

[454] 9. ORGANIZED INDUSTRY. We have found this second most important source supporting but 16% of invention and its researches, through the patent system and simple commercial motives for technical improvement, after eliminating its use of patent pooling, compulsory license, know-how sales and tax benefits; but it *performs* 72% of the inventing and discovering, and pays for 48% of it, in one way or another.

[455] The typical instrument for reimbursement of Organized Industry is the patent system; but this by no means pays for all of Industry's inventive program. Much the larger part is paid for by the other institutions listed, including Secrecy, usually temporary, and Monopoly—or by trademarks, advertising and good will protecting a product after its secrecy and perhaps patent have run out, and by the enlargement of one's industry although including one's competitors, through a better product or cheaper production, since each industry competes with others for the consumers' or Government's dollar.

[456] It may be rather useless and even contrary to the spirit of private enterprise to point out areas of invention and research which such enterprise has left unattended because they have seemed unprofitable to the firm, and ask them to divert their money thither. Yet such areas are very numerous, covering a majority of the needs, as we point out in chapter 6, what with the scientific, the unpatentable, military, long-range, remote, very risky, the nonassessable upon the beneficiaries, and the custom-barred. We were best simply to invite into these vast areas the governmental and other nonprofit institutions that seem most suitable for each field, above all the proposed invigorated trade associations (ch. 11). Paragraph 458 suggests better handling of outsiders' proposals, and chapter 13 those of their inventive employees.

[457] 10. SUGGESTION SYSTEMS. On this institution for the humblest inventing (§ 94, 138, 395), accounting for something less than 1% of invention and research, the author has no recommendations. But compare § 460, 462.

[458] 11. UNORGANIZED INVENTORS. We have considered at length (§ 396–411) the almost invariable failure of the outsider when attempting invention, the limited working of his and the small firm's patents when successful, and the small-fry's practical absence from such fields of science as lead to invention. The scientists organized in universities, foundations, laboratories, etc., are counted not here but elsewhere, if working at their job; if acting independently they should be counted here. While we guessed the contribution of the unorganized inventors to be small, only 2½%, still something might be done to improve their situation, as we implied in § 400. The wasted effort by incompetent outsiders might be reduced by less propaganda from the patent law profession, popular magazines, and National Inventors Council, inviting common men to invent outside their special competence. Some propaganda material featuring inventions like Howe's sewing machine, from an age that is past and gone, might be cited. On the positive side, more help might be given with probable profit to some would-be inventors with military or commercial ideas they strongly believe in, especially when the invention, or line of scientific research, has a potential value that would be large, for the Nation, but of smaller appeal to any commercial or military authority.