
Abstract: We offer description and analysis of the 2008 Berkeley Patent Survey—the first comprehensive survey of patents and entrepreneurship in the United States—summarizing the responses of 1,332 U.S.-based technology startups in the biotechnology, medical device, IT hardware, software, and Internet sectors. We find that holding patents is more widespread among technology startups than has been previously reported, but that the patterns and drivers of holding patents are industry and context specific. Surprisingly, startup executives generally report that patents provide relatively weak incentives for core activities in the innovation process. Our analysis uncovers that the drivers of startup patenting are often associated with capturing competitive advantage, and the associated goals of preventing technology copying, securing financing, and enhancing reputation—although, again, these and other motives depend on firm and industry factors. We also find substantial differences between the biotechnology and medical device sectors, in which patents are more commonly used and considered important, and the software and Internet fields, in which they are reported to be less useful. Interestingly, venture-backed IT hardware startups tend to resemble those in health-related fields in terms of their use of and motives for patenting. We generally find a wide disparity between the patenting behavior of venture-backed and other technology startups. We also discover that, when choosing not to patent major innovations, startups often cite to cost considerations. Checking the patent literature and licensing patents from others is reported as reasonably common, although there too results differ according to the context. Other findings are discussed.

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