

Limited financial resources inhibit the development of many of those ERIP inventors who have yet to achieve sales or whose sales have not yet been significant. The ERIP technologies surveyed in 1993 were able to raise \$3.88 for every ERIP grant dollar received:

- \$0.93 of this was raised prior to application to the Program,
- \$0.94 was raised while their application was being processed, and
- \$2.01 was raised after receipt of their ERIP grant.

ERIP technologies that have entered the market have attracted different quantities and types of funding relative to those that have not yet entered the market. On average, ERIP inventions with sales were able to raise \$927,000, while those without sales garnered only \$326,000. Personal sources provide the majority of funding prior to application to ERIP, both for those with and without sales, but these resources are typically exhausted during the developmental cycle. After receipt of the ERIP grant, corporate and commercial sources of funding become more important, especially for inventions that experience sales. Follow-on funding from other federal agencies is relatively unimportant for those inventors who have successfully reached the market, but has been a valuable source of support for those not yet in the market.

In addition to creating new businesses, products, and sales, ERIP participants have also produced significant employment and tax benefits.

- At least 668 full-time equivalent employees were working on ERIP technologies in 1992.
- Assuming the national per capita earnings for these workers, this employment is associated with a return of approximately \$2.7 million in individual income taxes to the U.S. Treasury.

Additional tax revenues are associated with royalty payments on ERIP inventions, corporate income taxes, state and local sales and income taxes, and personal income taxes paid by indirect employment beneficiaries of the program.

Finally, this evaluation assessed the energy and environmental benefits associated with ERIP technologies.

- More than \$531 million of energy expenditures has been saved over the past decade as a result of the commercial success of three ERIP projects.
- These energy savings have resulted in reduced emissions of nearly one million metric tons of carbon.

Table A.1 presents some of the indicators of program impacts that are discussed in the report. Comparisons between these performance indicators and measures of the success of other technological innovations suggests that the ERIP figures are impressive.