



Stanford Continuing Studies | Winter 2012 | BUS111
The Patent Paradox
Updated November 4, 2011
Lecturers: Eugene Shteyn and John Kelley

Dates

This course will meet from 7:00-8:50 p.m. every Thursday night for ten weeks, beginning on January 12th and ending on March 15th, 2012. (At the first session, we will discuss options for contacting us between sessions.)

Objectives

To give you a non-technical introduction to U.S. patent policy;

To address several fundamental questions concerning the U.S. patent system:

- Do patents stimulate invention or stifle innovation?
- How do patents affect commerce?
- Who benefits from current patent laws?
- What happens in patent litigation?
- Do the effects of patents differ across industries?
- What will be the impact of the recent America Invents Act?
- Should we change our patent laws?

To present diverse perspectives concerning these issues through guest speakers;

To encourage you to express your own viewpoints concerning these questions;

To have a fascinating, productive time exploring these issues; and

To enhance your abilities to innovate and invest wisely by learning more about patent policy.

Guest Speakers

We will have several guest speakers to present diverse viewpoints and to answer questions.

Grading

You will be able to select from three options for grading in this course:

No Grade Requested:
This will be the default grading option.

Credit/No Credit:
Your grade will be based upon your attendance, and you will be required to sign in for each session.



Letter Grade:

In addition to your attendance (25%) (you will be required to sign in for each session) and class participation (25%), your grade will be determined by your work in presenting your views on one of the fundamental questions addressed in the course (50%). The default mode of presentation will be a 10 minute, in-class, group oral presentation. (Alternatively, if you would prefer to submit a written presentation, it should be a 4-6 page paper.)

Materials and Resources

The following materials are recommended, but not required, reading or viewing, if you would like to learn more about the topics that we will be addressing in the course and related issues:

The Patent Crisis and How the Courts Can Solve It,
by Dan L. Burk and Mark A. Lemley

Patent Failure: How Judges, Bureaucrats, and Lawyers Put Innovators at Risk,
by James Bessen and Michael J. Meurer

The Nature of Technology: What It Is and How It Evolves,
by W. Brian Arthur

“Flash of Genius” (available on DVD)
Director, Marc Abraham; Writers, Philip Railsback, and John Seabrook (article);
Cast: Greg Kinnear, Lauren Graham, Alan Alda, and others.

Links to certain articles that will constitute required readings will be distributed electronically prior to each session. (During the first session, we will discuss the manner in which we will distribute such links.)

Participation

Your active participation in the class and in class discussions is strongly encouraged.

Course Schedule

Note, that the order of topics may change, depending on the availability of guest speakers.

Session 1, January 12, 2012 – An Introduction to the Patent Paradox

Theme:	The popular image of the brilliant, lone inventor
Selected Topics:	Introductions
	Course overview
	Key concepts and terminology
	Class logistics



Session 2, January 19, 2012 – A Brief History of Patents

Theme: How did we get to where we are today?
Selected Topics: Early inventions
Emergence of patents
Contemporary U.S. patent systems
Overview of international agreements affecting patents
Contemporary explanations of patents

Session 3, January 26, 2012 – Invention, Innovation, IP, and Patents

Theme: Invention precedes IP, but IP strategy may precede invention
Selected Topics: Inventions
Innovations
Intellectual property (IP)
Patents

Session 4, February 2, 2012 – Obtaining Economic Value from Inventions and Patents

Theme: Different ways to obtain value from an invention and to exploit a patent
Selected Topics: Options for obtaining value from an invention
Options for exploiting a patent
International and historical perspectives

Session 5, February 9, 2012 – Patent Litigation in the United States

Theme: How courts and litigants shape the meaning and value of patents
Selected Topics: Patent cases – a special type of litigation
Participants in patent cases
Progression of patent cases
Roles of judges and juries
Patent case outcomes
Other: Possible mock jury exercise (TBD)

Session 6, February 16, 2012 – Patent Headlines: Tales from the IT and Pharma Sectors

Theme: Patents can have different effects in different industries
Selected Topics: Role of patents in the IT sector
Role of patents in the pharma sector



Session 7, February 23, 2012 – Patent Headlines: The Great Nortel Patent Auction

Theme: Patents are becoming increasingly important in some markets, and patent valuations may be changing significantly

Selected Topics: Participants in the Nortel patent auction
Nortel's patents
The auction
Post-auction events
Present status

Session 8, March 1, 2012 – Empirical Studies of Patents and Patent Litigation

Theme: What do the data teach?

Selected Topics: Overview of empirical research
Selected types of empirical studies
Selected results concerning patents
Selected results concerning patent litigation

Session 9, March 8, 2012 – Patent Reform Legislation and Recent United States Supreme Court Cases

Theme: How are the rules changing?

Selected Topics: Recent history of proposed patent reform legislation
The America Invents Act and its implications
Recent United States Supreme Court cases concerning patents
The end of U.S. patent reform?

Other: Possible oral presentations from students (TBD)

Session 10, March 15, 2012 – The Patent Paradox

Theme: Do patents promote invention or stifle innovation? What do you think?

Selected Topics: Return to fundamental course questions
Your perspectives
Our perspectives

Other: Possible oral presentations from students (TBD)
Possible reverse-brainstorming exercise (TBD)

First Assignment

Required:

Watch the trailer for “Flash of Genius”:

(a) in higher resolution, <http://www.youtube.com/watch?v=CSd1BS8E3RE> (only until 2:25 is necessary);



(b) in lower resolution, <http://www.youtube.com/watch?v=xJL7DZutafw>

Optional:

(a) Watch all of “Flash of Genius.” (Note: we will have a limited number of copies of the DVD that you may sign up to borrow at the first session.)

(b) Read John Seabrook’s original article, “The Flash of Genius,” which appeared in *The New Yorker* in 1993:

<http://www.booknoise.net/johnseabrook/stories/technology/flash/index.html>

Consent to Recording

We may make video or audio recordings of one or more class sessions for future publication on the web, in print, or in other media. We will announce any such recording before it occurs. By staying in sessions after such an announcement has been made, you will be giving your consent to being videotaped and audiotaped, and you will be authorizing us to release your voice, likeness, and any statements that you have made as well as any images that you have presented during the class. (If you decline to stay in any such session that is being recorded, you will not be penalized in terms of grades.) Please advise us ASAP if this consent to any such recording is of any concern to you.

