



## Anne Layne-Farrar, Director, LECG

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### Summary

Dr. Layne-Farrar specializes in antitrust matters where the core issues are at the intersection of intellectual property economics and competition policy. She advises clients on competition, regulation, policy, and intellectual property issues across a range of industries with a focus on high-tech. Her client list includes some of the largest information technology, communications, and pharmaceuticals companies in the world.

Her advisory work for industry leading clients has included: analyzing RAND licensing practices; analyzing patent filings for market definition; assessing economic incentives and firm behavior within standard setting organizations; reviewing the competitive implications of licensing pharmaceuticals; conducting empirical research on the costs and benefits of payment instruments within the United States; determining costs and benefits for legislative proposals covering labor unions, television ratings, software security, and e-commerce; and assessing the antitrust implications of mergers and acquisitions in a number of industries, including software, telecommunications, pharmaceuticals, airlines, manufacturing, and consumer goods.

Dr. Layne-Farrar received her BA in economics with honors, summa cum laude, from Indiana University (Bloomington), her master's and her PhD in economics from the University of Chicago. She has published articles in *Antitrust*, *Global Competition Review*, and *Regulation Magazine* and has numerous publications in academic journals, including *Antitrust Law Journal*, *Harvard Journal of Law and Public Policy*, and *Journal of Competition Law and Economics*.

### EDUCATION

*University of Chicago*  
PhD Economics, 1999  
MA, Economics, 1997

*Indiana University*  
BA, Economics, 1987



## PROFESSIONAL EXPERIENCE

August 2006 – present	<i>LECG</i> <u>Director</u> . Manage economic research projects; provide expert testimony; oversee research team and coordinate outside experts' work; manage project budgets. Co-managing director for the Chicago office.
2005–2004	<i>LECG</i> Other positions.
2001–2004	<i>NERA ECONOMIC CONSULTING</i> <u>Senior Consultant</u> .
1997–2001	<i>LEXECON INC.</i> <u>Economist/Consultant</u> .
1993–1997	<i>UNIVERSITY OF CHICAGO</i> <u>Research Assistant</u> (Professor James J. Heckman, Nobel Laureate).
1989–1991	<i>GTE – TELEPHONE OPERATIONS HEADQUARTERS</i> <u>Market Researcher</u> (Small Business Customers).
1987–1989	<i>GTE – SOUTHWEST INC.</i> <u>Market Forecaster</u> .

## TESTIMONY (Oral)

Witness, US Senate Committee on Health, Education, Labor, and Pensions Hearing on “Rebuilding Economic Security: Empowering Workers to Restore the Middle Class”, March 10, 2009 (webcast online at [http://help.senate.gov/Hearings/2009\\_03\\_10/2009\\_03\\_10.html](http://help.senate.gov/Hearings/2009_03_10/2009_03_10.html)).

## TESTIMONY (Written)

“Assessing the SO’s Foreclosure Allegations,” Written Report on the evidence of foreclosure on behalf of Microsoft in Case No. Comp/C-3/39.530 Microsoft (Tying) before the European Commission. With Dr. A. Jorge Padilla, 8 July 2009.

“An Economic Assessment of Claimant’s Liability Theories and Damage Estimate.” Written Report on a trademark matter submitted for ICC Arbitration No. 14941/FM on behalf of Abbott Laboratories Abbott GmbH & Co. KG, 30 July 2008.

“Assessing the Short-Term and Long-Term Price Effects of Mandated Royalty Reductions.” Written Report submitted to the European Commission, on behalf of Qualcomm, Case No. COMP/C-3/39.247-252. With A. Jorge Padilla, 2 June 2008.

“Rebuttal of ECIS Comments on Microsoft’s Response of 24 April 2007”. Written Report submitted to the European Commission, on behalf of Microsoft, Case No. COMP/C-3/37.792. With Dr. David S. Evans, Dr. Lubomira Ivanova, and Dr. Albert Nichols, 1 June 2007.

“Assessing Innovation: An Economic Analysis of Licensing Intellectual Property”. Written Report submitted to the European Commission, on behalf of Microsoft, Case No. COMP/C-3/37.792. With Professor Alfonso Gambardella and Professor Josh Lerner, 23 April 2007.

“Interpreting ‘Viably Compete’”. Written Report submitted to the European Commission, on behalf of Microsoft, Case No. COMP/C-3/37.792. 23 April 2007.

“An assessment of Professors Scott Morton and Seabright’s opinion on Qualcomm’s FRAND commitments and the need for competition law intervention”. Written Report submitted to the European Commission, on behalf of Qualcomm, Case No. COMP/C-3/39.247-252. With Professor Vincenzo Denicolò, Dr. A. Jorge Padilla, Professor Richard Schmalensee, Professor Klaus Schmidt, Professor David Teece, and Professor Xavier Vives, 8 March 2007.

“Assessing Excessive Prices: An addendum economic analysis of patents declared essential for the UMTS standard”. Written Report submitted to the European Commission, on behalf of Qualcomm, Case No. COMP/C-3/39.247-252. 23 August 2006.

“Assessing Excessive Prices: Economic analysis of patents declared essential for the UMTS standard”. Written Report submitted to the European Commission, on behalf of Qualcomm, Case No. COMP/C-3/39.247-252. 18 May 2006.

“An Economic Analysis of the Commission’s Claim that the ContentGuard Patents Are ‘Essential’”. Written Report submitted to the European Commission in response to the Commission’s Statement of Objections, on behalf of Microsoft, Case No. COMP/M.3445-MICROSOFT/TIME WARNER/CONTENTGUARD. With Dr. David S. Evans and Professor Josh Lerner, 20<sup>th</sup> November 2004.

Appendices A - D, containing empirical patent analysis. Submitted to the European Commission in response to the Commission’s Statement of Objections, on behalf of Microsoft, Case No. COMP/M.3445-MICROSOFT/TIME WARNER/CONTENTGUARD. With Mr. Sannu Shrestha, 20<sup>th</sup> November 2004.

## PUBLICATIONS

“Innovative Or Indefensible? An Empirical Assessment Of Patenting Within Standard Setting”, forthcoming in *International Journal of IT Standards and Standard Setting Research*, 2009.

“Preventing Patent Hold Up: An Economic Assessment of Ex Ante Licensing Negotiations in Standard Setting”, with Gerard Llobet and A. Jorge Padilla, forthcoming in *AIPLA Quarterly Journal*, 2009.

“Patents in Motion: The Troubling Implications of the *N-Data* Settlement“, *Global Competition Policy*, March 2009.

“The Ex Ante Auction Model for the Control of Market Power in Standard Setting Organizations”, with Damien Geradin and A. Jorge Padilla, *European Competition Journal*, December 2008.

- “Revisiting Injunctive Relief: Interpreting eBay in High-Tech Industries with Non-Practicing Patent Holders”, with Vincenzo Denicolò, Damien Geradin and A. Jorge Padilla, ***Journal of Competition Law and Economics***, Vol. 4, No. 3, 571–608, 2008.
- “The Evolution of Network Industries: Lessons from the Conquest of the Online Frontier, 1979 – 95”, with Martin Campbell-Kelly and Daniel Garcia-Swartz, ***Industry and Innovation***, Vol. 15, Issue 4, 435–455, August 2008.
- “The Complements Problem Within Standard Setting: Assessing The Evidence on Royalty Stacking”, with Damien Geradin and A. Jorge Padilla, ***Boston University Journal of Science and Technology Law***, 2008.
- “Further Thoughts on the Cashless Society: A Reply to Dr. Shampine”, with Daniel Garcia-Swartz and Robert W. Hahn, ***Review of Network Economics***, issue 4, December 2007.
- “Pricing Patents For Licensing In Standard Setting Organizations: Making Sense of FRAND Commitments” with A. Jorge Padilla and Richard Schmalensee, ***Antitrust Law Journal***, Winter 2007.
- “Antitrust and Intellectual Property Rights: Assessing the Link between Standards and Market Power” ***Antitrust***, Summer 2007.
- “The Economics of High Tech Antitrust”, ***Global Competition Review***, Vol. 10, Issue 4, 2007, with Jim Langenfeld and A. Jorge Padilla.
- “Finding the Optimal Public-Private Balance in Catastrophe Insurance: The Katrina Experience”, ***ICFAI Journal of Risk and Insurance***, Vol. IV No. 2, April 2007, with Daniel Garcia-Swartz.
- “The Logic and Limits of Ex Ante Competition”, ***Competition Policy International***, vol. 3, no. 1, Spring 2007, with Damien Geradin.
- “The Law and Economics of Ratings Firms”, ***Journal of Competition Law and Economics***, Winter 2007, with Harold Furchgoth-Roth and Robert W. Hahn.
- “The Law and Economics of Software Security”, ***Harvard Journal of Law and Public Policy***, Vol. 30 No. 1, Fall 2006, with Robert W. Hahn.
- “The Move Toward A Cashless Society: A Closer Look at Payment Instrument Economics”, ***Review of Network Economics***, vol. 5, issue 2, June 2006, with Daniel D. Garcia Swartz and Robert W. Hahn.
- “The Move Toward A Cashless Society: Calculating the Costs and Benefits”, ***Review of Network Economics***, vol. 5, issue 2, June 2006, with Daniel D. Garcia Swartz and Robert W. Hahn.
- “Every Market That Rises Must Converge”, ***TechCentralStation*** April 2005, with Chris Nosko and Daniel Garcia Swartz. Available online at <http://www.techcentralstation.com/040105D.html>.

“Software Patents and Open Source: The Battle Over Intellectual Property Rights” *Virginia Journal of Law and Technology*, Vol. 9 No. 10, Summer 2004, with David S. Evans.

“The Case for Federal Preemption in Antitrust Enforcement,” *Antitrust*, Vol. 18, No. 2, Spring 2004, with Robert W. Hahn.

“Federalism and Regulation,” *Regulation Magazine*, Winter 2003, with Robert W. Hahn and Peter Passell. Available online at <http://www.cato.org/pubs/regulation/regv26n4/v26n4-7.pdf>.

“Federalism in Antitrust,” *Harvard Journal of Law and Public Policy*, Vol. 26, No. 3, Summer 2003, with Robert W. Hahn.

“Is More Government Regulation Needed to Promote E-Commerce?,” *Connecticut Law Review*, Vol. 35, No. 1, Fall 2002, with Robert W. Hahn.

“An Economic Assessment of UCITA,” *Hastings Communications and Entertainment Law Journal*, Vol. 24, Issue 3, November 9, 2001, with Robert W. Hahn.

“The Benefits and Costs of Online Privacy Regulation,” *Administrative Law Review*, Vol. 54, No. 1, Winter 2001, with Robert W. Hahn.

“The Human Capital Pricing Equations with an Application to Estimating the Effect of Schooling Quality on Earnings” *Review of Economics and Statistics*, December 1996, with James J. Heckman and Petra E. Todd.

“Does Measured School Quality Really Matter? An Examination of the Earnings-Quality Relationship” in G. Burtless. ed., *Does Money Matter? The Link Between Schools, Student Achievement and Adult Success*, Brookings Institution, Washington DC, 1996, with James J. Heckman and Petra E. Todd.

## WORKING PAPERS

“Non-Discriminatory Pricing: What is Different (and What is Not) about IP Licensing in Standard Setting”, June 2009, available at <http://ssrn.com/abstract=1427924>

“An Economic Take on Patent Licensing: Understanding the Implications of the ‘First Sale Patent Exhaustion Doctrine”, with Gerard Llobet and A. Jorge Padilla, May 2009, available at <http://ssrn.com/abstract=1418048>.

“An Empirical Assessment of the Employee Free Choice Act: The Economic Implications”, March 2009, available at <http://ssrn.com/abstract=1353305>.

“Assessing the Link between Standard Setting and Patent Holder Market Power”, with Jorge Padilla, September 2008.

“Innovative or Indefensible? An Empirical Assessment of Patenting Within Standard Setting”, September 2008, available at <http://ssrn.com/abstract=1275968>, presented at the CEPR-Bank of Finland conference on Innovation and Intellectual Property in Finance.

“The Role of Intellectual Property Rights in Transition Economies: Lessons from Bulgaria”, with Lubomira Ivanova, September 2008.

“Elves or Trolls? The Role of Non-Practicing Patent Owners in the Innovation Economy”, with Damien Geradin and A. Jorge Padilla, August 2008, available at [http://papers.ssrn.com/sol3/papers.cfm?abstract\\_id=1136086](http://papers.ssrn.com/sol3/papers.cfm?abstract_id=1136086).

“To Join Or Not To Join: Examining Patent Pool Participation and Rent Sharing Rules” (January 2008), with Josh Lerner, available at [http://papers.ssrn.com/sol3/papers.cfm?abstract\\_id=945189](http://papers.ssrn.com/sol3/papers.cfm?abstract_id=945189).

“A Somber Anniversary: Terrorism Insurance Five Years After 9/11” (October 2006), with David S. Evans and Daniel Garcia-Swartz, available at [http://papers.ssrn.com/sol3/papers.cfm?abstract\\_id=936348](http://papers.ssrn.com/sol3/papers.cfm?abstract_id=936348).

“Transitions in Terrorism Insurance: The Debate over TRIA” (October 2006), with Daniel Garcia-Swartz, available at [http://papers.ssrn.com/sol3/papers.cfm?abstract\\_id=943772](http://papers.ssrn.com/sol3/papers.cfm?abstract_id=943772).

“Valuing Patents For Licensing: A Practical Survey of The Literature” (March 2006) with Josh Lerner.

“The Role of Trade Secrets In Intellectual Property Protection: A Survey of the Literature” (August 2005), with Josh Lerner.

“Defining Software Patents: A Research Field Guide” (August 2005), AEI-Brookings Working Paper 05-14, available at [http://www.aei-brookings.com/ta\\_search.php](http://www.aei-brookings.com/ta_search.php).

## **SELECTED PRESENTATIONS**

“Striking the Right Balance: IPR Rules for Standard Setting”, American Bar Association Antitrust Law Section Annual Meeting, March 25, 2009.

Invited panelist, Federal Trade Commission Hearing on the Evolving IP Marketplace: Injunctive Relief February 12, 2009, webcast available at [http://htc-01.media.globix.net/COMP008760MOD1/ftc\\_web/FTCindex.html](http://htc-01.media.globix.net/COMP008760MOD1/ftc_web/FTCindex.html).

Invited panelist, Federal Trade Commission Hearing on the Evolving IP Marketplace: Remedies, February 11, 2009, webcast available at [http://htc-01.media.globix.net/COMP008760MOD1/ftc\\_web/FTCindex.html](http://htc-01.media.globix.net/COMP008760MOD1/ftc_web/FTCindex.html).

“Reversing the Trend? A potential path to reducing reverse payments”, New York State Bar Association Antitrust Law Section Annual Meeting, January 29, 2009.

“The Economics of Standard Setting”, American Bar Association Brown Bag Series, December 2, 2008.

“The Economics of Innovation & Intellectual Property”, American Bar Association Brown Bag Series, July 23, 2008.

“Ex Ante Negotiations in Standard Setting Organizations” American Bar Association Antitrust Law Section Annual Meeting, March 26, 2008.

“Revisiting Injunctive Relief in High-tech Industries with Non-practicing Patent Holders”, Competition Policy Center, Conference on the Economics of Competition and Innovation, University of Berkeley, October 26, 2007.

“Innovative or Indefensible? An Empirical Assessment of Patenting Within Standard Setting”, 9th Annual Bank of Finland, CEPR, and Reserve Bank of Philadelphia Conference on Innovation and Intellectual Property in Financial Services, October 16, 2008.

“Elves or Trolls? The Role of Non-Practicing Patent Owners in the Innovation Economy” Third European Conference on Competition and Regulation, CRESSE, July 4, 2008.

“Standard Setting, Rand Licensing And Ex Ante Auctions: The Implications Of Asymmetry”, SIIT 2007, October 18, 2007.