

## **Director General's Keynote Speech to the Global Soft Power Summit**

**15 March 2022**

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Ladies and Gentlemen,

Dear Colleagues and Delegates,

Good morning and warm greetings from Geneva.

It is a pleasure to join you at the Brand Finance, 'Global Soft Power Summit'.

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I would like to use my time today to make three points.

First, intangible assets, including brands, designs and other types of intellectual property are now key drivers of growth and development around the world.

Indeed, these intangible assets have tangible value.

Brand Finance estimates that the top five global companies by total intangible value have intangible assets worth more than US \$8 trillion.

To put this in context, that is close to the value of the world's third and fourth largest economies combined.

It should therefore come as no surprise that global branding investments are being scaled up around the world.

For companies, brands have long functioned as valuable strategic assets.

Image and reputation build loyalty, establish trust and influence consumer preferences.

The importance of this is now widely recognized at the national level as well.

This was underlined by a recent WIPO survey that asked Member States to identify the policy rationale behind the development of a nation brand.

The top responses included, increasing a country's visibility; tourism; promoting the country's culture, traditions and values; and promoting domestic goods and services.

In other words, more countries around the world are recognizing that the stronger their nation brand, the greater its soft and economic power.

Second, there is a positive correlation between a country's innovation performance, its brand value and its soft power ranking.

Each year WIPO publishes the Global Innovation Index or GII, which tracks and ranks the innovative performance of over 130 countries around the world.

When the GII data is cross-referenced with estimates of global brand value and the latest Global Soft Power Index, interesting synergies emerge.

For example, the UK ranks fourth in the GII, eighth on brand value and second in the Soft Power Index.

Switzerland, Sweden, the US, the Republic of Korea, Germany, France and Japan also feature in the top 15 of all three rankings.

Equally importantly, emerging economies such as Brazil, China, Turkey and India are climbing both the GII and the Soft Power Index.

And small states, such as Singapore, the UAE, New Zealand and Israel punch above their weight when it comes to innovation and soft power.

This underscores that a country's reputation is an important factor in determining inflows of financial and human capital, as well as global demand for a country's goods and services.

Third, in a transforming global economy, countries of all sizes and at all stages of development need to ensure that their nation brand is being actively cultivated and well managed.

Switzerland is recognized around the world for the high standard of its products, with "Swiss made" a byword for quality and reliability.

None of this is down to chance.

Switzerland is consistently deliberate in the strategic management of its nation brand, across all sectors of its economy.

Encouragingly, we are seeing more and more countries adopt similar practices around the world.

Estonia is capitalizing on its strong reputation around digital infrastructure and services, through its 'Work in Estonia' brand.

"Vietnam Value" is helping to drive the country's apparel and food processing industries forward.

And the Republic of Korea's Hallyu-Wave – characterized by K-Pop, *Squid Game* and the Oscar winning *Parasite* – demonstrates that the creative and cultural industries can generate revenue and soft power.

At WIPO, we are committed to supporting our Member States to protect their nation brand and to develop their unique sources of competitive advantage into key drivers of growth.

For example, through WIPO's committee meetings, we will continue to undertake work on a number of nation brand issues. We will also continue to shine a light on how effective IP management can boost soft power and in turn local economies.

Take tourism, for instance. In an increasingly competitive environment, brands, trademarks, collective marks, geographical indications and other forms of IP can help create a distinct and compelling identity that helps a country or region stand out from the pack.

Moreover, effective IP strategies, including the use of franchising, licensing and merchandizing, can help to create new opportunities across the tourism value chain, particularly as routes around the world target a return to growth.

This is why WIPO has embarked on helping a number of Member States, such as Egypt, Ecuador, Malaysia, Sri Lanka and Morocco to use IP to improve their marketability as a tourism destination.

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Ladies and Gentlemen,

It is deeply encouraging that policymakers around the world are paying increasing attention to the intimate connections between a well-managed nation brand and strong economic performance.

WIPO believes that strategic and effective nation brand management can not only help economies and societies to innovate, to create and to prosper – but also to be visible and influential.

Thank you very much and best wishes for a successful Summit.