

Private Value of Finnish Patents
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The purpose of this paper is to estimate the value of Finnish patents using the deterministic model of Schankerman and Pakes (1986). In addition to the value estimations we calculate the hazard rate using patent level data. The patent level data analysis complements the aggregate level value analysis.

The main contribution of this paper is that it uses entirely new data. Further, the estimations are conducted on the whole population, not only a sample. In order to make the study comparable with previous studies we estimate the value of Finnish patents by technology and cohort. We also estimate the value for entirely new categories, the patent breadth and the applier. Patent breadth has received much attention in theoretical literature on optimal patent design and by controlling for the applier we gain insight in whether firms' patents differ from those of private persons.

The most important results from the estimations are that the distribution of the private value of Finnish patents is not as skewed as in other countries. The value of patents has declined since the 1970s, in all technologies except for electricity. Patents applied for by firms are more valuable than those applied for private persons. Broader patents are not more valuable than narrower ones, but they become obsolete at a slower pace. The decay rate of knowledge has increased since the 1970s.