HIGHLIGHTS OF 1965-1966 RESEARCH AND DEVELOPMENT ACTIVITY[1/]

Expenditures: Seventy-seven PMA members, their subsidiaries and affiliates, spent $365 million for research and development during 1965. These firms budgeted an additional $47 million for 1966, 13.4 percent above 1965 expenditures. The firm with the largest company-financed research and development expenditure accounted for nine percent of the total.

Capital Investment: The 1965 value of manufacturers' investment in research and development equipment and facilities was $260 million. In 1965 alone manufacturers spent $60 million for purchases and construction of research and development equipment and facilities.

Basic Research: PMA members allocated 15.8 percent of their total research and development spending to basic research in 1965.

Applied Research and Development: More than half of the applied research and development funds were directed toward the creation of drugs to be effective in three classes; (1) central nervous system and sense organ disorders; (2) parasitic and infective diseases; and (3) neoplasms, endocrine system and metabolic diseases.

R&D Manpower: More than 16,400 research and development personnel were employed in 1965. Approximately one-fourth held a doctoral degree. On the average, firms spent $76,700 to finance the activities of a doctoral-level research worker.

Research and Development Facilities: The major portion of research activity was conducted in company research centers in 20 states and 20 nations. New Jersey, New York and Pennsylvania were the three leading research centers in the United States. And the United Kingdom accounted for more than half of the industry's overseas R&D employment.

[1/] The following PMA analysis is based on data obtained from 77 member firms. Not all 77 firms reported statistics for all parts of the survey questionnaire. Certain sections of the report are based on a smaller sample. This fact should be kept in mind when utilizing these findings in conjunction with figures from Part One: "Operations", which generally relates to total industry operations.