

SOUTHWESTERN NEWS

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STATE'S COMMITMENT TO DEVELOPING BIOTECHNOLOGY ALLOWS UT SOUTHWESTERN TO LAUNCH NEW PROGRAMS

DALLAS – May 31, 2001 – UT Southwestern Medical Center at Dallas is primed to make a major expansion in biotech research and development with funds appropriated by the Legislature to make the state more competitive in this burgeoning field.

Dr. Kern Wildenthal, UT Southwestern president, said the Institute for Innovations in Medical Technologies will be created with a new special appropriation of \$9 million per year in state funding.

The new institute will include centers for genetic, molecular and cellular biotechnology; new drug and vaccine development; computational biology; and advanced medical devices and imaging technology.

State funds will be used to provide equipment, supplies and technical staff in the centers, and to further develop basic research breakthroughs that need transition-stage funding prior to commercialization.

The added funding will also allow UT Southwestern's Office of Technology Development, which has helped the medical center realize fees from licenses and royalties of more than \$10 million during the current fiscal year, to expand and accelerate its efforts to bring UT Southwestern's discoveries to the market. The medical center currently has more than 200 licensing and royalty agreements with major corporations and biotech companies as a means of facilitating the development of new breakthroughs for the benefit of patients.

Simultaneous with providing \$9 million in annual support, the Legislature approved construction funding of \$40 million to help finance a 760,000-square-foot research building on UT Southwestern's rapidly expanding North Campus. Total costs for the facility will be \$240 million with the balance coming from philanthropy, federal dollars, and an \$80 million

(MORE)

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allocation from the Permanent University Fund which was approved in 2000 by the UT System Board of Regents. Construction on the building, which will house elements of the new Institute, will begin in early 2002.

“The Legislature recognized that an exciting revolution is beginning in medical science and wisely decided that Texas should be among those at its forefront,” Wildenthal said. “For every dollar being invested in biotech at UT Southwestern, we expect to provide returns that will leverage the initial sum manyfold, with an enormous ultimate benefit to the economy of the entire state and nation.”

The total value of the new appropriations is precedent-setting, Wildenthal pointed out. “Dedicated, recurring funding of \$9 million per year is equivalent to the income from a \$180 million endowment. Along with the new construction funds of \$40 million, the Legislature has therefore entrusted us with new resources worth in excess of \$200 million. With this state support, along with philanthropic funds of a similar magnitude that we will raise in support of these programs, we will be ideally positioned to move forward.

“The support of our governmental officials in making a commitment of this significance represents a great vote of confidence in the quality of our institution. We are very grateful and very mindful of our obligation to utilize these resources for the long-term benefit of the public.”

Wildenthal also paid special tribute to the Dallas Citizens’ Council, the Greater Dallas Chamber of Commerce, and other civic leaders who worked closely with the Dallas/Fort Worth legislative delegation, statewide legislative leaders, and Gov. Rick Perry to assure the new funding.

“We are deeply indebted to Texas’ leaders for their foresight,” Wildenthal said. “In partnership with local government, private investors and philanthropists, we can build on the state’s commitment to biotech development at UT Southwestern and put Texas at the forefront of this exciting new industry.”

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