



Australian Government

IP Australia

Public-Private Partnership in Public Education Program

Small and Medium Enterprises

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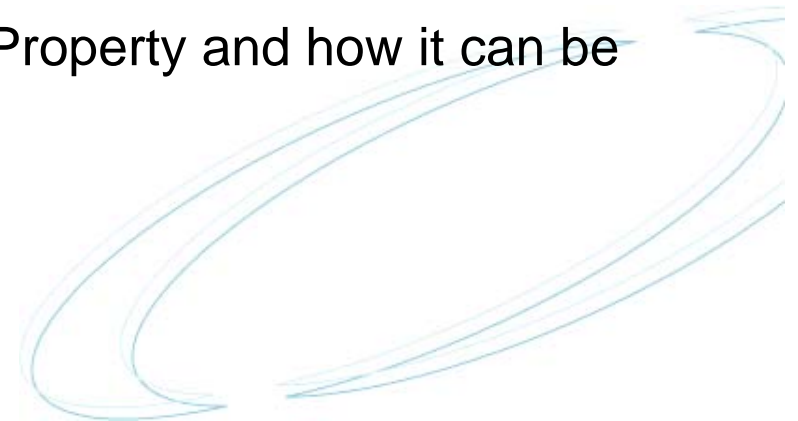


Presentation Overview



Small And Medium Enterprises in Australia

- Characteristics and Significance to the Australian Economy
- Understanding and trust of government by small business
- Understanding of Intellectual Property and how it can be used beneficially
- Research Findings





Presentation Overview - Continued



What approach has IP Australia Taken?

- Direct to SME's
- Via Advisers
- Products
- Value of Case Studies
- Example of a Case Study
- How is it Working
- The Future?





Characteristics of Australian Small and Medium Enterprises

- **Australian Definitions:**
 - **Micro Business – Less than 5 employees**
 - **Small Business – More than 5 and less than 20 employees**
 - **Medium Business – More than 20 and less than 200 employees**
- **Australian population – 20.7 million (October 2006)**
- **Australia total SMEs – 1.27 million**
- **Representing 97% of all firms in Australia and employing 47% of workers (June 2004)**

* Source: Profile of SMEs and SME Issues in APEC 1990 - 2000

* Source: Australian Bureau of Statistics Population Clock (www.abs.gov.au)

* Source: Australian Bureau of Statistics - Characteristics of Small Business 8127.0 2004



Small and Medium Enterprises - Characteristics



- 56 % of small businesses are non-employing – single operators
- The majority of non-employing businesses, (36%), have been in business from one to less than 5 years
- 65 % of operators worked between 35 and 50 hours per week, 30% between 51 and 75 hours and 5% more than 75 hours per week
- In June 2004, 72% of small businesses were using computers in their business operations and 62% had access to the internet
- Source: Australian Bureau of Statistics - Characteristics of Small Business 8127.0 2004



Understanding and Trust of Government

- No hard data on this but anecdotally trust of government is fairly high but business would like less paperwork from government
- IP misunderstood as a regulatory burden
- Lots of “advisors to small business” out there

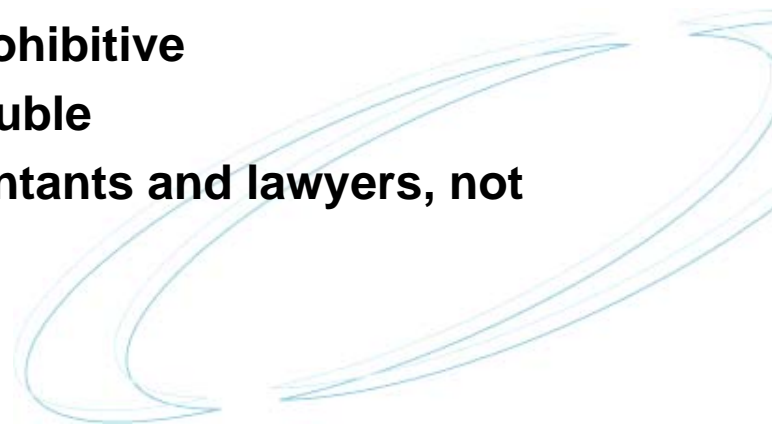




Research

Key findings:

- **SME owners too busy managing other areas of the business (marketing, accounting etc.) to consider IP**
- **Lack of basic understanding of IP identification, commercialisation and protection**
- **Lack of awareness of where to go for assistance**
- **Fear that IP can be infringed and lack of knowledge on enforcement**
- **IP costs seen as too high or prohibitive**
- **Only considered IP when in trouble**
- **Obtained IP advice from accountants and lawyers, not from IP experts**





Key IP Issues Identified for SME's

Key awareness issues for SMEs:

- Treat IP the same as any other business asset
- Understand the different types of IP
- Keep new ideas confidential
- If ideas have commercial potential, use IP protection
- Build a prototype to market the idea
- Keep track of development costs
- Research and understand the market
- Determine if the business has all the skills to develop, market and sell the idea
- Keep an open mind on financial returns
- IP is valuable, so protect it!



Key Messages

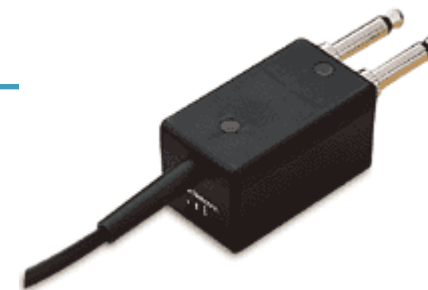
Key messages include:

- IP is not just for big business – Affordable strategies are available for SMEs
- Many SMEs possess IP but may not be aware that they do
- Understand the commercial potential of IP and develop appropriate strategies
- Unauthorised copying or misleading and deceptive conduct is against the law
- What constitutes an infringement and ensuring that SMEs are infringement ready
- Contacts for advice on all aspects of intellectual property identification, commercialisation, protection and enforcement
- IP is like any other asset – secure it and protect it!



Solutions

- A two pronged approach
- Smart Start – targeted at the small business person
- IP Tool Box – targeted at Business Advisors (Accountants, Solicitors, Lawyers)





Products - Smart Start



- www.ipaustralia.gov.au/smartstart
- Integrated communication campaign and product for SMEs
- Objective is to raise level of awareness first and then understanding of IPRs within SME segment
- Postcards and online advertising used to drive SMEs to the resource
- Program comprises:
 - Brochure
 - Website
 - Seminar series and
 - Editorial
 - Information provided through a distributed system





Smart Start



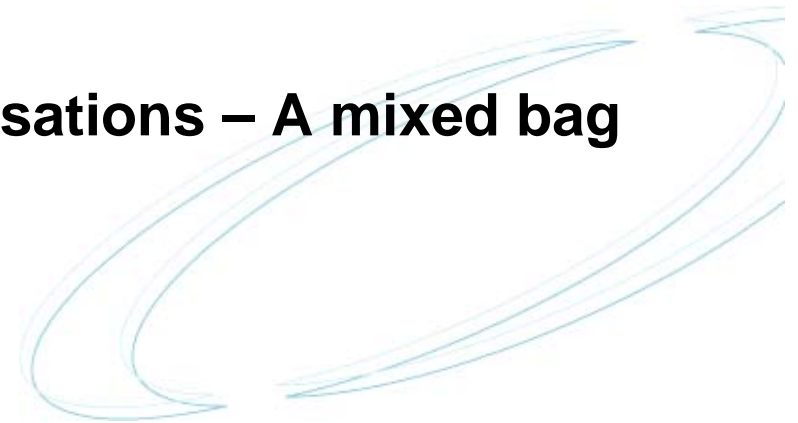
- **Smart Start booklet** – comprehensive resource for SMEs starting out in business.
- **Smart Start online resource** – contains useful tools, such as business plan templates and a confidentiality agreement builder.
- **Smart News** – A bi-monthly e-newsletter sent to subscribers
- **Seminars** – recently participated in an Australia-wide Home-Based Business seminar series, coordinated by AusIndustry (sister government organisation).
- **Media / editorial** – targeted advertising and editorial placements in key small business magazines and online resources.





Value Of Case Studies

- Research tells us that SME's like reading about their peers
- Real Stories, Real People, Real Situations
- Able to relate the situations back to them
- May know some of the organisations – A mixed bag





Smart Start Case Study - Peter Anyon, AQT

- Developed air quality testing equipment
- Uses patent databases and 'prior art' as technical resources and to ensure he is not infringing the IP of others
- Former patent examiner, but relies on his patent attorney for advice
- Has several Australian and overseas granted patents for his invention





Smart Start Case Study – Coffee Club

- National Franchise – over 100 stores
- Recognised the significance of registering their trade mark early on
- Brand for a range of products
- Advice from a trademark attorney
- Across a variety of classes
- Strategic registration in more than a countries in preparation for global market
- Franchisees confident IP is secure





IP Toolbox

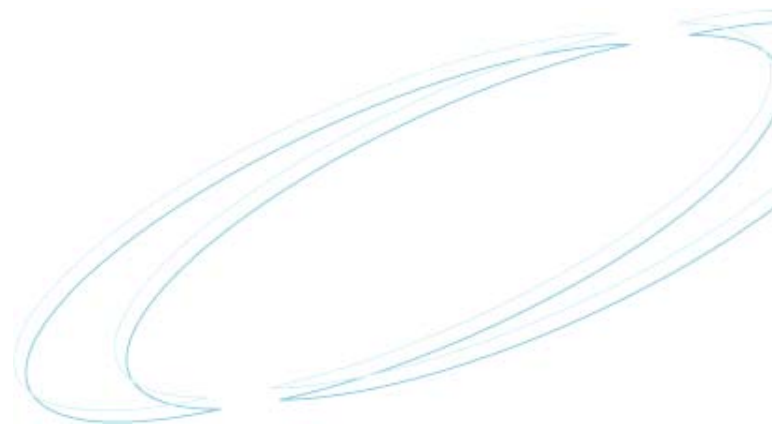


- **Comprehensive IP guide for business and researchers. Developed in conjunction with leading industry experts**
- **Targeted at Business Advisers**
- **Recently launched as an on-line tool**
- **More accessible to all customers**
- **Will be part of our overall strategy for Business Advisers**



How is it Going?

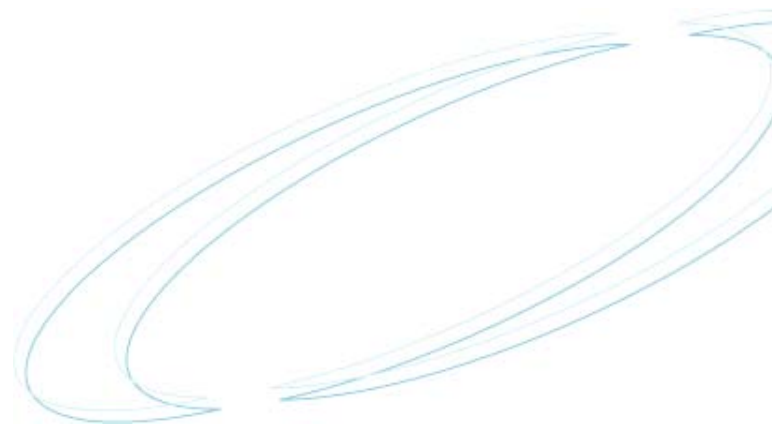
- **Subscribers to Smart Start have doubled in the last 12 months**
- **Click through rates are well above industry standard**
- **Publication orders are steady**
- **Very few unsubscribe**





The Future

- Greater emphasis on regular contributions through the Smart Start newsletter
- Partnerships – embedding our educational resources such as Smart Start in to other organisations programs
- Technical education program – IP education to future small business operators
- Keep reviewing and adapting





Thank You



Questions ???

