



The importance of Intellectual Property awareness and the results of this institutional activity on the Italian territory

ARBO Intellectual Property – Italy

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Patents, trademarks, designs, know-how, domain names, and copyrights constitute a fundamentally important tool for innovative start-ups and SMEs in the pursuit of the company's strategic objectives.

Indeed, the possession of intellectual property titles allows the potential of innovation to be shown to possible investors and stakeholders. The invention thus protected from possible future infringement also ensures the resulting, sometimes substantial, increase in the ability to attract capital and strategic business partners.

However, if large companies are more prepared and organized for the valuation and protection of their assets, SMEs and, above all, start-ups encounter great difficulties.

Very often, in fact, the initial asset situation of low liquidity, an element that characterizes the greatest number of start-ups in their first years of life, induces entrepreneurs to neglect aspects related to intellectual property, considering it solely a cost that is initially difficult to sustain.

However, the innovative idea is what drives start-uppers and entrepreneurs to incur the large investments required to be able to realize it, and only an adequate strategy to protect it will enable firms to maintain the competitive advantage gained through innovation thus attracting more investment; indeed, there could be no innovation without adequate intellectual property protection.

It is important to understand that the economic performance of firms with intellectual property rights is significantly higher than that of firms without protected ideas.

In fact, analysis of data made available by the EUIPO and the EPO shows that firms that hold intellectual property rights are able to achieve 20 percent higher turnover than firms that do not hold them and pay higher average wages (about 19 percent) than those paid by firms that do not hold them. Higher values are associated with firms that hold a combination of trademark, design and those that hold a combination of patent, trademark and design.

The positive relationship between ownership of Intellectual Property rights and economic performance is particularly evident in the case of SMEs. However, and this is the telling fact,



before the crisis period due to Covid-19 less than 9 percent of the SMEs covered by the surveys held at least one of the three intellectual property rights seen above.

The reasons for the limited use, as reported by EUIPO and EPO representatives, are to be found mainly in the lack of adequate knowledge of intellectual property rights and the fact that registration procedures are perceived as overly complex and expensive.

In this context, therefore, raising the awareness of European and national institutions toward industrial and intellectual property issues assumes fundamental importance.

In recent years, the Italian “Ministry of Enterprise and Made in Italy”, which is particularly careful to the emerging needs of businesses, has been committed with excellent results to supporting the ecosystem of startups and innovative SMEs through the structuring of a holistic plan dedicated to them by granting grants and other facilities aimed, precisely, at encouraging the protection of intellectual property.

In this way, it not only ensured continuity of public support policies toward this type of enterprises, but also made them a target audience by introducing new facilitation measures to support their resilience and revitalization in response to the Covid-19 crisis. This is in the awareness, precisely, that small and young enterprises animated and motivated by a great entrepreneurial culture and high technological content, such as innovative startups, can contribute significantly to the country's innovation process, launching new ideas, devoting themselves to research and development and creating, as a result, new entrepreneurial and employment opportunities.

The results of the innovation protection activities put in place by the Italian ministry are remarkable and entirely positive.

In Italy the number of innovative start-ups has grown by 15 percent compared to the pre-covid period reaching a total of about 12.000 start-ups in the Italian territory; on the other hand, as far as innovative SMEs are concerned, these have grown reaching a ceiling of about 1.500.

The aggregate value produced by the companies, as a result of ministerial interventions, grew by 72.5 percent reaching a ceiling of about 1.5 billion euros in total; on the other hand, from the employment point of view, there were about 34,000 employees.

The data illustrated allow us to state that the innovative policies adopted by the Italian state have been able to significantly enhance the national productive fabric, making the country highly competitive also from the international point of view.



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