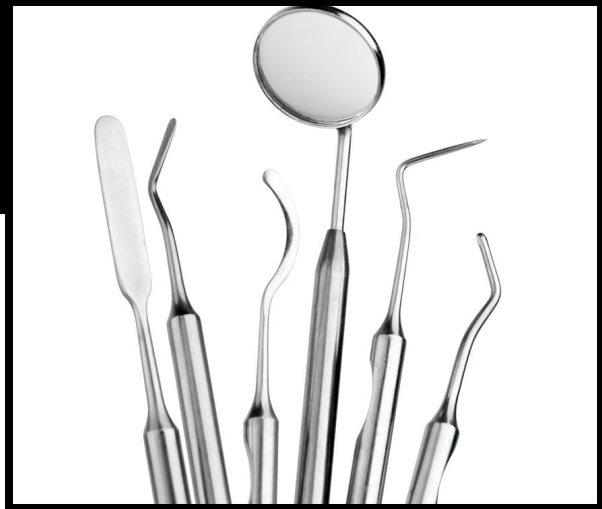


Medical Equipment

The medical equipment and supplies manufacturing industry (NAICS 3391) includes establishments that primarily produce surgical and medical instruments, surgical appliances and supplies, dental equipment and supplies, orthodontic goods, ophthalmic goods, dentures, and orthodontic appliances.



Texas Industry Totals

| | |
|---------------------------|-----------------|
| Firms | 693 |
| Employment | 11,556 |
| Average Annual Wage | \$50,492 |
| Total Capital Investments | \$100.3 million |
| Value Added Per Employee | \$220,270 |
| Value of Shipments | \$4.4 billion |

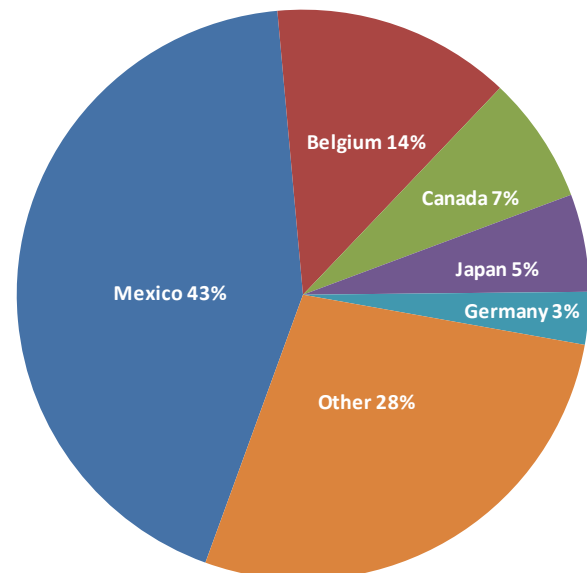
How Texas Ranks in the U.S.

| | |
|---------------------------|-------|
| All Employees | No. 7 |
| Production Workers | No. 5 |
| Value Added | No. 6 |
| Value of Shipments | No. 6 |
| Total Capital Investments | No. 7 |

Texas Exports

- Texas medical equipment exports in 2011 were valued at \$2.2 billion – up from \$2.0 billion in 2010.
- In 2011, medical equipment was Texas' 22nd largest export sector.

Top Export Markets

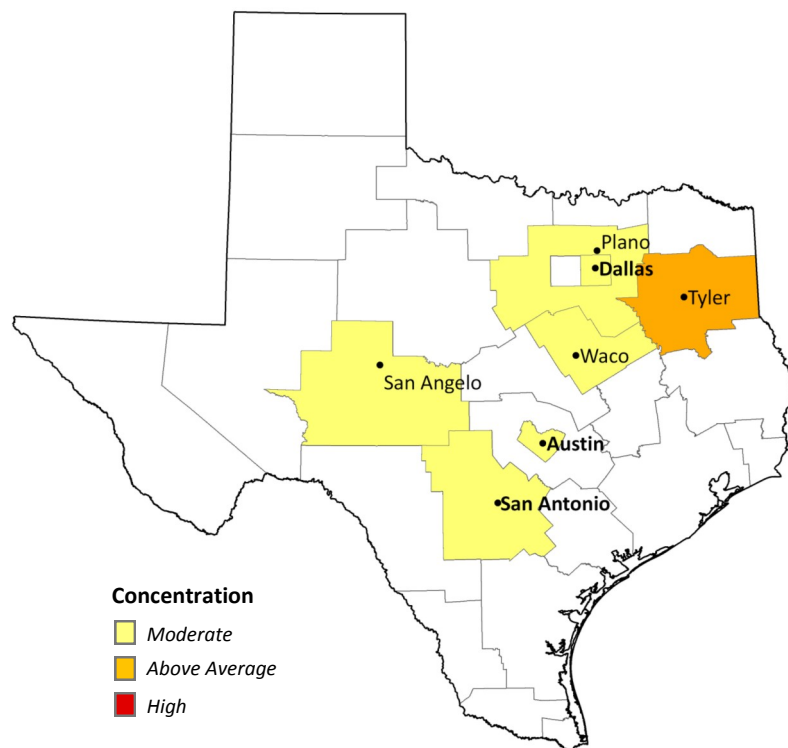


Major Industry Employers in Texas

| Company | Location(s) | Products |
|--------------------------|----------------|--|
| Alcon Research Ltd. | Houston | Ophthalmic surgical kits |
| Ethicon, Inc. | San Angelo | Cardiovascular surgery & wound closure sutures |
| Abbott Laboratories | Irving, Austin | Biomedical equipment & intravenous supplies |
| Essilor Of America, Inc. | Dallas | Eyeglass lenses & contacts |
| Hospira | Austin | Intravenous solutions & bags |

Regional Concentrations

The map at right identifies the state’s Workforce Development regions with above-average specializations in medical equipment and supplies manufacturing. The highlighted regions are not the only areas in Texas where workers in this sector can be found, but rather represent areas with the greatest concentrations relative to the size of the local labor force. This industry is broadly distributed throughout the state in moderate concentrations.



Recent Industry Trends

- Texas medical equipment industry wages increased by 4.7% between Q3 2010 and Q3 2011.
- In 2011, Utah-based Merit Medical Systems Inc. announced plans to build a new surgical device research and manufacturing facility in Pearland, Texas. The new facility is expected to create 220 jobs.
- In 2011, ArthroCare Corp. announced that their R&D operations will move from Sunnyvale, California to Austin, Texas. The company had previously moved its headquarters from Sunnyvale to Austin in 2004.