Current Intellectual Protection Practices by Manufacturing Firms in Canada

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March 30, 2001

INTRODUCTION

The objective of this paper is to determine how the utilisation of intellectual property rights (IPRs) by Canadian manufacturing firms is related to their characteristics, activities, competitive strategies and industry sector in which they operate. One of the related questions, that are also addressed, is the extent to which Canadian firms patent in Canada and abroad and especially in the United States.

The principal source of information used in this endeavour is the latest Statistics Canada Survey of Innovation 1999. The paper starts with an overview of other major surveys that looked at the use of intellectual property rights in Canada. The most complete of these is the previous Statistics Canada (1993) Survey of Innovation and Advanced Technology which included an extensive section on intellectual property. Since the 1993 survey included some important questions that did not find place in the latest 1999 Survey, the findings are reported with some detail here.

The second part of the paper presents a preliminary analysis of the principal findings of the 1999 Survey. In order not to overburden the text with tables, most tables are included in the Appendix.

The use of IPRs is to a great extent correlated with basic economic characteristics of firms, their activities and industry environment. To draw as much information from the rich survey data as possible in a concise way, we estimated a series of multivariate models that explain the determinants of the use of IPRs and their effect on innovation. The results of this analysis are presented in the third part of the paper.