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THE MAIN ASPECTS OF INTELLECTUAL PROPERTY COMMERCIALIZATION AND POLICY REGULATIONS

The article considers the way to improving policy and regulation of Intellectual Property Commercialization in Ukraine. The paper specifies the essence of intellectual property commercialization, and the essence and purpose of government regulation of that process.

Key words: intellectual property, intellectual property commercialization process, government policy.

Companies are increasingly investing in creativity, innovation and other forms of intellectual assets generally known as intellectual property or “IP”. Investment in IP is a vital strategy to grow, stay competitive and deliver innovative products and services to the marketplace. Governments also are increasingly recognizing the critical role of IP in driving innovation, development and jobs, and are investing in national capabilities for innovation and creativity. Moreover, they have increased investment in academic research, incubation centers and public-private R&D projects; and they are delivering better services to help companies develop and commercialize trademarks, copyrights and patents[1].

Countries with economies in transition face additional challenges to integrate into the increasingly global production networks and to find their own niche in the increasingly global value chains. To be successful, they need to assign high priority to developing their own innovative capacities, as well as their ability to absorb/borrow and adapt technological innovations from abroad, and to move up the value chain over time. Again, IP regimes have a key role to play in this regard.

To be competitive in the globalized economy, countries have to maintain, adapt and create institutional and legal frameworks conducive to the creation of knowledge and its commercialization. Intellectual property rights have a key role to play in this regard.

Some aspects of state regulation of intellectual property are adequately covered in the works of foreign and domestic scholars, among which V. Bazylevych, I. Nevinchanyy, T. Golubeva, S. Bondarenko, A. Chukhno, G. Stupniker etc.

However, international experience of commercialization and regulation of intellectual property and the possibility of its adaptation in Ukraine is required further study, which forms the relevance of research [3].

The article aims to clarify the content/ meaning of the commercialization of intellectual property and the policy steps.

Intellectual property (IP) is a collective term for intangible/immaterial property protected by law. It refers to registered or capable of registration inventions, discoveries, materials, technologies, products, data, algorithms, software, know-how, patents, databases, copyright, trademarks, design rights, expertise, trade secrets, copyright, and plant breeders rights which have come about through the mental efforts, insights, imagination, expertise and creativity of employees and students which are recognized and protected by law [1].

Commercialisation is the process of bringing intellectual property (IP) to the market in order for it to be exploited in return of business profits and growth. The financial success of any IP commercialisation will certainly depend on the choice of the most appropriate commercial tool, which should be based on:

1. The organisation's business objectives;
2. The form of intellectual property;
3. The economic resources at its disposal.

There exist several practices to get a protected IP into the marketplace. The most common can be resumed in the following diagram:

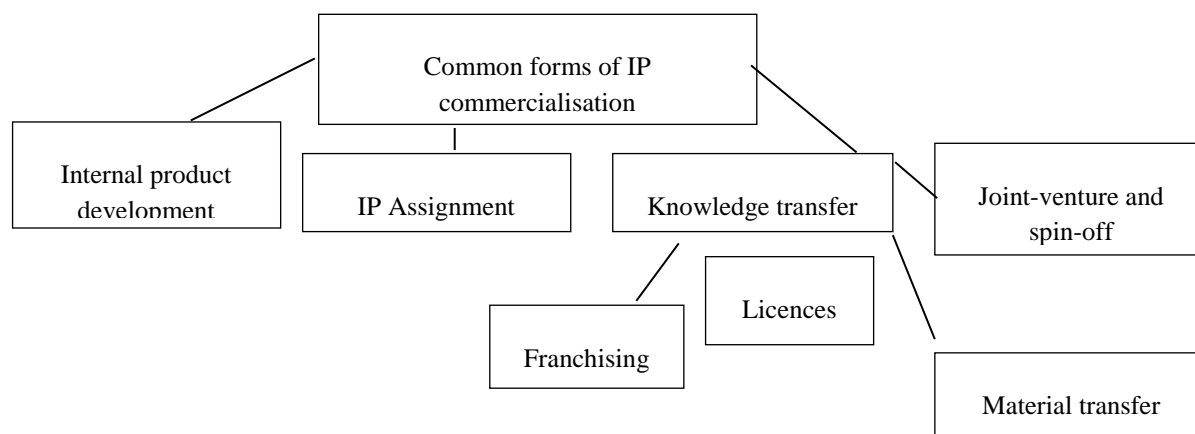


Diagram 1. Forms of IP commercialization [4].

There are measurements for successful commercialization policy:

- Increase in number of patents etc.,
- Number of incubated companies, number of innovations, number of community projects, etc.,
- Industry partnerships (projects),
- Involvement in Technology Transfer initiatives,
- Number of collaborative agreements concluded,
- Number of successful implemented industrial agreements, research contracts and projects / Value for money.

Value of IP in Ukraine : the time is right for Ukraine to promote and protect intellectual property rights (IPR). Strong IPRs benefit the economy, attract foreign direct investment, promote innovation, bolster R&D, and technology transfer, help firms monetize their inventions and grow, empower small- and medium-sized enterprises, and more generally benefit consumers and society [2].

Key legislative and policy recommendations: the value of fakes in Ukraine is estimated to be around USD 1.3 billion according to the Ukraine Alliance Agreement Against Counterfeiting and Piracy. Illicit goods proliferate on the black market. According to other estimates the losses of counterfeit goods for Ukraine were close to USD 710 million while the combined losses of music, movie and software piracy added up to USD 720 million in 2013 [4].

Therefore, such a significant problem requires action. BASCAP has put forward a set of specific legislative and policy recommendations to serve as a roadmap forward.

Summary of policy and legislative recommendations: Design a comprehensive national IP Strategy that identifies needed legal and policy reforms, delineates

implementation and enforcement responsibilities and allocates sufficient resources to ensure effective enforcement.

Adopt and implement a significant number of policy and legislative reforms
Establish a new high-level IP authority. For coordinating and implementation of the IP Strategy and the associated legislative and enforcement reforms - to build respect for the rule of law and for property rights in Ukraine.

The main problems for the perspective further research of commercialization processes are:

- 1) regulatory and legislative framework – the contradictions and conflicts of three regulatory areas of law, tax and accounting;
- 2) assessment of the problem of intellectual property –there is none single national standard in the evaluation of intangible form;
- 3) staffing problems – lack of qualified experts on intellectual property;
- 4) anti-market mentality of much of the population, in which stereotypes of science and research and development – is not the object of market relations, and elements of the so-called "non-productive areas."

The process of attracting foreign capital to the formation of the intellectual property market in Ukraine is hampered by many factors, such as unstable and over-regulation and high tax burdens; fuzzy legal system; variability economic and political environment; problems in establishing clear property rights; difficulties in dealing with government agencies privatization and corruption; lack of infrastructure; low incomes; problems of access to domestic and foreign markets[5].

The adoption and implementation of sanction measures will provide a new level of economic relations and will help stimulate the development of legitimate intellectual property market through legitimate use of intellectual property, its commercialization will help to increase the legal culture of the population in this area and develop a civilized market of intellectual property rights.

Conclusions. Ways to improve policy on the commercialization of intellectual property:

- To develop clear mechanisms of legal regulation, namely codification of legislation (the creation and adoption of the Code of Intellectual Property);
- A combination of science and industry, which involves the introduction of a set of measures (research and market analysis, financing, implementation of intellectual property, research and development, etc.);
- Infrastructure implementation of scientific and technological activities in manufacturing;
- Creation of closed cycles (idea-production-consumption);
- Creation of special complex structures whose functions have included a peer review of their commercial potential, study market conditions, providing the latest developments of financial support, care manufacturing competitive products, promote intellectual property on both domestic and foreign markets, to prevent unauthorized use and dissemination of intellectual property;
- Creation of a national system of training and professional development of intellectual property.

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