SIZE DISTRIBUTION OF R&D BUDGETS

Research and development spending was related to sales group in Table 18. It was observed that medium-to-small producers allocated a comparatively larger share of their R&D funds for projects delegated to outside organizations. In the following, spending patterns are analyzed on the basis of research and development budget size.

In Table 19 companies are classified into seven groups on the basis of their research and development budgets, including monies received from the government: Group A -- $20 million and over; Group B -- $10 to $20 million; Group C -- $5 to $10 million; Group D -- $1 to $5 million; Group E-- $0.5 to $1 million; Group F -- $0.1 to $0.5 million; and Group G -- less than $0.1 million.

Table 19

SIZE DISTRIBUTION OF R&D BUDGETS, 1965

Classification of R&D Budget	Number of Firms	Average Per Company Expenditures[1] (thousands)
A. $20 million and over	6	$24,325
B. $10 to $20 million	7	14,855
C. $5 to $10 million	8	8,000
D. $1 to $5 million	16	2,480
E. $0.5 to $1 million	9	730
F. $0.1 to $0.5 million	18	250
G. Less than $0.1 million	13	40
Average, All Firms		$ 4,745

[1] Total R&D outlays, including monies received from the government.