

IPR-intensive industries: contribution to economic performance and employment in the European Union

A joint study between the Office for Harmonization in the Internal Market and the European Patent Office

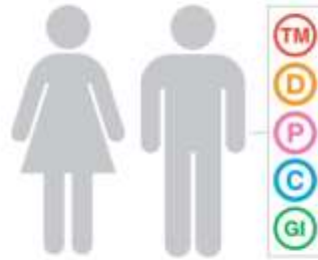
Published 30 September 2013








Introduction: The value of intellectual property in Europe

This presentation is based on the main findings of the **first ever** EU-wide study on the value of intellectual property rights to the economy of the EU.

How do trade marks, designs, patents, copyrights and geographical indications contribute to employment, GDP, remuneration and trade?



Intellectual property rights – an overview

					
	Patent	Design	Trade mark	Copyright	Geographical indication
SUBJECT MATTER	Invention, novelty , industrial applicability	Original ornamental and non-functional features of an article or product	Distinctive signs that distinguish one company's goods or services from another	Original artistic, literary, musical, photo, cinema works; maps and technical drawings; computer programmes	Product whose quality and reputation is linked to its geographical origin
DURATION	Typically 20 years from filing	The usual maximum term is 25 years	Commonly 10 years from filing, but can be renewed indefinitely for successive periods	From 50 years to a lifetime plus 70 years	Indefinite, no need for renewal

Methodology

In order to determine which industries are IPR-intensive, the register databases of **OHIM** and **EPO** were matched with the commercial database **ORBIS**.

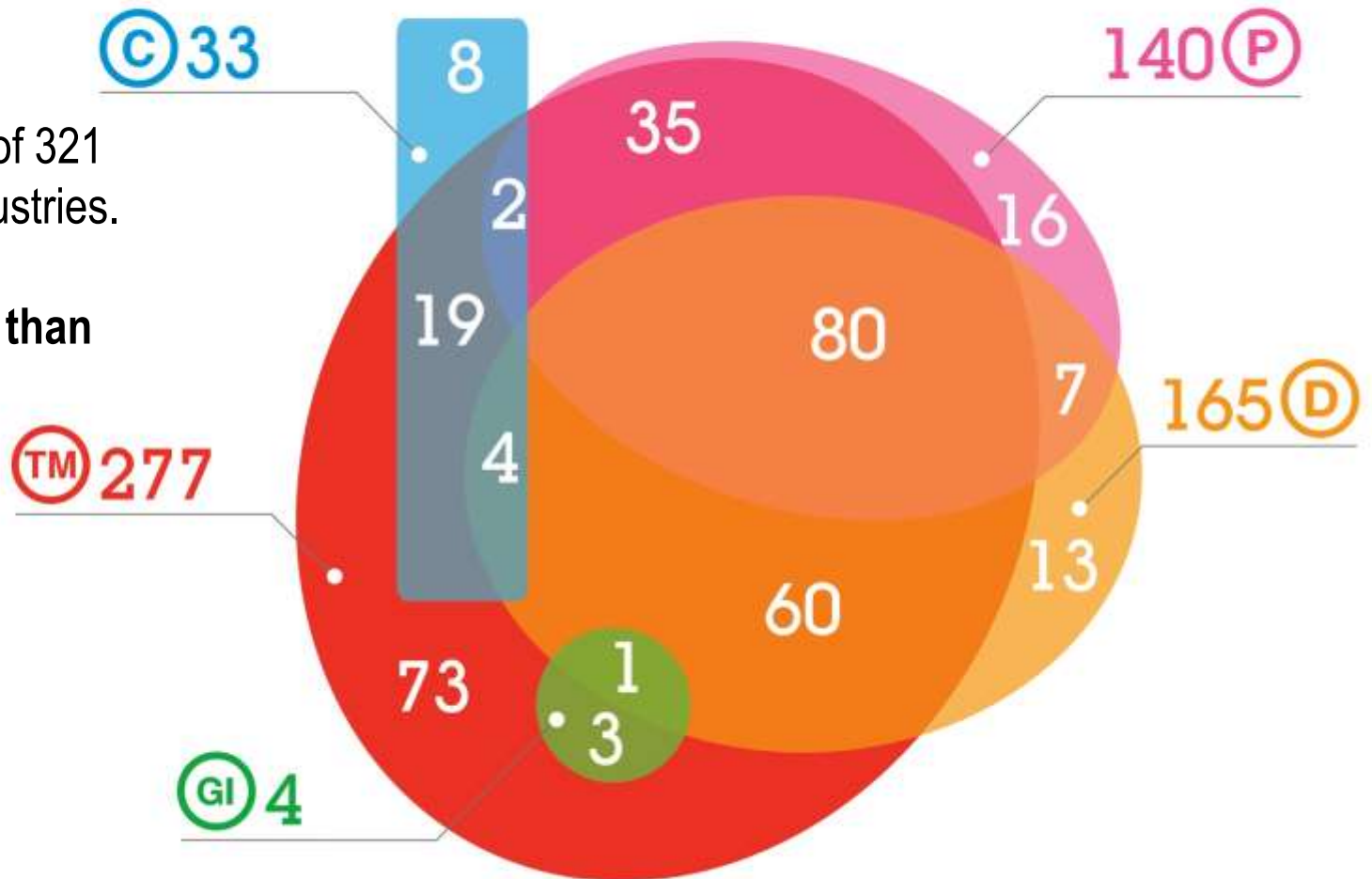
Using this data, the number of trade marks, designs and patents per employee was calculated for each industry, and ***the industries which were above average according to this measure were considered to be IPR-intensive.***

For copyright, a standard methodology developed by **WIPO** was applied, and for Geographical Indications, data from **DG AGRI** was used.

For more information on the methodology of the study, please visit **www.oami.europa.eu**.

IPR-intensive industries

There are a total of 321 IPR-intensive industries. Most of them are intensive in **more than one type of IPR**.



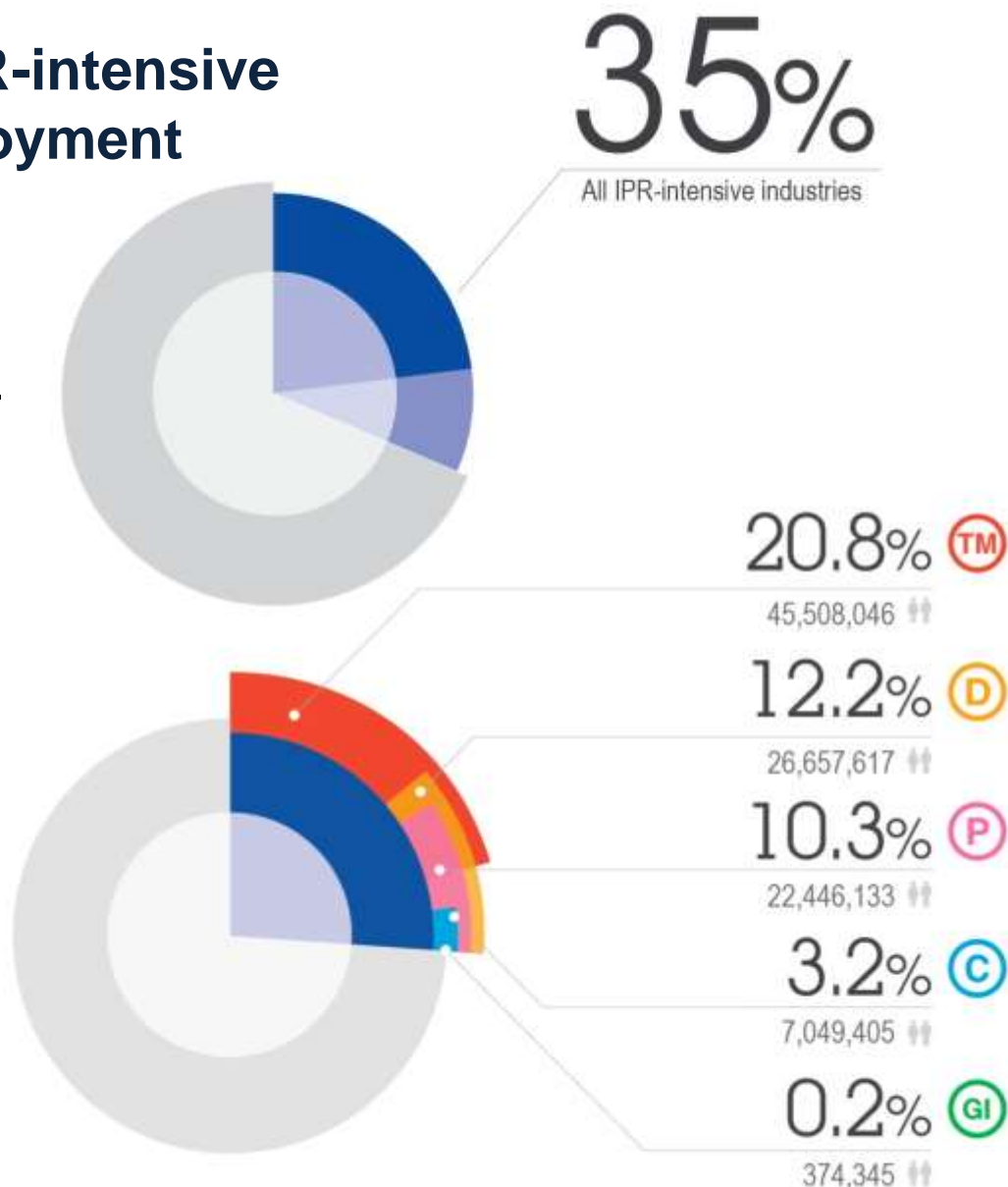


Contribution of IPR-intensive industries to employment

26% of all EU jobs were directly generated by IPR-intensive industries during the period 2008-2010.

An **additional 9%** were generated indirectly, by industries that supply goods and services to the IPR-intensive industries, for a total of **35% of all EU jobs**.

-  trade mark
-  design
-  patent
-  copyright
-  geographical indication





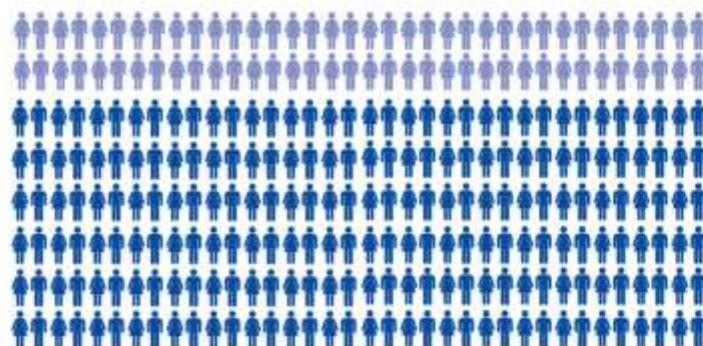
Contribution of IPR-intensive industries to employment

56.5 million EU jobs

out of 218 million
were directly
generated by IPR-
intensive industries.

20 million

additional jobs were
generated by these
industries indirectly.



+20 million

56.5 million

76.5 million jobs

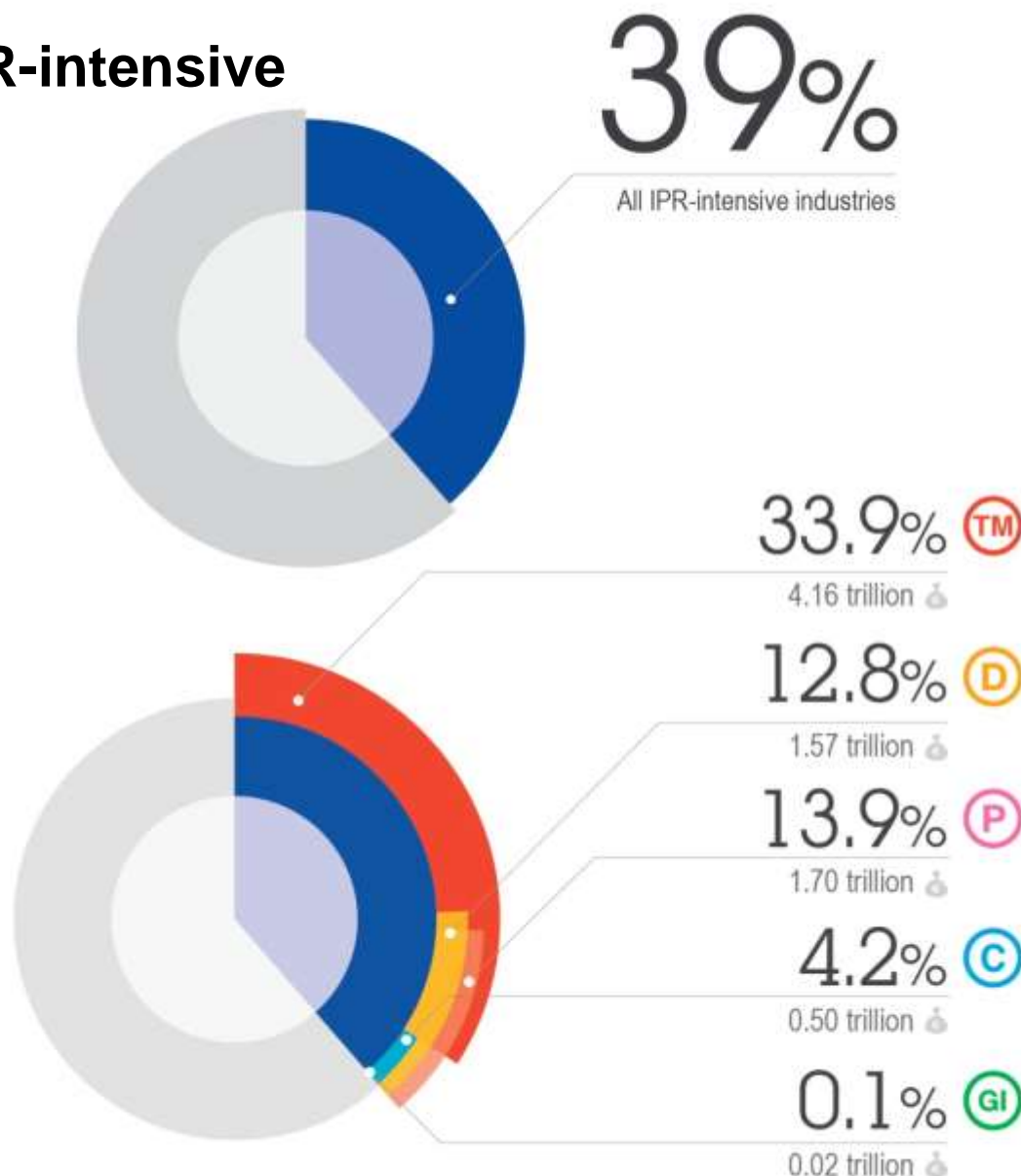


Contribution of IPR-intensive industries to GDP

39% of total economic activity (GDP) in the European Union was generated by IPR-intensive industries from 2008-2010.

This totals **over € 4.7 trillion** annually.

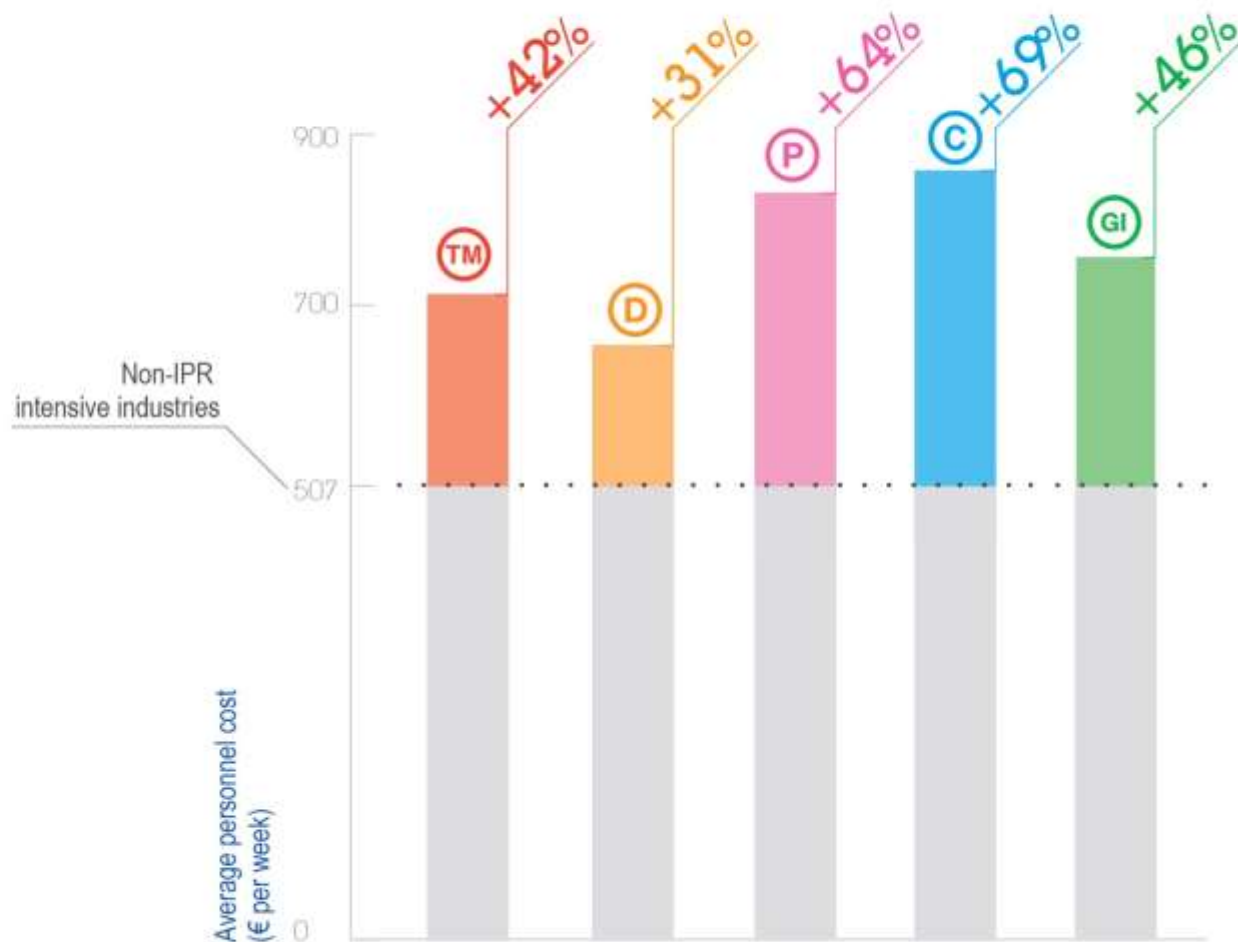
-  trade mark
-  design
-  patent
-  copyright
-  geographical indication





Contribution of IPR-intensive industries to remuneration

IPR-intensive industries **pay significantly more** than other industries, with a wage premium of **over 40%.**



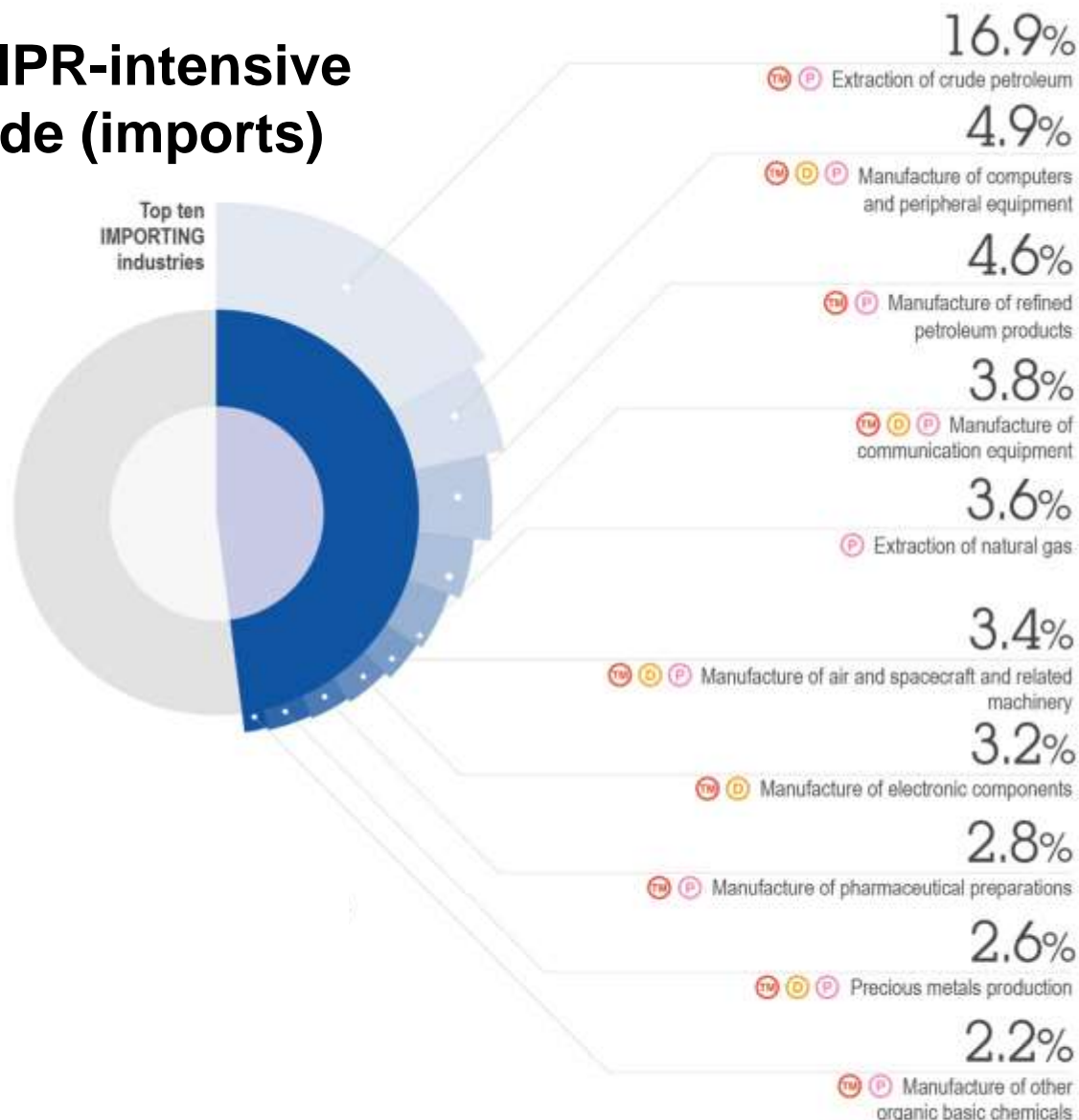
- TM trade mark
- D design
- P patent
- C copyright
- GI geographical indication



Contribution of IPR-intensive industries to trade (imports)

Even industries producing energy are IPR-intensive.

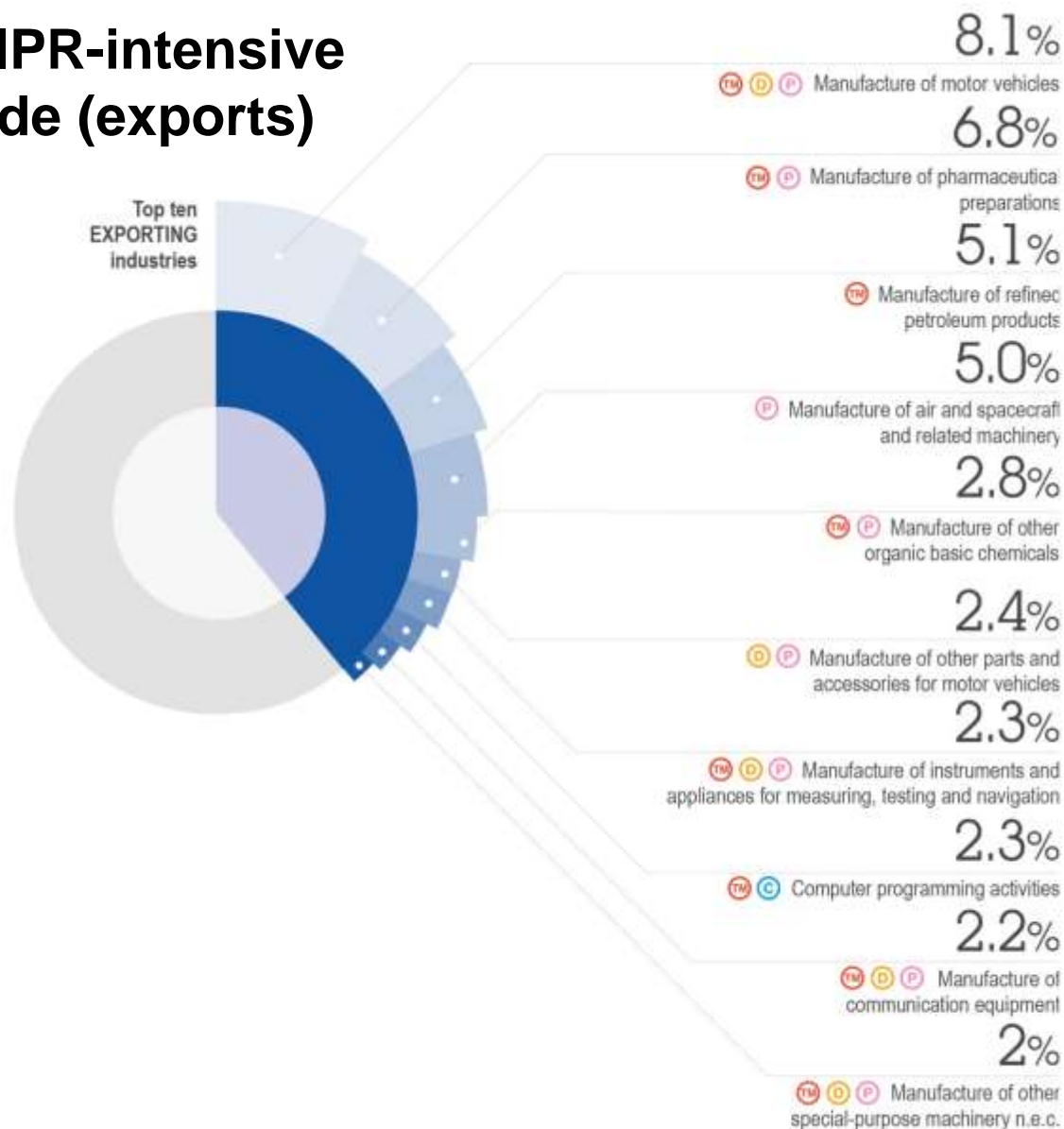
For that reason, 88% of EU imports consist of products from IPR-intensive industries.





Contribution of IPR-intensive industries to trade (exports)

However, an even higher share of EU exports - 90% - is accounted for by IPR-intensive industries.

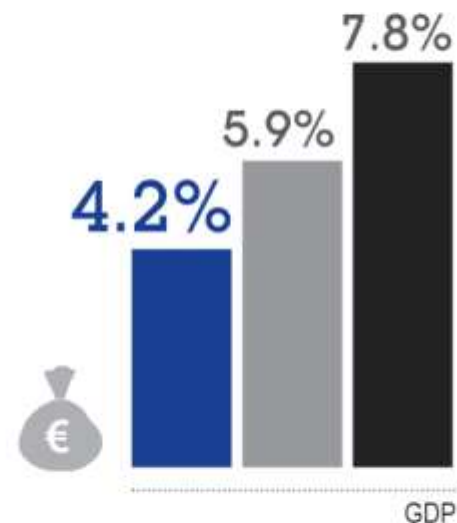
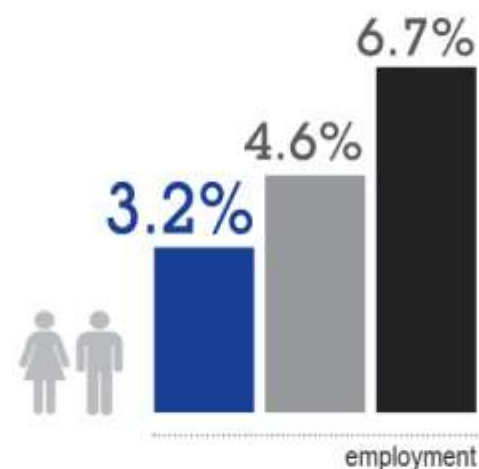


Copyright: © WIPO vs USPTO methodologies

USPTO adaptation of **WIPO** methodology:
very strict, only content provision,
33 industries considered copyright-intensive

“Pure” **WIPO** methodology: broader definition,
49 industries considered core copyright-intensive

“Full” **WIPO** methodology: including also
non-core copyright-intensive industries



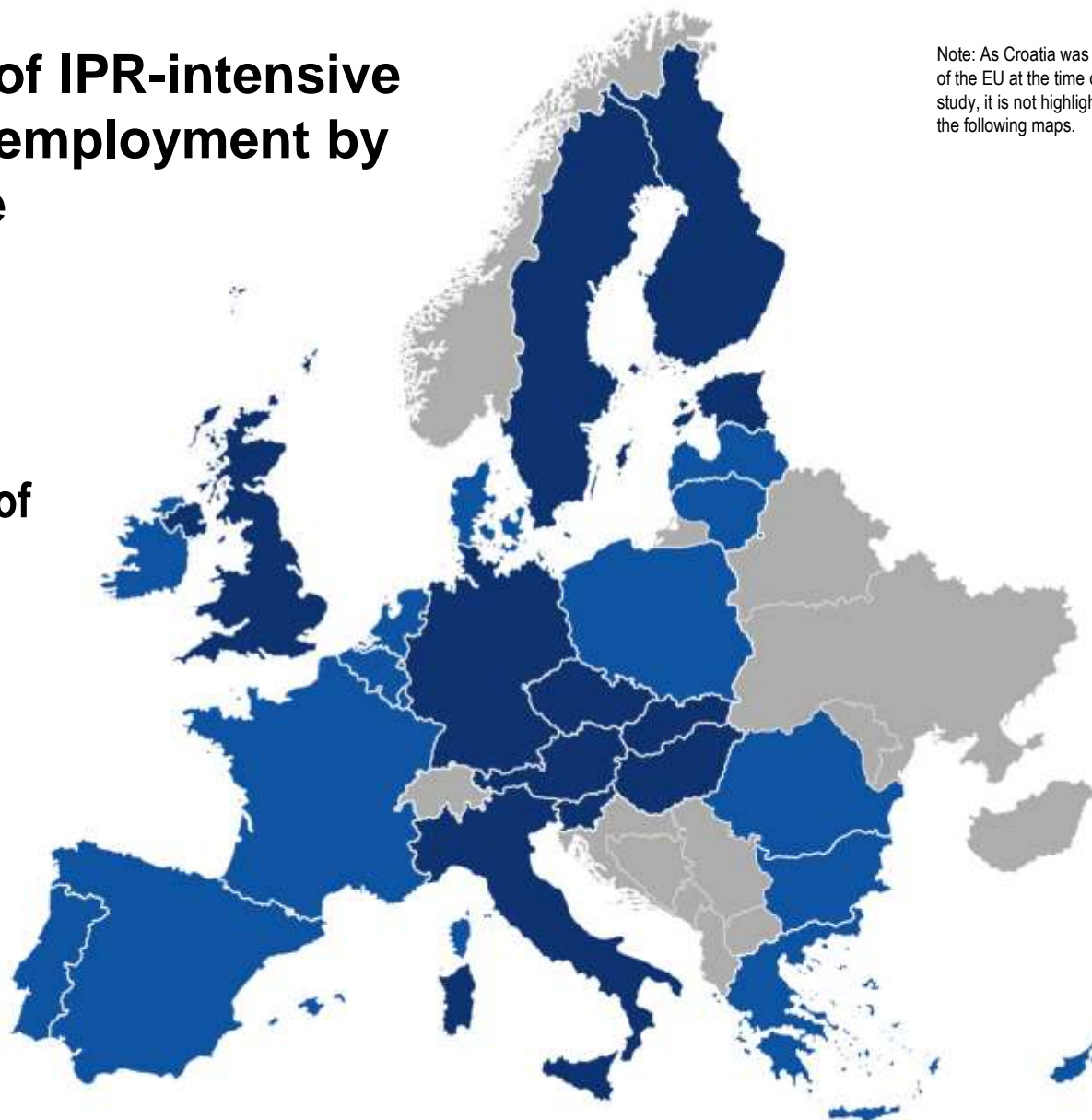


Contribution of IPR-intensive industries to employment by Member State

IPR-intensive industries directly contribute **25.9% of employment** in the EU.

25.9%
EU average

- above EU average
- below EU average



Note: As Croatia was not a part of the EU at the time of the study, it is not highlighted on the following maps.

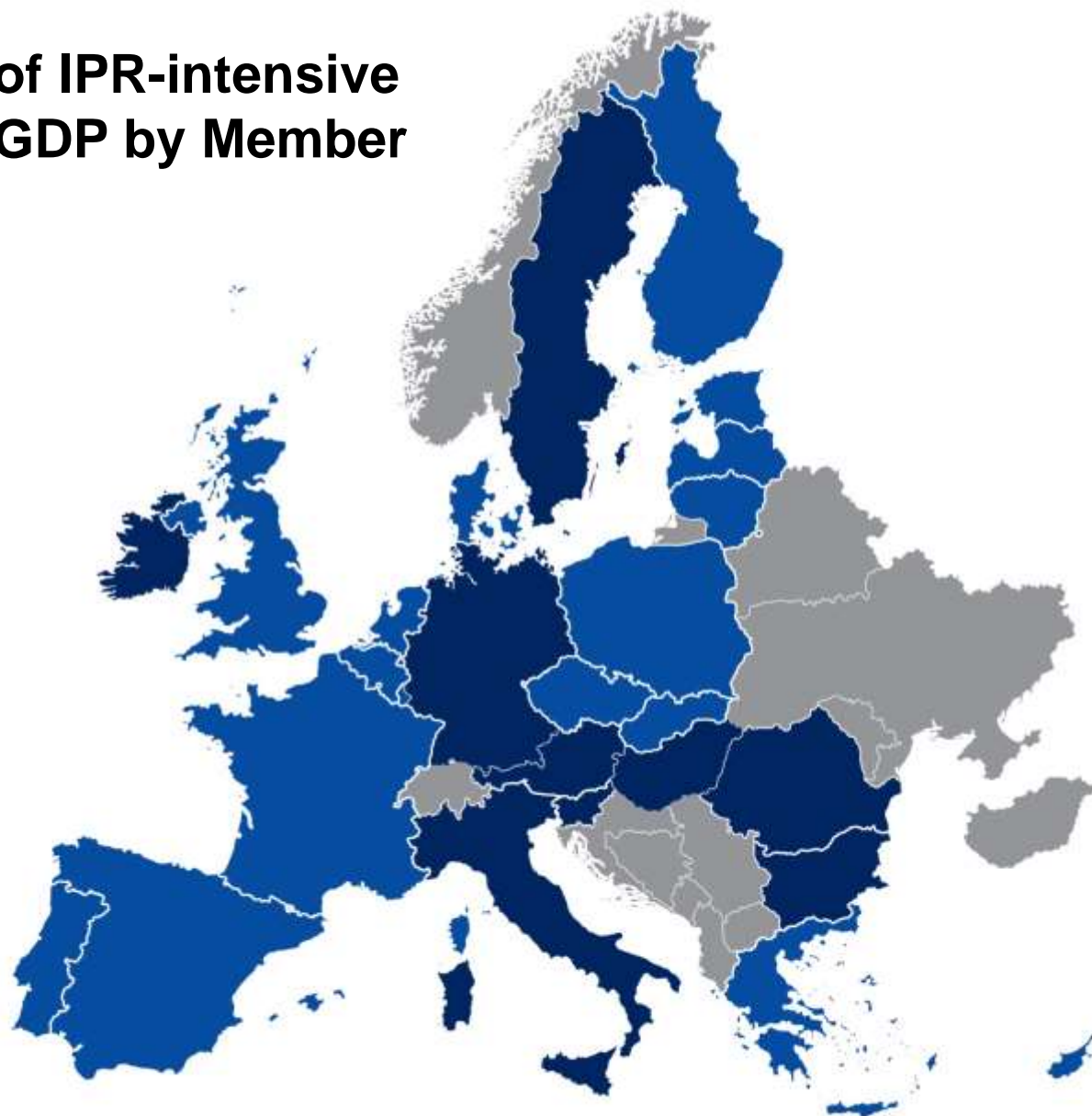


Contribution of IPR-intensive industries to GDP by Member State

IPR-intensive industries contribute **38.6% of GDP** in the EU.

38.6%
EU average

- above EU average
- below EU average





Contribution of IPR-intensive industries to employment by Member State – trade mark

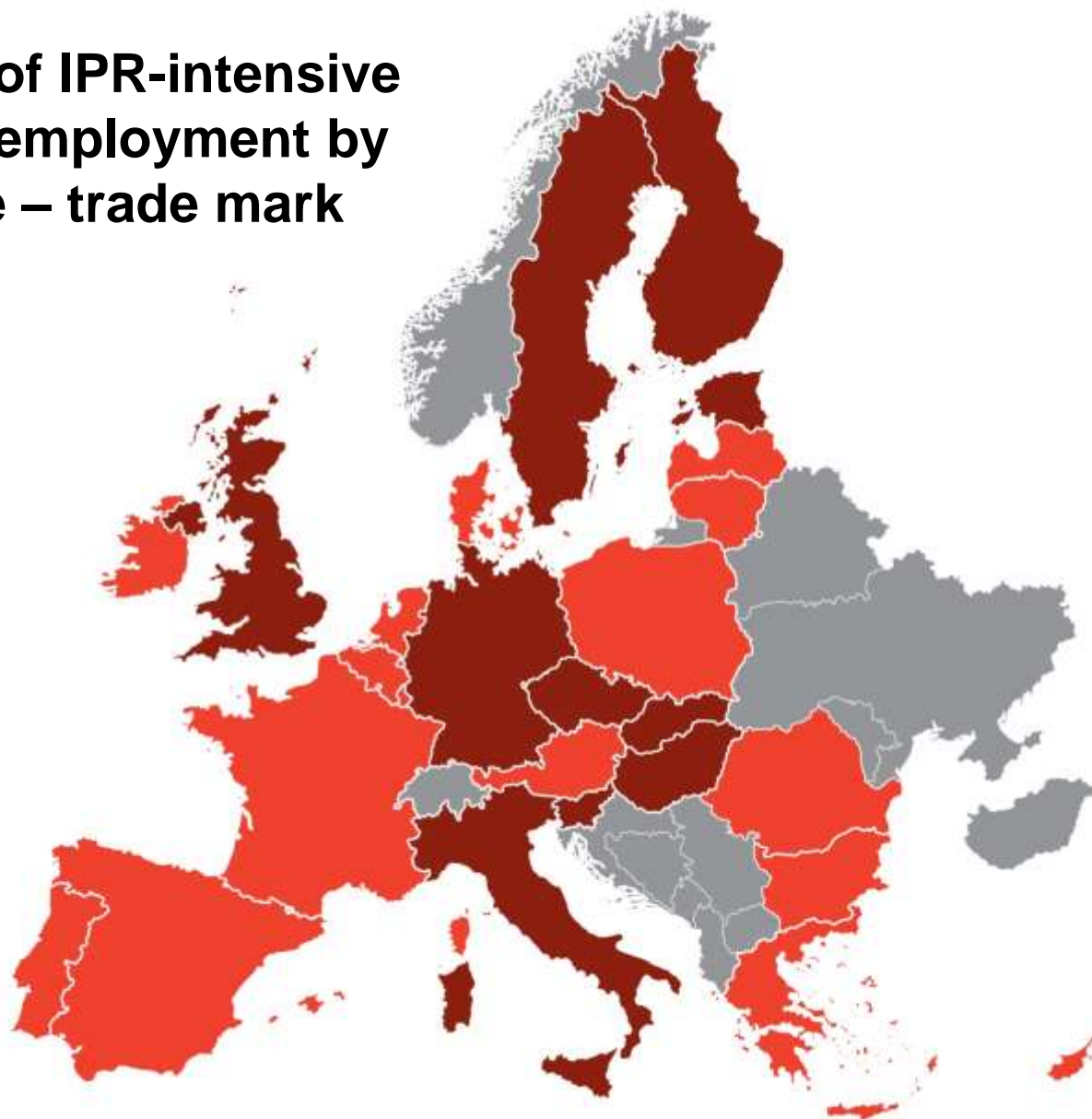
In the EU as a whole, **trade mark**-intensive industries contribute **20.8% of employment**.



20.8%
EU average

● above EU average

● below EU average





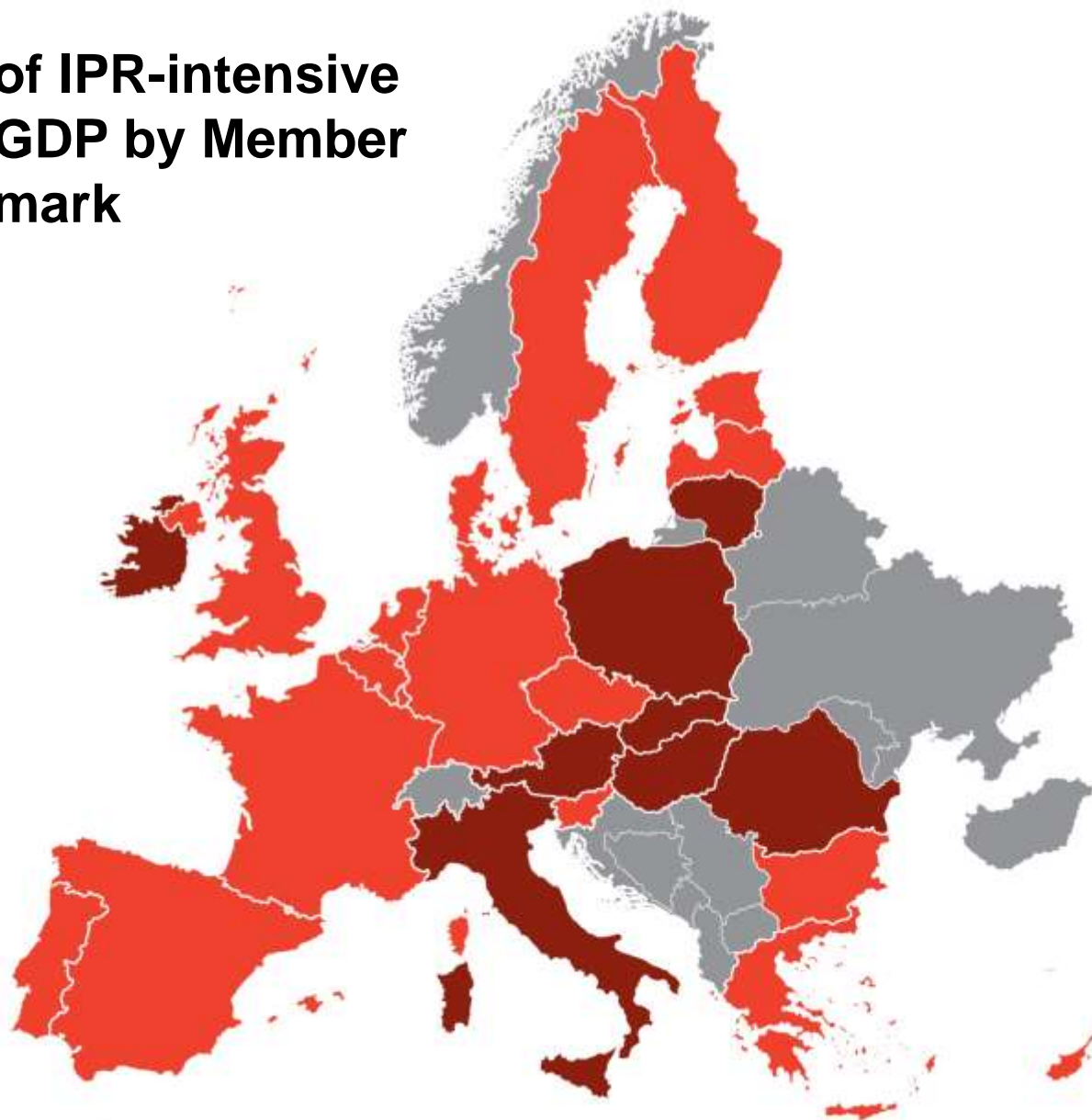
Contribution of IPR-intensive industries to GDP by Member State – trade mark

In the EU as a whole, **trade mark**-intensive industries contribute **33.9% of GDP**.



33.9%
EU average

- above EU average
- below EU average



IPR-intensive industries: contribution to economic performance and employment in the European Union



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IN THE INTERNAL MARKET
(TRADE MARKS AND DESIGNS)



Contribution of IPR-intensive industries to employment by Member State – design

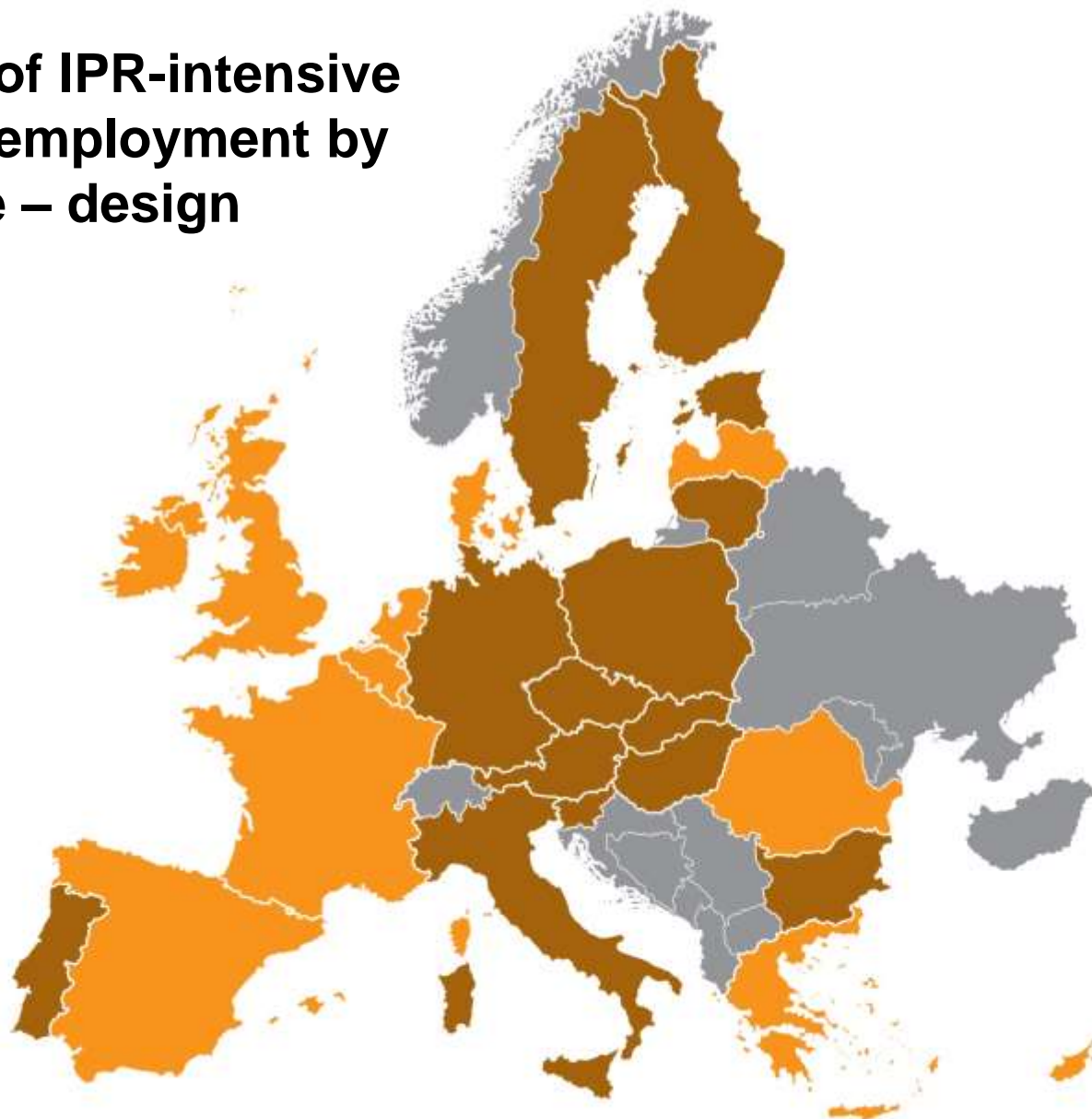
Design-intensive industries contribute 12.2% of employment in the EU.



12.2%
EU average

● above EU average

● below EU average





Contribution of IPR-intensive industries to GDP by Member State – design

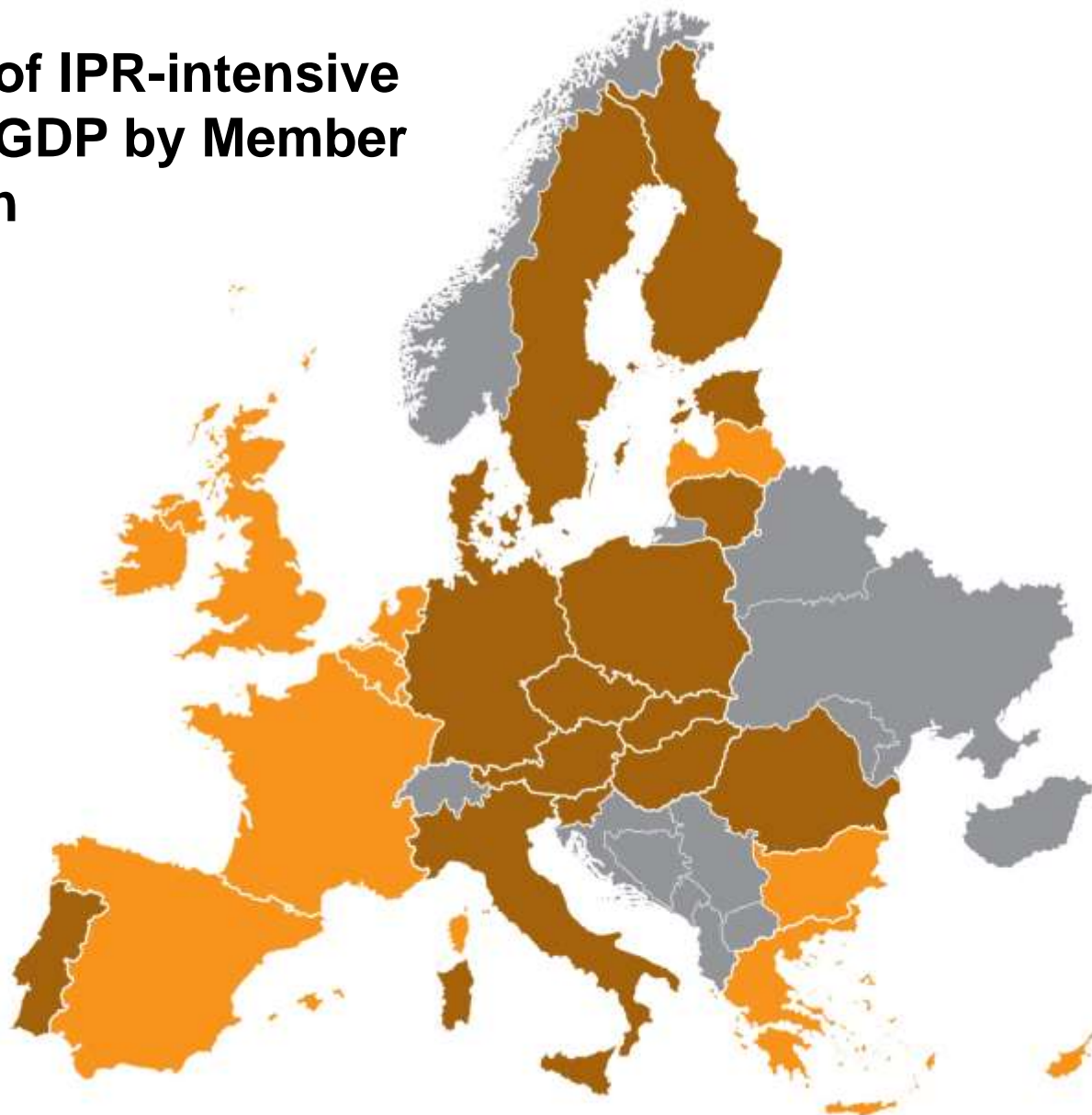
Design-intensive industries contribute 12.8% of GDP in the EU.



12.8%
EU average

● above EU average

● below EU average



IPR-intensive industries: contribution to economic performance and employment in the European Union



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(TRADE MARKS AND DESIGNS)



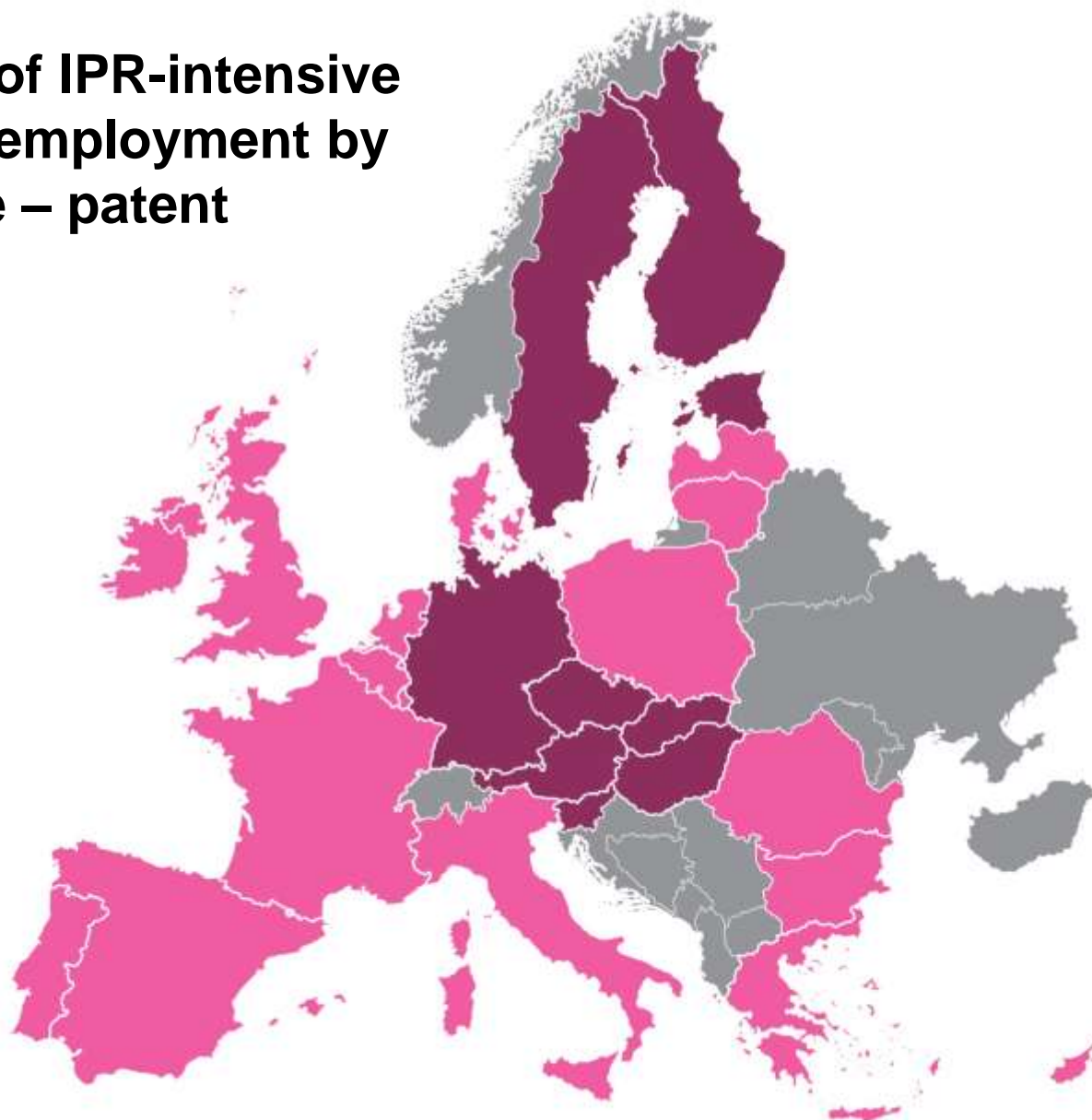
Contribution of IPR-intensive industries to employment by Member State – patent

Patent-intensive industries contribute 10.3% of employment in the EU.



10.3%
EU average

- above EU average
- below EU average





Contribution of IPR-intensive industries to GDP by Member State – patent

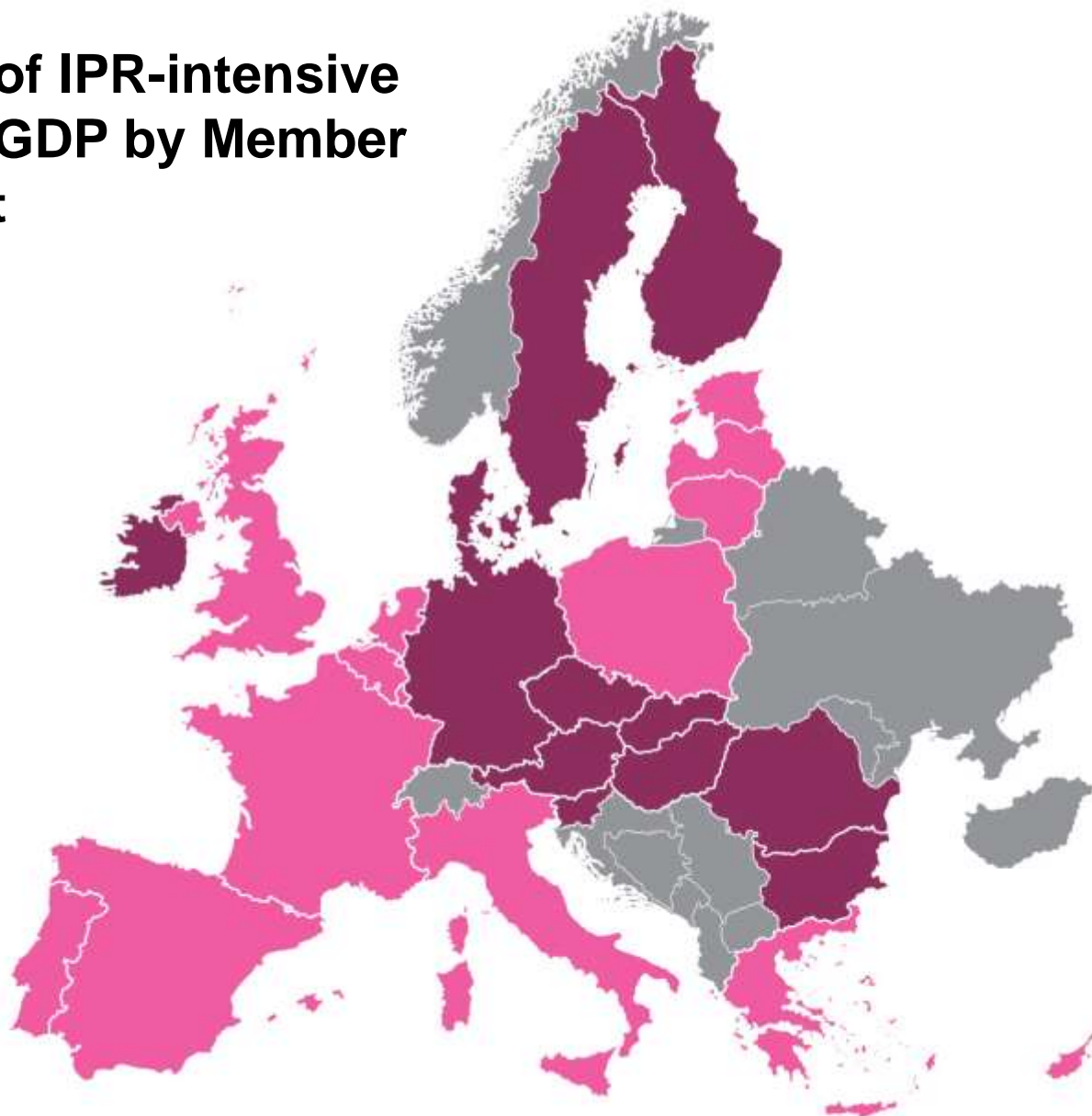
Patent-intensive industries contribute 13.9% of GDP in the EU.



13.9%
EU average

● above EU average

● below EU average





Contribution of IPR-intensive industries to employment by Member State – copyright

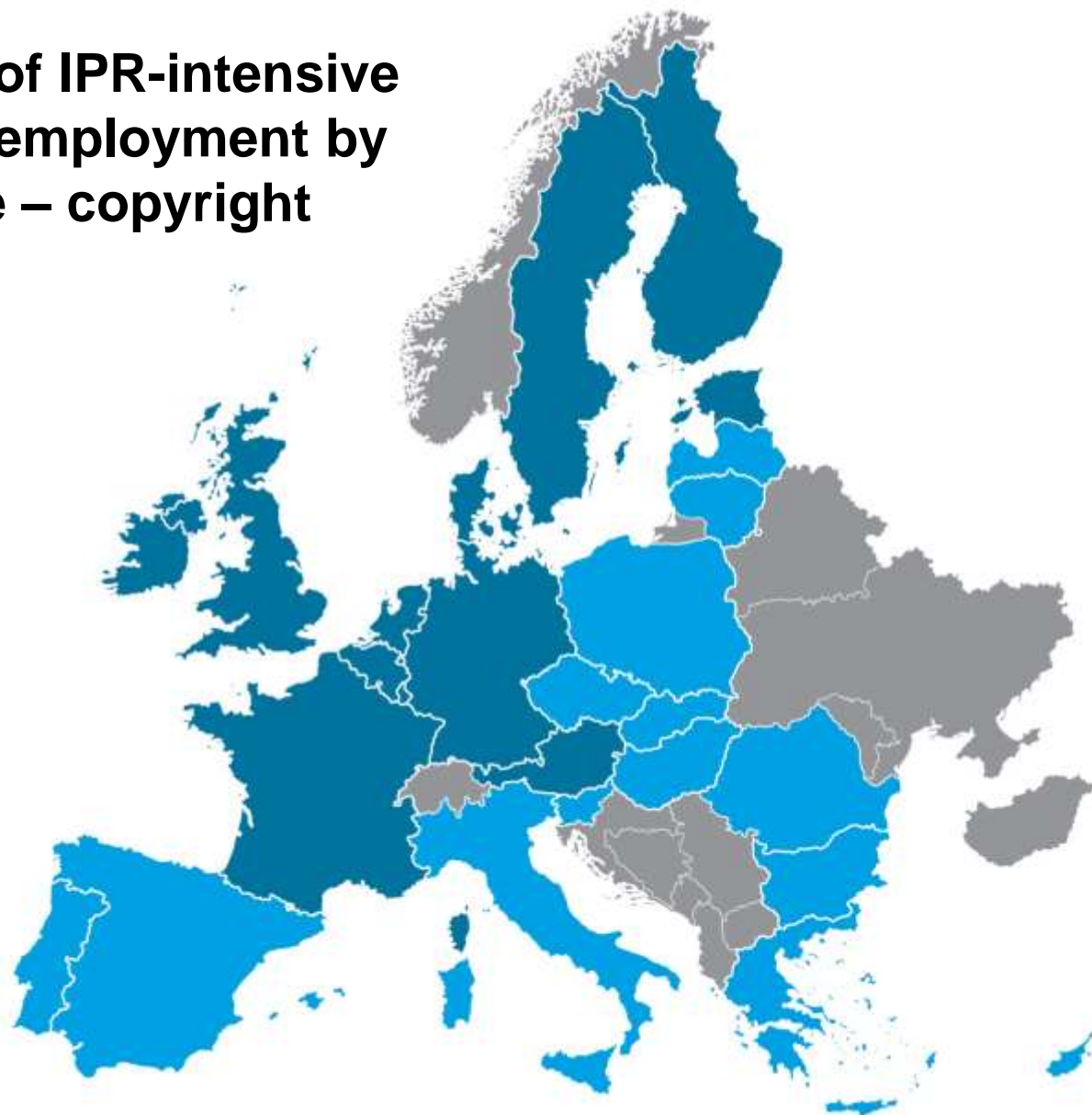
Copyright-intensive industries contribute 3.2% of employment in the EU.



3.2%
EU average

● above EU average

● below EU average





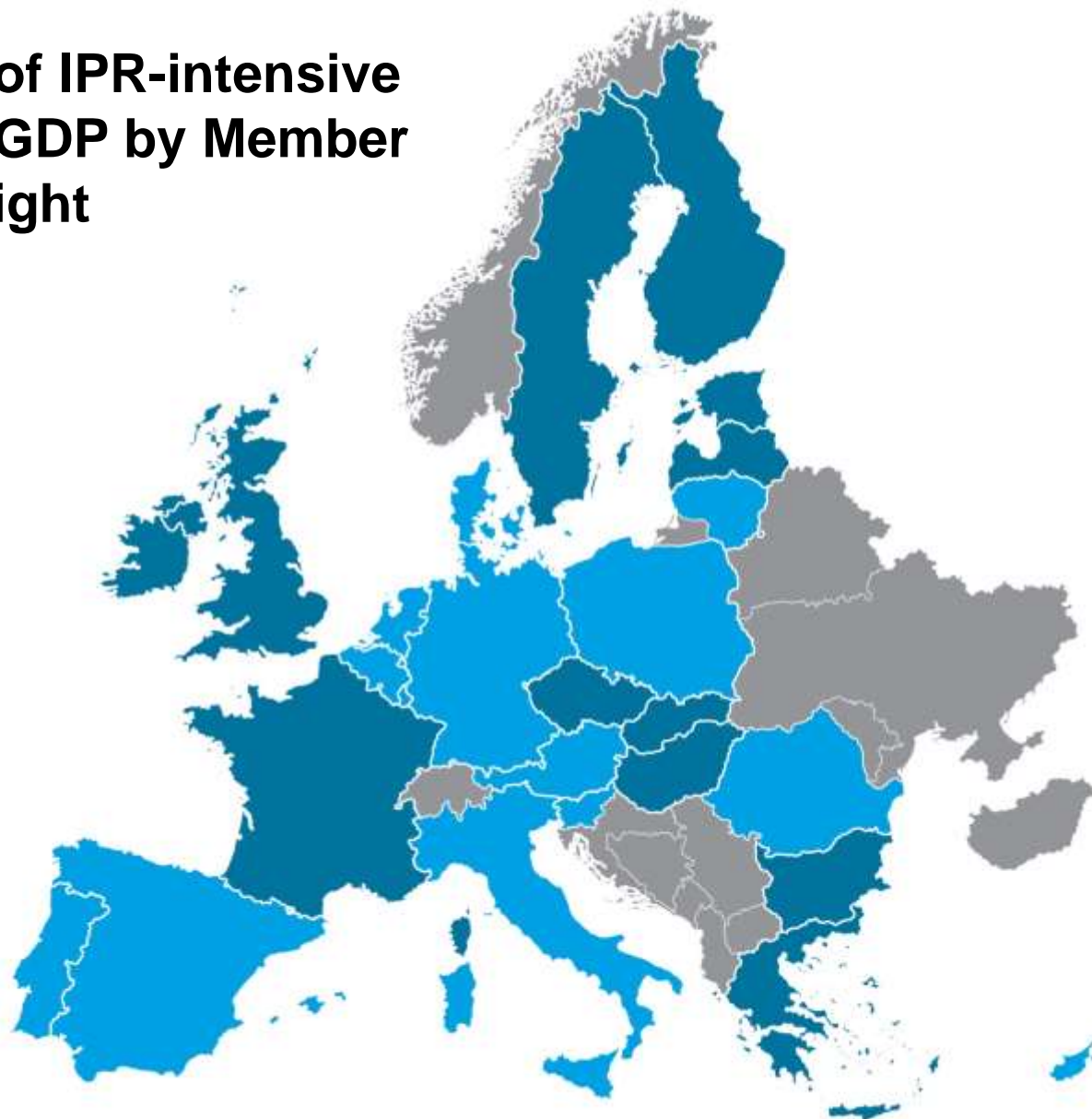
Contribution of IPR-intensive industries to GDP by Member State – copyright

Copyright-intensive industries contribute 4.2% of GDP in the EU.



4.2%
EU average

- above EU average
- below EU average





Contribution of IPR-intensive industries to employment by Member State – geographical indication

GI-intensive industries contribute **0.2% of employment** in the EU.

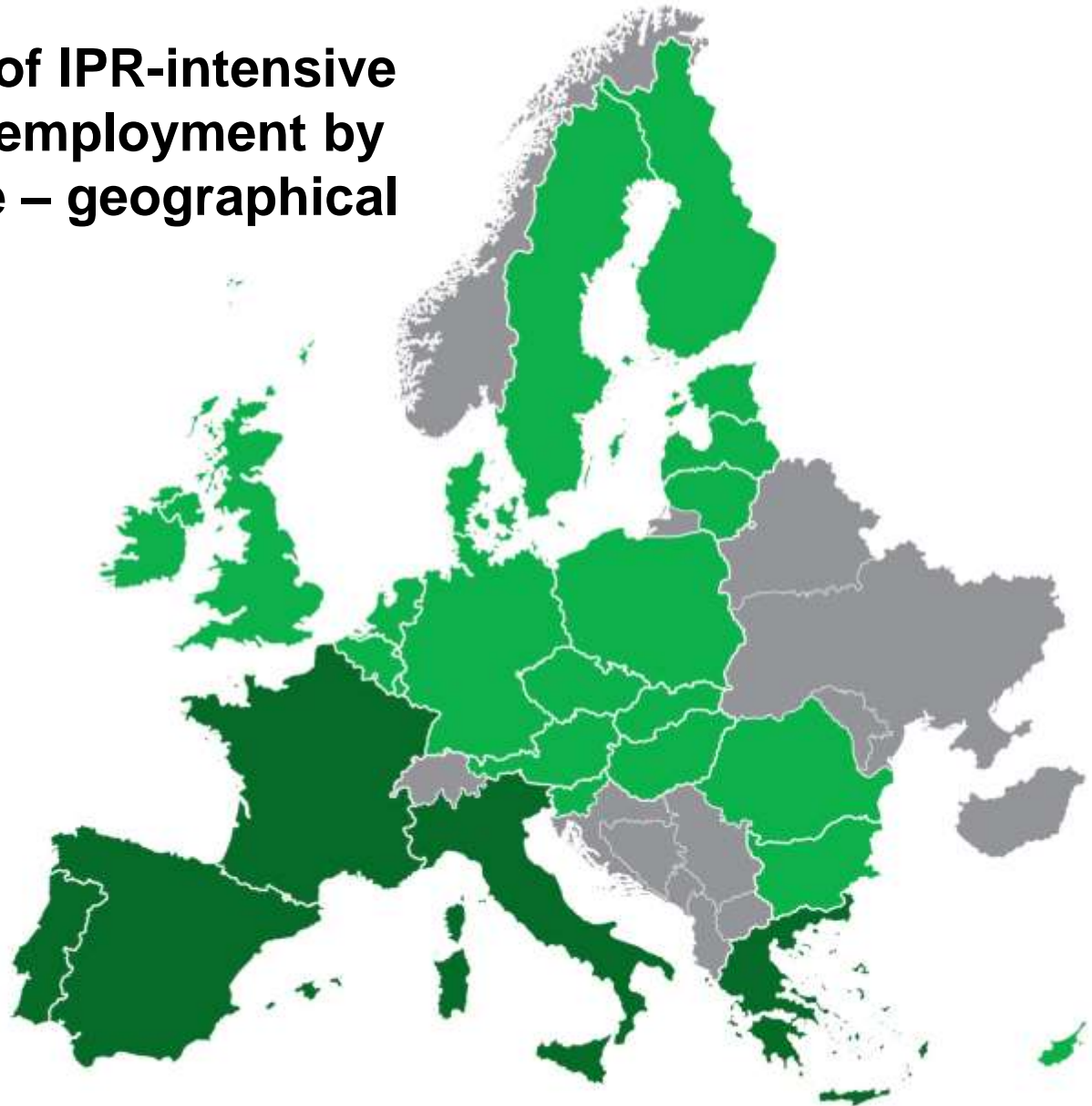
They are an **important source of jobs** in several countries.



0.2%
EU average

● above EU average

● below EU average





Contribution of IPR-intensive industries to GDP by Member State – geographical indication

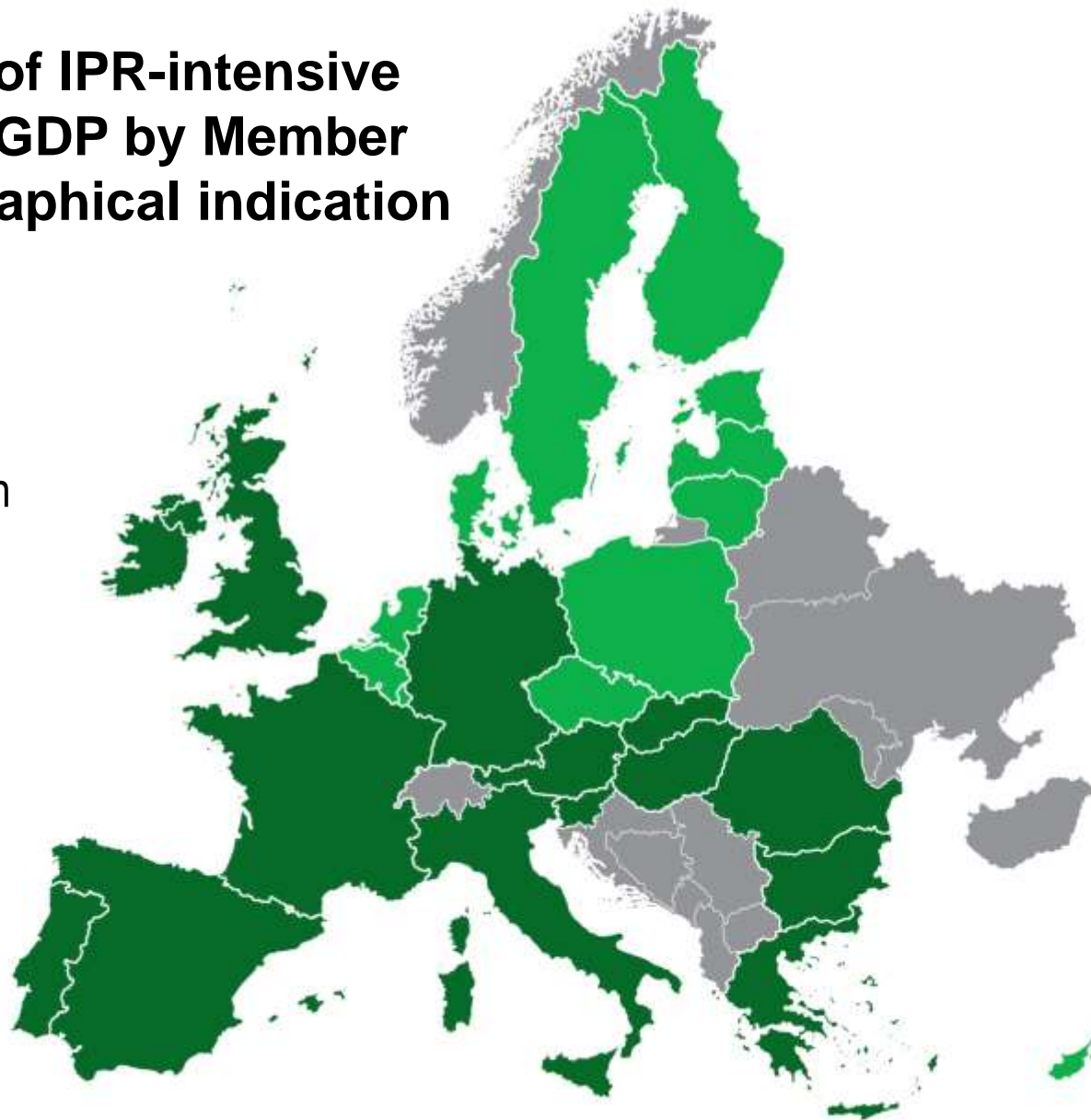
GI-intensive industries contribute **0.1% of GDP** in the EU.



0.1%
EU average

● above EU average

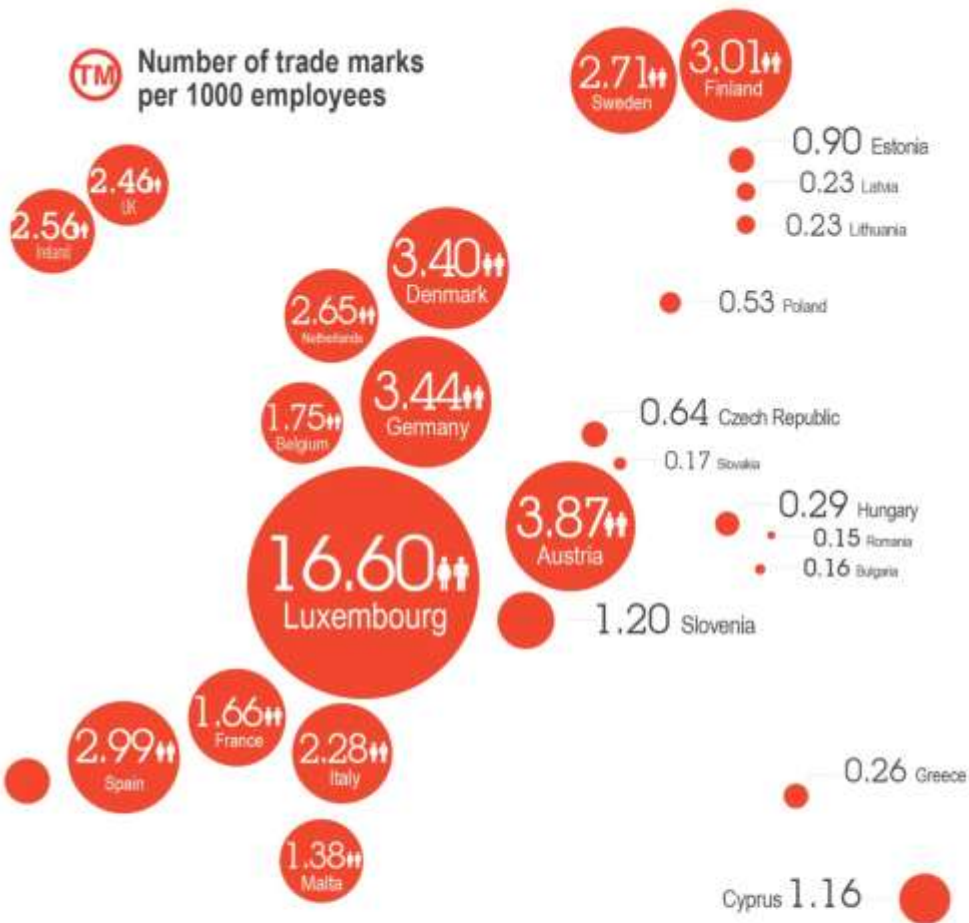
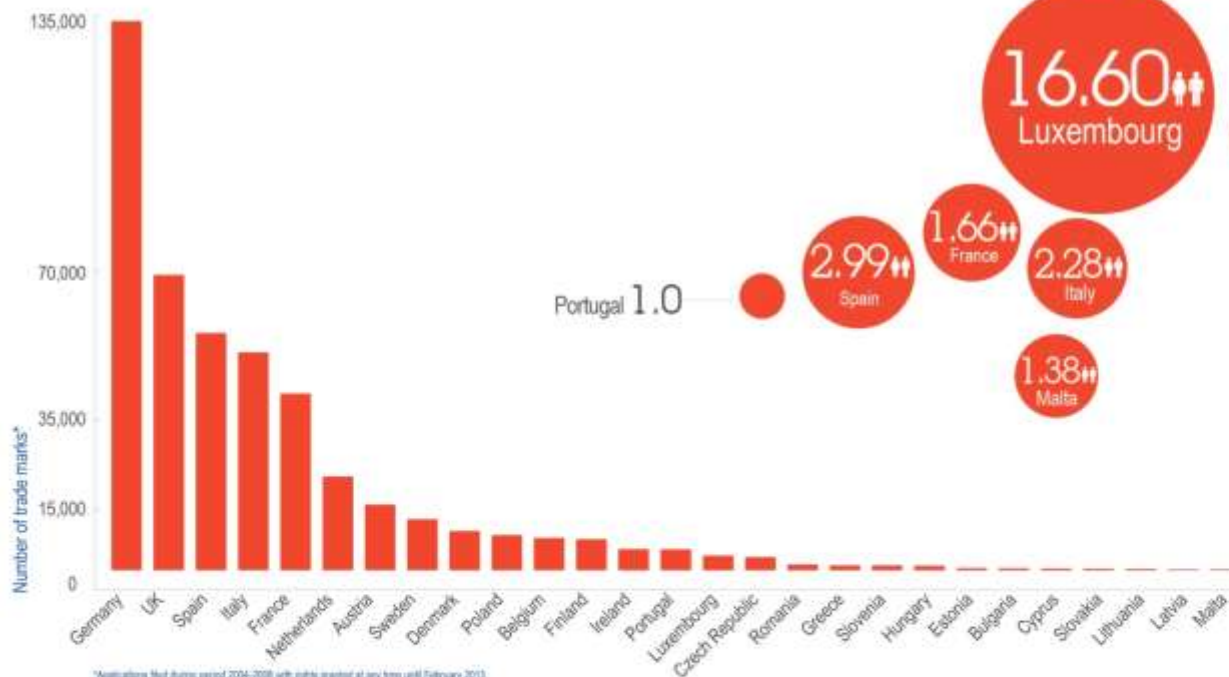
● below EU average





IPR Origin – Trade mark

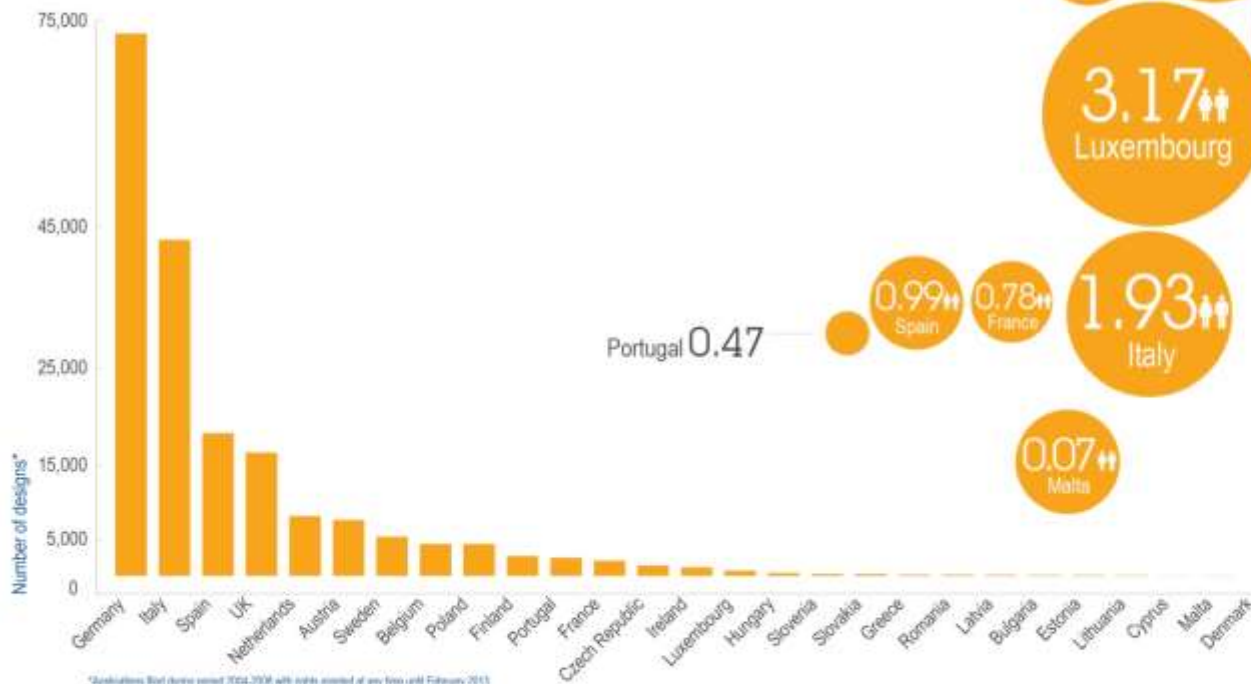
Which EU Member States
create the **most trade marks**?





IPR Origin – Design

Which EU Member States create the **most designs**?



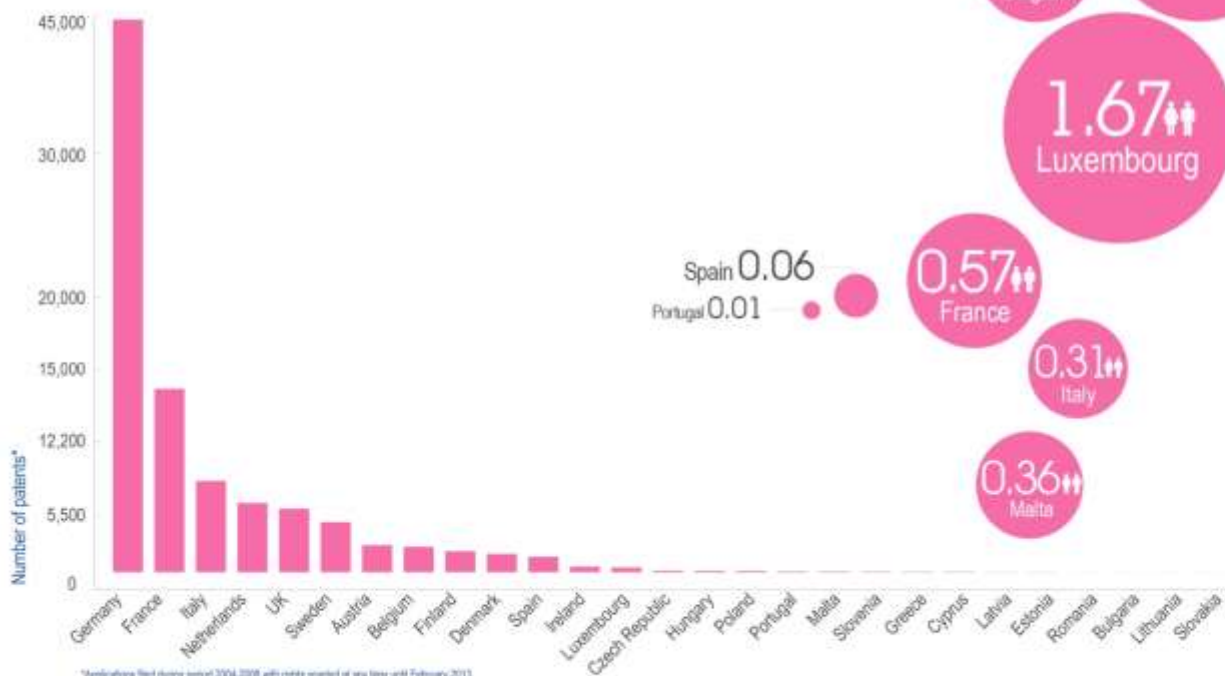
D Number of designs per 1000 employees



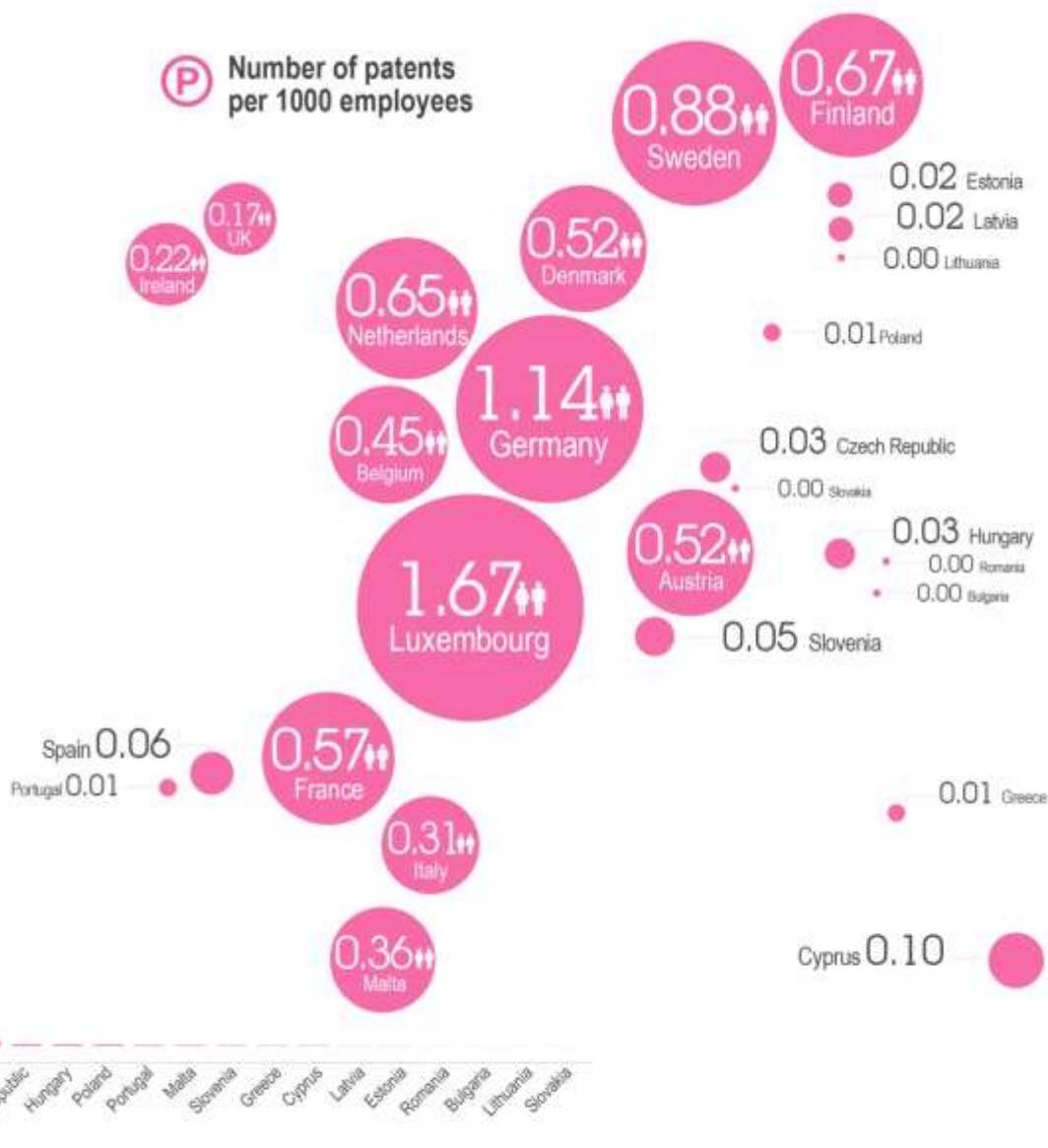


IPR Origin – Patent

Which EU Member States create the **most patents**?

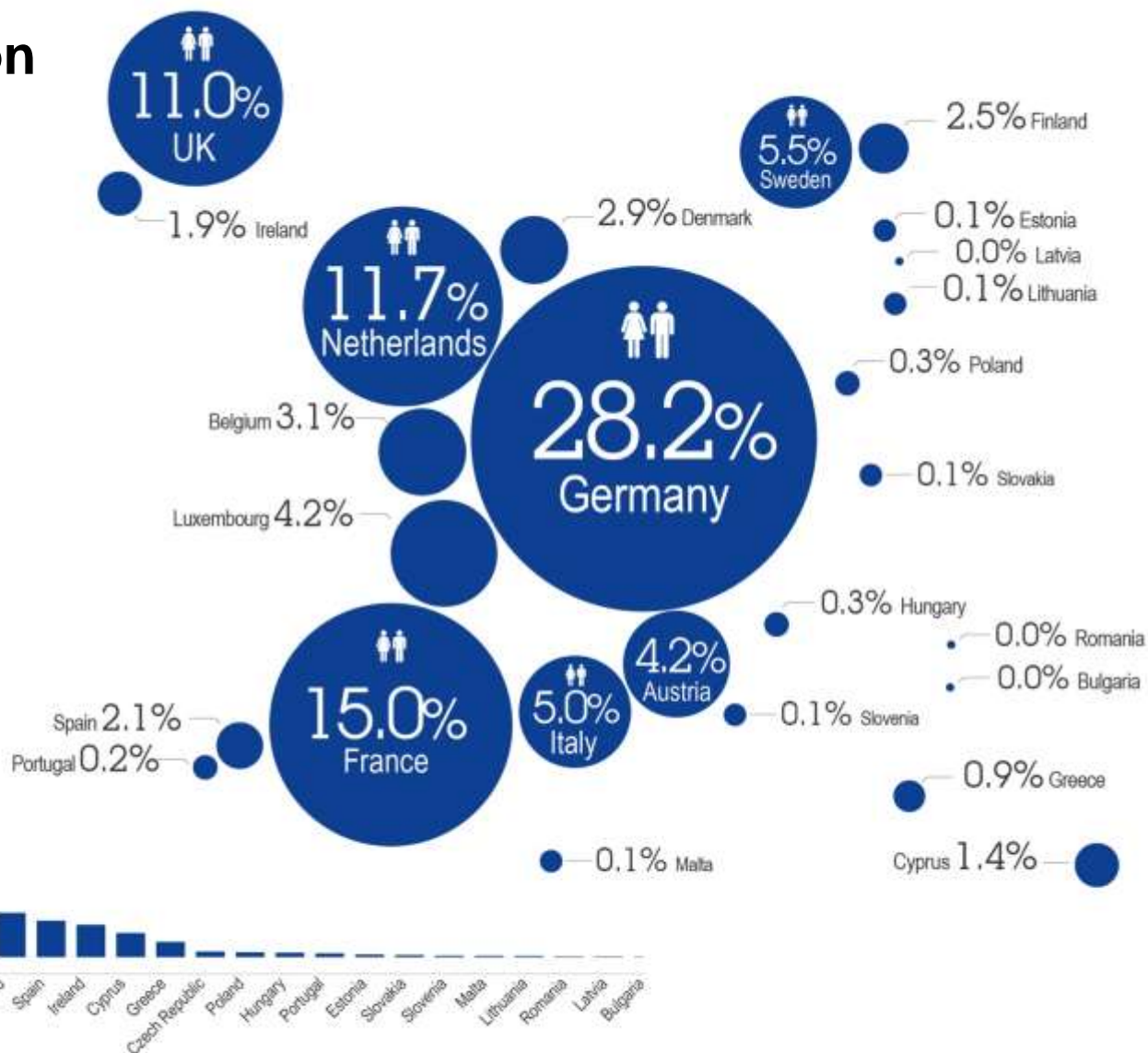
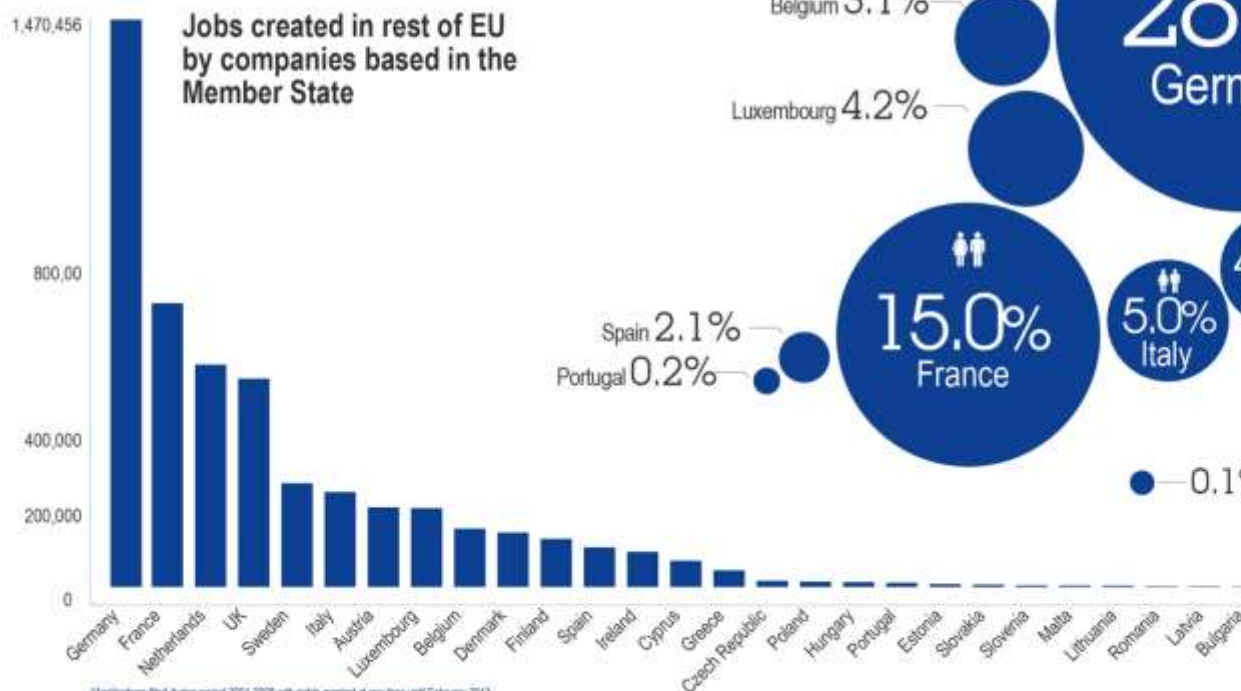


(P) Number of patents per 1000 employees





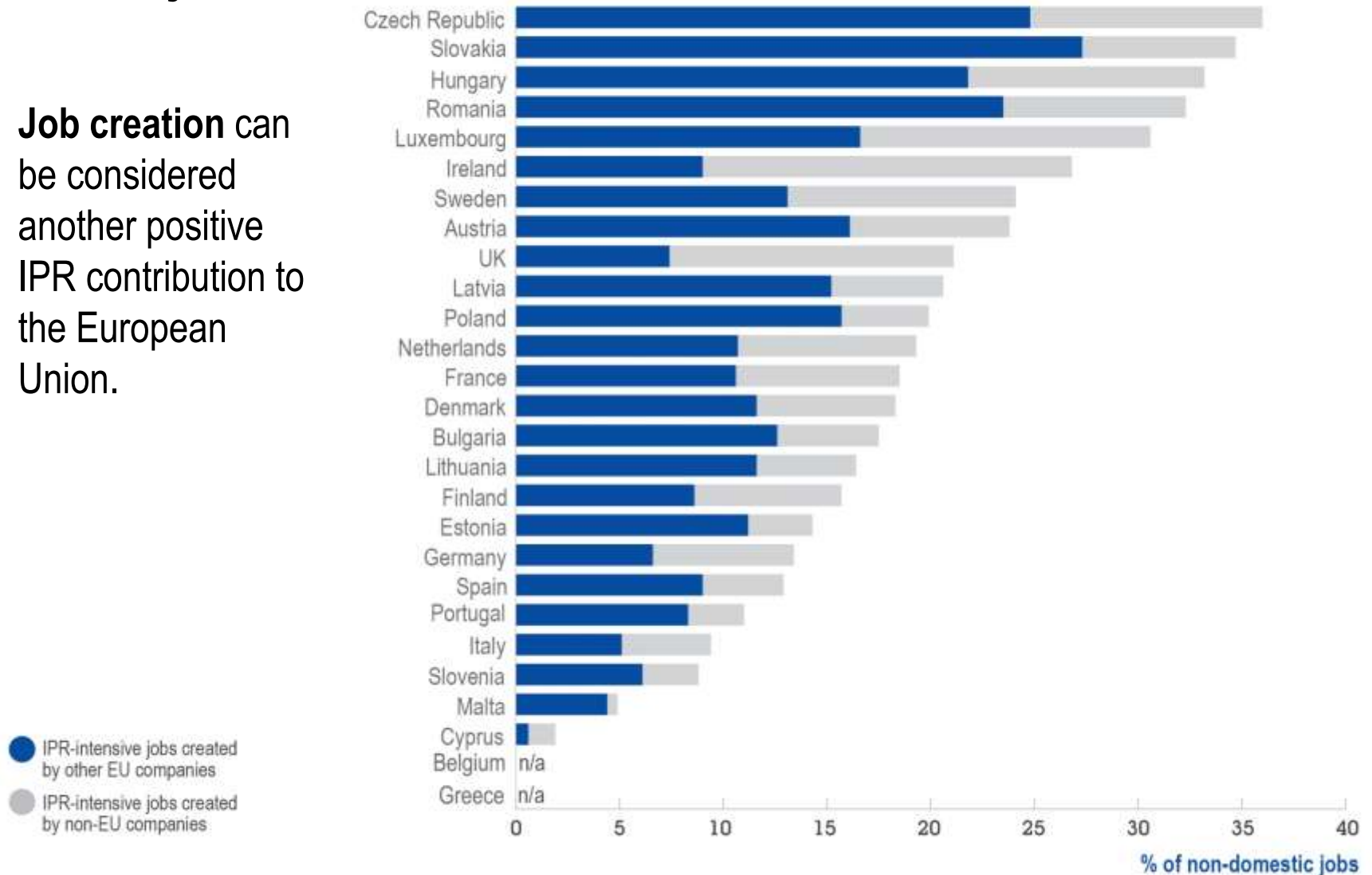
IPR contribution to job creation



IPR contribution to job creation

Job creation can be considered another positive IPR contribution to the European Union.

Jobs created in EU Member States by foreign companies (IPR-intensive industries)

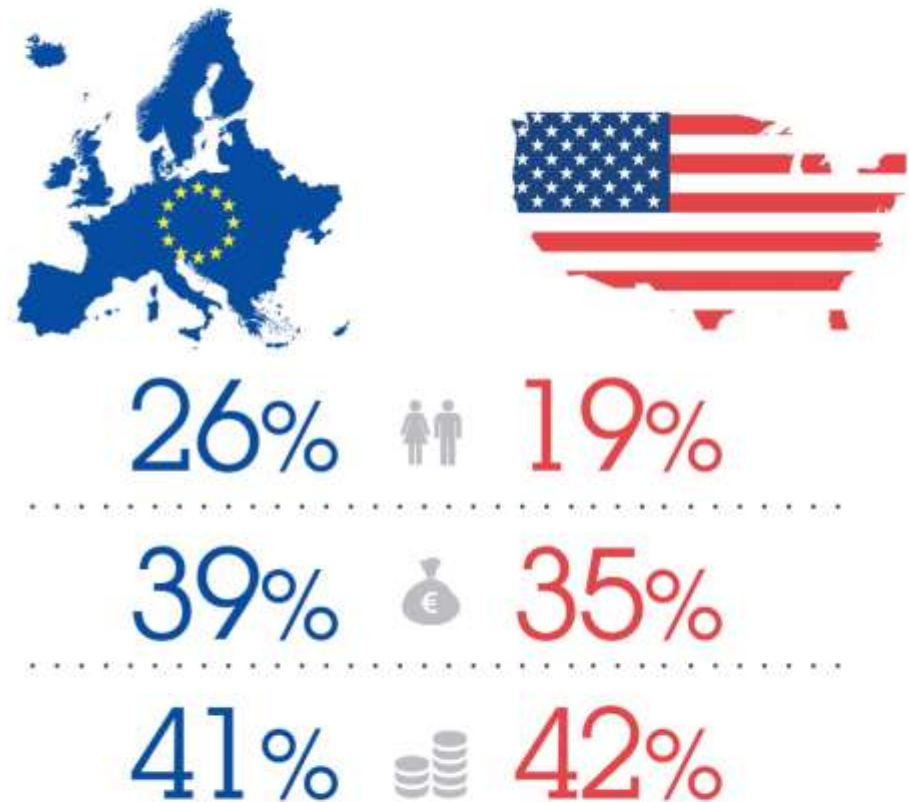


IPR-intensive industries: contribution to economic performance and employment in the European Union

Comparison with the USA

Comparing the results for the EU with those of a **USA study*** reveals that the contributions of IPR-intensive industries are similar.

*undertaken by the US Patent and Trademark Office



IPR-intensive industries: contribution to economic performance and employment in the European Union

What's next: Phase 2 of the study

Phase 2 of the study drills down to the micro (company) level.

It considers each company's use of EU-level as well as national IP rights.

Companies that use IPR intensively will be compared to companies that use IPR less intensively, controlling for variables such as country, industry and other relevant factors. The objective is to analyse whether the use of IPR has an impact on financial performance, employment and growth of the companies.

In addition, the use of IPR by company size (micro/SME/large) will be analysed.

Phase 2 is already ongoing and will be completed during the second half of 2014.