



Industry and Innovation

Special Issue Call for Papers

Trademarks and their role in innovation, entrepreneurship and industrial organization

Guest editors

Carolina Castaldi (Eindhoven University of Technology, the Netherlands)

Joern Block (University of Trier, Germany and Erasmus University Rotterdam, the Netherlands)

Meindert Flikkema (Vrije Universiteit Amsterdam, the Netherlands)

Background and objectives

Trademarks are the most widely used intellectual property right by firms across all economic sectors worldwide and the pace at which trademark applications grow is also increasing (WIPO, 2013). Even though trademark registration does not include any novelty requirement, there is already convincing conceptual and empirical evidence that trademarks have various links to innovation (Mendonca et al., 2004, Flikkema et al., 2014; Block et al., 2015): a substantial share of trademarks can be linked to innovations and innovative companies tend to trademark more than non-innovative ones.

Conceptually, trademarks are information signals to the markets that innovative companies can use to distinguish the quality of their new products and services (Block et al., 2014) or flag the market introduction of new products and services (Flikkema et al., 2014). They can also flag the arrival of a start-up and help entrepreneurs to convince prospective investors and clients about their innovative value propositions. Prior research has shown that venture capital investors assign a higher financial value to firms with trademarks compared to firms without trademarks (Block et al., 2014).

While patents are typically related to inventions, trademarks can be linked to new products and services introduced in the marketplace or to the founding of start-ups with innovative

business models or technologies. Moreover, trademarks are used also to protect and appropriate the value of innovations in sectors where patents are not a viable option (De Vries et al., 2017). Despite all these advantages and the comparatively low costs to file trademarks only about half of all start-ups in technology sectors actually file trademarks. The filing of a trademark can thus be interpreted as a sign of a carefully designed and well-developed entrepreneurial marketing strategy.

The increasing use of trademarks is also spurring questions about the implications for industrial dynamics. While the private returns of trademarks to firms have been established in several studies (Sandner and Block, 2011), the social returns are a matter of debate (Schautschick and Greenhalgh, 2016). On one hand, trademarks can reinforce dominant positions of incumbents and act as barriers to entry (Von Grävenitz, 2003). On the other hand, trademarks can stimulate dynamic competition (Greenhalgh and Rogers, 2012) and help survival of start-ups (Helmers and Rogers, 2010). More research in this direction is needed.

Trademark research has recently gained momentum. Novel data sources such as the USPTO databases on trademarks and trademark transactions (Graham et al, 2013 and 2015) have become available. Trademark research also benefits from a shift in interest beyond technological innovation, towards business model innovation, sustainable innovation and innovation in the creative sectors. These exciting new contexts are in need of new theories, conceptual frameworks and measurement instruments. For instance, trademarks can play a key role in appropriation strategies around business model innovation (Desyllas and Sako, 2013) and they can be used to measure intangible forms of innovation (Flikkema et al., 2014).

The objective of this special issue is to promote theoretical, conceptual, and empirical research on the use and effects of trademarks with regard to innovation, entrepreneurship, and industrial organization. We welcome studies at all levels of analysis (e.g., firm, industry, regional, and country level), covering different countries and sectors.

Topics

Exemplary research questions include, but are not limited to, the following:

Trademarks and innovation

- How can innovation indicators based on trademark data be developed and used? What explains the propensity to trademark innovations at various levels of analysis (e.g. firm, industry, or regional level)? Can trademarks be used to measure particular types of innovation such as eco/sustainable innovation?

- How are trademarks used in appropriation strategies across the different sectors and industries of the economy? To what extent do trademarks complement or substitute other formal and informal appropriation tools, such as patents, copyrights or secrecy? How can or do innovative firms use trademarks to capture the value of their innovations?

Trademarks and entrepreneurship

- How can or do start-ups use trademarks to capture the value of their products and business models?
- How can or do start-ups use trademarks to attract financial and other resources?
- How can or do trademarks support start-ups in their market entry strategy? How does the marketing of innovations and innovative products depend on trademarks and their filing strategies? How do the motives to file trademarks and the trademarking strategies differ between start-ups and incumbent firms?

Trademarks and industrial organization

- What are the social returns of trademarking? Do trademarks encourage dynamic competition or do they strengthen barriers to entry with negative effects for competition and society?
- Does bundling of trademarks with other intellectual property rights constitute a threat to the original goals of the individual IPR systems?
- How do markets for trademarks work? How can the value of trademarks be assessed?

Important deadlines

- Submissions to the Special Issue due by **28 February 2018**
- Publication of the Special Issue in Fall 2019

Submission Process

Paper submissions will undergo rigorous editorial screening and double-blind peer review by a minimum of two recognized scholars. The standard requirements of *Industry and Innovation* for submissions apply. Please consult the journal submission guidelines available at <http://www.industryandinnovation.net>.

References

- Block, J., De Vries, G., Schumann, J., Sandner, P., 2014. Trademarks and venture capital valuation. *Journal of Business Venturing*, 29(4): 453-484.
- Block, J. H., Fisch, C. O., Hahn, A., and Sandner, P. G., 2015. Why do SMEs file trademarks? Insights from firms in innovative industries. *Research Policy*, 44(10), 1915-1930.
- Desyllas, P. and Sako, M. 2013. Profiting from business model innovation: Evidence from Pay-As-You-Drive auto insurance. *Research Policy*, 42(1), 101-116.
- De Vries, G., Pennings, E., Block, J.H. and Fisch, C., 2017. Trademark or patent? The effects of market concentration, customer type and venture capital financing on start-ups' initial IP applications. *Industry and Innovation*, 24(4), pp.325-345.
- Flikkema, M.J., de Man, A.P. and C. Castaldi, 2014. Are Trademark Counts a Valid Indicator of Innovation? Results of an In-depth Study of New Benelux Trademarks Filed by SMEs. *Industry and Innovation*, 21(4), 310-331.
- Graham, S. J., Hancock, G., Marco, A. C., and Myers, A. F., 2013. The USPTO trademark case files dataset: Descriptions, lessons, and insights. *Journal of Economics & Management Strategy*, 22(4), 669-705.
- Graham, S. J., Marco, A. C., and Myers, A. F., 2015. Monetizing Marks: Insights from the USPTO Trademark Assignment Dataset. *Available at SSRN 2430962*.
- Greenhalgh, C. and Rogers, M., 2012. Trade Marks and Performance in Services and Manufacturing Firms: Evidence of Schumpeterian Competition through Innovation. *The Australian Economic Review*, 45(1):50-76.
- Helmers, C. and Rogers, M., 2010. Innovation and the Survival of New Firms in the UK. *Review of Industrial Organization*, 36(3), pp.227-248.
- Mendonça S., Pereira, T.S. and Godinho, M.M., 2004. Trademarks as an indicator of innovation and industrial change. *Research Policy*, 33, pp. 1385-1404.
- Sandner, P.G. and Block, J., 2011. The market value of R&D, patents, and trademarks. *Research Policy*, 40(7), pp.969-985.
- Schautschick, P. and Greenhalgh, C., 2016. Empirical studies of trade marks—the existing economic literature. *Economics of Innovation and New Technology*, 25(4), 358-390.
- von Graevenitz, G., 2013. Trade mark cluttering—evidence from EU enlargement. *Oxford Economic Papers*, 65(3), pp.721-745.
- WIPO (2013). *World Intellectual Property Report 2013 – Brands – Reputation and Image in the Global Marketplace*.