Valuing Attribution and Publication in Intellectual Property

Christopher Sprigman
Univ. of Virginia

Christopher Buccafusco
Chicago-Kent

Zachary Burns
Univ. of Chicago
Attribution and Copyright

There is a big debate about attribution in international IP law.

**European Approach** – (waivable) default attribution right

**U.S. Approach** – no default attribution right; contract into attribution
Valuing Attribution

There is considerable qualitative and anecdotal evidence that creators value attribution:
e.g. open source programmers, chefs, comedians, movie industry

But no real effort to *quantify* value of attribution to creators.

That’s what we want to do.
The Creativity Effect

Giacomo Balla, Dynamism of a Dog on a Leash (1912)
Our Hypothesis

Creator > Owner > Buyer
Valuation > Valuation > Valuation
The Creativity Effect

Mean Valuation

$74.59

$40.67

$17.39

Painter

Owner

Buyer
Valuing Attribution & Publication
Valuing Attribution

Questions:

1) Do creators’ desires for publication or attribution decrease the magnitude of the creativity effect?

2) Can we measure the economic value of attribution?

3) What does this mean for the debate about default attribution rights?
Valuing Attribution

Contest for $1000 prize among 100 subjects

Condition 1 (Cash) – Same as before

Condition 2 (Publication) – If creator sells and wins, photo will be published without name.

Condition 3 (Attribution) – If creator sells and wins, photo will be published with name.
Valuing Attribution

Hypothesis: If creators value publication and attribution

Cash > Publication > Attribution
Mechanical Turk

Different at $p = .05$

- Cash Only: $177.35$
- Publication: $226.76$
- Publication + Name: $132.28$
Pro & Serious Amateurs

Different at $p = 0.052$

<table>
<thead>
<tr>
<th></th>
<th>Cash Only</th>
<th>Publication</th>
<th>Publication + Name</th>
</tr>
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<tbody>
<tr>
<td>Amount</td>
<td>$440.25</td>
<td>$339.19</td>
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Implications

- The opportunity to receive attribution does reduce the magnitude of the creativity effect.
- BUT, this does not seem likely to eliminate the WTA/WTP gap.
- What does this mean for the value of a default waivable attribution right?
Studying the Effects of Default Attribution

Even though attribution has value to creators, we may not want a default waivable right.

Default rights have been shown to be “sticky” – subject to status quo bias and endowment effects.
Default Attribution

- Photographers were recruited via mTurk to submit pictures for a contest. Paid $2.
- Told that their photo, along with 4 others, would be shown to a graphic designer who was competing in $200 design contest.
- Designer needs to “buy” rights to one photo to use in design. Will make cash offer to photographer.
- Photographer will get cash if transaction but will not receive prize money.
Default Attribution

Condition 1 – Default Attribution

Subjects told that if the design using their photo wins, it will be published on major website with their name and designer’s name.

State WTA(#1) to allow credited use.

Subjects told that some designers do not want to have to share credit.

State WTA(#2) to allow uncredited use.

Prediction: WTA1 < WTA2
Default Attribution

Condition 2 – No Default Attribution

Subjects told that if the design using their photo wins, it will be published on major website with only the designer’s name.

State WTA(#1) to allow uncredited use.

Subjects told that some designers are willing to share credit.

State WTA(#2) to allow credited use.

Prediction: WTA1 > WTA2
Condition 1 – “Selling” Attribution

WTA1 < WTA2: paired samples T-Test. t(205) = 6.265, p << .001

![Bar chart showing the difference in default right between credited and uncredited conditions with a t-test result.]
Condition 2 – “Buying” Attribution

WTA1 > WTA2: paired samples T-Test.  t(213) = 2.520, p = .012
C1WTA2 > C2WTA1: independent samples T-Test $t(418) = 5.24$, $p = .017$
Default Attribution

- Defaults are “sticky” – subject to status quo bias, endowment effects, loss aversion, prospect theory, whatever you want to call it.
- The value and the cost of attribution will be different depending on how entitlements are structured.
- All things equal, we should choose the set of entitlements that leads to efficient transactions.
- In this case, that probably means no default attribution right.
Thanks!

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