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Title: Leveraging copyrights to appropriate profits in creative industries: new challenges

Abstract: Relating to the globalisation, convergence debate this paper asks: what problems and opportunities do firms face in leveraging copyrights to appropriate profits? Both globalisation and developments in digital technology, especially the growth of the Internet, raise new challenges for copyright holders. This paper starts by exploring the economic function of copyrights, and the industries in which they are most important. We then focus on the role of copyrights in two industries in particular: music and film. What challenges do firms face in leveraging copyrights to secure appropriability? How might copyrights effectively be combined with other strategies of appropriability (such as lead time, patents, trademarks or secrecy)? Following this, we turn to the role of copyrights in open source software. Most studies have investigated what motivates individuals to contribute to the development of what is essentially a public good. Here, we ask a slightly different question: How can for-profit companies (like Red Hat) make money in the commercial exploitation of open source software? We conclude with some broader observations on the implications of the changing economic role of copyrights.