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## White Paper on

# IP as a Strategic Tool: Global Opportunities for Businesses and Innovators in Protecting Patents & Trademarks Abroad

By MVIRDC World Trade Center Mumbai







#### Bharat Ratna Sir M. Visvesvaraya

(15 September, 1860 - 14 April, 1962)



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### **Foreword**

n the emerging global economy, where innovation drives competitiveness and knowledge is the ultimate currency of power, Intellectual Property Rights (IPR) have become central to economic resilience, brand leadership, and global market expansion. For India, a country on the rise as a knowledge and innovation hub, IPR is not merely a legal safeguard. it is a strategic tool that can unlock international opportunities, elevate brand equity, and protect the creative and entrepreneurial spirit that defines our nation's growth trajectory.

Today, Micro, Small, and Medium Enterprises (MSMEs), the backbone of India's economy, contribute nearly 30% of GDP and 45% of exports, presenting them with unprecedented opportunities to expand globally. However, they also face growing risks of product duplication, trademark infringement, technology theft, and counterfeit trade, which collectively cost the global economy an estimated



USD 500 billion annually. In the Indian context, unauthorized replication of indigenous traditional products, artisanal goods, pharmaceutical formulations, and digital innovations has emerged as a serious threat, undermining competitiveness and export potential.

Under these circumstances, Intellectual Property Rights emerge not only as a protective shield but as a strategic economic driver that empowers Indian enterprises to innovate, commercialize, and compete globally with confidence. The protection of patents, trademarks, industrial designs, and geographical indications ensures that innovators receive rightful recognition and financial benefit. For MSMEs, IPR serves as a catalyst for accessing international markets, enhancing investor credibility, and achieving premium brand positioning. Enterprises that actively protect their IP consistently demonstrate higher export growth, stronger valuations, and enhanced consumer trust.

In today's marketplace, branding and IPR are inseparable. A trademark is not just a visual identity; it represents trust, quality, and market leadership. Strong IP-backed branding enables companies to differentiate themselves, secure higher market share, and build resilience. Intellectual Property today spans every major growth sector. In pharmaceuticals and biotech, it protects life-saving innovations; in IT and digital technologies, it ensures competitive edge; in agriculture and food, geographical indications help rural communities retain value; and in creative industries, IP safeguards originality and prevents piracy. Emerging sectors, such as electric mobility, renewable energy, and space technology, also rely heavily on robust IP frameworks to attract investment and maintain their leadership in innovation.

As India advances toward becoming a global innovation leader, it is imperative that entrepreneurs, MSMEs, and research institutions recognize intellectual property as the cornerstone of economic growth and global influence. The future will be defined not by who manufactures most, but by who owns the ideas that shape industries. By fostering a strong IP culture, India can build an innovation-led economy and establish itself as a trusted and competitive force on the world stage.

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#### **Executive Summary**

Intellectual property has emerged as one of the most valuable strategic assets in the global knowledge economy, fundamentally reshaping how businesses compete, innovate, and create value across international markets. In an interconnected world where intangible assets increasingly drive competitive advantage, protecting patents and trademarks abroad is no longer optional—it represents a critical imperative for sustainable business growth and market leadership. The global intellectual property landscape witnessed significant momentum in 2024, with the World Intellectual Property Organization reporting continued growth across its international registries, including a 0.5 percent increase in Patent Cooperation Treaty applications reaching 273,900 filings, a 1.2 percent rise in Madrid System trademark registrations reversing two years of decline, and a notable 6.8 percent surge in Hague System design applications. These trends underscore the growing recognition among businesses worldwide that strategic IP protection represents not merely a defensive legal mechanism but a powerful offensive tool for market expansion, revenue generation, and competitive positioning.

## The Economic Imperative of Global IP Protection

The contemporary business environment has witnessed a fundamental transformation in value creation, with intellectual property emerging as the cornerstone of competitive advantage and economic prosperity. Research consistently demonstrates that IP-intensive industries contribute disproportionately to national economic output, with these sectors generating significantly higher wages and employment opportunities compared to traditional asset-based industries. The strategic importance of robust IP protection extends beyond mere legal safeguards—it creates tangible economic benefits by fostering innovation, attracting foreign direct investment, facilitating technology transfer, and enabling businesses to monetize their creative and innovative outputs through licensing arrangements and strategic partnerships.

Strong intellectual property rights protection has been empirically linked to increased international technology transfer, as measured through royalty and licensing fee payments across nations. Countries with superior IP protection frameworks experience higher levels of technology diffusion, as foreign entities demonstrate greater willingness to share proprietary knowledge and

innovations when adequate legal safeguards exist. Jurisdictions where IP rights are restricted also are hubs for research, development and innovation as private enterprises choose these areas to owing to IPR protections whose benefits they can reap later. This relationship creates a virtuous cycle wherein enhanced IP protection stimulates both domestic innovation and international collaboration, ultimately accelerating economic development. For emerging markets and developing economies, establishing credible IP frameworks represents a critical pathway to attracting multinational investment, accessing cutting-edge technologies, and transitioning from resource-based to knowledge-based economic models.

The integration of intellectual property considerations into international trade agreements has fundamentally altered the global commerce landscape. The Trade-Related Aspects of Intellectual Property Rights Agreement (TRIPS), enacted under the World Trade Organization framework in 1995, established minimum standards for IP regulation across 164 member nations, creating unprecedented harmonization in global IP protection. This multilateral framework mandates that WTO members provide copyright, trademark, patent, trade secret, and other IP protections meeting specified minimum standards, while also establishing enforcement mechanisms and dispute resolution procedures. The TRIPS Agreement revolutionized international trade by introducing IP law into the multilateral trading system, requiring developed nations to implement obligations by 1996, developing countries by 2000, and providing extended transition periods for least-developed nations. The very coming into force of this agreement ensured that every country would have an IPR protection framework, promoting commerce across the globe.

## Understanding International IP Protection Frameworks

The global intellectual property protection ecosystem operates through a sophisticated network of international treaties, regional agreements, and national systems designed to facilitate cross-border IP rights management. At the foundation of international patent protection lies the Patent Cooperation Treaty, which provides a streamlined mechanism for seeking patent rights across 157 member countries through a single international application. The PCT system offers inventors and businesses critical procedural advantages, including extended decision-making timelines of up to 30 months from the priority date before nationalizing applications in specific jurisdictions, comprehensive

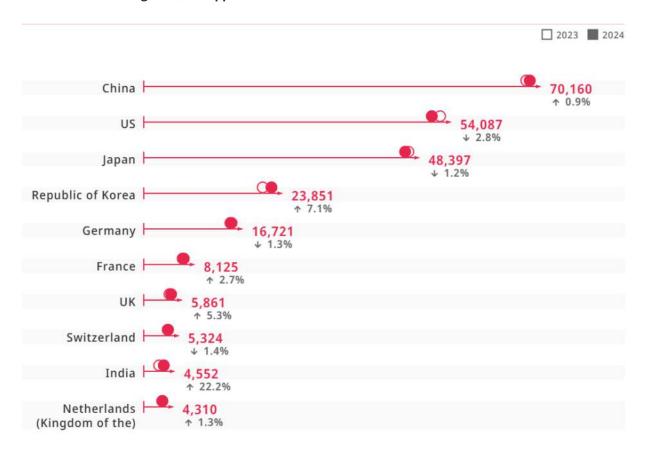
international search reports evaluating patentability, and optional preliminary examination providing strategic insights before committing to expensive national phase filings.

Recent PCT filing statistics reveal significant geographic shifts in global innovation activity, with China maintaining its position as the leading filer with 70,160 applications in 2024, followed by the United States with 54,087 applications and Japan with 48,397 filings. India demonstrated particularly impressive growth, recording a 44.6 percent increase among top filing offices, reflecting the country's

rapidly expanding innovation ecosystem.

The technological composition of PCT applications has also evolved dramatically, with digital communication patents overtaking computer technology as the leading field for the first time, capturing 10.5 percent of applications compared to computer technology's 9.7 percent. This shift underscores the growing importance of telecommunications infrastructure, wireless technologies, and connectivity solutions in driving global innovation.

## Global distribution of PCT patent applications across major innovation economies in 2024, with China leading at 70,160 applications.



Source: WIPO Statistics

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