

V. The Scope of a Patent	47
● Patent Policing: Scope and Litigation Costs	50
VI. Conclusions	53
ANNEX A: The Nordhaus Model	56
ANNEX B: Markets, Output, and Bounties as Determinants of R&D	64
● The Market Structure and R&D	
● Output Effect on R&D	
● R&D and Factor Prices	
● R&D and Tax Incentives	
● R&D and Corporate Takeovers	
● R&D and First Mover Advantage	
ANNEX C: Average Effective Patent Protection of a Patented Medicine in Canada	70