

tl;dr - Do injunctions for patents promote or impede innovation?

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Over the past 15 years, court decisions have weakened patent protections in the US. While some academics support such weakening, the evidence suggests that it may be having a detrimental effect on innovation.

The Debate:

Some academics argue that patent holders tend to charge excessive license fees to firms that implement their inventions, thereby impeding downstream innovation. The courts have responded by weakening the enforcement of patents in various ways, including by denying patent holders permanent injunctions.

But... by making it more difficult for patent holders to obtain injunctions, courts have effectively reduced the incentive for firms to invest in primary inventions. This has arguably had a stronger negative effect on overall rates of innovation.

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