

INTELLECTUAL PROPERTY (IP) SUPPORT FOR SMALL AND MEDIUM SIZED ENTERPRISES (SMES)

Needs Assessment Questionnaire – A Brief Presentation of the Findings and Recommendations

**Prepared by the Small and Medium-Sized Enterprises (SMEs Division) of
the World Intellectual Property Organization**

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Executive Summary

Context

In most countries, the Small and Medium-sized Enterprises (SMEs) represent over 90% of enterprises, worldwide. SMEs are often the driving force behind a large number of innovations and contribute to the growth of the national economy through employment creation, productive investments and value-added exports. Various *ad hoc* surveys and studies indicate that, despite the importance of SMEs for the vitality of the economy and the potential offered by the IP system for enhancing the competitiveness of SMEs, most of the SMEs (both in developed and developing countries) do not use or do not get the best out of their use of the IP system. As a result, over the years, an increasing number of national IP offices have initiated or improved their outreach and support services for the potential users of the IP system, including entrepreneurs and SMEs. It was considered opportune to collect and collate information from the national IP offices in this regard in a systematic manner so that the World Intellectual Property Organization (WIPO) would be able to harness its limited resources for supporting the SMEs worldwide in the best possible way and get the best results in better serving the IP Offices in their IPR activities for entrepreneurs and SMEs. In this regard, a detailed “needs assessment questionnaire” was sent in April 2008 to all the national IP offices, worldwide. Amongst other things, the questionnaire has sought to catalogue the IP awareness and capacity building services offered by national IP Offices to entrepreneurs and SMEs. This has been done with a view to assess the gaps and identify the needs to initiate and/or enhance the quality of information and support services on IP for entrepreneurs and SMEs. This information and analysis could form the basis of project-oriented support from WIPO and other partners/donors.

Methodological Approach

The questionnaire was structured as follows:

General information section, which seeks information about the primary contact on IP for SMEs, the staff strength devoted to activities on IP for SMEs, and the annual budget for such activities.

Services section, which seeks information about the IP awareness or capacity building services offered by the IP office and the actual and targeted recipients. This section is divided into three categories: registration services; information services; and training programs and other services.

Marketing section, which has question relating to barriers to providing IPR awareness and capacity building services, the mode of providing these services, and the marketing strategies employed.

Section on SMEs support institutions, which seeks information about the names and contact details of the relevant SMEs support institutions.

Section on publications/products of the SMEs Division of WIPO, which provides an overview of the different publications of the Division and seeks information about their

utilization by the national IP offices as such or after their translation/adaptation to the national context.

Section on types of WIPO Assistance on IP for SMEs. This section targets the technical and financial assistance requested by the national IP offices.

The questionnaire was sent to all the 184 WIPO members' States. It was sent electronically to the IP offices of 145 member States and to 171 Permanent Missions of the member States in Geneva and by mail to the IP offices of the remaining 39 member States. Respondents were able to choose whether to complete the survey in English, French or Spanish.

Awareness and Capacity Building Activities on IP for SMEs

IP awareness and capacity building activities for the benefit of SMEs are done in an ad hoc and reactive mode, instead of being driven by a proactive overall strategy

The vast majority of the respondents does undertake activities or participates in activities on IP for SMEs; this is mostly done in a reactive manner and not as a part of an overall strategic objective. Most of them have not analyzed the scope or nature of the problem; most of them do not have a well articulated marketing objectives or strategies for their SME related activities. Most of the respondents do not maintain or have access to a contact database of SMEs or SMEs support institutions in their respective countries. Moreover, most of them have not allocated a specific budget or full-time human resources for their SME support (outreach and capacity building) activities. A significant number of the respondents have collaborated with SMEs support institutions in their respective countries but not necessarily in a proactive manner. Most of the respondents don't have a clear or granular understanding of the IP related needs or concerns of the diverse sets of SMEs as most of them haven't done any systematic survey/study for assessing (a) the IP needs and concerns of any category of SMEs or (b) the cost-effectiveness or impact of the IP awareness and capacity building services provided by the respondent to SMEs. In general, the IP awareness and capacity building services are being provided directly by the staff of the IP Offices who have received no formal training in the business strategy aspects of IP asset management or, for that matter, in how to communicate effectively while making oral presentations or preparing PPTs. The vast majority of IP Offices have not used the "training the trainers" approach to exploit the opportunity of using independent partners, such as SMEs support/training institutions and universities, for providing these services on a more sustainable and cost-effective basis.

Awareness raising or marketing materials

About half of the respondents have developed some kind of awareness-raising or marketing materials but the majority of them, especially in Africa, have no website, audiovisual/multimedia material or newsletter. The survey also revealed that the majority of IP Offices do not collect success stories on the effective use of IP by SMEs in their countries. Most of the respondents are either not aware or have not used the materials/publications made available by WIPO, including the success stories and case studies, which are accessible through the website of the WIPO's SMEs Division.

Requests for assistance of WIPO

Most of the respondents have requested technical and/or financial assistance of WIPO for strengthening their awareness and/or capacity building activities on IP for business. The requests include assistance for (a) undertaking studies/surveys and the developing a promotional service on IP for SMEs with dedicated marketing materials (translation and adaptation of WIPO SMEs Division's guides, creation of websites, newsletters, etc), (b) strengthening the capacity of their staff for delivering assistance to SMEs, (c) training the trainers (in SME support institutions, that is, in institutions other than the IP office), various targeted activities on IP for SMEs, and (d) for regional seminars to facilitate the exchange of best practices and techniques.

Based on a sum of Sfr 3000 required for the translation and/or adaptation of each of the four basic guides in the IP for Business Series of WIPO, Sfr 6000 for each of the three WIPO/ITC guides, Sfr 240,000 for making a national language version of the 12 modules of the IP PANORAMA™ multimedia self-learning toolkit, Sfr 10,000 for a study/survey of the IP needs of entrepreneurs and SMEs, Sfr 40,000 for organizing a national "training the training" programs, the total cost of a small but meaningful national project over a period of two years [that includes the translation and/or adaptation of the four basic IP for Business Series guides (Sfr 12,000), the translation and/or adaptation of two of three WIPO/ITC guides (Sfr 12,000), translation of the content (not of making the national language version of it) of IP PANORAMA™ multimedia self-learning toolkit (Sfr 25,000) and two training the trainers programs (Sfr 80,000)] would cost about Sfr 130,000 per country. Responding to all of their requests would cost much more.

Key Recommendations

Based on the findings presented above, the following recommendations are derived:

Better assess the IP related needs of SMEs in the countries

Develop a methodology for conducting national IP surveys/studies to better assess the needs of SMEs

Strengthen the capacity of IP Offices to deliver assistance to SMEs

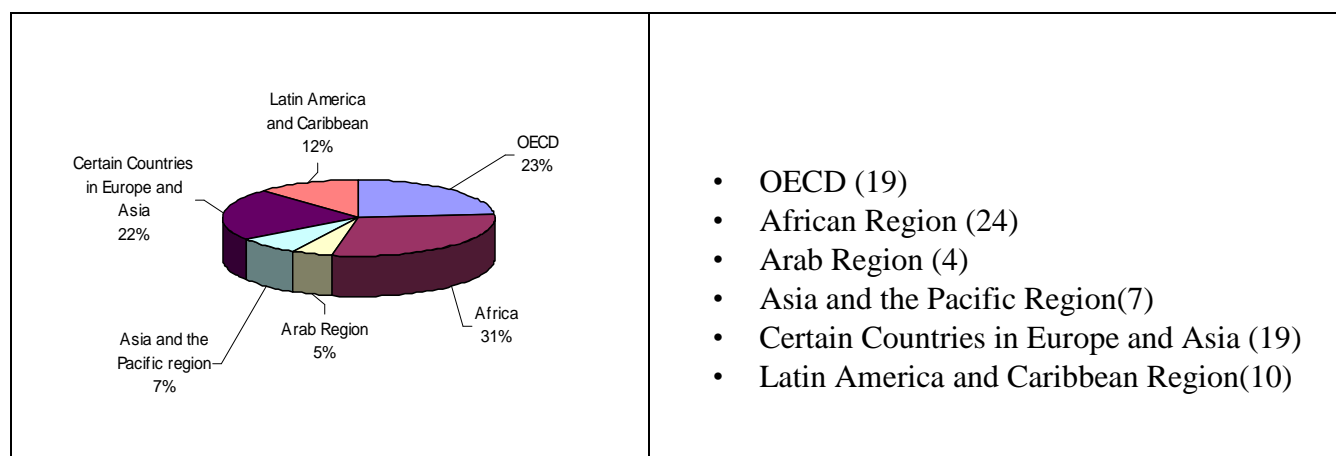
Provide assistance to national and regional IP Offices for developing a marketing plan and materials to form the basis of their IP awareness and capacity building activities for SMEs. Encourage the translation and the adaptation of the WIPO's SME IP for Business guides and the IP PANORAMA™ multimedia self-learning toolkit, increase the number of SME Division website's links to IP Offices' websites; develop a methodology to help IP Offices to collect success stories, and case studies on the effective use of IP by SMEs in their countries.

Capacity building activities

Develop project-based tailor made training programs and activities in the countries and foster the collaboration between IP Offices and SMEs support institutions.

Summary of Key Findings

As of November 13, 83 national IP offices (see annex), have responded to the questionnaire. Their region wise representation is as follows:



General Information

Primary contact(s) for WIPO in general and for the SMEs Division of WIPO in particular

67 % of the respondents have a different contact for WIPO SMEs Division from that for WIPO in general.

Total staff strength of IP offices

57 % of the respondents have total staff strength of less than 100 persons and only 6% have over 1000 persons.

Full time equivalent staff dedicated to providing IP services

46% of the respondents have declared that they have between 75% and 100% of their staff that is full time equivalent dedicated staff for their IP awareness and capacity building activities; this obviously includes the staff deployed for IP registration/grant services. On follow up, it became clear that the question was unclear to most IP offices; hence the misleading replies.

Annual Budget of the IP Offices and Allocated Budget for IP awareness or capacity building services

46% of the respondents did not reply to this question. Regarding the allocated budget for IP awareness or capacity building services, 30% of the IP Offices which replied, allocates less than 25% of their budget to IP awareness or capacity building services. 15% of them allocated between 25% and 49% of their budget to IP awareness and capacity building activities and only 6% allocate more than 50% of their budget for such activities. This aspect needs further scrutiny as the allocation of financial and human resources does not seem to match with the actual IP awareness or capacity building services of the IP offices.

Services

88% of the respondents provide IP awareness and capacity building services. For 82% of the respondents such services are part of their regular plan of activities. All the respondents from Asia and the Pacific region provide awareness and capacity building services and have included these services in their annual work plans.

The top target beneficiaries of the services offered are **small enterprises**. Large enterprises are mostly targeted in Europe and Asia and the Pacific region. In general, the **most targeted** sectors are **manufacturing, innovative and agribusiness enterprises**.

- In **Europe**, innovative and manufacturing enterprises are the most targeted sectors.
- In the **African region**, manufacturing, artisanal, women-owned enterprises and enterprises in the agribusiness sector are the most targeted enterprises.
- In the **Arab region**, the most targeted are ICT Enterprises.

Inventors, entrepreneurs, customs, police and chambers of commerce are the top five recipients of assistance. Banks, financial institutions, venture capitalists and business angels are not the target beneficiaries of the IP Offices which have replied.

The top services offered by the respondents are **guidance on procedures for registration of Patents, Trademarks, and Industrial Designs**, patent and trademark information services and general training awareness creation programs on IP for SMEs, training programs for police, customs and judiciary.

In terms of incentives, only 24% of the respondents offer a discount for domestic patent applications for SMEs and 9% of the respondents offered discount for domestic trademarks applications for SMEs; this includes two countries in Africa, two countries in Europe, two countries in Asia and Pacific and one country in Latin America. General awareness programs on counterfeiting and piracy and on the role of IP in business strategy are the other services offered by IP offices.

Lack of financial resources, inadequate capacity and time of the staff for providing awareness and capacity building services are the main barriers identified by the respondents for not being able to deliver IP awareness and capacity building services to entrepreneurs and SMEs.

In general, IP awareness and capacity building services are provided directly by the staff of the responding offices to beneficiaries. However, 21% (Europe), 33% (Asia and the Pacific), 20% (Latin America), 33% (Arab region) of the responding IP offices partner with independent partners, such as SMEs support institutions, for providing IP awareness and capacity building services.

Only 30% of the respondents maintain a database of contacts of SMEs support institutions. Only 24% of the respondents have done a survey of the IP needs of their users. Those which have done such a survey are mostly in Asia and the Pacific (56%) and Europe (52%). In Asia and the Pacific, 45% of the respondents have done a survey of the IPR needs of SMEs. Only 24% of the respondents in Europe have done such a survey. In Africa, only Gabon has done a survey of the IPR needs of SMEs. None of the respondents in the Arab region, Latin America or in Africa (except for Gabon) have assessed the IPR needs of their users or SMEs.

Only 6% of the IP Offices which have replied have done a study of the impact of the IP awareness and capacity building services for SMEs. This includes three countries in Europe and one in Asia and the Pacific region. In Europe: Netherlands, Norway and Switzerland had commissioned the services of an external party to do a study of the impact of the IP awareness and capacity building services for SMEs. In Asia and the Pacific region, only the Republic of Korea has commissioned an external party to do the study. None of the respondents from Africa, Latin America and the Arab region have done such a survey.

Marketing

Only 22% of the respondents have a formally approved marketing policy, plan and strategy for their IP awareness and capacity building activities. The majority of the respondents estimate that the visibility of their IP awareness and capacity building services is “good” (42%) or is “average” (50%). 52% of the respondents have developed some awareness raising or marketing materials. Europe, where 70% of the European IP offices have replied, accounts for the highest rate of IP Offices which have developed marketing material. It is followed by IP Offices in Asia and the Pacific: 56% of the IP Offices.

Only 24% of the respondents have an official website. Only 20% of these respondents’ websites have a link to WIPO SMEs’ website. 80% of the IP Offices promote their IP services actively. Promotion of the IP services is done mainly through their official websites, events or road shows, newsletters and IP attorneys. 11% of the respondents have created an audiovisual/multimedia material on the role of IP in enhancing the competitiveness of a business and 66% of the respondents would like to create such material. 33% of the respondents publish a newsletter. Europe and Asia and the Pacific region are the two regions, where some 50% of the IP Offices publish a newsletter. Only 20% of the respondents have collected success stories on the effective use of IP by SMEs in their country. However, not all of them have published these on their website or in their newsletter. 49% of the respondents are aware of the over 60 success stories but only 22% of the respondents use them in their outreach and capacity building activities. Regarding the over 100 business oriented articles published by WIPO’s SMEs Division, 49% of the respondents are aware of them but only 28% use them in their outreach activities. 52% of the respondents are aware of WIPO’s outreach guide but only 30% of them use this material in their outreach and capacity building activities.

Support Institutions

75% of the respondents have provided contact details of key governmental or non-governmental organizations or institutions, responsible for assisting SMEs, including micro enterprises, which could be contacted by WIPO to improve their awareness and / or capacity to provide IP awareness and capacity building services to SMEs and 67% do organize activities jointly with them.

WIPO SMEs Publications

The most requested SMEs Division’s publications for which the respondents (82%) have expressed interest in receiving are: “Exchanging Value Negotiating Technology Licensing Agreements: a Training manual” and “Secrets of Intellectual Property: a Guide for Small and Medium Sized Exporters”.

The respondents have expressed interest in translating and/or adapting the four guides in the IP for Business Series; Making a Mark, Looking Good, Inventing the Future and Creative Express as well as the guides produced in collaboration with the International Trade Centre (UNCTAD/WTO), namely: (a) Marketing Crafts and Visual Arts : The Role of Intellectual Property : A Practical Guide, (b) Exchanging Value Negotiating Technology Licensing Agreements: A Training Manual, and (c) Secrets of Intellectual Property: A Guide for Small and Medium sized Exporters. “Creative Expression”, “Exchanging Value Negotiating Technology Licensing Agreements: A Training Manual” and “Secrets of Intellectual Property: a Guide for Small and Medium sized Exporters” are the most requested publications to translate and adapt for which 34% of the respondents have expressed their interest.

80% of the respondents would like to receive the IP PANORAMA™ multimedia tool kit. Of those, around 61% would like to undertake its replication, translation and/or adaptation. 61% of the respondents are interested in making a national language version of IP PANORAMA multimedia tool kit.

80% of the respondents would like to receive the sector specific (textile) WIPO Publication, “A Stitch in Time” and 51% would like to translate and/or adapt it.

49% of the respondents would like WIPO to extend the “IP for Business Series” with the creation of new publications. Suggested topics include: Trade secrets, IP in E-Commerce and Software Development, Exploitation of Patent information, Geographical Indications, IP and franchising, IP and financing, Open Innovation, Valuation of IP Assets.

30% of the respondents have also expressed interest in the creation of other new publications on IP for SMEs in specific industry sectors including organic, herbal, natural products industry, agribusiness, fisheries, software industry, wine industry, banks and financial industry.

Specific services for which WIPO’s assistance would be beneficial.

Patents (54% of the respondents), Trademarks and Geographical Indications (53% of the respondents) are the top three registrations services for which the respondents would appreciate WIPO technical or/and financial assistance.

Patent Information, is the information service for which WIPO technical and financial assistance is the most requested; 61% of those who have requested any type of assistance.

The top five training programs for which WIPO’s technical and financial assistance is requested are: (1) Enforcement of IP rights, including training programs for police, customs or judiciary, (2) Patent Information, (3) General Training on IP for SMEs, and (4) Patent Licensing and (5) Trademark Licensing.

The services, in descending order of importance, for which WIPO’s technical and/or financial assistance are:

- The design and launch of a survey/study on the IPR needs of their users/SMEs;
- The development of a marketing policy, plan or strategy for their IP services for SMEs;
- The building of a promotional service for providing these services to SMEs;
- Launch a website on IP services for SMEs; and
- Create promotional material; translate WIPO’s case studies, articles, etc.

“Creative Expression” (63% of the respondents), “Exchanging Value Negotiating Technology Licensing Agreements: A Training Manual” (61% of the respondents) and “Secrets of Intellectual Property: A Guide for Small and Medium sized Exporters” (60% of the respondents) are the top three publications for which WIPO’s technical and financial assistance have been requested for their translation and the adaptation.

33% of the respondents have requested additional assistance from WIPO for strengthening their awareness and/or capacity building activities on IP for business. This include activities such as regional seminars for IP offices to help facilitate the exchange of best practices and techniques, exchange programs with other IP offices running awareness campaigns and training of staff in identifying the appropriate and most suitable activities on IP for business.

[Annex follows]

Annex: National IP Offices which have replied (as of November 13, 2009)

1. *Antigua and Barbuda*
2. *Armenia*
3. *Australia*
4. *Azerbaijan*
5. *Barbados*
6. *Belarus*
7. *Belgium*
8. *Botswana*
9. *Bulgaria*
10. *Burkina Faso (LDCs)*
11. *Burundi (LDCs)*
12. *China*
13. *Colombia*
14. *Congo*
15. *Côte d'Ivoire*
16. *Cyprus*
17. *Czech Republic*
18. *Denmark*
19. *Dominican Republic*
20. *Ecuador*
21. *Estonia*
22. *Ethiopia*
23. *Finland*
24. *Gabon*
25. *Georgia*
26. *Germany*
27. *Ghana*
28. *Greece*
29. *Guatemala*
30. *Guinea (LDCs)*
31. *Guinea-Bissau (LDCs)*
32. *Iceland*
33. *India*
34. *Jamaica*
35. *Japan*
36. *Jordan*
37. *Kenya*
38. *Korea*
39. *Kyrgyzstan*
40. *Latvia*
41. *Lebanon*
42. *Lesotho (LDCs)*
43. *Liechtenstein*
44. *Lithuania*
45. *Madagascar (LDCs)*
46. *Malawi (LDCs)*
47. *Mali (LDCs)*
48. *Malta*
49. *Mauritius*
50. *Mexico*
51. *Monaco*
52. *Mongolia*
53. *Namibia*
54. *Netherlands*
55. *New Zealand*
56. *Nicaragua*
57. *Niger (LDCs)*
58. *Nigeria*
59. *Norway*
60. *Pakistan*
61. *Peru*
62. *Philippines*
63. *Poland*
64. *Romania*
65. *Russian Federation*
66. *Saint Lucia*
67. *Sao Tome-and-Principe*
68. *Senegal (LDCs)*
69. *Serbia*
70. *Slovakia*
71. *Slovenia*
72. *Sweden*
73. *Switzerland*
74. *Syrian Arab Republic*
75. *Thailand*
76. *The former Yugoslav Republic of Macedonia*
77. *Turkey*
78. *Uganda (LDCs)*
79. *United Kingdom*
80. *Tanzania (LDCs) Zanzibar Office*
81. *Viet Nam*
82. *Yemen (LDCs)*
83. *Zambia (LDCs)*
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