

IP value capture programme

Using intellectual property to secure more export income from distinctive products

Capturing the Value of Kenya's Global Reputation

Distinctiveness and Renown: intangible assets can generate greater wealth for Kenyans
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Press Release



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Kenya's global reputation is well established: from its sandy beaches, precious scenery, impressive wildlife, fiery red tea, fine coffees, and vibrant artistic traditions and diverse cultures. In the modern economy this type of renown – recognition, reputation, and distinctiveness – generates intangible value in the final marketplace. Intangible assets are now the single largest source of wealth creation in the balance sheet of every modern corporation. Managing and optimising the returns to Kenyans of this intellectual property is a new challenge, however.

In less than a month stakeholders from across Kenya will be meeting in Nairobi to get to grips with the challenges of developing IP-based business strategy in a series of IP value capture workshops to be organised by the Ministry of Foreign Affairs, Brand Kenya, US specialist NGO Light Years IP in partnership with the Natural Resource Institute of the University of Greenwich.

In turn, tea, coffee, flowers, horticulture, art, textile, cultural goods, including famous 'names' like the 'Masai' will be put under the microscope, their distinctiveness and intangible value explored and new IP-based business strategies discussed as a means to raise and secure higher levels of export income for Kenyans.

Workshop facilitators' Light Years IP commented today: "Within the last two decades, intellectual property has rapidly become the central means to create wealth in almost all industries...Regardless of whether the export is software, music, handicrafts, or coffee, producers and exporters worldwide must base their export strategies on the management not only of their physical products but of the intangible value of those products. Kenya's opportunities are immense."

The Ministry of Foreign Affairs Permanent Secretary, Thuita Mwangi, added: 'We are proud to be hosting these workshops and offering stakeholders in a number of key sectors the chance to participate, learn and develop their IP strategies. Changing our relationships with our international distributors and intervening proactively in all our key marketplaces is now a priority for Kenya as a tangible means of achieving our Vision 2030 goals.'

The workshops commence the week beginning 20th April 2009. Further such IP workshops, supported financially by the UK Department for International Development, are to be held across Africa this year including: Zambia, Namibia and regionally for traditional textile producers from Mali, Senegal, Ghana, Burkina Faso and Guinea in West Africa.

PRESS ENQUIRIES

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Notes:

1. For background information on IP based business strategies and poverty alleviation as well as IP Capture workshop plans for 2009 see www.lightyearsip.net/workshops
2. What is Intellectual Property? Intellectual property refers to creations of the mind: inventions, literary and artistic works, symbols, names, images, and designs used in commerce. IP Owners are granted certain exclusive rights to a variety over intangible assets. (World Intellectual Property Organisation [WIPO] definition)
3. In 1982, 62% of the market value of Standard and Poor's 500 companies could be attributed to tangible assets – that is physical assets such as factories, properties, equipment etc. - and just 38% to intangibles. By 1998, only 15% of their assets were tangible, while 85% were intangible. This shift in the value of assets reflects the ability of these intangible assets or intellectual property (IP) to generate income.
4. The most valuable brand in the world (worth \$43 billion) is Coca Cola, created in 1888. Google, a relative newcomer founded in 1998, is ranked 15th (est. value \$24 billion) (Source: Brand Finance 2007)
5. A Light Years IP study, 'Distinctive Values in African Exports, published in June 2008, found that just 14 product sectors selected for this study had potential for increasing export income from \$1.1 billion per annum, to between \$2.5 billion and \$3.5 billion per annum. The study estimates that IP based strategies can similarly be applied to Sub-Saharan export products, now earning around \$9 billion per annum, which would increase export income to between \$20 billion and \$27 billion per annum (see www.lightyearsip.net/scopingstudy).
6. The workshops commence the week beginning 20th April 2009. For more information on attending contact: Wanja Michuki, Ministry of Foreign Affairs: wanja.michuki@mfa.go.ke +254 20 318888 Ext. 218 or +254 728 155 479