

Why do Inventors Invent?

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Abraham Lincoln said, "Patents add fuel to the fire of genius". The role of the patent system is to encourage inventors by providing them incentives to give life to their ideas. As Lincoln rightly stated, the patent system provides the necessary encouragement to an inventive mind rather than creating one through its incentive system. The nature of the role played by the patent system in setting inventive minds in motion has been the subject of research at various levels. While some scholars concluded that the patent system does not play any role, others stated that it plays an important role in incentivizing an inventor to invent.

Despite the ambiguity with respect to its role, most companies devise incentive mechanisms to promote inventive activity based on filing or grant of patents. Most scholars argue that such patent-based incentive schemes are counterproductive to inventive activity because their assumptions are not well founded. In order to help companies to devise incentive mechanisms that suit Indian inventors, we carried out a research project to understand what encourages an Indian inventor to invent. The study was carried out through inventor interviews and questionnaires.

As it can be seen from the chart, twenty-seven percent of the inventors stated that they invent because of their desire to improve, twenty-two percent opined that recognition encourages them to invent and twenty-one percent of them stated that they invent because of their love for invention. Only thirteen percent of the inventors opined that financial gain inspires them to invent. According to eighty-seven percent of the

inventors, inspiration to invent comes from non-financial reasons. It must be noted here that the persons interviewed belonged to the R and D departments of various companies in the telecom, pharma, and manufacturing sectors.

Most incentive mechanisms today are based on financial benefits linked to patent activity and give very little importance to other reasons for inventors to invent. In the light of the results, what should an ideal incentive system comprise of? I will write my opinion to the said question in the posts that follow.