

Why is Intellectual Property not recognised as an Intangible Asset at INESC TEC?

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In the era of the Knowledge Economy, intangible assets have become central. According to the World Intellectual Property Organization (WIPO, 2025), the global value of these assets reached approximately USD 80 trillion in 2024, and within the S&P 500 they already represent more than 90% of companies' market value. Nevertheless, they remain largely invisible in accounting practices, which restrict access to financing for IP-intensive companies, particularly startups and SMEs that are unable to use these assets as collateral in financial markets.

We also observe this widespread paradox at INESC TEC: decades of applied research, patents, software, know-how, and dedicated technology transfer teams — yet none of these assets are recorded in the Financial Statements. Why do we continue to keep invisible, or merely account for the costs of, what creates the most value? This represents a significant portion of the institute's output, capable of leveraging wealth generation and attracting investment. This question has also been raised in ongoing discussions between the Accounting & Finance service (CF) and the Technology Transfer Office (SAL).

Why Is It Relevant?

- **Transforming the invisible into capital:** Intellectual property, brands, software, and know-how are pillars of economic value in the 21st century.
- **Expanding access to financing:** Intangibles can be mobilized as credit collateral or to attract private investment.
- **Modernizing management and transparency:** Aligning accounting practices with innovation enhances trust among stakeholders and decision-makers.

Real Challenges

Valuing intellectual property assets is far from trivial. Discrepancies between book and market values, limited public disclosure, and the absence of common methodologies make valuation difficult. However, difficulty should not be an excuse for inaction.

What Can INESC TEC Do?

The example of **CERCA**, in Catalonia, offers an inspiring path: it brings together 42 R&D centers, more than 10,000 researchers, and a budget of €687 million, has tested methodologies to quantify and recognize intangible assets, building stakeholder trust and guiding strategic priorities (CERCA, n.d.).

WIPO, in turn, has made available recommendations and practical tools, such as the *ASEAN IP Valuation Toolkit*, which could be adapted and tested in the institutional context of INESC TEC (WIPO, 2025).

Final Provocation

If we do not begin to recognize and value our intellectual property as a strategic asset, we will be perpetuating the invisibility of our greatest capital. Is this not the moment for INESC TEC to take the lead — in Portugal and in Europe — in transforming the way science and innovation are accounted for?

References

CERCA. (n.d.). *CERCA research centres of Catalonia*, CERCA. <https://cerca.cat/en/>
World Intellectual Property Organization (WIPO). (2025, May 13). *IP Finance Dialogue: The value of intangible assets*. WIPO. <https://www.wipo.int/en/web/ip-financing/w/news/2025/recap-value-of-intangible-assets>