

4 to 3% in instruments, chemicals, electric equipment, and communication, to 0.4% in lumber, wood products, and furniture, or in textiles and apparel, and to 0.3% in food and kindred products. The pre-eminent example of small business is agriculture; but it has been rescued by governmental realization of this need, as well as by large companies taking over the making and inventing of agricultural implements.

[547] 7. THE COSTS OF THE PATENT SYSTEM, which we found in ¶ 261-9 to add up to something like a hundred million dollars a year in direct costs, would be mostly saved, when patents were little fought over, and most of them perhaps granted without examination, on demand of a semipublic trade association. *Speedy publication* (§ 164-6) would also be assured for such.

[548] 8. TREND. Social forces and the tide of times are apt to be stronger in the long run than all our politics and personal preferences. So it is well to be on the side of the future, or at least to realize how the trend is setting. Trade associations, which hardly existed before 1910, patent pooling, and comity between big businesses if not monopoly, governmental regulating, and cooperation between industry and Government, have all been increasing in modern times. So is it not to be expected that some sort of patent pooling, and some sort of industrial organization with Government participation or supervision, is likely to come about? And that the main question is not what is the trend, but whether we should further it or obstruct it?

OBJECTIONS TO OUR PLAN

[549] 1. THAT THE PLAN WOULD USE THE PATENT SYSTEM TO DESTROY IT. *Answer:* First, in abstract logic, would there be any impropriety in using A to destroy A, in order to substitute a better B?

[550] Second, in fact the patent system would not be destroyed, but much reduced and modified. Patents would still be granted, under the same rules as before and universally in the world, save for certain changes above proposed. And they would still be valuable, both to the associations, to maintain their obligatory membership and powers of controlling quality, standardizations, and sometimes sufficiently large-scale manufacture, and also of value to all inventors outside the association laboratories, to wit some American firms, the freelance and occasional inventors, and the foreign firms, who would all find in their patents a way for demanding a sufficient reward, just as of old. But the costs of the patent system should be much reduced especially from less lawsuits (§ 547). Filing patents abroad would continue as before.

[551] 2. THAT THE PLAN PROPOSES MONOPOLY, WHEREAS IT IS COMPETITION WHICH HAS BUILT INVENTION AND AMERICAN INDUSTRY. *Answer:* In strict language, the plan proposes no monopoly, but a great attack against it. Monopoly means a union of sellers. The proposal is for monopsony, union of buyers, of invention. This could *conceivably* be oppressive, exploiting the inventors, but we see no reason whatever to expect this. For the monopsonies would possess unlimited funds to offer for patents, unpatented inventions, and services of inventors and scientists, and their main motive for existence would be to encourage all these; so why should they underpay, defraud, or anywise deter