Dallas leaders signed strict non-disclosure agreements. **The State of Texas got involved by offering Toyota an investment of \$40 million of economic incentives.** In the end, Dallas lost. Plano won.

Speaking of things automotive, the Austin area is proving this month to be high on the radar of carmakers as residents will be among the first to see a new Lexus product.

The folks at Lexus of Austin are bursting with pride that Lexus’ first entry into the compact crossover segment – the NX – will be shown at the Austin Auto Show this month. The reason: **Austin is the second stop behind the New York Auto Show** to trot out what Lexus calls “the ultimate urban crossover” – ahead of Chicago, L.A., Miami, etc. **The NX, with its edgy and striking design, was developed from the perspective of young, urban, luxury drivers.**

UTAustin pulls out all the pomp and circumstance stops next week when it stages its annual impressive University-wide Commencement Ceremony.

On Saturday, 5/17/14, at the completion of two days of individual recognition in college and school convocations, degree candidates from all disciplines come together at the base of The Tower, along with families and friends. **After a Tower Carillon concert and other stirring music comes the grand procession of degree candidates.** (As irreverent as it may be, I can't help but think of those who left UTAustin without a degree.) Here are 15 famous *dropouts*:

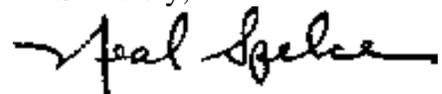
Roger Clemens (1982-1983), baseball pitcher ... **Walter Cronkite** (1933-1935), broadcast journalist ... **Michael Dell** (1983-1984), founder Dell Inc. ... **Kevin Durant** (2006-2007), basketball player ... **Farrah Fawcett** (1965-1968), actress ... **David Geffen** (1961-1962), founder Dreamworks ... **Janis Joplin** (1962), musician. There's more.

Ben Crenshaw (1970-1973), pro golfer ... **Jayne Mansfield** (1951), actress ... **John Mackey** (1972-1977) founder, Whole Foods ... **Sam Rayburn** (1908), Speaker, US House ... **Mary Lou Retton** (1987-1988), Olympic gymnast ... **Karl Rove** (intermittent after 1977), White House advisor ... **Neil deGrasse Tyson** (earned MA in 1983, but left PhD program), astrophysicist and **Owen Wilson** (1988-1991) actor.

Needless to say, those 15 beat the odds by earning as much as those holding a degree. Delivering this year's address is UTAustin grad Admiral **William H. McRaven**, Commander, US Navy Special Operations, who headed up the operation that took down Osama bin Laden. After his address, fireworks will frame the burnt orange tower, while "The Eyes of Texas" is sung.

Dr. Louis Overholster still grins when he remembers this quote from a commencement address by **Dave Barry**: "You have committed the grave tactical blunder of acquiring enough university credits to graduate. So now you're leaving college and embarking on the greatest adventure – and the biggest challenge – of your young lives: moving back in with your parents!"

Sincerely,



Editor/Publisher