

# 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

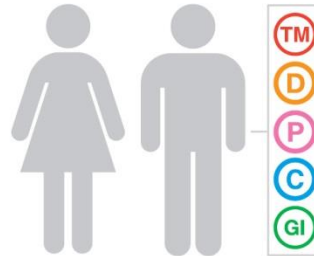
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# Introduction: The value of intellectual property in Europe

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** Invention, **novelty**, industrial applicability

**DURATION** Typically 20 years from filing



**Design**

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

The usual maximum term is 25 years



**Trade mark**

**Distinctive** signs that distinguish one company's goods or services from another

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



**Copyright**

**Original** artistic, literary, musical, photo, cinema works; maps and technical drawings; computer programmes

From 50 years to a lifetime plus 70 years



**Geographical indication**

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

Indefinite, no need for renewal

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# Methodology

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

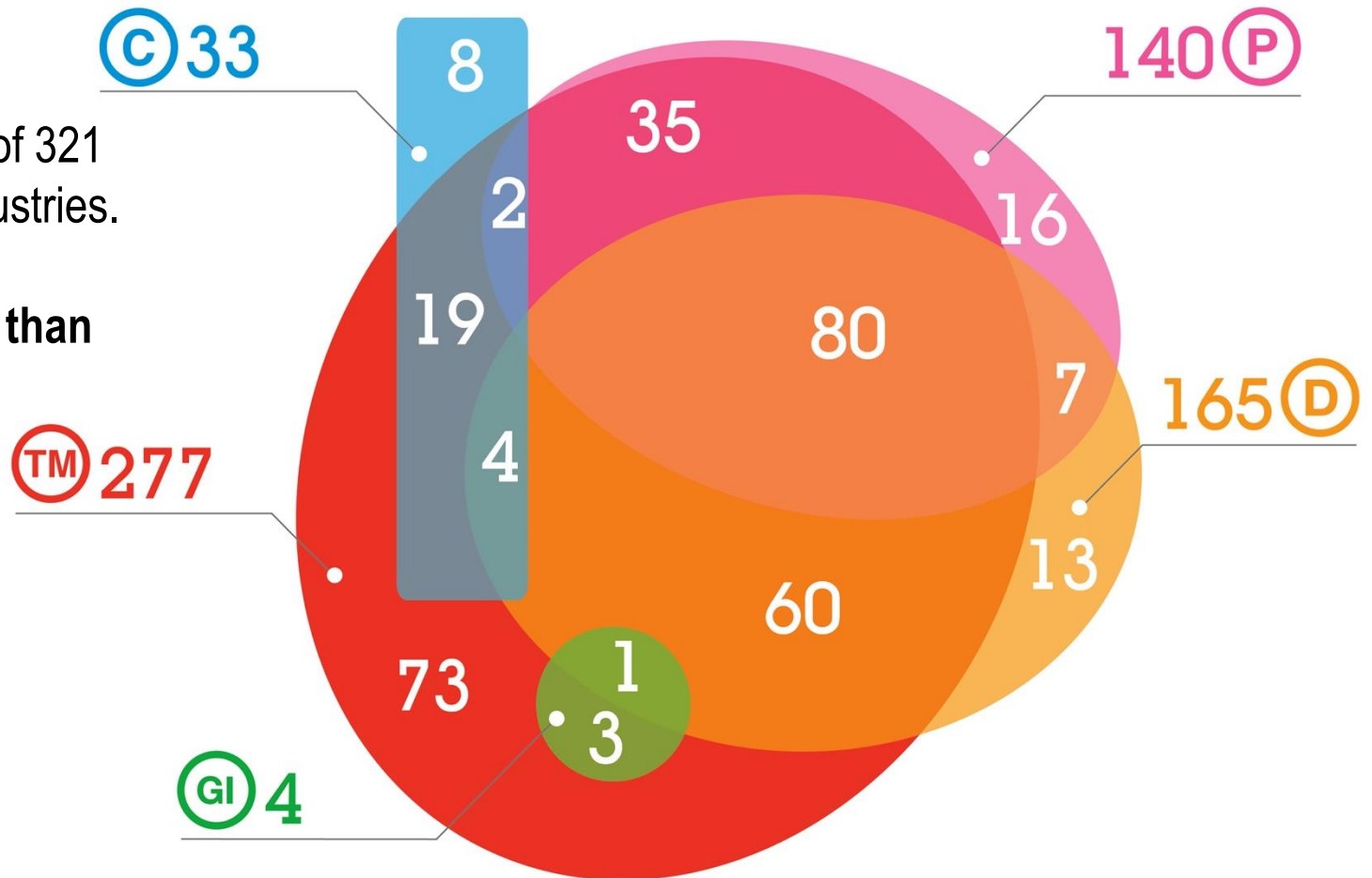
Using this data, the number of trade marks, designs and patents per employee was calculated for each industry, and ***the industries which were above average according to this measure were considered to be IPR-intensive.***

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](http://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**.



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



## Contribution of IPR-intensive industries to employment

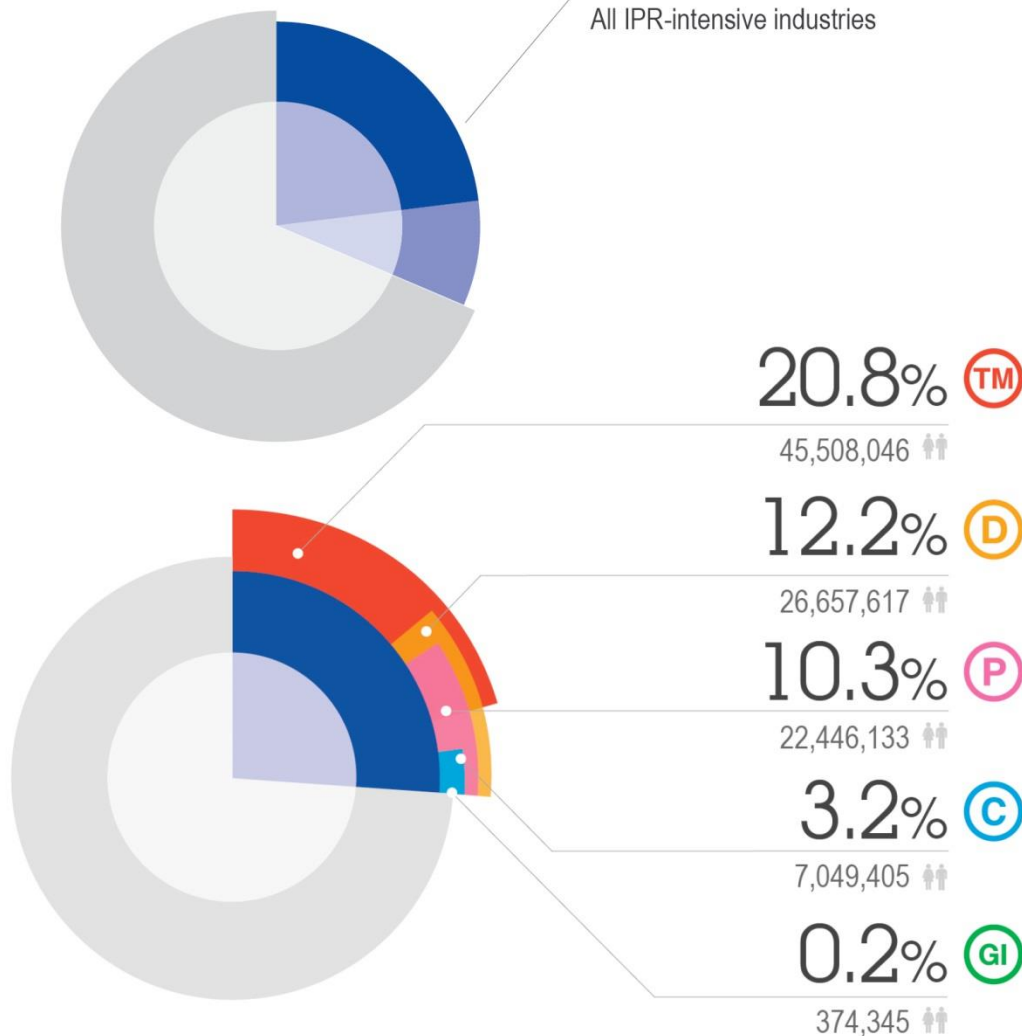
**26% of all EU jobs** were directly generated by IPR-intensive industries during the period 2008-2010.

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

# 35%

All IPR-intensive industries



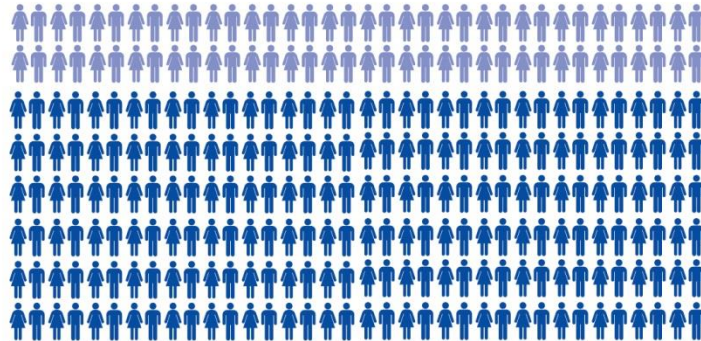


## Contribution of IPR-intensive industries to employment

**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**



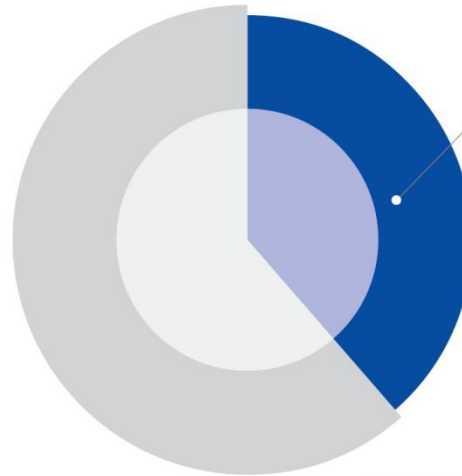
# Contribution of IPR-intensive industries to GDP

# 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%

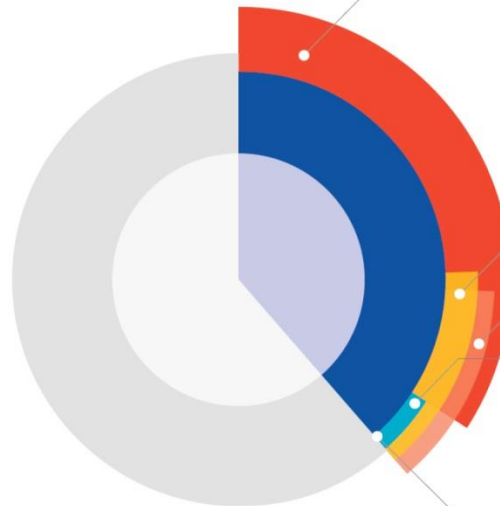
1.70 trillion

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

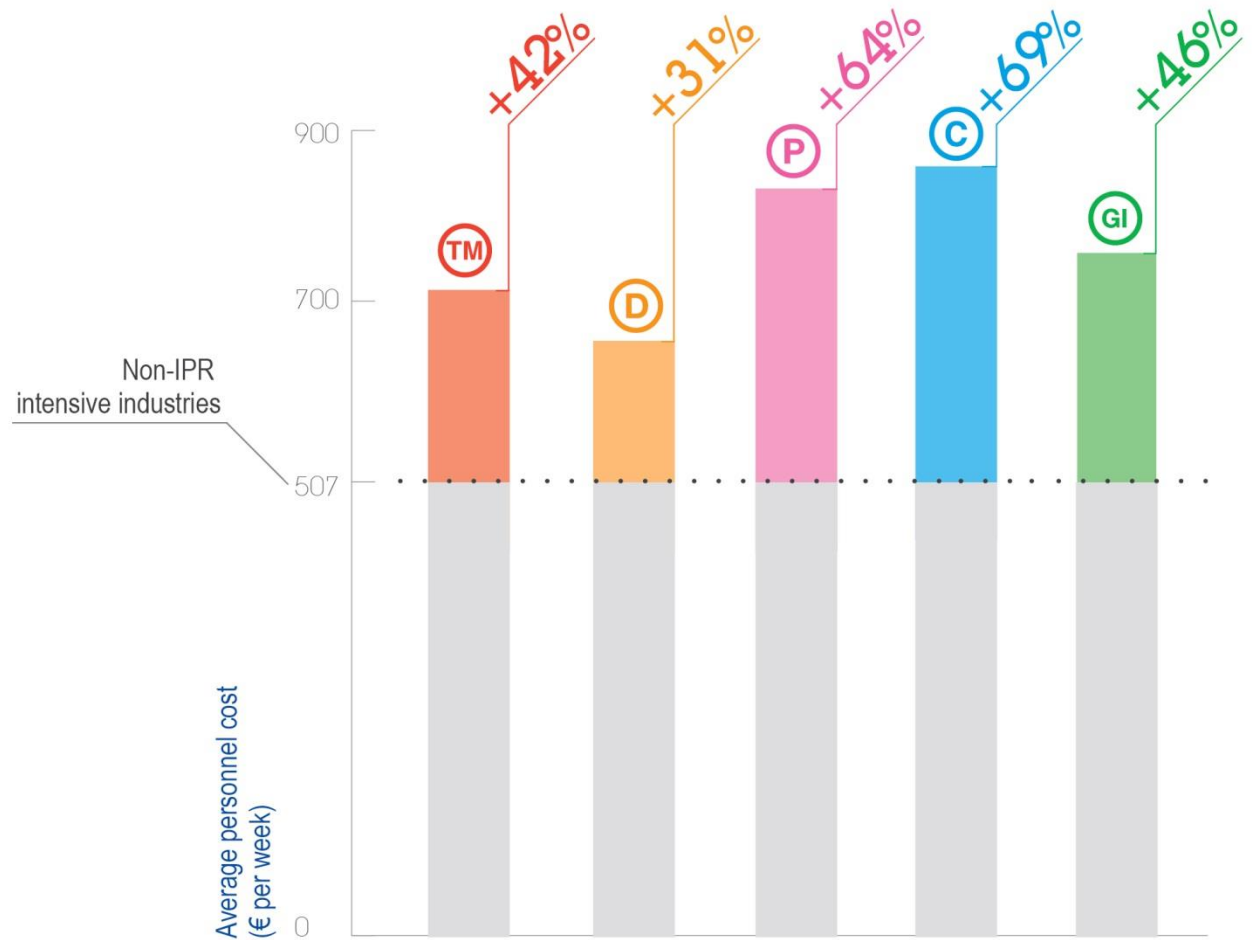


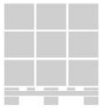


## Contribution of IPR-intensive industries to remuneration

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

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

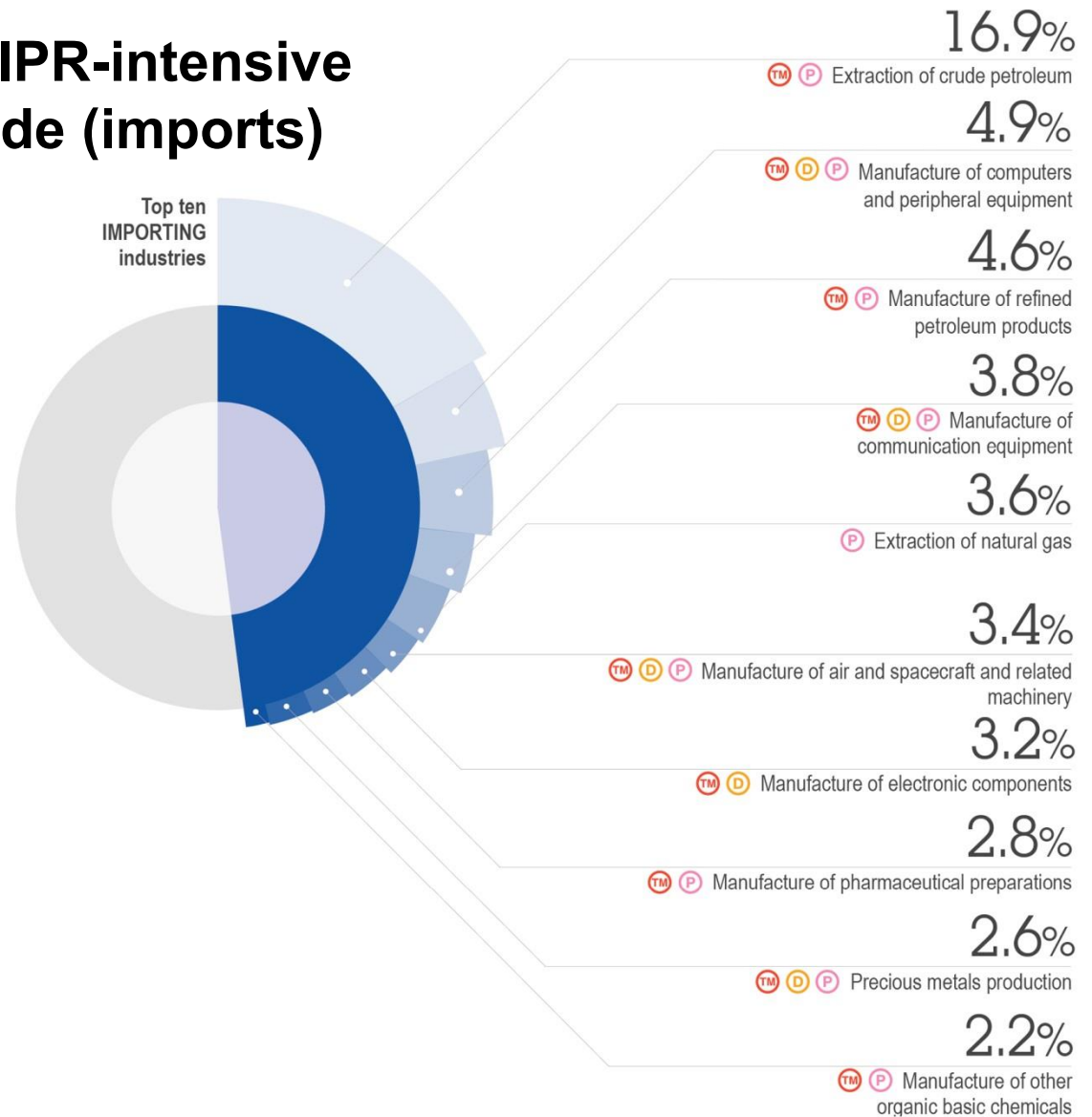


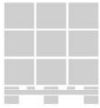


# Contribution of IPR-intensive industries to trade (imports)

**Even industries producing energy are IPR-intensive.**

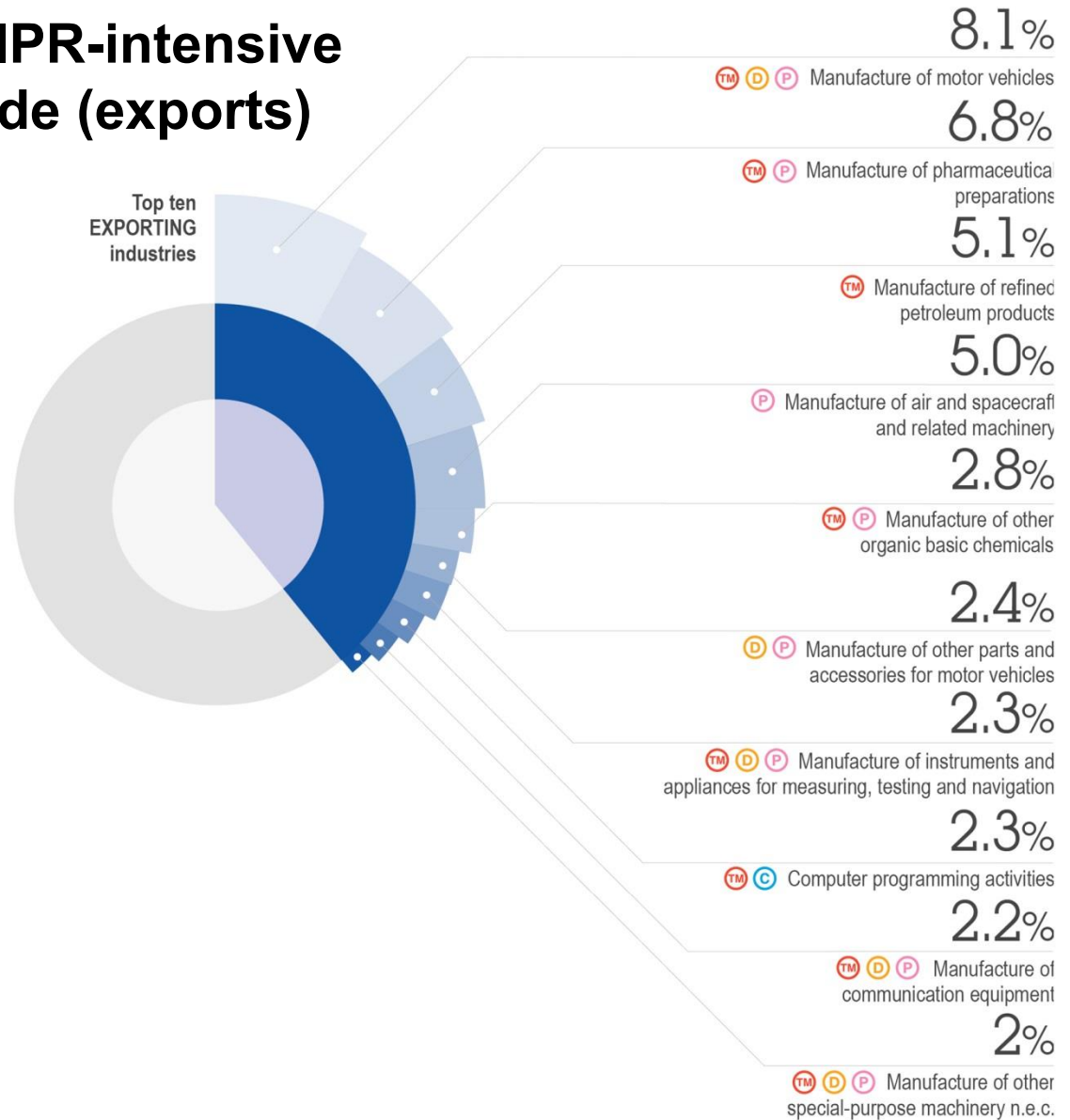
For that reason, 88% of EU imports consist of products from IPR-intensive industries.





# Contribution of IPR-intensive industries to trade (exports)

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

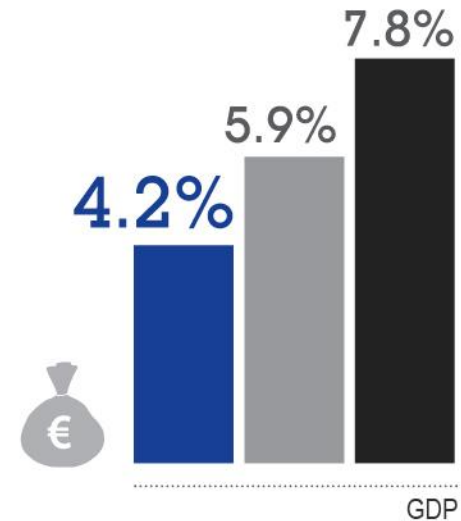
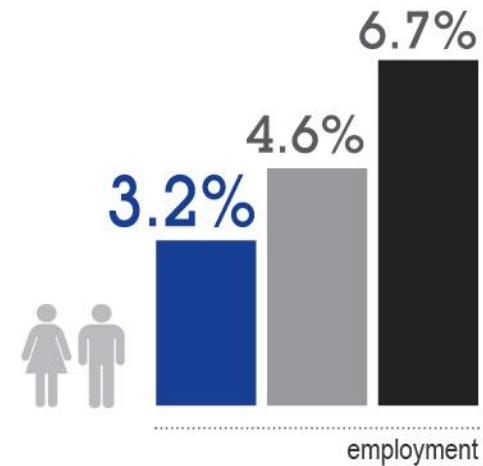


# Copyright: © WIPO vs USPTO methodologies

**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



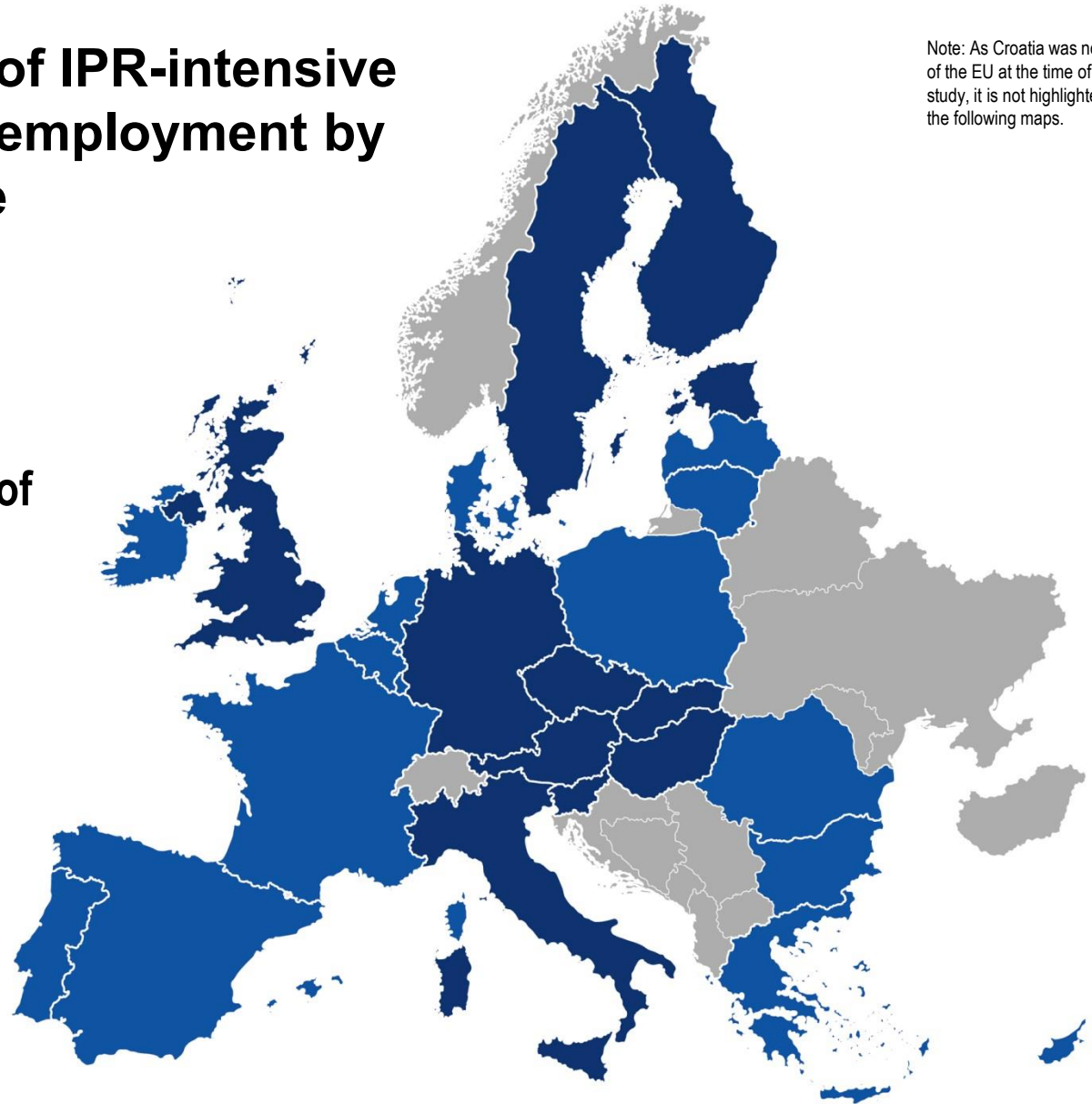


## Contribution of IPR-intensive industries to employment by Member State

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.

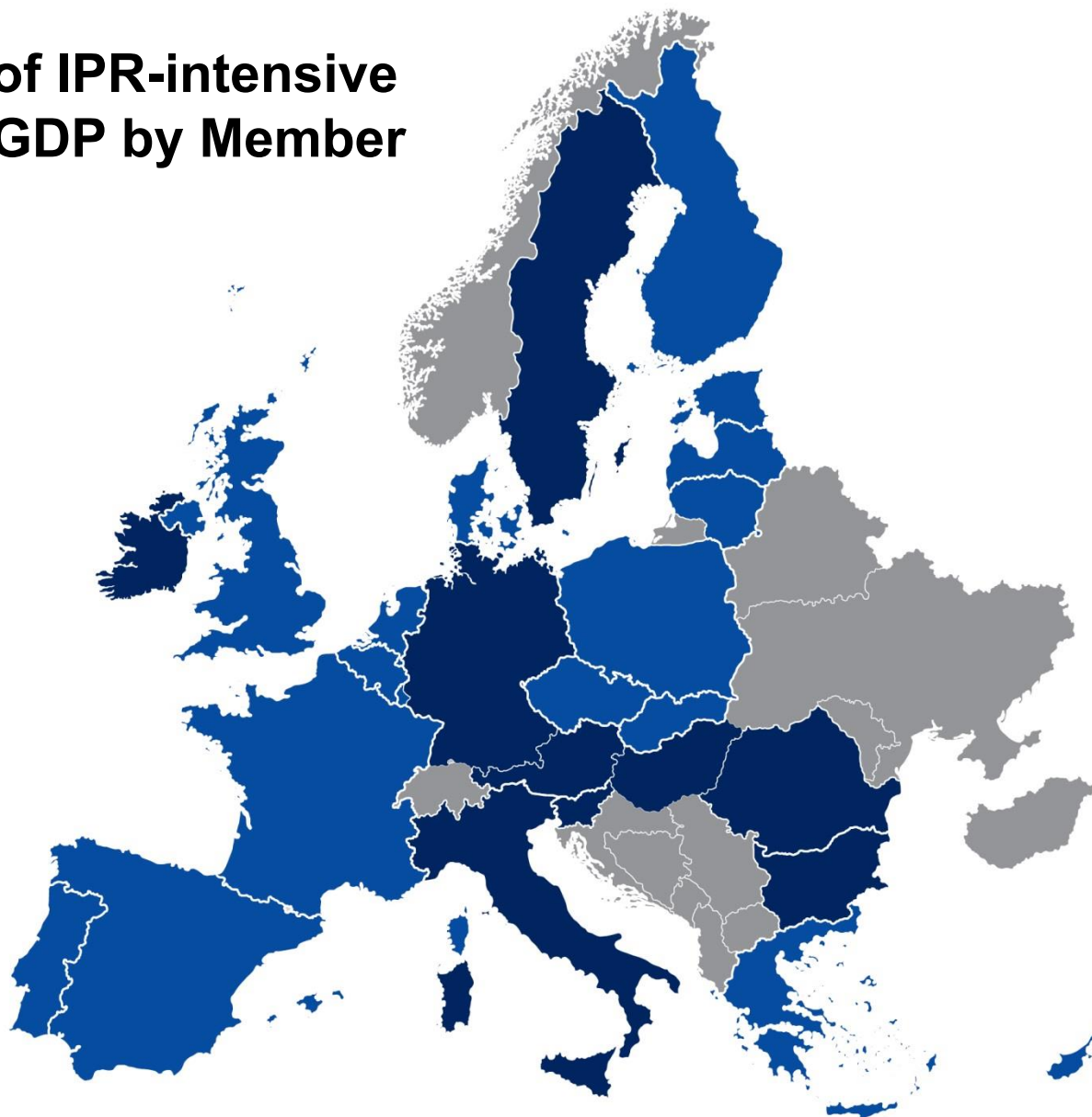


## Contribution of IPR-intensive industries to GDP by Member State

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

38.6%  
EU average

- above EU average
- below EU average



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



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

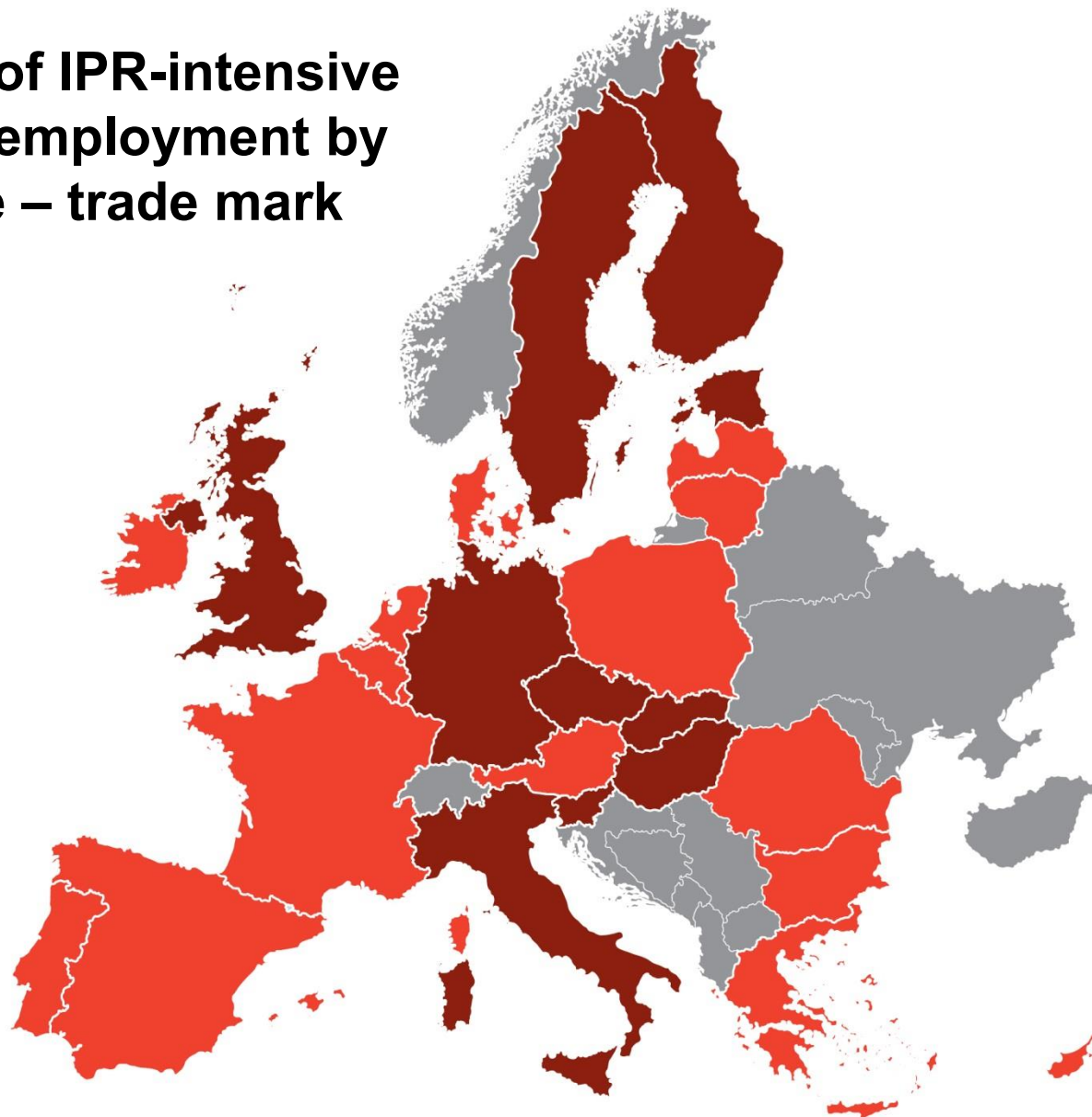
In the EU as a whole, **trade mark-intensive industries contribute 20.8% of employment.**



20.8%  
EU average

● above EU average

● below EU average





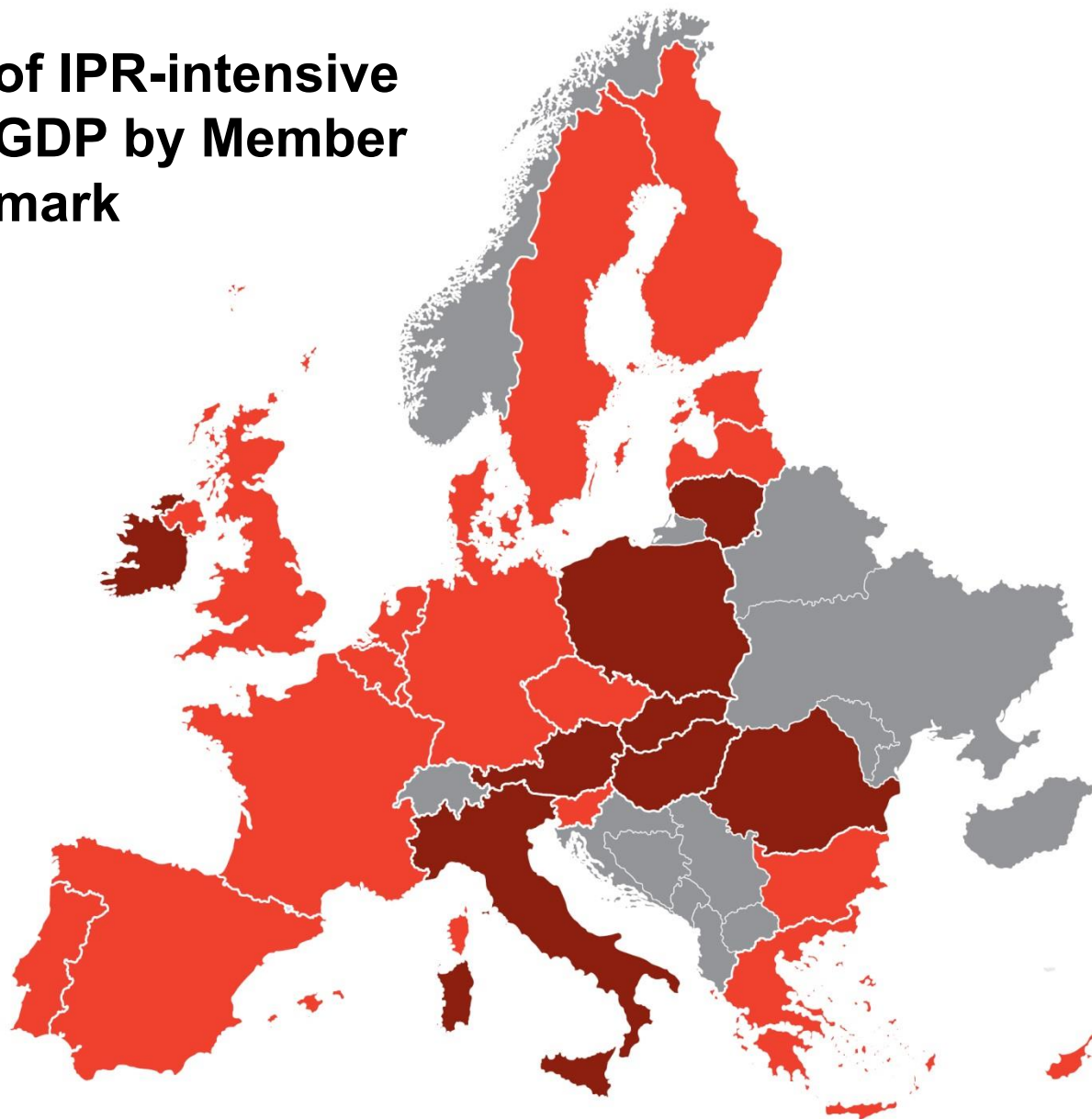
## Contribution of IPR-intensive industries to GDP by Member State – trade mark

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





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

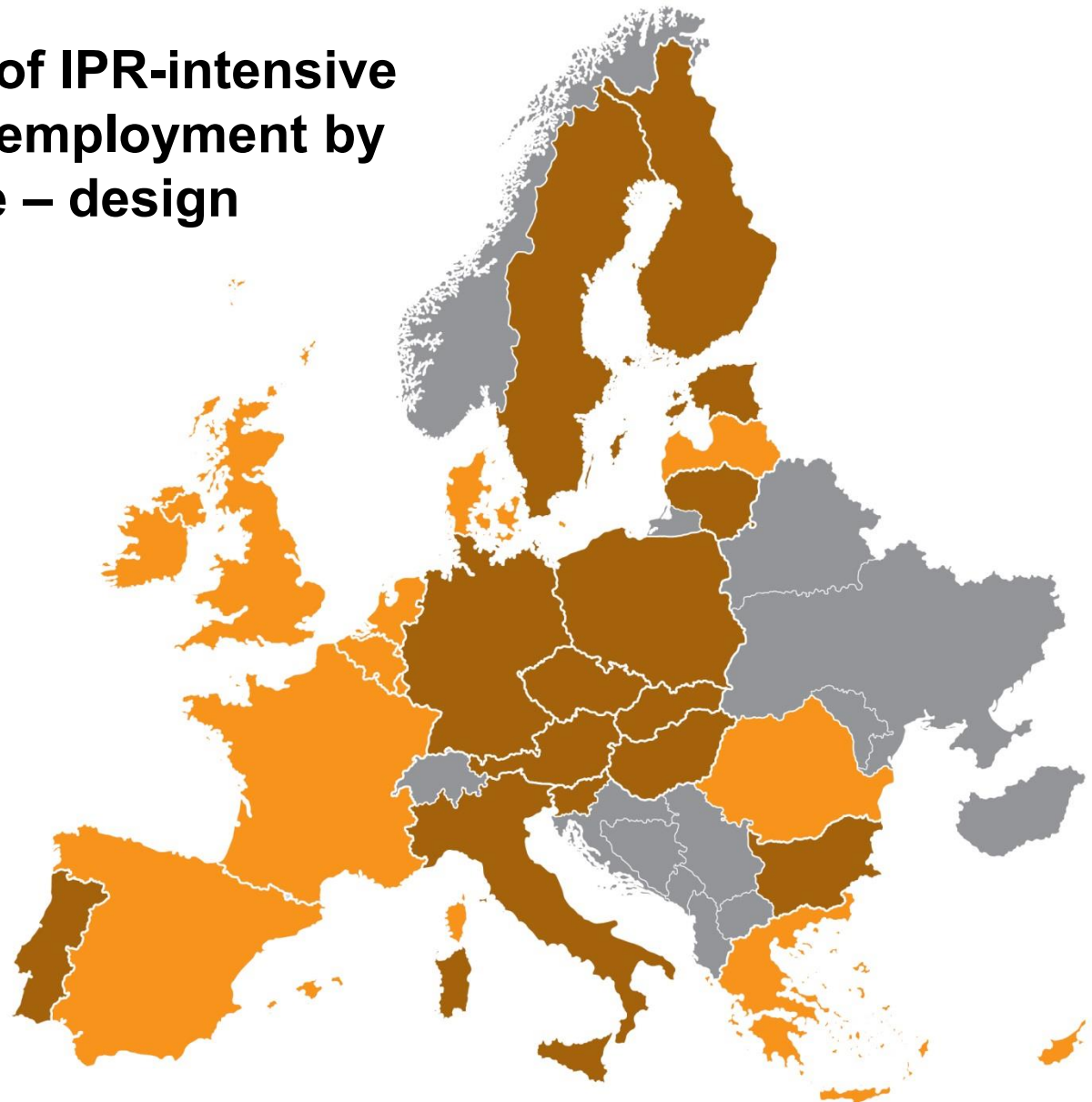
**Design-intensive industries contribute 12.2% of employment in the EU.**



12.2%  
EU average

● above EU average

● below EU average





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

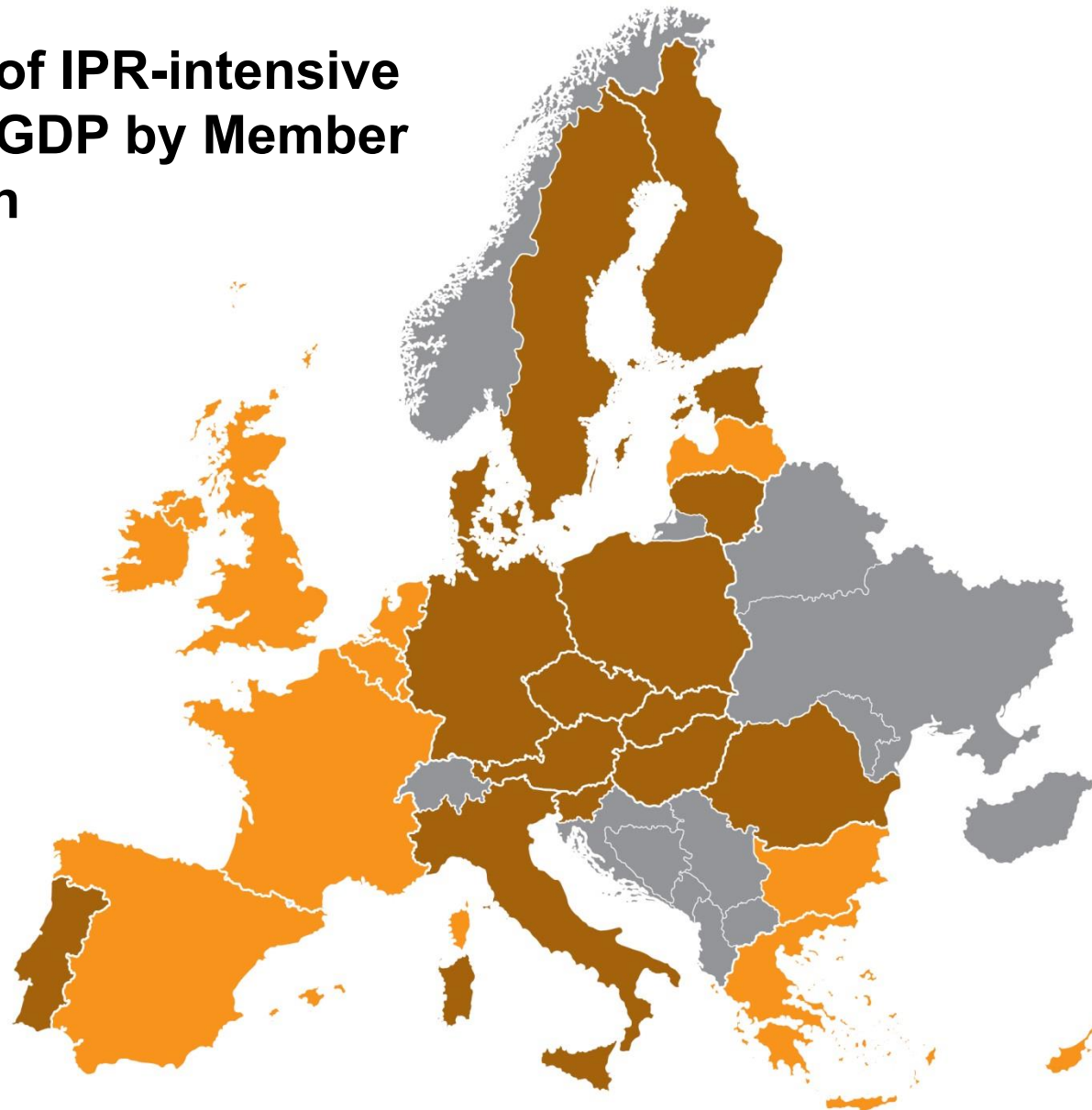
**Design-intensive industries contribute 12.8% of GDP in the EU.**



12.8%  
EU average

● above EU average

● below EU average





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

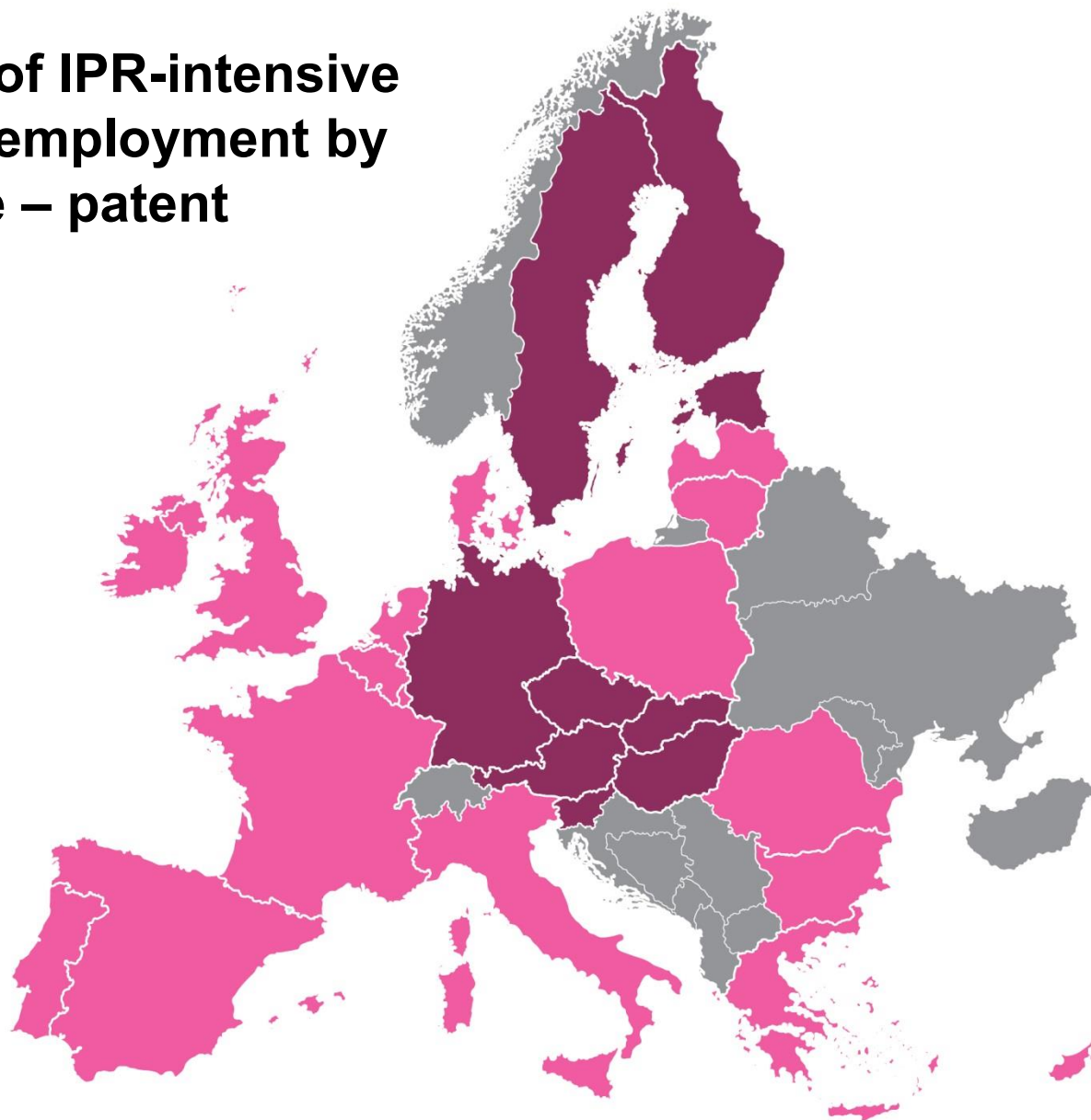
Patent-intensive industries contribute **10.3% of employment** in the EU.



10.3%  
EU average

● above EU average

● below EU average





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

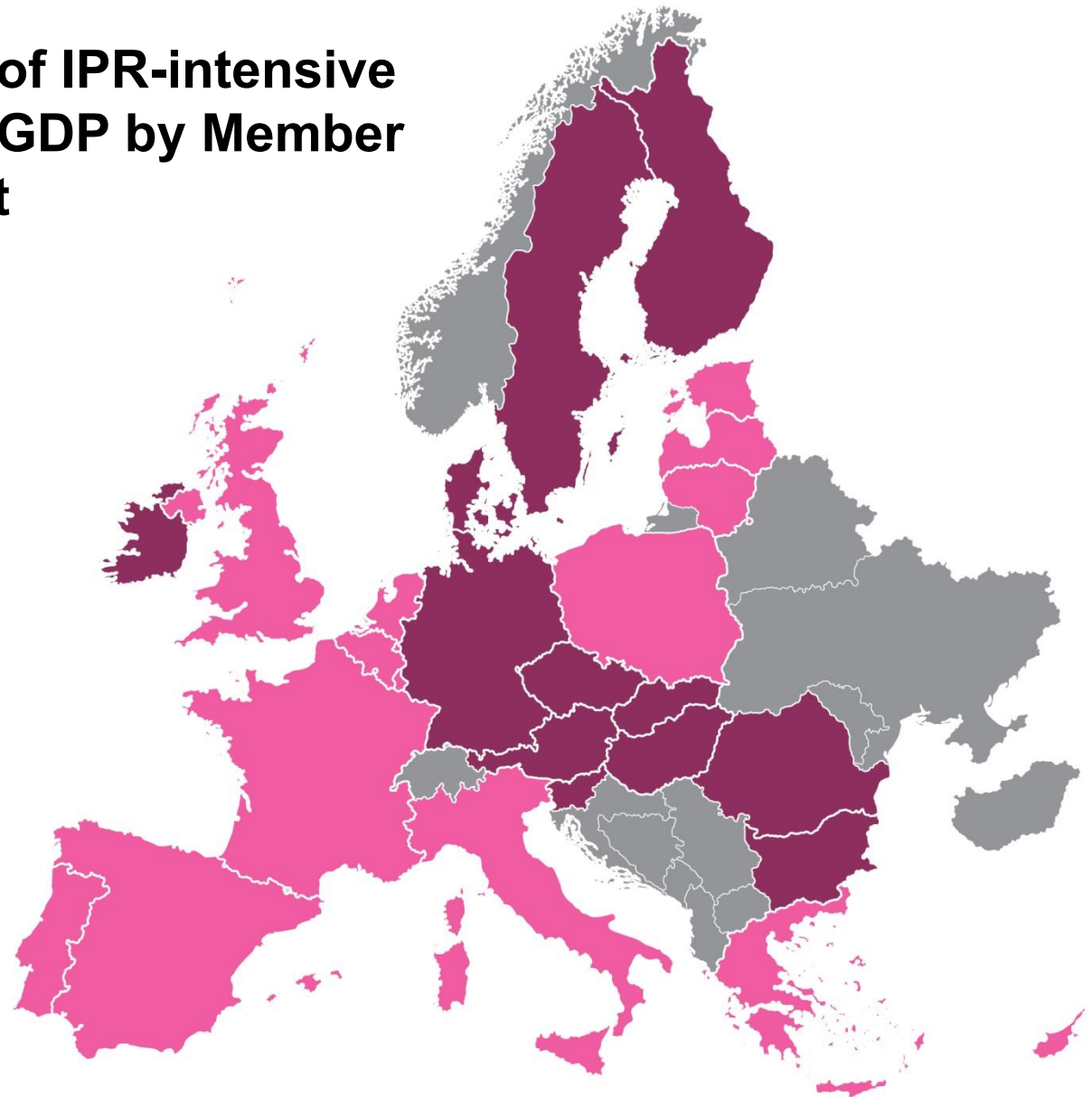
Patent-intensive industries contribute **13.9% of GDP** in the EU.



13.9%  
EU average

● above EU average

● below EU average





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

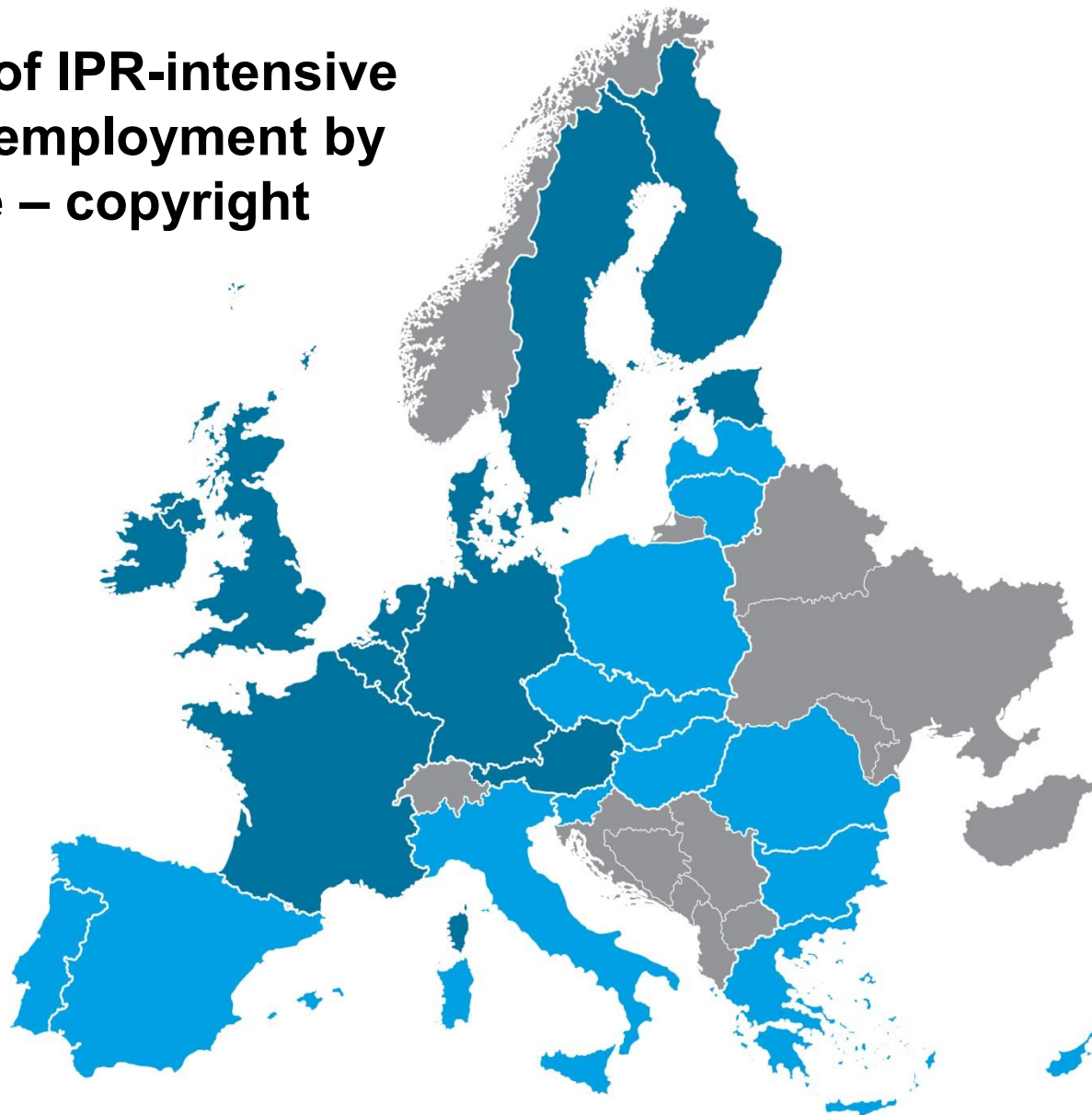
Copyright-intensive industries contribute **3.2%** of employment in the EU.



3.2%  
EU average

● above EU average

● below EU average





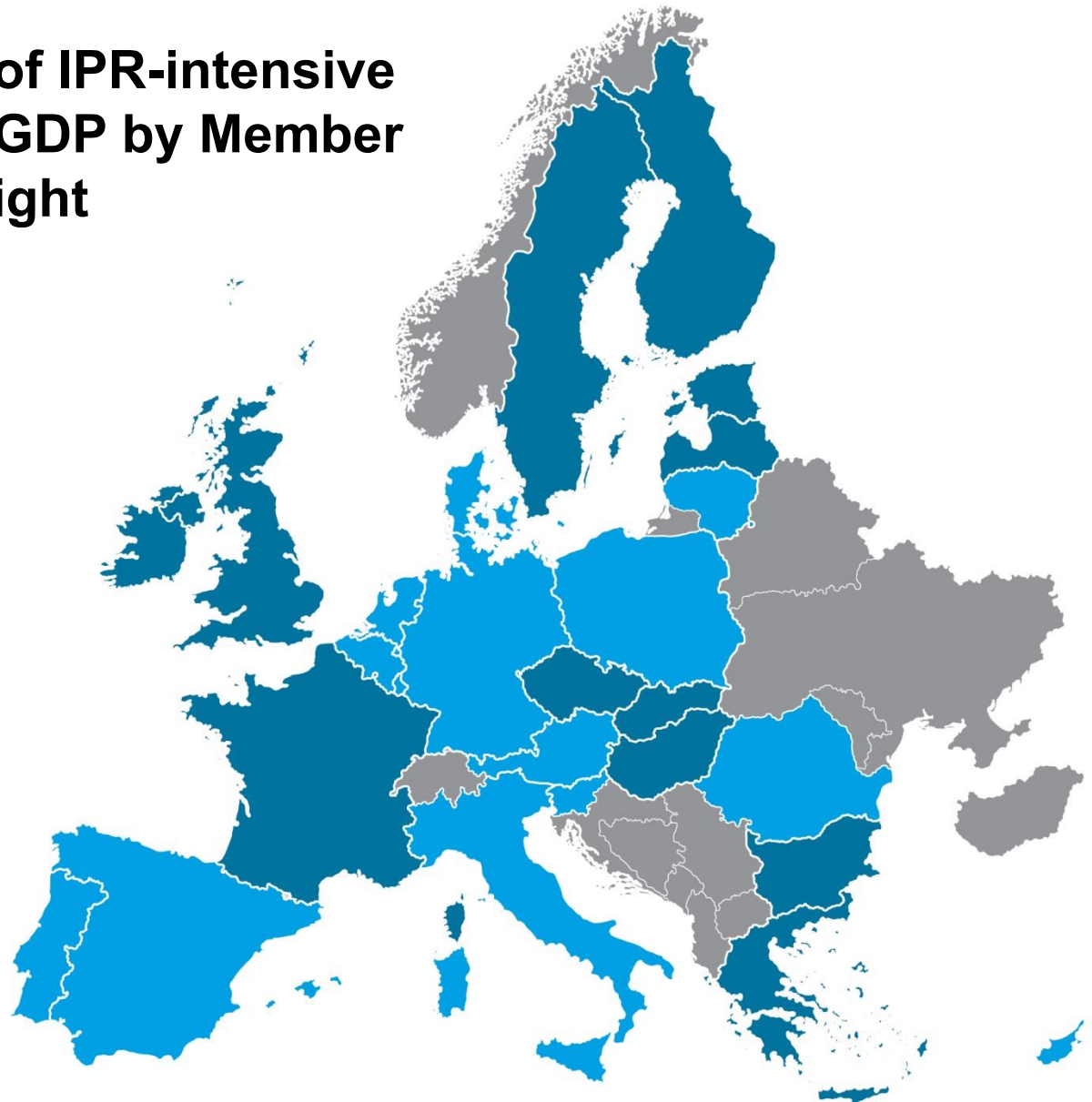
## Contribution of IPR-intensive industries to GDP by Member State – copyright

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



4.2%  
EU average

- above EU average
- below EU average





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

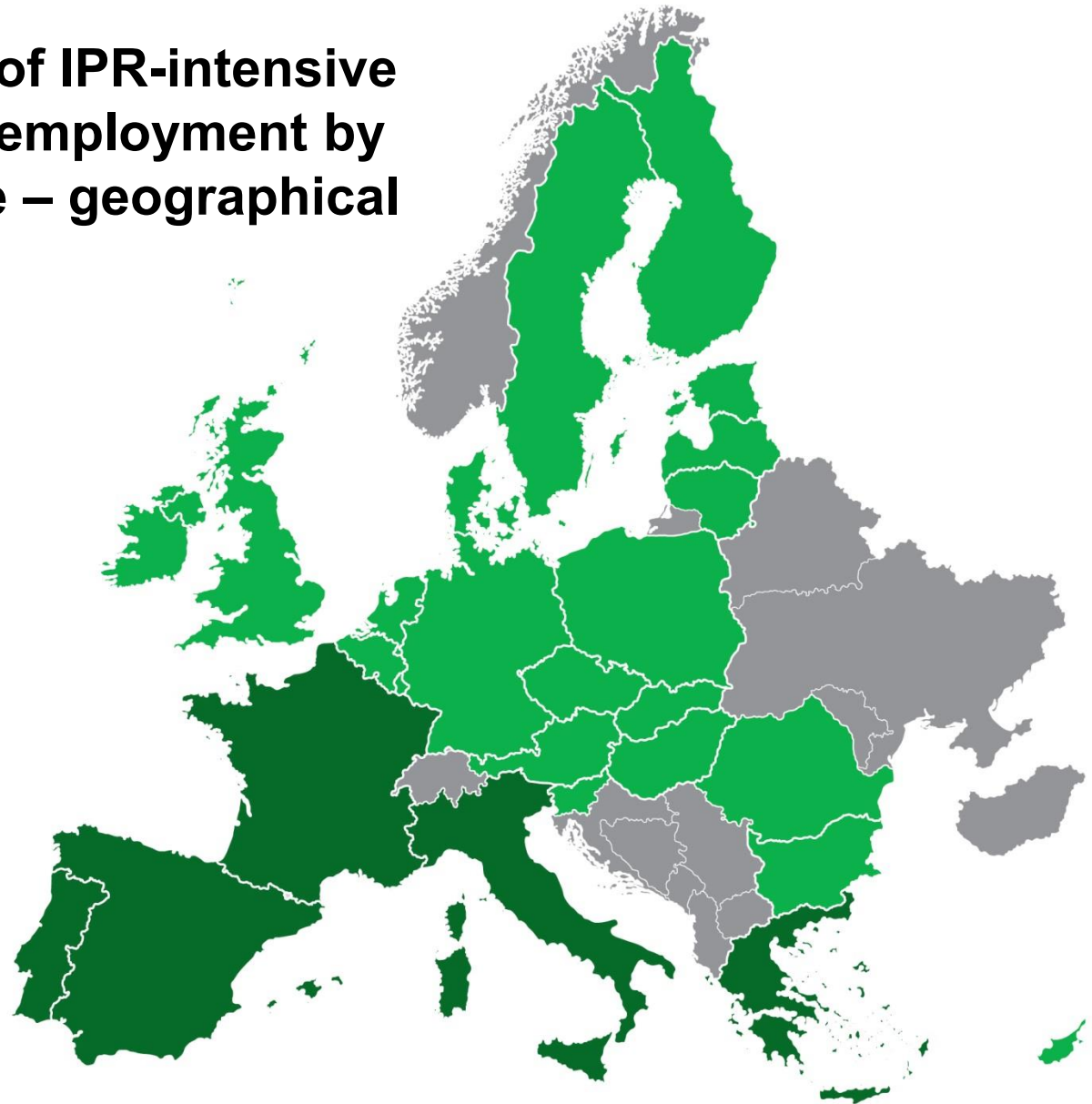
GI-intensive industries contribute **0.2%** of employment in the EU.

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



0.2%  
EU average

-  above EU average
-  below EU average





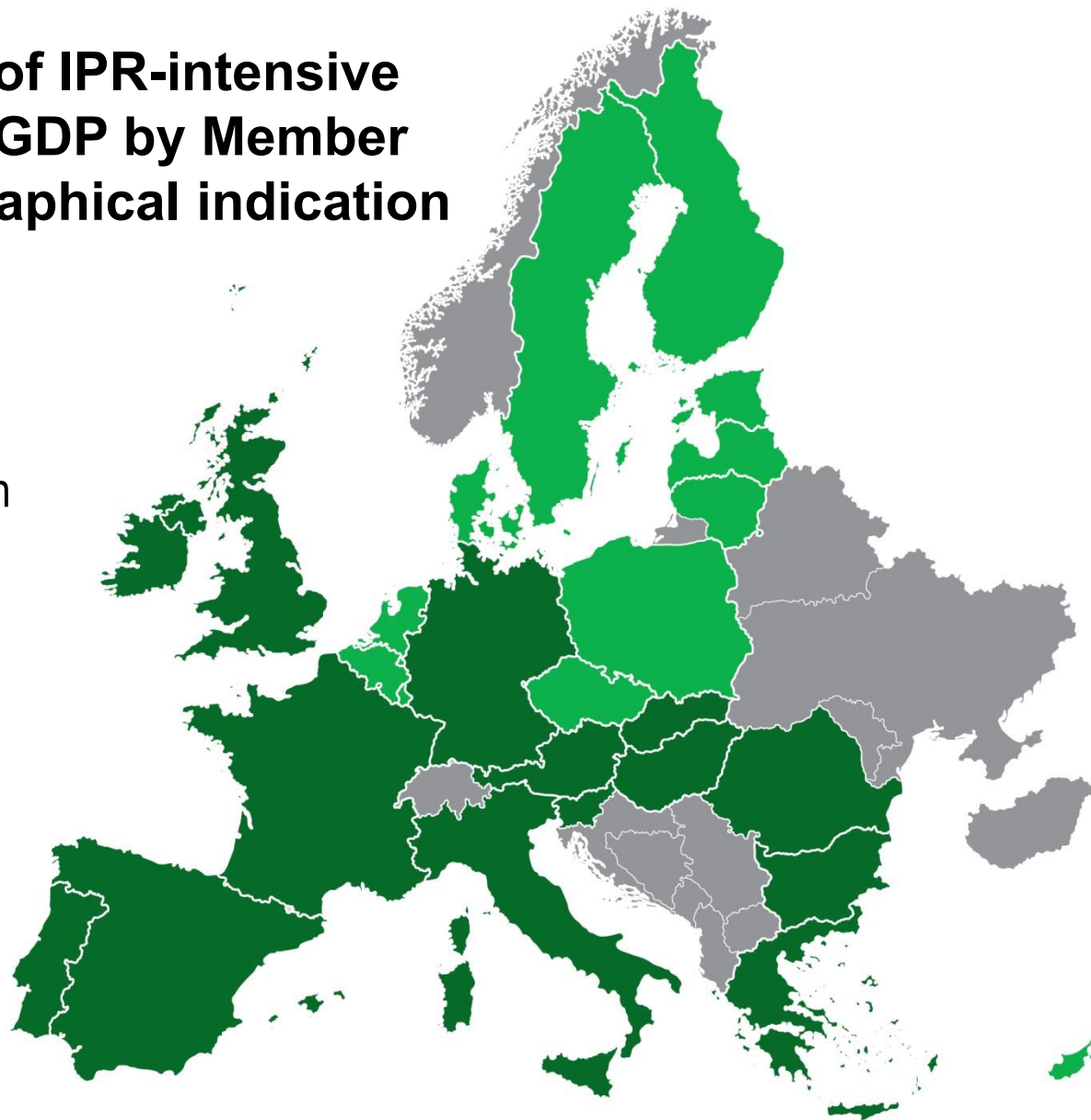
## Contribution of IPR-intensive industries to GDP by Member State – geographical indication

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



0.1%  
EU average

- above EU average
- below EU average

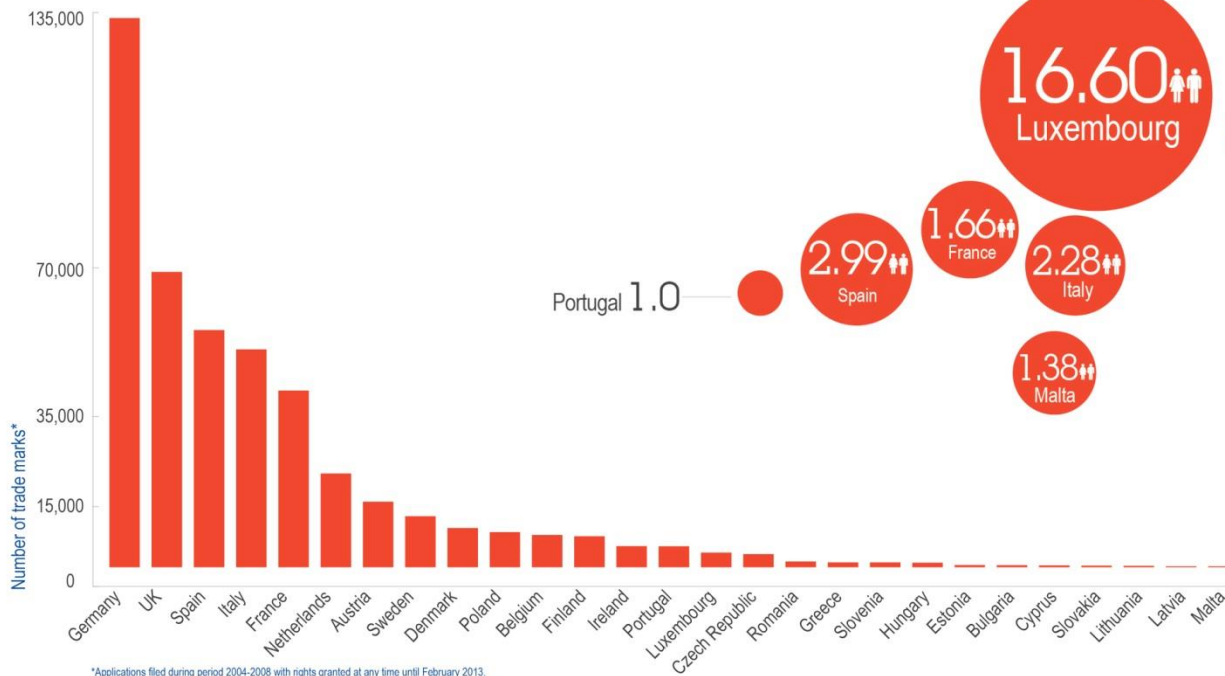






# IPR Origin – Trade mark

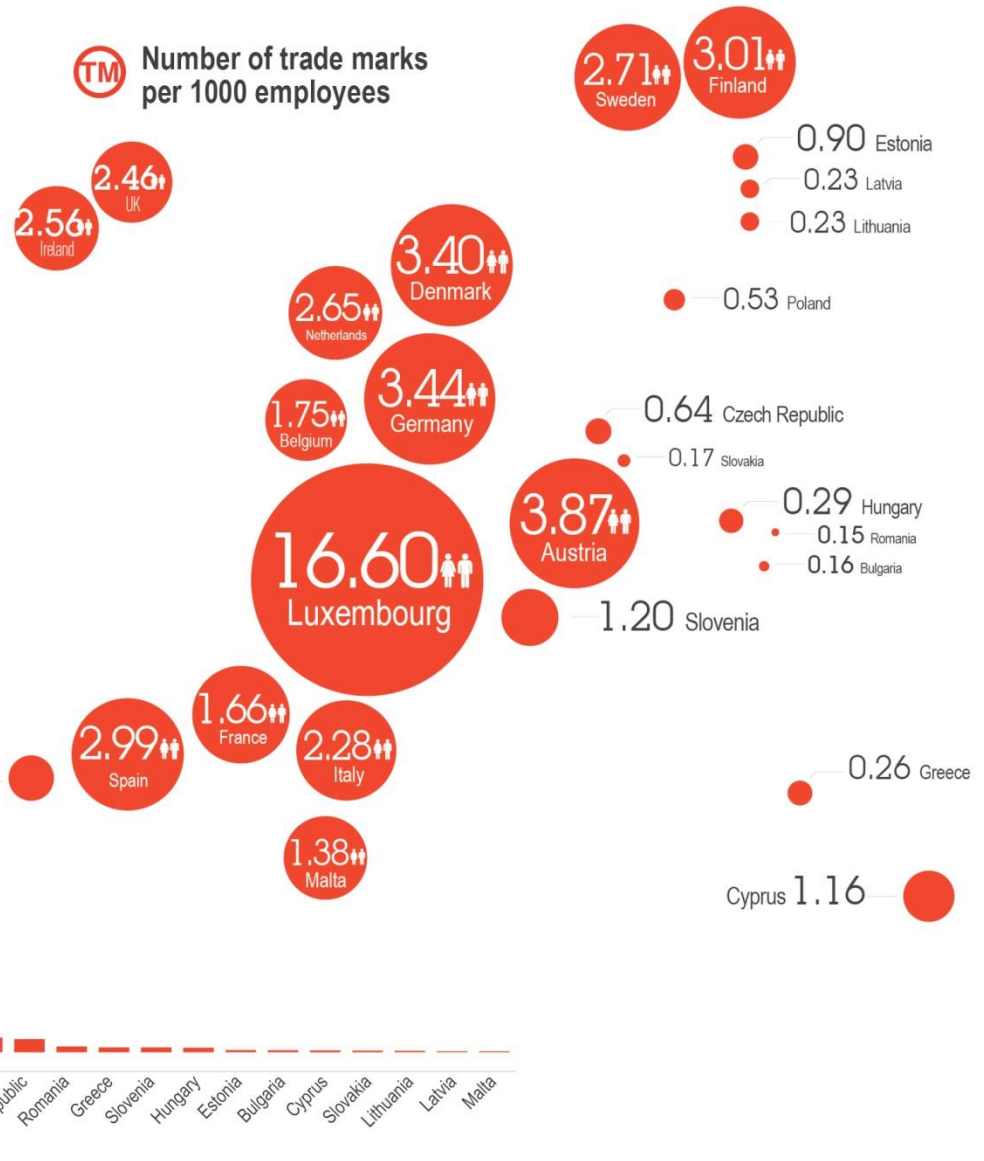
Which EU Member States  
create the **most** trade marks?



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



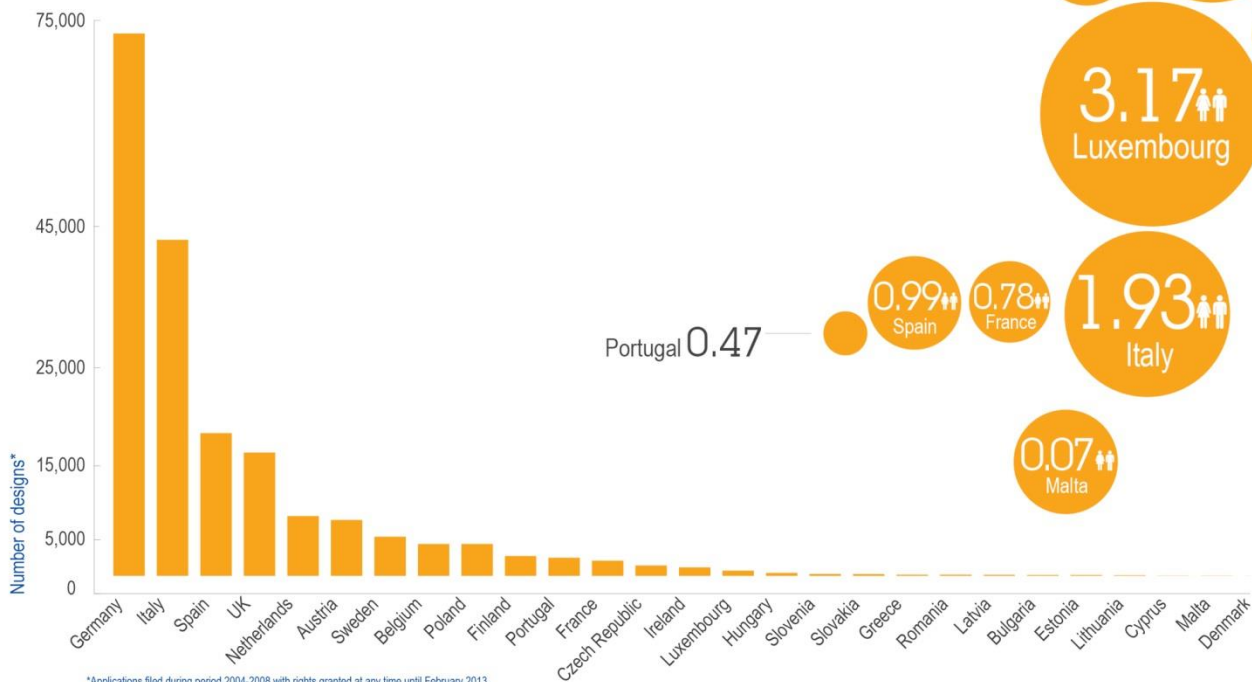
Number of trade marks  
per 1000 employees





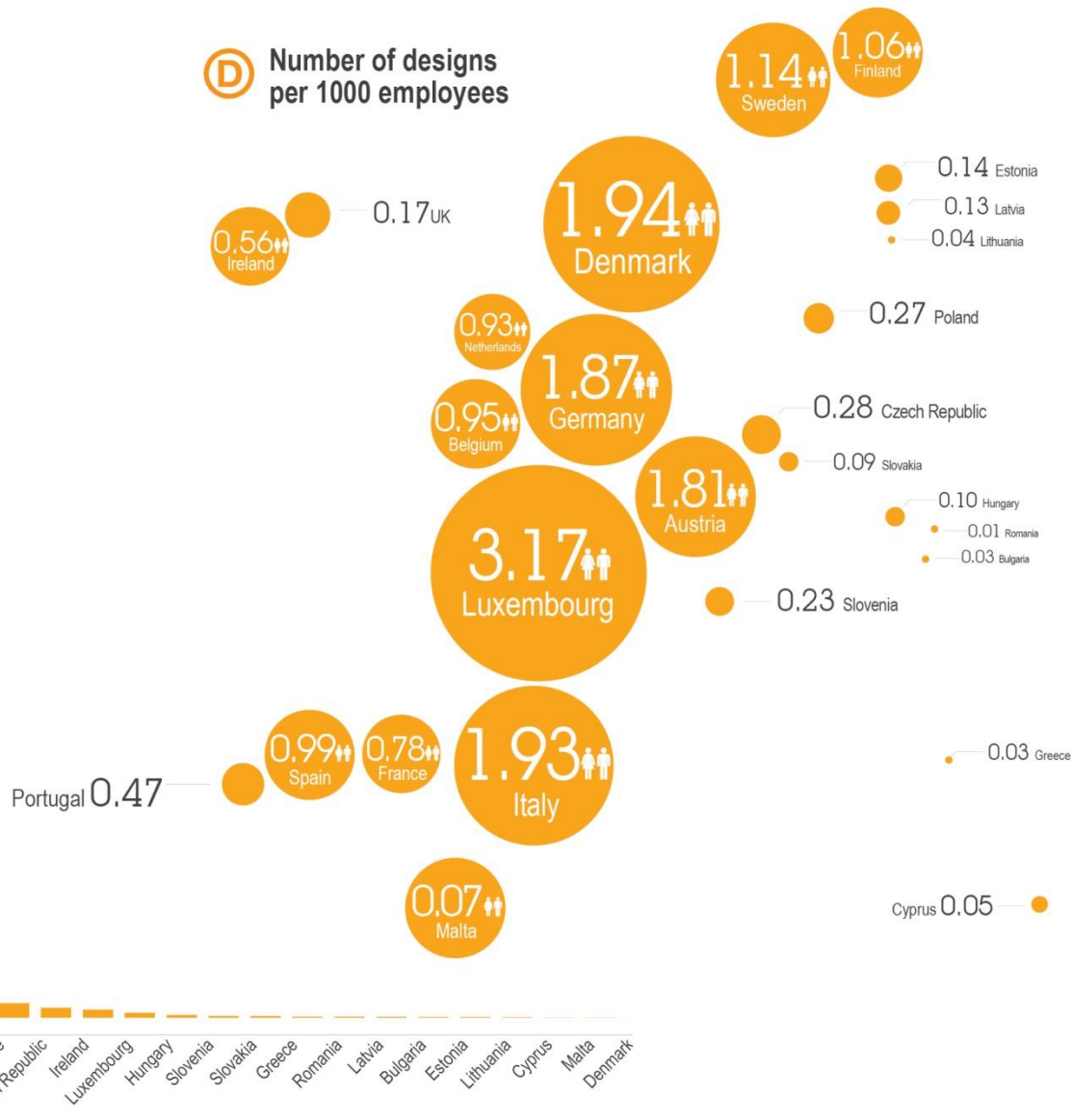
## IPR Origin – Design

Which EU Member States create the most designs?



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

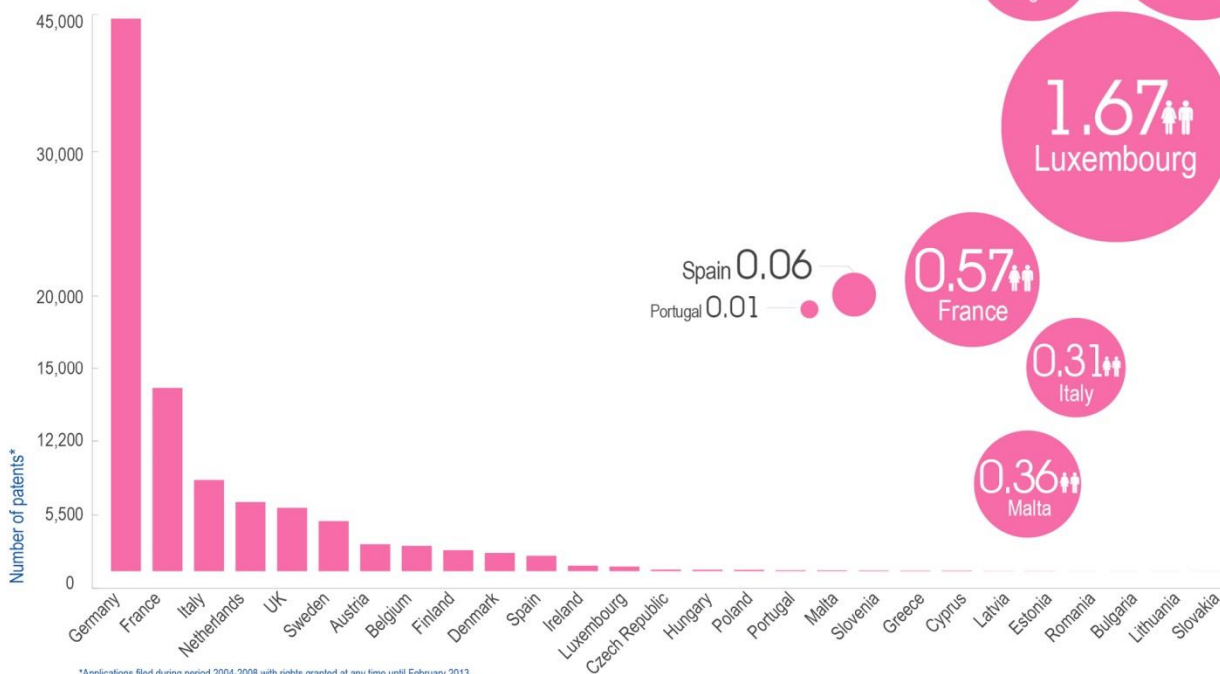
### D Number of designs per 1000 employees





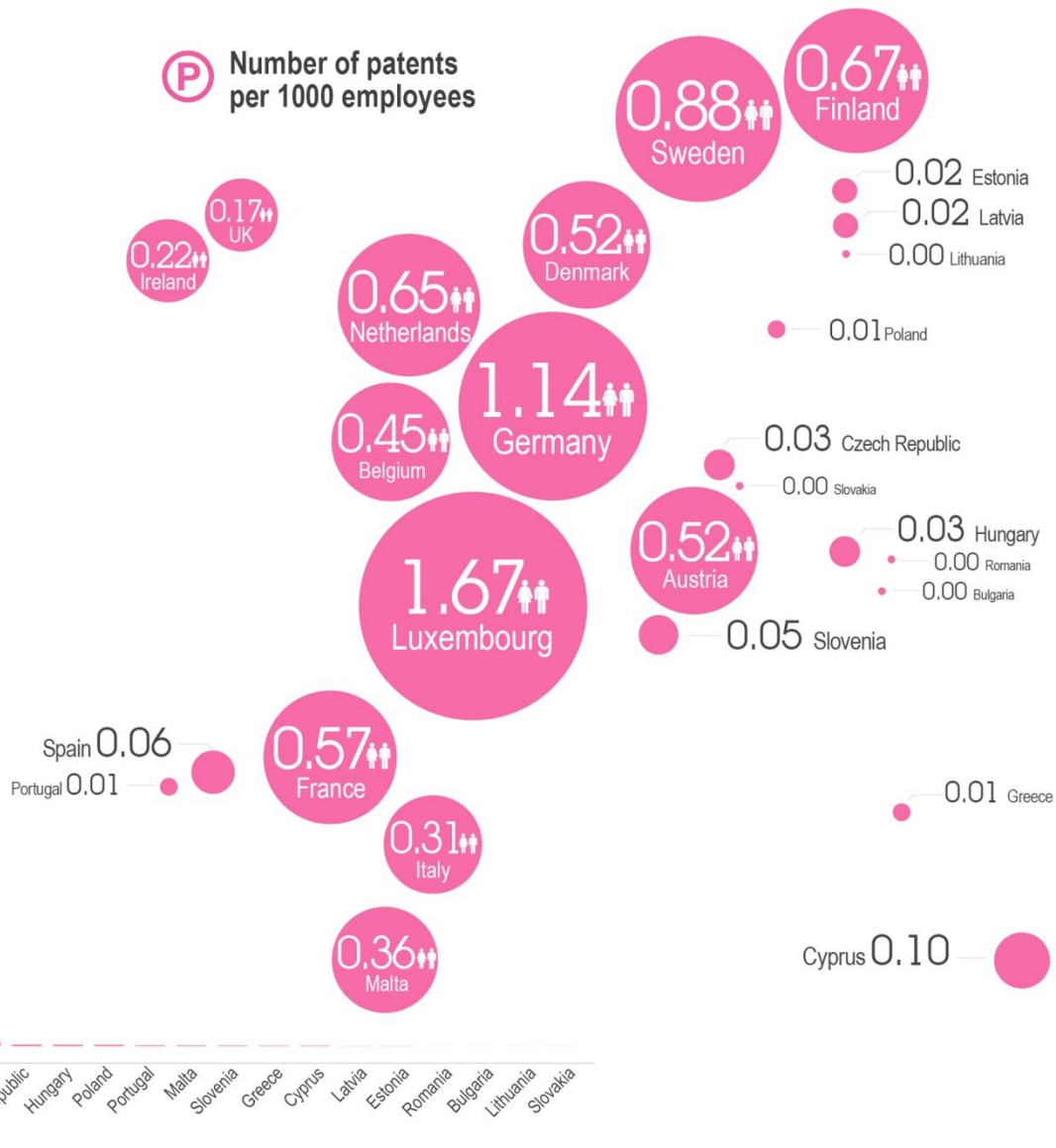
# IPR Origin – Patent

Which EU Member States create the most patents?



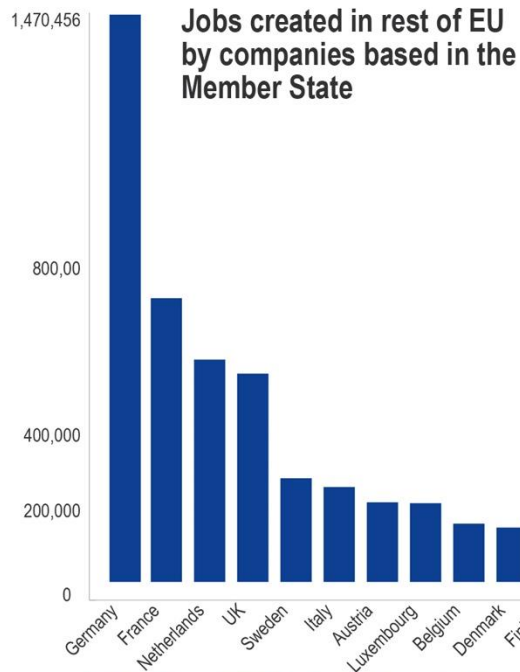
\*Applications filed during period 2004-2008 with rights granted at any time until February 2013.

**(P)** Number of patents per 1000 employees

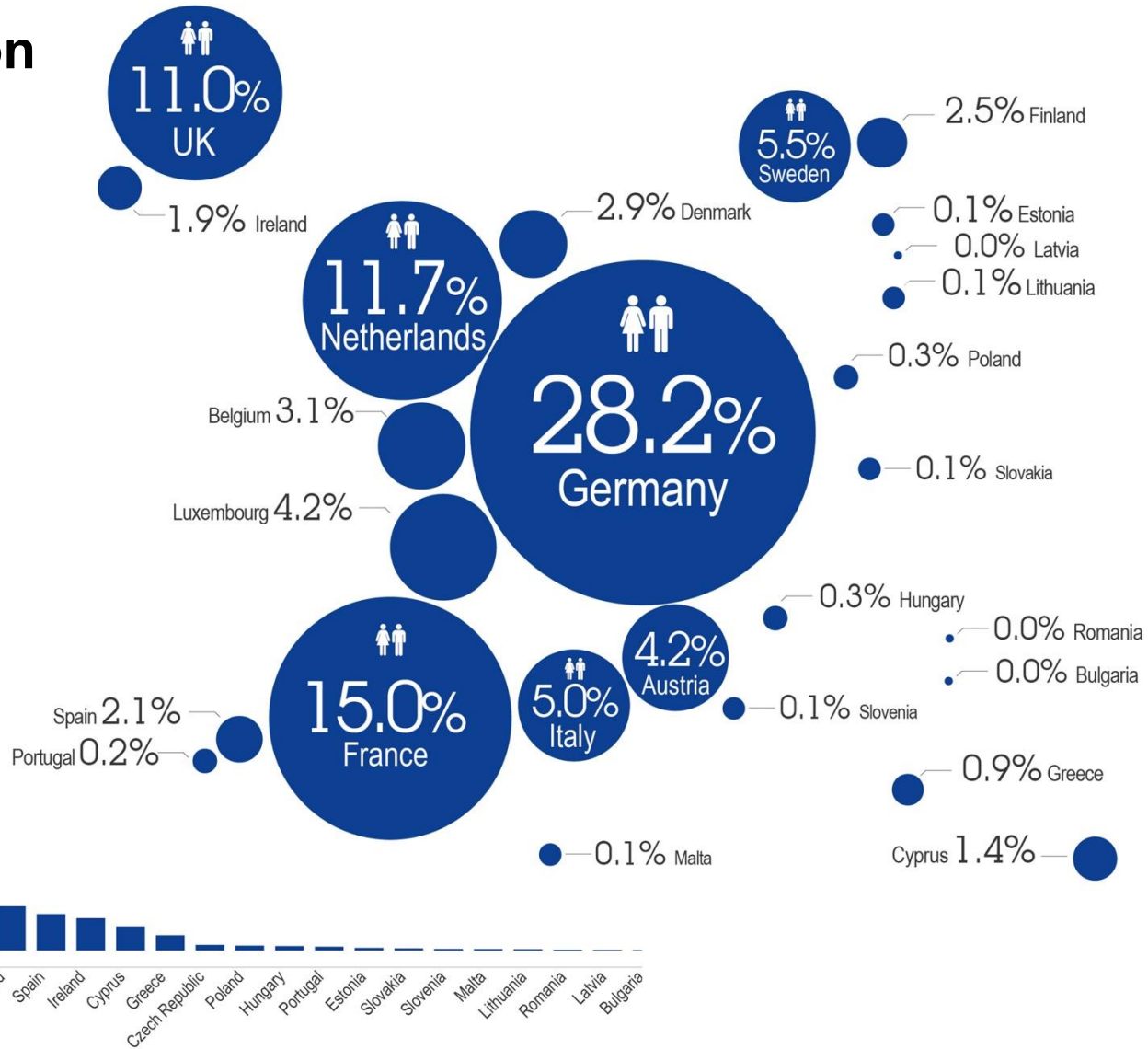




# IPR contribution to job creation



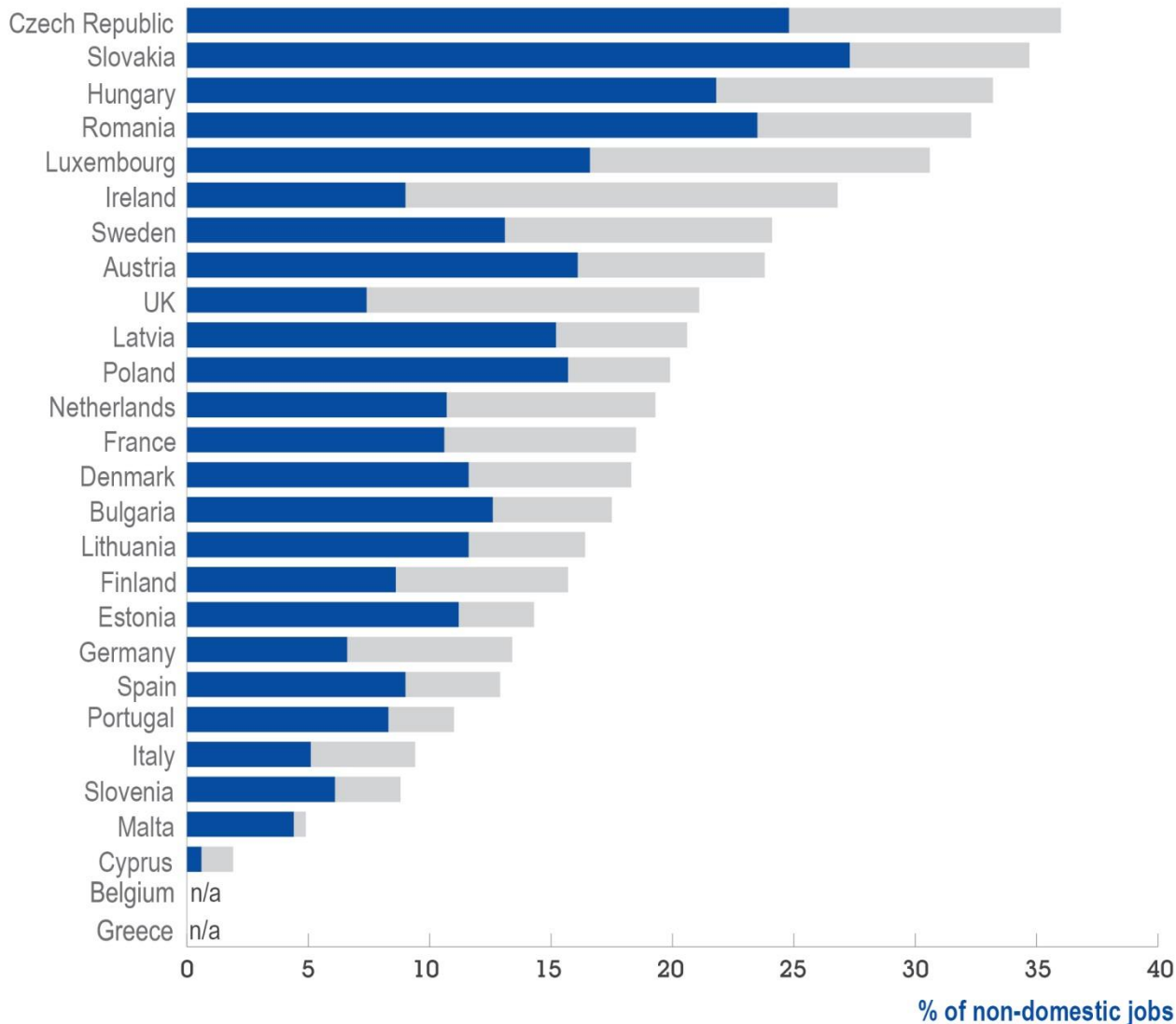
\*Amendations filed during period 2004.2008 with rights granted at any time until February 2013



# 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.



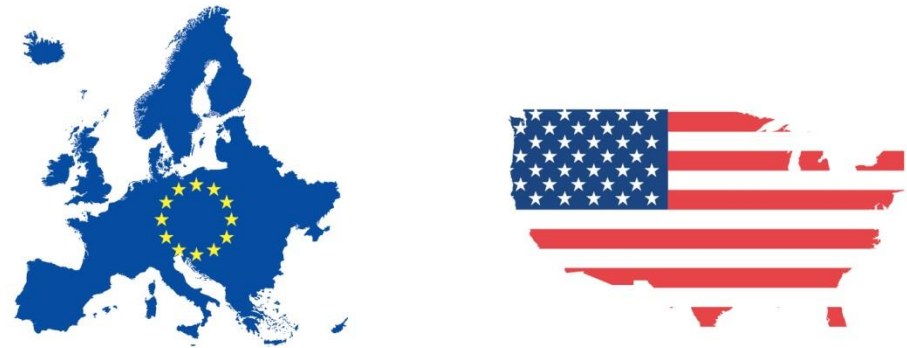
- IPR-intensive jobs created by other EU companies
- IPR-intensive jobs created by non-EU companies

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%



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

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## 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.