TABLE OF CONTENTS

CHAPTER 1
BRANDING IN THE GLOBAL ECONOMY

1.1. TRADEMARKS AND ADVERTISING THROUGH HISTORY, AND RECENT TRENDS 23

1.2. INCREASED IMPORTANCE OF BRANDS TO COMPANIES OPERATING IN THE GLOBAL ECONOMY 26
   1.2.1 Increased investment in brands 28
   1.2.2 The value of the leading brands is considerable and is on the increase 40

1.3. THE GLOBAL SURGE IN TRADEMARK FILINGS AND ITS MAIN DRIVERS 46
   1.3.1 The demand for trademarks has grown substantially in absolute terms, and in proportion to economic activity 47
   1.3.2 Main drivers of growth in trademark applications 53

1.4. THE RISE OF MARKETS FOR BRANDS 61
   1.4.1 What are markets for brands and why do companies use them? 62
   1.4.2 Putting numbers on markets for brands: not so easy… 64

1.5. CONCLUSIONS AND DIRECTIONS FOR FUTURE RESEARCH 74
REFERENCES 77
CHAPTER 2
THE ECONOMICS OF TRADEMARKS

2.1
THE RATIONALE FOR PROTECTING TRADEMARKS 81
2.1.1 How trademarks reduce consumers’ search costs 82
2.1.2 How trademarks compare to other intellectual property rights 84

2.2
TRADEMARK COUNTERFEITING 88
2.2.1 Deceptive counterfeiting 89
2.2.2 Non-deceptive counterfeiting 90
2.2.3 Economy-wide effects 92

2.3
CHOICES IN DESIGNING TRADEMARK LAWS AND INSTITUTIONS 93
2.3.1 Designing trademark laws 93
2.3.2 Designing trademark institutions 95

2.4
CONCLUSIONS AND DIRECTIONS FOR FUTURE RESEARCH 106
REFERENCES 108
# CHAPTER 3
## BRANDING, INNOVATION, AND COMPETITION

### 3.1 Conceptual Considerations

- 3.1.1 How competition affects innovation 109
- 3.1.2 Why does branding matter? 113

### 3.2 Branding and Promoting Innovation

- 3.2.1 Helping firms appropriate their returns to innovation 117
- 3.2.2 Branding based on product versus image 122
- 3.2.3 Branding activities that may raise competition concerns 126

### 3.3 Safeguarding Competition

- 3.3.1 Assessing firms’ market power 128
- 3.3.2 The case of vertical arrangements 132

### 3.4 Conclusions and Directions for Future Research

- 3.4 Conclusions and directions for future research 135

**References**

- 3.4 References 137

**Acronyms**

- 3.4 Acronyms 139