

comes within the definition of research and development. If, on the other hand, the product or process is substantially "set", and the primary objective is to develop markets or to do preproduction planning, or to make engineering changes in production equipment, then the work is not defined here as research and development. Routine quality control activities are not included; figures or estimates in development of quality control are included, where available.

Research and Development Facilities: The R&D facility is defined in very broad terms. It may be a five-man research laboratory within a manufacturing plant with 5,000 employees, or a research building housing 300 research workers and physically separate from manufacturing facilities. If located at the same address and in the same building, regardless of the number of research laboratories within it, the facility is counted as one. Research facilities at different locations (addresses) are listed separately, even if several such facilities are administered from one central research building.

Research and Development Scientific and Professional Staff: Includes all persons whose work requires the application for research and development of knowledge, skills, and scientific techniques, in the life, physical, engineering, or mathematical sciences, acquired through the completion of a four-year college course (or its equivalent) with a major in these fields or in medicine or other health professions. Excludes persons who have formal training in the sciences but who are not actively engaged in research and development.

Research and Development Technicians and Supporting Personnel: Includes persons who may hold some academic degree at the bachelor's level or above. Technicians include persons actually engaged in technical work at a level which requires knowledge of the life, physical, engineering, or mathematical sciences comparable at least to that acquired through technical institutes, junior colleges, or other formal post-high school training less extensive than four-year college training, or through equivalent on-the-job training or experience. Supporting Personnel includes persons who provide literature, clinical, statistical, or other services specifically for R&D staff.

Sales: Sales figures are reported as billed (before deducting cash discounts on sales and other marketing expenses), less returns