IPR as a Business Tool:

Maximizing Value Retention at source
International Trade Centre

- **100%** Trade-Related Technical Assistance
- **Reducing poverty** through trade development
- **Sustainable SME export success** in developing and transition countries
5 Strategic Objectives

- Build awareness and improve the availability and use of trade intelligence
- Strengthen TSIs
- Enhance policies for the benefit of exporting enterprises
- Build the export capacity of enterprises to respond to market opportunities
- Mainstream inclusiveness and sustainability into trade promotion and export development policies
Enabling small business export success…

- Making SMEs export-ready,
- Creating a favorable environment to trade development:

… Necessary, but not Sufficient…
Trade development that creates sustainable and superior Value…

- Differentiate to:
  - Create Value
  - Retain Value
  - Enhance/Maximize Value at source in country
The reality check…
On average less than 10% of the value created is retained in country

Typically >65% goes to the processing and distribution stages in destination markets
Example: Tanzanian Spices

Distribution of Gross Margin
(for one kilo of each of 10 different spices)

- Foreign Importer/Wholesaler: 40%
- Foreign Retailer: 2.8%
- Tanzanian Exporter: 1.5%
- Tanzanian Farmer: 55.8%
Value is **CREATED**, but not **CAPTURED**!
Protection versus Confusion…

Protecting IPR is key…
Confusion...
Competition Issues

Labeling issues
So, how does ITC “connect” IPR to the Business Agenda?
ITC/WIPO umbrella Partnership Agreement

- Differentiating and increasing the value of exports through better Marketing and Branding is key
  …yet alone not sufficient!
- Protecting and Managing Intellectual Property Rights is key
  …yet alone not sufficient!

1+1=3 Synergies for Export Success
Trade for Sustainable Development
T4SD
What is T4SD?

A **partnership-based** effort to provide **access to comprehensive information** on **voluntary standards** & increase opportunities for sustainable production and trade.

Who are our partners?

... as well as **+100 participating standards organizations**
The T4SD Standards Database

Industry codes of conduct

Retail and companies

Agri-forestry product certification

Other standard systems

Standards database

How to use, analyse and compare…
IPR and export performance
Examples of ITC initiatives linking IPR and Business
“Secrets of Intellectual Property”: An ITC/WIPO guide for exporting SMEs

• IP in simple & clear language for SMEs (patents, trademarks, trade secrets, industrial property …)

• Highlights importance of IP across the export process: export planning, market entry, participation in trade fairs, licensing

• Customized at country level
Technical assistance in legal aspects of intellectual property

• “Negotiating technology licensing agreements”
  - Guide (published with WTO) and practical training for SMEs on how to purchase, sell or licence-out inventions and know-how.
  - Training in Asia, GCC countries and Africa

• Supporting African Publishing Companies (South Africa and Sénégal)
  - Trend in the book publishing industry (especially school books & DVDs), to achieve scale through international co-publishing agreements.
  - With the African Publishing and printing Industry, ITC provides eight main contractual models and training for publishers, distributors, printers in their international activities.
Examples of Field implementation: Creative Industries
Marketing Crafts, Visual Arts and Music - the Role of Intellectual Property

- IP and the business cycle
- WIPO-ITC Practical guide
- WIPO-ITC Interventions in Africa (Senegal and Mozambique) and Latin America (Bolivia, Caribbean, Colombia, Cuba, Peru)
Introduction: IP and Business Cycle

• **THINK ABOUT INTELLECTUAL PROPERTY BEFORE YOU DO A BUSINESS AND MARKETING STRATEGY!**

• **Awareness creation** on commercial relevance of IP is crucial for Creative Industries
  - Protection
  - Commercialization

• **Creative Industries** sectors are important for sustainable economic development and poverty reduction in developing countries. **Creative businesses** need **IP education and support.**

• Joint **ITC/WIPO publications and workshops** to integrate IP throughout the Business Development and Marketing Cycle
A practical guide: Marketing Crafts and Visual Arts: The Role of Intellectual Property (ITC-WIPO)

• “Why, where, when and how” artisans and artists in developing countries should use IP to market their creations and increase their income

• Target group:
  ➢ Artisans and artists who do not know how to protect themselves from imitators and unfair competition or theft of their creative ideas
  ➢ Support Organizations, Government, Trainers, NGOs and Consultants involved with business development of creative industries
A practical guide: Marketing Crafts and Visual Arts: The Role of Intellectual Property (ITC-WIPO)

Relevance of IP issues through the different stages of the business cycle:

- identifying the IP of the creative output
- types of IP/protective measures best suited to particular needs and business
- understanding its commercial value (cost & benefit) to register, license or dispose it to non-competing buyers
- how to access IP information and locate relevant IP offices

available in English, French, Spanish, Portuguese, Arab, Chinese, Russian

Sénégal
Visual arts and crafts: Senegal

"Export Development and Promotion of Artisanal Products" within the UEMOA

IP COMPONENT (jointly with WIPO):

• "Contemporary African Art and the International Market" at DAK'ART
• Target group: artists, legal advisers, press, art-related officials from national ministries and international organizations, art managers and promoters.

- Art as a saleable "product" of value
- Cultural, social and economic returns for developing countries from the recognition of their artists on the international art-market scene
- Role of IP in marketing visual arts
- Contracts for handing over IP rights and authorizing representation by an agent
- Case studies of successful art marketing (two photographers, Alioune Bâ, Mali and Samuel Fosso, Central African Republic)
Cuba
Visual arts and crafts: Cuba

"Supply potential & export promotion of Cuban crafts and visual arts"

IP COMPONENT (jointly with WIPO):

•  “Marketing and legal protection of craft items” workshop at Havana International Craft Fair (FIART), gathering 160 participants from 16 countries in Latin America and the Caribbean

•  “Market development, export challenges and IP protection for visual arts and crafts” workshop at FIART and Havana Biennial

•  Round tables (with UNESCO)
Mozambique
Crafts and Music: Mozambique

Joint Programme on Creative Industries - Strengthening cultural & creative industries and inclusive policies

(UNESCO, ITC, ILO, FAO, UNHCR, UNFPA)

- Value chain analysis
- Cultural tourism tours
- Product and market development
- Management support for national craft fair organizers
- Legal barriers & contract guides
Crafts and Music: Mozambique

How to make a living out of music, by British music producer and agent David Stopps

- Highlightening the role of IP also for musicians and their support organizations (SOMAS)
- How musicians and authors can generate income from their talent using internet tools to promote their music worldwide
- Best ways to achieve fair arrangements for the exploitation of their songwriting and performance
- Importance of good management, playing live, sponsorship and branding
- Use of Copyright and Licences for authors and related rights for performers and Trademarks in relation to an artist’s name
- Basic guidelines on how to sell Mozambique music to the world via publishing agreements, recording agreements, the artist website, aggregators and music in film, TV, and advertising
Crafts and Music: Mozambique

Marketing crafts and visual arts: role of IP for small and informal artisans and their support organizations

- Business and export marketing management to enhance business success and provide income opportunities
- Why, which, what, where, when, whether and how consideration needs to be given to the effective management of IP assets by using IP tools for successful marketing of crafts and visual art
- Which IP issues are relevant for the sector, why they should consider protecting their creative output with IP rights, which type of IP rights and protective measures are best suited to their particular needs and business
Latin America
CARIFORUM CREATIVE INDUSTRIES

Promoting the Caribbean creative sector as a viable contributor to export diversification and growth

- TSI capacity building
- Creative industries data collection for national statistical offices
- Awareness raising of Caribbean’s creative industries

WIPO STUDY for TRINIDAD and TOBAGO

Contribution of Copyright and Related Rights-Based Industries to GDP, Employment and Trade in Trinidad and Tobago
WIPO-ITC Assessment: Bolivia, Colombia, Peru

- Effective use of legal measures to protect crafts (copyright, industrial design, trademarks, geographical indications)

- Identification of other non-legal measures of IP protection (determination of origin, handmade, replica, quality and/or authenticity certification, register of artisans, etc.)
Conclusion
IPR and Business

ITC’s mandate: Export impact for Good

Help developing countries grow their exports in a sustainable way, whilst:

• Creating Value
• Adding/Enhancing Value
• Protecting Value.

Linking IPR and Business is KEY to achieve these goals.
From here we will respond to you…

www.intracen.org