

The Concept of Intellectual Property and its Features in Generating Income

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Abstract:

This article is devoted to the study of the concept of intellectual property and its importance in economic activity. Intellectual property as a product of human creative activity is protected by copyright, patents, trademarks, trade secrets and other legal categories. The article discusses the main ways to generate income from intellectual property, including licensing, franchising, direct sales and the development of innovative products. The main characteristics of intellectual property are also analyzed, such as exclusivity, endless repetition, variability of market value and its place in the international economy. The results of the study provide important theoretical and practical recommendations for planning effective management of intellectual property and obtaining benefits from it. The article is relevant for researchers, economists and specialists engaged in innovative activities.

Keywords: intellectual property, copyright, patent, trademark, innovative products, exclusive right, economic income, intellectual property management, market value, innovative activity.

INTRODUCTION

According to world economic data, in 2023, the United States, Japan and France will take the lead in terms of technologies for creating intangible assets. In the United States, 39 companies were recognized as innovators, including Amazon, Apple, Boeing, Google, Microsoft and Nike. In Japan, 34 organizations are innovators, including Toyota, Panasonic, Sony, NEC and Fujitsu. "Samsung" is in first place among the companies that have received the most patents, "IBM" is in second place, and "LG" is in third place.

Of the total patents received by world region: 64.6% to Asian countries, 20.5% to North American countries, 1.3% to European countries, 2.0% to Latin American countries, 1.1% to Oceania and 0.5% to African countries is coming In terms of countries, China is leading in this regard. This

country owns 42.8% of the total patents issued in the world, the USA - 19.4%, Japan - 10.2%, Korea - 6.7% and the European Patent Office - 5.1%, and all other countries - 15.8 owns a percentage. [7]

Complex measures are being implemented in our republic for the active development of the digital economy, the widespread introduction of modern information and communication technologies in all sectors and fields, first of all, in public administration, education, health care and agriculture. Socio-economic changes in the modern economy of our country, the formation of market relations, the importance of the place and role of the country in the economic sphere lead to the expansion of existing forms of ownership and forms of business management, the emergence of a digital economy, and the intellectualization of the activities of business entities. From this apparently that of enterprises in the activity intellectual resources main place occupies

Statistics to information according to our country around 4,500 per year intellectual property object , including 2 thousand more commodity signs register passes [8] . However, the rapid development of the economy and the introduction of new technologies require radical reform of the intellectual property sector.

LITERATURE ANALYSIS

According to N. Mazur, "Intellect in a broad sense can be understood as the mental ability of a person, the ability to accurately reflect life and environment in the mind and change, think, read, learn, know the world and accept social experience"[4]

According to V. Makarov, "the economic rent of intellectual property is the difference between the cost of using the resource, including the capital cost, and the compensation of the "ordinary" owner, as well as the market value. It starts with a temporary monopoly on intellectual property. These rents involve innovation risk and are gradually lost as competitors emerge" [3]

R. Dusmuratov also considers intellectual property objects as intangible assets and, by their nature, do not have a physical form, but participate in the activities of the enterprise among its other assets, and include them in income-generating funds. It is recognized that the concept of intangible assets is a complex and diverse concept at the international level and that there is no single standard for their accounting, as a result of which principled disagreements continue [2]

According to Ochilov I.: "intellectual property is the composition of intangible assets, objects of property that do not have a material property intended for long – term use in economic activities" [5]

Intellectual property is defined by N. Rizaev as follows: "intellectual property is knowledge created by the mental ability of a person, and knowledge requires legal protection as objects or assets (funds)" [6]

RESEARCH METHODOLOGY

The article uses synthesis, comparative and systematic approach, comparison and empirical methods.

ANALYSIS AND RESULTS

Based on the widespread development of the Internet today, numerous problems and appeals related to the protection of intellectual labor arising in practice, with the decision of the President of the Republic of Uzbekistan dated April 26, 2022 "Strategy for the development of the intellectual property sector in the Republic of Uzbekistan in 2022 - 2026" No. PD-221 it is proof of our opinion that it has been accepted.

According to this strategy, its main directions consist of the following:

- improvement of state management in the field of intellectual property;
- improvement of legislation in the field of intellectual property;
- further improvement of the processes of creation and registration of intellectual property objects;
- improvement of the system of protection of rights to intellectual property objects;
- implementation and improvement of information and communication technologies in relations related to intellectual property;
- forming a sense of respect for intellectual property in the society and increasing the legal culture of the population;
- implementation of international standards in the field of intellectual property and development of international cooperation" [1]

"Strategy for the development of the field of intellectual property in the Republic of Uzbekistan in 2022 - 2026" has set several tasks for the implementation of the directions, including, with the support of the World Intellectual Property Organization (WIPO), the widespread use of the online platform "WIPO ALERT" for the protection of copyright on the Internet in the republic which regulates the processes of providing state services for registration of intellectual property objects taking into account the development of administrative regulations, taking into account the possibilities of globalization and modern information and communication technologies, taking realistic measures aimed at preventing the illegal use of the results of intellectual activity and the characteristics of participants of civil transactions, goods, works and services on the Internet, population and business "IP management" (Intellectual property management) organizing training courses, analytically studying the activities of organizations that manage property rights on a collective basis, taking measures to transform them into organizations that literally protect copyright and related rights, respecting the results of intellectual activity among students of general secondary education and vocational schools, and improvement of scientific programs related to the field of intellectual property in order to form inventive and innovative qualities is one of them.

In our opinion, by turning intellectual property into the main driver that develops the socio-economic life of the society and the state, it is possible to include our country among the countries with advanced scientific, technical and inventive aspects, as well as to develop regional brands as a tool for comprehensive development of regions. Rapid introduction of modern information and innovative technologies to economic sectors, social and other fields by applying the results of intellectual activity is considered one of the important conditions for rapid development of our republic.

The concept of "intellectual" itself has no boundaries, it cannot be put into a certain mold or standard. Similarly, it is a very difficult task to determine the value (price) of its commodities (which can be sold in the market). In this regard, there is no clear set or limit in world practice. Whichever method is appropriate, the selected methods are currently being used.

The concept of "intellectual property" was defined for the first time in 1967 in the Stockholm Convention, at which time the World Intellectual Property Organization was established. The list of types of intellectual property as defined in the Convention is tentative and may be supplemented. The basis of intellectual property is the objects of copyright and patent law, as well as know-how tools. What all these objects have in common is their ideal nature, immateriality and ability to be embodied in physical, material objects with a certain economic value.

The economic function of intellectual property is to ensure that these intangible objects are involved in economic transactions. This function is manifested, in particular, in:

- the possibility of introducing a product rich in special consumer characteristics into economic circulation;
- in creating an additional source of financing the company's activities to pay the obligations;
- in creating a legal monopoly, providing technological and other advantages over competitors, providing superior and stable legal protection of entrepreneurship;
- management of capital in order to obtain stable profit, profit above the average indicator in the industry due to monopoly position, and to increase its value.

At the same time, the object of intellectual property in economic circulation has the following characteristics:

- does not have physical consumption, does not wear out physically, that is, it can only wear out mentally, there are no restrictions on the size of use except for market capacity and legal restrictions;
- whose property is not determined and can be used by an unlimited number of persons at the same time;
- requires separation from other results of intellectual activity and means of individualization through legal consolidation;
- can earn only if the rights to it are secured, which does not allow its use to be open to everyone;
- formation of spheres of influence in the market, provides an opportunity to exercise control over income from the use of intellectual property objects;
- its legal protection is limited by time, according to which the object becomes the property of society.

In any case, the income from the use of the object of intellectual property is a part of the income from the sale of tangible form (tangible objects).

CONCLUSIONS AND SUGGESTIONS

Intellectual property, as an economic resource, satisfies the needs of consumers not directly, but through the production of goods and services, and therefore the demand for it is like a derivative of a function. This determines the operational characteristics and costs of this resource.

In our opinion, an intellectual product has a number of differences from a traditional product:

- 1) intellectual product is intangible;
- 2) when consuming an intellectual product, its usefulness does not disappear as in the case of an ordinary product;
- 3) the cost of an intellectual product is based on individual costs, not social necessity, because the intellectual product is non-repeatable.

These characteristics determine the specific characteristics of the civil transaction of intellectual property objects and their prices.

In the economy, intellectual property works like any other factor of production. Therefore, capital income from intellectual property is economic rent, which is understood as any payment related to a given factor of production and exceeds its opportunity cost.

Capitalizable pure economic rent is specific to intellectual property and does not allow for alternative valuation and elastic supply.

In our opinion, the economic rent of intellectual property belongs to the owner of the copyright. Intellectual property can be used by any user, but only in accordance with the requirements set by the copyright owner. The use of intellectual property objects as goods or economic resources in circulation allows to consider them as environmental assets. In the economic sense, intellectual property performs the same functions as property.

In the course of our research, we have come to the conclusion that two opinions can be expressed on the ownership issues after studying and analyzing the scientific works of various foreign scientists.

From an economic point of view, the question of ownership is a system of relations between people and processes related to the appropriation and sale of the means and results of production during production, distribution, exchange and consumption.

From a legal point of view, property is a set of rights of the subject to manage property objects. The main difference between these two interpretations of property is that property, as an economic category, describes the relationship to objects, and as a legal category, it means the relationship to these objects based on legal norms .

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