

## IP Strategy and Management

- Patents in portfolios



## Patent Portfolios

- Proposition:
  - “whole greater than sum of parts”
- Patent paradox:
  - patents obtained per \$  $\uparrow$  as value of individual patents  $\downarrow$
  - If individual patents are of low value, is there an incentive to invent?
- n.9



## Patent Portfolios and scale

- Scale effects
  - Ease subsequent internal innovation
  - Attract related external innovations
  - Avoid litigation (because others are bumped out of the market)
  - Improved bargaining position
  - Enhanced defensive patenting effects
  - Increased holder voice in political economy of patent system
  - Enhance efforts to attract capital

## Patent Portfolios and diversity

- Diversity effects (like “any portfolio”)
  - Covered for uncertainty of technology, market movement, competitive response
  - Expanded R&D in related pathways (to the extent undertaking the R&D needs some possibility of exclusivity in IP rights)
  - Coverage in long-term uncertainty as to patent law

## Patent Portfolios

- What does it mean for a portfolio to be well-crafted?
- Wagner & Parchomovsky
  - “more complex, costly and distributionally significant patent system”
- In Fisher framework
  - Where do portfolios fit into the analysis

## Licensing Acquired Patents

- Risch
  - “trend of acquiring patents to license those already practicing the [invention]”
  - “concerns about the social benefits of the business model”
- Four stages of patent licensing
- Benefits of acquired patent licensing
  - Signaling
  - Freedom to operate
  - Competitive licensing
  - Changed licensing practices (to earlier licensing)
- In Fisher framework
  - Where does this fit into the analysis?