



# Appropriation Strategy Lab

Patents    Trade secrets    Trade marks  
Contracts    Complementary assets

## Turn innovation strategy into a game

Free, browser-based teaching game on how firms protect and profit from innovation.

- Designed for teaching innovation & strategy
- Play it in class or assign as pre-work

Appropriation Strategy Lab – Warwick Business School

# What Is This Game?

- A 10-round simulation on how firms protect and capture value from innovation.
- Each round presents a different real-world innovation scenario.
- Players choose an appropriation strategy (patents, secrecy, contracts, assets, etc.).
- You receive feedback, profit impact and strategic insights each round.
- Play a Tetris-like mini game
- Your final ranking ranges from Butterfly 🦋 to Dragon 🦖.



# Appropriation Strategy Lab

For each innovation, pick how the firm tries to stop rivals copying it. Think about **appropriation mechanisms** (formal and informal), **complementary assets**, and **contracts**. You have 10 rounds, with a different product or service each time. Rankings go from **Butterfly**  to **Dragon** .

Round 1 / 10

Total net profit 0

Best-aligned choices 0 / 0



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**Streetwear brand with distinctive logo**  
A clothing line with strong visual identity and presence on social media. You start a streetwear brand selling in London, Berlin and online. Designers and models are recognizable and styles are distinctive. You sell mainly through social media and pop-up shops.

**How easy is it to copy?** Other brands can make similar clothes, but copying your name and logo would be obvious.

**What can you do?** Logos, slogans and designs are highly visible in photos and in the streets.

**Key complementary assets:** Brand story, social media channels, some influencer partnerships, flexible suppliers.

**Market & legal aspects:** Design rights are fast. Legal fights can be slow and expensive, but clear trade marks still matter.

**CHOOSE AN APPROPRIATION STRATEGY**

- A. Register individual designs for each clothing item, ignore the brand  
Main tools: Design rights, legal fees.  
You focus protection on specific garment shapes and prints.
- B. Skip trade marks, rely only on speed and constant new drops  
Main tools: Lead time, trend spotting, social media.  
You try to stay ahead by always releasing new designs.
- C. Register trade marks + exclusive deals with key influencers  
Main tools: Trade marks, limited design copyright, influencer contracts, scarcity.  
You protect the brand name and logo and use contracts and drops to build a loyal community.

**Formal tools:**  
[Patents](#)  protect new technical ideas (if you meet the patent requirements).  
[Trade marks](#)  protect names, logos and brand identity.  
[Copyright](#)  protects code, text, images, music and other creative work.

**Informal / practical methods:**  
[Secrets](#)  hide trade secrets (e.g. recipes, algorithms, processes).  
[Lead time & first-mover](#)  staying ahead through speed and learning.  
[Complex & tacit costs](#)  making it hard to copy in practice.  
[Community & switching costs](#)  building attachment and making exit painful.

**Complementary assets & contracts:**  
[Complementary assets](#)  manufacturing, sales & marketing, service & support, data, platforms, distribution networks.  
[Contracts](#)  NDAs, exclusivity, data rights, non-compete (where lawful), platform terms.

In Teece's terms, the key question is: who actually gets the money? Often it is the firm that chooses the right **bundle** of appropriation mechanisms, complementary assets and contractual arrangements for the context.

More about appropriation mechanisms (click to expand)

Patents – what they work and when they fail  
Trade marks – protecting brand and identity  
Copyright – protecting creative expression  
Secrets – hidden know-how and information  
Lead time & first-mover advantage  
Complexity & tacit know-how

Cisco Secure 

## Streetwear brand with distinctive logo

A clothing line with strong visual identity and active social media.

You start a streetwear brand selling in London, Berlin and online.

Designs follow fashion trends, but your logo and style are distinctive.

You sell mainly through social media and pop-up shops.

**How easy is it to copy?** Other brands can make similar clothes, but copying your name and logo would be obvious.

**What can others see?** Logos, slogans and designs are highly visible in photos and in the street.

**Key complementary assets:** Brand story, social media channels, some influencer relationships, flexible suppliers.

**Market / legal context:** Fashion moves fast. Legal fights can be slow and expensive, but clear trade marks still matter.

### CHOOSE AN APPROPRIATION STRATEGY

- A** Register individual designs for each clothing item, ignore the brand

Main tools: Design rights, legal fees

You focus protection on specific garment shapes and prints.

- B** Skip trade marks, rely only on speed and constant new drops

Main tools: Lead time, trend-spotting, social media

You try to stay ahead by always releasing new designs.

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Main tools: Trade marks, limited design copyright, influencer contracts, scarcity

You protect the brand name and logo and use contracts and drops to build a loyal community.

Description of innovation

Appropriation context

You choose one of the three options

## **Round outcome**

**Make a choice to see the outcome.**

Think about: visibility, ease of imitation, complementary assets, and realistic legal, contractual and informal tools.

You will see 10 different situations. No product or service repeats in this game.

**Next scenario**

**Formal tools:**

Patents  protect new technical ideas (if you meet the patent requirements).

Trade marks  protect names, logos and brand identity.

Copyright  protects code, text, images, music and other creative work.

**Informal / practical methods:**

Secrecy  keeping valuable know-how confidential (e.g. recipes, algorithms, processes).

Lead time & first-mover  staying ahead through speed and learning.

Complexity & tacit skill  making it hard to copy in practice.

Community & switching costs  building attachment and making exit painful.

**Complementary assets & contracts:**

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[Lead time & first-mover advantage](#)

[Complexity & tacit know-how](#)

[Community & switching costs](#)

[Complementary assets – who controls the bottleneck?](#)

[Contracts – invisible but powerful barriers](#)

You could click  
on these for  
more  
information

# Example Scenario (Not in the Game)

Innovation: A UK start-up develops a biodegradable packaging film made from seaweed.

- *Imitability*: Moderate. Recipe is partly visible once analysed; production tolerances are tacit.
- *Visibility*: The film's properties can be observed by competitors.
- *Complementary assets*: Large food-packaging distributors control access to major retailers.
- *Context*: EU tightening rules on plastic packaging; strong interest from supermarkets.

Possible strategies

- A. Patent the formulation and license to multiple manufacturers to scale quickly.
- B. Use secrecy for the process + NDAs with early partners.
- C. Copyright the recipe and then secure exclusivity agreements with a distributor.

# Example Scenario (Not in the Game)

Innovation: A UK start-up develops a biodegradable packaging film made from seaweed.

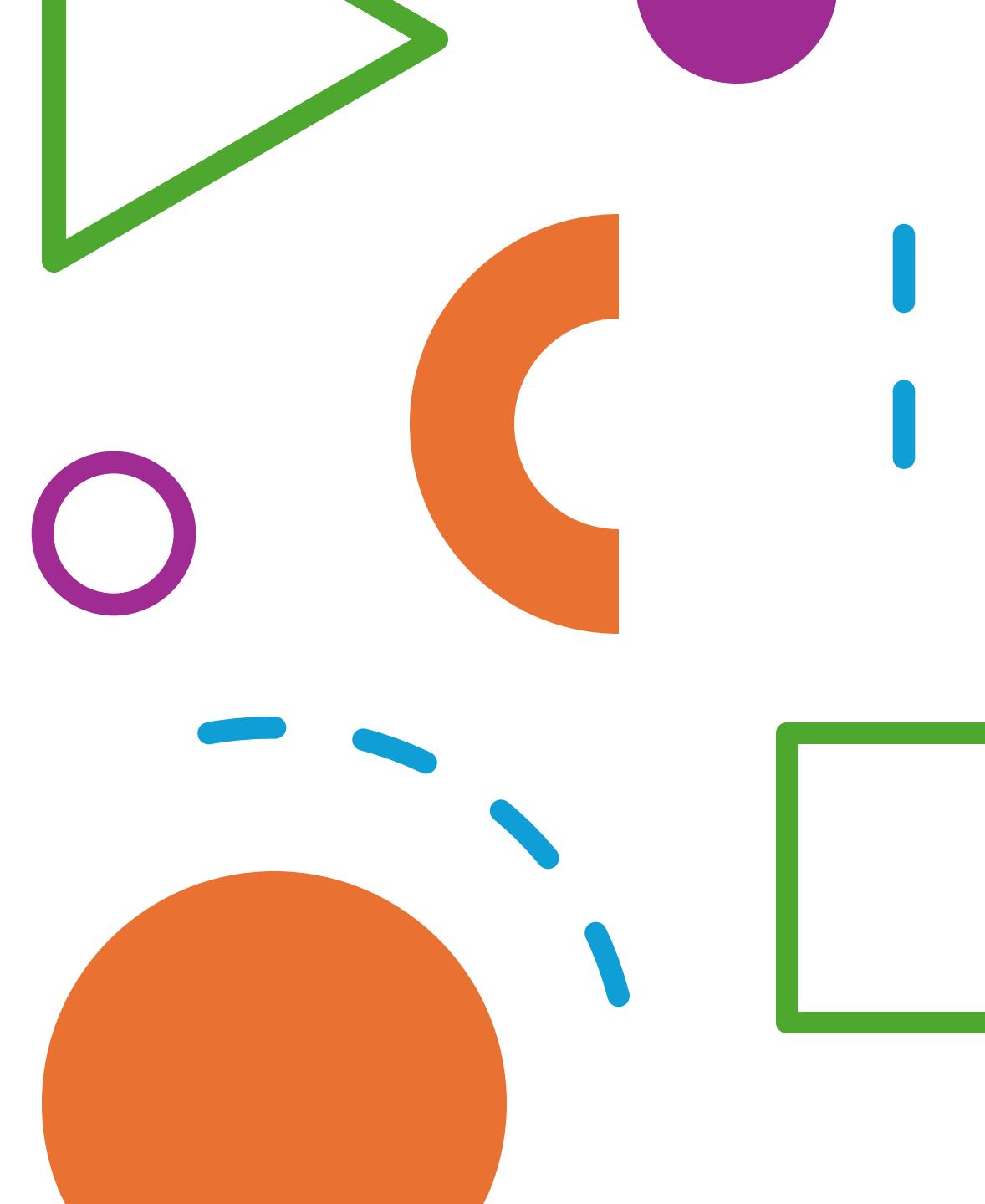
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# How to Play

1. Carefully read the scenario: innovation, imitability, visibility, complementary assets and context.
2. Review the three strategic choices.
3. Pick ONE appropriation strategy.
4. See the outcome:
  - Profit impact
  - Protection strength
  - Cost/difficulty
  - Feedback based on Teece's framework
5. Continue through all 10 rounds.
6. At the end, you receive your overall ranking and personalised advice.



# Key Issues to Consider When Choosing



*Imitability:* How quickly can rivals copy the idea?



*Visibility:* What aspects of the innovation are observable or reverse-engineerable?



*Cost vs. benefit:* Is the protection worth the time, money and disclosure?



*Complementary assets:* Who controls manufacturing, distribution, data or brand access?



*Contracts:* Could NDAs, exclusivity or platform rules matter more than IP?



*Informal mechanisms:* Lead time, secrecy, complexity, user community.



*Global context:* Enforcement strength, regulation, partner bargaining power.



The right choice depends on **the whole context** — not just the invention.

# Your Challenge



**Use** what you learned from IP strategy, Teece's appropriability regime and complementary assets.



**Balance** short-term gains with long-term defensibility.



Think like a **strategist**, not a lawyer.



**Choose carefully** — every round shapes your final ranking

# Levels of performance

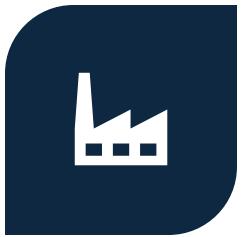


A close-up photograph of a foosball table. The green playing surface is marked with white lines. Four plastic players are visible: two red players with white socks and black heads, and two yellow players with black heads. The red players are positioned near the top and bottom goals, while the yellow players are on the sides. The foosball table has a light-colored wooden frame.

# Appropriation Strategy Lab

## Post-Game Scenario Exercise

# Goals of the Exercise



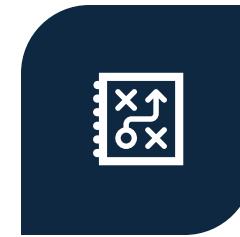
USE YOUR PERSONAL  
EXPERIENCE OF MARKETS,  
PRODUCTS, AND  
INDUSTRIES



REFLECT ON YOUR GAME  
RESULTS AND STRATEGIC  
DECISIONS



IDENTIFY WHAT MAKES  
SOME SCENARIOS EASIER  
OR HARDER



CONTRIBUTE NEW,  
REALISTIC SCENARIOS TO  
IMPROVE THE GAME



LEARN THROUGH  
DISCUSSION AND PEER  
FEEDBACK

# What I Am Looking For

- Clear, realistic innovation examples drawn from personal experience
- Evidence of thinking about imitability, visibility, assets, and contracts
- Three plausible strategic options (not perfect – just credible)
- Group discussion, debate, and justification of choices
- Engagement with feedback from another group
- A scenario that would challenge future players



# Step 1 – Compare Scores & Game Experiences

- Share your final score and animal level
- Discuss choices you made
- Identify moments of confusion or insight
- What did the game reveal about your strategic instincts?



# Step 2 – Easiest & Hardest Scenarios

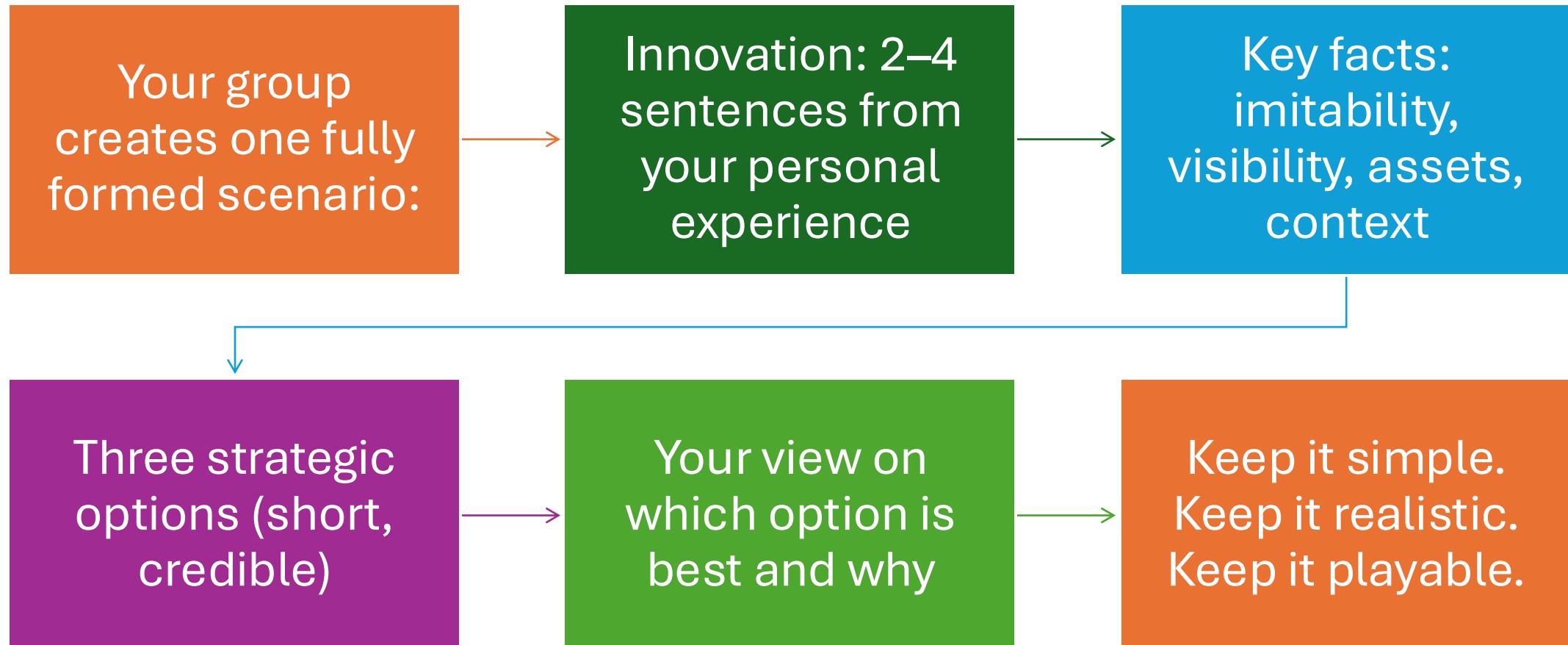
What scenario felt easiest for your group?

What scenario was most difficult?

Explain why:  
imitability? visibility?  
assets? partners?

These insights help you build a better new scenario

# Step 3 – Develop ONE New Scenario



# Step 4 – Pitch → Feedback → Refine

- Pair with another group
- Pitch your scenario (60–90 seconds)
- Receive feedback: clarity, realism, difficulty
- Refine your scenario based on the critique
- Get ready for the final pitch



# Step 5 – Final Pitch & Class Voting

- Each group gives a 60–90 second pitch to the full class
- Explain your innovation, dilemma, and options
- Students vote for the top three scenarios
- Winning scenarios will be added to the game library!



# What Makes a Strong Scenario?

01

Grounded in real products, markets, or experiences

02

Contains a genuine strategic dilemma

03

Options are believable – none ridiculous

04

Requires players to weigh protection vs. cost vs. assets

05

Would challenge a future student to think strategically

# Final Thoughts

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There are no perfect scenarios – only useful ones

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Use what YOU know: your background, country, sector, work

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The game improves when every cohort adds new insights

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Have fun, be creative, and don't overthink it!