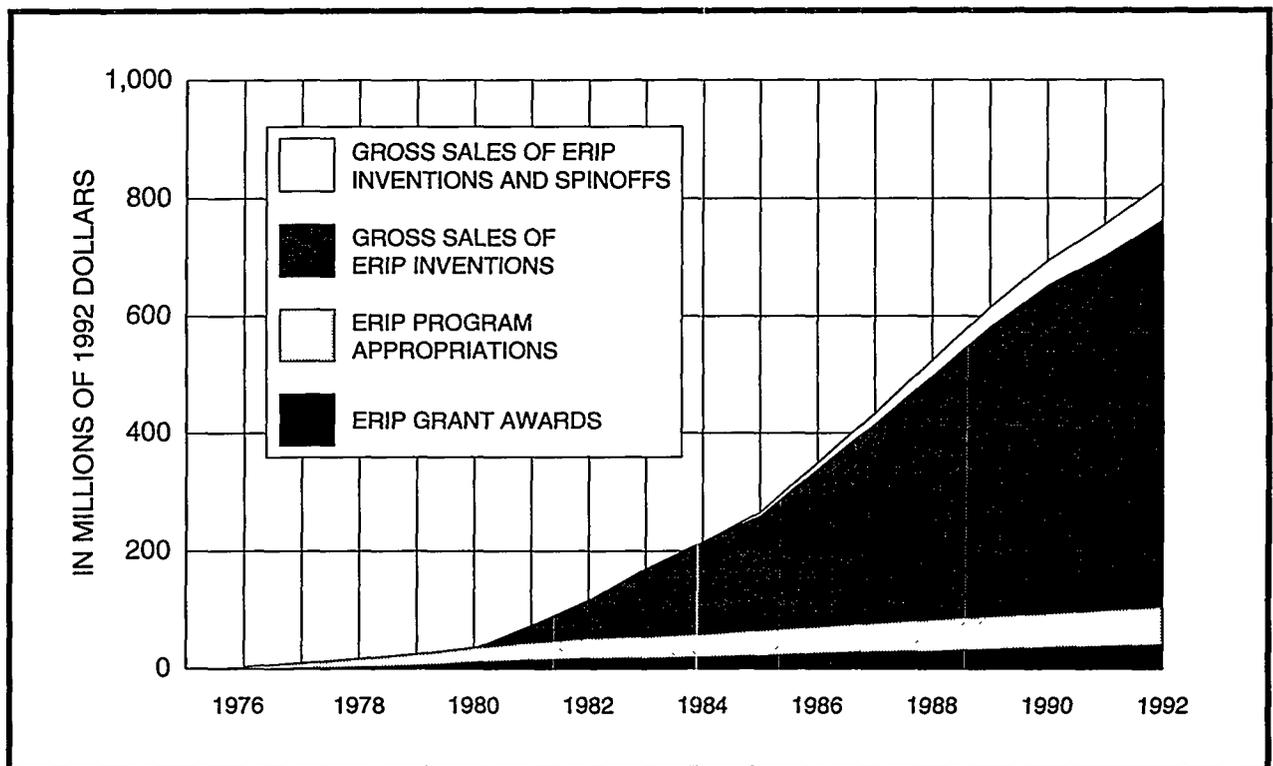


An analysis of spinoff technologies provides numerous examples of derivative Program impacts. Over time, spinoff technologies have grown in importance as by-products of the Program. Altogether, 36 spinoff technologies have generated sales of \$63 million (in 1992 dollars). Most of these involve alternative market applications, but some of them are second-generation technologies. Thus, the Program's total cumulative sales are \$826 million when the sales of ERIP's spin-offs are included. Figure A.1 portrays the cumulative sales of ERIP's inventions and spinoff technologies over the lifetime of the program, and compares these values to ERIP program appropriations and grants.



^a Based on constant 1992 dollars.

Fig. A.1 Cumulative Sales of ERIP Inventions and Spinoff Technologies^a

During earlier years of the Program, the market entry of ERIP technologies far outpaced the market exits. Since 1984, the number of technologies entering the market each year has been approximately counterbalanced by the exit of older technologies from the market. Through this process, the total number of technologies in the marketplace in any one year has remained relatively stable—ranging from 57 to 64. Nevertheless, fewer ERIP technologies were in the market in 1991 and 1992 than in the five earlier years, indicating a slight slow-down in the commercial success of ERIP technologies. This may reflect the general economic downturn experienced by the U.S. during the same two years.