The protection of intellectual property

Intellectual property rights (IPR) promote innovation and creativity, which in turn generates jobs and improves competitiveness. Intellectual property rights enable authors, artists, designers, inventors and other IPR users to benefit when others use their creations and inventions. The EU needs an attractive, affordable and efficient intellectual property rights (IPR) system to compete on the global scale. This is particularly important for SMEs who do not have the same level of resources to manage their IP portfolio as bigger companies.

PROTECTING INNOVATIVE ASSETS & IDEAS

**Patents:** An exclusive right granted for a new technical invention. A patent holder can grant a licence to somebody wishing to produce copies of the invention against payment of a fee (or royalty), thus obtaining a return on the investment. A **standard essential patent** (SEPs) is a patent essential to implement a specific industry standard or technical solution. For example, smartphones or tablets connect to the internet via standardised technologies such as WiFi or 4G, which are protected by SEPs.

**Trademarks (or 'brands'):** A word, logo or symbol that competitor companies may not use once it has been protected.

**Copyright** ensures that authors, composers, artists, film makers and other creators receive recognition, payment and protection for their works such as books, films, musical works, paintings, photographs.

**Designs:** The outward appearance of a product; e.g. the shape of a smartphone, vacuum cleaner, loud speaker, lamp, armchair or a car.

**Geographical indications:** The name of a location associated with a product (e.g. Champagne or Prosciutto di Parma) which gives an assurance that the product has been produced in a particular place, often according to traditional practices or recipes.

**Trade secret:** A valuable piece of know-how and business information that is treated as confidential because it gives the company a competitive advantage (for example, a recipe, the results of a marketing study, the launch date of a new product, or the price offered in a bidding procedure).

**The Unitary Patent**

The Unitary Patent will enable simple and affordable patent protection in Europe with a single procedure for the registration of patents. A company protecting its innovation could pay less than €5000 in renewal fees over 10 years covering a territory of potentially up to 26 Member States, instead of the current level of around €30 000. The Unitary Patent will also reduce the gap between the cost of patent protection in Europe compared with the US, Japan and other third countries. It will foster both investment in R&D and facilitate the transfer of knowledge across the Single Market. The Unitary Patent will become a reality in practice once Member States have completed the final steps of ratification.
IP infringements are breaches of intellectual property rights. They can include:

- **counterfeiting** – products made in exact imitation of something valuable (a problem popularly associated with fashion but in fact affecting products ranging from auto-parts to medicines) with the intention to deceive or defraud whether by imitating a legitimate product or by falsely claiming to meet legal requirements;
- **piracy** – the act of reproducing movies, music, books or other copyrighted works without permission from the copyright owner where necessary.

The Commission aims to deprive commercial-scale infringers of their revenue flows.

Legal instruments exist in the EU to ensure that intellectual property rights are efficiently and effectively enforced and to avoid commercial-scale infringements that result in economic harm. The Commission is seeking stronger cooperation between authorities at all levels in the fight against intellectual property infringement, fosters voluntary agreements between internet platforms, brand owners and trade associations, and wants to reinforce cooperation with third countries.