**Answers of Entrepreneurship process and principles- MGT 723**

**Answer of the question 5**

**Creating a business plan and explanation of each parts:**

A business plan is an overview of the business idea, as well as a strategy for building and running it. It’s a formal, written document that answers important questions about your company.

My business plan includes:

Overview and objectives, Company description, Products and services, Employment opportunities.

[Marketing plan](https://www.bluehost.com/blog/online-marketing-2/promote-your-website-4-marketing-techniques-7906/)

Competitive analysis, Funding needs, Operational guidelines , Structure, Appendices.

A business plan serves both internal and external stakeholders, and is crucial to developing budding company in multiple ways.

A business plan can help with:

**Guidance**: A business plan can act as a roadmap, helping and team stay focused on goals.

**Loans**: Most banks need to review business plan before they can approve a small business loan. Business plan shows the loan officer serious about new venture and that considered the challenges and risks involved.

**Lease**: Similarly, a landlord may ask to see business plan before confirming a rental agreement. Commercial leases are typically for [three to five years](https://www.austintenantadvisors.com/blog/typical-commercial-real-estate-lease-term-length/), and landlords want tenants they believe will be in business for at least that long.

**Investors**: If anyone want to bring investors into venture, its need to prove the viability of company. A well-developed business plan shows that done research on the market, competition, and how to succeed.

**Partners**: Looking for a co-founder? In the same way a good business plan will help draw in investors, it can also help to attract potential partners.

The executive summary, marketing plan, key management bios, and financial plan business plan sections are critical and should be included in all business plans. Additional sections can be added to these four when targeting specific purposes and audiences.

8 components of a business plan

* Executive summary.
* Company description.
* Market analysis.
* Competitive analysis.
* Organizational structure.
* Financial plan.
* Growth strategies.
* Appendix.

A traditional business plan typically includes an executive summary, an overview of your products and services, thorough market research, a competitive analysis, a marketing and sales strategy, operational and company details, financial projections, and an appendix.

A brief, but focused statement (a few sentences or paragraphs) stating why the business will be successful. This is the most important piece of a Business Plan because it brings everything together.

The exact contents of a business plan will differ plan by plan, but in general, the typical plan should include an executive summary, a business description, a market or competitive analysis, a description of the proposed operational structure, a product description, and a pitch to raise capital if applicable.

The purpose of a Business Plan is to identify, describe and analyze a business opportunity and/or a business already under way, examining its technical, economic and financial feasibility.

“A strategic plan assesses the current environment of a business, both internally and externally. It establishes future goals and targets and describes the strategies it will implement to reach them.” In other words, a business plan describes a current business or a specific new project.

A business plan conclusion is a summary of a business plan's strengths designed to convince the reader of the company's success. Because companies typically create business plans to get funding or investors, the conclusion should focus on how the organization makes money and why it is a good investment.

Business is an economic activity that involves the exchange, purchase, sale or production of goods and services with a motive to earn profits and satisfy customers' needs. Businesses can be profit or non-profit organizations that function to gain profits or achieve a social cause.

“The executive summary of a business plan is designed to capture the reader's attention and briefly explain your business, the problem you are solving, the target audience, and key financial information,” Ross Kimbarovsky, CEO and founder of Crowdspring, told Business News Daily.

The characteristics of business are :- Economic activity: Business is considered as an economic activity since it is carried out with the purpose of earning money. Buying and selling: Business involves buying and selling of goods and services. Goods produced for own consumption is not considered as business.

There are five primary objectives of business- economic, social, human, national, and global.

These forces include the number and power of a company's competitive rivals, potential new market entrants, suppliers, customers, and substitute products that influence a company's profitability. Five Forces analysis can be used to guide business strategy to increase competitive advantage.

Businesses are classified broadly into industry and commerce. The industry business classification is further divided into primary sector, secondary sector, and tertiary sector. The primary sector is involved in the extraction and exchange of natural resources to make profits.

The most common forms of business are the sole proprietorship, partnership, corporation, and S corporation. A Limited Liability Company (LLC) is a business structure allowed by state statute. Legal and tax considerations enter into selecting a business structure.

Starting business has several financial benefits over working for a wage or salary. First, building an enterprise that has the potential for growth – and wallet grows as company does. Second, business itself is a valuable asset. As business grows, it's worth more and more.

The executive summary, marketing plan, key management bios, and financial plan business plan sections are critical and should be included in all business plans. Additional sections can be added to these four when targeting specific purposes and audiences.

The entire process of planning consists of many aspects. These basically include missions, objectives, policies, procedures, programmes, budgets and strategies.

It needs to be a serious business document with the following six elements.

* Executive summary.
* Description and bios of leadership/executive team.
* Description of product(s) or service(s) .
* Market/competitive analysis.
* Financials (how much cash need and when will pay it back) .
* Marketing plan.

**Table of Contents**

* A list of the individual sections and their page numbers, starting with the Title Page and ending with a section for Special Materials (references, etc.).

**Summary/Overview**

* A brief, but focused statement (a few sentences or paragraphs) stating why the business will be successful. This is the most important piece of a Business Plan because it brings everything together.

**Market Analysis**

* Identifies specific knowledge about the business and its industry, and the market (or customers) it serves.
* An analysis that identifies and assesses the competition.

**Description of the Company**

* A close look at how the different components of the business fit together, such as:
	+ Information about the nature of the business and the factors that should make it successful .
	+ Special business skills and talents that provide the business with a competitive advantage, such as a unique ability to satisfy specific customer needs, special methods of delivering a product or service, and so on.

**Organization & Management**

* The company’s organizational and legal structure, Is it a sole proprietorship? A partnership? A corporation? (See: “[Ownership Structures](https://business.phila.gov/decide-your-ownership-structure/)“)
* Profiles of the ownership and management team: What is their background, experience and responsibilities?

**Marketing & Sales**

* The company’s process of identifying and creating a customer base. **Description of Product or Service.**
* A detailed description of the product or service – from the customer’s point of view:
	+ How they will benefit from the product or service?
	+ Specific needs or problems that the business can satisfy or solve, focusing especially on areas where the business has the strongest skills or advantages.

**Funding**

* The amount of current and future funding needed to start or expand the business. Includes the time period that each amount will cover, the type of funding for each (i.e., equity, debt), and the proposed or requested repayment terms.
* How the funds will be used: For equipment and materials? Everyday working capital? Paying off debt?

**Financials**

* Explains or projects how the company is expected to perform financially over the next several years. (Sometimes called a “pro-forma projection.”)  Because investors and lenders look closely at this projection as a measure of your company’s growth potential, professional input is strongly recommended.

**Appendix**

* Provides specific information that certain individuals (such as creditors) may want review. It allows the addition and/or deletion of information as needed, such as:
	+ Credit histories (personal & business),
	+ Resumes of key personnel and partners,
	+ Letters of reference,
	+ Details of market studies,
	+ Copies of licenses, permits, patents, leases, contracts, etc.
	+ A list of business consultants, attorneys, accountants, etc.

These are just the basic essentials to creating a Business Plan. Each plan should be tailored to the specific business.

**Answer of question 6**

**Different forms of capital:**

Capital in business refers to the sum of financial assets that are required to produce goods or services. These funds can be used to initiate operations, meet daily expenses or grow and expand the business.

The four major types of capital include working capital, debt, equity, and trading capital.

Among land, physical capital and human capital, the human capital is the best because human capital can make use of land, labour and physical capital.

Land and capital cannot become useful on its own. Human capital is only the human resource that utilizes other resources like land and investments which cannot become beneficial on their own.

The term "capital" can refer to a number of different concepts in the business world. While most people think of financial capital, or the money a company uses to fund operations, human capital and social capital are both important contributors to a company's overall [financial health](https://www.investopedia.com/terms/f/financial-health.asp).

[Financial capital](https://www.investopedia.com/terms/c/capital.asp) is necessary in order to get a business off the ground. This type of capital comes from two sources: debt and equity. Debt capital refers to borrowed funds that must be repaid at a later date, usually with interest.

[Equity capital](https://www.investopedia.com/financial-edge/1112/small-business-financing-debt-or-equity.aspx) refers to funds generated by the sale of stock, either common or preferred shares. While these funds need not be repaid, investors expect a certain rate of return.

Economic capital may also take the form of cash or other assets like real estate, commodities, equipment, vehicles, and so forth which may be disposed of for cash in the market.

[Human capital](https://www.investopedia.com/terms/h/humancapital.asp) is a much less tangible concept, but its contribution to a company's success is no less important. Human capital refers to the skills and abilities a company's employees bring to the operation.

[Social capital](https://www.investopedia.com/terms/s/socialcapital.asp) is an even more [intangible asset](https://www.investopedia.com/terms/i/intangibleasset.asp), referring to the relationships people have with each other, and the desire they have to do things for and with others within their social networks. People tend to do things to help and encourage those in their same social network, creating a cycle of mutually beneficial reciprocity.

 In an individual's social network, social capital is the value of the content of the relational ties between people and not a product of the members of the network in and of itself. For instance, if you have a wealthy uncle in network, knowing he could lend money in a pinch would be to leverage that relationship's social capital.

While we have listed several general forms of capital here, it says very little about what the economic system of [capitalism](https://www.investopedia.com/terms/c/capitalism.asp) actually is. In its most basic form, capitalism requires the separation of capital from the labor that uses it in the production process. For instance, a business owner and their investors (which constitute the capitalists) jointly own the entirety of the company—its assets, property, equipment, raw materials, and final product for sale. As such, capitalists are also entitled to 100% of the profits that accrue from selling goods in the market.

Capitalists take their capital (factories, money, tools, vehicles, etc.) and hire workers, known generally as labor, to use those tools and raw materials to assemble and finish a final product, in return for a wage. Labor does not own any of the tools they use to make the equipment, none of the raw materials that go into it, and none of the final product—meaning they are also not entitled to any of the profits from the sale of the goods they make. All they get is their wage.

In reality, a modern business is assembled from owners and investors but also a layer of managers (who are well-paid labor) and the workers they supervise. All along the way, economic capital, human capital, and social capital are leveraged to increase profits and productivity.

**Entrepreneur”s need for capital:**

Capital is an essential component in your ability to seize the opportunities see for business. By reducing personal risk or providing an opportunity to capitalize on what have built, funding animates vision and makes it a reality.

Startup capital is the money raised by an entrepreneur to underwrite the costs of a venture until it begins to turn a profit. Venture capitalists, angel investors, and traditional banks are among the sources of startup capital.

Capital renders a yield when profit-seeking entrepreneurs remodel the structure of production to changing conditions as they employ labor and find and use new production techniques. Only as an accounting tool—as 'monetary capital'—can one aggregate capital and determine the change of its size.

Capital is used by companies to pay for the ongoing production of goods and services to create profit. Companies use their capital to invest in all kinds of things to create value.

It increases the productivity of employees and in turn, the economy as a whole. Importance to technology and specialisation alongside a growing population has left manufacturers to arrange for more capital and allied resources to fulfil the demands. Capital accumulation is said to be the core of economic development.

The word capital in business is normally synonymous with funding however that's actually only one of the many different types of capital that are needed to grow a successful business. In this article we look at the three types of capital entrepreneurs and startups must look at to be successful. Knowledged Capital.

Entrepreneur refers to the founders, management teams, AND the companies they are building; and Capital refers to resources beyond just money AND includes operational support, strategic planning, mentorship and access to talent.

The capital requirements include all investments you need, before you start. In practice, these are all expenses in the first month of your business. Classic examples would be notary, counseling or real estate brokerage costs.

Capital is a broad term for anything that gives its owner value or advantage, like a factory and its equipment, intellectual property like patents, or a company's or person's financial assets. Even though money itself can be called capital, the word is usually used to describe money used to make things or invest.

Capital is man-made (artificial). It increases the productivity of resources c) Supply of capital is elastic. It can be produced in large quantity when its requirement increases.

Capital goods help in reducing labor efforts and associated inefficiencies. The capital-intensive production of goods results in higher incomes for the business owners. Therefore, firms invest in technology to produce better capital goods.

Venture capital firms, angel investors, incubator/accelerator programs, business competitions, academic entrepreneurship programs, it just seems that everyone is offering fat cheques and lucrative cash awards to the most promising ideas and business models these days. While “money” is one of the most crucial types of capital for building and managing a business, it certainly isn’t the only one that entrepreneurs need to increase their chances of making it to the other side.

Economic Capital

This type of capital can be easily defined as anything that goes into the production of product or service such as money, office space, a factory, land or a piece of property, patents or intellectual property rights, machines or a state of the art technology and other digital assets.

Thus, will notice that entrepreneurs usually decide to reach out to investors to raise money that will eventually be injected into building a specific type of technology, a product prototype, a machine, filing for a patent, buying land or getting office space. Of course, it depends on idea and business model but, most entrepreneurs seek out this type of capital in order to start and need the other two types to continue.

Social Capital

Social Capital is defined as the actual and potential resources connected to a network of mutually beneficial relationships or in other words “it’s not what you know, it’s who know”. To entrepreneurs, social capital represents the personal and professional network of supporters which includes family and friends, team members, fellow CEO friends, corporate managers, journalists and media figures, investors and VC’s, high profile executives and other significant ecosystem players.  Each and every one of these individuals plays a key role in the success of business projects.

Cultural Capital

This term was coined by French Sociologist Pierre Bourdieu in 1977 to describe a type of capital that consists of education, style of speech, character, a way of thinking, learned languages, work of art or scientific discoveries, academic credentials or professional qualifications that a person has. This type of capital cannot be transferred but, it can be acquired over time. Knowing why need this type of capital as an entrepreneur? Because it is the only factor that can guarantee the success and sustainability of innovation in venture and can acquire it through reading, exposure to different experiences, people and cultures.

To generate profits and lay the basis for prosperity, the economy needs entrepreneurs with foresight who dedicate themselves to reshaping the structure of production in the search of profits.

The present consumption comes from the current production. One cannot pre-produce the goods in advance that one needs in the distant future. The provision for consumption is a continuous process. Because future demand will differ from today's, the capital structure now in existence will not be adequate in later times. Only constant adaptation and new capital formation can make sure the production process will provide the flow of consumption goods in the periods to come. To accomplish this is the genuine task of the entrepreneur.

**Answer of question 3**

**Selling online is a good option as an entrepreneur:**

n online entrepreneur is a business owner that conducts their business on the internet. Like other entrepreneurs, they often take financial or other personal risks to launch their own company. Online entrepreneurs may use a variety of business models to provide products or services.

Because a good website can earn money without much maintenance, online entrepreneurs have the fast track to earning passive income. Some of the ways to do it are by hosting advertisements on sites, selling products, and developing membership programs.

The ability of a business to cover its expenses create stable operations and the opportunity for growth. Without sales the organization will often struggle and have a difficult time attracting talent and actually growing the business.

E-commerce allows customers to choose a product or service they want, from any supplier, anywhere in the world. Someone has a much wider choice than in brick-and-mortar stores. And the freedom to browse digital catalogs without any stress or hurry is priceless.

Sales play a key role in the building of loyalty and trust between customer and business. Trust and loyalty are the main reasons why a customer would choose to recommend company to a friend or family member or write a great review of your product or service online.

Selling is what makes the world work and it's what drives the economy. Someone may has a great idea, product, or service, but until it gets sold, nothing happens. Selling is the pre-requisite to success.

Starting an online business has plenty of advantages. Some of the main benefits of starting an online business are to make money, of course, but also to create brand awareness and customer engagement.

As outlined in this article, there are many benefits to starting an online business. It is a lucrative business once done correctly.

Low startup and operating costs

One of the biggest reasons entrepreneurs and small-business owners start online businesses is the minimal startup costs and the overall low operating costs. Having no physical storefront or warehouse tremendously cuts down your overhead.

It can simply have the products sell shipped directly to the customers from an outsourced supplier, also known as dropshipping. This can mean that may not always need to have inventory in hand; instead, can have the products held by suppliers, who do the heavy work for.

Some of the main costs will have upfront would be the creation of new business name, domain name logo, design, and website.

As this can become costly, depending on how in-depth want to go, affordable options are available. Knowing budget and researching before choosing a designer is essential.

Potential for high scalability

Client base and potential customer reach are boundless when running an online business.

When running a storefront for a brick-and-mortar business, you depend on business’s location and visibility to thrive. If your business is located where the foot and car traffic are low,may have a more challenging time bringing in large numbers of potential customers to storefront.

With an online business plan, are not limited to selling products to the individuals walking or driving past store, but you can reach clients all over the globe. Leveraging the online world right at fingertips by having an online business.

Freedom to work from anywhere

Many entrepreneurs are called to start online businesses because of the freedom it provides. Someone can work from anywhere and usually at any time of his choosing.

When working in a fixed location or office on a set schedule, every day can be incredibly mundane. This can also dramatically decrease creativity levels. Its can easily sit on the beach or in a coffee shop with favorite beverage, laptop out, managing business.

One thing to keep in mind as an entrepreneur who has the freedom to work from anywhere is that being disciplined is key to successfully balancing freedom and responsibility. This is how online business and personal life will thrive.

Large client and consumer base

Inevitably, having an online business can mean reaching an unlimited amount of potential customers and clients worldwide. Nowadays, everyone enjoys the convenience of being able to open up their phone or computer to make a purchase.

An online ecommerce business enables consumers to browse online store or shop your physical products and services easily. Whether you run a dropshipping business or sell even digital products, an ecommerce site can bring in massive traffic.

Browsing can create conversion into sales as these potential customers have a high chance of coming back to website to make purchases.

With the proper advertising and marketing strategies, can easily make sales conversions and create returning customers. Implementing product and service reviews allows potential customers to read a review on a product that they are interested in, which can be beneficial to business, whether it is a good or bad review.

Quality customer support

Another significant benefit of having an online business is that it allows to answer customer queries and concerns in a timely fashion. Having the luxury of the internet at fingertips means quickly getting alerted on business notifications and providing quality customer support.

Running an online business means can quickly respond to and address customer inquiries, queries, questions, and complaints with meaningful responses. In other words, can use the internet to support answers with trusted related information.

Marketing is made easy

Reaching a global audience is easier than it sounds. No online business hits the ground running overnight. It takes effort but, more importantly, it takes strategy. Another benefit of having an online business is that many digital marketing and SEO advertising agencies specialize in growing your [brand awareness](https://www.entrepreneur.com/) and setting apart from the competition.

Promised job security

One of the biggest reasons that starting an online business can be a life-changing decision is that there is promised job security. Many people think that running an online business can be very risky—and yes, it can be.

When you train yourself to become an online business owner, preparing for promised job security because will learn skills that will stick, even if first online business fails.

Online business models are the new thing, and they aren’t going anywhere. Take these ecommerce companies, for example, [ETSY](https://www.etsy.com/), [Amazon](https://www.amazon.com/), [Shopify](https://www.shopify.com/), etc. They have proven that running online businesses can be highly lucrative, and there is a massive market for online shopping. These are just a few platforms can utilize to host online store.

**Answer of question 7**

**Intelectual property as a valuable business asset:**

Intellectual property assets include copyrights, patents, trade secrets, and trademarks that hold value for a business. Protecting them is vital to preserving their value.

Although it's an intangible asset, intellectual property can be far more valuable than a company's physical assets. Intellectual property can represent a competitive advantage and as a result, is fiercely guarded and protected by the companies that own the property.

For many businesses, intellectual property protects more than just an idea or a concept – it protects genuine business assets that may be integral to the core services of the business and overall long-term viability.

Intellectual property includes the intangible assets create for business, such as names, designs, and automated processes. And just like tangible possessions — like supplies, equipment, buildings, and inventory — intellectual property contributes to the value and success of business.

An idea, design, etc. considered as a business asset: In a modern economy, intellectual assets account for a significant portion of a company's market value.

There are many advantages to securing intellectual property rights.

Enhance the market value of business.

Turn ideas into profit-making assets.

Market business' products and services.

Access or raise finance for business.

Enhance export opportunities for your business.

To obtain a patent, an invention must be novel, useful and non-obvious. Compared to other types of intellectual property, patents are among the most valued and the most difficult to obtain.

Intellectual property rights ensure that the creator holds the sole authority over their creation. Infringement: With intellectual property rights, creators are protected against any competitor illegally contravening on the creation. For example, an entrepreneur's scientific invention is their own.

IP rights incentivize entrepreneurs to keep pushing for new advances in the face of adversity. IP rights facilitate the free flow of information by sharing the protected know-how critical to the original, patented invention. In turn, this process leads to new innovations and improvements on existing ones.

Intellectual property is important in some aspect that through on intellectual property right because it can use to protect creator's work to prevent plagiast stealing their work as own. Besides, IP rights also can give creator an exculsive right over their creation period of time.

It can be an invention (patent / utility model), a design (industrial design), a brand name (trademark, or a literary and artistic work

Intellectual property refers to the ownership of intellectual creations, ideas, and concepts. Common examples of business IP include brand logos and names, inventions, product design, and more. Having formal registrations for each of business ideas will help stopping infringements of intellectual property.

An intellectual property-based business model (henceforth IPBM) operates in the market for technological knowledge rather than in markets for goods and services (Arora, Fosfuri & Gambardella, 2001). The key competence of the firm is its ability to create, own, market, and sell intellectual property (IP)

Examples of intellectual property include novel inventions, artistic works, literary works, and distinctive signs pertaining to a company. Protecting intellectual property allows a company to grow by sharing their innovations while maintaining their rights as the owner.

Intellectual capital is considered an asset, and can broadly be defined as the collection of all informational resources a company has at its disposal that can be used to drive profits, gain new customers, create new products, or otherwise improve the business.

There are four main types of intellectual property rights, including patents, trademarks, copyrights, and trade secrets. Owners of intellectual property frequently use more than one of these types of intellectual property law to protect the same intangible assets.

ntellectual Property – refers to creations of the mind, such as inventions; literary and artistic works; designs; and symbols, names and images. Intellectual Property rights provide protection for creations and inventions, to enable creators and inventors to earn recognition and financial benefit from their work.

Intellectual property is a key factor in promoting economic development. At the microeconomic level, patent, copyright, and similar forms of intellectual property protection provide a means by which innovators and investors can recover the investment of time and money needed to bring a new product to the market.

IP ensures you are recognised as the creator of such things as an invention; literary and artistic works; designs and software. To protect these types of IP there are: registrable rights - IP Rights (IPRs) such as patents, trademarks and design rights; and. unregistered rights such as copyright.

The best way to protect IP is to register it with the government and enforce ownership rights. Beyond registration and enforcement, you can protect certain types of intellectual property by: Documenting discoveries. Using digital rights management.

IPR provide certain exclusive rights to the inventors or creators of that property, in order to enable them to reap commercial benefits from their creative efforts or reputation. There are several types of intellectual property protection like patent, copyright, trademark, etc.

The three most common types of intellectual property are patents, trademarks and copyrights, and they each provide different and varying levels of protection.

In general terms, intellectual property is any product of the human intellect that the law protects from unauthorized use by others.

IP rights are important because they can: set business apart from competitors. be sold or licensed, providing an important revenue stream. offer customers something new and different.

It takes a holistic view of all the aspects of a business that give it a competitive advantage. This includes original data, customer satisfaction, employee experience, and internal processes and structures. Companies that measure their intellectual capital can use it to: Create more value.

The scope of IP rights is broad; two classification modes are used to determine whether IP is copyright or Industrial Property. Industrial properties include patents or inventions, trademarks, trade names, biodiversity, plant breeding rights and other commercial interests.

Patents, trademarks, copyrights, and trade secrets are valuable assets of the company and understanding how they work and how they are created is critical to knowing how to protect them.

Intellectual property rights are monopoly rights that grant their holders the temporary privilege for the exclusive exploitation of the income rights from cultural expressions and inventions.

Strong IPR protections are associated with increased private sector research and development, higher levels of innovation, greater high-value sector job creation and more promotion of cutting-edge clinical research.

Inventors, designers, developers and authors can protect the ideas they have developed, for instance by means of copyright or patents. The aim is to prevent others from wrongly profiting from their creations or inventions. It also gives them an opportunity to earn back the money they invested in developing a product.

Intellectual property (IP) refers to creations of the mind: inventions; literary and artistic works; and symbols, images, names and logos used in commerce. Businesses are often unaware that their business assets include IP rights.

There are four main types of intellectual property rights, including patents, trademarks, copyrights, and trade secrets. Owners of intellectual property frequently use more than one of these types of intellectual property law to protect the same intangible assets.

Recognizing that intellectual property rights are important company assets, we shall strive to protect and maintain our intellectual property rights and effectively utilize them. Furthermore, we shall respect and make every effort not to infringe upon the intellectual property rights of other companies.

Businesses measure value in a myriad of different ways. Client retention, return on investment (ROI), and sales can all be deemed valuable to business owners. Different facets of intellectual property provide incredible value to companies in many different ways.

 Understanding just how valuable [intellectual property](https://www.forbes.com/sites/forbesbusinesscouncil/2020/05/11/in-a-digital-world-your-most-valuable-property-is-intellectual/#352669903d2c) is and what it means in the age of COVID-19 can help business owners protect themselves and their work product in future endeavors.

Intellectual property is a broad umbrella term that covers intangible assets owned and legally protected against any outside use or implementation without the consent of the business. Intellectual property consists of many different types of company assets, including trademarks, patents, copyrights, trade secrets, and more.

Businesses should be diligent with regard to identifying and protecting intellectual property assets, as they hold incredibly high value in today’s economic climate with reduced traffic to brick and mortar operations.

The overall value of intellectual property though has been established well before the new coronavirus or COVID-19. Although it’s an intangible asset, intellectual property can be far more valuable than a physical asset. It often provides a competitive advantage over other entities, making it particularly guarded and protected by those that own it.

A company’s future profits may be affected by the acquisition of a new patent or copyright. There are many instances in which a company’s value heavily increased overnight due to the acquisition of a patent. Furthermore, a trademark with a good reputation may also expand market value and increase the future revenue of a company.

Investing in new intellectual property is now seen as a strong way to enhance a company’s financial situation. Research, product development and marketing for intellectual property is an investment that that every company should consider making.