

Litvinova Anna Anatolievna, Sakun Darya Sergeevna

Belarusian state economic university, the Republic of Belarus
Supervisor: Sverlov Aleksey Sergeevich, PhD in Economic Sciences, Associate Professor

INTELLECTUAL PROPERTY AS A COMPETITIVE ADVANTAGE IN THE GLOBAL MARKET

*Research Field:
Intellectual property as an object of international trade.*

Property relations are a key factor in the functioning of society, defining its base and superstructure, and ensuring their interaction. While material assets, represented by movable and immovable property, used to form this base in industrial societies, in today's post-industrial world where science becomes the main productive force and the accumulation of knowledge becomes a crucial component of success, the foundation of society consists of intellectual property relations.

The modern world is characterized by the predominance of certain technologies that determine the quality and level of innovation in goods and services produced globally. These technologies, operating at a unified technical level, define a new technological structure of society that shapes new standards of production and consumption. Currently, financial, aerospace, information and communication technologies, nanotechnologies, and biotechnologies are the most actively developing sectors.

Companies have a commercial interest in creating and implementing intellectual property in their production, viewing it as an investment in their intangible assets. These intangible assets determine the competitiveness of the products and the competitive advantage of the firm, ensuring its leadership in both national and global markets. The following can be considered as intangible assets of companies that are intellectual property:

1. Computer programs, software, databases protected by patents or copyright, and licenses for their use;
2. Disclosed information on the results of scientific, technical, experimental, design, and technological work protected by intellectual property rights. These can include patents for inventions, utility models, industrial designs, plant varieties, animal breeds, topographies of integrated circuits, as well as licenses for their use;
3. Undisclosed information, including trade secrets (know-how), data on mineral exploration,
4. Brand capital, including brand names, trademarks and service marks, geographical

indications, and other means of individualization;

5. Goodwill¹ - a combination of factors of business reputation, goodwill reputation of the firm, profitability of location, recognizability of the trademark, and other factors not separately identifiable from the firm, which allows to conclude about the future profitability of this firm compared to the average profitability of similar firms.

The global intellectual property system grants a company a certain technological monopoly, leading to occupying leading positions in the market. This company is able to regulate the distribution and dissemination of technologies, creating barriers for other companies to enter the industry, bringing itself closer to a larger share of the global market. Companies that participate in the creation and dissemination of intellectual property can be distinguished by their involvement.

1. "Leaders" are firms that create pioneering technologies. They are the main exporters of patents and licenses for their distribution and use;

2. "Followers" are firms that consume intellectual property created by the "leader". They are importers of patents and licenses.

3. "Outsiders" are firms that do not participate in the global trade of rights for the distribution and use of intellectual property.

The intellectual property system, by establishing rights to produce and distribute global technologies, shapes not only the dynamics, quality, and growth prospects of the firm but also the level of economic independence and prosperity of the country in which this firm is registered. It also determines the level of technological independence of this country from other countries.

Thus, companies that actively invest in the development and protection of their intellectual property can secure a sustainable competitive advantage in the market, increase the value of their assets, and achieve entry and stable growth in the international market. Overall, the use of intellectual property becomes an integral part of a successful company development strategy in the conditions of the modern global economy.

1 "Goodwill" Multirun dictionary [Electronic resource] — mode of access: <https://www.multirun.com/dictionary/english-russian/goodwill> — Date of access: 08.04.2024