**Business R&D and Innovation Survey – Revised Questions for Testing**

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**1. What was the total worldwide research and experimental** $\_\_\_\_\_\_\_\_\_\_

**development (R&D) expense for your company in 2014?**

**2. Does the amount reported in Question 1 include any of the**

**following costs?** Yes No

1. Collaborative R&D that was reimbursed by business partners, □ □

such as through cost-sharing agreements

1. R&D paid for by government or private foundation grants □ □
2. Technical services not an integral part of an R&D project (such as □ □

product support provided by R&D employees)

1. Bid and proposal costs □ □
2. Expense your company claimed resulting from the acquisition of □ □

another company with unfinished R&D projects (in-process R&D)

1. Non-experimental product development, where the design of new □ □

products does not require the resolution of scientific or

technological uncertainty

**3. If you answered "Yes" to any of the costs in Question 2,** $\_\_\_\_\_\_\_\_\_\_

**what was the amount of these costs that was included in your**

**response to Question 1?**

**4. Subtract Question 3 from Question 1 and enter the result here.** $\_\_\_\_\_\_\_\_\_\_

**This is the total R&D paid for by your company in 2014.**

**5. How much of the amount reported in Question 4 was for the following categories?**

1. Research - the planned, systematic pursuit of new knowledge $\_\_\_\_\_\_\_\_\_\_

or understanding

1. Experimental Development - the systematic use of research and $\_\_\_\_\_\_\_\_\_\_

practical experience to produce new or significantly improved goods,

services, or processes

1. Total (equals Question 4) $\_\_\_\_\_\_\_\_\_\_

**What is Research and Experimental Development (R&D)?**

Research and experimental development (R&D) is planned, creative work aimed at discovering new knowledge or developing new or significantly improved goods and services. This includes:

1. Activities aimed at acquiring new knowledge or understanding without specific immediate commercial applications or uses (basic research);
2. Activities aimed at solving a specific problem or meeting a specific commercial objective (applied research); and
3. Systematic use of research and practical experience to produce new or significantly improved goods, services, or processes (experimental development).

The term R&D does NOT include expenditures for:

* Non-experimental product development, where new products are distinguished by innovations in design that do not require the resolution of scientific or technological uncertainty.
* Non-experimental pre-production development, such as the manufacture of test units to achieve regulatory or customer approval of a new product.
* Costs for routine product testing, quality control, and technical services unless they are an integral part of an R&D project
* Market research
* Efficiency surveys or management studies
* Literary, artistic, or historical projects, such as films, music, or books and other publications
* Prospecting or exploration for natural resources