

## 2021 R&D SPENDING AND INTENSITY BENCHMARKS

According to a newly released study from Schonfeld & Associates, Inc., **R&D Ratios & Budgets**, the pharmaceutical industry continued to be the biggest R&D investor in fiscal 2021 with budgets of drug companies increasing by 24% to \$168 billion. Software companies contributed a total of over \$158 billion to this investment pool.

The biggest single R&D investor in 2021 was Alphabet at over \$31 billion, followed by Meta (Facebook) at \$24 billion, and then Microsoft and Apple at \$21 billion. Firms involved with digital content are investing much more heavily than those in more traditional arenas.

Pharmaceutical firms continued significant R&D spending in 2021. Johnson & Johnson, the top spender at \$15.6 billion, is followed by Pfizer, Merck, Bristol Myers Squibb, Astrazeneca and Novartis, each spending over \$9 billion. The biotech industry, led by Amgen, grew R&D by over 8% to over \$34 billion. Electromedical apparatus makers, led by Medtronic, spent a total of over \$3.6 billion, an increase of over nine percent.

R&D budgets of semiconductor makers grew to over \$59 billion, an increase of 18.3%. Intel had the largest R&D budget, \$15.1 billion, an 12% increase over 2020. R&D budgets of the industries that are major suppliers to the infrastructure of the Internet cloud also have increased R&D spending.

The 2021 R&D spending of the automotive industry, led by Toyota, General Motors and Ford each spending over \$7 billion, was up over 26% from the 2020 total with industry revenues up 17.8% .

### About the Study

**R&D Ratios & Budgets** contains fiscal 2020 and 2021 R&D spending, 2021 revenue and 2021 R&D intensity ratio, as well as 2020 and 2021 annual growth rates in R&D spending and sales for over 2,500 firms. Over 290 industry summaries of the same information are provided. The study reports for each company a low and high value for the R&D-to-sales ratio (also known as R&D intensity) for the last five years to indicate stability of R&D spending.

**R&D Ratios & Budgets** is used for budget planning, monitoring competition, identifying joint venture partners, and spotting acquisition candidates.

The 2022 edition of the PDF report is \$ 395 and the report along with Excel datafiles is \$ 495. Contact Schonfeld & Associates, Inc., 1932 Terramar Lane, Virginia Beach, VA 23456. Call for more information: 800-205-0030 or visit the company's web site for immediate download at [www.saiBooks.com](http://www.saiBooks.com) under Area of Expertise: Research & Development Spending.