

2019 INTELLECTUAL PROPERTY SME SCOREBOARD



OCTOBER 2019

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*Commissioned by
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Foreword

2019 INTELLECTUAL PROPERTY
SME SCOREBOARD

As the question of how best to help SMEs achieve their full potential by making better use of IP rights continues to rise up the policy agenda, this updated edition of the SME Scoreboard will be a valuable resource for politicians, public servants, businesses and citizens.

Building on the first Intellectual Property SME Scoreboard, published three years ago, this 2019 survey includes the results from more than 8,300 interviews of SMEs from across the 28 EU Member States.

Let's first remember that while 99 % of EU businesses are SMEs, fewer than one in ten of them are using IP Rights to protect their intangible assets.

While the majority of SMEs claim to be innovative, IPRs are often seen by SMEs as a cost rather than an investment, as they do not see the value that it adds, and there is a general lack of understanding of how to maximise the potential of IPRs.

This can be seen in the relatively small proportion of SMEs with registered rights (13 %) who have attempted to gain finance based upon their intangible assets, even though access to finance is one of the biggest issues for SMEs.

Once again, concerns about infringement feature strongly. Some 55 % of IPR owning SMEs say that copying by competitors is the biggest threat to their IPRs.

The results from this updated study are particularly important given the evidence that SMEs using registered IP rights pay higher wages and have better growth prospects.

While not every SME requires registered IP rights, it is important that those that could potentially benefit are given the help they need. Helping to fill this gap will, therefore, feature strongly in the EUIPO's next Strategic Plan for the years up until 2025.

SMEs need help to understand the IP landscape and know where they can get finance; easier paths to registration of the most appropriate and accessible rights; help with other tools such as domain names or trade secrets; and assistance to combat infringement.

This IP SME Scoreboard provides even more evidence that should enable effective joint strategies on how to better support EU SMEs to be drawn up and put into action.



Christian Archambeau
Executive Director
EUIPO



Executive summary

2019 INTELLECTUAL PROPERTY
SME SCOREBOARD

A strong and stable economy is essential for reaching the goals of the European Union (EU), and small and medium sized enterprises (SMEs) are essential for ensuring job creation and economic growth in the EU.

The importance of SMEs to the EU economy cannot be understated. The 2017/2018 annual report on EU SMEs⁽¹⁾ reveals that they employ two out of every three employees and provide 57 % of added value within the EU. However, it is estimated that only around 30-60 % of SMEs survive beyond 5 years of trading. To help the EU economy, SMEs need support to bridge this period, and innovation is one of the core reasons for businesses surviving and growing.

Innovation allows small businesses to strengthen and grow, and to employ more people, which will ultimately lead to a larger and stronger EU economy. Therefore, innovation within SMEs needs to be encouraged in order to support the Commission's drive for smart, sustainable economic growth.

Intellectual property (IP) plays a vital role in promoting innovation as it provides those who invest time, effort and money in innovation with a mechanism to protect and benefit from it.

The joint project between the EUIPO and the European Patent Office (EPO) 'High-growth firms and intellectual property rights'⁽²⁾ found that SMEs with registered intellectual property rights (IPRs) are 21 % more likely to experience a subsequent growth period and 10 % more likely to become a high-growth firm. Additionally, those with bundles of IPRs are even more likely to achieve high growth.

In 2016 the EUIPO published the first IP SME Scoreboard to provide some insight into why SMEs do or do not register IPRs and what IPR-related problems they encounter. This study has been quoted in a number of policy documents at both national and EU level, including the EU Commission staff working document 'Putting intellectual property at the service of SMEs to foster innovation and growth'⁽³⁾.

As part of its commitment to updating its major studies every 3 years, the European Observatory on Infringements of Intellectual Property Rights (the Observatory) commissioned KPMG to complete a new study for 2019 into SMEs' attitudes towards IPRs. The goal of the study is to gain a better understanding of how EU SMEs perceive and use IPRs. This will provide decision makers with an up-to-date and relevant evidence base from which to design policies to improve awareness and use of IPRs.

Using data from Eurostat, the EUIPO designed a representative and stratified sample of SMEs from across the 28 EU Member States. This sample was designed to have an oversampling of SMEs with

⁽¹⁾ [2016/2017 EU SME Report](#).

⁽²⁾ [High-growth firms and intellectual property rights](#).

⁽³⁾ [EU Commission staff working document, Putting intellectual property at the service of SMEs to foster innovation and growth](#).

IPRs compared with the general population (roughly 50 % IPR owners) so that relevant results could be gathered on questions related to IPR ownership.

In total, 8 349 SME interviews were conducted, covering a range of sectors as well as company sizes and countries. For most of the analyses in this report, SMEs are split into two sub groups: those who stated that they own IPRs (4 401) and those who stated that they did not (3 948).

As with the 2016 IP SME Scoreboard, interviews with SMEs were conducted by telephone with the option of completing the process online. The questionnaire was available in 23 EU languages, and interviews were conducted in the language of the SME's choice.

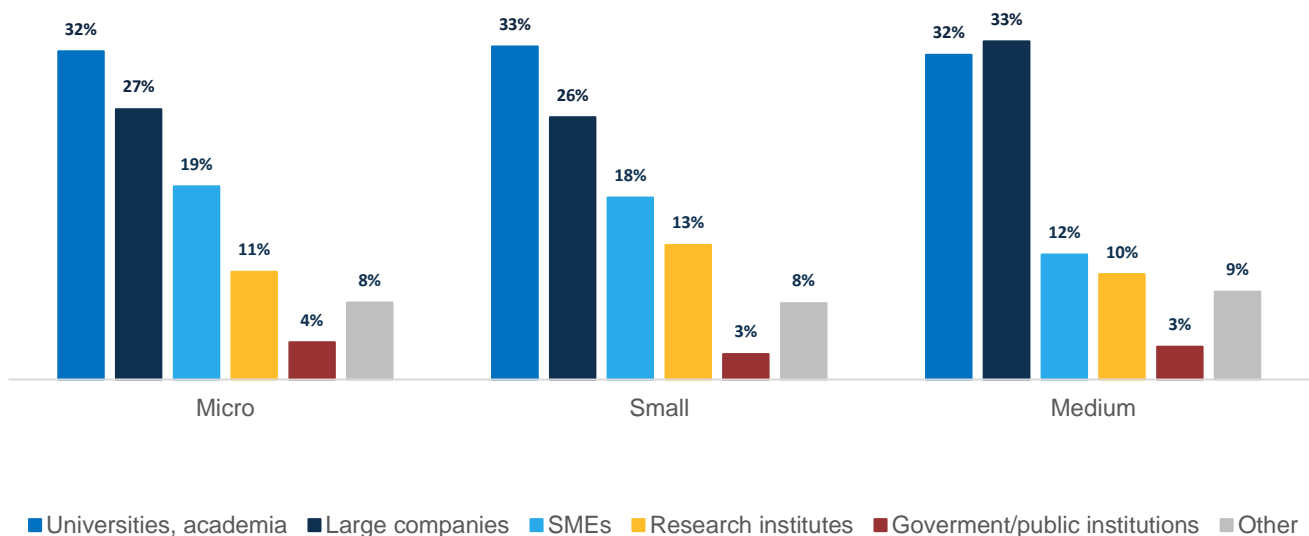
Key Findings

Innovation — Perceptions and Reality

Innovation is essential for economic growth, and the majority of SMEs (58 %) claim to be innovative. IPR owners are more likely to be innovative, with 73 % claiming to be so, compared with 42 % of non-owners. Most innovation is in the development of new products, with 63 % of IPR owners and 31 % of non-owners innovating in this area.

In addition, IPR owners are almost twice as likely as non-owners to collaborate with other organisations on new innovations. Universities and academia are the most common collaboration partner for IPR owners, being involved in almost a third (32 %) of cases. Non-owners that collaborate prefer to partner with large companies (34 %).

Collaboration partners of IPR owners by company size



For IPR owners, registered IPRs are a product of almost half (46 %) of collaborations, and they either own or co-own the IPRs 76 % of the time. This group believes that trade marks are the most important

IPR, with 58 % saying that trade marks are of 'high' importance for protecting their ability to derive a competitive advantage from their innovation activity.

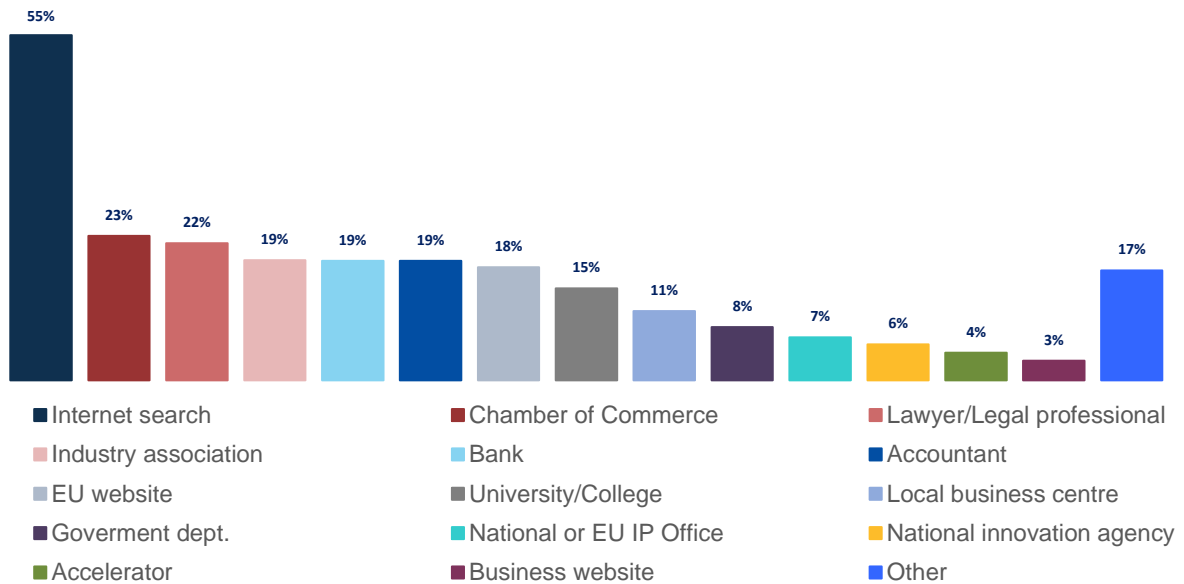
Comparison of the importance given by IPR owners to protective measures (2016-2019)

INTELLECTUAL PROPERTY RIGHTS	2019	2016
Trade mark	58 %	38 %
Patent	32 %	16 %
Copyright	21 %	16 %
Design	24 %	22 %
Geographical indication	12 %	14 %
Breeders' right/Plant variety right	7 %	2 %
Topography of semiconductor	6 %	1 %
Utility model	11 %	7 %

Knowledge of IPRs and sources of information

There are numerous sources of information to support businesses and it can often be difficult for the latter to know where to look. The most commonly used source of information for business development for IPR-owning SMEs is the internet, with 55 % of the group using this method. Experts such as Chambers of Commerce (23 %) and legal advisers (22 %) are amongst the other most used sources.

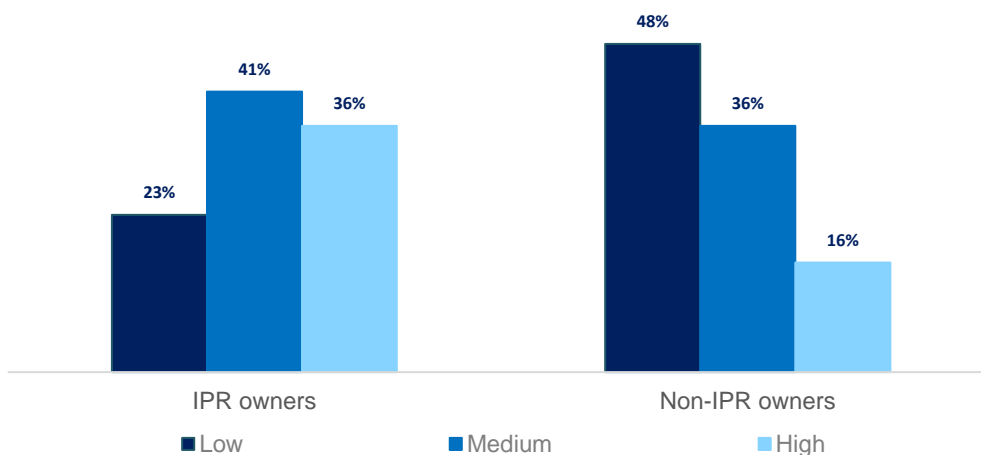
Sources of information for business development by IPR owners



However, when sourcing information specifically related to the registration of IPRs, IPR owners are more likely to seek support from legal professionals (50 %). Only 19% of the non-owners sought information before deciding not to register. The internet was their preferred source of information, with 26 % of advice seekers choosing this option.

The first step to utilising intellectual property is having an understanding of what it is and how it impacts a business. As would be expected, SMEs that own IPRs are more familiar with them than non-owners are: 77 % of IPR owners are moderately to very familiar with them, compared with 52 % of non-owners.

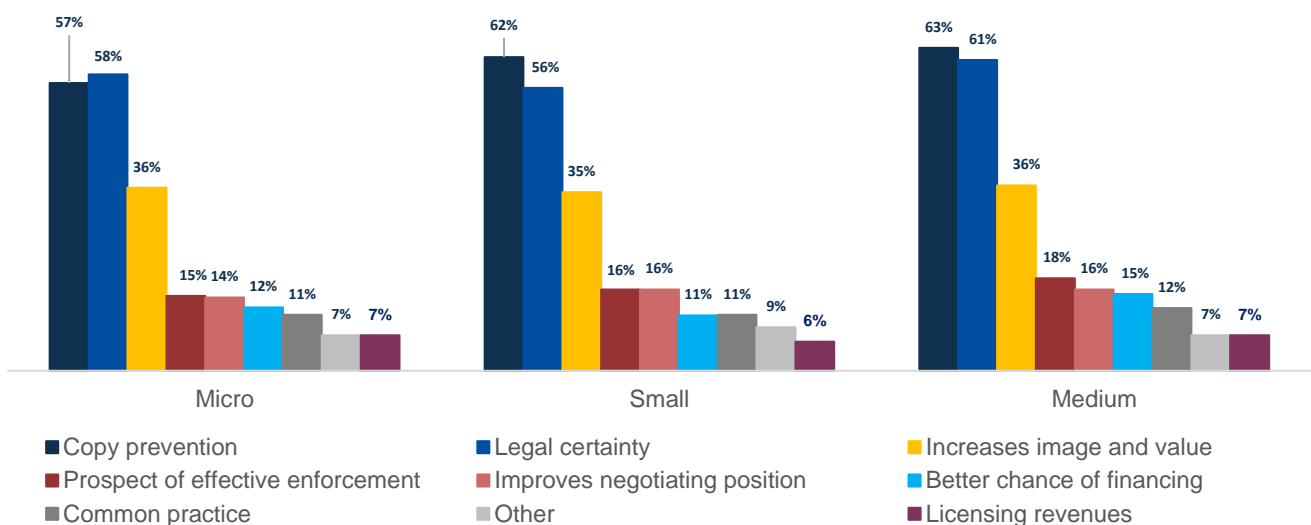
Familiarity with IPRs by type of company



Reasons and impact of decisions on registering IPRs

One of the key factors for increasing the use of IPRs is improving understanding of their benefits. The main reasons that IPR-owning SMEs gave for registering IPRs were to prevent copying (59 %), to increase legal certainty (58 %) and to improve the image and value of the company (36 %). When analysed by size of company, the order remains the same for SMEs. However, micro-entities put more emphasis on the importance of legal certainty than on the prevention of copying.

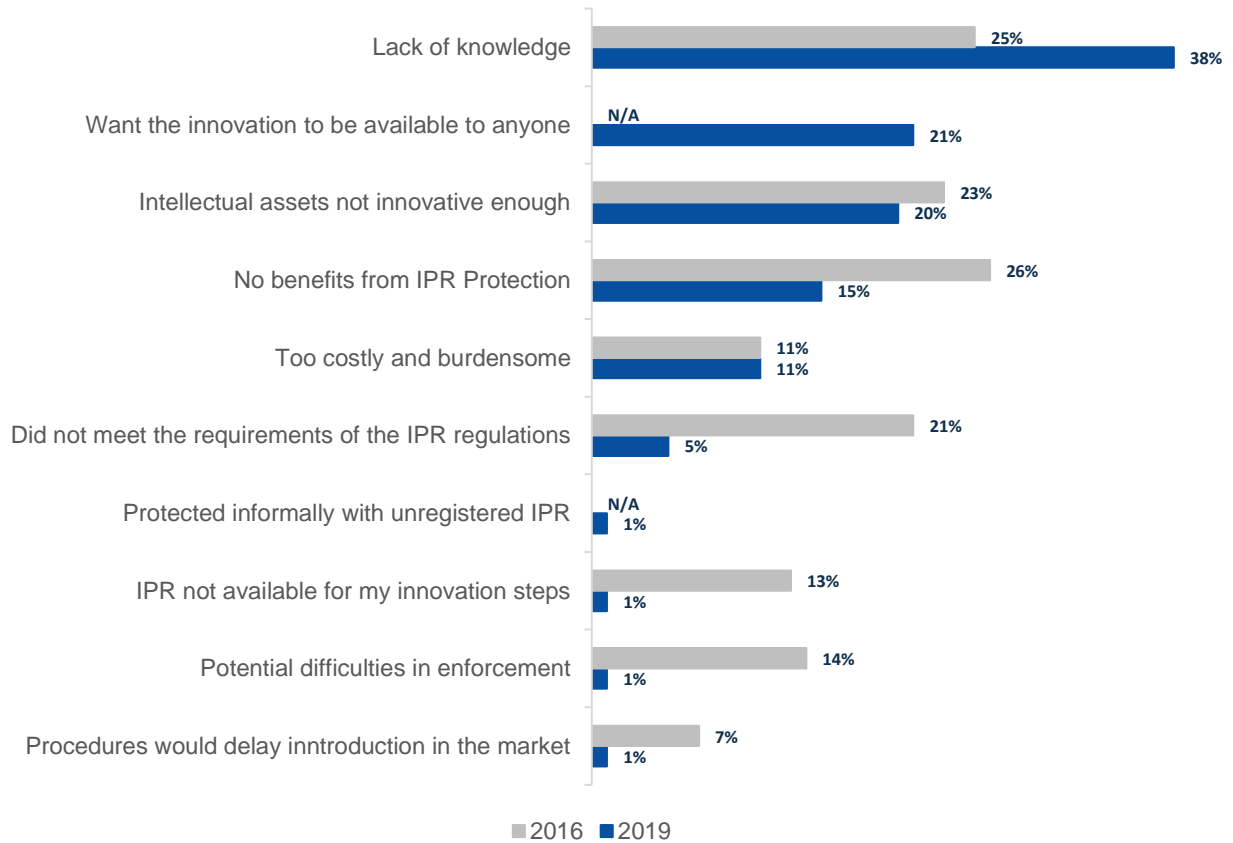
Main reasons for registering IPRs by company size



After registration, 54 % of owners claimed a positive impact. The main impacts identified were an increase in reputation (52 %), turnover (39 %) and ability to access new markets (37 %). Only 1 % of IPR owners observed a negative impact, with 53 % of those identifying excessive expenditure (time and money) on registration. However, this is not a common perception, with 61 % of IPR owners claiming to have had no difficulties when registering IPRs.

For those without registered IPRs, the main reason for not registering was a lack of knowledge about what IP is and its benefits. The percentage giving this reason has grown from 25 % in 2016 to 38 % in 2019. Indeed, 61 % of non-owners would consider registration if they had a better understanding of IPRs. The second most popular reason for not registering in 2019 is more altruistic — 21 % of SMEs wanted their innovation to be freely available to anyone who wanted to use it.

Main reasons given by non-owners for not registering IPRs



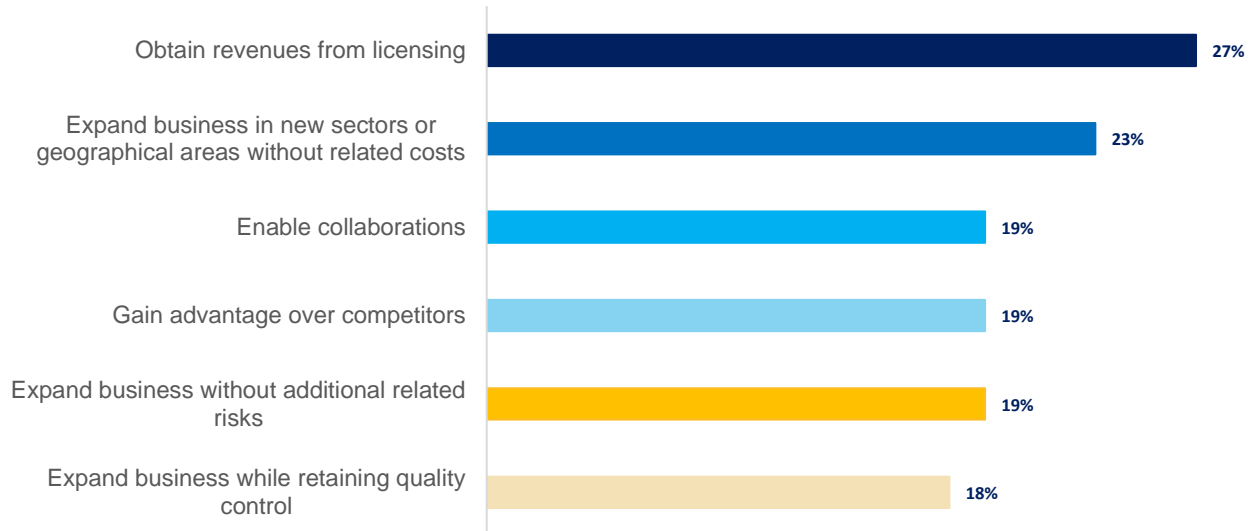
Monetisation of innovation

IPRs are often seen by SMEs as a cost rather than an investment because the value added is often not understood. Only 25 % of medium-sized IPR owners have professionally valued their intangible assets, and this drops to 20 % for both small and micro-sized IPR owners.

A general lack of understanding of how to maximise the potential of IPRs can be seen in the number of SMEs who have attempted to gain finance based upon their intangible assets. Although access to finance is one of the biggest issues for SMEs, only 13 % of IPR owners have attempted to gain finance using their intangible assets. On a more positive note, however, 9 % have done so successfully.

When it comes to commercialisation, 24 % of IPR owners interviewed have signed a licence involving IPRs, with 71 % of those licensing their IPRs to other organisations. The main reasons for doing this were to obtain additional revenue (27 %) and to expand into new areas (sectors and geographies) without incurring the related costs (23 %).

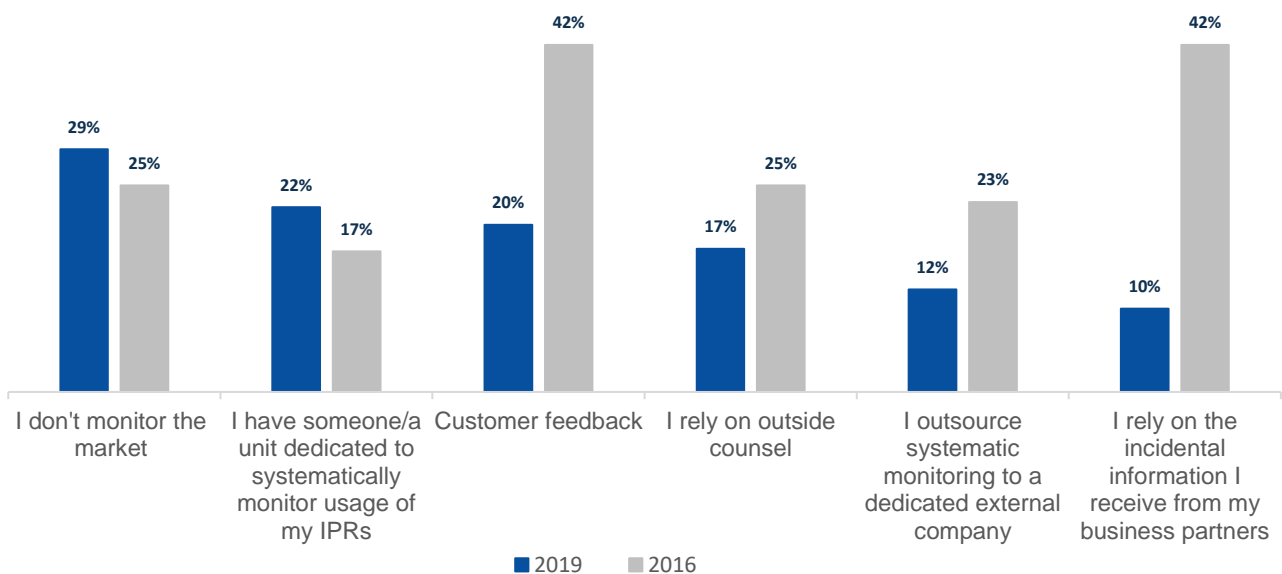
Top 6 reasons for licensing IPRs by IPR owners



Enforcement

Infringement of registered IPRs can be a concern for SMEs. Some 55 % of IPR owners say that copying by competitors is the biggest threat to their IPRs in the coming year. However, 29 % of IPR owners do nothing at all to monitor the market for IPR infringement. For those that do, the most common methods used are having an employee or unit dedicated to monitoring usage (22 %), and using feedback received from customers (20 %).

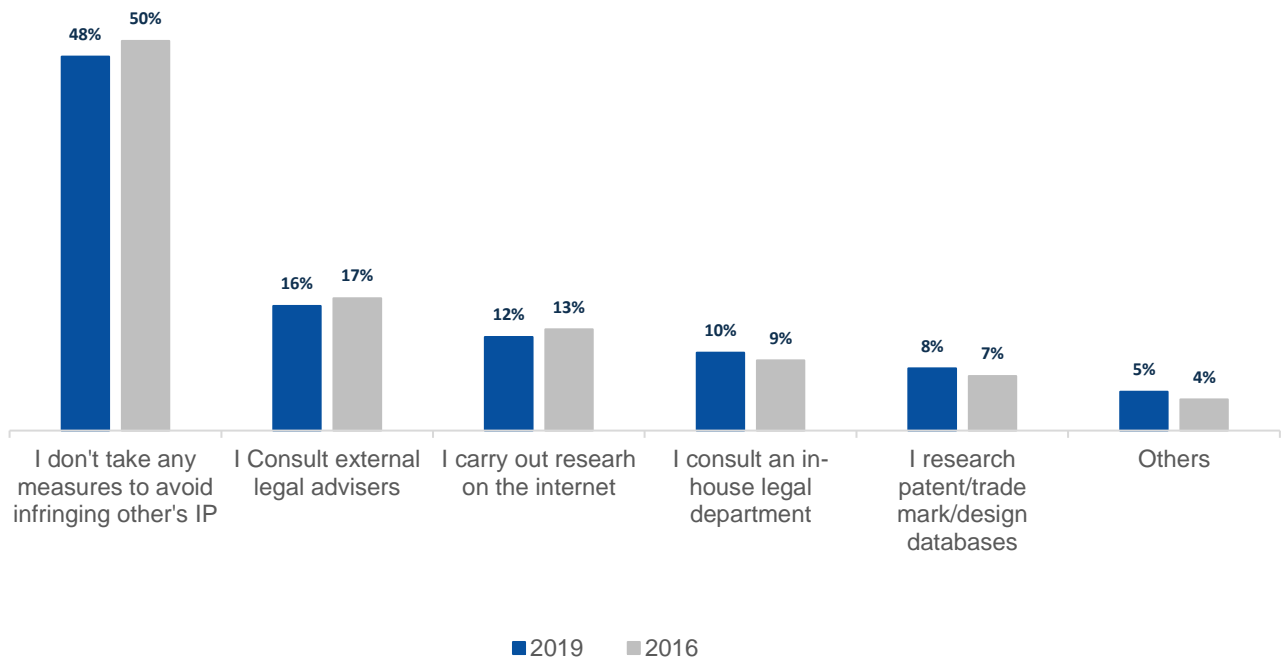
Measures applied by SMEs to monitor IPR infringement (2016-2019)



The number of SMEs that have suffered from IPR infringement in the previous 3 years has decreased from 31 % in 2016 to 24 % in 2019. Trade marks were the most infringed right (48 %), followed by patents (24 %). The most common impacts of IPR infringement were identified as loss of turnover (33 %) and damage to reputation (27 %).

Given the damage that can be caused by an infringement, a worrying trend identified is that almost half (48 %) of SMEs still do not take measures to avoid infringing other companies' IPRs. Of those that do, the most common measures are consulting legal advisers (16 %) and carrying out online research (12 %).

Comparison of measures taken by SMEs to avoid infringing third-party IPRs



This study highlights that the main barrier to the registration of IPRs for SMEs is the lack of knowledge of what IP is and how it can benefit their business. Many are receptive to information that will support their business but there is still a need to improve awareness of the benefits of IPR.

With a view to further encouraging the growth of SMEs in this environment, messages for raising awareness of IPR should show SMEs the positive impacts that IP can have on strengthening their business. These messages then need to be shared in places and via channels that SMEs use. The study identifies that these channels are often different for IPR owners and non-owners and can also vary greatly from country to country so a tailored approach to awareness dissemination is needed.

1. Introduction

2019 INTELLECTUAL PROPERTY
SME SCOREBOARD

Small and medium sized enterprises (SMEs)⁽⁴⁾, represent 99 % of all businesses in the European Union (EU), and account for 57 % of the EU's gross domestic product (GDP)⁽⁵⁾. With this in mind, the European Commission has, over the last decade, sought to create an environment enabling SMEs in the region to become highly innovative and competitive and to develop tools to enhance their sources of revenue.

Intellectual property (IP) provides a framework to support innovation and can help achieve all of these objectives. Indeed, recent studies have found that SMEs that have filed at least one intellectual property right (IPR) are 21 % more likely to experience subsequent growth and 10 % more likely to become high-growth firms⁽⁶⁾. However, many innovative SMEs do not protect their innovative assets through intellectual property rights (IPRs).

With a view to further encouraging the growth of SMEs in this environment, various mechanisms and tools have been set in place and a range of organisations have been deployed at both national and regional levels to support and advise SMEs on IP-related issues.

Smart, achievable and inclusive growth is one of the European Commission's priorities and the European Union Intellectual Property Office (EUIPO) is supporting this through a number of channels, including conducting studies to better understand the perception and use of IP by SMEs.

In 2016 the EUIPO, acting through the Observatory on Infringements of Intellectual Property Rights (the Observatory), conducted a study of EU SMEs to understand why innovative SMEs decide to use or not to use IP. This then provided an evidence base with which to design tools and services that are relevant to improving the understanding and use of IPRs among SMEs.

In keeping with its policy of updating its major studies every 3 years, the EUIPO has commissioned KPMG Spain to conduct the 2019 IP SME Scoreboard with a view to measuring the evolution of the key IP-related aspects over the last 3 years, gathering information in order to define the key lines of action and concrete measures to be implemented within the framework of its strategic plan for the next 5 years, as well as to serve as a reference for the European Commission when deciding upon actions to be carried out by in this area, which are of pivotal importance for the development of companies in the region.

Both the questionnaire and the survey process were designed and carried out in such a way as to offer detailed insight, with a focus on the differences between companies that have registered at least one IP right and those that have not. Furthermore, the research not only analyses the attitude of SMEs towards

⁽⁴⁾ SMEs are made up of enterprises which employ fewer than 250 persons and which have an annual turnover not exceeding EUR 50 million, and/or an annual balance sheet total not exceeding EUR 43 million. Definition of SMEs. Commission Recommendation of 6 May 2003 concerning the definition of micro-, small- and medium-sized enterprises. Official Journal L 124, 20/05/2003.

⁽⁵⁾ Study on High-growth firms and intellectual property rights. European Patent Office and European Union Intellectual Property Office. 2019.

⁽⁶⁾ [High-growth firms and intellectual property rights](#).

IP, but also provides an analysis of the way in which the use of IPRs and the key elements underpinning SMEs' behaviour in this area have changed over time.

Throughout the various sections of the study, the results obtained are analysed and compared against the key elements of the results obtained in 2016. To this end, the stance taken by SMEs towards IP is examined in terms of awareness, timing, willingness, support networks, effective support measures, reasons for registering IPRs or otherwise, measures taken to combat infringement, enforcement procedures and the main short-term threats perceived by SMEs.

2. Methodology

2. Methodology

2019 INTELLECTUAL PROPERTY
SME SCOREBOARD

2.1. General overview

The fieldwork consisted of a survey conducted with SMEs in the 28 countries of the EU. The goal established was to obtain a total of 9 000 responses, taking into account the stratification made in terms of country, the type (IPR owners and non-owners) and size of the companies in the sample. Interviews were carried out using computer-assisted telephone interviewing (CATI), and SMEs were also offered the option of completing the survey in an online questionnaire.

This multimodal system ensured greater detail in the information provided by the companies, while also offering a flexible route to encourage the participation of the target audience.

2.2. Sampling

The sampling approach sought to ensure a sufficient number of interviews of both IPR and non-IPR owners, while ensuring a spread of interviews across different sizes of company and sectors, and was designed in order to ensure that the population of SMEs from each strata was represented.

The initial sample was created by the EUIPO and stratified by country (28 MS) and size based on Eurostat statistics for the last complete year available.

In order to ensure coherence with the 2016 SME Scoreboard half of the firms selected for the sample have applied for IP rights, based on databases matched with the EUIPO and the European Patent Office's (EPO) Worldwide Patent Statistical Database (PATSTAT), while the other half of the sample was made up of randomly selected SMEs.

So that a balanced analysis of the perception of IP by both IPR and non-IPR owners is achieved, and given that the proportion of companies with registered IPRs is considerably lower than those that have no registered IPRs, an oversample has been used to achieve a critical mass of IPR owners.

2.3. Questionnaire

The questionnaire was designed and updated by the EUIPO based on the one used in the 2016 study and reviewed by KPMG. The original version of the questionnaire was prepared in English and translated into the other 23 official languages of the EU. For certain countries, such as the Netherlands, Belgium, Luxembourg and Malta, the questionnaire was available in more than one language, to be selected by the relevant interviewees.

In order to conduct the interviews, a script was prepared by KPMG based on 4 scenarios or situations that served as a basis for the interviewers to maintain a dialogue with the interviewees. The script was also translated into the 23 official languages of the EU. In addition, the introduction to the questionnaire includes a screening section that allowed interviewers to contact and recruit the most relevant respondents.

2.4. Set-up and data collection

To guarantee the fulfilment of the objectives set and the quality of the work carried out within the framework of the project, KPMG selected a team of survey operators with the required skills to complete the task.

The interview team was made up of 30 interviewers and 3 supervisors.

When conducting the surveys, a multimodal approach was taken:

- a CATI system, used to conduct the telephone interviews;
- an online survey tool, which allowed the questionnaire to be viewed on desktop and mobile devices.

The main tool for conducting the surveys was the CATI platform and, secondarily and at the request of the interviewees, an online questionnaire was also provided as an alternative. In both cases, an exhaustive follow-up was carried out. Moreover, telephone and email reminders were issued to any contacts that showed interest in taking part in the study in order to encourage their participation.

Furthermore, an exhaustive follow-up was carried out throughout all phases of the project using the management tools required to perform an 'end-to-end' configuration and a comprehensive analysis of the survey process.

This monitoring system made it possible to define and update the study quotas, as well as maintain a data matrix in which the responses were updated on a weekly basis in order to deliver a follow-up report.

Once the information had been gathered, various health checks and quality tests were performed with a view to checking the quality and accuracy of the data.

2.5. Final group sub-categorisation

For all analysis within this study SMEs are split into two types of companies, IPR owners and non-IPR owners. The split between these groups is dictated by the response given to Question 14 of the survey.

‘IPR owners’ is defined as firms that own at least one patent, utility model, national or EU trade mark, national or Community registered design or breeders’ right/plant variety right, or any combination thereof, based on their response to Q14.

‘Non-IPR owners’ is defined as firms that state they do not own any kind of registered IPRs, such as patent, utility model, national or EU trade mark, national or Community registered design or breeders’ right/plant variety right, based on their response to Q14.

Additionally, for some questions the analysis has also been carried out by company size in accordance with the categorisation established by the European Commission⁽⁷⁾, indicated in Table 1 below:

Table 1. Categorisation of size of company by European Commission

Company category	Staff headcount	Turnover	or	Balance sheet total
Medium	< 250	≤ € 50 m		≤ € 43 m
Small	< 50	≤ € 10 m		≤ € 10 m
Micro	< 10	≤ € 2 m		≤ € 2 m

⁽⁷⁾ Commission Recommendation of 6 May 2003 concerning the definition of micro-, small- and medium-sized enterprises. Official Journal L 124, 20/05/2003.

A total of 8 349 interviews were conducted by country and by company size as seen in Table 2 below:

Table 2. Interviews conducted by country and by company size

MEMBER STATE	IPR OWNERS			NON-IPR OWNERS		
	Micro	Small	Medium	Micro	Small	Medium
Austria	65	42	24	35	16	11
Belgium	57	21	15	51	12	6
Bulgaria	29	18	16	30	8	4
Croatia	12	7	4	14	6	5
Cyprus	9	7	5	5	1	2
Czech Republic	53	19	21	99	19	9
Denmark	19	15	18	22	10	6
Estonia	21	13	6	35	8	5
Finland	50	24	21	21	8	1
France	192	85	46	250	52	39
Germany	454	210	150	341	259	145
Greece	33	19	5	65	4	2
Hungary	31	15	8	73	15	13
Ireland	22	15	13	24	7	6
Italy	357	224	118	353	108	39
Latvia	21	6	6	13	7	6
Lithuania	30	20	11	18	5	8
Luxembourg	8	5	5	10	4	5
Malta	8	4	4	6	4	7
Netherlands	95	37	13	225	41	33
Poland	78	30	31	151	15	9
Portugal	86	34	23	69	16	8
Romania	33	23	21	38	15	8
Slovakia	25	10	8	56	7	5
Slovenia	9	8	12	25	8	3
Spain	356	207	106	320	94	29
Sweden	85	45	30	28	14	11
United Kingdom	103	62	95	216	104	63
TOTAL	2 341	1 225	835	2 593	867	488

The companies interviewed have been classified by their main sector of activity as shown in Table 3 below:

Table 3. Main sector of activity by type of company

SECTOR OF ACTIVITY	IPR OWNERS			NON-IPR OWNERS		
	Micro	Small	Medium	Micro	Small	Medium
Other service activities	560	229	134	751	219	134
Manufacturing	398	355	287	307	148	95
Wholesale and retail trade, repair of motor vehicles and motorcycles	319	158	90	326	101	45
Construction	109	71	46	156	70	38
Professional, scientific and technical activities	137	63	47	108	37	14
Information and communication	152	56	23	123	35	13
Agriculture, forestry and fishing	113	66	33	119	32	16
Accommodation and food service activities	66	37	22	115	28	13
Human health and social work activities	85	26	22	79	41	15
Transportation and storage	52	36	31	65	29	27
Arts, entertainment and recreation	61	20	15	96	28	11
Administrative and support service activities	59	20	12	88	24	14
Real estate activities	50	6	6	76	8	4
Financial and insurance activities	40	9	9	59	17	10
Electricity, gas, steam and air-conditioning supply	43	28	19	28	14	6
Education	32	9	8	38	16	13
Mining and quarrying	22	14	11	14	4	5
Water supply, sewerage, waste management and remediation activities	18	6	5	8	7	6
Public administration and defence, compulsory social security	8	8	5	15	2	4
Activities of households as employers, undifferentiated goods and service	9	3	3	17	1	3
Activities of extraterritorial organisations and bodies	8	5	7	5	6	2
TOTAL	2 341	1 225	835	2 593	867	488

Also, following the methodology used in the previous report, in order to have a sufficient and comparable amount of companies per sector, sectors were grouped into six broader categories, as shown in Table 4 below.

Table 4. Grouping of sectors of activity

SECTOR OF ACTIVITY	GROUPING
Manufacturing	Manufacturing
Construction	Construction
Transportation and storage	Transportation, accommodation and food services
Accommodation and food service activities	
Wholesale and retail trade, repair of motor vehicles and motorcycles	Wholesale and retail trade, repair of motor vehicles and motorcycles
Financial and insurance activities	Financial and insurance activities and real estate activities and information and communication
Information and communication	
Real estate activities	
Agriculture, forestry and fishing	Other ⁽⁸⁾
Mining and quarrying	
Electricity, gas, steam and air-conditioning supply	
Water supply, sewerage, waste management and remediation activities	
Professional, scientific and technical activities	
Administrative and support service activities	
Public administration and defence, compulsory social security	
Education	
Human health and social work activities	
Arts, entertainment and recreation	
Other service activities	
Activities of households as employers, undifferentiated goods and service	
Activities of extraterritorial organisations and bodies	

⁽⁸⁾ In order to have a sufficient and comparable amount of companies per sector, the rest of the sectors have been grouped under the option 'Others' following the methodology used in the previous study. Detail on sector grouping is described in Table 4.

3. Assessment of innovation

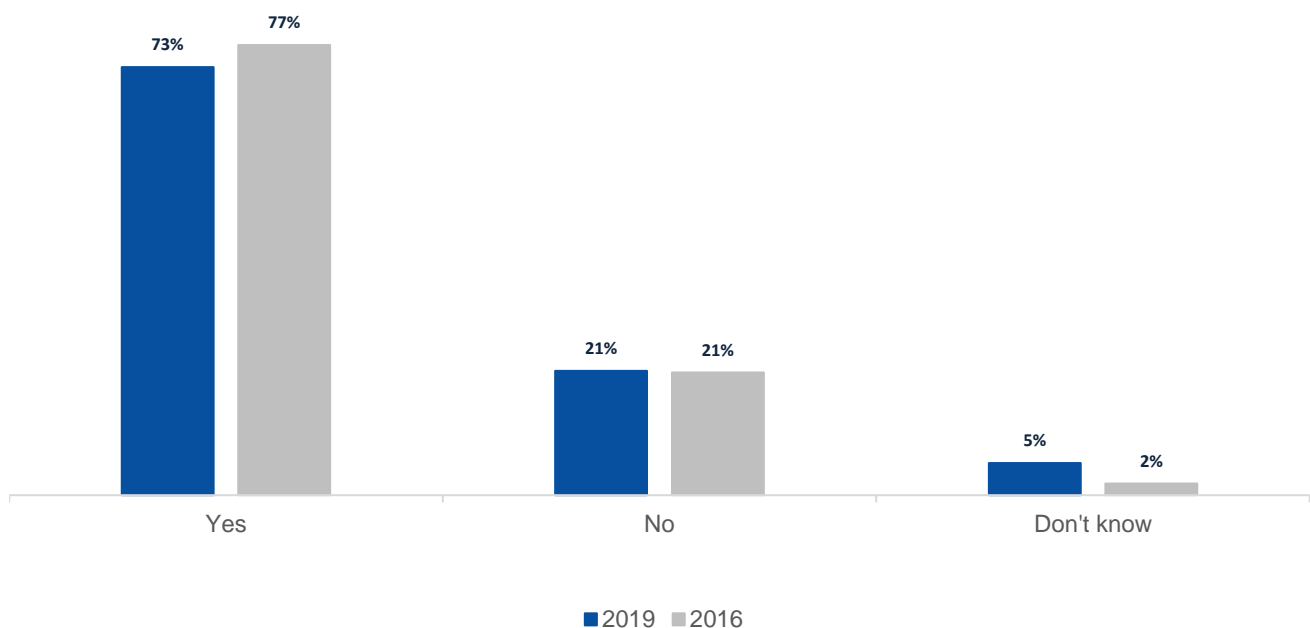
3. Assessment of innovation

2019 INTELLECTUAL PROPERTY
SME SCOREBOARD

3.1. Perception of innovation among SMEs

When asked whether they considered their company innovative, 73 % of IPR owners say that they are (Figure 1 below). This is a marginal decline from the 77 % that claimed to be innovative in 2016. This difference is due mainly to the fact that, although the proportion of companies that does not consider itself innovative has remained the same with respect to 2016, the number of companies responding 'Don't know' has increased by 3 %.

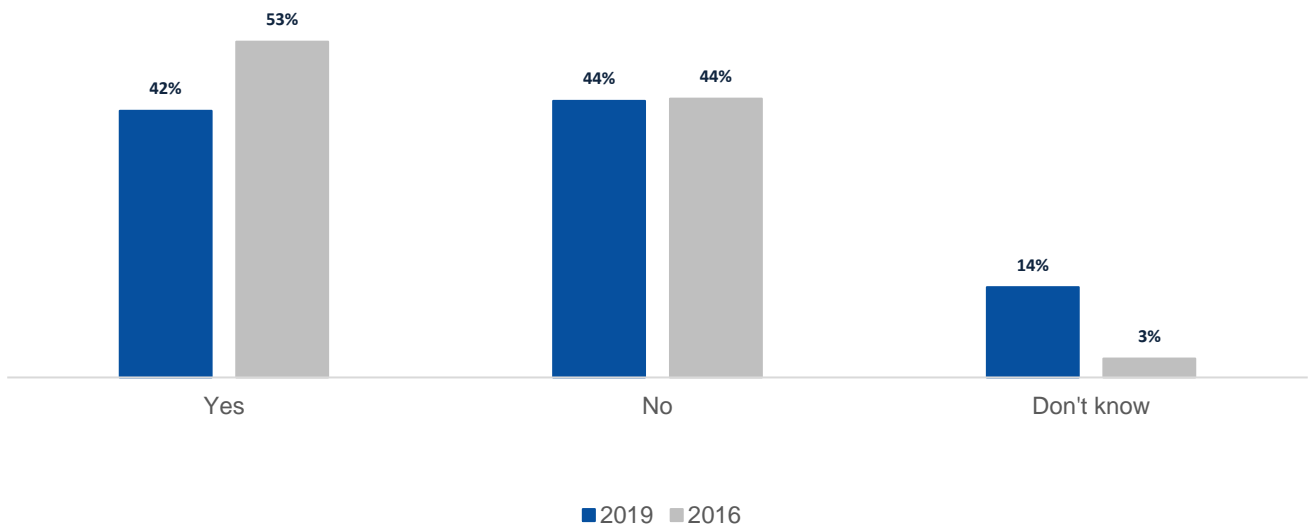
Figure 1. IPR owners asked whether their company is innovative ⁽⁹⁾



⁽⁹⁾ Based on the available answers of 4 401 IPR owner enterprises.

As for non-IPR owners (Figure 2 below), nearly half state that their company is innovative (42 %). This is an interesting proportion considering that these companies declare not to have any registered IPRs. It is also worth noting that this represents a decrease of 11 % compared to the same group in 2016 (53 %). As in the previous case (IPR owners, Figure 1 above), the number of companies that do not consider themselves innovative is maintained. However, the number of companies that do not know whether to consider themselves innovative or not has increased, even more markedly than for IPR owners.

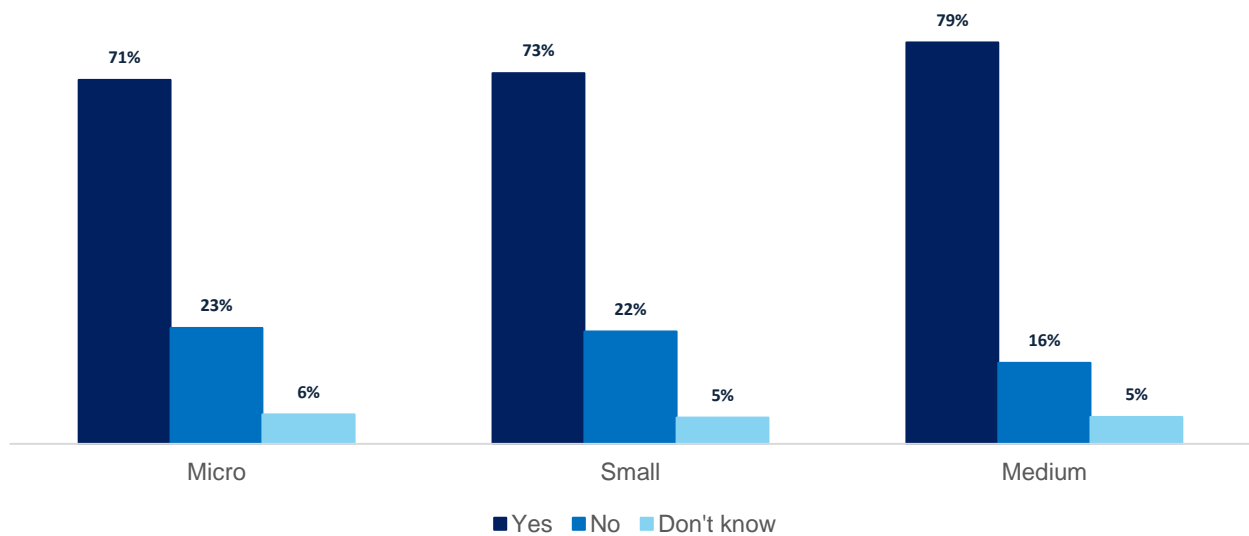
Figure 2. Non-IPR owners asked whether their company is innovative⁽¹⁰⁾



⁽¹⁰⁾ Based on the available answers of 3 948 non-IPR owner enterprises.

A more in-depth analysis of the perception that SMEs have about whether or not they are innovative reveals very similar results among micro-, small- and medium-sized companies that own IPRs (Figure 3 below). Although the difference is slight, more medium-sized companies (79 %) claim to be innovative than their smaller counterparts.

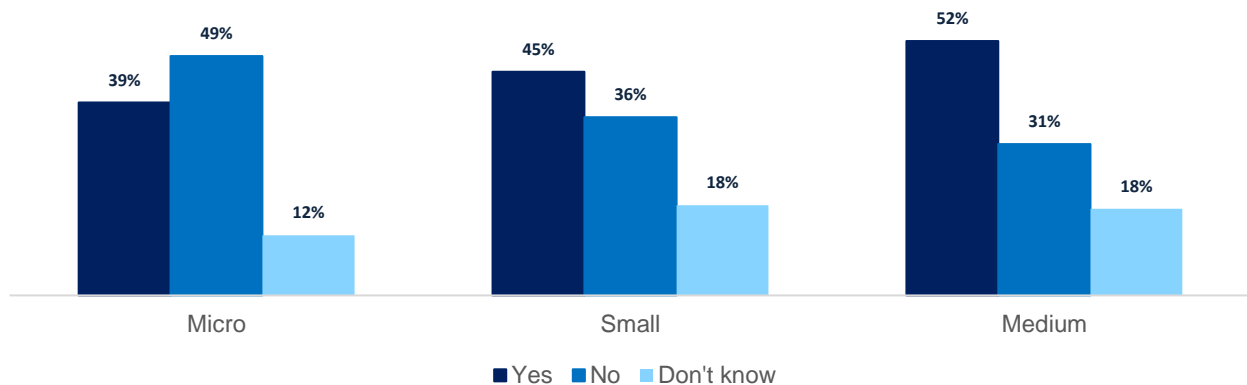
Figure 3. IPR owners asked whether their company is innovative, broken down by company size ⁽¹¹⁾



When scrutinising Non-IPR owning SMEs by company size (Figure 4 below), the bigger the company, the more likely they are to be innovative. 49 % of micro-sized companies say they not innovative compared to only 31 % of medium-sized SMEs.

⁽¹¹⁾ Based on the available answers of 2 341 micro-, 1 225 small- and 835 medium-sized IPR owner enterprises.

Figure 4. Non-IPR owners asked whether their company is innovative, broken down by company size⁽¹²⁾



In order to contextualise the results of the study, the perception of innovation broken down by the type and sector of activity to which SMEs belong is analysed in Table 5 below.

In 2019, SMEs from the professional, scientific and technical activities sector claim to be the most innovative, with 85 % saying that they have innovated in the last 3 years. This is closely followed by the information and communication sector with 84 %. One element common to these sectors is the intensive use of technology, which is important when promoting innovation within companies.

As for non-IPR owners, the most innovative sector in 2019 is information and communication with 66 %. Although non-IPR owners in general do not claim to be as innovative as IPR owners, there are other sectors, such as manufacturing; electricity, gas, steam and air-conditioning supply; professional, scientific and technical activities, inter alia, in which more than 50 % of non-IPR owning SMEs claim that innovation forms part of their activity.

⁽¹²⁾ Based on the available answers of 2 593 micro-, 867 small- and 488 medium-sized non-IPR owner enterprises.

Table 5. Innovation by type of company and sector of activity (2019)⁽¹³⁾

INNOVATION BY SECTOR OF ACTIVITY	IPR OWNERS		NON-IPR OWNERS	
	YES	NO	YES	NO
Other service activities	71 %	23 %	36 %	47 %
Manufacturing	79 %	17 %	52 %	35 %
Wholesale and retail trade, repair of motor vehicles and motorcycles	65 %	29 %	36 %	54 %
Construction	77 %	17 %	44 %	45 %
Professional, scientific and technical activities	85 %	11 %	52 %	33 %
Information and communication	84 %	12 %	66 %	22 %
Agriculture, forestry and fishing	68 %	25 %	36 %	52 %
Accommodation and food service activities	60 %	38 %	34 %	49 %
Human health and social work activities	77 %	15 %	46 %	36 %
Transportation and storage	57 %	35 %	36 %	46 %
Arts, entertainment and recreation	76 %	16 %	41 %	41 %
Administrative and support service activities	70 %	22 %	44 %	41 %
Real estate activities	55 %	42 %	32 %	59 %
Financial and insurance activities	62 %	31 %	41 %	42 %
Electricity, gas, steam and air-conditioning supply	80 %	19 %	56 %	33 %
Education	78 %	16 %	54 %	33 %
Mining and quarrying	77 %	21 %	43 %	48 %
Water supply, sewerage, waste management and remediation activities	69 %	24 %	33 %	57 %
Public administration and defence, compulsory social security	71 %	14 %	48 %	29 %
Activities of households as employers, undifferentiated goods and service	80 %	13 %	14 %	62 %
Activities of extraterritorial organisations and bodies	70 %	10 %	54 %	31 %

⁽¹³⁾ The answers corresponding to the 'Don't know' option are not shown in the table, but were taken into account for the calculation of the results for both IPR and non-IPR owners.

A comparison of the two time periods (Tables 6 & 7 below) reveals that, while 79 % of IPR owners and 52 % of non-IPR owners in the manufacturing sector consider themselves innovative in 2019, 85 % and 61 %, respectively, felt the same in 2016. In the construction sector, there has been a 3 % rise among IPR owners (74 % in 2016 v 77 % in 2019).

Meanwhile, in the wholesale and retail trade, 65 % of IPR owners and 36 % of non-IPR owners claim to be innovative in 2019. These results are very similar to those obtained in 2016 for the same sector (66 % and 44 %, respectively).

In both studies, the sector-specific analysis once again confirms that IPR owners are more likely to be considered innovative when compared to other companies.

Table 6. IPR owners asked whether their company is innovative by sector of activity (2016-2019)⁽¹⁴⁾

	2019		2016	
	YES	NO	YES	NO
Manufacturing	79 %	17 %	85 %	14 %
Construction	77 %	17 %	74 %	25 %
Transportation, accommodation and food services	59 %	36 %	65 %	33 %
Wholesale and retail trade	65 %	29 %	66 %	31 %
Financial and insurance activities and real estate activities and information and communication	75 %	20 %	79 %	20 %
Other sectors ⁽¹⁵⁾	74 %	20 %	79 %	20 %

⁽¹⁴⁾ Based on the available answers of 4 401 IPR owner enterprises.

⁽¹⁵⁾ In order to have a sufficient and comparable amount of companies per sector, the rest of the sectors have been grouped under the option 'Others', following the methodology used in the previous study. Detail on sector grouping is described in Table 4.

Table 7. Non-IPR owners asked whether their company is innovative by sector of activity (2016-2019)⁽¹⁶⁾

	2019		2016	
	YES	NO	YES	NO
Manufacturing	52 %	35 %	61 %	36 %
Construction	44 %	45 %	47 %	49 %
Transportation, accommodation and food services	35 %	48 %	49 %	48 %
Wholesale and retail trade	36 %	54 %	44 %	54 %
Financial and insurance activities and real estate activities and information and communication	51 %	37 %	62 %	35 %
Other sectors ⁽¹⁷⁾	40 %	44 %	54 %	43 %

⁽¹⁶⁾ Based on the available answers of 3 948 SMEs.

⁽¹⁷⁾ In order to have a sufficient and comparable amount of companies per sector, the rest of the sectors have been grouped under the option 'Others', following the methodology used in the previous study. Detail on sector grouping is described in Table 4.

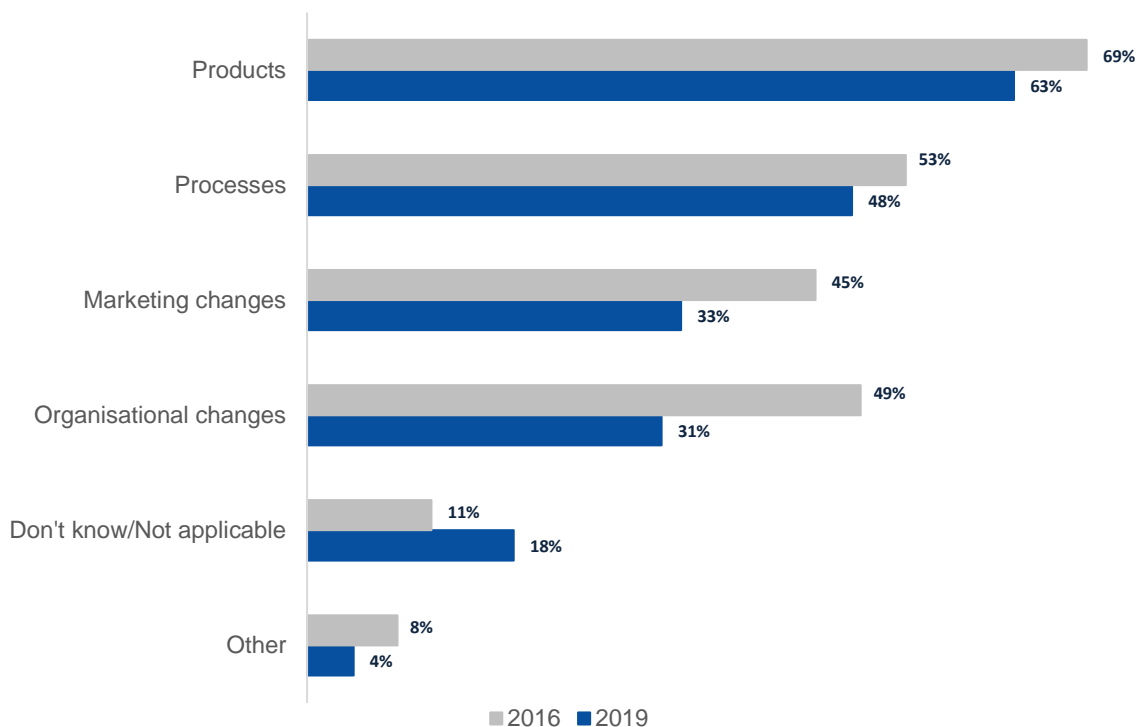
3.2. Innovation applied in the business areas in the last 3 years

In addition to analysing how innovative SMEs perceive themselves to be, the study delves into how the innovative nature of a company impacts its main operational areas. To this end, the SMEs interviewed were asked to identify the specific areas of their organisation in which there have been changes resulting from innovation over the last 3 years.

As a result, 63 % of IPR owners in 2019 claim to have implemented innovation in products followed by 48 % that have implemented innovation in processes (Figure 5 below). Moreover, in almost the same proportions the same groups have implemented innovation in marketing changes and organisational changes, with 33 % and 31 %, respectively.

Compared with the results obtained in 2016, it is observed that in all cases there has been a decrease in the proportion of companies that have implemented innovation in each business area, although in some cases, such as products and processes, the difference is unremarkable. The trend continues that products and processes are the main areas for innovation.

Figure 5. Proportion of IPR owners that have innovated in any area of business in the past 3 years ⁽¹⁸⁾

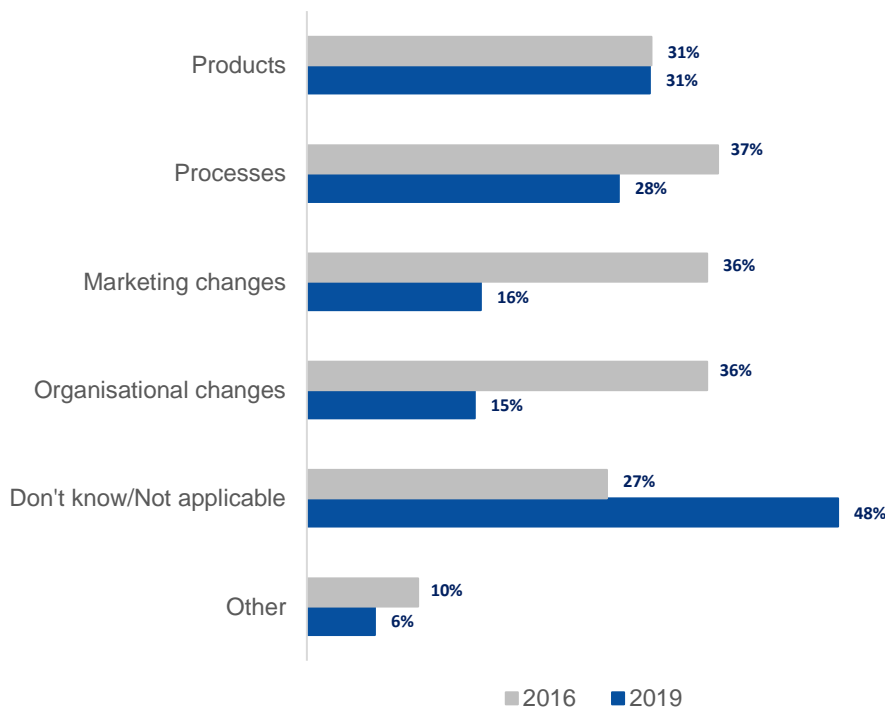


⁽¹⁸⁾ Based on the available answers of 4 401 IPR owner enterprises.

As for non-IPR owners (Figure 6 below), there is a decrease with respect to 2016 in the proportion of companies have applied innovation in processes, marketing changes and organisational changes. An important aspect to highlight is that for applied product innovation the same proportion of companies (31 %) is maintained.

Conversely, the number of companies that state that they do not know or that this circumstance is not applicable to their company has almost doubled in the 3-year period. The fact that more are choosing this option could be directly influencing the decrease in the proportion of companies that have applied innovation in other areas of business as shown in Figure 6 below.

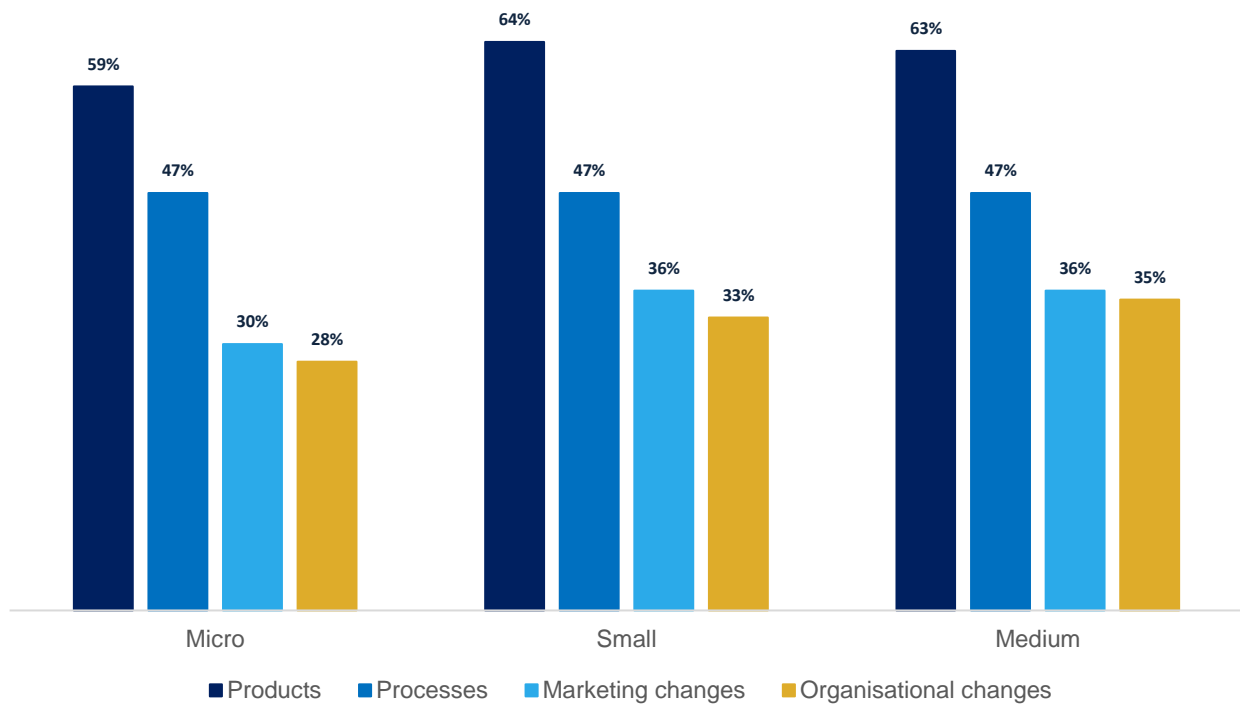
Figure 6. Proportion of non-IPR owners that have innovated in any area of business in the past 3 years ⁽¹⁹⁾



⁽¹⁹⁾ Based on the available answers of 3 948 non-IPR owner enterprises.

Regardless of the size of the relevant company, Figure 7 below shows the main area in which IPR owners have innovated over the last 3 years has been in their products (62 % on average), followed by processes (47 % on average) and marketing changes (34 % on average). However, there are differences in terms of size of company as regards the proportion of SMEs that have implemented innovation in certain areas of their organisations.

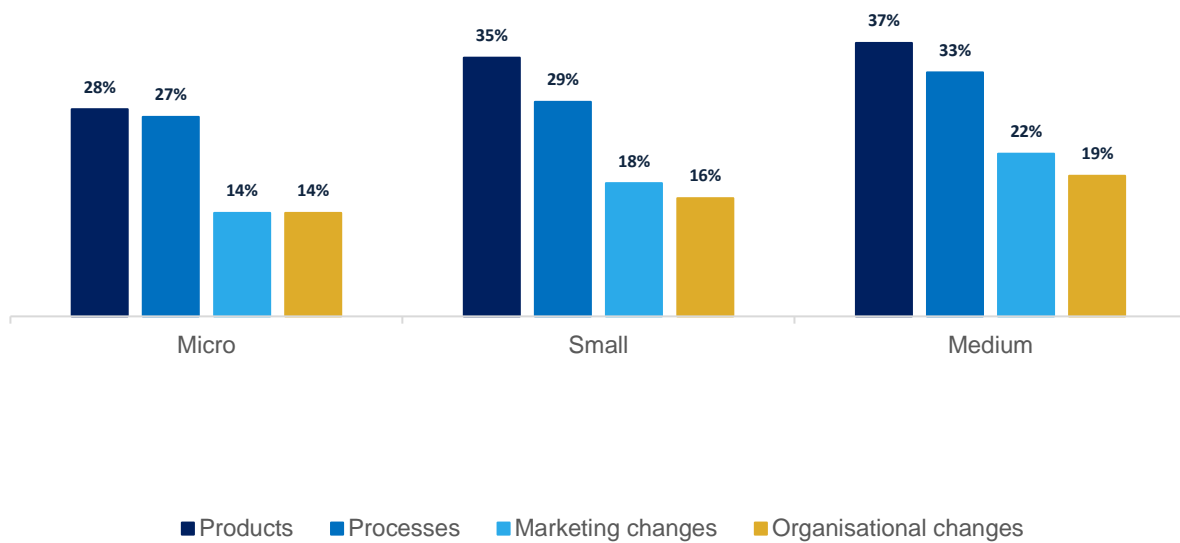
Figure 7. Top 4 business areas for innovation among IPR owners, by company size ⁽²⁰⁾



⁽²⁰⁾ Based on the available answers of 2 341 micro-, 1 225 small- and 835 medium-sized IPR owner enterprises.

Besides products and services, the third business area in which non-IPR owners have innovated the most in the last 3 years is marketing changes (Figure 8 below).

Figure 8. Top 4 business areas for innovation among non-IPR owners, by company size⁽²¹⁾



⁽²¹⁾ Based on the available answers of 2 593 micro-, 867 small- and 488 medium-sized non-IPR owner enterprises.

3.3. Measures taken by SMEs to safeguard innovation output classed as important

This section seeks to analyse the measures set in place by SMEs in order to protect their innovation-related assets and their view of the importance of each measure in terms of protection. In order to conduct this analysis, the relevant measures have been divided into two groups.

- Intellectual property rights: protected in law by, for example, patents, copyright and trade marks, which enable people to earn recognition or financial benefit from what they invent or create. By striking the right balance between the interests of innovators and the wider public interest, the IP system aims to foster an environment in which creativity and innovation can flourish⁽²²⁾.
- Alternative measures: other measures to protect innovation output such as internet domain names, trade secrets, database law, etc.

In this context, of those companies that claim to use some measure of protection to protect their innovation assets, 58 % of IPR owners consider trade marks to be the most important protection measure (Table 8 below), followed by patents with 32 % and then designs with 24 %.

For their part, non-IPR owners also value trade marks (9 %) as the most important right; this is followed by designs (5 %) and by patents and copyright, both selected by 4 % of companies.

Table 8. Comparison of the importance given by SMEs to protective measures by type of company⁽²³⁾

INTELLECTUAL PROPERTY RIGHTS ⁽²⁴⁾	IPR OWNERS	NON-IPR OWNERS
Trade mark	58 %	9 %
Patent	32 %	4 %
Copyright	21 %	4 %
Design	24 %	5 %
Geographical indication	12 %	3 %
Breeders' right/Plant variety right	7 %	3 %
Topography of semiconductor	6 %	2 %
Utility model	11 %	3 %

⁽²²⁾ Definition of IP by WIPO – World Intellectual Property Organization.

⁽²³⁾ Importance is defined by those answering 'high' ratings.

⁽²⁴⁾ Based on the available answers of 3 606 IPR owner and 3 506 non-IPR owner enterprises. Those companies that assure that they do not take any measures to protect their innovation outputs were excluded from the analysis.

Furthermore, the 2019 SME Scoreboard results bear out the trend as regards the importance of IPRs reflected in the results of the 2016 study (Table 9 below). Trade marks, at both domestic and EU level, are the protection measure most valued by SMEs.

The overall results show that most IPRs have experienced significant growth since 2016. The 16 % growth in patents is particularly noteworthy.

Table 9. Comparison of the importance given by IPR owners to protective measures ⁽²⁵⁾

INTELLECTUAL PROPERTY RIGHTS ⁽²⁶⁾	2019	2016
Trade mark	58 %	38 %
Patent	32 %	16 %
Copyright	21 %	16 %
Design	24 %	22 %
Geographical indication	12 %	14 %
Breeders' right/Plant variety right	7 %	2 %
Topography of semiconductor	6 %	1 %
Utility model	11 %	7 %

⁽²⁵⁾ Importance is defined by those answering 'high' ratings.

⁽²⁶⁾ Based on the available answers of 3 606 IPR owner enterprises. Those companies that assure that they do not take any measures to protect their innovation outputs were excluded from the analysis.

Conversely, the most valued alternative protection measure by IPR and non-IPR owners alike is internet domain names (Table 10 below), selected by 51 % and 28 % of companies, respectively. Moreover, confidentiality/trade secret is the second most-valued alternative protective measures, accounting for 26% of IPR owners and 12% of non-IPR owners with database law third position for non-IPR owners at 7 % and 16 % for IPR owners.

Table 10. Comparison of the importance given by SMEs to alternative protective measures, by type of company ⁽²⁷⁾

ALTERNATIVE PROTECTIVE MEASURES ⁽²⁸⁾	IPR OWNERS	NON-IPR OWNERS
Confidentiality/Trade secrets	26 %	12 %
Complexity of product design	13 %	4 %
Leveraging of complementary assets	13 %	4 %
Time to market	13 %	5 %
Database law	16 %	7 %
Internet domain name(s)	51 %	28 %
Other	8 %	4 %

⁽²⁷⁾ Importance is defined by those answering 'high' ratings.

⁽²⁸⁾ Based on the available answers of 3 606 IPR owner and 3 506 non-IPR owner enterprises. Those companies that assure that they do not take any measures to protect their innovation outputs were excluded from the analysis.

As for alternative protection measures, the 2019 results show that the importance given by IPR owners to these measures has decreased (Table 11 below). Internet domain names is the exception, as these have experienced a 4 % growth since 2016.

**Table 11. Comparison of the importance given by IPR owners
to alternative protective measures ⁽²⁹⁾**

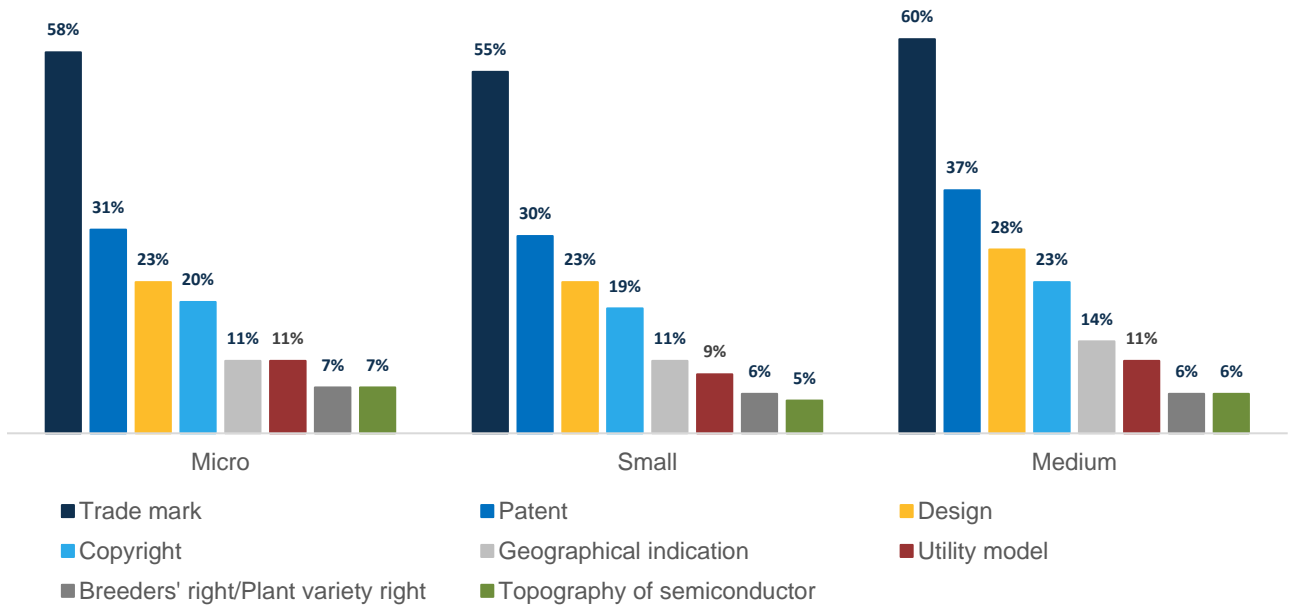
INTELLECTUAL PROPERTY RIGHTS ⁽³⁰⁾	2019	2016
Confidentiality/Trade secrets	26 %	42 %
Complexity of product design	13 %	29 %
Leveraging of complementary assets	13 %	23 %
Time to market	13 %	24 %
Database law	16 %	22 %
Internet domain name(s)	51 %	47 %
Other	8 %	13 %

⁽²⁹⁾ Importance is defined by those answering 'high' ratings.

⁽³⁰⁾ Based on the available answers of 3 606 IPR owner enterprises. Those companies that assure that they do not take any measures to protect their innovation outputs were excluded from the analysis.

Further analysis of IPR owners reveals that the importance given to trade marks is significantly higher than that given to any other type of IPR, regardless of the size of the company concerned (Figure 9 below). The other types of rights reveal very similar patterns across all company sizes.

Figure 9. Importance⁽³¹⁾ given to IPRs by IPR owners, broken down by company size⁽³²⁾

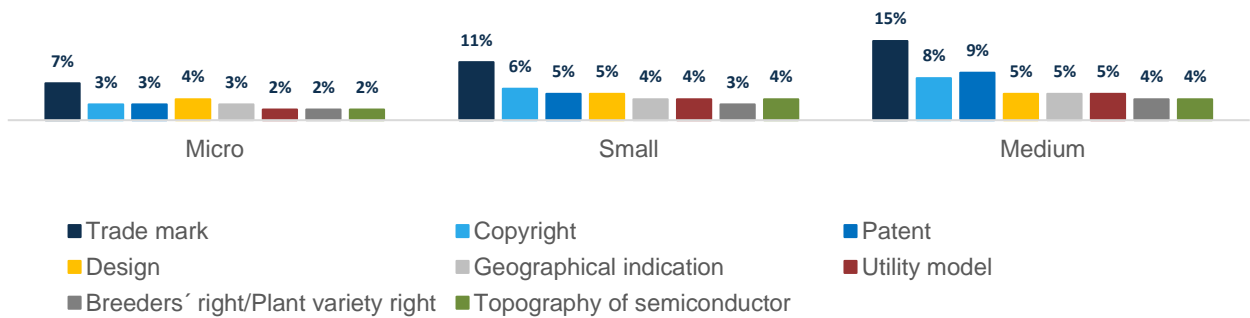


⁽³¹⁾ Importance is defined by those answering 'high' ratings.

⁽³²⁾ Based on the available answers of 1 904 micro-, 1 012 small- and 690 medium-sized IPR owner enterprises. Those companies that assure that they do not take any measures to protect their innovation outputs were excluded from the analysis.

As for non-IPR owners, the larger the company the greater the importance given to IPRs. Thus, it is possible to infer from Figure 10 below that IPRs are afforded greater importance in medium-sized enterprises than in small-sized enterprises, and much more so than in micro-sized enterprises.

Figure 10. Importance⁽³³⁾ given to IPRs by non-IPR owners,
broken down by company size⁽³⁴⁾

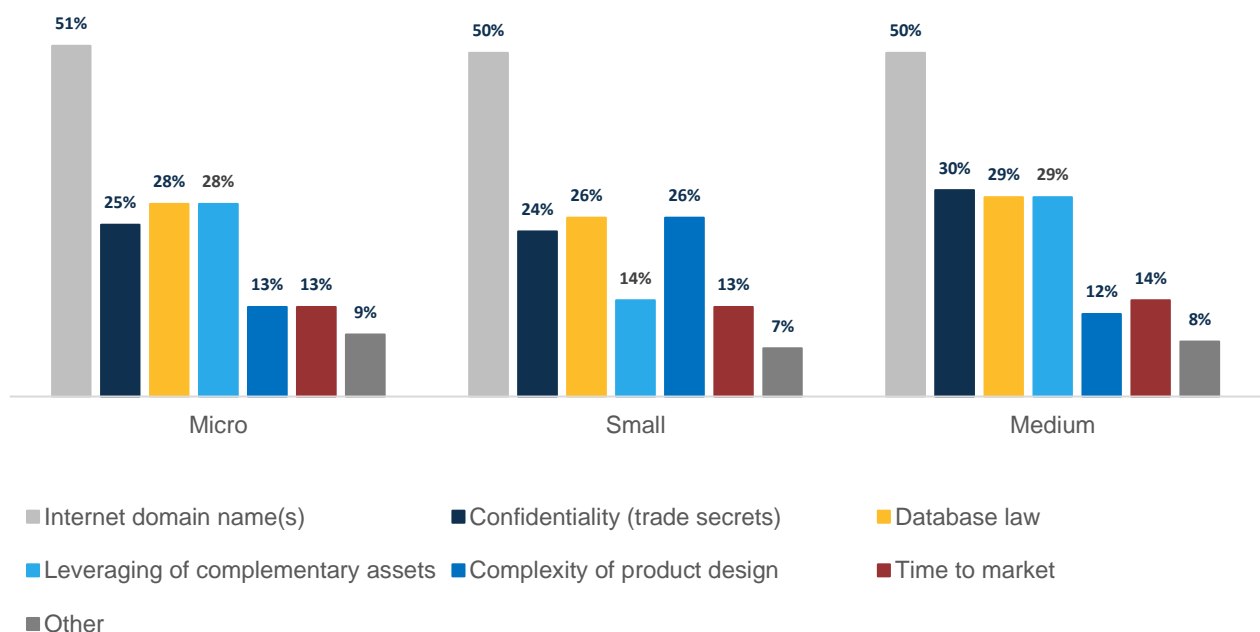


⁽³³⁾ Importance is defined by those answering 'high' ratings.

⁽³⁴⁾ Based on the available answers of 2 324 micro-, 758 small- and 424 medium-sized non-IPR owner enterprises. Those companies that assure that they do not take any measures to protect their innovation outputs were excluded from the analysis.

As far as alternative protection measures are concerned (Figure 11 below), the 2019 results reveal that internet domain names stand out significantly over other measures among IPR owners. The importance of the other measures when analysed by company size varies after this, with medium-sized enterprises seeing confidentiality and trade secrets (30 %) as the second most important measure whereas small-sized enterprises consider database law (26 %) and complexity of product design (26 %) more meaningful.

Figure 11. Importance⁽³⁵⁾ given to alternative protective measures by IPR owners, broken down by company size⁽³⁶⁾

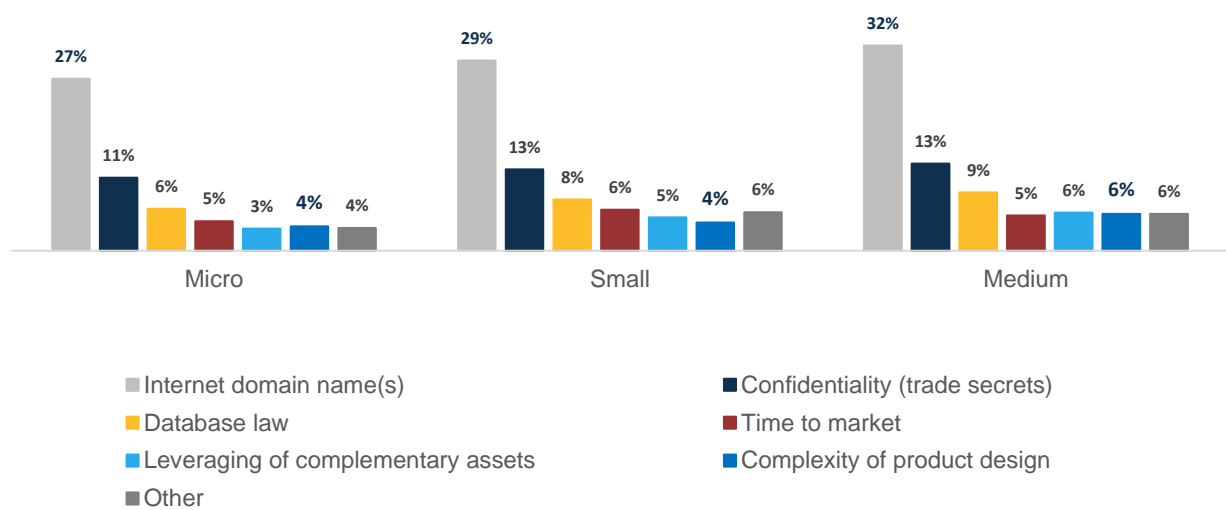


⁽³⁵⁾ Importance is seen taking into account 'high' ratings.

⁽³⁶⁾ Based on the available answers of 1 904 micro-, 1 012 small- and 690 medium-sized IPR owner enterprises. Those companies that assure that they do not take any measures to protect their innovation outputs were excluded from the analysis.

As seen in Figure 12 below, when it comes to non-IPR owners the order of importance is more uniform than for IPR owners when analysing by company size. Internet domain names are again the most valued alternative protection measure however confidentiality is second and database law is third for all groups.

Figure 12. Importance⁽³⁷⁾ given to alternative protective measures by non-IPR owners, broken down by company size⁽³⁸⁾



⁽³⁷⁾ Importance is defined by those answering 'high' ratings.

⁽³⁸⁾ Based on the available answers of 2 324 micro-, 758 small- and 424 medium-sized non-IPR owner enterprises. Those companies that assure that they do not take any measures to protect their innovation outputs were excluded from the analysis.

3.4. Collaboration between SMEs and other entities to foster innovation

When analysed by type of company, the results reveal that almost 50 % of IPR owners collaborate with other entities, which is almost twice the number of non-IPR owners (Figures 13 & 14 below).

Figure 13. Collaboration between IPR owners and other entities ⁽³⁹⁾

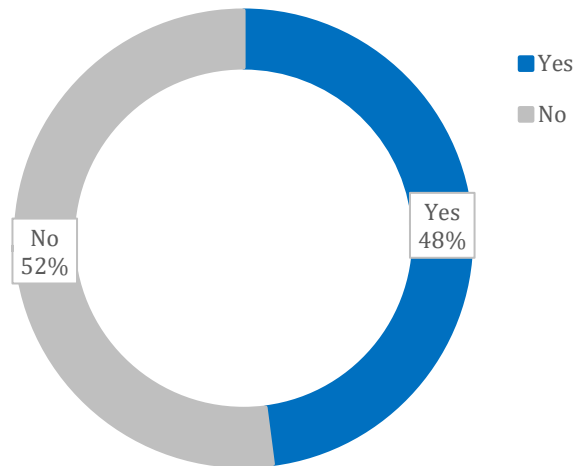
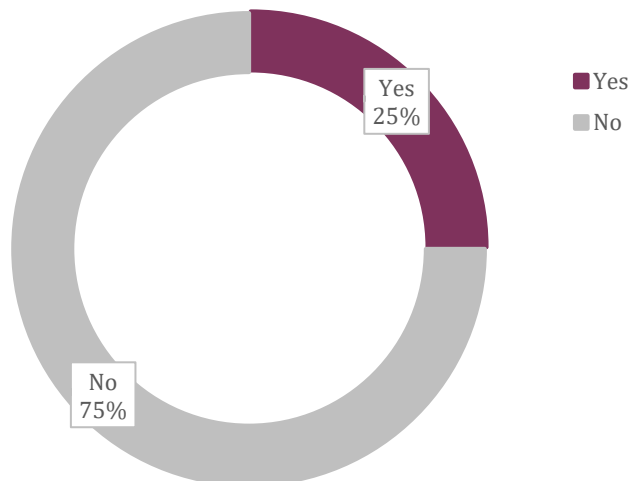


Figure 14. Collaboration between non-IPR owners and other entities ⁽⁴⁰⁾



⁽³⁹⁾ Based on the available answers of 4 401 IPR owner enterprises.

⁽⁴⁰⁾ Based on the available answers of 3 948 non-IPR owner enterprises.

Table 12 below shows that medium-sized enterprises that make use of IPRs stand out, since over half work in conjunction with other entities to further innovation. However, micro- and small-sized enterprises that own any kind of IPRs collaborate with other entities in similar proportions (47 % and 45 %, respectively). As for non-IPR owner enterprises, the same trend is observed.

Table 12. Collaboration between SMEs and other entities,
broken down by company size

	IPR OWNERS ⁽⁴¹⁾			NON-IPR OWNERS ⁽⁴²⁾		
	Micro	Small	Medium	Micro	Small	Medium
Yes	47 %	45 %	55 %	23 %	25 %	35 %
No	53 %	55 %	45 %	77 %	75 %	65 %

⁽⁴¹⁾ Based on the available answers of 2 341 micro-, 1 225 small- and 835 medium-sized IPR owner enterprises.

⁽⁴²⁾ Based on the available answers of 2 593 micro-, 867 small- and 488 medium-sized non-IPR owner enterprises.

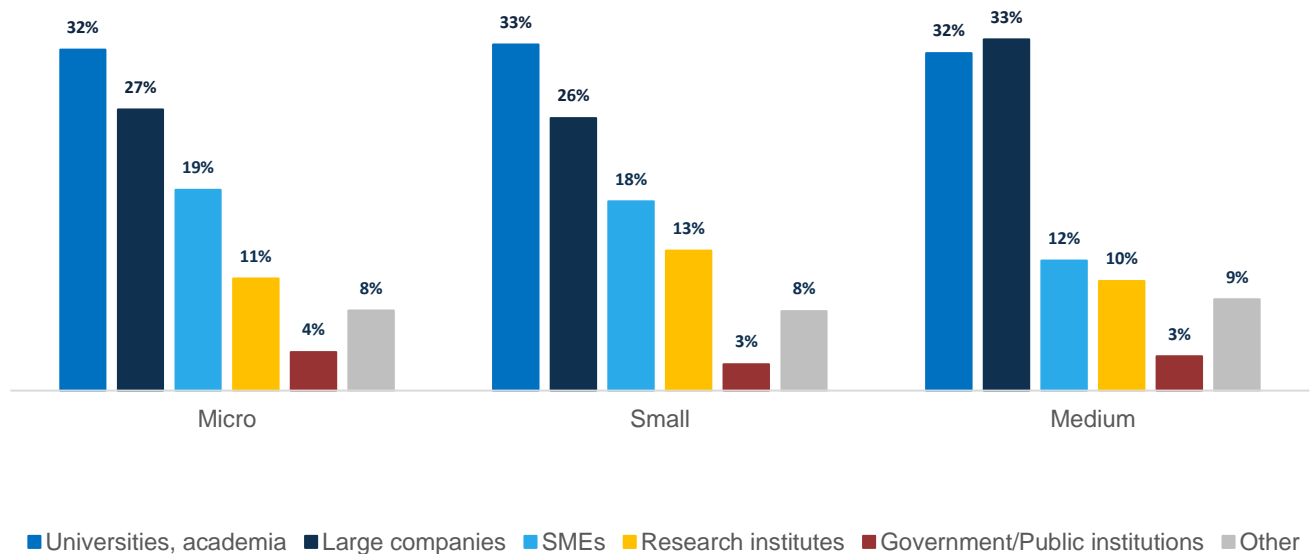
3.5. Collaboration partners

When it comes to collaboration partners, 33 % of medium-sized enterprises that own any kind of IPRs choose large companies as their key partners for pursuing innovative activities (Figure 15 below). Their counterparts (micro- and small-sized enterprises) prefer to collaborate with universities or academia, accounting for 32 % and 33 %, respectively. Nonetheless, universities and academia represent the second entity with which medium-sized entities collaborate the most (32 %).

In third place IPR owners, regardless of size, collaborate with other SMEs. This type of collaborator represents 19 %, 18 % and 12 % in micro-, small- and medium-sized enterprises, respectively.

Albeit to a lesser extent, IPR owners (regardless of company size) also collaborate with research institutes. Small businesses are the most likely to collaborate with these types of institutions.

Figure 15. Collaboration partners by IPR owners, broken down by company size⁽⁴³⁾



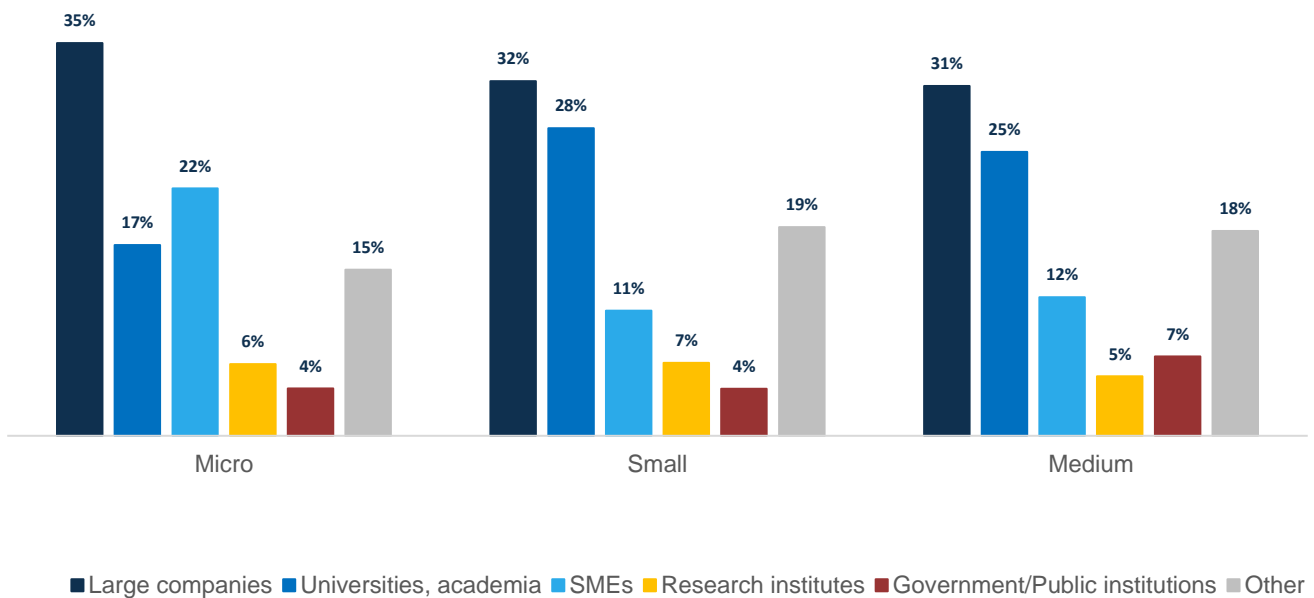
⁽⁴³⁾ Based on the available answers of 1 091 micro-, 557 small- and 462 medium-sized IPR owner enterprises. The analysis only includes the responses of those companies that claim to have collaborated with other entities in Section 3.4.

Meanwhile, similar conclusions can be drawn for non-IPR owners (Figure 16 below), who are more likely to collaborate with large companies, universities/academia and other SMEs, regardless of the size of company.

However, it is noteworthy that micro-enterprises collaborate more regularly with other SMEs (22 %) than with their counterparts.

Non-IPR owners tend to collaborate with other types of entities to a greater extent than companies that own IPRs, regardless of the size of the company.

Figure 16. Collaboration partners by non-IPR owners, broken down by company size⁽⁴⁴⁾



⁽⁴⁴⁾ Based on the available answers of 591 micro-, 214 small- and 169 medium-sized non-IPR owner enterprises. The analysis only includes the responses of those companies that claim to have collaborated with other entities in Section 3.4.

3.6. Intellectual property rights as a result of collaboration

Collaboration between SMEs and other entities often results in registering new IPRs. The outcome of such collaboration varies from country to country.

When analysed by type of company, results show that IPR owners are more likely to register IPR as a result of their collaborations with other entities. Nonetheless, across the 28 Member States of the EU, 19 % of non-IPR owners have also participated in collaborations that have resulted in new IPRs (Table 13 below), despite the fact that the owners of these rights are not the companies in this group but their partners.

When broken down by Member State, most IPR owners are above the EU average. Particularly noteworthy are Bulgaria (53 %), Greece (56 %), Malta (67 %), Portugal (52 %), Romania (59 %), Sweden (59 %) and the United Kingdom (55 %).

On the other hand, only 9 out of 28 Member States are above the EU average as regards non-IPR owner companies. These countries are Bulgaria (21 %), France (25 %), Italy (21 %), Lithuania (36 %), Luxembourg (50 %), the Netherlands (29 %), Portugal (21 %), Spain (20 %) and Sweden (38 %).

Table 13. IPR output from collaborations by company type and country⁽⁴⁵⁾

MEMBER STATE	IPR OWNERS	NON-IPR OWNERS
Austria	46 %	4 %
Belgium	45 %	8 %
Bulgaria	53 %	21 %
Croatia	50 %	0 %
Cyprus	20 %	0 %
Czech Republic	38 %	14 %
Denmark	41 %	17 %
Estonia	35 %	18 %
Finland	38 %	0 %
France	43 %	25 %
Germany	49 %	16 %
Greece	56 %	0 %
Hungary	28 %	19 %
Ireland	42 %	13 %

⁽⁴⁵⁾ Based on the available answers of 2 110 IPR owner and 974 non-IPR owner enterprises. The analysis only includes the responses of those companies that claim to have collaborated with other entities in Section 3.4.

Italy	49 %	21 %
Latvia	40 %	19 %
Lithuania	49 %	36 %
Luxembourg	44 %	50 %
Malta	67 %	0 %
Netherlands	50 %	29 %
Poland	37 %	12 %
Portugal	52 %	21 %
Romania	59 %	6 %
Slovakia	23 %	10 %
Slovenia	33 %	0 %
Spain	37 %	20 %
Sweden	59 %	38 %
United Kingdom	55 %	18 %
EU TOTAL	46 %	19 %

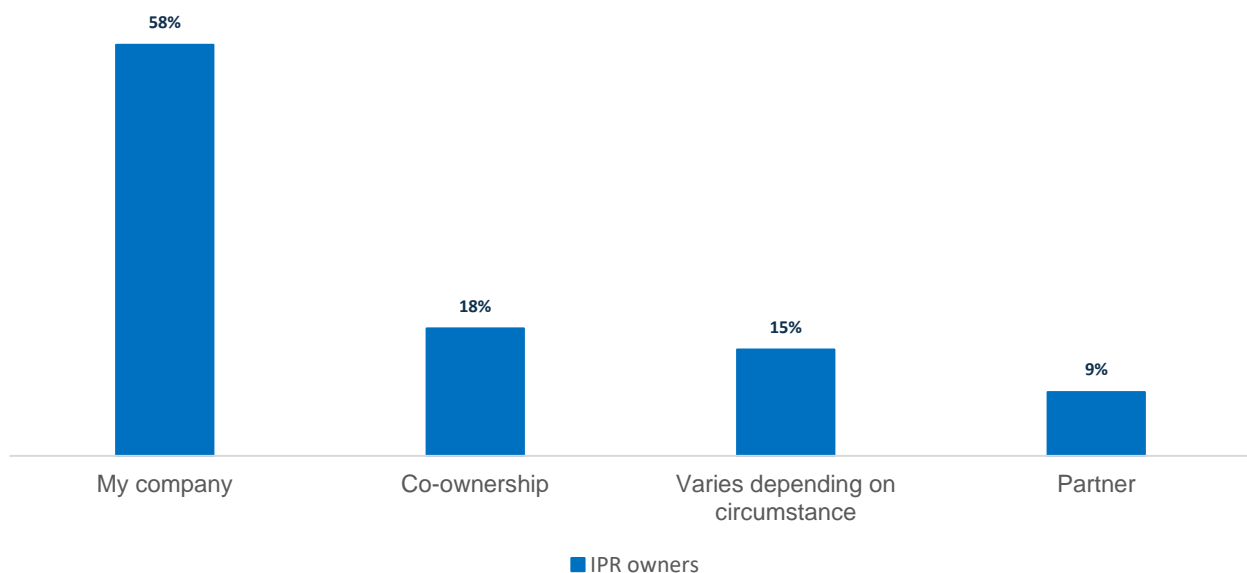
3.7. Ownership of collaboration output

Companies owning IPRs that generate innovation through collaboration with other entities (universities, companies, technology centres, research institutes, academic institutions, etc.) and that lead to the registration of new IPRs, such as patents, trade marks and designs, are usually the owners of these IPRs (58 %)(Figure 17 below).

In another 18 % of cases these rights are shared (co-ownership) between the two entities, followed by 15 % of cases, where ownership of the IPRs depends on the specific case.

However, only 9 % of cases tend to grant IPRs to their partners.

Figure 17. Collaboration output ownership by IPR owners ⁽⁴⁶⁾



⁽⁴⁶⁾ Based on the available responses from 968 companies owning IPRs. The analysis only includes the responses of IPR owners who claim to have registered an IPR as a result of collaboration with other entities in Section 3.6.

4. Business support

4. Business support

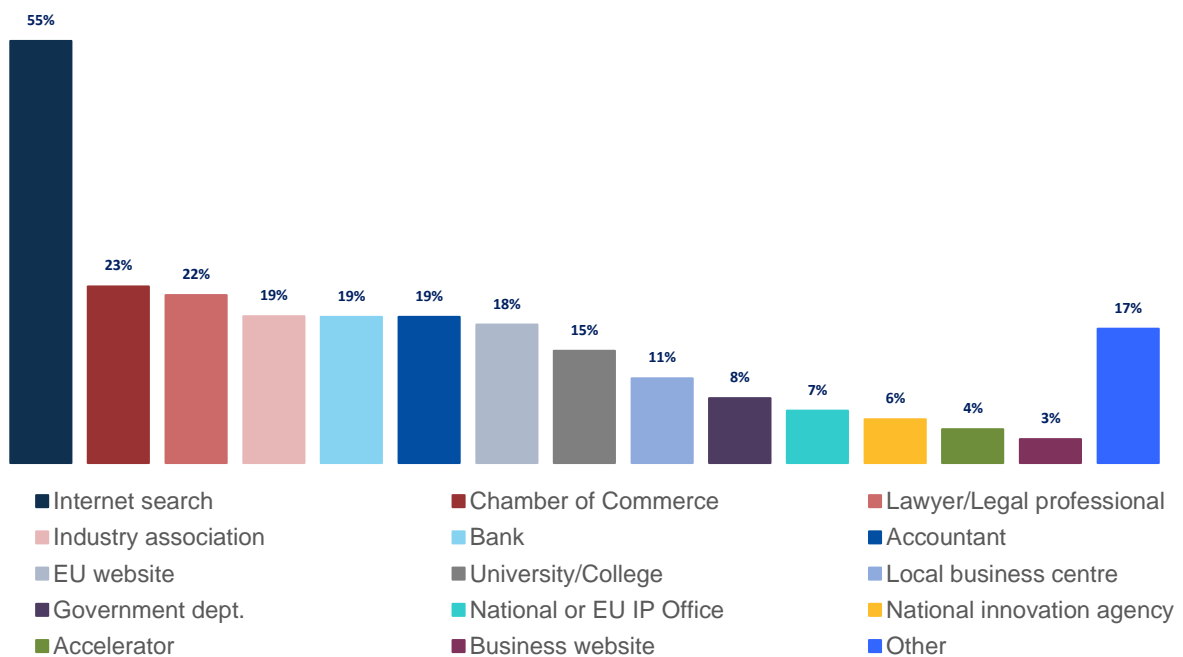
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4.1. Sources of information for business development

When asked about the main sources of advice on issues concerning business development, 55 % of IPR owners indicated ‘Internet search’ was their main source of information (Figure 18 below). This is significantly higher than any other source of information.

Other sources consulted by IPR owning SMEs, albeit to a lesser extent, are the Chamber of Commerce (23 %), legal professionals (22 %), and industry associations and banks, accounting for 19 % for all companies.

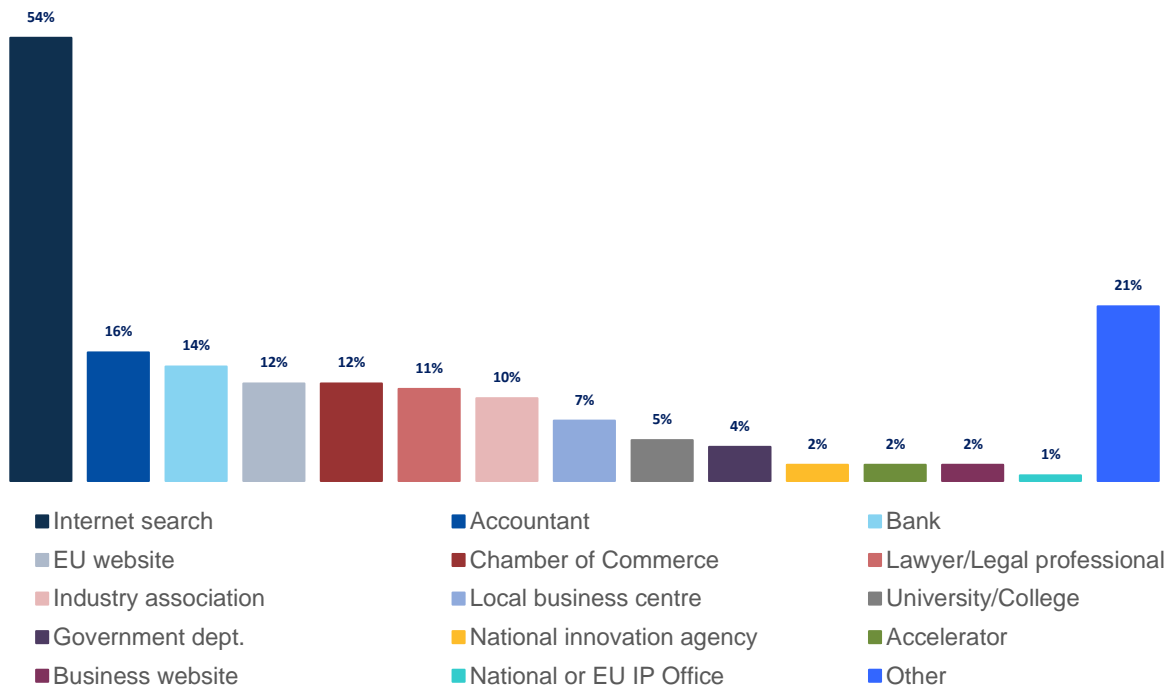
Figure 18. Sources of information for business development by IPR owners ⁽⁴⁷⁾



⁽⁴⁷⁾ Based on the available answers of 4 401 IPR owner enterprises.

For their part, over 50 % of non-IPR owners also use ‘Internet search’ as their primary source of information (Figure 19 below), followed by other sources, such as customer feedback, networking events or external advisers; accountants and banks.

Figure 19. Sources of information for business development by non-IPR owners⁽⁴⁸⁾



⁽⁴⁸⁾ Based on the available answers of 3 948 non-IPR owner enterprises.

As can be seen in Tables 14 & 15 below, there is heterogeneity among the results when analysed by country. In spite of this, the common denominator is that most countries select 'Internet search' as the main source of information, regardless of the type of company (IPR and non-IPR owners). However, in this field France is the exception as accountants are the most commonly used source.

Table 14. Top 10 sources of information most used by IPR owners,
broken down by country⁽⁴⁹⁾

MEMBER STATE	INTERNET SEARCH	CHAMBER OF COMMERCE	LAWYER / LEGAL PROFESSIONAL	INDUSTRY ASSOCIATION	BANK	ACCOUNTANT	EU WEBSITE	UNIVERSITY / COLLEGE
Austria	52 %	15 %	8 %	14 %	17 %	14 %	23 %	18 %
Belgium	66 %	13 %	26 %	28 %	6 %	13 %	4 %	25 %
Bulgaria	27 %	8 %	6 %	2 %	22 %	25 %	16 %	0 %
Croatia	70 %	30 %	0 %	0 %	9 %	13 %	48 %	9 %
Cyprus	90 %	0 %	10 %	0 %	5 %	0 %	0 %	5 %
Czech Republic	74 %	9 %	48 %	6 %	11 %	14 %	0 %	17 %
Denmark	27 %	4 %	27 %	8 %	2 %	2 %	15 %	12 %
Estonia	63 %	28 %	25 %	10 %	5 %	0 %	10 %	8 %
Finland	28 %	23 %	22 %	12 %	29 %	24 %	9 %	13 %
France	19 %	25 %	16 %	13 %	37 %	42 %	7 %	3 %
Germany	56 %	16 %	20 %	13 %	16 %	15 %	26 %	20 %
Greece	65 %	5 %	9 %	0 %	9 %	19 %	2 %	4 %
Hungary	59 %	20 %	43 %	17 %	19 %	24 %	24 %	13 %
Ireland	32 %	6 %	40 %	24 %	4 %	2 %	6 %	14 %
Italy	67 %	38 %	11 %	27 %	14 %	13 %	19 %	8 %
Latvia	48 %	9 %	18 %	9 %	15 %	12 %	24 %	9 %
Lithuania	79 %	7 %	10 %	0 %	8 %	11 %	20 %	5 %
Luxembourg	61 %	11 %	22 %	17 %	0 %	0 %	6 %	17 %
Malta	44 %	6 %	25 %	0 %	13 %	6 %	13 %	0 %
Netherlands	71 %	8 %	10 %	17 %	2 %	2 %	8 %	13 %
Poland	80 %	22 %	60 %	42 %	41 %	42 %	32 %	37 %
Portugal	42 %	16 %	24 %	24 %	14 %	26 %	10 %	14 %
Romania	69 %	39 %	3 %	6 %	39 %	43 %	42 %	9 %
Slovakia	77 %	5 %	47 %	0 %	9 %	7 %	0 %	14 %
Slovenia	69 %	45 %	3 %	21 %	3 %	0 %	7 %	10 %
Spain	54 %	39 %	29 %	33 %	28 %	21 %	22 %	21 %
Sweden	60 %	13 %	41 %	7 %	30 %	33 %	8 %	21 %
United Kingdom	40 %	12 %	20 %	18 %	10 %	9 %	18 %	10 %
EU TOTAL	55 %	23 %	22 %	19 %	19 %	19 %	18 %	15 %

⁽⁴⁹⁾ Based on the available answers of 4 401 IPR owners. The results of 'Other' sources and 'Local business centre' are not shown in the table, but were taken into account for calculating the results.

Table 15. Top 10 sources of information most used by non-IPR owners,
broken down by country⁽⁵⁰⁾

MEMBER STATE	INTERNET SEARCH	OTHER	ACCOUNTANT	BANK	CHAMBER OF COMMERCE	EU WEBSITE	LAWYER / LEGAL PROFESSIONAL	LOCAL BUSINESS CENTRE
Austria	63 %	18 %	16 %	26 %	18 %	29 %	0 %	2 %
Belgium	48 %	42 %	10 %	7 %	4 %	4 %	12 %	0 %
Bulgaria	55 %	5 %	21 %	10 %	14 %	7 %	2 %	26 %
Croatia	84 %	0 %	0 %	4 %	8 %	44 %	16 %	4 %
Cyprus	75 %	13 %	0 %	0 %	0 %	0 %	13 %	0 %
Czech Republic	73 %	20 %	12 %	9 %	1 %	1 %	25 %	1 %
Denmark	18 %	34 %	3 %	3 %	3 %	11 %	29 %	8 %
Estonia	69 %	8 %	4 %	2 %	4 %	13 %	8 %	4 %
Finland	50 %	13 %	3 %	10 %	0 %	23 %	10 %	7 %
France	24 %	23 %	47 %	26 %	17 %	6 %	5 %	3 %
Germany	52 %	30 %	11 %	13 %	7 %	21 %	11 %	8 %
Greece	56 %	17 %	13 %	7 %	1 %	1 %	1 %	4 %
Hungary	76 %	2 %	29 %	19 %	14 %	17 %	24 %	3 %
Ireland	57 %	8 %	8 %	5 %	8 %	8 %	14 %	14 %
Italy	48 %	26 %	13 %	14 %	28 %	13 %	7 %	5 %
Latvia	69 %	4 %	15 %	12 %	0 %	19 %	0 %	8 %
Lithuania	74 %	23 %	6 %	3 %	0 %	3 %	10 %	0 %
Luxembourg	42 %	53 %	0 %	0 %	11 %	5 %	16 %	0 %
Malta	59 %	12 %	12 %	18 %	18 %	18 %	18 %	12 %
Netherlands	85 %	7 %	1 %	1 %	5 %	3 %	7 %	1 %
Poland	67 %	23 %	38 %	30 %	4 %	14 %	26 %	7 %
Portugal	48 %	14 %	23 %	10 %	9 %	3 %	6 %	11 %
Romania	70 %	10 %	57 %	38 %	36 %	38 %	3 %	7 %
Slovakia	82 %	10 %	12 %	7 %	1 %	0 %	29 %	3 %
Slovenia	69 %	19 %	3 %	3 %	31 %	6 %	0 %	0 %
Spain	55 %	14 %	14 %	23 %	20 %	10 %	16 %	17 %
Sweden	58 %	28 %	21 %	26 %	4 %	2 %	25 %	13 %
United Kingdom	41 %	30 %	5 %	5 %	3 %	9 %	8 %	12 %
EU TOTAL	54 %	21 %	16 %	14 %	12 %	12 %	11 %	7 %

⁽⁵⁰⁾ Based on the available answers of 3 948 non-IPR owner enterprises. The results of 'University/Industry associations' and 'University/College' are not shown in the table, but were taken into account for calculating the results.

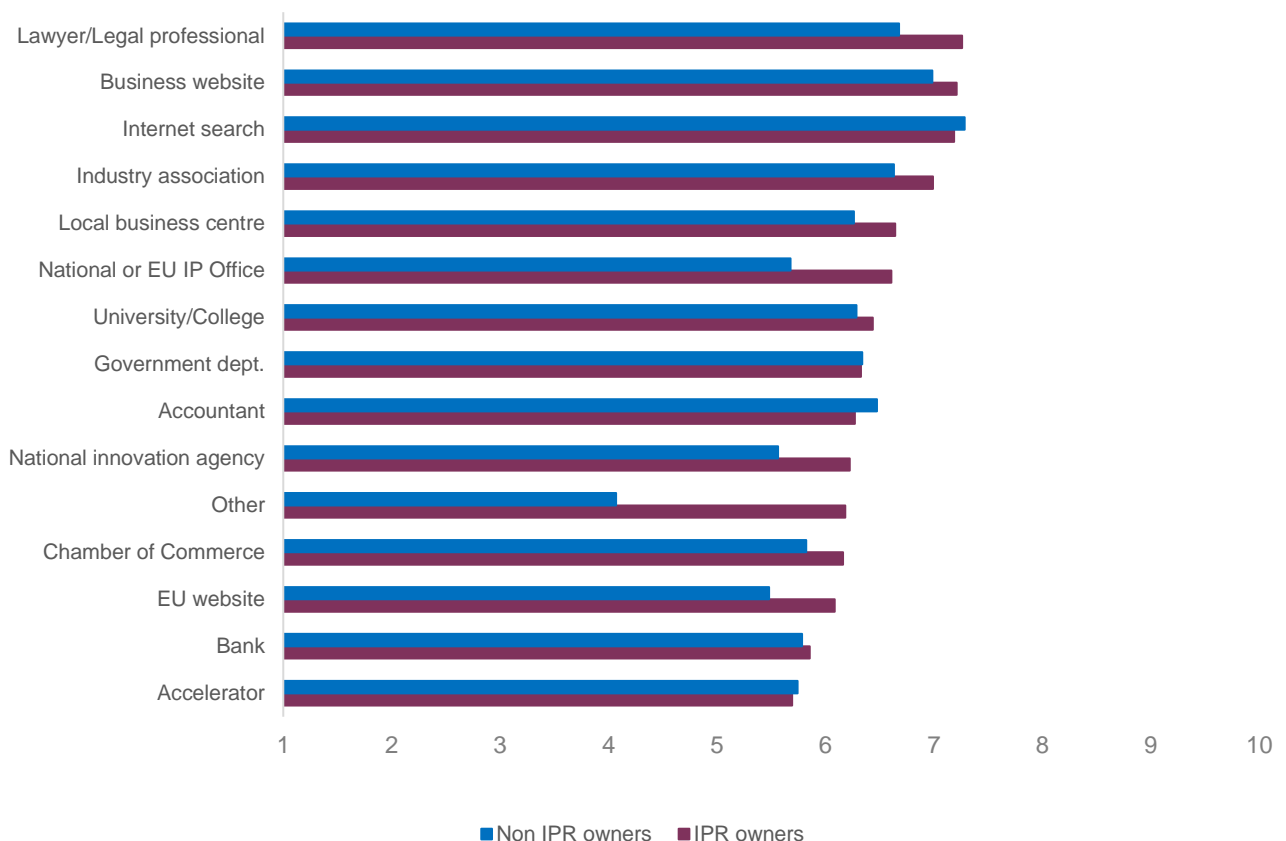
Moreover, SMEs were asked to assess the quality of the information sources they usually consult when they wish to obtain information for the development of their businesses (Figure 20 below).

In addition to being the source of information most commonly used by SMEs, 'Internet search' is also the most highly rated by non-IPR owners, with an average score of 7.28 points. On the other hand, the source of information most valued by IPR owners is 'Lawyer/Legal professional', with an average score of 7.26 points.

While SMEs tend not to carry out research on business support websites, this source is generally considered to contain concise and valuable information, so it ranks second in both types of companies (7.21 for IPR owners and 6.99 for non-IPR owners).

At the lower end of the ranking are 'Accelerator' (5.69 for of IPR owners and 5.74 for non-IPR owners), 'Bank' (5.85 for IPR owners and 5.79 for non-IPR owners) and 'EU website' (6.09 for IPR owners and 5.48 for non-IPR owners). On average, between the two samples, neither exceeds a score of 6.

Figure 20. Average rating of information sources for business development by type of company⁽⁵¹⁾



⁽⁵¹⁾ Based on the available answers of 4 401 IPR owner and 3 948 non-IPR owner enterprises.

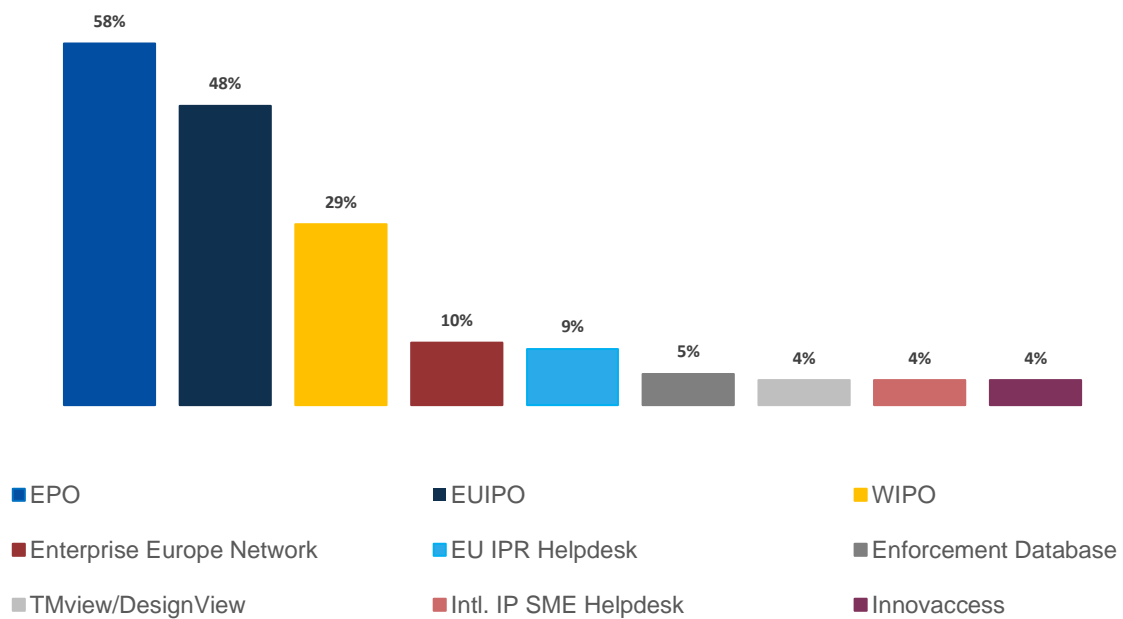
4.2. Awareness of IPR offices or information networks

The following two graphs (Figures 21 & 22) show the extent to which SMEs are aware of IPR offices, IPR tools and IPR information networks.

When it comes to IPR owners, IPR offices are widely known. The EPO is known by more than 58 % of companies, the EUIPO is known by more than 48 % of companies, and the World Intellectual Property Organization (WIPO) is known by almost 29 % of companies.

However, the visibility of tools and support networks is significantly lower. Support networks are better known by companies, 10 % of them know the Enterprise Europe Network (EEN) and 9 % know the EU IPR Helpdesk. However, none of the tools is known by more than 5 % of companies.

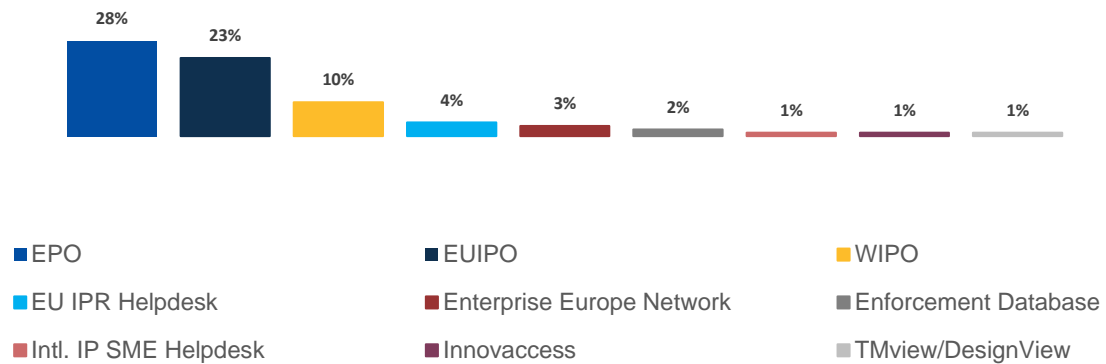
Figure 21. Awareness of EU & international IPR offices, information networks and tools by IPR owners ⁽⁵²⁾



⁽⁵²⁾ Based on the available answers of 4 401 IPR owner enterprises.

The trend is similar for non-IPR owners (Figure 22 below), although the percentages are lower. This is understandable as these companies, not having IPRs, may be less aware of the institutions or bodies linked to IPRs deployed at local and regional level or even know of their existence.

Figure 22. Awareness of EU & international IPR offices, information networks and tools by non-IPR owners ⁽⁵³⁾



⁽⁵³⁾ Based on the available answers of 3 948 non-IPR owner enterprises.

5. Use of IPRs

5. Use of IPRs

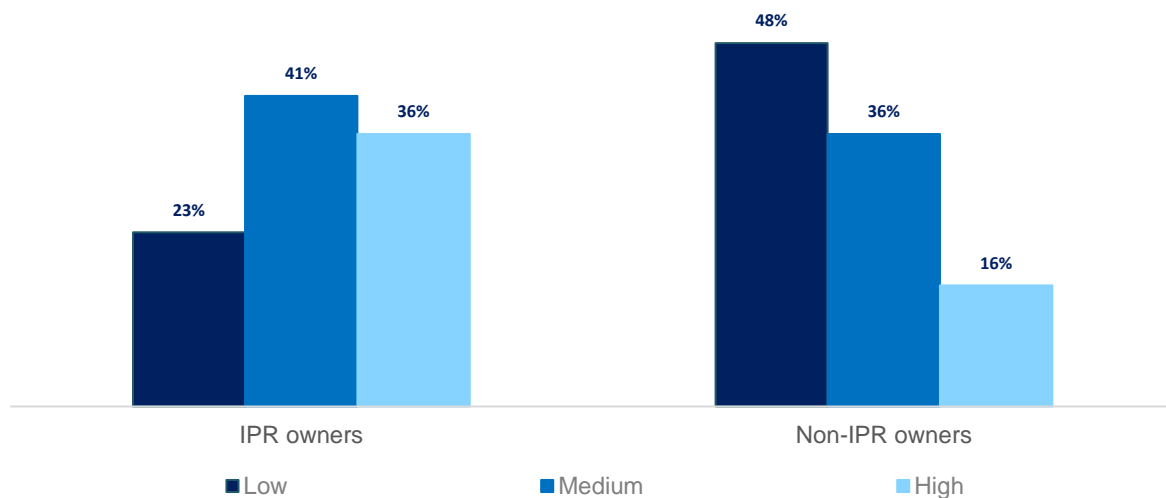
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5.1. Familiarity with the term ‘intellectual property rights’

When the results of IPR owners are compared with those of non-IPR owners, as expected, low familiarity with the term ‘intellectual property rights’ is more pronounced in those companies that do not have any registered IPRs. In this sense, 48 % of non-IPR owners state a low level of familiarity (Figure 23 below). For IPR owners, however, the proportion of companies is reduced to 23 %.

Companies that assure they have a medium level of familiarity with the term account for 41 % of IPR owners and 36 % of non-IPR owners. For their part, the companies that claim to be very familiar with this term represent 36 % of IPR owners and only 16 % of non-IPR owners.

Figure 23. Familiarity with the term ‘intellectual property rights’ by type of company⁽⁵⁴⁾ ⁽⁵⁵⁾

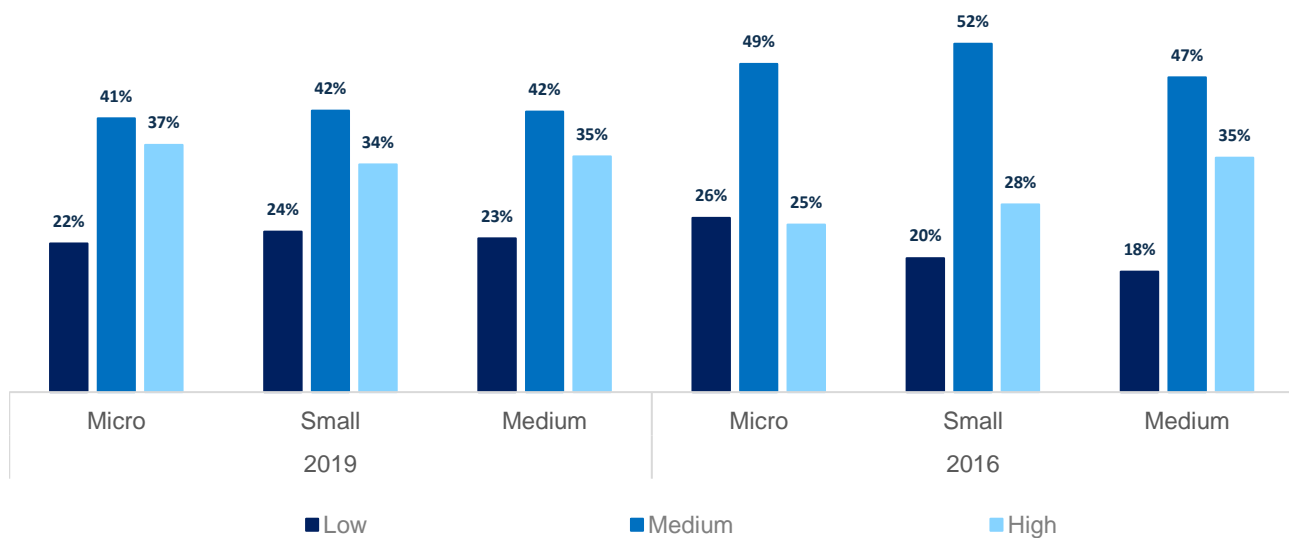


⁽⁵⁴⁾ Based on the available answers of 4 273 IPR owner and 3 450 non-IPR owner enterprises. Those companies that selected the option ‘Don’t know’ were excluded from the analysis.

⁽⁵⁵⁾ Low importance corresponds with the rating of 0-4; medium importance with the rating of 5-7 and high importance with the rating of 8-10.

When analysing the sample by company size (Figure 24 below), the results show that for companies that own IPRs, regardless of their size, there has been an increase in the level of familiarity of enterprises with the term. In this sense, 37 % of micro-enterprises are very familiar with the term compared with 25 % in 2016. Moreover, 34 % of small businesses are also very familiar with the term in 2019. This same group represented 28 % of companies in 2016. For medium-sized enterprises, the proportion of companies declaring to be very familiar remains the same, at 35 % in both years.

Figure 24. Familiarity with the term ‘intellectual property rights’ among IPR owners, broken down by company size ⁽⁵⁶⁾ ⁽⁵⁷⁾



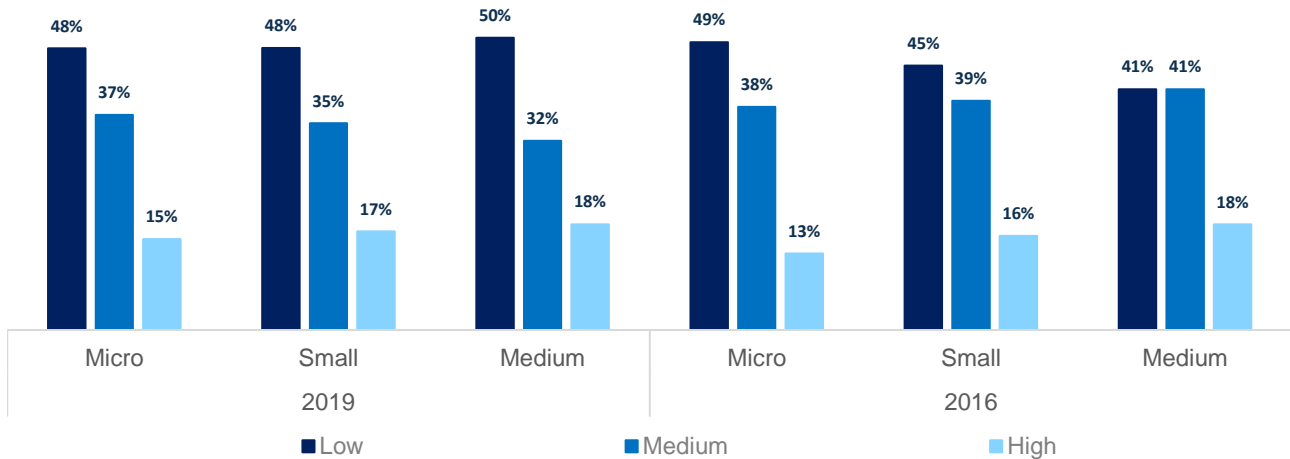
⁽⁵⁶⁾ Based on the available answers of 2 283 micro-, 1 197 small- and 793 medium-sized IPR owner enterprises. Those companies that selected the option ‘Don’t know’ were excluded from the analysis.

⁽⁵⁷⁾ Low importance corresponds with the rating of 0-4; medium importance with the rating of 5-7 and high importance with the rating of 8-10.

For non-IPR owners the scenario changes, because the number of companies that consider they have a significant knowledge of IPRs is significantly lower than the number of companies that own IPRs (Figure 25 below).

When the results are compared with those obtained in 2016 there is generally an increase in those who have a low familiarity with the term intellectual property rights and a reduction in those with a medium familiarity. One aspect to highlight however is that for micro- and small-sized enterprises, there is a moderate increase in the number that claim to be very familiar with the term. Indeed, micro-sized enterprises have experienced a rise of 2 % when compared with 2016. For their part, small companies have experienced 1 % of growth.

Figure 25. Familiarity with the term 'intellectual property rights' among non-IPR owners, Broken down by company size ⁽⁵⁸⁾ ⁽⁵⁹⁾



⁽⁵⁸⁾ Based on the available answers of 2 278 micro-, 750 small- and 422 medium-sized non-IPR owner enterprises. Those companies that selected the option 'Don't know' were excluded from the analysis.

⁽⁵⁹⁾ Low importance corresponds with the rating of 0-4; medium importance with the rating of 5-7 and high importance with the rating of 8-10.

For the economic sectors, the differences are less significant (Table 16 below). In financial and insurance activities, etc. the concept of IPRs is the most familiar with 46 % of highly familiar responses, followed by ‘other’ sectors at 37 % and manufacturing at 33 %. Notably, the top three sectors for familiarity correspond to those obtained in 2016. For all sectors the main difference is that the later study notes an increase in the number of IPR owner companies that assure they are very familiar with the term.

Table 16. Familiarity with the term ‘intellectual property rights’ among IPR owners, by company type and by sector of activity⁽⁶⁰⁾

SECTOR OF ACTIVITY	2019			2016		
	LOW	MEDIUM	HIGH	LOW	MEDIUM	HIGH
Manufacturing	26 %	41 %	33 %	22 %	49 %	29 %
Construction	25 %	44 %	31 %	21 %	61 %	18 %
Transportation, Accommodation and food services	30 %	39 %	31 %	25 %	53 %	22 %
Wholesale and retail trade	22 %	46 %	32 %	23 %	54 %	23 %
Financial and insurance activities and Real estate activities and Information and communication	15 %	38 %	46 %	19 %	45 %	36 %
Other sectors⁽⁶¹⁾	22 %	41 %	37 %	18 %	48 %	34 %

⁽⁶⁰⁾ Based on the available answers of 4 273 IPR owner enterprises. Those companies that selected the option ‘Don’t know’ were excluded from the analysis.

⁽⁶¹⁾ In order to have a sufficient and comparable amount of companies per sector, the rest of the sectors have been grouped under the option ‘Others’, following the methodology used in the previous study. Detail on sector grouping is described in Table 4.

For non-IPR owners a situation similar to that of IPR owners is presented (Table 17 below). In 2019 the levels of familiarity (low, medium, high) are maintained in most sectors compared to 2016.

The sector that presents the most significant positive changes with respect to 2016 is the construction sector, in which 5 % more companies claim to be very familiar with the term than in 2016. As a result, the number of companies with a lower level of familiarity has also significantly reduced.

Table 17. Familiarity with the term 'intellectual property rights' among non-IPR owners, by company type and by sector of activity⁽⁶²⁾

SECTOR OF ACTIVITY	2019			2016		
	LOW	MEDIUM	HIGH	LOW	MEDIUM	HIGH
Manufacturing	51 %	36 %	13 %	41 %	42 %	17 %
Construction	47 %	36 %	17 %	54 %	34 %	12 %
Transportation, accommodation and food services	52 %	36 %	11 %	52 %	37 %	11 %
Wholesale and retail trade	51 %	36 %	13 %	49 %	37 %	14 %
Financial and insurance activities and real estate activities and information and communication	38 %	44 %	18 %	33 %	45 %	22 %
Other sectors⁽⁶²⁾	38 %	44 %	18 %	43 %	40 %	17 %

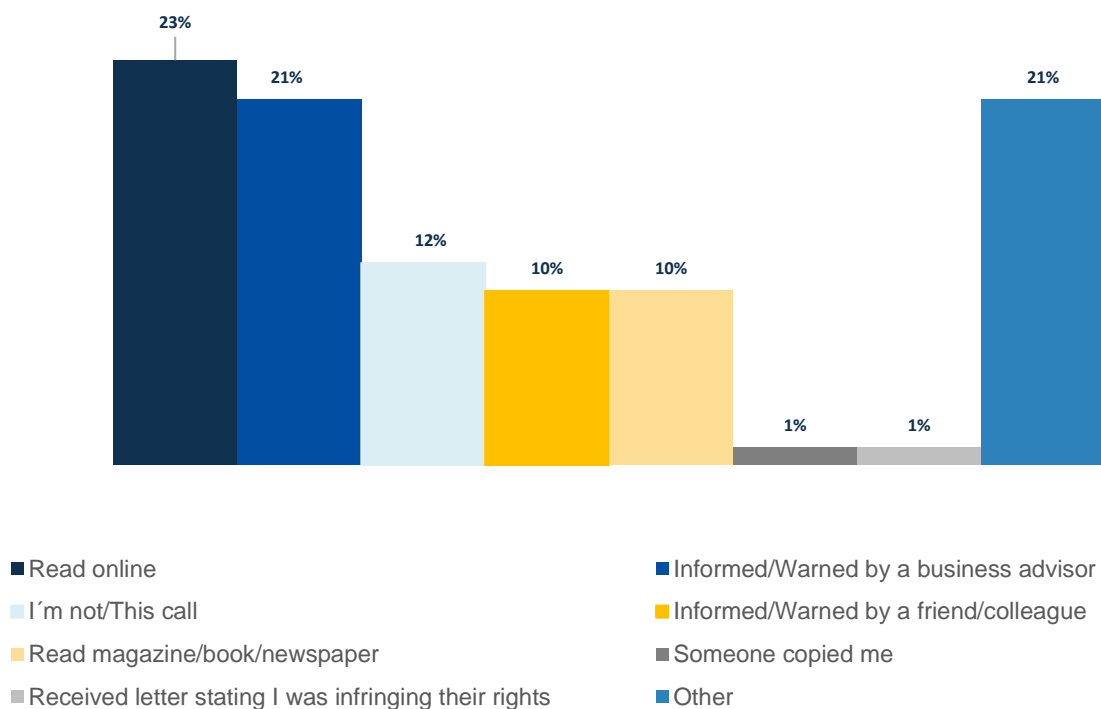
⁽⁶²⁾ Based on the available answers of 3 450 non-IPR owner enterprises. Those companies that selected the option 'Don't know' were excluded from the analysis.

5.2. First contact with the concept of IPRs

When asked how they first became aware of the concept of IPRs, 23 % of IPR owners claim they read about it online (Figure 26 below). A further 21 % state they first became aware through a business adviser. Each of these channels accounts for double the number of companies that learnt about IPRs through the press or other traditional media.

Furthermore, another 21 % of IPR owners claim they first came into contact with IPRs through other sources, such as the Chamber of Commerce or training sessions, courses or seminars.

Figure 26. IPR owners' first contact with the concept of IPRs ⁽⁶³⁾

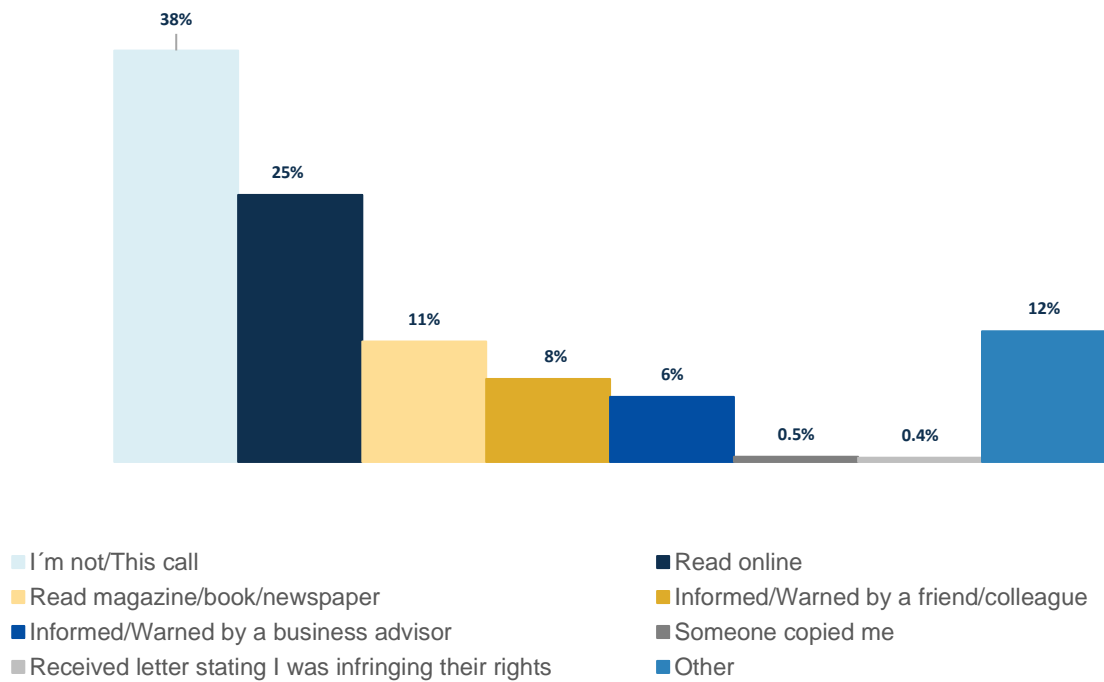


⁽⁶³⁾ Based on the available answers of 4 401 IPR owner enterprises.

As expected, in the particular case of non-IPR owner enterprises, the majority have never had any contact with the concept of IPRs. However, of those companies that have, 25 % state that they first became aware of it via online channels.

By contrast, business advisers do not feature among the main sources when it comes to the concept of IPRs for non-IPR owners. For this group of companies, other sources such as industry associations or legal firms are more relevant, as well as magazines, books and newspapers.

Figure 27. Non-IPR owners' first contact with the concept of IPRs⁽⁶⁴⁾



⁽⁶⁴⁾ Based on the available answers of 3 948 non-IPR enterprises.

Table 18 below shows the analysis of channels by which IPR owners first came into contact with the concept of IPRs on a country-by-country basis:

Table 18. IPR owners' first contact with the concept of IPRs by country ⁽⁶⁵⁾

MEMBER STATE	ONLINE	BUSINESS ADVISER	I'M NOT/ THIS CALL	FRIEND/ COLLEAGUE	MAGAZINE/ BOOK/ NEWSPAPER	SOMEONE COPIED ME	RECEIVED LETTER STATING I WAS INFRINGING THEIR RIGHTS	OTHER
Austria	16 %	13 %	13 %	5 %	11 %	6 %	4 %	31 %
Belgium	9 %	23 %	5 %	9 %	14 %	1 %	1 %	39 %
Bulgaria	37 %	24 %	8 %	11 %	10 %	-	-	11 %
Croatia	52 %	4 %	-	9 %	30 %	4 %	-	-
Cyprus	33 %	29 %	14 %	5 %	-	-	-	19 %
Czech Republic	13 %	10 %	8 %	32 %	4 %	-	-	33 %
Denmark	23 %	19 %	12 %	8 %	6 %	4 %	-	29 %
Estonia	35 %	30 %	10 %	5 %	8 %	-	-	13 %
Finland	18 %	26 %	4 %	16 %	5 %	1 %	-	29 %
France	17 %	15 %	9 %	25 %	13 %	-	-	21 %
Germany	21 %	17 %	16 %	9 %	11 %	3 %	-	22 %
Greece	23 %	47 %	2 %	2 %	9 %	-	-	18 %
Hungary	33 %	19 %	4 %	13 %	4 %	2 %	-	26 %
Ireland	16 %	40 %	10 %	14 %	8 %	4 %	-	8 %
Italy	25 %	26 %	15 %	8 %	14 %	1 %	1 %	9 %
Latvia	39 %	18 %	-	-	3 %	3 %	-	36 %
Lithuania	57 %	11 %	8 %	10 %	3 %	-	-	10 %
Luxembourg	22 %	22 %	11 %	6 %	6 %	-	-	33 %
Malta	56 %	25 %	13 %	0 %	-	-	-	6 %
Netherlands	12 %	17 %	15 %	11 %	9 %	2 %	1 %	32 %
Poland	31 %	13 %	4 %	6 %	6 %	1 %	-	40 %
Portugal	41 %	22 %	13 %	6 %	3 %	1 %	-	14 %
Romania	35 %	21 %	-	5 %	1 %	3 %	1 %	34 %
Slovakia	16 %	16 %	7 %	12 %	2 %	-	-	47 %
Slovenia	45 %	28 %	3 %	7 %	14 %	-	-	3 %
Spain	21 %	29 %	12 %	7 %	9 %	-	-	21 %
Sweden	8 %	14 %	5 %	16 %	16 %	1 %	2 %	39 %
United Kingdom	29 %	20 %	15 %	12 %	8 %	1 %	1 %	14 %
EU TOTAL	23 %	21 %	12 %	10 %	10 %	1 %	1 %	21 %

⁽⁶⁵⁾ Based on the available answers of 4 401 IPR owner enterprises.

Table 19 below shows the analysis of channels by which non-IPR owners first came into contact with IPRs on a country-by-country basis:

Table 19. Non-IPR owners' first contact with the concept of IPRs by country⁽⁶⁶⁾

MEMBER STATE	I'M NOT/ THIS CALL	ONLINE	MAGAZINE/ BOOK/ NEWSPAPER	FRIEND/ COLLEAGUE	BUSINESS ADVISER	SOMEONE COPIED ME	RECEIVED LETTER STATING I WAS INFRINGEMENT THEIR RIGHTS	OTHER
Austria	42 %	19 %	18 %	2 %	6 %	-	-	13 %
Belgium	38 %	20 %	19 %	9 %	-	-	-	14 %
Bulgaria	14 %	48 %	12 %	5 %	14 %	-	-	7 %
Croatia	-	52 %	20 %	4 %	24 %	-	-	-
Cyprus	13 %	13 %	25 %	13 %	13 %	-	-	25 %
Czech Republic	27 %	13 %	14 %	23 %	2 %	-	-	21 %
Denmark	26 %	32 %	8 %	13 %	5 %	3 %	-	13 %
Estonia	44 %	33 %	8 %	6 %	6 %	-	-	2 %
Finland	20 %	23 %	10 %	23 %	17 %	3 %	-	3 %
France	27 %	18 %	14 %	12 %	8 %	-	1 %	21 %
Germany	41 %	24 %	11 %	8 %	4 %	1 %	1 %	10 %
Greece	30 %	37 %	13 %	3 %	14 %	-	-	4 %
Hungary	16 %	46 %	10 %	6 %	5 %	1 %	-	17 %
Ireland	59 %	11 %	3 %	14 %	8 %	-	-	5 %
Italy	45 %	21 %	13 %	5 %	5 %	-	-	9 %
Latvia	19 %	38 %	4 %	4 %	8 %	-	-	27 %
Lithuania	19 %	42 %	6 %	-	10 %	-	-	23 %
Luxembourg	21 %	47 %	5 %	21 %	-	-	-	5 %
Malta	35 %	29 %	6 %	12 %	6 %	-	-	12 %
Netherlands	71 %	10 %	4 %	2 %	5 %	1 %	1 %	6 %
Poland	19 %	42 %	5 %	6 %	3 %	1 %	-	24 %
Portugal	18 %	60 %	5 %	-	9 %	-	2 %	5 %
Romania	13 %	41 %	7 %	7 %	10 %	-	2 %	21 %
Slovakia	22 %	29 %	15 %	15 %	1 %	-	-	18 %
Slovenia	42 %	33 %	17 %	3 %	6 %	-	-	-
Spain	46 %	17 %	12 %	5 %	8 %	-	1 %	11 %
Sweden	21 %	9 %	28 %	8 %	4 %	2 %	-	28 %
United Kingdom	39 %	25 %	10 %	11 %	6 %	1 %	-	7 %
EU TOTAL	38 %	25 %	11 %	8 %	67 %	0.5 %	0.4 %	12 %

⁽⁶⁶⁾ Based on the available answers of 3 948 non-IPR owner enterprises.

5.3. Preferred channel for IPR-related information

SMEs were also consulted about their preferred channel for receiving relevant IPR-related information (Figures 28 & 29). Of those companies that expressed interest in receiving information on this matter, both IPR and non-IPR owners opted for online channels: social media or websites. Furthermore, both types of companies also like receiving information from IP experts in person.

Only a small fraction of both IPR and non-IPR owners would like to receive such information in the form of seminars or workshops or via a call centre.

Figure 28. Preferred channel of information for IPR owners⁽⁶⁷⁾

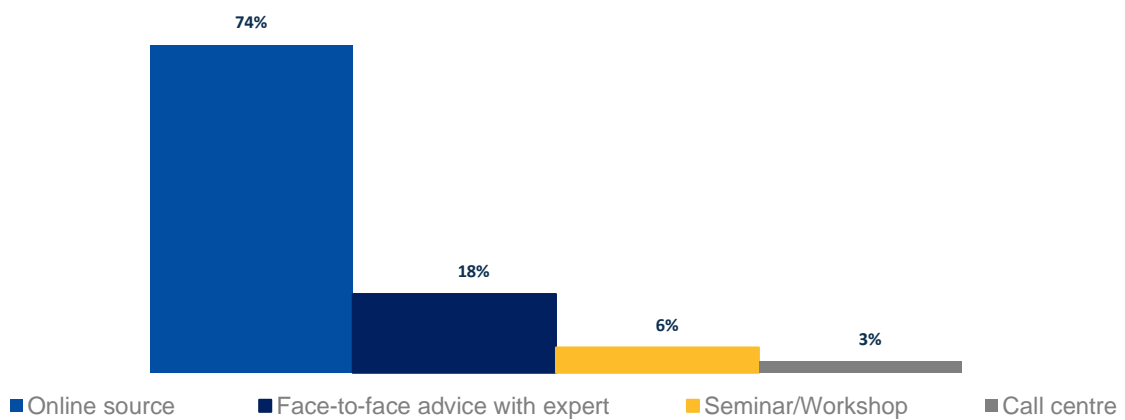
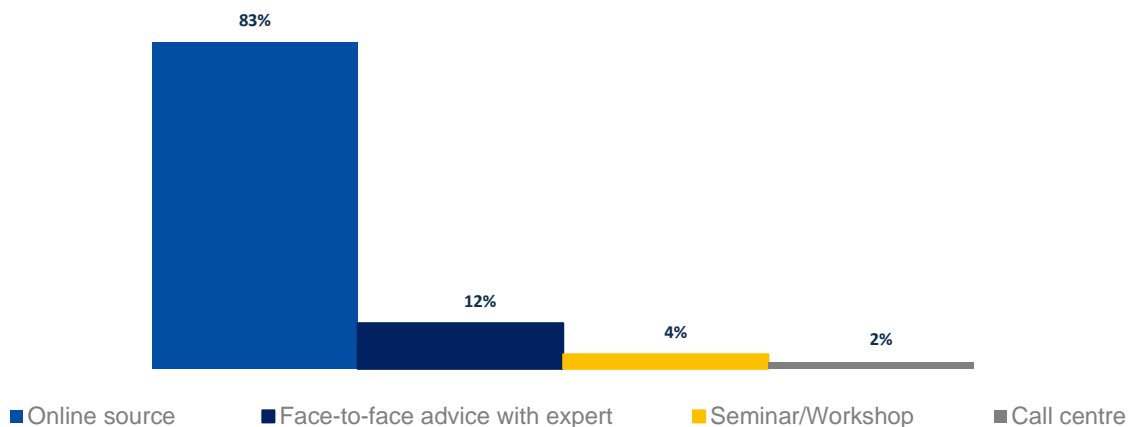


Figure 29. Preferred channel of information for non-IPR owners⁽⁶⁸⁾



⁽⁶⁷⁾ Based on the available answers of 3 020 IPR owner enterprises. The companies that indicated they did not want to receive any information were not taken into account for the calculation of the results.

⁽⁶⁸⁾ Based on the available answers of 1 742 non-IPR owner enterprises. The companies that indicated they did not want to receive any information were not taken into account for the calculation of the results.

5.4. Importance of understanding how to protect IPRs

When analysed by company type, IPR owners are more likely to consider an understanding of IPRs is vital (82 %) to their business than non-IPR owners (41 %) (Figures 30 & 31).

Furthermore, only 5 % of the total number of IPR owners would not know how to categorise the importance of understanding how to protect their IPRs. This figure is very important because, for non-IPR owners, it grows to 27 %. These figures represent the IPR knowledge gap between the two samples.

Figure 30. Importance of understanding how to protect IPRs by IPR owners⁽⁶⁹⁾

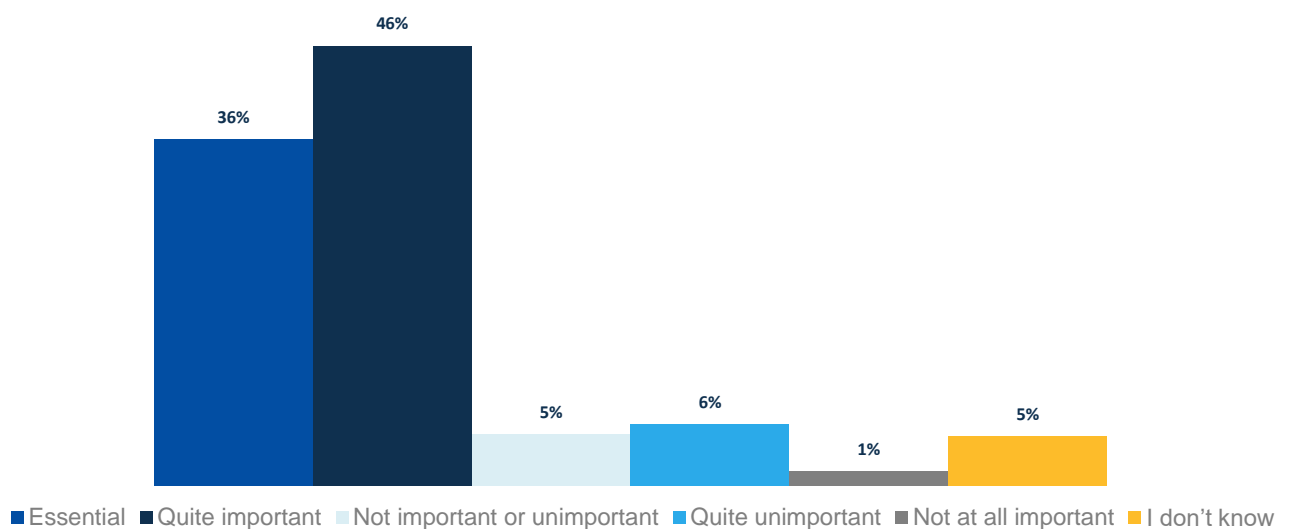
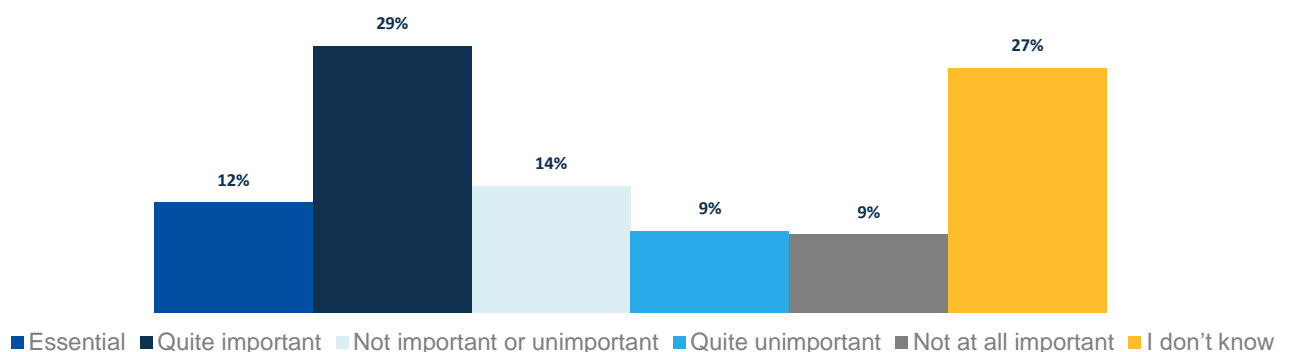


Figure 31. Importance of understanding how to protect IPRs by non-IPR owners⁽⁷⁰⁾



⁽⁶⁹⁾ Based on the available answers of 4 401 IPR owner enterprises.

⁽⁷⁰⁾ Based on the available answers of 3 948 non-IPR owner enterprises.

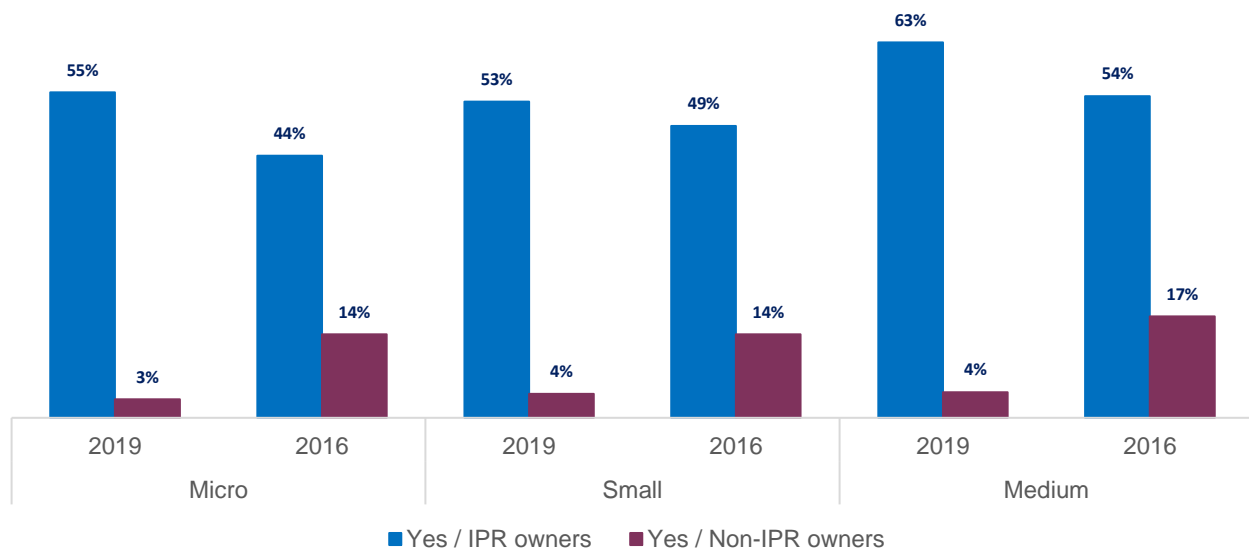
5.5. Inclusion of IPRs in business strategy

Companies were asked to indicate whether or not they include IP within their business plan (Figure 32 below). The affirmative responses of the sample of companies owning IPRs have grown by 6 % in the last 3 years. However, the affirmative responses of non-IPR owners have decreased by 3 %.

The size of the SME continues to influence the inclusion of IPRs in the business strategy, albeit to a lesser extent in 2019. While the difference between medium-sized IPR owner enterprises (where IPRs were most likely to be found) and micro-sized IPR owner enterprises stood at 10 % in 2016 (54 % and 44 %, respectively), this difference reduced to 8 % (63 % and 55 %, respectively) in 2019. On average, the number of companies that include IPRs within their business strategy has grown by 8 %.

It should be noted, however, that the probability of finding IPRs in business strategy for non-IPR owners has significantly reduced in all company sizes.

Figure 32. Inclusion of IPRs in business strategy by type of company & size⁽⁷¹⁾



⁽⁷¹⁾ Based on the available answers of 4 401 IPR owner and 3 948 non-IPR owner enterprises.

6. Analysis of IPR owners

6. Analysis of IPR owners

2019 INTELLECTUAL PROPERTY
SME SCOREBOARD

6.1. Main reasons for registering IPRs

There are several reasons that lead SMEs to register IPRs (Figures 33 & 34 below). As in 2016, most IPR owners agree that the three main reasons are: to prevent others from copying their products or services (59 %); to ensure greater legal certainty (58 %); IPR has a positive impact on the company's image and value (36 %).

Figure 33. Main reasons for registering IPRs in 2019 ⁽⁷²⁾

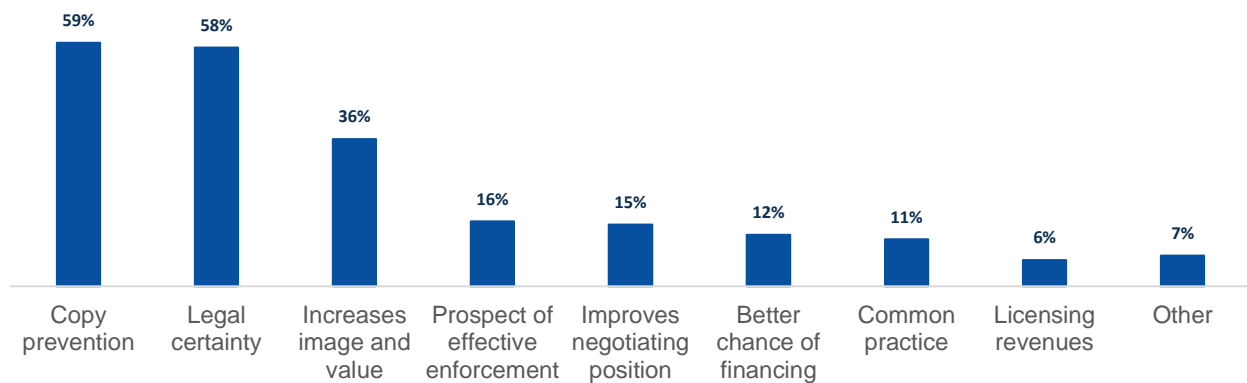
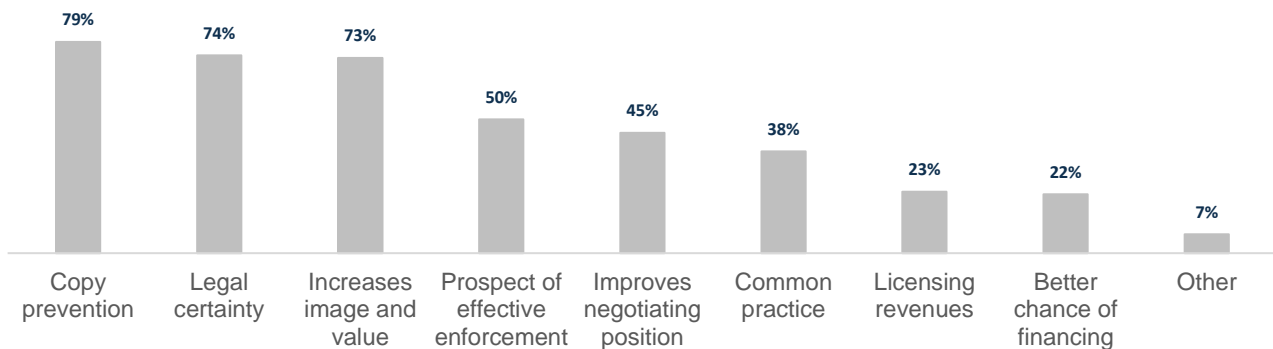


Figure 34. Main reasons for registering IPRs in 2016 ⁽⁷³⁾

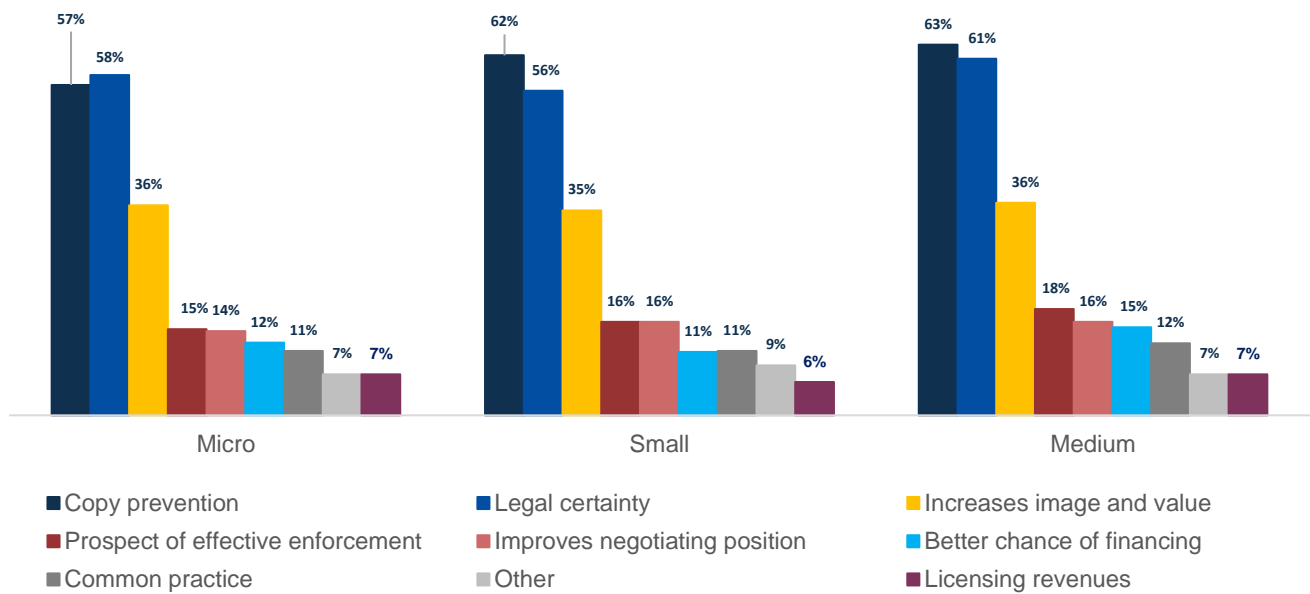


⁽⁷²⁾ Based on the available answers of 4 401 IPR owner enterprises.

⁽⁷³⁾ Results from 2016 Intellectual Property SME Scoreboard

When broken down by company size, the results reveal that for the most part medium-sized enterprises tend to give more weight to the reasons for registering IPRs than their smaller counterparts (Figure 35 below). A further aspect worth noting is that small- and medium-sized companies consider the most important reason for registering IPRs is to prevent competitors from copying their assets, with 62 % and 63 %, respectively. However, for micro-enterprises, the main reason is to ensure greater legal certainty (58 %).

Figure 35. Main reasons for registering IPRs, broken down by company size ⁽⁷⁴⁾



⁽⁷⁴⁾ Based on the available answers of 2 341 micro-, 1 225 small- and 835 medium-sized IPR owner enterprises.

Table 20 below represents the results of the main reasons to register IPRs in each EU Member State.

Table 20. Main reasons to register IPRs by country⁽⁷⁵⁾

MEMBER STATE	COPY PREVENTION	LEGAL CERTAINTY	INCREASES IMAGE AND VALUE	PROSPECT OF EFFECTIVE ENFORCEMENT	IMPROVES NEGOTIATING POSITION	BETTER CHANCE OF FINANCING	COMMON PRACTICE	LICENSING REVENUES
Austria	44 %	50 %	48 %	14 %	26 %	21 %	14 %	8 %
Belgium	74 %	81 %	47 %	8 %	13 %	6 %	17 %	5 %
Bulgaria	67 %	67 %	14 %	5 %	11 %	3 %	6 %	5 %
Croatia	65 %	65 %	30 %	26 %	22 %	-	4 %	-
Cyprus	67 %	57 %	57 %	-	-	-	-	5 %
Czech Republic	84 %	69 %	25 %	8 %	3 %	3 %	1 %	-
Denmark	63 %	62 %	46 %	-	6 %	4 %	-	2 %
Estonia	83 %	60 %	40 %	5 %	13 %	-	3 %	-
Finland	64 %	78 %	53 %	20 %	20 %	19 %	18 %	13 %
France	56 %	70 %	22 %	4 %	7 %	8 %	5 %	3 %
Germany	45 %	52 %	37 %	14 %	10 %	14 %	8 %	3 %
Greece	67 %	60 %	39 %	-	-	-	-	0 %
Hungary	56 %	76 %	72 %	33 %	43 %	19 %	20 %	6 %
Ireland	48 %	44 %	22 %	6 %	8 %	6 %	6 %	4 %
Italy	64 %	53 %	39 %	19 %	16 %	9 %	9 %	3 %
Latvia	73 %	79 %	15 %	15 %	-	-	-	3 %
Lithuania	64 %	49 %	7 %	7 %	3 %	7 %	7 %	3 %
Luxembourg	72 %	83 %	33 %	-	-	-	-	-
Malta	69 %	13 %	6 %	-	13 %	-	6 %	-
Netherlands	63 %	72 %	32 %	8 %	13 %	8 %	10 %	17 %
Poland	83 %	80 %	84 %	73 %	63 %	42 %	44 %	22 %
Portugal	48 %	55 %	20 %	23 %	15 %	13 %	14 %	8 %
Romania	66 %	57 %	21 %	10 %	6 %	10 %	5 %	1 %
Slovakia	81 %	42 %	42 %	23 %	19 %	7 %	9 %	-
Slovenia	45 %	69 %	28 %	10 %	3 %	3 %	3 %	-
Spain	62 %	54 %	32 %	15 %	16 %	13 %	15 %	10 %
Sweden	68 %	66 %	56 %	29 %	24 %	36 %	33 %	21 %
United Kingdom	51 %	46 %	22 %	10 %	13 %	11 %	7 %	8 %
EU TOTAL	59 %	58 %	36 %	16 %	15 %	12 %	11 %	6 %

⁽⁷⁵⁾ Based on the available answers of 4 401 IPR owner enterprises. The results of 'Other' are not shown in the table, but were taken into account when calculating the results.

6.2. Main sources of information for registering IPRs

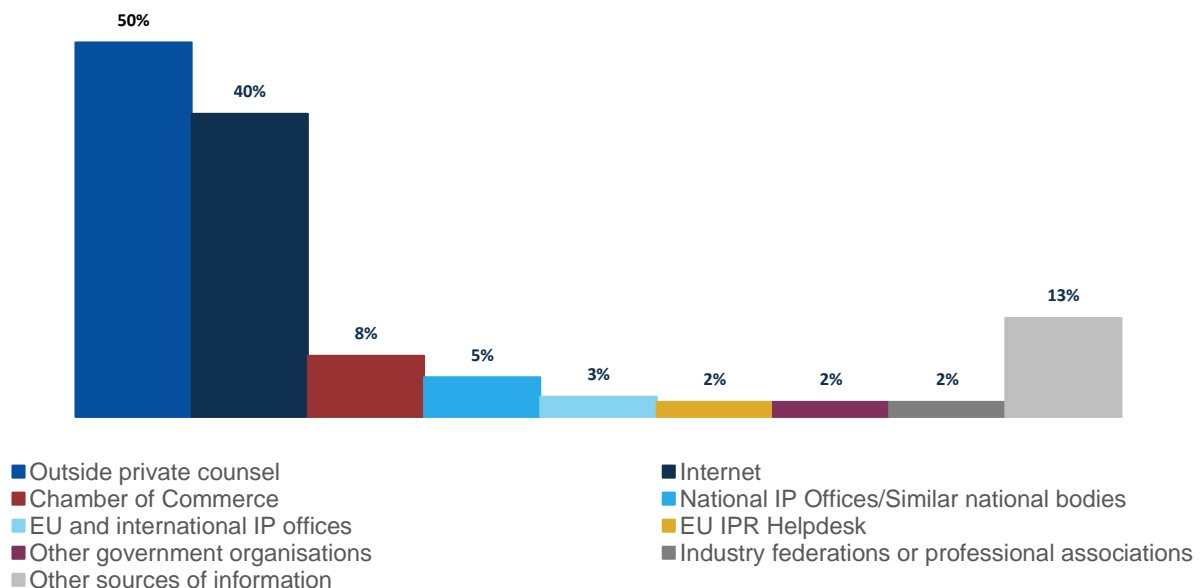
Understanding the main sources used by SMEs to obtain information on IPRs (Figure 36 below) is key to enabling the bodies responsible at local, state and European level to properly and efficiently disseminate information of general interest. With this in mind, IPR owners were consulted about the main sources of information they turn to when they need to know or be advised on any aspect related to IPR registration.

The results reveal that 50 % of SMEs (IPR owners) chose external private legal advice as their main source of information, followed by the internet at 40 %.

When these results are compared with those obtained in 2016, it can be seen that the top two sources of information (outside private counsel and the internet) remain unchanged, albeit with slight differences. In 2016, these sources accounted for 55 % and 48 %, respectively. A further noteworthy difference is that in 2019 the third source of information in order of importance is other sources of information (13 %), while in 2016 this position was taken by National IP Offices or similar national bodies (22 %) — an option ranked fifth in 2019 as a main source of information for registering IPRs.

For its part, the Chamber of Commerce remains the fourth most consulted source. However, other government organisations have gained ground over the last 3 years, rising to seventh place in 2019 (from ninth in 2016), along with the EU IPR Helpdesk and industry federations or professional associations.

Figure 36. Main sources of information to register IPRs ⁽⁷⁶⁾



⁽⁷⁶⁾ Based on the available answers of 4 401 IPR owner enterprises.

Although, as in 2016, outside private counsel continues to be the main source of information among IPR owners at EU level, at Member State level the internet is the most popular source of information in 16 countries (Table 21 below).

The third most popular source of information changes from country to country, with National IP Offices, EU and international IP offices (e.g. the EUIPO and WIPO) and the Chambers of Commerce all important places to gain understanding. The 'Others' option was also prominent, and includes organisations such as outside counsel, universities, commercial registries and in-house expert advisers.

Table 21. Top three information sources for registering IPRs by country⁽⁷⁷⁾

MEMBER STATE	TOP 1	%	TOP 2	%	TOP 3	%
Austria	Internet	44 %	Outside private counsel	38 %	Others	18 %
Belgium	Outside private counsel	68 %	Internet	52 %	National IP Offices/Similar national bodies	11 %
Bulgaria	Outside private counsel	46 %	Internet	44 %	EU and international IP offices	6 %
Croatia	Internet	74 %	Outside private counsel	39 %	Chamber of Commerce	9 %
Cyprus	Outside private counsel	52 %	Others	38 %	Other government organisation	10 %
Czech Republic	Outside private counsel	72 %	Internet	29 %	Others	8 %
Denmark	Outside private counsel	63 %	Internet	38 %	Others	29 %
Estonia	Internet	73 %	Outside private counsel	35 %	Chamber of Commerce Others	5 %
Finland	Internet	59 %	Outside private counsel	46 %	Others	17 %
France	Outside private counsel	49 %	Internet	42 %	National IP Offices/Similar national bodies	16 %
Germany	Internet	44 %	Outside private counsel	38 %	Others	20 %
Greece	Outside private counsel	63 %	Internet	21 %	Others	11 %
Hungary	Internet	59 %	Outside private counsel	52 %	Chamber of Commerce	7 %
Ireland	Outside private counsel	74 %	Internet	36 %	Others	14 %
Italy	Outside private counsel	61 %	Internet	27 %	Chamber of Commerce	18 %
Latvia	Internet	52 %	Outside private counsel	39 %	Others	6 %
Lithuania	Internet	75 %	Outside private counsel	28 %	Chamber of Commerce	5 %

⁽⁷⁷⁾ Based on the available answers of 4 401 IPR owner enterprises.

Luxembourg	Internet	44 %	Outside private counsel	33 %	Others	33 %
Malta	Internet	63 %	Outside private counsel	31 %	EU and international IP offices	13 %
Netherlands	Outside private counsel	60 %	Internet	37 %	Others	12 %
Poland	Internet	58 %	Outside private counsel	47 %	National IP Offices/Similar national bodies Others	12 %
Portugal	Internet	55 %	Outside private counsel	41 %	National IP Offices/Similar national bodies	10 %
Romania	Internet	56 %	Outside private counsel	44 %	Chamber of Commerce	17 %
Slovakia	Outside private counsel	70 %	Internet	37 %	National IP Offices/Similar national bodies	7 %
Slovenia	Internet	62 %	Outside private counsel	24 %	Chamber of Commerce	21 %
Spain	Outside private counsel	61 %	Internet	29 %	Others	11 %
Sweden	Internet	46 %	Outside private counsel	39 %	Others	36
United Kingdom	Internet	42 %	Outside private counsel	32 %	Others	19 %
EU TOTAL	Outside private counsel	50 %	Internet	40 %	Others	13 %

6.3. Main places for registering IPRs

Another important aspect of this analysis that makes it possible to identify the most appropriate channels of contact and communication with SMEs is the office or institutional body to which they most frequently turn to register their IPRs. This analysis was carried out at Member State level, since local factors, as well as the specific characteristics of each country, can play a decisive role in this regard.

The majority (61 %) of SMEs turn to the National IP Office of the EU Member State where their company has its principal seat (Table 22 below). This is followed by the EPO, selected by 21 % of SMEs that own IPRs.

For its part, the EUIPO emerges as the third office most used by IPR owners, closely followed by a National IP Office of another EU Member State.

It may be concluded, therefore, that most SMEs register IP at local (Member State) level. However, one third of SMEs also apply for protection at regional/European level, and a further 7 % at wider international level. SMEs choose to register more often in their own country, as many will not trade outside their own borders. If they do operate outside their home country, they will choose regional or international application routes as they are more likely to be completed in a language that they are comfortable with.

Patents are particularly worth noting, since 21 % of SMEs register this right at European level.

Table 22. Main places for registering IPRs by country⁽⁷⁸⁾

MEMBER STATE	NATIONAL IP OFFICE (IPO) OF HOME COUNTRY	EUROPEAN PATENT OFFICE (EPO)	EUROPEAN UNION INTELLECTUAL PROPERTY OFFICE (EUIPO)	IPO OF ANOTHER EU MEMBER STATE	IPO OF MULTIPLE EU MEMBER STATES	WORLD INTELLECTUAL PROPERTY ORGANIZATION (WIPO)	IPO FROM COUNTRIES OUTSIDE THE EU
Austria	36 %	37 %	21 %	6 %	9 %	5 %	2 %
Belgium	61 %	22 %	16 %	6 %	5 %	1 %	0 %
Bulgaria	76 %	5 %	13 %	49 %	5 %	3 %	0 %
Croatia	74 %	9 %	4 %	13 %	4 %	0 %	4 %
Cyprus	90 %	0 %	33 %	0 %	0 %	0 %	14 %
Czech Republic	63 %	13 %	0 %	9 %	1 %	0 %	0 %
Denmark	50 %	27 %	25 %	2 %	10 %	6 %	6 %

⁽⁷⁸⁾ Based on the available answers of 4 401 IPR owner enterprises. 'Others' is not shown in the table, but was taken into account for the global figures.

Estonia	88 %	13 %	5 %	10 %	5 %	0 %	0 %
Finland	80 %	40 %	26 %	12 %	9 %	18 %	6 %
France	75 %	6 %	6 %	6 %	1 %	7 %	4 %
Germany	43 %	34 %	10 %	7 %	5 %	6 %	3 %
Greece	67 %	0 %	32 %	5 %	0 %	5 %	0 %
Hungary	61 %	24 %	15 %	4 %	6 %	17 %	6 %
Ireland	80 %	16 %	8 %	14 %	6 %	8 %	4 %
Italy	68 %	24 %	13 %	12 %	10 %	4 %	4 %
Latvia	36 %	18 %	9 %	9 %	3 %	0 %	0 %
Lithuania	41 %	23 %	10 %	3 %	0 %	2 %	0 %
Luxembourg	39 %	22 %	0 %	17 %	0 %	6 %	0 %
Malta	69 %	0 %	25 %	25 %	19 %	6 %	0 %
Netherlands	33 %	16 %	28 %	5 %	2 %	9 %	6 %
Poland	67 %	17 %	28 %	9 %	9 %	6 %	5 %
Portugal	72 %	8 %	7 %	13 %	7 %	6 %	3 %
Romania	68 %	1 %	21 %	17 %	1 %	1 %	0 %
Slovakia	63 %	7 %	2 %	5 %	2 %	2 %	2 %
Slovenia	86 %	7 %	14 %	7 %	7 %	3 %	0 %
Spain	69 %	18 %	9 %	14 %	8 %	5 %	5 %
Sweden	63 %	27 %	30 %	10 %	9 %	13 %	4 %
United Kingdom	60 %	21 %	13 %	16 %	10 %	11 %	5 %
EU Total	61 %	21 %	13 %	11 %	6 %	6 %	4 %

6.4. Use of an IP professional when filing applications

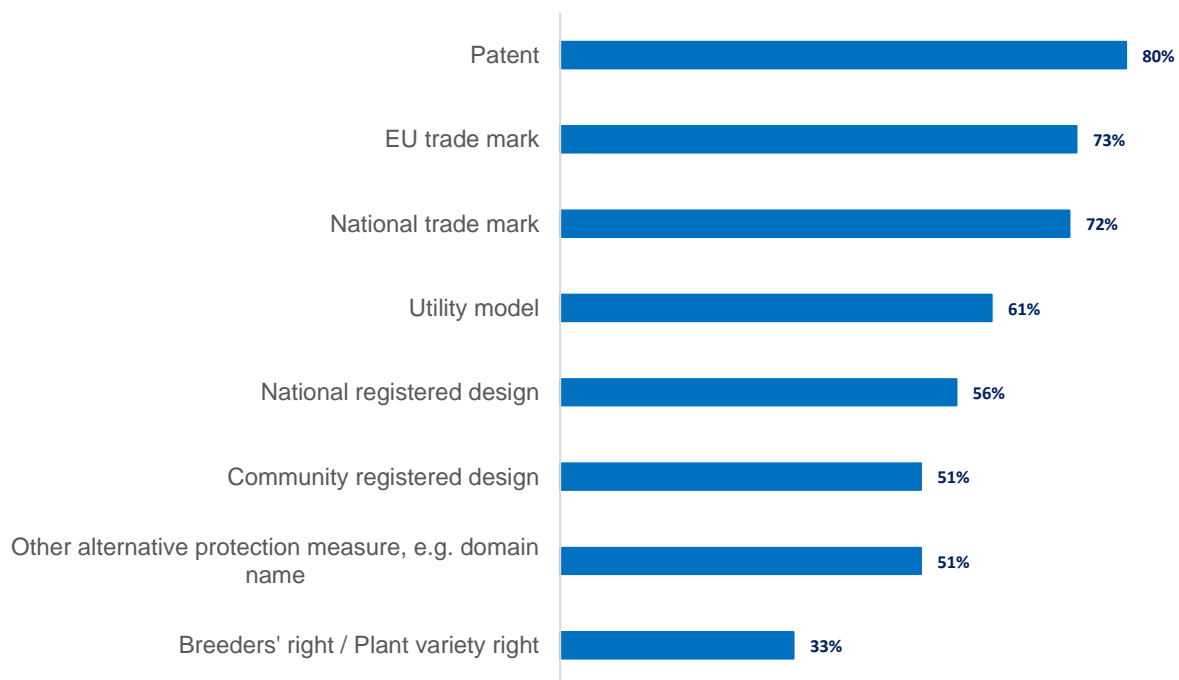
Of the companies interviewed that own patents, 80 % stated that they had consulted an IP professional when seeking to obtain information or consult on certain aspects of their IPR application (Figure 37 below).

Of those companies that claim to use registered EU trade marks and national trade marks, 73 % and 72 %, respectively, required the assistance of an IP professional when filing for these types of application.

Moreover, 61 % of those companies that claim to own utility models sought an IP professional when filing their application. Although to a lesser extent, a quite significant proportion of companies that claim to own other IPRs, such as national designs (56 %), Community designs or alternative protection measures such as domain names (51 %), also turned to IP professionals for assistance.

As for the results of the survey overall, when broken down by company size, the results are similar to the general trend. There seems to be a direct relationship between the most registered rights for each size of company and the greater or lesser frequency with which they consult an IP professional.

Figure 37. Use of an IP professional by SMEs when filing an application⁽⁷⁹⁾



⁽⁷⁹⁾ Based on the available responses from 1 872 patents, 725 utility models, 2 898 national trade marks, 2 097 EU trade marks, 553 national designs, 297 companies holding Community designs, 63 breeders' rights/plant variety rights and 782 company owners of alternative protection measures (from 3 681 companies holding IPRs that claim to have used an IP professional when filing IPR applications).

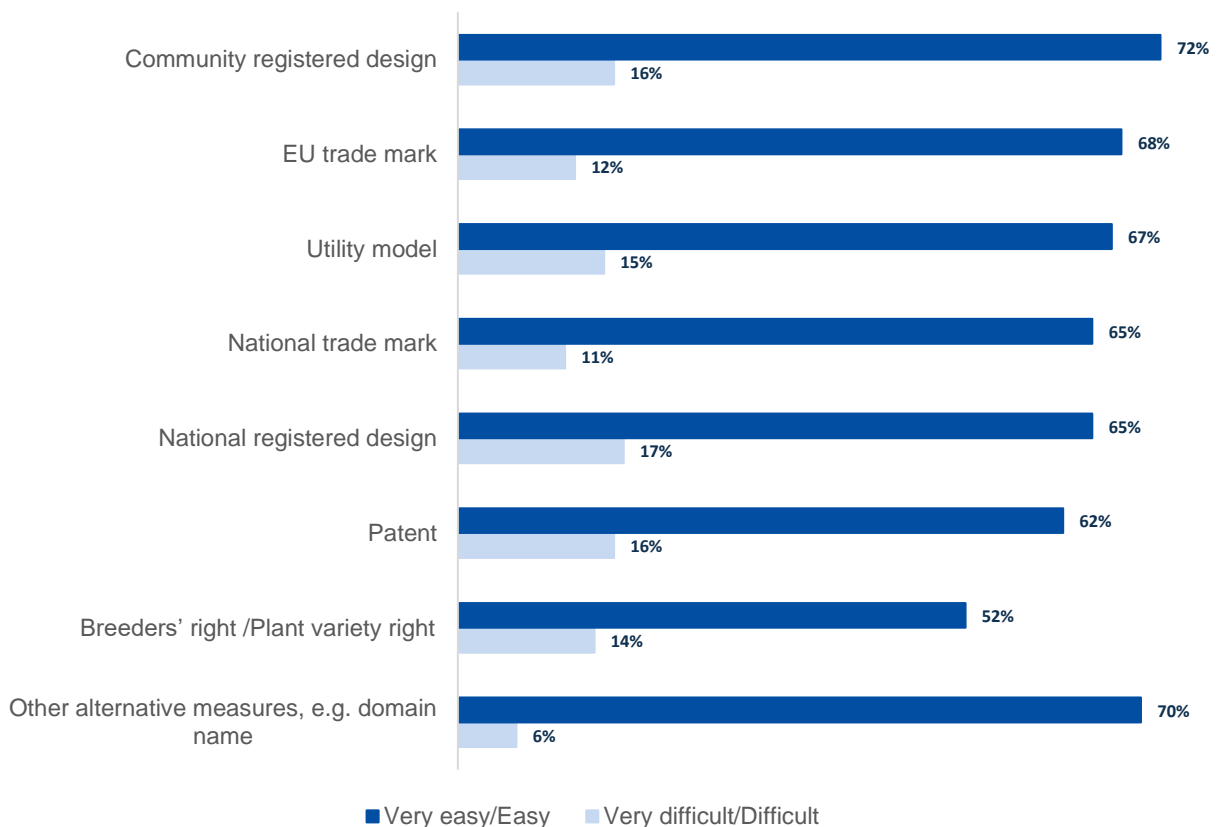
6.5. Degree of difficulty experienced during the IPR registration process

The majority of SMEs that have gone through the process of registering IPRs consider it to be an easy process, as also stated in 2016. In particular, the processes for registering Community designs, alternative protection measures and EU trade marks and utility models are deemed straightforward.

In this context, of the total companies that own EU designs, 72 % assure that the registration process has no level of difficulty (Figure 38 below). Moreover, 70 % of owners of alternative measures for protection claim the registration process is quite simple. A further 68 % and 67 % of companies that own EU trade marks and utility models, respectively, also claim not to have experienced any difficulties during the IPR registration process.

Over 50 % of companies owning patents, national trade marks, national designs and breeders' rights/plant variety rights claim that registration is simple and that they did not experience any difficulties during the application process.

Figure 38. Difficulty of the IPR registration process⁽⁸⁰⁾



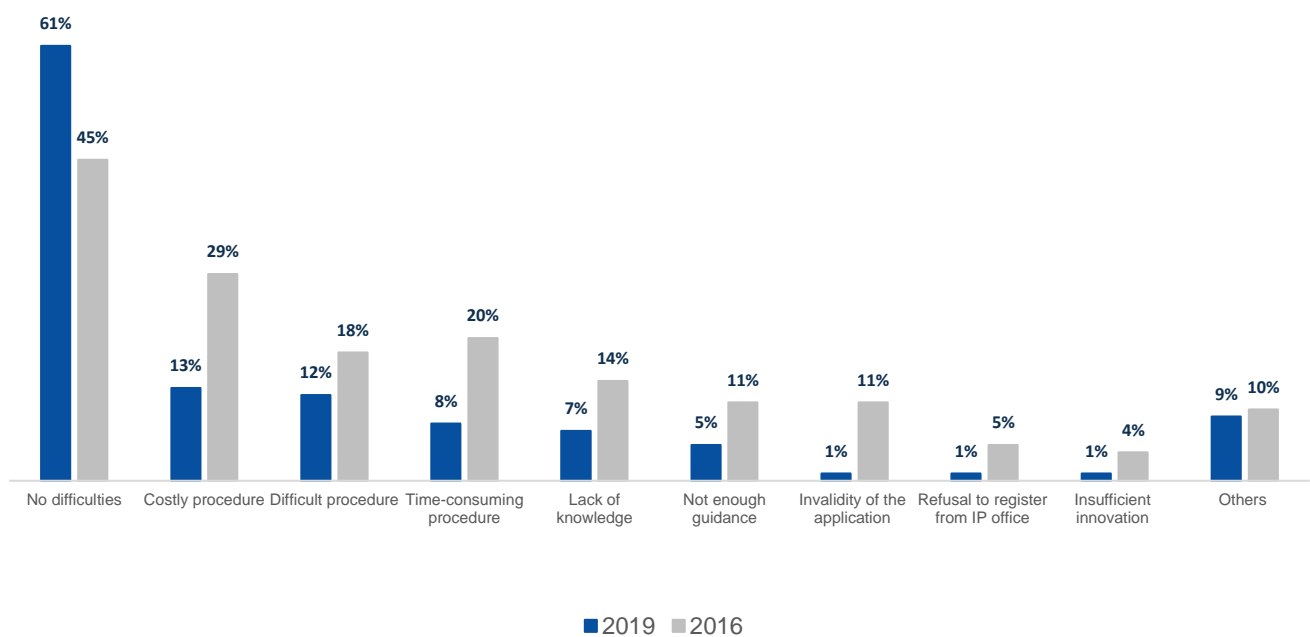
⁽⁸⁰⁾ Based on the available answers of 1 492 patents; 440 utility models; 1 537 EU trade marks; 2 095 national trade marks; 152 Community designs; 309 national designs; 21 breeders' rights/plant variety rights and 541 owners of alternative protection measures. When calculating the results, only those companies that claim to own each right on the basis of Q14 were taken into account.

6.6. Main difficulties experienced when registering an IPR

A significant number of SMEs that have made the decision to register IPRs state that the registration process is for the most part straightforward. Furthermore, 61 % of SMEs claim not to have experienced any difficulties (Figure 39 below). Compared with 2016 this represents a significant increase of 16 %, which indicates that companies in 2019 perceive that the registration process is simpler and, furthermore, are more familiar and knowledgeable about it.

It should be noted that compared with 2016 all the difficulties when registering an IPR seem to have decreased. The three main difficulties mentioned are: 13 % of companies indicate that the main difficulty faced when registering an IPR is the high cost of the procedure, while 12 % of SMEs also indicate that the process is too complex. In third place, 8 % of SMEs claim that the registration process is too lengthy.

Figure 39. Main difficulties experienced by SMEs when registering an IPR ⁽⁸¹⁾



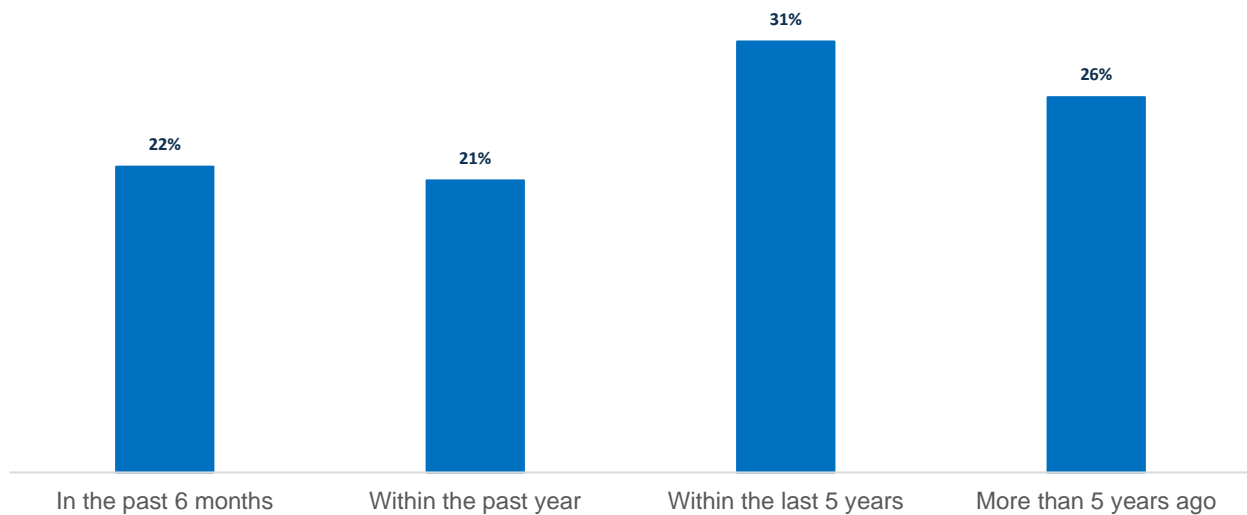
⁽⁸¹⁾ Based on 5 235 responses (multiple choice) of 4 401 IPR owner enterprises.

6.7. Latest application to register an IPR

The group of companies taking part in this study that claim to have registered an IPR at local, regional and/or global level cover a very broad range in terms of sectors of activity and, above all, of age. The sample of IPR owners ranges from consolidated companies with a track record of almost 50 years to companies newly created over the last 5 years (start-ups).

When asked about their latest IPR applications, 43 % declared that the last time they applied to register an IPR was in the last 12 months, with another 31 % having done so within the last 5 years and 26 % more than 5 years ago (Figure 40 below).

Figure 40. Latest application to register an IPR ⁽⁸²⁾



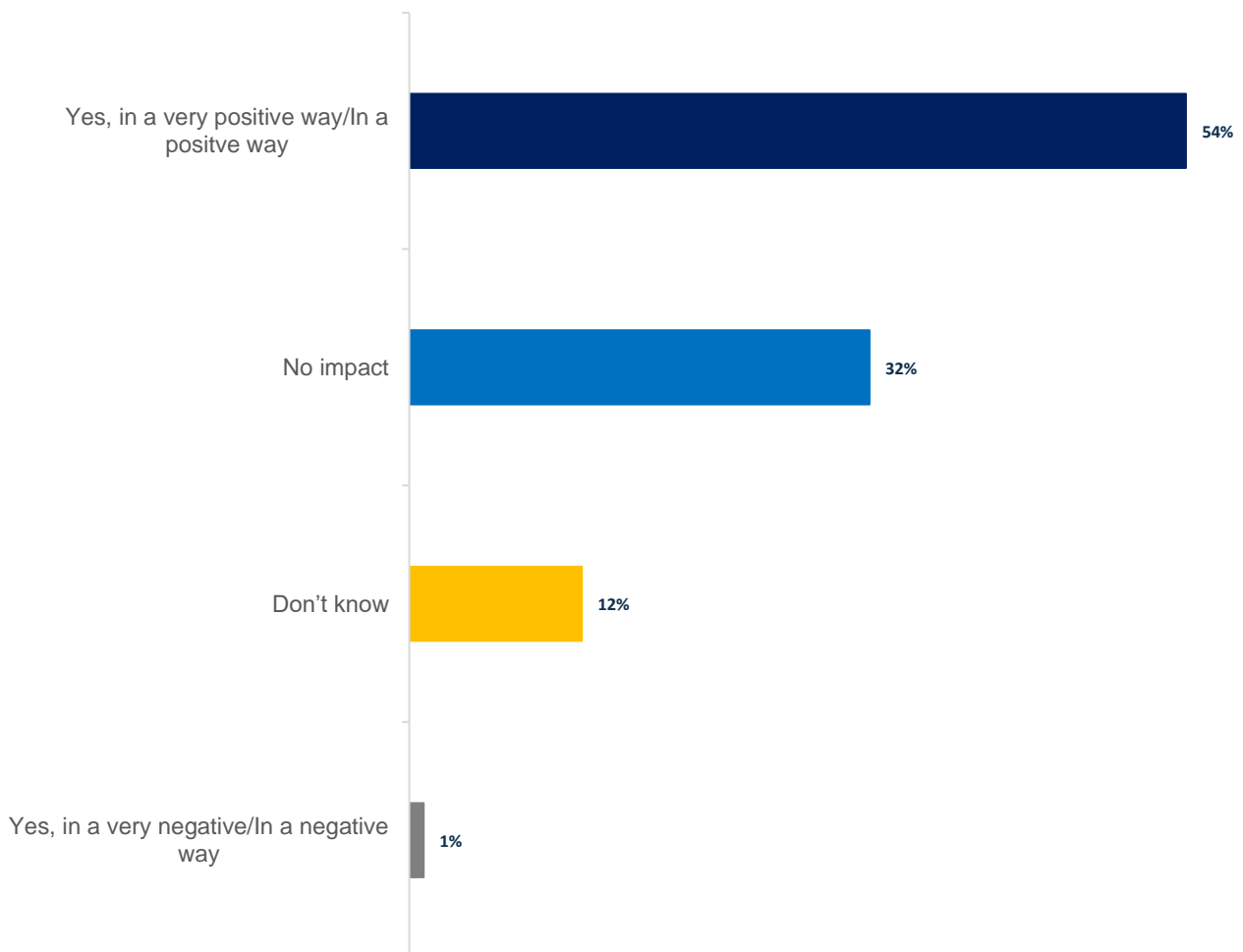
⁽⁸²⁾ Based on the available answers of 4 401 IPR owners. The option 'When the company started' is not shown in the figure, but was incorporated according to the year of creation of the company in the corresponding option of those shown in the graph.

6.8. Impact of IPR protection

Among the companies that own IPRs, this question seeks to account for the impact and outcome of having IPRs of some type before ascertaining the specific positive and negative impacts involved.

Of the companies with registered IPRs, 54 % consider the impact of being an owner is positive or very positive, while 32 % consider it has no impact at all and 12 % are unsure. Only 1 % of IPR owners consider the impact to be negative (Figure 41 below).

Figure 41. Impact of having IP protection ⁽⁸³⁾

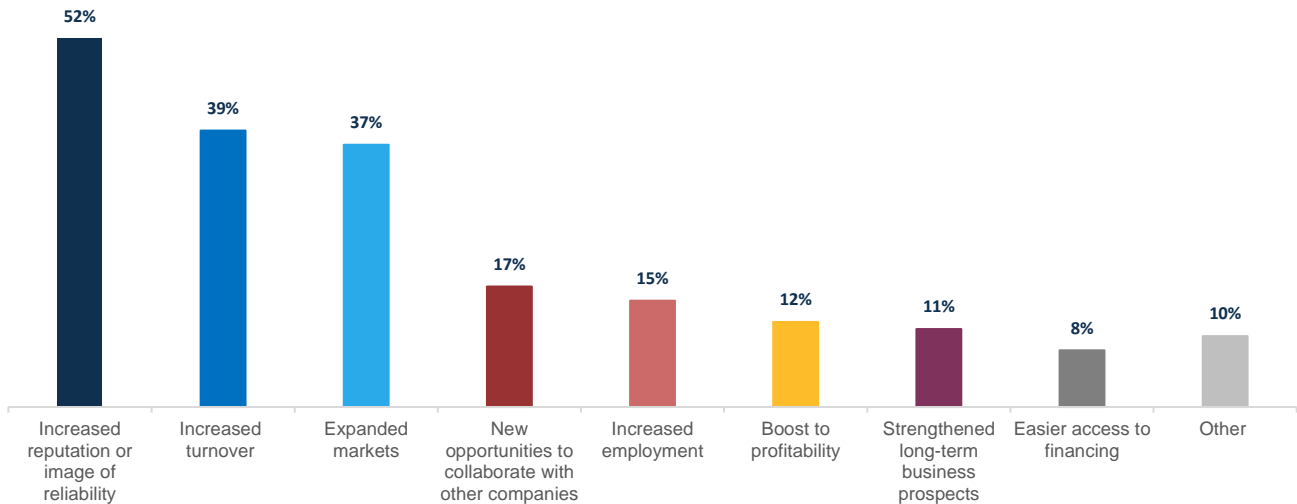


Of those IPR owners that consider IP protection brings positive impacts to their company, the main one is a boost to their reputation/credibility (52 %) (Figure 42 below). This is followed by increased turnover (39 %) and expanded markets (37 %).

Although to a lesser extent, a significant proportion of the companies also consider IP protection has positively impacted their company in other ways, such as opening up new opportunities to collaborate with other entities (17 %), increasing employment (15 %) and boosting profitability (12 %), inter alia.

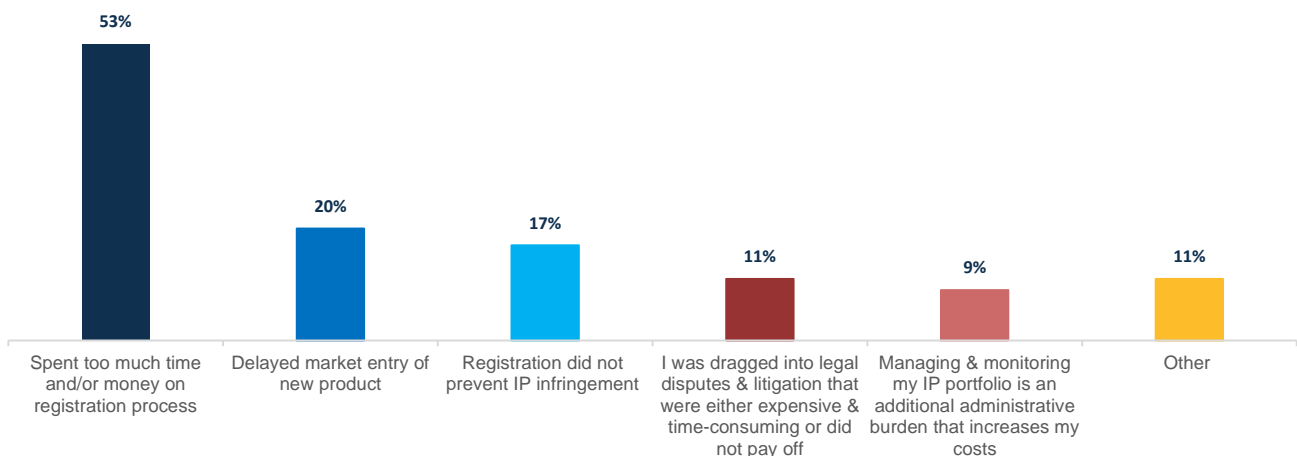
⁽⁸³⁾ Based on the available answers of 4 401 IPR owner enterprises.

Figure 42. Positive impacts of having IP protection ⁽⁸⁴⁾



Although the relevant number of companies that consider IP protection has impacted them negatively is very small, the main concerns involve the time and money spent on the registration process (53 %) and the delay in introducing new products to the market (20 %) (Figure 43 below). A further 17 % claim that having IP protection did not prevent IP infringement.

Figure 43. Negative impacts of having IP protection ⁽⁸⁵⁾



⁽⁸⁴⁾ Based on the available answers of 2 417 IPR owner enterprises that consider IP protection has a positive impact on their company.

⁽⁸⁵⁾ Based on the available answers of 66 IPR owner enterprises that consider IP protection has a negative impact on their company.

7. Analysis of non- IPR owners

7. Analysis of non-IPR owners

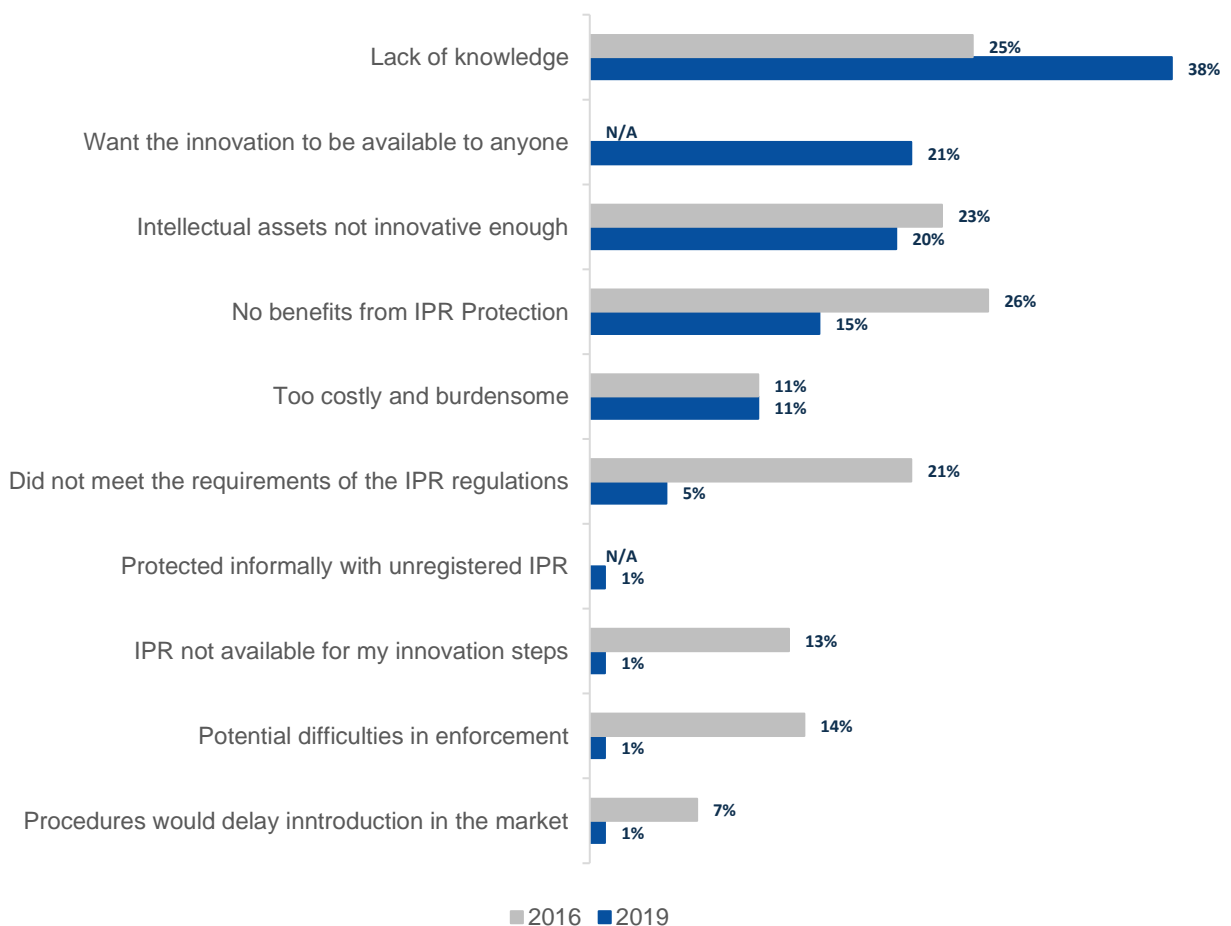
2019 INTELLECTUAL PROPERTY
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7.1. Main reasons for not registering an IPR

In this question, non-IPR owners were asked to indicate their reasons for not registering an IPR, where applicable (Figure 44 below).

The results reveal that the main reason, for all sizes of SMEs, is a lack of sufficient knowledge, that is, what is IP and how to we register it?

Figure 44. Main reasons not to register an IPR by non-IPR owners ⁽⁸⁶⁾



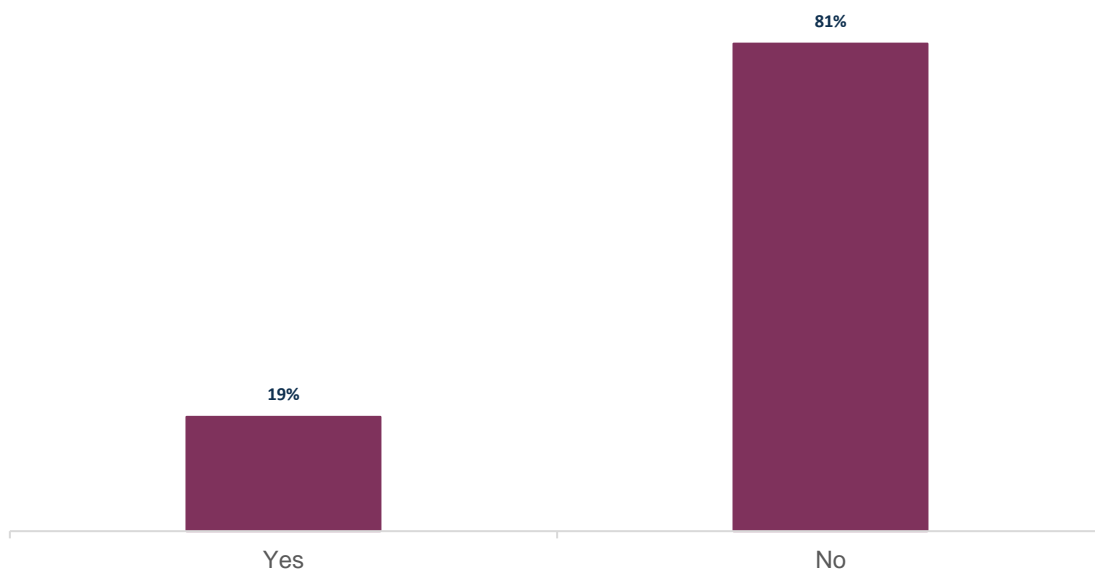
⁽⁸⁶⁾ Based on the available answers of 3 531 non-IPR owner enterprises.

7.2. Main sources of advice when deciding not to register

This section aims to assess whether companies that have decided not to register an IPR have consulted with any expert, body or institution before making the relevant decision (Figure 45 below).

The 2019 results reveal that only 19 % of SMEs sought advice before making the decision not to register an IPR. This indicates that the vast majority of companies (81 %) that are non-IPR owners did not seek advice from any expert or institutional body.

Figure 45. Did your company seek advice before deciding not to register an IPR? ⁽⁸⁷⁾

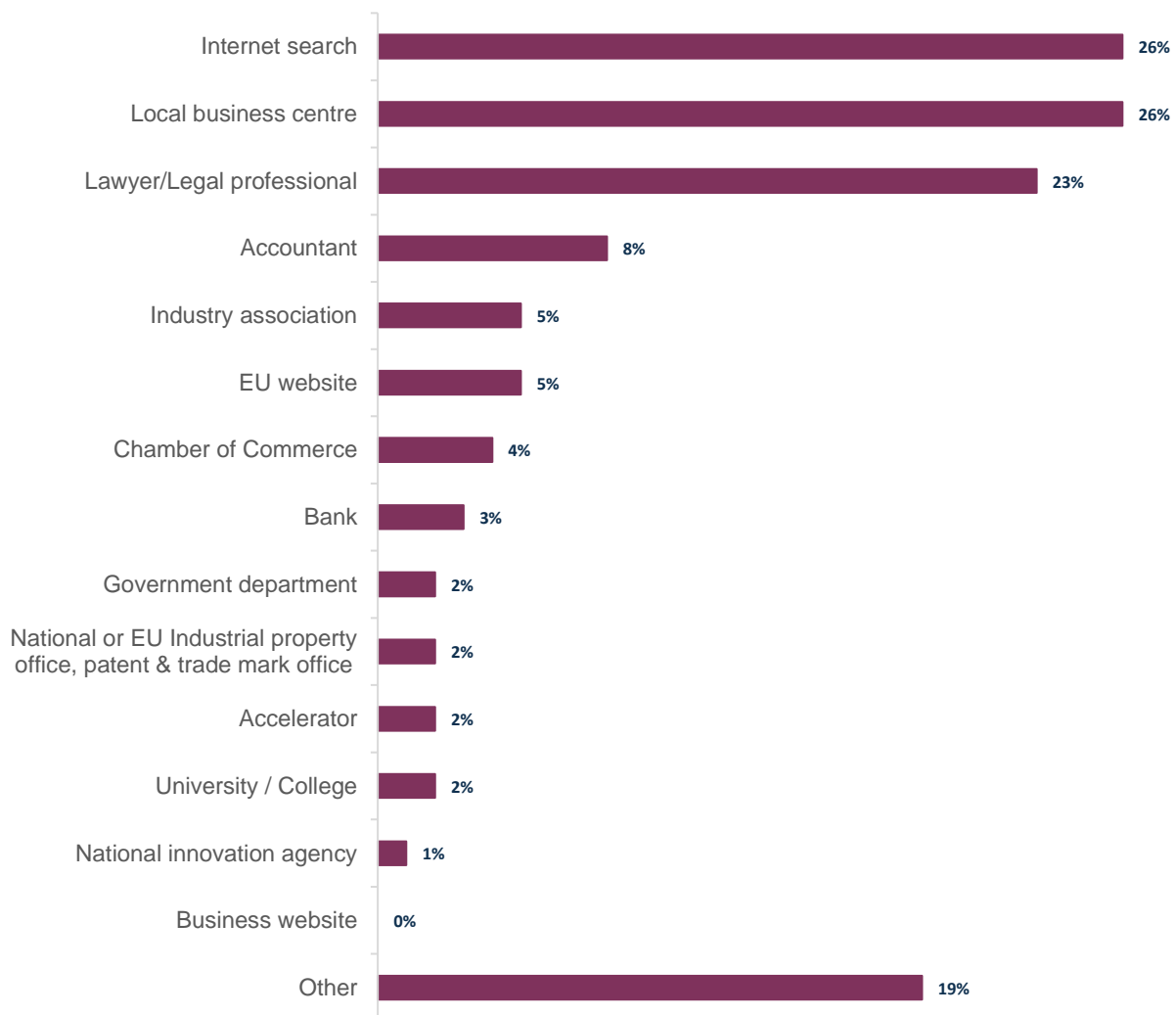


⁽⁸⁷⁾ Based on the available answers of 3 531 non-IPR owner enterprises.

Of the companies that sought advice (Figure 46 below), they preferred to consult the internet (26 %) and local business centres (26 %) first, before consulting a lawyer or other legal professional (23 %). Other sources of information, such as external advisers, ranked fourth at 19%.

Further sources have less significant weight; it seems that SMEs do not usually turn to official IP bodies or innovation agencies, but rather prefer to consult private sources of information.

Figure 46. Main sources of advice when deciding not to register an IPR by non-IPR owners⁽⁸⁸⁾



⁽⁸⁸⁾ Based on the available answers of 665 non-IPR owner enterprises that claim to have sought advice when deciding not to register an IPR.

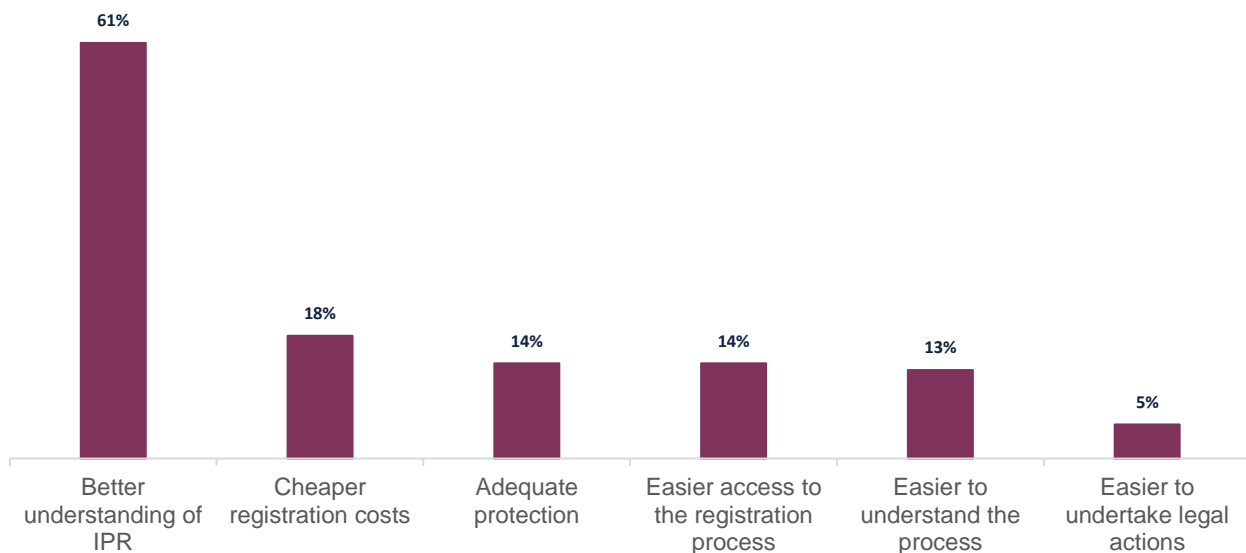
7.3. Main conditions to encourage registering an IPR in the future

The key findings indicate that providing SMEs with more information to understand IP protection measures better would encourage them to register an IPR, as this is precisely the reason that prevents them from currently doing so (Figure 47 below).

Furthermore, SMEs would be more willing to register an IPR if they had easier access to the registration process and if the relevant costs were lower.

To a lesser degree, albeit also important, simplifying the registration procedure and guaranteeing adequate protection would also condition any future decision to register an IPR.

Figure 47. Main conditions for considering future IPR registration⁽⁸⁹⁾



⁽⁸⁹⁾ Based on the available answers of 3 531 non-IPR owner enterprises.

When analysing the results by size of company (Table 23 below), the study indicates that better understanding of IPRs, cheaper registration costs, and easier access to the registration process are of most importance for micro-sized enterprises. Medium-sized enterprises seem to have suffered more from of a lack of understanding of IPRs than their micro- and smaller-sized counterparts.

Moreover, for small businesses, besides a better understanding of IPRs the other main condition to consider registering an IPR in the future would be cheaper registration costs. By contrast, the main conditions for both micro- and small-sized companies in 2016 were a guarantee of adequate protection and the ability to take legal action against infringing parties.

Table 23. Comparison of the main conditions to consider registering an IPR in the future, by company size ⁽⁹⁰⁾

CONDITIONS FOR REGISTERING AN IPR IN THE FUTURE	MICRO	SMALL	MEDIUM
Better understanding of IPRs	48 %	51 %	53 %
Cheaper registration costs	15 %	13 %	13 %
Easier access to the registration process	12 %	9 %	11 %
Adequate protection	11 %	12 %	12 %
Easier to understand the process	11 %	10 %	8 %
Easier to undertake legal actions	4 %	4 %	4 %

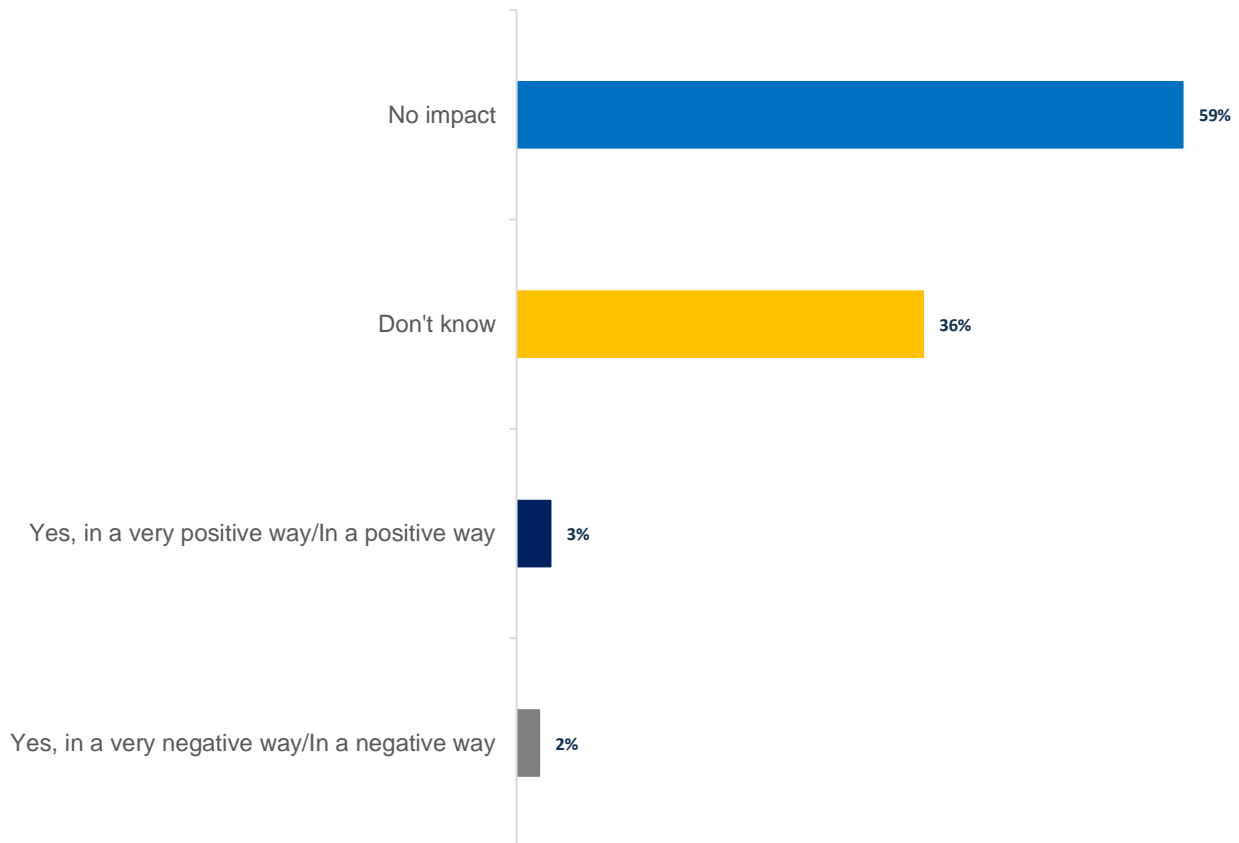
⁽⁹⁰⁾ Based on the available answers of 3 531 non-IPR owner enterprises.

7.4. Impact of a failure to arrange IPR protection

Since 47 % of those SMEs surveyed do not have registered IPRs of any kind, it would be interesting to ascertain the impact they consider not having IPR protection might have.

While most companies with IPRs consider the impact on their business to be positive (Section 6.8), most of the companies that do not have such rights believe that registration would have no impact on their business (Figure 48 below) or are unaware of any potential impacts. This highlights the need to improve awareness of the benefits of IPR among non-IPR owners.

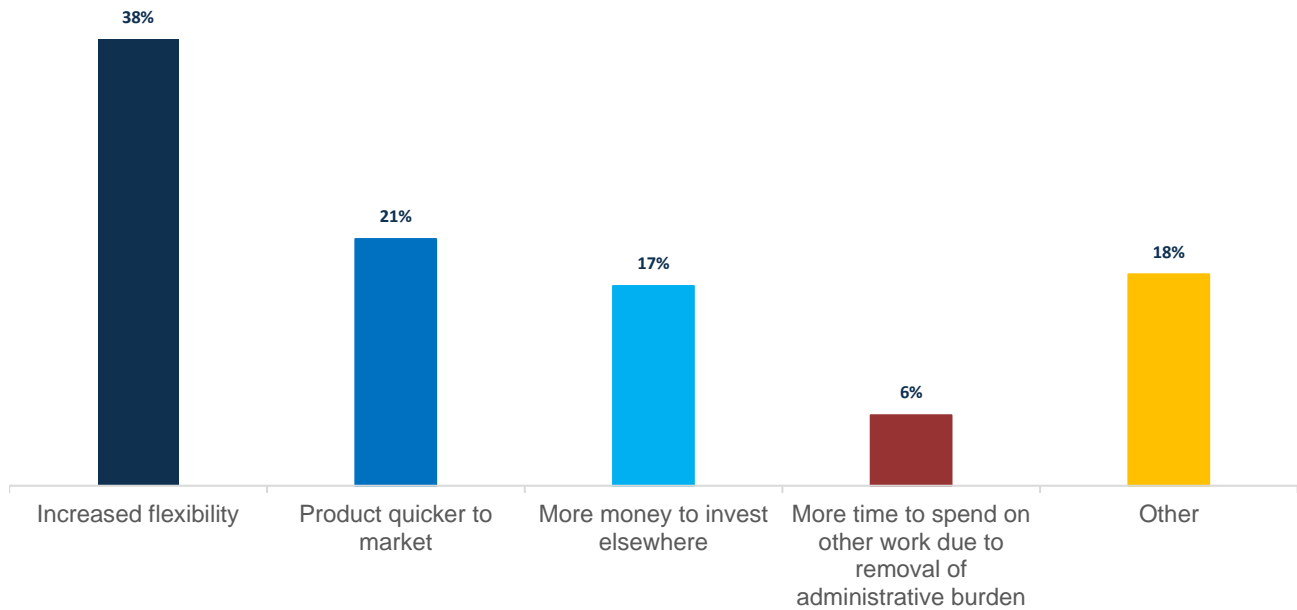
Figure 48. Impact of not having IP protection ⁽⁹¹⁾



⁽⁹¹⁾ Based on the available answers of 3 531 non-IPR owner enterprises.

Of the 3 % of companies that say not having IP protection has a positive impact on their business, the main reasons are that it increases the company’s flexibility (38 %), and that it allows them to introduce their products to the market sooner (21 %) (Figure 49 below).

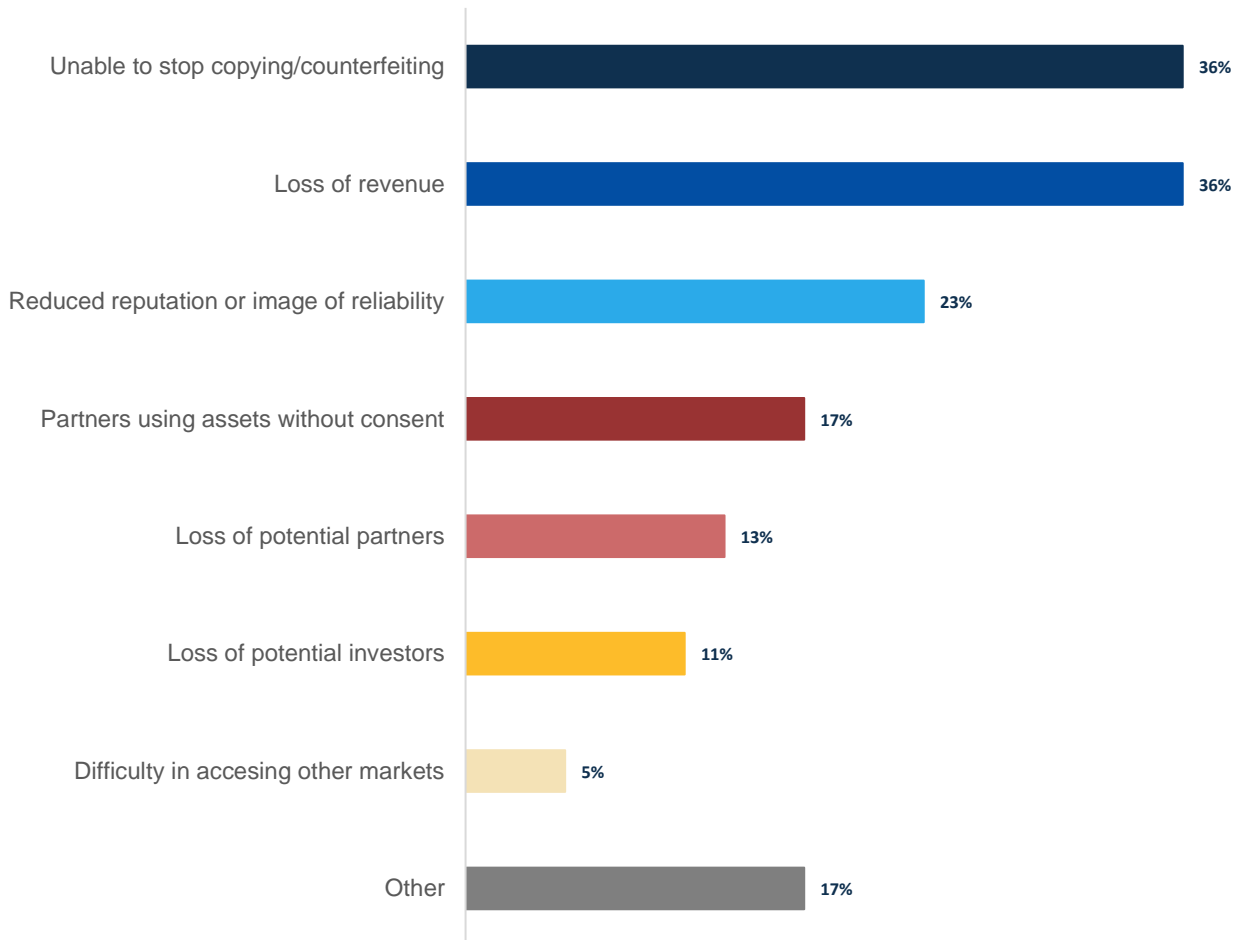
Figure 49. Positive impacts of not having IP protection ⁽⁹²⁾



⁽⁹²⁾ Based on the available answers of 143 non-IPR owner enterprises that believe not having IP protection has a positive impact on their company.

Conversely, 2 % of non-IPR owners believe that not having IP protection has had a negative impact on their business. For this group, the main negative consequences are shown in Figure 50 below as difficulty in preventing their products from being copied or counterfeited (36 %), loss of revenue (36 %), and reduced reputation or image of reliability (23 %).

Figure 50. Negative impacts of not having IP protection ⁽⁹³⁾



⁽⁹³⁾ Based on the available answers of 64 non-IPR owner enterprises that believe not having IP protection has a negative impact on their company.

8. Monetisation of IP Rights

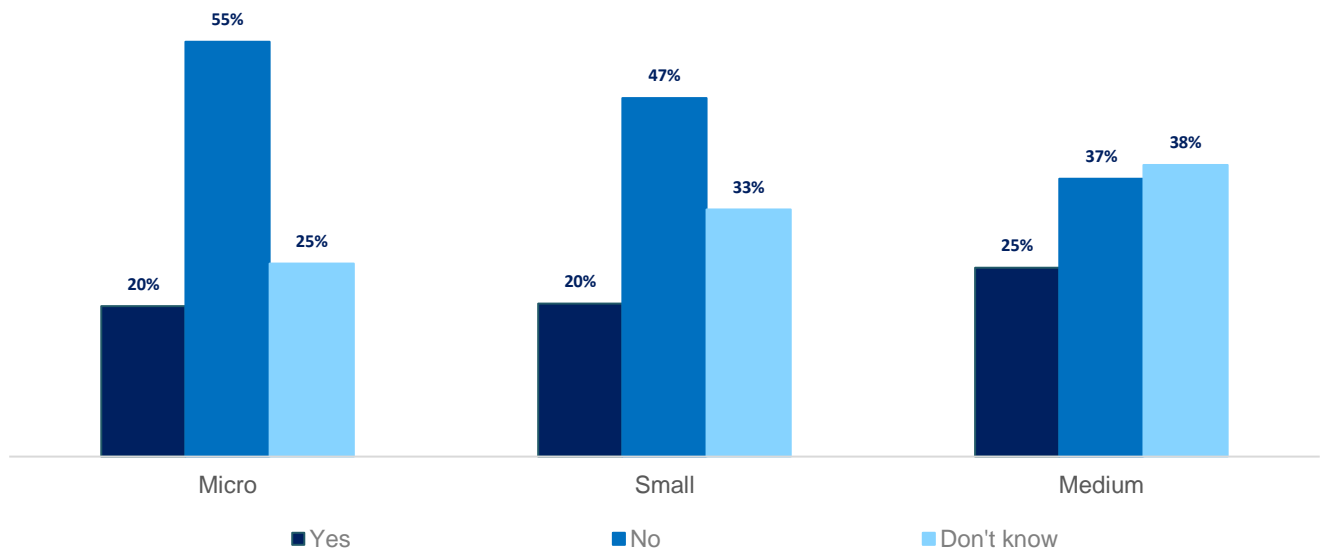
8. Monetisation of IP Rights

2019 INTELLECTUAL PROPERTY
SME SCOREBOARD

8.1. Professional valuation of intangible assets

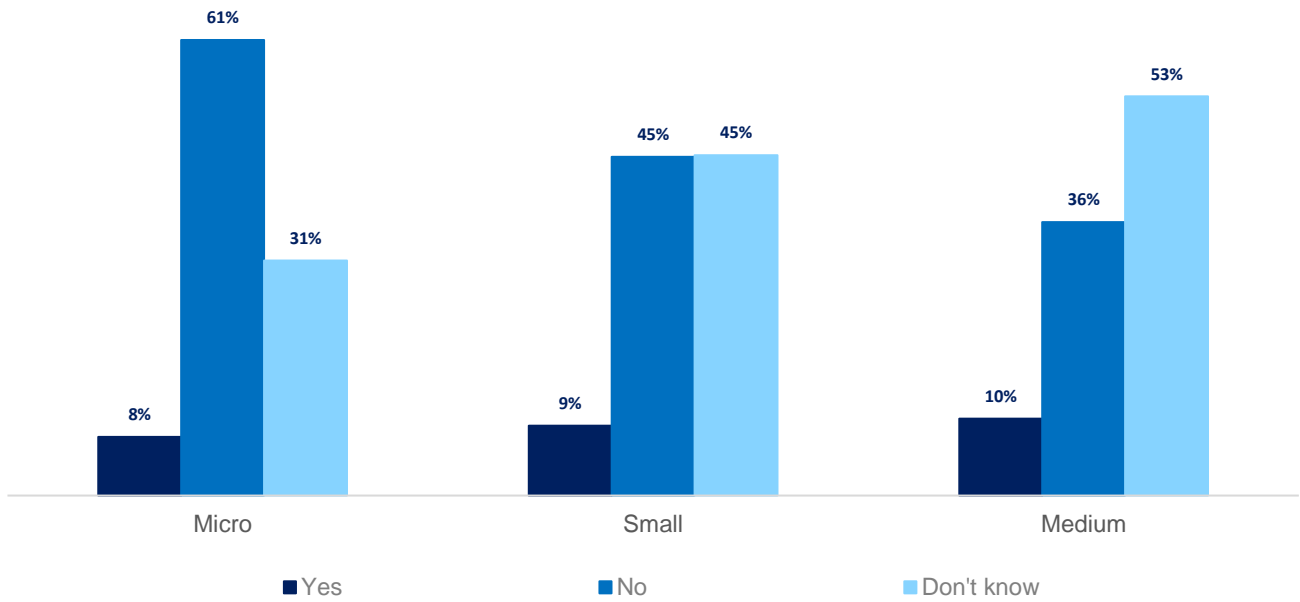
While most SMEs have not conducted a professional valuation of their intangible assets, those that claim to have had their assets valued by a professional are more likely to be IPR owners (Figures 51 & 52 below). In terms of company size, a greater proportion of medium-sized enterprises claim to have received a valuation of their assets, albeit without differing significantly from the proportion of micro- and small-sized companies. For non-IPR owners, the same trend can be observed.

Figure 51. Professional valuation of the company's intangible assets by IPR owners, broken down by company size ⁽⁹⁴⁾



⁽⁹⁴⁾ Based on the available answers of 2 341 micro-, 1 225 small- and 835 medium-sized IPR owner enterprises.

Figure 52. Professional valuation of the company's intangible assets by non-IPR owners, broken down by company size ⁽⁹⁵⁾



⁽⁹⁵⁾ Based on the available answers of 2 593 micro-, 867 small- and 488 medium-sized non-IPR owner enterprises.

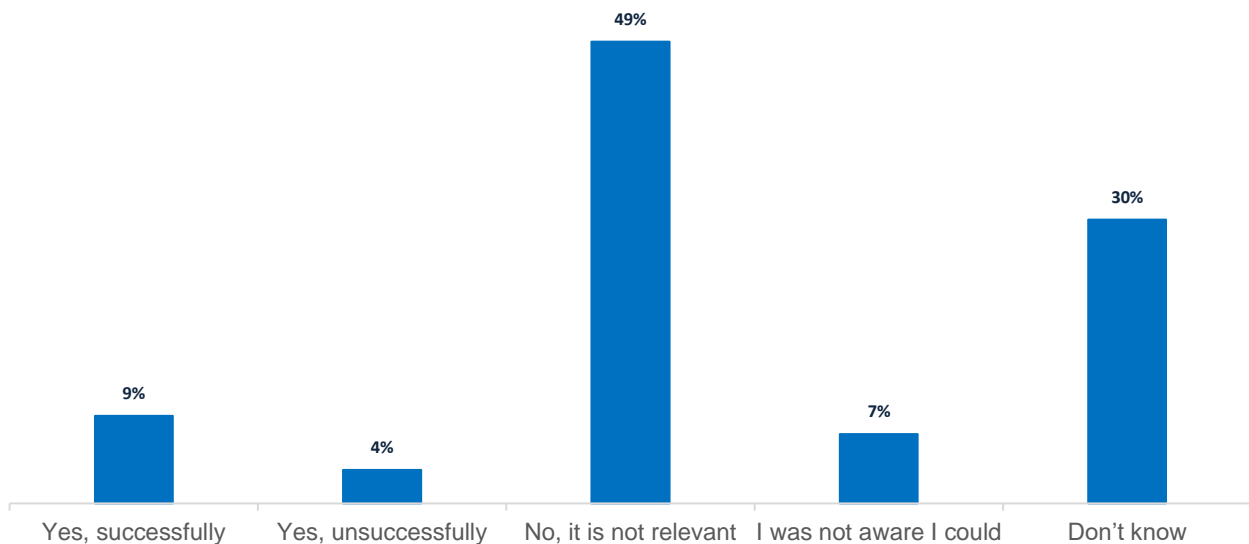
8.2. Raising finance by leveraging intangible assets

Most companies with registered IPRs, regardless of size, have never tried to gain finance by leveraging their intangible assets, as essentially this is not viewed as a relevant option.

Another significant portion, represented equally among the three sizes of companies, stated that they do not know whether their company has ever tried to obtain financing through its intangible assets.

Meanwhile, of the total companies with registered IPRs that have attempted to obtain financing through their intangible assets (13 %), 9 % have done so successfully (Figure 53 below).

Figure 53. Raising finance by leveraging intangible assets by IPR owners ⁽⁹⁶⁾

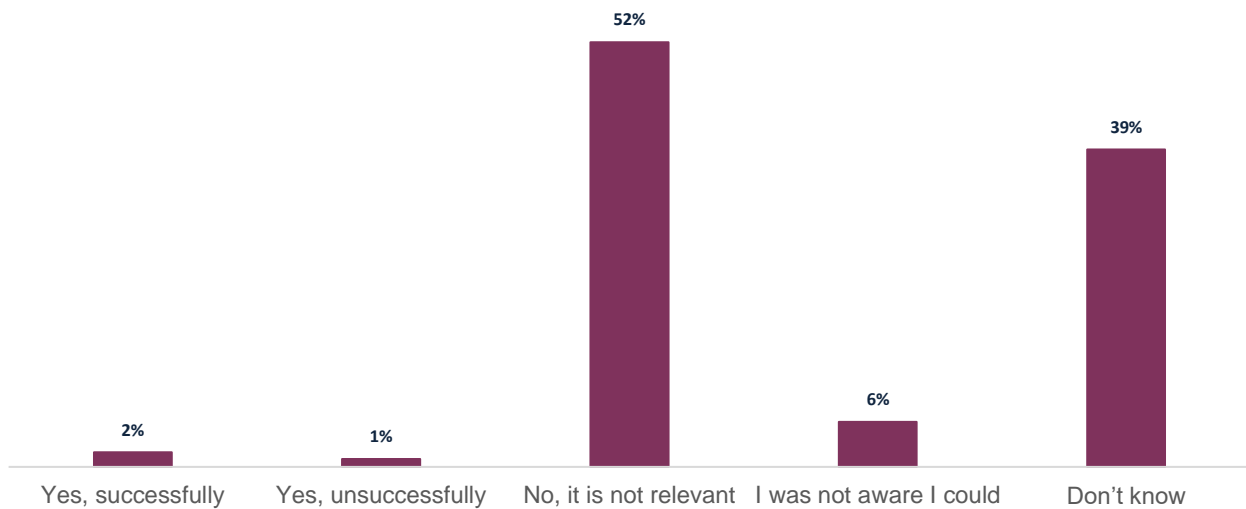


⁽⁹⁶⁾ Based on the available answers of 4 401 IPR owner enterprises.

The results for non-IPR owning companies are similar to those of their IPR counterparts, with most companies never having attempted to raise finance by leveraging intangible assets.

Furthermore, non-IPR companies attach even less importance to the possibility of taking advantage of their intangible assets to this end (Figure 54 below). On average, only 3 % of the companies have attempted to do so, 2 % successfully and 1 % unsuccessfully.

Figure 54. Raising finance by leveraging intangible assets by non-IPR owners⁽⁹⁷⁾

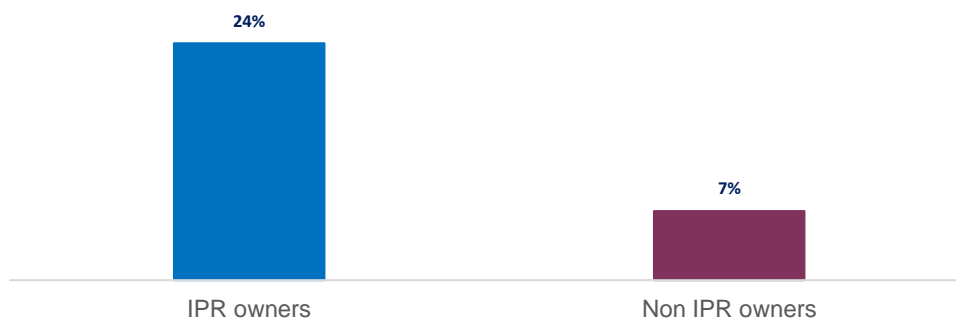


⁽⁹⁷⁾ Based on the available answers of 3 948 non-IPR owner enterprises.

8.3. Licence agreements signed by SMEs including IPRs ⁽⁹⁸⁾

The results of this study reveal a noteworthy difference between licence agreements signed by IPR and non-IPR companies (Figure 55 below). The former are more likely than the latter to do this (24 % & 7 %, respectively).

Figure 55. Companies that have signed a licence agreement including IPRs ⁽⁹⁹⁾

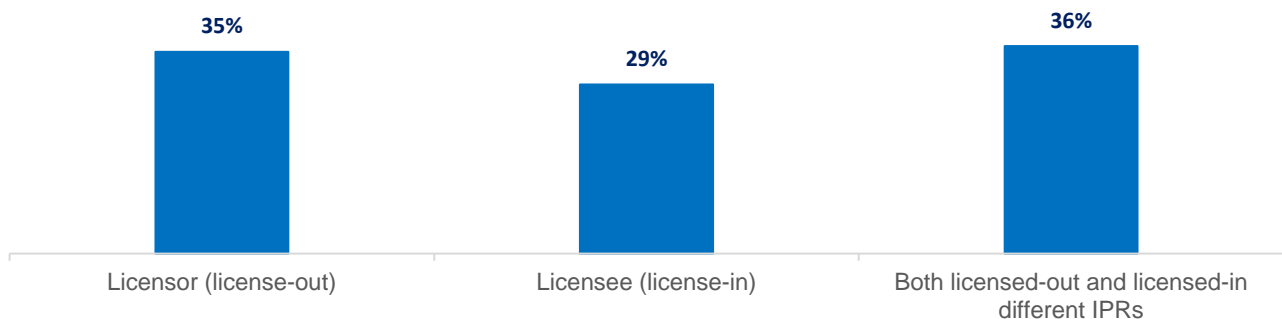


8.4. Role played by SMEs in licence agreements

In 2019, the role played by IPR owner enterprises in such agreements (Figure 56 below) has been evenly distributed between licensee (license-in, 29 %), licensor (license-out, 35 %), and both (36 %).

Although, unlike the non-IPR owners (Figure 57 below), among the companies with registered IPRs the role of licensor predominates over that of licensee.

Figure 56. Role played by IPR owners in licence agreements ⁽¹⁰⁰⁾



⁽⁹⁸⁾ Licence agreements including IPRs include patent, confidential know-how or trade secret, trade mark, franchising, copyright, design and other licence agreements, such as those that involve alternative protection measures.

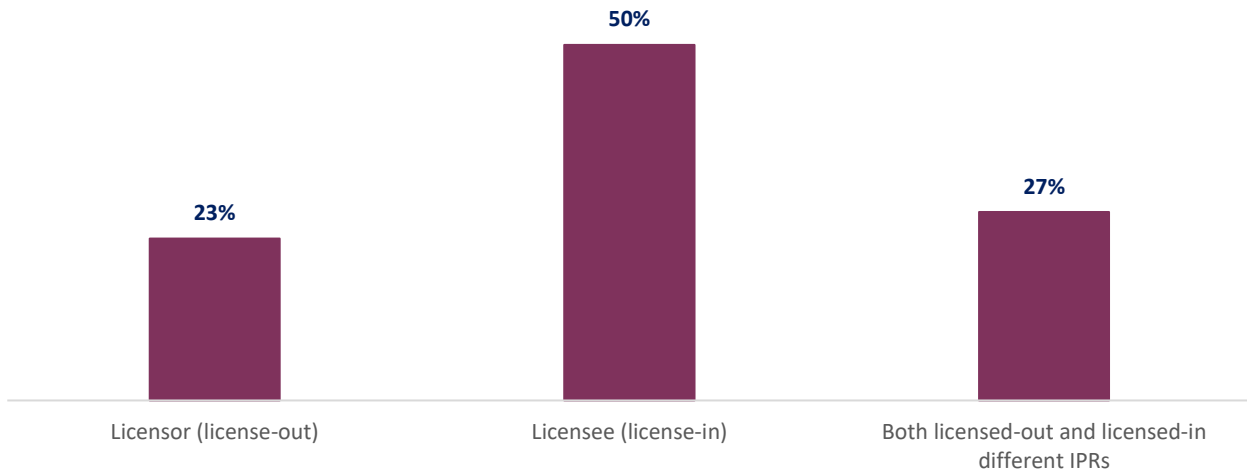
⁽⁹⁹⁾ Based on the available answers of 4 401 IPR owner and 3 948 non-IPR owner enterprises.

⁽¹⁰⁰⁾ Based on the available answers of 1 043 IPR owner enterprises that claim to have signed a licence agreement.

For non-IPR owners, there is a clear trend indicating that this group of companies are more likely to enter into this type of agreement as a licensee (50 %). Another significant portion also play both roles (27 %).

Conversely, 23 % of non-IPR owners that use alternative protection measures are licensors.

Figure 57. Role played by non-IPR owners in licence agreements⁽¹⁰¹⁾



⁽¹⁰¹⁾ Based on the available answers of 266 non-IPR owner enterprises that claim to have signed a licence agreement.

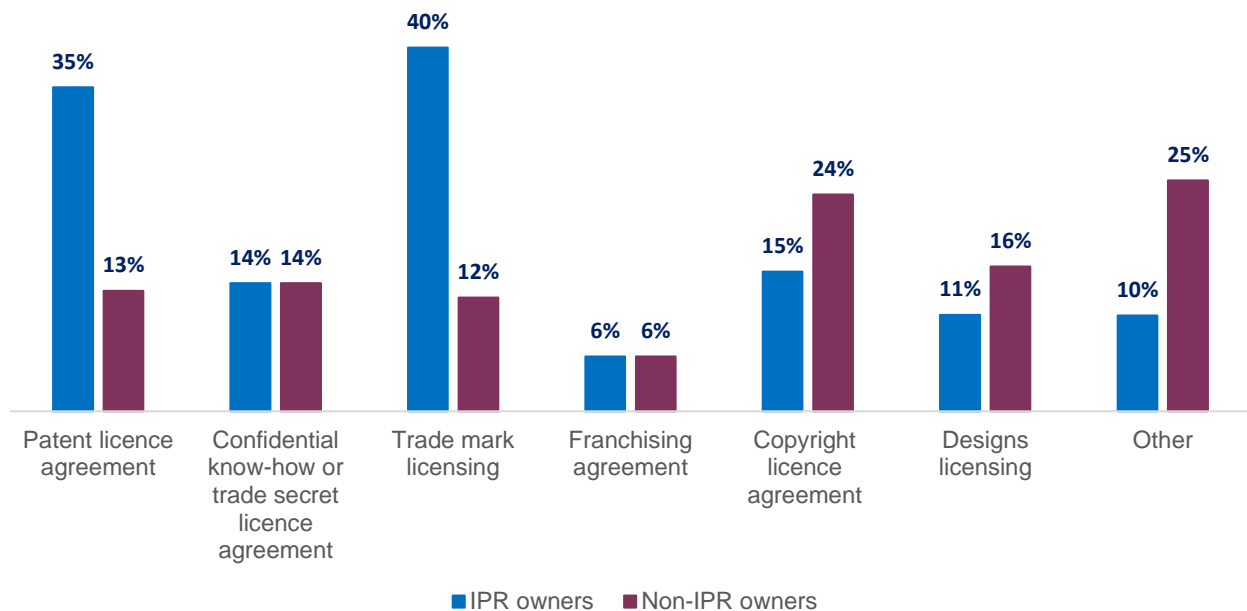
8.5. Main types of licence agreements signed by SMEs

Those companies that have registered IPRs usually sign licensing agreements to exploit trade marks, both national and EU (40 %) (Figure 58 below). The second type of licensing agreement most commonly signed by this group is patent agreements (35 %).

Meanwhile, 24 % of companies that do not own registered IPRs (although some use alternative protection measures) still sign copyright licensing agreements. This is 9 % higher than IPR owners (15 %).

Finally, the category ‘Other’ also accounts for a significant share for both types of company, although to an even greater extent for non-IPR owners (25 %). Noteworthy of the ‘Other’ category are agreements concerning databases and software.

Figure 58. Comparison of main types of agreements signed by SMEs ⁽¹⁰²⁾

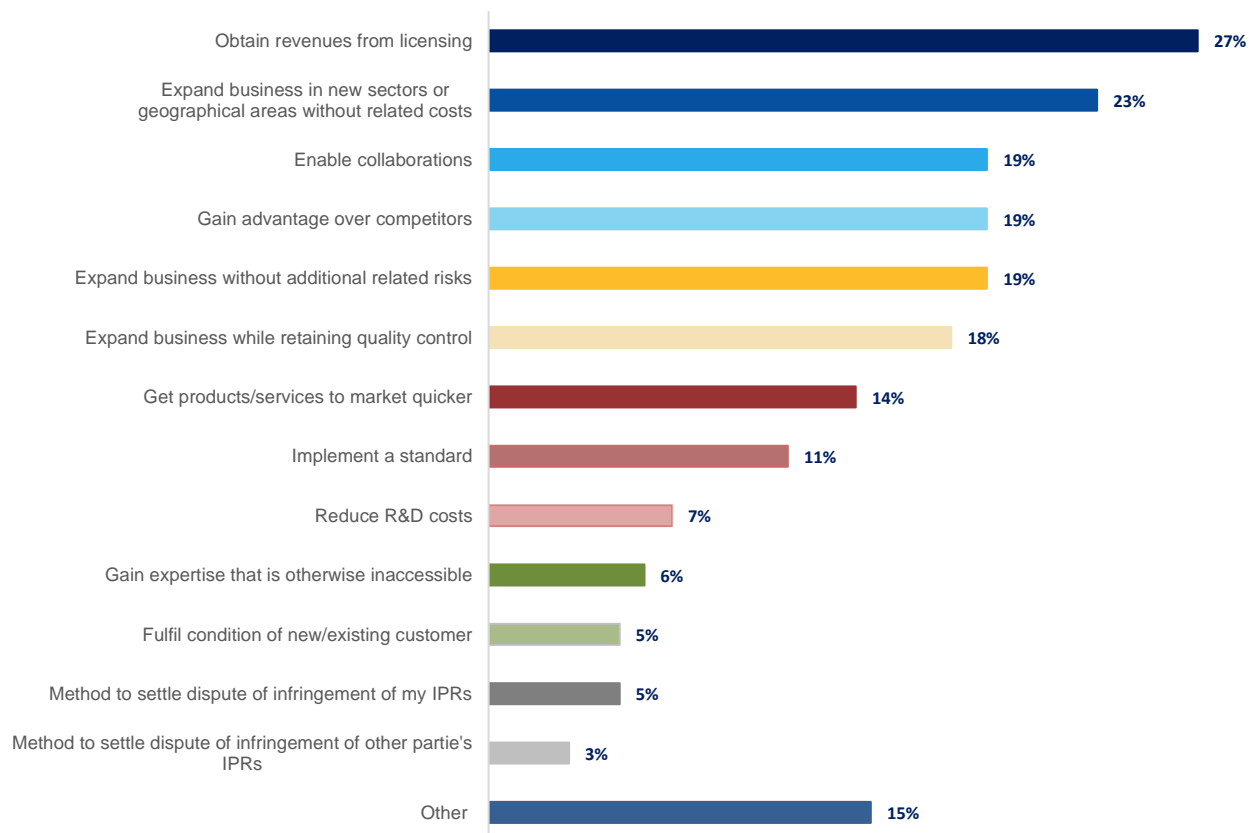


⁽¹⁰²⁾ Based on the available answers of 1 043 IPR owner and 266 non-IPR owner enterprises that claim to have signed a licence agreement.

8.6. Main reasons for licensing IPRs

For IPR owners, a desire to obtain revenues from their innovations (27 %) is the main reason that drives them to sign licence agreements (Figure 59 below). A further 23 % claim that expanding their business to new sectors or areas without having to bear the related costs is the second most common reason for licensing IPRs, followed closely by gaining advantage over competitors, having the opportunity to collaborate, and expanding their business without any additional related risks (all at 19 %).

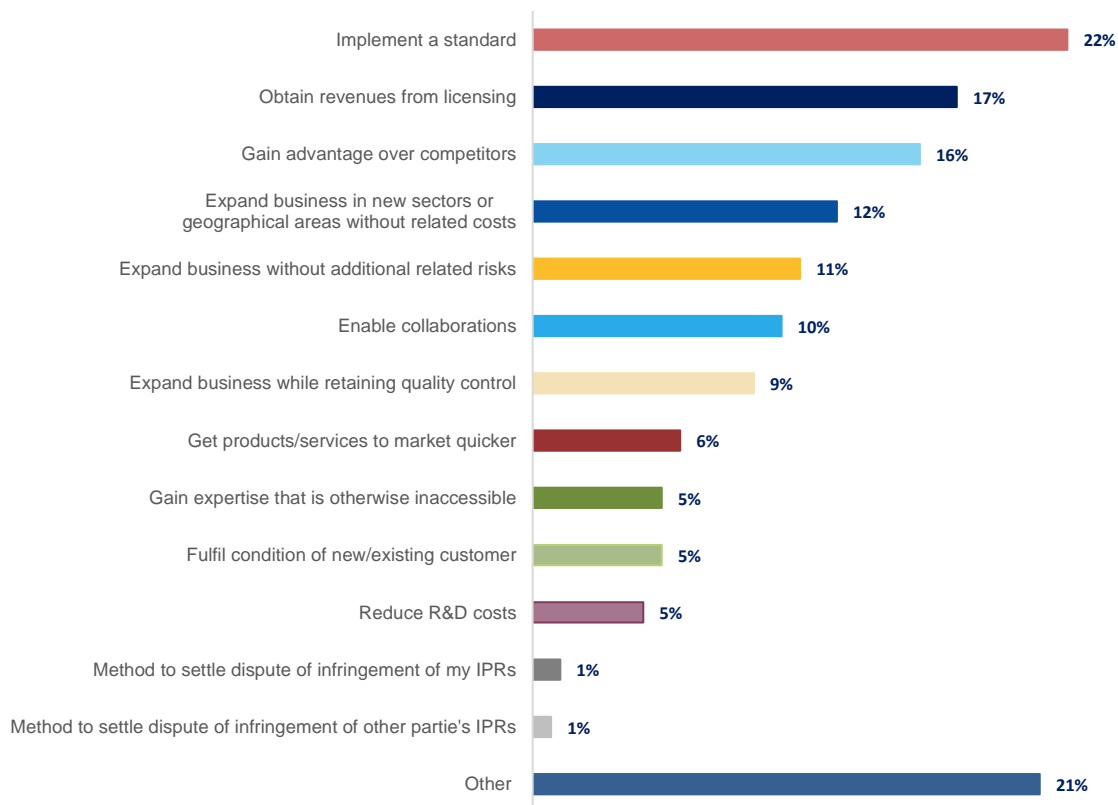
Figure 59. Main reasons for licensing IPRs by IPR owners ⁽¹⁰³⁾



⁽¹⁰³⁾ Based on the available answers of 1 043 IPR owner enterprises that claim to have signed a licence agreement.

For their part, non-IPR companies (Figure 60 below) tend to sign this type of agreement to implement a standard (22 %) or for other reasons (21 %), followed by obtaining revenues from their innovation outputs (17 %) or gaining advantage over their competitors (16 %). As mentioned previously, the latter is one of the main reasons for licensing to IPR owners.

Figure 60. Main reasons for licensing IPRs by non-IPR owners⁽¹⁰⁴⁾



⁽¹⁰⁴⁾ Based on the available answers of 266 non-IPR owner enterprises that claim to have signed a licence agreement.

9. Infringement & enforcement

9. Infringement & enforcement

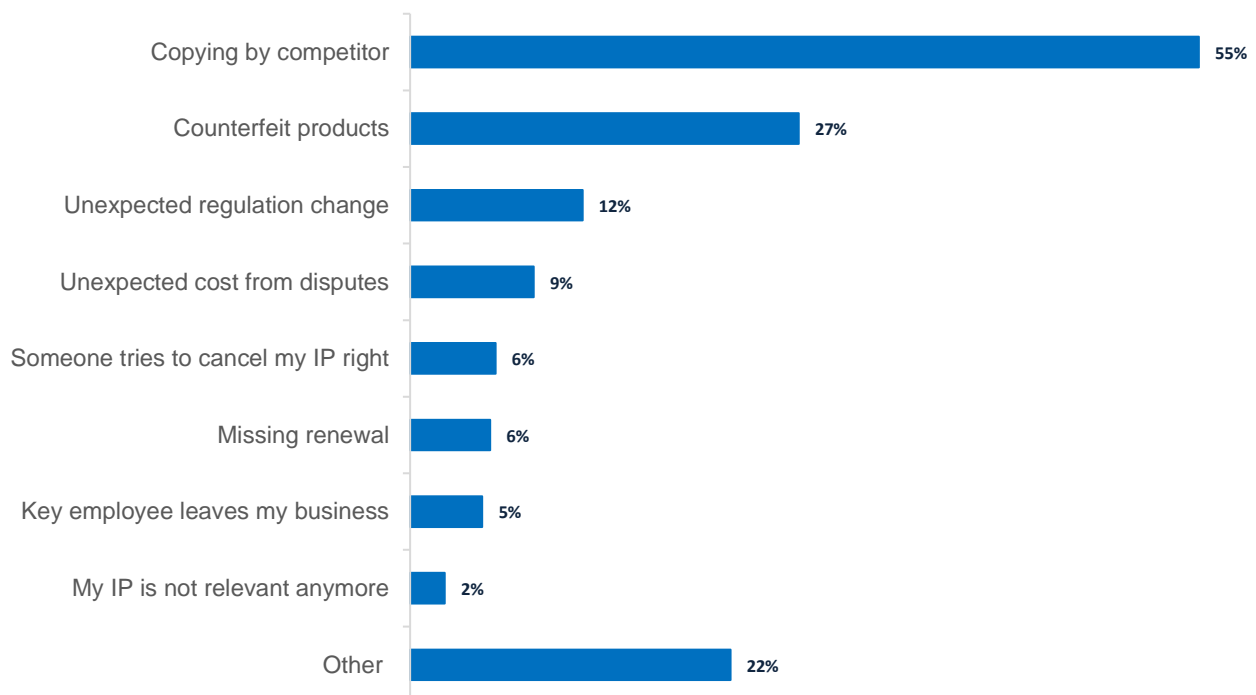
2019 INTELLECTUAL PROPERTY
SME SCOREBOARD

9.1. Main threats for IPRs in 2020

SMEs were asked what they believe will be the main threats to their IPRs, both registered and unregistered, next year. In this context, 55 % of IPR owners fear being copied by their competitors (Figure 61 below) and 27 % fear that their products will be counterfeited and sold as such.

Furthermore, 22 % of companies with registered IPRs feel threatened by other factors, such as the lack of sufficient regulation on the commercialisation of copyrighted content on digital platforms and social networks, the illegal sale of IP products through e-commerce, and the increase in registration costs in countries outside the EU.

Figure 61. Main threats for IPRs in 2020 by IPR owners ⁽¹⁰⁵⁾

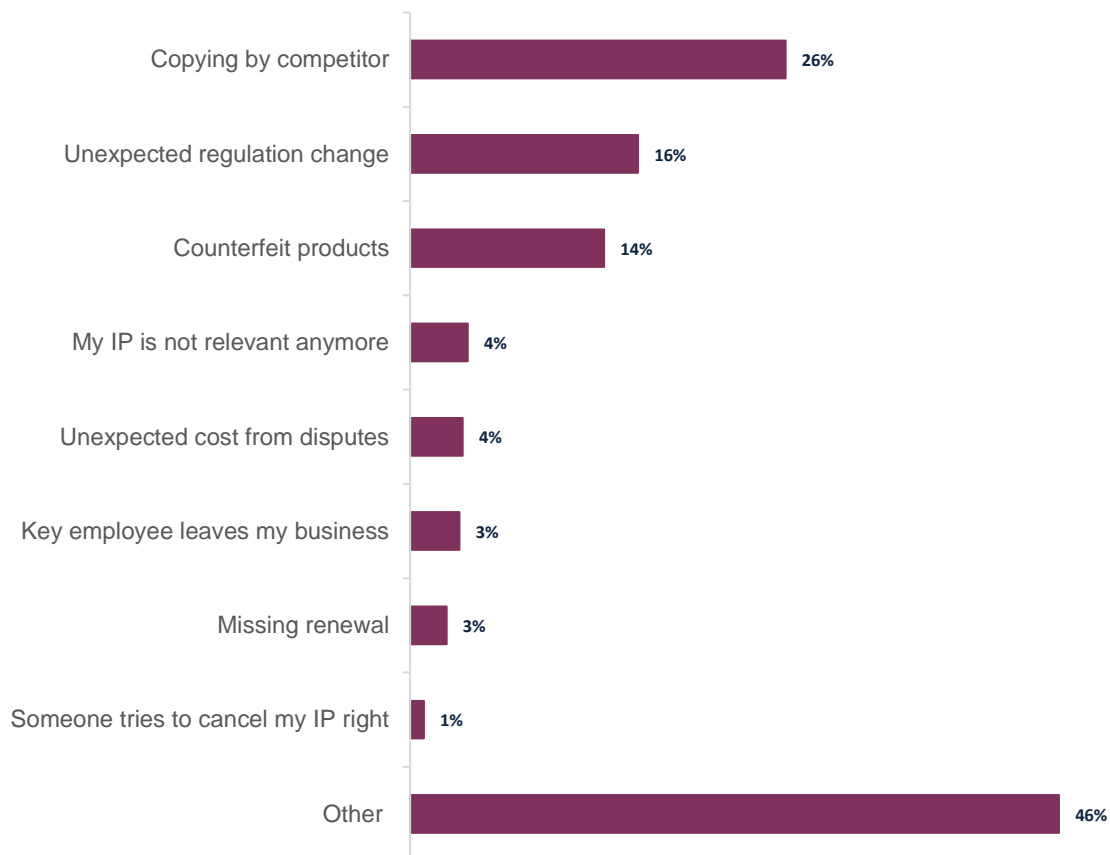


⁽¹⁰⁵⁾ Based on the available answers of 4 401 IPR owner enterprises that claim to have signed a licence agreement.

When faced with the same question, companies that do not have IPR registrations but use alternative protection measures similarly express that one of their main concerns is that competitors copy their products (26 %) (Figure 62 below).

In addition, unexpected regulation changes (16 %) and counterfeit products (14 %) also represent a threat for this group. However, their main concern regarding IPRs is related to other threats (46 %), such as the misuse of IP content on digital platforms and the sale of similar products from the Asian market at a better cost, albeit of poorer quality.

Figure 62. Main threats for IPRs in 2020 by non-IPR owners ⁽¹⁰⁶⁾



⁽¹⁰⁶⁾ Based on the available answers of 3 948 non-IPR owner enterprises.

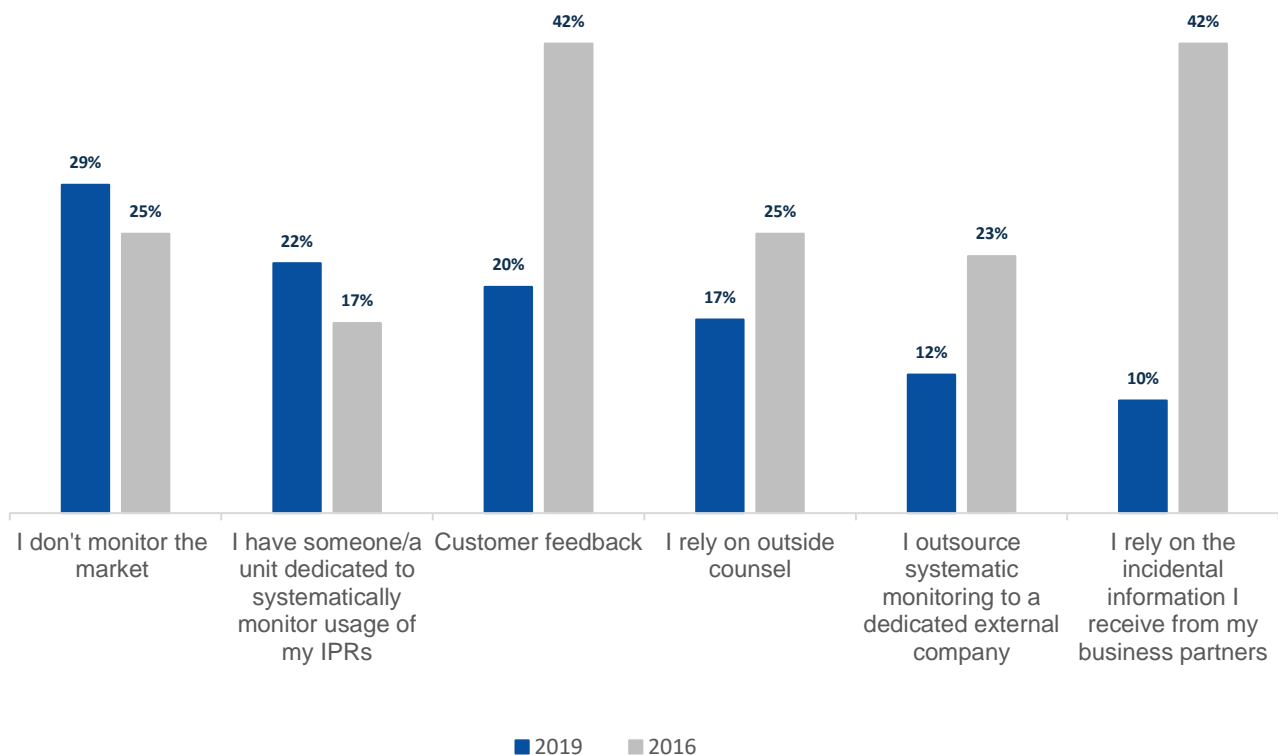
9.2. Monitoring IPR-related infringement

All SMEs with some form of proprietary IPRs were asked how they monitored the market for possible infringement of their own IP (Figure 63 below).

Compared to 2016, the number of companies that do not monitor the market has increased by 4 %, a point worth noting. Moreover, in general terms, the range of monitoring methods has decreased — as this was a multiple choice question it suggests that companies have specialised in specific measures over the past 3 years, and there are now fewer companies using several methods simultaneously.

Worth noting are the companies with a person/unit dedicated to systematic control (22 %), and those that base themselves on the opinions of their customers (20 %).

Figure 63. Measures applied by SMEs to monitor IPR infringement (2016–2019) ⁽¹⁰⁷⁾



⁽¹⁰⁷⁾ Based on 4 920 responses (multiple choice) of 4 401 IPR owner enterprises. The option 'Other' has been excluded from the analysis.

In sector-specific terms, 53 % of companies in the real estate sector (Table 24 below) do not monitor the market in any way, while those in construction and administrative and support service activities are the best at gathering data (in both, only 25 % do not monitor the market).

Table 24. Measures applied by IPR owners to monitor IPR infringement by economic sector⁽¹⁰⁸⁾

ECONOMIC SECTOR	NO MONITORING OF THE MARKET	PERSON/UNIT DEDICATED TO SYSTEMATIC MONITORING	CUSTOMER FEEDBACK	OUTSIDE COUNSEL	OUTSOURCES SYSTEMATIC MONITORING TO AN EXTERNAL COMPANY	INCIDENTAL INFORMATION FROM BUSINESS PARTNERS
Agriculture, forestry and fishing	27 %	20 %	17 %	24 %	11 %	8 %
Mining and quarrying	40 %	19 %	13 %	11 %	4 %	9 %
Manufacturing	27 %	28 %	17 %	16 %	14 %	11 %
Electricity, gas, steam and air-conditioning supply	26 %	26 %	28 %	16 %	8 %	10 %
Water supply, sewerage, waste management and remediation activities	34 %	24 %	28 %	10 %	17 %	10 %
Construction	25 %	19 %	28 %	16 %	12 %	9 %
Wholesale and retail trade, repair of motor vehicles and motorcycles	26 %	17 %	29 %	23 %	14 %	11 %
Transportation and storage	36 %	24 %	19 %	10 %	9 %	7 %
Accommodation and food service activities	36 %	17 %	13 %	18 %	14 %	3 %
Information and communication	35 %	15 %	22 %	20 %	13 %	6 %
Financial and insurance activities	31 %	31 %	10 %	14 %	12 %	5 %
Real estate activities	53 %	13 %	11 %	19 %	6 %	5 %
Professional, scientific and technical activities	28 %	32 %	17 %	18 %	7 %	11 %
Administrative and support service activities	25 %	23 %	22 %	22 %	19 %	7 %
Public administration and defence, compulsory social security	33 %	24 %	14 %	29 %	14 %	5 %
Education	39 %	22 %	18 %	8 %	8 %	8 %
Human health and social work activities	31 %	22 %	18 %	23 %	13 %	11 %
Arts, entertainment and recreation	36 %	17 %	14 %	19 %	14 %	6 %
Other service activities	31 %	21 %	19 %	14 %	11 %	12 %
Activities of households as employers, undifferentiated goods & services	27 %	13 %	53 %	20 %	20 %	20 %
Activities of extraterritorial organisations and bodies	30 %	15 %	35 %	5 %	5 %	5 %
EU TOTAL	29 %	22 %	20 %	17 %	12 %	10 %

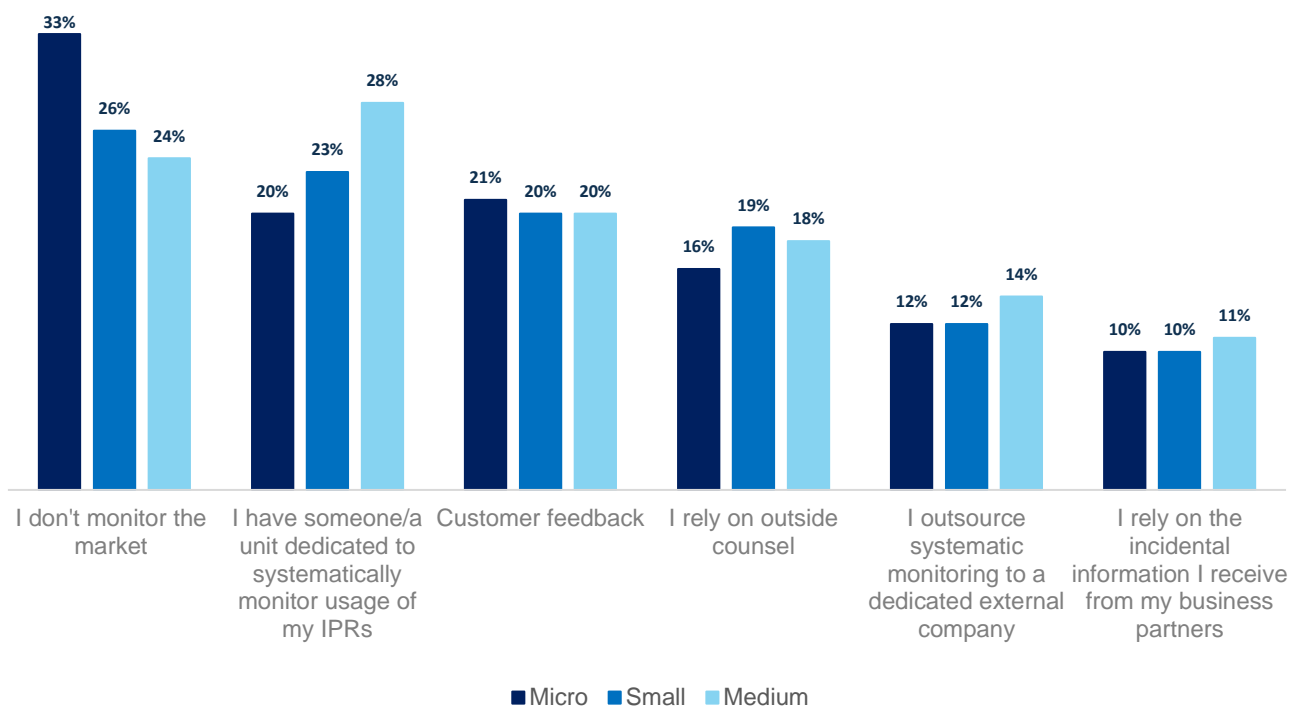
⁽¹⁰⁸⁾ Based on 4 920 responses (multiple choice) of 4 401 IPR owner enterprises. The option 'Other' has been excluded from the analysis.

Market monitoring is influenced by company size. In other words, the smaller the SME, the less likely it is to supervise the market.

33 % of micro-sized enterprises, 26 % of small-sized enterprises and 24 % of medium-sized enterprises with registered IPRs indicated that they do not monitor infringement of their IPRs (Figure 64 below). Medium-sized SMEs are therefore more likely to use any of these methods.

The most common method used by companies with registered IPRs is to allocate a specific person or unit within the company that will dedicate themselves exclusively to the systematic monitoring of this aspect (20 % micro-, 23 % small- and 28 % medium-sized companies).

Figure 64. Measures applied by IPR owners to monitor IPR infringement⁽¹⁰⁹⁾



⁽¹⁰⁹⁾ Based on 4 920 responses (multiple choice) of 4 401 IPR owner enterprises.

9.3. IPR infringement suffered by SMEs

Overall, 24 % of IPR owners claim to have suffered some sort of IPR infringement over the last three years (Table 25 below). This represents a significant improvement in the fight to prevent IPR infringement within the EU, since the relevant proportion in 2016 stood at 31 %.

As in 2016, those most affected by IPR infringement are the medium-sized enterprises. This is due mainly to the fact that they are more likely to own IPRs than those of a smaller size, meaning that they are more exposed to IPR infringement. By contrast, micro-sized enterprises claim to be the least affected, since 63 % claim not to have suffered from any sort of infringement.

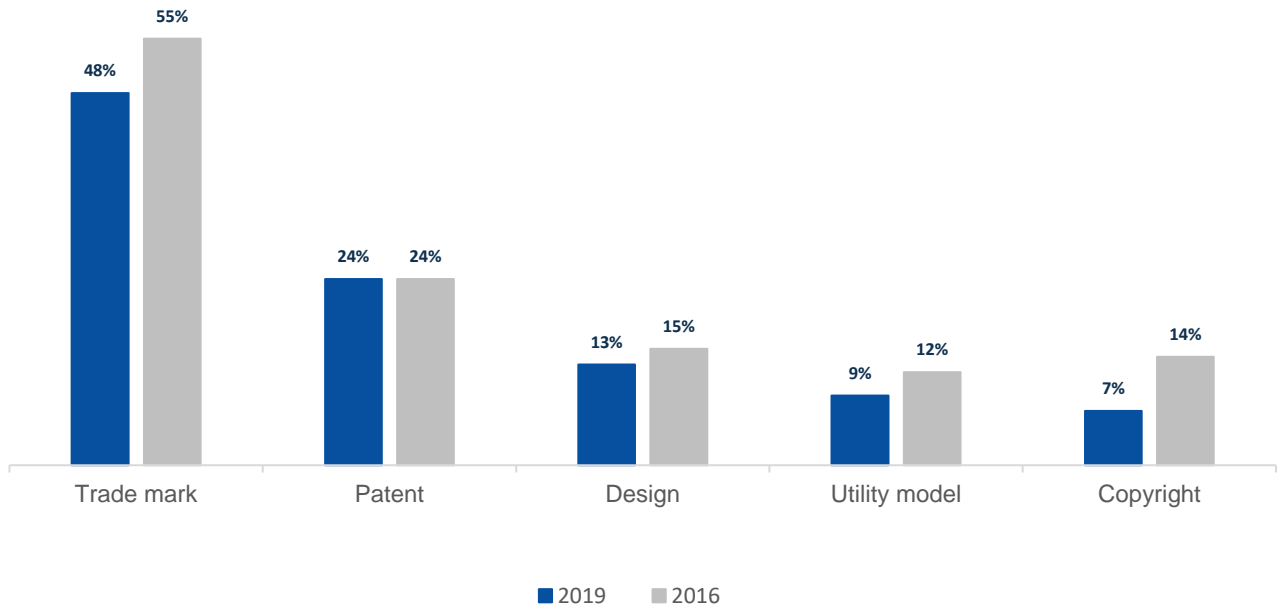
Table 25. Comparison of IPR infringement suffered by SMEs (2016-2019)⁽¹¹⁰⁾

	2019				2016			
	MICRO	SMALL	MEDIUM	TOTAL	MICRO	SMALL	MEDIUM	TOTAL
Yes	22 %	24 %	28 %	24 %	24 %	28 %	39 %	31 %
No	63 %	56 %	46 %	58 %	72 %	68 %	56 %	65 %
Don't know	15 %	20 %	26 %	18 %	4 %	4 %	5 %	4 %

⁽¹¹⁰⁾ Based on the available answers of 4 401 IPR owners.

When asked about the five most common types of IPR infringement (Figure 65 below), SMEs pointed to trade marks as the most commonly infringed right (48 %), followed by patents (24 %), designs (13 %), utility models (9 %) and copyright (7 %).

Figure 65. Top five infringed IPRs, according to SMEs ⁽¹¹¹⁾



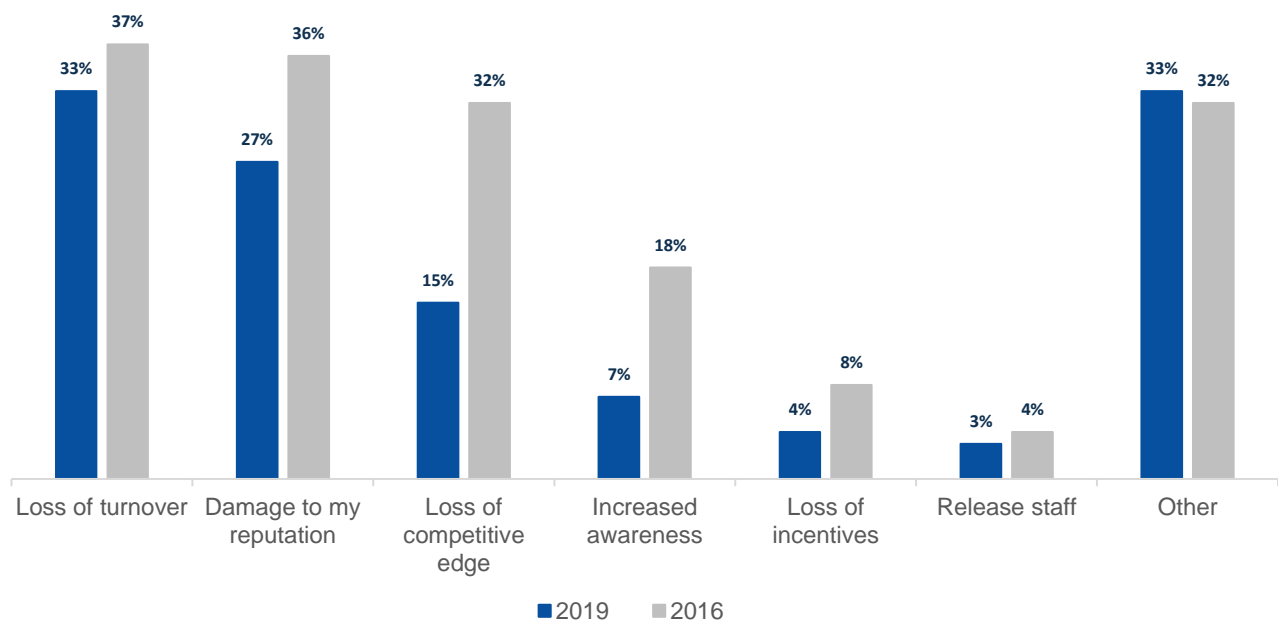
⁽¹¹¹⁾ Based on the available answers of 1 091 IPR owners that claim to have suffered from IPR infringement.

9.4. Impact of IPR infringement on SMEs

The infringement suffered affects companies in different ways, with a range of sometimes irreparable consequences. According to the results obtained in 2019, of those companies with registered IPRs that have been affected by infringement, the main impacts were loss of turnover (33 %) and damage to their reputation (27 %). Both coincide with the two main consequences suffered by SMEs in 2016 (Figure 66 below).

Moreover, SMEs claim to have suffered other consequences, such as a loss of competitive edge (15 %) or a loss of incentives (4 %).

Figure 66. Impact of IPR infringement on IPR owners ⁽¹¹²⁾



⁽¹¹²⁾ Based on the available answers of 1 091 IPR owners.

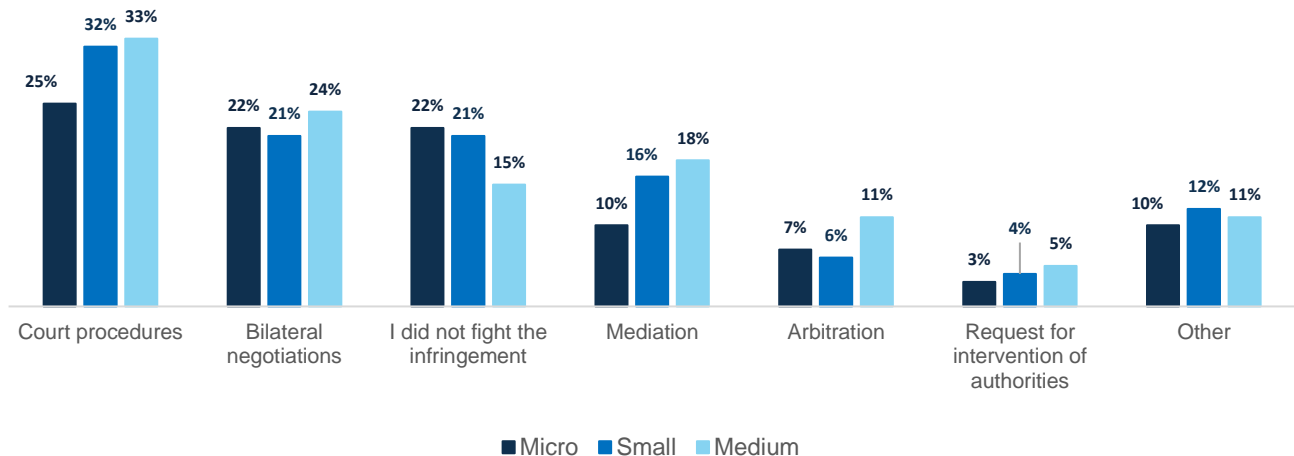
9.5. Procedures set in place to fight IPR infringement

IPR owners have used a range of different procedures to fight IPR infringement. The procedure most used in 2019 by micro-, small- and medium-sized enterprises is court proceedings (Figure 67 below). In this regard, one out of three medium-sized enterprises uses this method to fight infringement of their IP rights.

Many companies (above all micro- and small-sized enterprises) do not make use of any type of method to fight such infringement. These companies account for 22 % and 21 %, respectively.

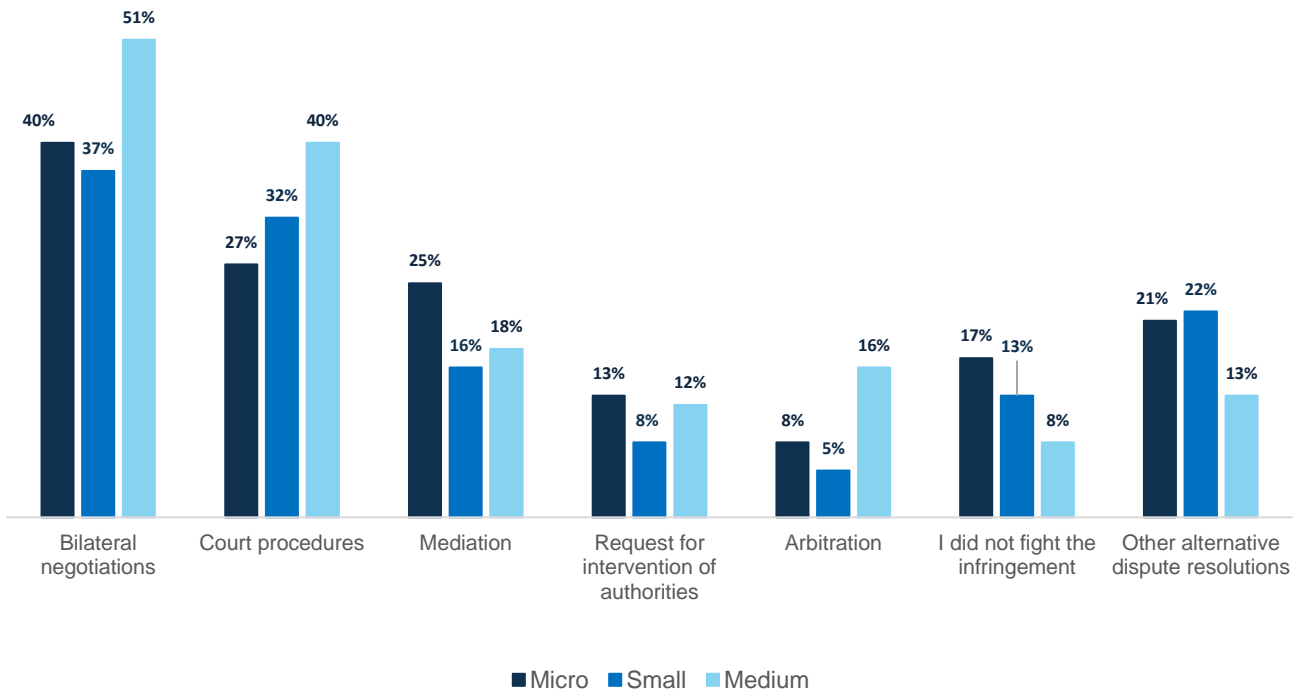
These results reveal certain differences with respect to 2016 (Figure 68 below). In the previous study, the results showed that SMEs were more likely to choose other types of procedures, such as bilateral negotiations, before going to court.

Figure 67. Most common procedures to fight IPR infringement used by SMEs in 2019 ⁽¹¹³⁾



⁽¹¹³⁾ Based on the available answers of 560 micro-, 294 small- and 237 medium-sized IPR owner enterprises.

Figure 68. Most common procedures to fight IPR infringement used by SMEs in 2016



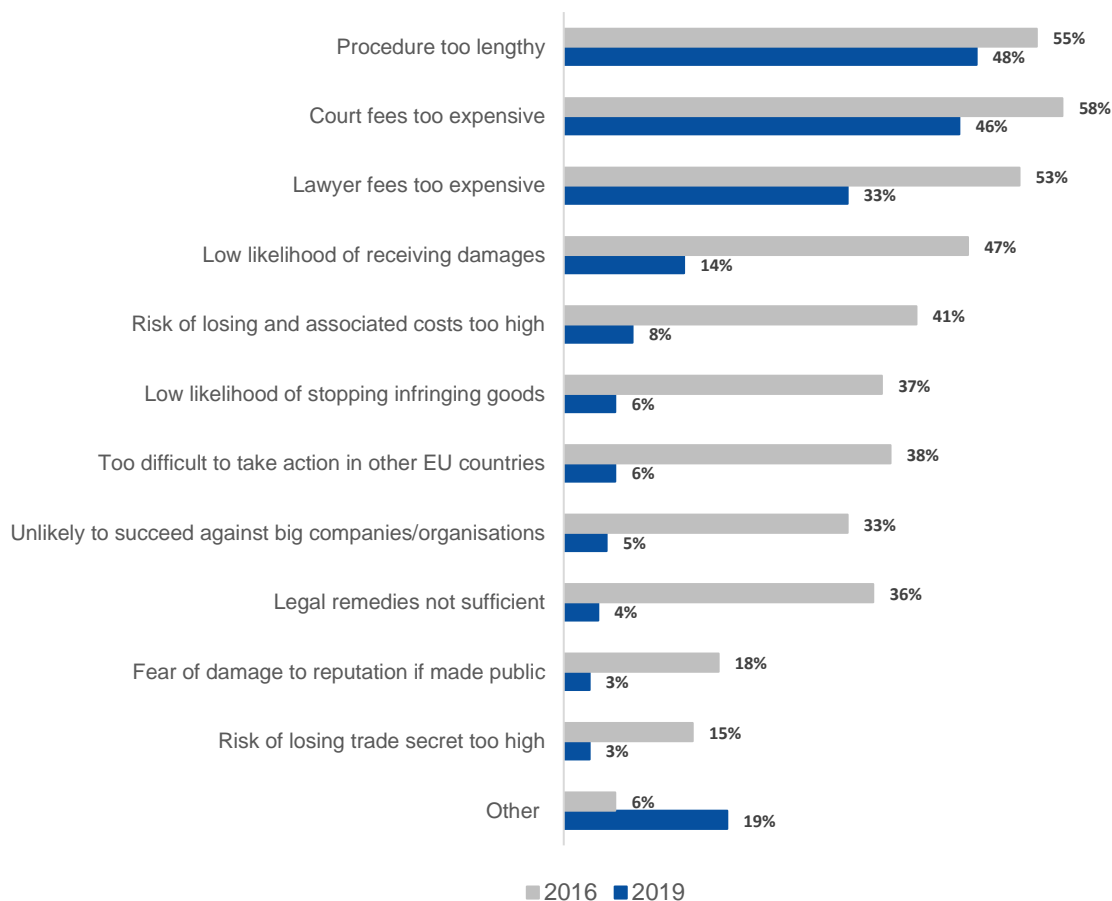
9.6. Main reasons for refraining from court proceedings

The 66 % of IPR owners that have suffered IP infringement avoid going to court for a number of reasons, albeit essentially as such proceedings are too lengthy (48 %) and court fees and lawyer fees are too costly, accounting for 46 % and 33 %, respectively (Figure 69 below).

Other reasons include the risk of losing company trade secrets (3 %), a reluctance to publicly expose the case (3 %), the slight chance of succeeding against big companies or organisations (5 %), and the difficulty posed by dealing with legal action taken in a different EU country (6 %).

This suggests that companies are becoming more aware of the various methods of dispute resolution available, which may lead to a greater number of cases being reported to the competent bodies, authorities and agencies.

Figure 69. Comparison of the main reasons for refraining from court procedures (2016-2019)⁽¹¹⁴⁾

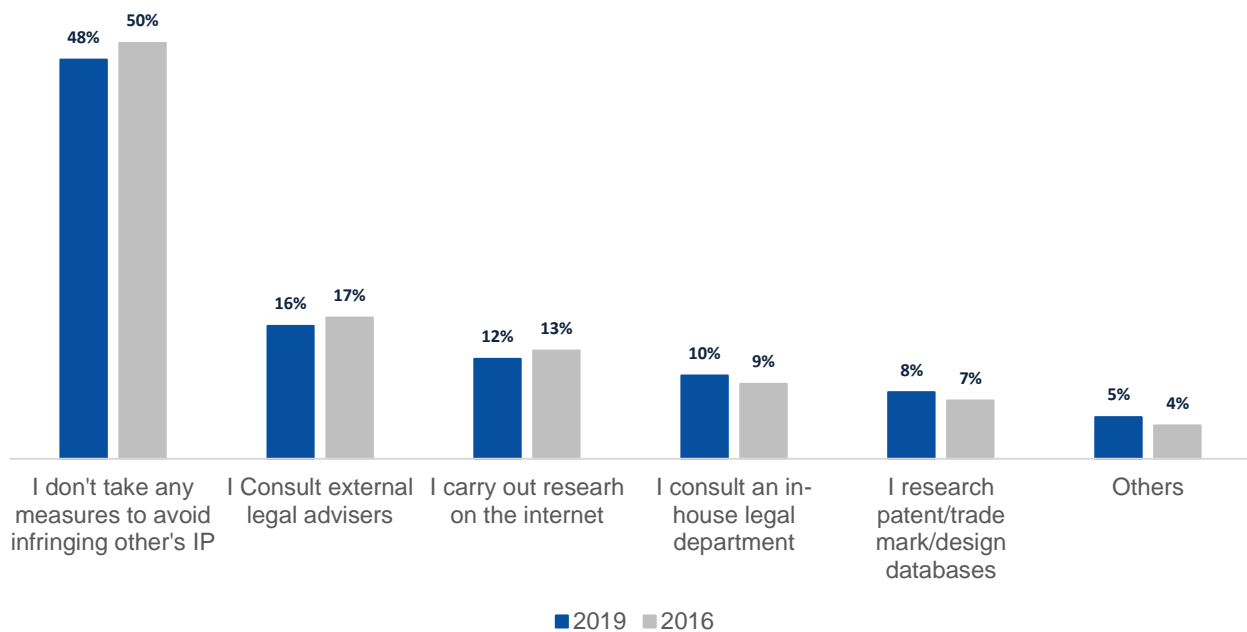


⁽¹¹⁴⁾ Based on the available answers of 725 IPR owner enterprises that claim to have refrained from court procedures.

9.7. Measures taken to avoid infringing third-party IPRs

As for the measures taken by SMEs to ensure they do not infringe any third-party IPRs, the relevant proportion remain stable with respect to 2016 (Figure 70 below). Moreover, a significant number of SMEs do not take any measures to avoid such infringement. However, 52 % of SMEs do take measures, such as the use of external legal consultants (16 %), online searches (12 %), and their in-house legal departments (10 %).

Figure 70. Comparison of measures taken by SMEs to avoid infringing third-party IPRs⁽¹¹⁵⁾

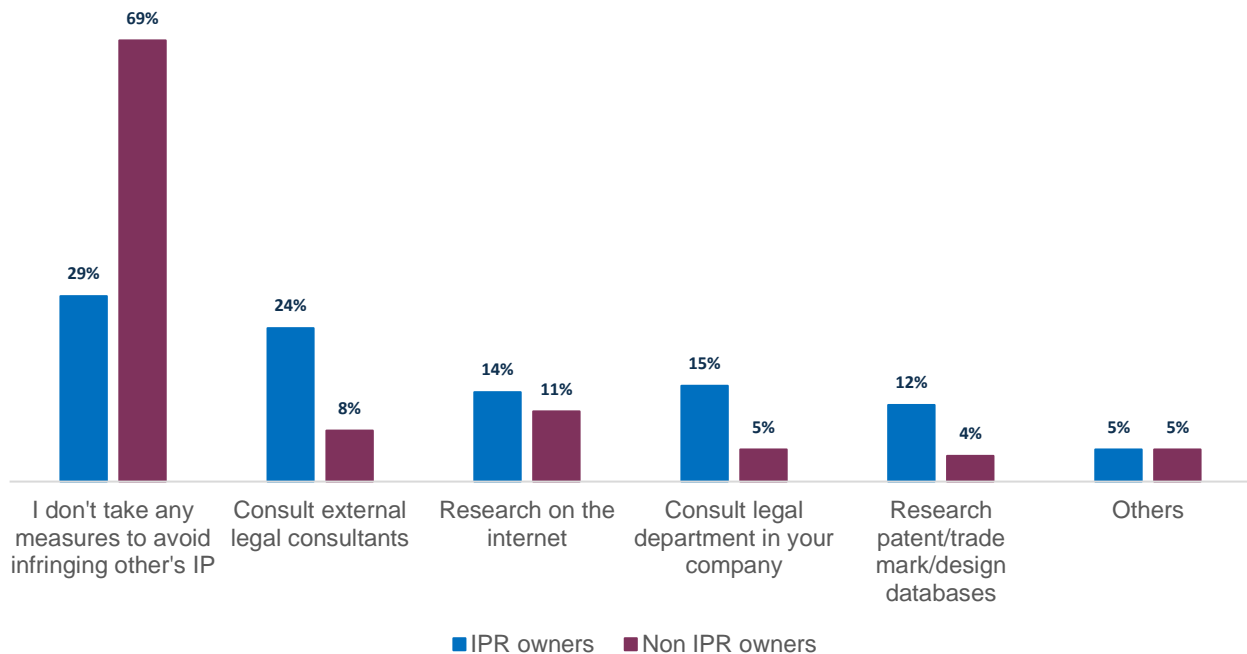


⁽¹¹⁵⁾ Based on the available answers of 8 349 SMEs.

When analysed by company type, the results reveal that the majority (69 %) of non-IPR owners do not take any measures to avoid infringing third-party IPRs (Figure 71 below). Of the companies in this group that do take measures, the most common is to research on the internet (11 %).

For their part, companies with registered IPRs tend to avoid infringing third-party IPRs to a greater extent than their counterpart. In this sense, the main measures applied by these companies are consult external legal consultants (24 %), consult in-house legal department (15 %) and research IPR databases (12 %).

Figure 71. Comparison of measures taken by SMEs to avoid infringing third-party IPRs, by type of company⁽¹¹⁶⁾

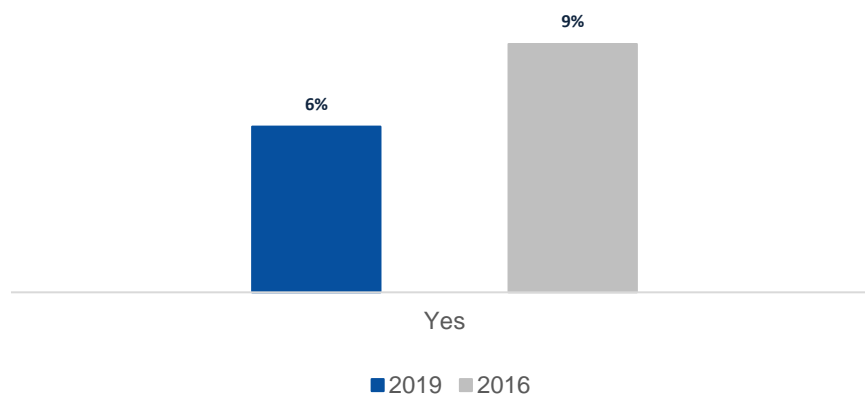


⁽¹¹⁶⁾ Based on the available answers of 4 401 IPR owners and 3 948 non-IPR owner enterprises.

9.8. Reports of ‘unjust’ allegations of infringing another company’s IP

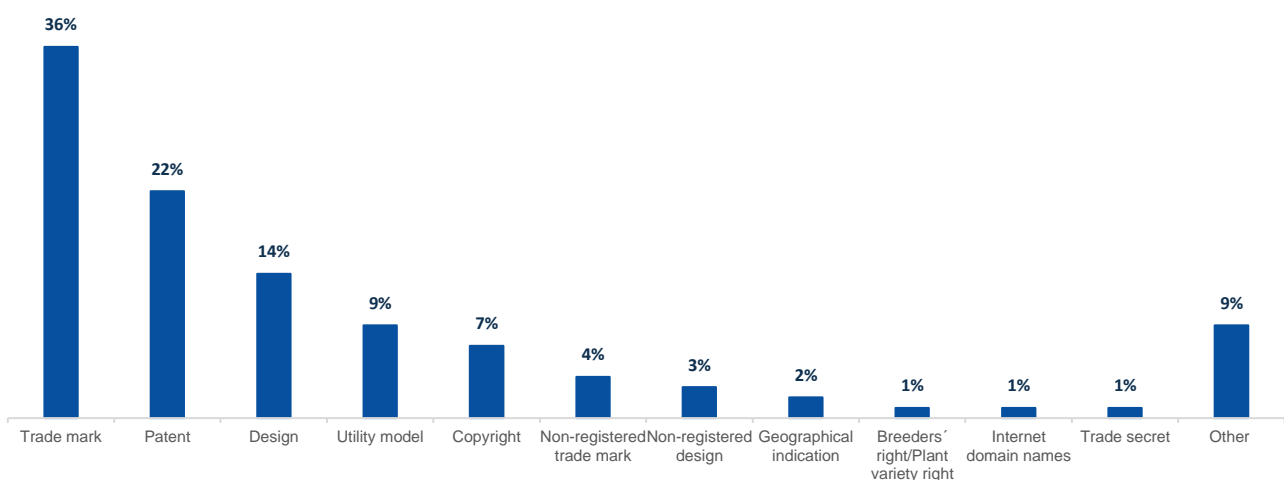
All of the SMEs surveyed were asked if they have ever been accused unfairly of having infringed IPRs. Only 6 % of companies claimed that they had, which represents 3 % less than in 2016 (Figure 72 below).

Figure 72. Has your company ever suffered from ‘unjust’ allegations of infringing another company’s IP?⁽¹¹⁷⁾



Those companies that claim to have suffered from unjust allegations were also asked about the nature of the IPRs subject to any of these allegations. In this sense, the types of IPR most commonly subject to claims are trade marks (36 %), patents (22 %) and designs (14 %), in line with the results obtained in 2016.

Figure 73. Nature of IPR infringement allegations by type of company⁽¹¹⁸⁾

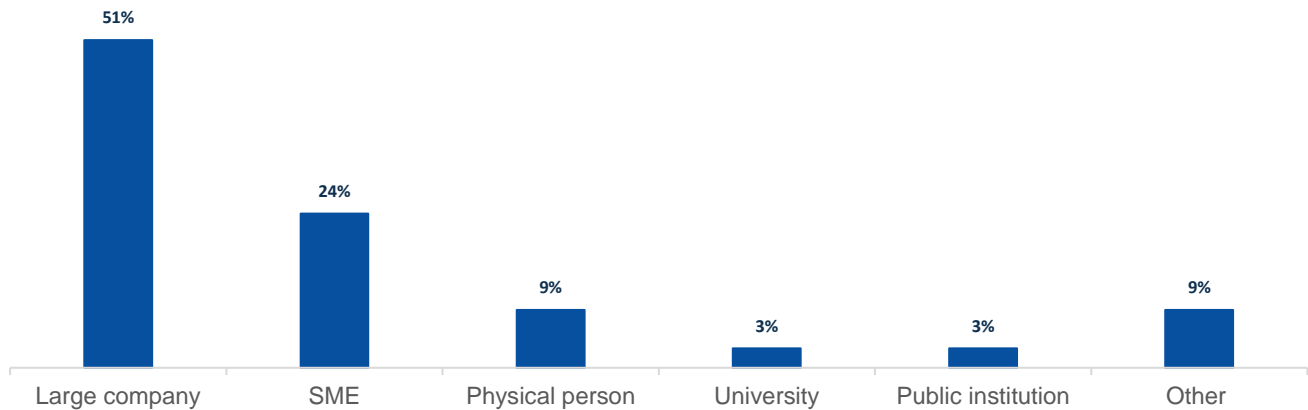


⁽¹¹⁷⁾ Based on the available answers of 8 349 SMEs.

⁽¹¹⁸⁾ Based on the available answers of 504 SMEs that claim to have suffered from unjust allegations in Q34.

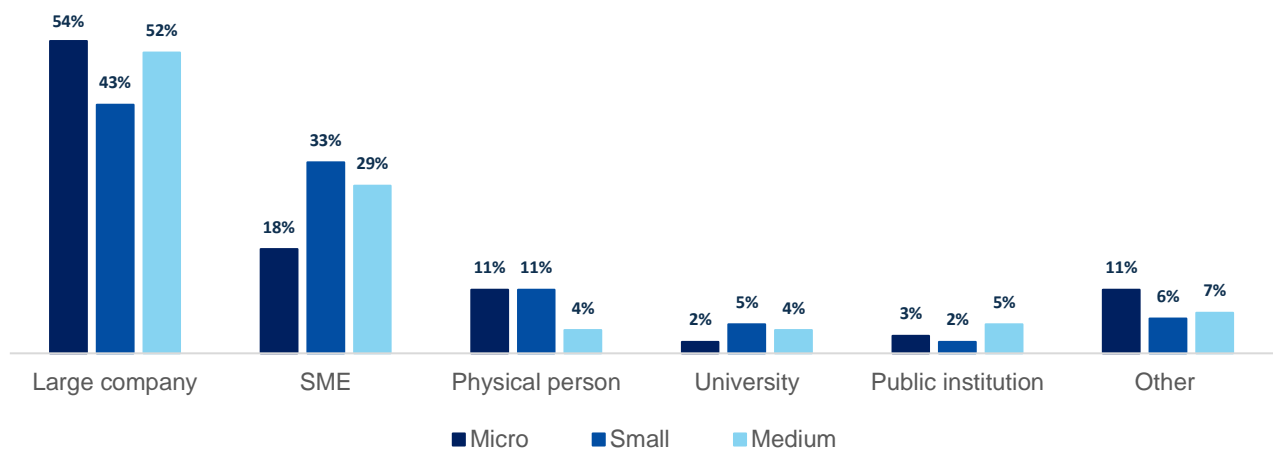
The majority of the owners of the IPs that the company has been accused of infringing are large companies (51 %), followed by other SMEs (24 %).

Figure 74. Owner of the IP the company was accused of infringing⁽¹¹⁹⁾



When the results are broken down by company size, this proportion does not vary. Large companies and SMEs are the most common owners of IPRs the company was accused of infringing (Figure 75 below).

Figure 75. Owner of the IP the company was accused of infringing, broken down by company size⁽¹²⁰⁾



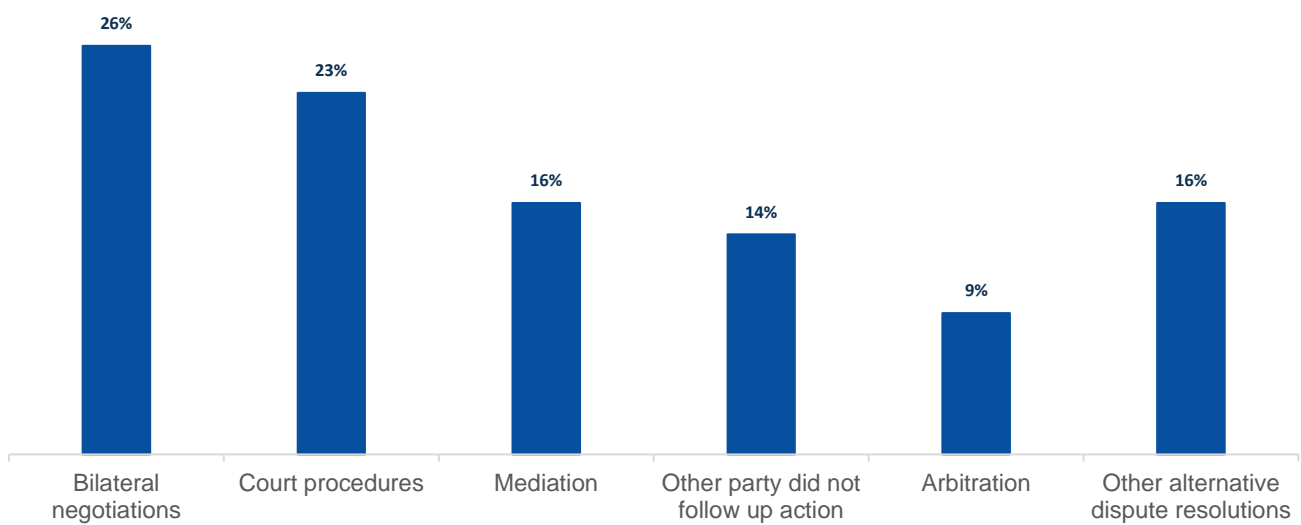
⁽¹¹⁹⁾ Based on the available answers of 504 SMEs that claim to have suffered from unjust allegations in Q34.

⁽¹²⁰⁾ Based on the available answers of 504 SMEs (263 micro-sized enterprises, 133 small-sized enterprises and 108 medium-sized enterprises) that claim to have suffered from unjust allegations in Q34.

It was also stated that bilateral negotiation is the most common method for resolving such claims, accounting for 26 % of IPR-related business claims (Figure 76 below). This figure stands at 38 % for medium-sized enterprises.

The proportion of allegations resolved in the form of legal proceedings is slightly lower, unlike in 2016, when this procedure accounted for half of all cases when compared to bilateral negotiation.

Figure 76. Methods for resolving complaints⁽¹²¹⁾



⁽¹²¹⁾ Based on the available answers of 504 SMEs that claim to have suffered from unjust allegations in Q34.

10. Annexes

10. Annexes

2019 INTELLECTUAL PROPERTY
SME SCOREBOARD

10.1. Questionnaire

Screening questions

S00

For which company or company part will you answer the questionnaire?

1. The company/company part mentioned by
2. Smaller company/company part, please specify [O]
3. Bigger company/company part, please specify [O]

***Interviewer instruction:** please answer the whole questionnaire for the same company/company part.*

S01

Do you have any involvement in the IP policy within the company?

1. Yes
2. No

S02

What is the approximate total number of staff employed at your organisation at the end of 2018?

***Interviewer instruction:** each employee is counted as one person, regardless of whether they are working full-time or part-time. Seasonal workers with a temporary contract of at most 6 months and persons hired temporarily from work agencies should not be included, but please include apprentices.*

1. Number
2. Don't know

S03

What was the approximate size of your total annual turnover (total sales minus rebates and taxes) in 2017?

1. Up to EUR 500 000
2. More than EUR 500 000 and up to EUR 2 million
3. More than EUR 2 million and up to EUR 10 million
4. More than EUR 10 million and up to EUR 50 million
5. More than EUR 50 million
6. Don't know/Won't answer

S04

(Hidden and to be chosen by interviewer based upon previous responses and EU definition)

Company size

1. Micro
2. Small
3. Medium

S05 [S]

Which sector fits the main area(s) of your business best?

1. Agriculture, forestry and fishing
2. Mining and quarrying
3. Manufacturing
4. Electricity, gas, steam and air-conditioning supply
5. Water supply, sewerage, waste management and remediation activities
6. Construction
7. Wholesale and retail trade, repair of motor vehicles and motorcycles
8. Transportation and storage
9. Accommodation and food service activities
10. Information and communication
11. Financial and insurance activities
12. Real estate activities
13. Professional, scientific and technical activities
14. Administrative and support service activities
15. Public administration and defence, compulsory social security
16. Education
17. Human health and social work activities
18. Arts, entertainment and recreation
19. Other service activities
20. Activities of households as employers, undifferentiated goods and services
21. Activities of extraterritorial organisations and bodies

S06

Which geographic markets generate the majority of your turnover?

1. Local
2. Regional
3. National (in one EU Member State)
4. Other EU countries
5. Non-EU countries

Questionnaire

Innovation

Q1: Is your company innovative?

1. Yes
2. No
3. Don't know

Q2: In the last 3 years, has your enterprise introduced a new or significantly improved ...?

Interviewer instruction: please indicate all options that apply, do not read out option 6, 'Don't know / Not applicable'

1. Products
2. Processes
3. Organisational changes
4. Marketing changes
5. Other
6. Don't know/Not applicable

Q3: What measures did you take to protect the innovation and what is their importance for your company's ability to derive competitive advantage from your innovation activities?

Interviewer instruction: please select one response for each measure (both IPRs and alternative measures for protection) going from 'I don't use it at all' to 'High'

Intellectual property rights:

1. Trade mark
2. Patent
3. Copyright
4. Design
5. Geographical indication
6. Breeders' right/Plant variety right
7. Topography of semiconductor
8. Utility model
9. Database law

Other measures of protection:

10. Confidentiality (trade secrets)
11. Complexity of product design
12. Leveraging my complementary assets (production, implementation or marketing capabilities I have)
13. Time to market
14. Internet domain name(s)
15. Other
16. My company doesn't take any measures to protect its innovation outputs

Answers in column:

1. *I don't use it at all*
2. *Low*
3. *Medium*
4. *High*

Q4: Are you collaborating with other entities, such as companies, research institutes, academia, etc. to develop innovation together?

1. Yes
2. No

Q5: With which of the following have you collaborated on innovation?

1. Large companies
2. SMEs
3. Universities, academia
4. Research institutes
5. Government/Public institutions
6. Other

Q6: Are registered IPRs (such as patents, trade marks and designs) a result of this collaboration?

1. Yes
2. No

Q7: Who is the owner of the IPR(s)?

1. My company
2. Partner
3. Both (in co-ownership)
4. Either 1, 2 or 3, depending on the case

Help for your business

Q8: Which of the following sources do you use to get information relevant for the development of your business?

Interviewer instruction: select all that are applicable and rate on scale of 1–10 (1 poor — 10 outstanding)

1. Local business centre
2. Accelerator
3. Accountant
4. Bank
5. National innovation agency
6. Chamber of Commerce
7. University/College
8. Industry association
9. Government department
10. National or EU industrial property office, patent and trade mark office
11. EU website
12. Google search
13. Business website (please specify)
14. Lawyer/Legal professional
15. Other (please specify)

Q9: Which of these are you aware of?

Interviewer instruction: please indicate all options that apply

1. European Union Intellectual Property Office (EUIPO)
2. European Patent Office (EPO)
3. World Intellectual Property Organization (WIPO)
4. European IPR Helpdesk
5. International IP SME Helpdesks (China, Latin America and/or South East Asia)
6. Enterprise Europe Network (EEN)
7. Enforcement Database
8. TMview/DesignView
9. Innovaccess

Knowledge of IP

Q10: How familiar are you with the term 'intellectual property rights'?

Interviewer instruction: please indicate how familiar you are with the term 'intellectual property rights' on a scale from 0–10 where 0 means not at all familiar (don't know what IP is), 10 means very familiar (formulated an IP strategy) and 5 is the midpoint

1. 0 - Not at all familiar
2. 1
3. 2
4. 3
5. 4
6. 5
7. 6
8. 7
9. 8
10. 9
11. 10 - Very familiar
12. Don't know

Q11: How did you first become aware of IPRs?

1. Read online
2. Read magazine/book/newspaper
3. Informed/Warned by a business adviser (accountant, consultant, lawyer, etc)
4. Informed/Warned by a friend/colleague
5. Received letter stating I was infringing their rights
6. Someone copied me
7. Other (please specify)
8. I'm not/This call

Q12: How would you prefer to receive information on IPRs?

1. Online information source, such as web or social media

2. Call centre
3. Seminar/Workshop
4. Face-to-face advice from expert
5. I don't want any information

Q13: In your opinion, how important is it that businesses such as yours understand how to protect their IPRs?

1. Not at all important
2. Quite unimportant
3. Not important or unimportant
4. Quite important
5. Essential
6. I don't know

Q14: What registered IPRs does your company own and how many?

Interviewer instruction: please indicate all options that apply

1. Patents
2. Utility models
3. National trade marks
4. EU trade marks
5. National registered designs
6. Community registered designs
7. Breeders' rights/Plant variety rights
8. Other alternative measures of protection, such as domain names
9. None

Q15: What other IPRs does your company own?

1. Copyright
2. Unregistered design rights
3. Trade secrets
4. Database rights

Q16: Does your company include IP in its business strategy/business plan?

Interviewer instruction: examples of including IP in your business strategy or business plan could be systematically aiming at obtaining patents, systematically registering trade marks for your products and their packaging or using trade secrets, copyright or IP licensing as an integral part of your strategy

1. Yes
2. No

Registered IP

Q17a: Why did your company register an IPR?

Interviewer instruction: please indicate all reasons why you registered IP

1. It guarantees better legal certainty of extent of protection
2. It helps me prevent others from copying my solutions, products or services
3. It increases the chances of effective enforcement
4. It improves chances of financing
5. This is common practice among the firms I deal with
6. It improves my negotiating position with other companies and institutions
7. It increases the value and the image of my company
8. To obtain licensing revenues
9. Other (please specify)

Q18a: Where did you search for information to register IP?

Interviewer instruction: please indicate all that apply

1. Internet
2. Outside private counsel
3. Chamber of Commerce
4. EU IPR Helpdesk
5. National IP Offices/Similar national bodies (including their helpdesk)
6. EU and international IP offices (World Intellectual Property Organization, European Patent Office, European Union Intellectual Property Office)
7. Industry federations or professional associations
8. Other government organisation
9. Others (please specify)

Q19a: Where did your company register its IP?

Interviewer instruction: please indicate all that apply

1. National IP Office of the EU Member State where my company has its principal seat
2. National IP Office of another EU Member State
3. National IP Offices of more than one EU Member State
4. European Patent Office (EPO)
5. European Union Intellectual Property Office (EUIPO)
6. World Intellectual Property Organization (WIPO)
7. IP offices from countries outside the EU
8. Other channels

Q20a: For which rights did you use an IP professional when applying?

Interviewer instruction: please indicate all options that apply

1. Patents
2. Utility models

3. National trade marks
4. Community trade marks
5. National registered designs
6. Community registered designs
7. Breeders' rights/Plant variety rights
8. Other measures of protection, such as domain names
9. None

Q21a: How difficult was it for your company to register an IPR?

Interviewer instruction: please select one response for each type of IP right you registered, going from very easy to very difficult. Please do not read out option 5 'No opinion'

Type of IPR in row:

1. Patent
2. Utility model
3. EU trade mark
4. National trade mark
5. Community design
6. National design
7. Breeders' right(s)/Plant variety right(s)
8. Other alternative measures of protection, such as domain names

Answers in column:

1. Very Easy
2. Easy
3. Difficult
4. Very Difficult
5. No Opinion

Q22a: What kind of difficulties did you experience when registering an IPR?

Interviewer instruction: please indicate all difficulties you experienced when registering an IPR

1. Not enough knowledge/I didn't know where to go
2. Not enough guidance
3. It took too long to have my IP right registered
4. Costly procedure
5. Difficult procedure
6. Invalidity of the application (conflict with an earlier right of a competitor)
7. Upfront refusal to register from IP office (or equivalent instance)
8. Absence of sufficient innovation (of a patent)
9. Others (please specify)
10. I didn't experience any difficulties

Q23a: When did your company most recently apply for a registered IPR?

1. In the past 6 months
2. Within the past year
3. Within the last 5 years
4. More than 5 years ago

5. When the company started (what year was this?)

Q24a: Do you think that having IP protection has had an impact on your company's business?

1. Yes, in a very positive way
2. Yes, in a positive way
3. No impact
4. Yes, in a negative way
5. Yes, in very negative way
6. Don't know

Q25a: What are the positive impacts?

Interviewer instruction: please indicate all forms of positive impact you have experienced

1. Increased employment
2. Increased turnover
3. Increased reputation or image of reliability
4. Expanded markets
5. Easier access to financing
6. Boost to profitability
7. New opportunities to collaborate with other companies
8. Strengthened long-term business prospects
9. Other (please specify)

Q26a: What are the negative impacts?

Interviewer instruction: please indicate all forms of negative impact you have experienced

1. Spent too much time and/or money on registration process
2. Registration did not prevent IPR infringement
3. Managing and monitoring my IP portfolio is additional administrative burden and increases my costs
4. I was dragged into legal disputes and litigation which were either expensive, time consuming or did not pay off
5. Delayed market entry of new product (loss of potential revenue)
6. Other (please specify)

No registered IP

Q17b: Why have you not registered any IPRs?

Interviewer instruction: please indicate all reasons why you never registered or stopped registering an IPR

1. I don't have enough knowledge about registered IPRs
2. I think that my intellectual asset was not innovative enough
3. I don't think my IP met the requirements of the IPR regulations
4. IPRs weren't usually available for my innovation steps or their scope was too narrow for my needs

5. Protected informally with unregistered IPRs (trade secrets, copyright, etc.)
6. It was too costly
7. It was too burdensome
8. Procedures involved in IPR registration would have overly delayed the introduction of my product/service to the market
9. I think that there are no additional benefits stemming from formal IPR protection
10. Potential difficulties in enforcement of IPRs/The potential cost of litigation
11. I wanted it to be available to anyone

Q18b: Did you seek advice before deciding not to register? If so, from where?

Interviewer instruction: please indicate all that apply

1. Local business centre
2. Accelerator
3. Accountant
4. Bank
5. National innovation agency
6. Chamber of Commerce
7. University/College
8. Industry association
9. Government department
10. National or EU industrial property office, patent and trade mark office
11. EU website
12. Google search
13. Business website (please specify)
14. Lawyer/Legal professional
15. Other (please specify)

Q19b: Under what conditions would you consider registering an IPR in the future?

1. If it were cheaper to register, maintain or renew an IPR
2. If registration were easier to access
3. If the process were easier to understand
4. If I could be sure of adequate protection
5. If it were easier to take legal action against infringers and get appropriate compensation and other remedies
6. If I had more knowledge/understanding of what IP is

Q20b: Do you think that not registering IP has had an impact on your company's business?

1. Yes, in a very positive way
2. Yes, in a positive way
3. No impact
4. Yes, in a negative way
5. Yes, in very negative way
6. Don't know

Q21b: What are the positive impacts?

Interviewer instruction: please indicate all forms of positive impact you have experienced

1. Increased flexibility
2. More money to invest elsewhere
3. More time to spend on other work due to removal of administrative burden
4. Product quicker to market
5. Other (please specify)

Q22b: What was the negative impact?

Interviewer instruction: please indicate all forms of negative impact you have experienced

1. Unable to stop copying/counterfeiting
2. Partners using assets without consent
3. Reduced reputation or image of reliability
4. Difficulty in accessing other markets
5. Loss of revenue
6. Loss of potential partners
7. Loss of potential investors
8. Other (please specify)

Use of IPR

Q27: Have you had a professional valuation of your intangible assets?

1. Yes
2. No
3. Don't know

Q28: Have you tried to gain finance by leveraging your intellectual assets?

1. Yes, successfully
2. Yes, unsuccessfully
3. No, it is not relevant
4. I wasn't aware I could
5. Don't know

Q29: Have you/your company ever signed a licence agreement including IPRs?

1. Yes
2. No

Q29.1: What was your company role in the agreement?

1. Licensor (license-out)
2. Licensee (license-in)
3. Both licensed-out and licensed-in different IPRs

Q29.2: What kind of licensing agreement did your company either use or sign?

Interviewer instruction: please indicate all types of licensing agreement that you used

1. Patent licence agreement
2. Confidential know-how or trade secret licence agreement
3. Trade mark licensing
4. Franchising agreement
5. Copyright licence agreement (except EULA software licences for final products e.g. for an office software)
6. Designs licensing
7. Other (please specify)

Q29.3: Why has your company licensed (in or out) an IPR?

Interviewer instruction: please indicate all reasons why you have licensed IP

1. To obtain revenues from my innovations (licences)
2. To expand my business in new areas (new sector or new geographical zone) without having to bear the related costs
3. To expand my business in new areas without having to bear extra risks
4. To expand my business in new areas and markets while retaining quality control
5. To collaborate and develop new products/services with others
6. It was a way to settle a dispute over the infringement of my IPR
7. To reduce research and development costs
8. To get my services and products more quickly to the market
9. To gain advantage compared to competitors
10. To tap into expertise that I cannot access otherwise
11. It was a way to settle dispute over my potential infringement of other party's IPR
12. To fulfil a condition by a new or existing customer
13. To implement a standard
14. Other (please specify)

Infringement & enforcement

Q30: What do you think are the main threats for your IP (registered or non-registered) in the coming year?

Interviewer instruction: please select all that apply

1. Counterfeit products
2. Copying from competitor
3. Someone tries to cancel my IP right
4. Unexpected cost from disputes
5. Missing renewal
6. Key employee leaves my business
7. My IP is not relevant anymore
8. Unexpected regulation change
9. Other (please specify)

Q31: How does your company monitor the market for possible infringement of its IP?

Interviewer instruction: please indicate all forms of positive impact you have experienced

1. I have a person/unit dedicated to systematic monitoring of usage of my IP
2. I outsource systematic monitoring to a dedicated external company
3. I rely on the incidental information I receive from my business partners
4. Customer feedback
5. I rely on outside counsel
6. I don't monitor the market
7. Other (please specify) [O]

Q32: Has your company ever suffered from infringement of your IP?

1. Yes
2. No
3. Don't know

Q32.1: What kind of IP was infringed?

Interviewer instruction: please indicate all types of intellectual property that were infringed

1. Patent
2. Utility model
3. Trade mark
4. Non-registered trade mark
5. Design
6. Non-registered design
7. Copyright
8. Breeders' right/Plant variety right
9. Internet domain
10. Trade secret
11. Geographical indication
12. Other (please specify)

Q32.2: How did the infringement affect your company?

Interviewer instruction: please indicate all options that apply

1. I had to release staff or stopped hiring as much
2. Loss of turnover
3. Loss of incentives to innovate and invest
4. Loss of competitive edge
5. Damage to my reputation (brand/company image)
6. Increased awareness of my products or activity
7. Other (please specify)

Q32.3: What procedure was used most frequently to fight infringement your company suffered?

Interviewer instruction: please indicate all procedures you used to fight the infringement

1. Bilateral negotiations
2. Mediation
3. Arbitration
4. Court procedures
5. Request for intervention of authorities (like customs or police authorities)
6. Other alternative dispute resolutions (please specify)
7. I didn't fight the infringement

Q32.4: What would be the reasons for refraining from court procedures?

Interviewer instruction: please indicate all reasons why you would refrain from court procedures

1. Too lengthy
2. Too expensive court fees
3. Too expensive lawyers' fees
4. Low likelihood of being compensated (get damages)
5. Low likelihood of stopping infringing goods
6. Difficulty in dealing with legal actions taking place in a different EU country
7. The available legal remedies are not sufficient (for example to stop infringement or obtain adequate compensation for damages)
8. Risk of losing the case and having to pay high fees and compensation
9. Reluctance to publicly expose the case, because of potential damage to our reputation
10. Risk of losing company trade secrets, as there is little reassurance that confidential information disclosed to the court would not be exposed
11. We would have little chance of succeeding against big companies or organisations
12. Other (please specify)
13. None

Q33: What measures do you take to ensure that you do not infringe the IP of others?

1. Consult legal department in your company
2. Conduct external legal consultants
3. Research patent/trade mark/design databases
4. Research on the internet (general and specialised websites)
5. Other (please specify)
6. I don't take any measures to avoid infringing others' IP

Q34: Have you ever suffered from 'unjust' allegations of infringing another company's IP?

1. Yes
2. No

Q34.1: For which IP did you suffer from ‘unjust’ allegations of another company’s IP?

Interviewer instruction: please indicate all types of IPR

1. Patent
2. Utility model
3. Trade mark
4. Non-registered trade mark
5. Design
6. Non-registered design
7. Copyright
8. Breeders’ right/Plant variety right
9. Internet domain
10. Trade secret
11. Geographical indication
12. Other (please specify) [O]

Q34.2: Who was the owner of the IP that you were accused of infringing?

1. Large company
2. SME
3. University
4. Public institution
5. Physical person
6. Other (please specify)

Q34.3: How was the case settled?

Interviewer instruction: please indicate all answer options that apply

1. Bilateral negotiations
2. Mediation
3. Arbitration
4. Court procedures
5. Other party did not follow up action
6. Other alternative dispute resolutions (please specify)

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