bury, 14 *O. G.* 448; *Com. Dec.* 1878, p. 339; 15 *Blatch.* 64; 3 *Bann. & Ard.* 346.

"Legal representatives" in the patent act means executors or administrators.—*Shaw Relief Valve Co. v. City of New Bedford*, 28 *O. G.* 283; *Com. Dec.* 1884, p. 289; 19 *Fed. Rep.* 753.

A license will not carry the right to any one but the licensee personally, unless there are express words to show an intent to extend the right to an executor, administrator, or assignee, voluntary or involuntary.—*Oliver v. Rumford Chemical Works*, 25 *O. G.* 784; *Com. Dec.* 1883, p. 443; 109 *U. S.* 75.

A patent-right, like any other personal property, is understood by Congress to vest in the executors and administrators of the patentee, if he has died without having assigned it.—*Shaw Relief Valve Co. v. City of New Bedford*, 28 *O. G.* 283; *Com. Dec.* 1884, p. 289; 19 *Fed. Rep.* 753.

A license that reserves no royalty to the owner of the patent, and grants the right not only to the licensee, but to his executors, administrators, and assigns, is assignable.—*Adams v. Howard*, 22 *Fed. Rep.* 656.

A license that runs to the administrators and executors of the licensees, as well as to their assigns, is apportionable and may be transferred in severalty.—*Adams v. Howard*, 22 *Fed. Rep.* 656.

LEGAL TITLE.

It is not essential to the validity of a patent that it be granted in the name of the owner as shown by the records of the Patent Office. When the patent issues, the legal title vests at once in the person who by the records is entitled to it.—*Consolidated Electric Light Co. v. Edison Electric Light Co.*, 33 *O. G.* 1597.

In determining to whom a patent shall issue, where assignments have been made, the Commissioner of Patents must be

governed by the record. He cannot regard mere equitable claims, but must issue the patent to the person or persons having the legal title, the requirements of the Office having been complied with.—*Ex parte Edison*, 7 *O. G.* 423; *Com. Dec.* 1875, p. 42.

The legal title to a patent will prevail over the equitable title, unless the rights of the holder of the legal title were acquired with notice of the equities of the party in whom the equitable title is.—*Davis Improved Wrought Iron Wagon Wheel Co. v. Davis Wrought Iron Wagon Co.*, 20 *Fed. Rep.* 699; 22 *Blatch.* 221.

The interest or estate in a patent to the transfer of which a writing is necessary, is such as enables the party receiving it to convey legal title. An equitable interest or an interest in mere proceeds need not be recorded, consequently it need not be in writing.—*Blakeney v. Goode*, 30 *Ohio St.* 350.

Where an application is withheld from issue for the sole purpose of ascertaining who is a legal assignee to be included in the grant, an assignment deed will be considered, even though filed of record subsequently to the payment of the final fee.—*Ex parte Paine*, 13 *O. G.* 408; *Com. Dec.* 1878, p. 51.

Where a patent has been allowed and ordered to issue, and an assignment has been made authorizing the Commissioner to issue patent to the assignee, and patent issued to inventor, the assignment not having been recorded until after the issue of the patent; *held*, that the legal title to the patent became vested in the assignee on the recording of the assignment.—*United States Stamping Co. v. Jewett*, 18 *O. G.* 1529; *Com. Dec.* 1880, p. 704; 18 *Blatch.* 469; 7 *Fed. Rep.* 869.

In all cases where an assignment does not pass the legal title and is not absolute and unconditional, or there are remaining rights or liabilities of the assignor which may be affected

by the decree, he is a necessary party to the suit.—*Cook v. Bidwell*, 20 *O. G.* 1083; *Com. Dec.* 1881, p. 397; 8 *Fed. Rep.* 452.

Where one person has the legal title to the patent and another an equitable right therein, both must be made parties to a suit in action in equity to restrain infringement.—*Gamewell Fire-Alarm Tel. Co. v. City of Brooklyn*, 22 *O. G.* 1978; *Com. Dec.* 1882, p. 512; 14 *Fed. Rep.* 255.

An assignee of a chose in action—as a patent-right—cannot proceed by bill in equity to enforce for his own use the legal right of his assignor, merely because he cannot sue at law in his own name.—*Hayward v. Andrews*, 23 *O. G.* 533; *Com. Dec.* 1883, p. 155; 106 *U. S.* 672.

Letters-patent having been issued directly to an assignee, he acquired the legal title.—*Perkins v. U. S. Electric Light Co.*, 24 *O. G.* 204; *Com. Dec.* 1883, p. 322; 21 *Blatch.* 308; 16 *Fed. Rep.* 513.

Where a patentee agrees to assign for a valuable consideration a renewed patent as soon as obtained, the assignee becomes equitably entitled to the entire interest in the patent during the extended term, and can invest himself with the legal title by paying, or offering to pay, the stipulated price.—*Hartshorn v. Day*, 19 *How.* 211.

An assignment recorded in the Patent Office before the patent issues, which is intended to operate upon the perfect legal title which the assignor has a right to obtain, as well as upon the inchoate right which he possesses, vests the assignee with the legal title although the patent is subsequently granted to the assignor.—*Gayler v. Wilder*, 10 *How.* 477.

A deed by which an inventor conveys all his right in an invention, and in or to the letters-patent that are or *may be* granted therefor, vests the legal title in the assignee.—*Railroad Co. v. Trimble*, 10 *Wall.* 367.

While employment to invent and perfect machinery for a particular purpose will operate as a license to the employer, it will not of itself confer upon the employer any legal title to the invention or to the letters-patent protecting it.—*Whiting v. Graves*, 3 *Ban. & Ard.* 222; 13 *O. G.* 455; *Com. Dec.* 1878, p. 208; *Whitney v. Spafford*, 3 *Bann. & Ard.* 274; 13 *O. G.* 675; *Com. Dec.* 1878, p. 227.

A mere licensee cannot bring suit for infringement, either at law or in equity, in his own name alone. He must join with him the owner of the legal title.—*Nelson v. McMann*, 4 *Bann. & Ard.* 203; 16 *Blatch.* 139; 16 *O. G.* 761; *Com. Dec.* 1879, p. 586.

The rule that a receiver cannot convey title to a patent unless the owner of the legal title joins does not apply to the transfer of a mere equitable title.—*Adams v. Howard*, 22 *Fed. Rep.* 656.

An assignee under a State insolvent law does not acquire any legal title to any interest the debtor may have in a patent, as the statute contemplates a written instrument signed by the owner of the patent, and duly recorded in the Patent Office, in order to vest the legal title in the purchaser.—*Ashcroft v. Walworth*, 5 *Fish.* 528; 1 *Holmes* 152; 2 *O. G.* 546.

An interest in the net proceeds of collections under a patent, does not necessarily amount to legal ownership of the patent itself.—*Jordan v. Dobson*, 4 *Fish.* 232; 2 *Abbott* 398.

Administrators of an estate are not, properly speaking, trustees in whom is vested the legal title. The law clothes them with certain powers by which they are enabled to transmit the legal title of property. Acts done by one of them which relate to the delivery, gift, sale or release of the testator's goods or personal property, are deemed the acts of all. It is not necessary for all the administrators to unite in an assignment in order to pass the whole interest in a patent.—*Wintermute v. Redington*, 1 *Fish.* 239.

The discoverer of a new and useful improvement is vested by law with an inchoate right to its exclusive use, which he may perfect by proceeding in the manner prescribed by law. An assignment of his whole interest, whether before or after the patent is issued, is equally within the provisions of the act. If it is made before the issuing of the patent, it is sufficient to transfer the legal title to the assignee, although the patent afterwards issues to the inventor.—*Gayler v. Wilder*, 10 *How.* 477; *Rathbone v. Orr*, 5 *McLean* 131; *Rich v. Lippincott*, 2 *Fish.* 1; *Herbert v. Adams*, 4 *Mason* 15; 1 *Robb* 505.

Where an inventor covenants to execute deeds of conveyance of the part sold as soon as may be after letters-patent shall have issued, if this does not give the assignee a legal title, a *jus in re*, it clearly confers on him a *jus ad rem*, an equitable right to the thing itself, and is not a mere executory contract to account for proceeds.—*Clum v. Brewer*, 2 *Curt.* 506.

A person who has under agreement employed an inventor to make inventions, can make no claim to inventions made after the employment has ceased.—*Appleton v. Bacon*, 2 *Black* 699.

A contract for the purchase of a portion of a patent-right may be good between the parties as a license, and enforced as such in courts of justice, but the legal right in the monopoly remains in the patentee.—*Sanford v. Messer*, 5 *Fish.* 411; 1 *Holmes* 149; 2 *O. G.* 470.

The statute authorizes assignments only in writing, and the legal ownership can be acquired only by written instruments. —*Jordan v. Dobson*, 4 *Fish.* 232; 2 *Abbott* 398; *Davy v. Morgan*, 56 *Barb.* (*N. Y.*) 218; *Galpin v. Atwater*, 29 *Conn.* 93.

If a patent issues in the name of an inventor or his immediate assignee, although they had previously transferred their interest therein to a third party and the deed was duly recorded, the grant at once inures to the ultimate assignee.—

Consolidated Electric Light Co. v. Edison Electric Light Co., 33 *O. G.* 1597.

LICENSE—GENERALLY.

A license limiting the right to use a patented invention only upon the payment of a specific sum on each machine upon which invention is used, will not include other machines where the same invention is used, unless the same is paid for in accordance with the terms of the license.—*Wooster v. Seidenberg*, 10 *O. G.* 244; *Com. Dec.* 1876, p. 446; 2 *Bann. & Ard.* 91; 13 *Blatch.* 88.

A party seeking protection of section 4928, Revised Statutes, must be a purchaser of the patented article, or protected by some agreement of sale which the owner of the original patent could rightfully make. A mere license to use such invention would not include the extended term of the patent.—*Wooster v. Seidenberg*, 10 *O. G.* 244; *Com. Dec.* 1876, p. 446; 2 *Bann. & Ard.* 91; 13 *Blatch.* 88.

If one of a firm invents a machine and takes out a patent at the expense of the firm, and the machine is used in the partnership business; *held*, that no implied license arises to the member of the firm not the inventor, to make, use, and vend the patented machine after the dissolution of the partnership.—*Keller v Stolzenbach*, 20 *Fed. Rep.* 47; 27 *O. G.* 209; *Com. Dec.* 1884, p. 174.

An assignee who has manufactured under a patent and paid royalties to the assignor cannot escape liability for arrears on the plea that he had taken the assignment under a misrepresentation and concealment as to the invention by the assignor. No guaranty of title is binding against the setting up of unfounded claims.—*Shaw v. Soule*, 20 *Fed. Rep.* 790.

If one of several joint partners assigns to a third party, the estoppel upon the assignor must operate as a license to the assignee to use the patent, and the co-owners must look to

the one who assigns for an accounting.—*Curran v. Burdsall*, 20 *Fed. Rep.* 835; 27 *O. G.* 1319; *Com. Dec.* 1884, p. 270.

An assignee who settled with persons using a machine which infringed on the right he purchased, and subsequently granted them a license to use the machine, is liable in such case to the assignor for the stipulated royalty.—*Rodgers v. Torrant*, 4 *N. W. Rep.* 507; 43 *Mich.* 113.

The grant of a license to sell a patented article, if the patent be void, passes nothing to the licensee and consequently does not constitute a valuable consideration for a promissory note given in payment. If, however, the patent be valid, it is in law a valuable right, although it may not be a profitable one, and the grant of a license under it is a valid consideration for a promise to pay.—*Wilson v. Hentges*, 3 *N. W. Rep.* 338.

A license granted by an assignee who had not fulfilled the conditions of his purchase, but had defaulted in his payments, is not a defense to infringement.—*Abbett v. Zusi*, 5 *Bann.* & *Ard.* 38.

A license is not required by law to be recorded in the Patent Office in order to give it complete validity.—*Brooks v. Byam*, 2 *Story* 525; 2 *Robb* 161; *Chambers v. Smith*, 5 *Fish.* 12; *Farrington v. Gregory*, 4 *Fish.* 221; *Buss v. Putney*, 38 *N. H.* 44.

The recording of a license does not affect the rights of any one.—*Chambers v. Smith*, 5 *Fish.* 12.

A license to use a machine need not be recorded in order to prevail over a subsequent assignment.—*Continental Windmill Co. v. Empire Windmill Co.*, 4 *Fish.* 428; 8 *Blatch.* 295.

Licenses to make and use a machine, when derived from the patentee, or from one holding a territorial right, by virtue of a valid conveyance from him, are not required to be recorded, and consequently need not be in writing.—*Baldwin v. Sibley*, 1 *Cliff.* 150.

A license or contract for the use of an invention is subject to the same rules of construction as apply to any other contract. — *Wetherill v. Passaic Zinc Co.*, 6 *Fish.* 50; 2 *O. G.* 471.

If an employé makes an invention and permits his employer to use it before making application for a patent, without demanding any compensation, a license to continue the use may be implied.—*McClurg v. Kingsland*, 1 *How.* 202; 2 *Robb* 105; *Slemmer's Appeal*, 58 *Penn. St.* 155; *Chabot v. Button Hole Co.*, 6 *Fish.* 71.

The unmolested use of an invention prior to an application for a patent, with the knowledge and consent of the inventor, gives the person so using the right to continue the use after the grant of a patent.—*McClurg v. Kingsland*, 1 *How.* 202; 2 *Robb* 105.

A contract for the purchase of a portion of a patent-right may be good between the parties as a license, and enforced as such in courts of justice, but the legal right in the monopoly remains in the patentee.—*Sanford v. Messer*, 5 *Fish.* 411; 1 *Holmes* 149; 2 *O. G.* 470.

Every person who pays the patentee for a license to use his process, becomes the owner of the product, and may sell it to whom he pleases, or apply it to any purpose, unless he binds himself by covenants to restrict his right of making and vending certain articles that may interfere with the special business of some other licensee.—*Met. Washing-Machine Co. v. Earle*, 2 *Fish.* 203; 3 *Wall., Jr.*, 320.

Where it is contemplated by the licensor and licensee that a license shall be in writing, it is essential, to constitute a contract between the parties, that the license should be delivered to, and accepted by, the licensee.—*Tilghman v. Hartell*, 9 *O. G.* 886; *Com. Dec.* 1876, p. 365; 2 *Bann. & Ard.* 260; *vide Hartell v. Tilghman*, 99 *U. S.* 547.

A machine licensed for use in a particular territory cannot

lawfully be used in other territory.—*Wicke v. Kleinknecht*, 7 *O. G.* 1098; 1 *Bann. & Ard.* 608.

If a licensor agrees not to grant a subsequent license for less royalty without a corresponding reduction in the fee stipulated in the first license, the licensee is entitled to the benefit of a license granted to make a certain number of machines at a fixed price.—*Florence S. M. Co. v. Grover & Baker S. M. Co.*, 110 *Mass.* 70.

If a licensee takes a license to use an unlimited number of machines for a limited period, it is a waiver of any prior right which he had, although the license was taken under a mistake of law.—*Wooster v. Taylor*, 12 *Blatch.* 384; 8 *O. G.* 644; 1 *Bann. & Ard.* 594.

The reasonable construction of a license to a railroad company is, that it extends no farther than the road used, or which the company was authorized under its charter to construct, at the time the license was given.—*Emigh v. Chicago, B. & Q. R. R.*, 2 *Fish.* 387; 1 *Biss.* 400.

If a man owns two rights to manufacture goods by patents of different dates, and sells to A. his right under one specifically, and to B. the right to manufacture the goods generally, the fair construction of the latter grant will be held to be a conveyance of the right to manufacture under both patents, because in the first grant, when he intends to limit it to one, he so recites on the face of the grant, and in the second he does not.—*Day v. Stellman*, 1 *Fish.* 487.

If a patentee grants an exclusive license covenanting that he will not grant licenses to other persons in conflict therewith, and subsequently enters into an agreement with a third party that in consideration of a certain sum he will not prosecute for infringement, it is a breach of covenant, as the subsequent writing is essentially a license.—*Jackson v. Allen*, 120 *Mass.* 64.

If a license contains no express covenant that the patent is

valid, or even a recital that the licensor is the inventor, it does not amount to a warranty that the licensees shall enjoy the privilege of making the article in question against persons not claiming rights under the licensor.—*Jackson v. Allen*, 120 *Mass.* 64.

In the absence of any warranty or covenant that the licensor is the inventor of the improvement described, he is not estopped from offering to prove the invalidity of the patent, as bearing upon the damages sustained by his licensee on account of his (licensor's) failure to prosecute infringers as he had agreed to. —*Jackson v. Allen*, 120 *Mass.* 64.

A grant of a single right or privilege to a particular person or his assigns, to employ six persons in the manufacture of the patented device, is an entirety, and incapable of division or of being split up into fragments among many persons in severalty. —*Brooks v. Byam*, 2 *Story* 525; 2 *Robb* 161.

A license to use one machine will always be construed to be an authority to use *a* machine, unless in express terms it be limited to the identical machine referred to.— *Wilson v. Stolley*, 4 *McLean* 275.

A licensee who is authorized to use two machines constructed according to the patent, may use two at all times, whether constructed by himself or another. If he constructs machines and sells them to others to be used, he is an infringer of the patent and liable to an action. If he *uses* but two, he is within the letter and spirit of his contract. If he should construct a dozen, yet if he use but two, he does not break his contract.— *Burr v. Duryee*, 2 *Fish.* 275; 1 *Wall.* 531.

If a license to use one machine covers the whole term, and is not limited to any particular machine then sold, the licensee can repair or rebuild the machine, but he is restricted to the use of one machine in number at one time.— *Woodworth v. Curtis*, 2 *W.* & *M.* 524; 2 *Robb* 603; *Wilson v. Stolley*, 4

McLean 275; *Steam Stone-Cutter Co. v. Sheldon*, 5 *Fish.* 477; 10 *Blatch.* 1.

A licensee of a right to use, may repair his machine but he cannot construct one.—*Bicknell v. Todd*, 5 *McLean* 236; *Woodworth v. Curtis*, 2 *W.* & *M.* 524; 2 *Robb* 603.

A forfeiture of a license may be enforced according to its terms, by reason of the abandonment or the neglect of the licensee to make the stipulated payments.—*Wilson v. Stolley*, 5 *McLean* 1.

Whether a license is or is not assignable is to be determined not merely by the term "license," but by an inquiry into the fair meaning and intention of the parties, and it may be affected not only by the words of the license, but by the nature of the transaction, the consideration paid, and other circumstances showing that an assignable right was conferred.—*Dorsey R. H. Rake Co. v. Bradley Mfg. Co.*, 12 *Blatch.* 202; 1 *Bann.* & *Ard.* 330.

A mere license to a party, without having his assigns or equivalent words to them, showing that it was meant to be assignable, is only the grant of a personal power to the licensee, and is not transferable by him to another.—*Troy Iron* & *Nail Factory v. Corning*, 14 *How.* 193; *Goodyear v. Providence Rubber Co.*, 2 *Fish.* 499; 2 *Cliff.* 351; *Baldwin v. Sibley*, 1 *Cliff.* 150; *Bull v. Pratt*, 1 *Conn.* 342.

A license to a licensee "and his assigns" to use one machine is assignable. A machine and the right to use it, is personal property rather than a mere patent-right, and has all the incidents of personal property, making it subject to pass by sale.—*Woodworth v. Curtis*, 2 *W.* & *M.* 524; 2 *Robb* 603; *Wilson v. Stolley*, 4 *McLean* 275; *Wilson v. Stolley*, 5 *McLean* 1.

A license to a person to use an invention "at his *own* establishment" does not authorize its use at one occupied by

himself and others.—*Goodyear v. Providence Rubber Co.*, 2 *Fish.* 499; 2 *Cliff.* 351.

A mere license is not apportionable, so as to permit the licensee to grant to others separate rights to use or work the patent by subdividing the rights that may have been granted to him.—*Consolidated Fruit Jar Co. v. Whitney*, 1 *Bann. & Ard.* 356.

An assignee under a license obtained by fraud, can have no relief from the consequences of his engagements and contracts made *after* notice of the fraud.—*Consolidated Fruit Jar Co. v. Whitney*, 1 *Bann. & Ard.* 356.

A mere authority to use a patented invention is not usually transferable, but it is transmissible by succession to a corporation formed of a union of two licensees, and succeeding to the rights, duties, and obligations of both.—*Lightner v. Boston and Albany R. R.*, 1 *Lowell* 338.

An assignment of the revenues of a railroad to a preferred creditor with the privilege of using the property of the company until his debt is paid, does not render the assignee liable for infringement of a patent under which the road has a license, as he is acting merely as an agent for the company.—*Emigh v. Chamberlain*, 2 *Fish.* 192; 1 *Biss.* 367.

A partner of a licensee who purchases the latter's interest in the firm is not liable for royalty on the articles manufactured. —*Wilder v. Stearns*, 48 *N. Y.* 656.

The withdrawal or addition of partners to a firm operating under a license does not extinguish the license so long as the business is conducted under the same firm name, unless the license is limited to the *identical* persons of which the firm was at the time composed.—*Belding v. Turner*, 4 *Fish.* 446; 8 *Blatch.* 321.

An assignee of a license takes it with the incumbrances attached to it, and he is obliged to pay to the licensor the

royalty stipulated in the license.—*Goodyear v. Congress Rubber Co.*, 3 *Blatch.* 449.

Unless specifically provided for in the license, a licensor has no lien upon the license to secure the royalties stipulated therein.—*Goodyear v. Congress Rubber Co.*, 3 *Blatch.* 449.

A reservation by a licensor that he would hold responsible for the royalty the party for whom a licensee has contracted to do certain work under a license, is of no effect, as it is inconsistent with the license. The relieving of the parties primarily liable, by a universal rule of law as well as of justice, relieves those who are only secondarily responsible.—*Bigelow v. City of Louisville*, 3 *Fish.* 602.

So long as a licensee retains a license, he is estopped from denying that the device he manufactures is the same in all respects as that specified in the license.—*Marsh v. Dodge*, 11 *N. Y. Supr.* 278.

The sale of a machine by a patentee gives an implied right to use it, as such right is exclusively vested in him and his assigns; but where the sale is made by a person who has no exclusive right, it carries with it merely a license of use. The extent of the transfer depends entirely upon the facts and circumstances in each case.—*Wilson v. Stolley*, 4 *McLean* 275; *Mitchell v. Hawley*, 16 *Wall.* 544; 4 *Fish.* 388; 3 *O. G.* 241.

So long as a licensee continues to use machines under a license, he is estopped from denying the licensor's title, unless he can show that the latter was guilty of fraud in inducing him to enter into contract.—*Sherman v. Champlain Co.*, 31 *Vt.* 162.

The taking of a license, for a time, of a right which is agreed to be temporary in the licensor, cannot be considered as an acknowledgment of a right in the licensor beyond the termination of the license.—*Rich v. Atwater*, 16 *Conn.* 409.

Selling under a license is a recognition or admission of title

in the licensor, and the licensee cannot impeach the validity of the patent as a defense in an action of covenant for the recovery of royalties.—*Wilder v. Adams*, 2 *W.* & *M.* 329; *Sargent v. Larned*, 2 *Curt.* 340; *Marsh v. Dodge*, 11 *N. Y. Supr.* 278.

If a licensee does all that lies in his power to restore the licensor to the same condition he was in before the contract, he may cease to act under the contract, and take issue with the licensor as to the validity of the exclusive right which he claims by virtue of his alleged title to the patent.—*Sherman v. Champlain Co.*, 31 *Vt.* 162.

Where a patentee has granted a license, a violation of the patent outside of the license does not work a forfeiture of the right conveyed.—*Wood v. Wells*, 6 *Fish.* 382.

If a contract is partly executed, the failure of a licensee to fulfil his agreement to purchase does not of itself operate to annul and cancel the agreement.—*Gibson v. Barnard*, 1 *Blatch.* 388.

If the terms of a contract make the performance of its stipulations by the licensee a condition to his continued use of the machine, the conditions must be observed or he forfeits his rights.—*Brooks v. Stolley*, 3 *McLean* 523; 2 *Robb* 281; *Woodworth v. Cook*, 2 *Blatch.* 151.

If a licensor declares a license forfeited by failure of the licensee to fulfil its conditions, and the licensee acquiesces, the license will be deemed abandoned.—*Kittle v. Frost*, 5 *Fish.* 213; 9 *Blatch.* 214.

On breach of condition, the patentee has a right to avoid the contract and to be remitted to his original rights, and the licensee is also remitted to his original position and rights, as the contract must be avoided altogether, if at all. It cannot be obligatory upon the one party and not upon the other.—*Woodworth v. Cook*, 2 *Blatch.* 151.

One of two joint owners can legally grant, assign, license or

sell his own share or right in the patent.—*May v. Chaffee*, 5 *Fish.* 160; 2 *Dillon* 385.

One joint owner can legally grant, assign, license or sell only in respect to his own share or right. He cannot sell and give a good title to his co-owner's right, for the same reason that one joint owner of a chattel cannot transfer the share of his co-proprietor.—*Pitts v. Hall*, 3 *Blatch.* 201.

Where a party owning less than the whole right makes a grant or license, he shall be answerable to the others rather than that the other patentees shall look to the grantee or licensee.—*Dunham v. Ind. & St. Louis R. R.*, 7 *Biss.* 223; 2 *Bann. & Ard.* 327.

In an action to recover license-fees alleged to have accrued under an agreement, evidence that machines have been made by the licensees and sent away from their factory is sufficient to demand of the licensees an account of sales.—*Marsh v. Dodge*, 5 *Lans.* (*N. Y.*) 541.

A contract which provides for the refunding of the purchase-money in case the purchaser does not realize a certain amount from the patented article within a specified time, imposes upon the purchaser a proper effort on his part to make sales, although the writing may be silent in this respect.—*Berger v. Peterson*, 78 *Ill.* 633.

A license by one patentee to use the thing patented clothes the licensee with the right to use it, and having that right, he is liable for the price which he agreed to pay for the license.—*Dunham v. Ind. & St. Louis R. R.*, 7 *Biss.* 223; 2 *Bann. & Ard.* 327.

The patentee having granted the exclusive right to use and vend a patented article within a specified territory, he cannot sell in the same territory substantially the same machine, though varying somewhat in construction.—*Ferree v. Smith*, 29 *La. Ann.* 811.

A license to sell a patented article does not include a license to make and use it.—*Ingalls v. Tice*, 14 *Fed. Rep.* 297; 22 *O. G.* 2160; *Com. Dec.* 1882, p. 531.

A patent is private property, and the government cannot, after it is issued, make use of the improvement any more than a private individual without license of the inventor or making him compensation.—*Cammeyer v. Newton*, 11 *O. G.* 287; *Com. Dec.* 1877, p. 182; 94 *U. S.* 225; *Colgate v. International Ocean Tel. Co.*, 17 *O. G.* 194; *Com. Dec.* 1880, p. 260; 17 *Blatch.* 308.

When a patentee gets his remuneration by patent or license-fees, a recovery of the license or patent-fee from an infringer, and its payment, authorizes him to use the particular articles for which recovery has been had.—*Perrigo v. Spaulding*, 12 *O. G.* 352; *Com. Dec.* 1877, p. 320; 13 *Blatch.* 389.

Licensees, if they fulfil the stipulations of their licenses, are entitled to practise the invention within the terms and conditions of the instrument to the extent of the authority conferred, without question or impediment by the owner of the patent.—*Cohn v. National Rubber Co.*, 15 *O. G.* 829; *Com. Dec.* 1879, p. 448; 3 *Bann. & Ard.* 568.

The record in the Patent Office of a license that is not *exclusive*, is not such notice to purchasers that they can safely rely upon the record as showing the whole transaction between the parties.—*Hamilton v. Kingsbury*, 17 *O. G.* 147; *Com. Dec.* 1880, p. 246; 4 *Bann. & Ard.* 615; 17 *Blatch.* 264.

Unrecorded written agreements contemporaneous with a license, and like it not necessary to be placed on record in the Patent Office, are binding upon the assignees of the license, although they were *bona-fide* purchasers without actual notice of any agreement between licensor and licensee other than the license itself.—*Hamilton v. Kingsbury*, 17 *O. G.* 147; *Com. Dec.* 1880, p. 246; 4 *Bann. & Ard.* 615; 17 *Blatch.* 264.

A license exclusive within a limited territory, with the single reservation of a right to the grantor to *make* the invention, fails *pro tanto* to be a conveyance of the *exclusive* right within the meaning of the law of 1836, providing for record of such conveyances in the Patent Office.—*Hamilton v. Kingsbury*, 17 *O. G.* 147; *Com. Dec.* 1880, p. 246; 4 *Bann. & Ard.* 615; 17 *Blatch.* 264.

The words "licensed to use once only," stamped upon each buckle, was notice that there was a restriction in the use.—*American Cotton Tie Supply Co. v. Bullard*, 17 *O. G.* 389; *Com. Dec.* 1880, p. 273; 4 *Bann. & Ard.* 521; 17 *Blatch.* 160.

In the purchase of buckles with the words "licensed for one use only" stamped upon each, the purchaser takes an unrestricted title to the buckles without any reservation in the vendors.—*Am. Cotton Tie Supply Co. v. Simmons*, 3 *Bann. & Ard.* 320; 106 *U. S.* 89; 22 *O. G.* 1976; *Com. Dec.* 1882, p. 507.

An exclusive licensee, under agreement to render an account within a time specified, failing to do so, the patentee granted an exclusive license to third party, but subsequently accepted the tender made by the first licensee of the amount due, and continued to receive royalty from him; *held*, that the time of the accounting was not the essence of the agreement; no good reason for cancelling the first agreement was shown, and that the second license was void.—*Dare v. Boylston*, 19 *O. G.* 725; *Com. Dec.* 1881, p. 148; 18 *Blatch.* 548; 6 *Fed. Rep.* 493.

A license to one to use a patented invention in his own proper business does not authorize him to grant a sub-license and collect royalties thereunder.—*Putnam v. Hollender*, 19 *O. G.* 1423; *Com. Dec.* 1881, p. 246, 19 *Blatch.* 48; 6 *Fed. Rep.* 882.

Where an unconditional license executed by the complainant is in the possession of the defendant and is produced by him in the trial, the burden of proof is upon the complainant to

show that it was delivered as an escrow.—*Mellon v. Del. Lack. & Western R. R.*, 21 *O. G.* 1616; *Com. Dec.* 1882, p. 253.

If an employer has any right to the invention made by an employé during the period of his employment, it is a mere naked license to make and sell the patented improvement as a part of his business, and is not transferable.—*Hapgood v. Hewitt*, 21 *O. G.* 1786; *Com. Dec.* 1882, p. 269; 11 *Biss.* 184; 11 *Fed. Rep.* 422.

Whether a company has not an implied license to use an invention of one of its employés, from the fact that the employé did not assert his right thereto while in the company's employ, is a queston for the courts and not for the Commissioner of Patents.—*Hall v. Johnson*, 23 *O. G.* 2411; *Com. Dec.* 1883, p. 39.

An instrument conveying the exclusive right to manufacture and sell a patented article is a mere license, and does not authorize the licensee to maintain an action for damages against infringers who are not infringing the patent in those respects.—*Hayward v. Andrews*, 23 *O. G.* 533; *Com. Dec.* 1883, p. 155; 106 *U. S.* 672.

A licensee is at liberty to contest the question whether the articles made by him embody the invention or any material part thereof, and a stipulation to the contrary in the contract is of no effect.—*White v. Lee*, 23 *O. G.* 1621; *Com. Dec.* 1883, p. 245; 14 *Fed. Rep.* 789.

A mere license to make and use, without the right to grant to others to make and use, the thing patented, though exclusive, will not authorize the licensee to bring suit in his own name for infringement without joining the patentee.—*Wilson v. Chickering*, 23 *O. G.* 1730; *Com. Dec.* 1883, p. 258; 14 *Fed. Rep.* 917.

A decree for nominal damages in a suit for infringement of a patent against the manufacturer of infringing machines, does

not operate as a license to the manufacturer or his vendee as to all existing infringing machines made by the manufacturer. —*Blake v. Greenwood Cemetery*, 25 *O. G.* 89; *Com. Dec.* 1883, p. 416; 16 *Fed. Rep.* 676.

Licenses are not required to be in writing; neither is the amount of fee required to be shown by writing. The whole may be shown by parol.—*Wooster v. Simonson*, 28 *O. G.* 918; *Com. Dec.* 1884, p. 366; 20 *Fed. Rep.* 317.

During a partnership between two persons, one of them invented a machine upon which a patent was granted to him. All the expenses attending the procuring of the patent were paid by the firm, but they were more than repaid by the use of the invention in the partnership business. Upon such facts, no implied license arises to the member of the firm not the inventor, after the dissolution of the partnership.—*Keller v. Stolzenbach*, 27 *O. G.* 209; *Com. Dec.* 1884, p. 174; 20 *Fed. Rep.* 47.

Something having been acquired by reason of a license, even though the right was not exclusive as intended, there is not a failure of consideration.—*Laver v. Dennett*, 25 *O. G.* 882; *Com. Dec.* 1883, p. 449; 109 *U. S.* 90.

When the sale of licenses by the patentee has been sufficient to establish a price for such licenses, that price should be the measure of his damages against an infringer; but a royalty or license-fee, to be binding on a stranger to the licenses which established it, must be uniform.—*Westcott v. Rude*, 27 *O. G.* 719; *Com. Dec.* 1884, p. 225; 19 *Fed. Rep.* 830.

Where both parties to a license have acted upon a certain construction of an ambiguous document, that construction, if in itself admissible, will be adopted by the court.—*Foster v. Goldschmidt*, 28 *O. G.* 915; *Com. Dec.* 1884, p. 358; 22 *Blatch.* 287; 21 *Fed. Rep.* 70.

If the complainant has refused to fulfil any of his obligations in matters of substance under a license, a court of equity will

not interfere to assist him by compelling the defendants to observe the obligations upon their part.—*Foster v. Goldschmidt*, 28 *O. G.* 915; *Com. Dec.* 1884, p. 358; 22 *Blatch.* 287; 21 *Fed. Rep.* 70.

When a licensor covenants with a licensee that he will not grant to another the same right and license he has granted to him, it is equivalent to a grant of an exclusive right.—*Day v. Cary*, 1 *Fish.* 424.

A grant of an exclusive right to make, use and vend patented articles within certain territory, confers the right to make and vend within said territory for use elsewhere, and any person who manufactures said machines within said territory without the consent of the grantee, infringes his right, although the machines may neither be sold nor used within said district.—*Jenkins v. Greenwald*, 2 *Fish.* 37; 1 *Bond* 128.

Equity will enjoin a licensee from operating under a patent unless he pays the license-fee, whether the license is forfeited at law or not.—*Day v. Hartshorn*, 3 *Fish.* 32.

A licensee may proceed by a petition in equity to enjoin any party who has actually infringed his right under the license.—*Brammer v. Jones*, 3 *Fish.* 340; 2 *Bond* 100.

If a license contains a proviso that, in case a subsequent license at a lower rate be granted another party, the first licensee should have the benefit of such reduction, and should such a case arise, the original licensee would no longer be bound to pay the original fee.—*Florence S. M. Co. v. Singer Mfg. Co.*, 4 *Fish.* 329; 8 *Blatch.* 113.

A licensee cannot put an end to his contract, deny the validity of the patent, and afterward, when the validity of the patent is sustained, set up a license from the patentee as a defense.—*Moody v. Taber*, 1 *Bann.* & *Ard.* 41; 1 *Holmes* 325; 5 *O. G.* 273.

An exclusive right to use a machine within certain territory, continues no longer than the term of the original patent.—

Union Paper-Bag Mach. Co. v. Nixon, 105 *U. S.* 766; 21 *O. G.* 1275; *Com. Dec.* 1882, p. 197.

While employment to invent and perfect machinery for a particular purpose will operate as a license to the employer, it will not of itself confer upon the employer any legal title to the invention or to the letters-patent protecting it.—*Whiting v. Graves*, 3 *Bann. & Ard.* 222; 13 *O. G.* 455; *Com. Dec.* 1878, p. 208; *Wilkens v. Spafford*, 3 *Bann. &. Ard.* 274; 13 *O. G.* 675; *Com. Dec.* 1878, p. 227.

The construction and use of a device with consent of the inventor before application for patent, operates as a special license to continue to use the specific thing.—*Magoun v. N. E. Glass Co.*, 3 *Bann. & Ard.* 114.

A mere licensee cannot bring suit for infringement, either at law or in equity, in his own name alone. He must join with him the owner of the legal title.—*Nelson v. McMann*, 4 *Bann. & Ard.* 203; 16 *Blatch.* 139; 16 *O. G.* 761; *Com. Dec.* 1879, p. 586.

After the granting of an exclusive license, neither the licensee nor patentee can alone maintain a bill in equity for infringement; they must join.—*Hammond v. Hunt*, 4 *Bann. & Ard.* 111.

Licensees may make, use, and vend the device patented within the terms and conditions of the license without hindrance or interruption by the patentee.—*Cohn v. Nat. Rubber Co.*, 3 *Bann. & Ard.* 568; 15 *O. G.* 829; *Com. Dec.* 1879, p. 448.

The owner of a patent in the United States for an invention, who has sold the patented article in England without restriction or conditions, cannot restrain the purchaser from using or selling the article in the United States.—*Holliday v. Matheson*, 24 *Fed. Rep.* 185; 30 *O. G.* 452; 31 *O. G.* 1444.

A licensor with a plain and adequate remedy at law cannot go into a court of equity to recover the royalty stipulated in a

license.—*Crandall v. Plano Mfg. Co.*, 24 *Fed. Rep.* 738; 32 *O. G.* 1123.

A person who purchases a patent with knowledge of an existing agreement thereunder, is bound thereby, and his rights are restricted to that extent.—*Hapgood v. Rosenstock*, 23 *Fed. Rep.* 86.

The owner of a patent may sue at law to recover royalties due under a license, or file a bill in chancery to have the license annulled.—*Hartell v. Tilghman*, 99 *U. S.* 547.

A license to use a patented invention may be subjected to sale for the payment of judgments recovered for money due.—*Matthews v. Green*, 19 *Fed. Rep.* 649.

Without an eviction, or its equivalent, the royalties agreed to be paid must be paid.—*McKay v. Jackman*, 17 *Fed. Rep.* 641.

A license given, during the pendency of an application before the Patent Office, to use the invention described without limitation of time, and no right of revocation reserved, cannot be revoked by the licensor without consent of the licensee. —*Kelly v. Porter*, 17 *Fed. Rep.* 519; 8 *Saw.* 482.

A patentee who licenses a railroad company to use a patented invention on roads now owned or "that may hereafter be owned or operated by said company," cannot, under a bill to restrain the use of the invention, question the company's right to operate other roads.—*Matthews v. Pennsylvania R. R.*, 8 *Fed. Rep.* 45.

When a party signs a license without reading it, he is bound by its terms, unless he lacks capacity to comprehend properly what he is doing.—*McKay v. Jackman*, 17 *Fed. Rep.* 641.

When a member of a firm invents and makes machines at its expense, and permits their use by the firm, all the partners have an equal, proportionate right in them and their use.—*Wade v. Metcalf*, 16 *Fed. Rep.* 130.

A license to sell goods which defendant had on hand when the patent was obtained, is not, *per se*, an acknowledgment of the validity of the patent.—*White v. Harris*, 3 *Fed. Rep.* 161; 5 *Bann. & Ard.* 571.

A license obtained by fraud is a nullity.—*Day v. New Eng. Car Spring Co.*, 3 *Liv. Law Mag.* 44.

An assignee under a license can avail himself of the same means to sustain his title, and repel any attack upon it, as the law allows the assignor.—*Day v. New Eng. Car Spring Co.*, 3 *Liv. Law Mag.* 44.

The title of an assignee or purchaser may be impeached the same as when it remained with the assignor, by proving that the assignor had procured it by fraud.—*Day v. New Eng. Car Spring Co.*, 3 *Liv. Law Mag.* 44.

A conveyance of buildings, machinery, &c., "with rights to use" certain patented processes, is a license to use the processes in those buildings *only*, and not a general license.—*Wetherill v. Passaic Zinc Co.*, 6 *Fish.* 50; 2 *O. G.* 471.

LICENSE, ASSIGNABILITY OF.

A "shop right" is a personal license, and is not assignable.—*Gibbs v. Hoefner*, 19 *Fed. Rep.* 323; 22 *Blatch.* 36.

A license cannot be assigned without affirmative authority expressly given.—*Putnam v. Hollender*, 19 *O. G.* 1423; *Com. Dec.* 1881, p. 246; 19 *Blatch.* 48; 6 *Fed. Rep.* 882.

A license to one to use a patented invention in his own proper business, does not authorize him to grant a sub-license and collect royalties thereunder.—*Putnam v. Hollender*, 19 *O. G.* 1423; *Com. Dec.* 1881, p. 246; 19 *Blatch.* 48; 6 *Fed. Rep.* 882.

A license "to manufacture" at a certain place, is a personal license not transferable.—*Searls v. Bouton*, 21 *O. G.* 1784; *Com. Dec.* 1882, p. 266; 12 *Fed. Rep.* 140; 20 *Blatch.* 426.

A mere license to a party, without having his assigns, or equivalent words to them showing that it was meant to be assignable, is only the grant of a personal power to the licensee, and is not transferable by him to another.—*Troy Iron & Nail Factory v. Corning*, 14 *How.* 193.

An exclusive right granted to a person to use an acid in a specified territory, and to use and sell therein the flour so made, all for the space of five years, is a mere license.—*Oliver v. Rumford Chemical Works*, 25 *O. G.* 784; *Com. Dec.* 1883, p. 443; 109 *U. S.* 75.

A license to the licensee and his "legal representatives" is assignable.—*Hamilton v. Kingsbury*, 3 *Bann. & Ard.* 346; 15 *Blatch.* 64; 14 *O. G.* 448; *Com. Dec.* 1878, p. 339.

A license will not carry the right to any one but the licensee personally, unless there are express words to show an intent to extend the right to an executor, administrator, or assignee voluntary or involuntary.—*Oliver v. Rumford Chemical Works*, 25 *O. G.* 784; *Com. Dec.* 1883, p. 443; 109 *U. S.* 75.

A license that reserves no royalty to the owner of the patent, and grants the right not only to the licensee, but to his executors, administrators, and assigns, is assignable.—*Adams v. Howard*, 22 *Fed. Rep.* 656.

A license that runs to the administrators and executors of the licensees, as well as to their assigns, is apportionable and may be transferred in severalty.—*Adams v. Howard*, 22 *Fed. Rep.* 656.

A grant of a single right or privilege to a particular person or his assigns to employ six persons in the manufacture of the patented device, is an entirety and incapable of division, or of being split up into fragments among many persons in severalty.—*Brooks v. Byam*, 2 *Story* 525; 2 *Robb* 161.

Whether a license is or is not assignable is to be determined not merely by the term "license," but by an inquiry into the fair

meaning and intention of the parties, and it may be affected not only by the words of the license, but by the nature of the transaction, the consideration paid, and other circumstances showing that an assignable right was conferred.—*Dorsey R. H. Rake Co. v. Bradley Manuf. Co.*, 12 *Blatch.* 202; 1 *Bann. & Ard.* 330.

A licensee having transferred his license without the consent of his licensor, as required, and having received payments for the use of the machine, he cannot assail the validity of the transfer.—*Bloomer v. Gilpin*, 4 *Fish.* 50.

A mere license to a party, without having his assigns or equivalent words to them showing that it was meant to be assignable, is only the grant of a personal power to the licensee and is not transferable by him to another.—*Troy Iron & Nail Factory v. Corning*, 14 *How.* 193; *Goodyear v. Providence Rubber Co.*, 2 *Fish.* 499; 2 *Cliff.* 351; *Baldwin v. Sibley*, 1 *Cliff.* 150; *Bull v. Pratt*, 1 *Conn.* 342.

A license to a licensee "and his assigns" to use one machine is assignable. A machine and the right to use it, is personal property rather than a mere patent-right, and has all the incidents of personal property, making it subject to pass by sale.—*Woodworth v. Curtis*, 2 *W. & M.* 524; 2 *Robb* 603; *Wilson v. Stolley*, 4 *McLean* 275; *Wilson v. Stolley*, 5 *McLean* 1.

An assignee under a license obtained by fraud, can have no relief from the consequences of his engagements and contracts made *after* notice of the fraud.—*Consolidated Fruit Jar Co. v. Whitney*, 1 *Bann. & Ard.* 356.

An assignee of a license takes it with the incumbrances attached to it, and he is obliged to pay to the licensor the royalty stipulated in the license.—*Goodyear v. Congress Rubber Co.*, 3 *Blatch.* 449.

LICENSE DEFINED.

A license is a mere right to use the invention, and is neither an assignment nor grant, within the meaning of section 4928, Revised Statutes.—*Wooster v. Seidenberg*, 10 *O. G.* 244; *Com. Dec.* 1876, p. 446; 2 *Bann. & Ard.* 91; 13 *Blatch.* 88.

It is a mere license, and not such an assignment as will include a party in the grant of letters-patent, which reserves to the assignor certain uses of the invention the patent is intended to secure.—*Ex parte Paine*, 13 *O. G.* 408; *Com. Dec.* 1878, p. 51.

The transfer of the mere right to use and vend an invention for limited purposes in specified places, is a license.—*Gamewell Fire Alarm Tel. Co. v. City of Brooklyn*, 22 *O. G.* 1978; *Com. Dec.* 1882, p. 512; 14 *Fed. Rep.* 255.

The grant of the sole and exclusive right to sell patented articles within certain specified territory, is not a transfer of an undivided part of the whole patent or of the exclusive right of the whole patent for a particular territory; it is simply a license.—*Ingalls v. Tice*, 22 *O. G.* 2160; *Com. Dec.* 1882, p. 531; 14 *Fed. Rep.* 297.

An exclusive right granted to a person to use an acid in a specified territory, and to use and sell therein the flour so made, all for the space of five years, is a mere license.—*Oliver v. Rumford Chemical Works*, 25 *O. G.* 784; *Com. Dec.* 1883, p. 443; 109 *U. S.* 75.

A conveyance of the right to make and vend within specified territory, the assignor reserving the right to make within same district, is only a license.—*Gayler v. Wilder*, 10 *How.* 477.

A licensee is one who has transferred to him, in writing or orally, a less or different interest than either the interest in the whole patent or an undivided part of such whole interest, or an exclusive sectional interest.—*Potter v. Holland*, 1 *Fish.* 327; 4 *Blatch.* 206.

Any conveyance short of the exclusive right, either for the whole country or for a particular territory, to make and use the thing patented and to grant that right to others, is a license.—*Farrington v. Gregory*, 4 *Fish.* 221.

Any assignment which does not convey to the assignee the entire and unqualified monopoly which the patentee holds, or an undivided interest thereof, is a mere license.—*Sanford v. Messer*, 5 *Fish.* 411; 1 *Holmes* 149; 2 *O. G.* 470.

Any assignment of a patent short of the entire and unqualified monopoly is a mere license.—*Theberath v. Celluloid Mfg. Co.*, 3 *Fed. Rep.* 143; 5 *Bann.* & *Ard.* 577; *Sanford v. Messer*, 5 *Fish.* 411; 1 *Holmes* 149; 2 *O. G.* 470; *Gayler v. Wilder*, 10 *How.* 477.

A grant to use and sell or dispose of the device patented within a specified territory, is not an assignment, but merely a license.—*Farrington v. Gregory*, 4 *Fish.* 221.

A conveyance of the exclusive right in certain specified territory to use, and vend to others to be used, the patented invention, but reserving to the grantor the right to make the machines, is a license.—*Sanford v. Messer*, 5 *Fish.* 411; 1 *Holmes* 149; 2 *O. G.* 470.

LICENSE AS A DEFENSE.

Where others are associated with a patentee in the purchase of a prior patent subsequent to a sale by the patentee of all his right, title, and interest in, to and under his own patents; *held*, that the prior sale operates as a license as against all of the purchasers.—*Curran v. Burdsall*, 27 *O. G.* 1319; *Com. Dec.* 1884, p. 270; 20 *Fed. Rep.* 835.

In the defense of suit for infringement of a prior patent, it is competent for a licensee to put in evidence the patent of his licensor.—*Blanchard v. Pullman*, 3 *Fish.* 186; 2 *Bond* 84.

Licensees will not be permitted to put an end to a contract, or deny the validity of a patent, and, when the validity of the patent is sustained, set up as a defense to infringement the prior license which they had repudiated.—*Cohn v. Nat. Rubber Co.*, 3 *Bann.* & *Ard.* 568; 15 *O. G.* 829; *Com. Dec.* 1879, p. 448.; *Moody v. Taber*, 1 *Bann.* & *Ard.* 41; 1 *Holmes* 325; 5 *O. G.* 273.

LICENSE AS AN ESTOPPEL.

So long as a licensee continues to use machines under a license, he is estopped from denying the licensor's title, unless he can show that the latter was guilty of fraud in inducing him to enter into contract.—*Sherman v. Champlain Co.*, 31 *Vt.* 162.

So long as a licensee retains a license, he is estopped from denying that the device he manufactures is the same in all respects as that specified in the license.—*Marsh v. Dodge*, 11 *N. Y. Supr.* 278.

A licensee cannot defend an action for royalties on the ground of the invalidity of a patent, he having admitted the validity of the patent in the license and had the benefit thereof. —*Marsh v. Harris Mfg. Co.*, 22 *N. W. Rep.* 516.

A patentee who licenses a railroad company to use a patented invention on roads now owned or "that may hereafter be owned or operated by said company," cannot, under a bill to restrain the use of the invention, question the company's right to operate other roads.—*Matthews v. Pennsylvania R. R.*, 8 *Fed. Rep.* 45.

If a license contains a covenant on the part of the licensee by which he admits the validity of the patent, and has had the enjoyment of the license, the licensee is estopped from assailing the validity of the patent.—*Magic Ruffle Co. v. Elm City Co.*, 13 *Blatch.* 151; 8 *O. G.* 773; *Birdsall v. Perego*, 5 *Blatch.* 251.

LICENSE FEES. (See Royalties also).

If a licensor agrees not to grant a subsequent license for less royalty without a corresponding reduction in the fee stipulated in the first license, the licensee is entitled to the benefit of a license granted to make a certain number of machines at a fixed price.—*Florence S. M. Co. v. Grover & Baker S. M. Co.*, 110 *Mass.* 70.

If one of several assignees agrees with the others that in consideration of a stipulated royalty they should have the exclusive right, the invalidity of the patent may be shown in an action to recover the royalties or license-fees.—*Marston v. Swett*, 11 *N. Y. Sup.* 153.

When a patentee gets his remuneration by patent or license-fees, a recovery of the license or patent-fee from an infringer, and its payment, authorizes him to use the particular articles for which recovery has been had.—*Perrigo v. Spaulding*, 12 *O. G.* 352; *Com. Dec.* 1877, p. 320; 13 *Blatch.* 389.

In a suit by a patentee against a licensee for license-fees for the use of a patented improvement, something corresponding to an eviction of the licensee must be pleaded and proved, if he would defend against an action for royalties.—*White v. Lee*, 23 *O. G.* 1621; *Com. Dec.* 1883, p. 245; 14 *Fed. Rep.* 789.

The amount of an established license-fee for the use of a patented invention, is what the patentee loses by the use of the invention in violation of the patent without license and a proper measure of damages for such infringement.—*Wooster v. Simonson*, 28 *O. G.* 918; *Com. Dec.* 1884, p. 366; 20 *Fed. Rep.* 317.

Equity will enjoin a licensee from operating under a patent unless he pays the license-fee, whether the license is forfeited at law or not.—*Day v. Hartshorn*, 3 *Fish.* 32.

If a license contains a proviso that in case a subsequent license at a lower rate be granted another party, the first licensee should have the benefit of such reduction, and should

such a case arise, the original licensee would no longer be bound to pay the original fee.—*Florence S. M. Co. v. Singer Mfg. Co.*, 4 *Fish.* 329; 8 *Blatch.* 113.

A licensor with a plain and adequate remedy at law cannot go into a court of equity to recover the royalty stipulated in a license.—*Crandall v. Plano Mfg. Co.*, 24 *Fed. Rep.* 738; 32 *O. G.* 1123.

LICENSEE.

Licensees, if they fulfil the stipulations of their licenses, are entitled to practise the invention, within the terms and conditions of the instrument, to the extent of the authority conferred, without question or impediment by the owner of the patent.—*Colm v. National Rubber Co.*, 15 *O. G.* 829; *Com. Dec.* 1879, p. 448; 3 *Bann. & Ard.* 568.

The terms "assignee" and "grantee" are not used in the patent-law of 1836 as synonymous terms, though courts, without having their attention particularly called to the subject, have sometimes used them indiscriminately and in their popular sense.—*Potter v. Holland*, 1 *Fish.* 327; 4 *Blatch.* 206.

There are three classes of persons in whom the patentee can vest an interest of some kind in the patent. They are—an assignee, a grantee of an exclusive sectional right, and a licensee.—*Potter v. Holland*, 1 *Fish.* 327; 4 *Blatch.* 206.

A mere licensee cannot maintain an action for an infringement of a patent-right—*Potter v. Holland*, 1 *Fish.* 327; 4. *Blatch.* 206.

Equity will enjoin a licensee from operating under a patent unless he pays the license-fee, whether the license is forfeited at law or not.—*Day v. Hartshorn*, 3 *Fish.* 32.

In the defense of suit for infringement of a prior patent, it is competent for a licensee to put in evidence the patent of his licensor.—*Blanchard v. Puttman*, 3 *Fish.* 186; 2 *Bond* 84.

A licensee may proceed by a petition in equity to enjoin any party who has actually infringed his right under the license.—*Brammer v. Jones*, 3 *Fish.* 340; 2 *Bond* 100.

The right of using, and vending to others to be used within specified territory, is a mere license, and gives the licensee no right of action for an infringement of the patent.—*Hill v. Whitcomb*, 1 *Bann. & Ard.* 34; 1 *Holmes* 317; 5 *O. G.* 430.

If a license contains a proviso that, in case a subsequent license at a lower rate be granted another party, the first licensee should have the benefit of such reduction, and should such a case arise, the original licensee would no longer be bound to pay the original fee.—*Florence S. M. Co. v. Singer Mfg. Co.*, 4 *Fish.* 329; 8 *Blatch.* 113.

A purchaser of patented articles from a licensee with full knowledge that he has put an end to his contract with the patentee, will be held to have infringed, and will be liable for the profits on all he has made and sold.—*Moody v. Taber*, 1 *Bann. & Ard.* 41; 1 *Holmes* 325; 5 *O. G.* 273.

A licensor may make any covenant he pleases with his licensees, but he cannot compel the public to notice or regard such agreements, or the right conferred or reserved by them.—*Met. Wash. Mach. Co. v. Earle*, 2 *Fish.* 203; 3 *Wall., Jr.*, 320.

Where the licensees repudiate the license, they may be treated by the owner of the patent as infringers.—*Cohn v. Nat. Rubber Co.*, 3 *Bann. & Ard.* 568; 15 *O. G.* 829; *Com. Dec.* 1879, p. 448.

Licensees may make, use, and vend the device patented within the terms and conditions of the license without hindrance or interruption by the patentee.—*Cohn v. Nat. Rubber Co.*, 3 *Bann. & Ard.* 568; 15 *O. G.* 829; *Com. Dec.* 1879, p. 448.

Licensees will not be permitted to put an end to a contract

or deny the validity of a patent, and, when the validity of the patent is sustained, set up as defense to infringement the prior license which they had repudiated.—*Cohn v. Nat. Rubber Co.*, 3 *Bann. & Ard.* 568; 15 *O. G.* 829; *Com. Dec.* 1879, p. 448.

A licensee cannot defend an action for royalties on the ground of the invalidity of a patent, he having admitted the validity of the patent in the license and had the benefit thereof. —*Marsh v. Harris Mfg. Co.*, 22 *N. W. Rep.* 516.

Without an eviction, or its equivalent, the royalties agreed to be paid must be paid.—*McKay v. Jackman*, 17 *Fed. Rep.* 641.

A suit on a license for the recovery of royalties is not a question arising under the patent law, and the federal courts have not jurisdiction.—*Kelly v. Porter*, 17 *Fed. Rep.* 519; 8 *Saw.* 482.

A license given during the pendency of an application before the Patent Office, to use the invention described without limitation of time, and no right of revocation reserved, cannot be revoked by the licensor without consent of the licensee.—*Kelly v. Porter*, 17 *Fed. Rep.* 519; 8 *Saw.* 482.

A licensee may defend an action for the recovery of royalties accruing after the Patent Office has decided that the licensor was not the original inventor, and has awarded a patent to another.—*Marsh v. Harris Mfg. Co.*, 22 *N. W. Rep.* 516.

A licensee, unless he is estopped by his contract, is at liberty to manufacture and sell as many articles as he pleases, either by the old method or by any new machine which may be invented.—*Burr v. Duryee*, 2 *Fish.* 275; 1 *Wall.* 531.

Under a contract which provides that the net proceeds from all suits for infringement of a patent shall be equally divided between the licensor and licensee, and which forbids the insti-

tuting of a suit without the consent of both parties, the licensee is authorized to make settlement with the infringing party.—*Burdell v. Denig*, 2 *Fish.* 588.

A licensee who agrees to pay a stipulated royalty on every machine made, used or sold by him, only applies to machines made and used or made and sold by him, and not to machines which he purchases from another licensee.—*Howe v. Wooldredge*, 12 *Allen* (*Mass.*) 18.

A license to a person to use an invention "at his *own* establishment," does not authorize its use at one occupied by himself and others.—*Goodyear v. Providence Rubber Co.*, 2 *Fish.* 499; 2 *Cliff.* 351.

A licensee having transferred his license without the consent of his licensor, as required, and having received payments for the use of the machine, he cannot assail the validity of the transfer.—*Bloomer v. Gilpin*, 4 *Fish.* 50.

The owner of a patented invention is not required to give notice to a voluntary purchaser of a licensee's right, to enable him to hold such purchaser to the restricted use and enjoyment of the invention stipulated in the license. It is the duty of the purchaser to inform himself of the nature of a licensee's ownership and the extent of his right.—*Chambers v. Smith*, 5 *Fish.* 12.

The purchase of a patented machine at a judicial sale vests the purchaser only with such title as the licensee had in the thing sold.—*Chambers v. Smith*, 5 *Fish.* 12.

So long as a licensee retains a license, he is estopped from denying that the device he manufactures is the same in all respects as that specified in the license.—*Marsh v. Dodge*, 11 *N. Y. Supr.* 278.

If a license contains a covenant on the part of the licensee by which he admits the validity of the patent, and has had the enjoyment of the license, the licensee is estopped from assailing

the validity of the patent.—*Magic Ruffle Co. v. Elm City Co.*, 13 *Blatch.* 151; 8 *O. G.* 773; *Birdsall v. Perego*, 5 *Blatch.* 251.

Selling under a license is a recognition or admission of title in the licensor, and the licensee cannot impeach the validity of the patent as a defense in an action of covenant for the recovery of royalties.—*Wilder v. Adams*, 2 *W.* & *M.* 329; *Sargent v. Larned*, 2 *Curt.* 340; *Marsh v. Dodge*, 11 *N. Y. Supr.* 278.

If a licensee does all that lies in his power to restore the licensor to the same condition he was in before the contract, he may cease to act under the contract, and take issue with the licensor as to the validity of the exclusive right which he claims by virtue of his alleged title to the patent.—*Sherman v. Champlain Co.*, 31 *Vt.* 162.

If a contract is partly executed, the failure of a licensee to fulfill his agreement to purchase does not of itself operate to annul and cancel the agreement.—*Gibson v. Barnard*, 1 *Blatch.* 388.

If the terms of a contract make the performance of its stipulations by the licensee a condition to his continued use of the machine, the conditions must be observed or he forfeits his rights.—*Brooks v. Stolley*, 3 *McLean* 523; 2 *Robb* 281; *Woodworth v. Cook*, 2 *Blatch.* 151.

If a licensor declares a license forfeited by failure of the licensee to fulfill its conditions, and the licensee acquiesces, the license will be deemed abandoned.—*Kittle v. Frost*, 5 *Fish.* 213; 9 *Blatch.* 214.

On breach of condition, the patentee has a right to avoid the contract and to be remitted to his original rights, and the licensee is also remitted to his original position and rights, as the contract must be avoided altogether, if at all. It cannot be obligatory upon the one party, and not upon the other.—*Woodworth v. Cook*, 2 *Blatch.* 151.

If a licensee neglects to pay his license-price for a long time, and finally, when prosecuted, abandons his license, or, while relying upon it defends also upon other grounds, the license will be forfeited and he will be liable as an infringer.—*Bell v. McCullough*, 1 *Fish.* 380; 1 *Bond* 194.

A notice from a licensor forbidding the licensee to use or exercise the right granted by the license, on account of a breach thereof, does not *ipso facto* annul or rescind the contract, and if the licensee continues to use, the licensor may recover the royalties stipulated in the license.—*Union Mfg. Co. v. Lounsbury*, 42 *Barb.* (*N. Y.*) 125.

Where a party owning less than the whole right makes a grant or license, he shall be answerable to the others, rather than that the other patentees shall look to the grantee or licensee.—*Dunham v. Ind. & St. Louis R. R.*, 7 *Biss.* 223; 2 *Bann. & Ard.* 327.

A licensee cannot set up, as a defense to the payment of a note, the pretext that the patent infringes previous existing patents. The burden of proof is on him to show it before he can establish a failure of consideration.—*Davis v. Gray*, 17 *Ohio St.* 330.

Until a licensee is disturbed in exercising his license by some party claiming to be the owner of the patent, he cannot call upon the vendor, in an action for the purchase-money agreed to be paid, to establish his title.—*Buss v. Putney*, 38 *N. H.* 44; *Holden v. Curtis*, 2 *N. H.* 61.

Where an agreement to account and pay royalty forms part of the consideration of an assignment, it does not reduce the grantee to the position of a licensee.—*Littlefield v. Perry*, 7 *O. G.* 964; 21 *Wall.* 205.

The clause of forfeiture for non-performance contained in an assignment does not reduce the grantee to the position of a licensee. For the non-payment or other non-performance a

forfeiture might be enforced as for a condition broken, but until it is enforced the title granted remains in the assignee.—*Littlefield v. Perry*, 7 *O. G.* 964; 21 *Wall.* 205.

MACHINE.

If a person legally acquires title to that which is the subject of letters-patent, he may continue to use it until it is worn out, or he may repair it or improve upon it as he pleases, in the same manner as if dealing with property of any other kind.—*Chaffee v. Boston Belting Co.*, 22 *How.* 217.

When a patented machine passes into the hands of a purchaser, it is subject to State taxation like other individual property.—*Bloomer v. McQuewan*, 14 *How.* 539; *Chaffee v. Boston Belting Co.*, 22 *How.* 217.

So long as a licensee continues to use machines under a license, he is estopped from denying the licensor's title, unless he can show that the latter was guilty of fraud in inducing him to enter into contract.—*Sherman v. Champlain Co.*, 31 *Vt.* 162.

If a patented machine and the exclusive right to use it within a certain district is the consideration for which a note is given, and the value of the machine has been paid, the vendor can make no further recovery if the patent be void.—*Earl v. Page*, 6 *N. H.* 477.

A misrepresentation by the vendor as to the price at which he had been selling the article does not constitute fraud whereby the purchaser can avoid payment of a note.—*Williams v. Hicks*, 2 *Vt.* 36.

The right to make a machine is distinct from that of using it.—*Bicknell v. Todd*, 5 *McLean* 236.

The right to use a machine after the expiration of the term of the patent is an incident to the primal right to use it during

the original term; if that fails on account of fraud, the incident falls with it.—*Union Paper-Bag Mach. Co. v. Nixon*, 9 *O. G.* 691; *Com. Dec.* 1876, p. 344; 1 *Flipp.* 491; 2 *Bann.* & *Ard.* 244.

Complete title to an implement or machine purchased becomes vested in the vendee by the sale and purchase, but he acquires no portion of the franchise, as the machine, when it rightfully passes from the patentee to the purchaser, ceases to be within the limits of the monopoly.—*Mitchell v. Hawley*, 16 *Wall.* 544; 4 *Fish.* 388; 3 *O. G.* 241.

When a patentee sells a machine without conditions, or authorizes another to construct and use it, he ceases to have any interest whatever in the said machine. The rightful owner of a machine may continue to use it until it is worn out, in spite of any extension of the patent subsequently obtained.—*Mitchell v .Hawley*, 16 *Wall.* 544; 3 *O. G.* 241; 4 *Fish.* 388.

If one of a firm invents a machine and takes out a patent at the expense of the firm, and the machine is used in the partnership business; *held*, that no implied license arises to the member of the firm not the inventor to make, use, and vend the patented machine after the dissolution of the partnership.—*Keller v. Stolzenbach*, 20 *Fed. Rep.* 47; 27 *O. G.* 209; *Com. Dec.* 1884, p. 174.

The purchase of a patented article from the patentee or owner of the patent confers upon the buyer the right to use the article to the same extent as though it were not the subject of a patent; but the sale does not import the permission of the vendor that it may be used in a way that will violate his exclusive property in another invention.—*Roosevelt v. Western Electric Co.*, 20 *Fed. Rep.* 724; 28 *O. G.* 812; *Com. Dec.* 1884, p. 357.

The patentee having granted the exclusive right to use and vend a patented article within a specified territory, he cannot sell in the same territory substantially the same machine,

though varying somewhat in construction.—*Ferree v. Smith*, 29 *La. Ann.* 811.

The rule that a purchaser at a sheriff's sale succeeds to the beneficial rights of the defendant in the execution of the property sold, applies to the case of a patented machine, and whatever right to use the patented machine a defendant in execution may have, passes with the machine when sold by the sheriff to his vendee.—*Wilder v. Kent*, 23 *O. G.* 831; *Com. Dec.* 1883, p. 188; 15 *Fed. Rep.* 217.

A sale of patented articles, in the ordinary course of trade, outside the territorial limits to which the right of sale is restricted by the patentee's grant, is unwarranted.—*Hatch v. Adams*, 29 *O. G.* 776; *Com. Dec.* 1884, p. 459; 22 *Fed. Rep.* 434.

After an assignee has, under an agreement with a patentee, manufactured and sold machines, he is estopped from denying that the patentee was the original inventor of the device, when called upon for an accounting.—*Kinsman v. Parkhurst*, 18 *How.* 289.

By a valid sale and purchase of a patented machine it becomes the private, individual property of the purchaser, and is no longer protected by the laws of the United States, but by the laws of the State in which it is situated.—*Chaffee v. Boston Belting Co.*, 22 *How.* 217; *Bloomer v. McQuewan*, 14 *How.* 539.

A party having purchased a machine from an infringer, corrected the evil by purchasing from the patentee the entire right for the county where his machine was used, and this gave him the right to use the machine during the extended term.—*Eunson v. Dodge*, 18 *Wall.* 414; 5 *O. G.* 95.

The sale or use of the product of a patented machine is no violation of the exclusive right to use, construct or sell the machine itself.—*Goodyear v. New Jersey Central Railroad*, 1 *Fish.* 626; 2 *Wall., Jr.*, 356.

A grant of an exclusive right to make, use, and vend patented articles within certain territory, confers the right to make and vend within said territory for use elsewhere, and any person who manufactures said machines within said territory without the consent of the grantee, infringes his right, although the machines may neither be sold nor used within said district. —*Jenkins v. Greenwald*, 2 *Fish.* 37; 1 *Bond* 128.

An assignment under a specific patent does not authorize the assignee to use subsequent improvements, although they may have been invented and attached to the original device at the time the transfer was executed.—*Am. Hide & Leather Co. v. Am. Tool & Machine Co.*, 4 *Fish.* 284; 1 *Holmes* 503.

A purchaser of machines from the patentees may repair and perfect them, and their use is not an infringement. But such purchase does not authorize the use of machines containing patented inventions, unless they are the identical machines purchased.—*Union Metallic Cartridge Co. v. U. S. Cartridge Co.*, 2 *Bann. & Ard.* 593; 8 *Fed. Rep.* 446.

The owner of a patented machine, without any conditions attached to the ownership, has the right to use it during the extended term of the patent or to transfer such right to another. —*Union Paper-Bag Mach. Co. v. Nixon*, 105 *U. S.* 766; 21 *O. G.* 1275; *Com. Dec.* 1882, p. 197.

When a patentee has made and vended to others to be used one or more of the things patented, he has to that extent parted with their exclusive right.—*Black v. Hubbard*, 3 *Bann. & Ard.* 39; 12 *O. G.* 842; *Com. Dec.* 1877, p. 344.

Section 7 of the Act of 1839, which provides that every person and corporation may use, and vend to others to be used, any *specific machine*, *manufacture*, or *composition* of matter which they have purchased or constructed prior to the application for a patent, is limited to the use of the *particular thing* bought or made, and not the right to practise the inven-

tion.—*Brickill v. N. Y. City*, 7 *Fed. Rep.* 479; 18 *Blatch.* 273; 18 *O. G.* 463; *Com. Dec.* 1880, p. 605.

An absolute and unqualified sale of a patented machine carries with it the right of use, and the courts have permitted a severance of ownership and right of use where the patentee has chosen to dissever them, and his intent is not doubtful.—*Porter Needle Co. v. Nat. Needle Co.*, 17 *Fed. Rep.* 536.

When a member of a firm invents and makes machines at its expense, and permits their use by the firm, all the partners have an equal, proportionate right in them and their use.—*Wade v. Metcalf*, 16 *Fed. Rep.* 130.

Unconditional sale of a patented article confers the whole title therein, and impliedly warrants full ownership on the part of the vendor.—*Holliday v. Matheson*, 24 *Fed. Rep.* 185; 30 *O. G.* 452; 31 *O. G.* 1444.

The assignment of an exclusive right to make and use, and to vend to others, the patented machine within a specified territory, authorizes the assignee to vend the products of the machine elsewhere. The restriction in the assignment is to be construed as applying solely to the using of the machine, and not to the place of the sale of the product.—*Simpson v. Wilson*, 4 *How.* 709; 2 *Robb* 469.

An assignee cannot assign the entire right for a particular territory and get its whole value from the vendee, and then sell single machines to be used in the same territory during the extended term.—*Union Paper-Bag Mach. Co. v. Nixon*, 9 *O. G.* 691; *Com. Dec.* 1876, p. 344; 1 *Flipp.* 491; 2 *Bann. & Ard.* 244.

The reservation by the assignor of the right to construct a limited number of machines within the territory assigned, is not inconsistent with the grant of an exclusive right in the patent for the particular territory.—*Washburn v. Gould*, 3 *Story* 122; 2 *Robb* 206.

Whether the machine is perfected or not at the time of the sale is immaterial, if the inventor agrees to make it perfect and procure a patent.—*Rathbone v. Orr*, 5 *McLean* 131.

The right to make carries with it the right to sell, but does not necessarily imply the right to *use* the machine when made and sold.—*Jenkins v. Greenwald*, 2 *Fish.* 37; 1 *Bond* 128; *Bicknell v. Todd*, 5 *McLean* 236.

A grant to use and sell or dispose of a patented device confers upon the purchaser, by implication, the right to use the thing purchased.—*Farrington v. Gregory*, 4 *Fish.* 221.

The right to use a machine necessarily implies the right to purchase.—*Bicknell v. Todd*, 5 *McLean* 236.

A machine licensed for use in a particular territory cannot lawfully be used in other territory.—*Wicke v. Kleinknecht*, 7 *O. G.* 1098; 1 *Bann. & Ard.* 608.

A license to use one machine will always be construed to be an authority to use *a* machine, unless in express terms it be limited to the identical machine referred to.—*Wilson v. Stolley*, 4 *McLean* 275.

A licensee who is authorized to use two machines constructed according to the patent, may use two at all times, whether constructed by himself or another. If he constructs machines and sells them to others to be used, he is an infringer of the patent and liable to an action. If he *uses* but two, he is within the letter and spirit of his contract. If he should construct a dozen, yet if he use but two, he does not break his contract.—*Burr v. Duryee*, 2 *Fish.* 275; 1 *Wall.* 531.

If a license to use one machine covers the whole term, and is not limited to any particular machine then sold, the licensee can repair or rebuild the machine, but he is restricted to the use of one machine in number at one time.—*Woodworth v. Curtis*, 2 *W. & M.* 524; 2 *Robb* 603; *Wilson v. Stolley*, 4

McLean 275; *Steam Stone Cutter Co. v. Sheldon*, 5 *Fish.* 477; 10 *Blatch.* 1.

A licensee of a right to use may repair his machine, but he cannot construct one.—*Bicknell v. Todd*, 5 *McLean* 236; *Woodworth v. Curtis*, 2 *W.* & *M.* 524; 2 *Robb* 603.

A license to a licensee "and his assigns" to use one machine is assignable. A machine and the right to use it, is personal property rather than a mere patent-right, and has all the incidents of personal property, making it subject to pass by sale.—*Woodworth v. Curtis*, 2 *W.* & *M.* 524; 2 *Robb* 603; *Wilson v. Stolley*, 4 *McLean* 275; *Wilson v. Stolley*, 5 *McLean* 1.

The sale of a machine by a patentee gives an implied right to use it, as such right is exclusively vested in him and his assigns; but where the sale is made by a person who has no exclusive right, it carries with it merely a license of use. The extent of the transfer depends entirely upon the facts and circumstances in each case.—*Wilson v. Stolley*, 4 *McLean* 275; *Mitchell v. Hawley*, 16 *Wall.* 544; 4 *Fish.* 388; 3 *O. G.* 241.

MARKING PATENTED ARTICLES.

The manufacturer of a patented article can continue to affix to it the word "Patented" and the date, even after the patent has expired, without liability, under section 4901, Revised Statutes, which prohibits the marking of any unpatented article "Patented."—*Wilson v. Singer Mfg. Co.*, 9 *Biss.* 173; 16 *O. G.* 1091; *Com. Dec.* 1879, p. 630.

A manufacturer of a patented article, after the expiration of the patent, has a right to represent that it is made according to the patent, and to use the name of the patentee for that purpose.—*Wilcox & Gibbs S. M. Co. v. Gibbens Frame*, 17 *Fed. Rep.* 623; 24 *O. G.* 1272; *Com. Dec.* 1883, p. 409; 21 *Blatch.* 431.

A corporation is responsible for the conduct of its superintendent in affixing the word "Patented" to unpatented articles. —*Tompkins v. Butterfield*, 25 *Fed. Rep.* 556.

MARRIED WOMEN.

The laws of Congress give the right to a patent to the inventor, whether *sui juris* or under disability, or to the assigns of the inventor. As inventor or assignee of a patented invention, a married woman, an infant, or a person under guardianship, obtains a vested right to the patent.—*Fetter v. Newhall*, 25 *O. G.* 502; *Com. Dec.* 1883, p. 429; 17 *Fed. Rep.* 841; 21 *Blatch.* 445.

The laws of New York make the property of married women distinctly their own. Where a married woman by her sole deed assigns an interest in a patent, the assignment is valid, and she may join with such assignee in an action involving their joint rights.—*Fetter v. Newhall*, 25 *O. G.* 502; *Com. Dec.* 1883, p. 429; 17 *Fed. Rep.* 841; 21 *Blatch.* 445.

MICHIGAN.

The statute of Michigan, approved April 13, 1871, to regulate the execution and transfer of notes or other obligations given for patent-rights, declared unconstitutional.—*Cranson v. Smith*, 37 *Mich.* 309.

MINNESOTA.

The statute of Minnesota regulating the sale of patent-rights declared unconstitutional and void, and the failure of the patentee to comply with said law is no defense to payment of note given for patent-right.—*Crittenden v. White*, 23 *Minn.* 24.

MISNOMER.

An assignment of a patent is not void for uncertainty of parties because it does not set forth the first names of the assignees.—*Fisk v. Hollander*, 4 *MacArthur* 355.

Although an invention is misnamed in a conveyance, if the deed furnishes sufficient means for correcting the mistake, or identifying the thing sold, it will pass title to the invention patented.—*Harmon v. Bird*, 22 *Wend.* (*N. Y.*) 113.

MISSOURI.

Persons who form themselves into a corporation under the Missouri statute cannot escape individual liability for the infringement of a patent done in their corporate name.—*St. Louis Stamping Co. v. Quinby*, 5 *Bann. & Ard.* 275; 18 *O. G.* 571; *Com. Dec.* 1880, p. 614.

MISTAKE.

A written instrument having imperfectly expressed the intention of the parties, but the parties having acted according to their actual agreement, and over two years having elapsed, the appellant could only have the mutual mistake in the language of the instrument corrected, and it would be inequitable to absolve him from the obligation of his contract—*Laver v. Dennett*, 25 *O. G.* 882; *Com. Dec.* 1883, p. 449; 109 *U. S.* 90.

One holding title upon condition must perform the condition at his peril. He cannot come into a court of equity to have the question settled whether the conditions are performed, in order to save him from the consequences of a mistake.—*Florence S. M. Co. v. Singer Mfg. Co.*, 4 *Fish.* 329; 8 *Blatch.* 113.

The recitals in a deed are not conclusive on a licensee when

the covenant was executed under a mistake as to the validity of the patent.—*Rich v. Atwater*, 16 *Conn.* 409.

The purchaser of a patent-right on the representation that it covers a machine which in fact it does not, may have the deed of assignment and note given for the purchase-money canceled in a court of equity.—*Burrall v. Jewett*, 2 *Paige* (*N. Y.*) 134.

Where a blank piece of paper instead of an assignment was given, the assignee should call upon the assignor for the correction of the mistake, and in the absence of this, or any excuse for the omission, a court of equity can afford no relief.—*Black v. Stone*, 33 *Ala.* 327.

A court of equity will not decree the cancelment of a contract, except for fraud or mistake.—*Brooks v. Stolley*, 3 *McLean* 523; 2 *Robb* 281.

MORTGAGE.

The sale under a mortgage of a factory, including patented machines therein, with the knowledge and consent of the owner of the patent, conveys to the purchaser the right to use the particular machines thus sold.—*Detweiler v. Voege*, 8 *Fed. Rep.* 600; 19 *Blatch.* 482.

NEBRASKA.

A State law requiring all notes given in payment for patent-rights to contain the words "given for a patent-right" is unconstitutional.—*Wilch v. Phelps*, 25 *O. G.* 981; *Com. Dec.* 1883, p. 489; 15 *N. W. Rep.* 361; 14 *Neb.* 134.

NOTICE.

The statute requiring assignments to be recorded within three months is merely directory; any subsequent recording will suffice to vest the assignee with title except as to intermediate *bona-fide* purchasers without notice.—*Pitts v. Whit-*

man, 2 *Story* 609; 2 *Robb* 189; *Brooks v. Byam*, 2 *Story* 525; 2 *Robb* 161; *Boyd v. McAlpin*, 3 *McLean* 427; 2 *Robb* 277; *Case v. Redfield*, 4 *McLean* 526; 2 *Robb* 741.

Purchasers are bound to examine the title of their grantor and ascertain the extent of his right.—*Hawley v. Mitchell*, 4 *Fish.* 388; 1 *Holmes* 42; 1 *O. G.* 306.

An agreement which operates as a transfer of a patent is good as against the patentee and those who purchase with notice, though not recorded.—*Continental Windmill Co. v. Empire Windmill Co.*, 4 *Fish.* 428; 8 *Blatch.* 295; *Peck v. Bacon*, 18 *Conn.* 377.

Where an assignee is a corporation and the patentee is its manager and director, it has notice through him as such of all prior assignments pertaining to his patents.—*Continental Windmill Co. v. Empire Windmill Co.*, 4 *Fish.* 428; 8 *Blatch.* 295.

The record of an assignment by a person as administrator, when he is in fact executor, is constructive notice of a transfer in his representative character.—*Newell v. West*, 8 *O. G.* 598; 9 *O. G.* 1110; *Com. Dec.* 1876, p. 404; 13 *Blatch.* 114; 2 *Bann. & Ard.* 113.

The owner of a patented invention is not required to give notice to a voluntary purchaser of a licensee's right, to enable him to hold such purchaser to the restricted use and enjoyment of the invention stipulated in the license. It is the duty of the purchaser to inform himself of the nature of the licensee's ownership and the extent of his right.—*Chambers v. Smith*, 5 *Fish.* 12.

A conveyance or assignment of the right to maintain suits under a patent after the grant has expired—mere choses in action—is not required to be recorded under section 4898, Revised Statutes. In assigning a right in action, the person to be notified is he against whom the action is pending, so that

he may not pay the wrong person.—*Gear v. Fitch*, 16 *O. G.* 1231; *Com. Dec.* 1879, p. 653; 3 *Bann. & Ard.* 753.

The record in the Patent Office of a license that is not *exclusive*, is not such notice to purchasers that they can safely rely upon the record as showing the whole transaction between the parties.—*Hamilton v. Kingsbury*, 17 *O. G.* 147; *Com. Dec.* 1880, p. 246; 4 *Bann. & Ard.* 615; 17 *Blatch.* 264.

The words "licensed to use once only," stamped upon each buckle, is notice that there is a restriction in the use.—*American Cotton Tie Supply Co. v. Bullard*, 17 *O. G.* 389; *Com. Dec.* 1880, p. 273; 4 *Bann. & Ard.* 521; 17 *Blatch.* 160.

The expression "right, title and interest," contained in an assignment from a person holding under the patentee, is enough to put the assignee on inquiry, and to charge him with notice of what such inquiry, if made of the first grantor, would have disclosed.—*Hamilton v. Kingsbury*, 17 *O. G.* 847; *Com. Dec.* 1880, p. 373; 5 *Bann. & Ard.* 157; 17 *Blatch.* 460; 4 *Fed. Rep.* 428.

The record of an assignment is not constructive notice to a subsequent purchaser, unless the statute requires the instrument to be recorded.—*Wright v. Randel*, 21 *O. G.* 493; *Com. Dec.* 1882, p. 94; 19 *Blatch.* 495; 8 *Fed. Rep.* 591.

PARTIES TO SUIT.

Under a contract which provides that the net proceeds from all suits for infringement of a patent shall be equally divided between the licensor and licensee, and which forbids the instituting of a suit without the consent of both parties, the licensee is authorized to make settlement with the infringing party.—*Burdell v. Denig*, 2 *Fish.* 588.

When the parties to a suit are citizens of the same State, a bill to compel the execution of further transfers under an agree-

ment is not maintainable in the United States Circuit Court.—*Perry v. Littlefield*, 17 *O. G.* 51; *Com. Dec.* 1880, p. 217; 17 *Blatch.* 272.

In all cases where an assignment does not pass the legal title and is not absolute and unconditional, or there are remaining rights or liabilities of the assignor which may be affected by the decree, he is a necessary party to the suit.—*Cook v. Bidwell*, 20 *O. G.* 1083; *Com. Dec.* 1881, p. 397; 8 *Fed. Rep.* 452.

An assignee of the exclusive right to manufacture and sell a patented invention throughout the United States is the proper party to maintain a suit for the violation of this right.—*Nellis v. Pennock Mfg. Co.*, 22 *O. G.* 1131; *Com. Dec.* 1882, p. 417; 13 *Fed. Rep.* 451.

A suit may be maintained to recover past damages for infringement, although the parties plaintiff have parted with their interest in the patent at the time suit was brought.—*Spring v. Domestic Sewing Mach. Co.*, 22 *O. G.* 1445; *Com. Dec.* 1882, p. 452; 13 *Fed. Rep.* 446.

Where one person has the legal title to the patent and another an equitable right therein, both must be made parties to a suit in action in equity to restrain infringement.—*Gamewell Fire Alarm Tel. Co. v. City of Brooklyn*, 22 *O. G.* 1978; *Com. Dec.* 1882, p. 512; 14 *Fed. Rep.* 255.

An assignee of a chose in action—as a patent-right—cannot proceed by bill in equity to enforce for his own use the legal right of his assignor merely because he cannot sue at law in his own name.—*Hayward v. Andrews*, 23 *O. G.* 533; *Com. Dec.* 1883, p. 155; 106 *U. S.* 672.

A mere license to make and use, without the right to grant to others to make and use, the thing patented, though exclusive, will not authorize the licensee to bring suit in his own name for infringement without joining the patentee.—*Wilson v. Chickering*, 23 *O. G.* 1730; *Com. Dec.* 1883, p. 258; 14 *Fed. Rep.* 917.

After the granting of an exclusive license, neither the licensee nor patentee can alone maintain a bill in equity for infringement; they must join.—*Hammond v. Hunt*, 4 *Bann. & Ard.* 111.

In case of infringement subsequent to an assignment of an undivided part of a patent, action must be brought in the joint names of the parties owning the entire interest.—*Moore v. Marsh*, 7 *Wall.* 515.

PARTNER.

When a member of a firm invents and makes machines at its expense, and permits their use by the firm, all the partners have an equal, proportionate right in them and their use.—*Wade v. Metcalf*, 16 *Fed. Rep.* 130.

A partner of a licensee who purchases the latter's interest in the firm is not liable for royalty on the articles manufactured.—*Wilder v. Stearns*, 48 *N. Y.* 656.

The withdrawal or addition of partners to a firm operating under a license, does not extinguish the license so long as the business is conducted under the same firm name, unless the license is limited to the *identical* persons of which the firm was at the time composed.—*Belding v. Turner*, 4 *Fish.* 446; 8 *Blatch.* 321.

In the case of joint patentees, where no agreement of co-partnership exists, the relation of co-partners does not result from their connection as joint patentees; when one joint owner transfers his undivided interest to a stranger, the assignee does not become the partner of his co-proprietor.—*Pitts v. Hall*, 3 *Blatch.* 201.

If an application for a patent by two partners who are joint inventors be rejected by the Patent Office, and one of the partners subsequently secures a patent for the same invention in his own name, the other partner has a joint interest in the

invention and patent therefor.—*Velter v. Lentzinger*, 31 *Iowa* 182.

If one of a firm invents a machine and takes out a patent at the expense of the firm, and the machine is used in the partnership business; *held*, that no implied license arises to the member of the firm not the inventor to make, use, and vend the patented machine after the dissolution of the partnership.—*Keller v. Stolzenbach*, 20 *Fed. Rep.* 47; 27 *O. G.* 209; *Com. Dec.* 1884, p. 174.

The title to a patent taken out in the name of one of the members of a firm and never assigned to the firm, will not pass by sale of partnership property, although expenses incident to the issue of the patent were paid by the firm and the patent was used for the benefit of the firm while the partnership lasted.—*Mc Williams Mfg. Co. v. Blundell*, 22 *O. G.* 177; *Com. Dec.* 1882, p. 323; 11 *Fed. Rep.* 419.

An assignment of a patent is not void for uncertainty of parties because it does not set forth the first names of the assignees.—*Fisk v. Hollander*, 4 *MacArthur* 355.

An agreement between joint owners of a patent to account to each other for profits derived from the use of the invention does not constitute them partners; they are merely tenants in common.—*Fraser v. Gates*, 20 *Rep.* 427.

An assignee cannot secretly acquire an outstanding right and set it up against his joint owner in derogation of his rights under an existing agreement.—*Kinsman v. Parkhurst*, 18 *How.* 289.

An instrument prepared for the signatures of two persons and containing mutual releases and assignments—each the consideration of the other—is not binding unless signed by both parties.—*Ambler v. Whipple*, 20 *Wall.* 546.

When a member of a firm takes out a patent in his individual name, the firm can make no claim to it without an

assignment in writing from the patentee.—*Mc Williams Mfg. Co. v. Blundell*, 11 *Fed. Rep.* 419; 22 *O. G.* 177; *Com. Dec.* 1882, p. 323.

PATENTEE.

The term "patentee" applies to any person having a right under a patent, whether as executor, administrator or assignee. —*Washburn v. Gould*, 3 *Story* 122; 2 *Robb.* 206.

PATENT-RIGHT, DIVISIBLE.

A patentee has the exclusive right to make, use, and vend the device patented, and it is his privilege to grant the exclusive right to make to one person, to use to another, and to vend to another.—*Jenkins v. Greenwald*, 2 *Fish.* 37; 1 *Bond* 128; *Steam Stone Cutter Co. v. Sheldon*, 5 *Fish.* 477; 10 *Blatch.* 1; *Bicknell v. Todd*, 5 *McLean* 236.

The right to manufacture, the right to sell, and the right to use, are each substantive rights, and may be granted or conferred separately by the patentee.—*Adams v. Burke*, 17 *Wall.* 453; 33 *O. G.* 114; 1 *Holmes* 40; 4 *Fish* 392; 1 *O. G.* 282.

The right to make and vend, and the right to use, are completely severable; and, while a grant of the right to make and sell to others might be deemed to imply the right in the purchasers to use the thing purchased, a patentee may restrict the use.—*Dorsey R. H. Rake Co. v. Bradley Mfg. Co.*, 12 *Blatch.* 202; 1 *Bann.* & *Ard.* 330.

POWER OF ATTORNEY.

If an agent is authorized to assign a patent when obtained, he may assign the invention before the patent issues and have the patent granted to the assignee.—*Ex parte Eveleigh*, 1 *O. G.* 303; *Com. Dec.* 1872, p. 19.

An instrument purporting to be an assignment of an expired patent is void as an assignment, although it may be good as a power of attorney to collect for infringements.—*Bell v. McCullough*, 1 *Fish.* 380; 1 *Bond* 194.

If a power of attorney is executed for the purpose of providing that a right in a patent may inure to the benefit of another, it is, in a court of equity, equivalent to an assignment. Such a power of attorney is a power coupled with an interest in the *thing* itself, and is not revocable.—*Day v. Candee*, 3 *Fish.* 9.

PROCEEDS.

An interest in the net proceeds of collections under a patent does not necessarily amount to legal ownership of the patent itself.—*Jordan v. Dobson*, 4 *Fish.* 232; 2 *Abbott* 398.

Under a contract which provides that the net proceeds from all suits for infringement of a patent shall be equally divided between the licensor and licensee, and which forbids the instituting of a suit without the consent of both parties, the licensee is authorized to make settlement with the infringing party.—*Burdell v. Denig*, 2 *Fish.* 588.

The interest or estate in a patent to the transfer of which a writing is necessary, is such as enables the party receiving it to convey legal title. An equitable interest or an interest in mere proceeds need not be recorded, consequently it need not be in writing.—*Blakeney v. Goode*, 30 *Ohio St.* 350.

The claims for profits and damages arising from infringements prior to the plaintiff's purchase are choses in action, and the assignee takes the title subject to all the equities existing against the assignor.—*New York Grape Sugar Co. v. Buffalo Grape Sugar Co.*, 25 *O. G.* 1076; *Com. Dec.* 1883, p. 460; 21 *Blatch.* 519; 18 *Fed. Rep.* 638.

An agreement between joint owners of a patent to account

to each other for profits derived from the use of the invention does not constitute them partners; they are merely tenants in common.—*Fraser v. Gates*, 20 *Rep.* 427.

The mere assignment of a patent gives the assignee no right to damages or profits already accrued, unless the language of the instrument shows that such was the intention.—*Merriam v. Smith*, 11 *Fed. Rep.* 588; *N. Y. Grape Sugar Co. v. Buffalo Grape Sugar Co.*, 18 *Fed Rep.* 638; 25 *O. G.* 1076; *Com. Dec.* 1883, p. 460; 21 *Blatch.* 519.

PRODUCT.

Every person who pays the patentee for a license to use his process becomes the owner of the product, and may sell it to whom he pleases, or apply it to any purpose, unless he binds himself by covenants to restrict his right of making and vending certain articles that may interfere with the special business of some other licensee.—*Met. Washing Machine Co. v. Earle*, 2 *Fish.* 203; 3 *Wall., Jr.*, 320.

The sale or use of the product of a patented machine is no violation of the exclusive right to use, construct, or sell the machine itself.—*Goodyear v. New Jersey Central Railroad*, 1 *Fish.* 626; 2 *Wall., Jr.*, 356.

PROMISSORY NOTE.

The maker of a note given for a patent-right cannot be compelled to pay it if the patent for which it was given is utterly worthless.—*Clough v. Patrick*, 37 *Vt.* 421.

The statute of Minnesota regulating the sale of patent-rights declared unconstitutional and void, and the failure of the patentee to comply with said law is no defense to payment of note given for patent-right.—*Crittenden v. White*, 23 *Minn.* 24.

A State law requiring all notes given in payment for patent-

rights to contain the words "given for a patent-right" is unconstitutional.—*Wilch v. Phelps*, 25 *O. G.* 981; *Com. Dec.* 1883, p. 489; 15 *N. W. Rep.* 361; 14 *Neb.* 134; *Ex parte Robinson*, 4 *Fish.* 186; 2 *Biss.* 309; *Castle v. Hutchinson*, 25 *Fed. Rep.* 394.

The law of Indiana requiring the words "given for a patent-right" to be inserted above the signature on notes given for purchase of an interest in a patent, is unconstitutional and void.—*Ex parte Robinson*, 4 *Fish.* 186; 2 *Biss.* 309; *Helm v. First Nat. Bank*, 43 *Ind.* 167; *Castle v. Hutchinson*, 25 *Fed. Rep.* 394.

The grant of a license to sell a patented article, if the patent be void, passes nothing to the licensee, and consequently does not constitute a valuable consideration for a promissory note given in payment. If, however, the patent be valid, it is in law a valuable right, although it may not be a profitable one, and the grant of a license under it is a valid consideration for a promise to pay.—*Wilson v. Hentges*, 3 *N. W. Rep.* 338.

A promissory note given for a void patent-right is without consideration.—*Dickinson v. Hall*, 14 *Pickering* (*Mass.*) 217; *Bliss v. Negus*, 8 *Mass.* 46; *Cross v. Huntley*, 13 *Wend.* (*N. Y.*) 385; *Head v. Stevens*, 19 *Wend.* (*N. Y.*) 411; *Kernodle v. Hunt*, 4 *Blackf.* (*Ind.*) 57; *Higgins v. Strong*, 4 *Blackf.* (*Ind.*) 182; *McClure v. Jeffrey*, 8 *Ind.* 79; *Nye v. Raymond*, 16 *Ill.* 153; *Jolliffe v. Collins*, 21 *Mo.* 338; *Rowe v. Blanchard*, 18 *Wis.* 462; *Rice v. Garnhart*, 34 *Wis.* 453.

If an invention lack novelty or utility in its application to any one of the several objects for which it is patented, it will not prevent a recovery upon a note given therefor.—*Midkiff v. Boggess*, 15 *Ind.* 210.

A licensee cannot set up, as a defense to the payment of a note, the pretext that the patent infringes previous existing patents. The burden of proof is on him to show it before he

can establish a failure of consideration.—*Davis v. Gray*, 17 *Ohio St.* 330.

If a patent be utterly frivolous or worthless, it is not within the meaning of the law "useful," and is not, therefore, good consideration for a note, although the vendor may have acted in good faith.—*Lester v. Palmer*, 4 *Allen* (*Mass.*) 145.

A void patent is not a good consideration for a note. In an action for the purchase-money for a patent sold, the defendant may show that there was no such patent, or that it was invalid, or that the vendor had no right to sell it.—*Nye v. Raymond*, 16 *Ill.* 153.

The payment of a note given for a patent-right may be defeated for want of consideration, by reason of a breach of warranty on part of the vendor.—*Hawes v. Twogood*, 12 *Iowa* 582.

If several payees of a note endorse it over to one of their number, payment may be avoided if the note was given for a license under a void patent.—*Saxton v. Dodge*, 57 *Barb.* (*N. Y.*) 84.

A purchaser may avoid the payment of a note if the device patented is not operative. He is not required to use inventive genius in order to construct a different machine to give value to that which he purchased.—*Craigin v. Fowler*, 34 *Vt.* 326; *Clough v. Patrick*, 37 *Vt.* 421; *Williams v. Hicks*, 2 *Vt.* 36.

If a patented machine and the exclusive right to use it within a certain district is the consideration for which a note is given, and the value of the machine has been paid, the vendor can make no further recovery if the patent be void.—*Earl v. Page*, 6 *N. H.* 477.

If the invention was useful and valuable at the time of the sale, the consideration of the note given therefor will not be impeached by showing that subsequent improvements have rendered the invention useless. The purchaser, whe[illegible]e buys,

takes the risk of any new discovery which may destroy the value of his property.—*Harmon v. Bird*, 22 *Wend.* (*N. Y.*) 113.

The purchaser of a patent-right who subsequently transfers it to another is precluded from saying that what he sold is valueless, in order to avoid payment of a note which he had given therefor.—*Thomas v. Quintard*, 5 *Duer* (*N. Y.*) 80.

If an assignment of three patents is in the nature of a quit-claim deed of whatever right, title, or interest the assignor has or may acquire in the patents specified, and creates no warranty that either of the patents was valid, the transfer is legal, and sufficient consideration for the notes given, even if one of the patents is invalid.—*Gilmore v. Aiken*, 118 *Mass.* 94.

A covenant of warranty is not a good consideration for a note if the patent is void.—*Dickinson v. Hall*, 14 *Pickering* (*Mass.*) 217.

It is no defense to an action on a note given for a re-assignment of an interest in an invention, that a patent subsequently issued to the payee of the note for a part of the theory embraced in the application of the maker of the note.—*Clark v. Smith*, 21 *Minn.* 539.

A mere representation by the assignor that the device patented is useful and valuable, will not defeat the payment of a note given therefor, so long as the patent is valid.—*Kernodle v. Hunt*, 4 *Blackf.* (*Ind.*) 57.

A misrepresentation as to what a patented device would accomplish might be available, under a proper issue, in mitigation of damages; but in an action of covenant on a sealed note, it should also be averred that the property for which the note was given was of no value, or that it had been returned or tendered to the vendor.—*Mullikin v. Latchem*, 7 *Blackf.* (*Ind.*) 136; *Hardesty v. Smith*, 3 *Ind.* 39.

The purchaser of a patent-right may set up as a defense, in

an action upon his note, that he was induced to purchase by means of fraudulent representations on the part of the vendor as to the qualities, capabilities, and usefulness of the invention. —*Groff v. Hansel*, 33 *Md.* 161.

If a purchaser, by false and fraudulent representations of the vendor in matters not known to him and which are peculiarly within the knowledge of the vendor, is induced to make the purchase and give his note therefor, and would not have entered into the contract of purchase if it had not been for such representations, the note is without consideration and the vendor cannot recover.—*Bierce v. Stocking*, 11 *Gray* (*Mass.*) 174.

The purchaser of a patent-right on the representation that it covers a machine which in fact it does not, may have the deed of assignment and note given for the purchase-money canceled in a court of equity.—*Burrall v. Jewett*, 2 *Paige* (*N. Y.*) 134.

Money paid on notes given for a patent-right may be recovered if the patent be void, and a court of equity will compel the notes to be given up and canceled.—*Darst v. Brockway*, 11 *Ohio* 462; *Bellas v. Hays*, 5 *S.* & *R.* (*Pa.*) 427.

When a party undertakes to sell, and does sell, a patent-right, he cannot recover on notes given therefor, unless he prove he had a patent from the proper authority of the United States.—*Brown v. Wright*, 17 *Ark.* 9.

In an action on a promissory note given for a patent-right, it is not relevant, under the plea of *non assumpsit*, for the assignee to show that it is useless and of no value.—*Williams v. Hicks*, 2 *Vt.* 36.

The statute of Michigan, approved April 13, 1871, to regulate the execution and transfer of notes or other obligations given for patent-rights, declared unconstitutional.—*Cranson v. Smith*, 37 *Mich.* 309.

PURCHASE-MONEY, RECOVERY OF.

A purchaser having accepted a deed which described the patent and invention conveyed to him, cannot, in the absence of fraud, recover the money he has paid, on the ground that the invention is not what he thought it was.—*Foss v. Richardson*, 15 *Gray* (*Mass.*) 303.

When money has been paid for a patent-right, it cannot be recovered back unless the contract has been rescinded, or it was tainted with fraud, or was accompanied by a warranty that has not been fulfilled.—*Case v. Morey*, 1 *N. H.* 347; *Myers v. Turner*, 17 *Ill.* 179; *Hardesty v. Smith*, 3 *Ind.* 39.

If a person purchases and pays for a patent-right, and the vendor sends him an assignment for a different patent, he may refuse to receive it, and demand and recover back the money which he has paid.—*Foss v. Richardson*, 15 *Gray* (*Mass.*) 303.

Where there has been no misrepresentation or concealment of a material fact by the vendor, the purchaser cannot recover the money which was voluntarily paid with a full knowledge of all the facts in relation to the transaction, although the patent be void.—*Stevens v. Head*, 9 *Vt.* 174.

A contract which provides for the refunding of the purchase-money in case the purchaser does not realize a certain amount from the patented article within a specified time, imposes upon the purchaser a proper effort on his part to make sales, although the writing may be silent in this respect.—*Berger v. Peterson*, 78 *Ill.* 633.

A patent-right is not a corporeal thing either real or personal, but something intangible and incorporeal, resting wholly in grant. In contracts for the assignment of such interests, if there be no fraud, the purchaser must depend, in case they prove of no value, wholly upon his covenants. He has no remedy for his money if there is a failure of title.—*Hiatt v. Twomey*, 1 *Dev. & Bat. Eq.* (*N. C.*) 315; *Cansler v. Eaton*, 2 *Jones Eq.* (*N. C.*) 499.

A purchaser cannot recover back the consideration paid, if he has derived any benefits from the use of the patent, although the patent is void.—*Holden v. Curtis*, 2 *N. H.* 61.

A purchaser who is induced to purchase a patent-right by fraud on part of the vendor, is not entitled to a rescission of the sale if he has affirmed the contract after the discovery of the fraud.—*Pierce v. Wilson*, 34 *Ala.* 596.

Money paid on notes given for patent-right may be recovered if the patent be void, and a court of equity will compel the notes to be given up and canceled.—*Darst v. Brockway*, 11 *Ohio* 462; *Bellas v. Hays*, 5 *S. & R.* (*Pa.*) 427.

If an assignee has derived profits from the use and sale of an invention, he cannot recover from the assignor the consideration paid therefor, if the patent be subsequently declared void. The contract may be rescinded by a court of equity, but it will compel the parties to account to each other in order that they may be restored to their original positions.—*Edmunds v. Myer*, 16 *Ill.* 207; *Edmunds v. Hildreth*, 16 *Ill.* 214.

Where a patent has been possessed and enjoyed, the consideration paid therefor cannot be recovered although the patent may be declared invalid.—*Wilder v. Adams*, 2 *W. & M.* 329.

If a person contracts for the purchase of a patent, and he receives and accepts a deed for a different patent, acts under it, and makes payments on account of it, he cannot, in absence of fraud, recover back the consideration paid merely because of a misunderstanding as to the extent of the rights conferred.—*Foss v. Richardson*, 15 *Gray* (*Mass.*) 303.

PURCHASER.

Complete title to an implement or machine purchased becomes vested in the vendee by the sale and purchase, but he acquires no portion of the franchise, as the machine, when

it rightfully passes from the patentee to the purchaser, ceases to be within the limits of the monopoly —*Mitchell v. Hawley*, 16 *Wall.* 544; 3 *O. G.* 241; 4 *Fish.* 388.

By a valid sale and purchase of a patented machine it becomes the private, individual property of the purchaser, and is no longer protected by the laws of the United States, but by the laws of the State in which it is situated.—*Chaffee v. Boston Belting Co.*, 22 *How.* 217; *Bloomer v. McQuewan*, 14 *How.* 539.

A purchaser of patented articles from a licensee with full knowledge that he has put an end to his contract with the patentee, will be held to have infringed and will be liable for the profits on all he has made and sold.—*Moody v. Taber*, 1 *Bann. & Ard.* 41; 1 *Holmes* 325; 5 *O. G.* 273.

A purchaser of machines from the patentees may repair and perfect them, and their use is not an infringement. But such purchase does not authorize the use of machines containing patented inventions unless they are the identical machines purchased.—*Union Metallic Cartridge Co. v. U. S. Cartridge Co.*, 2 *Bann. & Ard.* 593; 8 *Fed. Rep.* 446.

The owner of a patent in the United States for an invention, who has sold the patented article in England without restriction or conditions, cannot restrain the purchaser from using or selling the article in the United States.—*Holliday v. Matheson*, 24 *Fed. Rep.* 185; 30 *O. G.* 452; 31 *O. G.* 1444.

A purchaser of patented articles from a territorial assignee does not acquire the right to sell the articles, in the course of trade, outside the territory granted to his vendor.—*Hatch v. Adams*, 29 *O. G.* 776; *Com. Dec.* 1884, p. 459; 22 *Fed. Rep.* 434.

A territorial grantee cannot be restrained from advertising and selling within his territory, even though the purchasers may take the patented articles outside of the vendor's territory.—*Hatch v. Hall*, 30 *O. G.* 1096; 22 *Fed. Rep.* 438.

A purchaser of a patent has the right to rely upon the apparent record title, so long as he acts in good faith, the same as the purchaser of real estate.—*Secombe v. Campbell*, 2 *Fed. Rep.* 357; 18 *Blatch.* 108.

Upon failure of an assignee to pay the money within the time specified (and in default of which he had agreed to re-assign the patent), the assignor acquires the right to demand a re-assignment, and if not re-assigned he can recover the value of it.—*Manvel v. Holdredge*, 45 *N. Y.* 151.

The assignee of an administrator need not show that all the forms of law have been complied with; he can hold the property unless the transaction be fraudulent.—*Brooks v. Jenkins*, 3 *McLean* 432.

In order to guard against an outstanding title of over three months' duration. the purchaser need only look to the records of the Patent Office.—*Gibson v. Cook*, 2 *Blatch.* 144.

Within the period of three months a purchaser must protect himself in the best way he can, as an unrecorded prior assignment will prevail; but it must be an assignment in writing that may be recorded within the time limited.—*Gibson v. Cook*, 2 *Blatch.* 144.

A prior unrecorded assignment is good against subsequent purchaser without *valuable consideration.*—*Saxton v. Aultman*, 15 *Ohio St.* 471.

Purchasers are bound to examine the title of their grantor, and ascertain the extent of his right.—*Hawley v. Mitchell*, 4 *Fish.* 388; 1 *Holmes* 42; 1 *O. G.* 306.

An agreement which operates as a transfer of a patent is good as against the patentee and those who purchase with notice, though not recorded.—*Continental Windmill Co. v. Empire Windmill Co.*, 4 *Fish.* 428; 8 *Blatch.* 295; *Peck v. Bacon*, 18 *Conn.* 377.

While an assignee may be entitled to have a deed re-formed

and the true description inserted, it cannot be done to the prejudice of the title acquired by a *bona-fide* purchaser after a lapse of more than three months.—*Gibson v. Cook*, 2 *Blatch.* 144; *Woodworth v. Cook*, 2 *Blatch.* 151.

A licensee, in order to secure himself against the title of a *bona-fide* purchaser, should procure a re-formation of his contract and an assignment of it prior to the subsequent transfer, and record the same in the Patent Office within the three months.—*Gibson v. Cook*, 2 *Blatch.* 144.

Purchasers of the exclusive privilege of making or vending a patented machine in a specified place, hold a portion of the franchise which the patent confers, and the interest which they acquire terminates at the time limited for its continuance by the law which created it, unless it is expressly stipulated to the contrary. But the purchaser of an implement or machine for the purpose of using it in the ordinary pursuits of life, stands on different ground.—*Bloomer v. Millinger*, 1 *Wall.* 340; *Bloomer v. McQuewan*, 14 *How.* 539; *Blanchard v. Whitney*, 3 *Blatch.* 307; *Hawley v. Mitchell*, 4 *Fish.* 388; 1 *Holmes* 42; 1 *O. G.* 306.

The owner of a patented invention is not required to give notice to a voluntary purchaser of a licensee's right, to enable him to hold such purchaser to the restricted use and enjoyment of the invention stipulated in the license. It is the duty of the purchaser to inform himself of the nature of the licensee's ownership and the extent of his right.—*Chambers v. Smith*, 5 *Fish.* 12.

The purchase of a patented machine at a judicial sale vests the purchaser only with such title as the licensee had in the thing sold.—*Chambers v. Smith*, 5 *Fish.* 12.

The purchase of a patented article lawfully manufactured and sold, without condition or restriction, within his territory by a territorial assignee of a patent-right, conveys to the purchaser the right to use or sell the article in another territory

for which another person has taken an assignment of the same patent. By such a sale the purchaser acquires an absolute title.—*Adams v. Burke*, 4 *Fish.* 392; 1 *Holmes* 40; 1 *O. G.* 282; 17 *Wall.* 453; 33 *O. G.* 114; *McKay v. Wooster*, 6 *Fish.* 375; 2 *Saw.* 373; 3 *O. G.* 441; *May v. Chaffee*, 5 *Fish.* 160; 2 *Dillon* 385.

The patentee himself cannot, by a subsequent assignment of his patent, limit the right of the purchaser already vested.—*McKay v. Wooster*, 6 *Fish.* 375; 2 *Saw.* 373; 3 *O. G.* 441.

The detriment which a purchaser may suffer on account of a failure of a part of the thing patented, does not prejudice the right of the vendor to recover.—*Hotchkiss v. Oliver*, 5 *Denio* (*N. Y.*) 314.

If a patentee is guilty of no fraud, and the purchaser has received what he contracted for, he cannot complain, nor can he reduce the amount of the stipulated price, unless there has been a warranty and a breach of it.—*Vaughan v. Porter*, 16 *Vt.* 266.

Where an alleged warranty is not contained in a written contract, it cannot be proved by parol evidence, unless, in addition to the averment that there was such warranty, there be an allegation that it was false or fraudulent, and that thereby the vendee was deceived.—*McClure v. Jeffrey*, 8 *Ind.* 79.

If a purchaser has had the quiet enjoyment of a patent, the burden of proof is on him to show that no right was conveyed if he seeks to recover against the vendor.—*Stevens v. Head*, 9 *Vt.* 174.

If the purchaser of an invention v a covenant or warranty, yields without suit to a superior title to that of the vendor, he may sue on the covenant and recover; but the burden of proving the superiority of the title to which the vendee yielded rests on him.—*Orr v. Burwell*, 15 *Ala.* 378.

Where there has been no misrepresentation or concealment of a material fact by the vendor, the purchaser cannot recover the money which was voluntarily paid with a full knowledge of all the facts in relation to the transaction, although the patent be void.—*Stevens v. Head*, 9 *Vt.* 174.

A purchaser who was deceived by the misrepresentations of the vendor is entitled to a rescission of the sale.—*Pierce v. Wilson*, 34 *Ala.* 596; *Hall v. Orvis*, 35 *Iowa* 366; *Page v. Dickerson*, 28 *Wis.* 694.

If the patentee correctly described and explained a prior invention, but drew from thence an incorrect inference in regard to the principles and similitude of the two inventions, while the purchaser formed a more correct opinion, the latter cannot rely on this erroneous inference as a ground for rescinding the contract.—*West v. Morrison*, 2 *Bibb.* (*Ky.*) 376.

The party defrauded and those injured by the fraud are the only ones who can take advantage of it to annul a contract. A subsequent purchaser will not be allowed to make the suggestion of fraud in his grantor.—*Edmunds v. Hildreth*, 16 *Ill.* 214.

The title of an assignee or purchaser may be impeached the same as when it remained with the assignor, by proving that the assignor had procured it by fraud.—*Day v. New Eng. Car Spring Co.*, 3 *Liv. Law Mag.* 44.

Where a sale of a patent-right contains no warranty, but is a simple transfer of title, the purchaser cannot set up a parol warranty for it must be presumed that the deed contains the entire contract.—*Jolliffe v. Collins*, 21 *Mo.* 338.

If a purchaser of a patent-right relies upon a contract or warranty, then the contract or warranty should be in the deed by which the law requires these rights to be transferred; it cannot be shown by parol.—*Rose v. Hurley*, 39 *Ind.* 77.

QUIT CLAIM.

If an assignment of three patents is in the nature of a quit-claim deed of whatever right, title, or interest the assignor has or may acquire in the patents specified, and creates no warranty that either of the patents was valid, the transfer is legal, and sufficient consideration for the notes given, even if one of the patents is invalid.—*Gilmore v. Aiken*, 118 *Mass.* 94.

RE-ASSIGNMENT.

When a patent has been assigned upon condition of re-assignment under certain contingency, the court will decree a re-transfer when the contingency arises.—*Andrews v. Fielding*, 20 *Fed. Rep.* 123.

Upon failure of an assignee to pay the money within the time specified (and in default of which he had agreed to re-assign the patent), the assignor acquires the right to demand a re-assignment, and if not re-assigned he can recover the value of it.—*Manvel v. Holdredge*, 45 *N. Y.* 151.

It is no defense to an action on a note given for a re-assignment of an interest in an invention, that a patent subsequently issued to the payee of the note for a part of the theory embraced in the application of the maker of the note.—*Clark v. Smith*, 21 *Minn.* 539.

RECEIVER IN BANKRUPTCY.

Neither an assignee in insolvency nor a receiver can acquire or pass a title to a patent, except by a written instrument, signed by the owner of the patent and duly recorded.—*Gordon v. Anthony*, 16 *O. G.* 1135; *Com. Dec.* 1879, p. 638; 4 *Bann. & Ard.* 248; 16 *Blatch.* 234.

A patent-right issued under the laws of the United States, may be required to be assigned to a receiver, under proceed-

ings supplementary to execution, who may sell the same and apply the proceeds in satisfaction of the judgment.—*Pacific Bank v. Robinson*, 20 *O. G.* 1314; *Com. Dec.* 1881, p. 429; 57 *Cal.* 520.

An assignee in insolvency, or a receiver of all the property of a debtor appointed under the laws of a State, does not, by virtue of the general assignment or appointment merely, acquire a title in patent-rights.—*Ager v. Murray*, 21 *O. G.* 1197; *Com. Dec.* 1882, p. 188; 105 *U. S.* 126.

A receiver appointed by a State court can convey no interest in a patent, for the reason that the law requires the conveyance to be a written instrument signed by the owner of the patent.—*Gordon v. Anthony*, 4 *Bann. & Ard.* 248; 16 *O. G.* 1135; *Com. Dec.* 1879, p. 638; 16 *Blatch.* 234.

A receiver of an insolvent debtor is entitled to a patent-right belonging to the debtor; and a court is empowered to order the debtor to convey the right to such receiver, if such conveyance is necessary.—*Petition of Keach, Receiver*, 19 *Reporter* 731.

The rule that a receiver cannot convey title to a patent unless the owner of the legal title joins, does not apply to the transfer of a mere equitable title.—*Adams v. Howard*, 22 *Fed. Rep.* 656.

The receiver of a corporation is merely the custodian of its property, and his appointment does not vest him with title to letters-patent.—*Dick v. Struthers*, 25 *Fed. Rep.* 103; 34 *O. G.* 131.

RECORDING.

Although an assignment of a patent is not recorded within three months, it is binding on the assignor, and he cannot sell it again.—*Ex parte Waters, Com. Dec.* 1869, p. 42.

The interest or estate in a patent to the transfer of which a writing is necessary, is such as enables the party receiving it

to convey legal title. An equitable interest or an interest in mere proceeds need not be recorded, consequently it need not be in writing.—*Blakeney v. Goode*, 30 *Ohio St.* 350.

A conveyance or assignment of the right to maintain suits under a patent after the grant has expired—mere choses in action—is not required to be recorded under section 4898, Revised Statutes. In assigning a right in action, the person to be notified is he against whom the action is pending, so that he may not pay the wrong person.—*Gear v. Fitch*, 16 *O. G.* 1231; *Com. Dec.* 1879, p. 653; 3 *Bann. & Ard.* 753.

Unrecorded written agreements contemporaneous with a license, and, like it, not necessary to be placed on record in the Patent Office, are binding upon the assignees of the license, although they were *bona-fide* purchasers without actual notice of any agreement between licensor and licensee other than the license itself.—*Hamilton v. Kingsbury*, 17 *O. G.* 147; *Com. Dec.* 1880, p. 246; 4 *Bann. & Ard.* 615; 17 *Blatch.* 264.

The record in the Patent Office of a license that is not *exclusive*, is not such notice to purchasers that they can safely rely upon the record as showing the whole transaction between the parties.—*Hamilton v. Kingsbury*, 17 *O. G.* 147; *Com. Dec.* 1880, p. 246; 4 *Bann. & Ard.* 615; 17 *Blatch.* 264.

A license exclusive within a limited territory, with the single reservation of a right to the grantor to *make* the invention, fails *pro tanto* to be a conveyance of the *exclusive* right within the meaning of the law of 1836, providing for record of such conveyances in the Patent Office.—*Hamilton v. Kingsbury*, 17 *O. G.* 147; *Com. Dec.* 1880, p. 246; 4 *Bann. & Ard.* 615; 17 *Blatch.* 264.

Section 4898 of the Revised Statutes does not provide for the recording of assignments, grants, and conveyances of interests in unpatented inventions.—*Wright v. Randel*, 21 *O. G.* 493; *Com. Dec.* 1882, p. 94; 19 *Blatch.* 495; 8 *Fed. Rep.* 591.

The record of an assignment is not constructive notice to a subsequent purchaser, unless the statute requires the instrument to be recorded.—*Wright v. Randel*, 21 *O. G.* 493; *Com. Dec.* 1882, p. 94; 19 *Blatch.* 495; 8 *Fed. Rep.* 591.

No assignment of an unpatented invention is required by section 4895 of the Revised Statutes to be recorded, unless it is an assignment on which a patent is to be issued to the assignee; and in such case the invention must be so identified in the assignment—by a reference to a specification, or application, or otherwise—that there can be no mistake as to what particular invention is intended.—*Wright v. Randel*, 21 *O. G.* 493; *Com. Dec.* 1882, p. 94; 19 *Blatch.* 495; 8 *Fed. Rep.* 591.

An assignment from a bankruptcy court to an assignee in bankruptcy of all patents owned by a bankrupt is not required to be recorded in the Patent Office, as section 5046, Revised Statutes, vests all patent-rights at once in the assignee. A recorded assignment from an administrator of a bankrupt, made after the bankruptcy, cannot prevail over an assignment to the assignee in bankruptcy.—*Prime v. Brandon Mfg. Co.*, 4 *Bann. & Ard.* 379; 16 *Blatch.* 453.

Three cases only of the recording of assignments are provided for under section 11 of the Act of 1836: 1st. An assignment of the whole patent. 2d. An assignment of any undivided part thereof. 3d. A grant or conveyance of the exclusive right under the patent within any specified part or portion of the United States.—*Brooks v. Byam*, 2 *Story* 525; 2 *Robb* 161; *Blanchard v. Eldridge*, 1 *Wall. Jr.* 337; 2 *Robb* 737; *Stevens v. Head*, 9 *Vt.* 174.

A license is not required by law to be recorded in the Patent Office in order to give it complete validity.—*Brooks v. Byam*, 2 *Story*, 525; 2 *Robb* 161; *Chambers v. Smith*, 5 *Fish.* 12; *Farrington v. Gregory*, 4 *Fish.* 221; *Buss v. Putney*, 38 *N. H.* 44.

The statute requiring assignments to be recorded within

three months is merely directory; any subsequent recording will suffice to vest the assignee with title except as to intermediate *bona-fide* purchasers without notice.—*Pitts v. Whitman*, 2 *Story* 609; 2 *Robb* 189; *Brooks v. Byam*, 2 *Story* 525; 2 *Robb* 161; *Boyd v. McAlpin*, 3 *McLean* 427; 2 *Robb* 277; *Case v. Redfield*, 4 *McLean* 526; 2 *Robb* 741.

It seems a necessary, or at least a just, inference that, until the assignee has recorded an assignment, he is not substituted to the right and responsibility of the patentee so as to maintain any suit at law or in equity founded thereon.—*Wyeth v. Stone*, 1 *Story* 273; 2 *Robb* 23.

It is immaterial that an assignment is not recorded until after the suit is brought. It is like the common case of a deed required by law to be registered where it is sufficient if it be registered before the trial, although after the suit is brought, for it is still admissible in evidence as a deed duly registered. —*Pitts v. Whitman*, 2 *Story* 609; 2 *Robb* 189.

An assignment is not required to be recorded in order to be valid between the parties thereto.—*Holden v. Curtis*, 2 *N. H.* 61; *Black v. Stone*, 33 *Ala.* 327; *Moore v. Bare*, 11 *Iowa* 198.

In order to guard against an outstanding title of over three months' duration, the purchaser need only look to the records of the Patent Office.—*Gibson v. Cook*, 2 *Blatch.* 144.

Within the period of three months a purchaser must protect himself in the best way he can, as an unrecorded prior assignment will prevail; but it must be an assignment in writing, that may be recorded within the time limited.—*Gibson v. Cook*, 2 *Blatch.* 144.

A prior unrecorded assignment is good against a subsequent purchaser without *valuable consideration.*—*Saxton v. Aultman*, 15 *Ohio St.* 471.

Where a patentee assigns all *his* right, title, and interest for a particular territory, it will not affect a previous unrecorded

assignment if there is a residuary interest left in the patentee on which the second assignment can operate. In the absence of proof, it cannot be inferred from the language that the patentee intended fraud upon his assignee.—*Turnbull v. Weir Plow Co.*, 6 *Biss.* 225; 7 *O. G.* 173; 1 *Bann. & Ard.* 544; *Ashcroft v. Walworth*, 5 *Fish.* 528; 1 *Holmes* 152; 2 *O. G.* 546.

An agreement which operates as a transfer of a patent is good as against the patentee and those who purchase with notice, though not recorded.—*Continental Windmill Co. v. Empire Windmill Co.*, 4 *Fish.* 428; 8 *Blatch.* 295; *Peck v. Bacon*, 18 *Comm.* 377.

The record of an assignment by a person as administrator when he is in fact executor, is constructive notice of a transfer in his representative character.—*Newell v. West*, 8 *O. G.* 598; 9 *O. G.* 1110; *Com. Dec.* 1876, p. 404; 13 *Blatch.* 114; 2 *Bann. & Ard.* 113.

The recording of a license does not affect the rights of any one.—*Chambers v. Smith*, 5 *Fish.* 12.

A licensee, in order to secure himself against the title of a *bona-fide* purchaser, should procure a re-formation of his contract and an assignment of it prior to the subsequent transfer, and record the same in the Patent Office within the three months.—*Gibson v. Cook*, 2 *Blatch.* 144.

Licenses to make and use a machine, when derived from the patentee, or from one holding a territorial right by virtue of a valid conveyance from him, are not required to be recorded, and consequently need not be in writing.—*Baldwin v. Sibley*, 1 *Cliff.* 150.

Respecting the recording of an assignment of an invention, it is enough, within the terms of the sixth section of the Act of 1837, if it be recorded at any time before the issuing of the patent.—*Gay v. Cornell*, 1 *Blatch.* 506.

A conveyance of a right to use an invention in a limited

territory is not required to be recorded in the Patent Office.—*Stevens v. Head*, 9 *Wt.* 174.

REISSUE.

A patent having been reissued to the inventor, will not be reissued also to his assignee whose assignment was not recorded before the reissue to the inventor.—*Ex parte Whitely*, *Com. Dec.* 1869, p. 79.

An assignment on which a reissue was based, though alleged to have been forged by the assignee, yet having been recognized by the assignor as valid; *held* to be good.—*Campbell v. James*, 17 *Blatch.* 42; 18 *O. G.* 979; *Com. Dec.* 1880, p. 633.

The reissue of a patent to a person not the owner would not affect the title of the owner.—*Campbell v. James*, 18 *O. G.* 979; *Com. Dec.* 1880, p. 633; 17 *Blatch.* 42.

A patent having been reissued to an inventor, although he had previously conveyed all his interest by an assignment which was not of record, the assignee cannot demand a patent to himself.— *Whitely v. Fisher*, 4 *Fish.* 248.

If an assignee accepts the reissue of a patent and transfers a part of the interest in it which was originally vested in him by the patentee, it is a ratification by him of the act of the patentee in securing the reissue, although he did not join in the surrender of the original patent.—*Meyer v. Bailey*, 2 *Bann.* & *Ard.* 73; 8 *O. G.* 437.

An agreement which is restricted to the original patent does not estop the assignor from prosecuting for an infringement of the reissue.—*Pickering v. Phillips*, 10 *O. G.* 420; *Com. Dec.* 1876, p. 470; 4 *Cliff.* 383.

An assignee does not take by enurement the benefit of a reissue obtained after his assignment. He must ratify the surrender.—*Burdell v. Denig*, 2 *Fish.* 588.

A concurrence in the surrender of a patent by a transferee of an interest in it, who is not an assignee within the meaning of the statute, is not essential to the validity of a reissued patent.—*Meyer v. Bailey*, 2 *Bann. & Ard.* 73; 8 *O. G.* 437.

The phrase "to the full end of the term for which letters-patent are or *may be granted*," includes reissues, renewals, and extensions.—*Railroad Co. v. Trimble*, 10 *Wall.* 367; *Ruggles v. Eddy*, 5 *Fish.* 581; 10 *Blatch.* 52; *Thayer v. Wales*, 5 *Fish.* 448; *Phelps v. Comstock*, 4 *McLean* 353; *Case v. Redfield*, 4 *McLean* 526; 2 *Robb* 741; *Gear v. Holmes*, 6 *Fish.* 595; *Emmons v. Sladdin*, 9 *O. G.* 352; *Com. Dec.* 1876, p. 304; 2 *Bann. & Ard.* 199; *vide Hodge v. Railroad Co.*, 3 *Fish.* 410; 6 *Blatch.* 85.

RELEASE.

An instrument prepared for the signatures of two persons and containing mutual releases and assignments—each the consideration of the other—is not binding unless signed by both parties.—*Ambler v. Whipple*, 20 *Wall.* 546.

RENEWAL. (See Extensions also.)

The phrase "to the full end of the term for which letters-patent are *or may be granted*," includes reissues, renewals, and extensions.—*Railroad Co. v. Trimble*, 10 *Wall.* 367; *Ruggles v. Eddy*, 5 *Fish.* 581; 10 *Blatch.* 52; *Thayer v. Wales*, 5 *Fish.* 448; *Phelps v. Comstock*, 4 *McLean* 353; *Case v. Redfield*, 4 *McLean* 526; 2 *Robb* 741; *Gear v. Holmes*, 6 *Fish.* 595; *Emmons v. Sladdin*, 9 *O. G.* 352; *Com. Dec.* 1876, p. 304; 2 *Bann. & Ard.* 199; *vide Hodge v. Railroad Co.*, 3 *Fish.* 410; 6 *Blatch.* 85.

The term "renewal" is a proper and apt word to confer an interest in the extension of a patent.—*Pitts v. Hall*, 3 *Blatch.* 201; *Goodyear v. Cary*, 4 *Blatch.* 271; *Chase v. Walker*, 3 *Fish.* 120.

RESCINDING CONTRACTS.

A contract concerning the purchase of a patent-right may be rescinded if it was made under false and fraudulent representations by the patentee.—*Hall v. Orvis*, 35 *Iowa* 366.

A rescinded contract cannot be resorted to for the purpose of determining the royalty to be paid for infringement, after such contract has ceased to be obligatory.—*Bussey v. Excelsior Mfg. Co.*, 5 *Bann. & Ard.* 135; 17 *O. G.* 744; *Com. Dec.* 1880, p. 362; 1 *Fed. Rep.* 640; 1 *McCrary* 161.

An assignee is entitled to have a contract rescinded which he was induced to make on the false representations of the assignor as to the receipts from sales of the patented device.—*Newell v. Gatling*, 7 *Ind.* 147; *Gatling v. Newell*, 9 *Ind.* 572.

A purchaser of a patent has a right to rely upon the representations made by the vendor as to what the patent contains, and if fraud has been practised the contract may be rescinded; but the offer to do so must be in a reasonable time after the discovery of the fraud.—*Rose v. Hurley*, 39 *Ind.* 77.

False representations as to the durability, cost, and usefulness of a patented article being only matters of opinion, they will not authorize the rescinding of a contract.—*Miller v. Young's Admr.*, 33 *Ill.* 354.

The value of a patent not being a subject of precise calculation, the contract must be considered as a chancing bargain, in which the price given, compared with the small value of the thing sold, furnishes no ground for rescinding a contract free from fraud.—*West v. Morrison*, 2 *Bibb.* (*Ky.*) 376.

A purchaser who is induced to purchase a patent-right by fraud on part of the vendor, is not entitled to a rescission of the sale if he has affirmed the contract after the discovery of the fraud.—*Pierce v. Wilson*, 34 *Ala.* 596.

A purchaser who was deceived by the misrepresentations of

the vendor is entitled to a rescission of the sale.—*Pierce v. Wilson*, 34 *Ala.* 596; *Hall v. Orvis*, 35 *Iowa* 366; *Page v. Dickerson*, 28 *Wis.* 694.

What is a reasonable time in which a purchaser of a patent-right must elect to disaffirm a contract on account of fraud, is to be determined from the circumstances in the particular case. —*Pierce v. Wilson*, 34 *Ala.* 596.

If the patentee correctly described and explained a prior invention, but drew from thence an incorrect inference with regard to the principles and similitude of the two inventions while the purchaser formed a more correct opinion, the latter cannot rely on this erroneous inference as a ground for rescinding the contract.—*West v. Morrison*, 2 *Bibb.* (*Ky.*) 376.

The party defrauded and those injured by the fraud are the only ones who can take advantage of it to annul a contract. A subsequent purchaser will not be allowed to make the suggestion of fraud in his grantor.—*Edmunds v. Hildreth*, 16 *Ill.* 214.

The purchaser of a patent-right on the representation that it covers a machine which in fact it does not, may have the deed of assignment and note given for the purchase-money canceled in a court of equity.—*Burrall v. Jewett*, 2 *Paige* (*N. Y.*) 134.

If an assignee has derived profits from the use and sale of an invention, he cannot recover from the assignor the consideration paid therefor, if the patent be subsequently declared void. The contract may be rescinded by a court of equity, but it will compel the parties to account to each other, in order that they may be restored to their original positions.—*Edmunds v. Myer*, 16 *Ill.* 207; *Edmunds v. Hildreth*, 16 *Ill.* 214.

A court of equity will not decree the cancelment of a contract, except for fraud or mistake.—*Brooks v. Stolley*, 3 *McLean* 523; 2 *Robb* 281.

RESERVATIONS.

It is a mere license, and not such an assignment as will include a party in the grant of letters-patent, which reserves to the assignor certain uses of the invention the patent is intended to secure.—*Ex parte Paine*, 13 *O. G.* 408; *Com. Dec.* 1878, p. 51.

The grant of the full and exclusive right to use and sell the invention within a limited territory, the grantor reserving a right (not the exclusive right) to make; *held*, under all the circumstances, to vest a right to make in the grantees.—*Hamilton v. Kingsbury*, 14 *O. G.* 448; *Com. Dec.* 1878, p. 339; 3 *Bann. & Ard.* 346; 15 *Blatch.* 64.

A license exclusive within a limited territory, with the single reservation of a right to the grantor to *make* the invention, fails *pro tanto* to be a conveyance of the *exclusive* right within the meaning of the law of 1836 providing for record of such conveyances in the Patent Office.—*Hamilton v. Kingsbury*, 17 *O. G.* 147; *Com. Dec.* 1880, p. 246; 4 *Bann. & Ard.* 615; 17 *Blatch.* 264.

An assignment purporting to convey all the right, title, and interest in letters-patent, "excepting thirty-two or thirty-three counties heretofore sold and assigned," without designating the counties thus previously sold, is not so far ambiguous as that nothing passes thereby, the reservation being such as is capable of being made certain by competent evidence showing what counties have been actually conveyed.—*Washburn & Moen Mfg. Co. v. Haish*, 19 *O. G.* 173; *Com. Dec.* 1881, p. 76; 4 *Fed. Rep.* 900; 10 *Biss.* 65.

The sale by a patentee for a term of years of the exclusive right in a patent, reserving certain shop rights, does not debar him from bringing suit against a third party for infringement, as he has a beneficial interest in the right secured by the patent.—*Still v. Reading*, 20 *O. G.* 1025; *Com. Dec.* 1881, p. 394; 9 *Fed. Rep.* 40; 4 *Woods* 345.

A conveyance of the right to make and vend within specified territory, the assignor reserving the right to make within same district, is only a license.—*Gayler v. Wilder*, 10 *How.* 477.

In the purchase of buckles with the words "licensed to use once only" stamped upon each, the purchaser does not take an unrestricted title to the buckles without any reservation in the vendors.—*Am. Cotton-Tie Supply Co. v. Simmons*, 106 *U. S.* 89; 22 *O. G.* 1976; *Com. Dec.* 1882, p. 507; *vide* 3 *Bann. & Ard.* 320.

A license that reserves no royalty to the owner of the patent and grants the right not only to the licensee, but to his executors, administrators, and assigns, is assignable.—*Adams v. Howard*, 22 *Fed. Rep.* 656.

The reservation by the assignor of the right to construct a limited number of machines within the territory assigned, is not inconsistent with the grant of an exclusive right in the patent for the particular territory.—*Washburn v. Gould*, 3 *Story* 122; 2 *Robb* 206.

A conveyance of the exclusive right in certain specified territory to use, and vend to others to be used, the patented invention, but reserving to the grantor the right to make the machines, is a license.—*Sanford v. Messer*, 5 *Fish.* 411; 1 *Holmes* 149; 2 *O. G.* 470.

A patentee may grant to another the right to make, or to make and sell, and retain to himself the exclusive right to make and sell for export or use in other countries.—*Dorsey R. H. Rake Co. v. Bradley Mfg. Co.*, 12 *Blatch.* 202; 1 *Bann. & Ard.* 330.

A reservation by a licensor that he would hold responsible for the royalty the party for whom a licensee has contracted to do certain work under a license, is of no effect, as it is inconsistent with the license. The relieving of the parties primarily liable, by a universal rule of law as well as of justice, relieves those who are only secondarily responsible.—*Bigelow v. City of Louisville*, 3 *Fish.* 602.

REVOCATION OF LICENSE.

A defendant corporation having violated the conditions of a contract under which a license to manufacture and sell a patented device was granted, and the license having therefore been revoked by the licensor under a provision of the contract, in a suit for infringement against such corporation after the revocation, a plea setting up the license was overruled.—*Wooster v. Singer Mfg. Co.*, 23 *O. G.* 2513; *Com. Dec.* 1883, p. 309.

When a license has been revoked by a plaintiff, and a defendant is sued as a naked infringer, he is at liberty to avail himself of any defense ordinarily open to a defendant charged with infringement.—*Wooster v. Singer Mfg. Co.*, 23 *O. G.* 2513; *Com. Dec.* 1883, p. 309.

A notice from a licensor forbidding the licensee to use or exercise the right granted by the license, on account of a breach thereof, does not *ipso facto* annul or rescind the contract, and if the licensee continues to use, the licensor may recover the royalties stipulated in the license.—*Union Mfg. Co. v. Lounsbury*, 42 *Barb.* (*N. Y.*) 125.

RIGHT TO MAKE.

The right to make a machine is distinct from that of using it.—*Bicknell v. Todd*, 5 *McLean* 236.

The right to make and vend, and the right to use, are completely severable; and while a grant of the right to make and sell to others might be deemed to imply the right in the purchasers to use the thing purchased, a patentee may restrict the use.—*Dorsey R. H. Rake Co. v. Bradley Mfg. Co.*, 12 *Blatch.* 202; 1 *Bann. & Ard.* 330.

Articles manufactured without authority during the life of a patent cannot be legally sold after the patent has expired.—*Am. Diamond Rock Boring Co. v. Sheldon*, 1 *Fed. Rep.* 870; 18 *Blatch.* 50.

The assignee of a patent is clothed with the right, as against the assignor, to make articles covered by the patent, although the patent may be void for want of novelty against the rest of the world.—*Curran v. Burdsall*, 20 *Fed. Rep.* 835; 27 *O. G.* 1319; *Com. Dec.* 1884, p. 270.

The grant of the full and exclusive right to use and sell the invention within a limited territory, the grantor reserving a right (not the exclusive right) to make; *held*, under all the circumstances, to vest a right to make in the grantees.—*Hamilton v. Kingsbury*, 14 *O. G.* 448; *Com. Dec.* 1878, p. 339; 3 *Bann. & Ard.* 346; 15 *Blatch.* 64.

A license "to manufacture" at a certain place, is a personal license not transferable.—*Searls v. Boulon*, 21 *O. G.* 1784; *Com. Dec.* 1882, p. 266; 12 *Fed. Rep.* 140; 20 *Blatch.* 426.

An assignee of the exclusive right to manufacture and sell a patented invention throughout the United States, is the proper party to maintain a suit for the violation of this right.—*Nellis v. Pennock Mfg. Co.*, 22 *O. G.* 1131; *Com. Dec.* 1882, p. 417; 13 *Fed. Rep.* 451.

A conveyance of the right to make and sell a patent includes the right to the use of the thing patented.—*Turnbull v. Weir Plow Co.*, 23 *O. G.* 91; *Com. Dec.* 1883, p. 121; 5 *Bann. & Ard.* 288; 14 *Fed. Rep.* 108; 9 *Biss.* 334; *Nellis v. Pennock Mfg. Co.*, 22 *O. G.* 1131; *Com. Dec.* 1882, p. 417; 13 *Fed. Rep.* 451.

An instrument conveying the exclusive right to manufacture and sell a patented article is a mere license, and does not authorize the licensee to maintain an action for damages against infringers who are not infringing the patent in those respects.—*Hayward v. Andrews*, 23 *O. G.* 533; *Com. Dec.* 1883, p. 155; 106 *U. S.* 672.

A mere license to make and use, without the right to grant to others to make and use, the thing patented, though exclusive, will not authorize the licensee to bring suit in his own

name for infringement without joining the patentee.—*Wilson v. Chickering*, 23 *O. G.* 1730; *Com. Dec.* 1883, p. 258; 14 *Fed. Rep.* 917.

A court of equity will not decree specific performance of a contract providing for the assignment of an interest in letters-patent by one party, and the manufacture and sale of the patented machines by the other, after the lapse of a long time, and where the party seeking the assignment has failed to carry out his agreements as to manufacturing and selling.—*Werden v. Graham*, 24 *O. G.* 101; *Com. Dec.* 1883, p. 485.

After an assignee has, under an agreement with a patentee, manufactured and sold machines, he is estopped from denying that the patentee was the original inventor of the device, when called upon for an accounting.—*Kinsman v. Parkhurst*, 18 *How.* 289.

A conveyance of the right to make and vend within specified territory, the assignor reserving the right to make within same district, is only a license.—*Gayler v. Wilder*, 10 *How.* 477.

A grant of an exclusive right to make, use, and vend patented articles within certain territory, confers the right to make and vend within said territory for use elsewhere, and any person who manufactures said machines within said territory without the consent of the grantee, infringes his right, although the machines may neither be sold nor used within said district.—*Jenkins v. Greenwald*, 2 *Fish.* 37; 1 *Bond* 128.

The mere making of a patented machine, although it is neither used nor sold, is an infringement of the right of the patentee, for which an action may be maintained.—*Bloomer v. Gilpin*, 4 *Fish.* 50.

Any conveyance, short of the exclusive right either for the whole country or for a particular territory, to make and use the thing patented and to grant that right to others, is a license.—*Farrington v. Gregory*, 4 *Fish.* 221.

The right of using and vending to others to be used within specified territory, is a mere license, and gives the licensee no right of action for an infringement of the patent.—*Hill v. Whitcomb*, 1 *Bann. & Ard.* 34; 1 *Holmes* 317; 5 *O. G.* 430.

Under an agreement to manufacture and sell a patented article, equity will enjoin the breach of negative covenants and decree a specific performance of the agreement between the parties.—*Hapgood v. Rosenstock*, 23 *Fed. Rep.* 86.

An assignment by a patentee in such general terms as are usual in speaking of the thing to which the patented part is attached, conveys the right to make and use the thing actually patented.—*Myers v. Turner*, 17 *Ill.* 179; *Hill v. Thuermer*, 13 *Ind.* 351.

Licenses to make and use a machine, when derived from the patentee, or from one holding a territorial right by virtue of a valid conveyance from him, are not required to be recorded, and consequently need not be in writing.—*Baldwin v. Sibley*, 1 *Cliff.* 150.

A patentee has the exclusive right to make, use, and vend the device patented, and it is his privilege to grant the exclusive right to make to one person, to use to another, and to vend to another.—*Jenkins v. Greenwald*, 2 *Fish.* 37; 1 *Bond* 128; *Steam Stone Cutter Co. v. Sheldon*, 5 *Fish.* 477; 10 *Blatch.* 1; *Adams v. Burke*, 4 *Fish.* 392; 1 *Holmes* 40; 1 *O. G.* 282; 17 *Wall.* 453; 33 *O. G.* 114; *Bicknell v. Todd*, 5 *McLean* 236.

A patentee may so convey the right to make as to involve or include the right either to sell or use what the grantee makes. He may also so convey the right to use as to imply the right to sell within the same limits, as well as to make the thing patented within them. The circumstances, nature, and words of each grant must decide the construction which is just and legal.—*Woodworth v. Curtis*, 2 *W. & M.* 524; 2 *Robb* 603; *Steam Stone Cutter Co. v. Sheldon*, 5 *Fish.* 477; 10 *Blatch.* 1.

The right to make carries with it the right *to sell*, but *does* not necessarily imply the right *to use* the machine when made and sold.—*Jenkins v. Greenwald*, 2 *Fish.* 37; 1 *Bond* 128; *Bicknell v. Todd*, 5 *McLean* 236.

A patentee may confer upon others such qualified privilege, whether of making, of selling to others, or using, as he sees fit, whether within specified limits, or under limitations of quantity or number, or restricted use.—*Dorsey R. H. Rake Co. v. Bradley Manuf. Co.*, 12 *Blatch.* 202; 1 *Bann.* & *Ard.* 330.

A patentee may grant the right to make and sell the patented invention within specified territory, and make that right exclusive in the grantee, and yet limit the use of the thing so made and sold within specified limits.—*Dorsey R. H. Rake Co. v. Bradley Manuf. Co.*, 12 *Blatch.* 202; 1 *Bann.* & *Ard.* 330.

Purchasers of the exclusive privilege of making or vending a patented machine in a specified place, hold a portion of the franchise which the patent confers, and the interest which they acquire terminates at the time limited for its continuance by the law which created it, unless it is expressly stipulated to the contrary. But the purchaser of an implement or machine for the purpose of using it in the ordinary pursuits of life, stands on different ground.—*Bloomer v. Millinger*, 1 *Wall.* 340; *Bloomer v. McQuewan*, 14 *How.* 539; *Blanchard v. Whitney*, 3 *Blatch.* 307; *Hawley v. Mitchell*, 4 *Fish.* 388; 1 *Holmes* 42; 1 *O. G.* 306.

If a man owns two rights to manufacture goods by patents of different dates, and sells to A. his right under one *specifically*, and to B. the right to manufacture the goods generally, the fair construction of the latter grant will be held to be a conveyance of the right to manufacture under both patents, because in the first grant, when he intends to limit it to one, he so recites on the face of the grant, and in the second he does not.—*Day v. Stellman*, 1 *Fish.* 487.

A patentee may grant to another the right to make, or to make and sell, and retain to himself the exclusive right to make and sell for export or use in other countries.—*Dorsey R. H. Rake Co. v. Bradley Mfg. Co.*, 12 *Blatch.* 202; 1 *Bann.* & *Ard.* 330.

Where there are several patentees, they are tenants in common. One of them has no superiority of right over another. One of them can manufacture and use the article patented without the consent of the others.—*Dunham v. Ind.* & *St. Louis R. R.*, 7 *Biss.* 223; 2 *Bann.* & *Ard.* 327.

If one of several assignees agrees with the others that in consideration of a stipulated royalty they should have the exclusive right, the invalidity of the patent may be shown in an action to recover the royalties or license-fees.—*Marston v. Swett*, 11 *N. Y. Sup.* 153.

RIGHT TO SUE.

Where a contract stipulates that an arbitration is to be a condition precedent to the right to sue upon the contract, or if this may be inferred upon construction, no suit can be maintained unless the plaintiff has made all reasonable efforts to comply with the condition.—*Perkins v. U. S. Electric Light Co.*, 24 *O. G.* 204; *Com. Dec.* 1883, p. 322; 21 *Blatch.* 308; 16 *Fed. Rep.* 513.

A person claiming title under the extension from the administrator, can maintain an action for infringement against any person claiming under a covenant from the patentee.—*Wilson v. Rousseau*, 4 *How.* 646; 2 *Robb* 372.

An assignee of part of a patent-right cannot maintain an action on the case for a violation of the patent under the Act of 1793.—*Tyler v. Tuel*, 6 *Cranch* 324.

The right of using and vending to others to be used within specified territory is a mere license, and gives the licensee no

right of action for an infringement of the patent.—*Hill v. Whitcomb*, 1 *Bann. & Ard.* 34; 1 *Holmes* 317; 5 *O. G.* 430.

A mere licensee cannot bring suit for infringement, either at law or in equity, in his own name alone. He must join with him the owner of the legal title.—*Nelson v. McMann*, 4 *Bann. & Ard.* 203; 16 *Blatch.* 139; 16 *O. G.* 761; *Com. Dec.* 1879, p. 586.

An assignee may maintain a suit for infringement without joining the patentee.—*Seibert Cylinder Oil-Cup Co. v. Phillips Lubricator Co.*, 10 *Fed. Rep.* 677; *Nellis v. Pennock Mfg. Co.*, 13 *Fed. Rep.* 451; 22 *O. G.* 1131; *Com. Dec.* 1882, p. 417.

In case of infringement subsequent to an assignment of an undivided part of a patent, action must be brought in the joint names of the parties owning the entire interest.—*Moore v. Marsh*, 7 *Wall.* 515.

An assignee of the exclusive right to manufacture and sell a patented invention throughout the United States, is the proper party to maintain a suit for the violation of this right.—*Nellis v. Pennock Mfg. Co.*, 22 *O. G.* 1131; 13 *Fed. Rep.* 451; *Com. Dec.* 1882, p. 417.

An instrument conveying the exclusive right to manufacture and sell a patented article is a mere license, and does not authorize the licensee to maintain an action for damages against infringers who are not infringing the patent in those respects.—*Hayward v. Andrews*, 23 *O. G.* 533; *Com. Dec.* 1883, p. 155; 106 *U. S.* 672.

A mere license to make and use, without the right to grant to others to make and use, the thing patented, though exclusive, will not authorize the licensee to bring suit in his own name for infringement without joining the patentee.—*Wilson v. Chickering*, 23 *O. G.* 1730; *Com. Dec.* 1883, p. 258; 14 *Fed. Rep.* 917.

An assignee of an exclusive right to use two machines within a particular district, has such a right as will enable him to maintain an action for infringement of the patent within that district.—*Wilson v. Rousseau*, 4 *How.* 646; 2 *Robb* 372.

To enable an assignee to sue in his own name, he must have conveyed to him the entire and unqualified monopoly which the patentee held in the territory specified.—*Gayler v. Wilder*, 10 *How.* 477.

RIGHT TO USE.

The right to use a machine after the expiration of the term of the patent is an incident to the primal right to use it during the original term; if that fails on account of fraud, the incident falls with it.—*Union Paper-Bag Mach. Co. v. Nixon*, 9 *O. G.* 691; *Com. Dec.* 1876, p. 344; 1 *Flipp.* 491; 2 *Bann. & Ard.* 244.

A license limiting the right to use a patented invention only upon the payment of a specific sum on each machine upon which invention is used, will not include other machines where the same invention is used, unless the same is paid for in accordance with the terms of the license.—*Wooster v. Seidenberg*, 10 *O. G.* 244; *Com. Dec.* 1876, p. 446; 2 *Bann. & Ard.* 91; 13 *Blatch.* 88.

A license is a mere right to use the invention, and is neither an assignment nor grant, with the meaning of section 4928, Revised Statutes.—*Wooster v. Seidenberg*, 10 *O. G.* 244; *Com. Dec.* 1876, p. 446; 2 *Bann. & Ard.* 91; 13 *Blatch.* 88.

A party seeking protection of section 4928, Revised Statutes, must be a purchaser of the patented article, or protected by some agreement of sale which the owner of the original patent could rightfully make. A mere license to use such invention would not include the extended term of the patent.—*Wooster v. Seidenberg*, 10 *O. G.* 244; *Com. Dec.* 1876, p. 446; 2 *Bann. & Ard.* 91; 13 *Blatch.* 88.

Complete title to an implement or machine purchased becomes vested in the vendee by the sale and purchase, but he acquires no portion of the franchise, as the machine, when it rightfully passes from the patentee to the purchaser, ceases to be within the limits of the monopoly.—*Mitchell v. Hawley*, 16 *Wall.* 544; 3 *O. G.* 241; 4 *Fish.* 388.

When a patentee sells a machine without conditions, or authorizes another to construct and use it, he ceases to have any interest whatever in the said machine. The rightful owner of a machine may continue to use it until it is worn out, in spite of any extension of the patent subsequently obtained.—*Mitchell v. Hawley*, 16 *Wall.* 544; 3 *O. G.* 241; 4 *Fish.* 388.

The purchase of a patented article from the patentee or owner of the patent confers upon the buyer the right to use the article to the same extent as though it were not the subject of a patent; but the sale does not import the permission of the vendor that it may be used in a way that will violate his exclusive property in another invention.—*Roosevelt v. Western Electric Co.*, 20 *Fed. Rep.* 724; 28 *O. G.* 812; *Com. Dec.* 1884, p. 357.

The assignee of a patent is clothed with the right, as against the assignor, to make articles covered by the patent, although the patent may be void for want of novelty against the rest of the world.—*Curran v. Burdsall*, 20 *Fed. Rep.* 835; 27 *O. G.* 1319; *Com. Dec.* 1884, p. 270.

When a patentee gets his remuneration by patent or license-fees, a recovery of the license or patent-fee from an infringer, and its payment, authorizes him to use the particular articles for which recovery has been had.—*Perrigo v. Spaulding*, 12 *O. G.* 352; *Com. Dec.* 1877, p. 320; 13 *Blatch.* 389.

The grant of the full and exclusive right to use and sell the invention within a limited territory, the grantor reserving a right (not the exclusive right) to make; *held*, under all the circumstances, to vest a right to make in the grantees.—*Ham-*

illon v. Kingsbury, 14 *O. G.* 448; *Com. Dec.* 1878, p. 339; 3 *Bann & Ard.* 346; 15 *Blatch.* 64.

If an invention cannot be made except at the will of, or after further agreement with, the grantor, then the right to use and sell is valueless, and the consideration paid is without return.—*Hamilton v. Kingsbury*, 14 *O. G.* 448; *Com. Dec.* 1878, p. 339; 3 *Bann. & Ard.* 346; 15 *Blatch.* 64.

The transfer of the mere right to use and vend an invention for limited purposes in specified places, is a license.—*Gamewell Fire Alarm Tel. Co. v. City of Brooklyn*, 22 *O. G.* 1978; *Com. Dec.* 1882, p. 512; 14 *Fed. Rep.* 255.

A conveyance of the right to make and sell a patent includes the right to the use of the thing patented.—*Turnbull v. Weir Plow Co.*, 23 *O. G.* 91; *Com. Dec.* 1883, p. 121; 5 *Bann. & Ard.* 288; 14 *Fed. Rep.* 108; 9 *Biss.* 334; *Nellis v. Pennock Mfg. Co.*, 22 *O. G.* 1131; *Com. Dec.* 1882, p. 417; 13 *Fed. Rep.* 451.

A mere license to make and use, without the right to grant to others to make and use, the thing patented, though exclusive, will not authorize the licensee to bring suit in his own name for infringement without joining the patentee.—*Wilson v. Chickering*, 23 *O. G.* 1730; *Com. Dec.* 1883, p. 258; 14 *Fed. Rep.* 917.

An exclusive right granted to a person to use an acid in a specified territory, and to use and sell therein the flour so made, all for the space of five years, is a mere license.—*Oliver v. Rumford Chemical Works*, 25 *O. G.* 784; *Com. Dec.* 1883, p. 443; 109 *U. S.* 75.

An assignee of an exclusive right to use two machines within a particular district, has such a right as will enable him to maintain an action for infringement of the patent within that district.—*Wilson v. Rousseau*, 4 *How.* 646; 2 *Robb* 372.

A grant of an exclusive right to make, use, and vend

patented articles within certain territory, confers the right to make and vend within said territory for use elsewhere, and any person who manufactures said machines within said territory without the consent of the grantee, infringes his right, although the machines may neither be sold nor used within said district.—*Jenkins v. Greenwald*, 2 *Fish.* 37; 1 *Bond* 128.

Any conveyance, short of the exclusive right either for the whole country or for a particular territory, to make and use the thing patented and to grant that right to others, is a license.—*Farrington v. Gregory*, 4 *Fish.* 221.

A purchaser of machines from the patentees may repair and perfect them, and their use is not an infringement. But such purchase does not authorize the use of machines containing patented inventions, unless they are the identical machines purchased.—*Union Metallic Cartridge Co. v. U. S. Cartridge Co.*, 2 *Bann. & Ard.* 593; 8 *Fed. Rep.* 446.

The owner of a patented machine, without any conditions attached to the ownership, has the right to use it during the extended term of the patent or to transfer such right to another.—*Union Paper-Bag Mach. Co. v. Nixon*, 105 *U. S.* 766; 21 *O. G.* 1275; *Com. Dec.* 1882, p. 197.

An exclusive right to use a machine within certain territory continues no longer than the term of the original patent.—*Union Paper-Bag Mach. Co. v. Nixon*, 105 *U. S.* 766; 21 *O. G.* 1275; *Com. Dec.* 1882, p. 197.

In the purchase of buckles with the words "licensed to use once only" stamped upon each, the purchaser does not take an unrestricted title to the buckles, without any reservation in the vendors.—*Am. Cotton-Tie Supply Co. v. Simmons*, 106 *U. S.* 89; 22 *O. G.* 1976; *Com. Dec.* 1882, p. 507; *vide* 3 *Bann. & Ard.* 320.

When a patentee has made and vended to others to be used one or more of the things patented, he has, to that extent,

parted with their exclusive right.—*Black v. Hubbard*, 3 *Bann. & Ard.* 39; 12 *O. G.* 842; *Com. Dec.* 1877, p. 344.

The owner of a patent in the United States for an invention, who has sold the patented article in England without restriction or conditions, cannot restrain the purchaser from using or selling the article in the United States.—*Holliday v. Matheson*, 24 *Fed. Rep.* 185; 30 *O. G.* 452; 31 *O. G.* 1444.

An absolute and unqualified sale of a patented machine carries with it the right of use, and the courts have permitted a severance of ownership and right of use where the patentee has chosen to dissever them, and his intent is not doubtful.—*Porter Needle Co. v. Nat. Needle Co.*, 17 *Fed. Rep.* 536.

The sale under a mortgage of a factory, including patented machines therein, with the knowledge and consent of the owner of the patent, conveys to the purchaser the right to use the particular machines thus sold.—*Detweiler v. Voege*, 8 *Fed. Rep.* 600; 19 *Blatch.* 482.

When a member of a firm invents and makes machines at its expense, and permits their use by the firm, all the partners have an equal, proportionate right in them and their use.—*Wade v. Metcalf*, 16 *Fed. Rep.* 130.

The right to use a machine necessarily implies the right to purchase.—*Bicknell v. Todd*, 5 *McLean* 236.

A patentee may confer upon others such qualified privilege, whether of making, of selling to others, or using, as he sees fit, whether within specified limits, or under limitations of quantity or number or restricted use.—*Dorsey R. H. Rake Co. v. Bradley Manuf. Co.*, 12 *Blatch.* 202; 1 *Bann. & Ard.* 330.

A patentee may grant the right to make and sell the patented invention within specified territory, and make that right exclusive in the grantee, and yet limit the use of the thing so made and sold within specified limits.—*Dorsey R. H. Rake Co. v. Bradley Manuf. Co.* 12 *Blatch.* 202; 1 *Bann. & Ard.* 330.

Purchasers of the exclusive privilege of making or vending a patented machine in a specified place, hold a portion of the franchise which the patent confers, and the interest which they acquire terminates at the time limited for its continuance by the law which created it, unless it is expressly stipulated to the contrary. But the purchaser of an implement or machine for the purpose of using it in the ordinary pursuits of life, stands on different ground.—*Bloomer v. Millinger*, 1 *Wall.* 340; *Bloomer v. McQuewan*, 14 *How.* 539; *Blanchard v. Whitney*, 3 *Blatch.* 307; *Hawley v. Mitchell*, 4 *Fish.* 388; 1 *Holmes* 42; 1 *O. G.* 306.

A grant to use and sell or dispose of the device patented within a specified territory is not an assignment, but merely a license.—*Farrington v. Gregory*, 4 *Fish.* 221.

A conveyance of the exclusive right in certain specified territory to use, and vend to others to be used, the patented invention, but reserving to the grantor the right to make the machines, is a license.—*Sanford v. Messer*, 5 *Fish.* 411; 1 *Holmes* 149; 2 *O. G.* 470.

A machine licensed for use in a particular territory cannot lawfully be used in other territory.—*Wicke v. Kleinknecht*, 7 *O. G.* 1098; 1 *Bann. & Ard.* 608.

The right to manufacture and sell includes the right in the vendee to use the thing sold.—*Turnbull v. Weir Plow Co.*, 5 *Bann. & Ard.* 288; 23 *O. G.* 91; *Com. Dec.* 1883, p. 121; 14 *Fed. Rep.* 108; 9 *Biss.* 334.

An assignment by a patentee in such general terms as are usual in speaking of the thing to which the patented part is attached, conveys the right to make and use the thing actually patented.—*Myers v. Turner*, 17 *Ill.* 179; *Hill v. Thuermer*, 13 *Ind.* 351.

Licenses to make and use a machine, when derived from the patentee, or from one holding a territorial right by virtue of a

valid conveyance from him, are not required to be recorded, and consequently need not be in writing.—*Baldwin v. Sibley*, 1 *Cliff.* 150.

A patentee has the exclusive right to make, use, and vend the device patented, and it is his privilege to grant the exclusive right to make to one person, to use to another, and to vend to another.—*Jenkins v. Greenwald*, 2 *Fish.* 37; 1 *Bond* 128; *Steam Stone Cutter Co. v. Sheldon*, 5 *Fish.* 477; 10 *Blatch.* 1; *Adams v. Burke*, 4 *Fish.* 392; 1 *Holmes* 40; 1 *O. G.* 282; 17 *Wall.* 453; 33 *O. G.* 114; *Bicknell v. Todd*, 5 *McLean* 236.

A patentee may so convey the right to make as to involve or include the right either to sell or use what the grantee makes. He may also so convey the right to use as to imply the right to sell within the same limits, as well as to make the thing patented within them. The circumstances, nature, and words of each grant must decide the construction which is just and legal.—*Woodworth v. Curtis*, 2 *W. & M.* 524; 2 *Robb* 603; *Steam Stone Cutter Co. v. Sheldon*, 5 *Fish.* 477; 10 *Blatch.* 1.

The right to make carries with it the right to sell, but does not necessarily imply the right *to use* the machine when made and sold.—*Jenkins v. Greenwald*, 2 *Fish.* 37; 1 *Bond* 128; *Bicknell v. Todd*, 5 *McLean* 236.

A grant to use and sell or dispose of a patented device confers upon the purchaser, by implication, the right to use the thing purchased.—*Farrington v. Gregory*, 4 *Fish.* 221.

Every person who pays the patentee for a license to use his process becomes the owner of the product, and may sell it to whom he pleases, or apply it to any purpose, unless he binds himself by covenants to restrict his right of making and vending certain articles that may interfere with the special business of some other licensee.—*Met. Washing Machine Co. v. Earle*, 2 *Fish.* 203; 3 *Wall. Jr.* 320.

A license to use one machine will always be construed to be an authority to use *a* machine, unless in express terms it be limited to the identical machine referred to.—*Wilson v. Stolley*, 4 *McLean* 275.

A licensee who is authorized to use two machines constructed according to the patent, may use two at all times, whether constructed by himself or another. If he constructs machines and sells them to others to be used, he is an infringer of the patent and liable to an action. If he *uses* but two, he is within the letter and spirit of his contract. If he should construct a dozen, yet if he use but two, he does not break his contract.—*Burr v. Duryee*, 2 *Fish.* 275; 1 *Wall.* 531.

If a license to use one machine covers the whole term, and is not limited to any particular machine then sold, the licensee can repair or rebuild the machine, but he is restricted to the use of one machine in number at one time.—*Woodworth v. Curtis*, 2 *W.* & *M.* 524; 2 *Robb* 603; *Wilson v. Stolley*, 4 *McLean* 275; *Steam Stone Cutter Co. v. Sheldon*, 5 *Fish.* 477; 10 *Blatch.* 1.

A licensee of a right to use may repair his machine, but he cannot construct one.—*Bicknell v. Todd*, 5 *McLean* 236; *Woodworth v. Curtis*, 2 *W.* & *M.* 524; 2 *Robb* 603.

The sale of a machine by a patentee gives an implied right to use it, as such right is exclusively vested in him and his assigns; but where the sale is made by a person who has no exclusive right, it carries with it merely a license of use. The extent of the transfer depends entirely upon the facts and circumstances in each case.—*Wilson v. Stolley*, 4 *McLean* 275; *Mitchell v. Hawley*, 16 *Wall.* 544; 4 *Fish.* 388; 3 *O. G.* 241.

A license to a licensee "and his assigns" to use one machine is assignable. A machine and the right to use it, is personal property rather than a mere patent-right, and has all the incidents of personal property, making it subject to pass by

sale.—*Woodworth v. Curtis*, 2 *W.* & *M.* 524; 2 *Robb* 603; *Wilson v. Stolley*, 4 *McLean* 275; *Wilson v. Stolley*, 5 *McLean* 1.

The purchase of a patented article lawfully manufactured and sold, without condition or restriction, within his territory by a territorial assignee of a patent-right, conveys to the purchaser the right to use or sell the article in another territory for which another person has taken an assignment of the same patent. By such a sale the purchaser acquires an absolute title.—*Adams v. Burke*, 4 *Fish.* 392; 1 *Holmes* 40; 1 *O. G.* 282; 17 *Wall.* 453; 33 *O. G.* 114; *McKay v. Wooster*, 6 *Fish.* 375; 2 *Saw.* 373; 3 *O. G.* 441; *May v. Chaffee*, 5 *Fish.* 160; 2 *Dillon* 385.

If a person legally acquires title to that which is the subject of letters-patent, he may continue to use it until it is worn out, or he may repair it or improve upon it as he pleases, in the same manner as if dealing with property of any other kind.—*Chaffee v. Boston Belting Co.*, 22 *How.* 217.

So long as a licensee continues to use machines under a license, he is estopped from denying the licensor's title, unless he can show that the latter was guilty of fraud in inducing him to enter into contract.—*Sherman v. Champlain Co.*, 31 *Vt.* 162.

Where there are several patentees, they are tenants in common. One of them has no superiority of right over another. One of them can manufacture and use the article patented without the consent of the others.—*Dunham v. Ind.* & *St. Louis R. R.*, 7 *Biss.* 223; 2 *Bann.* & *Ard.* 327.

The right to make a machine is distinct from that of using it.—*Bicknell v. Todd*, 5 *McLean* 236.

The right to make and vend, and the right to use, are completely severable; and while a grant of the right to make and sell to others might be deemed to imply the right in the purchasers to use the thing purchased, a patentee may restrict the

use.—*Dorsey R. H. Rake Co. v. Bradley Mfg. Co.*, 12 *Blatch.* 202; 1 *Bann. & Ard.* 330.

A conveyance of a right to use an invention in a limited territory is not required to be recorded in the Patent Office.—*Stevens v. Head*, 9 *Vt.* 174.

RIGHT TO VEND.

The assignee of a patent is clothed with the right, as against the assignor, to make articles covered by the patent, although the patent may be void for want of novelty against the rest of the world.—*Curran v. Burdsall*, 20 *Fed. Rep.* 835; 27 *O. G.* 1319; *Com. Dec.* 1884, p. 270.

A license to sell a patented article does not include a license to make and use it.—*Ingalls v. Tice*, 14 *Fed. Rep.* 297; 22 *O. G.* 2160; *Com. Dec.* 1882, p. 531.

The grant of the full and exclusive right to use and sell the invention within a limited territory, the grantor reserving a right (not the exclusive right) to make; *held*, under all the circumstances, to vest a right to make in the grantees.—*Hamillon v. Kingsbury*, 14 *O. G.* 448; *Com. Dec.* 1878, p. 339; 3 *Bann. & Ard.* 346; 15 *Blatch.* 64.

If an invention cannot be made except at the will of, or after further agreement with, the grantor, then the right to use and sell is valueless, and the consideration paid is without return. *Hamillon v. Kingsbury*, 14 *O. G.* 448; *Com. Dec.* 1878, p. 339; 3 *Bann. & Ard.* 346; 15 *Blatch.* 64.

An assignee of the exclusive right to manufacture and sell a patented invention throughout the United States, is the proper party to maintain a suit for the violation of this right.—*Nellis v. Pennock Mfg. Co.*, 22 *O. G.* 1131; *Com. Dec.* 1882, p. 417; 13 *Fed. Rep.* 451.

The right to manufacture and sell carries with it the right to use the devices sold, and nothing short of an express qualifi-

cation will change this result.—*Nellis v. Pennock Mfg. Co.*, 22 *O. G.* 1131; *Com. Dec.* 1882, p. 417; 13 *Fed. Rep.* 451.

The transfer of the mere right to use and vend an invention for limited purposes in specified places, is a license—*Gamewell Fire-Alarm Tel. Co. v. City of Brooklyn*, 22 *O. G.* 1978; *Com. Dec.* 1882, p. 512; 14 *Fed. Rep.* 255.

The grant of the sole and exclusive right to sell patented articles within certain specified territory, is not a transfer of an undivided part of the whole patent or of the exclusive right of the whole patent for a particular territory: it is simply a license.—*Ingalls v. Tice*, 22 *O. G.* 2160; *Com. Dec.* 1882, p. 331; 14 *Fed. Rep.* 297.

An instrument conveying the exclusive right to manufacture and sell a patented article is a mere license, and does not authorize the licensee to maintain an action for damages against infringers who are not infringing the patent in those respects.—*Hayward v. Andrews*, 23 *O. G.* 533; *Com. Dec.* 1883, p. 155; 106 *U. S.* 672.

A sale of patented articles, in the ordinary course of trade, outside the territorial limits to which the right of sale is restricted by the patentee's grant, is unwarranted.—*Hatch v. Adams*, 29 *O. G.* 776; *Com. Dec.* 1884, p. 459; 22 *Fed. Rep.* 434.

A court of equity will not decree specific performance of a contract providing for the assignment of an interest in letters-patent by one party, and the manufacture and sale of the patented machines by the other, after the lapse of a long time, and where the party seeking the assignment has failed to carry out his agreements as to manufacturing and selling.—*Werden v. Graham*, 24 *O. G.* 101; *Com. Dec.* 1883, p. 485.

A conveyance of the right to make and vend within specified territory, the assignor reserving the right to make within same district, is only a license.—*Gayler v. Wilder*, 10 *How.* 477.

A grant of an exclusive right to make, use, and vend patented articles within certain territory, confers the right to make and vend within said territory for use elsewhere, and any person who manufactures said machines within said territory without the consent of the grantee, infringes his right, although the machines may neither be sold nor used within said district. —*Jenkins v. Greenwald*, 2 *Fish.* 37; 1 *Bond* 128.

Any conveyance, short of the exclusive right either for the whole country or for a particular territory, to make and use the thing patented and to grant that right to others, is a license.—*Farrington v. Gregory*, 4 *Fish.* 221.

The right of using and vending to others to be used within specified territory is a mere license, and gives the licensee no right of action for an infringement of the patent.—*Hill v. Whitcomb*, 1 *Bann. & Ard.* 34; 1 *Holmes* 317; 5 *O. G.* 430.

The owner of a useful invention has the right, by the general laws of the land, to sell it to all who wish to purchase, subject only to restraint from some party having a conflicting patent. —*Celluloid Mfg. Co. v. Goodyear Co.*, 2 *Bann. & Ard.* 334; 13 *Blatch.* 375; 10 *O. G.* 41; *Com. Dec.* 1876, p. 419.

The owner of a patent in the United States for an invention, who has sold the patented article in England without restriction or conditions, cannot restrain the purchaser from using or selling the article in the United States.—*Holliday v. Matheson*, 24 *Fed. Rep.* 185; 30 *O. G.* 452; 31 *O. G.* 1444.

Articles manufactured without authority during the life of a patent, cannot be legally sold after the patent has expired.— *Am. Diamond Rock Boring Co. v. Sheldon*, 1 *Fed. Rep.* 870; 18 *Blatch.* 50.

A purchaser of patented articles from a territorial assignee does not acquire the right to sell the articles, in the course of trade, outside the territory granted to his vendor.—*Hatch v. Adams*, 29 *O. G.* 776; *Com. Dec.* 1884, p. 459; 22 *Fed. Rep.* 434.

A territorial grantee cannot be restrained from advertising and selling within his territory, even though the purchasers may take the patented articles outside of the vendor's territory.—*Hatch v. Hall*, 30 *O. G.* 1096; 22 *Fed. Rep.* 438.

The right to manufacture and sell includes the right in the vendee to use the thing sold.—*Turnbull v. Weir Plow Co.*, 5 *Bann. & Ard.* 288; 23 *O. G.* 91; *Com. Dec.* 1883, p. 121; 9 *Biss.* 334; 14 *Fed. Rep.* 108; *Nellis v. Pennock Mfg. Co.*, 22 *O. G.* 1131; *Com. Dec.* 1882, p. 417; 13 *Fed. Rep.* 451.

A patentee may so convey the right to make as to involve or include the right either to sell or use what the grantee makes. He may also so convey the right to use as to imply the right to sell within the same limits, as well as to make the thing patented within them. The circumstances, nature, and words of each grant must decide the construction which is just and legal.—*Woodworth v. Curtis*, 2 *W. & M.* 524; 2 *Robb* 603; *Steam Stone Cutter Co. v. Sheldon*, 5 *Fish.* 475; 10 *Blatch.* 1.

A patentee has the exclusive right to make, use, and vend the device patented, and it is his privilege to grant the exclusive right to make to one person, to use to another, and to vend to another.—*Jenkins v. Greenwald*, 2 *Fish.* 37; 1 *Bond* 128; *Steam Stone Cutter Co. v. Sheldon*, 5 *Fish.* 477; 10 *Blatch.* 1; *Adams v. Burke*, 1 *Holmes* 40; 4 *Fish.* 392; 1 *O. G.* 282; 17 *Wall.* 453; 33 *O. G.* 114; *Bicknell v. Todd*, 5 *McLean* 236.

The right to make carries with it the right to sell, but does not necessarily imply the right *to use* the machine when made and sold.—*Jenkins v. Greenwald*, 2 *Fish.* 37; 1 *Bond* 128; *Bicknell v. Todd*, 5 *McLean* 236.

A grant to use and sell or dispose of a patented device confers upon the purchaser, by implication, the right to use the thing purchased.—*Farrington v. Gregory*, 4 *Fish.* 221.

A patentee may confer upon others such qualified privilege, whether of making, of selling to others, or using, as he sees fit, whether within specified limits, or under limitations of quantity or number or restricted use.—*Dorsey R. H. Rake Co. v. Bradley Manuf. Co.*, 12 *Blatch.* 202; 1 *Bann.* & *Ard.* 330.

A patentee may grant the right to make and sell the patented invention within specified territory, and make that right exclusive in the grantee, and yet limit the use of the thing so made and sold within specified limits.—*Dorsey R. H. Rake Co. v. Bradley Manuf. Co.*, 12 *Blatch.* 202; 1 *Bann.* & *Ard.* 330.

Purchasers of the exclusive privilege of making or vending a patented machine in a specified place, hold a portion of the franchise which the patent confers, and the interest which they acquire terminates at the time limited for its continuance by the law which created it, unless it is expressly stipulated to the contrary. But the purchaser of an implement or machine, for the purpose of using it in the ordinary pursuits of life, stands on different ground.—*Bloomer v. Millinger*, 1 *Wall.* 340; *Bloomer v. McQuewan*, 14 *How.* 539; *Blanchard v. Whitney*, 3 *Blatch.* 307; *Hawley v. Mitchell*, 4 *Fish.* 388; 1 *Holmes* 42; 1 *O. G.* 306.

A grant to use and sell or dispose of the device patented within a specified territory is not an assignment, but merely a license.—*Farrington v. Gregory*, 4 *Fish.* 221.

A conveyance of the exclusive right in certain specified territory to use, and vend to others to be used, the patented invention, but reserving to the grantor the right to make the machines, is a license.—*Sanford v. Messer*, 5 *Fish.* 411; 1 *Holmes* 149; 2 *O. G.* 470.

A patentee may grant to another the right to make, or to make and sell, and retain to himself the exclusive right to make and sell for export or use in other countries.—*Dorsey*

R. H. Rake Co. v. Bradley Mfg. Co., 12 *Blatch.* 202; 1 *Bann. & Ard.* 330.

The purchase of a patented article lawfully manufactured and sold, without condition or restriction, within his territory by a territorial assignee of a patent-right, conveys to the purchaser the right to use or sell the article in another territory for which another person has taken an assignment of the same patent. By such a sale the purchaser acquires an absolute title.—*Adams v. Burke*, 4 *Fish.* 392; 1 *Holmes* 40; 1 *O. G.* 282; 17 *Wall.* 453; 33 *O. G.* 114; *McKay v. Wooster*, 6 *Fish.* 375; 2 *Saw.* 373; 3 *O. G.* 441; *May v. Chaffee*, 5 *Fish.* 160; 2 *Dillon* 385.

The right to make and vend, and the right to use, are completely severable; and, while a grant of the right to make and sell to others might be deemed to imply the right in the purchasers to use the thing purchased, a patentee may restrict the use.—*Dorsey R. H. Rake Co. v. Bradley Mfg. Co.*, 12 *Blatch.* 202; 1 *Bann. & Ard.* 330.

ROYALTIES.

A license limiting the right to use a patented invention only upon the payment of a specific sum on each machine upon which invention is used, will not include other machines where the same invention is used, unless the same is paid for in accordance with the terms of the license.—*Wooster v. Seidenberg*, 10 *O. G.* 244; *Com. Dec.* 1876, p. 446; 2 *Bann. & Ard.* 91; 13 *Blatch.* 88.

An assignee who has manufactured under a patent and paid royalties to the assignor, cannot escape liability for arrears on the plea that he had taken the assignment under a misrepresentation and concealment as to the invention by the assignor. No guaranty of title is binding against the setting up of unfounded claims.—*Shaw v. Soule*, 20 *Fed. Rep.* 790.

A license by one patentee to use the thing patented clothes the licensee with the right to use it, and, having that right, he is liable for the price which he agreed to pay for the license.—*Dunham v. Ind. & St. Louis R. R.*, 7 *Biss.* 223; 2 *Bann. & Ard.* 327.

An exclusive licensee, under agreement to render an account within a time specified, failing to do so, the patentee granted an exclusive license to a third party, but subsequently accepted the tender made by the first licensee of the amount due and continued to receive royalty from him; *held*, that the time of the accounting was not the essence of the agreement; no good reason for canceling the first agreement was shown; and that the second license was void.—*Dare v. Boylston*, 19 *O. G.* 725; *Com. Dec.* 1881, p. 148; 18 *Blatch.* 548; 6 *Fed. Rep.* 493.

A license to one to use a patented invention in his own proper business, does not authorize him to grant a sub-license and collect royalties thereunder.—*Putnam v. Hollender*, 19 *O. G.* 1423; *Com. Dec.* 1881, p. 246; 19 *Blatch.* 48; 6 *Fed. Rep.* 882.

A bill to recover the royalties reserved in a transfer of complainant's patents, and alleged to be wrongfully withheld, does not on its face present a case arising under the patent laws of the United States, and, when the parties are citizens of the same State, does not give jurisdiction to the courts of the United States.—*Albright v. Teas*, 23 *O. G.* 829; *Com. Dec.* 1883, p. 182; 106 *U. S.* 613.

In a suit by a patentee against a licensee, for license-fee, for the use of a patented improvement, something corresponding to an eviction of the licensee must be pleaded and proved, if he would defend against an action for royalties.—*White v. Lee*, 23 *O. G.* 1621; *Com. Dec.* 1883, p. 245; 14 *Fed. Rep.* 789.

When the sale of licenses by the patentee has been sufficient to establish a price for such licenses, that price should be the measure of his damages against an infringer; but a royalty or

license-fee, to be binding on a stranger to the licenses which established it, must be uniform.—*Westcott v. Rude*, 27 *O. G.* 719; *Com. Dec.* 1884, p. 225; 19 *Fed. Rep.* 830.

Equity will enjoin a licensee from operating under a patent unless he pays the license-fee, whether the license is forfeited at law or not.—*Day v. Hartshorn*, 3 *Fish.* 32.

If a license contains a proviso that, in case a subsequent license at a lower rate be granted another party, the first licensee should have the benefit of such reduction, and should such a case arise, the original licensee would no longer be bound to pay the original fee.—*Florence S. M. Co. v. Singer Mfg. Co.*, 4 *Fish.* 329; 8 *Blatch.* 113.

A licensor with a plain and adequate remedy at law cannot go into a court of equity to recover the royalty stipulated in a license.—*Crandall v. Plano Mfg. Co.*, 24 *Fed. Rep.* 738; 32 *O. G.* 1123.

A licensee cannot defend an action for royalties on the ground of the invalidity of a patent, he having admitted the validity of the patent in the license and had the benefit thereof. —*Marsh v. Harris Mfg. Co.*, 22 *N. W. Rep.* 516.

The owner of a patent may sue at law to recover royalties due under a license, or file a bill in chancery to have the license annulled.—*Hartell v. Tilghman*, 99 *U. S.* 547.

Without an eviction, or its equivalent, the royalties agreed to be paid must be paid.—*McKay v. Jackman*, 17 *Fed. Rep.* 641.

A suit on a license for the recovery of royalties is not a question arising under the patent law, and the federal courts have not jurisdiction.—*Kelly v. Porter*, 17 *Fed. Rep.* 519; 8 *Saw.* 482.

An assignee who settled with persons using a machine which infringed on the right he purchased, and subsequently granted them a license to use the machine, is liable in such case to the

assignor for the stipulated royalty.—*Rodgers v. Torrant*, 4 *N. W. Rep.* 507; 43 *Mich.* 113.

A rescinded contract cannot be resorted to for the purpose of determining the royalty to be paid for infringement, after such contract has ceased to be obligatory.—*Bussey v. Excelsior Mfg. Co.*, 5 *Bann. & Ard.* 135; 17 *O. G.* 744; *Com. Dec.* 1880, p. 362; 1 *Fed. Rep.* 640; 1 *McCrary* 161.

A licensee may defend an action for the recovery of royalties accruing after the Patent Office has decided that the licensor was not the original inventor, and has awarded a patent to another.—*Marsh v. Harris Mfg. Co.*, 22 *N. W. Rep.* 516.

If a grantee fails to perform the conditions of his contract, and does not claim any right under it, but, on the contrary, recognizes the assignor's exclusive right to the interest referred to in the agreement. the contract has no vitality.—*Railroad Co. v. Trimble*, 10 *Wall.* 367.

If a licensor agrees not to grant a subsequent license for less royalty without a corresponding reduction in the fee stipulated in the first license, the licensee is entitled to the benefit of a license granted to make a certain number of machines at a fixed price.—*Florence S. M. Co. v. Grover & Baker S. M. Co.*, 110 *Mass.* 70.

A licensee who agrees to pay a stipulated royalty on every machine made, used or sold by him, only applies to machines made and used, or made and sold, by him, and not to machines which he purchases from another licensee.—*Howe v. Wooldredge*, 12 *Allen* (*Mass.*) 18.

A forfeiture of a license may be enforced according to its terms, by reason of the abandonment, or the neglect of the licensee to make the stipulated payments.—*Wilson v. Stolley*, 5 *McLean* 1.

A licensee having transferred his license without the consent of his licensor, as required, and having received payments

for the use of the machine, he cannot assail the validity of the transfer.—*Bloomer v. Gilpin*, 4 *Fish.* 50.

A partner of a licensee who purchases the latter's interest in the firm is not liable for royalty on the articles manufactured. —*Wilder v. Stearns*, 48 *N. Y.* 656.

An assignee of a license takes it with the incumbrances attached to it, and he is obliged to pay to the licensor the royalty stipulated in the license.—*Goodyear v. Congress Rubber Co.*, 3 *Blatch.* 449.

Unless specifically provided for in the license, a licensor has no lien upon the license to secure the royalties stipulated therein.—*Goodyear v. Congress Rubber Co.*, 3 *Blatch.* 449.

A reservation by a licensor that he would hold responsible for the royalty the party for whom a licensee has contracted to do certain work under a license, is of no effect, as it is inconsistent with the license. The relieving of the parties primarily liable, by a universal rule of law as well as of justice, relieves those who are only secondarily responsible.—*Bigelow v. City of Louisville*, 3 *Fish.* 602.

If a license contains a covenant on the part of the licensee by which he admits the validity of the patent, and has had the enjoyment of the license, the licensee is estopped from assailing the validity of the patent.—*Magic Ruffle Co. v. Elm City Co.*, 13 *Blatch.* 151; 8 *O. G.* 773; *Birdsall v. Perego*, 5 *Blatch.* 251.

Selling under a license is a recognition or admission of title in the licensor, and the licensee cannot impeach the validity of the patent as a defense in an action of covenant for the recovery of royalties.—*Wilder v. Adams*, 2 *W.* & *M.* 329; *Sargent v. Larned*, 2 *Curt.* 340; *Marsh v. Dodge*, 11 *N. Y. Supr.* 278.

If a licensee neglects to pay his license-price for a long time, and finally, when prosecuted, abandons his license, or, while relying upon it defends also upon other grounds, the

license will be forfeited and he will be liable as an infringer.—*Bell v. McCullough*, 1 *Fish.* 380; 1 Bond 194.

A notice from a licensor forbidding the licensee to use or exercise the right granted by the license, on account of a breach thereof, does not *ipso facto* annul or rescind the contract, and if the licensee continues to use, the licensor may recover the royalties stipulated in the license.—*Union Mfg. Co. v. Lounsbury*, 42 *Barb.* (*N. Y.*) 125.

If one of several assignees agrees with the others that in consideration of a stipulated royalty they should have the exclusive right, the invalidity of the patent may be shown in an action to recover the royalties or license-fees.—*Marston v. Swett*, 11 *N. Y. Sup.* 153.

If an assignor violates a contract with his assignee, it is available to the latter by way of recoupment of damages only, not in bar of an action for accrued royalties.—*Pitts v. Jameson*, 15 *Barb.* (*N. Y.*) 310.

In an action to recover royalties, the assignee may plead in defense a decree of the United States Court in a suit between the same parties adjudging the patent void and of no effect.—*Hawks v. Swett*, 11 *N. Y. Sup.* 146; *Marston v. Swett*, 11 *N. Y. Sup.* 153.

In an action to recover license-fees alleged to have accrued under an agreement, evidence that machines have been made by the licensees and sent away from their factory is sufficient to demand of the licensees an account of sales.—*Marsh v. Dodge*, 5 *Lans.* (*N. Y.*) 541.

Where an agreement to account and pay royalty forms part of the consideration of an assignment, it does not reduce the grantee to the position of a licensee.—*Littlefield v. Perry*, 7 *O. G.* 964; 21 *Wall.* 205.

SALE OF PATENT.

A court of equity may direct the sale of the interest of an inventor in his patent in order to satisfy a judgment debt against him, and for that purpose may require the patentee to make an assignment of the patent under section 4898, Revised Statutes, and, in default of such assignment within a limited time, the court may appoint a trustee to execute the same.—*Murray v. Ager*, 20 *O. G.* 1311; *Com. Dec.* 1881, p. 423; 1 *Mackey* 87

Patent-rights are co-extensive with the United States, and are not subject to seizure and sale on execution.—*Stevens v. Gladding*, 17 *How.* 447.

An assignment of all property, except such property as is exempt by law from levy and sale under execution, cannot transfer a patent-right.—*Campbell v. James*, 18 *O. G.* 1111; *Com. Dec.* 1880, p. 647; 5 *Bann. & Ard.* 354; 2 *Fed. Rep.* 338; 18 *Blatch.* 92.

The owner of a patent may sell, assign, lease, or give it away, the same as he might with any other personal property.—*Star Salt Caster Co. v. Crossman*, 3 *Bann. & Ard.* 281; 4 *Cliff.* 568.

A license to use a patented invention may be subjected to sale for the payment of judgments recovered for money due.—*Matthews v. Green*, 19 *Fed. Rep.* 649.

A State court may compel a judgment debtor to execute and deliver to a receiver an assignment of his interest in letters-patent.—*Clan Ranald v. Wyckoff*, 41 *N. Y. Supr.* 527; *Barnes v. Morgan*, 10 *N. Y. Sup.* 703.

The statute of Minnesota regulating the sale of patent-rights declared unconstitutional and void, and the failure of the patentee to comply with said law is no defense to payment of note given for patent-right.—*Crittenden v. White*, 23 *Minn.* 24.

A State or municipality may require the taking out of a license for the sale of a manufactured article, and the fact that the article is produced under a patent will not defeat this power.—*Webber v. Virginia*, 20 *O. G.* 369; *Com. Dec.* 1881, p. 326; 103 *U. S.* 344; *Patterson v. Commonwealth*, 11 *Bush.* (*Ky.*) 311; *People v. Russell*, 25 *O. G.* 504; *Com. Dec.* 1883, p. 487; 14 *N. W. Rep.* 568; 49 *Mich.* 617.

A State cannot interfere with the enjoyment of the right to an invention or discovery—the incorporeal right.—*Webber v. Virginia*, 20 *O. G.* 369; *Com. Dec.* 1881, p. 326; 103 *U. S.* 344; *Patterson v. Commonwealth*, 11 *Bush.* (*Ky.*) 311.

A patent-right issued under the laws of the United States may be required to be assigned to a receiver, under proceedings supplementary to execution, who may sell the same and apply the proceeds in satisfaction of the judgment.—*Pacific Bank v. Robinson*, 20 *O. G.* 1314; *Com. Dec.* 1881, p. 429; 57 *Cal.* 520.

A State law requiring all notes given in payment for patent-rights to contain the words "given for a patent-right," is unconstitutional.—*Wilch v. Phelps*, 25 *O. G.* 981; *Com. Dec.* 1883, p. 489; 15 *N. W. Rep.* 361; 14 *Neb.* 134.

If a patentee complies with the law of Congress, he has a right to go into the open market anywhere within the United States and sell his property.—*Ex parte Robinson*, 4 *Fish.* 186; 2 *Biss.* 309.

The law of Indiana requiring the words "given for a patent-right" to be inserted above the signature on notes given for purchase of an interest in a patent, is unconstitutional and void.—*Ex parte Robinson*, 4 *Fish.* 186; 2 *Biss.* 309.

The statute of Michigan, approved April 13, 1871, to regulate the execution and transfer of notes or other obligations given for patent-rights, declared unconstitutional.—*Cranson v. Smith*, 37 *Mich.* 309.

It is competent for a State court, under an insolvent law, to compel a debtor to execute an assignment that would transfer a patent-right to an assignee in insolvency.—*Ashcroft v. Walworth*, 5 *Fish.* 528; 1 *Holmes* 152; 2 *O. G.* 546.

SEAL.

The omission from an assignment of a patent of the corporate seal of the company executing the deed is not necessarily a fatal defect, since a court of equity would compel the making of a good assignment.—*Ex parte Mason*, 1 *O. G.* 357; *Com. Dec.* 1872, p. 68.

A court of equity will compel a corporation to execute a valid assignment of a patent in place of one which it has delivered without attaching its seal, and the Patent Office will, therefore, upon an application for extension, treat the grantee under such an imperfect instrument as the owner of the patent. *Ex parte Mason*, 1 *O. G.* 357; *Com. Dec.* 1872, p. 68.

Assignments of patents are not required to be under seal.—*Gottfried v. Miller*, 21 *O. G.* 711; *Com. Dec.* 1882, p. 120; 104 *U. S.* 521.

The absence of the corporate seal from a contract of assignment of a patent-right does not render it invalid or void.—*Gottfried v. Miller*, 21 *O. G.* 711; *Com. Dec.* 1882, p. 120; 104 *U. S.* 521.

A conveyance executed by the signature of a company with seal, and by S., president, and another seal, is a good execution both for the company and for S. individually.—*Campbell v. James*, 18 *O. G.* 979; *Com. Dec.* 1880, p. 633; 17 *Blatch.* 42.

An agreement which purports to be made by a principal through his agent, and has only the agent's name and seal affixed, is not a good execution of the authority, if any existed. —*Bellas v. Hays*, 5 *S. & R. (Pa.)* 427.

A contract in writing will bind a corporation, although the seal affixed is not the corporate seal, if the officer making it had the authority so to do, or the company had subsequently ratified it.—*Eureka Co. v. Bailey Co.*, 11 *Wall.* 488.

When an instrument under seal is executed by attorney, the attorney must be authorized by deed under seal.—*Stetson v. Patten*, 2 *Greenl.* (*Maine*) 358.

SHERIFF'S SALE.

The purchase of a patented machine at a judicial sale vests the purchaser only with such title as the licensee had in the thing sold.—*Chambers v. Smith*, 5 *Fish.* 12.

The rule that a purchaser at a sheriff's sale succeeds to the beneficial rights of the defendant in the execution of the property sold, applies to the case of a patented machine, and whatever right to use the patented machine a defendant in execution may have, passes with the machine, when sold by the sheriff, to his vendee.—*Wilder v. Kent*, 23 *O. G.* 831; *Com. Dec.* 1883, p. 188; 15 *Fed. Rep.* 217.

Sale of the *materials* of a patented machine by a sheriff on an execution against the owner, is not such a sale as subjects the sheriff to an action for infringement of the patent-right.—*Sawin v. Guild*, 1 *Gal.* 485; 1 *Robb* 47.

The sale under a mortgage of a factory, including patented machines therein, with the knowledge and consent of the owner of the patent, conveys to the purchaser the right to use the particular machines thus sold.—*Detweiler v. Voege*, 8 *Fed. Rep.* 600; 19 *Blatch.* 482.

SHOP-RIGHT.

A "shop-right" is a personal license, and is not assignable.—*Gibbs v. Hoefner*, 19 *Fed. Rep.* 323; 22 *Blatch.* 36.

SPECIFIC PERFORMANCE.

In enforcing specific performance of a contract to assign an interest in a future invention, equity may (after the invention has been perfected and patented) carve out an undivided interest in the patent, so that a valid assignment to a third party will afterward take effect upon the interest remaining in the patentee.—*Ex parte Edison*, 7 *O. G.* 423; *Com. Dec.* 1875, p. 42.

The inchoate right of an inventor to an extension of his patent may be the subject of a contract of sale; and a contract to convey such a right will be enforced by a bill for specific performance.—*Newell v. West*, 8 *O. G.* 598; 9 *O. G.* 1110; *Com. Dec.* 1876, p. 404; 2 *Bann. & Ard.* 113; 13 *Blatch.* 114.

Courts of equity never decree the specific performance of a contract, where the decree would be a vain or imperfect one.—*Werden v. Graham*, 24 *O. G.* 101; *Com. Dec.* 1883, p. 485.

A court of equity will not decree specific performance of a contract providing for the assignment of an interest in letters-patent by one party, and the manufacture and sale of the patented machines by the other, after the lapse of a long time, and where the party seeking the assignment has failed to carry out his agreement as to manufacturing and selling.—*Werden v. Graham*, 24 *O. G.* 101; *Com. Dec.* 1883, p. 485.

Under an agreement to manufacture and sell a patented article, equity will enjoin the breach of negative covenants, and decree a specific performance of the agreement between the parties.—*Hapgood v. Rosenstock*, 23 *Fed. Rep.* 86.

A licensee is entitled to protection under his contract until it is set aside, and he can restrain the licensor from violating its terms, although the court may not be able to decree a specific performance.—*Goddard v. Wilde*, 17 *Fed. Rep.* 845.

The Circuit Courts of the United States have no jurisdiction to enforce the specific performance of a contract under a patent,

where the parties live in the same State.—*Brooks v. Stollcy*, 3 *McLean* 523; 2 *Robb* 281.

STATE LAWS.

The statute of Minnesota regulating the sale of patent-rights declared unconstitutional and void, and the failure of the patentee to comply with said law is no defense to payment of note given for patent-right.—*Crittenden v. White*, 23 *Minn.* 24.

A State cannot interfere with the enjoyment of the right to an invention or discovery—incorporeal right.—*Webber v. Virginia*, 20 *O. G.* 369; *Com. Dec.* 1881, p. 326; 103 *U. S.* 344.

Section 4898, Revised Statutes, requires that the assignment of a patent be by an instrument in writing. The ability to make the instrument, however, or the aid to a disability, must be found in the laws of the States, where all such rights are regulated.—*Fetter v. Newhall*, 25 *O. G.* 502; *Com. Dec.* 1883, p. 429; 17 *Fed. Rep.* 841; 21 *Blatch.* 445.

A State law requiring all notes given in payment for patent-rights to contain the words "given for a patent-right," is unconstitutional.—*Wilch v. Phelps*, 25 *O. G.* 981; *Com. Dec.* 1883, p. 489; 14 *Neb.* 134; 15 *N. W. Rep.* 361; *Ex parte Robinson*, 4 *Fish.* 186; 2 *Biss.* 309; *Helm v. First Nat. Bank*, 43 *Ind.* 167; *Castle v. Hutchinson*, 25 *Fed. Rep.* 394.

Contracts in relation to patented articles are regulated by the laws of the State in which situated, and are subject to State jurisdiction.—*Bloomer v. McQuewan*, 14 *How.* 539; *Chaffee v. Boston Belting Co.*, 22 *How.* 217.

By a valid sale and purchase of a patented machine it becomes the private individual property of the purchaser, and is no longer protected by the laws of the United States but by the laws of the State in which it is situated.—*Chaffee v. Boston Belting Co.*, 22 *How.* 217; *Bloomer v. McQuewan*, 14 *How.* 539.

Property in inventions exists by virtue of the law of Congress, and no State has a right to interfere with its enjoyment or to annex conditions to the grant.—*Ex parte Robinson*, 4 *Fish.* 186; 2 *Biss.* 309; *Wilch v. Phelps*, 25 *O. G.* 981; *Com. Dec.* 1883, p. 489; 15 *N. W. Rep.* 361; 14 *Neb.* 134.

If a patentee complies with the law of Congress, he has a right to go into the open market anywhere within the United States and sell his property.—*Ex parte Robinson*, 4 *Fish.* 186; 2 *Biss.* 309; *Webber v. Virginia*, 20 *O. G.* 369; *Com. Dec.* 1881, p. 326; 13 *U. S.* 344; *Wilch v. Phelps*, 25 *O. G.* 981; *Com. Dec.* 1883, p. 489; 15 *N. W. Rep.* 361; 14 *Neb.* 134.

The law of Indiana requiring the words "given for a patent-right" to be inserted above the signature on notes given for purchase of an interest in a patent, is unconstitutional and void. —*Ex parte Robinson*, 4 *Fish.* 186; 2 *Biss.* 309; *Helm v. First Nat. Bank*, 43 *Ind.* 167; *Castle v. Hutchinson*, 25 *Fed. Rep.* 394.

Persons who form themselves into a corporation under the Missouri statute, cannot escape individual liability for the infringement of a patent done in their corporate name.—*St. Louis Stamping Co. v. Quinby*, 5 *Bann. & Ard.* 275; 18 *O. G.* 571; *Com. Dec.* 1880, p. 614.

The right of an administrator in a patent is not acquired and cannot be assigned under State laws. The act of Congress directs the mode in which an assignment shall be made, and where it shall be recorded. The administrator is trustee for the heirs of the deceased, and he may sell a patent-right the same as any other personal property of the estate, and no reason is perceived why the right may not be conveyed in parts so as to suit purchasers.—*Brooks v. Jenkins*, 3 *McLean* 432.

The statute of Michigan, approved April 13, 1871, to regulate the execution and transfer of notes or other obligations given

for patent-rights, declared unconstitutional.—*Cranson v. Smith*, 37 *Mich.* 309.

STATE LICENSES.

When a patented machine passes into the hands of a purchaser, it is subject to State taxation like other individual property.—*Bloomer v. McQuewan*, 14 *How.* 539; *Chaffee v. Boston Belting Co.*, 22 *How.* 217.

The statute of Minnesota regulating the sale of patent-rights declared unconstitutional and void, and the failure of the patentee to comply with said law is no defense to payment of note given for patent-right.—*Crittenden v. White*, 23 *Minn.* 24.

A State or municipality may require the taking out of a license for the sale of a manufactured article, and the fact that the article is produced under a patent will not defeat this power.—*Webber v. Virginia*, 20 *O. G.* 369; *Com. Dec.* 1881, p. 326; 103 *U. S.* 344; *Patterson v. Commonwealth*, 11 *Bush.* (*Ky.*) 311; *People v. Russell*, 25 *O. G.* 504; *Com. Dec.* 1883, p. 487; 14 *N. W. Rep.* 568; 49 *Mich.* 617.

Property in inventions exists by virtue of the law of Congress, and no State has a right to interfere with its enjoyment, or to annex conditions to the grant.—*Ex parte Robinson*, 4 *Fish.* 186; 2 *Biss.* 309; *Webber v. Virginia*, 20 *O. G.* 369; *Com. Dec.* 1881, p. 326; 103 *U. S.* 344; *Wilch v. Phelps*, 25 *O. G.* 981; *Com. Dec.* 1883, p. 489; 15 *N. W. Rep.* 361; 14 *Neb.* 134.

If a patentee complies with the law of Congress, he has a right to go into the open market anywhere within the United States and sell his property.—*Ex parte Robinson*, 4 *Fish.* 186; 2 *Biss.* 309; *Wilch v. Phelps*, 25 *O. G.* 981; *Com. Dec.* 1883, p. 489; 15 *N. W. Rep.* 361; 14 *Neb.* 134.

STOCKHOLDER.

The fact that a person holds stock in a company gives him no title to its property, and the attachment of such stock in

the hands of a stockholder for a personal debt of the stockholder does not in any way encumber the property of the company.—*Gottfried v. Miller*, 21 *O. G.* 711; *Com. Dec.* 1882, p. 120; 104 *U. S.* 521.

Persons who form themselves into a corporation under the Missouri statute, cannot escape individual liability for the infringement of a patent done in their corporate name.—*St. Louis Stamping Co. v. Quinby*, 5 *Bann. & Ard.* 275; 18 *O. G.* 571; *Com. Dec.* 1880, p. 614.

TAXES. (See State Licenses also.)

When a patented machine passes into the hands of a purchaser, it is subject to State taxation like other individual property.—*Bloomer v. McQuewan*, 14 *How.* 539; *Chaffee v. Boston Belting Co.*, 22 *How.* 217.

A State or municipality may require the taking out of a license for the sale of a manufactured article, and the fact that the article is produced under a patent will not defeat this power.—*Webber v. Virginia*, 20 *O. G.* 369; *Com. Dec.* 1881, p. 326; 103 *U. S.* 344; *Patterson v. Commonwealth*, 11 *Bush.* (*Ky.*) 311; *People v. Russell*, 25 *O. G.* 504; *Com. Dec.* 1883, p. 487; 14 *N. W. Rep.* 568; 49 *Mich.* 617.

TENANTS IN COMMON. (See Joint Owners also.)

An agreement between joint owners of a patent to account to each other for profits derived from the use of the invention, does not constitute them partners: they are merely tenants in common.—*Fraser v. Gates*, 20 *Rep.* 427.

If one of several joint partners assigns to a third party, the estoppel upon the assignor must operate as a license to the assignee to use the patent, and the co-owners must look to the one who assigns for an accounting.—*Curran v. Burdsall*, 20 *Fed. Rep.* 835; 27 *O. G.* 1319; *Com. Dec.* 1884, p. 270.

Joint owners of a patent-right are not co-partners, and in the absence of any express contract each is at liberty to use his moiety as he may think fit, without liability to an accounting to the other for profits or losses.—*Vose v. Singer*, 4 *Allen* (*Mass.*) 226; *De Witt v. Elmira Nobles Mfg. Co.*, 12 *N. Y. Supr.* 301; *vide Pitts v. Hall*, 3 *Blatch.* 201.

Where there are several patentees, they are tenants in common. One of them has no superiority of right over another. One of them can manufacture and use the article patented without the consent of the others.—*Dunham v. Ind. and St. Louis R. R.*, 7 *Biss.* 223; 2 *Bann.* & *Ard.* 327.

When a part owner of a patent sues a co-owner for using an infringing device, the recovery, if any, will be in proportion to their respective interests.—*Herring v. Gas Consumers' Ass'n*, 21 *O. G.* 203; *Com. Dec.* 1882, p. 54; 3 *McCrary* 206; 13 *O. G.* 637; *Com. Dec.* 1878, p. 225; 9 *Fed. Rep.* 556.

One of two joint owners can legally grant, assign, license or sell his own share or right in the patent.—*May v. Chaffee*, 5 *Fish.* 160; 2 *Dillon* 385.

One joint owner can legally grant, assign, license or sell only in respect to his own share or right. He cannot sell and give a good title to his co-owner's right, for the same reason that one joint owner of a chattel cannot transfer the share of his co-proprietor.—*Pitts v. Hall*, 3 *Blatch.* 201.

Where a party owning less than the whole right makes a grant or license, he shall be answerable to the others, rather than that the other patentees shall look to the grantee or licensee.—*Dunham v. Ind. & St. Louis R. R.*, 7 *Biss.* 223; 2 *Bann.* & *Ard.* 327.

If one of several assignees agrees with the others that in consideration of a stipulated royalty they should have the exclusive right, the invalidity of the patent may be shown in an action to recover the royalties or license-fees.—*Marston v. Swett*, 11 *N. Y. Sup.* 153.

Persons interested in a patent are simply joint owners, or tenants in common, of the rights and property secured by the patent; and their rights, powers, and duties, as respects each other, are substantially those of the joint owners of a chattel. —*Pitts v. Hall*, 3 *Blatch.* 201.

TERRITORIAL ASSIGNEE.

An assignee cannot assign the entire right for a particular territory and get its whole value from the vendee, and then sell single machines to be used in the same territory during the extended term.—*Union Paper-Bag Machine Co. v. Nixon*, 9 *O. G.* 691; *Com. Dec.* 1876, p. 344; 1 *Flipp.* 491; 2 *Bann.* & *Ard.* 244.

If an assignee has derived profits from the use and sale of an invention, he cannot recover from the assignor the consideration paid therefor, if the patent be subsequently declared void. The contract may be rescinded by a court of equity, but it will compel the parties to account to each other, in order that they may be restored to their original positions.—*Edmunds v. Myer*, 16 *Ill.* 207; *Edmunds v. Hildreth*, 16 *Ill.* 214.

A sale of patented articles, in the ordinary course of trade, outside the territorial limits to which the right of sale is restricted by the patentee's grant, is unwarranted.—*Hatch v. Adams*, 29 *O. G.* 776; *Com. Dec.* 1884, p. 459; 22 *Fed. Rep.* 434.

A conveyance of the right to make and vend within specified territory, the assignor reserving the right to make within same district, is only a license.—*Gayler v. Wilder*, 10 *How.* 477.

To enable an assignee to sue in his own name, he must have conveyed to him the entire and unqualified monopoly which the patentee held in the territory specified.—*Gayler v. Wilder*, 10 *How.* 477.

An assignee of an exclusive right to use two machines within a particular district, has such a right as will enable him to maintain an action for infringement of the patent within that district.—*Wilson v. Rousseau*, 4 *How.* 646; 2 *Robb* 372.

Two parties owning exclusive patent-rights in different territories, and desiring to effect a community of interest in the whole property, convey the rights to a third person as trustee, authorizing him to sell rights, grant licenses, etc. The legal effect of the instrument was to make the trustee their agent, to carry out their joint instructions.—*Ladd v. Mills*, 20 *Fed. Rep.* 792; 22 *Blatch.* 242.

A party, having purchased a machine from an infringer, corrected the evil by purchasing from the patentee the entire right for the county where his machine was used, and this gave him the right to use the machine during the extended term.—*Eunson v. Dodge*, 18 *Wall.* 414; 5 *O. G.* 95.

An exclusive right to use a machine within certain territory continues no longer than the term of the original patent.—*Union Paper-Bag Mach. Co. v. Nixon*, 105 *U. S.* 766; 21 *O. G.* 1275; *Com. Dec.* 1882, p. 197.

A territorial grantee cannot be restrained from advertising and selling within his territory, even though the purchasers may take the patented articles outside of the vendor's territory.—*Hatch v. Hall*, 30 *O. G.* 1096; 22 *Fed. Rep.* 438.

TERRITORIAL ASSIGNMENT.

After an assignment of the entire right for a particular territory, the assignor has no right to sell single machines to be used in the same territory during the extended term.—*Union Paper-Bag Mach. Co. v. Nixon*, 9 *O. G.* 691; *Com. Dec.* 1876, p. 344; 1 *Flipp.* 491; 2 *Bann. & Ard.* 244.

Two parties owning exclusive patent-rights in different territories, and desiring to effect a community of interest in the

whole property, conveyed the rights to a third person as trustee, authorizing him to sell rights, grant licenses, etc. The legal effect of the instrument was to make the trustee their agent, to carry out their joint instructions.—*Ladd v. Mills*, 20 *Fed. Rep.* 792; 22 *Blatch.* 242.

The patentee having granted the exclusive right to use and vend a patented article within a specified territory, he cannot sell in the same territory substantially the same machine, though varying somewhat in construction.—*Ferree v. Smith*, 29 *La. Ann.* 811.

The grant of the full and exclusive right to use and sell the invention within a limited territory, the grantor reserving a (right not the exclusive right) to make; *held*, under all the circumstances, to vest a right to make in the grantees.—*Hamilton v. Kingsbury*, 14 *O. G.* 448; *Com. Dec.* 1878, p. 339; 3 *Bann. & Ard.* 346; 15 *Blatch.* 64.

A license exclusive within a limited territory, with the single reservation of a right to the grantor to *make* the invention, fails *pro tanto* to be a conveyance of the *exclusive* right within the meaning of the law of 1836 providing for record of such conveyances in the Patent Office.—*Hamilton v. Kingsbury*, 17 *O. G.* 147; *Com. Dec.* 1880, p. 246; 4 *Bann. & Ard.* 615; 17 *Blatch.* 264.

The grant of the sole and exclusive right to sell patented articles within certain specified territory, is not a transfer of an undivided part of the whole patent, or of the exclusive right of the whole patent for a particular territory: it is simply a license. —*Ingalls v. Tice*, 22 *O. G.* 2160; *Com. Dec.* 1882, p. 531; 14 *Fed. Rep.* 297.

A sale of patented articles, in the ordinary course of trade, outside the territorial limits to which the right of sale is restricted by the patentee's grant, is unwarranted.—*Hatch v. Adams*, 29 *O. G.* 776; *Com. Dec.* 1884, p. 459; 22 *Fed. Rep.* 434.

A conveyance of the right to make and vend within specified territory, the assignor reserving the right to make within the same district, is only a license.—*Gayler v. Wilder*, 10 *How.* 477.

To enable an assignee to sue in his own name, he must have conveyed to him the entire and unqualified monopoly which the patentee held in the territory specified.—*Gayler v. Wilder*, 10 *How* 477.

An assignee of an exclusive right to use two machines within a particular district, has such a right as will enable him to maintain an action for infringement of the patent within that district.—*Wilson v. Rousseau*, 4 *How.* 646; 2 *Robb* 372.

Where a patentee assigns all *his* right, title, and interest for a particular territory, it will not affect a previous unrecorded assignment if there is a residuary interest left in the patentee on which the second assignment can operate. In the absence of proof, it cannot be inferred from the language that the patentee intended fraud upon his assignee.—*Turnbull v. Weir Plow Co.*, 6 *Biss.* 225; 7 *O. G.* 173; 1 *Bann. & Ard.* 544; *Ashcroft v. Walworth*, 5 *Fish.* 528; 1 *Holmes* 152; 2 *O. G.* 546.

A party, having purchased a machine from an infringer, corrected the evil by purchasing from the patentee the entire right for the county where his machine was used, and this gave him the right to use the machine during the extended term.—*Eunson v. Dodge*, 18 *Wall.* 414; 5 *O. G.* 95.

An exclusive right to use a machine within certain territory, continues no longer than the term of the original patent.—*Union Paper-Bag Mach. Co. v. Nixon*, 105 *U. S.* 766; 21 *O. G.* 1275; *Com. Dec.* 1882, p. 197.

A purchaser of patented articles from a territorial assignee does not acquire the right to sell the articles, in the course of trade, outside the territory granted to his vendor.—*Hatch v.*

Adams, 29 *O. G.* 776; *Com. Dec.* 1884, p. 459; 22 *Fed. Rep.* 434.

If a writing is in words and effect no more than an appointment of a party as the patentee's sole agent, in terms irrevocable, yet giving him only an interest by way of commissions in the proceeds of the sale of the articles manufactured and sold by him in the execution of his agency, vests in him no title, legal or equitable; and the patentee is not precluded from making an assignment to another party.—*Kempton v. Bray*, 99 *Mass.* 350.

The assignment of an exclusive right to make and use, and to vend to others, the patented machine within a specified territory, authorizes the assignee to vend the products of the machine elsewhere. The restriction in the assignment is to be construed as applying solely to the using of the machine, and not to the place of the sale of the product.—*Simpson v. Wilson*, 4 *How.* 709; 2 *Robb* 469.

A covenant in a deed that the assignee shall "enjoy an exclusive use to the said patent within the said territory," limited to a certain number of machines, passes the whole right of the patentee for the particular territory.—*Ritter v. Serrell*, 2 *Blatch.* 379.

The reservation by the assignor of the right to construct a limited number of machines within the territory assigned, is not inconsistent with the grant of an exclusive right in the patent for the particular territory.—*Washburn v. Gould*, 3 *Story* 122; 2 *Robb* 206.

A patentee may confer upon others such qualified privilege, whether of making, of selling to others, or using, as he sees fit, whether within specified limits, or under limitations of quantity or number or restricted use.—*Dorsey R. H. Rake Co. v. Bradley Mfg. Co.*, 12 *Blatch.* 202; 1 *Bann. & Ard.* 330.

A patentee may grant the right to make and sell the patented invention within specified territory, and make that

right exclusive in the grantee, and yet limit the use of the thing so made and sold within specified limits.—*Dorsey R. H. Rake Co. v. Bradley Mfg. Co.*, 12 *Blatch.* 202; 1 *Bann. & Ard.* 330.

Purchasers of the exclusive privilege of making or vending a patented machine in a specified place, hold a portion of the franchise which the patent confers, and the interest which they acquire terminates at the time limited for its continuance by the law which created it, unless it is expressly stipulated to the contrary. But the purchaser of an implement or machine for the purpose of using it in the ordinary pursuits of life, stands on different ground.—*Bloomer v. Millinger*, 1 *Wall.* 340; *Bloomer v. McQuewan*, 14 *How.* 539; *Blanchard v. Whitney*, 3 *Blatch.* 307, *Hawley v. Mitchell*, 4 *Fish.* 388; 1 *Holmes* 42; 1 *O. G.* 306.

A conveyance of the exclusive right in certain specified territory to use, and vend to others to be used, the patented invention, but reserving to the grantor the right to make the machines, is a license.—*Sanford v. Messer*, 5 *Fish.* 411; 1 *Holmes* 149; 2 *O. G.* 470.

The purchase of a patented article lawfully manufactured and sold, without condition or restriction, within his territory by a territorial assignee of a patent-right, conveys to the purchaser the right to use or sell the article in another territory for which another person has taken an assignment of the same patent. By such a sale the purchaser acquires an absolute title.—*Adams v. Burke*, 4 *Fish.* 392; 1 *Holmes* 40; 1 *O. G.* 282; 17 *Wall.* 453; 33 *O. G.* 114; *McKay v. Wooster*, 6 *Fish.* 375; 2 *Saw.* 373; 3 *O. G.* 441; *May v. Chaffee*, 5 *Fish.* 160; 2 *Dillon* 385.

A conveyance of a right to use an invention in a limited territory is not required to be recorded in the Patent Office.—*Stevens v. Head*, 9 *Vt.* 174.

TITLE. (See Equitable Title and Legal Title.)

Patents issued to persons who had previously divested themselves of all title therein, are held in trust for the rightful owners.—*Emmons v. Sladdin*, 9 *O. G.* 352; *Com. Dec.* 1876, p. 304; 2 *Bann. & Ard.* 199.

Assignee of a patent is subject to the limitations which affected the title of his assignor. If the latter is estopped by a decree, the former is.—*Pennington v. Hunt*, 20 *Fed. Rep.* 195.

A suit in equity to fix title of contesting claimants to an invention, will not justify the detention of an application for patent therefor which has been passed to issue.—*Ex parte Paine*, 13 *O. G.* 408; *Com. Dec.* 1878, p. 51.

A warranty of title or right draws to it any after-acquired right or title of the warrantor, and carries it to the benefit of the person to whom the warranty runs.—*Faulks v. Kamp*, 17 *O. G.* 851; *Com. Dec.* 1880, p. 383; 17 *Blatch.* 432; 3 *Fed. Rep.* 898; *Curran v. Burdsall*, 20 *Fed. Rep.* 835; 27 *O. G.* 1319; *Com. Dec.* 1884, p. 270.

An instrument which makes no allusion to a patent further than to mention a claim for the use of the invention embraced therein, cannot act to carry the patent. The fact that it is recorded in the Patent Office cannot make it an instrument of title, but can only complete its effect if it was one.—*Campbell v. James*, 18 *O. G.* 1111; *Com. Dec.* 1880, p. 647; 5 *Bann. & Ard.* 354; 2 *Fed. Rep.* 338; 18 *Blatch.* 92.

The fact that a person holds stock in a company gives him no title to its property, and the attachment of such stock in the hands of a stockholder for a personal debt of the stockholder does not in any way encumber the property of the company.—*Gottfried v. Miller*, 21 *O. G.* 711; *Com. Dec.* 1882, p. 120; 104 *U. S.* 521.

If an assignee refuse to perform conditions that were to be performed subsequently, it cannot re-vest assignor with title to

the invention. His remedy is action for damages.—*Mallory v. Mackaye*, 22 *O. G.* 945; *Com. Dec.* 1882, p. 405; 12 *Fed. Rep.* 328.

The title to a patent taken out in the name of one of the members of a firm and never assigned to the firm, will not pass by sale of partnership property, although expenses incident to the issue of the patent were paid by the firm and the patent was used for the benefit of the firm while the partnership lasted.—*Mc Williams Mfg. Co. v. Blundell*, 22 *O. G.* 177; *Com. Dec.* 1882, p. 323; 11 *Fed. Rep.* 419.

The reissue of a patent to a person not the owner would not affect the title of the owner.—*Campbell v. James*, 18 *O. G.* 979; *Com. Dec.* 1880, p. 633; 17 *Blatch.* 42.

The claims for profits and damages arising from infringements prior to the plaintiff's purchase are choses in action, and the assignee takes the title subject to all the equities existing against the assignor.—*New York Grape Sugar Co. v. Buffalo Grape Sugar Co.*, 25 *O. G.* 1076; *Com. Dec.* 1883, p. 460; 18 *Fed. Rep.* 638; 21 *Blatch.* 519.

In the purchase of buckles with the words "licensed to use once only" stamped upon each, the purchaser does not take an unrestricted title to the buckles, without any reservation in the vendors.—*Am. Cotton-Tie Supply Co. v. Simmons*, 106 *U. S.* 89; 22 *O. G.* 1976; *Com. Dec.* 1882, p. 507; *vide* 3 *Bann. & Ard.* 320; *Am. Cotton-Tie Supply Co. v. Bullard*, 4 *Bann. & Ard.* 521; 17 *Blatch.* 160; 17 *O. G.* 389; *Com. Dec.* 1880, 273.

Under a conveyance of the entire legal title to patents to joint trustees, with full power to dispose of them at their discretion, it requires the joint deed of both to convey any title to, or interest in, the patents.—*Westcott v. Wayne Agric. Works*, 11 *Fed. Rep.* 298.

Although an invention is misnamed in a conveyance, if the deed furnishes sufficient means for correcting the mistake, or

identifying the thing sold, it will pass title to the invention patented.—*Harmon v. Bird*, 22 *Wend.* (*N. Y.*) 113.

A certificate that A. "is the owner of five-fortieth parts of the letters-patent" is not such an assignment of letters-patent as the law requires, and would give the person no interest whatever in the patent.—*Hope Iron Works v. Holden*, 58 *Maine* 146.

A subsequently acquired title by a vendor will inure to the benefit of the vendee under an assignment made when the vendor had no title.—*Sherman v. Champlain Co.*, 31 *Vt.* 162.

An assignment of a patent by a person having no title, with the written assent of the party in whom the title is, if in the form of a deed, is as effective as a conveyance directly from the owner.—*Sherman v. Champlain Co.*, 31 *Vt.* 162.

A mere assignment of the right, title, and interest of the assignor, and nothing further, will not operate to secure to the purchaser a title subsequently acquired by the vendor.—*Perry v. Corning*, 7 *Blatch.* 195.

If a person legally acquires title to that which is the subject of letters-patent, he may continue to use it until it is worn out, or he may repair it or improve upon it as he pleases, in the same manner as if dealing with property of any other kind.—*Chaffee v. Boston Belting Co.*, 22 *How.* 217.

Selling under a license is a recognition or admission of title in the licensor, and the licensee cannot impeach the validity of the patent as a defense, in an action of covenant for the recovery of royalties.—*Wilder v. Adams*, 2 *W. & M.* 329; *Sargent v. Larned*, 2 *Curt.* 340; *Marsh v. Dodge*, 11 *N. Y. Supr.* 278.

Until a licensee is disturbed in exercising his license by some party claiming to be the owner of the patent, he cannot call upon the vendor, in an action for the purchase-money agreed to be paid, to establish his title.—*Buss v. Putney*, 38 *N. H.* 44; *Holden v. Curtis*, 2 *N. H.* 61.

A patent-right is not a corporeal thing, either real or personal, but something intangible and incorporeal, resting wholly in grant. In contracts for the assignment of such interests, if there be no fraud, the purchaser must depend, in case they prove of no value, wholly upon his covenants. He has no remedy for his money if there is a failure of title.—*Hiatt v. Twomey*, 1 *Dev. & Bat. Eq.* (*N. C.*) 315; *Cansler v. Eaton*, 2 *Jones Eq.* (*N. C.*) 499.

The title of an assignee or purchaser may be impeached the same as when it remained with the assignor, by proving that the assignor had procured it by fraud.—*Day v. New Eng. Car Spring Co.*, 3 *Liv. Law Mag.* 44.

The purchaser of a patent-right on the representation that it covers a machine which in fact it does not, may have the deed of assignment and note given for the purchase-money canceled in a court of equity.—*Burrall v. Jewett*, 2 *Paige* (*N. Y.*) 134.

The clause of forfeiture for non-performance contained in an assignment, does not reduce the grantee to the position of a licensee. For the non-payment or other non-performance, a forfeiture might be enforced as for a condition broken, but until it is enforced the title granted remains in the assignee.—*Littlefield v. Perry*, 7 *O. G.* 964; 21 *Wall.* 205.

A purchaser of a patent has the right to rely upon the apparent record-title, so long as he acts in good faith, the same as the purchaser of real estate.—*Secombe v. Campbell*, 2 *Fed. Rep.* 357; 18 *Blatch.* 108.

The receiver of a corporation is merely the custodian of its property, and his appointment does not vest him with title to letters-patent.—*Dick v. Struthers*, 25 *Fed. Rep.* 103; 34 *O. G.* 231.

TRUSTEE.

Patents issued to persons who had previously divested themselves of all title therein, are held in trust for the rightful owners.—*Emmons v. Sladdin*, 9 *O. G.* 352; *Com. Dec.* 1876, p. 304; 2 *Bann. & Ard.* 199.

Under a conveyance of the entire legal title to patents to joint trustees, with full power to dispose of them at their discretion, it requires the joint deed of both to convey any title to, or interest in, the patents.—*Westcott v. Wayne Agric. Works*, 11 *Fed. Rep.* 298.

An agent employed to sell, having secretly purchased from the owner and afterward sold the invention at considerable advance, is deemed a trustee for the principal as to the surplus realized, and he cannot re-acquire the rights and compel his employer to accept them.—*Jeffries v. Wiester*, 2 *Saw.* 135.

The right of an administrator in a patent is not acquired and cannot be assigned under State laws. The act of Congress directs the mode in which an assignment shall be made, and where it shall be recorded. The administrator is trustee for the heirs of the deceased, and he may sell a patent-right the same as any other personal property of the estate, and no reason is perceived why the right may not be conveyed in parts so as to suit purchasers.—*Brooks v. Jenkins*, 3 *McLean* 432.

Administrators of an estate are not, properly speaking, trustees in whom is vested the legal title. The law clothes them with certain powers by which they are enabled to transmit the legal title of property. Acts done by one of them which relate to the delivery, gift, sale or release of the testator's goods or personal property, are deemed the acts of all. It is not necessary for all the administrators to unite in an assignment in order to pass the whole interest in a patent.—*Wintermute v. Redington*, 1 *Fish.* 239.

An assignment of an imperfect invention with all the improvements upon it that the inventor may make, is equivalent in equity to an assignment of the perfected results, and the assignees become the owners of the patent granted upon the perfected invention, and if it be issued to the assignor, he takes it in trust for the assignees, and should convey.—*Littlefield v. Perry*, 7 *O. G.* 964; 21 *Wall.* 205.

An inventor having conveyed all his interest in an invention and to any patents that might be obtained therefor, and, having covenanted to take out the patents for the assignee, subsequently takes them out in his own name, he holds them in trust for the assignee.—*Emmons v. Sladdin*, 9 *O. G.* 352; *Com. Dec.* 1876, p. 304; 2 *Bann. & Ard.* 199.

An assignment of the revenues of a railroad to a preferred creditor, with the privilege of using the property of the company until his debt is paid, does not render the assignee liable for infringement of a patent under which the road has a license, as he is acting merely as an agent for the company.—*Emigh v. Chamberlain*, 2 *Fish.* 192; 1 *Biss.* 367.

A court of equity may direct the sale of the interest of an inventor in his patent, in order to satisfy a judgment debt against him, and for that purpose may require the patentee to make an assignment of the patent under section 4898, Revised Statutes, and, in default of such assignment within a limited time, the court may appoint a trustee to execute the same.—*Murray v. Ager*, 20 *O. G.* 1311; *Com. Dec.* 1881, p. 423; 1 *Mackey* 87.

UNRECORDED ASSIGNMENT.

A prior unrecorded assignment is good against subsequent purchaser without *valuable consideration.*—*Saxton v. Aullman*, 15 *Ohio St.* 471.

Where a patentee assigns all *his* right, title, and interest for a particular territory, it will not affect a previous unrecorded

assignment if there is a residuary interest left in the patentee on which the second assignment can operate. In the absence of proof, it cannot be inferred from the language that the patentee intended fraud upon his assignee.—*Turnbull v. Weir Plow Co.*, 6 *Biss.* 225; 7 *O. G.* 173; 1 *Bann. & Ard.* 544; *Ashcroft v. Walworth*, 5 *Fish.* 528; 1 *Holmes* 152; 2 *O. G.* 546.

An agreement which operates as a transfer of a patent is good as against the patentee and those who purchase with notice, though not recorded.—*Continental Windmill Co. v. Empire Windmill Co.*, 4 *Fish.* 428; 8 *Blatch.* 295; *Peck v. Bacon*, 18 *Conn.* 377.

Where an assignee is a corporation and the patentee is its manager and director, it has notice through him as such of all prior assignments pertaining to his patents.—*Continental Windmill Co. v. Empire Windmill Co.*, 4 *Fish.* 428; 8 *Blatch.* 295.

Where an assignment of a patent is good as between the parties, and there has been a partial performance, it cannot be rescinded; the only remedy is action for damages for breach of contract.—*Moore v. Bare*, 11 *Iowa* 198.

A prior unrecorded assignment is good against subsequent assignees without *valuable consideration.*—*Saxton v. Aultman*, 15 *Ohio St.* 471.

Unrecorded written agreements contemporaneous with a license, and like it not necessary to be placed on record in the Patent Office, are binding upon the assignees of the license, although they were *bona-fide* purchasers without actual notice of any agreement between licensor and licensee other than the license itself.—*Hamilton v. Kingsbury*, 17 *O. G.* 147; *Com. Dec.* 1880, p. 246; 4 *Bann. & Ard.* 615; 17 *Blatch.* 264.

A conveyance of "all my right, title, and interest in and to" a patent, though properly recorded, does not include the right for two counties covered by a prior conveyance, although the

prior conveyance was not recorded in the Patent Office.—*Turnbull v. Weir Plow Co.*, 23 *O. G.* 91; *Com. Dec.* 1883, p. 121; 5 *Bann. & Ard.* 288; 14 *Fed. Rep.* 108; 9 *Biss.* 334.

A patent having been reissued to an inventor, although he had previously conveyed all his interest by an assignment which was not of record, the assignee cannot demand a patent to himself.—*Whitely v. Fisher*, 4 *Fish.* 248.

An assignment is not required to be recorded in order to be valid between the parties thereto.—*Holden v. Curtis*, 2 *N. H.* 61; *Black v. Stone*, 33 *Ala.* 327; *Moore v. Bare*, 11 *Iowa* 198.

In order to guard against an outstanding title of over three months' duration, the purchaser need only look to the records of the Patent Office.—*Gibson v. Cook*, 2 *Blatch.* 144.

Within the period of three months a purchaser must protect himself in the best way he can, as an unrecorded prior assignment will prevail; but it must be an assignment in writing, that may be recorded within the time limited.—*Gibson v. Cook*, 2 *Blatch.* 144.

USE BEFORE PATENT.

The unmolested use of an invention prior to an application for a patent, with the knowledge and consent of the inventor, gives the person so using the right to continue the use after the grant of a patent.—*McClurg v. Kingsland*, 1 *How.* 202; 2 *Robb* 105.

The construction and use of a device, with consent of the inventor before application for patent, operates as a special license to continue to use the specific thing.—*Magoun v. N. E. Glass Co.*, 3 *Bann. & Ard.* 114.

Section 7 of the Act of 1839, which provides that every person and corporation may use, and vend to others to be used, any *specific machine*, *manufacture*, or *composition* of matter

which they have purchased or constructed prior to the application for a patent, is limited to the use of the *particular thing* bought or made, and not the right to practise the invention.—*Brickill v. N. Y. City*, 7 *Fed. Rep.* 479; 18 *Blatch.* 273; 18 *O. G.* 463; *Com. Dec.* 1880, p. 605.

VESTED RIGHTS.

The patentee himself cannot, by a subsequent assignment of his patent, limit the right of the purchaser already vested.—*McKay v. Wooster*, 6 *Fish.* 375; 2 *Saw.* 373; 3 *O. G.* 441.

In a suit for the infringement of a patent, the bill alleged and the proofs showed that the letters-patent became the property of P., as administratrix of the patentee, as part of his estate, and that complainant was the sole devisee and legatee under the will of P.; *held*, that no property in the patent passed to complainant, and the bill was dismissed.—*Pelham v. Edelmeyer*, 25 *O. G.* 292; *Com. Dec.* 1883, p. 426; 15 *Fed. Rep.* 262; 21 *Blatch.* 188.

The laws of Congress give the right to a patent to the inventor, whether *sui juris* or under disability, or to the assigns of the inventor. As inventor or assignee of a patented invention, a married woman, an infant, or a person under guardianship, obtains a vested right to the patent.—*Fetter v. Newhall*, 25 *O. G.* 502; *Com. Dec.* 1883, p. 429; 17 *Fed. Rep.* 841; 21 *Blatch.* 445.

VOID PATENT.

The assignee of a patent is clothed with the right, as against the assignor, to make articles covered by the patent, although the patent may be void for want of novelty against the rest of the world.—*Curran v. Burdsall*, 20 *Fed. Rep.* 835; 27 *O. G.* 1319; *Com. Dec.* 1884, p. 270.

A licensee may defend an action for the recovery of royal-

ties accruing after the Patent Office has decided that the licensor was not the original inventor and has awarded a patent to another.—*Marsh v. Harris Mfg. Co.*, 22 *N. W. Rep.* 516.

A promissory note given for a void patent-right is without consideration.—*Dickinson v. Hall*, 14 *Pickering* (*Mass.*) 217; *Bliss v. Negus*, 8 *Mass.* 46; *Cross v. Huntley*, 13 *Wend.* (*N. Y.*) 385; *Head v. Stevens*, 19 *Wend.* (*N. Y.*) 411; *Kernodle v. Hunt*, 4 *Blackf.* (*Ind.*) 57; *Higgins v. Strong*, 4 *Blackf.* (*Ind.*) 182; *McClure v. Jeffrey*, 8 *Ind.* 79; *Nye v. Raymond*, 16 *Ill.* 153; *Jolliffe v. Collins*, 21 *Mo.* 338; *Rowe v. Blanchard*, 18 *Wis.* 462; *Rice v. Garnhart*, 34 *Wis.* 453.

A void patent is not a good consideration for a note. In an action for the purchase-money for a patent sold, the defendant may show that there was no such patent, or that it was invalid, or that the vendor had no right to sell it.—*Nye v. Raymond*, 16 *Ill.* 153.

If several payees of a note endorse it over to one of their number, payment may be avoided if the note was given for a license under a void patent.—*Saxton v. Dodge*, 57 *Barb.* (*N. Y.*) 84.

If a patented machine and the exclusive right to use it within a certain district, is the consideration for which a note is given, and the value of the machine has been paid, the vendor can make no further recovery, if the patent be void.—*Earl v. Page*, 6 *N. H.* 477.

If an assignment of three patents is in the nature of a quit-claim deed of whatever right, title or interest the assignor has or may acquire in the patents specified, and creates no warranty that either of the patents was valid, the transfer is legal and sufficient consideration for the notes given, even if one of the patents is invalid.—*Gilmore v. Aiken*, 118 *Mass.* 94.

If a contract shows that the parties mutually contemplated

the possibility, if not the probability, that the patent was invalid, and provided by the form of the instrument and its stipulations for the contingency, it is very clear that there is no ground on which the vendee can be permitted to set up a failure of consideration, even if the patent be void.—*Johnson v. Willimantic Linen Co.*, 33 *Conn.* 436.

A covenant of warranty is not a good consideration for a note if the patent is void.—*Dickinson v. Hall*, 14 *Pickering* (*Mass.*) 217.

If a patent is invalid, an assignee may have a remedy on a covenant, but he cannot, as a general principle and in ordinary cases, resort to such a defense as a want of consideration, or a failure of consideration, when an action is brought upon a sealed instrument executed in consequence of and founded on another covenant made by the patentee to him.—*Wilder v. Adams*, 2 *W.* & *M.* 329.

In an action to recover royalties, the assignee may plead in defense a decree of the United States Court in a suit between the same parties adjudging the patent void and of no effect.—*Hawks v. Swett*, 11 *N. Y. Sup.* 146; *Marston v. Swett*, 11 *N. Y. Sup.* 153.

Where there has been no misrepresentation or concealment of a material fact by the vendor, the purchaser cannot recover the money which was voluntarily paid with a full knowledge of all the facts in relation to the transaction, although the patent be void.—*Stevens v. Head*, 9 *Vt.* 174.

A purchaser cannot recover back the consideration paid, if he has derived any benefits from the use of the patent, although the patent is void.—*Holden v. Curtis*, 2 *N. H.* 61.

A court of equity will not relieve a purchaser of a patent-right from liability upon his bond, if there were no fraud on the part of the assignor, notwithstanding the patent may be void.—*Cansler v. Eaton*, 2 *Jones Eq.* (*N. C.*) 499.

Money paid on notes given for patent-right may be recovered if the patent be void, and a court of equity will compel the notes to be given up and canceled.—*Darst v. Brockway*, 11 *Ohio* 462; *Bellas v. Hays*, 5 *S.* & *R.* (*Pa.*) 427.

Where a patent has been possessed and enjoyed, the consideration paid therefor cannot be recovered although the patent may be declared invalid.—*Wilder v. Adams*, 2 *W.* & *M.* 329.

WARRANTY.

If a purchaser of a patent-right relies upon a contract or warranty, then the contract or warranty should be in the deed by which the law requires these rights to be transferred; it cannot be shown by parol.—*Rose v. Hurley*, 39 *Ind.* 77.

To warrant a patent, the invention must be useful—that is, capable of some beneficial use; not frivolous, pernicious or worthless.—*Dickinson v. Hall*, 14 *Pickering* (*Mass.*) 217; *Rowe v. Blanchard*, 18 *Wis.* 462.

An assignee who has manufactured under a patent and paid royalties to the assignor, cannot escape liability for arrears on the plea that he had taken the assignment under a misrepresentation and concealment as to the invention by the assignor. No guarantee of title is binding against the setting up of unfounded claims.—*Shaw v. Soule*, 20 *Fed. Rep.* 790.

A warranty of title or right draws to it any after-acquired right or title of the warrantor, and carries it to the benefit of the person to whom the warranty runs.—*Faulks v. Kamp*, 17 *O. G.* 851; *Com. Dec.* 1880, p. 383; 17 *Blatch.* 432; 3 *Fed. Rep.* 898; *Curran v. Burdsall*, 20 *Fed. Rep.* 835; 27 *O. G.* 1319; *Com. Dec.* 1884, p. 270.

Every seller of personal property impliedly warrants that he has title to and right to sell what he assumes to sell. The nature of a patent-right is such that a warranty of its right may be implied.—*Faulks v. Kamp*, 17 *O. G.* 851; *Com. Dec.*

p. 383; 17 *Blatch.* 432; 3 *Fed. Rep.* 898; *Curran v. Burdsall*, 20 *Fed. Rep.* 835; 27 *O. G.* 1319; *Com. Dec.* 1884, p. 270.

Unconditional sale of a patented article confers the whole title therein, and impliedly warrants full ownership on part of the vendor.—*Holliday v. Matheson*, 24 *Fed. Rep.* 185; 30 *O. G.* 452; 31 *O. G.* 1444.

An agreement by an assignor "to protect the sale from infringements" is a warranty that the sale and use of the device would infringe no existing patent.—*Croninger v. Paige*, 4 *N. W. Rep.* 106; 48 *Wis.* 229.

In suit for the contract-price of a machine purchased under a warranty, the purchaser may defend on the ground of a breach of warranty in that the device is an infringement of a patent. —*Croninger v. Paige*, 4 *N. W. Rep.* 106; 48 *Wis.* 229.

If a license contains no express covenant that the patent is valid, or even a recital that the licensor is the inventor, it does not amount to a warranty that the licensees shall enjoy the privilege of making the article in question against persons not claiming rights under the licensor.—*Jackson v. Allen*, 120 *Mass.* 64.

When money has been paid for a patent-right, it cannot be recovered back unless the contract has been rescinded, or was tainted with fraud, or was accompanied by a warranty that has not been fulfilled.—*Case v. Morey*, 1 *N. H.* 347; *Myers v. Turner*, 17 *Ill.* 179; *Hardesty v. Smith*, 3 *Ind.* 39.

In the absence of any warranty or covenant that the licensor is the inventor of the improvement described, he is not estopped from offering to prove the invalidity of the patent as bearing upon the damages sustained by his licensee on account of his (licensor's) failure to prosecute infringers as he had agreed to. —*Jackson v. Allen*, 120 *Mass.* 64.

The payment of a note given for a patent-right may be

defeated for want of consideration, by reason of a breach of warranty on part of the vendor.—*Hawes v. Twogood*, 12 *Iowa* 582.

If a patentee is guilty of no fraud, and the purchaser has received what he contracted for, he cannot complain nor can he reduce the amount of the stipulated price, unless there has been a warranty and a breach of it.—*Vaughan v. Porter*, 16 *Vt.* 266.

If an assignment contains no warranty, but a simple transfer of title, the vendee cannot set up a parol warranty for it must be presumed that the article contains the entire contract.—*Jolliffe v. Collins*, 21 *Mo.* 338; *Van Ostrand v. Reed*, 1 *Wend.* (*N. Y.*) 432.

Where an alleged warranty is not contained in a written contract, it cannot be proved by parol evidence, unless, in addition to the averment that there was such warranty, there be an allegation that it was false or fraudulent and that thereby the vendee was deceived.—*Mc Clure v. Jeffrey*, 8 *Ind.* 79.

If the purchaser of an invention with a covenant or warranty, yields without suit to a superior title to that of the vendor, he may sue on the covenant and recover; but the burden of proving the superiority of the title to which the vendee yielded rests on him.—*Orr v. Burwell*, 15 *Ala.* 378.

Where a sale of a patent-right contains no warranty, but is a simple transfer of title, the purchaser cannot set up a parol warranty, for it must be presumed that the deed contains the entire contract.—*Jolliffe v. Collins*, 21 *Mo.* 338.

WRITING.

As a general rule, an assignment of an interest in a patent must be in writing, for the reason that such transactions are required to be recorded, and in fact and reality are not authorized to be made in any other way.—*Baldwin v. Sibley*, 1 *Cliff.*

150; *Jordan v. Dobson*, 4 *Fish.* 232; 2 *Abbott* 398; *Davy v. Morgan*, 56 *Barb.* (*N. Y.*) 218; *Galpin v. Atwater*, 29 *Conn.* 93.

The interest or estate in a patent to the transfer of which a writing is necessary, is such as enables the party receiving it to convey legal title. An equitable interest or an interest in mere proceeds need not be recorded, consequently it need not be in writing.—*Blakeney v. Goode*, 30 *Ohio St.* 350.

All interests in patents are assignable by an instrument in writing. No particular form is required; but still there must be some operative words expressing at least an intention to assign, in order to constitute an assignment.—*Campbell v. James*, 18 *O. G.* 1111; *Com. Dec.* 1880, p. 647; 5 *Bann.* & *Ard.* 354; 2 *Fed. Rep.* 338; 18 *Blatch.* 92.

Section 4898, Revised Statutes, requires that the assignment of a patent be by an instrument in writing. The ability to make the instrument, however, or the aid to a disability, must be found in the laws of the States where all such rights are regulated.—*Felter v. Newhall*, 25 *O. G.* 502; *Com. Dec.* 1883, p. 429; 17 *Fed. Rep.* 841; 21 *Blatch.* 445.

Licenses are not required to be in writing, neither is the amount of fee required to be shown by writing. The whole may be shown by parol.—*Wooster v. Simonson*, 28 *O. G.* 918; *Com. Dec.* 1884, p. 366; 20 *Fed. Rep.* 317.

The statute authorizes assignments only in writing, and the legal ownership can be acquired only by written instruments. —*Jordan v. Dobson*, 4 *Fish.* 232; 2 *Abbott* 398; *Davy v. Morgan*, 56 *Barb.* (*N. Y.*) 218; *Galpin v. Atwater*, 29 *Conn.* 93.

UNITED STATES STATUTES RELATING TO ASSIGNMENTS.

SECTION 4. *And be it further enacted*, That it shall be lawful for any inventor, his executor or administrator, to assign the title and interest in the said invention at any time, and the assignee, having recorded the said assignment in the office of the Secretary of State, shall thereafter stand in the place of the original inventor both as to right and responsibility, and so the assignees of assigns to any degree.

APPROVED Feb. 21, 1793, 1 Stat. 318. (*Repealed July* 4, 1836.)

SECTION 11. *And be it further enacted*, That every patent shall be assignable in law, either as to the whole interest, or any undivided part thereof, by any instrument in writing; which assignment, and also every grant and conveyance of the exclusive right, under any patent, to make and use, and to grant to others to make and use, the thing patented within and throughout any specified part or portion of the United States, shall be recorded in the Patent Office within three months from the execution thereof, for which the assignee or grantee shall pay to the Commissioner the sum of three dollars.

APPROVED July 4, 1836, 5 Stat. 117. (*Repealed July* 8, 1870.)

SECTION 6. *And be it further enacted*, That any patent hereafter to be issued may be made and issued to the assignee or assignees of the inventor or discoverer, the assignment

thereof being first entered of record, and the application therefor being duly made, and the specification duly sworn to by the inventor. * * *

APPROVED March 3, 1837, 5 Stat. 191. (*Repealed July* 8, 1870.)

SECTION 8. *And be it further enacted*, That so much of the eleventh section of the above-recited act [5 Stat. 117] as requires the payment of three dollars to the Commissioner of Patents for recording any assignment, grant or conveyance of the whole or any part of the interest or right under any patent, be, and the same is hereby, repealed; and all such assignments, grants and conveyances shall, in future, be recorded without any charge whatever.

APPROVED March 3, 1839, 5 Stat. 353. (*Repealed July* 8, 1870.)

SECTION 33. *And be it further enacted*, That patents may be granted and issued or reissued to the assignee of the inventor or discoverer, the assignment thereof being first entered of record in the Patent Office; but in such case the application for the patent shall be made and the specifications sworn to by the inventor or discoverer; and also, if he be living, in case of an application for reissue.

SECTION 36. *And be it further enacted*, That every patent or any interest therein shall be assignable in law by an instrument in writing; and the patentee or his assigns or legal representatives may, in like manner, grant and convey an exclusive right under his patent to the whole or any specified part of the United States; and said assignment, grant or conveyance shall be void as against any subsequent purchaser or mortgagee for a valuable consideration, without notice, unless it is recorded in the Patent Office within three months from the date thereof.

SECTION 67. * * * For recording every assignment, agreement, power of attorney, or other paper, of three hundred words or under, one dollar; of over three hundred and under one thousand words, two dollars; of over one thousand words, three dollars.

APPROVED July 8, 1870, 16 Stat. 198. (*Repealed by Revised Statutes—see sections* 4895, 4898 *and* 4934.)

SECTION 4895. Patents may be granted and issued or reissued to the assignee of the inventor or discoverer; but the assignment must first be entered of record in the Patent Office. And in all cases of an application by an assignee for the issue of a patent, the application shall be made and the specification sworn to by the inventor or discoverer; and in all cases of an application for a reissue of any patent, the application must be made and the corrected specification signed by the inventor or discoverer, if he is living, unless the patent was issued and the assignment made before the eighth day of July, eighteen hundred and seventy.

SECTION 4898. Every patent, or any interest therein shall be assignable in law by an instrument in writing, and the patentee or his assigns or legal representatives may, in like manner, grant and convey an exclusive right under his patent to the whole or any specified part of the United States. An assignment, grant or conveyance shall be void as against any subsequent purchaser or mortgagee for a valuable consideration, without notice, unless it is recorded in the Patent Office within three months from the date thereof.

SECTION 4934. * * * For recording every assignment, agreement, power of attorney, or other paper, of three hundred words or under, one dollar; of over three hundred and under one thousand words, two dollars; of over one thousand words three dollars.

APPROVED June 22, 1874.

FORMS OF ASSIGNMENTS, AGREEMENTS, LICENSES, ETC.

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1. ASSIGNMENT BEFORE PATENT.

Whereas, I, A. B., of ....., County of ....., and State of ....., have invented certain new and useful improvements in ....., as fully set forth and described in the specification prepared and executed by me on the ..... day of ..... 188 , preparatory to obtaining letters-patent of the United States therefor;

And whereas, C. D., of ....., County of ....., and State of ....., is desirous of acquiring an interest in said invention and patent:

Now, therefore, to all whom it may concern, be it known that, for and in consideration of ..... dollar to me in hand paid, the receipt of which is hereby acknowledged, I have assigned, sold, and set over, and by these presents do assign, sell, and set over, unto the said C. D., his heirs and assigns, an undivided one-half of all the right, title, and interest which I have in said invention and patent.

And I do hereby authorize and request the Commissioner of Patents to issue the said letters-patent to myself and the said C. D., in accordance with this assignment.

And I hereby covenant that I have full right to convey the interest herein transferred, and that I have not executed any writing in conflict herewith.

In testimony whereof I hereunto set my hand and affix my seal this ..... day of ..... eighteen hundred and .....

..... [L. S.]

Sealed and delivered in presence of

.....

2. ASSIGNMENT BEFORE PATENT, WITH COVENANT TO EXECUTE REISSUE APPLICATION, Etc.

Whereas, I, A. B., of ....., County of ....., and State of ....., have invented certain new and useful improvements in ....., for which I am about to make application for letters-patent of the United States, which application was duly executed by me on the ..... day of ..... 188 , and whereof I am now the sole owner; and

Whereas, C. D., of ....., County of ....., and State of ....., is desirous of acquiring all my right, title, and interest in and to said improvements, application, and any letters-patent that may be granted therefor or thereupon, and any reissue or extension of the same:

Now, to all whom it may concern: Be it known, that for and in consideration of the sum of ..... dollar , lawful money of the United States, to me in hand paid by the said C. D., and for other good and valuable considerations from him to me moving, the receipt of which is hereby acknowledged, I, the said A. B., have sold, assigned, transferred, and set over, and do hereby sell, assign, transfer, and set over, unto the said C. D., all my right, title, and interest which I have, or may have, in and to the said improvements, application, and any letters-patent of the United States that may be granted therefor or thereupon, or any reissue or extension thereof; the same to be held and enjoyed by the said C. D., his heirs and assigns, as fully and entirely as the same would have been held and enjoyed by me if this assignment and sale had not been made.

And I do hereby authorize and request the Commissioner of Patents to issue said letters-patent, when granted, to the said C. D., his heirs and assigns. And for the above-named consideration I hereby covenant and agree that I will, at the request and charges of the said C. D., execute any and all applications for the reissue or extension of any letters-patent that may be granted upon said application or for the improvements described therein that the said C. D., his heirs or assigns, may deem necessary or expedient; and do all other and further acts that may be or become necessary to obtain said letters-patent and any reissue or extension of the same.

In witness whereof I have hereunto set my hand and seal this ..... day of ..... A. D. eighteen hundred and .....

A. B. [L. S.]

In the presence of

....

.....

3. ASSIGNMENT BEFORE PATENT, INCLUDING FUTURE IMPROVEMENTS.

Whereas, I, A. B., of ....., in the County of ....., and State of ....., am about to make application for letters-patent of the United States for an improvement in ....., which is described in the specification signed by me on the ..... day of ....., A. D. 188 , of which invention I am the sole owner:

Now, in consideration of the sum of one dollar, the receipt of which I acknowledge, I hereby sell, assign, transfer, and convey unto C. D., of ....., all my right, title, and interest in and to said improvement and letters-patent therefor when granted, and any and all improvements now made or which hereafter may be made by me in or on said machine, or any machine of the same class or for the same purpose. And I hereby request the Commissioner of Patents to issue said

letters-patent, when granted, to the said C. D., as the assignee of my whole right, title, and interest therein, for the sole use and behoof of the said C. D., his heirs and assigns.

And, in consideration of the said payment, I do hereby agree with the said C. D., his heirs and assigns, that at all reasonable times hereafter, on their request but at their cost, I will execute and deliver such petitions, specifications, and documents as in their judgment may be desirable or necessary to obtain for them such divisions of the said application or reissues of the said letters-patent as they may require. And all benefits of such divisions and reissues shall belong to them. This agreement and assignment shall be binding on my heirs and legal representatives.

Witness my hand and seal this ..... day of ....., 188 .

A. B. [SEAL.]

Signed, sealed, and delivered in presence of

.....

.....

4. ASSIGNMENT BEFORE PATENT, COUPLED WITH TERRITORIAL GRANT TO INVENTOR.

Whereas, A. B., of ....., County of ....., and State of ....., has invented certain improvements in ....., for which he is about to make application for letters-patent of the United States; and whereas, C. D., of ....., County of ....., and State of ....., is desirous of acquiring an interest in said invention, and in the letters-patent to be obtained therefor:

Now, therefore, be it known that, in consideration of the sum of ..... dollar , to the said A. B. in hand paid, by the said C. D., the said A. B. hereby sells, assigns, and transfers unto the said C. D. the whole right, title, and interest in and to the said invention, as fully set forth and described in the specification prepared and executed by the said A. B., on the .....day of ....., 188 , preparatory to obtaining letters-

patent of the United States therefor; and the said A. B.. hereby authorizes and requests the Commissioner of Patents to issue the said letters-patent to the said C. D., as assignee of the entire right, title, and interest in and to the same, for the sole use and behoof of the said C. D. and his legal representatives.

In consideration of the sum of one dollar in hand paid, the said C. D. hereby sells, grants, and conveys unto the said A B. all the right, title, and interest in and to the invention hereinbefore conveyed to the said C. D., for, to, and in the State of W., and in no other place or places. The same to be held and enjoyed by the said A. B. within and throughout the said specified territory, for his own use and behoof, and for the use and behoof of his legal representatives.

In testimony whereof the parties hereto have set their hands this ..... day of ....., 188 .

A. B.

C. D.

In presence of

.....

.....

5. ASSIGNMENT OF PATENT.

Whereas, ..., of ....., County of ....., and State of ....., did obtain letters-patent of the United States of America for certain improvements in ....., which letters-patent bear date the ..... day of ....., eighteen hundred and ....., and are numbered .....

And whereas, I, A. B., am now sole owner of said patent.

And whereas, C. D., of ....., County of ....., and State of ....., is desirous of acquiring an interest therein:

Now, therefore, to all whom it may concern, be it known that, for and in consideration of ..... dollar , to me in hand paid, the receipt of which is hereby acknowledged, I have assigned, sold and set over, and by these presents do assign,

sell, and set over, unto the said C. D. (*here insert the interest conveyed*), the right, title, and interest which I have in said invention and patent.

The same to be held and enjoyed by the said C. D. for his own use and behoof, and for the use and behoof of his legal representatives, to the full end of the term for which said letters-patent are granted, as fully and entirely as the same would have been held and enjoyed by me if this assignment and sale had not been made.

In testimony whereof I hereunto set my hand and affix my seal this ..... day of ....., eighteen hundred and .....

..... [L. S.]

Sealed and delivered in presence of

.....

6. ASSIGNMENT OF PATENT.

Whereas, letters-patent of the United States of America, numbered ....., and dated the ..... day of ....., A. D. 188 , were granted unto ..... for improvements in .....

And whereas, C. D., of ....., County of ....., and State of ....., is desirous of acquiring an interest in said invention and letters-patent:

Now, therefore, in consideration of ..... dollars, to me in hand paid, the receipt of which is hereby acknowledged, I, A. B., of ....., County of ....., and State of ....., do hereby sell and convey unto the said C. D., his heirs and assigns, the following-described right, title, and interest in and to said invention and letters-patent, and in and to all reissues and extensions thereof, to wit:

....

and I do covenant and agree with the said C. D., that I am the exclusive owner of the entire right, title, and interest herein conveyed, and that I have good right to sell and convey the same.

Witness my hand and seal this ..... day of ....., A. D. 188 .

In the presence of .....[SEAL.]

.....

.....

7. ASSIGNMENT OF PATENT, INCLUDING FUTURE IMPROVEMENTS.

Whereas, I, A. B., of ....., County of ....., and State of ....., did obtain letters-patent of the United States of America for certain improvements in ....., which letters-patent bear date the ..... day of ....., eighteen hundred and ....., and numbered .....

And whereas, I, the said A. B., am now sole owner of said patent.

And whereas, C. D., of ....., County of ....., and State of ....., is desirous of acquiring an interest therein:

Now, therefore, to all whom it may concern, be it known that, for and in consideration of ..... dollar , to me in hand paid, the receipt of which is hereby acknowledged, I have assigned, sold, and set over, and by these presents do assign, sell, and set over, unto the said C. D. (*here insert the interest assigned*), the right, title, and interest which I have in said invention and patent, and any and all improvements now made or which hereafter may be made by me in or on said patented machine, or any machines of the same class or for the same purpose.

The same to be held and enjoyed by the said C. D. for his own use and behoof, and for the use and behoof of his legal representatives, to the full end of the term for which said letters-patent are or may be granted (including any extension), as fully and entirely as the same would have been held and enjoyed by me if this assignment and sale had not been made.

And I covenant to and with the said assignee, his heirs and assigns, that I will, whenever the legal counsel of said assignee, his heirs or assigns, shall advise that a reissue or extension of said letters-patent is lawful and desirable, sign all papers, take all rightful oaths, and do all acts necessary or convenient to the procurement of such reissue or extension, without charge to said assignee, but at his expense.

In testimony whereof I hereunto set my hand and affix my seal this ..... day of ....., eighteen hundred and .....

.....[L. S.]

Sealed and delivered in presence of

.....

.....

8. ASSIGNMENT OF PATENT, INCLUDING CLAIMS FOR DAMAGES AND INFRINGEMENTS.

Whereas, letters-patent of the United States were granted to me, A. B., of ....., County of ....., and State of ....., which letters-patent were dated ....., 18 , and numbered ....., for improvement in ..... ; and whereas C. D., of ....., County of ....., and State of ....., is desirous of obtaining all the right, title, and interest of the said A. B., in and to said letters-patent, and the improvements therein contained, and all claims and demands, both in law and equity, for damages and profits accrued or to accrue on account of the infringement of said letters-patent, that I, the said A. B., have or may have:

Now, to all whom it may concern: Be it known that, for and in consideration of the sum of ..... dollar , lawful money of the United States, to me in hand paid by the said C. D., and for other good and valuable considerations from him to me moving, the receipt of which is hereby acknowledged, I, the said A. B., have sold, assigned, transferred, and set over, and do hereby sell, assign, transfer, and set over, unto

the said C. D., all the right, title, and interest which I have, or may have, in and to the said improvements and the aforesaid letters patent No ....., and any reissue or extension of the same, throughout the United States and Territories thereof; the same to be held and enjoyed by the said C. D., for his own use and behoof, and for the use and behoof of his heirs, executors, administrators, and assigns, to the full end of the term for which said letters-patent are or may be granted, and all reissues and extensions thereof.

And I have, for the before-named consideration assigned, sold, and set over, and do by these presents sell, assign, and set over, unto the said C. D., his heirs, executors, administrators, and assigns, all claims and demands, both in law and in equity, for damages and profits accrued or to accrue on account of the infringement of said letters-patent, that I have or may have.

In witness whereof I have hereurto set my hand and seal this ..... day of ... ..., A. D. eighteen hundred and .....

..... [L. S.]

In the presence of

.....

....

9. ASSIGNMENT OF PATENT, WITH COVENANT FOR DIVISION OF PROFITS.

Whereas, ..., of ....., County of ....., and State of ....., did obtain letters-patent of the United States of America for certain improvements in ....., which letters-patent bear date the ..... day of ....., eighteen hundred and ....., and are numbered .....

And whereas, I, A. B., am now sole owner of said patent.

And whereas, C. D., of ....., County of ....., and State of ....., desirous of acquiring an interest therein :

Now, therefore, to all whom it may concern, be it known that, for and in consideration of ..... dollar , to me in hand paid, the receipt of which is hereby acknowledged, I, the said A. B., have assigned, sold, and set over, and by these presents do assign, sell, and set over, unto the said C. D. (*here insert the interest conveyed*), the right, title, and interest which I have in said invention and patent.

The same to be held and enjoyed by the said C. D. for his own use and behoof, and for the use and behoof of his legal representatives, to the full end of the term for which said letters-patent are granted.

This assignment is made upon the following express condition, forming an inseparable part hereof, to which condition I, for myself, heirs, and assigns, assent by the act of signing this instrument, and to which condition said assignee, for himself, heirs, and assigns, assents by his acceptance of this instrument, or by doing or attempting to do any act under its authority; to wit: neither said assignee nor myself shall have any right or power to make any license or other privilege under or relating to said patent without that all the owners of the patent join in the same in writing; and neither of the owners shall have separately the right to make or sell or use any material part of the invention forming the subject-matter of said patent without that the party thus making or selling or using shall secure and pay to the other party, part owners of said patent, such share of the profits arising from such manufacture, sale or use as the part of said patent owned by said other party bears proportion to the whole patent. This only when said net profits amount to a sum equal to or greater than the established royalty of ..... on each patented machine. And neither party hereto is to be accountable for or share in any losses made by the other on account of any independent manufacture.

In testimony whereof I hereunto set my hand and affix my seal this ..... day of ....., eighteen hundred and.....

.... [L. S.]

Sealed and delivered in presence of

.....

.....

Formally accepted, with all conditions, the day and year above written.

..... *Assignee.*

10. ASSIGNMENT OF PATENT—TERRITORIAL.

Whereas, ..., of ....., County of ....., and State of ....., did obtain letters-patent of the United States of America for certain improvements in ....., which letters-patent bear date the ..... day of ....., eighteen hundred and ....., and are numbered .....

And whereas, I, A. B., am now sole owner of the said patent and of all rights under the same in the below-recited territory;

.....

And whereas, C. D., of ....., County of ....., and State of ....., is desirous of acquiring an interest in the same:

Now, therefore, to all whom it may concern, be it known that, for and in consideration of the sum of ..... dollar , to me in hand paid, the receipt of which is hereby acknowledged, I have assigned, sold, and set over, and by these presents do assign, sell, and set over, unto the said C. D. (*here insert the interest conveyed*), the right, title, and interest whatsoever, which I have in and to the said invention (or improvement), as secured by said letters-patent, for, to and in the ....., and for, to, and in no other place or places.

The same to be held and enjoyed by the said C. D. within and throughout the above-specified territory, but not elsewhere, for his own use and behoof, and for the use and behoof of his legal representatives, to the full end of the term for which said leters-patent are or may be granted (including any

extension), as fully and entirely as the same would have been held and enjoyed by me had this assignment and sale not been made.

In testimony whereof I have hereunto set my hand and affixed my seal this ..... day of ....., eighteen hundred and .....

.....[L. S.]

Sealed and delivered in presence of

.....

.....

11. EXCLUSIVE TERRITORIAL RIGHT.

To all whom these presents shall come, greeting:

Whereas, letters-patented of the United States and Territories, No. ....., for an improvement in washing machines, were granted to ....., of Seneca, Kansas, dated ..... 188 :

Now, this indenture witnesseth that A. B., having fully examined the above-described letters-patent and machines, is desirous of obtaining an interest therein, and for and in consideration of ..... dollars, to us in hand paid, by the said A. B., of ....., County of ....., and State of ....., we do hereby sell, grant, and convey to the said A. B., his heirs or assigns, all our right, title, and interest to manufacture, use, vend or sell the aforesaid improvements in the following-described territory—viz.: ....., and in no other place or places. This right to be held and enjoyed by the party aforesaid to the full end of the term for which said letters-patent are granted.

In witness whereof we hereunto subscribe our names at ....., County ....., State of ....., this ..... day of ....., 188 .

.....

.....

Signed and delivered in the presence of the following witnesses:

.....

.....

12. AGREEMENT TO ASSIGN.

Whereas, I, A. B., of ....., County of ....., and State of ....., have invented certain improvements in ....., for which I made application for letters-patent of the United States on the ..... day of ....., 188 :

And whereas, C. D., of ....., County of ....., and State of ....., is desirous of acquiring an interest in said invention, and has agreed to purchase from me all the right, title, and interest which I now have, or may have, in and to said invention, in consequence of the grant of letters-patent of the United States therefor, and has paid to me, the said A. B., the sum of ..... dollar :

Now, this indenture witnesseth that, in consideration of said payment, and the further sum of ..... dollar , to be paid to me, the said A. B., on or before the ..... day of ....., A. D. 188 , I do hereby agree to assign, sell, and set over unto the said C. D. the aforesaid letters-patent when granted, and to execute all papers necessary to vest the said C. D. with full title to said invention and patent.

In testimony whereof I have hereunto set my hand this ..... day of ....., A. D. 188 .

....

Witness:

.....

.....

13. AGREEMENT TO REFUND PURCHASE-MONEY.

Whereas, I, A. B., have, by my deed bearing date of ....., sold and conveyed to C. D. one-fourth interest in letters-patent No. ....., granted to ..... on the ..... day of ....., 188 , for ....., and for which the said C. D. has paid me the sum of ..... :

Now, therefore, in case the said C. D. shall fail, after due diligence and proper effort on his part, to realize the said sum of ..... dollars from the sales of said patented device, within

three years from this date, then, and in that case, I will pay to him, the said C. D., the said sum of ..... dollars, upon his reconveying to me the said interest conveyed to him as aforesaid.

Witness my hand this ..... day of ....., 188 .

A. B.

In presence of

.....

.....

14. LICENSE, WITH QUARTERLY PAYMENTS.

This agreement and license, made this ..... day of....., 18 , by and between ....., of the first part, and ....., of the second part, witnesseth,

That whereas, letters-patent were issued by the United States to ....., on the ..... day of ....., A. D. 188 , numbered ....., for .....

And whereas, the said part of the second part, acknowledging the novelty and utility of said invention, and the validity of said patent, ... desirous of acquiring the right to ..... under and according to said patent:

Now, these presents witnesseth that the said part of the first part, for and in consideration of the sum of ..... dollar , to ..... paid by the said part of the second part, the receipt whereof is hereby acknowledged, and of the faithful performance of the covenants and agreements herein contained, made by the part of the second part, ha sold and granted, and do hereby sell and grant unto the said..... , the right, license, and privilege to ....., with any and all modifications of which the invention is susceptible, to the full extent of the grant contained in said letters-patent, and to use, and to sell and deliver the ..... for use, in any and all places.

And the said part of the second part covenant and agree that ..... will employ good materials and workmanship, and will conduct the business honorably and skillfully, so

as to endeavor to make and maintain a good reputation for the invention, and will keep exact and full accounts of ....., and will allow the part of the first part or ..... agents to examine ..... books at all reasonable times. And that ..... will make a full and sworn return to the part of the first part, or ..... legal representative , on the first day of January, April, July and October of each year, showing the exact ..... delivered during the three months prior to the first day of the month preceding, and that ..... will then pay the license-fee thereon as set forth below, by forwarding it to place of business of the part of the first part, or will deposit the same to the credit of the part of the first part, or ..... legal representatives in the ..... bank at ....., or such other place as shall hereafter be mutually agreed upon.

The following is the license-fee to be well and truly paid by the part of the second part, on all ....., under and according to this invention, to wit :.....

In case of a refusal or neglect of the part of the second part to fulfil the conditions of this agreement for thirty days, after having been specifically solicited in writing so to do, then, on the serving of a notice in writing on the part of the second part, or at the place of business thereof, the part of the first part may declare this license to become void in thirty days from and after such service of notice; and in such case, this license and agreement shall, after such period, become void, but otherwise shall be and remain in full force and effect to the end of the term for which said letters-patent are granted, and under all reissues, divisions, and extensions thereof.

And it is understood and agreed that, in case of the termination of this license by reason of notice served as above, nothing herein contained shall release the part of the second part from the obligation to pay the royalty then already accrued at the date of such termination, nor to relieve

the part of the second part in any way from the position of an infringer, if ..... continue thereafter to use the invention without a new license, which new license it shall be at the option of the part of the first part to grant or refuse.

The right, privilege and license hereby granted is not, nor is any part of it to be, transferable or assignable by the part of the second part; and it is not the intention to give to said part of the second part any right or privilege except what ..... shall personally exercise; and ..... not to have the power or right to in any way transfer or impart to another or others the right or privilege hereby granted; and the part of the second part hereby covenant and agree, as a condition of the enjoyment of the right and privilege hereby granted, to stamp, print, or otherwise mark in a conspicuous manner, on each and every ..... manufactured by ..... under said letters-patent, the words and figures as follows, to wit: ["Patented ....."]

And it is understood and agreed by the parties hereto that the covenants and agreements herein of the part of the first part shall apply to and be binding upon ..... heirs, executors, administrators, and assigns, and that the covenants and agreements herein of the part of the second part shall apply to and be binding upon.....

In testimony whereof the parties have hereto set their hands and affixed their seals, the day and year first above written.

In presence of

....

....

15. LICENSE, WITH ROYALTY.

This agreement, made this ..... day of ....., eighteen hundred and ....., between A. B., party of the first part, and C. D., party of the second part, witnesseth that,

Whereas, letters-patent of the United States for an improvement in ..... were granted to the party of the first part,

dated ..... and numbered .....; and whereas, the party of the second part is desirous of manufacturing ....., containing said patented improvement:

Now, therefore, the parties have agreed as follows:

I. The party of the first part hereby licenses and empowers the party of the second part to manufacture ..... containing the patented improvements, subject to the conditions hereinafter named, at ..... establishment in ....., and in no other place or places, for the term of ....., and to sell the machines so manufactured within the United States.

II. The party of the second part agrees to make full and true returns to the party of the first part, under oath, upon the ..... day of ..... in each year, of all ..... containing the patented improvements manufactured by .....

III. The party of the second part agrees to pay to the party of the first part ....., as a license-fee, upon every ..... manufactured by said party of the second part containing the patented improvements: provided that, if the said fee be paid upon the days provided herein for returns, or within ..... days thereafter, a discount of ..... per cent. shall be made from said fee for prompt payment.

IV. Upon a failure of the party of the second part to make returns, or to make payment of license-fees, as herein provided, for ..... days after the days named herein, the party of the first part may terminate this license by serving a written notice upon the party of the second part; but the party of the second part shall not thereby be discharged from any liability to the party of the first part for any license-fees due at the time of the service of said notice.

In witness whereof the parties above named have hereunto set their hands and affixed their seals the day and year first above written.

..... [L. S.]

In presence of ..... [L. S.]

.....

....

16. LICENSE—PERSONAL.

This agreement and license, made this ..... day of ....., 188 , by and between A. B., of ....., party of the first part, licensor, and C. D., of ....., party of the second part, licensee,

Witnesseth, that whereas, letters-patent No. ..... were issued by the United States on the ..... day of ....., 188 , to ....., for .....

Now, therefore, be it known that the said A. B., party of the first part, for and in consideration of the sum of one dollar to him in hand paid, the receipt whereof is hereby acknowledged, and the further consideration of the covenants hereinafter specified, doth hereby sell, assign and convey unto the said C. D., party of the second part, the exclusive right to make, use and vend the said invention for the term of ..... years from the date hereof, in the following-described territory .....

And the said C. D., party of the second part, has agreed, and by these presents does covenant and agree, to and with the said A. B., party of the first part, that he will immediately commence the manufacture of said invention in accordance with the said letters-patent, and that he will use all his business tact and skill and all other means necessary to introduce and sell the same, and to make the sale thereof as large as in any way possible in the territory aforesaid, during the continuance of the license aforesaid and no longer, and to sell the said device nowhere but in the territory specified, except on the written consent of the said A. B., party of the first part. And the said C. D., party of the second part, agrees to accept in the aforesaid license such rights as are covered by the patent named, and to maintain them at his own cost and expense in suits at law, whenever in his judgment it shall be necessary so to do, and to avail himself of such advice, counsel, and assistance as the said A. B., party of the first part, may elect to give

in said suits; and that in case of the failure of the said C. D., party of the second part, to perform the covenants and agreements hereby entered into, it shall be lawful for the said A. B., party of the first part, to annul and revoke this license and to terminate this agreement.

In testimony whereof the parties to this agreement have hereunto set their hand and seals the day and year above written. (Executed in duplicate.)

A. B. [SEAL.]
C. D. [SEAL.]

In the presence of

.....

.....

17. LICENSE—SHOP-RIGHT.

To all whom it may concern, be it known that, for and in consideration of ..... dollar , to me in hand paid by C. D., of ....., the receipt of which is hereby acknowledged, I do hereby license and empower the said C. D. to manufacture in ....., County of ....., and State of ....., or some other place or places, as he may elect, the improvement in ....., for which letters-patent of the United States No. ..... were granted to ..... on the ..... day of ....., eighteen hundred and ....., and to sell the machines so manufactured throughout the United States to the full end of the term for which said letters-patent are granted.

And I covenant to and with the said C. D. that I have full right to grant this license under the said letters-patent in manner and form as above written.

In testimony whereof I have hereunto set my hand and affixed my seal this ..... . day of ....., eighteen hundred and .....

.....[L. S.]

Signed, sealed and delivered
in presence of

.....

.....

18. ARTICLES OF ASSOCIATION—JOINT-STOCK COMPANY.

Articles of association of the.....

The subscribers hereby associate themselves as a body corporate and politic, under and in pursuance of the provisions of the statute laws of the State of ....., authorizing and regulating the formation of "joint-stock corporations," and they adopt the following general articles of association and agreement:

I. The name of the corporation shall be ....., and its capital stock shall be ..... dollars, to be divided into ..... shares of ..... dollars each.

II. The purpose for which this said corporation is to be organized is to manufacture and sell the ..... , covered by letters-patent of the United States dated ....., eighteen hundred and ....., issued to ..... to sell rights under said letters-patent, and to buy and sell and deal generally in such real and personal estate as may be necessary and convenient in the prosecution of said business.

III. The principal place of business of said corporation shall be at ....., County of ....., and State of .....

IV. Each subscriber hereto agrees to take the number of shares in the capital stock of said corporation set against his name, to be paid for by instalments as called for by the directors hereafter to be appointed.

V. It is mutually understood and agreed by and between the subscribers hereto that the said ....., or his legal representatives, may subscribe hereto for that number of shares the par value of which amounts to ..... dollars, and that when said letters-patent are fully assigned to said corporation, said ..... and his legal representatives shall be freed from any further liability on account of said shares, which said allowance, together with ..... dollars in cash, which it is agreed and understood shall be paid to said ..... before said corporation shall commence to prosecute said business, shall be in

full payment for said letters-patent and the invention covered thereby, which shall then become the full and exclusive property of said corporation.

Dated at ....., the ..... day of ....., eighteen hundred and .....

NAME.	*No. of Shares.*	*Par Value.*
.....	.....	$.....
.....	.....	$.....
.....	.....	$.....
....	....	$.....
.....	.....	$ .....
....	....	$.....

19. QUIT-CLAIM.

Whereas, A. B., of ....., County of ....., and State of ....., did obtain letters-patent of the United States for improvements in ....., which letters-patent bear date the ..... day of ....., A. D. 18 , and are numbered .....

And whereas, C. D., of ....., County of ....., and State of ....., is desirous of acquiring my interest therein:

Now, therefore, be it known that, in consideration of ..... dollar , to me in hand paid, I, the said A. B., do hereby sell, assign, and quit-claim unto the said ....., his heirs and assigns, all my right, title, and interest, and all claims and demands, both in law and equity, that I now have or may have in and to the aforesaid letters-patent and the invention thereby secured, the same to be held and enjoyed by the said ..... for his own use and

behoof, and for the use and behoof of his heirs, executors, administrators, and assigns.

In witness whereof I hereto set my hand this ..... day of ....., 188 .

....

In presence of

....

....

20. POWER OF ATTORNEY TO SELL RIGHTS.

To all to whom these presents shall come, greeting :

Be it known that I, A. B., of ....., County of ....., and State of ..... , patentee and sole owner of letters-patent of the United States of America No. ....., for an improvement in ....., dated the ..... day of ....., eighteen hundred and ....., do hereby constitute and appoint C. D., of ....., County of ....., and State of ....., my true and lawful attorney, with full power to make assignments, grants or licenses of any kind under said letters-patent, with full power to sign my name to all such instruments, and in my name to receive and receipt for all considerations in exchange for any of such rights; but with no power to bind me in any manner further than to make binding and legal all such assignments, grants, and licenses.

This power to be of full force and effect until a revocation hereof in writing shall be duly recorded upon the records of the United States Patent Office, where this instrument will be found of record.

Witness my hand and seal this ..... day of ..... eighteen hundred and .....

.... [L. S.]

Witness :

.....

.....

21. MORTGAGE OF PATENT.

To all to whom these presents shall come, greeting :

Be it known that, for and in consideration of the sum of ..... dollar , received to my full satisfaction, of C. D., of ....., County of ....., and State of ....., I, A. B., of ....., County of ....., and State of ....., do hereby assign and mortgage to the said C. D. the whole right, title, and interest in and to letters-patent of the United States No. ....., dated ....., for an improvement in ....., granted to .....

And I covenant to and with said assignee and mortgagee, his heirs and assigns, that I have full right to assign and mortgage said invention and letters-patent in manner and form as above written, and that the interest hereby conveyed and mortgaged is free from all prior assignment, grant, mortgage, or other incumbrance whatever.

The condition of this assignment and mortgage is such that whereas I am justly indebted to the said C. D. in the sum of ..... dollar , as evidenced by my promissory note of even date herewith, payable to said mortgagee or order ..... from date with interest : now, if said note be well and truly paid according to its tenor, then this assignment shall be null and void, but otherwise to be of full force and effect.

In witness whereof I have hereunto set my hand and affixed my seal this ..... day of ....., eighteen hundred and .....

..... [L. S.]

Witness :

....

....

22. MORTGAGE OF PATENT, WITH POWER TO SELL.

To all whom it may concern :

Be it known, that in consideration of the sum of ..... dollar , received of C. D., of ....., County of....., State

of ....., I, A. B., of ....., County of ....., and State of ....., do hereby assign and mortgage to the said C. D. the whole right, title, and interest in and to letters-patent of the United States No....., dated ....., for an improvement in ..... granted to ..... And I covenant to and with said assignee and mortgagee, his heirs and assigns, that I have full right to assign and mortgage said invention and letters-patent in manner and form as above written, and that the interest hereby conveyed and mortgaged is free from all prior assignment, grant, mortgage, or other incumbrance whatever.

The condition of this assignment and mortgage is such that whereas I am justly indebted to the said C. D. in the sum of ....., as evidenced by a promissory note of even date herewith, payable to said mortgagee or order ..... years from date with interest: now, if said note be well and truly paid according to its tenor, then this assignment shall be null and void, but otherwise to be of full force and effect.

And for the better securing the aforesaid payment, as well as to save the expense and delay of legal proceedings, I do hereby appoint ....., his heirs, executors, administrators, and assigns, my attorney in fact, with power to sell, in case of default of payment at maturity, the aforesaid patent and the invention thereby secured, at public auction, giving such notice thereof as is required in sales on execution, and execute a proper deed of assignment to the purchaser; and out of the proceeds of sale, to pay the said debt, together with interest, costs, and charges, and the balance, if any, to the undersigned; hereby covenanting with all concerned to ratify and confirm all acts lawfully done in pursuance of this power.

In witness whereof I have hereunto set my hand and affixed my seal this ..... day of ....., A. D. 188 .

..... [SEAL.]

Witnesses:

.....

.....