

PRESS RELEASE

25 September 2019

Intellectual property rights strongly benefit the European economy, EPO-EUIPO study finds

- Industries that make intensive use of intellectual property rights (IPRs) generate 45% of economic activity in the European Union
- IPR-intensive industries employ up to one in three people in the EU
- These industries pay 47% higher wages than other sectors

Munich/Alicante, 25 September 2019 – Industries that make intensive use of intellectual property rights (IPRs) such as patents, trademarks, industrial designs and copyright generate 45% of GDP (EUR 6.6 trillion) in the EU annually and account for 63 million jobs (29% of all jobs). A further 21 million people are employed in sectors that supply these industries with goods and services. These are among the findings of a joint report released today by the European Patent Office (EPO) and the European Union Intellectual Property Office (EUIPO) which analyses the importance of IPRs for the EU economy between 2014 and 2016.

In the period under review, employment in IPR-intensive industries grew by 1.3 million jobs compared with 2011-13, while total employment in the EU declined slightly. The value added per employee in these industries is higher than in the rest of the economy. Accordingly, IPR-intensive industries pay significantly higher wages: on average 47% more than other sectors, with the figure rising to 72% for patent-intensive industries.

The Executive Director of the EUIPO, **Christian Archambeau**, said:

“Industries that use intellectual property rights intensively play a crucial role in making the EU more prosperous and in securing its economic future. These industries are more resilient in the face of economic crisis and more innovative. Our challenge is to ensure that all firms and entrepreneurs can secure their IP rights, particularly SMEs.”

The President of the European Patent Office, **António Campinos**, said:

“The importance of IPR-intensive industries reflects the strength of the knowledge-based economy in Europe. Businesses in these sectors often file bundles of intellectual property rights in combination to protect their intellectual assets. This strategy creates products and services with high added value, and in doing so helps secure Europe’s long-term competitiveness.”

The report is the third in a series that tracks the contribution of industries making an above-average use of trade marks, designs, patents, copyright, geographical indications and plant variety rights to economic growth and employment in the EU.

IPR-intensive industries also account for most of the EU's trade in goods and services with the other regions of the world (81%). The EU as a whole had an **overall trade surplus** in IPR-intensive industries of approximately EUR 182 billion in 2016, counterbalancing a small deficit in non-IPR intensive trade.

Patents and drivers of economic growth

The report finds that industries making intensive use of patents employ some 24 million people and generate 16% of the EU's total GDP, and also looks at specific technology sectors. In climate change mitigation technologies (CCMTs), for example, patent-intensive industries accounted for 2.5% of employment and 4.7% of GDP in the EU in the period under review. The economic weight of CCMTs is expected to increase as countries work towards the goals set by the Paris Agreement. European firms already play a leading role in this technology sector, with nearly 10% of all patent applications at the EPO from EU applicants in recent years relating to CCMTs.

The report also looks at the patent-intensive industries which make a major contribution to technologies of the [Fourth Industrial Revolution \(4IR\)](#) and digital transformation in the EU. It finds that these 4IR-intensive industries accounted for 1.9% of total EU employment and 3.9% of GDP in 2014-16, with both figures increasing compared to 2011-13. In terms of wages, 4IR-intensive industries pay more than double the average of non-IPR-intensive industries and 39% above the wage in all IPR-intensive industries.

Industrial design as job motor

The EU has a rich design tradition, and is a world leader in industrial design. Design-intensive industries have a strong economic impact across the EU-28. In total, industries that use design rights account for 30.7 million direct jobs and contribute 16.2% of the EU's total GDP. Exports in this sector generated a trade surplus of over EUR 66 billion in 2016.

Trade mark intensive industries

Trade mark registrations are often indicative of future business success, establishing a company's brand and underlining its distinctiveness in the marketplace. Industries that make intensive use of trade marks contribute 37% to the EU's GDP and support 46.7 million jobs. Those industries also pay wages that are 48% higher than industries that do not use intellectual property rights.

NOTE TO EDITORS

Today's report is the third in a series of economic studies revealing the contribution of intellectual property rights-intensive industries to the EU economy. It covers a broad range of IP rights – trade marks, patents, designs, copyright, geographical indications and plant variety rights – and considers a variety of economic indicators, in particular gross domestic product (GDP), employment, external trade and wages. The 2013 study covered the period 2008-10,

and the 2016 update covered 2011-13. The present study considers the more recent period 2014-16. In addition, to complement the data for the EU Member States, those for Iceland, Norway and Switzerland are also included in this study.

The average use of IPR within the EU is 1 European patent per 1,000 employees, 4.7 European trade marks per 1,000 employees, 1.7 industrial designs per 1,000 employees, and 0.2 plant variety rights per 1,000 employees. The intensity cannot be calculated for copyrights and GIs in the same way, as they are not registered on EU level. Since the same industry may make intensive use of more than one intellectual property right, the sum of the figures for the individual IPR-intensive industries exceeds the total figure for all IPR-intensive industries.

ABOUT THE EPO

With nearly 7 000 staff, the European Patent Office (EPO) is one of the largest public service institutions in Europe. Headquartered in Munich with offices in Berlin, Brussels, The Hague and Vienna, the EPO was founded with the aim of strengthening co-operation on patents in Europe. Through the EPO's centralised patent granting procedure, inventors are able to obtain high-quality patent protection in up to 44 countries, covering a market of some 700 million people. The EPO is also the world's leading authority in patent information and patent searching.

ABOUT THE EUIPO

The EUIPO is a decentralised agency of the EU, based in Alicante, Spain. It manages the registration of the European Union trade mark (EUTM) and the registered Community Design (RCD), both of which provide intellectual property protection in all EU Member States. The EUIPO also carries out cooperation activities with the national and regional intellectual property offices of the EU.

Press contacts

Jana Mittermaier
Rainer Osterwalder
Tel: +498923991833
press@epo.org

Ruth McDonald
Tel.: +34 96 513 7676
Ruth.MCDONALD@euipo.europa.eu