

## US companies performed 18% of R&D outside the United States in 2013

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Largest fields for R&D performance by U.S. companies in foreign countries			
2013, by industry		R&D performed outside the U.S.	R&D performed in the U.S.
	Pharmaceuticals and medicine	\$10 billion	\$52.4 billion
	Software oublishing	\$11.3 billion	\$35.3 billion
- 100 1111 888 2	Semiconductors & other electronics components	\$9.8 billion	\$30.8 billion
	Automobiles & automobile bodies, trailers, and parts	\$6.9 billion	\$16.7 billion
Source: National Center for Science and Engineering Statistics InfoBrief 17-317, https://www.nsf.gov/statistics/2017/nsf17317/			

The four largest fields for R&D performance by US companies in foreign countries. Credit: NSF

U.S. companies spent \$73 billion on research and development (R&D) performed outside the United States in 2013, according to a new report by the National Science Foundation's National Center for Science and



Engineering Statistics.

The total represented 18 percent of U.S. companies' total R&D performance. These same companies spent \$323 billion on R&D performed within the United States in 2013.

Almost 50 percent of the foreign R&D performance by U.S. companies was in Europe, largely in the United Kingdom and Germany. The Asia-Pacific region accounted for 31 percent of foreign R&D, with India and China making up the largest share. Outside of Europe and the Asia-Pacific region, foreign R&D performance was highest in Canada, Israel and Brazil.

Four industries accounted for 52 percent of foreign R&D performance by U.S. companies:

- Software publishing, which was concentrated in the United Kingdom, India, Israel and Canada.
- Pharmaceuticals and medicines, which had higher concentrations of foreign R&D in Japan and Switzerland.
- Semiconductor and other electronic components, which had high concentrations of foreign R&D in Singapore, Israel, India and China.
- Automobiles, bodies, trailers and parts, which had a high concentration of foreign R&D in Germany.

U.S. companies with 500 or more domestic employees performed most foreign R&D.

On the basis of cost per R&D employee, U.S. companies spent 77 percent more on R&D performed domestically than on R&D performed outside the United States.



Differences in spending per R&D employee between domestic and foreign R&D <u>performance</u> were most pronounced in the information and communications technologies industries, which includes manufacturing of computer and electronics products, software publishing and computer systems design.

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