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# MSME'S AND INTELLECTUAL PROPERTY RIGHTS

# MSMEs & Intellectual Property Rights

By *Soumya Shree*

In this new knowledge-driven economy, MSMEs, being proven innovators in the broad sense, form a major bulk of enterprise and play a vital role in job creation, investment, exports and are a significant contributor to the country's economic growth. Intangible assets, including innovative ideas, information and know-how have become central business assets for the MSMEs.

In order to increase their efficiency and be internationally competitive, MSMEs need to constantly improve their efficiency, reduce production costs and enhance the reputation of their products & services by:

- Investing in research and development
- Acquiring new technology
- Improving management practices
- Developing creative and appealing designs
- Marketing their products and services

Intellectual property (IP) law aims at safeguarding creators and other producers of intellectual goods and services by granting them certain time-limited rights to control the use made of those productions. Those rights do not apply to the physical object in which the creation may be embodied but instead to the intellectual creation

as such. Intellectual property enables MSMEs to have exclusivity over the exploitation of their innovative products, their creative designs and their brands, thus creating an appropriate incentive for investing in improving their international competitiveness.

IP rights available to MSMEs under IP law

- Patents
- Copyrights
- Trademark
- Design
- Trade secrets

Importance of IP for MSMEs

The IP protection helps the MSMEs to establish enterprise/business identity through branding strategy. It helps protect innovation through patents, utility models and trade secrets of the MSME's. It protects creativity by designs and authors rights. IP protection prevents competitors from imitating products or

services. It allows access to the MSMEs to some useful technology through IP information and licensing arrangements and helps them avoid the wasteful investment in R&D. It enhances the value of company through effective IP asset valuation and management and gives varied access to venture capital and other sources of finance.

**I P Management**  
Legally protected intellectual property assets, are essential for business success. In order to achieve their growth plans, MSMEs should have a strong IP portfolio. Managing IP is one of the key tools for any business in making a globally efficient and competitive MSME. The

MSMEs intellectual property asset management strategy must be formulated with an understanding of the topography of the IP world, either by geography or type of industry. Effective IP management enables the companies to use their intangible intellectual property assets to improve their competitiveness and strategic advantage. **Market value of any enterprise, including MSMEs, is increasingly determined by its portfolio and optimal use of IP assets.**

**Conclusion**

IP adds value at every stage of the value chain from creative/ innovative idea to putting new, better and cheaper products/service in the market, making IP protection and management an inevitable and crucial key of competitive advantage and essential corporate value for the MSMEs in the modern knowledge-based economy.

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Commodity	Rs.	Unit
Gold	21733	10 grams
Silver	50397	kg
Crude Oil	4236	barrel
Natural Gas	191.4	mmbtu
Aluminium	111.1	kg
Copper	424	kg
Nickel	1034.5	kg
Lead	119.05	kg
Zinc	106.05	kg