

## 4.4 Patent Activity

### The Importance

Patent issuances can be used to indicate how innovative a given region is. Each patent issued in a region is equivalent to one innovation that has taken place in the region. While the right to develop the product or production method that is patented can be purchased by other companies throughout the country or world, it still represents a source of revenue and a symbol of research and development advances in the region.

### About this Indicator

The United States Patent and Trademark Office (USPTO) provides annual reports of patents issued by the region of origin, as well as by the patent holder. These reports are provided on a yearly basis, however only the years ranging from 1990 to 1999 can be accurately represented due to the unavailability of region of origin data outside of these time periods. In some instances, the time period is further reduced to the years ranging from 1995 to 1999.

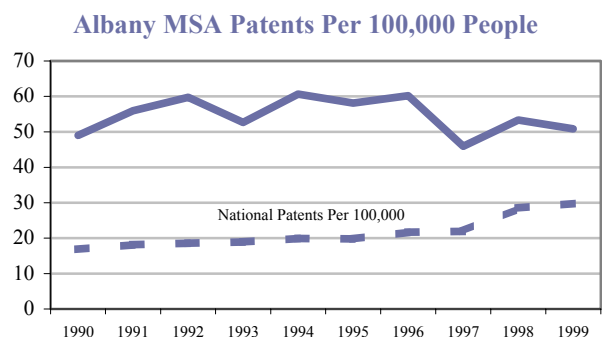
### Sources for this Indicator

- U.S. Department of Commerce, Patent and Trademark Office: [United States Patent Grants By State, County, and Metropolitan Area](#).
- U.S. Department of Commerce, Patent and Trademark Office: [All Technologies Report](#).
- U.S. Patent and Trademark Office Web Site. Patenting in Metropolitan and Non-Metropolitan Areas of the United States  
<http://www.uspto.gov/web/offices/ac/ido/oeip/taf/masgstc/masg252.htm>

### Patent Activity in the Capital District

In the time period from 1990 to 1999 the number of patents granted in the Region fluctuated moderately, but did not change significantly. There were only 16 more patents granted in the region in 1999 than there were in 1990.

The recent trend in the Albany MSA does not follow the trend in the nation. Over ten years, there was very little change in the number of patents originating from the region while nationally there has been a steady increase. This can most likely be attributed to the influence that the General Electric Corporation has on the region. The major patent holder in the region is the General Electric Corporation. If GE's

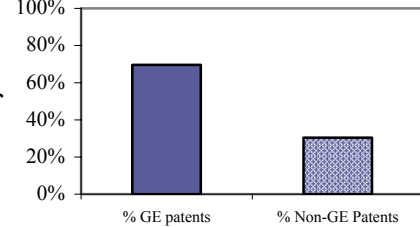


#### 4.4 ECONOMICS

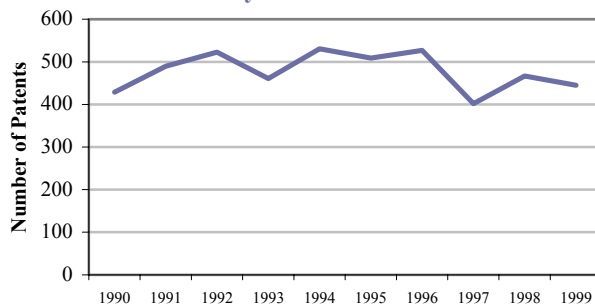
patents were not taken into account, the region would have had a steady increase over the ten years, more closely following the national trend. However, technological innovations within one corporation do not necessarily follow a smooth progression.

If it were not for GE's technological advances, the region would have significantly fewer patents each year. As shown in the table to the right, in the years from 1995 to 1999 the General Electric Corporation generated seventy percent of the Capital District's patents. This also represents a major share of GE patents nationwide with 45% of the patents granted to the General Electric Corporation originating in the Albany MSA.

**Patents Originating in MSA  
1995 to 1999**



**Albany MSA Patent Grants**



Compared with the peer regions, the Albany MSA has an above average number of patents over the period from 1990 to 1999. With the exception of the Rochester, the Albany MSA has had more patents over ten years than each of the peer regions.

Over the ten-year period of study, there have been a considerable number of patents granted in the region. The role of the

General Electric Corporation is a significant factor and this role will likely increase in the future with the recent announcement that GE is investing millions of dollars worth of renovations into local Research and Development to create the General Electric Global Research Center. In addition to the expansion at GE, International SEMAETCH, a consortium of high tech industries focusing on semi conductor research, is locating a new facility at the University at Albany called SEMATECH North. Tokyo Electron Ltd. has announced their new research facility at the University as well. All these developments bode well for innovation in the Capital District.

**Total Patents per 100,000 People  
Between 1990 and 1999 by MSA**

