

IMPACT OF INTANGIBLE ASSETS AND INTELLECTUAL PROPERTY ANNOUNCEMENTS ON SHAREHOLDERS' WEALTH: EVIDENCE FROM TECHNOLOGY-BASED COMPANIES IN AMERICA

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In the modern knowledge economy, intangible assets play a vital role in creating value for shareholders, particularly the wealth of intangible assets and information content of announcements of intellectual property rights for the first time. Thus, measuring and analyzing the impact of intangible assets and IP announcements on shareholders' wealth is a decisive effort in the direction of creating a company's value. In the 21st century, the driving force of creating wealth for companies and economies is the information on innovation in information and communication technology. These paradigm changes have induced, firms to increasingly adapt to technological advancement and innovations in the recent past. Therefore, this paper aims to shed light on how intangible assets and IP announcements impact shareholders' wealth of the world's top eight (08) brands, which are American-based technology companies. The IP portfolios and the announcements of intellectual property rights for the period 2005 to 2019 were considered for the analysis. The findings revealed that goodwill and patents were showing a positive significant impact on the shareholders' wealth, while trademarks and trade secrets were indicating a positive, however, insignificant impact on shareholders' wealth. Further, IP announcements significantly impacted the shareholders' wealth followed by abnormal returns in the short run. This paper, therefore recommends that the shareholders of technological firms can obtain higher returns through the Patent and Goodwill, and further justifies that they can maximize the shareholders' wealth through the IP announcements. The study also directs the research literature into a new direction towards identifying the impact of intellectual property announcements on shareholders' wealth of industry of technology. Further, the findings of current research will assist in forecasting the future development vision of information technology companies based on intangible assets.

Keywords: *Event Study, intangible assets, intellectual property announcements, shareholders' wealth*