



Intellectual property and access to finance, opportunity or threat

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In a world that has become greatly accelerated, and in light of an interconnected global economy that has made the world a small village, everyone is affected in an interconnected way. Intellectual property rights have become of great interest by several agencies, whether governmental institutions or civil society organizations as well as private sector that find an opportunity to make big profits.

If we want to understand intellectual property more deeply, we can divide this title into two main parts: copyright and industrial property. Copyright is the protection that is the result of intellectual creativity related to the fields of literature, art, computer programs, websites, electronic games, and original databases. On the other hand, industrial property protects intellectual creativity in the fields of industry (such as patents and industrial designs) and commerce (such as trademarks).

In Jordan, which is one of the member states of the Paris Convention for the Protection of Intellectual Property since 1972, intellectual property has been among the topics that received care and attention by official authorities since the

establishment of the Hashemite Kingdom of Jordan in 1921. The kingdom continues to apply the Ottoman copyright protection law which was issued in 1910 until 1992, when the Copyright Law of 1992 and its amendments were issued, and the last of which was in 2014 which came in line with international agreements such as the Berne Convention 1886, the Rome Convention 1961, Paris 1971, the Paris Convention TRIPS 1994, WIPO Treaty 1996 and the European Union Convention on Cybercrime.

In addition, research was conducted on the availability of financial support tools for individuals who possess creativity in a certain field, and the extent to which they are convinced of the need to officially register this creativity, protect it in the future, and sell it or turn it into a running business.

After contacting a number of IP owners, it was found that many of them were reluctant to register these ideas for several reasons, including their unwillingness to pay additional costs in light of the lack of sufficient liquidity to convert these ideas into projects, the mechanisms in place to protect these ideas, and the fear of their leakage.

During this research process, a number of financing institutions was contacted, in order to inquire about the availability of financing programs that serve this category and encourage them to convert these ideas and innovations into rights owned by them, it was found that 30% of these institutions provide financial support for property registration. Intellectual property, however, does not provide any further support for such projects. In other words, these institutions and programs encourage individuals to preserve their intellectual rights, but they do not help implement them into projects on the ground. We also found that 20% of these institutions give priority to funding requests submitted by people with intellectual property rights. However, the most important result we found during this research that the financial institutions concentrate on providing support for the owners of ideas related to the subject of information technology (High Tech startups), with rather strict mechanisms in dealing with this type of projects.

Banks are considered among the financial institutions that do not have any programs for this category for several reasons; including the need for specialized technical bodies to assist and provide technical advice, the inability of conducting

financial valuation for these projects, and the absence of financial guarantees. The high risks in these projects makes it one of the reasons that lead to the reluctance of banks to finance or offer financing programs for such projects.

Accordingly, the research concludes that there should be programs and funding agencies specialized in supporting creative ideas and encourage their owners to convert these ideas into intellectual property rights, and to try to sell or convert these rights into productive projects that benefit them and the society in general. Since there is an opportunity to transform these rights into projects on the ground, they may move in the future from the start-up stage to the stage of mature projects that can benefit from bank financing programs directly.

At the end of this article, we suggest that banks pay attention to the investment opportunity in this field and open up to the idea of participating in the work and design of financing programs, whether through bank windows directly supervised by banks, or through joint programs established between banks and venture capital funds for example, or any third party; in order to enable these projects to have an opportunity to turn into productive projects and sources of income for their owners.

* Ministry of Trade And Industry:

<http://ippd.mit.gov.jo/EchoBusV3.0/SystemAssets/%D8%A7%D8%B5%D8%AF%D8%A7%D8%B1%D8%A7%D8%AA%20%D8%A7%D9%84%D8%AF%D8%A7%D8%A6%D8%B1%D8%A9/%D8%A7%D9%84%D8%AA%D8%B9%D8%A8%D9%8A%D8%B1%20%D8%A7%D9%84%D8%A7%D8%A8%D8%AF%D8%A7%D8%B9%D9%8A%202015.pdf>

* World Intellectual Property Organization (WIPO); China National Intellectual Property Administration (CNIPA):

<https://www.wipo.int/publications/ar/details.jsp?id=4410&plang=FR>

* Intellectual property and access to finance for high growth SMEs - Discussion paper European commission; European Union

This article is issued as an output of the “Intellectual Properties Capacities for Smart, Sustainable and Inclusive Growth in the Mediterranean Region” Project (IPMED) which aims to contribute in enhancing the possibilities of innovation and building ideas and mechanisms of intellectual property rights for start-ups, small and micro enterprises, entrepreneurial projects, and young entrepreneurs by increasing their awareness of the principles of intellectual property rights, through a total of 1.194 million euros funded by the Cross-Border Cooperation Programme for the Mediterranean Basin within the European Neighbourhood Instrument (ENI CBCMED).

“This publication has been produced with the financial assistance of the European Union under the ENI CBC Mediterranean Sea Basin Programme. The contents of this document are the sole responsibility of (JEDCO) and can under no circumstances be regarded as reflecting the position of the European Union or the Programme management structures”