

Future Collaboration for Studies on Intangible Investment and Innovation

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New Sources of Growth Project

Measurement

Taxation

Data

Corporate Reporting

Competition

Knowledge networks
and markets

Global value
chains

STI (NESTI and WPIA) and STD

- Review the methods for measuring flows and stocks of intangibles.

- Work to develop measurement guidelines for selected intangibles at firm level.

- Review and produce new evidence on the contribution of intangibles to firm, sectoral and aggregate performance.

- Analyse value creation from intangibles. e.g. relationship between investment in intangibles and knowledge output (IP)

Developments in intangible assets measurement

- Questions about intangible investment are very important – measurement, impact on firm performance and economic growth and policy implications.
- many scholars all over the world are interested in this issue, and many developed countries are trying to answer these questions.
- The OECD represents a forum for discussing the formulation of these questions and questionnaires
- So far UK and Italy have introduced the only intangibles surveys
- The burden on surveyed firms are not large relative to the importance of the survey
 - UK: Second pilot survey of intangible investment and asset lives. Led by Jonathan Haskel, funded by NESTA, implemented by ONS.
 - Italy: Pilot survey carried out by ISTAT on approx 200 medium to large Italian companies, involving written questionnaires and personal interviews. Uses a substantially revised version of UK model questionnaire
- OECD has been involved in advising on the questions used, examples and exclusions. Both surveys have now been implemented and results will be presented at a forthcoming OECD workshop on intangible assets.

Related projects

- STI is leading and coordinating a number of other projects:
- Evaluation of impact of survey design features on quality (e.g. response rates) and reported innovation rates; cognitive testing of key innovation survey questions (Focus on novelty & expenditures for innovation)
- R&D and innovation in services
 - Analysis of R&D and innovation for services & in service sector
 - Review of policies for service innovation. Rationale. Gaps.
 - New indicators of service innovation and recommendations for R&D and innovation measurement

2. Issues the NSG Project will address

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CTPA

- Better assess the tax burden on knowledge capital, factoring in the effects of tax policy and MNE tax strategies.

- Drawing on the above, examine challenges for policy in encouraging investment while also taxing returns on mobile intangibles.

- OECD will shortly be reverting to the tax authorities in member countries to obtain precise information on all forms of tax subsidy/allowance.

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STI/ICCP + EAS

- Personal data is now heavily processed, analysed, shared and transferred across the globe and around the clock.
- Explore measurement of investments in data.
- Explore broader policy implications of the growing value of personal and public data.

E.g. Scope for spillovers? (some commercial data might be used for scientific purposes); how to value public data? The balance between privacy and innovation ?

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DAF/CA

- Review progress in reforms to corporate reporting of intangibles since OECD's most recent work in this area (2008);
- Identify where reforms have lagged and explain factors retarding reform;
- Outline prospects for further reform and how progress might best be realised.

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STI/EAS-CSTP

Indicators of knowledge flows, including patents

Which policy settings will best facilitate the circulation (sharing, trading or joint production) and exchange of knowledge among independent parties ?

Conditions under which companies access and generate the key intangibles of knowledge and innovative property.

www.oecd.org/sti/knowledge

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STI/SPD

-iPod, 'made in China', but most of the value accrues to retail/distribution service providers in the US and Apple, based on innovations in design, marketing and supply-chain management.

“Our clothes are Italian, French and German, so the profits are all leaving China...We need to create brands, and fast”.

SG, China Industrial Overseas
Development and Planning Assoc.

Project outputs

- Measurement of intangibles and their effects on economic growth.
- Improving tax policy for intangible assets.
- Progress in reforming corporate reporting of intangible assets.
- The role of intangible assets in global value chains.
- Developing knowledge networks and markets (KNMs).
- The creation and measurement of economic value from new forms of data.
- Synthesis report, with prioritized recommendations for government.