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**Council for Trade-Related Aspects of
Intellectual Property Rights**

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**INTELLECTUAL PROPERTY AND INNOVATION:
INCUBATORS AND ACCELERATORS' SUPPORT OF START-UPS OPERATING IN A CROSS-
BORDER ENVIRONMENT**

COMMUNICATION FROM CANADA; THE EUROPEAN UNION; HONG KONG, CHINA; JAPAN;
SINGAPORE; SWITZERLAND; THE SEPARATE CUSTOMS TERRITORY OF TAIWAN, PENGHU,
KINMEN AND MATSU; THE UNITED KINGDOM AND THE UNITED STATES OF AMERICA

1 INTRODUCTION

1. Start-ups play a key role in innovation and job creation, whether locally, nationally or internationally. Given that start-ups often have few resources at the outset and during the early stages of their development, it is often important that they seek support from a variety of sources.
2. These can include incubators and accelerators. Their assistance is particularly useful with start-ups that are not sufficiently aware of intellectual property (IP).
3. After defining the concepts of incubators and accelerators, this submission will explore how incubators and accelerators can support the development of start-ups in regard to IP and help them to integrate into the cross-border economic marketplace.

2 DEFINITION OF INCUBATORS AND ACCELERATORS

4. Although there is no official definition of the terms "incubator" and "accelerator", we note that incubators and accelerators have a common objective: to offer programs to support start-ups as they establish themselves and take their first steps into the economic marketplace.¹
5. An incubator is an entity, often not-for-profit, which may be attached to a university, a company or a venture capital fund.² Involved in the founding and very early development of start-ups, its initial aim is to help start-ups survive and grow by developing a viable business strategy.³ Incubators not only provide start-ups with office space, but also offer legal and financial advice⁴, as well as assistance to help them develop and implement their business plan.
6. An accelerator, which is in principle understood as a for-profit entity which takes an ownership stake in start-ups, comes into play at a later stage of business development, when start-ups have already been created.⁵ Business-experienced mentors and coaches support start-ups to prepare for and adapt to the challenges they face when entering the market, for example by helping them

¹ European Commission/OECD, Policy Brief on Incubators and Accelerators that Support Inclusive Entrepreneurship, p. 3.

² WIPO (2021). Enterprising Ideas: A Guide to Intellectual Property for Startups, p. 69.

³ Giourka Paraskevi, Kilintzis Pavlos, Samara Elpida, Avlogiaris Giorgos, Farmaki Polytimi, Bakouros Yiannis, A Business Acceleration Program Supporting Cross-Border Enterprises: A Comparative Study, p. 4.

⁴ Ibidem.

⁵ European Commission/OECD, Policy Brief on Incubators and Accelerators that Support Inclusive Entrepreneurship, p. 6.

compete effectively for venture capital funding. The intensive programs offered by accelerators are generally shorter in duration than those offered by incubators.⁶

3 INTELLECTUAL PROPERTY-RELATED SUPPORT PROVIDED BY INCUBATORS AND ACCELERATORS

7. Incubators and accelerators can play a significant role in raising start-ups' awareness of IP. Through a range of training and coaching courses, these entities not only explain to start-ups the importance of protecting their innovative products or of creating a brand for the promotion of these products when entering the market, but also show them how IP rights can signal to potential national or even international investors that a start-up holds promising value⁷ and thus may offer an attractive investment opportunity.

8. A number of incubators and accelerators offer programs – in particular on the management of an IP portfolio – that will help start-ups to grow both nationally and beyond national borders. A good example is *Villgro Africa*, an incubator in Kenya specializing in health and technology. *Villgro Africa* offers a number of programs whose geographical scope extends beyond Kenyan start-ups.⁸ Aware of the importance of the knowledge-based economy, *Villgro Africa* is particularly keen to make start-ups aware of the need to protect their knowledge as early as possible using tools such as trade secrets and patents.⁹

9. In a global economy, it is beneficial for the programs offered by incubators and accelerators to be open to start-ups abroad in order to stimulate the exchange of knowledge across-borders and enable innovation in recognition of the important role played by IP rights in protecting this innovation. Moreover, the range of start-ups and ideas that incubators attract can lead to collaboration on innovative concepts and technologies, fostering solutions that transcend national borders, strengthening the global competitiveness of start-ups and at the same time serving as an effective way to address global challenges such as climate change.

10. However, both incubators and accelerators often lack staff dedicated to IP, which means that they are not always able to deliver sufficient human resources to start-ups, or even materials such as guides relating to IP and its management. Improvements in this area should be undertaken by incubators and accelerators, possibly with the help of their host countries. Mutual support, cross-border exchanges and programs between incubators and accelerators from two or more countries – possibly supported by the national IP offices concerned or WIPO – could form an interesting platform for sharing know-how and building capacity with a view towards jointly fostering innovation in their countries. In this regard, as an example, reference is made to the recent organization of a workshop by WIPO and the Swiss Federal Institute of Technology Lausanne (EPFL) Blaze Startups Accelerator to improve the IP strategy of the EPFL start-ups.¹⁰ During the workshop, student start-ups had the opportunity to learn how IP could help their businesses. The sessions covered topics such as developing an IP strategy, successful examples of startups utilizing IP, and the risks associated with neglecting the IP system.¹¹

4 CONCLUSION AND GUIDING QUESTIONS

11. Incubators and accelerators can play a significant role in supporting young business ventures in their start-up stage. In addition, incubators and accelerators can also increase start-ups' chances of success in a cross-border environment by advising them on the establishment of a sound and reliable IP strategy.

12. In this context, Members are invited to share their own national experiences, for the discussion of which the following questions may be of assistance:

1. What IP challenges do start-ups face when they are involved in cross-border collaboration?

⁶ Cohen S., Hochberg Y.V., *Accelerating Startups: The Seed Accelerator Phenomenon*, p. 13.

⁷ Document [IP/C/W/692](#), p. 3 §7.

⁸ Omondi Paul, *Villgro Africa: helping health startups take their ideas to market*, WIPO Magazine, p. 18.

⁹ Omondi Paul, *Villgro Africa: helping health startups take their ideas to market*, WIPO Magazine, p. 21.

¹⁰ WIPO, *The WIPO – Blaze Startup Accelerator Workshop*.

¹¹ *Ibidem*.

2. Do Members or their regional organizations have specific IP policies to encourage their start-ups to collaborate beyond national borders? If so, are incubators and accelerator programs part of these policies?
3. Is IP one of the tools used by Members' incubators/accelerators and, if so, does it play a role in cross-border collaboration and how?
4. What types of restrictions may start-ups face if they wish to license their IP to foreign entities (or conversely, how is this facilitated by incubators/accelerators)?
5. Are the programs offered by the incubators and accelerators located in the territories of the Members strictly national or regional?
6. If incubators are housed within universities, do these universities have collaboration programs with universities in other countries?
7. What plans do incubators and accelerators have to better support start-ups in terms of IP?

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