

CONSIDERING THE IMAGE OF AN ENTERPRISE TO ENSURE ITS ATTRACTIVENESS IN BUSINESS PLANS

Konchyk Dmytro

Post-graduate student

Department of Management, Logistics and Innovation
Simon Kuznets Kharkiv National University of Economics

dimetrio.it@gmail.com

In the modern Ukrainian economy, domestic enterprises exist in tough conditions of competition with western enterprises. This is caused by the insufficiently clear policy of the state regarding the protection of the domestic producer, as well as outdated technologies and equipment used in domestic enterprises. Thus, in order to be able to compete on the market, Ukrainian enterprises must update the technical and technological base, introduce innovations, and clearly plan and calculate the prospects of their development on the Ukrainian market.

The development and implementation of an innovative project is always accompanied by a significant amount of capital investment, and is also characterized by a certain risk level. Thus, there is a need for a detailed study of market needs, planning of sales and pricing policy, calculation of necessary costs for development and implementation of innovations, in order to obtain the opportunity to attract credit or investment funds. Therefore, there is a need to create business plans for innovative projects.

Currently, the following western methods for developing business plans have become the most popular in Ukraine: UNIDO (United Nations Industrial Development Organization) for developing countries for the preparation of industrial feasibility studies and its electronic version COMFAR; WORLDBank (World Bank for Reconstruction and Development) and others.

Despite rather significant external differences of various variants of the structure of business plans, the composition and content of their main sections remains practically unchanged. The study and generalization of domestic and foreign experience made it possible to present the generalized structure of the business plan of an enterprise with the following sections: business concept (summary), description of the enterprise and industry, characteristics of services and products, research and analysis of sales markets, competition and competitive advantage, marketing plan, production plan, financial plan, potential risks.

However, VC firms are often content with submitting a document that consistently and reasonably answers the following questions:

1. What is the investment efficiency of the project against the risk-free market interest rate, i.e. the simplest investment alternative? How are the risks of the project taken into account.

2. How capacious (in terms of solvent demand), profitable, promising and easy to master is the market for the offered product or service.

3. If the level of competition in the market is quite high or it is already monopolized, then whether the competitive advantages of the product are so significant that it is expected to displace existing competitors from the market.

4. How satisfactory is the market of resources required by the enterprise for the proposed project selected in the business plan in terms of price level and volume of offer.

5. What technical and commercial risks the enterprise (project) may be exposed to and how, at what costs, they are planned to be minimized.

6. How much money, when and in what form is required from the venture investor to finance the project.

7. What are the prospects for making a profit from the project; which objective starting period of temporarily unprofitable activity of the enterprise should be taken into account; will it not be necessary, saving the project and the invested capital, for some time even to prevent the insolvency of the enterprise by additional "infusions" of liquid funds into it.

8. From the profit maximization point of view, how optimal is the company's policy of harmonizing expected sales prices, volumes of product releases to the market, the structure of current costs and the size of initial investments.

But the specifics of both the innovative project itself and the organizations that implement it, to a certain extent, affect the structure of the business plan. Thus, the first section, which is called "Description of products (innovations)" is slightly changed and includes the following data: description of the scientific and technical product (its purpose, technical parameters, novelty of consumer qualities, advantages over analogues or uniqueness of the product); possible fields of application of the product; prospects for product improvement (directions for further improvement of the consumer qualities of the product, forecast terms for achieving such improvements).

Moreover, it is expedient to necessarily include the "Legal protection" section in the business plan. It contains information structured by the following subdivisions: the level of disclosure of scientific and technical research (demonstrations of a new product at exhibitions, publications in the press); availability of protective documents regarding the project (patents, copyright certificates); drawing up agreements on assignment (re-assignment) of ownership rights (if necessary); when patent research was carried out on the subject of the project, information is provided about the purpose of the research, the depth of the search and the researcher himself; availability or need to purchase certificates (compliance, quality, hygiene, etc.).

Regarding the image of an enterprise, it is advisable to place information about it in the second section - "Description of the enterprise and industry", in which the main data on the achievements and capabilities of the business entity should be given according to the main components of the image: financial, proprietary, commercial and management. The given data will make it possible to form an attractive image of the enterprise based on complete information about it as a business entity capable of successfully developing and implementing innovations.

All other sections of the business plan for innovative proposals, as well as its structure, should not be significantly changed in comparison with the standard ones,

which are perceived as traditional and for which there are generally accepted requirements. However, certain organizations that finance or implement an innovative project put forward their own requirements for drafting business plans and do not require their standard design.

Technological innovations play an important role in the attractiveness and structure of the business plan. Innovation is a materialized result obtained from investing capital in a new technique or technology, in new forms of production organization, work, service and management, including new forms of control, accounting, methods of planning, receiving analysis, etc. In the modern economy the role of innovation has grown significantly. This is caused by the fact that in the market environment, innovation is a weapon of competition, because innovation leads to a decrease in the cost, to a decrease in price, to an increase in profit, to the creation of new needs, to an inflow of money, to an increase in the image (rating) of the manufacturer of new products, to opening and capture of new markets, including foreign ones. Today, the description of technological innovations is based on international standards, the recommendations of which were adopted in the city of Oslo in 1992 (the so-called "Oslo Guidelines"). These standards cover new products and new processes, as well as their significant technological changes. Based on this, two types of technological innovations are adopted [1]: product innovation; process innovation. Product innovation covers the introduction of new or improved products. Therefore, product innovations are divided into two types: basic product innovation; improving product innovation. Based on this, it can be said that innovation performs the following three functions [2]: reproductive; investment; stimulating.

Given the difficult economic situation that has developed in Ukraine, it is quite difficult for enterprises to provide sufficient funding for scientific developments and to guarantee the timeliness of innovations to market conditions, thus a "closed circle" arises: the enterprise needs innovations to improve its financial situation → insufficient funds and time cause failure to engage in innovation → deterioration of financial condition and loss of positions in the market. In this case, attention should be paid to the issue related to the acquisition or transfer of technologies, i.e. technology transfer. The transfer of technology should be understood as the transfer of technology executed by concluding a bilateral or multilateral agreement between individuals and/or legal entities, which establishes, changes or terminates property rights and obligations regarding technology and/or its components.

For a company developing a business plan this means the purchase of rights, licenses and know-how, depending on the object of the transfer and the needs of the company.

The relevance of considering the issue of technology transfer in the process of business planning is caused by the possibility of accurately calculating the efficiency and cost of technology, which is usually problematic when conducting an examination of an innovative project; clearly plan the stages of technology implementation at the enterprise. In addition, according to Ukrainian legislation, subsidies are provided for subjects of technology transfer. Thus, the transfer of technologies allows: in a short time to meet the needs of demand; increase product competitiveness; save time and

money for your own scientific research; to ensure the achievement of the world level of quality; reduce the cost of production by reducing the costs of own development; accelerate the return on capital investments; reduce development time and other costs.

The purpose of commercialization is to make a profit through the use of intellectual property rights in one's own production or the sale or transfer of rights to their use to other legal entities or individuals.

Commercialization of objects of intellectual property is a mutually beneficial (commercial) action of all participants in the process of transforming the results of intellectual work into a marketable product.

The main methods of commercialization of objects of intellectual property rights are [3]: use of objects of intellectual property rights in own production; adding rights to objects of intellectual property rights to the authorized capital of the enterprise; transfer (sale) of rights to objects of intellectual property rights. For the practical implementation of the specified ways of commercialization, it is also necessary to know how to calculate the value of the rights to an intellectual property object and how to put them on the accounting records of the enterprise. The sale of rights in full is mostly carried out through a sales contract as a contract of exchange agreement, according to which as a result transfer of ownership of an object of intellectual property (sale of a security document - patent or certificate), the owner as the selling party loses all property rights to it. That is, if the patent for an invention is sold, it is re-registered in the name of the new right holder and all property rights to this object are transferred to the latter. But more often, only the right to use the object of intellectual property is transferred. The owner of rights to any object of industrial property (licensor) can sell a license (issue permission to use the object of intellectual property) to any person (licensee) if he does not want or is unable to use the corresponding object. By selling the license they pursue the goal of making a profit without losing capital for production and market development. The sale of licenses is a way of introducing technologies on the market without selling commercial products. Legal or natural persons cover their expenses for scientific research with the income from the sale of licenses.

Buying or selling a license is a business transaction. The fact of selling or buying a license is legally formalized by a license contract, which differs from other sales contracts in the fact that an intangible object is sold or bought. The licensee receives the right to use the object of intellectual property only within the territory stipulated by the license agreement and for a certain period.

Depending on the amount of rights transferred, according to the current Civil Code of Ukraine, exclusive, single and non-exclusive licenses are distinguished. An exclusive license is issued only to one person and excludes the possibility of the licensor using the object of intellectual property rights in the field stipulated by this license. A single license is also issued only to one licensee and excludes the possibility of the licensor issuing licenses to other persons for the use of the object of intellectual property rights in the field limited by this license, but does not exclude the possibility of the licensor's use of this object in this field. A non-exclusive license does not exclude the possibility of the licensor using the object of intellectual property rights and issuing a license for the use of this object in this field to other persons. The license agreement

always provides for the payment of a certain monetary reward to the licensor. In most cases, the sale of the license is carried out at the calculated contractual price with reference to the prices of the domestic and foreign markets. The main types of license payments are royalties, lump sum and combined payments. Royalty is a type of payment that the licensee pays to the licensor during the entire term of the license agreement or as a percentage of the amount of profit or the amount of turnover from the production of products or a differentiated rate per unit of licensed products. A lump-sum payment is a payment to the licensor of a specified amount fixed in the contract even before the start of mass production of licensed products. Combined payments are the most common and involve the payment of an initial fixed payment to the licensor by the licensee before the start of production and sale of the licensed products, followed by the payment of the balance of the estimated price of the license as a royalty after the production of the licensed products is established. Thus, the licensor has the opportunity to receive a deduction from the real income of the licensee during the entire term of the license agreement. The patent owner can receive additional profit from the use of his intellectual property object at the expense of payments under the franchise agreement (in Ukraine, this is a commercial concession agreement). The right holder (franchiser) allows another person (franchisee) to use the rights to industrial designs, brand names, trademarks, technologies, trade secrets, etc.

The difference between a franchise agreement and an ordinary license agreement is that the rights are transferred on a preferential, privileged basis. Yes, the user receives ready-to-use technology under a well-known trademark. Therefore, he does not need to win a place in the market and his risks are minimized. The franchise agreement must contain a condition that the quality of the franchisee's goods and services will not be inferior to the quality of the franchisor's goods and services, and the latter will exercise control over the use of this agreement.

Leasing is a relatively new form of commercialization of intellectual property rights. Under the leasing agreement various technological equipment, machines, devices, etc., which are made at the level of inventions and protected by patents, are transferred. That is, together with the technological equipment and the process, the right to use the object of intellectual property is transferred. The choice of such a form of commercialization as leasing allows budding entrepreneurs to open and expand their business even with rather limited start-up capital, promptly using modern achievements of scientific and technical progress in production.

The most common mean of acquiring technology is purchasing a license. The license price is a general indicator of the usefulness of technology or knowledge. The license price is based on the amount of additional income that the licensee can receive during the period of use of the agreement subject in production. The market price of the license is only a fraction of the additional profit that the buyer receives. In another case, the interest of the licensee in acquiring the technology disappears. The distribution of additional profit between counterparties in specific conditions depends on many factors and is determined by the conditions of competition on the market, the ratio of supply and demand. Setting the amount of the licensor's fee is the most difficult task in technology transfer. The methods of calculating the price depend on the

technical and economic characteristics of the transfer object, the stage and level of its development, etc. We can conclude that in the modern realities of the economy, enterprises must respond quickly enough to the needs of the market and offer products that most satisfy the needs of consumers in terms of their functional and quality indicators, and the cost of the offered products must be as low as possible. These circumstances force enterprises to develop and implement innovations, but their development requires significant efforts to develop business plans and take into account information about the image of the enterprise in order to ensure its attractiveness.

References

1. Diana Raiko, Viktoriia Cherepanova, Ihor Sylka, Olha Podrez, Irina Fedorenko . Development of scientific and methodological approach to quantitative and qualitative assessment of intellectual property management in industrial enterprises // *Eastern-European Journal of Enterprise Technologies* P. 28-42 DOI: 10.15587/1729-4061.2021.230262
2. Gontareva I. A Systematic-Functional Approach in Managing Innovative Development of Construction Enterprises in Ukraine / I. Gontareva, M. M. Kurt, O. Dorokhov, R. Rusin-Grimik, N. Galayko // *TEM Journal*. – 2022. – Vol. 11. – Is. 1. – P. 125-137.
3. Iastremska O. Theoretical justification and practical application of approaches and methods of evaluation of intangible assets and objects of intellectual property authorities // *Theoretical Foundations in Economics and Management: collective monograph* / Toporkova O., Lytovchenk O., – etc. – International Science Group. – Boston : Primedia eLaunch, 2022. P. 437 – 473. Available at : DOI – 10.46299/ISG.2022.MONO.ECON.2

THE TRIANGLE OF THE INTELLECTUAL PROPERTY RIGHTS PROTECTION SYSTEM

Povna Svitlana

Ph.D., Associate Professor

svitlanapovna@gmail.com

Klishchenko Anna

Student

klisshchenko.anuta@gmail.com

Department of Management and Administration

Chernihiv Polytechnic National University, Ukraine

Intellectual property has become an indispensable component of modern society, which constantly undergoes changes under the influence of scientific advancements and overall scientific and technological progress. It is defined as a set of rights and