

Intellectual Property Rights in the Digital Economy: Issues, Economics, Law and Ethics

Minitrack Chairs:

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The emergence of new digital technologies and the increasing pervasiveness of the internet have led to a renewed examination of intellectual property rights. The papers in this minitrack tackle the intellectual property rights from a variety of vantage points; legal and policy, economic and ethical, and behavioral dimensions that make important contributions to our understanding of property rights in the increasingly digital world. The first paper in the minitrack looks at the impact of standards on the level of piracy. This paper by Chellappa and Shivendu analytically examines the economics of standards. Among the many interesting results of the paper is the result that maintaining different DVD standards across the regions allows producers to control the piracy of movies. In addition, they derive conditions under which consumers will engage in global piracy versus regional piracy and the overall profits are higher with multiple standards. The second paper in this minitrack looks at the interesting issue related to in Meta tag litigation. This paper by de Vuyst and Bodard ask the question whether the information contained in meta tags, and used by search engines, be used to infringe the intellectual property rights and whether it can be used for litigation purposes. The paper examines the meta

tag litigation in several countries and provides insights, from a legal policy viewpoint, on what restraints may be imposed by intellectual property owners on meta tagging that are protected by their trademark rights. The final paper by Bhattacharya, Gopal, and Lertwachara examines the rampant music piracy on the Internet. They use a multitude of methodologies (analytical, empirical, and simulation) to examine the alternative selling strategies to counter, control, and neutralize the effect of online piracy on music business. They look at unit based, subscription based, and hybrid selling strategies under the threat of piracy and come up with several interesting results and recommendations. For example, they find that minimizing the piracy will not necessarily increase revenues and subscription-based services may increase revenues and social welfare, even though it may increase piracy. The papers in this mini-track make important contributions to our current understanding of issues related to intellectual property. However, we have barely begun to scratch the surface. As organizational assets increasingly turn digital, intellectual property can be expected to be the “front-and-center” issue of business strategy and negotiation for a wide spectrum of organizations.