

THE HONG KONG POLYTECHNIC UNIVERSITY DEPARTMENT OF MANAGEMENT AND MARKETING

Departmental Research Seminar



The Scope of Software Patent Protection in the Digital Age: Evidence from Alice By

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Date : 23 Feb 2023 (THU)
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Venue : Online via Zoom

Abstract

Software is the foundation of the digital economy. The scope of software patent protection and the social and private value of software patenting are hence central to recent policy debates. The landmark 2014 U.S. Supreme Court ruling in *Alice Corp v. CLS Bank* had a profound impact on software patenting, drastically narrowing the scope of patent protection on software innovation. We theorize and provide empirical evidence that a narrower scope of software patent protection is associated with a greater degree of open-source activities and improved sales in software firms. We also evaluate how individual firm's ex ante software patent stock may moderate the proposed relationships. These findings offer insights into the roles of patent scope for software innovation in the digital economy and have important implications for the software patent and digital innovation literatures. They also have compelling implications for patent policies on software and software-related inventions, such as artificial intelligence, blockchains, cloud computing, and other emerging digital innovations.

Prof. Arun Rai is Regents' Professor of the University System of Georgia, holds the Howard S. Starks Distinguished Chair, and is the director of the Center for Digital Innovation at the Robinson College of Business at Georgia State University. His research has focused on the development and deployment of information systems to drive innovation and create value. His work has contributed to understanding the digital transformation of organizations and supply chains; governance of IT investments and platform ecosystems; and deployment of digital innovations to empower individuals and address thorny societal problems including poverty, health disparities, infant mortality, and digital inequality. He served as the editor-in-chief of the *MIS Quarterly* from 2016-2020 and has served in editorial roles for other leading outlets including *ISR*, *JMIS*, *JAIS* and *Management Science*. His contributions to the field of information systems have been recognized through the Association for Information Systems (AIS) Fellow Award, the Distinguished Fellow Award and the Inaugural President's Service Award from the INFORMS Information Systems Society, and the LEO Award from the AIS for Lifetime Exceptional Achievement.

All interested are welcome.



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