Ad Hoc Expert Meeting: The role of competition law and policy in fostering sustainable development and trade through the enhancement of domestic and international competitiveness of developing countries

Geneva, 7 July 2014

#### Contribution on:

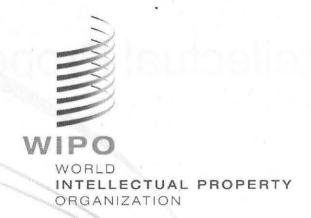
IP Rights, innovation, competition and growth

by

Giovanni Napolitano

**WIPO** 

The views expressed are those of the author and do not necessarily reflect the views of UNCTAD



## IP Rights, Innovation, Competition and growth

Ad Hoc Expert Meeting on the Role of Competition Policy in Fostering Sustainable Growth and Development

Giovanni Napolitano
IP & Competition Policy Division

Geneva 7 July 2014

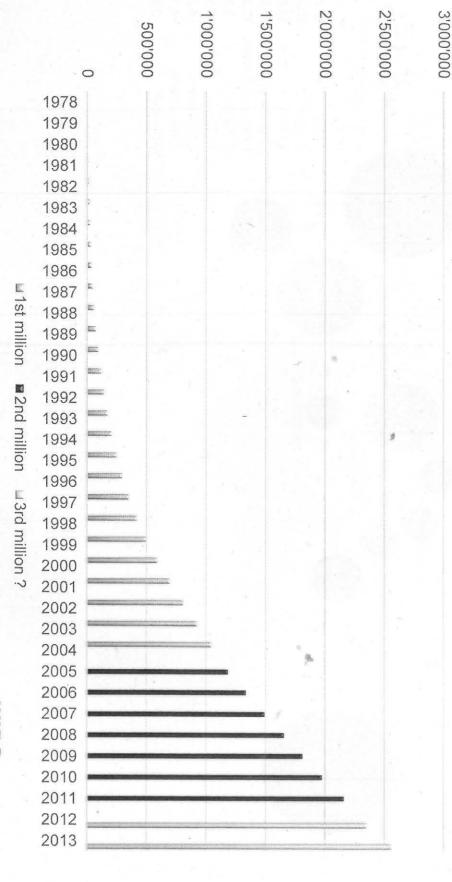
giovanni.napolitano@wipo.int www.wipo.int/ip-competition

The views expressed in this presentation do not necessarily reflect those of he World Intellectual Property Organization. The author is responsible for any errors and omissions

## Intellectual Property Rights and Growth

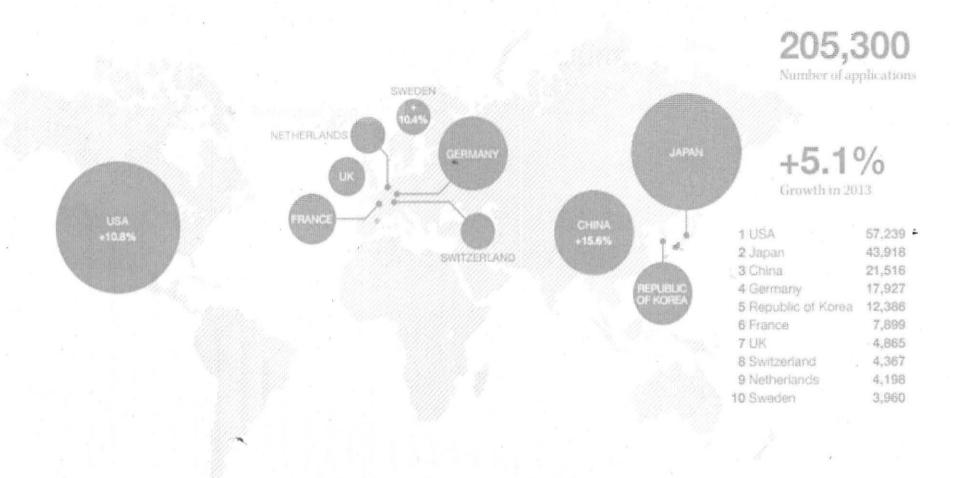
- Strengthening of IP rights over the past 20 years (TRIPS Agreement, Patent Law Treaty)
- IP (particularly patents) increasingly becoming a competitive asset (see PCT Filings)

# Patent Cooperation Treaty Statistics Relevance of IP Assets (Cumulative filings 1978-2013)



WORLD
INTELLECTUAL PROPERTY
ORGANIZATION

#### **TOP 10 COUNTRIES**



#### WIPO

WORLD INTELLECTUAL PROPERTY ORGANIZATION

## IP Rights, Innovation and Growth

- IP Rights, Innovation and Growth: a straightforward cause-effect relationship?
- Limited empirical evidence that strengthening IP rights leads to more invention/innovation or R&D \*
- Possible reverse causality in the patent rights-economic growth relationship



## IP Rights, Innovation, Growth

- Recent literature focuses on whether more patentintensive industries grow faster than less patentintensive industries in countries with stronger patent rights (Albert G.Z. Hu and I.P.L. Png, Oxf. Econ. Pap., 2013)
- Patent intensive industries do grow faster as a result of stronger patent rights and effective enforcement
- This might apply to other IP intensive industries such as copyright-related sectors

## Competition as a driver for growth

#### Critical areas at the IP/Competition Interface

- Effective antitrust legislation and enforcement as one of the conditions for maintaining and/or developing IP intensive industries
- The regulation/competition interface in IP intensive industries
- Effective competition rules stimulate investment, both domestic and international



#### Conclusions

- Balancing IP Rights and Competition
- Competition and IP Agencies Cooperation and Dialogue
- Keeping IP protection standards and promoting development: Competition enforcement to control IP misuse and encourage growth

