
Contents

Introduction	ix
Chapter 1. The Purpose of Patents	1
1.1. Introduction	1
1.2. Patents as an incentive mechanism	2
1.2.1. The key question of appropriability of returns for innovation	3
1.2.2. Patents as a solution for the lack of appropriability	7
1.2.3. Patents and their design	11
1.2.4. Are patents a property right like any other?	22
1.3. Patents as intangible assets	26
1.3.1. From factory to fabless: the growing role of the obligation to disclose the content of patents	27
1.3.2. The emergence of patents as intangible assets	30
1.3.3. The delicate question of assessing patents as intangible assets	33
1.3.4. Patents as funding leverage	40
1.3.5. The commoditization of patents	44
1.4. Case study: Intellectual Ventures Inc.	51
Chapter 2. The <i>Imprimatur</i> of Patent Offices in the Face of Reforms	55
2.1. Introduction	55
2.2. The exponential demography of patents	56
2.3. The impact of regulatory factors and legal decisions in the United States	66
2.3.1. Patent continuations or “evergreening”	72
2.3.2. Reform attempts	74

2.4. Regulatory developments in Europe	94
2.4.1. The unitary patent and the unified court: the final stage of a European patent system?	97
2.4.2. The supposed economic advantages of the unitary system.	103
2.4.3. From intention to reality	106
Chapter 3. The Judiciarization of Patents	111
3.1. Introduction	111
3.2. Should patent trolls be tracked down?	113
3.2.1. A class of heterogeneous actors	115
3.2.2. The business model of litigation PAEs	117
3.2.3. What is the scale of this phenomenon?	121
3.2.4. The consequences for innovation	126
3.2.5. A longstanding and potentially beneficial role	129
3.2.6. Proposals for reforms	134
3.3. Standards and patents: a necessary but tense coexistence	135
3.3.1. FRAND licenses as safeguards for essential patents	136
3.3.2. The hold-up theory faced with the facts	139
3.3.3. The availability of injunctions	145
3.3.4. Patent ambushes	159
3.3.5. Royalty-stacking	162
3.3.6. “Best FRAND forever” or the delicate question of royalty amounts	164
3.4. Case study: sovereign patent funds	172
Chapter 4. A New Place under the Sun for Patents?	177
4.1. Introduction	177
4.2. The patent as one innovation policy instrument among many	178
4.2.1. Innovation awards, or how to rehabilitate an old approach	179
4.2.2. Could innovation awards replace patents?	182
4.2.3. Complementarity with support for R&D efforts	187
4.2.4. An example of complementarity between instruments: low-carbon innovation	189
4.3. Patents in support of open innovation strategies	192
4.3.1. Patent pools as a premise for open innovation	193
4.3.2. From R&D cooperation to open innovation	198
4.3.3. Why is open innovation so “patent-compatible?”	204
4.3.4. Patents at the center of intermediate innovation	208
4.4. Case study: “My patents are yours” – development in the Tesla case	211

Conclusion	217
Bibliography	221
Index	251