

**THERE IS A STRONG  
FORCE BEHIND UK  
INNOVATION & GROWTH**



**BRANDS**

THE FORCE THAT IS

# BRANDS

BRANDS AND BRANDING ARE A POWERFUL YET LARGELY UNACKNOWLEDGED FORCE DRIVING INNOVATION FOR CONSUMERS AND GROWTH IN THE ECONOMY.

## • CATALYSTS FOR INNOVATION

Brands have promises to deliver and reputations to sustain and build. Branded companies must innovate continually to remain consumers' preferred choice.

## • INNOVATION PERFORMERS

Brands account for two thirds of all new grocery products, while 23% of these innovations are major innovations<sup>1</sup>.

## • BIG INVESTORS IN R&D

The top European branded consumer product companies invest some €14 billion in R&D annually. Were they a country, they would rank fifth in the EU for R&D investment<sup>2</sup>.

There is a direct link between investment in R&D and brands. Companies that invest more in innovation invest more in brands<sup>3</sup>.

## • INNOVATION EFFICIENT

£1 invested in R&D in the branded sector delivers almost twice as much added value as the same amount invested in the non-branded sector<sup>4</sup>.

A trusted brand can extend credibly into new products and markets and will find take-up by consumers easier<sup>5</sup>.

Studies find a relationship between brands, the trade marks that underpin them and growth. A consumer goods study found the most innovative categories grew by 12% (the least innovative by 2%)<sup>1</sup>. Meanwhile companies with trade marks have been found to grow faster<sup>6</sup>.

Furthermore, branded companies are associated with higher levels of employment, higher wages, greater productivity and strong export performance.

## BRANDING RELIES ON INTELLECTUAL PROPERTY RIGHTS TO EXIST AND THRIVE

**Trade marks**, along with **designs** and **copyright**, protect the distinctive character of individual products and services, allowing consumers to distinguish one from another and make informed choices.

**Patents** protect investments in R&D and innovation that sustain brand quality and superior performance, delivering better products and services to consumers.

The **law of passing off** helps prevent consumers being confused between different offers and supports investment in distinctive reputations.

## BRANDS – HOW THEY MAY BE A STRONGER FORCE IN THE UK

The Anti-Counterfeiting Group and British Brands Group call on Government to be ambitious, establishing the UK as a world class market in which to create and develop brands, building on our existing strengths.

## AREAS FOR ACTION

- Positive consideration of brands in Government policy
- Sustain and build the UK's reputation for an effective IP system
- A more effective framework to prevent and stop the huge social and economic damage caused by fakes
- Better safeguards against free riding off brand reputations

For information on the power of branding, please contact:

**Alison Statham** | 01494 449165 | [alison@a-cg.com](mailto:alison@a-cg.com)

**John Noble** | 01730 821212 | [jn@britishbrandsgroup.org.uk](mailto:jn@britishbrandsgroup.org.uk)

Anti-Counterfeiting Group, PO Box 578, High Wycombe, Buckinghamshire HP11 1YD  
British Brands Group, 100 Victoria Embankment, London EC4Y 0DH

Sources: <sup>1</sup> Europanel, from an analysis of 7 European countries over 4 years

<sup>2</sup> AIM (European Brands Association) and Eurostat | <sup>3</sup> WIPO | <sup>4</sup> PIMS

<sup>5</sup> Europe Economics | <sup>6</sup> EUIPO and European Patent Office