

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

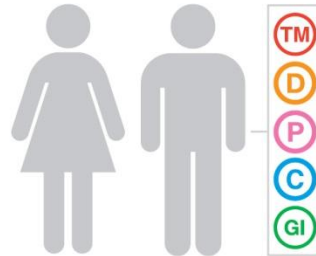
September 2013



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

Subject Matter Inventions, **novelty**

Conferred Rights Exclusive right to make, use, and sell the patented invention

Benefits of Rights Protection Incentive for innovation; protection of knowledge promotes sharing of it

Duration Typically 20 years from filing



Design

Original **ornamental** and **non-functional** features of an article or product

Exclusive right to use the design and prevent its use by others

Original ornamental and non-functional features of an article or product

The usual maximum term is 25 years



Trade mark

Distinctive signs that distinguish on company's goods or services from others

Exclusive right to use the trademark

Promotes quality and competition between brands; provides the public with brand information and use in commerce

Commonly 10 years from filing, but can be renewed indefinitely for successive periods



Copyright

Creative and **original** works; maps and technical drawings; computer programmes and databases

Exclusive right to reproduction, including making the work available to the public, distribution, rental, sale, translation and public performance

Ensures compensation to creators; provides broad public access to creative works

From 50 years to a lifetime plus 70 years



Geographical indication

Product whose **quality and reputation** is linked to its geographical origin

Exclusive rights for commercialisation of comparable products, preventing imitation

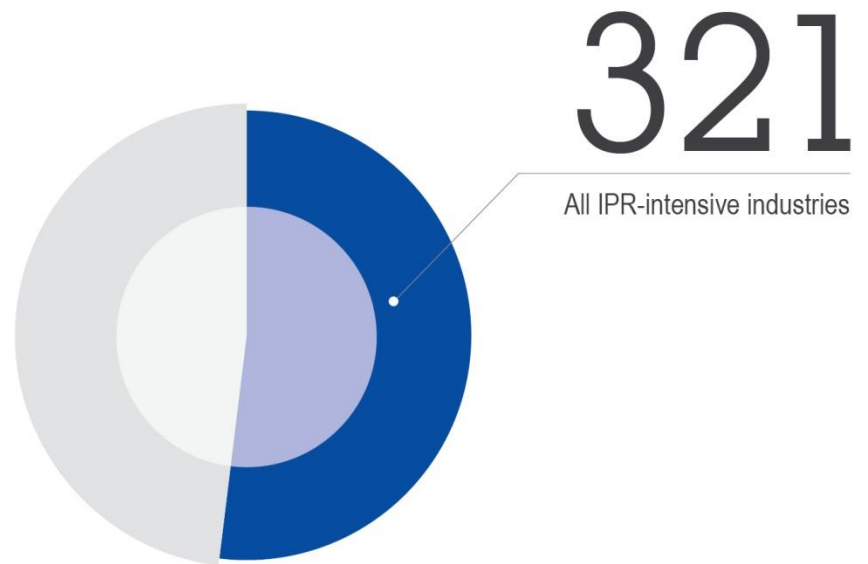
Promotes quality; provides consumers with brand information

Indefinite, no need for renewal

IPR-intensive industries

IPR-intensive industries are those which use a high number of intellectual property rights per employee.

More than **half of European industries** (321 out of 615) are considered IPR-intensive.



Methodology

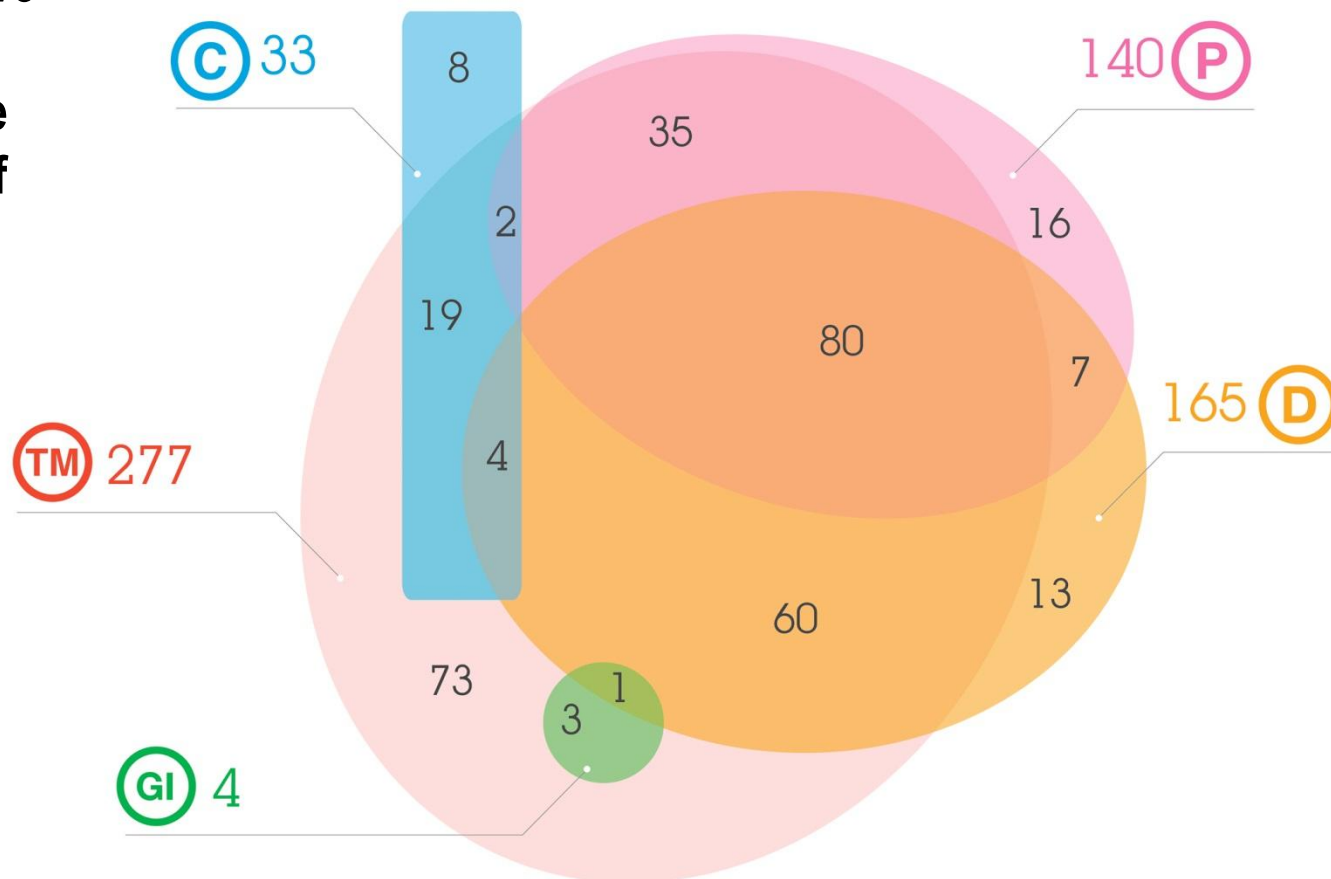
In order to determine which industries are IPR-intensive, the register databases of **OHIM** and **EPO** were matched with the commercial database **ORBIS**.

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

IPR-intensive industries

Most IPR-intensive industries are intensive in **more than one type of IPR.**



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



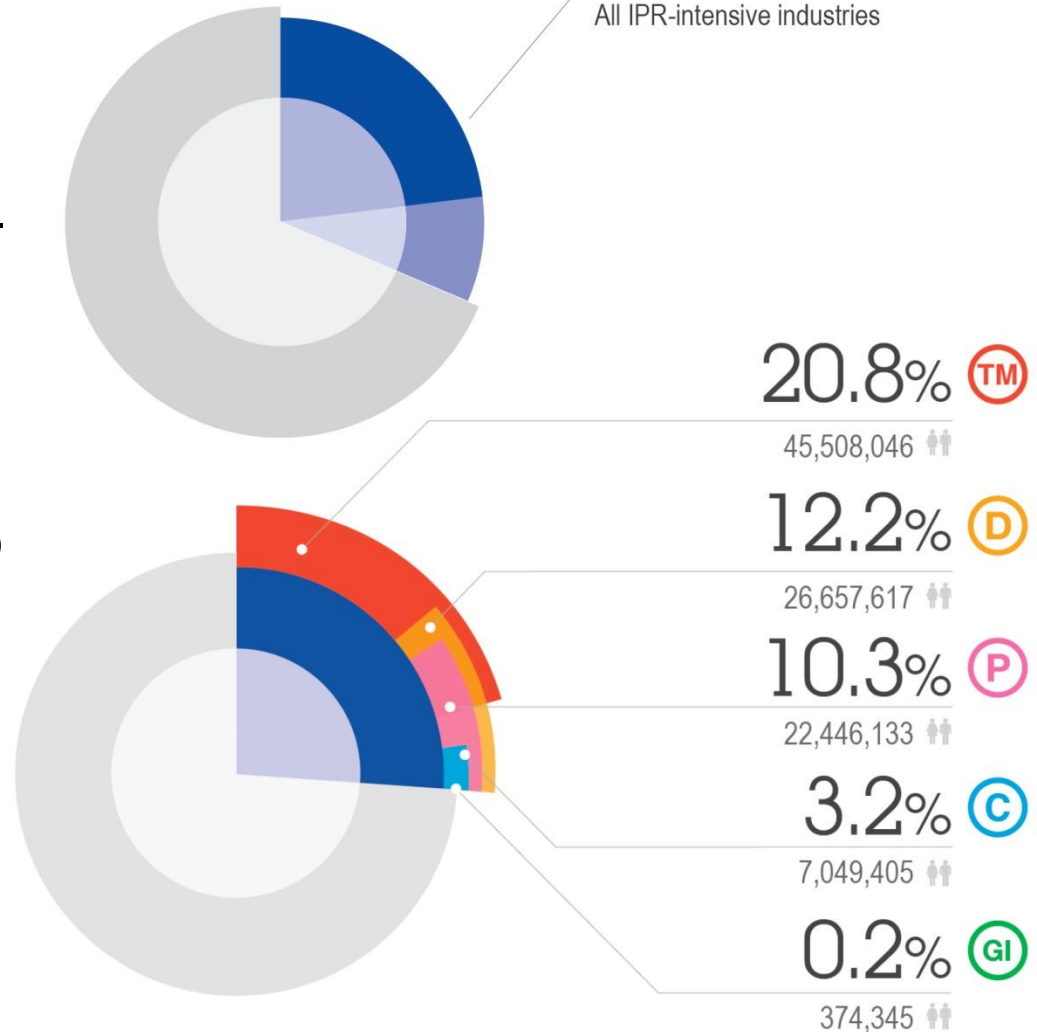
Contribution of IPR-intensive industries to employment

35%

All IPR-intensive industries

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



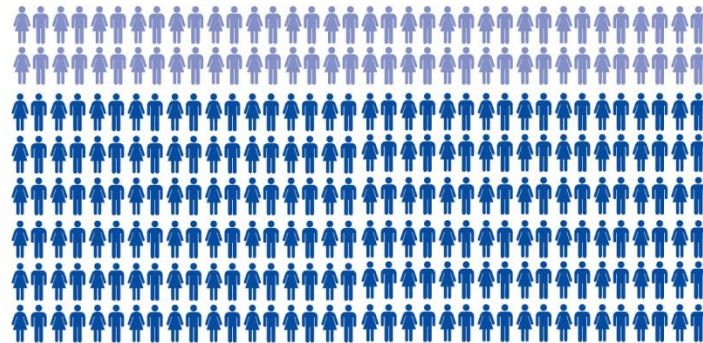
Contribution of IPR-intensive industries to employment

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



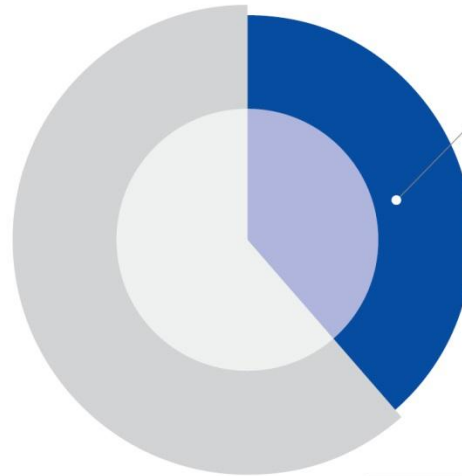
Contribution of IPR-intensive industries to GDP

39%

All IPR-intensive industries

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.



33.9%

4.16 trillion

12.8%

1.57 trillion

13.9%

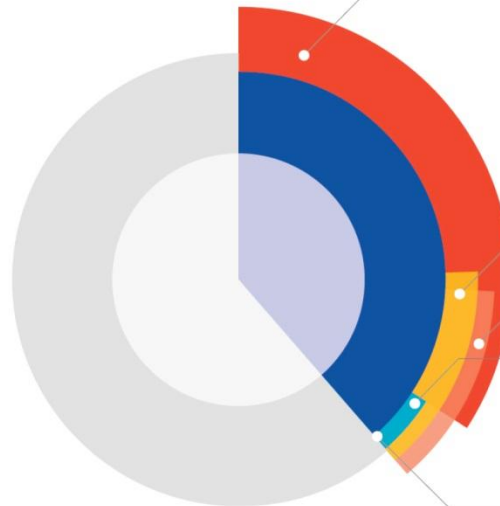
1.70 trillion

4.2%

0.50 trillion

0.1%

0.02 trillion



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

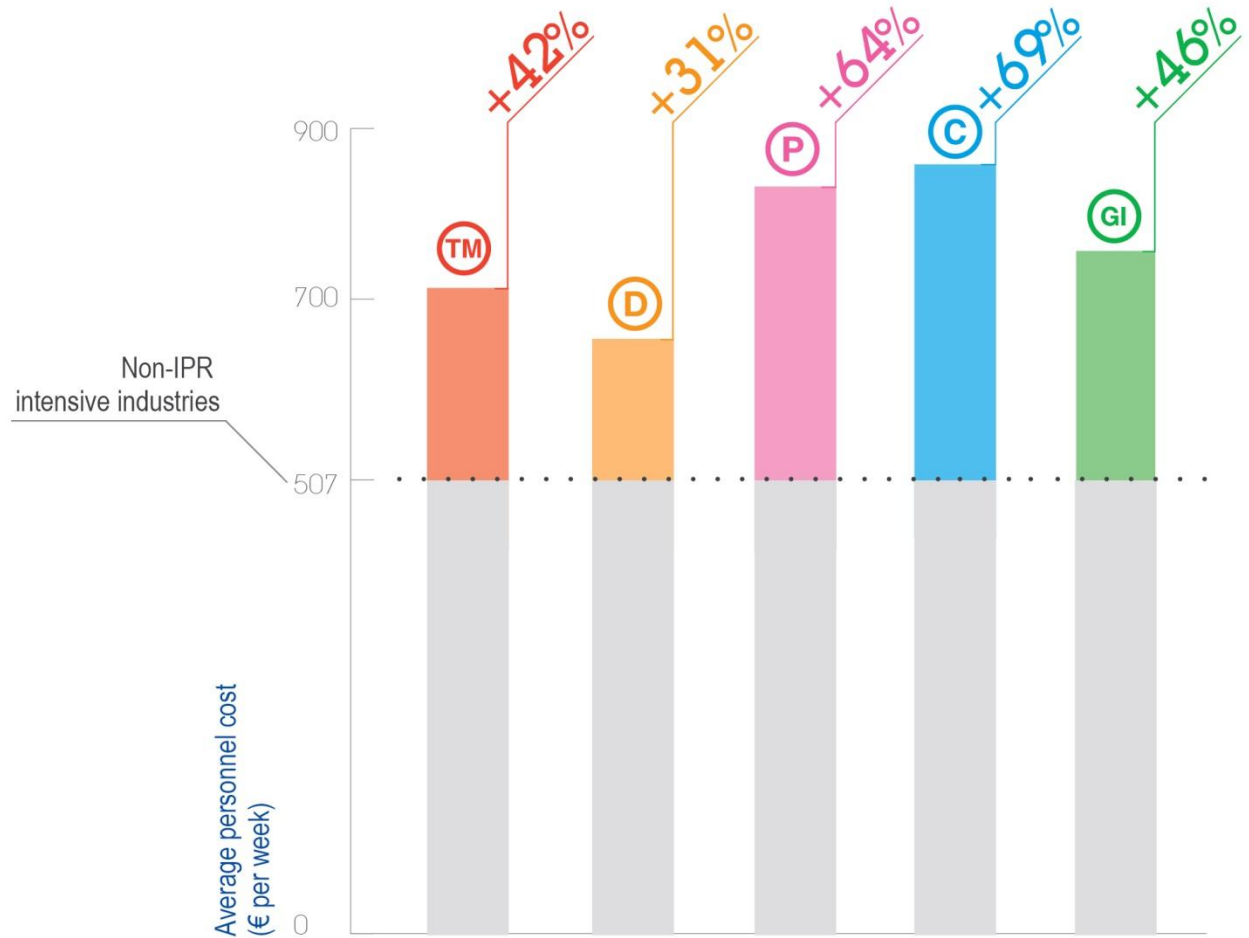
IPR-intensive industries: contribution to economic performance and employment in the European Union



Contribution of IPR-intensive industries to remuneration

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

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

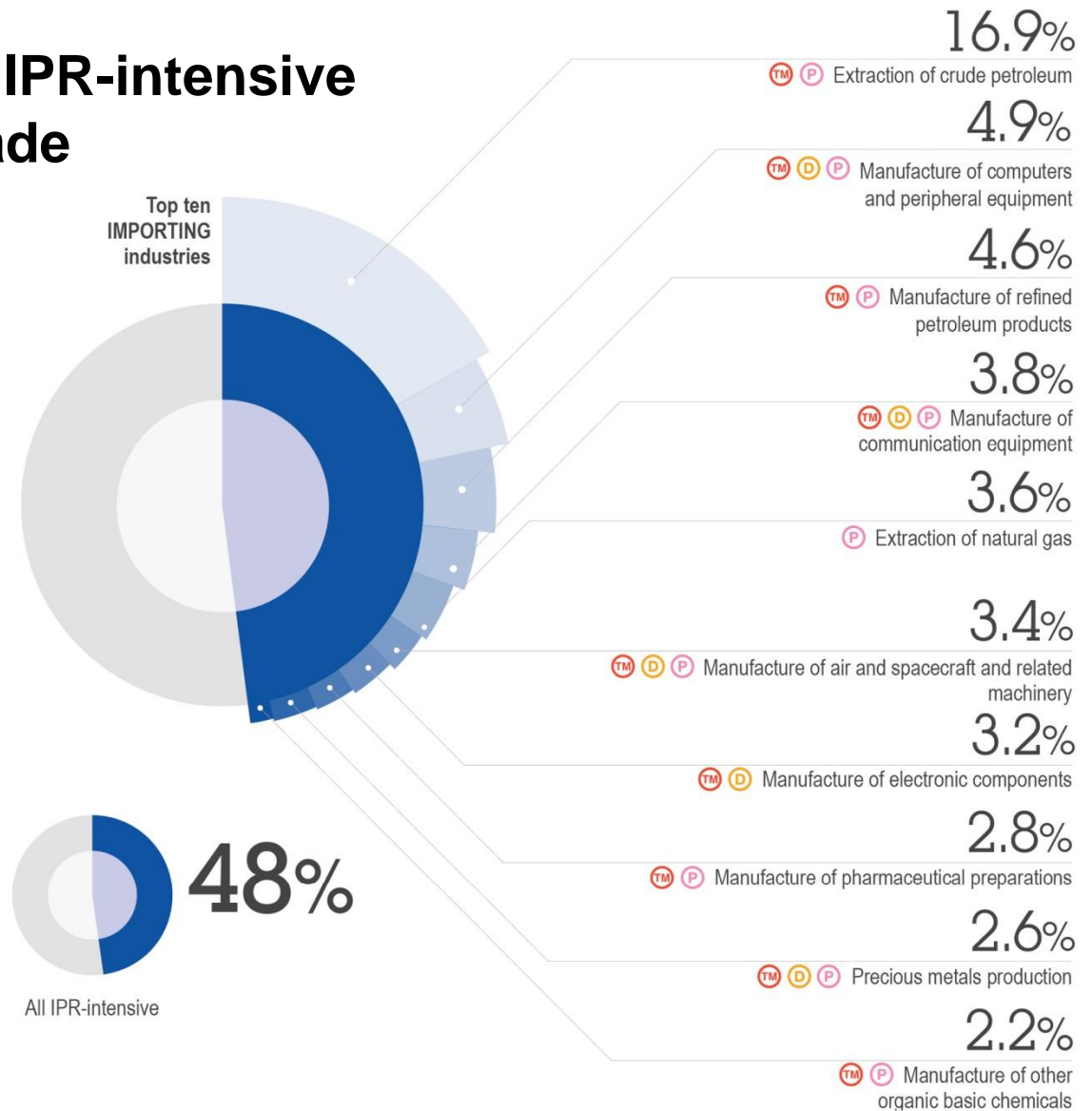




Contribution of IPR-intensive industries to trade

Even industries producing energy are IPR-intensive.

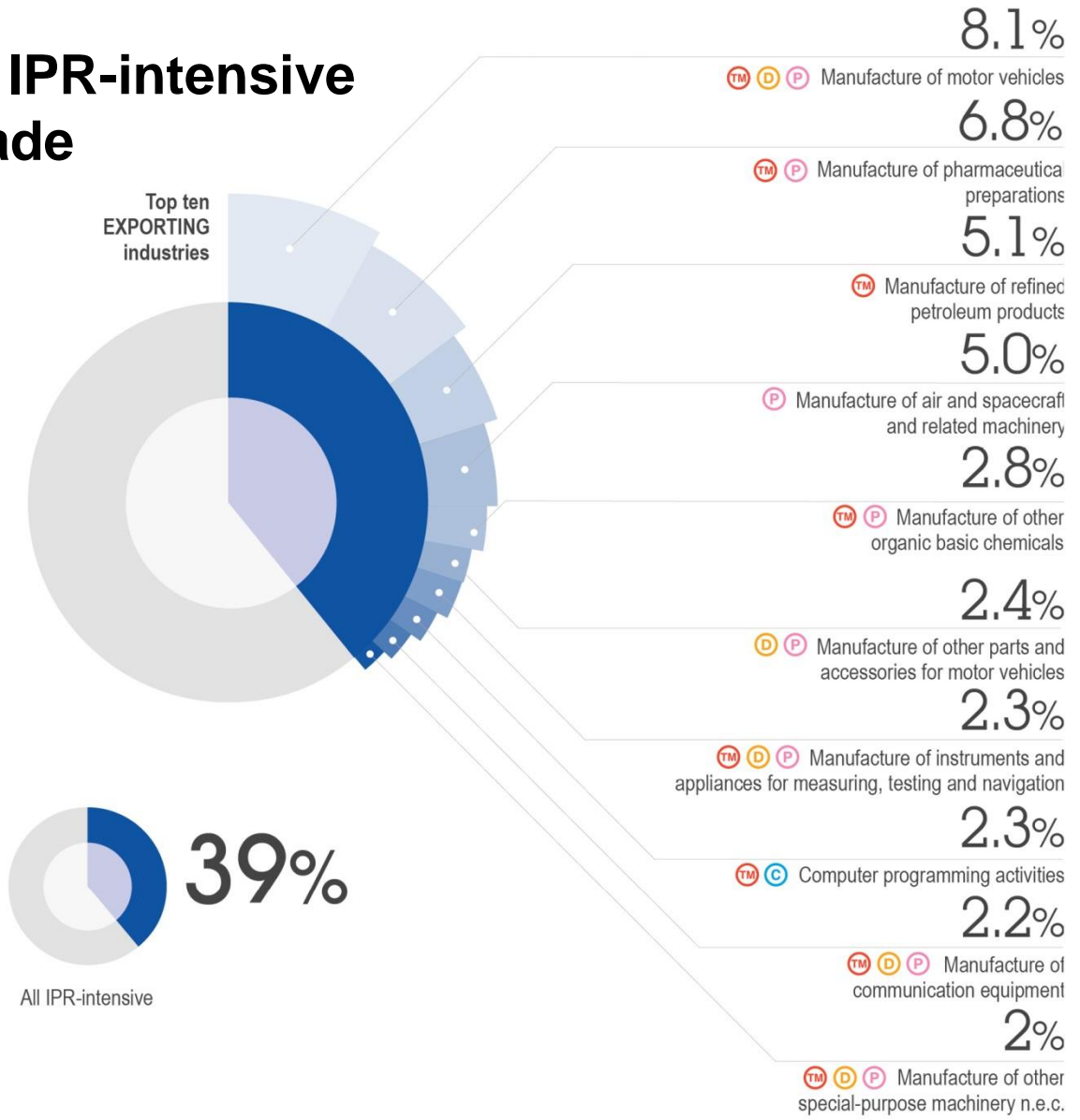
For that reason, 88% of EU imports consist of products from IPR-intensive industries.





Contribution of IPR-intensive industries to trade

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



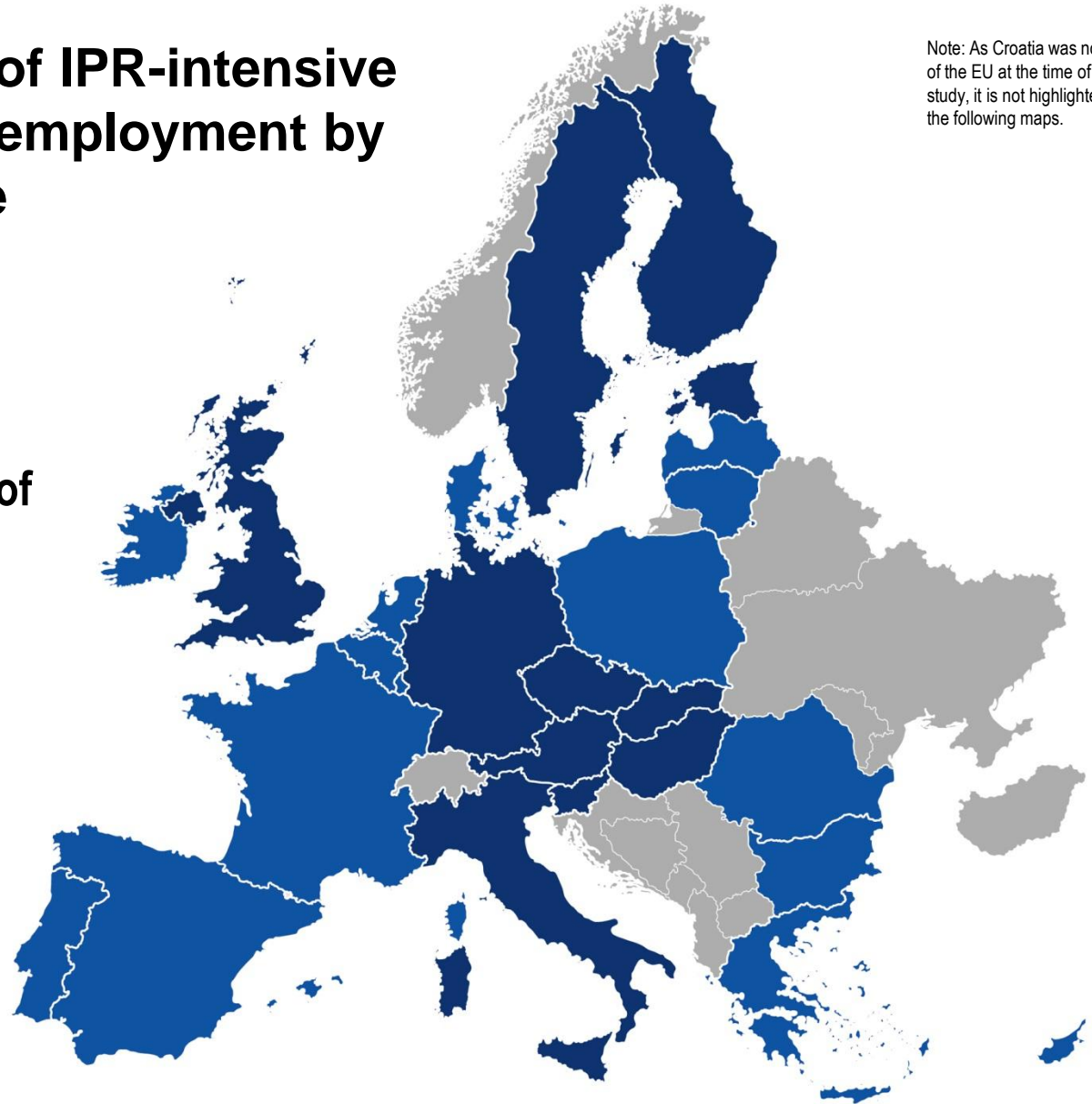


Contribution of IPR-intensive industries to employment by Member State

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.

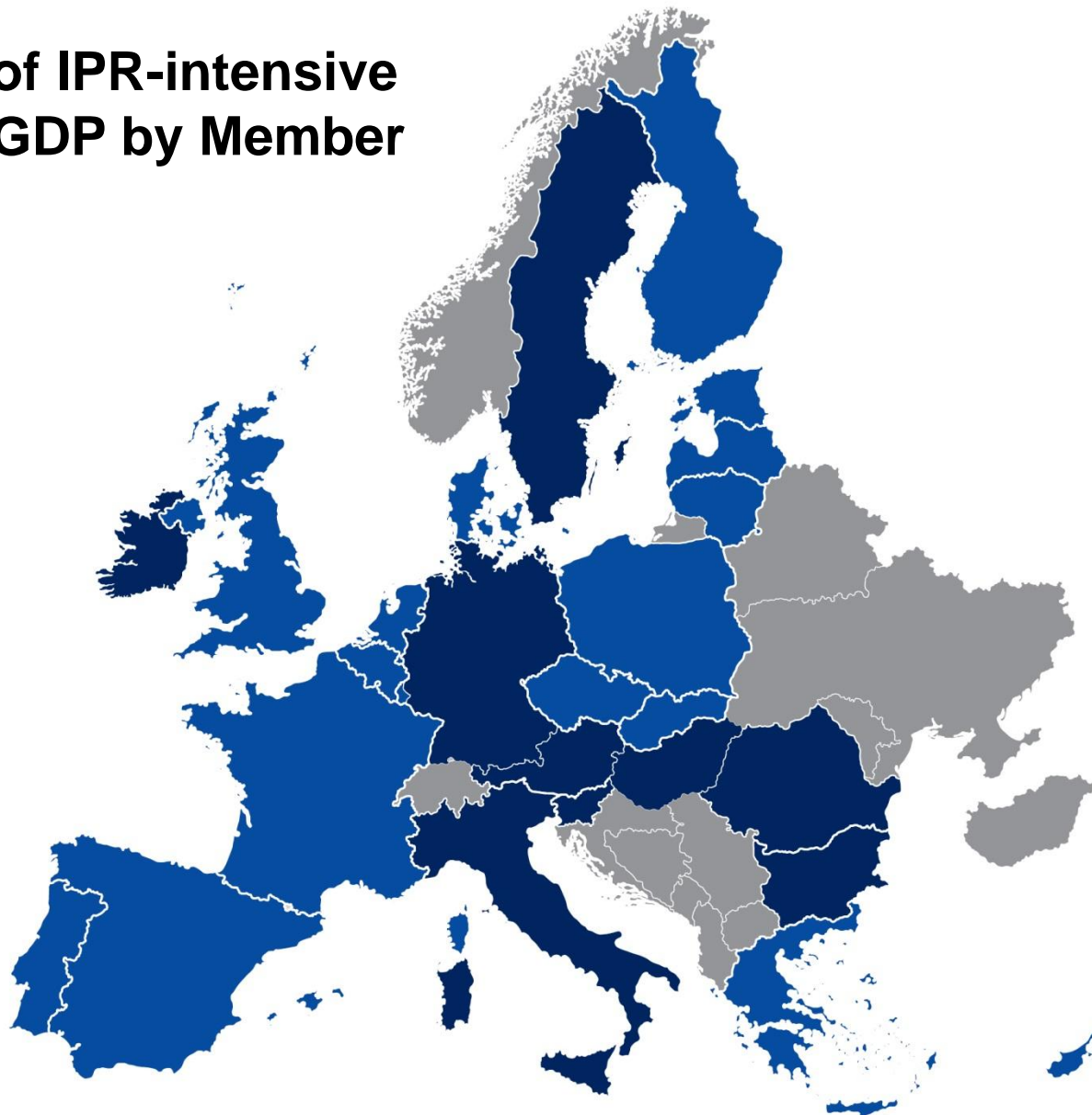


Contribution of IPR-intensive industries to GDP by Member State

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

38.6%
EU average

- above EU average
- below EU average





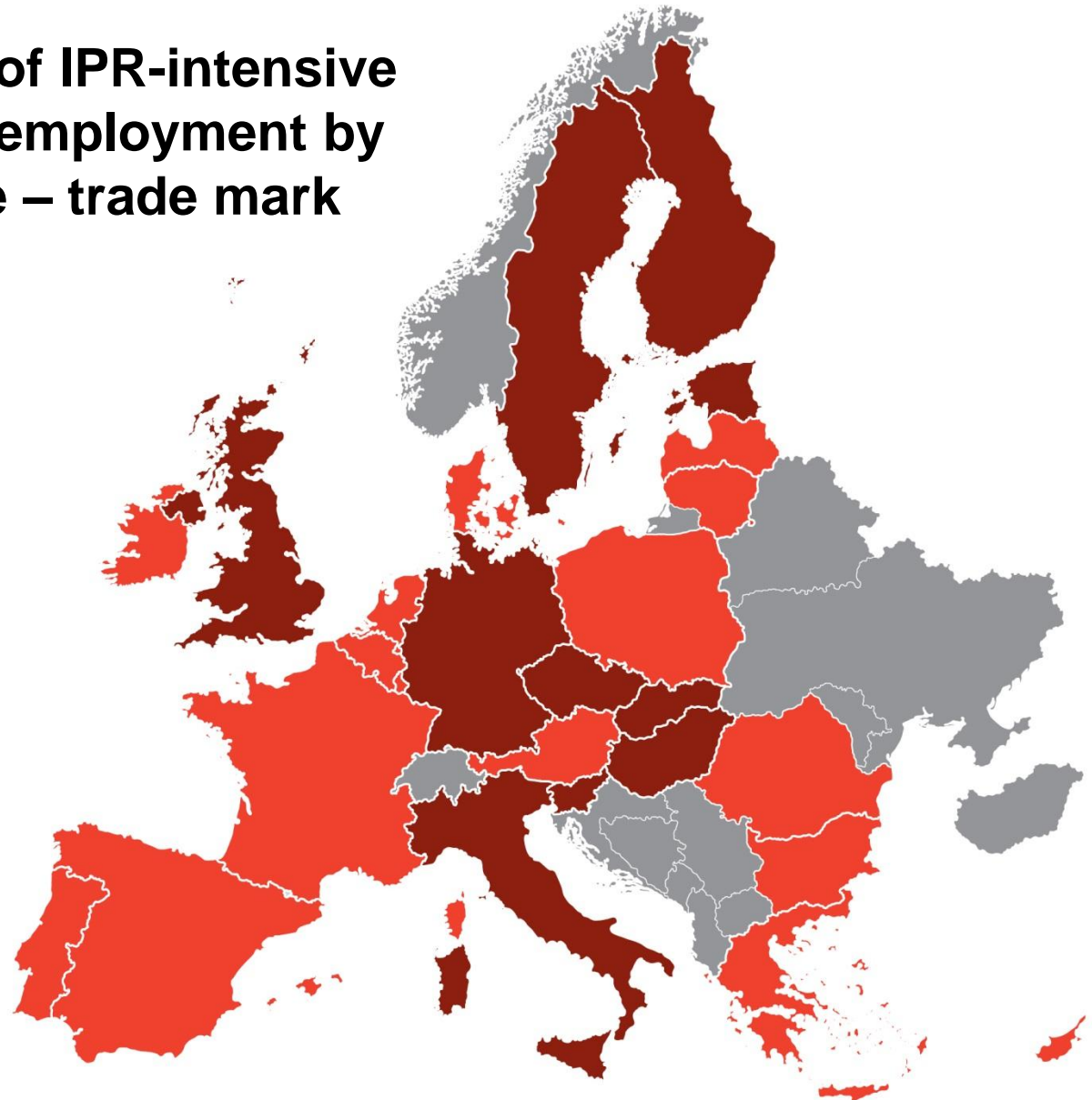
Contribution of IPR-intensive industries to employment by Member State – trade mark

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





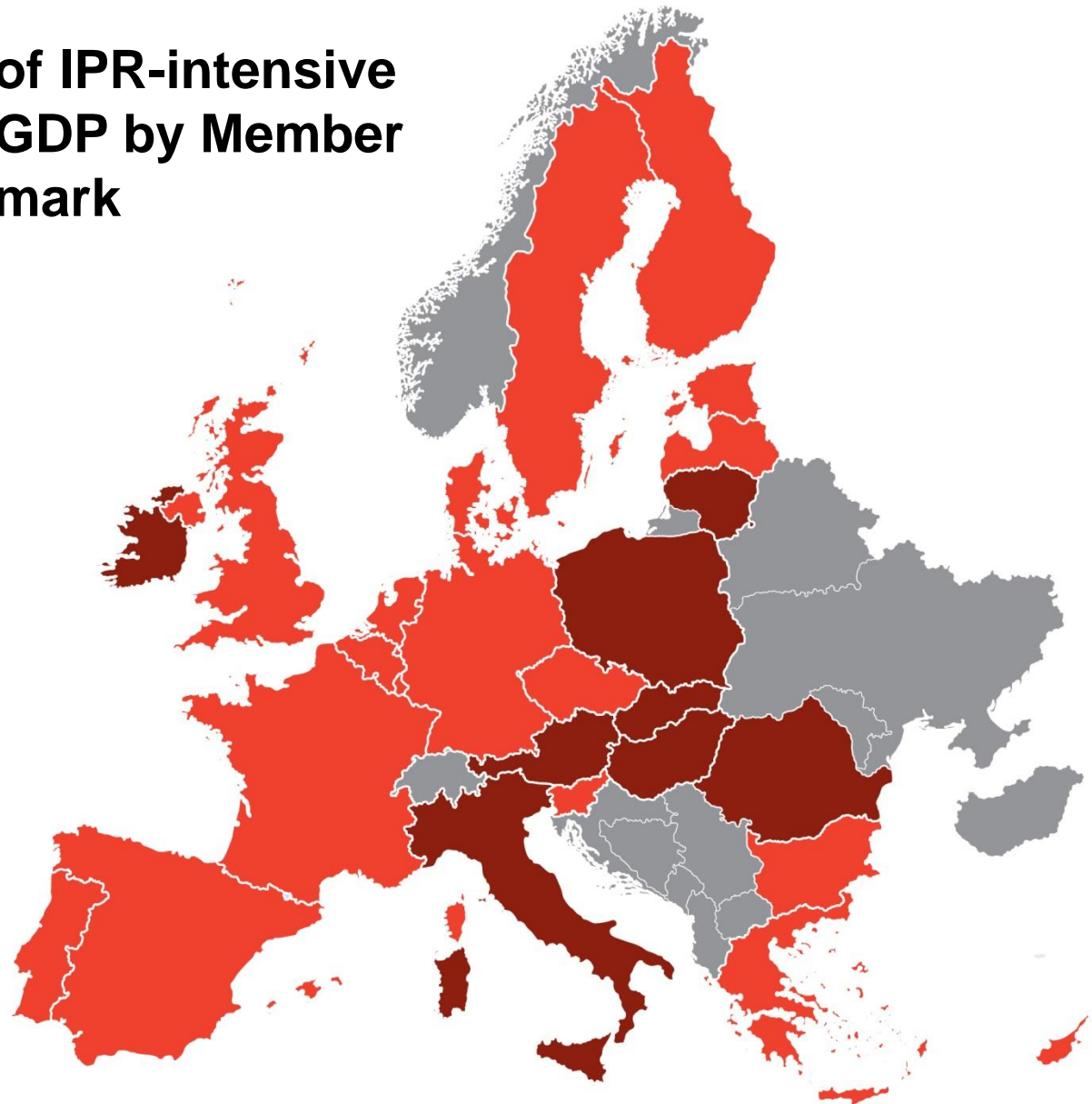
Contribution of IPR-intensive industries to GDP by Member State – trade mark

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





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

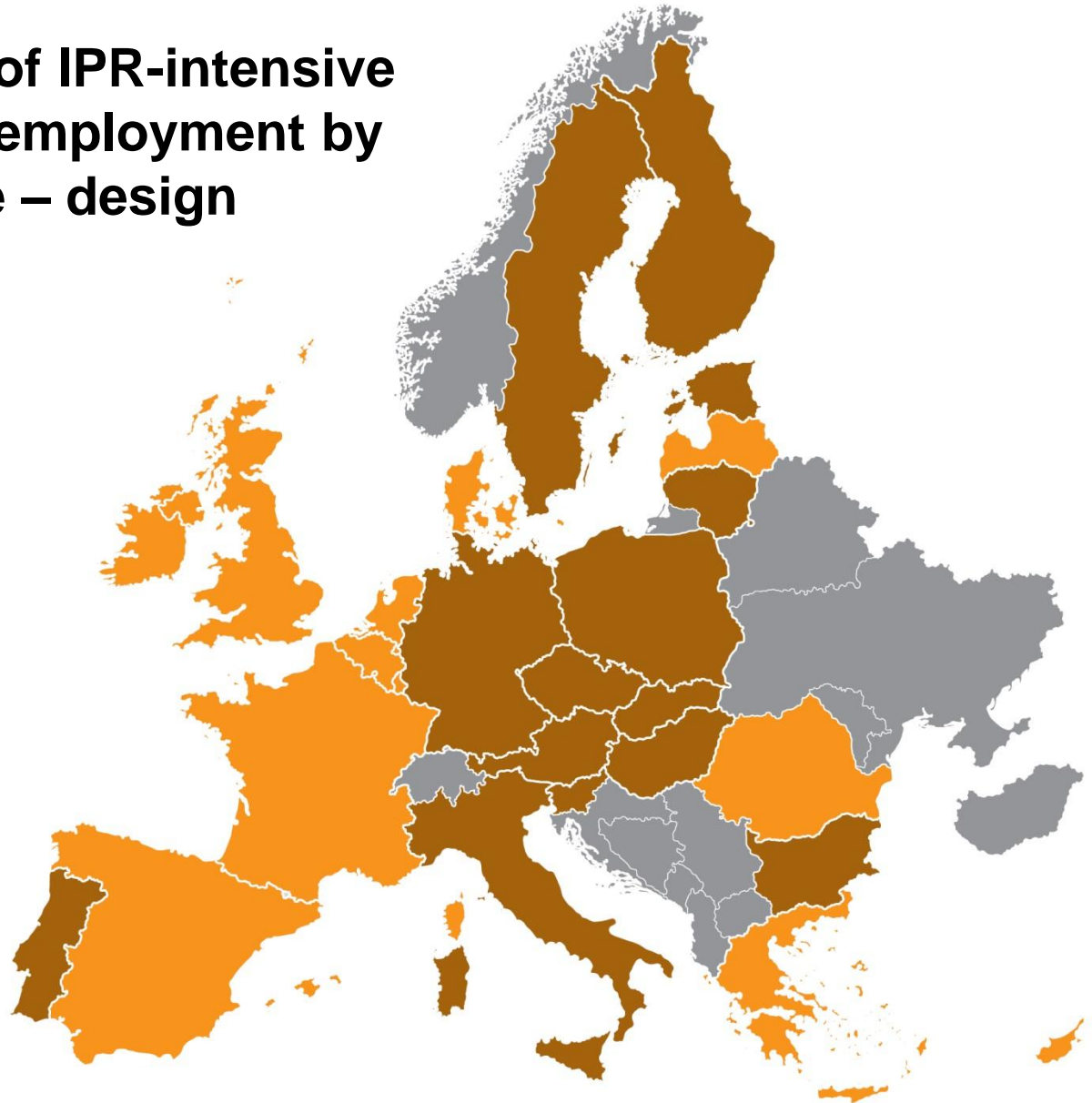
Design-intensive industries contribute 12.2% of employment in the EU.



12.2%
EU average

● above EU average

● below EU average





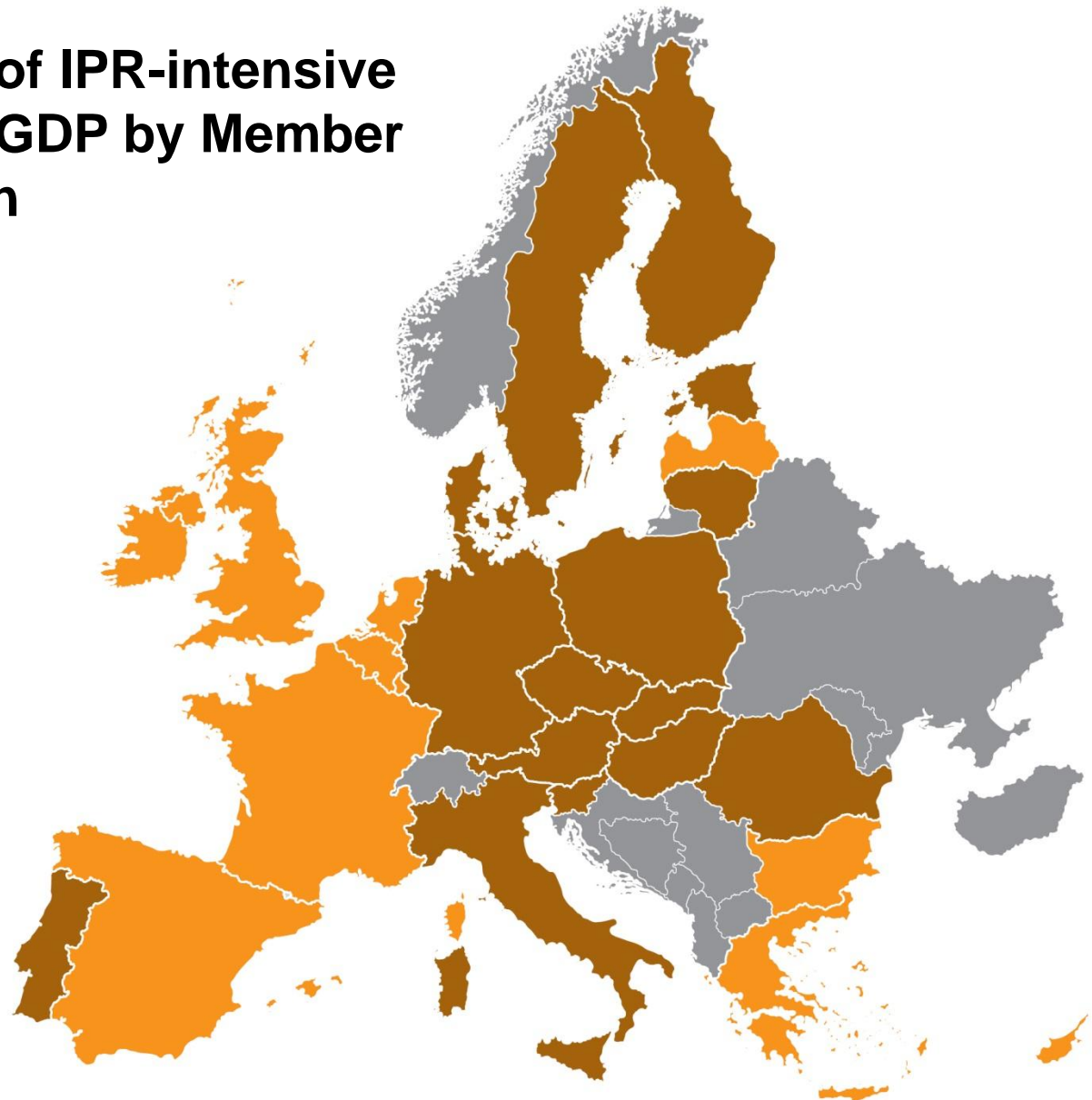
Contribution of IPR-intensive industries to GDP by Member State – design

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



12.8%
EU average

- above EU average
- below EU average





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

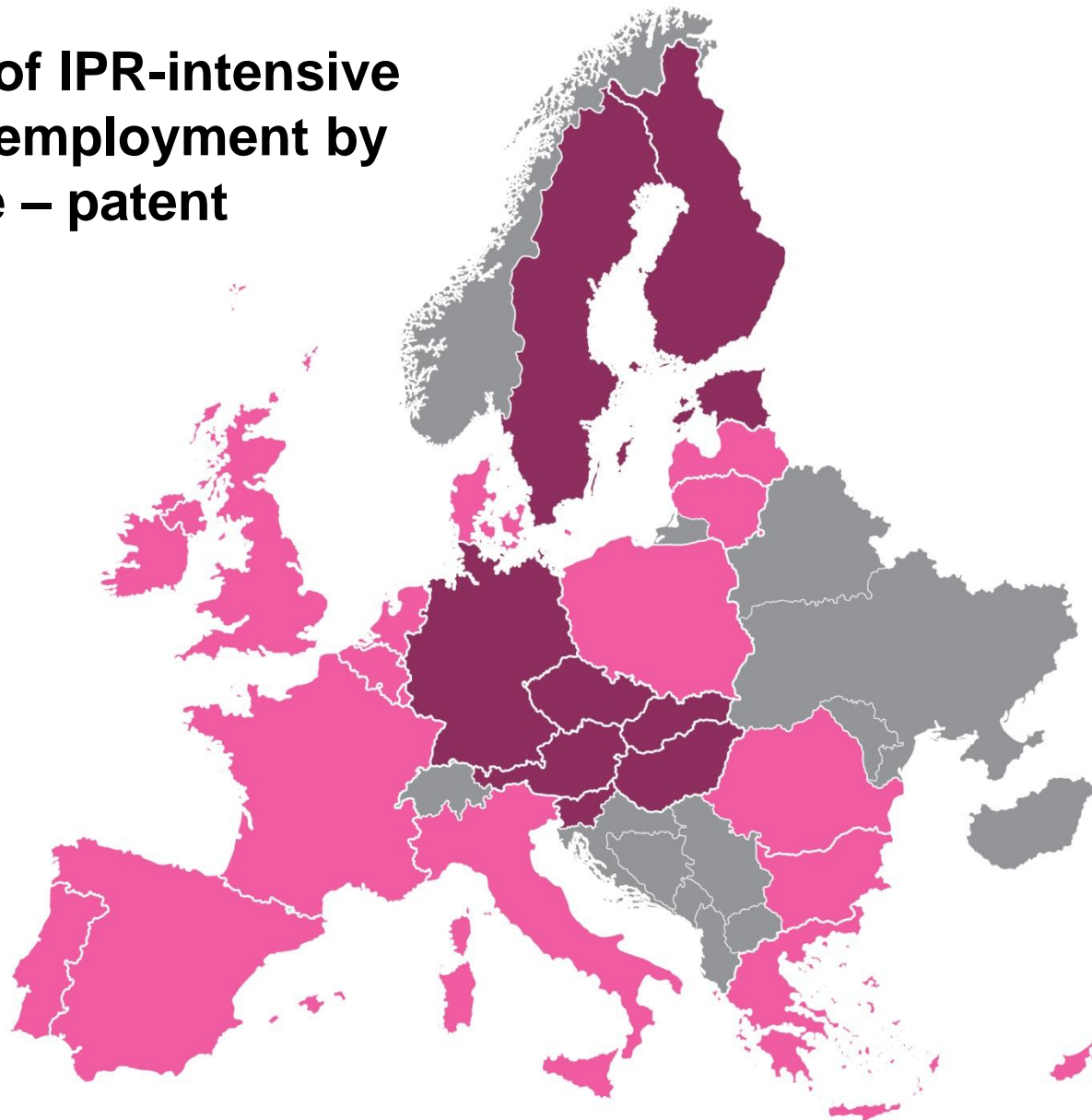
Patent-intensive industries contribute **10.3% of employment** in the EU.



10.3%
EU average

● above EU average

● below EU average





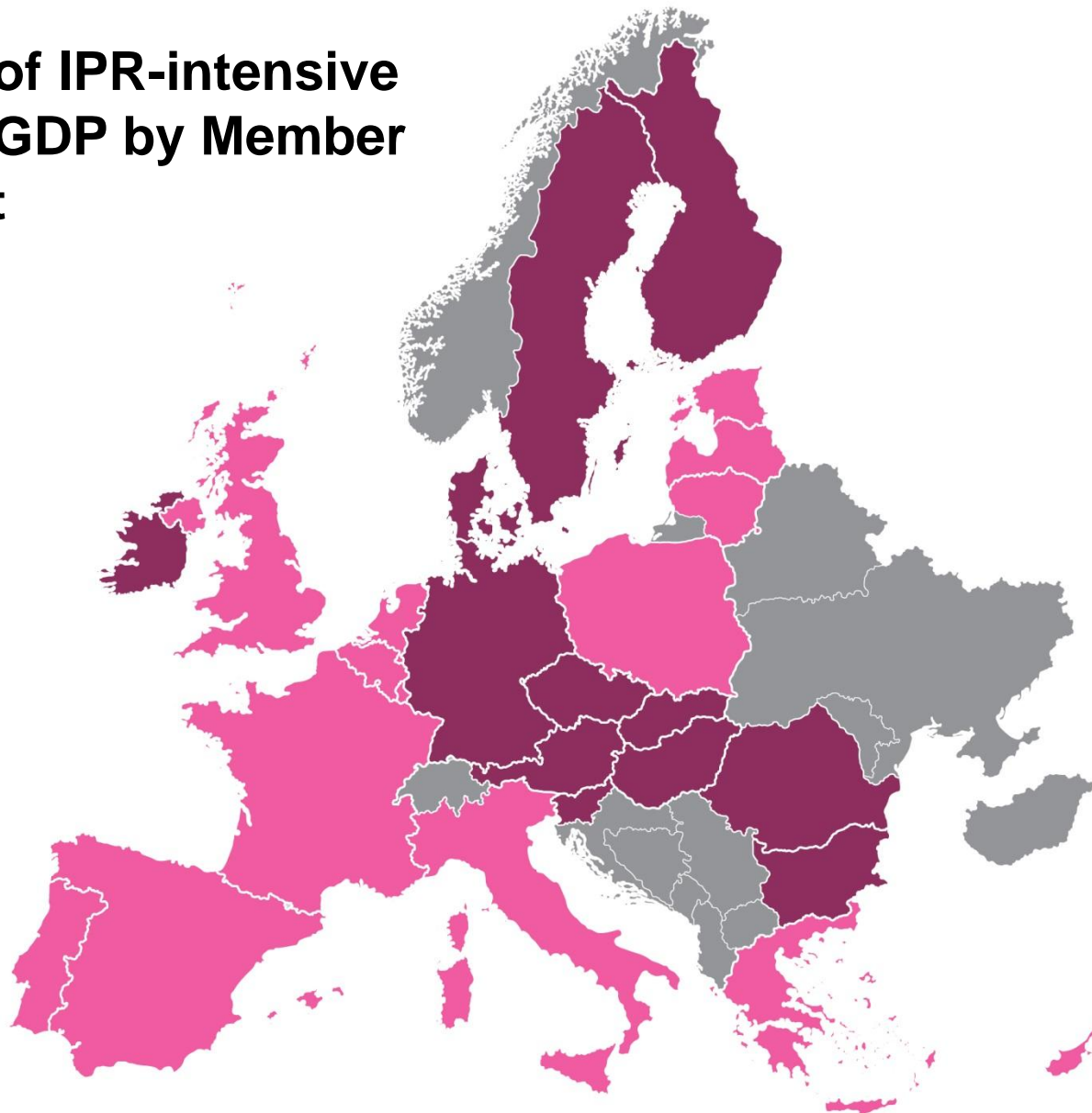
Contribution of IPR-intensive industries to GDP by Member State – patent

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



13.9%
EU average

- above EU average
- below EU average





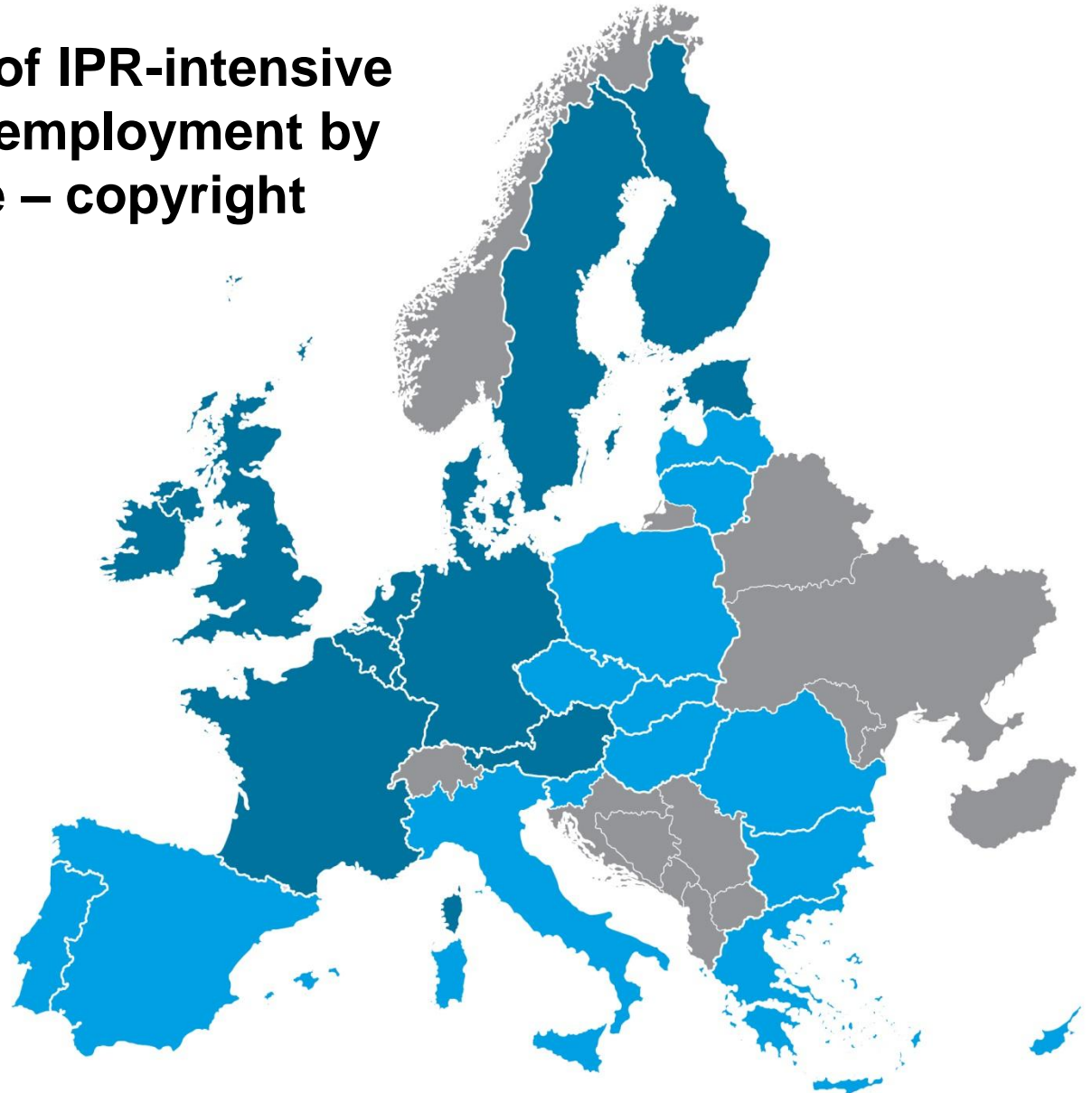
Contribution of IPR-intensive industries to employment by Member State – copyright

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



3.2%
EU average

- above EU average
- below EU average





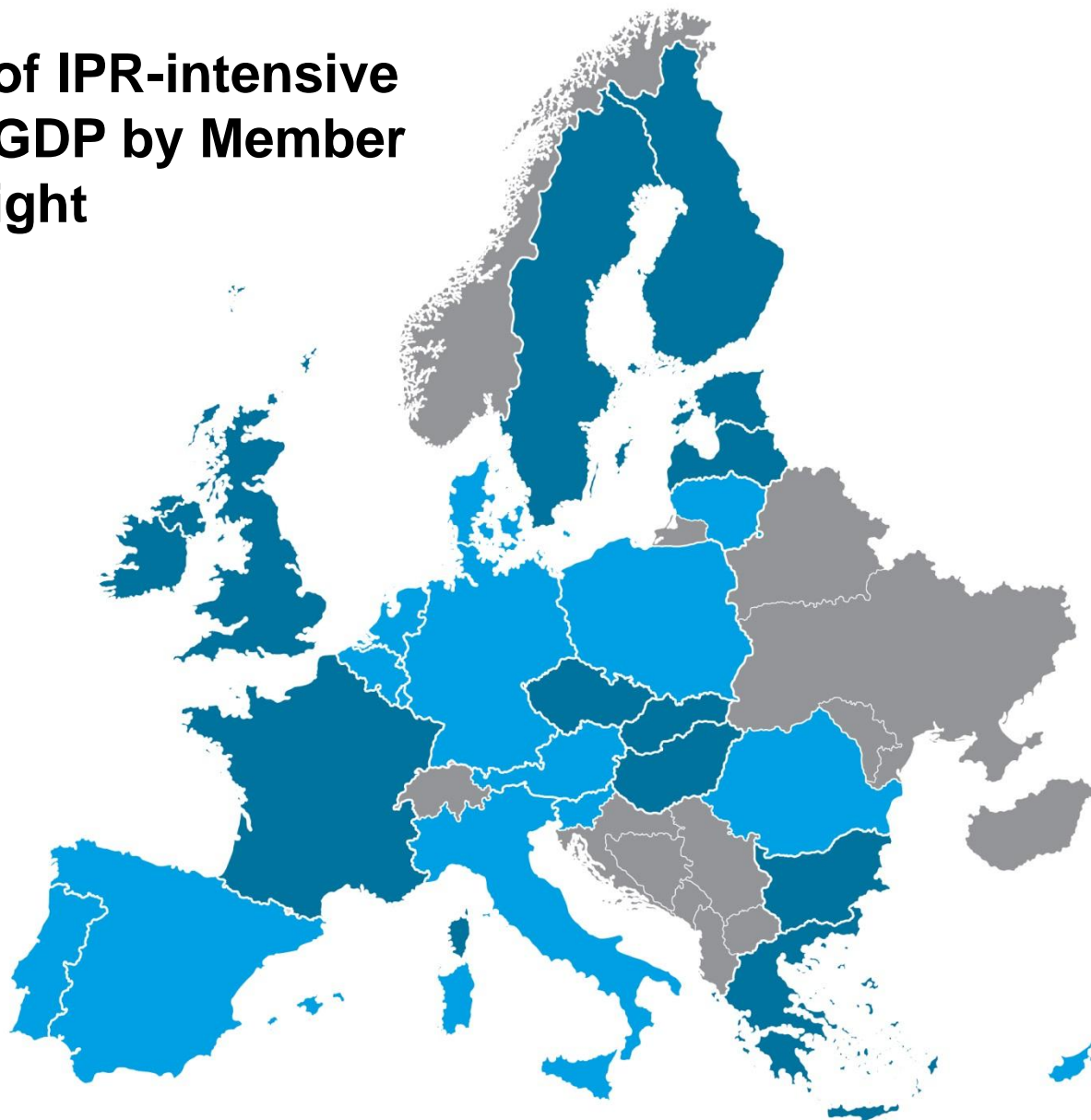
Contribution of IPR-intensive industries to GDP by Member State – copyright

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



4.2%
EU average

- above EU average
- below EU average



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



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

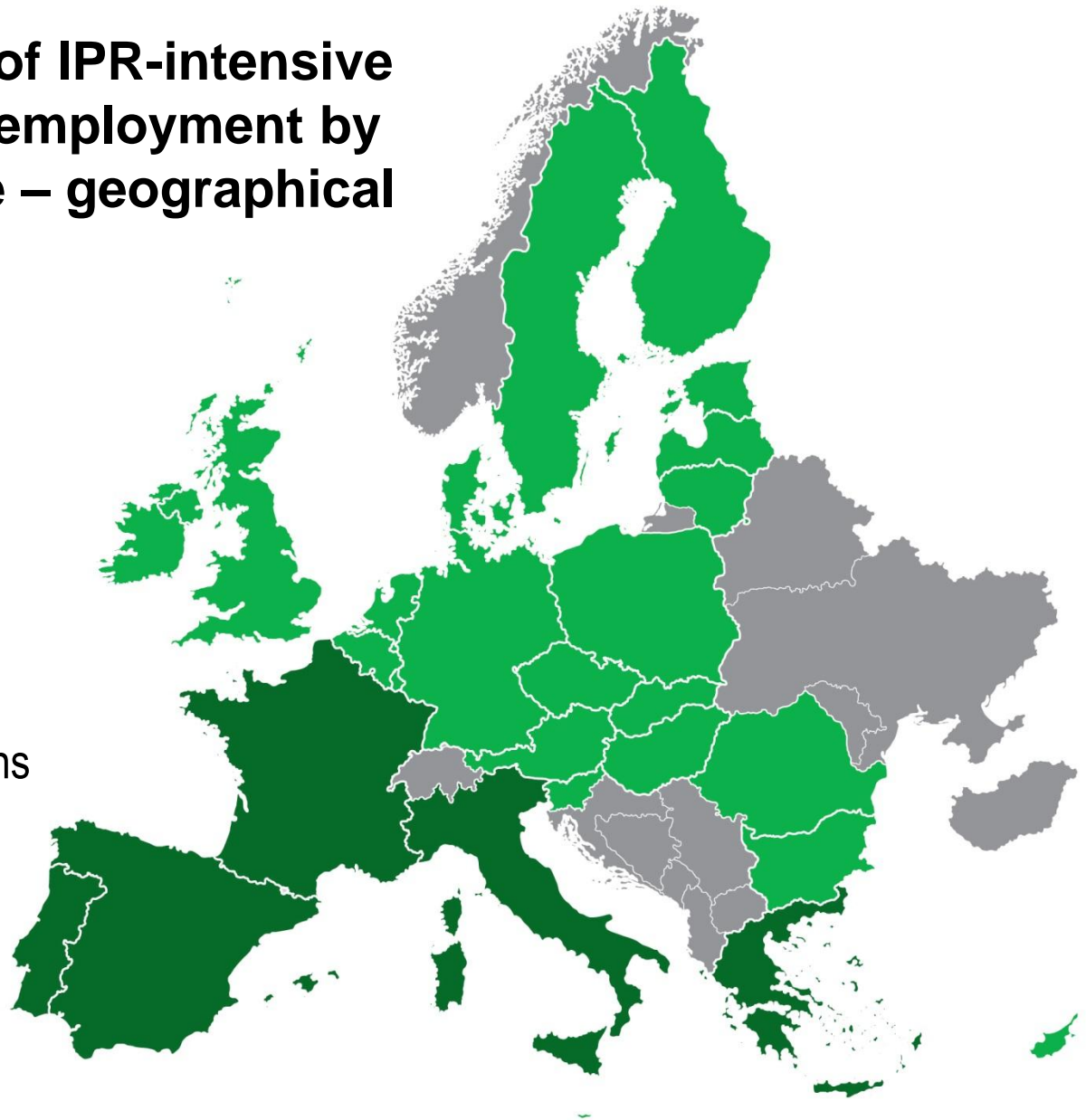
GI-intensive industries contribute **0.2%** of employment in the EU.

They are an **important source of jobs** in several countries/regions



0.2%
EU average

- above EU average
- below EU average





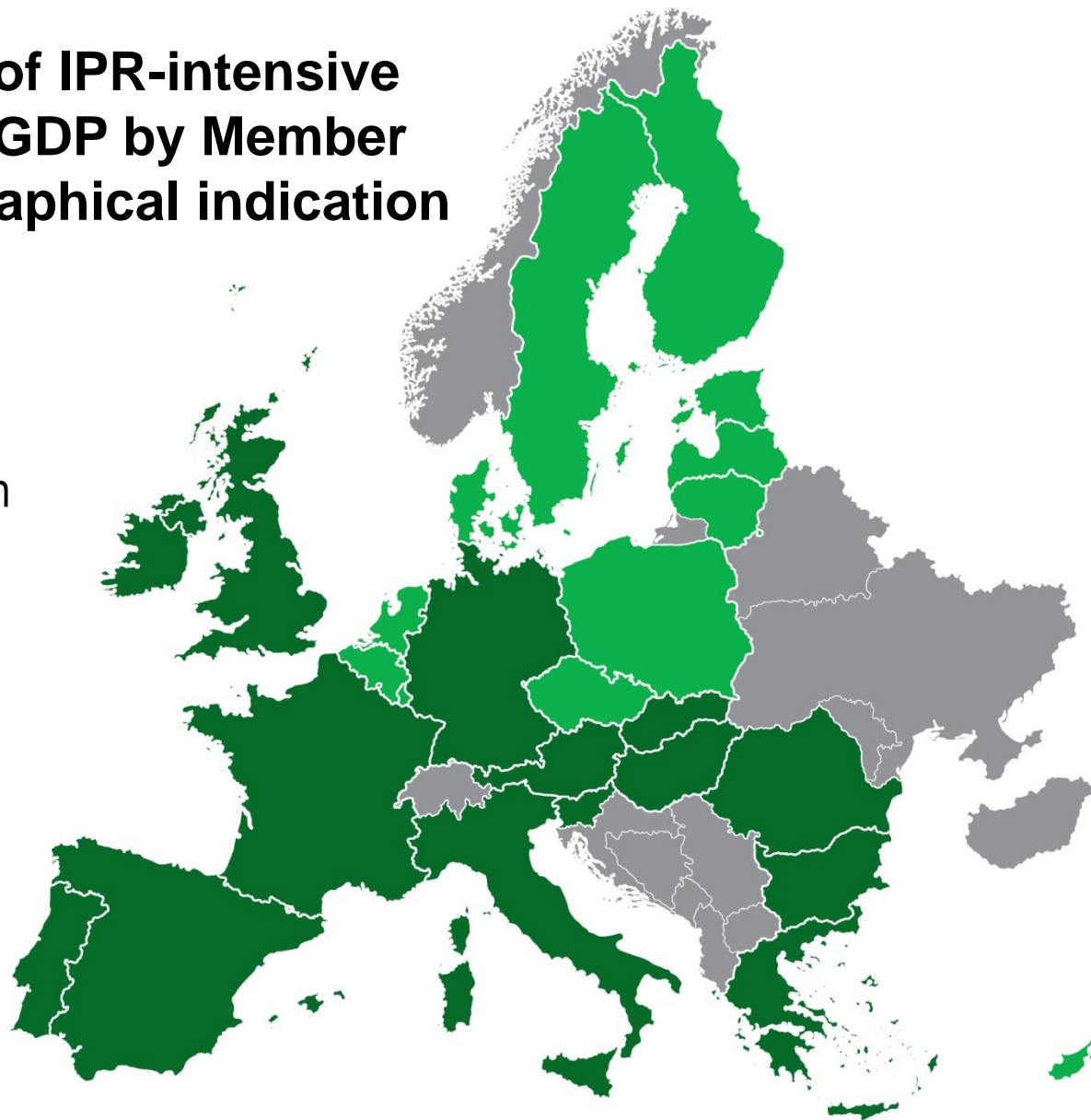
Contribution of IPR-intensive industries to GDP by Member State – geographical indication

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



0.1%
EU average

- above EU average
- below EU average

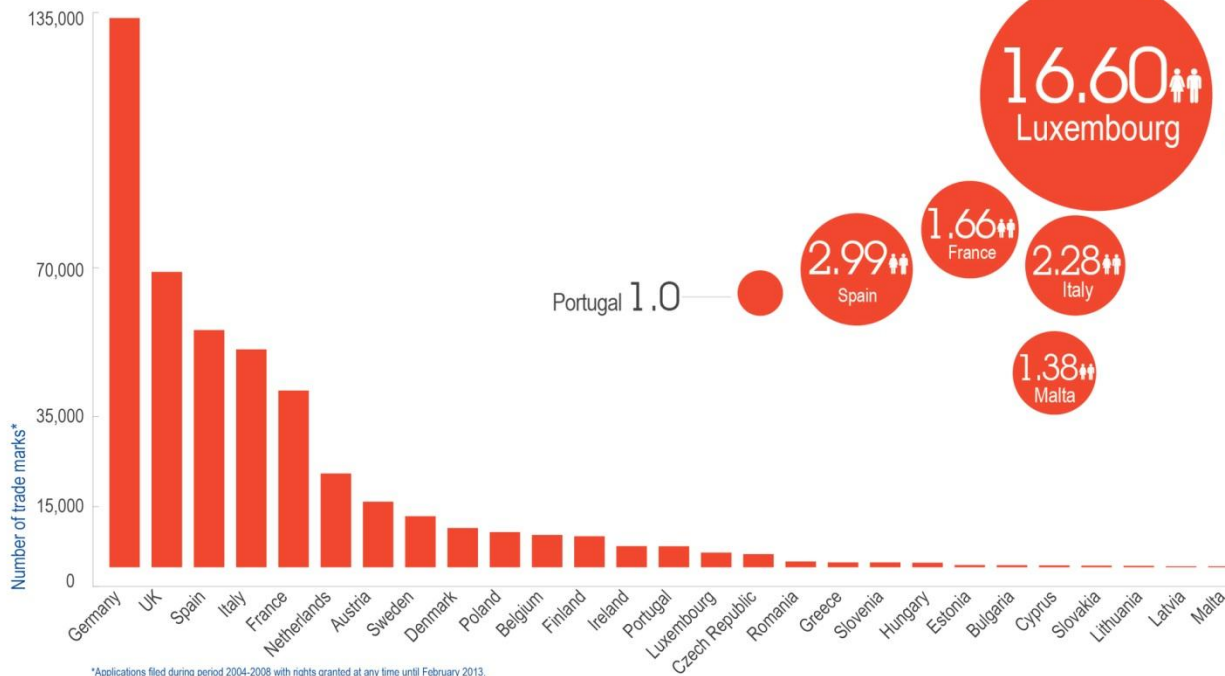


IPR-intensive industries: contribution to economic performance and employment in the European Union

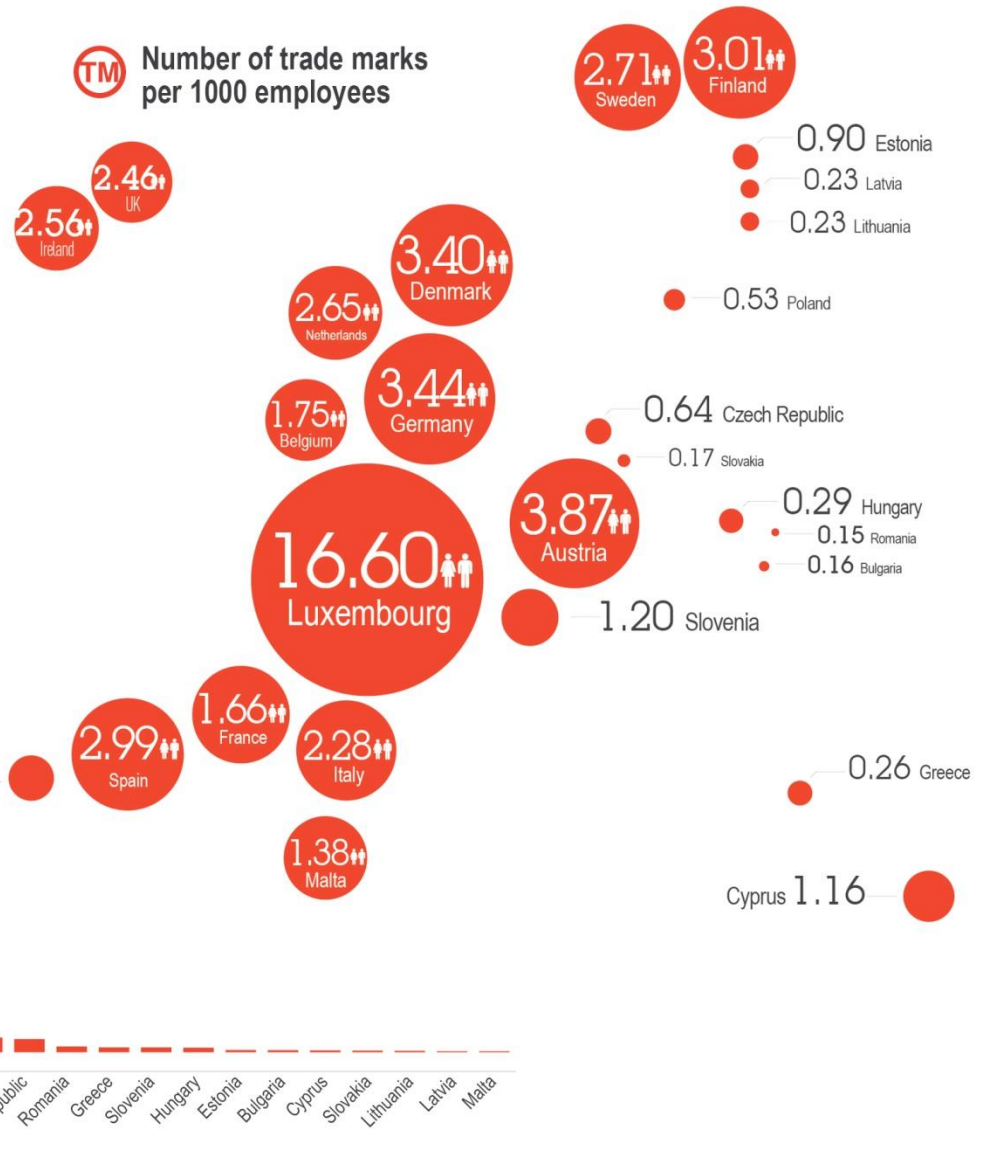


IPR Origin – Trade mark

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



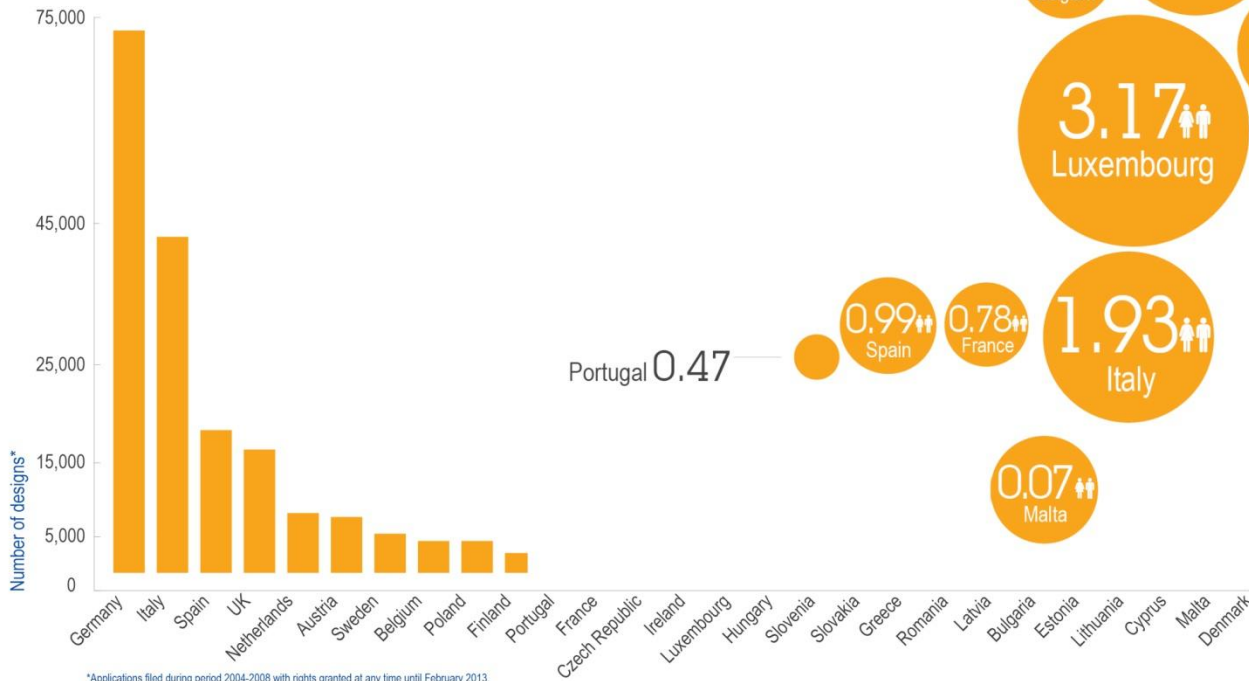
TM Number of trade marks
per 1000 employees



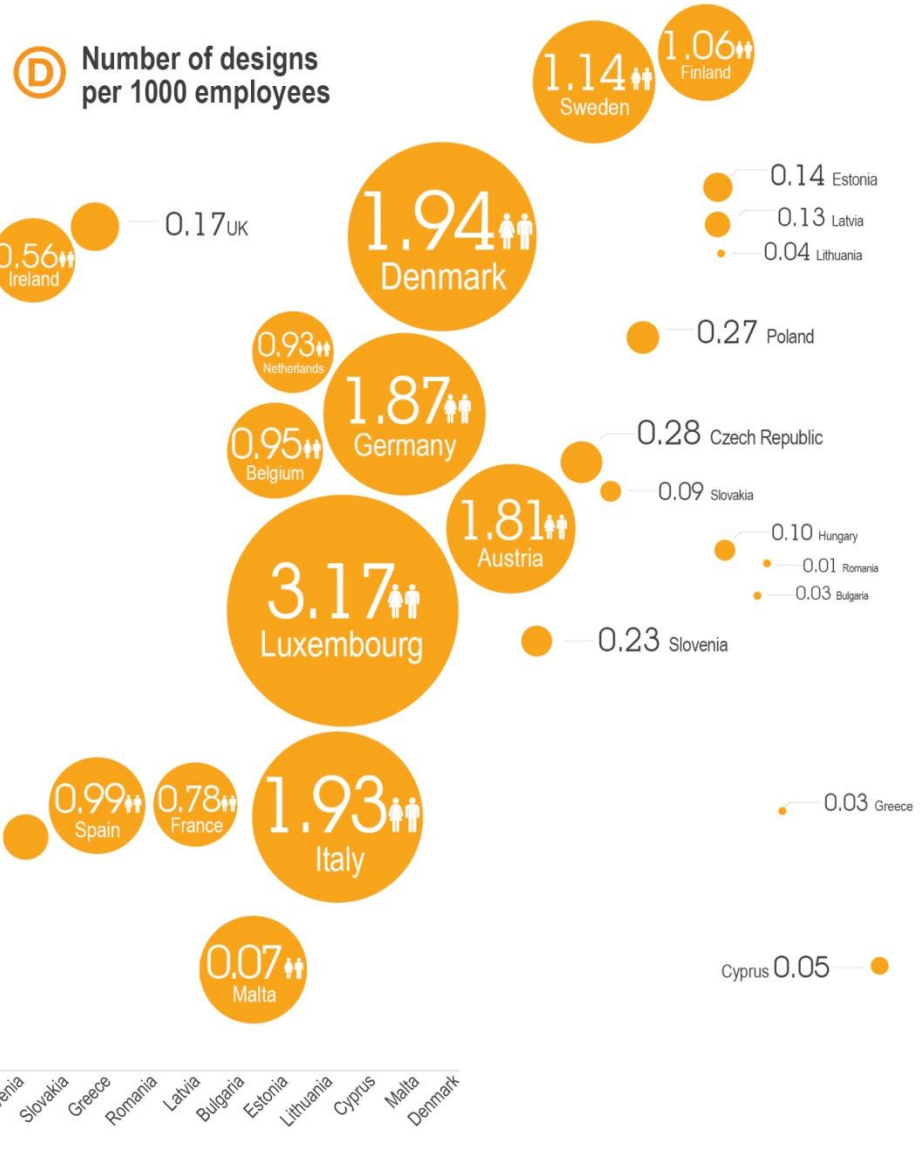


IPR Origin – Design

Which EU Member States create the most designs?



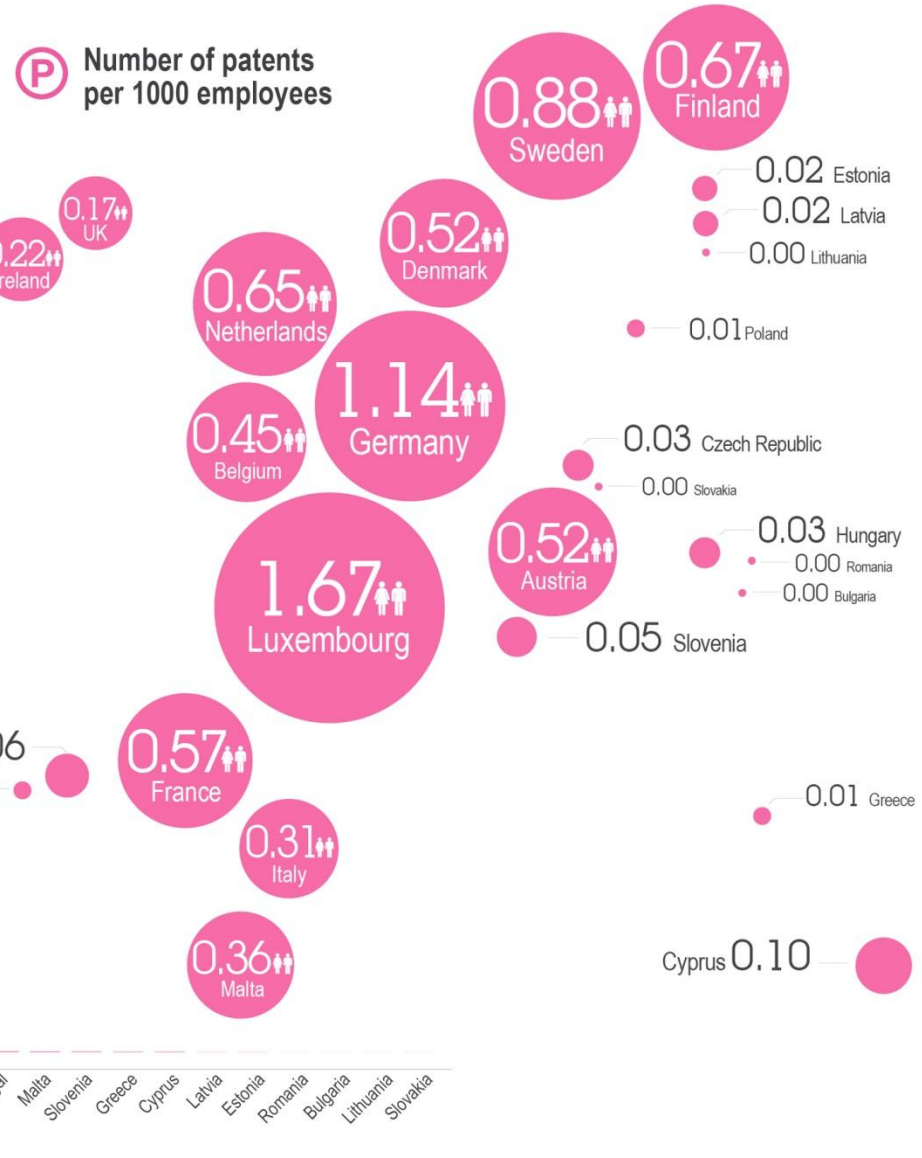
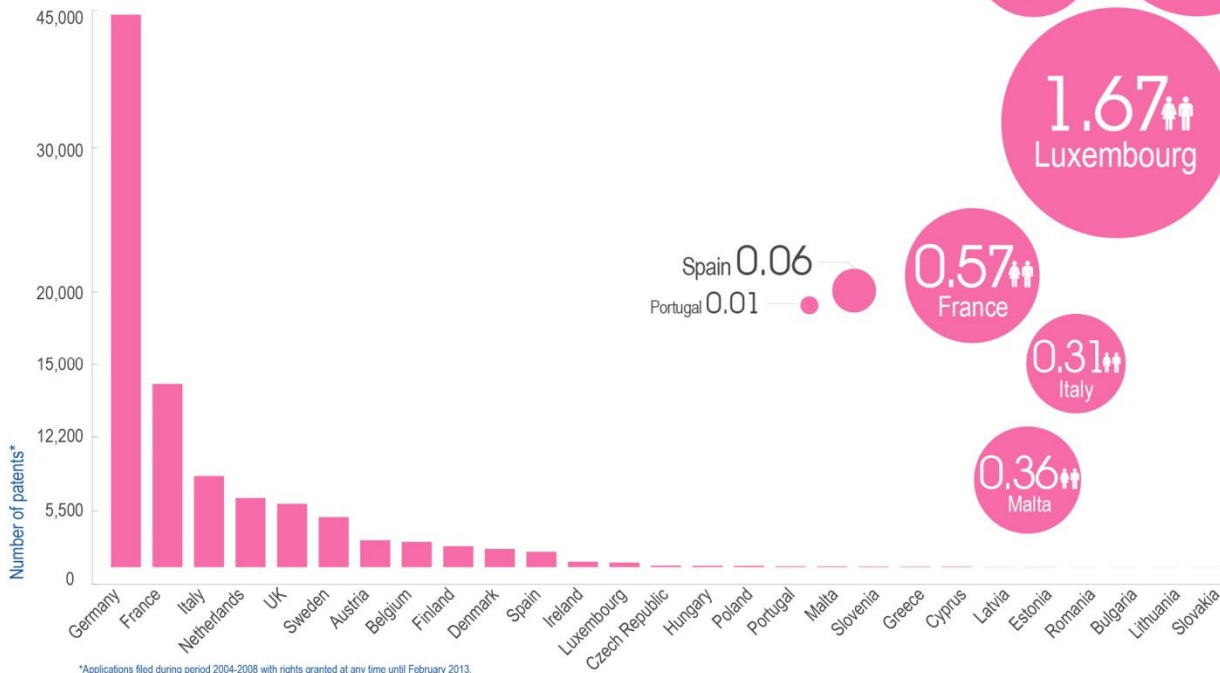
*Applications filed during period 2004-2008 with rights granted at any time until February 2013





IPR Origin – Patent

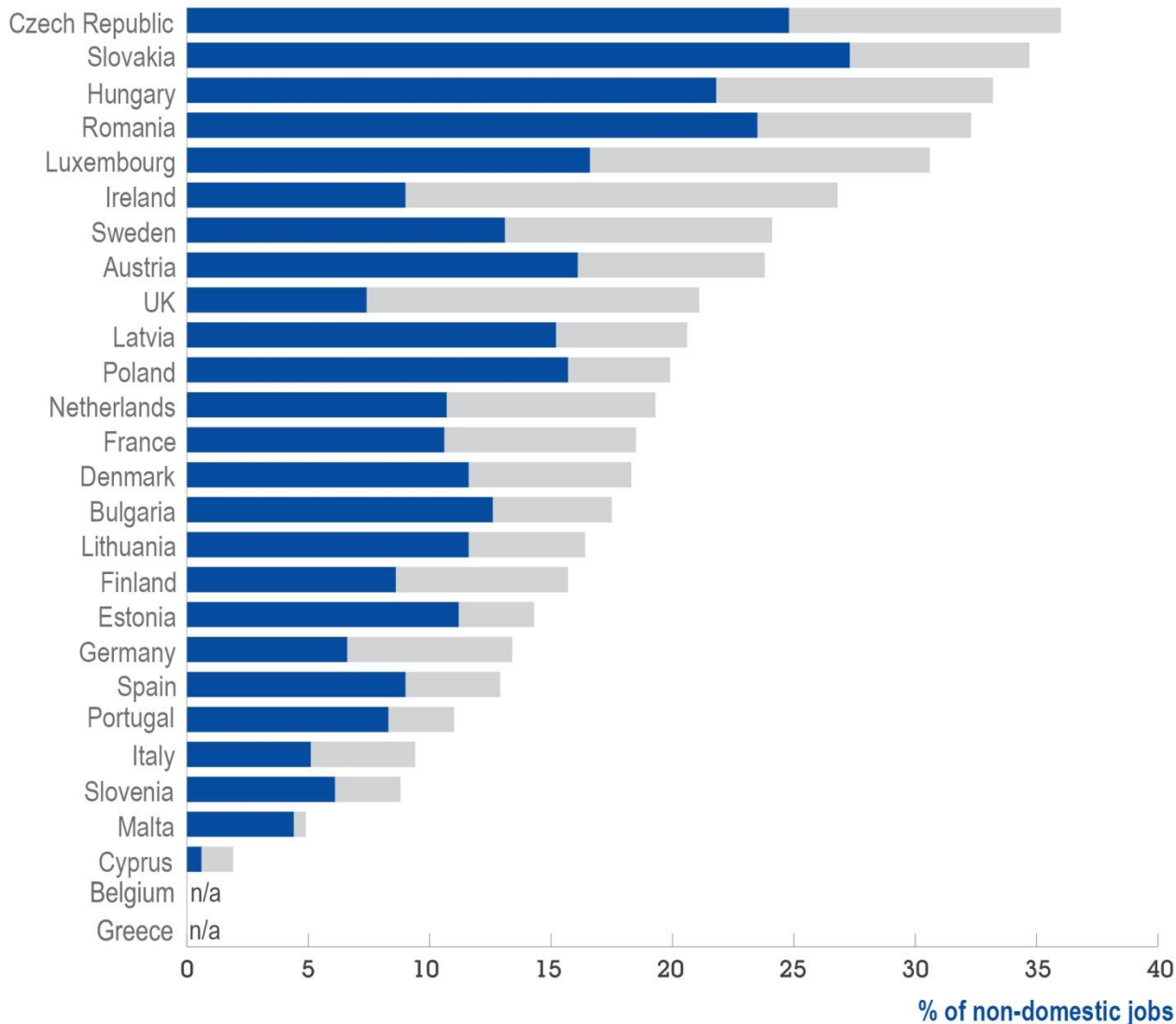
Which EU Member States create the most patents?



IPR contribution to job creation

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

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



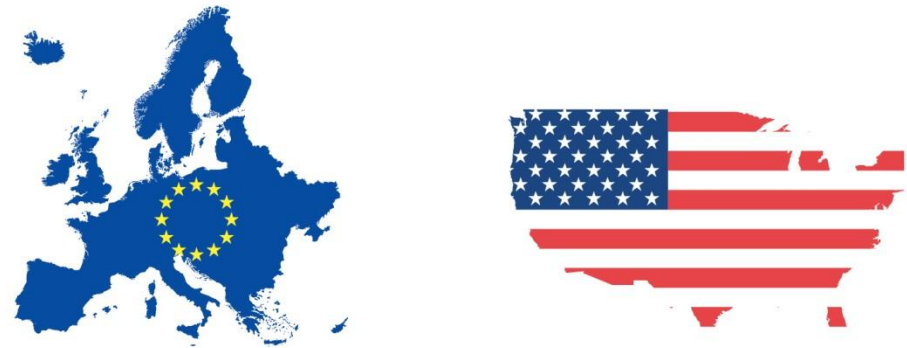
- IPR-intensive jobs created by other EU companies
- IPR-intensive jobs created by non-EU companies

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



26%  19%

39%  35%

41%  42%

 employment
 GDP
 remuneration

 Europe
 USA

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