

EAO Technology Update

2003-2004 MIT Patent Scorecards Show Gains in Technology Strength By ATP-Funded Biotechnology Companies

The 2003-2004 MIT Patent Scorecards rate the patent portfolio of companies in the pharmaceutical and biotechnology industry.¹ Four of those companies started and/or completed ATP R&D projects to develop high-risk enabling technologies between the years 1997 and 2001. Their data are listed below as well as those data from some well-known pharmaceutical companies:

Company	Average Technology Strength (2002-2003)	Average Technology Strength (1997-2001)	Average Current-Impact Index (2002-2003)
ATP Awardees			
Caliper Technologies	340	84	7.0
Maxygen	258	45	7.9
Affymetrix	173	75	3.45
Nanogen	38	40	3.26
Large Pharmaceutical Companies			
Pfizer	250	163	.66
Bristol-Myers Squibb	113	139	.64
Merck	104	187	.51
Abbott Labs	98	124	.7

Technology Strength equals the number of patents awarded to the company that year multiplied by the current-impact index. The current-impact index measures how *significant* a patent is: this is determined by how often a company's patents from the previous five years are cited as prior art in the current year's batch. A value of 1.0 represents average citation frequency; so for example, a value of 1.2 means that a company's patents were cited 20% more than average.

Three of the four ATP awardees increased their technology strength significantly from the base period (1997-2001) to the last two years. All four ATP awardees possess higher than 1.0 current-impact indexes over the last two years. A company such as Maxygen has its patents cited almost *eight times* more than the average company's patents. In comparison, large pharmaceutical company patents are cited much less than the average.

By encouraging high-technical risk projects, ATP promotes innovation and knowledge spillovers. The knowledge spillovers, or public benefit gained, are represented by both the technology strength and the current-impact index.

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¹ For information on methodology and actual data see <http://technologyreview.com/scorecards>.