

Estimates of Firms' Patent Rents
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This paper estimates the rents firms derive from patents for different groups of US public firms using market value regressions. I develop a formal model of patent rents that also accounts for intangible assets. My estimates correspond to estimates of patent value obtained from patent renewal data, about 12.5% of the value of R&D. I also find that the pharmaceutical industry earns the highest rents, but software firms and newly public firms do not earn significant rents from patents at all. Also, patent rents did *not* increase during the 90s, suggesting that patents did not become stronger.

JEL Codes: L10, O34, D23

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