

# **Patent Migration an Innovation Report Germany**

## **Background:**

According to the [Federal Statistical Office](#) (Statistisches Bundesamt, Destatis), in 2022, 20.2 million people with a history of immigration were living in Germany. That is 24.3 % of the whole population in Germany. Based on microcensus results, this was an increase of 1.2 million, or 6.5%, compared with the previous year (2021: 19.0 million). Destatis defines people with immigration history as those who themselves have immigrated to Germany since 1950 (first generation) or who are direct descendants (second generation). The current statistics report that 11.5 million people with a migration background are in employment, 870,000 of whom in a self-employed occupation.

There are two recent studies/surveys that analyse the situation of founders and innovators with a migration background. Both work with different methodologies but come nearly to the same conclusions: Innovations are an important indicator of the prosperity of an economy, and migrants – with their special skills and competences – should and already do play an important role in it, but have to face specific challenges.

The study of [Susann Schäfer \(2020\)](#), published by the German Bertelsmann Stiftung, focuses on the challenges that migrants face when founding an innovative company and suggests various recommendations to increase the number of innovative start-ups by founders with a history of migration:

Innovations are an important indicator of prosperity and progress in knowledge-based economies. Innovations include not only new technologies, but also organizational and process innovations and social innovations. Innovations are not exclusively developed or applied in newly founded companies, but start-ups offer a favorable framework for the development and marketing of innovative products and services that fill a market niche or open up a completely new market.

Founders with migration experience of their own bring special skills and competences for the establishment of such innovative companies: Language skills, knowledge of international markets, access to international professional networks and experience with other start-up cultures. For these reasons, founders with migration experience have special prerequisites when it comes to the recombination of knowledge stocks for the development of innovations or the internationalization of their company.

In Germany, however, the group of these founders is significantly underrepresented in terms of numbers. Only about 3 % of innovative, that is research and development, start-ups in Germany are carried out by founders with migration experience, while the share of all start-ups by migrants is about 11 %. For this reason, this study aims to investigate the reasons for the low participation in innovative start-ups and shows how the conditions for people with migration experience of their own can be improved in order to develop the hitherto unused potential of this group of founders. The study, which is based on a survey of founders as well as founding consultants, underlines that there are common but also specific challenges for founders with migration experience. This shows that innovative founders with migration experience do not differ in many areas from founders without migration experience.

However, there are also specific challenges for founders with migration experience. A lack of openness towards migrant founders, language barriers and a lack of information can hinder the start-up process. Founders with migration experience of their own have already settled in Germany for professional and private reasons before founding their company. The founders who migrate to Germany to set up their innovative companies here tend to be the exception. This result underlines that start-up ecosystems in Germany are in competition with other start-up systems in Europe and the world and that for increasing the innovative migrant founder numbers, the improvement of the general start-up conditions is also necessary.

These findings result in several possible recommendations for action to increase the number of innovative start-ups by founders with migration experience, but also to improve the general structural conditions for founding innovative start-ups. Recommendations for action include addressing potential founders at German universities, developing funding approaches that address founders regardless of their migration experience, internationalizing startup consulting, providing information and calls for proposals in English, and actively integrating founders with migration experience into startup ecosystems.

The study by [Maike Haag, Enno Kohlisch and Oliver Koopel \(2020\)](#) published by the employer-oriented Institute of German Economy (Institut der Deutschen Wirtschaft, IW), continues the analysis of patent data in Germany, focusing on the contribution of inventors with foreign roots residing in the country. The study uses the IW-Patent database, covering patent applications filed between 2010 and 2019 in Germany, involving inventors living in Germany. To identify inventors' likely regions of origin, their first names are analysed using a specialized module, offering greater accuracy than nationality-based analysis. The report accounts for shared patent applications among inventors, ensuring a fair representation of inventive contributions in Germany.

In contrast to the study by Susann Schäfer, the authors have focused not on small and medium start-ups, but the company evaluation was limited to legal entities operating with a profit motive, based in Germany, and with a minimum of 50 patent applications in 2019, low or non-profit organizations like e.g., the Max Planck Institute and universities active in patenting.

The study comes to the following conclusions:

Between 2010 and 2019, the proportion of inventors with foreign roots residing in Germany contributing to patents developed in the country steadily increased from 7.5% to 12.2%. This growth was observed across various language regions. Recently, inventors with foreign roots in Germany accounted for approximately one-eighth of all patents developed in the country, making their contribution indispensable to Germany's innovation capabilities. In contrast, the cumulative patent output from the German-speaking region remained stagnant since 2010 and even decreased. This decline is attributed to demographic trends and exacerbated by labor market shortages in technical and scientific professions, which play a crucial role in research, development, and patent applications.

In essence, the modest growth in patent applications in Germany over the last decade is solely attributed to inventors with foreign roots. Without their contributions, Germany's overall patent activity would have declined. The SAP group, for example, was at the top of the current top 5 German companies in terms of diversity, as measured by patent contributions from inventors with foreign roots. Without the contribution of the inventors with foreign roots, SAP would lose more than half of its patent output.

Particularly, the potential-oriented immigration of technical and scientific professionals from third countries has had a positive impact on strengthening the German innovation system.

## **Institutions, helpful programmes, tools and support centres for founders and entrepreneurs with a migrant background (federal, regional and/or private initiatives)**

### **Federal:**

#### **Deutsches Patent und Markenamt:**

The [German Patent and Trade Mark Office](#) (Deutsches Patent- und Markenamt, DPMA) is the entity responsible for the registration of patents and centre of expertise in the field of industrial property protection in Germany. About 2,800 staff work at the offices in Munich (headquarter), Jena and Berlin. The DPMA examines inventions, grants patents, registers trademarks, utility models and designs, administers Industrial and Intellectual Property (IP) rights and provides IP information to the public.

The DPMA is the largest national IP office in Europe and the fifth largest national patent office in the world. As a higher federal authority, it operates within the portfolio of the Federal Ministry of Justice. The DPMA cooperates in a network of national, European and international industrial property systems.

The DPMA was founded in 1877, in Berlin, as Imperial Patent Office. Today it sees itself a modern service provider, offering effective protection of technical inventions, trademarks, and product designs. Small and medium enterprises, large corporate groups, research institutions and inventors receive tools to defend their intellectual property from unwanted copying.

The main functions and responsibilities of the DPMA are as follows:

1. **Patent Grants:** The DPMA examines and grants patents for inventions, which provide inventors with exclusive rights to their innovations for a certain period, typically 20 years.
2. **Trademark Registration:** It registers trademarks, which allow businesses and individuals to protect their brand names, logos, and symbols.
3. **Utility Models:** The DPMA grants protection for utility models, which are similar to patents but typically have shorter terms and simpler application processes. Utility models protect innovative product designs and concepts.
4. **Designs:** The office also registers designs, providing protection for the ornamental or aesthetic aspects of products.
5. **Intellectual Property Information:** The DPMA offers information and guidance on intellectual property matters, helping individuals and businesses understand and navigate the patent and trademark registration processes.
6. **IP Enforcement:** It does not handle the enforcement of intellectual property rights (e.g., pursuing legal actions against infringers), but it plays a role in ensuring that intellectual property rights are legally established.

### **Make it in Germany:**

[Make it in Germany](#) is the German government's portal for skilled from around the world. It can be browsed in a variety of different languages and offers information for those interested in moving to Germany – starting with preparations in the home country, to the actual move, to the first steps to be taken in Germany. Alongside the information made available online, personal advisory services are also provided. The “Working and Living in Germany” hotline is run by the Federal Employment Agency and the Federal Office for Migration and Refugees.

The Make it in Germany portal was launched in 2012 and has gone on to become the Federal Government's key information portal for all issues surrounding migration to Germany. The aim of the portal is to encourage and inspire qualified professionals from

around the world to come and work in Germany by presenting a culture of welcome across government, civil society, public administration, and companies. Make it in Germany presents Germany as a modern, diverse, and likeable country that is open to the world and therefore an attractive option for qualified professionals from abroad. Its key issues, as stated on the website of Make it in Germany, are as follows:

**Providing key information:** Make it in Germany provides comprehensive information about entry and visa procedures, finding jobs, and life in Germany. Entrepreneurs and researchers can obtain specific information about their career prospects in Germany. The site also sets out information about vocational training and higher education.

**Making job-hunting easier:** The Make it in Germany job listings enable skilled workers to look for suitable job vacancies and to find out what sectors and regions are looking to recruit. The portal also provides important information, such as how the job application process in Germany works.

**Supporting companies:** Employers in Germany can visit the portal to obtain information on how to secure and integrate qualified professionals from abroad. The portal also publishes a selection of real-life stories in which various companies describe their experience and encourage others to embark on a similar path.

**Offering competent and personalised advice:** Qualified professionals interested in working in Germany can use the Make it in Germany portal to gain access to personalised advice on job-hunting, getting professional qualifications recognised in Germany, visas and settling in Germany – via email, the website's telephone hotline or chat.

**International qualified professionals** will find information on visas and on working and living in Germany. Researchers and start-up entrepreneurs can obtain the information they need to set up as self-employed.

**Prospective international students** can gain insights into studying in Germany. Those interested in undertaking vocational training can find out how the German system works and what career opportunities are offered.

**Employers in Germany** can gain comprehensive information on how to secure and integrate international qualified professionals, as well as on points of contact in Germany that can offer support with this endeavour.

**Institutions in Germany** and abroad can connect with Make it in Germany via social media or by subscribing to the Make it in Germany newsletter.

**Professionals from across all fields** will find information that raises their awareness about migration and securing qualified professionals.

## **Existenzgründer.de**

[existenzgruender.de](https://www.existenzgruender.de) is the official start-up portal provided by the German Federal Ministry for Economic Affairs and Energy (Bundesministerium für Wirtschaft und Energie). The website primarily offers information, resources, and support for individuals interested in starting their own businesses or becoming entrepreneurs in Germany. Here are some of the key services and information you can find on the website:

1. **Startup Information:** Existenzgruender.de provides comprehensive information about starting a business in Germany, including legal and regulatory requirements, business planning, and funding options.
2. **Business Planning Tools:** The website offers tools and templates to help entrepreneurs create business plans and financial forecasts.
3. **Legal and Regulatory Guidance:** It provides information about the legal and tax aspects of starting and operating a business in Germany, including information on permits and licenses.
4. **Funding and Financing:** Entrepreneurs can find information on various funding and financing options, such as grants, loans, and subsidies, to support their startups.
5. **Support and Networking:** Existenzgruender.de connects aspiring entrepreneurs with networks, organizations, and events that can help them get started and grow their businesses.
6. **Events and Workshops:** Information about workshops, seminars, and events related to entrepreneurship and business development.
7. **Online Tools and Checklists:** Various online tools and checklists to help entrepreneurs navigate the process of starting and running a business.

The portal offers information in 5 languages (German, English, French, Italian and Turkish).

### **Local Initiatives:**

#### **Wir gründen in Deutschland**

[Wir gründen in Deutschland](#) (We are founding in Germany), is an online portal that provides information to everyone - from both EU and non-EU countries - who wants to become self-employed in Germany or are already self-employed, regardless of whether still living abroad and in need of a visa or whether already studying or working in Germany. The platform informs and advises on which steps to take, from the first idea to starting a company, as well as how to then consolidate it. It wants to give practical advice on getting a visa and the right residence title or permit, including obtaining all the necessary information about the conditions and requirements for starting a business and being self-employed in Germany.

The website provides information in 13 languages and sees itself as a link between entrepreneurs and self-employed people from non-EU countries, the competent German authorities (consulates, immigration authorities, chambers, business development agencies, etc.), the NGOs that offer migration-specific start-up support and other advisory services that might be important to people with a foreign background who want to start a business in Germany. It provides interested people with the most important initial information for starting a company in Germany and obtaining the right residence permit. It also explains the most important institutions and authorities responsible for starting up a company in Germany and identifies the formal requirements for self-employment in Germany. Based on the type of residence permit the information seeker has, Wir gründen in Deutschland assists in taking the right steps to self-employment and in preparing the necessary formalities and documents. The platform helps to identify the right contact and support centres that can give advice and suggestions on the adequate way to starting up a company, including how a business plan is structured.

The platform works in an extended, nationwide consulting team with access to a high level of specialised knowledge and experience, as well as regional local and market knowledge. If more in-depth advice is needed, Wir gründen in Deutschland can provide a network of competent entities all over Germany.

## **Landesportal Frau und Beruf Baden-Württemberg**

The Baden-Württemberg Women and Career Portal ([Landesportal Frau und Beruf Baden-Württemberg](#)) is the official platform of the Baden-Württemberg federal Ministry of Economic Affairs, Labour and Tourism for topics relating to women and careers - for women, interested parties and companies. It has one central office in the capital of the federal state of Baden-Württemberg, Stuttgart, and ten local offices in different regions of Baden-Württemberg.

The local offices offer advice and support for women in realising their career plans by providing personalised advice - tailored to the respective phase of life of each client. They also organise workshops, events and projects on professional topics.

For female founders in the Freiburg area, for example, there is a monthly introductory and orientation counselling session "Ich gründe!?" (I'm starting up!?) with basic information and an exchange of ideas for people wanting to set up a business. If you want to delve deeper into the topic, you can take part in a seminar entitled "Ways into self-employment", which is organised in cooperation with the VHS Freiburg (the public people's university) and the Forum Existenzgründung in Freiburg and Offenburg. A face-to-face workshop "Ideenschmiede" (Forging your ideas): In four steps to your business idea" (in co-operation with the Forum Existenzgründung) complements the offer in Freiburg and takes place at least twice a year. The series "Business start-up: How...?" deals with various topics relating to self-employment, such as acquisition and branding.

The local office also offers a newsletter for women starting their own business, which is sent out every 2-4 weeks and contains information on current events, relevant funding programmes and space offers and requests from solo self-employed people.

For migrant women the local offices of the Women and Career Portal Baden-Württemberg have developed a mentoring programme for migrant women. In this programme, migrant women in need of support are brought together with mentors. The mentors - often migrant women themselves - pass on their own experience and knowledge.

## **Startup BW**

[Startup BW](#) is the official internet platform of the Baden-Württemberg federal Ministry of Economic Affairs, Labour and Tourism that consolidates all support measures and funding offerings for founders and start-ups in Baden-Württemberg. It serves as a central resource to discover where you can find support for realizing your innovations and business models. Additionally, it outlines how active assistance is provided in guiding you through the start and growth of your businesses.

In Baden-Württemberg has founded the initiative THE Start-up LÄND. In twelve regional start-up ecosystems entrepreneurs can find local contacts who will guide them through the initial stages of founding a business. Additionally, these local contacts can facilitate connections with experts in specific areas relevant to the start-ups' needs and questions.

THE Start-up LÄND, along with its funding institutions (L-Bank, Bürgschaftsbank, and Mittelständische Beteiligungsgesellschaft Baden-Württemberg), provides a wide range of public funding programs for founders and medium-sized enterprises. The funding options include microfinancing, loan programs, guarantees, and equity participation, extending to the

provision of venture capital. Additionally, federal measures and, in some cases, municipal initiatives contribute to the comprehensive support available for entrepreneurs.

Start-up vouchers provide aspiring entrepreneurs with cost-effective start-up advice and qualification through experts. The entry point is a low-cost or free basic package, which can be supplemented with subsidized specialized consultation as needed. Offered throughout the country, these so-called EXI start-up vouchers are tailored to specific themes, industries, and target groups. The providers and their networks, through specialization, ensure personalized support to meet the unique needs of every entrepreneur.

To expedite the implementation of a start-up project, participating in the Start-up BW Accelerators programs is key. By collaborating with experts from various fields, these programmes offer comprehensive and intensive support to help transform ideas into viable business models, fostering the creation of new and innovative companies in Baden-Württemberg.

To promote knowledge and technology transfer from universities to the business sector and make entrepreneurship more attractive as an alternative to traditional employment, THE Start-up LÄND and the federal government support university initiatives and aspiring student and alumni entrepreneurs. This support includes qualification measures and grants for university spin-offs.

The grants aim to finance the living expenses of the founders during the pre-founding phase. Additionally, the programs provide resources such as materials. As part of the funding, entrepreneurial teams can also access the resources of the university or research institution.

Baden-Württemberg is one of the leading innovation regions globally, boasting numerous market leaders and high industrial expertise across various sectors. To maintain its status as a leading innovation and economic hub, the Ministry of Economic Affairs supports the development and implementation of innovations through grants, including Innovation Vouchers and the Invest BW funding program.

Special focus is laid on university initiatives, social entrepreneurship and innovation, female founders, AI, green technology and government technology (digitalisation) and life science.

## **Migrapreneur**

[Migrapreneur](#) is a local initiative based in Berlin. They deliver the resources migrants might need to overcome obstacles and thrive with their start-ups and businesses. It is purpose driven and built by migrants. They provide certified experts, networking and knowledge, regardless of the phase the start-up or business is in.

## **Founderland**

The fastest growing community of women of colour founders across Europe. It's vision is to build a new inclusive, intersectional standard for migrant entrepreneurs.

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