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## The Orange Economy and Intellectual Property: Driving Transformation Towards a Culture of Innovation and Individual Creative Value

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### INTRODUCTION:

In an increasingly globalized world that depends on creativity and innovation, the Orange Economy has emerged as a driver of economic and cultural development. Based on the human ability to transform ideas into goods and services, this creative economy not only generates employment but also drives economic growth, especially in countries with rich cultural diversity. It significantly contributes to a country's Gross Domestic Product (GDP), driven by the culture, knowledge, and creativity of its citizens.

The Orange Economy or Creative Economy is an economic model based on creativity and innovation. This model encompasses sectors of the creative industries such as art, music, film, fashion, cultural tourism, technological innovations, design, and more.

This economic model was first developed by John Howkins in 2001 in his book "The Creative Economy: How People Make Money from Ideas." Later, Felipe Buitrago and Iván Duque refined and expanded the concept in their publication "The Orange Economy: An Infinite Opportunity," highlighting the potential of the creative and cultural economy to drive development and exploit national economies through cultural and creative industries.

Developing countries, like Peru, face complex challenges when competing with nations that have much more diversified economies, which are better able to withstand crises. In this context, the Orange Economy proposes leveraging people's talent and creativity as a primary rather than secondary resource.

### LINK BETWEEN THE ORANGE ECONOMY AND INTELLECTUAL PROPERTY:

The Orange Economy, composed of creative activities such as culture, innovation, and knowledge, relies heavily on human intellect. In this context, intellectual property plays a crucial role in protecting the creativity and human effort that drive societal progress.

Conceptually, intellectual property is divided into two main branches: (i) industrial property, which covers trademarks, patents, industrial designs, and geographical indications, and (ii) copyright, which protects literary, artistic, musical, theatrical, audiovisual works, among others. Both branches, linked to the activities of entrepreneurs and innovators, are essential

for the development of the Orange Economy. The protection and recognition of these rights not only facilitate the entry of intangible assets such as trademarks and patents into the competitive market but also ensure that creations protected by copyright are not copied or reproduced without authorization.

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[1] <https://www.funcionpublica.gov.co/eva/red/publicaciones/econom%C3%ADa-creativa-y-cultural-%E2%80%9Cla-econom%C3%ADa-naranja:-una-oportunidad-infinita%E2%80%9D>

Since creative economies thrive on the innovation and creativity of individuals, it is crucial that those involved in this ecosystem have an efficient and clear legal framework. Often, creators are unaware of the importance of the legal provisions necessary to protect their rights. Ensuring adequate protection of intellectual property not only stimulates the development of the Orange Economy but also ensures that creators and entrepreneurs receive fair recognition and compensation for their work, thereby encouraging innovation and sustainable economic growth.

It is important to note that Peru is one of the countries with the highest piracy rates in the creative sectors in the region. A study conducted by MUSO revealed that, as of August 2023, there was a nearly 40% increase in movie piracy driven by the use of illegal websites. This is concerning, given the ease of access to streaming platforms that offer a wide range of original movies at affordable prices.

To strengthen these types of economies, it is essential to ensure that individuals' intellectual property rights are properly protected. In this regard, both the state and public and private entities, institutions, universities, and NGOs play a key role in promoting the proper use of the intellectual property system. By making access to this system user-friendly and free of bureaucratic hurdles, creativity and innovation could be encouraged without the obstacles that often disincentivize emerging talents.

#### REGIONAL CHALLENGE:

The Inter-American Development Bank (IDB) determined that, across Latin America and the Caribbean, the creative economy has generated revenues of USD 124 billion, representing 2.2% of the region's GDP. This figure has been circulating since 2015 and could be concerning given that the anticipated exponential growth has not materialized.

According to the same studies, in Peru, creative activities account for 2.7% of GDP. Although this percentage is significant, it still faces challenges related to informality and the lack of adequate public policies to promote its development. In comparison with other countries, such as Mexico or Spain, where the Orange Economy contributes over 4% and 12% of GDP respectively, Peru still has a long way to go to fully leverage its potential.

#### CONCLUSIONS:

- The Orange Economy is a model that transforms human creativity into exploitable goods and services, generating employment and growth.
- To achieve a greater impact on economic growth based on creative, cultural, and innovative industries, it is crucial to continue the fight against piracy and promote the protection of intellectual property rights.

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[1] <https://industriamusical.com/resurge-la-pirateria-segun-un-nuevo-informe-de-muso/>

[1] <https://publications.iadb.org/es/10-anos-impulsando-la-cultura-y-la-creatividad-el-compromiso-del-bid-con-las-industrias-culturales>

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