Absorptive capacities, 431

,,,,	
Affiliates, 139, 432	relationship, 388, 408
Americas Invent Act (AIA), 199	Complementarities, 172, 432,
Android, 203	442-443, 449-454
Anti-Monopoly laws, 211	Complexity as IP protection, 221
Apple, 167, 204, 220	Configuration-coordination
Arbitrage, 232, 416	framework, 10, 12,
	13–14, 17, 28
Backdating. See Stock backdating	Consumer preferences, 1, 52–53,
Barco, 223-224	54, 56, 58, 62, 72, 82, 83
Bayh–Dole Act, 129	Consumer preferences and
Bertrand-Nash equilibrium, 66	multiproduct firms, 49
Big pharma list, 357	discussion, 82–83
Board interlocks, 310, 312,	higher trading costs, profits
315-317, 322-323, 325,	under, 63
326, 327, 332–336	laundry detergent industry
Bureaucratic quality, 253	application, 57
Bureau of Economic Analysis	simulations, theoretical
(BEA), 11, 18–20, 354,	motivation for, 54–57
368	Consumer product markets, 54
Bureau Van Dijk (BvD), 91–92	Contracting institutions, 231, 232,
Business groups (BGs), 88, 90, 95	233, 247, 251–252, 258,
defined, 88	264
Buyer Total Orders, 240, 253	Controversial practices, 4, 310, 311,
	318, 334
CAGR, 169, 176	Corporate elites, 326
CDs and DVDs, sales of, 222	Corporate misconduct, 310, 327
China IP litigation Analysis	Corporate practices, 312–314
(CIELA), 198	Corruption, 253
Cobb—Douglas production	Crime rate, 326
function, 103	Cross-regional collaboration,
Collaborations, 5, 218, 375	345–346, 355
cross-regional, 345–346, 349	and localized knowledge
in large firms, 345	spillover, 345, 347
4	(2)

Competition-innovation

and quality of local innovation, Firm performance, 89, 352, 392 350 - 351Foreign acquisition, 110-120 Foreign direct investment (FDI), Danfoss, 225 416, 430 Density, 273, 274, 279, 280, 289, spillovers, 440, 444 294, 298 Developing countries, 23, 32, 35, GDP, 166, 200, 396, 441, 453 General Electric Medical Systems 42, 207, 430, 437, 439-442, 446, 449, 452, (GEMS), 220 Geographical proximity, 289, 293, 453 296, 310, 318, 325, 332, Differentiated products, 36, 54, 62 Diffusion of invisible practices, 314 Directory of Corporate Affiliations Geographic concentration, 4, 269, of LexisNexis (DCA), 353 298 Dispersion-coordination and social norms, 271-274 Geographic dispersion/global framework, 14 Domestic groups sourcing, 23-24 and foreign acquisition, 110-113 Geography of collaboration multinational groups versus, 98 and knowledge spillover, characteristics, 99-103 353 - 356Ghemawat's AAA framework, 10, nonmultinational group, multinational group 14, 17, 234 Globalization, 40, 164, 183, 414, versus subsidiary sales performance 449 in. 103-109 Global outsourcing, 230 Golden parachute, 310-311, Economic growth 316 - 318, 334and FDI, 430, 431, 449 Google, 203 Employee mobility, 268 Gourmet cuisine industry, 269, 274 European Pyramid Ownership Granger Causality Test, 419, 421 Structures, 91, 92 Growth, 167, 168, 326, 429, 453 European Union (EU), 454 and FDI, 430, 431, 449 Export orientation, 414 Hague System, 183 Harmonized Tariff Schedule (HTS) Factor markets, 435–436, 440-443, 450-451 data, 236 Field experiment, 271, 274 Hausman test, 287, 289, 290 Firm organization Henkel, 57, 58, 59, 68, 77 and knowledge internalization, Herfindahl-Hirschman index 349 - 350(HHI), 23, 98, 123, 406

Index 465

of geographic concentration, 354 Heritage Foundation, 240, 253 Hierarchical control and	controlling for international R&D alliances, 415 excluding intrafirm imports,
coordination systems, 16	417
Higher trading costs, profits under,	quality of local innovations, 359 cross-regional collaborations
country-level simulations, 68	and, 350
Germany, 75–80	Innovation input, 395–396,
Italy, 68–75	399-400
United Kingdom, 79	Innovation output and import
High-wage countries (HWCs), 388	competition, 399–408
import competition from,	Innovation to imports, 416–419
396-398	Innovative ideas, 347
import penetration from, 396	Institutional IP tools, 164, 165–183
Home Region Outsourcer/Exporter	Integration responsiveness (IR)
group, 42–43	framework, 10, 12–15, 17
Host country experience, 127, 139	Intellectual Property (IP), capturing
Huber-White sandwich estimator,	value from, 163, 172,
288	177-178
Human capital, 450, 455	appropriation strategy, 164–165 214
Import competition, 396–397	challenges with, 181-213
versus export orientation, 414	complex value chains across
and firms' R&D expenditures,	countries, 202–203
399	depending heavily on country
and innovation output, 400-408	institutions, 183–190
leader versus laggard, 406-407	enforcement of trademarks
versus learning opportunities,	and industrial designs,
410-414	203-209
and patent citations, 418, 420	government policy in IP
and technological competition,	affecting the competitive
409-410	advantage of firms,
Industrialized countries, 449	210-213
Industry life cycles, 408, 409	IP protection, 190–195
Information transfer, 268, 271, 298	patent and trademark offices
Innovation	(PTOs), 195–203
import competition and	technology helping to find
controlling for export	infringers, 210
orientation, 415	conceptual framework, 214

market mechanisms, 214-224	Inter-organizational network, 16
nonmarket mechanisms,	Intrafirm trade and global sourcing
224-225	415-416
counterfeit, 207, 224-225	Invisible practices, 311
grants, 176, 177–178	diffusion of, 314–319
implications for management	unique features, 312–314
practice, 225–227	•
industrial design applications, 187	Japanese multinational firms' R&D
litigation, 188, 197–202	activities, 127, 152
Trade-Related Aspects of	
Intellectual Property	Knowledge flows, 4, 344, 345, 350
Rights (TRIPS), 188,	within firms, 348, 355
188-189	Knowledge internalization
using institutional tools,	firm organization and, 349–350
165-181	Knowledge spillover, 344, 346, 379,
Intellectual property rights, 127,	436, 437
197, 225, 298, 347, 378,	across firms, 348, 355
419	geography of collaboration and,
Intellectual ventures, 224	353-356
Intercounty board interlock	horizontal spillovers, 438, 447
networks, 322–323	vertical spillovers, 454
Inter-industry spillovers, 445	Knowledge transfer, 268
International configurations of US	social norms and, 269-271
MNCs, 9, 18–19	Knowledge transfer likelihood, 278,
cluster results, 26–36	290-292
geographic dispersion/global	
sourcing, 23–24	Laundry detergent industry
global integration across value	application, 57
chain activities, 22	data, 59–60
local responsiveness in value	industry overview, 57–59
chain activities, 22–23	modeling consumer demand for
relevance of extant frameworks	laundry detergents,
to US MNCs, 37–39	60-63
underexplored configuration	Learning opportunities versus
characteristics, 39–44	import competition,
International Country Risk Guide,	410-414
239	Li & Fung, 234
International Mobile Station	Linkages, 16, 437–438, 444–447,
Equipment (IMEI)	452
number 210	Litigation 188 197-202 219

Index 467

Local citations, 357	subsidiary sales performance,
Local knowledge spillover, 363	103-109
Local patents, value of, 364	Multinational corporations
Low-wage countries (LWCs), 388,	(MNCs), 4, 50, 89–90,
389, 391, 414, 422, 427	225, 347, 430, 439, 450
import competition from,	extant frameworks and value
396-398	chain integration,
import penetration from, 396	responsiveness, and
	dispersion, 17–18
Macro level complementarities, 449	organizational structure of,
Madrid system, 183	15–16
Market mechanisms, 214–224	strategic choices of, 12-15
collaboration, 218–219	See also International
combining different IP Tools,	configurations of US
220	MNCs
litigation, 219	Multiple regional configurations,
market power, exercising,	42–43
215-218	Multiproduct firms, 56, 62
sale and licensing, 218	•
weak IP regimes, 220–224	National Indigenous Innovation
Mergers and acquisitions (M&A),	Regulations (NIIP), 211
449	NEC, 204
Michelin Guide, 275	Nokia, 202, 222
Misconduct, 310, 311, 312, 334	Noncompete clauses, 221
Monopoly power, 435	Nonmarket mechanisms, 224–225
Motorola, 203	Non-Practicing Entity (NPE), 199
Multi-location firms, 358	2 7 77
Multinational (MNC) suppliers,	Offshore outsourcing, 40–42
sourcing from. See	OLI framework, 434
Sourcing from	Ownership advantage, 434
multinational suppliers	Own-price elasticities, 55, 70
Multinational business groups, 87	1
becoming a multinational group,	Parent firm basic research, 139
110, 110–113	Parent firm size, 139
data, 91–98	Patents, 392
first foreign acquisition,	citations, 299, 356, 357,
113–120	401-403
versus domestic group	grants, 178–179, 182
characteristics, 99–103	litigations, 197–199, 200
,	, ,

patent and trademark offices	R&D intensity, 32
(PTOs), 176, 192,	R&D subsidiaries, 3
193-194, 195-197	university research, strength of,
Patent Convention Treaty (PCT)	126-127, 129-130,
application system, 183	136-137
registrations, 180	Random-effects models, 287
short patent application, 192	Reallocation, 436–437, 443–444,
Payment Delays, 253	451-452
Pharmaceutical companies	Regional Low-Cost Seeking
top 50, in, 2004, 384–385	configuration, 42–43
Pharmaceutical industry, 351–353	Research-intensive firms, 352
R&D in, 344	Roche, 344
Physical proximity, 271	
Policy complementarities, 443	Scenario-based experiment, 274,
Porter's configuration-coordination	276, 299
framework, 17	Secrecy, 215, 221, 313
Portfolio investment, 433	Secret society, 313
Procter and Gamble (P&G), 57-58,	Securities and Exchange
63, 68, 81	Commission (SEC), 311
Product-diversified firms, limited	Securities Data Company (SDC),
geographic scope of,	412
43-44	Sobel test, 290
Property rights, 240, 243, 244, 268	Social capital, 273
Proximity, 271, 272, 312, 335	Social networks, 268
Proximity-concentration	Social norms, 269, 277, 289, 298,
hypothesis, 50	299
	geographic concentration and,
Quality Brands Protection	271-274
Committee, 225	and knowledge transfer,
	269-271
R&D activities in host countries,	Sourcing from multinational
125, 150–154, 392	suppliers, 229
background and theory, 128–131	arbitraging advantage, 233
data, 131–135, 140–141	capabilities, 230, 231, 233, 234,
empirical model and dependent	248-250, 254, 259-261
variables, 135–136	contracting institutions, 231,
empirical results, 142, 147–180	232, 233
pharmaceutical network, 344	contract viability, 239, 243, 244,
R&D expenditures, 22, 152–153,	247, 251, 252, 254,
395	256-259, 260

Index 469

correlations between institutional indices and GDP, 255 hypotheses, 232–235 Spatial diffusion of stock backdating, 309 Spatial proximity, 317 Speed and lead time, 222 Spillovers, 5, 431 knowledge spillover. See Knowledge spillover technology spillovers, 444 Spinoff companies, 268 Standing Committee on the Law of Patents (SCP), 195 Stock backdating, 311, 319–320 spatial diffusion of, 312 in U.S. countries, 330-331 Stopford and Wells' study, 10, 15, 16, 18, 43 Subsidiary sales performance in multinational versus nonmultinational groups, 103 - 109Substantive Patent Law Treaty (SPLT), 195 Technological competition and

import competition,

409 - 410

Technology clusters, 346, 366 Technology spillovers, 444 Trademarks, 165, 166, 170, 203 - 209Transnational corporation (TNC), 432 Transport costs, level of, 52, 67 t-tests, 245-246 Unilever, 57, 58, 63, 68, 71 University-industry collaboration, 144, 150 University strength and industryuniversity collaboration, 151 US Harmonized HTS codes, 240 U.S. Patent and Trademark Office (USPTO), 179, 352, 390, 410 U.S. registrations, 180 Value chain activities, 14–15, 17, 37, 45 global integration across, 22 local responsiveness in, 22–23 Vehicle Identification Number

Wald test, 144
Web of Science (WoS) publication,
137
World Development Indicators, 258
World Intellectual Property Office
(WIPO), 164

(VIN), 210