

[540] One further problem of the associations needs consideration. As a rule, each of their patents would be open to use by all members of any association. But sometimes this would lead to unnecessary duplication of facilities which could not be fully utilized. This situation is met by patentees today through granting only a restricted number of licenses (unless condemned by a court to compulsory licensing of all applicants). Our associations should sometimes follow the commercial practice of restriction, particularly in inventions that will require further refinement by the manufacturer, as commercial use will reveal the needs and clues, and in such *parts* of inventions as will call for building costly dies and great, automated machines for most efficient production. Copyrights are a parallel case, since a book's prime costs, extending from the ideas to the printing plates, are almost everything; hence book copyrights are rarely licensed at all, and may last for 56 years. But if single parts need maximum scale production this need not concentrate a whole product or industry. If say a difficultly compounded ingredient, or a control device for a large machine needs non-competitive, maximum-scale manufacture, it could be made by only one or a few firms, and shipped by them to competing assemblers, as often today. To which firms to allot the limited licenses might be a sticky question, but there are familiar ways to solve it, with Government supervision, e.g., competitive bidding for the lowest supply price, as on Government contracts. The problem is met and handled today in the British textile industry, through two associations, one of which owns their patents, and licenses some to single firms.⁵²⁷

THE MERITS OF THE PLAN may be listed as follows:

[541] 1. UNLIMITED FUNDS become available to support invention and all its pertinent or basic scientific researches (§ 533), the costs being for the most part simply passed on to the consumers, whereas today a firm's raising its prices is fraught with competitive difficulties. It will be the first time in history that any important institution possessed unlimited funds. With such wherewithal and the plan's basis in both Government and industry, it proffers funds and favor for auspicious *projects that no other institution provides for*, including the great majority which the patent system cannot assist (ch. 6), and the projects of commercial field but quite uncommercial delayed or too risky benefit, which government, universities, foundations or professional associations will not touch because the inventions smell of commercialism, but in which private industry cannot smell profits early and sure enough. The fundamental invention (ch. 8) is the most noteworthy of these gardens untilld. *Custom-barred inventions*, balked by a standardization (§ 215-7), would get a much better chance, since an industry, organized in its association, could claim authority to change the standardization, just as the FCC has power in radio, and the ICC in railroading. *Inventions not assessable upon their beneficiaries* (§ 222-3) would have a better chance, perhaps through a Government order to the appropriate association. Unlimited funds also vouchsafe, for all kinds of invention and research, *continuity* of effort, facilities and personnel over long periods of years, something often lacking in the ups and downs of a firm's prosperity and directions of interest, or in congressional appropriations. The evils of excessive and insufficient rewards (§ 259-60) would be reduced.