

BUSINESS NEWS

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Idaho companies among top 5 on list of patent holders

BOISE (AP) -- A pair of computer-industry companies with operations in Boise each jumped one notch on the U.S. Patent and Trademark Office's list of organizations receiving the most U.S. patents for their inventions last year, underscoring the fact that technology has replaced agriculture as the leader of state's economy.

Hewlett-Packard, whose products include printers, and Micron Technology Inc., the world's second-biggest maker of computer memory chips, were fourth and fifth, respectively, on the government office's list. They were fifth and sixth a year ago.

Hewlett-Packard Development Corp. had 1,775 patents in 2004, 15 more than the total for Micron.

Company officials in Idaho say the rising number of patents -- for things including fine tuning on Micron's main dynamic random access memory (DRAM) products -- are a morale boost for employees and help attract and retain talented workers. That's important in a state where science and technology accounted for 13 percent of the gross state product in 2002, according to state commerce officials -- nearly double the contribution of agriculture.

"It really speaks to the expertise of the company from an innovation standpoint, from a technology standpoint," said Micron spokesman Dave Parker. "Micron is on the cutting edge of technology, and our ranking signifies that."

IBM, Matsushita Electric Industrial Co. and Canon Kabushita Kaisha led the U.S. patent list.

Only IBM, whose number of patents fell less than a percent to 3,248 compared to 2003, had more than 2,000 patents. The U.S. government received 829 patents for its inventions.

Parker said Micron, Idaho's largest private-sector employer with about 10,000 workers in the state, is also getting its patents on the cheap: It spends an average of about \$400 in research and development -- or R&D -- per patent generated. Other companies in the top 10 may spend least three times as much, and in some cases up to seven or eight times as much, he said.

Analysts say that patent activity is one harbinger of long-term success for companies such as Micron and Hewlett Packard in an industry where technology becomes obsolete relatively quickly.

"You look at the companies that continue to invest R&D dollars, and they continue to be the winners in the marketplace," said Sherry Garber, an analyst with Semico Research of Phoenix.

"Anyone who is going out and getting a lot of patents is protecting their intellectual property for future products. Patents are normally on a new process or new development, and those are things that will turn into revenue not this year but next year or the year after," Garber said.

Thomas Edison holds the No. 1 spot of all time for individuals holding patents, with 1,093. He died in 1931, after inventing things like the light bulb, phonograph and movie projector.

Nothing on Micron's list of patents for last year is quite so recognizable: imaging, core DRAM, specialty DRAM, NAND Flash memory, process technology and manufacturing.

Company officials said it's difficult to quantify just how many of the patents will wind up making money for Micron.

"That's a whole different question, realistically, in terms of revenue per patent generated," Parker said. "But you can bet with this many patents, with this type of innovation, it's extremely beneficial in the long run."

Ranking of top patent holders

Idaho's largest employer, Micron, is in the top 10 of companies that received the most patents last year.

The top 10 from the U.S. Patent and Trademark Office includes:

1. IBM, 3,248 patents
2. Matsushita Electric Industrial Co. Ltd., 1,934 patents
3. Canon Kabushiki Kaisha, 1,805 patents
4. Hewlett-Packard Development Co. LP, 1,775 patents
5. Micron Technology Inc., 1,760 patents
6. Samsung Electronics Co. Ltd., 1,604 patents
7. Intel Corp., 1,601 patents
8. Hitachi Ltd., 1,514 patents
9. Toshiba Corp., 1,310 patents
10. Sony Corp., 1,305 patents

Source: U.S. Patent and Trademark Office