

## 10/13: Print & the Press

### 1. Housekeeping

University research

Blog & EOT projects?

AOB

### 2. IP & Quality

## Powerful Residuals

Raymond Williams:

residual - dominant - emergent institutions

The university in the digital age

tradition

reputation

accumulated wealth

terms of debate

## Nonprice signalling

Socrates on seeking knowledge

"It is impossible for a man to seek either for that which he knows or for that of which he is ignorant. For no man would seek to know what he knows, because he has knowledge of it already, and has no need of seeking what he has. Nor could any man seek for what he is ignorant of, because he would not know what he is seeking for"

Arrow on markets for information

Universities as branders

## Stifling the emergent

1998: Halloween Memo

Msoft v Open source

## Residual vs Emergent

Msoft v Open source--IP

SCO, "Jeff V. Merkey" & copyright

Microsoft & patents [cp TCP/IP]

What about the Penguin?

## IP, information, & quality

Patents & copyrights, roots in trademarks & quality

1504, Guillaume Cop, injunction against pirate printer of an almanac; only signed copies



1511: Durer's mark

quality in the public interest

1518: [petition] "le bien et utilité de la chose publicque"

1527: [petition for printing monopoly to prevent]:

"les faultes et incorrections que lesditz imprimeurs y pourroient commetre en son absence"

corruption, adulteration, error ...

## History of IP

Carla Hesse, the longue durée , 700 bc to 2000 ad

The rise of intellectual property: An idea in the  
balance

Scientia Donum Dei Est; Unde Vendi Non Potest

18th Century

reading public

public sphere

print culture

John Locke, Edward Young, Gottfried Lessing

originality, creativity, progeny, private property

Condorcet [Marie Jean Antoine Nicolas de Caritat]

ideas as social creations

the logic of social utility

## History of IP

An idea in the balance

Private rights versus public interest

Private rights in the public interest

Moore versus Regents

Boyle versus Posner?

“dramatic expansion”

St Clair: “Every change [in IP] tending to advance the  
producer interest ... against the consumer”



## Out of Balance?

Pursuing private interests

European Intellectual Property Rights Enforcement Directive

[March 2004] [EU's DMCA]

"The European law was shepherded through the European Parliament by MEP Janelly Fourtou"

Private interests and the end of IP

Content Guard

licensing

trade secrets

## Global reach/homogeneity

Klein: "The astronomical growth in the wealth and cultural influence of multinational corporations over the last fifteen years can arguably be traced back to a single, seemingly innocuous idea ... that successful corporations must primarily produce brands, as opposed to products?"

Multinational interest

Project Gutenberg & Gone with the Wind,  
[Elvis Presley, EMI & the Beatles]

## Global reach/homogeneity

Darnton: France “sapped by an insistent flow of scandalous, often pornographic publications” [Switzerland, Belgium]

The ‘vile French Pirates” [Tauchnitz, Galignai]

St Clair: [From 1844]: “The British government is empowered by parliament to make reciprocal copyright treaties with foreign states. Between 1846 and 1886, sixteen treaties are concluded

International patents and trademarks

1857, Italy

1858, France

1862, UK

1870, US

## Conforming to standards

Developing nations and public interest

Developed nations and private interest

The US

Dickens: American Notes for General Circulation

Funk: from piracy to property

## Role of trademarks

Klein, deindustrialization, outsourcing  
things to brainware  
[atoms to bits]  
[increasing vs decreasing returns]  
concentration of profit, spread of immiseration

### Economist

trust, consistent quality [Nokia, Microsoft]  
power and vulnerability  
"the consumer dictates to the companies ..."  
"simplify choice, guarantee quality ..."  
"ultimate accountable institution"

## Brands and power

Nelson: "economists typically pay minor attention to the role of product quality uncertainty in causing concentration"

Brands, disaggregation, and action at a distance

Dell and "virtual integration"

## Brands & chains



## Brands & the PC supply chain

Software	IBM	DEC	3d party	3d party	3d party
OS	IBM	DEC/VAX (3BSD-Unix)	Apple	Sun/Solaris (AT&T-Unix)	Microsoft <small>BIOS</small>
CPU	IBM	DEC	Apple	Sun	Intel & co
Hardware	<u>IBM</u>	<u>DEC</u>	<u>Apple</u>	<u>Sun</u>	[IBM]/OEM

“nobody ever lost their job by buying IBM”



## Brands & chains



## Risk & return

Disk drives “among the most valuable and technologically dynamic components of the PC” McKendrick, 2004

2000:

196 million disks

6 companies

0 profits

Dell, 7% ..., Intel, 13% ..., Microsoft, 31% ...

“Microsoft and Intel capture as much profit as all the other firms in the PC industry” Kenney, 2004

## Vertical competition

Intel, 386 & the “accidental brand”

platform leadership (Cusumano)

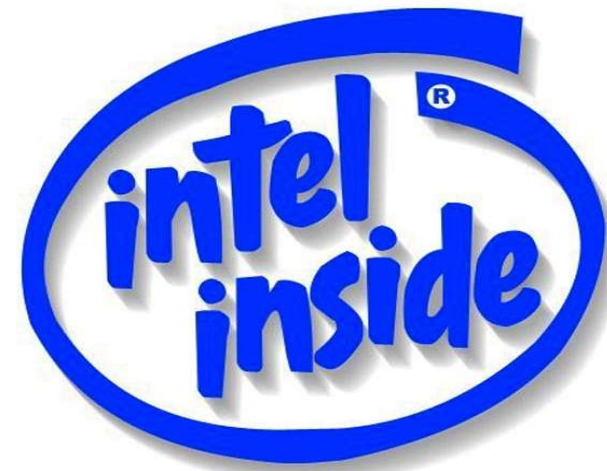
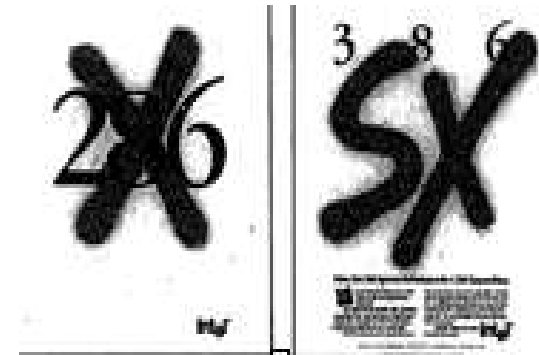
“Trash marketing” [AMD]

“promoting the semiconductor  
company at the expense  
of Compaq's brand”

[Compaq]

“establishing a mindset in  
computer users that they were,  
in fact, Intel's customers”

[Grove]



## Vertical competition

Microsoft, Windows



No NSP

No dual boot

No Tabs

OEM warrants

CPU warrants

FUD & vaporware

## Vertical competition

OEMs

Dell, Motif

Moore's law and inventory control  
local and global

Compaq, TABS, AMD, Nextgen, MIPS, Sun

Gateway, Micronics

IBM, 386 sourcing. ["As sole supplier of the popular chip, ... Intel is expected to generate nearly \$1 billion in revenue ... margins in the 80% to 90% range."]; Pentium ban.

## Trademarks, IP, quality

Missing item (Hesse, Posner, Boyle)

The sign of quality

Trade marks and trade secrets

Limited property or unlimited?

Power without responsibility