

CHAPTER XXI

THE PATENT MONOPOLY

There are other trusts, such as the so-called Harvester Trust, and an alleged agreement among the leading electrical companies, and the Shoe Machinery Trust, which depend largely upon patents for their monopoly control of the market.

Our patent law was designed to reward the inventor, but it was never intended that the inventor or his assigns should have the power to hold a patent out of use for the purpose of sustaining a monopoly. The purpose of the law, however, has been so perverted that a great number of extremely valuable patents have been absorbed and kept out of use by the trusts, and the public is denied the benefit of them.

The patent law should be remodeled to prevent this privilege. The law should provide that all patents should be open to public use upon the payment of a moderate royalty, to be fixed by the government, and paid to the owner of the patent, or divided between the government and the owner of the patent. Under this system everybody would be free to compete on even terms in the actual production of the patented article, subject to the payment of the royalty. The inventor's reward would correspond with the extent of the

use of his invention. This would protect the inventor, give a return to the government for the service rendered by it making the invention profitable, and would secure equality of opportunity among all men desiring to manufacture and sell a patented article. Every interest would therefore be protected, and it would be impossible to buy competing patents so as to establish a trust in the manufacture of any patented article.

The price of patented articles would therefore always be fixed by free competition instead of by monopoly.