**Non-practicing entities in secondary markets in patents: A phenomenon born at the crossroads of legal and economic opportunities**

Over the past twenty years or so, (secondary) markets for technologies have rapidly expanded (Arora et al. 2001) and for many companies now the secondary patent market is a critical resource for protecting their businesses. The general strengthening of Intellectual Property (IP) rights has gone hand in hand with an increase in both licensing and sales of IP rights, and the emergence of both new strategies by traditional actors (R&D-performing manufacturing companies and individual inventors) and new ones, most notably a wide range of Non Practing Entities (NPEs), ranging from universities, R&D laboratories, both private and public, and technology transfer offices (TTOs), to patent intermediaries and patent assertion entities (PAEs, or “Patent Trolls”).

While the economic relevance and strategic behaviour of *R&D-performing* NPEs (most notably universities and TTOs) has been widely investigated, much less research has been devoted to *non-R&D performing* ones if not in recent years (Fischer and Henkel 2012, Bessen and Meurer 2013, Cohen et al. 2014, Tucker 2014, Orsatti and Sterzi 2018, Ganglmair et al. 2018, Abrams et al. 2019). However, these entities, highly specialized in licensing and asserting patented inventions, have come under attack by the governments, companies, lobbying groups, and others.

The general aim of this speech is to analyze the functioning of the secondary market for patents, by explaining the reasons of its increasing importance and giving an overview of the main actors (TTOs, PAEs and IP Insurance companies) involved in the marketplace.

Suggested articles:

* Abrams, D., Akcigit, U., Oz, G., & Pearce, J. (2019). [The Patent Troll: Benign Middleman or Stick-Up Artist?](https://www.dropbox.com/s/kqe0p1i7w8ujzw1/Abrams%20et%20al%202019.pdf?dl=0)*University of Chicago, Becker Friedman Institute for Economics Working Paper*, (2019-51).
* Carayol, N. & Sterzi, V. (2018) [The Transfer and Value of Academic Inventions when the TTO is one option](https://www.dropbox.com/s/ty377hz2q8ha73t/CarayolSterzi_submission.pdf?dl=0), Mimeo
* Galasso, A., Schankerman, M., & Serrano, C. J. (2013). [Trading and enforcing patent rights](https://www.dropbox.com/s/fqgcv8kyiup3r1a/Galasso_et_al-2013-The_RAND_Journal_of_Economics.pdf?dl=0). *The RAND Journal of Economics*, *44*(2), 275-312.
* Ganglmair, B., Helmers, C., & Love, B. J. (2018). [The Effect of Patent Litigation Insurance: Theory and Evidence from NPEs](https://www.dropbox.com/s/v08i0eow7ciy9jm/ipsdm-2018-3-2-ganglmair-helmers-love.pdf?dl=0). *Available at SSRN 3279130*.
* Hagiu, A., & Yoffie, D. B. (2013). [The new patent intermediaries: platforms, defensive aggregators, and super-aggregators](https://www.dropbox.com/s/fjuau2ukuogplp1/Hagiu%20%20%26%20Yoffie%202013.pdf?dl=0). *Journal of Economic Perspectives*, *27*(1), 45-66.
* Menell, P. S., & Meurer, M. J. (2013). [Notice Failure and Notice Externalities](https://www.dropbox.com/s/wufpj7ddtqovanx/Notice%20Failure%20and%20Notice%20Externalities.pdf?dl=0). *Journal of Legal Analysis*, *5*(1), 1-59.
* Orsatti, G., & Sterzi, V. (2018). [Do Patent Assertion Entities Harm Innovation? Evidence from Patent Transfers in Europe](https://www.dropbox.com/s/kwjpxe4u72iwhx2/OrsattiSterzi_final_20180405.pdf?dl=0)(No. 2018-08). GREThA Working Paper.
* Steensma, H. K., Chari, M., & Heidl, R. (2015). [A comparative analysis of patent assertion entities in markets for intellectual property rights](https://www.dropbox.com/sh/boyripy21g8lpz1/AAB_cIHCMN7AKhwU1aL1qZfka?dl=0). *Organization Science*, *27*(1), 2-17.
* Sterzi, V., Pezzoni, M., & Lissoni, F. (2019). [Patent management by universities: evidence from Italian academic inventions](https://www.dropbox.com/s/ucv7w0tr8ilhtmd/Sterzi%20et%20al.%202019.pdf?dl=0). *Industrial and Corporate Change*.