

- a) To provide adequate and flexible ways and means for effective assistance to inventors to enable R. & D. financing of inventions from the idea through to the hardware phase of development.
- b) To provide more attractive and effective incentives to new-invention industries to stimulate their setting up of operations here, and to ensure reinvestment of part of their profits in Canada to enhance perpetual industrial growth and innovation.

PROPOSALS

I. Government-Sponsored Invention Risk Insurance

14. More often than not, inventors/innovators do not have adequate funds to embark on the long and costly road of R. & D. work to bring their invention from the idea to the hardware stage. At this initial and most crucial stage they will seldom qualify for any of the present R. & D. assistance programs within the Program for the Advancement of Industrial Technology (P.A.I.T.) or the National Research Council's (N.R.C.) Industrial Research Assistance (I.R.A.) which at best provide 50% of the costs involved. Many an invention has been abandoned or lost to mankind and to the Country of origin because the inventor failed to find the needed venture capital, willing to take a gamble with respect to the inherent risk involved in even the most promising inventions at their initial R. & D. stage. Independent inventors often do not even have adequate funds to secure proper patent coverage.

15. With some exceptions, to a significant degree large corporations have lost the risk-taking pioneering spirit which made America great. Now, many prefer to jump on the band wagon after the inventions have been developed and fully proven, even if this is always much more expensive and often too late. Well-known are such famous ideas as XEROX, POLAROID and many