[OT 5] THE IMPACT OF INTELLECTUAL PROPERTY ON THE COMMUNITY WITHIN CHANGLUN

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ABSTRACT

This study aims to determine the impact of intellectual property on the community within Changlun. This study was held in Changlun. Intellectual property has become the common among industry practitioner when they want to deal business in the local and international market. Many companies have to face the challenge of equipping of equipping themselves with all the necessary measures in making business survived and sustained. There are two objectives in this study. First, to study about awareness of the company for the use of intellectual property rights. Second, to study about to see how intellectual property right can increase the productivity and competitiveness of the company in Changlun. Applying quantitative approach via questioner survey, the primary data in this study were analyzes using Statistical Package for Social Science (SPSS) version 22. The finding from the survey shown that company that realize about intellectual property right is more than the companies that do not take out.

Keywords: *intellectual property right (IPR), productivity, competitiveness*

INTRODUCTION

Intellectual property right has become the common among industry practitioner when they want to deal business in the local and international market. Many companies have to face the challenge of equipping of equipping themselves with all the necessary measures in making business survived and sustained. Each idea will be given legal protection that will protect our product from being advantage by other people or company both in term of copying, use the pattern or anything. According to WIPO (2015), creators and owners of patents, trademarks, and copyright will get benefits from their creation. More emphatically, this Intellectual Property is about how to protect our own brand and company. This study aims to know how IPR may increase the productivity and competitiveness of the company in Changlun.

STATEMENT OF PROBLEM

There are a lot of small companies in Changlun compare to the big company. This is because the area of Changlun that far away from industrial area. They had to face the problem and difficulties in improving the productivity and generating profit. For the list of difficulties, the company in Changlun difficult to generating profit, difficult to commercialize their product, difficult to export their product.

Besides that, how can the small company in Changlun can compete with other big company, with other business especially with international companies? Furthermore, the product and services from small company are difficult to get a place in the market especially in the hypermarket. There are a lot of steps have been taken to ensure smaller companies can compete internationally. Thus, the purpose of this research is to:

1. To study how IPR can protect their product.
2. To study the factors that influence company in Changlun use of IPR.
3. To study how IPR can increase productivity community in Changlun.

LITERATURE REVIEW

Before know and study about these IPR, there are a few things first to know. First is certainly about a tool that IPR can make enhancement of productivity. This is also important in this topic.

PRODUCTIVITY

Productivity is defined as a relationship between the quantity of output and input quantities. This relation is used to produce output that productivity not only about doing things more efficiently but also to achieve maximum effectiveness with "doing the right things". (Spring Singapore, 2011, p.4).

Due to the rapid growth of the internet in the world, it has raised awareness dealer for protection or we call this intellectual property, StartupSmart.com.au (2010). Small firm is become more competitive and many of them is apply to implant intellectual property right in their company.

IPR and innovation

Innovation is a process of introducing something different from the existing ones in the market. Idea that produce or think also is one of the innovation. Innovation is started with the idea first. We must careful with whom we share our idea because once your idea of your product made by a competitor, you will not get anything, StartupSmart.com.au (2010).

IPR and brands

We easily recognized people by name. As well as need they need to have a brand name and symbol for the use of products. With the intellectual property protection, competitors that stolen our product such as name, design or anything that can effects our product can be penalized. Users will recognize the product through the brand used. Therefore, any plagiarism to the product covered can be applied lawsuits. Furthermore, Intellectual capital and proprietary firms can expand performances and market using the brand (Nguyen, Davari & Guzman, 2015).

RESEARCH METHADOLOGY

Research methodology was conducted to get the result of this study. The questions will be prepared based on the objective of this search was conducted. This study was interrelated to the research questions and the questions was to gather information. From

the method that I use, quantitative method is the best way to collect the information and data from the company in Changlun because this is more accurate and solid. Research about the impact of intellectual property on the community within Changlun was carry out by using only one type category, only quantitative category.

Data collection method

This research uses only one types of data collection. It is Primary Data. This type of data is very important in carrying out this research. Evidence of this data collection is:

1. Primary data

This research uses methods only Primary Data. A collection of Information using this method is to obtain more detailed information. In essence, the question the researcher ask are tailored to elicit the data that will help them with their study. This method is carried out using survey. It is related to how IPR can give impact on the community within Changlun. It is bit tough since not many group that use the IPR.

Research population

Based on the topic of this research study and the objective of this study, the targeted population is in area Changlun. The questionnaire was given to companies in Changlun in order to get the information.

DATA ANALYSIS

Table 1

Knowledge of intellectual property and innovation

Question	Answer
1. Your company has an innovation or not?	Based on the information that I get, most of them agreed that they have innovation in their company.
2. Companies using intellectual property or not?	From the data that collected, most of them using intellectual property in their company. They aware about the importance of intellectual property right.
3. Do you have knowledge about intellectual property?	According to my data that I collected, most of my respondent agreed that they have knowledge about intellectual property.
4. Does your company use R&D?	Most of the company in Changlun use R&D in their company although it is only in small-scale.
5. Do your products protect the intellectual?	Most of my respondent agreed that intellectual property protect their product from being copied.

Table 2
IPR use of factors in the company

Question	Answer
1. Do you have confidence in the intellectual property that will strengthen and develop your company?	Most of the respondent agreed and confidence in the intellectual property.
2. Do financial being the cause of not using IPR in your company?	Most of the respondent are disagree and the cost is not a barrier to using IPR.
3. Do your company performances can be improved if you use IPR?	This information from the study, intellectual property improved the performances.
4. Does your company have a good management?	Most of the company have a good management system.
5. Do you concentrate on long-term planning in this business?	Most of them agree have a long-term planning and they want to stay in the same industry for long-term.

Table 3
Impact on society

Question	Answer
1. Does your company provide job opportunities for people in Changlun?	They provide job opportunities and prioritizing people in Changlun.
2. Your company needs a robot to carry out the production process?	They are just small company in Changlun that don't needs a robot.
3. Do financial factors prevent you from creating jobs for others?	Due to financial constrain, they agreed it was the reason they were not able to create jobs.
4. Does your company's innovation give benefits to community?	Based on my data, most of them benefits agreed that their innovation give benefits to the community.
5. Are you able to give high salaries to employees?	They are able to give high salaries to the employees.

RESULTS

As the results from the research that I have done, IPR is protected the product that the company produce from being copy and stolen. It is also help the company to compete with the other competitor and increase in productivity. There are a lot of company in Changlun are using Intellectual Property Right (IPR) in their company like KFC, Pizza Hut, Marry Brown, and others. This is because most of them is educated and have

awareness to protect their product from being copied. The cost is not the factors the company in Changlun did not apply IPR in their system. From the survey, they do not care to invest the money in order to protect their product. Meanwhile, the company that register and apply IPR have a knowledge about it and made them an opportunity to expand the market.

DISCUSSION

Product innovation is one of the most important things to maintain and survive in industry. The innovation that our company make can overcome our competitor. If we are not change or make innovation in our product, it will be overcome by the competitors in the same business. The innovation in the existing product will make the customer more interested in choosing a product that innovate than the old product. In my study, companies that have innovation in their product have bigger market than the company that did not do innovation in their product. For example, Kentucky Fried Chicken (KFC) have more product on innovation conducted by their company. Besides that, the uses of intellectual property right (IPR) have given the big impact to the resident in changlun. It is useful to protect our product from being stolen or copy by the competitors. Thus, the product innovation will be protected by IPR laws (Maher, Zulhumadi & Udin, 2012).

CONCLUSION

As a conclusion, IPR give a good impact to the community within Changlun. The company that applied this IPR more advanced and secure products. Besides protecting the products, IPR is also able to expand the company's focus and provide more jobs opportunities for the communities in Changlun. However, not many companies in Changlun applying IPR within the company and their products, especially small companies like grocery store, repairing shop. This occurs due to the lack of knowledge about the IPR and its benefits for their use in the future, especially to protect their products that they produce. In addition, the cost factors also be the cause of small companies does not take steps to apply the IPR in their company and products. In future, I hope there are many companies in Changlun that apply this IPR in their company and products because it has a lot of benefits especially to the community there.

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