Purpose of an IP Index

• IP Strength: **If we can’t measure it, we can’t improve it.**

• **Fills significant gaps** in understanding of global IP policy

• Provides an **objective metric** covering all forms of intellectual property

• Establishes a basis for **like-to-like comparisons** among markets

• Enables a **bird’s-eye view** of the global IP landscape

*View the full report at [www.uschamber.com/IPindex](http://www.uschamber.com/IPindex)*
IP Index – Basic Construction

• The Index began in 2012 examining 11 countries across 25 indicators.

• In 2018, the Index measures 50 economies across 40 indicators.

• Each indicator is given equal weight, and countries can score values between 0 and 1 for a total possible score of 40 points.

• Indicators examine 8 categories of IP protection – patents, copyrights, trademarks, trade secrets and market access, commercialization of IP assets, enforcement, systemic efficiency and ratification of international treaties.
Indicators

Components of the Indicators:

- Basic protection of the right
- Scope of eligibility
- Rule of law and enforcement

<table>
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<th>INDICATOR</th>
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<tr>
<td>Category 1: Patents, Related Rights, and Limitations</td>
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<td>1. Patent term of protection</td>
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<td>7. Membership in Patent Prosecution Highways (PPHs)</td>
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<td>8. Patent opposition</td>
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1. **Increased the number of indicators by 15%:**
   - The Index has grown from 35 indicators to 40
   - New indicators include:
     - Membership of a Patent Prosecution Highway (PPH)
     - National efforts at coordinating IP rights enforcement
     - Awareness raising activities
     - Capacity building and training on how to use IP as a commercial and economic asset

2. **Re-categorized the Index:**
   - New Category 5: Commercialization of IP Assets (1 new indicator + 2 existing indicators on localization and barriers to licensing)
   - New Category 7: Systemic Efficiency (with 3 new indicators)

3. **Added 5 additional economies to bring the total to 50:**
   - Additional economies strengthen Index’s geographical coverage of Latin America, Europe and Middle East and Africa

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Sixth Edition Results: Southeast Asia

**Malaysia:** Highest-ranked middle income economy; Strong focus on IP as an economic asset; Efforts to strengthen intergovernmental coordination on IP and promote IP awareness; Issuance of government-use license undermines life sciences IP protection.

**Singapore:** Advanced IP framework across all categories; Stronger enforcement measures needed to stop counterfeit goods in-transit.

**Brunei:** Acceded to WIPO Internet Treaties in 2017; Newly established IP office; Removed from Special 301 report; gaps in life sciences protection; limited mechanisms to address online piracy.

**Philippines:** Administrative IP courts in place; Efforts to strengthen intergovernmental coordination on IP and promote IP awareness; gaps in life sciences protection; online piracy remains high.
**Sixth Edition Results: Southeast Asia**

**Thailand:** Efforts to disable access to copyright infringing content online; Prioritize intergovernmental IP enforcement coordination; Removed from Special 301 Priority Watch List; life sciences IP incompatible with TRIPS; significant enforcement challenges

**Indonesia:** Notification system to disable access to copyright infringing websites; Strong intergovernmental IP enforcement coordination; Patent law weakens IP protection and increases localization barriers

**Vietnam:** New criminal standards for IP infringement; promote commercialization of IP and IP awareness campaigns; gaps in high life sciences protection exist; high rates of online piracy, physical counterfeiting; challenging enforcement environment

View the full report at [www.uschamber.com/IPindex](http://www.uschamber.com/IPindex)
Since 2014, the Index has included a statistical analysis of the relationship between Index scores and economic variables, which illustrates how IP drives economic activity.

**Input:**
- R&D expenditure
- Access to venture capital
- Foreign direct investment

**Output:**
- Growth of high-tech sectors
- Innovative & creative output
- Stronger overall business environment

Creation of knowledge-based economies
IP and Innovation

Levels of Innovation Increase in Strong IP Environments
Association between index scores and the Global Innovation Index, Innovation Output subindex scores

IP and R&D

The Stronger the IP Environment, the Higher the Number of Researchers
Association between index scores and the number of researchers in R&D

Sources: Global Innovation Index (GIIN/INSEAD 2017), Innovation Output subindex, GIPC 2018, standard rates to 100
Note: Data are not available for Senegal and the United States

View the full report at www.uschamber.com/IPIndex
Thank You!

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