

PRESS RELEASE

Intellectual property is a powerhouse for innovation and economic growth

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The International Chamber of Commerce (ICC) has released a new report that provides compelling evidence of the value of IP and the benefits provided by strong enforcement of IP regulations to protect against IP theft.

The report, *Intellectual Property: Powerhouse for Innovation and Economic Growth*, details the increasing importance of intellectual property (IP) protection in strengthening economic growth, driving innovation and technology, fostering new ideas, and enhancing society and culture. It was launched during the 6th Global Congress on Combating Counterfeiting and Piracy being held in Paris on 2-3 February. The event attracted more than 900 leaders from national governments, intergovernmental organizations, businesses and enforcement agencies, to discuss solutions to the escalating global problem of product counterfeiting and copyright piracy.

“We believe that a critical element in the fight against counterfeiting and piracy is to do a better job communicating what IP is and why it’s such a valuable part of our economy,” said ICC Secretary General Jean-Guy Carrier. “Greater recognition of the important benefits that come from IP and its protection – not just for business but for society in general – is essential in stopping the growing presence of counterfeit and pirated goods around the world.”

Commissioned by the ICC Business Action to Stop Counterfeiting and Piracy (BASCAP) initiative, the *Powerhouse Report* provides in-depth analysis of the major benefits of IP protection, focusing on five key findings. The report brings together an unprecedented amount of information from a broad range of economic, government and industry studies,

In the first instance, **IP protection benefits global and national economies and competitiveness**. The report presents the evidence from both developed and developing economies of the strong correlations between IP protection and GDP growth, employment, tax revenues, foreign direct investment and technology transfers.

Intellectual property protection is also a vital incentive for innovation, new inventions and creative works, and for **company growth**. “This report shows that IP protection promotes innovation, increases funding for research and development and helps firms realize more value from innovations,” Mr Carrier said. “IP helps companies monetize their innovations, secure investment, increase market value, and develop new markets. Companies that fully utilize their intellectual property rights generally succeed better and have a higher market value than those that do not.”

The report also highlights that **IP protection is important for small and medium enterprises (SME)**, not just multinational companies. According to the report, SMEs that rely on IP of all sorts reported higher growth, income and employment than those that do not – in some cases as much as 20% more.

“Perhaps most importantly, **IP protection benefits consumers and society** – providing consumers with innovative products and services in virtually every area of life, drives solutions to many of society’s most important needs – from clean energy, reduced carbon emissions and health care, and helps protect consumers from inferior and dangerous counterfeits,” Mr Carrier added.



International Chamber of Commerce

The world business organization

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Business Action to Stop
Counterfeiting and Piracy

ICC commissioned the report to provide policymakers and thought leaders with a clear and concise summary of the importance of IP protection. ICC will ensure the report is delivered to government and business leaders, as well as other stakeholders with a role to play in building respect for IP and combating counterfeiting and piracy.

The full report is available at: <http://www.iccwbo.org/bascap/id40927/index.html>

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About BASCAP

The drain on businesses and the global economy from counterfeit goods and piracy of intellectual property is of great concern to ICC member companies worldwide. Business Action to Stop Counterfeiting and Piracy (BASCAP) is an ICC initiative that unites the global business community across all product sectors to address issues associated with intellectual property theft and to petition for greater commitments by local, national and international officials in the enforcement and protection of intellectual property rights. Visit: www.iccwbo.org/bascap

About the International Chamber of Commerce

The International Chamber of Commerce is the largest, most representative business organization in the world. Its hundreds of thousands of member companies in over 120 countries have interests spanning every sector of private enterprise. A world network of national committees keeps the ICC International Secretariat in Paris informed about national and regional business priorities. More than 2,000 experts drawn from ICC's member companies feed their knowledge and experience into crafting the ICC stance on specific business issues. The United Nations, the World Trade Organization, the G20 and many other intergovernmental bodies, both international and regional, are kept in touch with the views of international business through ICC. For more information please visit: www.iccwbo.org