

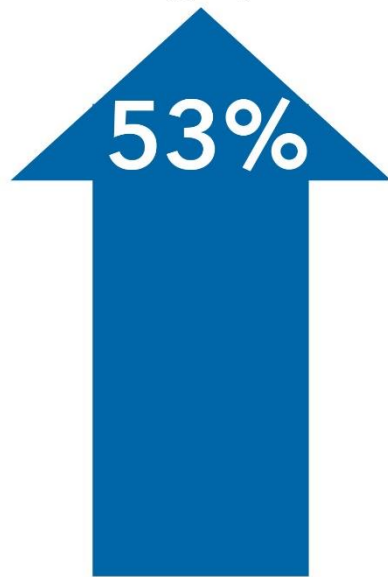
U.S. POSITION AS LEADER IN INNOVATION IS UNDER **THREAT**

Patents and Venture Capital Are Increasingly Moving Overseas

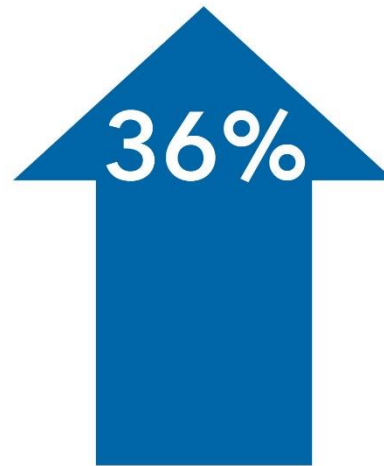
Patents Are Critical To Obtaining Venture Capital Investment And Startup Success

Holding a Patent:

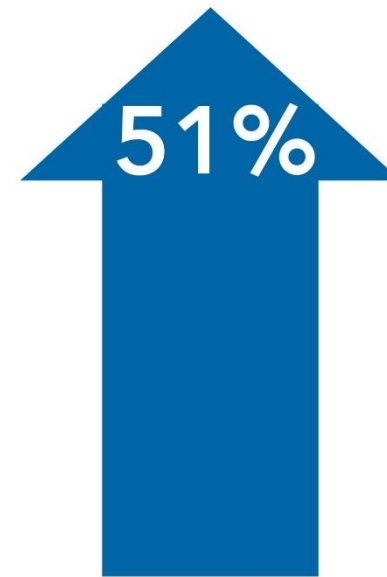
Increases probability of securing venture capital funding by 53%



Increases startup employment by 36%



Increases startup sales growth by 51%



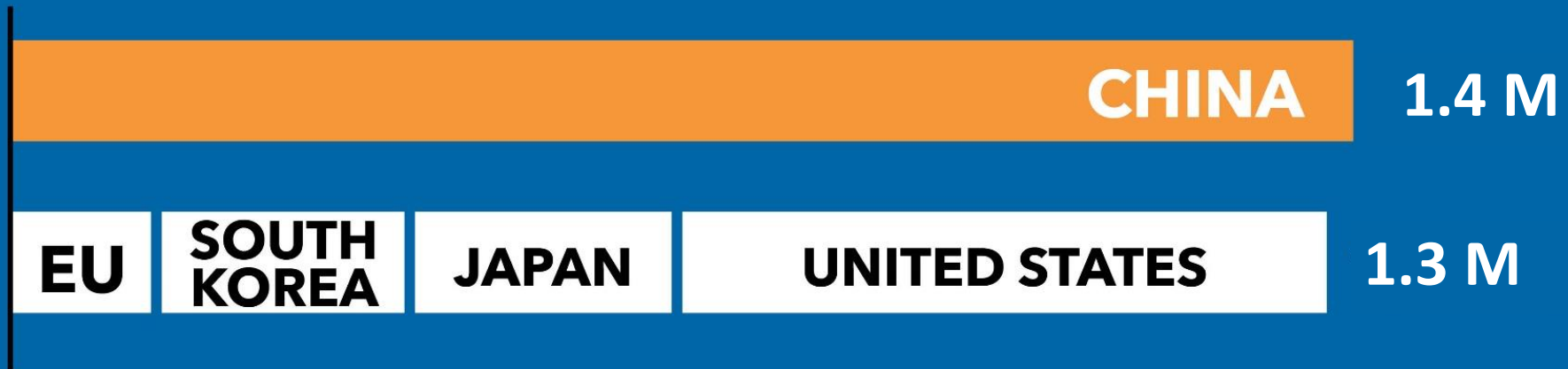
Rate Of U.S. Startup Formation Still Below Pre-Great Recession Levels

“The longest expansion on record, which began in mid-2009, has failed to restore entrepreneurship to its pre-recession level... Between 2007 and the first half of 2019, applications to form businesses that would likely hire workers fell 16%.”

- Source: Associated Press, “A Slowdown in U.S. Business Formation Poses a Risk to Economy,” September 5, 2019

China Surpasses U.S. And The World In Patent Applications

International Patent Applications in 2018

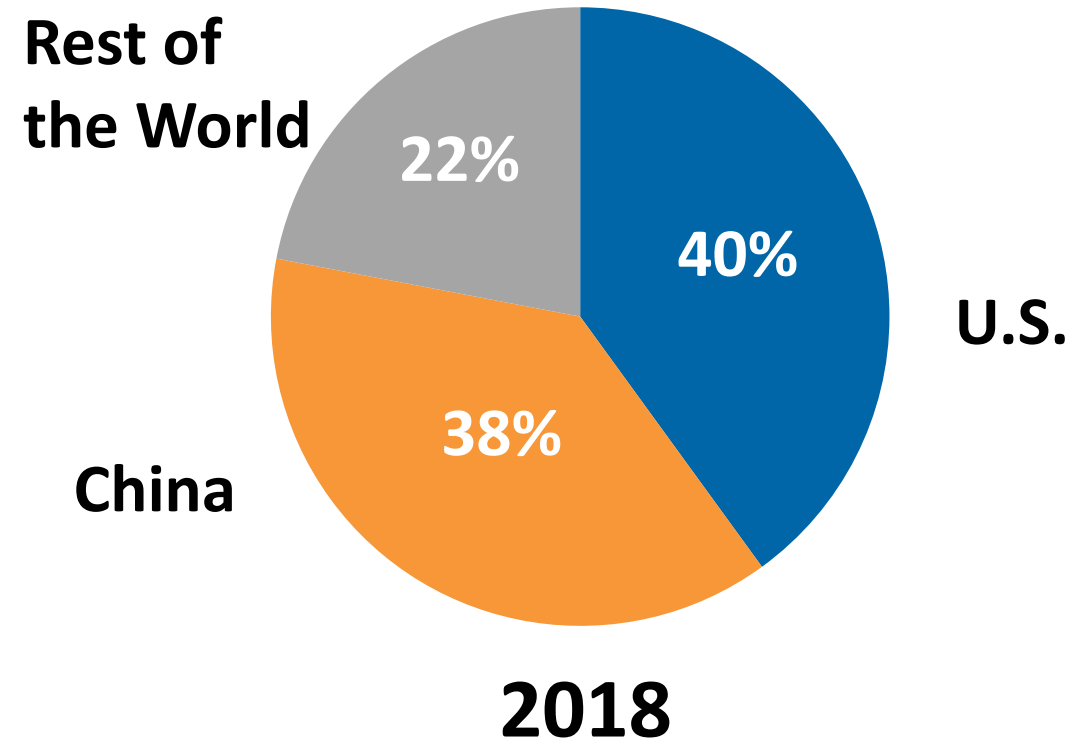
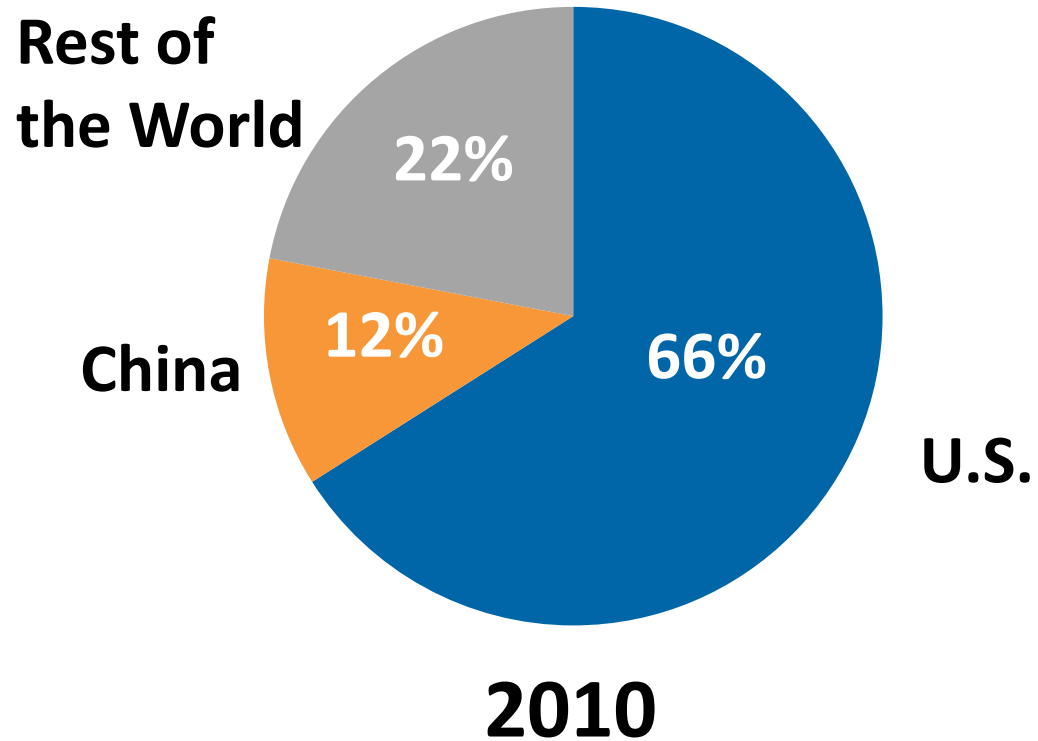


China Far Outpacing U.S. In Patents Filed

“The latest figures charting a rise in demand for intellectual property rights confirm a decade-long trend...China is increasingly amongst the leaders in global innovation and branding.”

- WIPO Director General Francis Gurry

U.S. Share Of Global Venture Capital Has Fallen Dramatically



Largest Venture Capital Investments Now Made Outside the U.S.

Mega Deals (\$500 M+) by City, Share of Global Total

1. Beijing, China	24%
2. San Francisco, USA	23%
3. Shanghai, China	14%
4. Delhi, India	5%
5. Bangalore, India	4%
6. Hangzhou, China	4%
7. New York, USA	4%
8. Berlin, Germany	3%
9. Jakarta, Indonesia	3%
10. Singapore, Singapore	3%

U.S. Ranked 8th in Global Innovation Index

2019 Bloomberg Innovation Index Puts U.S. in 8th Place,
Marking Small Improvement Over 2018, But Still Well Below Previous #1 Ranking

#1

#11

#8

2013

2018

2019



innovationalliance.net