

Команда «Ми можемо все»

*We swim with the lions, and put
heads in the dolphin mouth!*

*(Ми ті, що плавають із левами та
готові покласти голову у пащу дельфіну!)*

Коли ми побачили оголошення про конкурс на веб-сайті нашого університету, був самий початок вечора. Кажучи відверто, ми не дуже часто заходимо на цю сторінку, але в той день у нас було передчуття, що має трапитися щось цікаве. Після того ознайомлення із умовами конкурсу рішення було прийнято. Отож, ми беремо участь!

Ми були озброєні 2 ноутбуками, 4 ручками, декількома книгами з економіки, кількома науковими роботами по проблемам інтелектуальної власності, величезним бажанням перемогти та великою кількістю паперу.

Спочатку здавалося, що перемогти буде легко, тому що ми вже брали участь в різних міжнародних конференціях, різноманітних конкурсах в інших містах та випустили з цього приводу багато публікацій. Але зараз ми мали серйозно попрацювати. Не те, щоб це було життєво важливим для нас, але ви знаєте, якщо ви один раз брали участь у чомусь подібному, ви не зможете зупинитися. Тому наше відношення до справи було , як і завжди, дійсно серйозним.

Наша команда складається із п'яти чарівних дівчат. Це Віолетта Жарких, Дзерасса Басаєва, Діана Маймескул, Хелен Тулянцева та Євгенія Малахли. Усі ми є студентами Одеського національного економічного університету.

Innovative Development: A Scenario for Ukraine

The world economy of today has come close to turning a new page of its economic development. Nowadays, intangible assets are a real basis for economic development, so protection of intellectual property rights is of primary importance. The economic history of developed countries has taught us all a valuable lesson that implementation of innovations is very urgent for the social and economic growth and competitiveness of a country. The principle of innovative development was publicly announced in the Strategy of the Innovation Development of Ukraine in 2010-2020 under the Conditions of Globalization Challenges. In addition to forming effective implementation mechanisms, this Strategy requires state-level protection of intellectual property as a basis for further successful innovation development.

Best international practices have convincingly demonstrated that the institute of intellectual property in its advanced stage is of extreme importance for stimulating intellectual work. Most countries regulate the relations in the area of intellectual property by enforcing the copyright and patenting laws. In this respect, Ukraine has wisely joined the majority. As of today, our country has all necessary regulatory documentation to tackle the problem and to ensure adequate protection of intellectual property. There are, however, serious problems with regard to 'real-life' enforcement of existing laws. On top of that, Ukraine has virtually no legislative support for sectors that are oriented toward stimulation and commercialization of innovation. The legal basis for regulating scientific, technological, and innovative development has gaps with regard to formation of innovative venture capital funds, general stimulation of innovation policies, spending on scientific research and development, implementation of policies that define innovation priorities for the government, etc.

The following trends demonstrate the general impact of intellectual property items on the country's economy:

1. Development of patenting legislature stimulates scientific research.
2. Patent databases enhance and simplify the process of technology transfer,

and also help to generate direct foreign investment into the country.

3. Patents are seen as innovation catalysts.

4. For patent owners, commercialization of their patents generates extra profit.

Large benefits will go not only to the companies that use intellectual property, but also to the state itself. According to statistical data published on the website of the State Intellectual Property Service of Ukraine, over the past period of 2012 aggregate revenues from issuing patents on inventions, utility models and industrial designs exceeded UAH 35.3 million, the largest share (approximately UAH 33.4 million) being annual patent fees. Other fees (the application fee, the qualification expertise fee, and the fee for 'patent granting' publication) totaled to approximately UAH 1.8 million. The total sealing fee amount was UAH 146 thousand.

To determine potential changes, it is necessary to analyze the contribution of knowledge-based and innovative industries to the total GDP. According to calculations made for mature economies, the specific weight of the production volume of these industries is almost 50%, (while it is only 3%-6% in Ukraine). The main reasons for that are a small percentage of companies that implement innovation, lack of proper motivation and conditions for such implementation, the low foreign patenting level of Ukrainian intellectual property assets, and a certain disparity between the results of licensing and the existing scientific and technical potential. Fig. 1 shows the diagram of GDP amounts and total sales of innovative products for the 2005 - 2011 period.

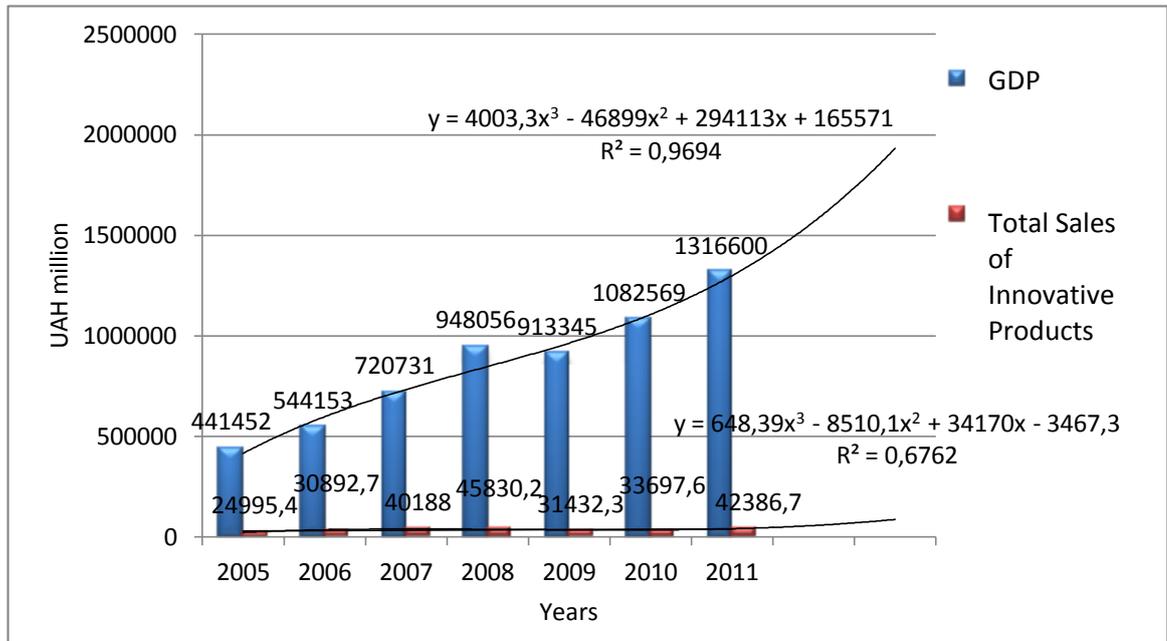


Fig. 1. GDP Volume and Total Sales of Innovative Products for 2005 - 2011, in UAH million.

It follows that throughout the whole researched period, the percentage of sales of innovative products did not exceed 6% of GDP. In addition, this percentage was on the decline. In 2005, the percentage of sales of innovative products in the total GDP was 5.7; the same percentage was only 3.2 in 2011. According to forecast, in 2013 the prognostic level of GDP will reach UAH 1,932,174.7 million, with the total sales volume of 87,420.91 million.

Industries based on intellectual property assets are able to generate a large amount of jobs. Fig. 2 shows the share of specialists in scientific and technical research as percentage of the total employment in Ukraine for the 2005 - 2010 period.

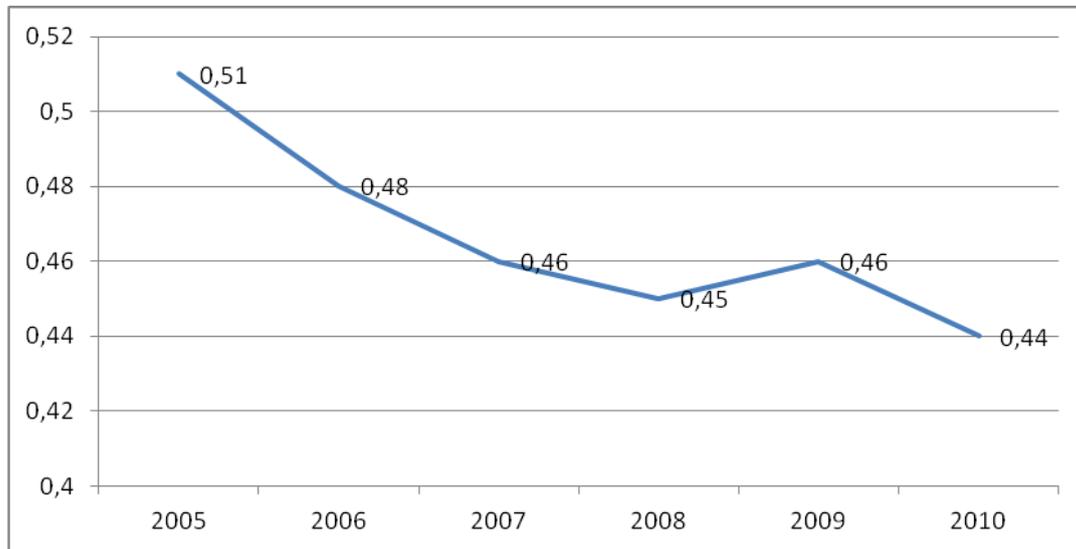


Fig. 2. Share of Specialists in Scientific and Technical Research as Percentage of the Total Employment for 2005 – 2010.

Therefore, throughout the whole researched period, the share of specialists in scientific and technical research as percentage of the total employment was below 1%. In addition, the number of such specialists goes down on an annual basis. Providing proper legal protection of intellectual property assets is very important for their financing. However, financing of innovation activities is on the decline, including industrial financing. For example, on the average UAH 10.34 million was appropriated (from all sources) for each innovative industrial company in 2008; in 2009, the same indicator plummeted to UAH 6.74 million, and in 2010 it was as small as UAH 6.61 million. A sharp change came in 2011, when the average amount of financing for each innovative industrial company exceeded its pre-crisis level and reached UAH 10.8 million. The level of financing is closely tied with investors' confidence. So, to generate more investments, we really need to ensure proper legal protection of intellectual property assets.

On the other hand, increasing investments in innovative enterprises and efficient use of investments will result in larger volumes of products popular in both the domestic and foreign market. Suppose, an efficient system of IP protection is created and secures an increase in 2013 in financing-per-company to the level of, say, UAH 25 million, then the volume of sales of innovative products will reach UAH 175, 000 million (instead of the current prognostic level of UAH 87,420.91 million). In this case, the GDP volume will grow by 4.5% (see Fig. 3 below).

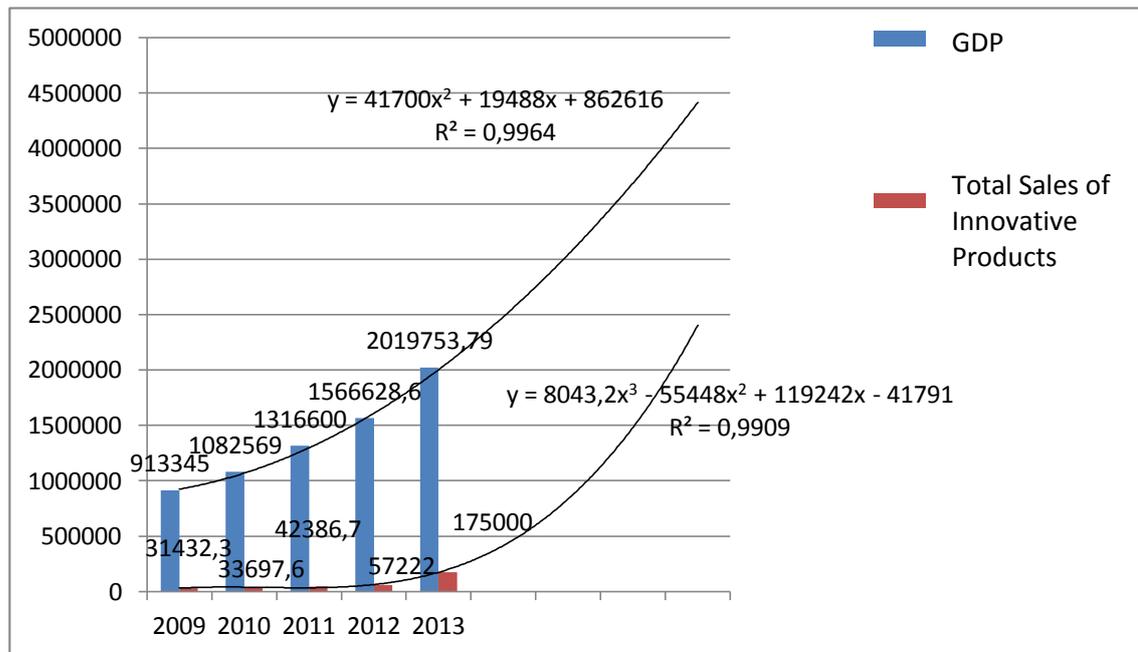


Fig. 3. GDP Volume and Total Sales of Innovative Products for 2009 - 2017.

Under the above circumstances, the GDP volume will reach UAH 4,415,708 million in 5 years (i.e., in 2017), and the volume of sales of innovative products UAH 2,403,591.8 million. Within 5 to 10 years, intellectual property assets/objects will be seen all over the place, and in 20 years Ukraine will finally be able to reach a new level of economic development.

By using an innovative model of development the state can create additional jobs, generate foreign investments, which in turn means better human well-being and larger budget revenues. While carefully building this innovative model of development, the state has to complete its main objective by creating a highly efficient reliable intellectual property system that includes subsystems for IP protection and commercialization.