# CONFERENCE ON INTELLECTUAL PROPERTY, INNOVATION AND VALUE ADDITION FOR BUSINESS COMPETITIVENESS AND SUSTAINABLE DEVELOPMENT IN AFRICA 6-8 NOVEMBER – HARARE- ZIMBABWE

TOPIC: SMEs AS ENGINE OF ECONOMIC GROWTH IN AFRICA

THEME: THE USE OF THE IP SYSTEM BY SMEs IN AFRICA: CHALLENGES AND SUCCESSES

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#### WHAT SMEs ARE?

The definition varies depending the region, the country and the size of the national economy. **BUT** the SMEs have the following (but not only) characterictics:

- they have limited number of employees
- they have limited number of products/services
- they have a simple business structure
- they generally have a small business size
- they are more flexible

# WHAT DETER SMEs TO USE THE IP SYSTEM?

The IP system is said to give a competitive advantage to enterprises. Therefore, one can expect to see all businesses widely using it. Unfortunately, this is not what is generally observed in Africa.

SMEs are the category of businesses that uses the IP system less than the others.

What is deterring and/or preventing the SMEs to use and to take benefit from the IP system?

We can list the most encontered reasons:

## USE OF THE IP SYSTEM BY SMEs: THE CHALLENGES LACK OF AWARENESS

In Africa, it is quite common to see SMEs that:

- ignore the existence of the IP system
- are not aware of the benefit of using IP as competitive advantage
- ignore what the IP system is about
- don't see the relevance of IP in their strategy

## USE OF THE IP SYSTEM BY SMEs: THE CHALLENGES HIGH COSTS AND TIME WASTE

- -If aware of the existence of the IP system, SMEs could sometimes consider the cost of the use (acquisition, maintenance, defense) very high
- -IP system procedures are consuming time
- -SMEs managers are not always seeing the IP potential benefit compared to the costs and the time taken to get the rights
- -The costs occured in case of rights infringement are very high and the results do not always worth the efforts

### USE OF THE IP SYSTEM BY SMEs: THE CHALLENGES HUMAN RESOURCES

Most of the SMEs can't affort qualified employee(s) in IP, neither can't they afford the services of an IP lawyer

The structure is sometimes more focused on operational aspects of the management. Therefore, it is sometimes the CEO that is « in charge » of IP In the absence of internal resources to take IP Matters in charge, the high cost of external adviser is a reason to give up the IP matters

## USE OF THE IP SYSTEM BY SMEs: THE CHALLENGES COUNTERFEIT/PIRACY

When facing counterfeit or piracy, the SMEs, IP rights holder or owner, are not always able to enforce properly their rights Once again the high costs of external adviser, and the weak reactivity of the Law Enforcement Bodies make most of the actions of their rights Enforcement or the sanction of the violations worthless

Between the time taken to enforce their rights or to obtain the sanction of the violations, years could passed

## USE OF THE I.P. SYSTEM BY SMEs HOPELESS???

#### **SURELY NOT:**

Despite the challenges, we fortunately have good examples of SMEs or even smaller entities that succeed in the use of the IP system and take competitive advantage through its use

# USE OF BRANDS IN THE VALORIZATION OF PRODUCTS A SUCCESS STORY WITH LOCAL PRODUCTS BY MANDINGO INDUSTRIE

A MALIAN ENTERPRIZE USING LOCAL PRODUCTS

#### A SMART USE OF I.P ASSETS





#### SMART USE OF THE IP SYSTEM

The example of **MANDINGO INDUSTRIE** in Mali could inspire startupers.

Mrs TOURE founded MANDINGO INDUSTRIE in december 2013.

DATES AND FIGURES WILL TALK BETTER TO ILLUSTRATE THE SUCCESS OF **MANDINGO INDUSTRIE** 

**December 2013 launch of MANDINGO INDUSTRIE** 

2014: turnover 12.000.000 XOF ie 22.000 \$

2017: turnover 60.580.000 XOF ie 110.000\$

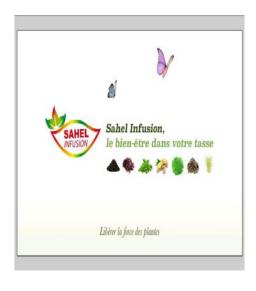
2018: turnover 89.037.000 XOF ie 162.000\$

First half 2019: 43.714.000 XOF plus the Mali state command of 117.000.000 XOF as part of its local companies support policy ie 292.000 \$

### MANDINGO INDUSTRIE: AN SME SMART USE OF THE IP SYSTEM

- A RECIPE OF PROCESSING THE LOCAL PRODUCT FOR INFUSION
   IMPLEMENT A WIN-WIN PARTNERSHIP WITH PRODUCERS
  - IMPROVE THE SUPPLY CHAIN
- IMPLEMENT A GOOD NETWORKING WITH PUBLIC AND ASSURE

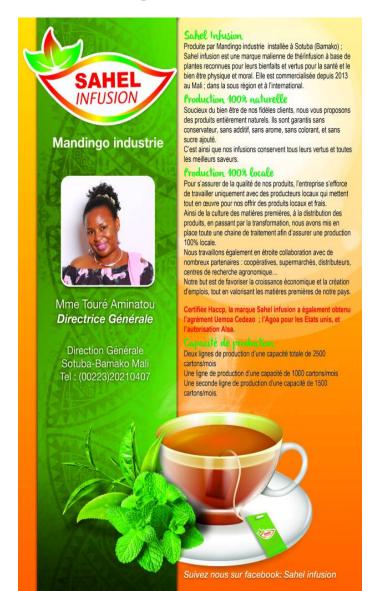
#### **VISIBILITY BOTH ON TRADITIONAL AND DIGITAL MEDIAS**





## MANDINGO INDUSTRIE: A SMART USE OF THE IP SYSTEM BY AN SME





## A SUCCESS STORY: ONCE UPON A TIME WAS AN SME THAT DREAMT BILLG

- Founded in Senegal in 1981 and operating in the dehydrated bouillon segment that was dominated by two multinationals
- Then gradually widen its range of products always in segments already occupied by multinationals and foreign compagnies
- Today **PATISEN** is no more an SME but a multinational present in many countries

When it has started, the major competitors were not counting with it: today it has more than 60% market share in the bouillon segment in its home country Senegal and in Guinea, and first or second position in many west african countries. Moreover, it has gained substantial market shares with other products and is making inroads with many others that it has launched recently

#### The recipe?

- Be the best and more innovative in operational management/activities
- -Be present everywhere and occupy the landscape especially in traditionnal markets and their surroundings
- -Have regular promotion activities
- Be close with distributors, retailers and consumers

VARIETIES OF BOUILLON







#### **BUTER AND MARGARINE:**







• BEVERAGES:









#### **SPREAD:**







# HOW TO ENCOURAGE SMEs TO USE THE IP SYSTEM?

- IP OFFICES TO RAISE AWARENESS
- OFFICIAL BODIES TO MAKE IP SYSTEM ACCESSIBLE, AFFORDABLE AND TIME EFFICIENT
- LAW ENFORCEMENT BODIES TO ASSURE EFFECTIVE ENFORCEMENT OF RIGHTS
- GOVERNMENTS TO ENCOURAGE SMEs

## QUESTIONS???????

