

REVIEW

From: Assoc. Prof. Dr. Nikolay Evgeniev Krushkov, Scientific Specialty “Competitiveness Management”, University of National and World Economy

Regarding: Dissertation thesis for acquiring an educational and scientific degree “doctor” in the Scientific Specialty “Economics”, VUZF University, Sofia, Bulgaria

Author of dissertation: Panar Erdinch Kyazim

Topic of dissertation: Intellectual Property Financial Management System

Grounds for submission of the review: Participation in the scientific jury for the defence of the dissertation thesis in accordance with Order № 90/05.04.2022 of the Rector of VUZF University.

1. Information about the PhD student

The PhD student Panar Erdinch Kyazim studied in “Finance, Insurance and Social Security” doctoral program at Finance and Insurance Department of VUZF University in the scientific specialty 3.8. “Economics”, according to Order № 98/03.06.2020 of the Rector of VUZF University. The study was conducted in an independent form from 03 June 2020 to 05 April 2022.

2. General description of the presented dissertation

The dissertation presented for review is developed in a volume of 206 standard pages and 11 pages of appendices. Structurally, it consists of an introduction, 3 chapters, a conclusion, a list of references and appendices. In total 12 figures, 2 tables and 3 graphics are presented. The list of information sources includes 164 sources in different languages.

The *relevance of the topic* is determined by the dominant characteristics of the economic model in the so-called "knowledge economy", which leads to increasing market value of business creativity and innovation, protected by the intellectual property system. The economic monopoly on the results of creative work that the intellectual property system creates is the stimulus that supports economic growth, creating added value in new industries. The doctoral student successfully defends the relevance of the topic, stating that the practice imposes "emphasis on the accounting of intellectual property objects as an important step in turning them into financially usable assets" (p. 12).

The *object of research* is in a broad context. This is a consequence of the wide scope of the Intellectual Property System. Exactly considering the scope, in the “Limitations” section of the dissertation (p. 8), the author explicitly states that the study examines only four

from the huge number of objects of Intellectual Property System, namely "trademarks, industrial design, inventions and trade secrets". (p. 9)

The *subject of research* is clearly formulated and covers "the activities that build the system of financial management of intellectual property". Thus, the subject of research suggests a range of management functions, considered through the prism of finance. At the same time, the limitations of the study specify that the consideration of the four objects of intellectual property as intangible assets of the company will be carried out "only through texts of accounting standards, laws and regulations" and correctly adds that "collateral, securitization, depreciation, insurance and apport as methods for obtaining a positive financial result from the commercialization of intellectual property have not been considered" in the dissertation (p. 9).

The *main thesis* of the study is based on the understanding that the system for financial management of intellectual property can optimize the financial flows that intellectual property objects generate in the balance sheet of the company. Obviously, the "financial management system" in the dissertation is applicable to the limited to four intellectual property objects.

The *aim* of the study is to "propose a conceptual model for a system for financial management of intellectual property." Clearly from the limitations set by the doctoral student, the aim of the study should be considered as a conceptual model applicable to only four objects of intellectual property and excluding collateral, securitization, depreciation, insurance and apport, as possible methods for achieving financial results.

The *tasks* of the study are in five directions: 1) analysis of the applicable theory of finance, 2) analysis of the applicable theory of intellectual property, 3) setting principles of strategic management in the field, 4) description of the activities to build the corporate financial management system of intellectual property and 5) approbation of the system. The definition of the tasks by the doctoral student predetermines scientific and scientific-applied contributions of the study.

3. Evaluation of the obtained scientific and scientific-applied results

The dissertation submitted for review meets the regulatory requirements and testifies that the author knows the system of intellectual property and the academic literature in the field and can carry out scientific and applied research. The scientific results obtained by the dissertation have practical value. The methodology of the research includes classical methods of analysis based on decomposition and assembly of the studied relationships and processes; synthesis of principles and possible exceptions to them; revealing of interdisciplinary

relations. The dissertation has fulfilled the predefined tasks of the study and has sufficiently achieved the main goal of the dissertation.

4. Evaluation of scientific and scientific-applied contributions

The claimed scientific and scientific-applied contributions (p. 205) correspond to the predefined tasks of the study (p. 8) but the evaluation of the achieved results is ambiguous and has the following characteristics:

4.1. The **first** claimed scientific contribution - "Scientific theoretical conclusion is generated on which the system for financial management of intellectual property may be deployed and this theoretical conclusion serves as a regulatory basis for all instruments constituting the system, together and separately" could be formulated in a more precise manner. The doctoral student herself correctly notes that the "theoretical analysis made in the study is not detailed but includes in a synthesized form the main points concerning separate objects" (p. 9). The PhD student also points out that the study "did not take into account national evaluation standards, as the author believes that national standards are more limited and distant from the specifics of intellectual property" (p. 10).

4.2. The **second** claimed scientific contribution "A new structure of financial management of intellectual property is presented, which includes three interrelated aspects of management, namely legal, financial-accounting and managerial". It should be noted that in fig. 5 of the dissertation, the author's "new structure" is presented graphically not in three, but in four "aspects", because the "financial" aspect and the "accounting" aspect in the fig. 5 are presented separately (p. 88).

4.3. The **third** claimed scientific contribution is as follows: "A model of a system for financial management of intellectual property has been developed. The model is based on the existing tools for the exploitation of intellectual property, from which are derived and presented in sequence specific tools that build the system." Claimed "model for financial management" must consider the main functions of management: planning, organizing, motivating, and controlling. Instead, the study rather examines and clarifies certain aspects of the management of objects of industrial property. There are also imperfections in the author's key conclusions regarding management as a concept, such as:

- "When the intellectual property objects have already been listed in the balance sheet, financially evaluated and got involved in the economic activity of the company, that is when is the time to start the actual management of intellectual property" (p. 74) is an author's conclusion that does not correspond to subsequent conclusion in the study, namely that "the management of intellectual property objects is engaged with them from the moment of the

creative idea or consumer need, through the creation of the object and / or its implementation in a product, protection, financial and market realization, accounting, until the moment of moral obsolescence of the object or the achievement of the desired and targeted financial result ”(p. 77).

- The author's conclusion "Reasonably a question arises on the difference between management and financial management and why the latter should be applied to intellectual property" (p. 49) does not correspond to the claim of the author on the creation of a management model, primarily due to lack of clarity in the distinctions that the author refers to.

- "The financial management, on the other hand, may be identified with the financial aspect of management" (p. 50) is among the author's conclusions that also require clarification - purely scientific and as a systematic place in the science of management.

4.4. The wording of the **fourth** claimed contribution, namely "Various strategies for financial management of intellectual property are systematized that can be implemented within the system of financial management of intellectual property" could also be more precise because the specified correlation is unclear. In connection with this ambiguity, below in the review written questions are placed to be clarified by the author during the defense of her dissertation.

4.5. Under the **fifth** claimed contribution, the proposed "system for financial management of intellectual property has been approbated, proving that the application of the system can be implemented in practice...". The proposed "approbation", which includes: 1) legal regulatory audit of intellectual property, 2) assessment of intellectual property (in which there are no numbers, even as examples) and 3) SWOT analysis of intellectual property 4) selection of strategies – all of these of an existing manufacturing and trading company in the Republic of Bulgaria I consider as a scientific contribution of the author.

The notes to the claimed contributions do not underestimate the results of the research, although in some of the contributions the notes are significant and substantial. More precision of the author of the dissertation in formulating the claimed contributions would contribute to the clarity of the conceptual achievements of the study.

5. Evaluation of the publications

The presented scientific publications are solely authored and are in the scientific field of the dissertation. In terms of thematic scope, academic form and research level, these publications are sufficient in view of the scientific standards in our country.

6. Evaluation of the abstract

The abstract presents in a synthesized and an adequate way the content of the dissertation. All key elements of the study are included.

7. Critical remarks, recommendations, and questions

The extremely wide scope of "the system of intellectual property", which makes it difficult to derive common principles for all its objects on the one hand and on the other - the complexity of the scientific field of "management", which has a different focus in different strategies, cause difficulties that the author inevitably encounters in his study.

Critical remarks and recommendations

The choice in the title of the broad field of "intellectual property" forces the author to limit his research to only 4 objects of IP and only from one of the major parts of intellectual property, namely industrial property. This disparity in scope, in which neither "literary and artistic property" (the second major part of intellectual property) nor any of the "new objects" of intellectual property are mentioned in the study, could be avoided by limiting the scope in the title of the study from "intellectual property" to "industrial property objects".

Questions

1. What are the differences in the content of the terms "management" and "administration" that the doctoral student makes in many places in the text, such as: ".. Management aspects concern the actual administration of intellectual property..." (p. 15) or "Financial administration of intellectual property has various aspects, including legal, financial-accounting, managerial, which need to be known, considered and applied simultaneously" (p. 82)?

2. What does the Doctoral student mean by saying that "it should be reminded again that leaving intellectual property unprotected is a serious economic and financial error" (p. 40), when it is quite obvious to any specialist in the area that the term "intellectual property" a priori includes legal protection?

3. What does the doctoral student mean when she states with regard to the time of protection of intellectual property objects that "the regime of protection of intellectual property objects is developed on a time axis where functionality is protected by the most stable protection regime, namely the patent" (p. 44)?

8. Conclusion

The dissertation submitted for review contains research elements, there are results with a nature of contribution to science. Doctoral student Panar Erdinch Kyazim has the ability to conduct independent research. The above gives grounds to me to present a positive

assessment of the dissertation and I suggest to the esteemed scientific jury to award educational and scientific degree "Doctor" to Panar Erdinch Kazim in professional field 3.8. "Economics", doctoral program "Finance, Insurance and Social Security".

May 16th, 2022

Signature

Assoc. Prof. Dr. Nikolay Krushkov