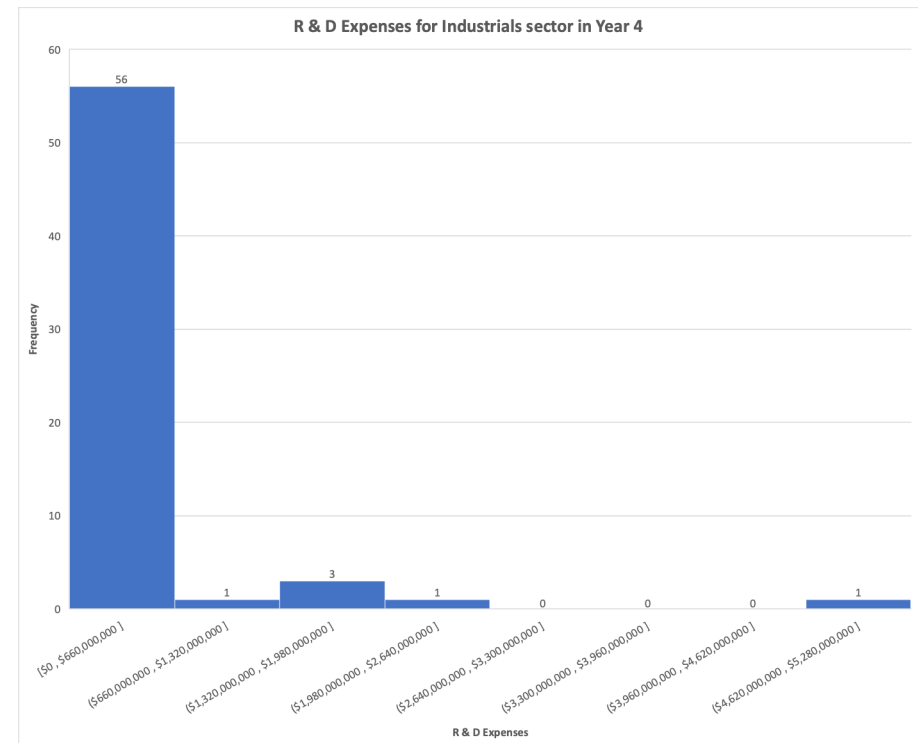
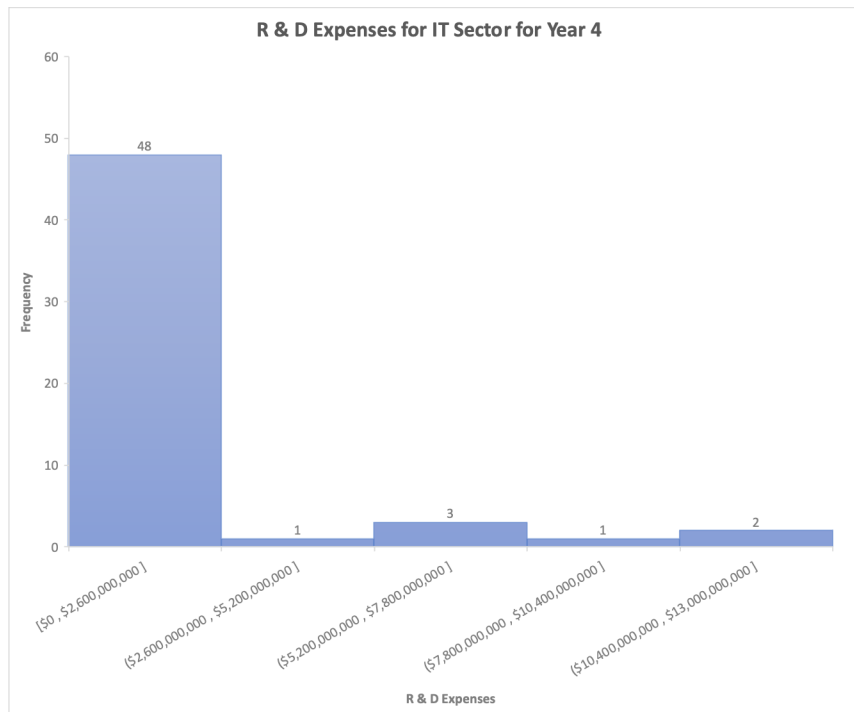


Does the IT sector have similar expenditure levels for Research & Development than the industrials sector in Year 4?



Does the IT sector have similar expenditure levels for Research & Development than the industrials sector in Year 4?

In the first slide, you can find the histograms for the annual R & D expenses for companies in IT and Industrials sectors reported for all companies in Year 4.

Distributions for both sectors are right-skewed or positively skewed, as the mean for each is higher than the median.

The mean for IT (\$1.56 billion) is around 6.30 times higher the mean for Industrials (\$147.45 million). It seems companies in IT sector have a much higher R&D Expenditure on average than companies in Industrials sector.

The standard deviation for IT sector is \$2.82 billion, while the standard deviation for Industrials sector is \$749.87 million. The range for IT companies (\$12.74 billion) is around 2.75 times higher than the range for the Industrials (\$4,627 million). Therefore variability in R&D expenses for IT companies is much higher than Industrials companies.