

Top 10 remains the same, big moves within the top 35

According to The Patent Board's Medical Devices & Services Patent ScorecardTM published in The Wall Street Journal, only minor ranks shifts within the top 10, with Arkray, Hologic and Cameron Health making strides

(Chicago – October 14, 2008) – The top three companies in the Medical Devices & Services Patent Scorecard remain in the same rank with **Medtronic, Inc.** (Minneapolis, Minnesota, USA), and **Boston Scientific Corporation (BSC)** (Natick, Massachusetts, USA) and **Johnson & Johnson (J&J)** (New Brunswick, New Jersey, USA) ranking 1st, 2nd and 3rd, respectively. These companies continue to dominate the top three spots with large portfolios and above average Industry ImpactTM, meanwhile both Medtronic and BSC improved their Research IntensityTM scores by 18 and 10% respectively. Medtronic is aggressively maintaining their number one spot having a 29% increase in filings this year.

Covidien, Ltd. (Pembroke, Bermuda) increased by one spot this quarter to rank 4th with a 17% increase in Industry ImpactTM and despite a smaller portfolio, is gaining on 3rd ranked J&J. Dropping one spot to 5th this quarter is **Masimo Corporation** (Irvine, California, USA), with lower patents issued relative to the top 10, but with high impact. However, as their patent application filings increased by 83% over last year we may see them move up once again.

Arthrocare Corporation (Austin, Texas, USA) was able to maintain its top 10 spot and even increased its already impressive Industry ImpactTM score by 21% to 7.288. Their Research IntensityTM score also improved, increasing by 11% for a score of 6.82, and is not only the highest among the top 10, but second highest within the entire Medical Device scorecard. Research IntensityTM shows the degree to which a company's portfolio of patents references scientific articles as compared to the industry. Arthrocare is citing numerous journals in the fields of Biomedical Research, Clinical Medicine and Physics.

Arkray Inc (Kyoto, Japan) is gaining fast to step into the top 10 by increasing five spots last quarter and three this quarter to land in 11th. They saw a 5% increase in patenting, a 10% increase in Industry ImpactTM and a 44% increase in Research IntensityTM. Arkray is developing products for diabetes testing, urinalysis as well as other test equipment for the medical industry. Additionally, there are several other smaller patenting companies that are making big moves within the top 35. **Hologic Inc** (Bedford, Massachusetts, USA), who develops and manufactures diagnostic, imaging and surgical products specifically geared towards women's health jumped 15 spots to land in 19th position, primarily due to their recent acquisition of Cytoc Corp. Another big mover is **Cameron Health Inc** (San Clemente, California, USA), who rose 19 spots to land in 20th position, increased in both patent volume by 27% as well as Industry ImpactTM by 44%. Cameron Health also holds the third spot for Research IntensityTM, with a score of 6.43. Cameron Health is a development stage company creating new implantable electronic devices to regulate heart rates not available through current technologies and similar to many companies with newly created technologies they have a high degree of internal citation.

An interesting sub-industry within the Medical Device scorecard is companies involved in imaging related medical equipment, many of which are conglomerates. These companies are trending similarly in many of the patent metrics portrayed. **General Electric Company** (Fairfield, Connecticut, USA) and **Siemens AG** (Munich, Germany), both remain in the top 10 with high patent volume; in fact, GE has the third highest volume in the scorecard. Not far behind are **Philips Electronics NV** and **Hitachi Ltd**, in 12th and 13th place respectively. There are several other imaging companies in the top 35 and all of these companies have trends of lower than average Industry ImpactTM, low Research IntensityTM, as well as, lower Innovation Cycle TimeTM. So compared to all of medical devices they are not ranking high in two of the three quality indicators, however considering the vast difference between imaging technology and invasive therapies, this is explainable. Aforementioned **Hologic** has the highest Industry ImpactTM and Research IntensityTM among the imaging companies and is definitely a company to keep an eye on. Meanwhile, **Canon Inc** has the lowest Innovation Cycle TimeTM in addition to rising 18 spots this quarter landing them in 30th position.

The Patent Board™

Decision Tools, Metrics, and Analysis for Innovation.

There are a total of 122 companies represented in the Medical Devices & Services Industry Patent Scorecard™, 27 are also represented in other patent scorecard industries. The companies in this industry develop and manufacture medical equipment, apparatus, instruments, devices and supplies. It includes items such as diagnostic test kits, monitoring and exam equipment, visual and hearing testing and supplies, surgical implements and implantable devices.

The Patent Board Scorecard Ranks Medtronic Inc. as #1 Innovator in Medical Devices & Services Industry

Top 10 Innovators in Medical Devices & Services Patent Scorecard™ | Quarterly snapshot – 13 week averages

Previous Rank	Current Rank	Company	Patent Granted*	Science Strength™	Innovation Cycle Time™	Industry Impact™	Technology Strength™	Research Intensity™
1	1	Medtronic Inc	343	2271.8	10.9	1.444	644.12	1.3
2	2	Boston Scientific Corp	393	3024.8	10.1	1.181	600.08	1.61
3	3	Johnson & Johnson	222	873	10.5	1.366	391	0.97
5	4	Covidien Ltd	136	824.8	12.3	2.123	373.06	1.75
4	5	Masimo Corp	20	99	6.9	13.626	358.76	1.2
7	6	General Electric Co	290	661.5	8	0.703	264.26	0.71
6	7	Abbott Laboratories	75	1038	8.8	2.463	240.43	1.87
8	8	St. Jude Medical Inc	146	422	9.5	0.973	182.83	1.06
9	9	Siemens AG	209	134.5	8.2	0.618	167.61	0.42
10	10	Arthrocare Corp	14	2368.3	10.3	7.288	130	6.82

*(Medical Devices & Services patents only for the multi-industry companies)

About The Patent Board Indicators

Patents Granted – equals the number of U.S. patents granted in a given year, excluding design and other special-case inventions.

Science Strength™ - ranking measure to indicate how much a company uses science in building its patent portfolio with a combined measure of science and quantity.

Innovation Cycle Time™ - indicates whether a patent or patent portfolio is building off newer or older inventions (art).

Industry Impact™ - indicates the extent to which others are building upon a portfolio of issued US utility patents as compared to the total set of utility patents.

Technology Strength™ - ranking measure to indicate an overall strength of the company's patent portfolio holdings with a combined measure of quality and quantity.

Research Intensity™ – indicates the extent to which a portfolio includes patents with above average Science Linkage as compared to the control group.

About The Patent Board

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