



Intellectual capital and the dematerialisation of industries

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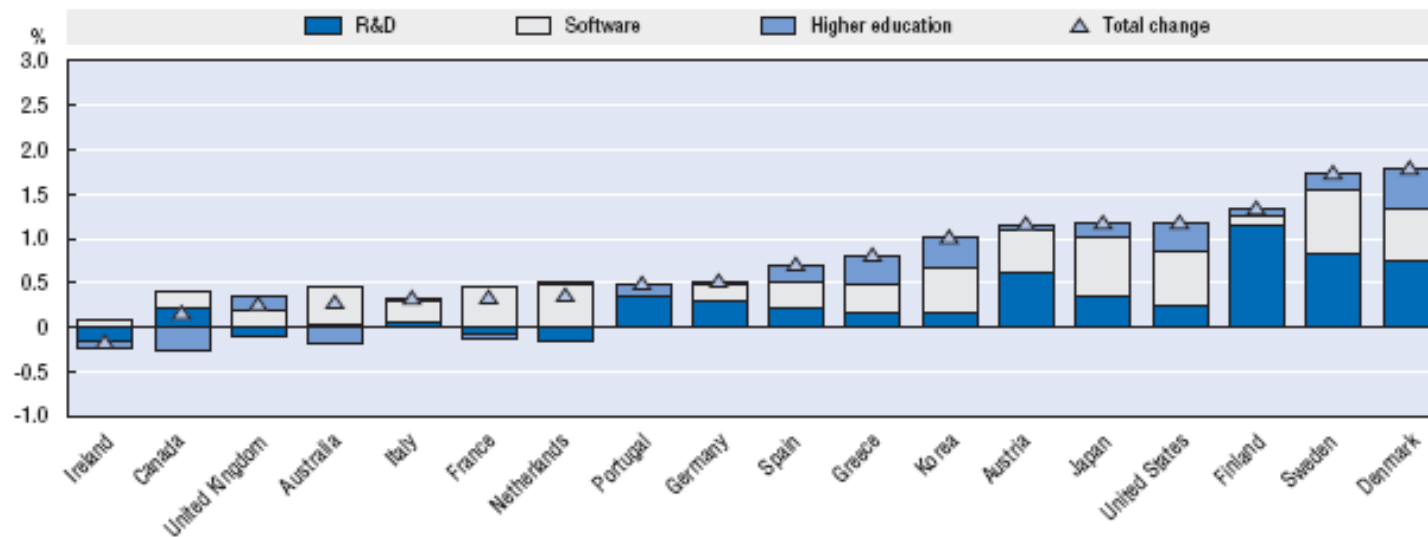
- ❑ **A general trend to invest in intangible assets more than in tangible**
- ❑ **The main incentives : marketing, innovation**
- ❑ **Firm size is relevant**
- ❑ **A general phenomenon, whereas manufacturing, trade or services are considered**
- ❑ **Some impact of energy/GES policies**
- ❑ **What about public policies?**

I- A general trend, with a creed : investment in knowledge boosts growth

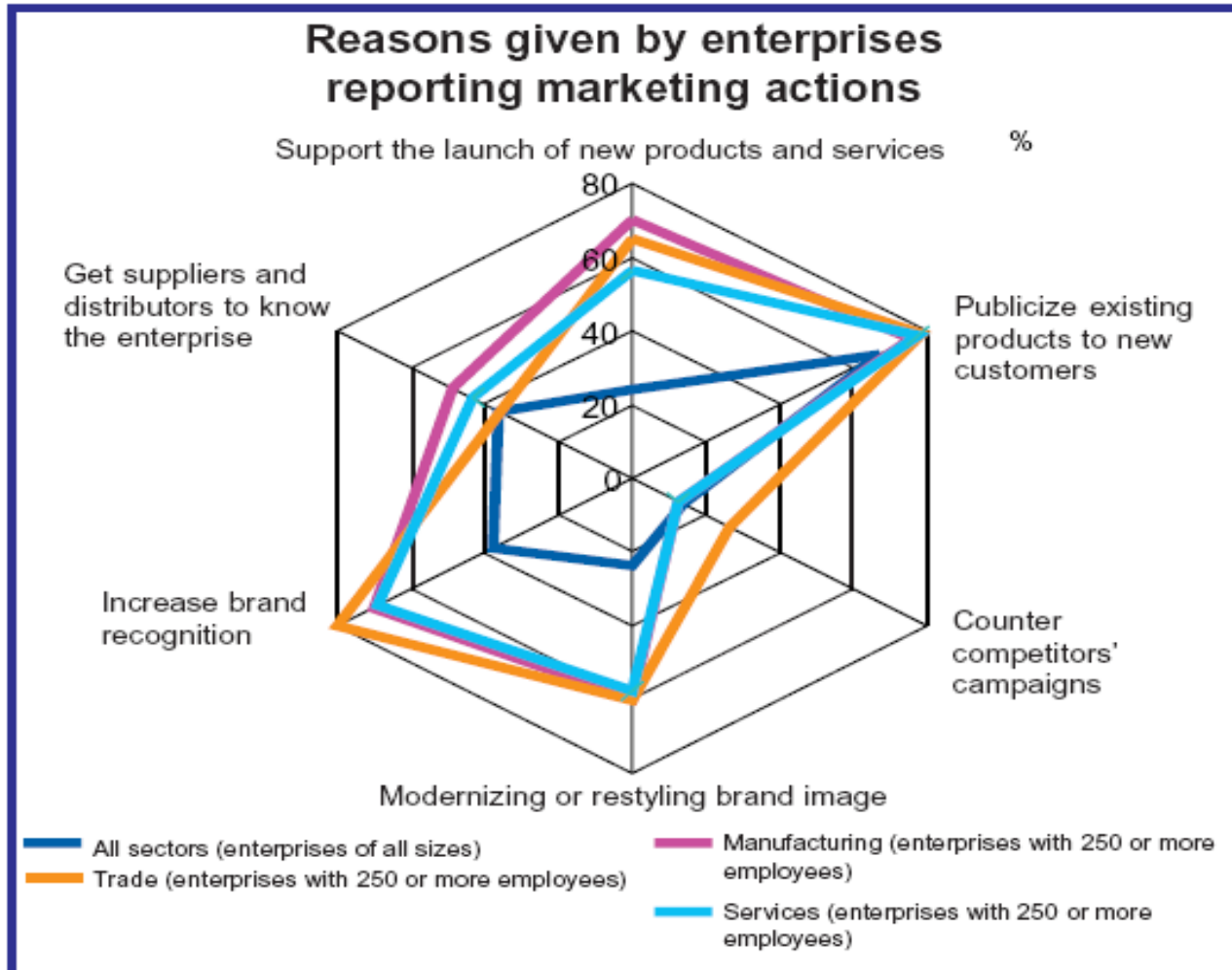
en G€	1996	1998	2000	2001	2002	2003	2004	2005*
Publicité	12,2	13,6	17,8	17,9	18,7	18,9	18,9	19,1
Formation	2,2	2,0	2,1	2,1	2,1	2,2	2,2	2,2
Logiciels	0,7	1,0	1,1	1,2	1,1	1,2	1,2	1,3
R & D industrielle	14,8	14,8	16,2	17,2	18,3	18,5	19,0	19,3
Investissement incorporel	30,0	31,4	37,2	38,4	40,2	40,2	41,4	41,9

Sources : MENRT, Sessi, Soeas, Cereq (*chiffres estimés pour 2005).

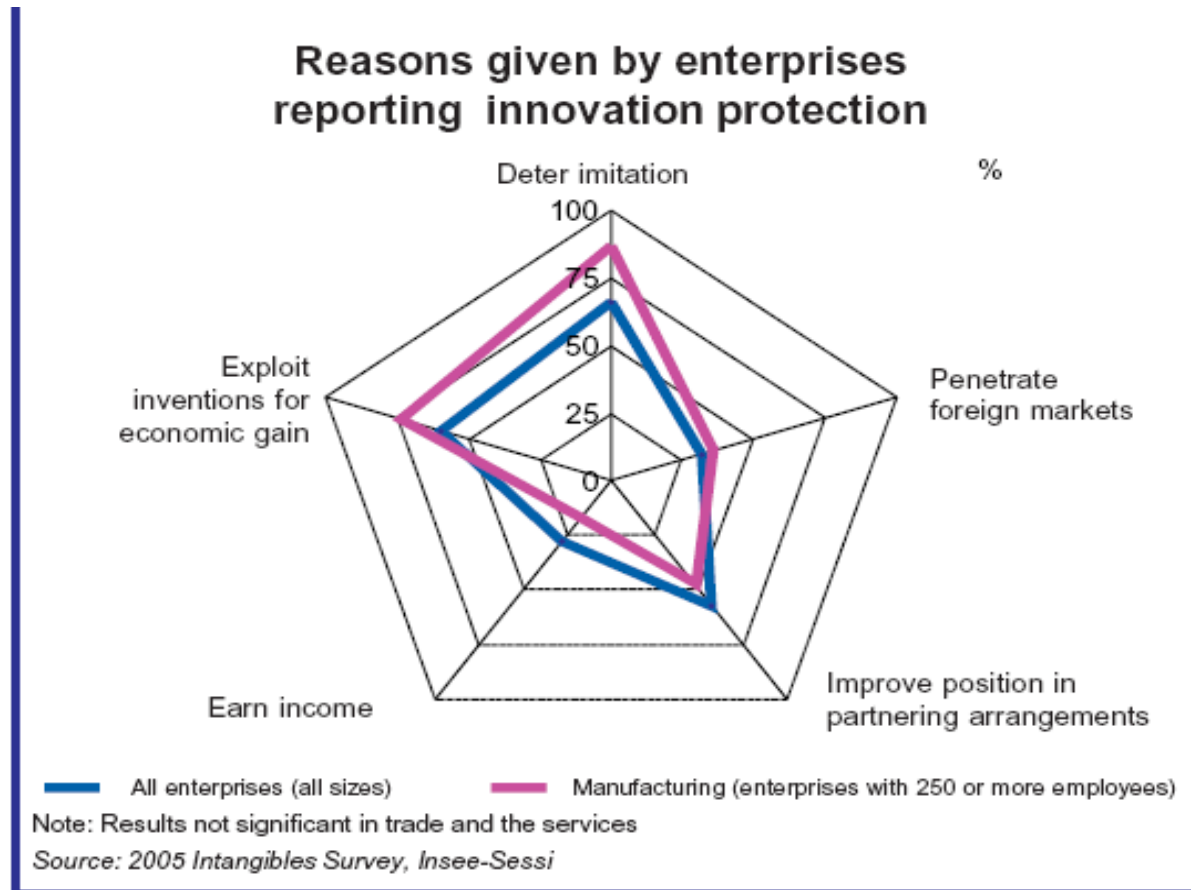
Contributions to the growth of investment in knowledge, as a percentage of GDP, 1994-2002¹



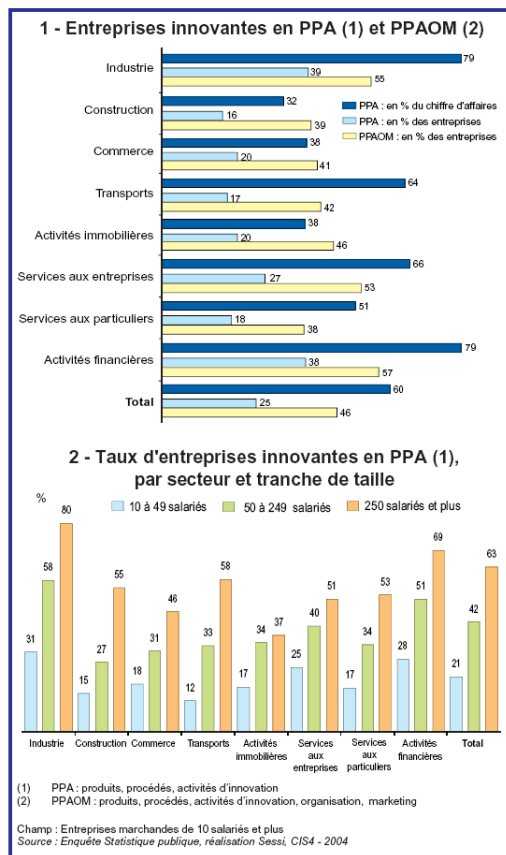
The main incentives : a) Marketing



The main incentives b) Innovation



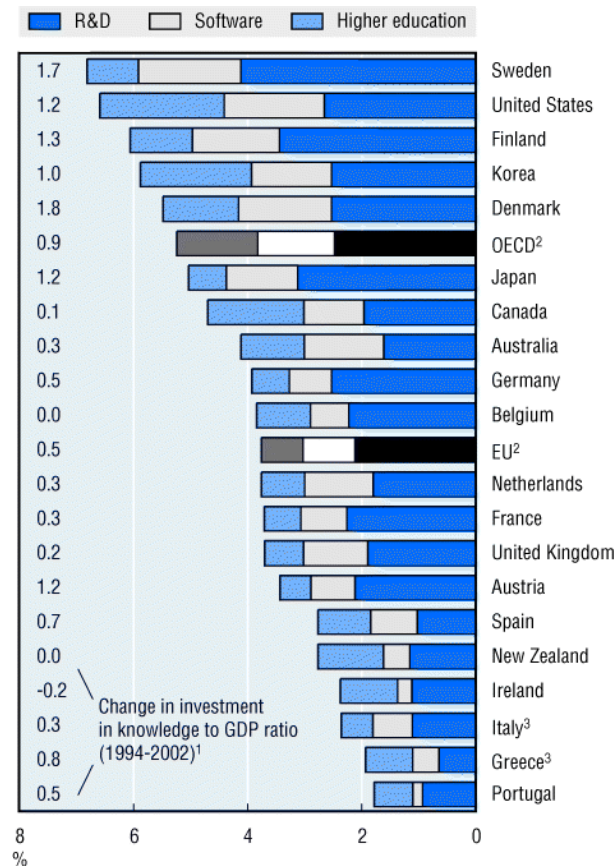
The main incentives c) Innovation : a worldwide schumpeterian economy



- 1/4 of firms innovate, and account for 60% of sales. 2/3 of innovation firms are investing in R&D
- USA : 79->129Mds\$ of public R&D in 5 ans.
- EU : Lisbon targets
- Japan : 3,12% R&D/GDP
- Emerging economies : a fast catching up (see Sachwald & CEPII 2007)

The importance of investment in Knowledge

(and a poor French achievement up to 2002, yet a new impulse since 2003, and a high priority in 2007/2012, through higher education reforms and R&D incentives)



Firm size is relevant : SMEs still under invest in intangibles

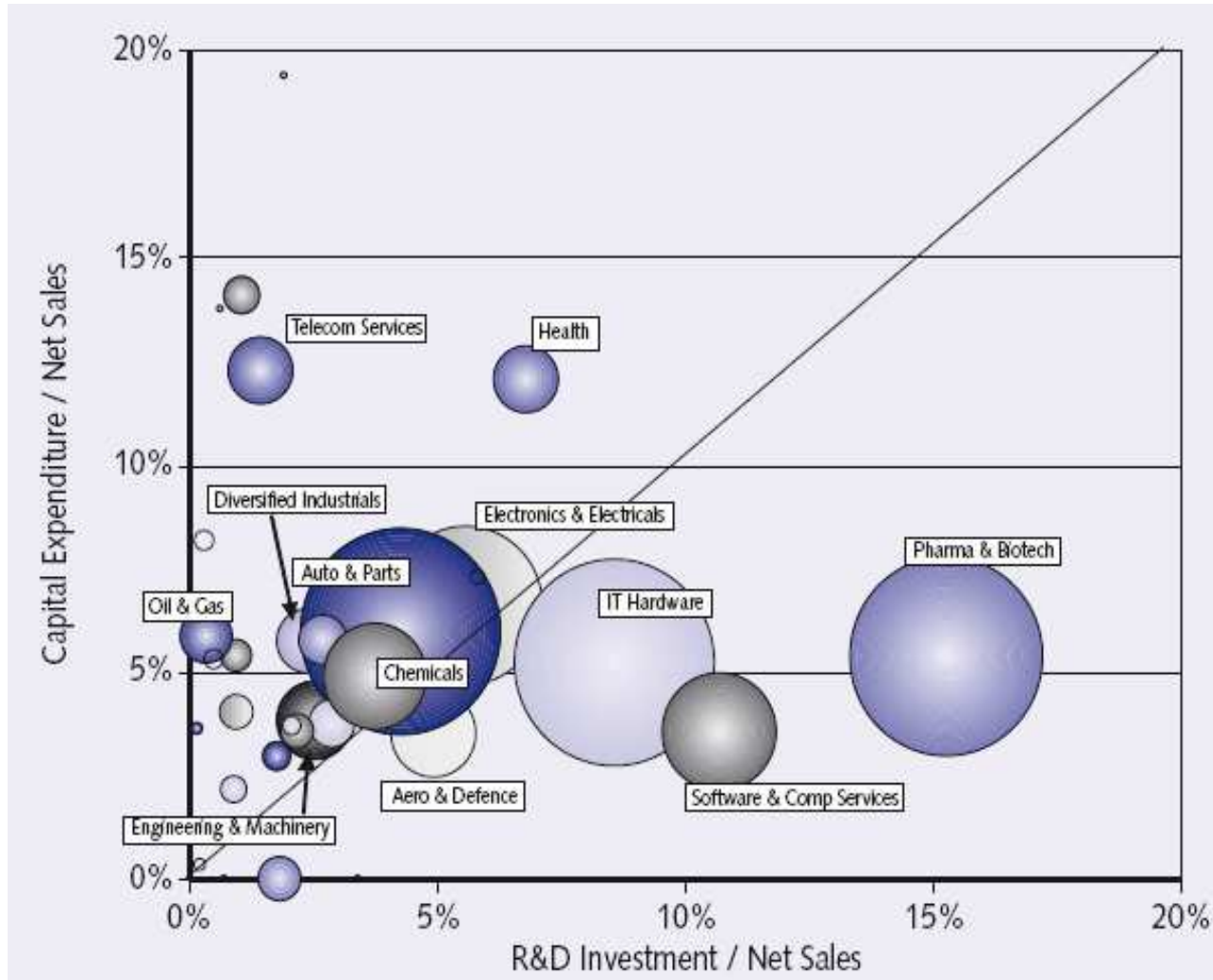
Enterprise policies for intangibles, by size and sector (%)

Enterprises with policies for intangibles (%) * (Enterprises may have actions in more than one area)	At least one area of action	Actions				
		Marketing and advertising	Innovation	R&D in France	Protection of intellectual property	The four areas of action
Total	45	39	13	6	12	2
Total weighted by employees**	75	70	50	40	53	35
			by size			
0-9 employees	44	38	12	5	11	2
10-249 employees	57	53	20	12	20	7
250-999 employees	88	81	59	42	63	32
1,000 or more employees	98	95	79	65	91	60

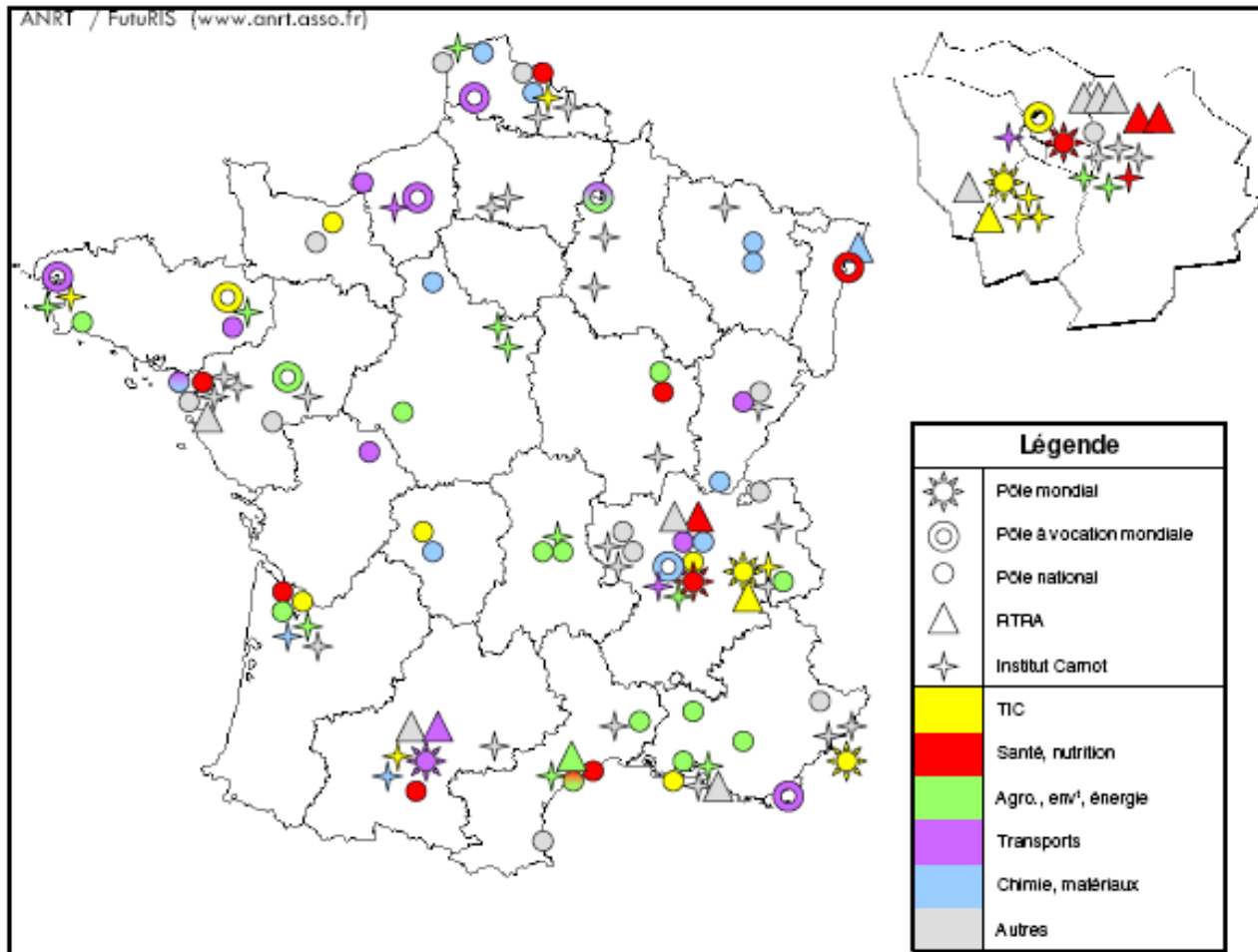
Sectoral approach, at least large ones, are less relevant

Manufacturing (total)	42
0-9 employees	40
10-249 employees	58
250-999 employees	95
1,000 or more employees	100
Trade (total)	51
0 - 9 employees	50
10 - 249 employees	73
250 - 999 employees	87
1,000 or more employees	98
Services (total)	43
0 - 9 employees	42
10 - 249 employees	48
250 - 999 employees	79
1,000 or more employees	95

sectoral approach, at a finer level is relevant, at least for R&D and innovation

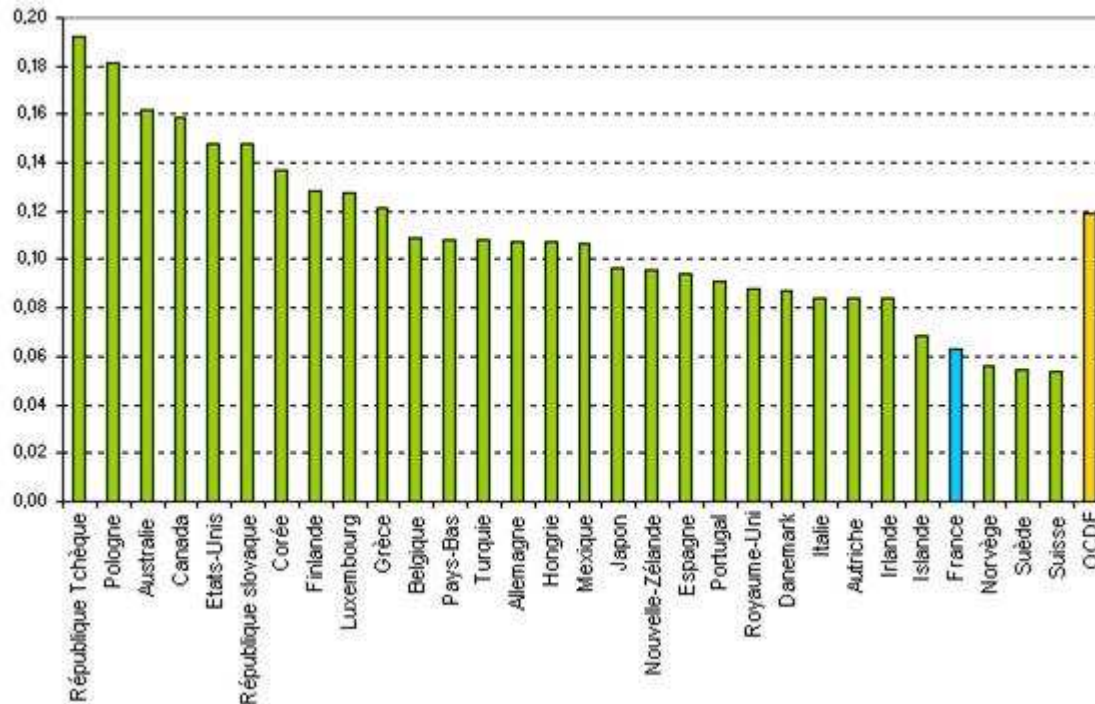


Geographic concentration of intangible assets matters : the role of clusters ; the French ongoing reforms



Some impact of energy/GES policies

- 1973-2004 : -42% of energy intensity in GDP in France : -1,2%/year
- 2007-2020 : -20% GES in EU, if 2% annual growth ~ -36% : a gigantic challenge to impulse a more intangible economy



What about policies?

- The report on intangible assets
- Some ongoing work, mostly on
 - ➔ a better evaluation of public assets,
 - ➔ counterfeiting and IP aspects,
 - ➔ investment in higher education
 - ➔ innovation,
 - ➔ clustering,
 - ➔ sustainable development vs IST,
 - ➔ Web 2.0 issues