A new metric of market value based on innovation

STEP I
All patents are given a score

STEP II
100 sentinel companies are selected

STEP III
Analysis is expanded beyond Russell 1000

STEP IV
Innovation networks are analyzed

STEP V
The index shows market performance of highly innovative companies

UNIVERSE RUSSELL 1000
The largest companies in US stock market

Through algorithms, the 100 most innovative companies are selected based on their patents and other IP
Sentinels are chosen based on the breadth and quality of their patenting activity. Each gets a score according to the strength of IP and profitability.

Network analysis
Peer groups are created by examining patent connections between sentinels and other companies

Determining index weights
Every company is compared to its peers and weighted according to the potential of their patents and their financial outlook

Weights and stock performance are aggregated

FINAL RESULT
The index shows market performance of highly innovative companies

Click here for more information:
https://www.conference-board.org/data/bcicountry.cfm?cid=18#US