

**Understanding Technology Market:
Quantitative Analysis of Licensing Activities in Japan**
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A firm level dataset from JPO, from the Survey of Intellectual Property Related Activities (SIPA), provides detail information on the use of in-house developed IPs and licensing activities for innovation in about 5,000 Japanese firms. In addition, individual patent database from JPO can be linked with this data at firm level by using applicant identifiers.

In this paper, licensing activities of Japanese firms are analyzed in detail, based on this linked dataset. It is show that licensing activities are concentrated in small number of industries, i.e., electronics and pharmaceutical industries. In addition, small firms are involved in out-licensing deals more than large firms. In this paper, differences in licensing activities across industries and firm sizes are investigated in detail.

In addition, this paper addresses the question on how licensing price is determined. The value of patent involved in licensing contract will be determined, not only by the technology contents of patent, but also firm level managerial resources, such as production technologies and marketing channels. In this paper, quantitative analysis about the determinants of licensing price is provided in order to understand how technology market works in Japan.