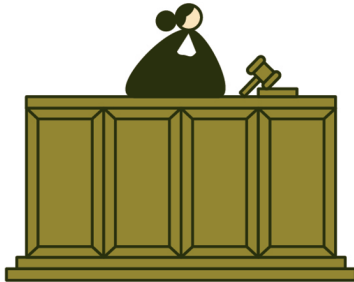




IdeaWatch



## INNOVATION

### Protecting Your Patent Can Be a Learning Experience—for Your Adversary

When one firm believes that another is making unauthorized use of its intellectual property, it may seek redress by filing suit. However, a new study shows that patent litigation can be a double-edged sword, further exposing the very knowledge it was designed to protect.

The researchers analyzed more than 3,000 patent-infringement cases filed from 1998 to 2015 by pharmaceutical companies operating in the United States. They obtained detailed information on the firms, including financial and patent data and Food and Drug Administration approvals, and compared it with information on firms not involved in litigation. This revealed that the defendants in patent-infringement suits were, on average, 18% more likely to subsequently create a novel drug than firms that weren't sued, and they did so in half the time normally needed. When the patent at issue drew on relatively new or heterogenous knowledge

or was broad in scope, the accused firm's innovation bump was even greater.

To pursue a patent-infringement claim, the researchers explain, a firm often must disclose—to the defendant as well as the court—proprietary knowledge beyond what is in the patent itself. In the discovery stage of the trial, plaintiffs commonly have to share research notebooks and information about company procedures, successful and failed experiments, labs and other physical equipment, and knowledge held by employees and expert witnesses. To prove that their patent is nonobvious and unique, they might have to explain new scientific aspects of their creation and provide a detailed road map of the process by which it was developed. And throughout, they might inadvertently illuminate best practices that could help the accused firm avoid fruitless investigations and preserve its resources for more-profitable endeavors.

"In this way, new information to which it otherwise would not have had access can flow to the accused firm," the researchers write. As a result, they add, "the defendant firm...can avoid the mistakes made by the patent-holding firm while learning from its successes." And because a company generally sues

only when its most valuable intellectual property is at stake, such unintended spillovers can have serious implications for its competitive position.



**ABOUT THE RESEARCH** "A Trojan Horse Inside the Gates? Knowledge Spillovers During Patent Litigation," by Kiran S. Awate and Mona Makhija (Academy of Management Journal, forthcoming)

## BRAND NAMES

### The Feminine Advantage

Marketing managers spend considerable time and money deciding what to call new products, with boutique naming fees running as high as \$10,000 per letter. A new study pinpoints a basic attribute they should consider: whether a name is linguistically masculine or feminine. Analyzing 20 years' worth of entries on the Interbrand Global Top Brands list, the researchers found that brands with feminine-sounding names—generally, relatively long words ending in a vowel and with an unstressed first syllable—were more likely than others to make the cut and to earn a spot high up on the list.



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In five subsequent experiments involving both well-known and fictitious brands, the researchers confirmed the superior performance of feminine names and explored the reasons for it. Across products ranging from sneakers to hand sanitizer to YouTube channels, participants favored those with a feminine-sounding name (Nimilia, say) over more-masculine ones (Nimeld). They saw the feminine names as conveying warmth, which inspired more-positive attitudes toward the brand and made them more inclined to choose it.

There were exceptions, of course. When a product was aimed at a male audience, the researchers found, masculine and feminine brand names were equally well-liked. And although participants displayed a clear preference for feminine brand names when contemplating a hedonic purchase, such as chocolate, they preferred masculine names for strictly functional products, such as bathroom scales.

These results have obvious implications for naming new products and could also be deployed in service of the tried-and-true. “Brands...may be ill-advised to discard a well-established masculine name,” the researchers caution. “However, it may be possible to imbue masculine brand names with warmth via feminine sub-brands, brand extensions, or logos. For instance, Fiesta is a linguistically feminine sub-brand of Ford that could add warmth to the masculine corporate brand.”

**ABOUT THE RESEARCH** “*Is Nestlé a Lady? The Feminine Brand Name Advantage,*” by Ruth Pogacar et al. (Journal of Marketing, forthcoming)

## COULD TELECOMMUTING BOOST INNOVATION?

Each 10-kilometer increase in an inventor’s commute is associated with a 5% decrease in patents filed and a 7% decrease in patent quality—and the higher-performing the inventor, the steeper the declines. “Commuting and Innovation: Are Closer Inventors More Productive?” by Hongyu Xiao, Andy Wu, and Jaeho Kim

## SUSTAINABILITY

### Why Luxury Items Can Be Good for the Planet

With concerns about sustainable consumption on the rise, the fashion industry has come under harsh criticism. Experts estimate that it is one of the world’s worst polluters, accounting for 10% of global carbon emissions and 20% of global wastewater. A new study finds a surprising way to reduce the damage: by encouraging consumers to buy high-end goods.

The research team began by scraping data on sales of over 4,600 new and used shoes and purses from online retailers. It found that high-end products were more prevalent than mass-market ones in secondhand outlets, supporting its hypothesis that they have a longer life span—an important marker of sustainability. A subsequent study showed that consumers engage in more-sustainable behavior with luxury goods: They keep them longer and are likely to donate or resell them rather than discard them

when they are through. In further studies, participants considering how to spend a fixed amount of money chose multiple ordinary goods instead of one high-end item—but when prompted to think about the durability of the items in question, they opted for the high-end product significantly more often. In fact, when faced with an explicit trade-off between various product attributes, they rated durability as second only to style and just as important as price.

“Luxury brands and government agencies can collaborate to educate consumers about purchasing fewer, better goods that benefit consumers and the environment,” the researchers write. “Whenever possible, marketers of high-end brands should provide concrete estimates of products’ life spans...and promote the durable nature of their goods.”

**ABOUT THE RESEARCH** “*Buy Less, Buy Luxury: Understanding and Overcoming Product Durability Neglect for Sustainable Consumption,*” by Jennifer J. Sun, Silvia Bellezza, and Neeru Paharia (Journal of Marketing, 2021)

