

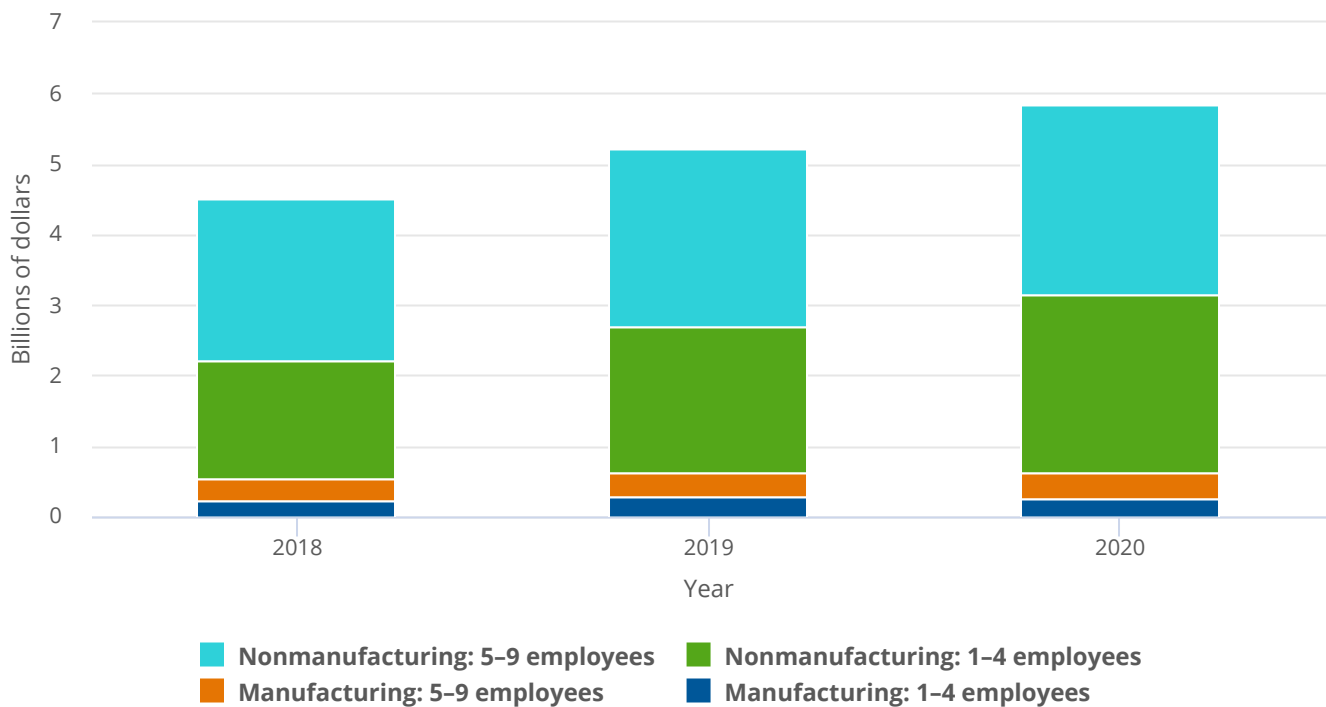


InfoChart

Among Microbusinesses, Domestic R&D Performance Increased by 24% from 2018 to 2020

NSF 23-335 | May 2023 | Audrey Kindlon

Figure 1 | Domestic microbusiness R&D performance, by selected industries: 2018–20



Note(s): Statistics are representative of companies located in the United States that performed or funded R&D.

Source(s): National Center for Science and Engineering Statistics and Census Bureau, 2021 Annual Business Survey: Data Year 2020.

In 2020, microbusinesses (businesses with one to nine employees) performed \$5.6 billion of research and development (R&D). These businesses funded an additional \$1.1 billion in domestic R&D performed by other institutions (see [NSF 23-305](#)). During the 2018–20 period, microbusiness R&D performance increased by 24%, from \$4.5 billion to \$5.6 billion. Microbusiness R&D performance in manufacturing industries between 2018 and 2020 increased by 13%, from \$556 million to \$627 million, while nonmanufacturing industries increased by 25%, from \$4.0 billion to \$5.0 billion. Between 2018 and 2020, microbusinesses with one to four employees increased their expenditures on domestic R&D performance by 33%, from \$1.9 billion to \$2.5 billion, and microbusinesses with five to nine employees increased R&D performance by 17%, from \$2.6 billion to \$3.1 billion.

Note: All amounts and calculations are reported in current dollars unless otherwise noted. Selected nonmanufacturing industries include the following 2017 North American Industry Classification System codes: 42 (wholesale trade), 51 (information), 5413 (architectural, engineering, and related services), 5415 (computer systems design and related services), and 5417 (scientific research and development services).

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