



International Chamber of Commerce

The world business organization

Department of Policy and Business Practices

Intellectual property related activities in chambers of commerce

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1. General comments

Market conditions

Our country is a small market, with inadequate incentives to motivate innovation and sophistication of business; we have also scarce investment in research & development. There is also no business culture with regard to using the Intellectual Property system.

Importance of the subject

Intellectual property (IP) is a system of legal protection of intangible assets based in the attribution of an exclusion right awarding legal security to innovation and differentiation.

Usefulness of the subject

When a new product or service goes into the market and it attracts clients, it is possible that the competitors could try, sooner or later, to make identical or similar products which will damage the innovator of the original one. That is why, among other things, the innovator has invested many resources and a lot of time to develop it, whereas the competitors only exploit these results and take advantage of the creativity and inventiveness for nothing.

The protection offered by IP provides the title of a certain innovation or creative works, limiting in an effective manner the possibilities of the competitors to copy or imitate the products.

Need to innovate and protect IP to be competitive

Within a context of liberalization of markets and strong competitive pressure, one of the main challenges for firms in Uruguay, particularly for small and medium enterprises (SME), is to be able to modernize and improve their offer of products and services, introducing technology and adding value to products by means of a better differentiation. Investment in innovating activities, especially technological innovation activities, is a requirement to export products with a bigger added value, contributing thus to the economic development of the country.

In effect, innovation is scarce and there is little protection, therefore there is no profit from investing in differentiation

The most successful firms are those investing in innovation. Likewise, among the firms innovating, 31% finds that the “Facility of imitation by third parties” is one of the factors hindering innovation.

According to the Survey of Industrial Innovation Activities, carried out by the National Office of Science, Technology and Innovation, 32% of Uruguayan industrial enterprises declared that they have introduced innovations in the market during the 1998-2000 period. Out of these, 16% introduced innovations with an international scope and 43% got innovative results for the local market. We must stress the fact that innovation is not an end per se. According to the same survey, innovating enterprises tend to achieve a better performance than the other competitors in the market. In 2000, for example, the industrial innovating enterprises in Uruguay concentrated 80% of the sales added value, 82% of exports and carried out 78% of total gross investment, in spite of representing only 32% of enterprises.

General solution

It appears then the need to search for mechanisms to encourage investment in innovation activities, to reduce the facility of imitation by third parties as well as to ensure that investment in innovation is effective and well taken advantage by innovator enterprises. One of the key instruments to sponsor the innovation and avoid the copying of the products by third parties is Intellectual Property rights.

Intellectual property rights grant exclusive rights to the bearer of the inventions, brands, original designs and creative work, allowing enterprises to avoid those of the competition to market products with any of those protected characteristics.

Scarce adhesion

If we analyze the present usage of intellectual property in Uruguay we notice that it has been very seldom used by national enterprises.

We see that in 2006 only 27 patents and 49 models of usage were applied for by residents (including not only the business sector but also universities, research institutes and independent inventors, who represent a high percentage of applicants). This clearly shows that among the enterprises innovating, and even among those stating that they carry out innovations with an international scope, there is a very limited usage of the system.

The evidence of studies on the usage of IP by SME in some countries of Latin America shows that the main reasons for its limited usage usually are the lack of knowledge, the lack of access to specialized services, costs and complexity of said system. According to studies made by WIPO it is noticeable that even in European industrialized nations, SMEs applying for patents have a much lower possibility of getting them due to the lack of consultancy in preparing said applications.

People usually link IP to a strictly legal subject and to be carried out only by big enterprises and as a cost.

Bearing in mind that Uruguay invests very little in innovation and less in protecting it, it is especially important to revert said situation as a way to lessen the gap of development and growth with the richer countries, where innovation is one of the main pillars for their economic development.

Likewise, in general, enterprises are not aware of the value of the intangible assets of their enterprise or of the instruments they need to generate them. Said instruments,

once they are identified and well managed are very important mechanisms to improve the competitive position of the enterprises.

The objectives

In view of the above, to improve the development of the competitive enterprises at the international level it is necessary to disseminate, promote and take better advantage of the IP system. Only so, efforts and investments carried out to enter into the international market can be duly taken advantage of. Therefore, it is very important to focus the efforts in raising awareness and strengthening the enterprises capabilities in using the system. Training activities through workshops, stressing successful local experiences as well as dissemination intend to correct said situation. Within this framework there is no need to point out the lack of specialized professionals in this matter: therefore the need to train trainers.

Training of trainers, as well as the recompilation of successful cases and the creation of guidelines of good practices intend to be the adequate instruments to replicate the project in other spheres and countries.

In brief, the conceptual ground of the main objective is to promote the creation and protection of intangible assets as an engine to generate competitiveness, and then diminish the poverty gap with the developed countries where innovation explains in part their development.

That is why we have decided to promote the advantages of the IP system among the SMEs.

2. Communication Tools

What kind of communication tools do you offer? Please elaborate.

- a) We are doing presentations in different universities and international business schools to spread the message among the future professionals, in particular in the faculties of designers, engineers, and communications.
- b) We have a link in our website (<http://www.cncs.com.uy>) to the IP section.
- c) We also have a special section for IP in our fortnightly newsletter.
- d) We are supporting the Superbrands Uruguay, which is an international brand qualifier, that it is present in more than 70 countries.
- e) We are in process to print different guides about the IP subject.

3. Training

Do you offer any training programs? Please elaborate.

Internal training:

It is important to mention that one of the first things that we made is to study the subject. That is why we attended in 2005 a WIPO workshop for SME support institutions. Its name was "Workshop on Practical Intellectual Property Issues for Small and Medium Sized Enterprises Support Institutions".

We also visited two different countries, which have an important experience in this field. First of all we visited Italy, where Chambers of Commerce have an important and active role in the registration process and also in providing services to companies. And we also visited Finland, where innovation is one of the most important subjects to understand its growth.

Training for SME and entrepreneurial associations:

The following are the seminars and workshops that we have made during 2006 and 2007. It is important to mention that all of them have been made thank to or in collaboration with other institutions, such as WIPO, IDB, WTO and the IP office of Uruguay.

- International seminar: "How to increase the value of your company? The SME and the Intellectual Property". April 2006. WIPO, Unioncamere.
- Services of Intellectual Property designed for SME. April 2006. WIPO, Unioncamere.
- First regional forum for the promotion of the use of Intellectual Property in the Agro-alimentary SME. July 2006. WIPO, DNPI.
- National workshop about TRIPS. May 2007. WTO.
- How to create your own franchising. September 2007.
- Seminars about trade marks. October 2007. WIPO, DNPI.
- The intellectual property and the SME. November 2007. IDB.
- The importance of IP in the International Trade. November 2007.

It is important to mention that, we also have introduced the subject in the formal courses of our International Business School.

Finally, we want to train trainers in order to have local experts to provide services and technical assistant to companies. We have proposed it to the IP office of our country, and WIPO has supported this idea. We will do it in 2008.

4. Consultancy/ Advisory Services

Do you offer any IP-consultancy services? This could include a helpline, legal/ financial/ commercial/consulting services etc. Are Intellectual property aspects included in general commercial/business advice provided by your chamber?

The Chamber has future plans for 2008 to create a Centre for the Promotion of IP. The idea is to have a staff of external advisors in order to give services and technical assistant related with IP for SME.

That is why we want to train trainers in order to have local experts to provide services and technical assistant to companies.

5. Information gathering/ awareness raising

Do you conduct surveys or gather information in any other way? Do you carry out any awareness raising activities? Please elaborate.

We do awareness raising activities through:

- presentations in different universities, and also in the courses of our International Business School.
- a special section in our website and newsletter.
- seminars and workshops in different fields.
- supporting the Superbrands initiative.

6. SME case studies

Do you publish case studies of SMEs who have actively used IP in their businesses? Can you provide us with any such case studies?

Our project also considers the recompilation of successful cases and the creation of guides of good practices.

7. Facilitation of IP business opportunities

Do you provide any services to help businesses trade in IP eg IP business matchmaking, marketplaces etc?

We offer business matchmaking and marketplaces, but they are not specialized for the IP subject.

8. Policy advocacy

Do you engage in policy advocacy in the IP field? Please provide details.

The Chamber's future plan is to create a committee on IP subjects in order to work with the Uruguayan Office of Industrial Property and other institutions related in order to generate policy in the subject.

9. Encouragement of innovation and IP asset development

Do you have any initiatives to encourage innovation or the development of IP assets e.g. awards, competitions, technology showcases etc. ?

We have the National Award of Services Exporters, where the innovation is present among the criteria of qualification. In this award there is a special mention for the most original service exporter too.

10. Others

We are taking part in the task force of ICC in order to create the “IP Tool- kit” for chambers of commerce.

Last but not least, and as a result of the presentation made in Istanbul in the World Chamber Congress, some chambers have asked us to support them to develop the subject in its countries.

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We consent to the above information being posted on the ICC (International Chamber of Commerce) website.

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