

CREATING THE FOUNDATION FOR A SCIENCE CITY NETWORK: USING THE GLOBAL CONTINUUM, INNOVATION AND CULTURAL DIVERSITY AS AN ECONOMIC STRATEGY

PLENARY SESSION 4- ROUND TABLE

STP goals and objectives that go above and beyond. STPs taking on new roles, missions and strategies

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BACKGROUND

Austin is seeking interest from IASP and Economic Development Directors to create a "Science City" network of select U.S. and International cities that will be linked to global science parks and other soonto-be established science cities. In 2012, Austin was successful in obtaining approval from the International Association of Science Parks (IASP) to designate Austin as the first Area of Innovation/science city. In seeking the designation, Austin committed to develop a global network of other Areas of Innovation and science cities as a means to strengthen the economic collaboration between these cities. Several international cities (East London/Hackney Borough of London, UK, Guadalajara, Mexico, Oslo, Norway and Malaga, Spain) have agreed in writing to explore this new concept. For years, multinational businesses have understood the importance of international trade and commerce for not only growing revenues, but also to add to the resiliency of their business model. Following this private sector approach, cities are well-served to grow their connections in order to increase trade and exports with other cities in the world, thus reducing the reliance on domestic trade. For Austin, our goal is to increase the growth of our life science, emerging technology, financial, gaming, music and creative enterprises into other markets. The objective will be to network with 10 international cities which use the rule of law and have strengths, markets and interest in mutual cooperation. This includes agreement to have soft landing locations for Austin companies expanding overseas, with reciprocity provided for those expanding to Texas. Current overall trade in Austin is \$11 billion (in 2013).

We are presenting an opportunity for innovative cities to join this initial network of U.S. and global science cities. And IEDC has graciously offered to provide space and facilitate invitations and discussions at the International Conference. This is an opportunity for Austin and cities with technology and creative clusters to visit and discuss interest in exploring the creation and value of a Science City network that capitalizes on creativity and immigrant culture.

1. Global Opportunities and Team work

The global economy is very competitive. As such, economic directors are seeking allies and global partners to grow the local trade economies. Austin is among that category and has found that local companies succeeding in trade generate 4x the profitability of companies not trading. So, this is a discussion to begin to create a "Science City" network of innovation cities to accomplish certain goals. These goals include obtaining nerd bird direct flights amongst the scientific hubs, private technology businesses expanding in the system, continuity with existing and proposed Technology Parks and Areas of Innovation (IASP), university collaboration, a commitment to STEM (Science Technology Engineering and Math) and STEA (art) M education to create a generation of Einstein's from children of color, and other goals as may be mutually agreed.

2. Cultural Diversity as an Economic Strength

We are suggesting that to be successful, cities will need to use their cultural diversity as an economic strength, locally, and overseas. Over 23% of Austin immigrants, (our foreign born diaspora), have created local, entrepreneurial and new technology companies. Our International Economic Strategy recognizes and capitalizes on these entrepreneurs and the opportunities they represent by asking these ethnic leaders to help us lay the groundwork to make soft landings possible for Austin companies in a network of 10 cities in highly targeted markets in foreign countries. Currently the City of Austin is funding the Greater Austin Asian, Hispanic, and Black Chambers of Commerce, as well as the Greater Austin Chamber of Commerce to lay the foundation for soft landings in countries and cities where local families and businesses have business, language and regulatory support systems. 35% of Austin is Hispanic and has significant business connections in Mexico and Spain. 9% of the population is Asian and that population has business connections in 20 countries. The Black population is 8% and has business connections in BRICS nations and other selected markets are primary opportunities for this science city network.

3. Benefits

Based upon our analysis, the direct economic benefits from teamwork in the global competition arena is a major benefit of the proposed partnerships. As a primary example Austin began high-speed dating with Hackney through teleconferencing among gaming companies and the science parks of the United Kingdom. Over a three-year period, a friendship city relationship evolved into gaming and university partnerships, soft landing zones, and numerous business expansions. Tech City in Hackney UK is now completing reconstruction of the 2012 Olympic media facility, establishing a large soft landing zone for creatives, where Austin companies are now establishing a foothold in the UK and European marketplaces. Hackney technology companies are reciprocating by expanding to Austin. The Capital Factory and Tech Ranch are two primary soft landing pads for international companies in Austin. We have established direct flights to London as a result. Imagine such relationships in all strategic markets of the world. A network of economic development directors and cities that held similar values and objectives would, we believe, increase return on investment exponentially as opposed to cities operating independently.

HISTORICAL ANTECEDENTS

The "Science City" concept is roughly based on the ultra-successful Hanseatic League concept of the 13th - 17th century. The League was a science and trade confederation of merchant guilds and their market towns that dominated trade along the coast of Northern Europe. The League was created to protect economic interests and diplomatic privileges in the cities and countries and along the trade routes the merchants visited. They had an agreed upon legal system where soft landings for foreign and local companies were insured.

Fast forward today. We have the opportunity to lay the foundation for partnerships that generate the advancement of technology to solve science, health, information and urban planning and growth issues,

acceleration of new patents, creating direct flights and the collateral logistic and trade benefits, and fast track STEM education to address the need for scientific talent while simultaneously reducing poverty.

In Austin, we are harnessing the energy of cultural diversity and our creative economy to open trade with like-minded culturally significant cities across the globe. Our strategic economic plan includes international partners; especially Countries where our trade numbers are strong: UK and Ireland, Canada, South Korea, and Mexico. We have converted Science and Sister City relationships with cities throughout the world which are contributing to our creative and business expansion. New direct flights to the UK and Mexico City are augmented by the strategy and are supported economically by interest and commitments to the Circuit of America, Formula One and other international events such as SXSW, hosted annually in Austin. If you are interested in discussing the future of a "science city" network please join us October 19th in Fort Worth.