



PROTECTION OF INTELLECTUAL PROPERTY RIGHTS IN INTERNATIONAL BUSINESS

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Abstract:

International business refers to the businesses that are carried out across borders of various nations. These business needs to have exclusive ownership and it must be protected by certain rights which are called as the Intellectual Property Rights (IPR). Intellectual property rights are the protective creations which prevents the organizations from unauthorized use or copying. It includes Patents, Copyrights, Trademarks etc. It provides the right to the owner to use, sell, license their creation for specific period. These rights are crucial for the businesses in international trade as they provide legal protection for their products and services. It enables them to safeguard their inventions, designs, brands and other creations. The businesses needs to adopt certain strategies for the protection of Intellectual Property rights. When the businesses fails to protect the IP rights then it can lead to several drawbacks in the business which can harm a company's financial position and reputation. It leads to a loss in the competitive advantage. There would be a result in the revenue losses and it automatically reduces the profitability of the business. The Intellectual property rights are considered to be crucial and core element in the international business and hence certain strategies needs to be adopted by the business for protection of the business innovations and also preventing from the damage of the reputation.

Keywords:

Patents, Copyrights, Trademarks, designs, inventions, brands, creations, International business, innovations, reputation, unauthorized.

9Introduction:

Intellectual property rights are those rights which provides legal protection to the creators and owners of works that are the result of the human intellectual creativity. In other words they can be used as the firewalls or frameworks for the protection of the human inventions and the innovations. These rights allow them to control and also to enjoy the benefit which is arising out from their creations. There are certain types of intellectual property rights such as the copyright, patents, trademarks, trade secrets, Industrial designs etc. Copyrights are those which protects the literary, artistic, musical and other certain

intellectual works. It can be used in the businesses of software technologies and usually the protection for the software type of businesses can be given for a period of 50-70 years. The Patents are those which provides protection to new inventions i.e. new useful products and services and the protection exists for 20 years from the filing date. The Trademarks are the words, sources identifying the sources of goods such as the brand name. The Trade secrets are those which protects the business information and provides a competitive edge and keeps it confidential. The Industrial designs are also considered to be a form of IP rights that deal with the protection of



visual design of the products and services in the business.

IPR are considered to be important is that it helps to encourage the innovation and creativity. It provides the creators and inventors legal protection and recognition. IPR helps the businesses to facilitate economic growth of the business by monetizing their inventions or brands through licensing, sales or exclusive use. It also helps in the fostering of industries like entertainment, technology and pharmaceuticals. It likely supports companies with protected IP assets since it reduces the risk of idea theft and increases for potential returns. Trademarks and Patent rights helps to ensure the originality of the product by differentiating them. It prevents the unfair trade practices like counterfeiting, piracy and unauthorized use which damages the reputation of the business. These rights enable the organizations to recoup R&D costs through exclusive right to their innovations. It can lead to continuous improvement in technologies and services. IPR tends to encourage the cultural preservation and respects the local heritage.

There will also be an adverse impact of those IP rights are not protected properly in a fair manner. There are certain key consequences of not safeguarding IP rights in the global and international markets. Without proper IP protection competitors of the business can easily imitate your products and designs and the strategies that are used in your product which automatically undermines your business and the products cannot be differentiated. It also diminishes your innovation as others can freely exploit your ideas. The counterfeit products can float in the market and may be sold at an unfair price and it leads to reduction in the profitability and automatically reduces the profits of the business and leads to revenue losses. There would be a rise of legal and financial risks that businesses may face challenges in exercising or enforcing their rights in foreign markets. If the IP is not protected, then the business may be forced to enter legal

battles which incurs more cost to defend its rights which has a lower chance of success. It provides a damage to brand reputation and also damages the brand identity as the counterfeit products can confuse the consumers that leads them to believe that inferior products are involved in your brand. These rights need to be protected by developing appropriate strategies for acquiring the IP rights. The IP ownership and access to control to the IP rights must be defined properly and to determine who owns the IP rights and implement measures for preventing the unauthorized access or misuse.

Statement of Problem:

1. This research tells about the importance of IP rights in the international business and how they are useful in dealing business operations.
2. This research tells what will be the result due to the failure of the protection of Intellectual Property Rights.
3. This research deals about the necessity of the Intellectual property rights in an international business.
4. This research tells about the strategies that need to be adopted for the protection of the Intellectual Property Rights.

Review of Literature:

1. Emmanuelle Auriol in his research titled Intellectual property rights protection and trade: An empirical analysis had stated that Developed countries had not made any effort for protecting their Intellectual Property Rights (IPR) in the face of globalization. The agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS) which imposes a common framework on all WTO members as regards IPR, has been challenged by many countries including Korea, Brazil, Thailand, India and the Caribbean States.



2. Satish Dhokare in his research titled A study of Intellectual Property Rights and its significance for business had stated that the Intellectual Property refers to creations of the inventions, literary and artistic works and symbols, names and images used in commerce. Intellectual property rights are like any other property right. They allow creators, or owners, of patents, trademarks or copyrighted works to benefit from their own work or investment in a creation. These rights are outlined in Article 27 of the Universal Declaration of Human Rights, which provides for the right to benefit from the protection of moral and material interests resulting from authorship of scientific, literary or artistic productions.
3. Kun Lin in his research had discussed about the impact of intellectual property protection on business performance of high-tech enterprises which deals with the mediating effect of political-business relations. It highlights that the IPR protection implementation environment has a positive relationship on the business performance effectiveness of high-tech enterprises. It make a significant contribution to the business performance business. It helps to promote the business performance effectiveness of enterprises.
4. Victor Cui in his research had discussed about integration of the country and firm level perspectives on intellectual property rights. IPR are of the critical importance in international business. The implications for a firm strategy and for policymakers are rarely aligned because the optimal level of IPR protection can be quite different from the country-and the firm-level perspectives. There is still greater variation between countries, their IPR legislation and enforcement efforts, as

well as their industrial and development policies.

Methodology:

1. This research comprises of both doctrinal and non-doctrinal research.
2. Both Primary and Secondary data in this research has been collected in the form of questions and surveys from law students and business experts who were aware about the intellectual property rights and the persons who are not using the Intellectual property rights for their business

Primary Data:

The data was collected through questionnaire and respondents were send link with few questions a data among 74 samples were collected. The collected data was analysed in the form of Pie-chart representation and was used for representing the opinions of the respondents.

Secondary Data:

The data was collected from journals, articles, newspapers, internet, books and the cases that are related to the Intellectual Property rights.

Study Area:

The respondents are not specifically chosen they are from different fields and age groups who has the knowledge and were aware about the Intellectual Property Rights in International Business.

Hypothesis:

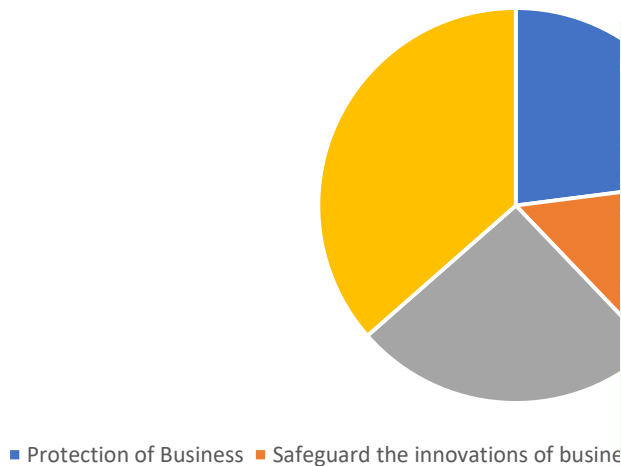
1. What is the use of the Intellectual Property Rights in International Business and why it is used?
2. Whether the Intellectual Property Rights helps in ascertaining the market position in the international business?



3. What will be the result if the intellectual property rights are not protected properly?

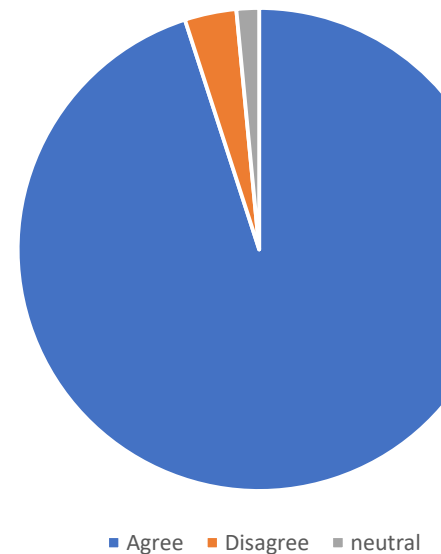
Results and Discussion:

Use of Intellectual Property in Int



The Intellectual Property Rights can be shortly defined as the rights to prevent the innovations and the creations of the business. Intellectual property rights can be used for the protection of business, safeguard the innovations of business, brand recognition. There are multiple uses for the Intellectual property rights. It can deal with the protection of the business activities in all aspects such as from internally and externally and from legal and regulatory challenges. It safeguards the innovations of the business so that the competitive business cannot counterfeit the products of the organisation and involve in fraudulent activities. The IPR automatically helps in developing the brand recognition and also to prevent the business from the damage of brand reputation.

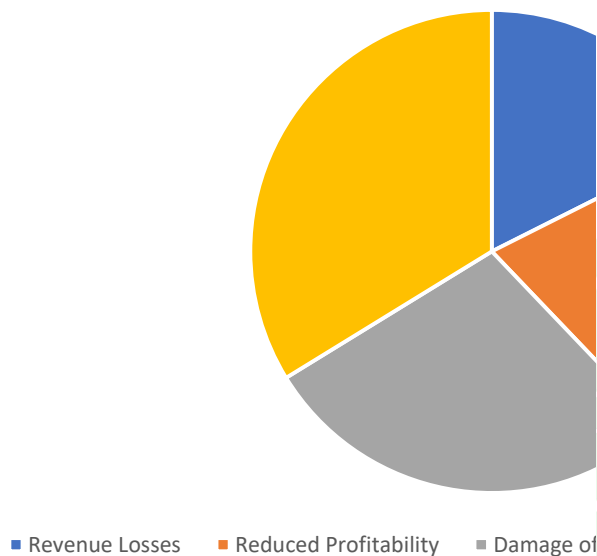
IPR ascertains the market position



In this research most of the people agreed that the Intellectual Property Rights would ascertain the market position in International Business as the patents, trademarks and copyrights provide legal protections for the innovations and creative works which enables the businesses to control the commercial use of their inventions and brand identities. It prevents the competitors from freely imitating or copying their products or services. It helps the companies establish a strong competitive advantage, protect brand integrity, and facilitate access to new markets. IPRs provide greater negotiating power when entering into business deals with importers, distributors, and other partners.



Results when IPR is not



Some businesses are not maintaining the IPR in a proper way that leads the business to revenue losses reduced profitability and damage of brand reputation. The Businesses needs to maintain their profitability for sustaining in the business. If the trade secrets and trade designs are not maintained properly then the competitive companies would take an advantage of that and they would increase the profitability of the business that leads the businesses to revenue losses and reduce the profit margins and automatically it leads to loss in the business. The Reputation is the identity of the business if the business had lost its revenue and profitability then it will automatically lead to loss in the reputation and provides a heavy damage in the brand reputation of the business that affects the business adversely.

Suggestions:

1. The Businesses needs to understand and comply with the Local IP laws and should make legal consultations regarding that.
2. The Businesses must register the IP rights in Key markets such as the Patent and Trademarks for making it legally enforceable and protective against other competitors.

3. The businesses should monitor and enforce the IP rights through online monitoring and market surveillance.
4. The businesses should make security measures for the protection of the IP rights by the management of Digital rights and using blockchain technology for IP tracking.
5. The businesses should educate and train their employees and provide them about the awareness of the IP rights.

Conclusion:

In the context of business operations Intellectual property rights helps in safeguarding the innovations and maintaining the advantages of being competitive and to ensure that the company's creative and technological assets are not being exploited or misused in a foreign market. The laws and regulations regarding the IP protection are distinct between different countries. It is essential to understand the specific requirements of each country or market where the business operates. There needs to be a consultation with the local IP experts in the target market to ensure the compliance with the local laws and effective protection of IP rights. It provides the creators the right to control their inventions, designs, trademarks, and creative works. It helps in the fostering of the research and development when the IP is protected. The assurance can be provided that their inventions and innovations will be safeguarded so that it will encourage to develop new technologies and products.

Since the companies would expand internationally, It provides the protection of creations and innovations in multiple markets. International agreements like Patent Cooperation Treaty (PCT) and the



Madrid Protocol for Trademarks deals with protection of business by allowing them to expand with confidence and it provides a secure foundation for international operations. Trademarks helps to differentiate the products and the businesses. In International business, strong trademarks to build the brand recognition and the consumer trust. When the brands become stronger with the protection of IP rights then it can command higher market shares, premium pricing, and customer loyalty. IP can be used to forge strategic alliances and partnerships from international firms. IP agreements can be used to ensure that both parties benefit from shared innovations and technologies. Companies which have a strong IP portfolios are more attractive to investors as it represents tangible and intangible assets that can generate future revenue. Investors view IP as a valuable asset that can provide a competitive edge and lead to higher returns.

Without the proper IP rights protection the competitors in the international markets will be easily able to copy or imitate your products, designs or technologies. Other companies might set their own standards and specifications for a product which can shift market expectations in a way that damages your brand when the IP rights are not protected. When venturing into international markets or collaborating with the international businesses, the partners may be reluctant to engage in deals without an assurance that their IP will be protected. Lack of IP protection may make it difficult to form strategic alliances and joint ventures. If the trade secrets are not protected properly, then they are susceptible to theft or the unauthorized use by the competitors or the employees. In mergers and acquisitions, the value of IP plays a significant role in the overall valuation of a business. If the IP is not protected properly it can reduce the perceived value of the company, that complicates the merger or acquisition processes. The company may hesitate to purchase a business with an unprotected IP as they involve lot of associated risks including the

legal disputes or IP theft. There are certain strategies and suggestions which needs to be followed in order to protect the IP rights. The IP rights should be protected for the growth of the business and the development of the business operations. If they are not protected properly it affects the business in all aspects such as financial, legal, political and economical etc.

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