

**Abstract:**

In this paper we investigate which elements in both an industry's structure and in an industry's dynamics affect innovativeness. We use the most appropriate measure for innovativeness –new product announcements- to find specifically that dominance of large firms consistently affect industry innovativeness negatively. Other industry structure characteristics are surprisingly consistent across different model specifications. Our findings for indicators of industry dynamics are noteworthy for instance as they contrast with the ILC predication that firm entry will boost innovativeness.