CAPITAL INVESTMENT[1]

To facilitate in-house research work, the responding firms spent $60 million for capital investment in 1965, increasing the value of total investment in research facilities and equipment to $260 million (see Table 16). With $36 million, construction of new buildings continued to account for the greatest portion of physical research capital. In 1965, reporting PMA members also purchased $23 million worth of new scientific equipment.

Table 16

CAPITAL INVESTMENT IN RESEARCH AND DEVELOPMENT
(millions of dollars)

Type & Cost of Capital Investment	1965 Additions	Total Investment
Land	$ 0.7	$ 8.6
Building	36.0	225.6
Scientific & technical equipment	22.6	127.6
Other capital investment	7.0	28.9
TOTAL COST	$ 66.3	$390.7
Less: Depreciation	5.9	131.0
Book Value	$ 60.4	$259.7

[1] This analysis was based on reports received from 49 member firms whose R&D spending accounted for 94 percent of the 1965 total.