

DISTRIBUTION OF RESEARCH AND DEVELOPMENT
EXPENDITURES

Table 17 displays the breakdown by sales groups of expenditures for each major area of research, as sponsored or conducted by the firms and as allocated between the United States and foreign sectors. In 1965, the leading 13 firms sponsored two-thirds of the total research and development reported. These firms accounted for three-fourths of the research and development conducted in U.S. company laboratories abroad and nearly 90 percent of the total research funds directed toward the discovery of veterinary-use drugs.

Table 17

RESEARCH AND DEVELOPMENT EXPENDITURES
BY SALES GROUP SHARE, 1965

Research & Development Expenditures	Sales Group				All Firms
	over \$100 million	\$30- \$100 million	\$5 \$30 million	Less than \$5 million	
Human Use Drugs	64.9%	25.6%	8.4%	1.1%	100.0%
Amount spent <u>within</u> firms	66.2	24.2	8.4	1.2	100.0
In the United States	65.4	24.5	8.8	1.3	100.0
In foreign countries	77.7	19.3	3.0	*	100.0
Amount spent <u>outside</u> firms	55.9	35.0	8.4	0.7	100.0
In the United States	58.8	31.0	9.5	0.7	100.0
In foreign countries	35.8	62.8	1.2	0.2	100.0
Veterinary Use Drugs	89.9	3.7	4.8	1.6	100.0
Amount spent <u>within</u> firms	89.7	3.7	5.0	1.6	100.0
Amount spent <u>outside</u> firms	93.4	3.9	0.9	1.8	100.0
Government Grants & Contracts	<u>76.4</u>	<u>20.8</u>	<u>2.8</u>	<u>*</u>	<u>100.0</u>
Average Distribution	66.9%	24.0%	8.0%	1.1%	100.0%
(Number of Respondents)	(13)	(14)	(25)	(25)	(77)

* Less than .05%