



Athena Alliance

Exploring the promise and pitfalls of the global information economy

2015 Annual Report

Introduction

Athena Alliance is a Washington, D.C.-based 501(c)(3) nonprofit in the vanguard of identifying, understanding, analyzing, and educating on the information, intangibles, and innovation economy—that is, the I-Cubed (I^3) economy. Athena Alliance ceased operation in September 2015.

Intangible assets—worker skills and know-how, informal relationships that feed creativity and new ideas, high-performance work organizations, formal intellectual property, and brand names—are the new keys to competitive advantage. Information and intangibles—a combination of formal research and informal creativity—drive innovation. These combined elements lead to the productivity and improvement gains needed to maintain prosperity.

Although the economic rules have changed, public policy has not caught up. Government leaders struggle with how to utilize information, foster development of intangibles, promote innovation and competitiveness, and frame policy questions to reflect and address the realities of the changing economic situation.

Athena Alliance undertakes outreach activities to help members of Congress, the administration, constituency groups, and the media better understand these issues and craft informed policies and programs. The Athena Alliance mission is threefold:

- **Reshaping the Debate.** Developing and utilizing information, managing intangibles, and fostering innovation underpin discussions on a variety of subjects, such as intellectual property rights, education and training policy, economic development, and technology and trade policy. Creating new public policies in these areas requires infusing a better understanding of intangibles and the information economy into the public debate.
- **Crafting Strategies, Policies, and Tools.** Global economic shifts call for different ways of thinking about economic activity, different means of promoting and organizing economic opportunities and activities, and different economic policies and programs. We must enlarge the repertoire of strategies, mechanisms, tools, and capabilities that individuals, firms, and communities can use to shape positive economic futures, with special attention to those in danger of being left behind. All Americans must be able to participate—economically and socially—in the emerging information economy. Athena Alliance undertakes practical policy research aimed at creating new solutions to these new sets of problems.
- **Building Partnerships and Sharing Knowledge.** We are not alone in seeking to understand the challenges of the global information economy and the need for new

solutions to confront them. We engage in academic and scholarly research; corporate policy, research, and strategic activities; and practical, on-the-ground efforts with community activists and economic development practitioners to advance the public debate about the information economy. We do this through conferences, workshops, research activities, publications and reports, and public education.

As noted in previous Annual Reports, because of funding issues has Athena Alliance dramatically scaled back activities and moved to a volunteer staffing model. In September 2015 Athena Alliance ceased activities and the organization was dissolved. Publications have been temporarily archived on the website pending future disposal.

Activities

Before shutting down, Athena Alliance conducted the following activities:

Reports/Articles

In February 2015, Athena Alliance published *Federal Investments in Intangibles: FY 2016 Edition* - Working Paper #12. This report updates the 2013 working paper on intangible investments in the federal budget - *Federal Investments in Intangibles: A Look at the President's FY 2014 Budget*. Like the previous report, this analysis found that almost a quarter of the discretionary part of the federal budget is devoted to investments in intangibles.

In July 2015, Athena Alliance published Working Paper #13, *Intangible Assets as a Framework for Sustainable Value Creation* and Working Paper #14 *Employment in tangible-producing and intangible-producing industries: Preliminary findings and methodology*. The first paper explores the various frameworks for viewing intangible assets and the possible roles of the frameworks within a company's goal of sustainable value creation. The paper was originally commissioned for and funded by The Conference Board.

The second paper (Working Paper #14) outlines the methodology for analyzing employment tangible and intangible rather than manufacturing and services. Tangible activities are primarily physical; intangible are primarily mental. Cutting hair, ringing up a sale at a cash register, making a car, harvesting a crop—all of these are primarily a physical activity. The transaction involves the movement of atoms. Designing a poster, negotiating a deal, writing an article—these are primarily mental involving the manipulation of information bits. The working paper presents an alternative view of employment in the U.S. based on this tangible/intangible breakdown.

Presentations/Panel Discussions/Roundtables

In January, Dr. Jarboe gave a presentation with Mary Adams as part of the Oxfirst webinar series on Maximizing IP Value through understanding intangible capital. This presentation introduced basic concepts about how to model, measure and maximize the potential of IP through a sound broader ecosystem of intellectual capital (IC).

Outreach

The Athena Alliance blog, The Intangible Economy, remained a vital communications and outreach tool. Articles were posted that highlighted new research reports and analyzed public policy issues affecting the intangible economy. We also continued posting our monthly analysis of U.S.-international trade in intangibles. Dr. Jarboe also continues to post comments and informational links via Tweeter at @IntangibleEcon.

In 2015, Dr. Jarboe continued his activities with the Intellectual Capital Practitioners Network and held discussions on intangible economic issues with various policymakers and attended numerous other meetings, conferences, presentations, and events.

Athena Alliance Officers

- Richard Cohon —Chairman
- Kenan Patrick Jarboe, Ph.D.—President
- Joan L. Wills—Secretary/Treasurer
- Jonathan Low—Board Member
- Peter Harter—Board Member

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