

## **The Influence of Consumption Capacity, Business Environment, and Innovation Effort on the Attractiveness of Intellectual Property Applications in Countries**

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### **Introdução**

Intellectual property (IP) originated as a defense against appropriation or imitation of innovations. However, the increasing importance and diverse applications of IP rights, such as using the filing process to delay technological development, have obscured the historical purpose of protection and hindered the understanding of current motivations for IP registration. Empirical findings on the relationship between attracting IP deposits driven by market factors versus protection motives are scarce in the literature in the new context of IP rights.

### **Problema de Pesquisa e Objetivo**

This research aims to contribute to the understanding of the forces attracting patent, industrial design, and trademark registrations among countries in the new context where intellectual property rights extend beyond the original function of protection against imitation. Thus, this article aims to answer the following question: Are IP strategists prioritizing market factors or countries' research and development efforts when choosing destinations? Although the literature presents results in both directions, there are no empirical studies that have specifically compared these factors.

### **Fundamentação Teórica**

Despite efforts since the Paris Convention of 1883, the extent of IP agreements and rights still varies significantly among countries, resulting in barriers and increasing registration costs proportionate to the number of countries covered. As a result, innovators with more resources, often companies, tend to develop an International Intellectual Property Registration Strategy (IIPRS) to select countries based on criteria such as risk of appropriation, market potential, competition, among others.

### **Metodologia**

This article employs a cross-sectional study of 98 countries to investigate the net effect of IIPRS through patent, industrial design, and trademark registrations by residents and non-residents. Sixteen variables collected from international organizations were analyzed using PLS-SEM.

### **Análise dos Resultados**

We found evidence that the cause-and-effect relationships follow three stages. In the first stage, a business-friendly environment positively influences the purchasing power and allocation of physical and human resources to research and development in a country. In the second stage, research and development efforts result in domestic IP applications but do not motivate foreign IP applications. In the third stage, a country's consumption capacity induces IP registration requests from both foreigners and locals, but it exerts a greater influence on foreigners.

### **Conclusão**

The results suggest that IIPRS prioritizes the consumption capacity of destinations over other investigated aspects. Thus, generalizations from the literature regarding the original function of protection against imitation may not be entirely valid in the redefined scenario.

### **Referências Bibliográficas**

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