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II. Vérmező-u.6., Budapest, Hungary

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My dear son!

I have received your letter No. 13, to which I reply, first of all, as to the business contents.

Unfortunately, the outlook in this respect has proved very unfavourable in the meantime. It is only fair to know that if the foreign exchange situation there makes it impossible for you to send money here, you will have to give up all experimentation with Hungarian inventions. I was concerned about the position of the Hungarian National Bank, and in order to be sure, I contacted the relevant department of the Bank today, where I was told that patents can only be transferred to Australia with a licence, and that the licence is only granted against foreign currency. So the idea that you have raised, that I should buy the licences for pence in this country and transfer them to you as a gift or for half the price, is forbidden.

(Not to mention that even if it were not forbidden, it would be difficult to transfer the thing. You know that a considerable part of my meagre depot consists of English and Dutch tranche-u League of Nations bonds. The price of these has of course recently fallen substantially, so that the future development of the lombard possibilities is very uncertain. One or two thousand pence might not be a problem, but I could not afford any more. But I mention this only for the sake of completeness, because the mentioned prohibition means that the part within brackets has only academic significance.) Before I went to M.N.B., however, I had already had discussions with the parties concerned and I am in any case reporting the result of my discussions. Maybe there is a way to get a foreign exchange permit there.

So: <u>Graphology</u>, the inventor is ready to grant exclusivity for Aust., N.Z. and as many islands around as you like for 2000 pence. This is of course a first offer and I have no doubt that a bargain could be struck if necessary. Of course, you cannot guarantee this exclusivity other than by a written statement. But I don't think such a guarantee is necessary. It is certain that so far the inventor is not in contact with anyone out there, so you would have the advantage. On the other hand, I think the whole thing is only good for one season, as it was only marketed here for one season... And there are supposedly 2000 kits sold at the horrific price of 20 pence. The inventor set the price so high because he had to sell a lot to the resellers, and on the other hand he saw the high price as good for foreign shops in Netan, considering that Budapest could not have bought the goods for 10,000 even if they had been sold for only five pence.

The publication will not take place until August, at which time the one-year period of international protection will be counted, unless the Berne Convention is overturned as a result of politics.

Nowhere abroad has the article been manufactured or sold.

At home the kit won the gold medal in the competition of the Inventors' Association. As a result, the matter was reported in the Pest papers and three foreign correspondents

became interested. Thus, an announcement appeared in the Observer and the Pittsburgh Sonntagsbothe as a report from their Budapest correspondent. I have copied both statements for your information and will send you a copy with the next "business paper", although it is not of great importance. The third photographic/ bulletin is supposed to have appeared in the N.Y.T., but no copy of it is available, nor is the date of its publication known. And the photojournalist who made the publication has moved abroad and the inventor does not even remember his name.

There are no English writing tests and the somewhat slow-moving inventor does not want to have them made. He has, however, promised an English prospectus for next week, which, in his opinion, will make such English writing tests superfluous. Clichés, again, he says, are not worth sending, as the postage would cost at least as much as to have them made there. He will gladly give us an option if we will document our seriousness by paying a small sum, say 200 pence, for them. He sets the duration of the option at four months.

Surely there is room for negotiation on all this. It turns out that the inventor has a brother-in-law in Melbourne, Imre Fellner. He was employed in Csepel and is now working for £8 a week in an iron foundry there. When he left, the inventor gave him the stock to try to do something with it outside, but nothing happened. Nevertheless, inventor is at pains to say that if by chance you happen to be put in touch with T.F., don't mention the matter to him until you have the contract in hand.

<u>Roulette.</u> Nowhere has this article been experimented with. He believes that if the domestic bans on gambling do not prevent the article from being marketed, the bans there can perhaps be avoided by emphasising the children's board game nature of the game.

<u>Physiognomic automaton.</u> This is the latest patent of the inventor. It also seems to be quite clever. I will send you a description next time. Not yet, as the last Defence Act requires the permission of the Minister of Defence for the marketing of all patents. This permission is not doubtful, of course -- it won't arrive for a week or two.

<u>Door lock.</u> I also discussed this matter yesterday and the company promised to send me a letter by post with detailed costing figures. In the meantime, however, during my meeting with M.N.B., this matter was raised and the person concerned stated that the company exports such locks to Aust. The Bank does not grant a licence for an article which is exported to that country. I spoke to the inventor on the phone and we agreed that I would contact him again the day after tomorrow to discuss this matter. He had not mentioned exports in this direction before.

<u>Remedies.</u> In any case, I'll talk to the person, but I'll just say that you're looking into things. I will not ask him for an option. For so long, I think, it would not be very worth while for him, nor for you. Such remedies grow like mushrooms after rain, and it is not doubtful that at any time, if an article interests you, you will be able to get from this man, or another, or others, a mass of material.

All this I discuss so abundantly, notwithstanding the difficulty I have mentioned at the outset, and am gladly prepared to discuss further. Such things are very good for distracting one's attention for minutes or hours from political affairs. By this I mean world politics. Everything is quiet and orderly at home, thank God. Love you, Apu (Father).