

## Types of IPR

### What are the different types of IPR?

Types of IP that protect different intellectual creations vary in requirements, conditions of grant, specific rights and obligations. The IP types are categorized as follows:

- **Patents** (see [Patents](#) [1]). Patents grant exclusive rights on inventions (whether products or processes) that are new, involve an inventive step (are “nonobvious”) and are susceptible to industrial application.
- **Utility models** (see [Utility models](#) [2]). Sometimes called “petty patents”, utility models offer protection on technical inventions with lower requirements than patents—notably a lower inventive step. The registration process is often significantly simpler, cheaper and faster than for patents. The term and scope of protection for utility models are lower than for patents.
- **Trademarks** (see [Trademarks](#) [3]). Trademarks provide exclusive rights to use a visually perceptible sign (e.g. words, letters, numerals, figurative elements or logos) or any combination of signs, that enables people to distinguish the goods or services of one undertaking from those of other undertakings (TRIPS, Article 15). The criterion to register a new trademark is the novelty of the sign.
- **Copyrights** (see [Copyright](#) [4]). Copyrights give exclusive rights to creators for their literary and artistic works. The types of works that can be protected by copyright include books, dramatic and choreographic works, musical compositions, cinematographic works, drawings and photographic works. In many countries software can also receive copyright protection. Copyright protection usually exists independently of any registration or prior examination.
- **Trade secrets** (see [Trade secrets](#) [5]). A trade secret designation protects any piece of knowledge (e.g. formula, pattern, device or compilation of information) which is not known to the public, provides the owner with an opportunity to obtain certain competitive advantages and is subject to reasonable efforts to keep it secret (TRIPS, Article 39(2), WTO, 1994).
- **Industrial designs** (see [Industrial design](#) [6]). Industrial design registration protects the ornamental or aesthetic aspect of an article. An industrial design must be new or original in order to be protected.
- **Combinations of types of IP** (see [Combined uses of intellectual property](#) [7]). Different types of IP rights may be used in a bundle to get legal protection for different elements of a single product .
- **Strategies other than IP** (see [Innovation without IP](#) [8]) . Alternatively, innovators may resort to other strategies such as secrecy, advance on market or discount pricing. However, the importance of innovation without IP is difficult to determine due to a lack of counterfactual experiences where IP systems do not exist.

### How do the types of IPR relate to innovation?

- **Patents** (see [Patents](#) [1]). Patents encourage inventive activity by providing a temporary

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period of exclusivity (monopoly) over inventions. Patents also contribute to innovation by allowing the diffusion of new knowledge through disclosure of inventions, facilitating the development of technology markets and, if such markets are developed, facilitating access to finance for innovation. Yet patents can also have drawbacks, for instance, if they block follow-on innovations, a critical factor if applied to research tools, or they can lead to opportunistic litigation and harmful costs that divert resources from innovation activities.

- **Utility models** (see [Utility models](#) [2]). These models offer a valuable tool for encouraging the development of not highly inventive innovations. They can be attractive for “catching-up” firms in different sectors and can help support “catching-up” phases of firms in developing and emerging countries. In practice, they offer a guarantee to businesses that their innovative activities will not be restrained subsequently by patents awarded to others. The challenge of utility models is not to grant protection to inventions that are just “state of the art”, which might not only restrain competition but also deter more significant inventions.
- **Trademarks** (see [Trademarks](#) [3]). Trademarks can encourage innovation by providing their owners with a means to differentiate new products and services including, e.g., in the services sector. They play a particularly important role in rewarding higher product quality. It is worth noting, however, that trademarks are not necessarily linked to novel products. Moreover, they may be used as a way to obtain protection while not disclosing information on inventions as would be required e.g. when innovators sought patent, utility model or design protection.
- **Industrial designs** (see [Industrial design](#) [6]). Industrial designs rights aim at incentivizing firms to create innovative designs and encourage creativity in industrial and manufacturing sectors.
- **Copyrights** (see [Copyright](#) [4]). Copyrights promote the creation of new works by giving authors control over the expressions of such works so they can profit from them. Copyright has become more important to innovation since the rise of software, but is also relevant to the new business opportunities for artistic creations that arise from information and communication technologies (ICTs) notably on the Internet.
- **Trade secrets** (see [Trade secrets](#) [5]). Trade secrets are a means for appropriating the returns of research investments, thus may serve as an incentive to invest in innovative activities. However, secrecy reduces access to such knowledge as a stimulant of innovation. Secrecy seems to be used more for process innovations, which can be implemented internally in firms, contrary to product innovation which are accessible to all buyers.

### **What are the relevant policy dimensions?**

The different types of IP differ by the nature of the intangible asset they protect, therefore they are relevant for different sectors of activities (see [Fields of IP use](#) [9]) and different innovators (see [IP users](#) [10]). IP policies aimed at fostering innovation need to consider all types of IP to fully exploit the potential of IP for innovation. This will depend notably on the specific country context but also on particular conditions for innovation.

### **Summary: IP and Innovation**

**Table 1: Overview of different types of IP**



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**Table 2 : Different types of IP and their impacts on innovation**

## Reference

- WTO (1994), Agreement on Trade-Related Aspects of Intellectual Property Rights, Articles 15 and 39 (2), World Trade Organization, Geneva.  
([http://www.wto.org/english/tratop\\_e/trips\\_e/t\\_agm0\\_e.htm](http://www.wto.org/english/tratop_e/trips_e/t_agm0_e.htm) [11])

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**Source URL:** <https://innovationpolicyplatform.org/content/types-ipr>

**Links**

- [1] <https://www.innovationpolicyplatform.org/content/patents?topic-filters=8729>
- [2] <https://www.innovationpolicyplatform.org/content/utility-models?topic-filters=8896>
- [3] <https://www.innovationpolicyplatform.org/content/trademarks?topic-filters=8708>
- [4] <https://www.innovationpolicyplatform.org/content/copyright?topic-filters=8681>
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