

PATENTS

The number of patents issued to companies or individuals per 1,000 workers.³⁷

Why Is This Important? The capacity of firms to develop new products will determine their competitive advantage and ability to pay higher wages. One indicator of the rate of new product innovation is the number of patents issued. As technological innovation has become more important, the number of patents issued per year has increased from 38,000 in 1984, to more than 85,000 in 2000.

The Rankings: States with an above-average share of either high-tech corporate headquarters or R&D labs tend to score the highest. Somewhat surprisingly, Idaho leads the list, perhaps because of high-tech companies in Boise, including Micron, Novell, and Iomega. Many Northeastern states, as well as West Coast high-tech states like California and Washington, also score high.

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The top five		Adjusted patents per 1,000 workers
1	Idaho	1.53
2	Delaware	1.49
3	New Jersey	1.29
4	Colorado	1.21
5	California	1.20
U.S. average		0.80

Source: U.S. Patent and Trademark Office, 1998, 1999, and 2000 data.

