

Hoover Institution Working Group on Intellectual Property, Innovation, and Prosperity



Hoover IP² Summer Teaching Institute

THE ECONOMICS AND POLITICS OF REGULATION

August 4-15, 2014

**HOOVER INSTITUTION
STANFORD UNIVERSITY**

Hoover IP² Summer Teaching Institute

Much of the research on which various reform proposals are based springs from an academic literature that is neither grounded in economic theory nor informed by the careful use of data. An analysis of the impact of incentives, trade-offs, interdependencies, market forces and competition, market failure, and externalities is often lacking in the academic training at law schools, public policy centers, and business schools. The Summer Teaching Institute on the Economics and Politics of Regulation is designed to equip young and aspiring policy makers with the methods of analysis by which scientifically sound results are obtained. The goal is not to train the students to be researchers but to provide them with the fundamentals so that they can read scholarly studies with an eye to their soundness.

The Summer Teaching institute is open to federal judicial clerks, congressional staffers, law school students and recent graduates, and public policy graduate students. When confronted with perceived market failure, policy makers' first instincts often are to create regulatory solutions. Every year, thousands of laws are enacted, regulations promulgated, and legal rulings made. But without having a firm understanding of what a market failure is and without taking full account of the adverse consequences that might arise from their attempts at remediation, these laws, regulations, and rulings sometimes result in needless and costly overhauls to the system and to the business environment.

Understanding the functioning of a complex system (such as the property rights system that structures the process of technological innovation) requires that appropriate bodies of evidence and analytic tools to assess them be drawn from multiple disciplines. If, similar to the Hippocratic Oath, the first principle of law is to "do no harm," a commitment to crafting public policy on the basis of the careful analysis of evidence is necessary.

The focus of the institute is to instill in the students the importance of a multidisciplinary approach applied to research about the institutions that govern the innovation ecosystem. Instruction about this ecosystem is divided into five modules: (1) Causal Inference and Data Analysis, (2) Competition between Firms and Antitrust, (3) Innovation and the Patent System, (4) Innovation and Finance, and (5) Energy and the Environment.

At the teaching institute's concluding sessions, students will make group presentations at which they can showcase what they have learned and apply the methods of inquiry presented during the course of the previous two weeks. The methods of inquiry are a set of best practices about how to craft a research question on the economics and politics of regulation and how to develop an effective research design to address that question.

Course Schedule
The Economics and Politics of Regulation

Summer 2014

Unless otherwise noted, all sessions take place in
Annenberg Conference Room, Room 105
Lou Henry Hoover Building
Hoover Institution, Stanford University

Sunday, August 3

6:00 P.M. Welcome Dinner
Paul Brest Hall, Munger Conference Center, Stanford University

Monday, August 4

9:00 A.M. Orientation—Stephen Haber, Richard Sousa, Ken Hsu

10:00 A.M. Introduction—Stephen Haber, Victor Menaldo

12:30 P.M. Lunch

1:30 P.M. An Introduction to Causal Inference and Data Analysis—Michael Tomz

4:00 P.M. Classes end

Tuesday, August 5

10:00 A.M. Competition between Firms and Antitrust—Latika Chaudhary

12:30 P.M. Lunch

1:30 P.M. Competition between Firms and Antitrust—Wes Hartmann

4:00 P.M. Student Group Presentation Prep—Stephen Haber, Victor Menaldo

4:45 P.M. Classes end

Wednesday, August 6

- 10:00 A.M. Competition between Firms and Antitrust–Ronald Goettler
- 12:30 P.M. Lunch
- 1:30 P.M. Competition between Firms and Antitrust–Joanna Tsai
- 4:00 P.M. Student Group Presentation Prep–Stephen Haber, Victor Menaldo
- 4:45 P.M. Classes end

Thursday, August 7

- 10:00 A.M. Innovation and the Patent System–B. Zorina Khan
- 12:30 P.M. Lunch
- 1:30 P.M. Innovation and the Patent System–Damon Matteo
- 4:00 P.M. Student Group Presentation Prep–Stephen Haber, Victor Menaldo
- 4:45 P.M. Classes end

Friday, August 8

- 10:00 A.M. Innovation and the Patent System–B. Zorina Khan
- 12:30 P.M. Lunch
- 1:30 P.M. Innovation and the Patent System–Damon Matteo
- 4:00 P.M. Student Group Presentation Prep–Stephen Haber, Victor Menaldo
- 4:45 P.M. Classes end

Monday, August 11

10:00 A.M. Innovation and Finance—Ross Levine

12:30 P.M. Lunch

1:30 P.M. Innovation and Finance—Ross Levine

4:00 P.M. Classes end

Tuesday, August 12

10:00 A.M. Innovation and Finance—Stephen Haber

12:30 P.M. Lunch

1:30 P.M. Innovation and Finance—Troy Paredes

4:00 P.M. Classes end

Wednesday, August 13

10:00 A.M. Energy and the Environment—Noel Maurer

12:30 P.M. Lunch

1:30 P.M. Energy and the Environment—Severin Borenstein

4:00 P.M. Classes end

Thursday, August 14

10:00 A.M. Energy and the Environment—Severin Borenstein

12:30 P.M. Lunch

1:30 P.M. Energy and the Environment—Noel Maurer

4:00 P.M. Classes end

6:00 P.M. Closing Dinner

Vero Ristorante Italiano, 530 Bryant St., Palo Alto, CA

Friday, August 15

- 10:00 A.M. Student Group Presentation 1
- 10:35 A.M. Student Group Presentation 2
- 11:10 A.M. Student Group Presentation 3
- 11:45 A.M. Break
- 11:55 A.M. Student Group Presentation 4
- 12:30 P.M. Lunch
- 12:40 P.M. Student Group Presentation 5
- 1:15 P.M. Summer Teaching Institute ends

Course readings may be found at

<http://hoohila.stanford.edu/ip2/media/Summer-Teaching-Institute-Readings.pdf>

Instructors

Severin Borenstein is the E.T. Grether Professor of Business Administration and Public Policy at the Haas School of Business, University of California, Berkeley and a research associate of the Energy Institute at Haas. He is also director emeritus of the University of California Energy Institute and the Energy Institute at Haas. He received his AB from UC Berkeley and PhD in economics from MIT. His research focuses on business competition, strategy, and regulation. He has published extensively on the airline industry, the oil and gasoline industries, and electricity markets. His current research projects include the economics of renewable energy, economic policies for reducing greenhouse gases, alternative models of retail electricity pricing, and competitive dynamics in the airline industry. Borenstein is also a research associate of the National Bureau of Economic Research in Cambridge, MA. He served on the Board of Governors of the California Power Exchange from 1997 to 2003. During 1999–2000, he was a member of the California Attorney General's Gasoline Price Task Force. In 2010–11, Borenstein was a member of US secretary of Transportation Ray LaHood's Future of Aviation Advisory Committee. During 2012–13, Borenstein served on the Emissions Market Assessment Committee that advised the California Air Resources Board on the operation of California's cap and trade market for greenhouse gases.



Latika Chaudhary is an associate professor of economics in the Graduate School of Business and Public Policy at the Naval Postgraduate School. Her research focuses on key issues in economic development and public finance with a particular emphasis on India. Specifically, she has studied how British policies influenced outcomes in such sectors as education and railways. She has published articles in the *American Economic Journal: Economic Policy*, *Explorations in Economic History*, *Journal of Economic History*, *Journal of Comparative Economics*, and *Economics of Education Review*. She received her PhD in economics from the University of California, Los Angeles, in 2006 and a BA in economics from the University of California, Berkeley, in 2000. Her dissertation was nominated for the Gerschenkron Dissertation Prize in Economic History in 2006. She was an economics fellow at Stanford University from 2007 to 2009, a visiting fellow at the Institute of Advanced Study at the University of Warwick in 2010, and a Hoover National Fellow in 2013.



Ron Goettler is the senior associate dean of Faculty and Research and the James N. Doyle Sr. Professor of Entrepreneurship at the Simon Business School at the University of Rochester. His research spans quantitative marketing, industrial organization, and finance, with an emphasis on structural econometric methods to understand consumer and firm behavior. He is particularly interested in high-tech industries, focusing on the relationship between competition and innovation and on the marketing of new products. Goettler's research has been published in various academic journals including the *Journal of Political Economy*, the *RAND Journal of Economics*, and the *Journal of Marketing Research*. His paper "Equilibrium in a Dynamic Limit Order Market," which appeared in the *Journal of Finance*, was nominated for the journal's Smith-Breedon Prize and won the NYSE award for the best paper on equity trading at the 2004 Western Finance Association Meeting. Before joining the Simon School in 2012, Goettler was an assistant professor of marketing at the University of Chicago.



Stephen Haber, the Peter and Helen Bing Senior Fellow at the Hoover Institution and the A.A. and Jeanne Welch Milligan Professor in the School of Humanities and Sciences at Stanford University, is also professor of political science, history, and (by courtesy) economics at Stanford. He has been awarded every teaching prize at Stanford, including the Walter J. Gores Award for distinguished teaching. His research examines political institutions and economic policies that "hold up" innovation. His current research examines the creation of regulatory barriers to entry in finance, the economic and political consequences of hold-up problems created by different systems of agricultural production, and the comparative development of patent systems. Haber's most recent book, *Fragile by Design* (with Charles Calomiris), examines how governments and industry incumbents often craft banking regulatory policies in ways that stifle competition and increase systemic risk.



Wesley Hartmann, associate professor of marketing at the Stanford Graduate School of Business, is an economist who specializes in industrial organization and applies and develops econometric techniques to analyze questions relevant to the decisions of firms and consumers. One stream of his research focuses on decision making over time: studying intertemporal substitution of demand in capacity-constrained industries, price discrimination, and the measurement of switching costs. Another research stream considers the effects of social networks on decision making. This research finds a link between social networks and outsourcing and also explores direct network effects among consumers. His recent work focuses on television advertising, Internet advertising, and the interplay between the two. His research has appeared in the *Journal of Law, Economics, and Organization*; *Quantitative Marketing and Economics*; and *Marketing Science*.



B. Zorina Khan is chair and a professor of economics at Bowdoin College and a research associate at the National Bureau of Economic Research. Her research explores questions of law and economics from a historical perspective; she has received such honors as the Leonardo da Vinci Fellowship and the Griliches Fellowship, which the NBER grants once every two years to an empirical economist. Professor Khan has published widely on intellectual property and innovation; her book *The Democratization of Invention: Patents and Copyrights in American Economic Development, 1790–1920* was awarded the Alice Hanson Jones Biennial Prize for an outstanding work in North American economic history. She was recently named a national fellow at the Hoover Institution for 2014–15.



Ross Levine is the Willis H. Booth Chair in Banking and Finance at the Haas School of Business, University of California, Berkeley; a research associate at the NBER; a member of the Council on Foreign Relations; and a member of the Scientific Advisory Council of the European Systemic Risk Board. His work focuses on the linkages among financial sector policies, the operation of financial systems, and the functioning of economies. His two most recent books, *Rethinking Bank Regulation: Till Angels Govern* and *Guardians of Finance: Making Regulators Work for Us*, stress that regulatory policies often stymie competition and encourage risk-taking, with deleterious effects on productivity growth and living standards. Levine has published more than one hundred scholarly articles and advises governments, central banks, and multilateral organizations.



Damon C. Matteo is president of Rouse Strategic IP Solutions, an international firm specializing in developing and executing novel IP strategies to create and realize optimal value from IP assets. His career spans more than twenty years across all facets of the strategic creation, management, and monetization of high-value innovations and IP assets, all in an international context. He regularly employs new business creation, M&A, licensing, and assertion in optimizing returns on these assets, with several transactions valued at more than \$100 million. He was formerly chief IP officer and vice president at the Palo Alto Research Center (PARC). He is the two-term chair of the USPTO Public Advisory Committee, is on the board of the European Center for Intellectual Property Studies, and is a senior fellow of the Center for Advanced Technology. His professional distinctions include being named one of the “Fifty Most Influential People in Intellectual Property” by both *Intellectual Asset Magazine* and *Managing Intellectual Property Magazine* and receiving the National Technology Transfer Excellence Award. A recognized thought leader dedicated to developing new theory and advancing best-practice, Matteo lectures at universities worldwide and is a byline columnist, author, and the subject of frequent interviews. In addition to his US-based academic roles, he serves as professor at Tsinghua University in Beijing, focusing on innovation, entrepreneurship, and IP strategies, and at the Tsinghua X-Lab entrepreneurial center and also sits on the Board of the Tsinghua University IP Center.



Noel Maurer is an associate professor at the Harvard Business School in the Business, Government and the International Economy unit. Maurer’s primary research interest is on how governments protect (or fail to protect) property rights and how private actors defend their property rights against predatory governments or in the face of political instability. He has written five books, *The Power and the Money: The Mexican Financial System, 1876–1932*; *The Politics of Property Rights: Political Instability, Credible Commitments, and Economic Growth in Mexico, 1876–1929*; *Mexico Since 1980*; *The Big Ditch: How America Took, Built, Ran, and Ultimately Gave Away the Panama Canal*; and *The Empire Trap: The Rise and Fall of US Intervention to Protect American Property Overseas, 1893–2013*. Maurer earned his PhD from Stanford University in 1997. Between 1998 and 2004 he worked as an assistant professor in the Department of Economics at ITAM, a university in Mexico City. Maurer also worked at an NGO dedicated to helping small rural communities in Chiapas find new business opportunities for their inhabitants. He joined the Business School faculty in 2004. Next year, he will be taking a position as associate Professor of international affairs and international business at George Washington University.



Victor Menaldo is an assistant professor of political science at the University of Washington and an affiliated faculty with the Center for Statistics and the Social Sciences as well as Near and Middle Eastern studies. He specializes in comparative politics and political economy. Menaldo's research focuses on the political economy of taxation and redistribution, the political economy of regulation, the political economy of regime change, and the political economy of natural resources. He has published in the *American Political Science Review*, the *Journal of Politics*, the *British Journal of Political Science*, *Comparative Political Studies*, *Comparative Politics*, *Economics & Politics*, and *International Studies Quarterly* and has written op-eds in the *New York Times*, *Wall Street Journal*, and *Washington Post*. Menaldo's teaching interests include comparative political economy, political and economic development, the political economy of Latin America, and the politics of property rights.



Troy A. Paredes served as a commissioner of the US Securities and Exchange Commission (SEC) from August 2008 until August 2013, serving throughout the financial crisis and its aftermath, during which time the SEC undertook numerous initiatives to restructure the regulation of financial markets, including advancing rule makings to implement the Dodd-Frank Act and the JOBS Act. Before his government service, Paredes was a professor of law and a professor of business (by courtesy) at Washington University in St. Louis. He has also been a visiting professor of law at UCLA and Georgetown. Earlier in his career, Paredes practiced law in California at O'Melveny & Myers, Steptoe & Johnson, and Irell & Manella, where his practice focused on financings, mergers and acquisitions, and corporate governance. Paredes is the author of numerous academic articles and is a coauthor (with Louis Loss and Joel Seligman) of a multivolume securities regulation treatise, *Securities Regulation*. Presently, Paredes consults on financial regulation, corporate governance, enforcement actions, and private litigation. He also has been appointed a distinguished policy fellow and lecturer at the University of Pennsylvania Law School and lectures at Harvard Law School.



Michael Tomz is professor of political science at Stanford University. He is also a senior fellow at the Stanford Center for International Development and at the Stanford Institute for Economic Policy Research. Tomz has published in the fields of international relations, American politics, comparative politics, and statistical methods. He is the author of *Reputation and International Cooperation: Sovereign Debt across Three Centuries* and numerous articles in political science and economics journals. Tomz received the International Studies Association's Karl Deutsch Award, given to a scholar who, within ten years of earning a PhD, has made the most significant contribution to the study of international relations. He has also won the Giovanni Sartori



Award for the best book developing or applying qualitative methods; the Jack L. Walker Award for the best article on political organizations and parties; the best paper award from the APSA section on Elections, Public Opinion and Voting Behavior; the best paper award from the APSA section on Experimental Research; and the Okidata Best Research Software Award. His research has been supported by the National Science Foundation. Tomz has been a visiting scholar at the Center for Advanced Study in the Behavioral Sciences, the Federal Reserve Bank of Minneapolis, the Hoover Institution, the Institute for Research in the Social Sciences, and the International Monetary Fund.

Joanna Tsai advises Commissioner Joshua Wright on a broad range of issues and matters at the Federal Trade Commission (FTC). Joanna has more than ten years of experience in antitrust, consumer protection, intellectual property, and regulatory matters in a variety of industries and has held positions in both private practice and in government. Joanna joined the FTC with extensive experience in the economics of antitrust liability, damages, mergers, and classification and has assessed such issues in private actions involving attempted monopolization claims. She also has analyzed issues associated with potential unilateral and coordinated effects of mergers in a variety of industries, including pharmaceuticals, medical devices, health



care, financial services, technology, energy, defense, gaming, and hospitality. Joanna holds a PhD and MA in economics from Cornell University and a BA in economics from the University of California at Irvine. Before joining the FTC, Joanna was a principal at Charles River Associates, director of the Office of Strategic Planning and Economic Analysis at the Puerto Rico Industrial Development Company, and, before that appointment, vice president at Compass Lexecon. Joanna has also been a vice-chair of the Economics Committee of the American Bar Association's Section of Antitrust Law from 2012 to the present.

Hoover IP² Steering Committee

Stephen Haber, the Peter and Helen Bing Senior Fellow at the Hoover Institution and the A.A. and Jeanne Welch Milligan Professor in the School of Humanities and Sciences at Stanford University, is also professor of political science, history, and (by courtesy) economics at Stanford. He has been awarded every teaching prize at Stanford, including the Walter J. Gores Award for distinguished teaching. His research examines political institutions and economic policies that “hold up” innovation. His current research examines the creation of regulatory barriers to entry in finance, the economic and political consequences of hold-up problems created by different systems of agricultural production, and the comparative development of patent systems. Haber’s most recent book, *Fragile by Design* (with Charles Calomiris), examines how governments and industry incumbents often craft banking regulatory policies in ways that stifle competition and increase systemic risk.

Richard A. Epstein, the Peter and Kirsten Bedford Senior Fellow at the Hoover Institution, the Laurence A. Tisch Professor of Law at New York University, and a senior lecturer at the University of Chicago, researches and writes on a broad range of constitutional, economic, historical, and philosophical subjects. He has taught administrative law, antitrust law, communications law, constitutional law, corporate law, criminal law, employment discrimination law, environmental law, food and drug law, health law, labor law, Roman law, real estate development and finance, and individual and corporate taxation. His publications cover an equally broad range of topics. His most recent book, published in 2013, is *The Classical Liberal Constitution: The Uncertain Quest for Limited Government*. He is a past editor of the *Journal of Legal Studies* (1981–91) and the *Journal of Law and Economics* (1991–2001).

Wesley Hartmann, associate professor of marketing at the Stanford Graduate School of Business, is an economist who specializes in industrial organization and applies and develops econometric techniques to analyze questions relevant to the decisions of firms and consumers. One stream of his research focuses on decision making over time: studying intertemporal substitution of demand in capacity-constrained industries, price discrimination, and the measurement of switching costs. Another research stream considers the effects of social networks on decision making. This research finds a link between social networks and outsourcing and also explores direct network effects among consumers. His recent work focuses on television advertising, Internet advertising, and the interplay between the two. His research has appeared in the *Journal of Law, Economics, and Organization*; *Quantitative Marketing and Economics*; and *Marketing Science*. He currently teaches the MBA core class in competitive strategy

Naomi R. Lamoreaux, the Stanley B. Resor Professor of Economics and History at Yale University and a research associate at the NBER, has taught at Brown and UCLA. She wrote *The Great Merger Movement in American Business, 1895–1904* and *Insider Lending: Banks, Personal Connections, and Economic Development in Industrial New England*, edited five books, and published scores of articles on business, economic, and financial history. Her current research interests include patenting and the market for technology in the nineteenth and twentieth centuries in the United States, business organizational forms and contractual freedom in the United States and Europe in the nineteenth and twentieth centuries, the public/private distinction in US history, and the rise and decline of innovative regions. Lamoreaux was president of the Business History Conference and the Economic History Association and is a fellow of the American Academy of Arts and Sciences.

Ross Levine is the Willis H. Booth Chair in Banking and Finance at the Haas School of Business, University of California, Berkeley; a research associate at the NBER; a member of the Council on Foreign Relations; and a member of the Scientific Advisory Council of the European Systemic Risk Board. His work focuses on the linkages among financial sector policies, the operation of financial systems, and the functioning of economies. His two most recent books, *Rethinking Bank Regulation: Till Angels Govern* and *Guardians of Finance: Making Regulators Work for Us*, stress that regulatory policies often stymie competition and encourage risk-taking, with deleterious effects on productivity growth and living standards. Levine has published more than a hundred scholarly articles and advises governments, central banks, and multilateral organizations.

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Henry E. Smith is the Fessenden Professor of Law at Harvard Law School, where he directs the Project on the Foundations of Private Law. Previously, he taught at the Northwestern University School of Law and was the Fred A. Johnston Professor of Property and Environmental Law at Yale Law School. Smith has written primarily on the law and economics of property and intellectual property, with a focus on how property-related institutions lower information costs and constrain strategic behavior. He teaches primarily in the areas of property, intellectual property, natural resources, remedies, taxation, and law and economics. Smith's most recent book is *The Oxford Introductions to U.S. Law: Property* (coauthored with Thomas W. Merrill). He is the coeditor of *The Research Handbook on the Economics of Property Law* (with Kenneth Ayotte), *Philosophical Foundations of Property Law* (with James Penner), and *Perspectives on Property Law* (with Robert C. Ellickson and Carol M. Rose).

Richard Sousa, senior associate director and research fellow at the Hoover Institution, is an economist who specializes in human capital, discrimination, labor market issues, and K–12 education. He coauthored *School Figures: The Data behind the Debate* and coedited *What Lies Ahead for America's Children and Their Schools* and *Reacting to the Spending Spree: Policy Changes We Can Afford*, an assessment of the government's response to the economic crisis of 2008–09. Sousa was responsible for launching the Institution's major communications initiatives, including the *Hoover Digest*, *Education Next*, *Policy Review*, and *Uncommon Knowledge*. From 1990 to 1995, he directed the Institution's Diplomat Training Program. He served as director of the Hoover Institution Library and Archives from 2007 to 2012 and was responsible for major acquisitions, including the Chiang Kai-shek diaries; the William Rehnquist papers; the Georgia, Estonia, and Lithuanian KGB files; and the B'ath Party collection.

Amy Zegart, a Davies Family Senior Fellow at the Hoover Institution, professor (by courtesy) at Stanford's Graduate School of Business, and codirector of Stanford's Center for International Security and Cooperation, was previously a professor of public policy at UCLA's Luskin School of Public Affairs. Zegart's research examines organizational development, adaptation, and innovation in national security policy. Her most recent book is *Eyes on Spies: Congress and the United States Intelligence Community*; she also authored the award-winning books *Flawed by Design* and *Spying Blind*. She publishes in leading political science journals, including *International Security* and *Political Science Quarterly*. Zegart served on the NSC and on the National Academies of Science Panel to Improve Intelligence Analysis and as a foreign policy adviser to the Bush-Cheney 2000 presidential campaign. She worked as a management consultant at McKinsey & Company, advising firms on strategy and organizational effectiveness.

Hoover IP² Advisory Board

Rod Cooper is the managing director of Phalanx Investments, LLC, and founder of the Cooper Law Group, the licensing company Protecting Assets of the Mind, LLC, and strategic networking company Marquee Business Alliances, LLC. Cooper's expertise focuses around science, technology, entertainment, and law, with an emphasis in licensing regarding technology, entertainment, sports marketing, and enforcement of intellectual property. He recently started TexaCali Productions, LLC, a production company focused on feature films that he serves as president. Before founding the Cooper Law Group in 2003, Rod practiced at the law firm of Sidley & Austin. In 2006 he joined the law firm of Nix, Patterson & Roach as lead partner for the intellectual property section. During his legal career, he has handled a number of significant intellectual property cases for both plaintiffs and defendants. Rod is a graduate of the Dedman School of Law at Southern Methodist University where he served as articles editor for the *Computer Law Review and Technology Journal*, founded the SMU Intellectual Property Organization, and was appointed a member of the Barristers. Before entering law school, Rod received honors in both his MS degree in molecular biology and biotechnology and BA degree in neuroscience, from the University of Colorado. He is a member of the United States Patent Bar and has also been past president of the Dallas Fort Worth Chapter of the Licensing Executive Society (receiving an Outstanding Chapter Award under his leadership) and a founding instructor for the Professional Development Series presented by the Licensing Executive Society.

Benjamin Kwitek is an entrepreneur, inventor, and angel investor from Colorado. He currently serves as president and CEO of InterForm, Incorporated. He also helps lead Bullet Proof Technology, Gellyfish Technology, and Papernomad GmbH. Many world-class companies, including Acer, Dell, Herman Miller, Lenovo, Pentel, and Sony, have licensed his ideas. He holds degrees and honors from Colorado State University and the University of Colorado. In 2005, he completed his PhD at Colorado State University where his research, entitled *Driving Economic Development*, looked at partnerships between colleges and high-tech businesses. He has further studied innovation and intellectual property at the Harvard Business School. Kwitek has appeared in *BMW Magazine*, *Digital Trends*, *Entrepreneur*, *Forbes*, *Rhapsody*, *Robb Report*, and newspapers across the United States. In his spare time he teaches business and economics at Pueblo Community College. He has lectured on patents at Stanford University and enjoys assisting fellow inventors and startups with their innovation strategies.

Damon C. Matteo is president of Rouse Strategic IP Solutions, an international firm specializing in developing and executing novel IP strategies to create and realize optimal

value from IP assets. His career spans more than twenty years across all facets of the strategic creation, management, and monetization of high-value innovations and IP assets, all in an international context. He regularly employs new business creation, M&A, licensing, and assertion in optimizing returns on these assets, with several transactions valued at more than \$100 million. He was formerly chief IP officer and vice president at the Palo Alto Research Center (PARC). He is the two-term chair of the USPTO Public Advisory Committee, is on the board of the European Center for Intellectual Property Studies, and is a senior fellow of the Center for Advanced Technology. His professional distinctions include being named one of the “Fifty Most Influential People in Intellectual Property” by both *Intellectual Asset Magazine* and *Managing Intellectual Property Magazine* and receiving the National Technology Transfer Excellence Award. A recognized thought leader dedicated to developing new theory and advancing best-practice, Matteo lectures at universities worldwide and is a byline columnist, author, and the subject of frequent interviews. In addition to his US-based academic roles, he serves as professor at Tsinghua University in Beijing, focusing on innovation, entrepreneurship, and IP strategies, and at the Tsinghua X-Lab entrepreneurial center and also sits on the Board of the Tsinghua University IP Center.

Lauren Schoenthaler joined Stanford in 2001 and practices general university law, concentrating on student matters, copyright, privacy, and dispute resolution. Before coming to Stanford, Schoenthaler clerked for the Honorable A. Wallace Tashima, at both the Ninth Circuit Court of Appeals and the Central District of California. Schoenthaler has also served as a deputy district attorney for Santa Clara County. In the private sector, Schoenthaler was an associate of (now) Pillsbury Winthrop, practicing primarily in the areas of antitrust, intellectual property, and general litigation. Schoenthaler received her BA degree from Northwestern University and her JD from Hastings College of the Law, magna cum laude. At Hastings, Schoenthaler was an editor of the *Hastings Law Journal* and a member of Order of the Coif.

Mark Snyder is a Qualcomm vice president and patent counsel. Mark joined Qualcomm Incorporated in 2008 and has represented the company in numerous intellectual property and licensing-related disputes. Currently, Mark is responsible for the coordination of patent policy and advocacy efforts. He earned his engineering degree from the University of Rochester and his law and MBA degrees from Boston College Law School and the Boston College Carroll School of Management. He has been a registered patent attorney since 1993 and is admitted to the bars of California, Colorado (inactive), and the District of Columbia. Before working at Qualcomm, Mark worked in both law firms and as in-house counsel, most recently for Kyocera Wireless Corp., where he managed the intellectual property group with responsibility for prosecution, licensing, and litigation matters.

About Hoover IP²

Does the US patent system as currently constituted hold up or push forward the commercialization of technological innovations?

Does the US patent system frustrate or facilitate the inventive activities and entrepreneurial processes central to economic growth?

The US patent system is a solution to a delicate balancing act where the complete absence of intellectual property rights or the overly broad specification of those rights can thwart innovation. Inventors require the means to earn a return on the years spent perfecting an invention. Conversely, patents extending in perpetuity that require licensing and royalty payments would dissuade legitimate use and encourage excessive imitation. Further, a patent system providing property rights to the original patent holder for all future inventions that built on the original idea is nonoptimal.

Such an unbalanced system would discourage innovation. The US patent system addresses the need for balance by

- Providing a fixed-term property right for a specific and novel invention
- Requiring, in turn, that the design features of the invention be widely disseminated so that they enter the public domain once the term of the patent expires
- Permitting a patentee to exchange or license the patented invention

The Hoover Institution Working Group on Intellectual Property, Innovation, and Prosperity (Hoover IP²) reviews the premises of the US patent system and addresses questions of scope, specification, duration, and economic impact of that system.

Hoover IP²'s goals are to

- Build a dense network of scholars, from a variety of academic disciplines, who are engaged in research on the US patent system
- Analyze the implications that may be drawn from those research results
- Publish the resulting scholarship in peer-reviewed venues
- Disseminate that scholarship to the larger public

www.hooverip2.org

Hoover IP² Upcoming Events

January 29–30, 2015

Conference at Hoover Institution, Stanford University

May 7–8, 2015

Conference at Hoover Institution, Stanford University



HOOVER IP²

HOOVER INSTITUTION WORKING GROUP ON INTELLECTUAL PROPERTY, INNOVATION, AND PROSPERITY

Hoover IP² Steering Committee

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