

Unlocking IP-backed Financing Series

Country Perspectives Mexico's journey

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Series

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Disclaimer

The views expressed in this publication are those of the authors and do not necessarily represent those of the World Intellectual Property Organization (WIPO) or the Mexican Industrial Property Institute (IMPI).

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We would also like to thank the officials of the Mexican Industrial Property Institute (IMPI) for their collaboration and support in conducting in-depth interviews with IPR experts, public officials and financial specialists, which made it possible to develop this study.

Abbreviations and acronyms

ABM	Mexican Banking Association (Asociación de Bancos de México)
FASB	Financial Accounting Standards Board
CINIF	Financial Information Standards Council of Mexico (Consejo Mexicano de Normas de Información Financiera)
CNBV	National Banking and Securities Commission (Comisión Nacional Bancaria y de Valores)
IFRS	International Financial Reporting Standards
ILC	Inter-institutional liaison committee
IMEF	Mexican Institute of Finance Executives (Instituto Mexicano de Ejecutivos de Finanzas)
IMPI	Mexican Industrial Property Institute (Instituto Mexicano de Propiedad Industrial)
INDAUTOR	National Copyright Institute (Instituto Nacional del Derecho de Autor)
IP	intellectual Property
IPR	intellectual Property Right
NAFIN	Nacional Financiera, S.N.C, a national development bank
PPA	Pilot start-up program
RUG	Single Registry of Secured Transactions (Registro Único de Garantías Mobiliarias)
USMCA	United States–Mexico–Canada Agreement
TTOs	Technology Transfer Offices
WIPO	World Intellectual Property Organization

Executive summary

In today's global economy, intangible assets play a fundamental role in determining the value of companies and opening up new financing opportunities. However, different regions have achieved varying levels of progress in utilizing intellectual property (IP) for those purposes.

Some countries have developed IP-backed financing ecosystems, with stakeholders implementing support policies and financing schemes.

In Mexico, IP-backed financing is in its infancy. IP is used primarily for its traditional purpose: to protect creations and innovations. This situation results from multiple factors relating to the characteristics and motivations of the various stakeholders in the country's potential IP-backed financing ecosystem. Six fundamental limitations are pinpointed in the study:

1. **Awareness of the advantages and benefits of IP is lacking** among companies, banks and government institutions.
2. **IP management is limited**, in part due to this lack of awareness.
3. **Few IP valuations are conducted in Mexico**, and most of those occur in the context of mergers and acquisitions.
4. **Few IP assets appear in financial accounts**, due to infrequent valuation and assessment of their potential fiscal implications.
5. **The secondary market for IP assets remains small**, due to limited IP commercialization.
6. **Financial institutions are reluctant to accept IP rights as collateral**, due to uncertainty with regard to debt recovery.

It was, however, also found that the regulatory and legal conditions exist, and that valuation firms have the requisite IP expertise, which could serve as a foundation for advancing IP-backed finance in Mexico.

This exploratory study can be seen as an initial step towards the development and implementation of an IP-backed financing ecosystem. The research is based on documentary analysis and 17 in-depth interviews conducted with 21 executives, consultants and public officials with experience in IP protection and management, intangible asset valuation and business financing. Participants represented public institutions, development and commercial banks, business associations, IP consulting and management firms, research organizations, and brokerage and valuation firms. This approach provides a practical perspective on the conditions, incentives and constraints that shape the potential use of IP in financing in Mexico.

Intangible assets represent a significant share of corporate value globally, and Mexican companies own commercially valuable brands and other IP assets that contribute to growth and competitiveness. For many innovative firms, particularly small and medium-sized enterprises (SMEs), a substantial part of enterprise value may lie in inventions, creations, brands and other intangible assets rather than in physical property.

Interviews highlighted that such assets could play a greater role in obtaining access to finance and thereby support financing and business growth. At present, however, financial institutions rely primarily on traditional forms of collateral. Increased use of IP in financing would require greater confidence in valuation, commercialization and recoverability, and a higher degree of expertise among IP owners, valuers and financial institutions.

Among the different types of IP considered, trademarks appear particularly relevant in the Mexican context because their value can be linked to market presence, consumer recognition and revenue generation. However, the existence of a registered right alone is not sufficient to support financing: its commercial strength, capacity to generate income and the existence of a market in which it could be transferred or commercialized remain important considerations for lenders. More frequent valuation could also improve the visibility of IP assets in financial accounts and provide lenders with better information for financing decisions.

Institutional coordination is also key. The study proposes a collaborative approach involving government and financial institutions, IP experts, valuers and business stakeholders, and the possible creation of an inter-institutional liaison committee to coordinate ecosystem development and pilot initiatives. A pilot program, potentially involving development finance entities such as Nacional Financiera (NAFIN) and private banks, could give participating institutions practical experience with IP-backed financing and assist with valuation, risk allocation and recovery procedures.

The study also highlights the value of providing better access to reliable information on the ownership, encumbrances and legal status of IP rights. Together with stronger valuation practices, clearer recovery procedures and practical pilot initiatives, these measures could help to build confidence and experience in IP-backed financing. Overall, the study provides a practical basis for strengthening the conditions for the use of IP as a financial asset in Mexico.

Mexico’s journey

Introduction

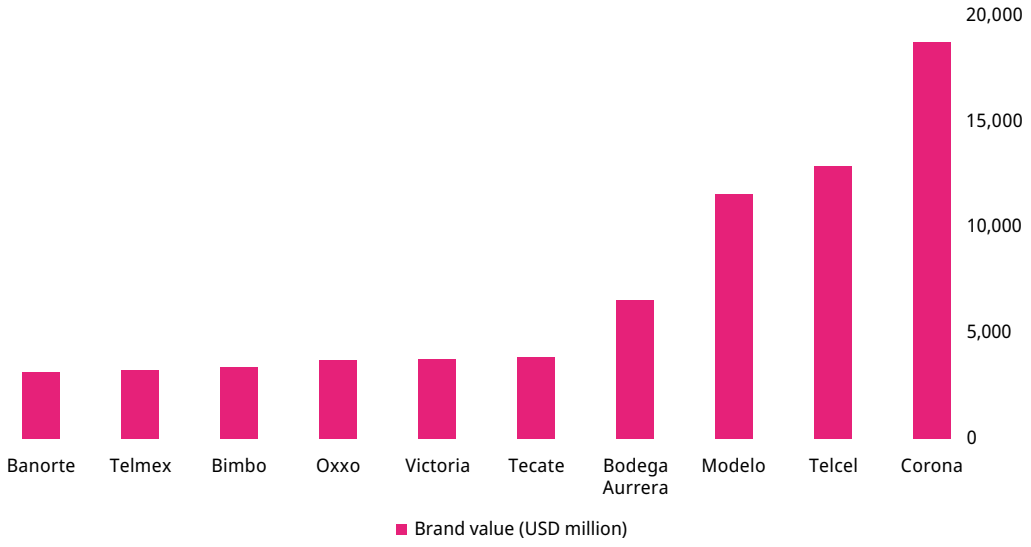
Intangible assets constitute a significant portion of corporate value. In 2026, the global value of these assets was estimated at nearly US$100 trillion globally. With such immense economic value, companies worldwide can further leverage intellectual property (IP)-backed financing for expansion and growth.

Companies that generate knowledge and innovation rank among the world's most valuable enterprises. Their intangible assets far exceed their physical assets in value, but such IP assets, especially those that create significant value in international markets, remain undervalued.

The World Intellectual Property Organization (WIPO) has found that “intellectual property and other intangible assets contribute on average twice as much value as tangible capital to the products that are manufactured and traded along value chains".[1] Moreover, one third of the value of products that are traded is derived from intangible assets, such as technology and branding.[2] However, valuation challenges prevent many countries from recognizing IP rights (IPRs) as tools for strategic financing.[3]

Mexican companies have developed major commercial brands: among the most valuable in 2025 were Corona, Telcel and Modelo. The most valuable brands typically belong to companies with a record of strong sales growth (figure 1).

Figure 1. **Most valuable Mexican brands in 2025 (in millions of US dollars)**



Source: Kantar BrandZ. Most Valuable Mexican Brands (2025). Available at: www.kantar.com/campaigns/brandz/mexico.

Beyond creating value and generating considerable profits, IP assets are also used to obtain credit. A mixed-methods approach was used in this study to explore the potential for IP-backed financing in Mexico. It combines documentary analysis with primary data from 17 in-depth interviews conducted with 21 executives, consultants and officials specializing in IP protection and management, intangible asset valuation, and business financing through development and commercial banking operations.[4] Interviewees were selected based on their expertise and leadership roles in institutions relevant to business financing. They included:

- Owners of IPR consulting and legal advisory firms
- Managing directors and division heads of public institutions
- Directors and presidents of business associations
- Senior executives from the private financial and banking sectors

Each structured interview lasted an average of 70 minutes and followed a protocol developed by the research team and reviewed by Mexican Industrial Property Institute (IMPI) staff.[5] A three-consultant team conducted each interview to ensure comprehensive data collection and accurate documentation of specialist insights.

Experts affirm that both large corporations and small and medium-sized enterprises (SMEs) can leverage IP assets as collateral to secure financing, expand operations and drive business growth.

This potential is particularly relevant for SMEs, as the value of many smaller companies lies mainly in their inventions and creations. SMEs contribute to more than half of global employment and comprise 90 per cent of businesses worldwide. To grow, thrive, and sometimes just to survive, they need access to capital.[6]

The potential of IP-backed financing is already being realized in some regions. In Southeast Asia, IP owners have for several years now been successfully using their IP assets as collateral for finance and thereby supporting their businesses.[7] Financial institutions there are expanding their portfolios of financial products by offering loans backed by IPR-protected intangible assets.[8]

IP as collateral in Mexico

None of the experts interviewed were aware of any transactions in Mexico in which IPRs had been explicitly used as collateral to obtain credit or financing. Several factors may contribute to this situation, notably financial institutions' preference for real estate as collateral. Even companies with well-defined IPR portfolio management strategies struggle to obtain IP-backed financing in Mexico, as private banks focus on tangible assets for lending operations.

Using IP-related intangible assets as collateral involves a more complex and specialized analysis than is the case with traditional collateral forms such as real estate. It requires comprehensive quantitative and qualitative information, encompassing global and local market and technology trends.

The disparity between IP valuations by rights holders or public brokerages and those by bank risk departments presents another obstacle. This gap may result from limited publicly available data on IP valuation. When IP assets are valued, it is mainly in the context of private transactions such as corporate mergers and acquisitions rather than financing operations.

Some countries have developed mechanisms to support debt and equity financing through IP,[9] but specialists interviewed in Mexico said that IPRs function there more as a way to attract investment than as debt collateral. Nonetheless, they see potential for using IPRs, especially trademarks, as collateral.

At present, well-established trademarks may at best be accepted as supplementary collateral, but not as the primary security instrument. This limited utilization stems partly from IPR holders' insufficient awareness of the market value of such assets beyond their legal protection function. Nonetheless, valuing trademarks is generally more straightforward than is the case with other IPRs. They are usually more visible as assets in financial reports, can be more

readily distinguished as separate line items from other corporate assets, and allow easier determination of value generated through sales. Direct consumer connections enable more precise measurement through brand positioning and sales performance metrics.

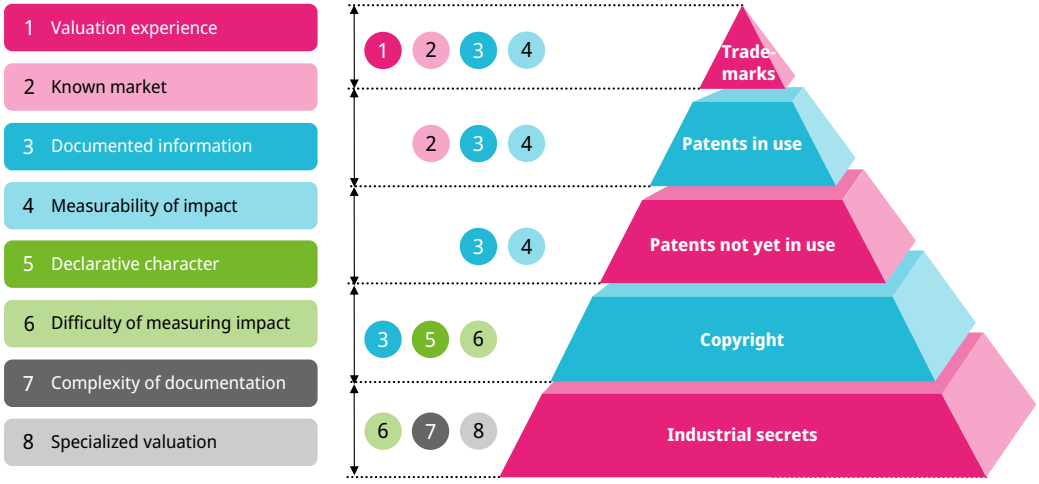
The mere possession of an IP asset does not, however, make it viable as financial collateral. Market demand must be demonstrated to ensure the assets' value upon default. In other words, an IPR must be sufficiently mature to be considered commercially valuable and therefore more liquid. In short, the collateral value of an IPR depends on the nature of the right and its business impact. Moreover, it is difficult for companies with newly registered IP assets that lack commercial use or established business value to leverage them for financing.

The time frame of potential exploitation may also affect an IPR's suitability. In rapidly evolving sectors with intensive research and development activities, such as high-technology industries, the IPR's effective life cycle may be shorter than its legal protection period, and that will adversely affect its financial value.[10]

The growing demand for valuations of trademarks, compared with other IP assets, may partly stem from their potentially unlimited duration, as they remain valid indefinitely with continued registration renewal. Patents, conversely, remain valid for a fixed period, generally 20 years from the application date. That can adversely affect their long-term market value, leading owners and creditors to perceive their financing guarantee potential as low compared with that of trademarks.[11]

Most experts agreed that trade secrets were the most complex option for use as collateral, mainly due to confidentiality requirements and the difficulty in quantifying their revenue impact (figure 2).

Figure 2. Perception of the ease of using different IP assets as collateral



Source: Based on interviews conducted for this report.

IP awareness and the financing ecosystem

In Mexico, knowledge of IP remains limited, even among IP owners (figure 3). Poor strategic management of IP assets and a limited understanding of how to leverage them for financing or investment constitute key challenges. The limited availability of IP-related training and capacity-building for financial professionals (box 1) is another problem.

Even when companies or individuals protect their IP, they often fail to appreciate all the opportunities that IP ownership creates. That includes potential competitive advantages and revenue generation through the sale or licensing of IP assets. Therefore, not all IP assets, particularly patents, are effectively exploited commercially, either because their owners protect and exploit them without knowing their value, or because they are protected but not technically or financially viable for commercialization.

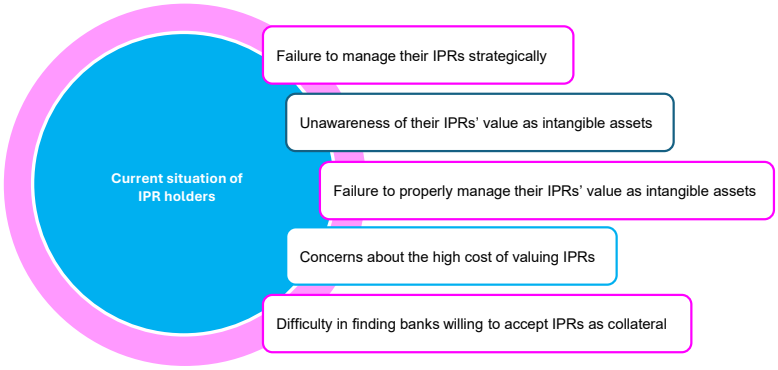
Box 1. IMEF and IP-related training issues

The Mexican Institute of Finance Executives (IMEF) is a non-profit organization dedicated to knowledge generation, research and the dissemination and exchange of best practices in financial and economic management. IMEF representatives say several factors contribute to the limited interest in using IP assets as financial collateral. They also acknowledge gaps in this area in the Institute itself, including a lack of tools to train accounting and finance professionals in IP management and the absence of specialized training modules on the subject in its executive certification programs.

Some company representatives interviewed expressed the concern that formally including the value of IPRs in corporate accounts could result in higher income and asset tax, and greater scrutiny by tax authorities. Accounting departments may also choose not to record intangible assets because of the difficulty in estimating their value and the expense of obtaining IPRs, even if those expenses are tax deductible.

The expertise of professionals in Mexico who advise on the strategic management, valuation and commercialization of IP could facilitate financing operations. The comprehensive assessment of the value of IP assets, however, requires multidisciplinary teams that include public accountants, researchers or scientists, company executives and marketing experts, as well as IP specialists.

Figure 3. Hindrances to leveraging of IP assets for financing by their owners



Source: Based on interviews conducted for this report.

Box 2. Potential role for NAFIN in IP-backed financing

Some experts believe that Nacional Financiera, S.N.C. (NAFIN), a national development bank, should implement policy initiatives on the use of IPRs as collateral. That would fit the bank's institutional focus on providing financing and business development support for micro-, small and medium-sized enterprises (MSMEs), entrepreneurs and priority investment projects.

According to those experts, NAFIN could establish criteria for accepting IPRs as collateral, such as verifying that an IP asset exists, assessing its correlation with cash flows and identifying which products, services or processes are closely linked to the IPRs in question.

Interviews with NAFIN executives revealed that, although staff have basic knowledge of the use of IPRs as collateral, they do not fully grasp its advantages or the mechanisms needed to evaluate them.

NAFIN operates through direct engagement with clients (first tier) and intermediated financing through commercial banks (second tier). NAFIN representatives indicated that neither type of operation could currently accommodate IPRs as collateral, and that acceptance decisions ultimately rested with direct creditors (commercial banks). Private lending institutions cannot be compelled through regulatory or legislative measures to assume such risks.

Private banking views on IP-backed financing

Private banks play a key role in facilitating the use of IPRs as debt collateral. Interviews with representatives of private banking institutions provided valuable perspectives on the current absence of such transactions.

In general, private banks do not recognize IPRs as a reliable form of collateral because of liquidity concerns. Financial institutions prefer real estate. IPRs may provide supplementary support for financing transactions but remain far from being considered a primary basis for lending decisions.

Banking personnel, whether client-facing executives or risk assessment staff, typically have financial and accounting training but minimal IP expertise. Since banking operations have not traditionally incorporated IP assets, there has been little reason for banking professionals to develop IP-related knowledge.

Even when appraisal reports or financial statements include intangible assets such as IP, they are often treated marginally or overlooked in the financing process. Instead, lending decisions primarily focus on the company's overall financial position and traditional collateral forms, particularly real estate.

Private banking business portfolios lack financial products that can support IP-based financing. Incorporating IPRs into their business models would require modifications to credit application processes and risk assessment methodologies. That would mean integrating qualitative variables and indicators relating to IPR characteristics into existing models, including such metrics as the market relevance or impact of the IPRs, corporate strategies for maintaining their long-term value, and documented projections of future revenue streams derived exclusively from them.

Although private banks do not currently accept IP as collateral, some banking specialists have expressed openness to exploring this possibility. That could create opportunities to develop new financial products, provided that banks' risk management teams consider the associated risks acceptable and are satisfied with the prospects of recovering outstanding debt through the IP collateral in the event of default.

IP valuation

Under Article 6, Section II of the Federal Public Brokerage Act of April 2012, public brokerage firms may value assets, including intangible assets. Such firms account for a significant portion of intangible asset valuations.

Private companies and technology transfer offices (TTOs) certified by the Ministry of Science, Humanities, Technology and Innovation, and frequently affiliated with public research centers, also provide technology and IP evaluation and valuation services (table 1).

Table 1. Evaluation and valuation of IP assets in Mexico

Evaluation	Valuation
Determines, among other elements: – market size associated with an IPR; – market value; – customer segmentation; – knowledge of the competition and the economic environment; and – technology trends.	Assigns a monetary value, or range of monetary values, to a given good or, in this case, to determine the market value of an IPR.

It is the banks, however, that ultimately determine whether valuations by brokerage firms are acceptable through their internal risk assessment. An institution's risk tolerance may affect its willingness to accept such valuations.

The interviews reveal that brokerage firms likely lack personnel fully trained in IP, as their operational focus traditionally centers on tangible asset valuation. Without specialized training

in IP valuation, brokers and consultants may not clearly understand or communicate the advantages of using IP as financial collateral to their clients.

The Federal Public Brokerage Act does not establish any specific training requirements or certification standards for IP valuation. As a result, each brokerage firm applies the methodology it deems appropriate. Given their limited experience with such valuations, those methodologies vary significantly.

The fact that consulting and brokerage firms in Mexico offer intangible asset valuation services helps to foster an environment conducive to the future use of IP as collateral. However, standardization of work products and methodology could be explored to increase the probability of banks accepting such valuations.

Legal and regulatory framework

Mexico has a solid IP legal and regulatory environment, built on three foundational pillars over many years: a modern legal framework; an efficient administrative and institutional structure; and a strong position in the international IP system resulting from its ratification of major international agreements and conventions.

Mexico has updated its legal framework as the global economic, political and social environment has evolved. In 2020, in connection with the entry into force of the United States-Mexico-Canada Agreement (USMCA), Mexico enacted the new Federal Act for the Protection of Industrial Property. The Act updated the legal framework for trademark protection, modernized administrative procedures for patents and strengthened the enforcement of industrial property rights to combat unfair competition and piracy.

Since 2003, Mexico has implemented financial reporting standards for intangible assets. The Financial Information Standards Council of Mexico (CINIF), a private non-profit organization established in 2001, sets financial reporting standards in Mexico. On January 1, 2009, CINIF issued Mexican Financial Reporting Standard (NIF) C-8 (Intangible Assets), which replaced its predecessor, Bulletin C-8 (Intangible Assets).

NIF C-8 establishes requirements for the recognition, valuation, presentation and disclosure of intangible assets. It does not establish a framework for their use as collateral in credit applications. The recognition and valuation of intangible assets has been used mainly in accounting and in the context of mergers and acquisitions, while the use of intangible assets, and more specifically IPRs, as collateral to obtain a loan remains limited.

National Banking and Securities Commission regulations

In the banking and financial sector, regulatory constraints are a primary challenge for using IP as collateral. The National Banking and Securities Commission (CNBV) regulates permissible credit types and valid collateral forms for bank reserves. As a decentralized public agency under the Ministry of Finance and Public Credit, the CNBV exercises comprehensive powers of authorization, regulation, oversight and enforcement across financial system sectors and entities, including individuals and organizations conducting activities governed by financial system legislation.

Bank executives emphasized in interviews that IP-backed loans are not explicitly mentioned in CNBV regulations and therefore lack formal recognition. This regulatory omission creates a significant barrier. Without specific regulatory acknowledgment of IPRs, banking institutions are unlikely to offer IP-backed loan products.

They pointed out that, although IPRs can be broadly interpreted as falling within the legal definition of assets that can be pledged, they cannot be incorporated into banking institutions' reserves. For banking specialists, therefore, the issue extends beyond legal interpretation to fundamental business and security concerns regarding the practical convertibility of IPR collateral into liquid assets.

Single Registry of Secured Transactions

The Single Registry of Secured Transactions (RUG) was established in 2010 under amendments to the Commercial Code and Regulations of the Public Registry of Commerce. It operates under the Ministry of the Economy as an electronic registry, enabling creditors to register movable collateral, thereby streamlining registration processes and enhancing transparency.

There is no connection between the RUG and IMPI databases, as their independent computer systems cannot communicate with each other. Those registries may therefore contain divergent information on IP assets, complicating their use as collateral.

Secondary markets

In an IP-backed financing ecosystem, a secondary market plays a crucial role in enabling rapid commercialization of IPRs used as collateral in credit or financing operations. When loans stop performing, the secondary market facilitates liquidation.

Most specialists interviewed were unaware of any secondary market for intangible assets. They noted that purchase and sale transactions are typically private and confidential, and that it is difficult to find buyers for IPRs from companies in bankruptcy attempting to liquidate their assets for debt repayment. They added that developing a secondary market for trade secrets would be particularly challenging. Assessing the usefulness and veracity of information on such assets is difficult and requires a high degree of confidentiality.

Even in competitive sectors where multiple companies might be interested in acquiring the recovered collateral, there is no guarantee that they would buy it. This uncertainty adds to the reluctance of financial institutions to extend financing based on IPRs.

Experts generally characterize the secondary market in Mexico as nascent, owing to insufficient understanding of the value of intangible assets. A local secondary market could work with distressed companies and potentially support financing transactions.

Stakeholders in IP-backed financing

This research identified four stakeholder groups that could play an active role in developing IP-backed financing schemes. Expanding IP-backed financing requires coordinated efforts from IP owners, financial institutions, valuers and brokerages, and government institutions.

IP owners

Inventors, innovators and independent technologists, as well as legal entities including companies, public and private research centers, and higher education institutions, are unaware of the benefits that may be derived from IPRs. In most cases, they only recognize the legal protection granted by the right, and do not actively pursue their commercial transfer, licensing or use as support for financing.

Financial institutions

Private banks, non-bank financial institutions and development banks view IPRs as high-risk collateral because they are difficult to trade. They are therefore reluctant to grant loans solely on the basis of IPRs and do not offer such support schemes.

Valuers and public brokers

Firms with experience in asset valuation, operating under established legal provisions,[12] have acquired significant IPR expertise by participating in financial transactions such as corporate mergers and acquisitions, where holders of intangible assets must demonstrate past or projected financial flows generated by such assets.

This stakeholder group, having mastered basic methodologies and regulations for intangible asset valuation, appears best positioned to operate in the IP-backed financing ecosystem. There is a need, however, for more IPR-trained professionals and certification bodies. This could help to standardize valuation procedures and build financial institution acceptance of their assessments.

Government institutions

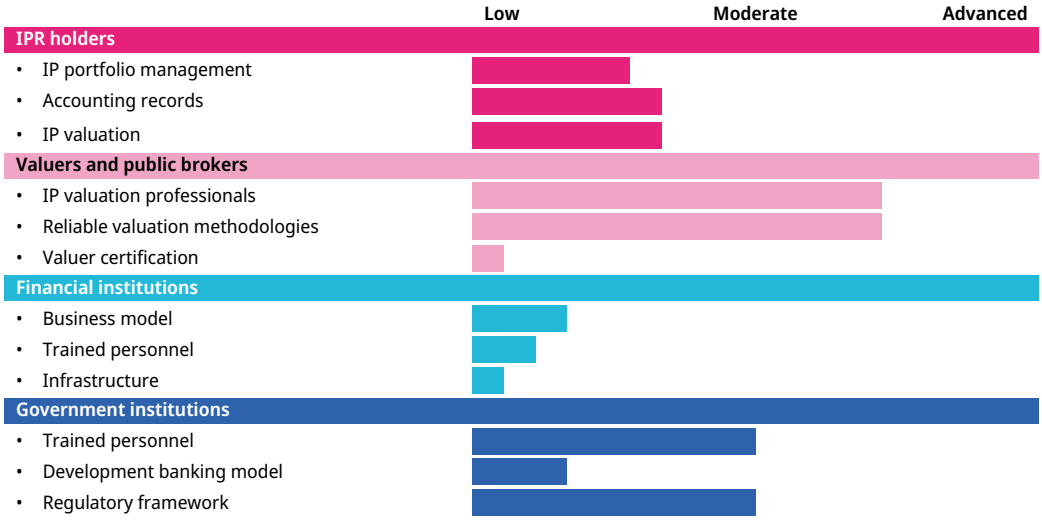
The Ministry of the Economy, IMPI, the National Copyright Institute (INDAUTOR) and the Ministry of Science, the Humanities, Technology and Innovation could contribute to building the IP-backed finance ecosystem. Their functions relate directly and indirectly to IP and their staff therefore have relevant training and experience.

Moreover, RUG can register intangible assets, although it has no specific mandate to support IP-backed finance.

Other institutions, such as the Ministry of Finance and Public Credit and NAFIN, do not deal with IP and thus lack personnel with relevant experience. For them, IP-backed financing schemes represent new business models requiring analysis and approval by their respective authorities.

In short, conditions for the use of IP as debt collateral are still developing in Mexico. The findings of this report show that the readiness of stakeholder groups which could help to develop the IP-backed financing ecosystem in Mexico varies considerably (figure 4).

Figure 4. Readiness of key stakeholders to support IP-backed financing in Mexico

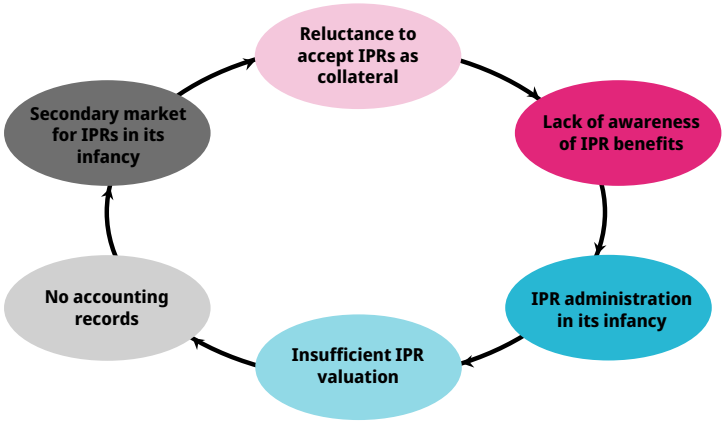


Source: Prepared by the author.

Challenges for IP-backed financing

The legal framework in Mexico allows IP assets to be used as collateral, but several interconnected challenges limit the development of IP-backed financing. They affect different parts of the ecosystem and in some cases reinforce one another (figure 5).

Figure 5. Interconnected challenges to IP-backed financing in Mexico



Source: Prepared by the author.

Lack of awareness of the benefits of IPRs. There is a general lack of knowledge, particularly among IP owners, of the advantages and benefits of IPRs.

IPR administration in its infancy. Greater awareness of the financial and competitive benefits that IPRs provide could unlock more effective asset management practices. At present, many IP portfolios remain either undeveloped or underutilized for commercial objectives such as rights licensing or technology transfer.

Insufficient IPR valuation. Valuations are conducted only in the context of mergers and acquisitions of companies, or at the suggestion of experts.

No accounting records. Given the small number of valuation exercises and their potential tax implications, IPRs are often excluded from financial statements. The absence from financial reporting reduces the ability to verify past and future income from such assets, diminishing the prospects of obtaining financing using IPRs as collateral.

Secondary market for IPRs in its infancy. Expert interviews confirmed that the secondary IPR market in Mexico remains underdeveloped.

Reluctance to accept IPRs as collateral. Private and public financial institutions are reluctant to provide IP-backed financing owing to uncertainties regarding debt recovery.

Existing regulations in Mexico could support IP-backed financing operations, as they contain the necessary provisions to implement policies promoting the use of IPRs as financing guarantees.

However, IPR-related legal and regulatory provisions that affect financial institutions, public brokerage firms and IP protection agencies are scattered across different commercial codes, accounting guidelines and valuation methodologies established by accounting associations and other entities. A comprehensive review of the existing legal and regulatory framework, followed by targeted amendments where necessary, could facilitate the recovery of funds in the event of default and make IP-backed financing more attractive to banks.

The challenges referred to above can be self-reinforcing. Limited knowledge of the benefits that IPRs provide to holders inhibits the development of an IP culture and discourages effective IPR portfolio management. As rights holders remain unaware of the benefits beyond legal protection, they neither require nor request valuation of their IP assets. As a result, those values are not recorded in corporate or individual financial statements.

That combination of factors discourages formalization of the secondary IPR market. IP owners have not developed accounting instruments that demonstrate past and projected income flows from intangible assets. An underdeveloped secondary market reduces possibilities for IPR collateral enforcement, which in turn heightens financial institutions' reluctance to accept IPRs as collateral.

Recommendations

Although the potential value of IPRs is increasingly acknowledged in Mexico, the findings of this report reveal no publicly available information or evidence of IPRs having been accepted as primary collateral for financing. When accepted, they appear to serve only as supplementary collateral in support of guarantees backed by tangible assets.

All stakeholders – individuals, companies and institutions – can take action to modify conditions that impede the use of IPRs as collateral and thereby foster an ecosystem allowing rights holders to obtain financing for development by pledging their IPRs. That would also help to create new investment opportunities for financial institutions, private banks and other entities, where IPRs are recognized as highly valuable collateral.

Isolated initiatives by individual stakeholders are unlikely to counteract the current constraints. Public and private participants must work together to implement the recommendations presented below.

Liaison committee support the development of the ecosystem

To further develop the IP-backed financing ecosystem in Mexico in the medium term, the establishment of an inter-institutional liaison committee (ILC) is recommended. The ILC would bring together the stakeholders identified in this report and coordinate efforts among IPR holders and public and private institutions to support the development of the ecosystem. ILC participants could include:

- Ministry of the Economy (through IMPI)
- Mexican Banking Association (ABM)
- NAFIN
- CNBV
- Ministry of Finance and Public Credit
- Public brokerage firms
- RUG
- Ministry of Culture (through INDAUTOR)
- IMEF
- Ministry of Science, the Humanities, Technology and Innovation

The ILC's main goal would be to lay the groundwork for the further development of the IP-backed financing ecosystem in Mexico in the medium term.

The work of the ILC would take place in four stages (see also figure 6), as follows.

Stage I: Establishment and design of the ILC

Once established, the ILC would need to determine its operating rules and a financing proposal. For the latter, possible sources of public and private funding will be identified and an IP-backed financing proposal prepared, thus laying the groundwork for IP-backed financing operations.

Stage II: Financial resource management

The ILC would focus on resource management to implement a pilot program. This requires the establishment of a seed capital financing fund that could be run by NAFIN. Resources could derive from a fund jointly financed by participating institutions, likely non-refundable during initial operational years, to which multiple institutions would contribute. The ILC would set operating rules for the fund, with NAFIN and private banks playing decisive roles.

The ILC would also analyze the advisability of using these resources as counter-guarantees for projects where NAFIN provides secondary guarantees and support for IP-backed financing. The Furthermore, the ILC would determine determine the percentages of the second guarantee and design a NAFIN-backed guarantee system to enhance attractiveness for commercial banks and reduce risk for financial institutions serving as creditors to rights holder beneficiaries.[13]

Stage III: Implementation of the pilot program

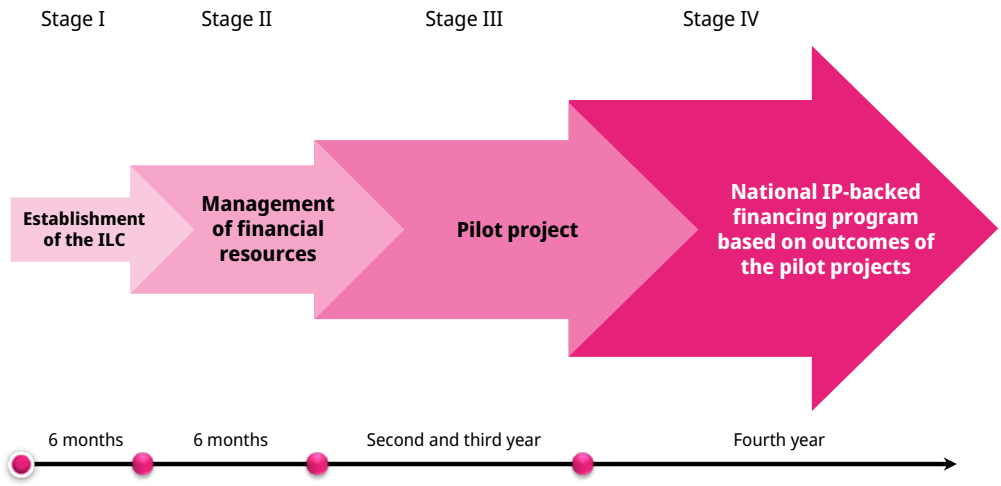
The ILC should set IPR eligibility criteria for potential pilot start-up program (PPA) participants. A small sample of companies best qualified to obtain credit would be identified initially, with a maximum of 20 with trademark registrations and 10 with current patents or other actively marketed IP. Those companies would have to demonstrate that they have IP management experience, and that their assets have been valued and recorded in financial statements. The assets should be separable for sale or licensing and specifically IP assets, excluding other fixed or movable asset types. Progress and results should be monitored continuously.

Stage IV: Evaluation and development of a national IP-backed financing program

At this stage, the results of the PPA would be assessed and the necessary adjustments made with a view to proposing an IP-backed financing program in the medium term.

A phased approach, with clear eligibility criteria, monitoring of repayment performance and adjustments informed by the pilot's results, would help manage default risk and maintain the program's repayable nature before its expansion into a national help to manage IP-backed financing program.

Figure 6. Stages of the ILC's activities



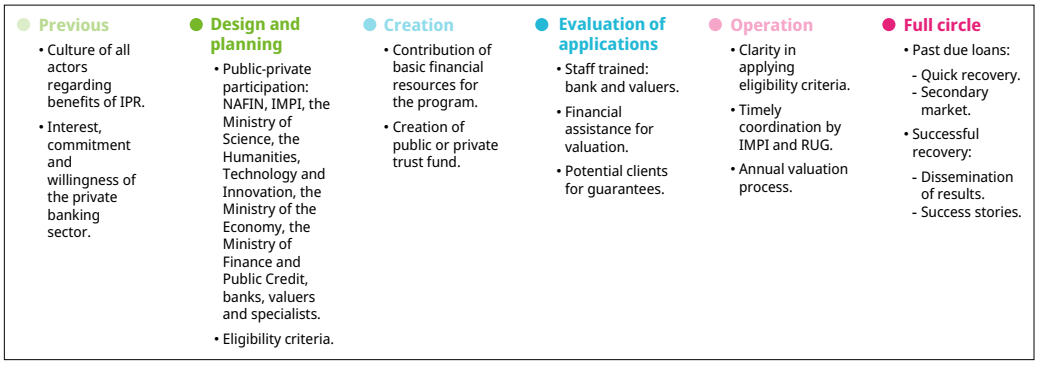
Critical success factors

The development and implementation of the program will depend on the following critical success factors (see also figure 7):

- **Development of a culture of IP among all stakeholders.** Promote a culture of IP among stakeholders in the ecosystem. That means dispelling the idea that IPRs offer only legal or protection benefits and disseminating an understanding of their potential economic benefits.
- **Private banking sector interest and willingness.** Encourage private banks to adjust their approach and accept IPRs as collateral. To that end, the CNBV should include IPRs as viable credit collateral in its regulations.
- **Public-private participation.** Ensure the participation of NAFIN, IMPI, INDAUTOR, the Ministry of Science, the Humanities, Technology and Innovation, the Ministry of the Economy, the Ministry of Finance and Public Credit, banks, valuation professionals and specialists in the multidisciplinary and inter-institutional design, planning and operation of the program.
- **Detailed and transparent design of the eligibility criteria.** Design the rules or criteria for the selection of companies and individuals eligible to participate in the program, focusing on the needs of entities that own intangible assets.
- **Formation of a public or private trust.** Evaluate the feasibility of financing through the creation of a trust to safeguard pledges, either from development banks or from private banks, to provide guarantees to creditors that the IPRs that serve as collateral can be recovered more quickly.
- **Contribution of financial resources by a promoter or promoters.** Determine with the ecosystem promoter(s) the initial contribution of resources as consideration for NAFIN to operate the seed capital fund.
- **Financial support for IP valuation.** Promote financial support to reduce the cost associated with the valuation of intangible assets, which could be a limitation for small and new companies interested in applying for IP-backed loans.
- **Trained personnel – banks and valuers.** Encourage the inclusion of people with extensive knowledge of IPRs in both IP valuation firms and in the services responsible for evaluating credit applications in private banks and/or development banks.
- **Potential clients for collateral offered.** Require public brokerage firms to include in their valuations the identification of potential clients for the IPR to be offered as collateral for financing. Early identification of third parties who may be interested in the IPR could increase the willingness of creditors to accept IPRs as collateral.
- **Clarity in the application of eligibility criteria.** Ensure transparency and consistency in applying eligibility criteria when assessing loan applications.
- **Timely coordination between IMPI and RUG.** Promote the standardization and interoperability of their technological platforms to ensure the efficient exchange of both legal (IMPI) and financial (RUG) information regarding IPRs.
- **Annual valuation processes.** Promote the annual valuation of IP pledged as collateral for loans granted to companies for periods of more than one year.
- **Rapid recovery of the IPR as non-performing loans.** Simplify the execution of the guarantee to the benefit of the creditor by including a clause in the loan contract between the bank and the applicant, whereby the loan applicant agrees not to mount a defense or take action that may delay the execution of the guarantee in favor of the creditor once non-payment by the debtor has been proven.
- **Secondary market.** Encourage the development of a secondary market for IPRs by inviting the participation of companies, particularly those with previous experience in the commercialization of IP through auctions and digital platforms; promote the emergence of new companies dedicated to the commercialization of IP used as collateral; and consider the participation of public entities or specialized private companies created specifically to conduct auctions of seized IPRs.
- **Dissemination of results.** Generate a continuous process encouraging the use of IP as debt collateral, disseminating success stories of IP-backed financing processes in Mexico, through the different institutions participating in the program.

Taken together, these critical success factors could support the gradual development of IP-backed financing in Mexico. Their implementation would require coordination among the stakeholders identified in this report and ongoing efforts to address the challenges raised above.

Figure 7. Critical success factors



Source: Based on interviews conducted for this report.

Endnotes

1 WIPO (2017). *World Intellectual Property Report 2017: Intangible Capital in Global Value Chains*. Geneva.

2 Ibid (p. 20).

3 Tang, Daren (2021). *IP Backed Financing: Sharing of the Singapore Country Report – The Role of IP Assets in Strengthening Business Access to Finance*. Remarks, WIPO, August 26, p. 1. https://www.wipo.int/documents/d/director-general/docs-daren-tang-en-ip_backed_finance_20210826.pdf

4 In the public sector, four interviews were conducted: three with five officials from development banks and one with two officials from the Single Registry of Secured Transactions. In the private sector, 13 interviews were conducted with 14 executives and consultants: one each with an executive of an association and a research center; two with brokerage firms and asset valuation firms (two executives), two with IP management firms (two executives); three with IPR consulting firms (three consultants), and four with private banks (five executives).

5 Interviews were conducted from June 9 to October 13, 2022.

6 WIPO (2025). Moving IP Finance from the Margins to the Mainstream.

7 Tang, Daren (2021). *IP Backed Financing: Sharing of the Singapore Country Report – The Role of IP Assets in Strengthening Business Access to Finance*. Remarks, WIPO, August 26, p. 1. https://www.wipo.int/documents/d/director-general/docs-daren-tang-en-ip_backed_finance_20210826.pdf

8 WIPO (2021). Unlocking IP-backed Financing: Country Perspectives. Singapore's Journey. Geneva (p. 13).

9 See publications in the WIPO Unlocking IP-backed Financing: Country Perspectives Series. Available at: www.wipo.int/publications/en/series/index.jsp?id=241.

10 In *Perfil del Sector de Alta Tecnología en México: Una aproximación a la realidad* (Snapshot of the High-tech Sector in Mexico Today), published in 2020, María de los Ángeles Villalobos-Alonzo and Ana Eugenia Romo-González of the Jalisco University of Technology identified four high-tech sectors: (1) electronics, (2) pharmaceuticals, (3) information technology and computing, and (4) precision and aerospace equipment.

11 Based on information from experts, the perception of the lower potential of patents related to their term could be the result of the risk of loss of value of the IPR as it approaches maturity, as well as the possible terms of credit.

12 Under Article 6 of the Federal Public Brokerage Act, public brokers may act as expert appraisers.

13 Guarantees of 80% of the resources contributed by the participating financial institutions are proposed (similar to the initial programs implemented in Singapore from 2014 to 2016). However, the percentage would have to be defined by NAFIN based on the risk analysis performed by its specialized services.

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