



Key Terminology

Invention: The development of something new that has a practical bent—potentially useful, previously unknown, and nonobvious.

U.S. Patent and Trademark Office (USPTO) patent: A property right granted by the U.S. government to an inventor “to exclude others from making, using, offering for sale, or selling the invention throughout the United States or importing the invention into the United States” for a limited time in exchange for public disclosure of the invention when the patent is granted.*

Knowledge transfer: The process by which technology or knowledge developed in one place or for one purpose is applied in another place for the same or a different purpose. This transfer can occur freely or through exchange, and deliberately or unintentionally.

Innovation: The implementation of a new or significantly improved product (good or service) or process, a new marketing method, or a new organizational method in business practices, workplace organizations, or external relations. External relations include collaborations with other institutions, including customers, and first-time outsourcing or subcontracting (Organisation for Economic Co-operation and Development [OECD] 2005).

Innovation activities: All scientific, technological, organizational, financial, and commercial steps that actually lead, or are intended to lead, to the implementation of innovations. These steps include R&D, acquisition of external knowledge and capital equipment, market preparation, development of new organizational methods, and design activities (OECD 2005).

Economic impacts of innovation: The effects of innovations and innovation activities on business activities, economic output, employment, and standard of living.

* This is the USPTO definition, found on the USPTO website at <https://www.uspto.gov/learning-and-resources/glossary#sec-p>, accessed 15 June 2017.