

point has never been overruled, had decided that the co-patentee was so liable.

*Steers v.
Rogers.*

In *Steers v. Rogers* (d) the decision was that where a patentee assigns to each of two persons a moiety of his patent rights, each assignee can work the patent without being liable to account to the other for profits; and none the less if one of the assignees be mortgagee of the other's moiety. Lord Herschell said, in the course of his speech: "I will for a moment deal with the case, as though the defendant had not been mortgagee at all, but had been only the owner of one-half of the patent right, the ownership of the other being vested absolutely in the plaintiff, the appellant. The appellant must establish that, where letters patent are thus vested in two assignees, if either of them makes use of the invention in his business, he is bound to account to the other for a share of the profits derived from the articles manufactured according to the invention. In the case of *Mather v. Green* (e) . . . it was held that 'Where a patent for an invention is granted to two or more persons in the usual form, each one may use the invention without the consent of the others; and if he so uses it is not bound to account to the others for any share of the profits which he makes by its use.' Lord Cranworth says: 'There is no principle, in the absence of contract, which can prevent any persons, not prohibited by statute, from using any invention whatever. Is there, then, any implied contract, where two or more persons jointly obtain letters patent, that no one of them shall use the invention without the consent of the others, or, if he does, that he shall use it for their joint benefit? I can discover no principle for such a doctrine . . .' The learned counsel for the appellant maintained, as he was entitled to do in your Lordship's House, that that decision was not good law; but it appears to me to be both good law and good sense when the nature of patent rights is regarded. What is the right which a patentee has or patentees have? It has been spoken of as though a patent right were a chattel, or analogous to a chattel. The truth is that letters patent do not give the patentee any

(d) (1893) App. Ca. 292; 62 L. J. Ch. 671; 10 R. P. C. 245. See also *Dunnicliffe v. Mallett* (1859), 29 L. J. C. P. 70; 7 C. B. N. S. 209; *Wilton v. Lavater* (1860), 29 L. J. C. P. 275; 8 C. B. N. S. 162; *Sheehan v. G. E. Railway* (1880),

16 Ch. Div. 59; 50 L. J. Ch. 68; *Re Russell's Patent* (1857), 2 De G. & J. 130; *Hancock v. Bewley* (1860), Johns. 601; *Re Horsley and Knighton* (1860), 5 Eq. 475; 39 L. J. Ch. 157.
(e) (1866) 1 Ch. 29; 35 L. J. Ch. 1.

right to use the invention—they do not confer upon him a right to manufacture according to the invention. That is a right which he would have equally effectually if there were no letters patent at all. What the letters patent confer is the right to exclude others from manufacturing in a particular way, and using a particular invention. When that is borne in mind, it appears to me very clear that it would be impossible to hold, under these circumstances, that where there are several patentees, either of them, if he uses the patent, can be called upon by the others to pay to them a portion of the profits which he makes by that manufacture, because they are all of them entitled, or perhaps any one of them is entitled, to prevent the rest of the world from using it.”

But neither of two joint patentees is entitled to cause to be made in the Register any entry which purports to affect or prejudice the rights of the other; he may but sell his share, and create an interest *pro tanto* (*f*). Either may use the patent, but neither may dispose of the right of the other (*f*), nor can one co-owner release an infringer from liability to damages to the other co-owners (*g*). On the subject of apportionment of damages see *Dent v. Turpin* (*h*).

Co-owners must not prejudice the rights of each other.

If the patent has been granted to more than one person, parol evidence that one or more of the nominal patentees has not an interest in the patent will not be admitted (*i*).

The inability of one of several joint patentees profitably to use the invention without the consent of his co-patentees who are owners of a prior patent, does not entitle him to share with his co-patentees in the profits made by them from the use of the patent; there being no principle of law, in the absence of contract, to prevent any person, not prohibited by statute, from using any invention whatever, and no implied contract where several persons jointly obtain letters patent, that no one of them shall use the invention without the consent of the others, or that he shall use it for their joint benefit (*k*).

It seems that in all cases where the application is made by

(*f*) *Re Horsley and Knighton's Patent* (1869), 8 Eq. 475; 39 L. J. Ch. 157. As to right of survivorship in relation to action of infringement, see *Smith v. L. & N. W. Railway* (1853), 2 E. & B. 63. And see *Walton v. Larater* (1869), 35 L. J. C. P. 275; 8 C. B. N. S. 162.

(*g*) *Re Horsley and Knighton's Patent* (1869), 8 Eq. at p. 477.

(*h*) 30 L. J. Ch. 495; 2 J. & H. 139.

(*i*) *Mathers v. Green* (1866), 1 Ch. 29; 35 L. J. Ch. 1.

(*k*) *Mathers v. Green* (1866), 1 Ch. 29; 35 L. J. Ch. 1. And see *Steers v. Rogers* (1893), App. Ca. 232.

Agreement
advisable.

several persons jointly, an agreement should be entered into between the applicants to define their mutual positions clearly. Such agreement should provide for the payment of renewal fees, the expenses of applying for disclaimers of oppositions to similar grants, of litigation on petitions to revoke, proceedings against infringers, &c. Also for the granting of licences, and the working of the invention by the patentees themselves (*l*).

Partnership
and co-owner-
ship.

If the arrangement between the co-owners amounts to a partnership, different considerations come into being. And it may be that co-ownership in a patent may be brought about by partnership. For instance, in *Kenny's Button-holing Co. v. Somerville (m)*, it was held that where a partnership was formed for the purpose of working an invention patented by one of the partners, the patent became part of the assets of the partnership, and that neither party could assign without the concurrence of the other; but that each partner acquired a licence to work the invention, and could work it accordingly on his own account on dissolution of partnership.

(*l*) See Trans. Inst. P. A. vol. viii.,
a paper "On certain features of joint

proprietorship in patents." C.M.Owen.
(*m*) (1878) 26 W. R. 787.

CHAPTER X.

ASSIGNMENTS AND LICENCES.*

As to the position of assignees and licensees in actions affecting letters patent see, generally, Chapter XIII., pp. 359 et seq.

As to compulsory licences see sect. 22 of the Act, p. 593, and Rules 60—66, p. 702.

As to registration see, generally, Chapter XI.

I. ASSIGNMENTS.

Power to Assign.

A PATENT is made assignable by the express terms of the grant in the form which is now always employed. This is Form D of the first schedule to the Act of 1883, the second recital of which states that the patentee, his executors, administrators and assigns, or any of them, are referred to in the form as "the said patentee," and in the operative part of the form the grant is made to "the said patentee . . . that the said patentee by himself, his agents, or licensees, and no others, may at all times hereafter during the term of years herein mentioned, make, use, exercise, and vend the said invention."

Grant is to patentee and his assigns.

It is provided by sect. 33 that this form *may* be followed, but it is submitted that in so far as matters of substance are concerned, an applicant who is entitled to a patent at all is entitled to have it followed as of right. In particular he appears to be entitled to a grant of an assignable interest in the patent. Other sections of the Act show that patents are treated, as in fact they invariably are, as being assignable. Thus sect. 87 provides for the registration of assignments generally, and sect. 36 makes assignments for particular places lawful (a).

(a) "All monopolies are illegal unless allowed by a patent, which cannot be assigned at all unless power to that effect is given by the Crown" (per Littledale, J.), in *Duvergier v. Fellows* (1830), 10 B. & C. 836. In the case cited there was a patent containing a proviso making it void upon assignment to or

* The whole of this chapter has been written by D. M. Kerly, Esq., Barrister-at-Law.

No right of property in an unpatented invention.

The inventor or his assignee has no right of property in the invention (*b*) other than that conferred by the patent, if there is any patent, or the right of applying for a grant, if there is none.

Disclosure of secret in breach of confidence.

He may, however, have a personal remedy by injunction (*c*), or an action for damages (*d*) against any person who has acquired a knowledge of his invention, while it remains a secret, under circumstances such that its disclosure would be a breach of confidence or of contract (*e*).

"Invention" usually assigned.

Notwithstanding that the assignment of an invention is equivalent to no more than the assignment of the benefit of any patent granted in respect of it, it is usual in all assignments of patents to include an express grant of the invention as well as of the patent (*f*). But the addition appears to be mere conveyancing verbiage.

Right to future patent may be assigned.

The beneficial interest in the right to apply for a patent can be assigned (*g*), but the application itself must be made in the name of the inventor or his personal representative, applying either alone or with other applicants (*h*). So the right to future patents may be assigned (*i*). Upon the assignment of a particular patent, it is very common to provide that the assignor shall assign any future patents he may acquire for improvements, or for analogous inventions, and such a provision is operative, and is not void as being either in restraint of trade or contrary to public policy (*k*). A covenant to assign a future patent when granted becomes operative as an actual assignment so soon as the grant of the patent is made to the covenantor (*l*).

Applications in fraud of the inventor.

The right of applying for a patent in respect of an invention is protected against applications in fraud of the "true and first

in trust for more than five persons. For some reason the Judges treated an assignment of the patent to a company of numerous persons as illegal. The practice of limiting the number of persons to whom a patent might be assigned was abandoned in 1852. And by sect. 36 of the Act of that year limiting provisions in grants of earlier date were rescinded.

(*b*) Hindmarch, 233.

(*c*) *Youatt v. Wingard* (1820), 1 Jac. & W. 394; *Morison v. Moat* (1851), 9 Ha. 241, 10 Ha. 248.

(*d*) *Robb v. Green* (1895), 2 Q. B. 1, 315.

(*e*) *Smith v. Dickenson* (1804), 3 Bos. & P. 630, and see further the chapter

on "Trade-Secret" in Kerly on Trade-marks.

(*f*) See Morris, p. 113.

(*g*) *Knowles v. Borill* (1870), 22 L. T. N. S. 70.

(*h*) See the notes to sects. 4 and 5. *post*, pp. 550 *et seq.*

(*i*) *Parnell's Patent* (1888), 5 R. P. C. 126.

(*k*) *Printing and Numerical Registering Co. v. Sampson* (1875), L. R. 19 Eq. 462.

(*l*) *Cartwright v. Amatt* (1799), 2 Bos. & P. 43. See generally as to covenants to assign future property, *The Official Receiver v. Tailby*, 13 App. Ca. 523, and *Holroyd v. Marshall*, 10 H. L. C. 191.

inventor" by sect. 35 (m), and against the risk of the death of the inventor by sect. 34 (n), which enables the personal representative of any "person possessed of an invention" who dies without applying for a patent, to apply for and obtain the grant.

After his death.

Mortgages and assignments of the patent rights in undeveloped or unpatented inventions are very common, and by means of them inventors not infrequently obtain the means necessary to enable them to work out or complete, or to protect their inventions. It is usual, for the protection of the lender or purchaser who advances money upon the security of, or purchases an interest in an unpatented invention, to stipulate that he or his nominee shall be a co-patentee with the inventor, and shall join in the application for the patent. By sect. 5 of the Act of 1885 this practice is recognised and sanctioned. The section provides that "whereas doubts have arisen whether under the principal Act (o) a patent may lawfully be granted to several persons jointly, some or one of whom only are or is the true and first inventors or inventor; be it therefore enacted and declared that it has been and is lawful under the principal Act to grant such a patent."

Assignments of patent rights in undeveloped inventions.

Purchaser to be co-patentee.

The agreement under which the advance of money, or the purchase is made, should provide that the inventor shall proceed with and perfect the invention, apply for or concur in applying for a patent, and do all things requisite in order to obtain the grant of a valid patent to himself and the agreed co-patentees. Terms providing for keeping the invention a secret until the provisional specification is filed, for the payment of fees on the application, the employment of a patent agent, and for the working and enjoyment of the patent rights, when the patent is granted, and in particular for the granting of licences and an account and division of profits, will also be usually inserted in the agreement (p).

Suggestions as to the contents of agreement for an interest in future patent.

An agreement to assign an interest in a patent, although made before the patent itself is granted, may probably be properly entered upon the Register so soon as the patent has come into existence (q).

Registration of the agreement.

^m Post, p. 629.

ⁿ Post, p. 629.

^o Sect. 4 of the Act of 1883.

^p A form of agreement is given in *Wilson's Precedents*, vol. ii. pt. 1, p. 130, which, though of earlier date than the present Acts, may usefully be

consulted. Modern forms and clauses will be found in *Morris*, pp. 59—66. See further "contents of agreement," *post*, p. 290, and "contents of assignment," *post*, p. 294.

^q *Parnell's Patent* (1888), 5 R. P. C. 126.

What may be assigned.

The patent grants to the patentee the sole privilege by himself, his agents, or licensees, to make, use, exercise and vend the invention. The patentee accordingly can assign his privilege wholly or in part, or grant licences under it. An exclusive licence is of the nature of an assignment of the privilege.

The discussion of licences both exclusive and non-exclusive is postponed to the second division of this chapter (*r*).

The assignment of future patents has already been discussed (*s*).

Mortgage.

The patent may be assigned absolutely, or by way of mortgage (*t*), and any part or interest in it may be assigned. Thus an undivided share (*u*), or the whole patent right so far as regards a particular place, or a particular part of the invention (*r*) may be assigned separately.

Assignment of a share.

As to the position of co-owners of a patent, see p. 277, *ante* (*y*).

Assignment for a district.

The assignment of a patent for a particular place is authorised by sect. 36, which provides that "a patentee may assign his patent for any place in or part of the United Kingdom or Isle of Man as effectually as if the patent were originally granted to extend to that place or part only."

Exclusive licence for a district.

Such an assignment is more beneficial to the assignee than an exclusive licence for the district, inasmuch as goods manufactured or sold outside the district, whether under licence from the patentee posterior in date to the assignment, or manufactured or sold without such licence, cannot be sold within the district without infringing the patent (*z*). And the assignee can sue

(*r*) *Post*, p. 300.

(*s*) *Ante*, p. 282.

(*t*) *Steers v. Rogers* (1892), 2 Ch. 13; (1893), A. C. 232; 62 L. J. Ch. 671, is an instance. There the owner of one moiety assigned it to the owner of the other. The assignment was shown to be by way of mortgage only, but the mortgagee was held to be not liable to account for the profits of working because as owner of a moiety he was entitled to work the patent without accounting.

(*u*) This was settled by *Walton v. Lavater* (1860), 29 L. J. C. P. 275; 8 C. B. N. S. 162, where it was unsuccessfully argued that the franchise granted by the patent was indivisible. In the earlier case of *Dunnicliff v. Mallett* (1859), 7 C. E. N. S. 209, it had already been

held that the assignee of a separate invention comprised in the patent was not a mere licensee, and could sue alone for infringement.

(*x*) See *Dunnicliff v. Mallett*, last note. The patent now comprises one invention only, see sect. 33.

(*y*) The chief point to be noted is that each co-owner can work the patent without accounting for profits, in the absence of any agreement to the contrary, the effect of the patent being merely to prevent those who are not owners or licensees from working it: *Steers v. Rogers* (1892), 2 Ch. 13; (1893), A. C. 232, approving *Mathers v. Green* (1865), 1 Ch. 29.

(*z*) In *Betts v. Willmott* (1871), 6 Ch. 239, the owner of an English patent

for infringement in his own name. If an exclusive licence only were granted for the district, in order to protect the licensee, it would be necessary for the patentee to covenant not to sell goods manufactured according to the patent except under condition that they should not be used or resold within the district (a). For if the patentee merely covenants not to sell the goods for use or resale in the district, the purchaser will be restrained from using or reselling the goods in contravention of this covenant only if he has notice of the covenant when he buys (b). The reason of this distinction is that in the absence of any agreement or stipulation to the contrary at the time of the sale, or notice that the vendor has no right in equity to sell the goods without restriction, the sale of goods manufactured under a patent by any one who has power to grant such a licence, confers a licence to use or resell them anywhere notwithstanding the patent (c). In the same way a licence to make the goods implies a licence to the licensee and purchasers from him to use or resell them (d).

Sale of patented goods, or licence to make them, imports licence to use or resell.

An equitable interest in the patent or any part of it may be created by an assurance or agreement, which does not operate to make the person entitled an "assign" within the meaning of the recital in the patent, so as to enable him to sue in his own name for infringement, without joining the patentee or his assigns. An assignment of future patent rights, or of an interest in the profits of working a patent, are instances in which the subject of the transaction is not capable of being assigned at law. More often an assignment is an equitable assignment only because it is not made by deed (f).

Equitable assignments.

Any agreement, whether verbal or by writing, to transfer an interest in a patent is sufficient to constitute an equitable assign-

ment in an action for infringement because he could not prove that the articles sold by the defendant had not been manufactured and sold in France under a patent which also belonged to the plaintiff. Lord Hatherley distinguished the case of an assignment of the English patent to a third person, and the subsequent importation of goods manufactured under the French patent. "No doubt the importer would be restrained, because the licence to sell, which belonged originally to the patentee, would then be vested in the assignee; and therefore no licence in England given by the original patentee after he had sold the patent could authorise the use of the article so as to defeat the

right of the assignees in England."

(a) Such a condition might be made binding upon the purchaser: *Incan-
descent Light Co., Ltd. v. Cantelo* (1895),
12 R. P. C. 262.

(b) See last case, *Heap v. Hartley*
(1889), 42 C. D. 461; *Société des Glaces*
v. Tilghman's Co. (1883), 25 C. D. 1. As
to binding an assignee by the covenants
of his assignor of which he has notice,
see *post*, p. 300.

(c) See cases last cited.

(d) *Thomas v. Hunt* (1864), 7 C. B. N. S.
183.

(f) *Bond v. Rosling* (1861), 1 B. & S.
371; *Parker v. Taswell* (1858), 2 De G.
& J. 559; *Tidey v. Mollett* (1864), 33 L. J.
C. P. 235.

ment provided that the intention of the parties to give and receive a definite interest is clear (*h*). And it is sufficient to confer a good title against all persons having a conflicting legal title who had notice of it before acquiring their respective legal titles (*i*). Questions of title between claimants under inconsistent equitable assignments are determined according to the ordinary rules governing such assignments (*j*).

Registration of equitable assignments.

The question as to what amounts to an equitable assignment of an interest in a patent has been several times raised in connection with the right of the person benefited to have an agreement affecting patent rights entered upon the register under sect. 87 (*k*). It has been decided that a document which is put forward as an equitable assignment must show a concluded agreement (*l*) intended to pass a definite interest in the patent (*m*), and capable of specific performance at the time when it is relied on as an assignment (*n*).

Advantages of getting in the legal interest.

The position of an equitable assignee is less beneficial than that of a legal assignee not only because of the possible risk of an assignment of the legal interest in the patent to a purchaser without notice, but also because the equitable assignee cannot sue for infringement in his own name without joining the legal owner as a party. It follows from this that he has no defence to an action for threats under sect. 32 (*o*).

Action for threats.

Title.

Executors and administrators.

The patent passes to the executors and administrators of the patentee or his assignee (*p*). And the executor is entitled to

(*h*) *E.g.*, a letter agreeing to give the person addressed one-third in consideration of his services in working the patent: *Stewart v. Casey* (1891), 9 R. P. C. 9.

(*i*) Thus in *Morey's Patent* (1858), 25 Beav. 581, a patentee made an equitable assignment of a moiety to one, and afterwards assigned the patent to another. The subsequent assignee registered his assignment first, but he was held to have had constructive notice of, and to be bound by, the earlier assignment.

(*j*) See the notes to *Ryall v. Rowles*, 2 W. & T. L. C.

(*k*) *Post*, p. 642, and see Chap. XI. on the Register.

(*l*) *Fletcher's Patent* (1893), 10 R. P. C. 252. An agreement for an exclusive licence at a royalty "to be mutually

agreed" was held not to be capable of registration, it being in dispute whether the royalty had ever been agreed.

(*m*) *Parnell's Patent* (1888), 5 R. P. C. 126.

(*n*) In *Haslett v. Hutchinson* (1871), 8 R. P. C. 457, the patentee had agreed to give a company promoter an interest in the proceeds of an intended sale to a company. The agreement had been varied, and so could not be specifically performed as it stood, and it was held that it ought not to be registered as an assignment. Cf. *Swain v. Ayres*, 21 Q. B. D. 289 (an agreement for a lease), and see *Lewin v. Brown* (1866), 14 W. R. 640.

(*o*) *Kensington Electric Lighting Co. v. Lane-Fox Co.* (1891), 2 Ch. 578.

(*p*) See form of grant, *post*, p. 667.

register the probate, but can assign before doing so (*q*). It passes also to the trustee in bankruptcy of the patentee or other person entitled (*r*). Lord Eldon appears to have thought that where a patentee, after having mortgaged the patent, "continued in the notorious use of the invention," it passed to his assignees in bankruptcy (*s*), but a patent would not appear under any circumstances to come within the reputed ownership clause of the present Bankruptcy Act (*t*). Bankruptcy.
Reputed ownership.

A co-owner of a patent can assign his share so as to entitle the assignee to work the invention without accounting (*u*), to give licence to work it, and to sue for infringement (*x*), or to recover royalties (*y*). Co-owner.

If any agreement for the joint working of the patent has been made between the co-owners which constitutes a partnership (*z*) between them, the assignment of one co-owner's interest in the patent may amount to an assignment of his interest in the partnership. In such case the assignee becomes entitled only to the share of the profits to which his assignor would but for the assignment have been entitled, and is not, during the continuance of the partnership, entitled to interfere in the management or administration of the partnership business, or to require accounts of the partnership transactions, or to inspect the books (*a*). The other co-owners may treat the assignment as a cause of dissolution of the partnership (*b*). Partnership.

In the absence of notice (*c*) of any conflicting equity, a purchaser from the grantee of a patent, his executors, administrators, or assigns, will obtain a good title to the patent or the interest in it which purports to be assigned to him, subject to any other assignment made by the registered proprietor for the time being to another purchaser without notice of his right. Equitable assignment without notice.

(*q*) *Elwood v. Christie* (1864), 17 C. B. N. S. 754.

(*r*) *Hesse v. Stevenson* (1803), 3 Bos. & P. 565, where Lord Alvanley said that the interest in an unpatented invention would not pass. It was held in *Bloxam v. Elsee* (1826), 6 B. & C. 169, and *MacAlpine v. Mangnall* (1846), 15 L. J. C. P. 298, that a patent was not avoided under the old law because it became vested in more than twelve persons by reason only of a bankruptcy or an assignment for creditors.

(*s*) *Ex parte Granger* (1812), Godson on Patents, 2nd edit. p. 225.

(*t*) Sect. 44 (3) of the Bankruptcy Act, 1883.

(*u*) *Steers v. Rogers* (1893), A. C. 232.

(*x*) *Anderson v. Patent Oxonite Co.* (1886), 3 R. P. C. 279; *Sheehan v. G. E. Ry. Co.* (1880), 16 C. D. 59, approving the passage in Lindley on Partnership, 6th edit. p. 36.

(*y*) *Bergmann v. Macmillan* (1881), 17 C. D. 423.

(*z*) See p. 280.

(*a*) Partnership Act, 1890, sect. 31.

(*b*) Lindley on Partnership, 6th edit. p. 575.

(*c*) As to this, see below, pp. 288, 300.

Power of the registered proprietor to assign.

The Act provides that the person for the time being entered in the register as proprietor of a patent shall (subject to the provisions of the Act (*d*) and to any rights appearing from the register to be vested in any other person) have power absolutely to assign, grant licences as to, or otherwise deal with the patent, and give effectual receipts for any consideration for such assignment, licence, or dealing, provided that any equities in respect of such patent may be enforced in like manner as in respect of any other personal property (*e*).

Notice of prior equity.

The effect of this section appears to be to make the registration of any dealing with his interest by a registered proprietor, so far as regards a subsequent purchaser from him, equivalent to notice of the dealing, inasmuch as the power of the registered proprietor is expressly limited by the rights appearing on the register (*f*).

Notice of a dealing with the patent is generally notice of the actual dealing (*g*). Thus where an assignment recited that the assignor had granted a licence, and what he had granted was, in fact, an assignment, it was held that the subsequent assignee had notice of and was bound by the earlier assignment (*h*).

The unexplained absence of the grant from the patentee's possession at the time when he purported to make an assignment would probably be held to be notice that he had assigned it to some other person (*i*).

Investigation of title.

Upon the purchase of an interest in a patent, therefore, the actual letters patent should be inquired for, and all documents entered on the register in respect of it should be perused. If the assignor or his predecessors are known to have entered into any arrangements for working the patent, these should be investigated; and if the assignor is a part owner only, inquiry should be made

(*d*) This exception appears to relate only to trade-marks, which by sect. 70 are assignable only together with the goodwill. It is submitted that it cannot be construed to refer to sect. 85, so as to exclude from the "rights" mentioned immediately afterwards, rights arising under trusts (of which the assignee has notice) which by sect. 85 ought not to be entered upon the register.

(*e*) Sect. 87.

(*f*) A public register relating to land is not, unless so made by statute, notice of anything appearing therein unless a search is in fact made. See

Kettlewell v. Watson (1884), 26 C. D. 501, and the cases there cited.

(*g*) See the notes to *Le Nere v. Le Nere* in 2 W. & T. L. C. The Court of Appeal has recently declared in the case of shipping documents that the doctrine of constructive notice has no application to mercantile transactions: *Manchester Trust v. Furness* (1895), 2 Q. B. 539.

(*h*) *Morcy's Patent* (1858), 25 Bear 581.

(*i*) See *Farrand v. Yorkshire Banking Co.* (1888), 40 C. D. 182, and the cases (relating to real estate) there cited; but see also the last note but one.

of the other co-owners as to what interest they claim in the patent. If licences have been granted, the counterpart licences should be examined.

Form of Assignment.

The legal interest in a patent can only be conveyed by a deed (*k*), By deed. for it can only be created by deed (*l*), and therefore can only be assigned by deed (*m*). But an assignment not under seal purporting to pass the patent right is effective to pass the immediate equitable interest in it if made for consideration (*n*), and is properly registered as a document affecting the proprietorship of the letters patent (*o*).

Even at the common law, an assignment not under seal for which the consideration had passed would not have been wholly void. It would, subject to any question as to revocation, at the least have amounted to a licence to work and vend the invention. Thus in *Chanter v. Dewhurst* (*p*) an action to recover the price paid for a licence which had been granted by writing only failed, and the Court expressed an opinion that the licence was not void.

Since the legal interest in the patent can only be assigned by deed, it follows that it can only be assigned by an agent if he is authorised by deed to assign it (*q*). Assignment by an agent.

Assignments of future patents are discussed elsewhere (*r*). Future patent rights.

Agreement to assign.

Before the assignment is executed an agreement to assign is very commonly entered into, and this course is generally adopted either because the patent has not yet been granted, or because it is intended that the purchaser shall have an opportunity of testing the validity of the patent or the value of the invention. Sometimes the object of the agreement is to provide funds for

(*k*) *Re Casey's Patents* (1892), 1 Ch. 104; *Power v. Walker* (1814), 3 M. & W. 823 (a copyright case).

(*l*) *Co. Litt.* 9 b, 172 a; *Shep. Touch.* 22-23.

(*m*) *Lincoln College case*, 3 Co. Rep. 61.

(*n*) This is material, because the operation of the equitable assignment depends upon its being, or being evidence of, an agreement to assign which is capable of specific performance. See as to equitable interests in

patents *ante*, p. 286.
 (*o*) *Re Casey's Patents* (1892), 1 Ch. 104, where the assignment was a letter: "In consideration of your services, . . . we hereby agree to give you one-third share of the patents, the same to take effect from this date."
 (*p*) (1844) 13 L. J. Ex. 198; 12 M. & W. 823.
 (*q*) *Hazlehurst v. Rylands* (1891), 9 R. P. C. at p. 7.
 (*r*) *Post*, p. 295; *ante*, p. 282.

developing and completing the invention or for preparing the specification and taking the steps preliminary to the grant of the patent (s).

Suggestions
as to contents
of the agree-
ment.

The chief matters to be considered in preparing an agreement are, *first*, what is to be assigned and what covenants the assignment is to contain, and, *secondly*, whether, in the event of the patent proving to be invalid before the assignment is completed, the consideration is to be paid to or retained by the vendor.

Application
for patent.

If the patent has not been granted, it is, of course, material to stipulate that the inventor shall proceed to take all steps necessary to ensure the grant of a valid patent; if the invention is not completed, the inventor should undertake to complete it. Sometimes the making of models or of practical tests or experiments is provided for.

Completion
of invention.

Foreign
patents.

If foreign patents are to be applied for, the inventor should give a power of attorney to the purchaser to apply for the grant in his name in the countries where the patents are to be taken out. This is sometimes done with reference to the English patent also, although, as specific performance of the agreement to apply can be obtained, it does not appear to be necessary.

The purchaser frequently stipulates that he shall be a co-patentee with the inventor (t).

Patent agent.
Fees.

Sometimes the employment of a particular patent agent is stipulated for, and the payments for fees and for the work to be done in obtaining the patent are arranged to be made to him direct.

Form of
specification.

It should be provided that, if any question arises between the vendor and purchaser upon the form of the provisional or of the complete specification, it should be settled by reference to the opinion of an expert or in such other manner as is determined upon.

Arbitration.

A general arbitration clause is often adopted.

Disclosure
of invention.

If the invention has not been disclosed to the purchaser, the vendor should undertake to make a full disclosure and to give all necessary information and assistance to the purchaser and his advisers in order to enable him and them to understand the invention and to prepare, or to be advised upon, the necessary documents for obtaining the patent.

Purchaser to
keep inven-
tion secret.

And the purchaser should agree to keep the matters disclosed secret until the grant of the patent, and if the sale should fall

(s) See "Agreement for an Interest in a Future Patent," *ante*, p. 282.

(t) See *ante*, p. 270.

through without any patent being granted, then to keep them secret altogether, and not to work or to attempt to work the invention after the determination or rescission of the agreement.

The terms of the proposed assignment should be definitely determined by the agreement. Suggestions are made below as to the matters which these should deal with (*u*).

The payment of the price for the sale of a patent is not dependent upon the validity of the patent or upon its value unless the agreement makes it so, for the contract will be construed, in the absence of any term, express or implied, to the contrary, to be for the sale of the patent as it is (*x*). Of course, the price may be recovered or payment resisted on the ground of fraud (*y*).

No warranty of validity implied.

Where, therefore, an agreement provided that the purchasers should take out the foreign patents for an invention already patented by the vendor in England, and that the vendor should sell to them one-half of the foreign patents when obtained and one-half of the English patent, and that the purchasers should pay the vendor 2,500*l.* "in such manner as shall be mutually agreed upon," and also a royalty, a plea to an action for the 2,500*l.* that the invention was not new in England and was worthless, and that the vendor was not the first inventor, was held to be bad (*z*). In *Hall v. Conder*, just cited, the case of an agreement to sell the *exclusive use* of an invention for which, it turned out, no valid patent could be obtained, was distinguished (*a*). In such a case, as the vendor would have agreed to sell what he could not transfer, he could not recover the price.

Action for price where patent invalid.

If the price is not to be paid should the patent turn out to be invalid, the purchaser will probably be unwilling to be put to the necessity of contesting the validity of the patent if he is advised, or if the Court, in an action to which he and the vendor are not parties, determines that it is invalid. If it is intended that his opinion or that of his advisers is to be conclusive, this must be clearly stated, as the contrary will be presumed. Thus in *Hazlehurst v. Rylands* (*b*) the purchaser had agreed to pay

Agreement to be rescinded if the purchaser dissatisfied as to validity.

(*u*) "Contents of Assignment," *post*, p. 291. See also "Contents of Licence," *post*, p. 301.

(*x*) Per Willes, J., in *Smith v. Scott* (1859), 28 L. J. C. P. 325; 6 C. B. N. S. 71; *Liardet v. Hammond Electric Light Co.* (1883), W. N. 96; 31 W. R. 710.

(*y*) *Lovell v. Lucks*, 2 Y. & C. 46, 472; 6 L. J. Ex. 85.

(*z*) *Hall v. Conder* (1857), 26 L. J. C. P. 138, aff. 288; 2 C. B. N. S. 22; *Smith v. Neale* (1857), 26 L. J. C. P. 143; 2 C. B. N. S. 67.

(*a*) Citing *Chanter v. Leese*, where in such a case a plea of invalidity was held to be good: 4 M. & W. 295; 5 M. & W. 698.

(*b*) (1890) 9 R. P. C. 1.

the balance of the price immediately he should have satisfied himself that the patents were valid and of full force and effectual in law. In an action for the balance he pleaded that he had satisfied himself that the patents were invalid. The Court of Appeal, however, held that the question was not whether he was satisfied, but whether the patents were in fact invalid, and particulars of objections to validity were ordered to be delivered. At the trial it appeared that one of the patents had lapsed for non-payment of fees, and Fry, L. J., dismissed the action on that ground, and also on the ground that the same patent had been anticipated.

Where one of several patents lapsed.

The agreement should accordingly clearly determine who is to take the risk of the patent being invalid (c), and how its invalidity is, for the purposes of the agreement, to be ascertained.

A common term with regard to this matter is that if at any time the patent should be held by any court in Great Britain or Ireland to be invalid any part of the price then unpaid should cease to be payable, and the agreement should be annulled, but that neither party to it should have any claim against the other in respect of anything done under the agreement, before the judgment of the Court, and that if the judgment should be reversed upon appeal, otherwise than by consent, so far as it declared the patent invalid, then the right to payment and the agreement should revive as if they had never ceased or been annulled.

Agreement to determine if patent declared invalid.

Option for purchaser to rescind agreement.

A clause is sometimes adopted allowing the purchaser to determine the agreement and all future payments at his option at any time.

Sale to a limited company.

In recent years agreements for the sale of patents to companies formed for the purpose of buying them and working the inventions have become very common. They present some special features (d), on the one hand arising from the fact that the patentee's rights are necessarily of uncertain value, owing to the practical impossibility of estimating the risk of anticipation, and on the other to the necessity the patentee is under of promptly disposing of the patent or of bringing it into use without delay, and of stopping infringements, if he is to reap any benefit from

(c) *King v. Oliver* (1884), 1 R. P. C. 23, 42, is an example of an assignment contingent upon the payments of fees being kept up.

(d) For ordinary forms of agreement with intending companies see *Palmer's Company Precedents*.

his invention before the term of the patent expires. It appears to be a fair arrangement that he should share the risk of the patent proving of small or no value by taking part of his purchase-money in shares or debentures. But if this is done, as he retains through the company an interest in the patent, it is material for the patentee to make certain that his property shall not pass away from him unless the company obtains sufficient capital to work the invention and to protect the patent against infringers. These ends are usually sought to be attained by a term making the agreement void unless an agreed number of shares are applied for and allotted (e), and the payments due upon application for them received by the company within a fixed time

In some cases the agreement is made with, or the patent is assigned to, a small company or syndicate in the first instance, who provide the funds for developing the invention and taking out the patent or for starting and advertising the business intended to be carried on (f). If this plan is adopted, the agreement or assignment should determine what is to happen to the patent right if the syndicate fails to bring out the intended company successfully.

Assignment to a promoting syndicate.

The patentee's agreement with the company frequently stipulates that he shall enter into the service of the company, shall not engage in any rival business, and shall communicate all further inventions. An elaborate example of such an agreement came before the Court in *Nordenfelt v. The Maxim Gun Co.* (g).

Inventor to enter into the company's employment.

A body corporate may be registered as the proprietor of a patent in its corporate name (h).

Body corporate may be registered.

Where an agreement for the assignment of a patent stipulates for steps to be taken within fixed times, it should be clearly stated whether or not time is to be of the essence of the contract (i).

Time of the essence of the contract.

The agreement should be stamped with an *ad valorem* duty stamp (k).

Stamp.

(e) Since the underwriting of shares has become very common, such a provision is little more than a security that the sums due on application for the stipulated number of shares shall be received by the company.

(f) An example of a promoting agreement is given in the report of *Haslett v. Hutchinson*, 8 R. P. C. 457.

(g) (1893) 1 Ch. 630; (1894) A. C. 535. Some of the covenants are set out from the report below (p. 296).

(h) P. R. 1883, r. 70.

(i) This may be implied by the nature of the agreement. Thus where the object was to enable the patentee to take steps which had to be taken within a limited time the times for making certain payments were held to be of the essence: *Payne v. Banner* (1843), 15 L. J. Ch. 227.

(k) Stamp Act, 1891, sect. 59: cf. *Smelting Co. of Australia v. Commissioners of Inland Revenue* (1896), 2 Q. B. 179.

Registration. The agreement may be registered if it is capable of specific performance and passes a definite interest in the patent (*l*).

Contents of Assignments.

Suggestions as to contents of assignments. The principal matters to be considered in determining what shall be comprised in an assignment are—(1) the assignor's title (unless he is the patentee himself); (2) the validity of the patent; (3) foreign patents, improvements, and extensions; (4) the consideration; (5) payment of fees; (6) legal proceedings against infringers; (7) the grant of licences; (8) conditions as to working; (9) use of trade or other marks on the goods manufactured; (10) keeping books and rendering accounts; (11) applications for amendment or disclaimer; and (12) the relation of the parties to each other when the patent or the interest of either party in it shall have determined (*m*). If the assignment is an absolute transfer of all the assignor's interest in the patent, the first four only of these matters will usually be material.

Title. 1. As to the investigation of title see p. 286, above.

Covenants for title. The assignor usually enters into the common vendor's covenants implied by a conveyance as beneficial owner, that is to say covenants (*n*) for right to convey, quiet enjoyment, and freedom from incumbrances—all limited to the acts of the assignor and persons through whom he claims otherwise than by purchase for value—and a covenant for further assurance. Recitals. The grant of the patent and the chain of assignments to the assignor, as well as any dealings with the patent to which the grant in the assignment is made subject, are usually recited.

Validity. 2. The assignment does not of itself constitute or imply any warranty of validity (*o*), but it estops the assignor from derogating from his grant by himself disputing the validity of the patent (*p*). Assignor cannot dispute it. Sometimes there are recitals that the patentee is the true and first inventor, and that the invention is useful. Recitals as to validity. These recitals

(*l*) See pp. 285, 313.

(*m*) See further "Agreement to assign," *ante*, p. 289, and "Licences," *post*, p. 300.

(*n*) Conveyancing Act, 1881, sect. 7 (1 A). It has been suggested that these covenants would not be implied in a licence or any other deed which is not a "conveyance" by the use of the words "beneficial owner": Key & Elphinstone, 4th edit. vol. ii. p. 375. But it is submitted that this is not so,

since the intention of the parties would be clear, and, moreover, conveyance in the Conveyancing Act includes "any dealing with any property": sect. 2 (1) (*v*). In *Guyot v. Thompson* (1894), 3 Ch. at p. 398, however, Lindley, L. J., expressed an opinion that a licence is not a "conveyance" within the meaning of the Act.

(*o*) *Ante*, p. 291.

(*p*) *Oldham v. Longmead* (1789), 3 T. R. 439, 441.

would operate to estop the grantor from disputing the facts, if it were otherwise open to him to do so. If the grantee executes the deed, they estop him also (q), unless they are framed as statements that the grantor has represented that the facts are as recited (r). The recitals appear to be of no value.

If it is intended that the assignor shall warrant the validity of the patent either absolutely or in any respect, an express covenant must be inserted. Such a warranty is unusual, except in mortgages.

Warranty by assignor.

Provision, however, is commonly made for the determination of liability in respect of any unpaid part of the consideration, for instance for the non-payment of future instalments, the cessation of royalties, and the discharge of obligations as to working, &c., if the patent is judicially declared to be invalid, unless and until the judgment is reversed on appeal upon the point (s).

Instalment or royalties to cease if patent invalid.

3. If the assignment comprises any foreign patents or the right to apply for such, it may be proper to introduce covenants as to taking the necessary steps and as to the payment of the necessary fees to obtain the patents, and a power of attorney to make any proper application in the name of the inventor. A covenant to keep foreign patents on foot is not now necessary for the protection of the English patent (t).

Foreign patents.

The assignor, if he is the inventor, usually covenants to communicate to the assignee all improvements of the invention within his knowledge or afterwards discovered by him as soon as possible, and to take or concur in taking all necessary steps for the protection of the further inventions by letters patent, and for the vesting of the patents in the assignees (u). The value of such a covenant to the proprietor of the patent is obvious, since not only are improvements, which the inventor is the most likely person to discover, likely to add to the value of the original invention and possibly to enable the proprietor to effectively extend the term of his monopoly by bringing them into use, but in other hands they may lead to serious questions whether a

To communicate improvements

and to assign future patent.

(q) *Boicman v. Taylor*, 4 Nev. & Man. 264; *Doe v. Shelton* (1835), 4 L. J. (N. S.) K. B. 167; 3 A. & E. 265.

(r) *Morris*, p. 112. And see *post*, p. 376 *et seq.*

(s) See *ante*, p. 299. A reversal by consent, unless it is otherwise agreed, avoids the effect of the judgment: *Cheetham v. Suthall* (1893), 10 R. P. C. 321.

(t) By American law a patent for an invention previously patented abroad still expires with the foreign patent. See *Muirhead v. Commercial Cable Co.* (1894), 11 R. P. C. 317; 12 R. P. C. 39.

(u) See "Future Patents," *ante*, p. 283.

similar and possibly more useful "manufacture" is an infringement or not.

Inventions
of a like
nature.

In order to extend the protection as far as possible and to avoid questions as to what is an "improvement," and what a new and independent invention, the covenant is sometimes extended to inventions and discoveries for "manufactures" which are similar, or which are useful in the business for which the invention covered by the patent is designed, or manufactures of a like nature (x) to that which is the subject of the patent.

For an example of a carefully settled deed of assignment the report of the *Maxim Nordenfelt Co. v. Nordenfelt* may be referred to (y). There a business was assigned as well as certain patents, and Mr. Nordenfelt, the inventor, was appointed a managing director of the purchasing company. He entered into a covenant not to trade, and also into the following covenant:—

Example of
covenant by
inventor

to convey
future
patents,

to communi-
cate particu-
lars

and mode of
working,

to enable
assignee to
take out
patents,

to give advice
and assist-
ance.

"That, so long as the company or any successor to or assignee of the business of the company shall continue to carry on the business of the company, the company or such successor or assignee shall be entitled to the full and exclusive benefit of all new inventions or improvements now made or discovered or that may hereafter be made or discovered by him in connection with guns, gun mountings, or carriages, gunpowder, explosives, or ammunition, and with that object that he will with all convenient speed communicate to the company particulars of any such new invention or improvement made or discovered by him and will give to the company full information and details thereof, with all models, plans, drawings and designs as to the exact mode of working and using the same, and from time to time, at the expense in all things of the company, will execute and do all such documents and things as may be requisite for the purpose of enabling the company to obtain in its name or in the name of any nominee any British, colonial, or foreign patent for such inventions and improvements, and will from time to time and at all times give all such advice, explanations, and instructions to the company and its employés as may be necessary to enable them effectually to exercise and work such inventions and

(x) *E.g.*, see *Printing and Numerical Registering Co. v. Sampson* (1875), 19 Eq. 462; *Bewley v. Hancock* (1856), 6

De G. M. & G. 391.
(y) (1893) 1 Ch. 630.

improvements." And it was further provided that the term "patent" in this agreement should mean and include *brevets d'invention* or any other form of protection for invention or design that can be obtained in the United Kingdom or any British colony or dependency, or in any foreign country.

Unless the covenant is relied upon only to prevent the patentee working further inventions himself or communicating them to trade rivals, some consideration for the assignment of future discoveries should be agreed to be paid as a stimulus to his invention. This is sometimes done by framing the covenant so as to require the inventor to give notice of the discovery, and thereupon to provide that the assignee shall have an option to purchase it at a price to be fixed by arbitration.

Consideration for further discoveries.

Assignee to have option to purchase.

In the absence of an express covenant, the assignor cannot be restrained from assisting a trade rival or an infringer who is seeking to upset the patent or from giving information to enable any person to do so (z). Probably he could not by any means be restrained from giving evidence against the owner of the patent if subpoenaed to do so in an action (z).

Inventor not to give information to other persons.

He cannot be restrained from giving evidence against patent.

It should be clearly indicated whether or not the covenant is limited to the period of the existence of the patent.

The proprietor of the patent for the time being is the person entitled to apply for a prolongation, but the application is not at all likely to be successful unless the inventor concurs and is to obtain a benefit from it.

Prolongation

4. As to the return of the consideration in the event of the patent being declared invalid, and the non-payment of so much of it as remains unpaid, see above, pp. 291 and 292.

Return of price of patent invalid.

5. There is no obligation, apart from agreement, binding the assignee of the patent to pay the fees necessary to keep the patent alive (a).

No obligation to pay fees.

6. The terms providing for the protection of a patent in which the several parties to the assignment retain an interest by legal proceedings, and determining who is to take, direct, and control

Taking proceedings to restrain infringements.

(z) *London and Leicester Hosiery Co. v. Griswold* (1886), 3 R. P. C. 251. The patentee covenanted to communicate improvements to the plaintiffs and to render them available for the plaintiffs' benefit. A motion for an interlocutory injunction to restrain him from communicating any like invention to certain persons or assisting them as a scientific

witness in a patent action against the plaintiffs failed. A licensee cannot be compelled to give inspection in an action against his licensor: *Germ Milling Co. v. Robinson* (1886), 3 R. P. C. p. 14.

(a) *Re Railway and Electric Appliances Co.* (1888), 38 C. D. 597.

the proceedings, and who is to pay the cost, are very important, and should be carefully considered and framed (*b*).

An assignee of the legal interest can take such proceedings in his own name (*c*). If it is intended that any other party interested (*d*) should have power to sue infringers or to recover royalties from licensees, a covenant by the owner of the legal interest to allow him to use the latter's name upon an indemnity against costs, or a power of attorney subject to the like indemnity will be proper and necessary.

Licences.

7. If provision is made for the grant of licences, it is useful to attach an agreed form of licence to the deed.

Working agreements with co-owner.

8. Conditions as to working are important where a share in a patent is assigned, for in such case, apart from agreement, each co-owner can work for his own benefit. They are also material when any party interested is to be paid by a share of profits or by royalties. In the latter case a minimum rent is sometimes stipulated for (*e*).

No obligation on assignee to work.

Apart from agreements to the contrary, the sale of a patent for a royalty imports no obligation to work the invention (*f*).

Agreement may constitute a partnership.

Working agreements between co-owners cannot (probably) be so constructed as not to constitute a partnership between them (*g*).

Covenants to push the invention;

Covenants to use the best endeavours of the covenantor to develop and extend the business in the patented "manufacture" are sometimes inserted (*h*).

to manufacture according to specification; to use trade-marks and labels.

As to covenants to manufacture exclusively according to the specification, see *post*, p. 305.

9. The use of a trade-mark or trade name in connection with patented goods is often important as an advertisement of the patent, and also because it may operate in practice to extend the monopoly of the persons who are manufacturing under the patent beyond the date of its expiration. The name under which goods manufactured or sold by one trader in the market exclusively are sold during the existence of the patent right is

(*b*) See below, "Licences," p. 300.

(*c*) See *post*, p. 361.

(*d*) As to the position of an equitable assignee, see *ante*, p. 285.

(*e*) As to the stamp in such case, see the end of this chapter.

(*f*) Cf. "Payment of Fees," *ante*, p. 297, and cases there cited.

(*g*) See Lindley on Partnership, 5th edit. p. 38 *et seq.*; Partnership Act, 1890, sects. 2 and 46; *Badeley v. Consolidated Bank* (1888), 38 C. D. 238, and the

cases there cited; *Davis v. Davis* (1894), 1 Ch. 393. As to agreements for licences see *Ridgway v. Philip* (1834), 1 C. M. R. 415.

(*h*) *E.g.*, *Wilson v. Barbour* (1888), 5 R. P. C. 245, where the defendants, who had invented what they claimed to be an independent invention to serve the purpose of the patented machinery and had pushed the sale of it, were held to have broken their covenant.

apt to become the name of the goods themselves, and consequently open to all the world so soon as the patent runs out (i). It is often advisable, therefore, to use the patentee's or some other firm or personal name with the trade name of the goods, so that the public may become accustomed to the combination, and to stipulate in any working agreements for such use.

Sometimes assignees or licensees are required to covenant to place particular labels (k) or marks on all goods manufactured under the patent.

10. Covenants for keeping books, inspection, and the rendering of accounts are necessary where there are joint working arrangements, or where a party interested is to be paid by royalty or share of profits (l).

To keep books.
Inspection.
Accounts.

11. Application to amend the specification (m) or for leave to disclaim (n) should also be the subject of covenants where there are several parties interested in the patents, or one co-owner may attempt to alter the common property without the consent of the others, or may unreasonably refuse to concur in an application for a beneficial amendment or disclaimer.

Amendment and disclaimer.

12. The effect of a judgment declaring the patent to be invalid, and of the expiration of patent should be considered in relation to each of the covenants and provisions inserted in the deed.

Determination of liability.

If an option is given to an assignee to reassign or to surrender his interest in the patent, it will usually be proper to stipulate that, if he exercise it during the term of the patent right, he shall cease to manufacture or to deal in the goods described in the specification.

If the assignee is a limited company, the event of a winding-up must in particular be provided for.

Winding-up of company assignee.

The assignee of one who has entered into obligations respecting the patent will usually be required to indemnify his assignor against the breach of them. And it is sometimes provided that upon a second assignment the first assignee shall require his sub-assignee to enter into covenants with the assignor to the same effect as his own covenants. The assignor may more effectually protect himself against sub-assignments by making

Sub-assignee to be bound by covenants.

Licence to assign.

(i) See *The Linoleum Co. v. Nairn* (1878), 7 C. D. 834, and Kerly on Trade-marks, p. 43.

(k) See *Crossthwaite v. Steel* (1889), 6 R. P. C. 190, cited *post*, p. 305.

(l) See further under "Licences," *post*, p. 306.

(m) See p. 585.

(n) See p. 585.

the interest of the assignee liable to determine upon assignment without a licence to assign.

Sub-assignee with notice may be bound.

A sub-assignee may be held to be bound by covenants to which the assignment is made subject, if after acquiring the patent with notice of the covenants he works the invention. Thus in *Werdermann v. Société Générale d'Electricité* (o) an assignee covenanted to pay the assignor a royalty, and that he and his assigns would render accounts. He subsequently reassigned to the defendant company, who worked the invention. It was held that the assignor could sue the company for an account, upon the ground that the covenant amounted to a contract with the owners of the patent for the time being.

II. LICENCES.

Power to grant licences.

Power to grant licences is conferred by the grant of the patent, which is "by himself, his agents or licensees, and no others to make, use, and vend" the invention. The grant also contains a prohibition forbidding the use of the invention "without the consent, licence, or agreement of the said patentee in writing under his hand and seal," and it provides that "nothing herein contained shall prevent the granting of licences in such manner and for such considerations as they may by law be granted" (p).

Nature of licence. Whether a "licence coupled with a grant."

A licence is essentially an excuse from the prohibition in the grant of the patent (q). It does not belong to the class of "licences coupled with a grant," but it is not therefore necessarily revocable at will. Whether it is so revocable depends upon the intention of the parties, to be gathered from the terms of their agreement (r).

Different kinds of licences.

Licences are of various kinds. They may be co-extensive with the patent right in area or in duration or both, or limited to particular districts or for shorter periods. They may be exclusive or not exclusive. An exclusive licence for the whole area of the patent closely resembles an assignment, and such a licence for a district similarly resembles an assignment for a district, but the

(o) (1881) 19 C. D. 246. It will be noticed that this goes beyond the "rule in *Tulk v. Moxhay*," 2 Ph. 774, under which an injunction to restrain the assignee of property, which is subject to restrictions binding upon the assignor, who buys with notice, is restrained from using the property in

contravention of them. As to the scope of this rule see *Austerberry v. Corporation of Oldham*, 29 C. D. 750, and *Mander v. Falcke* (1891), 2 Ch. 554.

(p) See *post*, p. 667.

(q) See *Heap v. Hartley* (1889), 42 C. D. 461; 6 R. P. C. 495.

(r) See *post*, pp. 303, 307.

interests conveyed are not the same. A material difference is constituted by the fact that a licensee cannot sue as such for infringement (s).

Further the licence may extend only to part of the new manufactures comprised in the invention.

A licence to make goods under the patent implies a licence to the manufacturer and his vendees to sell them (t). And the sale of goods made under a patent imports, in the absence of notice of a more limited licence, a licence to use and resell them (u).

Licence to make implies licence to sell.

Sale implies licence to use and resell.

Form of Licence.

The terms of the grant which are set out above (r) would suggest that a deed is necessary, but as an agreement to license in any form would estop the patentee and persons claiming under him from suing for infringement (y), the sealing and delivery are of no importance (z). The licence should be registered; and a verbal agreement may be equivalent to a licence (a), and a memorandum of it signed by the parties subsequently may be registered (b).

Whether a deed is required.

Contents of Licence (c).

The principal matters to be considered in determining what shall be comprised in an assignment are—(1) the licensor's title; (2) the validity of the patent; (3) to what things and to what district the licence is to extend, and what is to be the term of it; (4) whether further patents for improvements or prolongations of the patent are to be affected by the licence; (5) whether it is to be exclusive, or there is to be any restriction upon the grant of further licences; (6) the consideration, royalties, and provisions requiring the licensee to work only according to the specification; (7) conditions as to working and pushing the invention;

Suggestions.

(s) *Post*, p. 362, and *Heap v. Hartley* (1889), 42 C. D. 461; 6 R. P. C. 495.

(t) *Thomas v. Hunt* (1864), 17 C. B. N. S. 183. There would be no such implication from a licence to make for private use.

(u) See *The Incandescent Light Co. v. Cantelo* (1895), 12 R. P. C. 262, where the company sold its mantles with an express restriction that they should be used only on burners sold by it.

(r) Page 300.

(y) See per Maule, J., in *Bower v.*

Hodges (1853), 22 L. J. C. P. 198.

(z) *Post-card Automatic Supply Co. v. Samuel* (1889), 6 R. P. C. 560; cf. "Equitable Assignments," *ante*, p. 285.

(a) *Crossley v. Dixon* (1863), 10 H. L. C. 293.

(b) 1883, sect. 23; *Fletcher's Patent* (1893), 10 R. P. C. 252.

(c) Cf. the suggestions made at p. 294, *ante*, as to the contents of an assignment, and at p. 290 as to the contents of an agreement for sale.

(8) inspection, use of marks and labels, accounts; (9) who is to take legal proceedings for the protection of the patent; (10) payment of fees; (11) whether the licensee is to have power to assign; and (12) provisions for determining the licence or the obligations arising under the covenants.

Most of these provisions and covenants are obviously useful or necessary only where the licensor retains an interest in the working of the invention under the licence.

1. As to title, and in particular as to employing covenants for title by the use of the words "beneficial owner," see above, p. 294.

2. As to the validity of the patent see above, p. 294.

Licensee cannot dispute validity.

A licensee cannot during the term of the licence dispute the validity of the patent unless the licence authorises him to do so. This rule was formerly in doubt, but is now well settled. The relation of patentee and licensee of itself (if it is not got rid of before the action) raises an estoppel of the licensee from disputing the validity of the patent (*d*). But it is open to the licensee to show that the licensor's title has determined since the licence (*e*).

Plea of invalidity in action for royalties.

So where a defendant in an action for infringement pleaded alternatively (1) that he had manufactured the goods under a licence, and (2) that the patent was invalid, he was ordered to elect between these defences (*f*); and in an action for royalties a plea that, if the patent were construed to include the goods in respect of which royalties were claimed, it was invalid, was struck out as embarrassing (*g*).

Covenant not to dispute validity.

Right to do so reserved.

Sometimes the licensee expressly covenants not to dispute the validity of the patent; on the other hand, he sometimes reserves the right to do so. Unless provision is made to determine the licence and all obligations under it in case the patent is judicially determined to be invalid (*h*), if the licensee proposes to go to a large expense in establishing works or starting a business, such a reservation is reasonable, for without it the licensee may find himself the only person in the trade who cannot use the invention without paying a royalty.

(*d*) Per Lord Esher, M. R., in *Mills v. Carson* (1892), 10 R. P. C. 9.

(*e*) *Muirhead v. Commercial Cable Co.* (1894), 11 R. P. C. 317 and 323. E.g., if the licence is under an American patent by showing that, an earlier English patent for the invention having

determined, the American patent has expired.

(*f*) *Post-card Automatic Supply Co. v. Samuel* (1889), 6 R. P. C. 560.

(*g*) *Ashworth v. Lax* (1890), 7 R. P. C. 231.

(*h*) See *post*, p. 307.

3. As to licensees for a district, and the difference between an exclusive licence for a district and an assignment, see above, pp. 284, 300. Licence for a district.

If an exclusive licence is granted for a royalty, the licensor must generally be protected by a covenant on the licensee's part to work or to pay a minimum yearly rent, and by a provision enabling him to determine the licence for breach of these covenants by the licensee. Covenant to work invention.
Minimum royalty.

An exclusive licence is generally held to be an obstacle to the grant of an extension of the term of the patent (i). Exclusive licence an objection to prolongation.

Unless the licence restricts the licensee to a particular place, he can use it wherever he likes within the area the patent covers, and it will not be construed to be for the purposes of a particular business only (k). But a licence under a foreign patent will not authorise the introduction of the goods made into England if the licensor has an English patent also (l). Licence not restricted to one place or to one business.
Licence under foreign patent.

In the absence of any express stipulation, it appears to be a matter of construction whether the term of the licence and of the licensee's covenants is to be that of the duration of the patent or to continue till put an end to by one party, and which, if either, party has the right in the latter event to end it (m). Duration of licensee covenants.
Option to determine.

If the terms of the licence throw no light on the matter, the licence is revocable at the will of either party (n). Revocation.

But a licence for a lump sum will be presumed to have been intended not to be revocable by the licensor (o). Similarly it will be presumed that a person who has undertaken obligations under the licence cannot get rid of them at his pleasure by revoking it (o).

It was suggested in *Ward v. Livesey* (p) that the revocation of a licence under seal must be by notice under seal, but this would appear to be erroneous. If the term of the licence is limited by the will of either party, it will expire when notice of determination is given to the other. Must revocation be under seal?

(i) *Darby's Patent* (1891), 8 R. P. C. 250; *Shone's Patent* (1892), 9 R. P. C. 435; *Lyon's Patent* (1894), 11 R. P. C. 337.

(k) *Bown v. Humber & Co.* (1888), 6 R. P. C. 9.

(l) *Société des Glaces v. Tilghman's Co.* (1883), 25 C. D. 1.

(m) See *Mills v. Carson* (1892), 10 R. P. C. 9; *Cheetham v. Nuthall* (1893), 10 R. P. C. 321, and the cases next cited.

(n) In *Redges v. Mulliner* (1892), 10

R. P. C. 21, Collins, J., treated this as decided by *Crossley v. Dixon*, 10 H. L. C. 232. The judgment of Bristowe, V.-C., in *Ward v. Livesey* (1888), 5 R. P. C. at p. 102, appears to be in conflict with this. See also *Cutlan v. Dawson and Sons* (1896), 13 R. P. C. 710.

(o) *Guyot v. Thompson* (1894), 3 Ch. 388. Royalties were payable also. The fact that the licensor licensed as "beneficial owner" was treated as material to show that he could not revoke.

(p) (1888) 5 R. P. C. 102.

Determina-
tion of one
of several
patents.

Licence be-
fore patent.

Further in-
ventions and
improve-
ments.

Licensee to
communicate
improve-
ments.

Licensee to
have most
favourable
terms.

Failure of
considera-
tion.

Action for
royalties.

Where several patents are the subject of a licence, if the term is measured by or dependent upon the continuance of the patents, it should be clearly shown whether the lapse of one or some of them is to affect the licence (*q*). So, if the licence is granted before the patent is obtained, provision should be made for the possibility of the patent being granted for part of the invention only (*r*).

4. As to further inventions, improvements, and prolongations, see above, pp. 295 to 297.

As the licensee is likely to discover improvements or inventions for attaining the end to which the invention he is licensed to use is directed, it is often stipulated that he shall communicate all such improvements and inventions to the patentee, and stipulations are made determining to whom they are to belong and on what terms (*s*).

5. As to exclusive licences see above, p. 300.

Where a non-exclusive licence is granted, it is sometimes provided that if the licensor grants better terms to any other person, the licence shall be determined, or else that the licensee shall thereafter hold upon the same terms (*t*).

6 and 7. As to the consideration.

If there is a total failure of consideration—for example, if payment is made in consideration that the payee shall apply for a patent, and grant a licence under it when it is obtained, and no application is made—then the price paid can be recovered (*u*).

But a licence or an agreement to grant a licence imports no warranty of the validity of the patent (*x*). And a plea of invalidity is consequently no defence to an action for royalties (*y*), in the absence of something in the licence making it so (*z*) or of fraud (*a*).

(*q*) In *Siemens v. Taylor* (1892), 9 R. P. C. 393, it was held that, although some of the patents had expired, the royalties must be paid in respect of all the inventions; cf. *Hazlehurst v. Rylands* (1890), 9 R. P. C. 1.

(*r*) See *Otto v. Singer* (1889), 7 R. P. C. 7.

(*s*) See "Assignment," p. 295 *et seq.*

(*t*) *E.g.*, see *Cheetham v. Nuthall* (1893), 10 R. P. C. 321.

(*u*) *Knowles v. Bovill* (1870), 22 L. T. N. S. 70; *Besseman v. Wright* (1858), 6 W. R. 719.

(*x*) *Ante*, p. 291.

(*y*) *Ante*, p. 291.

(*z*) *Cutter v. Bower* (1848), 11 Q. B. 973, 17 L. J. Q. B. 217; *Hills v. Laming* (1853), 9 Exch., 23 L. J. Ex. 60; *Larres v. Purser* (1856), 6 Ell. & B. 930; 26 L. J. Q. B. 25.

(*a*) *Lovell v. Hicks* (1836), 5 L. J. N. S. Ex. 101; *Hall v. Jarvis* (1822), 1 Web. P. C. 103. In *Begbie v. Phosphate Sewage Co.* (1875), L. R. 10 Q. B. 491, 1 Q. B. D. 679, the plaintiff sued for the price paid for an "exclusive right" which the defendant company knew was no exclusive right at all. He failed because he himself had known the fact, and had bought it only for the purpose of promoting a company.

An action for royalties can be defended on the ground that the defendant is not using the invention (*b*). And for the purpose of showing the ambit of the specification, evidence of the state of public knowledge at the date of the patent is admissible (*c*), unless the specification is too clear for doubt (*d*).

Defence that licensee is not using the invention.

To avoid the discussion of difficult questions of infringement, therefore, and to secure the payment of royalties notwithstanding improvements or changes in the manufacture, it is a common precaution for the licensee to be required to covenant to manufacture according to the specification, and not otherwise (*e*).

Covenant to manufacture only according to the specification.

A covenant not to make any goods the subject of the invention without applying the invention to them is not void as being in restraint of trade, and is binding although the goods so made are unsaleable (*f*).

A covenant by the licensee to use the best endeavours of the covenantor to extend the use of the invention is broken by the licensee if he works and pushes the sale of an independent competing invention instead (*g*). The licensor does not usually enter into any such covenant, but without doing so he is bound not to derogate from his own grant by endeavouring to prevent customers from purchasing the patented goods of the licensee (*h*).

Covenant to push the invention.

Licensor not to stop sales.

A licence in consideration of a share in the profits to be made by the licensee does not of itself create a partnership between the licensee and the licensor (*i*).

Licence for share of profits does not create partnership.

A licensee who repudiates his obligations under the licence and refuses to pay the agreed royalties will not be allowed to advertise his goods as "manufactured under the patent" (*k*).

Licensee repudiating licence not to pretend to sell under it.

(*b*) *Clark v. Adie* (1877), 2 App. Ca. 433; *Useful Patents Co. v. Rylands* (1865), 2 R. P. C. 255; *Young v. Hermand Oil Co.* (1891), 8 R. P. C. 285; 9 R. P. C. 373; *Ashworth v. Roberts* (1892), 9 R. P. C. 309.

(*c*) *Young v. Hermand Oil Co.*, last note.
(*d*) *Crossthaite v. Steel* (1889), 6 R. P. C. 190. See also the next note.

(*e*) If the royalty is to be paid on every article manufactured, this will be taken to mean manufactured so as to be within the patent, unless the contrary is expressed or clearly implied. See *Goucher v. Clayton* (1865), 11 Jur. N. S. 462; 13 L. T. N. S. 115. See also as to the ambit of the licence *Reden v. The London Small Arms Co.* (1876), 46 L. J. Q. B. 213.

(*f*) *Jones v. Lees* (1856), 1 H. & N. 129; 26 L. J. Ex. 9.

(*g*) *Wilson v. Barbour* (1888), 5 R. P. C. 245. See also *Guyot v. Thompson* (1894), 11 R. P. C. 541.

(*h*) *Clark v. Adie* (1873), 21 W. R. 456, 764. In that case the licensor was restrained from publishing advertisements. In *Guyot v. Thompson* (1894), 11 R. P. C. 541, the patentee was restrained from advertising that the goods made by the licensee were not according to the patent.

(*i*) *Elgie v. Webster* (1839), 5 M. & W. 518; *Ridgway v. Phillip* (1834), 1 C. M. & R. 415.

(*k*) *Post-card Automatic Supply Co. v. Samuel* (1889), 6 R. P. C. 560. In this case the defendant disputed the validity of the patent, but continued to sell his goods as manufactured under a licence from the patentee. He elected to defend an action for infringement, and

Licensor to inspect factory.

8. The object of provisions enabling the licensor to inspect the factories where the invention is worked, and all the books and accounts used, and the stock, and articles made or employed by the licensee in the business in which he is working the invention, is to enable the licensor to check the accounts rendered to him and also to see whether or not the goods are manufactured according to the specification.

Licensee to keep books and render accounts.

The licensee usually covenants to keep all ordinary and proper books and accounts and duly to make entries in them, so as to show what goods have been manufactured under the licence and what have been sold, and to deliver accounts at stated intervals. Power is reserved to the licensor or his assigns to cause the books and accounts to be inspected by an accountant. And the licensee covenants to verify the entries in the books and accounts by statutory declaration, if so required.

Marks and labels. Proceedings against infringers.

As to the use of marks and labels (*l*) see p. 298.

9. The determination who is to take and pay the costs of legal proceedings against infringers is of great importance (*m*). Usually it will be the person most interested—that is, the patentee if a limited or non-exclusive licence is granted, but the licensee if there is an exclusive licence at a small royalty. In the latter case the patentee must authorise the licensee to use his name upon being indemnified against costs (*mm*). The licensor sometimes covenants not to sue without the licensee's consent (*n*).

Covenant to sue.

An absolute covenant to sue all infringers or to stop infringements is unusual, because the costs entailed may be ruinous, but it is sometimes entered into (*o*). It is only broken by a neglect to sue after notice of an infringement (*o*). More commonly, where the licensor is to sue, it is provided that the royalties shall cease if he does not stop infringements (*p*), and they then cease upon notice to him of infringements, and after a reasonable time has elapsed for taking proceedings (*o*).

Payment of fees.

10. The payment of fees should be provided for. Where a licence stipulated that if the patent became void by reason that

was restrained from labelling his goods as above: *Grover Co. v. Millard* (1862), 8 Jur. N. S. 714.

(*l*) In *Crossthwaite v. Steel* (1889), 6 R. P. C. 190, the defendant had covenanted to stamp on each of the grates made under the licence the words "Crossthwaite's Patent, No. 2,496," in a prominent position. He stamped them on the backs. An injunction

was granted.

(*m*) See *ante*, p. 297.

(*mm*) As to indemnity, see *Erans v. Rees* (1842), 2 Q. B. 334.

(*n*) *E.g.*, *Guyot v. Thompson* (1894), 11 R. P. C. 541.

(*o*) *Henderson v. Mostyn Copper Co.* (1868), L. R. 3 C. P. 202.

(*p*) *Mills v. Carson* (1892), 9 R. P. C. 338; 10 R. P. C. 9.

the patentee did not take proceedings, or because the invention was not novel, and the patentee covenanted for quiet enjoyment by the licensee, after the patent had lapsed because the fees were not paid, it was held that the royalty continued to be payable even though covenant for quiet enjoyment had been broken by the non-payment of the fees, since the payment of the royalties was not conditional upon the performance of the covenant (q).

In the absence of any agreement, either express or to be implied from the licence, there is no obligation on either party to pay the fees (r).

11. A licence is not assignable without leave, unless made so by agreement (s) or by its terms, as if, for example, it is made to the licensee and his assigns (s). Assignment of licence.

12. It is commonly provided that the licence or the obligations cast upon the licensee shall cease or be suspended if the patent is declared to be invalid. If there is such a provision, a judgment declaring the patent invalid is ineffective to determine the licence if it is reversed on appeal, even though, it appears, the reversal be by consent, as part of a compromise (t). Determination of licence and licensee's obligations.

Sometimes an option is given to the licensee to determine the licence if the sales do not amount to an agreed number or if the profits do not reach a standard ascertained in some other way, or to the licensor if the royalties do not amount to a specified sum (u). Option to determine.

If the patent is a valuable one, and the licence imposes onerous obligations on the licensee, the licensor usually stipulates for power to determine it on any breach of covenant by the licensee. Where there is no such stipulation, it will be a matter of construction whether the obligations of any of the parties are independent or conditional upon the performance of other obligations arising out of the terms of the licence (x). Determination on breach of covenant.

When the licence is made by deed, it must bear a 10s. deed-stamp, unless it is stamped with *ad valorem* duty. But it appears, Whether the obligations are inter-dependent.

(q) *Mills v. Carson*, last note.

(r) *Railway Electric Appliances Co.* (1888), 38 C. D. 597; *Mills v. Carson*, *supra*. In the latter case the Divisional Court held the patentee was not bound to pay the fees. In the Appeal Court it was suggested, but not decided, that he was, by reason of the covenant for quiet enjoyment.

(s) *Bower v. Hodges* (1853), 22 L. J. C. P. 194.

(t) *Cheetham v. Nuthall* (1893), 10 R. P. C. 321.

(u) *E.g., Tielens v. Hooper* (1850), 5 Exch. Rep. 830, where an agreement that the licensee should make up the royalty to 2,000*l.*, or the plaintiff might determine the licence, was held not to bind the licensee to pay the 2,000*l.*

(x) See *Mills v. Carson* (1892), 9 R. P. C. 338; 10 R. P. C. 9.

according to the recent case of *The Smelting Co. of Australia v. The Commissioners of Inland Revenue* (y), to be chargeable with *ad valorem* duty as a "conveyance on sale." It was formerly supposed not to be so chargeable, even though it be exclusive (z), for it is (not for purposes other than those of the Stamp Acts) a conveyance of property (a).

And the duty must be paid although the patent is a foreign one, and the licence is for a foreign country (y).

If it reserves a fixed rent or is granted in consideration of a sum payable by instalments, it appears to be chargeable with the 2s. 6d. *ad valorem* duty as a security for money (z). This would also be the case where a fixed minimum royalty is reserved.

(y) (1896) 2 Q. B. 179.

(z) *Limmer Asphalte Co. v. Commissioners of Inland Revenue* (1872), 7 L. R. Ex. 211; *Newby v. Harrison*, No. 1 (1861), 1 J. & H. 393; *Charter v. Johnson* (1845), 14 M. & W. 411.

(a) Per Fry, L. J., in *Heap v. Hartley*, 42 Ch. Div. p. 470. It is not a "conveyance" within the meaning of the Conveyancing Act, 1881: *Guyot v. Thompson* (1894), 11 R. P. C. 541, per Lindley, L. J.

CHAPTER XI.

THE REGISTER OF PATENTS (a).

GENERAL.

SINCE the Patent Law Amendment Act, 1852, every patent is upon sealing registered, and all subsequent dealings with the patent or other matters which affect its proprietorship ought also to be registered. Registration.

By searching the subject-matter indexes of patented inventions, the patents granted in any particular manufacture or industry will be found, with the names of patentees and the number and dates of the patents. On looking in the name index, the patents, with their date and number and the subject-matter thereof, granted to any person, can be seen. Upon inspection of the registers of patents, when the year and number of a patent are known, assignments, licences, prolongations, amendments of specification, payment of renewal fees, and other matters affecting the proprietorship or validity of the patent, will be found, and copies of the documents seen. There is always a registered owner or owners of a patent, in the same way as there are registered holders of shares in a company registered under the Companies Acts. Registered owners.

Between the Act of 1852 and the Act of 1883, the Register of Patents and the Register of Proprietors were separate series of volumes. The Register of Patents contained a series of entries of which an example is given in the foot-note (b), and also a

(a) The author desires to acknowledge his indebtedness to Mr. E. Towers for information in connection with this chapter.

(b) *An Extract from the Register of Patents under the Act of 1852.*
 "10th September, 1874. Petition, declaration, and provisional specification of
 3103 _____, of _____, in the county of _____, for grant of letters
 (Stamp 1s. 8d.) patent for an invention for improvements in _____.
 Scaled with the commissioners' seal and referred to
 14th September Attorney-General.
 Petition, declaration, and provisional specification left
 with Attorney-General for allowances.

notification of assignments, licences, &c. But the actual assignments, licences, &c. were entered in full, in the order in which they happened to be presented at the Great Seal Patent Office, in a series of volumes called the Register of Proprietors. Thus to see the assignments, licences, &c., relating to any given patent, it was often necessary to look at several volumes.

Register of
Patents
under Act of
1883.

The file.

The reference to these volumes was obtained from the Register of Patents. Under the Act of 1883 the Register of Patents is very much the same as it was before, except that all the stages of progress up to sealing are not now entered, and, moreover, these stages have been much altered. The Register of Proprietors, now non-existent in name, for entries subsequent to 1st January, 1884, is replaced by a *file* or bundle, which is kept separate for each patent. The original specifications and other papers connected therewith, as also copies of all subsequent documents registered, and formerly entered on the Register of Proprietors, are kept together in this bundle or *file*, so that, on seeing the page of the Register of Patents on which a patent is registered and referring to the file, all the information is at once before the inquirer. It should be mentioned that with the file are kept a certain number of private documents, such as the

| | | |
|---------------------|----------|--|
| 15th September | | Certificate of Attorney-General allowing provisional protection received and filed, and certificate thereof given. |
| 18th September | | Provisional protection advertised in Gazette. |
| 2nd October | | Notice to proceed received and filed, and certificate thereof given. |
| 6th October | | Notice to proceed advertised in Gazette. |
| 29th October | | Petition, declaration, and provisional protection again referred to Attorney-General. |
| 30th October | | Fiat for warrant received. |
| 24th February, 1875 | .. | Warrant left with Attorney-General for signature. |
| 26th February | | Warrant received, sealed, and filed. |
| 2nd March | | Letters patent prepared, sealed, and dated the 10th September, 1874. |
| 9th March | | Specification filed in pursuance of letters patent. |
| 6th September, 1877 | .. | Letters patent stamped with 50 <i>l.</i> stamp produced at office of Commissioners of Patents, and certificate thereof endorsed thereon. |
| 3rd September, 1881 | .. | Letters patent stamped with 100 <i>l.</i> stamp produced at office of Commissioners of Patents, and certificate thereof endorsed thereon." |

When a complete specification was filed in the first instance, the entry commenced, "Petition, declaration, and complete specification of —," and the reception of the "notice to proceed" was the next entry on the register. The subsequent entries were substantially the same as those above set forth.

This extract given here does not contain anything beyond the formal entries, but notifications of assignments, licences, &c., were also entered in the Register of Patents, the documents themselves being set out in the Register of Proprietors.

reports of the examiners, &c., but these are not open to public inspection, and are removed before the file is inspected.

By the Act of 1883 the former Register of Patents and the Register of Proprietors are to be deemed part of the Register of Patents kept under that Act (c).

Any person deeming himself aggrieved by any entry made under colour of the Act in the Register of Proprietors might have applied by motion to the Master of the Rolls or to any of the courts of common law at Westminster in term-time or by summons to a Judge of any of the said courts in vacation, for an order to have such entry expunged, vacated, or waived; and on production of any such order the officer having the care and custody of such register was bound to comply with its requisitions (d).

Rectification of the register.

The Court could on motion expunge an entry fraudulently made in the Register of Proprietors; it could direct any facts relating to the proprietorship to be inserted, but not the legal inferences to be drawn from them (e); it could also correct any entry which purported to affect the rights of persons not parties to the document registered (f).

Fraudulent entries.

Where the executors of a patentee, having obtained probate of their testator's will, had assigned his patent to another person, but the probate was not registered till after the assignment, it was held that the assignment was valid (g).

There was no right of appeal against an order made by the Master of the Rolls to expunge an entry in the register (h).

No appeal from Master of the Rolls.

THE REGISTER OF PATENTS UNDER THE ACT OF 1883 (i).

Under the Act of 1883, there is kept at the Patent Office a book called the Register of Patents (k), wherein are entered the names and addresses of grantees, notifications of assignments

Register of Patents under the Act of 1883.

(c) Sect. 114.

(d) Act of 1852, sect. 38.

(e) *Re Morey's Patent* (1858), 25 Beav. 581.

(f) *Re Horsley and Knighton's Patent* (1869), L. R. 8 Eq. 475; 39 L. J. Ch. 157.

(g) *Ellwood v. Christy* (1864), 34 L. J. C. P. 130; 17 C. B. N. S. 754; 10 Jur. N. S. 1079.

(h) *In re Horsley and Knighton's Patent*, *supra*; L. R. 4 Ch. 784; *In re Morgan's Patent*, 24 W. R. 245; *Re Myers* (1882), W. N. 53, 56.

(i) The sections relating to the Register of Patents are—sect. 23, pro-

viding for the keeping of the register; sect. 85, forbidding the entry of trusts on the register; sect. 87, providing for registration of assignments on request and proof of title to the comptroller's satisfaction; sects. 88 and 89, providing for inspection of register and extracts therefrom; sect. 90, providing for the rectification of register by the Court; sect. 91, providing for correction of clerical errors by comptroller; sect. 93 makes it a misdemeanour to falsify entries in the register. There are also the Patent Rules, 1890, rr. 67—79.

(k) Sect. 23.

and of transmissions of patents, of licences under patents, and of amendments, extensions, and revocations of patents, and such other matters affecting the validity or proprietorship of patents as may be from time to time prescribed (*l*). The Register of Patents is to be *primâ facie* evidence of any matters directed to be inserted therein (*m*).

The person for the time being entered in the Register of Patents as proprietor of a patent has, subject to the provisions of the Patents Acts and to any right appearing to be vested in any other person, power absolutely to assign, grant licences, or otherwise deal with the same, and can give effectual receipts for any consideration for such assignment, licence, or dealing (*n*).

Matters recorded in register.

Amongst "the other matters affecting the validity or proprietorship of patents" notifications of which are recorded in the register are certificates of enlargement of time for payment of renewal fees, requests, applications for amendments, advertisements of these applications, notices of opposition, notices of abandonment of applications to amend, decisions of the controller on hearing notices of appeal, judgments of the law officer, requests for entry of assignments, &c., requests for entry of orders in council, orders in council extending the term of letters patent, and new letters patent granted thereunder. An entry of "Patent expired" is also put against all patents which have ceased by non-payment of renewal fees.

How it differs from the old registers.

The modern Register of Patents differs from its predecessors in the following points:—There is now no distinct register of proprietors. Assignments and other deeds are no longer set forth *in extenso*, as in the volumes of the Register of Proprietors, but copies are filed. No notice of any trust will now be entered (*o*), although it appears that any deed of assignment, &c., which also contains trusts is not refused; and, indeed, it would give rise to endless trouble if any attempt were made to do so. All the documents relating to each patent are now kept together in separate bundles or files, instead of merely forming part of a chronological series, as before.

With these exceptions, and due allowance being made for the

(*l*) Sect. 23, sub-sect. 1; P. R. 1890, rr. 68—80, deal with the Register of Patents; cp. sect. 87. There is nothing in sect. 23 to make registration notice of the contents of the documents registered: *Heap v. Hartley* (1888), 5 R. P. C. 603; and see the same case on

appeal, 42 Ch. Div. 461; 6 R. P. C. 495.

(*m*) Certified copies are receivable in evidence: 1883, sect. 89.

(*n*) 1883, sect. 87; 1888, sect. 21.

(*o*) Sect. 85. As to the former practice, see *Johns. Pat. Man.*, 4th edit. p. 221.

changes in procedure which have taken place, the Register of Patents under the Act of 1883 continues to be kept on the same lines as the registers prescribed by the Act of 1852.

Documents dated before the grant of letters patent will not be entered on the register until the patent is actually issued (p).

When documents will be registered.

The patent is not registered until after sealing, and until that time no property is recognised by the comptroller in an invention.

It is not the practice of the Patent Office to register, even after sealing, dealings with inventions prior to the application, the reason apparently being the difficulty of identifying the application with the invention dealt with.

In *Parnell's Patent* (q), an agreement was entered into on 9th July, 1883, by A. with B. for the purpose of certain dealings with an invention. Previous to this date applications had been made for patent rights in Victoria and Queensland. On the 16th March, 1886, application was made for a patent in England, which was subsequently granted and dated, as usual, the 16th March, 1886, the date of application. In September, 1887, B. requested the comptroller to register this agreement. The comptroller refused to comply with the request, on the ground that the document was dated before the date of application. B. then moved the Court, under sect. 90, to rectify the register and order the registration of the agreement. North, J., while refusing the motion, declined to lay down as an absolute rule that no document executed before the date of the grant (*i.e.*, date of application) could be entered on the register, though there might be very forcible objections to the registration of such documents, which might often be insuperable. There were documents to which the objections might not apply. There might be a document executed immediately before the date of the grant so clear and precise as to leave no doubt whatever as to the proposed patent referred to in it.

Parnell's Patent.

Under rules made in pursuance of the Public Record Act, 1877 (sect. 1), the volumes of the Register of Patents are kept for twenty-one years from the date of the earliest patent recorded in each. Any volume in which there is an entry of a patent of which extension is granted is specially retained for seven years after the expiry of the period of prolongation.

How long volumes of register preserved.

(p) *Parnell's Patent* (1888), per North, L., 5 R. P. C. 126.

(q) (1888) 5 R. P. C. 126.

A large number of the pages in the Register of Patents contain no entry except a memorandum of the grant. Many patents lapse at the end of the fourth year through non-payment of the renewal fee, and there are frequently no dealings with a patent during its continuance which require to be registered.

Practice under the Act of 1883.

It may be convenient to give here a summary of the practice under the Act of 1883 and the rules made thereunder (*r*) in relation to the entry of various matters on the register.

Entry of grant.

Upon the sealing of a patent the comptroller causes to be entered on the Register of Patents the name, address, and description of the grantee and the title of the invention (*s*). A patent granted under the international and colonial arrangements is entered in the register as of the date of the first foreign application (*t*).

Where a person becomes entitled by assignment, transmission, or other operation of law to a patent, the comptroller, on request and on proof of title to his satisfaction, must cause the name of such person to be entered as proprietor of the patent in the Register of Patents (*u*).

Entry of subsequent proprietorship.

A request for the entry of subsequent matters requiring registration must be addressed to the comptroller, duly signed, and left at the Patent Office (*x*).

Every such request must state the name, address, and description of the person claiming to be entitled to the patent and the particulars of the assignment, transmission, or other operation of law in virtue of which proprietorship of the patent is alleged (*y*).

A body corporate may be registered as proprietor in its corporate name (*z*).

The applicant must produce to the comptroller, together with the request above mentioned, his documents of title, not matters of record (*a*), and such other proof of title as may be required, and also an official, certified, or attested copy of the documents aforesaid (*b*).

(*r*) P. R. 1890, rr. 67—79.

(*s*) *Ibid.* r. 67.

(*t*) *Ibid.* r. 29.

(*u*) 1883, sect. 87. If a company is a patentee and changes its name, or if the patentee is a lady and she marries, the comptroller may, under this section, put the patentee's new name on the register: *Ex parte New Ormonde Cycle Co., Ltd.* (1896), 2 Ch.

520; 65 L. J. Ch. 785; 13 R. P. C. 475.

(*x*) See sect. 87; P. R. 1890, r. 68. 69; Forms L and M, p. 746.

(*y*) P. R. 1890, r. 69, 70.

(*z*) *Ibid.* r. 73.

(*a*) An official or certified copy of such documents is sufficient: r. 71.

(*b*) Rules 71, 72.

Substantially the same procedure is necessary in order to obtain the registration of a licence (c). Entry of licence.

Where an order has been made for the extension or revocation of a patent or for the rectification of the register, the register will be altered accordingly upon an office copy of such order being left at the Patent Office (d). Entry of orders.

Upon the issue of a certificate of payment under Rule 48, the comptroller causes to be entered in the Register of Patents a record of the amount and date of payment of the fee on such certificate (e). Entry of payment of renewal fees.

The failure of a patentee to make any prescribed payment is duly entered in the register (f). Entry of failure to pay renewal fees.

There will not be entered on the Register of Patents any licence of any trust, express, implied, or constructive (g). But equitable assignments may be entered on the register, not as in themselves legal assignments, but as documents which affect proprietors' title (h). Restrictions on registration.

A. and B., joint owners of certain patents, wrote to C.: "In consideration of your services as ———, we hereby agree to give you a third share of the patent, the same to take effect as from this date." A. and B. then deposited the letters patent with C., who registered the letter above set out; and the Court of Appeal held that the letter was an immediate equitable assignment of an interest in the patent and was properly entered on the register (h). But the documents must be a complete record in themselves, for a parol agreement will not be entered on the register (i).

The Register of Patents is open to the inspection of the public on every week-day from 10 a.m. to 4 p.m., with certain exceptions (k). Inspection of and extracts from the register.

Certified copies of every entry in the register may be furnished by the comptroller on payment of the prescribed fee (l). Certified copies.

The comptroller may, on request in writing accompanied by the prescribed fee correct any clerical error in, or in connection with, an application for a patent, or in the name, style, or address of the registered proprietor of a patent (m). Rectification of clerical error in register by comptroller.

(c) Rule 77.

(d) Rule 74.

(e) Rule 75.

(f) Rule 76.

(g) Sect. 85.

(h) *Stewart v. Casey* (1892), 1 Ch. 104;

61 L. J. Ch. 61; 9 R. P. C. 9. The case

of *Haslett v. Hutchinson* (1891), 8 R. P.

C. 457, and the remarks of Kekewich,

J., at p. 463, should be observed; but

Stewart v. Casey is later in date and was decided by the Court of Appeal.

(i) *Fletcher's Patent* (1893), 10 R. P. C. 252.

(k) 1883, sect. 88. See Rule 78.

(l) P. R. 1890, r. 79; sects. 88 and 89.

For the fee, see No. 33, p. 711.

(m) 1883, sect. 91. And see *Ex parte*

New Ormonde Cycle Co. (1896), 2 Ch.

520; 65 L. J. Ch. 785; 13 R. P. C. 475.

It is provided by sect. 90 of the Act of 1883, as amended by sect. 23 of the Act of 1888, that "the Court may, on the application of any person aggrieved by the omission without sufficient cause of the name of any person or of any other particulars (n) from any register kept under this Act or by any entry made without sufficient cause in any such register, make such order for making, expunging, or varying the entry as the Court thinks fit, or the Court may refuse the application, and in either case may make such order with respect to costs of the proceeding as the Court thinks fit."

From this it will be seen that the grounds upon which the register may be rectified include the omission without sufficient cause of the name of any person, but this provision will not enable a person whose application for a patent has been refused by the comptroller to appeal to the Court. An appeal of such a kind must be to the law officer, and from him there is no appeal (o), and this provision cannot be evaded under cover of an application to rectify the register (p). Rectification may be ordered on the ground that the entries in the register have been caused by fraud (q) or by misrepresentation (r). Change of name is not a ground of rectification ordered under this section (s).

The Court may expunge any entry or may rectify by varying the entry (t). An improper entry should be expunged, and not rectified (u). And there seems to be no power to substitute one name as registered proprietor for another, except under the rules governing assignments, transmissions, &c. (x). In *Re Rivière's Trade-mark* (y), Cotton, L. J., said: "In my opinion, whatever might be the result of striking off the name of Rivière & Co., yet the application to substitute that of the applicants could not be acceded to, because, in my opinion, even without going so far as to say that in no case where the name of a person improperly on the register as owner of a mark is struck off the

Substitution
of one name
for another
not usually
ordered.

(n) These words were inserted by the Act of 1888.

(o) 1883, sect. 11.

(p) *Re the Trade-mark Normal* (1886), 35 Ch. Div. 231; 56 L. J. Ch. 519; 56 L. T. N. S. 250; 35 W. R. 464; 4 R. P. C. 123. Sect. 90 of the Act of 1883 applies to patents, designs, and trade-marks alike; therefore assistance in construing it may be obtained from cases on all three subjects.

(q) *Green's Patent* (1857), 24 Beav. 145; *Morey's Patent* (1858), 25 Beav. 581.

(r) *Baker v. Rawson* (1889), 45 Ch. Div. 519.

(s) *New Ormonde Cycle Co.*, *infra*.

(t) An example of this is to be found in the trade-mark case *Baker v. Rawson* (1889), 45 Ch. Div. 519.

(u) Per Kekewich, J., in *Haslett v. Hutchinson* (1891), 8 R. P. C. 457, 464.

(x) *New Ormonde Cycle Co.* (1886), 2 Ch. 520; 65 L. J. Ch. 785; 13 R. P. C. 475. *Ante*, p. 314.

(y) (1885) 55 L. J. Ch. 545; 53 L. T. N. S. 237.

name of the person properly entitled to the mark may be substituted, yet in my view, as a rule (and I do not know a case where there would be an exception), where any one applies in the first instance to be publicly registered as the proprietor of a trade-mark, the prescribed formalities should be adopted." In *Rust & Co.'s Trade-mark* (z), Arthur Rust by mistake registered a trade-mark of his firm in the name of "Arthur Rust, trading as T. W. Rust & Co.," and the firm of T. W. Rust & Co. moved successfully to rectify the register by cancelling the name of A. Rust and inserting in the register the names of all the partners trading under the firm's name. Here, it will be observed, the registered proprietor had applied in the firm's name as well as his own. In *Re Farina's Trade-mark* (a) the partner applied in his own name only, and substitution, by way of rectification, of the firm's name was refused. In *Re Greenlees's Trade-marks* (b), *Farina's case* was followed, and Stirling, J., stated that the right course would be for the partner whose name was upon the register to assign to the firm (c). In *Re Guiterman's Design* (d) an agent for a company owning designs was wrongfully registered as proprietor; the Court expunged the agent's name from the register, but refused to substitute the name of the company for that of the agent.

Where there is a change, not of ownership, but of the name of the owners, variation by way of addition of the new name has been allowed even in the case of a trade-mark (e). Change of name of owners.

The power to rectify is discretionary (f).

The costs are in the discretion of the Court; and there seems to be no fixed rule as to the order to be made in this regard. The party who is unsuccessful will generally have to pay them. The comptroller will usually be allowed his costs of any necessary appearance. Costs.
Costs of comptroller.

Sub-sect. 2 of sect. 90 gives power to the Court to award damages to the party aggrieved. Judging from the reported cases, this has seldom, if ever, been done. In a recent case under a similar section of the Companies Act, 1862 (g), Lindley, L. J., Damages on rectification of register.

(z) (1880) 44 L. T. N. S. 98; 29 W. R. 393.

(a) (1881) 44 L. T. N. S. 99; 29 W. R. 391.

(b) (1892) 9 R. P. C. 93.

(c) 1883, sect. 87.

(d) (1886) 55 L. J. Ch. 309.

(e) *Re Patent Plumbago Crucible Co.'s*

Trade-mark (1890), 7 R. P. C. 282. But see *New Ormonde Cycle Co. supra*, note.

(f) *Re Trade-mark of La Société Anonyme des Verreries de L'Etoile* (1893), 10 R. P. C. at p. 441.

(g) Sect. 35; *Ottos Kopje Diamond Mines* (1893), L. R. 1 Ch. 618; 62 L. J. Ch. 166.

said that it appeared to him that the Court had no jurisdiction to make the company pay damages under the section, except in cases where an order for rectification is made.

Person entitled to apply for rectification, "any person aggrieved."

The person entitled to demand rectification, if there be due cause, is "any person aggrieved." There has been at different times much discussion as to who falls within this description.

In the case of *Rivière's Trade-mark (h)*, Selborne, L. C., says: "The first observation which I have to make is, that I do not find on the face of the Act of Parliament itself any particular limitation of the sense in which the word 'aggrieved' is to be understood when a person alleging himself to be aggrieved undertakes to bring the case within any one of the conditions on which a right to apply to rectify the register is given to a person aggrieved. Of course if it could be shown *à priori* that in point of law persons in a certain situation could not be aggrieved, then the conclusion would be right that the Court must refuse to hear them on the merits; but, unless that can be demonstrated, I find nothing in the Act of Parliament which limits and defines the kind of grievance which may entitle a man to apply. I entirely agree with what has been said, that it must be a legal grievance; it must not be a *stet pro ratione voluntas*; the applicant must not come merely saying, 'I do not like this thing to be done'; it must be shown that it tends to his injury or to his damage in the legal sense of that word."

In *Re Apollinaris Co.'s Trade-marks (i)* the Court of Appeal (per Fry, L. J.) laid down that the object of limiting the power of application to the Court to a person aggrieved is to exclude the common informer and those desiring to interfere from sentimental motives only; and whilst a grievance in the sense intended by the Act does not mean mere annoyance, yet it is not necessary that the applicant should prove that he is suffering serious damage.

Persons aggrieved.

One of the latest cases dealing with the meaning of "aggrieved" is *Re Powell's Trade-mark (k)*, in the course of which Bowen, L. J., said: "Persons who are aggrieved are persons who are in some way or other substantially interested in having the mark removed from the register or persons who would be sub-

(h) (1884) 26 Ch. Div. 48; 53 L. J. Ch. 455, 578.

(i) (1891) 2 Ch. 186; 61 L. J. Ch. 625.

(k) (1893) 2 Ch. 388; 10 R. P. C.

195; 62 L. J. Ch. 848; 69 L. T. N. S. 60; 41 W. R. 627; affirmed by the House of Lords (1894), A. C. 8; 11 R. P. C. 4.

stantially damaged if the mark remained. It is very difficult to frame a nearer definition than that." In the House of Lords (*l*) Lord Watson said: "Any trader is, in the sense of the statute, 'aggrieved' whenever the registration . . . operates in restraint of what would otherwise have been his legal rights."

In *Horsley and Knighton's Patent* (*m*) one of two joint patentees was enabled as an aggrieved party to move to expunge an entry prejudicial to him and entered on the initiative of his co-patentee (*n*).

To rectify it is necessary to make application to the Court, *i.e.* to the High Court of Justice in England (*o*). This will be so even when the registered proprietor is domiciled in Scotland or Ireland (*p*). The Court may in any proceeding in this regard decide any question necessary or expedient, and may direct an issue to be tried for the decision of any question of fact (*q*). It would ordinarily be an abuse of the process of the Court to bring an action for rectification (*r*), nor will the Court grant the relief on a counterclaim (*s*). The proper method of procedure is either by motion or by summons. The latter is not always the cheaper, and if it be obvious that the case must eventually be adjourned to Court, it will often be better to proceed by motion (*t*). An appeal lies from the decision of the High Court to the Court of Appeal; and for the purposes of procedure the order is treated as an appeal from a final order (*u*). If there be no action pending, the application, if made by summons, will be made by originating summons (*x*).

As a rule the persons who are affected should be served in the ordinary way prescribed for motions (*y*) or summons (*z*). As no special procedure is prescribed by the Acts or rules as to service on parties of notices of application to rectify, it has been said (in a trade-mark case) that if such notice of the intended application

Procedure on application for rectification.

? By motion or summons.

Notice to be given.

(*l*) (1894) App. Ca. 8; 63 L. J. Ch. 152. See also *Re Trade-mark of La Société Anonyme des Verreries de L'Etoile* (1893), 10 R. P. C. 436.

(*m*) (1869) 8 Eq. 475; 39 L. J. Ch. 157.

(*n*) And see *Green's Patent* (1857), 24 Bear. 145; *Morey's Patent* (1858), 25 Bear. 531; 6 W. R. 612.

(*o*) 1883, sect. 117. The Court of the County Palatine of Lancaster has jurisdiction: 53 & 54 Vict. c. 23.

(*p*) *Re King & Co.'s Trade-mark* (1892), 2 Ch. 462; 62 L. J. Ch. 153; 9 R. P. C. 350.

(*q*) Sect. 90 (2).

(*r*) Per Bowen, L. J., in *Pinto v. Badman* (1891), 8 R. P. C. 181, 187.

(*s*) *Ibid.*

(*t*) The form of a notice of motion is given *post*, p. 821.

(*u*) See *Re Rivière's Trade-mark* (1884), 26 Ch. Div. 48, 53; 53 L. J. Ch. 455; and on this subject generally cf. sect. 35 of the Companies Act, 1862.

(*x*) 1893, Order LIV. rule 4 (b), (c), (d); Forms App. K, Nos. 1a, &c.

(*y*) R. S. C. 1883, Order LII.

(*z*) R. S. C. 1893, Order LIV. rule 4 (e).

be given as natural justice requires it will suffice (a). Thus where the registered proprietor of a trade-mark was domiciled in Ireland, and could not be served with notice of motion, it was held sufficient to send him a copy of the notice, with a letter informing him that proceedings had been commenced which might affect his interest (b). Kay, L. J., said: "The Act has left, and I think designedly left, as free a hand as possible to the Courts which have to entertain these applications under the Act in respect of procedure" (c). Service of notice of motion to rectify on a foreign company a person out of the jurisdiction will not be allowed; in a trade-mark case it was said that the notice should be served on the comptroller, and when a day had been fixed for the hearing, the foreigner should be informed by letter of the fact and of the purport of the application (d).

Notice of
rectification
to comp-
troller.

An order of the Court rectifying a register directs due notice of the rectification to be given to the comptroller (e). A copy of the order, decree or other authority for the rectification must be served on the comptroller, and he must rectify the register accordingly (f).

Falsification of the register or of documents purporting to be copies of the register, or using such documents, is a misdemeanour (g).

(a) *Re King & Co.'s Trade-mark* (1892), 2 Ch. 462; 62 L. J. Ch. 153; 67 10 R. P. C. 350.

(b) *Ibid.*

(c) *Ibid.* p. 490.

(d) *In the matter of the Trade-mark*

of La Compagnie Générale D'Eaux Minérales et de Bains de Mer (1891), 8 R. P. C. 446.

(e) 1883, sect. 90 (3).

(f) 1883, sect. 111 (2).

(g) 1883, sect. 93.

CHAPTER XII.

THE INFRINGEMENT OF LETTERS PATENT.

It is proposed to give in this chapter a general account of the way in which the inventor's privilege under his patent may be infringed without entering upon the consideration of the means which the patentee may make use of to secure his rights. The *action of infringement* and the various questions which may be raised therein will be treated of in Chap. XIII.

Scope of this chapter.

The form of letters patent now in use (a), which does not in this respect differ materially from those which have preceded it (b), contains the following clause:—"And, to the end that the said patentee may have and enjoy the sole use and exercise and the full benefit of the said invention, we do by these presents for us, our heirs and successors, strictly command all our subjects whatsoever within the United Kingdom of Great Britain and Ireland and the Isle of Man that they do not at any time during the continuance of the said term of fourteen years, *either directly or indirectly, make use of or put in practice the said invention or any part of the same, nor in any wise imitate the name, nor make or cause to be made any addition thereto or subtraction therefrom whereby to pretend themselves the inventors thereof, without the consent, licence, or agreement of the said patentee in writing under his hand and seal, on pain of incurring such penalties as may be justly inflicted on such offenders for their contempt of this our royal command and of being answerable to the patentee according to law for his damages thereby occasioned.*"

Prohibitory clause in letters patent.

Moreover, the grant is to the "patentee, &c., of our especial licence, full power, sole privilege, and authority that the said patentee by himself, his agents and licensees, and *no others*, may, &c., make, use, exercise, and vend the said invention."

The grant is of exclusive privilege to patentee.

A breach of the monopoly granted and of the prohibitory clause is an infringement of the patentee's privilege for which an action

Infringement a breach of the prohibition.

(a) See Form of Patent, pp. 615 *et seq.*

(b) *Walton v. Bateman* (1842), 1 W. P. C. 613, 615.

(c) Subject to sections 13, 15, 17 (4 b), 19 and 20 of the Act of 1883. See *post*, p. 442.

may be brought, and an injunction and damages obtained (c). The ways in which a patent may be infringed are clearly pointed out by the prohibitory words of the grant, printed in italics, and a consideration of them raises the questions which arise in the infringement of patents.

Definition of infringement.

An infringement may be defined as any act, not of the patentee or with his consent, which comes within the terms of the prohibition.

The patentee, by his specification and claims, allots to himself a certain field of invention (frequently styled the ambit of the invention), and the letters patent grant him certain rights in connection with that field. Provided his patent be valid—and with that question we are not in this chapter concerned—any act which trespasses upon the patentee's field of invention is an infringement.

Summary of the modes of infringing.

A patent privilege may be infringed—

(1) By manufacturing articles by means of the invention or any imitation thereof or by using or putting the invention or any imitation thereof in practice in any other way, and whether the same be by way of actual use of the invention or by an imitation thereof;

(2) By using or selling or otherwise dealing in articles made in violation of the patent privilege without the assent of the patentee;

(3) By making for use or sale or vending articles which counterfeit, imitate, or resemble articles made in pursuance of the invention, and which differ only colourably from the invention patented (d).

Intention of infringer immaterial.

In the case of *Heath v. Unwin* (e), Parke, B., held that a defendant could not be considered guilty of an indirect infringement unless he had intended to commit it. This doctrine was, however, disapproved of in *Stead v. Anderson* (f), where Wilde, C. J., said, "We think it clear that the action is maintainable in respect of what the defendant, the infringer, does, not of what he intends," as well as in the subsequent stages of *Heath v. Unwin* (g), and is now clearly overruled (h). In a later stage

(d) See also Hindmarch, p. 487.

(e) (1845) 2 W. P. C. at p. 227; 13 M. & W. 583.

(f) (1847) 16 L. J. C. P. 250; 2 Web. P. C. 151.

(g) (1847-55) 15 Sim. 552, 553; 25 L. J. C. P. 19.

(h) *Stevens v. Keating* (1848), 2 W. P.

C. 227, n.; *Walton v. Lavater* (1860), 29 L. J. C. P. 275; *McCormick v. Gray* (1861), 7 H. & N. 25; 31 L. J. Ex. 42; *Newall v. Elliott* (1864), 10 Jur. N. S. 954; 13 W. R. 11; *Curtis v. Platt* (1864), 3 Ch. Div. 136, n.; 11 L. T. N. S. 245.

of *Heath v. Unwin* (i), Parke, B., said, "In delivering the judgment of the Court of Exchequer in a former stage of this case, I stated the opinion of the Court to be that there would be no indirect infringement if the defendant did not mean to imitate at all. No doubt we were in error in that respect. There may be an indirect infringement as well as a direct one, though the intention of the party be perfectly innocent and even though he may not know of the existence of the patent itself" (k).

Ignorance of existence of patent immaterial.

In *Nobel's Explosives Co. v. Jones* (l), Lord Blackburn said, "I do not think it would be material, in order to support an action for infringement of their" (the plaintiffs') "property, to show that it was knowingly infringed; whether it was done knowingly or not, it would be equally an infringement of their property."

Knowledge immaterial.

In *Young v. Rosenthal* (m), Grove, J., said, "Intention is not part of an infringement. A man may infringe a patent although he does not know he has infringed it, as a patentee may claim as a novelty that which is not a novelty. But then if it is not a novelty he must suffer, and if a man infringes he must suffer, whether he intentionally infringes or whether he does not intentionally infringe."

Intention no part of infringement.

"Evidence of intention to imitate may be material for the attention of the jury but if the invention be in point of fact adopted or imitated, whether in ignorance or with intention, the infringement is just the same" (n).

Mere intention cannot make any act done an infringement which without that intention would not be an infringement (o).

As to the responsibility of employers for the acts of infringement of their servants or agents, see next Chapter (p).

By servants or agents.

The importation into this country and sale here (q) or to a foreign customer (r) of goods manufactured abroad by a process patented in this country is an infringement of the patent. The

Importation.

(i) (1855) 25 L. J. C. P. 19.

(k) See also *Curtis v. Platt*, *supra*.

(l) (1880-82) L. R. 17 Ch. D. 721; 50 L. J. Ch. 582.

(m) (1884) 1 R. P. C. at p. 29.

(n) (1845) 2 W. P. C. 227, n. (d).

(o) *Newall v. Elliott* (1864), 10 Jur. N. S. 54.

(p) Pp. 364 *et seq.*

(q) *Walton v. Lavater* (1860), 29 L. J. C. P. 279, 280; *Elmslie v. Boursier*

(1869), L. R. 9 Eq. 217; 39 L. J. Ch. 328; *Wright v. Hitchcock* (1870), 39 L.

J. Ch. 103, 104, 106; L. R. 5 Ex. 37;

Cartsburn Sugar Refining Co. v. Sharp (1884), per Lord Kinneir, 1 R. P. C. at p. 186. Though the manufacture in this country of the several parts of a patented machine and the exportation of those parts may not be an infringement of a patent for a new combination of machinery when the parts exported are old, it is otherwise when the part exported is itself the patented invention: *Goucher v. Clayton* (1865), 34 L. J. Ch. 239; 11 Jur. N. S. 462.

(r) *United Telephone Co. v. Sharples* (1885), per Kay, J., 2 R. P. C. at p. 31.

rationale of this rule is very clearly explained by James, L. J., in *Von Heyden v. Neustadt* (s):—

Importation. “We see no reason to doubt the conclusion arrived at in *Elmslie v. Boursier* (t) that the sole right granted by the Crown ‘to make, use, exercise, and vend the invention within the United Kingdom’ and the right to ‘have and enjoy the whole profit, benefit, commodity, and advantage accruing and arising by reason of the said invention,’ includes a monopoly of the sale in this country of products made according to the patented process, whether made in the realm or elsewhere. It may be added that the patent in another part expressly forbids any person directly or indirectly to make, use, or put in practice the invention. A person who makes, or procures to be made, abroad for sale in this country, and sells the product here, is surely indirectly making, using, and putting in practice the patented invention. Any other construction would, in fact, in the case of any really valuable invention of a process, render the whole privilege granted by the Crown futile.”

In *Neilson v. Betts* (u), B. held an English patent for the manufacture of a combined metal to be (among other purposes) applied as capsules to put on bottles. T. (who resided and carried on the business of a brewer in *Scotland*) purchased capsules made according to the process described in B.’s patent from a foreign manufacture, and in *Scotland* put these capsules upon his beer-bottles, which he then sent to his agents in *England* for transshipment and exportation. There was no evidence that the beer was sold in England for consumption here. It was held that, though the capsules were put on in *Scotland*, their user, while the beer remained here, was a continued user of them, which amounted to an infringement of the patent.

Transshipment.

In *Vavasseur v. Krupp* (x), a foreign sovereign bought in Germany shells made there, but alleged to be an infringement of an English patent. They were brought to this country in order to be put on board a ship of war belonging to a foreign sovereign, and the patentee obtained an injunction against the agents of the foreign sovereign and the persons in whose custody the shells were restraining them from moving the shells. The sovereign applied to be, and was, made a defendant to the suit. An order

Rights of foreign sovereigns.

(s) (1880) L. R. 14 Ch. D. at p. 233; 50 L. J. Ch. 126.

(t) (1869) L. R. 9 Eq. 217; 39 L. J. Ch. 328.

(u) (1870) L. R. 5 H. L. 1; 40 L. J. Ch. 317; see also 3 De G. J. & S. 87.

(x) (1870) L. R. 9 Ch. D. 351.

was then made by the Master of the Rolls, and affirmed on appeal, that, notwithstanding the injunction, he should be at liberty to remove the shells.

In *Nobel's Explosives Co. v. Jones (y)*, a patent having been granted in this country for making the handling of nitro-glycerine less dangerous by causing it to be absorbed in porous unexplosive substances, a material manufactured abroad by the patented process was imported into British waters. It was held that such importation, though for the purpose only of transshipment for exportation, and not for the purpose of having the material landed and stored in this country, was a continuing user in this country of the invention, and therefore an infringement.

In the same case it was held that persons acting as Custom House agents without control over the goods for an importing firm were not infringers of an English patent, although the importation might have been an infringement. Custom House agents.

The Act of 1883 (z) declares that a patent shall not prevent the use of an invention for the purposes of the navigation of a foreign vessel within the British territorial waters, nor the use of such an invention on board the ship where it is not used for, or in connection with, any intended importation into, or exportation from, the United Kingdom or Isle of Man. This provision, however, is not to apply to the vessels of any foreign state where similar privileges are not accorded to British vessels. Foreign vessels in British waters.

Prior to the Act of 1883 the Crown and its servants or agents had the right to use a patented invention without any payment of compensation to the patentee (a). It was decided in *Feather v. Regina (b)* that a grant of letters patent to a subject for an invention does not exclude the Crown from using the invention without a licence of the patentee. This right of the Crown was not because the Crown was impliedly excepted from the effect of letters patent, but because the privilege thereby granted is granted against the subjects only, and not against the Crown (c). Rights of the Crown.

(y) (1880-82) L. R. 17 C. D. 721; 50 L. J. Ch. 582.

(z) Sect. 43. This is a re-enactment of Act of 1852, sect. 26, and was necessitated by the decision in *Caldwell v. Vanlissigen* (1851), 21 L. J. (N. S.) Ch. 97. In that case an injunction was granted against subjects of the King of Holland to restrain them from using on board their ships within the dominions of England without the licence of the

plaintiffs an invention to the benefit of which the plaintiffs were exclusively entitled under the Queen's patent.

(a) *Dixon v. London Small Arms Co.* (1875), L. R. 1 App. Cas. 632; 46 L. J. Q. B. 617; *Feather v. Regina* (1865), 35 L. J. Q. B. 200; 6 B. & S. 257.

(b) *Suprà.*

(c) *Dixon v. London Small Arms Co.* (1875), L. R. 1 App. Cas. 632; 46 L. J. Q. B. 617.

Crown contractors.

In *Dixon v. London Small Arms Co.* (d), persons who had contracted with the Government for the supply of a patented article were held liable in damages. As the defendants were contractors, and not servants or agents, they could not shelter themselves behind the rights of the Crown, even though manufacturing for the Crown (e).

Patent to bind Crown.

The above cases still apply to patents granted prior to the Act of 1883, but now it is provided by that Act (sect. 27) that a patent shall have to all intents the like effect as against her Majesty the Queen, her heirs and successors, as it has against a subject. But the officers or authorities administering any department of the service of the Crown may by themselves, their agents, contractors, or others, at any time after the application, use the invention for the services of the Crown on terms to be before or after the use thereof agreed on, with the approval of the Treasury, between those officers or authorities and the patentee, or, in default of such agreement, on such terms as may be settled by the Treasury after hearing all parties interested.

Experimental user.

In *Frearson v. Loe* (f), Jessel, M.R., said, "No doubt if a man makes things merely by way of *bonâ fide* experiment, and not with the intention of selling and making use of the thing so made, for the purpose of which a patent has been granted, but with the view of improving upon the invention the subject of the patent, or with the view of seeing whether an improvement can be made or not, that is not an invasion of the exclusive rights granted by the patent. Patent rights were never granted to prevent persons of ingenuity exercising their talents in a fair way. But if there be neither using nor vending of the invention for profit, the mere making for the purpose of experiment, and not for a fraudulent purpose, ought not to be considered within the meaning of the prohibition."

In *Muntz v. Foster* (g)—an action for the infringement of a patent for "an improved manufacture of metal plates for sheathing the bottom of ships"—the patentee's invention consisted in making the said plates of an "alloy of foreign zinc" and of "best selected copper," the metals being melted together

(d) *Supra*.

(e) As to the insertion of conditions in favour of the Crown and its contractors on grant of new letters patent on prolongation, see *Napier's Patent*, L. R. 6 App. Cas. 174; 50 L. J. P. C. 40; *Lancaster's Patent* (1864), 2 Moo. P. C. N. S. 189; and *Hughes's Patent*, L. R. 4 App. Cas. 174; 48 L. J. P. C. 20; also

Petit Smith's Patent, 7 Moo. P. C. 133.

See also *Prolongation*, Chap. XVII.

(f) (1878) L. R. 9 C. D. at p. 66, 67. See also *Higgs v. Goodwin* (1858), 27 L. J. Q. B. 145, affirmed p. 421; E. B. & E. 529; *Brereton v. Richardson* (1883-84), Griffin, P. C. 54; 1 R. P. C. 165; *Guilbert-Martin v. Kerr* (1887), 4 R. P. C. 18.

(g) (1844) 2 Web. P. C. 93.

in certain stated proportions. Chief Justice Tindal told the jury that if the defendant had "actually made any small experiment for the purpose of ascertaining what the proportions or properties of the different alloys would come to, that would scarcely have been said to be a making in violation of the patent."

But user of a pirated article for the purpose of experiment and instruction is user for advantage, and is an infringement of the patent (*h*).

User for
instruction.

In one case, a company, being the proprietors of two patents for improvements, brought two actions against S., one for the infringement of each patent; S. denied infringement, and the actions were consolidated. It was admitted at the trial that S. had imported from abroad certain magnets, telephones, and transmitters, which were substantially identical with the articles made under the patent. S.'s story was that he did not really buy the instruments for exportation, but for use by his pupils, so as to avoid the use by them of the patent articles, which were much more expensive. "Imagine," said Mr. Justice Kay, "that I am to believe all this extraordinary story, and that these were not bought (for exportation). . . . What is the alternative story? The alternative story is this: The witness S. says, 'We used them for the purpose of experiment; the cost of them was so small that we could afford to allow our pupils to pull them to pieces or experiment with them.' Now they had, as he says, a number of the so-called royalty-paid instruments; they were more costly, and he says again and again, 'We could not afford to let our pupils use those, and pull them to pieces or experiment with, and therefore it was that we bought those which were very much cheaper, in order that our pupils might experiment with and use those instead of using the more expensive instruments.' I am asked to say that that was not a user in this country. What does the word pupil mean? The defendant says that the pupils are persons who do not pay anything for being taught, but, on the contrary, that those of them who have been a certain time, or certain classes of them, receive some payment; but whether these pupils, these young persons who are admitted into this business for the purpose of learning it, do or do not pay for their instruction, it is obvious enough that they are paid very much less than an ordinary assistant would be paid who did not want to learn the

(*h*) *United Telephone Co. v. Sharples* (1885), L. R. 29 C. D. 164; 54 L. J. Ch 633.

business. They are admitted upon the terms that part of the remuneration they shall get for their services shall be instruction in the business, and to say that to buy a telephone, which is an infringement of the patent in this country, for the purpose of instructing your pupils . . . is not a user in their country, is a thing to which I cannot accede. . . . I asked whether . . . there could be no user of a patent unless it produced a direct pecuniary advantage to the person who used it. . . . I put this very obvious case: suppose, for example, if the Singer sewing machine were protected by a patent, a man should buy a cheaper instrument which he knows is made in infringement of the patent, for some member of his household, who uses, let us say for amusement simply, would that be a user in this country or not? Without any doubt it would, although it did not produce to or save him one farthing."

Direct pecuniary advantage not condition precedent to liability.

Use of patented invention for a purpose different from that for which the patentee intended it.

It appears, therefore, that direct pecuniary advantage to the infringer of patented articles is not a condition precedent to his liability, and that it is sufficient if the act complained of is, or may reasonably become, prejudicial to the patentee.

The use of a patented invention for a purpose other than that specifically pointed out by the patentee in his claims will not always be an infringement. In *Edison v. Holland* (i) a claim was for a material for the manufacture of the illuminating conductors of electric lamps, produced by electrically heating carbon in a carbon gas. Kay, J., said: "That does not prevent any one from making the same material and using it for other purposes."

In the case of *Higgs v. Goodwin* (k), the defendant used a patented process for "treating chemically the collected contents of sewers and drains in cities, towns, and villages, so that the same may be applicable to agricultural and other useful purposes," not with the object of making a saleable mercantile article, but to purify water, the Court held that he was not infringing, though if a patent for a combination is originally directed to one purpose, and a person afterwards adopts it in order to make it minister to another and additional purpose, that person infringes (l).

(i) (1888) 5 R. P. C. 459, 482; and see *Newton v. Vaucher* (1851), 6 Ex. 859; 21 L. J. Ex. 305; *Lister v. Eastwood* (1864), 9 L. T. N. S. 766.

(k) (1858) E. B. & E. 529; 27 L. J. Q. B. 421. But see remarks of Romer, J., in *Pneumatic Tyre Co. v. East*

London Rubber Co. (1897), 14 R. P. C. at p. 103. See also *Fletcher v. Glasgow Commissioners* (1887), 4 R. P. C. 386.

(l) Lord Westbury in *Cannington v. Nuttall* (1871), L. R. 5 H. L. 205; 40 L. J. Ch. 739.

In the case of *Minter v. Williams* (m), it was held by the Court of King's Bench that the mere exposing for sale an article manufactured by a patent process is not an infringement of the letters patent, because the word "vend," which occurs in the granting, is not used in the prohibitory part of the patent, and because, even if it ought to be imported into the prohibitory clause of a patent, to "vend" does not mean to "expose for sale," also because a mere exposure to sale is not necessarily prejudicial to the patentee.

What is user?

Exposure for sale.

In *Oxley v. Holden* (n), however, an action for the infringement of a patent for "improvements in the doors and sashes of carriages," it appeared that the defendant had made about half a dozen of the patented articles, and that his traveller had offered them for sale to divers persons, but had not sold any. Mr. Justice Byles directed the jury that this was, in point of law, as much a user of the patent as if there had been an actual sale of the articles (o).

Where certain patented articles were given to a tradesman for the purpose of being repaired, and were lent by his wife to a third party, without any intention of selling them or evading the patent, it was held that there had been no infringement (p).

It is sufficient to constitute user of a patented article that the same sort of benefit, however temporary and indirect, has been in fact derived from it in its ordinary use. It is immaterial whether the use of the article is active or passive (q).

The user in this country of a patented article made abroad is an infringement of the patent (r).

Possession of a patented article may amount to an infringement if it be shown that it was intended to be used, although there may have been no actual user.

Possession.

In *Adair v. Young* (s) an action was brought against the master of a ship to restrain him from using pumps which were an infringement of the plaintiff's patent. It was shown that the

(m) (1835) 5 L. J. K. B. 60; 1 Web. P. C. 135.

(n) (1860) 8 C. B. N. S. 666; 30 L. J. C. P. 68.

(o) An injunction might have been obtained to restrain the threatened infringement: *Frearson v. Loc* (1878), 9 Ch. Div. 48, 65; *Adair v. Young* (1879), 12 Ch. Div. 13; *Dowling v. Billington* (1890), 7 R. P. C. 191; *Shoe Machinery Co. v. Cutlan* (1895), 12

R. P. C. at p. 357.

(p) *United Telephone Co. v. Henry & Co.* (1885), 2 R. P. C. 11; and see *United Telephone Co. v. Nelson* (1887), W. N. 193.

(q) *Betts v. Neilson* (1868-71), 34 L. J. Ch. 537.

(r) *Betts v. Neilson* (1865), 34 L. J. Ch. 537; 3 De G. J. & S. 22; L. R. 5 H. L. 1; 40 L. J. Ch. 317.

(s) (1879) L. R. 12 Ch. D. 13.

ship was fitted up exclusively with infringing pumps, but had been so fitted up before the defendant, who was not a part-owner, had taken possession of her. He had nothing to do with putting them on board, and they had never been worked in British waters. On appeal from an injunction granted by Bacon, V.-C., it was held that the injunction was rightly granted, on the ground that the defendant, being in command of a ship exclusively fitted up with pumps which were an infringement of letters patent, was intending to use the patented invention.

In *The United Telephone Co. v. London and Globe Telephone Co. (t)*, the plaintiffs brought their action on the ground that certain instruments were infringements of their patent B. These instruments had been manufactured for the defendants under a contract dated before the 27th of July, 1882, and were in their possession, but they had never used or sold any of them. The defendants contended that no injunction could be awarded against them, as they had not used or sold the instruments complained of. It was held that an injunction must be granted on the terms asked for by the plaintiffs, because possession without actual use of infringing articles is a sufficient ground for an injunction to restrain actual use.

The user of an invention after the patent has expired, and before new letters patent are granted on prolongation, is not an infringement (u).

Infringement
by sale.

In *Townsend v. Haworth (x)* it was laid down by Jessel, M. R., that the sale of articles which, to the knowledge of the vendor, would be used by the purchaser in infringing a patent, was not an infringement of the patent so far as the vendor was concerned; and this principle was approved of by Fry, L. J., in *Sykes v. Howarth (y)*. It is a necessary deduction from the proposition that in cases of what are called combination patents it is only the combination claimed that may not be used. The mere making, using, or vending of the elements is not prohibited by the patent; but if component parts are sold in such manner that they could be put together without difficulty, the patent will probably have been infringed (z).

(t) (1884) 1 R. P. C. 117.

(u) *Russell v. Ledsam* (1845), 14 M. & W. 574; 14 L. J. Ex. 353; affirmed 16 L. J. Ex. 145; 16 M. & W. 641.

(x) (1875) L. R. 12 Ch. D. 831 (n).

(y) (1878) L. R. 12 Ch. D. at p. 833;

cp. *Briggs v. Lardeur* (1884), 1 R. P. C. 126; 2 R. P. C. 13.

(z) *United Telephone Co. v. Dale* (1884), 25 Ch. Div. 778. See also *Newall v. Elliot* (1864), 10 Jur. N. S. 954.

It is not an infringement innocently to make articles in themselves not within the patented invention, though the person for whom they are made intends to utilise them in a combination which is an infringement (*a*).

A sale, however small, of infringing articles, however trivial in value, is sufficient to ground an action if the plaintiff's right is distinctly challenged thereby (*b*).

It must be observed that though the sale of a patented article is an infringement, the buyer has no remedy on an implied warranty that the article may be used against the person who sold the article as a patent to him (*c*).

When an article is sold without any restriction on the buyer, whether it is manufactured under an English or a foreign patent, that, as against the vendor, gives the purchaser an absolute right to deal with what he so buys in any way he thinks fit; and, of course, that includes selling in any country where there is a patent in the possession of and owned by the vendor (*d*).

Sub-purchaser's position.

But the mere fact that the grantors of a licence to manufacture articles in Belgium and not elsewhere had a monopoly of the invention in England would not import, as a matter of construction, into the Belgian licence, the grant of a right to interfere with the English monopoly by selling in England when there was no express grant of a right to sell in England (*e*).

Effect of the grant of a licence.

A licence to manufacture an article is an authority to purchasers to sell again without the consent of the patentee (*f*). Sometimes the licensee has power to sell only in a given district; in such case a purchaser from the licensee has full power to use the article or even to resell, at any rate unless he had notice of the restriction when the article was sold to him (*g*). It has been decided by the Supreme Court of the United States that the sub-purchaser may use and resell the article anywhere, though he had notice of the limited nature of the licensee's right (*h*). In *Heap v. Hartley* (*i*) an exclusive licensee for sale for a limited

(*a*) *Savage v. Brindle* (1896), 13 R. P. C. 266.

(*b*) *Cole v. Saqui* (1888), 5 R. P. C., per Kekewich, J., at p. 493.

(*c*) *Montford v. Marsden* (1895), 12 R. P. C. 266.

(*d*) *Société Anonyme de Glaces v. Tilghman's Sand Blast Co.* (1883), 25 Ch. D. 7, per Cotton, L. J.; cp. *Betts v. Willmott* (1870), L. R. 6 Ch. 239.

(*e*) *Ibid.*

(*f*) *Thomas v. Hunt* (1864), 17 C. B.

N. S. 183.

(*g*) *Incandescent Gas Co. v. Cantelo* (1895), 12 R. P. C. 262; *Betts v. Willmott* (1870), L. R. 6 Ch. 239.

(*h*) *Keeler v. Standard Folding Bed Co.*, 157 U.S. 659, 8th April (1895). See an interesting article in 10 *Harvard Law Review*, p. 1.

(*i*) (1888) 5 R. P. C. 603. See also, in the Court of Appeal, 42 Ch. Div. 461; 6 R. P. C. 495; 58 L. J. Ch. 790.

district failed to recover against a person who bought the patented articles and introduced them to the district without notice of the licence.

The partner of one who has a personal right to manufacture or sell cannot manufacture or sell without infringing, for he is something more than a mere agent (*k*).

Procuring manufacture of infringing articles is infringement.

If it can be shown that a defendant in an action of infringement procured the making of articles according to the patentee's invention, that will be sufficient to entitle the plaintiff to a verdict against him upon that breach (*l*).

Offers to execute orders for articles which might or might not be infringements.

In the case of *Gwynne v. Drysdale* (*m*) a curious point was raised. The pursuer, being patentee of an invention of "improvements in pumping machines," which consisted in arranging the suction and discharge pipes to swivel by making the pump-case rotate, brought an action against the defenders for infringing this patent. The alleged infringements consisted of the sale of certain pumps, and offers to execute orders for swivelling pumps in response to applications by persons who applied at the instance of the pursuer. The defenders denied infringement. It was held by the Lord Ordinary (Maclaren), whose judgment was affirmed on appeal by the First Division of the Inner House of the Court of Session (*n*), that the defenders had not infringed, because the pumps which they had sold were not swivelling pumps at all; and as to their offers to execute orders for swivelling pumps, the patent did not claim every kind of swivelling pump, and the presumption must be that their offers related to such as would not be an infringement of the patent.

It is not the duty of the patentee to inform persons that they are infringing the patent, nor by abstaining from so doing is the patentee estopped from alleging the infringement on the ground of standing by (*o*); but he cannot send an agent to purchase the infringing article, and then proceed on the sale (*p*). And where the patentee's agent went to the defendants to buy an infringing article and succeeded only in getting the loan of it, an action for infringement by sale was dismissed (*q*).

(*k*) *Howard and Bullough v. Tweedale* (1895), 12 R. P. C. 519.

(*l*) *Gibson v. Brand* (1842), 1 Web. P. C. 631, per Tindal, C. J., and see note (*d*).

(*m*) (1885) 2 R. P. C. 160; 3 R. P. C. 65.

(*n*) (1886) 3 R. P. C. 65.

(*o*) *Proctor v. Bennis* (1887), 36 Ch. Div. 740; 57 L. J. Ch. 11; 4 R. P. C. 333.

(*p*) *Kelly v. Batchelar* (1893), 10 R. P. C. 289.

(*q*) *United Telephone v. Henry* (1885), 2 R. P. C. 11.

As regards infringement by repairing a patented article, see *United Telephone Co. v. Nelson* (r).

The person who orders an infringing article to be made is guilty of infringement (s), but one who licenses another to infringe a patent is not necessarily himself an infringer (t).

The making or working any material part of an invention patented without the consent or licence of the patentee is an infringement of his rights (u).

One or two general illustrations may be given.

In *Cornish v. Keene* (x), the patent comprised an invention which was composed of three distinct parts, and the plaintiffs proved that the defendants had used so much only of the invention as related to one of the three parts, yet the evidence was held to be sufficient to entitle the plaintiffs to a verdict upon the issue of infringement.

In *Newton v. Grand Junction Railway Co.* (y), Pollock, C. B., said, "It was argued that the same criterion is to be applied to the question of infringement as to that of novelty. But that is not so. In order to ascertain the novelty, you take the entire invention, and if, in all its parts combined together, it answer the purpose by the introduction of any new matter, by any new combination, or by a new application, it is a novelty entitled to a patent. But, in considering the question of infringement, all that is to be looked at is, whether the defendant has pirated a part of that to which the patent applies; and if he has used that part for the purposes for which the patentee adapted his invention, and for which he has taken out his patent, and the

Ordering the making of an infringing article.

Making or working material part of invention is infringement.

Novelty and infringement are not to be determined by similar evidence.

(r) (1887) W. N. 193.

(s) *Gibson v. Brand* (1842), 1 W. P. C. 631; 4 M. & G. 179.

(t) *Montgomerie v. Peterson* (1894), 11 R. P. C. at p. 237.

(u) See post, p. 350, under Combinations.

(x) (1835) 6 L. J. C. P. 225; 1 Web. P. C. 501; cp. *Hill v. Thompson* (1818), 1 Web. P. C. 242; *Gillett v. Wilby* (1839), *Ibid.* 270; 9 C. & P. 336; *Newton v. Grand Junction Railway Co.* (1846), 20 L. J. Ex. 427, n.; 5 Exch. 334; *Sellers v. Dickinson* (1850), 20 L. J. Ex. 417; 5 Exch. 312, 326; *Electric Telegraph Co. v. Brett* (1851), 20 L. J. C. P. 123; 10 C. B. 838; *Smith v. London and North-Western Railway Co.* (1853), 2 E. & B. 69, 76; *Bovill v. Keyworth* (1857), 29 L. T. 194; 7

E. & B. 725, 737; *De la Rue v. Dickinson* (1857), 29 L. T. 194; 7 E. & B. 738; *Lister v. Leather* (1858), 27 L. J. Q. B. 295; 8 E. & B. 1004, 1031, 1033; *Patent Bottle Envelope Co. v. Seymer* (1858), 28 L. J. C. P. 22; 5 C. B. N. S. 164; *Thomas v. Foxwell* (1858), 5 Jur. N. S. 39; *White v. Fenn* (1867), 15 L. T. N. S. 505; 15 W. R. 348; *Parkes v. Stevens* (1869), L. R. 8 Eq. 358, 366, 368; 38 L. J. Ch. 627; *Wright v. Hitchcock* (1870), L. R. 5 Ex. 37; 39 L. J. Ch. 97; *Hinde v. Osborne* (1885), 2 R. P. C. 64; *United Horsenail Co. v. Stewart*, *Ibid.* 122.

(y) (1846) 5 Exch. 334; 20 L. J. Ex. 427, n. See also *Murray v. Clayton* (1870), 7 Ch. 570; *Caldwell v. Van Vlissingen* (1851), 9 Hare, 415; 21 L. J. Ch. 97.

jury are of opinion that the difference is merely colourable, it is an infringement."

In *Sellers v. Dickinson* (z), the same learned Judge said, "There may be an infringement by using so much of a combination as is material, and it would be a question for the jury whether that used was not substantially the same thing" (z). And again, "I think it may be laid down as a general proposition (if a general proposition can be laid down on a subject applicable to such a variety of matters as patent law—matters, indeed, incommensurable with each other, for the same doctrine which would apply to a medicine would scarcely apply to a new material or a new metal) that if a portion of a patent for a new arrangement of machinery is in itself new and useful, and another person, for the purpose of producing the same effect, uses that portion of the arrangement, and substitutes, for the other matters combined with it, another mechanical equivalent, that would be an infringement of the patent" (a).

Law as to improvements in patented articles.

It is no answer for the defendant in an action of infringement to show that he has improved upon the plaintiff's invention, if, without the use of that invention, the improvement cannot be made available (b).

A patent can be taken out for an improvement upon the subject-matter of the patent which is still running or in force, but cannot be exercised without the licence or consent of the prior patentee during the currency of his grant, if it is so dependent upon the original invention as to be incapable of being used without it. At the end of that time the public has a right to choose between the two inventions (c). On the other hand, the improvement cannot be used by the original patentee without the licence of the second patentee, but since 1883 either patentee can obtain a compulsory licence (d).

Infringement question of fact.

Whether there has or has not been infringement, is to be determined according to the circumstances of each case. In a

(z) 5 Exch. 312; *Hills v. Liverpool Gas Co.* (1863), 32 L. J. Ch. 28.

(a) *Ibid.*, 326.

(b) *Ehrlich v. Ihlee* (1888), 5 R. P. C. 437; *Neilson v. Harford* (1841), 1 Web. P. C. 310, 328.

(c) *Ex parte Fox* (1812), 1 Web. P. C. 431; *Harmer v. Playne* (1807), 14 Ves. 130; *Lewis v. Davis* (1829), 1 Web. P. C. 489; *Crane v. Price* (1842), *Ibid.* 413, per Tindal, C.J. A manufac-

turer who professes to sell to the public a machine under his own name as one with all the newest improvements will not be restrained from selling it on an allegation that it is an infringement of the plaintiff's patent for an old machine which had not the modern improvements: *Willcox Sewing Machine Co. v. Wood* (1869), 20 L. T. N. S. 10.

(d) Sect. 22.

measure the question of infringement is a mixed question of law and fact, for where everything in the nature of fact is admitted on either side, and the decision depends merely on the construction of the specification, it is for the Court to determine whether or not an infringement has taken place (e). Again, "there may well be a case where the Judge may and ought to take upon himself to say that the plaintiff has offered no evidence to be left to the jury to prove infringement, as if there were a patent for a chemical composition, and the evidence was that the defendant had constructed and used a machine for combing wool" (f). But when the decision will depend on disputed questions of fact, such as the degree of difference or similitude between two machines or the operation of two or more chemical substances placed together, infringement becomes a question of fact, which the Judge is bound to submit to the jury if there be one (g). What the jurymen find to have been done is the matter of fact, but the Judge must apply that fact according to the rules of law, and is entitled and bound to say whether what has been done amounts to an infringement (h).

What are questions of fact and what of law.

It is always necessary to ascertain precisely what the subject-matter of a patent is, in order to determine whether or not there has been an infringement of the privilege, and it must be shown that the act complained of constitutes an interference, to the prejudice of the patentee, with the subject-matter, or some new and essential part of the subject-matter, of the letters patent.

Must clearly ascertain subject-matter.

This point, of which the importance can hardly be over-estimated, will be best explained by a reference to a few decided cases.

Cases.

(a) The complainers being patentees of an invention for "improvements in the manufacture of knitted fabrics and in machinery therefor," brought an action against the respondent for infringing their patent. The respondents denied infringement. The machines of both parties produced radial knitting with courses of unequal lengths. In the complainers' machine, the needles

(e) *Seed v. Higgins* (1860), 30 L. J. Q. B. 314; 8 H. L. C. 550; *Curtis v. Platt* (1866), 35 L. J. Ch. 852.

(f) *De la Rue v. Dickinson* (1857), per Campbell, C. J., 7 E. & B. at p. 755; *Westinghouse v. The L. & Y. Railway Co.* (1884), per Grove, J., 1 R. P. C. 237, 238.

(g) *Curtis v. Platt* (1866), L. R. 1 H. L. 337; 35 L. J. Ch. 852; *Benno Jaffe,*

&c., Fabrik v. Richardson (1894), per Kay, L. J., 11 R. P. C. 265.

(h) *Seed v. Higgins, ubi supra*; cp. *Walton v. Potter* (1841), 1 Web. P. C. 586; *Macnamara v. Hulse* (1842), Car. & M. 471; *Newton v. Grand Junction Railway Co.* (1846), 20 L. J. Ex. 427, n.; 5 Exch. 331; *Stevens v. Keating* (1847), 2 Web. P. C. 191.

were latched needles and were securable by means of a raising bar, while in the respondents they were barbed and stationary. It was held that as the specification did not claim the process of radial knitting apart from the mechanism described, and as the respondents' machine was substantially different from the complainers', although producing the same results, there had been no infringement (i).

Same result obtained by different means.

(b) The owner of a patent for improvements in stretchers for trousers brought an action for alleged infringement. The defendants denied the infringement. It was held that the defendants' stretchers, although obtaining the same result, obtained it by different means, and were a development beyond what was to be found in the plaintiff's specification (k).

(c) A patentee in his specification claimed as his invention "the application of a self-adjusting leverage to the back and seat of a chair, whereby the weight on the seat acts as a counter-balance to the pressure against the back of such chair." Any application of that principle to the same subject producing this effect, and nothing short of that, is an infringement of the patent (l).

Importance of construction of the specification.

The exact meaning of the specification, and especially of the claims, is the most important matter to be determined when a dispute as to infringement occurs. In *Boyd v. Horrocks* (m) the House of Lords reversed the decision on infringement of the Court of Appeal, a result caused solely by the different interpretation put upon the claims by the two Courts. As Romer, J., said in *Nobel's Explosives Co. v. Anderson* (n): "In order to make out an infringement, it must be established, to the satisfaction of the Court, that the alleged infringer, dealing with what he is doing as a matter of substance, is taking the invention claimed by the patent, not the invention which the patentee might have claimed if he had been well advised or bolder, but that which he has in fact and substance claimed on a fair construction of the specification."

(i) *Mackie v. Berry* (1885), 2 R. P. C. 146.

(k) *Gosnell v. Bishop* (1888), 5 R. P. C. 41, 151. See also *Barber v. Grace* (1847), 17 L. J. Ex. 122; 1 Ex. 339.

(l) *Minter v. Wells* (1834), 1 Web. P. C. 134; cp. *Couchman v. Greener* (1884), 1 R. P. C. 197; *Nordenfelt v. Gardner* (1884), *ibid.* 61; *Walker v. Hydro-Carbon Syndicate* (1885), 2 R. P.

C. 8; *Sugg v. Bray* (1885), *ibid.* 223-239; *Richardson v. Castrey* (1887), 4 R. P. C. 265; *Ellington v. Clark* (1888), 5 R. P. C. 319; *Garrard v. Edge* (1889), 6 R. P. C. 563; *Boyd v. Horrocks* (1889), *ibid.* 152; *Automatic Weighing Co. v. Combined Co.* (1889), 6 R. P. C. 367.

(m) (1891) 9 R. P. C. 77.

(n) (1894) 11 R. P. C. 128.

Having got the true meaning of the claims, and having determined the acts done by the alleged infringer, it is a question of fact whether these acts are within the claims. If the alleged infringing article and the invention covered by the patent are identical, the solution is simple. This is seldom the case. But if it appear that though the infringer has not slavishly copied the patentee's invention, yet that he has taken the substance of it, infringement will have been proved (o). "If the pith and marrow of the invention is taken it is no excuse to say that you have added something or omitted something, even if the addition or omission be useful and valuable" (p).

Infringement
a question of
fact.

To take the substance of a combination will be not the less an infringement because it has been coloured or disguised by immaterial variations, or by the substitution for some parts of the combination, of known mechanical equivalents (q).

Colourable
imitation or
substitution
of equiva-
lents.

In *Hayward v. Pavement Light Co.* (r), the plaintiffs were owners of a patent for "Improvements in Pavement Lights," having for its object lights so constructed as to divert the rays of light in an inclined direction into the rooms which it is desired to light, by using glass moulded so as to consist of an angle or series of angles. The defendants used lights of glass moulded in the shape of a curve; it was held, that the defendants had infringed.

Cases.

In *Shoe Machinery Co. v. Cutlan* (s) the defendant's machine for lasting boots differed from that covered by the plaintiffs' patent, in that defendant's machine could not be used for the intended purpose without a separate tool, which tool was well known and old. But the Judge, holding that the tool was intended to be used, not as an ordinary hand-tool, but to be incorporated with the machine, and that when so used the defendant's machine was the same as the plaintiffs', decided that there had been an infringement, none the less because the tool

(o) The Court may take the evidence of experts as to the relative importance of the different parts of the invention, in order to determine whether the substance has been taken: *Incandescent, &c., Co. v. De Mare Incandescent Syndicate* (1896), 13 R. P. C. 301, 559.

(p) Bowen, L. J., in *Wenham Gas Co. v. Champion Gas Co.* (1892), 9 R. P. C. 49, 56; *Incandescent Gas Light Co. v. De Mare Incandescent Gas Light Syndicate* (1896), 13 R. P. C. 301, 559.

(q) *Dudgeon v. Thomson* (1877), per

Lord Cairns, C., 3 A. C. 34; cp. *Morgan v. Seaward* (1836), per Alderson, B., 1 Web. P. C. 171; *Walton v. Potter* (1841), 1 Web. P. C. 586; *Walton v. Bateman* (1842), per Cresswell, J., 1 Web. P. C. 616; *Barrett v. Vernon* (1877), 25 W. R. 343; *Heath v. Unwin* (1845), 2 Web. P. C. 227; *Adair v. Young* (1879), L. R. 12 Ch. Div. 13; *Muirhead v. Commercial Cable Co.* (1895), 12 R. P. C. at p. 63.

(r) (1884), 1 R. P. C. 207; *Hinde v. Osborne, ibid.* 221; 2 R. P. C. 64.

(s) (1895) 12 R. P. C. 342.

and the defendant's machine were severable, and when apart showed no obvious infringement.

In *United Telephone Co. v. St. George (t)*, the plaintiffs were the owners of a patent claiming a combination for telephonic purposes of a diaphragm or tympan with electric tension regulators operating in a closed circuit. The defendant's instrument, which was alleged to be an infringement, consisted of a disc of carbonised leather behind a mouth-piece and a ball of carbonised wood, suspended by means of a flexible metallic conductor so as to rest lightly by gravity against the disc. The defendant denied the alleged infringement, and contended that his instrument did not contain either of the elements of the plaintiffs' combination, and did not operate in a closed circuit. It was held that the defendant's disc was a diaphragm within the meaning of the specification; that the defendant's disc and ball were tension regulators covered by the specification; that the defendant's instrument did operate in a closed circuit; and that the plaintiffs were entitled to an injunction in the usual form.

In *Wenham Co. v. May (u)*, the owner of a patent for improvements in gas lamps brought an action against M. & Co., alleging infringement and asking for the usual relief. The defendants denied infringement. The only material difference between their combination and that of the plaintiffs was, that whereas in the plaintiffs' lamp there were gauze coverings placed in two distinct positions, and serving the purpose of moderating and equalising the currents of air, in the defendants' lamp there was only one gauze covering, which did not occupy precisely the same position as either of the two in the plaintiffs' lamp, but which, according to the evidence, answered the same purpose, although less effectively. It was held, that having regard to the evidence and to the fact that upon the specification the equalising of the currents by the gauze, rather than the exact position of the gauze, appeared to be the aim of the invention, the defendants' combination was an infringement of the plaintiffs'.

In *Ehrlich v. Ihlee (x)*, the grantee of a patent for improvements in mechanical musical instruments brought an action for alleged infringement. The defendants denied infringement. It was held

(t) (1886) 3 R. P. C. 321.

(u) (1887) 4 R. P. C. 303.

(x) (1888) 5 R. P. C. 437; *Winby v. Manchester, &c., Steam Tramways Co.*

(1889, 1890), 6 R. P. C. 365; 7 R. P. C. 30; *Shaw v. Jones*, 6 R. P. C. 328; *Automatic Co. v. Combined Co.*, *ibid.* 120.

at the trial, that the plaintiff's combination was new; and that the defendants had taken the same parts to perform the same functions, with the colourable variation of a rotating wind-chest and fixed music sheet, instead of the plaintiff's fixed wind-chest and rotating music sheet, and had therefore infringed. This decision was confirmed on appeal.

A similar rule holds when the patent is for a chemical process. Thus in *Stevens v. Keating* (y) the specification stated the invention to consist in producing certain hard cements of the combination of the powder of gypsum, powder of limestone, and chalk, with other materials, such combinations being (subsequent to the mixing) submitted to heat. The specification then described the method of making cement from gypsum, in the course of which alkali was to be used, and was to be neutralised with an acid; the result was to be subjected to heat. The patentee claimed "the processes of mixing the powdered materials, alkalies and acids, as hereinabove described," &c. The defendant manufactured cement by combining gypsum with borax, and subjecting the whole to heat. It was in evidence that borax is composed of an acid and an alkali. It was held by Pollock, C. B., that there was sufficient evidence of infringement.

Colourable evasions in chemical cases.

Again, in *Hancock v. Moulton* (z), on an application to the Court of Chancery for an injunction to restrain the manufacture by the defendant of vulcanized or cured caoutchouc, alleged to be an infringement of the plaintiffs' patent, it appeared that this patent was for obtaining a certain useful product by subjecting a mixture of sulphur and caoutchouc to heat. The mixture was first made mechanically, and then by the operation of heat the character of the caoutchouc was changed, so that it ceased to be liable to stiffen from cold; it was not decomposed by heat, and it was improved in elasticity. The patent extended to the incorporation of sulphur, and of sulphur only, with the caoutchouc, by means of heat. The defendant subsequently obtained a patent for the combination of hyposulphate of lead with caoutchouc. That combined mass, acted upon by heat, was alleged by the defendant to produce more beneficial results, but the results were of the same character as those which were produced by the plaintiffs' invention. Turner, V.-C.: "Assuming the materials thus used by the defendant to be different, the process of the

(y) (1847) 2 W. P. C. 181; cp. *Talbot v. La Roche* (1854), 15 C. B. 310.

(z) (1852) Johns. Pat. Man. 6th ed. 254.

defendant would *per se* be no infringement of the plaintiffs' patent. The plaintiffs confine their patent to sulphur; the defendant had used hyposulphate of lead and artificial sulphuret of lead. But it was alleged by the plaintiffs that the materials were not in truth different, or at least that the materials which produce the result are the same. It was said that the hyposulphate and sulphuret of lead do not of themselves produce the change, but that the change is produced by the sulphur which they contain, and which forms one of their several constituent parts; and that those parts being decomposed by *heat*, the sulphur combined with the caoutchouc and left a residuum of lead, which had no operation in the change which was effected. If the qualities conferred upon the caoutchouc by the process were imparted by the sulphur, it would no doubt be an infringement of the plaintiffs' patent."

Again, in *Muntz v. Foster (a)*, an action for the infringement of a patent for "an improved manufacture of metal plates for sheathing the bottom of ships," Lord Lyndhurst, C., said: "The analysis proves that that compound (the metal manufactured by the defendants) consists, not of ordinary copper and zinc, but of those minerals in their greatest purity, and in the proportions recommended in the plaintiff's specification. If they were originally combined in this state, the evasion is plain and direct. If they were purified in the course of this process, this, I think, would constitute a colourable evasion of the plaintiff's invention."

"Colourable"
imitation.

A person who takes out a patent for an invention which consists in the use of certain proportions is not bound to limit his claim to those precise proportions, and a colourable variation in those proportions will be an infringement of his patent (b).

The word "colourable" is often used when the difference between the infringing and infringed manufacture is apparent and not real. The word "colourable" is not the best possible, inasmuch as it may convey the idea that an invention may be infringed without being identically copied. This is not so; the identity may be hidden, but there can be no infringement unless the identity exists (c).

(a) (1844) 2 Web. P. C. 95.

(b) See *Patent Type Founding Co. v. Richards* (1859), 1 Johns. 381, which throws light on this point.

(c) *Dudgeon v. Thompson* (1877), 3 App.

Ca. 34. And cf. two recent cases: *Tweedale v. Ashworth* (1892), 9 R. P. C. 121; *Henser v. Hardie* (1894), 11 R. P. C. 421.

A difficulty arises when the alleged infringement produces the same result as that produced by the patented method, but by a different method. If the patentee has claimed the product, and such claim is good (as to which see *ante*, p. 29), of course there is an infringement; but otherwise the law may be thus expressed:—

Production of same results by different methods.

(1) Where the invention is of something not before known, and not merely of a new method of carrying out a known result, that is, where the result is new, the Court looks very narrowly and very jealously upon any other machines for effecting the same object, to see whether or not they are merely contrivances for evading the patent (*d*). A patent of this kind is often called a “master” or “pioneer” patent, and cannot be evaded by the substitution of known equivalents for producing the same results.

Infringement of pioneer or master patents.

(2) But where there is no novelty in the result; and where the machine is not a new one, but the claim is only for improvements in a known machine for producing a known result, the patentee must be tied down strictly to the invention which he claims and the mode which he points out of effecting the improvement (*e*).

Whilst, therefore, there is doubt whether the patentee even of a pioneer invention is entitled to prevent others from attaining the same results by any and every different method (*f*), it is clear that in the matter of degree, the Court will more severely examine an alleged infringement of such a patent than an alleged infringement of an invention which merely aims at an improved method of attaining an already known result. In the former case equivalents for parts of the invention, or rather, contrivances known to be equivalents, will not differentiate the infringer's method from that of the patentee; in the latter more latitude is allowed, provided that the alleged infringer has not taken the actual means employed by the patentee. In neither case is there infringement unless the actual invention has been taken; but in

Use of equivalents.

(*d*) *Proctor v. Bennis* (1887), 36 Ch. Div. 740; 57 L. J. Ch. 11; 4 R. P. C. 333; *Automatic Weighing Machine Co. v. Knight* (1889), 6 R. P. C. 297; *Ibid. v. National Exhibitions Association* (1892), 9 R. P. C. 41; *Nobel's Explosives Co. v. Anderson* (1894), 11 R. P. C. 519; *Incandescent Gas Light Co. v. De Mare Incandescent Syndicate* (1896), 13 R. P. C. 301, 559. Especially see judgment of Kay, L. J.; also in the House

of Lords, 12 R. P. C. 164.

(*e*) *Curtis v. Platt* (1863), 3 Ch. Div. 135, n., and cases in the last note; also *Brown v. Jackson* (1895), A. C. 446; 12 R. P. C. 311, 324.

(*f*) See *ante*, p. 29 *et seq.*, and cf. Pearson, J., in *Badische, &c., v. Levinstein* (1883), 24 Ch. Div. 52 L. J. Ch. 704; 2 R. P. C. 73, at p. 671, with Kay, L. J., in *Nobel Explosives Co. v. Anderson, supra*.

the former case the result is part of the invention ; in the latter it is not (g).

Illustrations.

The following cases are illustrative of the above:—

Curtis v. Platt.

In *Curtis v. Platt* (h) the plaintiff was the owner of a patent for improvements in spinning mules, which were well-known machines, working and acting long before that patent was taken out. For the efficient agency of these machines it was found necessary that there should be a shaft with cams on it, and some means of arresting the shaft, staying it once, twice, or even four times during a single rotation, and thereby producing breaks or pauses for spaces of time in its rotatory motion. These pauses or breaks had been at various times attempted to be produced in various ways. One method of producing them was by the operation of a clutch-box, and it was patented by L. and R. The plaintiff's patent was for an improvement on this process, and its only merit consisted in a new arrangement of original elements, all of which were to be found in the patent of L. and R. The defendant used the same common elements for the same object, but in a different combination, with a different effect on the clutch-box, and with a different result. It was held by Wood, V.-C., and by the House, that there had been an infringement of the plaintiff's patent. Wood, V.-C., said, in language which has often been quoted with approval: "Where the thing is wholly novel, and one which has never been achieved before, the machine itself which is invented necessarily contains a great amount of novelty in all its parts, and one looks very narrowly and very jealously upon any other machines for effecting the same object, to see whether or not they are merely colourable contrivances for evading that which has been before done. When the object itself is one which is not new, but the means only are new, one is not inclined to say that a person who invents a particular means of doing something that has been known to all the world long before, has a right to extend very largely the interpretation of those means which he has adopted for carrying it into effect. . . . In such a case it may be said that the means taken are simply mechanical equivalents for the means previously adopted for arriving at the same object. One looks more jealously at the claims of inventors seeking to limit

Judgment of Wood, V.C.

(g) *Ticket Punch Register Co. v. Colley's Patents* (1896), 12 R. P. C. 172. See also *Howes v. Webber* (1895), 12 R. P. C. 468; *Incandescent Gas Light*

Co. v. De Mare Incandescent Co. (1896), 13 R. P. C. 301, 559. (h) (1863) 3 Ch. Div. 135, n.; in the House of Lords, 35 L. J. Ch. 852.

the rights of the public at large for effecting that which has been commonly known to all the world long ago. . . . I think it extremely important to follow the rule laid down in the House of Lords, in *Seed v. Higgins* (i), that if you find a specific mechanical improvement claimed, then you must hold the person strictly to that particular mechanical device which he has claimed for effecting the object he had in view; and if he says it is to be done in one precise and particular way, to that precise and particular way he must be held; and those who have *bonâ fide* employed a different system and a different way, must not be held to have infringed."

This decision may most usefully be compared with *Proctor v. Bennis* (k). The patent in question had for its object "improved and self-acting mechanism for supplying to and distributing fuel at intervals over the fire surface." The essence of the invention consisted in throwing coal on to the furnace by the intermittent radial action of a flap or door. Nothing of the kind had been done before. There had previously been imperfect machines for feeding furnaces automatically, but that had not previously been done by any intermittent radial action of a flap or door, as in the case of the plaintiff's patent. It was held by the Court of Appeal that the plaintiff's patent was infringed by a machine producing the same result by a combination of mechanical equivalents of the above contrivances, with some alterations and omissions which did not prevent the new machine from being one which took the substance and essence of the patented invention. Cotton, L. J., said, referring to *Curtis v. Platt* (l): "The principle alleged to have been laid down was that where an invention is claimed for improvements in machinery consisting only in a combination, there the patentee must be held to the description which he gives of the particular means by which his invention is to be carried into effect, and that the doctrine of mechanical equivalent cannot apply. In my opinion that case does not apply to the present, because the observations there made were applied to the case where the patent was for an improvement in a machine which had been long in use for producing a certain result. There was no novelty in the results to be produced, and the only novelty which could be claimed was the application and

*Proctor v.
Bennis.*

(i) (1860) 8 H. L. C. 550; 30 L. J. Q. B. 314.

(k) (1887) 36 Ch. Div. 740; 57 L. J. Ch. 11; 4 R. P. C. 333.

(l) *Supra.*

use of certain mechanical means in order to produce in a known machine the same result which in that known machine had been produced by other mechanical means. That, to my mind, distinguishes the case from the present. . . . In my opinion, therefore, the opinions expressed by the Judges with reference to mere improvements in an old machine for an old purpose, cannot apply to a case like this, where there was not only novelty in the machine, but novelty in the result to be produced by that machine."

Automatic Weighing Machine v. Knight.

In *Automatic Weighing Machine Co. v. Knight (m)*, a new kind of weighing machine, wherein the introduction of a coin into the apparatus allowed the weight of the body weighed to be shown on the indicator, the machine acting automatically, was held not to be infringed by a weighing machine, in which the introduced coin raised an arm, and so enabled the person to operate a handle which set the machine in motion. The defendant attained the same result as the patentee, but he did it by a different method, and as this method was not a mere colourable imitation, nor brought about by the mere substitute of known equivalents for the parts as used by the patentee, he was held not to have infringed. This case shows that though a machine be a combination to produce a new result, yet that the patentee is not entitled to protection unless the actual invention claimed by him has been taken. The Court will look with great care to find if the invention has in reality been infringed, but it will not hold every method of attaining the result to be an infringement.

The last mentioned case may be compared with *Automatic Weighing Machine Co. v. National Exhibitions Association (n)*, when the Court, dealing with the same patent, decided that an infringement had been committed. The defendants had taken the invention of the patentee, and had given effect to it in a different way, substituting mechanical equivalents for the details used by the patentee. The patentee's machine being a new one and accomplishing new results, the doctrine of *Proctor v. Bennis (o)* applied, and the infringement was proved.

Mechanical equivalents.

A combination of known mechanical appliances and principles to attain a combination of results long sought for, but not previously obtained, in a machine in common use, is a new result, and the doctrine of equivalents applies in such a case.

(m) (1889) 6 R. P. C. 297; cp. *United Horse Nail Co. v. Swedish Horse Nail Co*, *ibid.* 1; *Boyd v. Horrocks*, *ibid.* 152.

(n) (1892) 9 R.P. C. 41.
(o) 36 Ch. Div. 740; 57 L. J. Ch. 11;
4 R. P. C. 333.

This point was decided in *Thomson v. Moore* (p). The plaintiff, in 1876, patented improvements in the mariners' compass, the chief features of which were an exceedingly light compass card consisting of a narrow rim of thin paper, the central portion being cut away, and the outer circumference composed of a thin rim of aluminium, it and the card being kept in shape and connected with the central boss by fine silken radial threads in tension: the needles short and light, arranged in a horizontal plane a little beneath the card, and attached to it by light silk threads; the objects attained being—(1) diminution of friction, resulting in increased sensitiveness and accuracy; (2) small magnetic moment and consequent amenability to Airy's system of correctors; (3) long vibrational period, the magnetic moment being small, and a comparatively large proportion of the weight of the card being thrown to the periphery, securing steadiness in stormy weather. In 1885, the defendant, who had previously patented certain "improvements in the adjustments of the mariners' compass," one of the features of which was a new arrangement of correctors, constructed and sold a compass card, admittedly an infringement of plaintiff's patent, and proceedings having been instituted, he consented to a perpetual injunction. In 1888 the defendant constructed another card, resembling that of the plaintiff in—(1) extreme lightness; (2) smallness of needles and magnetic moment; and (3) length of vibrational period and consequent steadiness, the greater part of the weight being thrown to the periphery, as in the patented compass card; but differing from the card described in the plaintiff's specification in the following respects—(a) the circumference consisted of an L-shaped ring of aluminium, instead of a thin flat rim; (b) the centre portion in both cards was cut away, but defendant, instead of connecting it with the boss by silken spokes in tension, used flat parallel strips of aluminium; (c) the needles in both were short and light, but in defendant's card they were arranged in two vertical rows some distance below the card, and attached by aluminium wires, instead of silk threads. The same combination of results, viz., diminution of frictional error, steadiness, and amenability to correction, were obtained in both cards, though not in the same degree. Defendant alleged that he disposed the needles in vertical rows, placed some distance below the card, in

*Thomson v.
Moore.*

(p) (1889) 6 R. P. C. 426; and in the House of Lords on appeal, 7 R. P. C. 325.

order to adapt the instrument to his own patented system of correctors, which he claimed was an improvement on plaintiff's patented arrangement. The plaintiff charged defendant's new card as a fresh infringement of his patent and a breach of the injunction, and moved for an attachment. It was held by the Master of the Rolls (Ireland) that the patent being for a new means of attaining an old and well-known object, viz., to produce a compass which would be steady and true under all circumstances, it was the case of a combination of known mechanical means for effecting a known improvement in an old machine, and that the doctrine of mechanical equivalents did not apply. The plaintiff having appealed, the Court of Appeal (Ireland), reversing the order of the Master of the Rolls, held that the essence of the plaintiff's invention being so to combine extreme lightness of card with long period of vibration and small needles, so as to obtain a combination of results not previously obtained, viz., diminution of frictional error, steadiness, and amenability to correction, such a combination amounted to a new result, and the doctrine of mechanical equivalents applied; that the question was whether there was a pith and substance of invention underlying the combination; and if so, has the defendant taken that pith and substance; that the defendant's card having obtained the same results by substantially the same means, agreeing in essentials with the plaintiff's patented card, and differing only in non-essentials it constituted an infringement. This judgment was upheld by the House of Lords.

*Ticket-Punch
Co. v. Colley's
Patents.*

A recent case—*The Ticket-Punch Register Co. v. Colley's Patents* (q), shows the application of the principles above set out. The patent related to ticket-punching machines, and the patentee was aware that ticket-punches had been contrived with the intention of preventing the operation of the punch until a ticket is inserted. He invented an improvement consisting of an apparatus in which the punch was set fast and had to be released, the mechanism for holding or fastening the punch back he called the locking device, and its ingenuity was not denied. It was so contrived that the punch was held back until released by the rising of a pin in it, and the rising was caused by the insertion of the ticket. The fundamental idea and essence of the invention was first to hold back the punch, and then to

(q) (1895) 12 R. P. C. 171. See also *Jardine v. King, Mendham & Co.* (1896), 13 R. P. C. 411; *Birch v. Harrap* (1896), 13 R. P. C. 615.

release it. The defendants arrived at the same end by different means. Their punch was always free to move, it was not held back or locked at all. But they availed themselves of the idea of having a movable punch accompanied by a pin prevented by the ticket from descending when the punch came down and made a perforation. Having decided that the locking device was an essential part of the plaintiff's patent, the Court decided that there had been no infringement. Lindley, L. J., said: "The same result is obtained, but the whole combination is in substance quite different, and the variations are so great, and are occasioned by so different a conception of the problem to be solved, that they cannot be said to be slight, or to be mechanical equivalents for mechanism adopted by the plaintiffs."

Later on he says: "Before any question of mechanical equivalents can arise, the conclusion must be arrived at that the substance of the invention has been taken. Then, if the differences are really immaterial, from that point of view, they ought to be neglected. But if two persons solve the same mechanical problem in two substantially different ways, starting from different conceptions, and both succeed, neither method of solution can be considered as the mechanical equivalent of the other, although each method may involve the use of well-known contrivances, and much may therefore be common to both." Smith, L. J., said the case fell within *Curtis v. Platt* (r) and not within *Proctor v. Bennis* (s).

The older cases are to the same effect. Thus, Pollock, C. B., in delivering the judgment of the Court in *Bovill v. Pimm* (t), said: "Where a subject is not new, as this certainly was not, viz., 'the cooling of substances undergoing the process of grinding' (which had been long known to be a desideratum in grinding, and to effect which various contrivances had been adopted, and several, if not many, patents taken out), any patent taken out for a method of performing the operation is substantially confined to that method, and cannot be extended to other methods obviously different, because they involve some common principle applied to the common object, and may apparently be described by the same general phrase.

Again, in *Seed v. Higgins* (u), the plaintiff claimed by his

Older cases.

Bovill v. Pimm.

Seed v. Higgins.

(r) (1866) 3 Ch. Div. 135, n.; 35 L. J. Ch. 852.

(s) (1887) 36 Ch. Div. 740; 57 L. J. Ch. 11; 4 R. P. C. 333.

(t) (1856) 11 Ex. 718.

(u) (1860) 8 H. L. C. 550; 30 L. J. Q. B. 314. See also *Wilson v. Barbour* (1888), 5 R. P. C. 245, 675.

amended specification the application of centrifugal force in the particular manner described in the specification. The particular manner described was by the use of "a weight." The defendant employed a machine similar in many respects, but, though using weight, or pressure occasioned by weight, as a force, did not use "a weight:"—It was held, that this did not amount to an infringement of the plaintiff's patent.

In the cases the equivalents referred to were mechanical equivalents. But it is submitted that, when once the facts are fully understood, the same rules apply to chemical equivalents.

Same principles apply to chemical equivalents.

It is true that where a patentee has made some discovery in chemistry, any person may afterwards use for the same purpose chemical equivalents which were not known to be such at the time the patent was taken out (*x*). And in *Heath v. Unwin* (*y*), an action for the infringement of a patent for certain improvements in the manufacture of iron and steel—the specification described the invention as consisting in "the use of carburet of manganese in any process whereby iron is converted into cast steel." B. manufactured cast steel by placing oxide of manganese and carbonaceous matter into the pot at the same moment as the steel. Evidence was given that carburet of manganese would be formed by the combination of these substances before the steel was melted. They produced the same effect upon the steel as the carburet of manganese at a cheaper rate. This method of producing the effect was not known at the time of taking out the patent. It was held that this was a new invention and not an infringement of the patent.

There is in this nothing to differentiate chemical from mechanical equivalents. The substitution of a mechanical equivalent may be sufficient to prevent infringement, if at the time of the application for the patent it was not known to be such. In the course of advising the House of Lords in *Unwin v. Heath* (*z*), Williams, J., said; "I fully agree with the doctrine which has been repeatedly laid down in the course of the discussion of this cause, that though the use of a chemical or mechanical substitute which is a known equivalent to the thing pointed out by the specification, and claimed as an invention, amounts to an infringement of the patent; yet if the equivalent

(*x*) Per Pearson, J., in *Badische, &c. v. Levinstein* (1883), 24 Ch. Div. at p. 171; 52 L. J. Ch. 704.

(*y*) (1855) 2 W. P. C. 236.
(*z*) (1855) 5 H. L. C. 545; 25 L. J. C. P. 8.

were not known to be so at the time of the patent and specification, the use of it is no infringement."

It will be observed that the learned Judge treats alike of chemical and mechanical equivalents, and does not differentiate between them; and a servile imitation or colourable evasion of a chemical process or product will be as much an infringement of a patent for that process or product (a).

Again, in *Muntz v. Foster* (b), an action for the infringement of a patent for "an improved manufacture of metal plates for sheathing the bottom of ships," Lord Lyndhurst, C., said: "The analysis proves that that compound (the metal manufactured by the defendants) consists, not of ordinary copper and zinc, but of those minerals in their greatest purity, and in the proportions recommended in the plaintiff's specification. If they were originally combined in this state the evasion is plain and direct. If they were purified in the course of this process, this, I think, would constitute a colourable evasion of the plaintiff's invention."

Colourable evasion of a chemical process.

The use in a manufacture of an equivalent, not known to be such, will not be an infringement even of a pioneer patent if the patent be for a process. In *Nobel's Explosive Co. v. Anderson* (c), the patentee claimed "the manufacture from nitro-glycerine and soluble nitro-cellulose of a honey or semi-honey explosive compound." The defendant made the explosive with insoluble nitro-cellulose, and it was urged that there was the mere substitute of one chemical equivalent for another. The defendant succeeded in all the Courts. In the House of Lords Lord Herschell said: "No doubt there may well be cases where a chemical compound patented would protect against the manufacture of the compound in which one of the ingredients differed, where there had been a substitution for one chemical ingredient of that which was known to all chemists to be a mere chemical substitute for the other, producing the same reactions, it might be, or in some other way recognized as the equivalent of the other, so that any chemist would know that merely to change this particular ingredient and substitute the other for it would make no real difference in the

(a) See, e.g., *Stevens v. Keating* (1847), 2 W. P. C. 181. But the Judge said: If it had turned out that the defendants had, by the use of borax, produced a substance very superior indeed, I think it would have been a fair question for the jury to consider, whether that was a colourable imitation or evasion, or

whether it was a person travelling in his own direction, and making discoveries in the field that was not closed against him. Cp. *Talbot v. La Roche* (1854), 15 C. B. 310.

(b) (1844) 2 W. P. C. at p. 95.

(c) (1894) 11 R. P. C. 519; affirmed in the House of Lords, 12 R. P. C. 164.

compound. There might well be such a case I quite admit. . . . But what is the evidence that in 1888 any chemist would have known that wherever 'soluble' was mentioned in this patent, 'insoluble' might be understood as a substitute in its action in all respects equivalent to the other? The evidence seems to me to be the other way."

Test of infringement of combination.

The test of whether or not a combination has been infringed was thus stated by Cotton, L. J., in *Proctor v. Bennis* (d): "Has the combination in substance been taken? Has the defendant, though not exactly taking the whole combination which has been patented, taken by slight variations or by mechanical equivalents the substance of it, so as to produce the same result by practically the same means?" Or, as it has otherwise been said: To infringe a patent for a combination, it is not enough that a part or even a material part has been taken; the combination must have been taken (in a reasonable sense) as a whole. And, on the contrary, it is not necessary that the entire combination should have been taken; if, making allowance for all due differences, the pith and marrow has been taken, that suffices (e).

A collusive imitation of the invention may be effected, though some detail of the combination may be omitted or changed (f). But an infringement of a combination does not take place merely where the details are copied into a new combination—unless, indeed, the subordinate integers are themselves the subject of a special claim (g).

The following cases are illustrative (h):—

Patent for entire combination not infringed by different combination for same object.

A patent for an entire combination is not infringed by a different combination for the same object of the same elements, though important, or of equivalents for them, if not a mere colourable evasion or imitation (i). Thus in *Clark v.*

(d) (1887) 36 Ch. Div. 740; 57 L. J. Ch. 11; 4 R. P. C. 333.

(e) *Incandescent Gas Light Co. v. De Mare Incandescent Gas Light System* (1896), 13 R. P. C. 301, 559. *Miller v. Clyde Bridge Steel Co.* (1891), 8 R. P. C. 198; 9 R. P. C. 470. See also, per Vaughan Williams, J., in *Automatic Weighing Machine Co. v. National Exhibitions Association*, 8 R. P. C. at p. 350.

(f) *Incandescent, &c., Co. v. De Mare, &c., Co.* (see last note); Lord Penzance, in *Harrison v. Anderston Foundry Co.* (1876), 1 App. Ca. at p. 593; *Benne Juffe, &c., Fabrik. v. Richardson* (1894),

11 R. P. C. 261.

(g) *Foxwell v. Bostock* (1864), 4 De G. J. & S. 298; *Clark v. Adie*, *infra*, note (i).

(h) Many of the cases quoted in this chapter *supra* illustrate the law governing infringement of combinations.

(i) *Curtis v. Platt* (1866), 3 Ch. Div. 135, n; 35 L. J. Ch. 852. In considering the question of colourable evasion, the Court will look at the novelty of the object of the combination and of the parts combined, *ibid.*; *Lister v. Leather* (1858), 27 L. J. Q. B. 295; 8 E. & B. 1004, 1031; *cp. Dudgcon v.*

Adie (k) the plaintiff, who was assignee of a patent for a machine for clipping horses, made a new machine for the same purpose, for which he did not take out a patent. The plaintiff's machine was very unlike the patented machine, the general combination of the parts of the latter machine not being copied, but a subordinate combination of some of the parts (not expressly or impliedly claimed as a distinct invention in the specification of the patentee) being embodied in the plaintiff's machine. The defendant made and sold clipping machines in exact imitation of the plaintiff's machine. It was held that the patent did not protect the subordinate combination.

Again, in *Parkes v. Stevens* (l), where, by the specification of a patent for improvements in spherical gas-lamps at railway stations and public places, protection was claimed for "the arrangement and combination of parts hereinbefore described and represented in the drawing annexed," it was held by James, V.-C., that the use by the defendant of a sliding spherical door, which, although its advantages were altogether collateral to the objects of the invention, was a feature in the plaintiff's lamps and described in his specification, was no infringement of the plaintiff's patent.

His lordship, however, added: "The cases establish that a valid patent for an entire combination for a process gives protection to each part thereof that is new and material for that process, which is really nothing more than stating in other words that you not only have no right to steal the whole, but you have no right to steal any part of a man's invention; and the question in every case is a question of fact—Is it really and substantially a part of the invention?" (m).

In *Flower v. Lloyd* (n) it was held by the Court of Appeal that in order to constitute an infringement of a patent for a combination there must be an infringement of the whole combination,

Patent for entire combination protects every essential part.

Question is, Has essence of combination been adopted?

Thomson (1877), L. R. 3 A. C. 34; *Clark v. Adie* (No. 1, 1875), L. R. 10 Ch. 667; 45 L. J. Ch. 228; *Townsend v. Haworth* (1875), 12 Ch. D. 831, n.; *Harrison v. Anderston Foundry Co.* (1876), L. R. 1 A. C. 574; *Incandescent, &c. Co. v. De Mare, &c. Syndicate* (1896), 13 R. P. C. 301.

(k) (1877) 2 A. C. 315 (a mechanical case), followed in *Incandescent Gas Light Co. v. De Mare Incandescent Co.* (1896), 13 R. P. C. 301, 559 (a chemical case).

(l) (1869) L. R. 8 Eq. 358; on appeal, 5 Ch. 36; 38 L. J. Ch. 627; *Saxby v. Clunes* (1869-74), 43 L. J. Ex. 228.

(m) Cp. *Walton v. Potter* (1841), 1 Web. P. C. 586, 587; *Thorn v. Worthing Skating Rink Co.* (1876), L. R. 6 Ch. D. 415, n.

(n) (1877) W. N. 132; and see *S. C. ibid.* 71; *Burnett v. Tate* (1883), Johns. Pat. Man. 260; *Mason v. Goodwin* (1889), 6 R. P. C. 235.

not in the sense that every step of the combination must be adopted, but that there must be an adoption of that which constitutes the essence of the combination.

In *United Telephone Co. v. Harrison* (o) the plaintiffs were the owners of a patent for improvements in electric telephones. In the instruments which they manufactured and sold the plaintiffs used a diaphragm or tympan of mica to receive the air-vibrations produced by the voice, under which was placed a piece of cork, and below the cork was a piece of platina foil. At the date of the plaintiffs' patent it was not known that the instrument would work without the independent mica diaphragm, but this was subsequently discovered. The defendants made and sold instruments similar to those manufactured under the patent, except that they dispensed with the mica diaphragm and the cork. It was held that they had infringed the plaintiffs' patent.

(o) (1882) 21 Ch. D. 720 ; 51 L. J. Ch. 705.

CHAPTER XIII.

THE ACTION OF INFRINGEMENT.

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SECT. 1. ORIGIN AND DEVELOPMENT OF ACTION OF
INFRINGEMENT.

It is evident that a privilege such as that granted by a patent for an invention would be worthless if the law did not provide some remedy for the patentee against those who may invade it. The right to any species of corporeal property may to a great

Patent privileges worthless without legal remedies.

Vindication
of patent
privilege
entirely
dependent
upon the law.

extent be vindicated by the physical means at the command of the owner; but with respect to an incorporeal right, such as a patent privilege, which is a mere creature of the law, the proprietor must depend almost entirely upon the law itself for vindication and support (*a*).

Star
Chamber.

The infringement of patent rights was a wrong for which neither the common nor the early statute law of England provided any remedy (*b*). It was, however, cognizable by the Court of Star Chamber, either as a contempt of the royal authority (*c*), or under its general jurisdiction for the repression of "cozenage," which is defined as "an offence whereby anything is done guilefully in or out of contracts which cannot fitly be termed by any special name," and was punished summarily and with severity. Thus, "apprentices or servants of the patentee attempting to reap the fruits of his ingenuity . . . were to be treated as 'first rogues, and then whipped'" (*d*).

Its jurisdic-
tion objec-
tionable.

The jurisdiction of the Star Chamber over the infringers of patent rights was objectionable, not only on account of its severity, but because it supported any grant which the Crown thought fit to make, and considered every infringement of letters patent as a contempt.

Monopolies to
be tried at
common law.

The second section of the Statute of Monopolies provided that all questions affecting the force or validity of letters patent, should be heard, tried, and determined in the Courts of common law, according to the common laws of the realm, and not otherwise. An action at law was then declared and recognised to be the proper remedy for the infringement of patent rights.

Damages at
common law
against
infringers.

In addition to an action at law, the owner of an invaded patent was entitled to bring a suit in equity against the infringers of his privilege. A Court of law could only give the patentee damages for any actual injury he had sustained by the violation of his rights, and had neither power to prevent future infringements, nor any adequate machinery by which the full extent of the particular infringement complained of could be ascertained. But the Court of Chancery, by means of its process of injunction, could protect the patentee against the future invasion of his privilege.

Fuller remedy
in equity
Courts.

Injunction in
Chancery.

Again—and here the language of Hindmarch (*e*) may be quoted

(*a*) Hindmarch, p. 248.

(*b*) Coryton, 262.

(*c*) Webster, Letts. Pat. p. 42, n. (*y*).

(*d*) Coryton, *ubi supra*, and authorities there cited.

(*e*) Page 306.

—“the infringement of a patent is generally committed in secret, or, at all events, under such circumstances as to preclude the possibility of procuring sufficient legal evidence of the extent of the infringement. . There is in consequence very much difficulty in the way of procuring evidence of a violation of the patent by a suspected person, and it would be almost impossible in any case to show by legal evidence in a Court of law, the full extent of the injury which the patentee has sustained by the infringement of his patent. But a Court of equity has the power, not possessed by a Court of law, of compelling a defendant to answer on oath the complaint made against him by the plaintiff’s bill, and to make a full discovery of everything which is necessary to enable the Court to do justice between the parties.”

Discovery in equity.

The history of this equitable jurisdiction is curious and instructive. The privilege conferred by a patent was a legal right, of which the force and validity might, under the second section of the Statute of Monopolies, be determined in the Courts of common law alone. Equity followed the law, and, according to the strict theory of this maxim, could claim no independent jurisdiction in respect of the privilege, or the infringement of the privilege created by letters patent (*f*). But the Court of Chancery could, and did, interfere on principles similar to those which determined its action in cases of nuisance, breach of contract, waste, the invasion of copyright, or the property in trade secrets or trade-marks, to protect the property of the patentee until his legal right could be ascertained by the jurisdiction to which it properly belonged (*g*).

How Court of Chancery obtained jurisdiction.

The Court of Chancery at first exercised its jurisdiction in aid only of a patentee whose legal right was clear and undoubted, and refused to enforce a claim under letters patent, or a charter from the Crown, until it had been tested by an action at law (*h*). This principle of action itself became in turn a maxim of equity, “and in process of time a fictitious inability was the cause on which it founded its refusal to decide questions involving the

Previous trial at law was at first necessary.

(*f*) *Calcraft v. West* (1845), 2 Jones & Lat. 128.

(*g*) *Harman v. Jones* (1841), per Cottenham, L. C., 1 Cr. & Ph. 299: *Sparrow v. Oxford, Worcester and Wolverhampton Rail. Co.* (1851), 9 Hare, 441.

(*h*) *Blanchard v. Hill* (1742), 2 Atk. 484. “If one who has letters patent

for an invention files a bill for an injunction to restrain another from pirating his invention, he must state in his bill that he has brought his action at law and so established his right by a good verdict, or a demurrer to his bill for want of equity shall be sustained”: Old MSS., cited 2 Coop. C. C. 61, n.

validity of the grant, the claim of the plaintiff to the property it conferred, and the fact of infringement" (i).

Development
of jurisdic-
tion.

Gradually, however, the Court of Chancery abandoned this position, and assumed the attitude which it maintained till the fusion of law and equity by the Judicature Acts deprived the question of its practical importance. In *Hicks v. Raincock* (k), a demurrer to a bill for an injunction to stay the infringement of a patent right on the ground that the plaintiff had not established his title at law, was overruled: and in *Newman v. Milner* (l), it was said by the Lord Chancellor never to be the right of a defendant to have a case transmitted for trial at law, but that where the title of the party was clear a Court of Equity would act without a reference; and in *Wilson v. Tindal* (m), Lord Langdale, M. R., said that he had no doubt whatever as to the competency of the Court of Chancery to grant an injunction simpliciter.

But the early reluctance of the Court of Chancery to interfere in cases of disputed patent right had its justification in reason as well as in the maxim of equity.

"Before a patent privilege," says Hindmarch (n), "has been established by a verdict, the title of the patentee depends entirely upon his patent, which he has obtained by means of his own *ex parte* and unsupported representations to the Crown, and that circumstance alone would induce a Court of equity to give a defendant a proper opportunity of testing the validity of the patent in a Court of law."

We find accordingly that, while asserting its right to act independently of references to law, the Court of Chancery still continued to display its original caution in granting injunctions (o).

Act of 1852.

The Patent Law Amendment Act, 1852, made the first advance towards the fusion of law and equity.

But limited
view of these
powers taken.

Although it was held in the judicial construction of this statute (p), that "the intention of the Legislature was to vest in the Courts of common law the power to order an injunction,

(i) Coryton, p. 320. See Foub. Eq. 43.

(k) (1715) 2 Dick. 647; cp. *Soltan v. De Held* (1851), 2 Sim. N. S. 133, and cases there cited.

(l) (1794) 2 Ves. jun. 486.

(m) (1841) 1 Web. P. C. 730, n. (a): cp. *Universities of Oxford and Cam-*

bridge v. Richardson (1802), 6 Ves. 683.
(n) Page 307.

(o) See *post*, pp. 370, 431.

(p) *Patent Type Founding Co. v. Lloyd* (1860), per Martin, B., 5 H. & N. 192; 29 L. J. Ex. 207; cp. *Holland v. Fox* (1854), 23 L. J. Q. B. 357; 3 E. & E. 977.

inspection and account (therefore) exclusively possessed by Courts of equity," a plaintiff does not seem to have been enabled to obtain such full relief from the Courts of law as he might have in equity (q). Thus it was decided in *Gittins v. Symes* (r), that the injunction which a Court of law might grant under 15 & 16 Vict. c. 83, s. 42, was, like the injunction under sect. 82 of the Common Law Procedure Act, 1854, a rule to show cause only, in the first instance: and in *Vidi v. Smith* (s), that "inspection" meant an inspection of the instrument or machinery manufactured or used by the parties with a view to evidence of infringement, and did not refer to an inspection of books.

Under the Judicature Act, 1873, the jurisdiction formerly exercised by the Courts of common law and equity is transferred to the High Court of Justice (sect. 16); and it is provided generally that in all matters "in which there is any conflict or variance between the rules of equity and the rules of the common law with reference to the same matter, the rules of equity shall prevail" (sect. 25, sub-sect. 11).

The fusion of law and equity under Judicature Act, 1873.

The Judicature Acts and the Rules of the Supreme Court apply to actions for infringement of letters patent for inventions, unless the wording of the Patent Act in any particular provides otherwise (t). Therefore, what follows in this chapter will, in the main, be confined to those matters in which the practice in patent cases differs from that followed in other litigations, or to illustrations from patent cases of the ordinary rules of practice.

SECT. 2.—COMMENCEMENT OF ACTION.

(1.) General.

Under the Patents Act, 1883 (u), a patentee cannot take proceedings in respect of infringements committed before the publication of his complete specification, and until letters patent have actually been granted to him; and "if any proceeding shall be taken in respect of an infringement of the patent, committed after a failure to make any payment within the prescribed time,

Provisions of Act of 1883, sects. 13, 15.

(q) Lawson, p. 189.

(r) (1854) 24 L. J. C. P. 48; 15 C. B. 362.

(s) (1854) 23 L. J. Q. B. 342; 3 E. & B. 969; cp. *Patent Type Founding Co. v. Lloyd*, *supra*, and *Patent Type Founding*

Co. v. Walter, 29 L. J. Ex. 207; Johns 727.

(t) See, e.g., *Re Haldan's Patent* (1884), 54 L. J. Ch. 126; *Shoe Machinery Co. v. Cutlan* (1896), 1 Ch. 108; 65 L. J. Ch. 314; 13 R. P. C. 315.

(u) Sects. 13 and 15.

and before the enlargement thereof, the Court before which the proceeding is proposed to be taken may, if it shall think fit, refuse to award or give any damages in respect of such infringement" (x).

Several
infringers.

Besides the question as to whether any of these statutory limitations apply to his case, a patentee has frequently to consider how he ought to act when his patent is being infringed by several persons at the same time. Under these circumstances, the patentee has several difficulties to face and to choose between. He may take proceedings against one infringer successfully, but the others are not bound by the issue of such an action, and the consequence is that the patentee may have to establish his case from the beginning against any fresh person who chooses to impugn the patent and to contest its validity upon the same or different grounds (y), besides laying himself open to a charge of laches (z). Upon the other hand, even if he proceed by separate action, against the several infringers at the same time, he may still have to defend the validity of his patent in a number of distinct proceedings, in each of which it is impeached upon different grounds; and he will also render himself liable to a charge of vexatious and oppressive litigation.

In the case of *Borill v. Crate* (a), Wood, V.-C., suggested a way out of these difficulties:—

Best manner
to proceed
where several
infringers.

“After getting information of case after case of infringement (the patentee) might select that which he thought the best in order to try the question fairly, and proceed in that case to obtain his interlocutory injunction. He might write, at the same time, to all the others who were *in simili casu*, and say to them: ‘Are you willing to take this as a notice to you that the present case is to determine yours? Otherwise I shall proceed against you by way of interlocutory injunction; and if you do not object on the ground of delay, I do not mean to file bills against all of you at once.’”

No notice of
action neces-
sary.

A plaintiff is entitled to apply for an injunction, and to have his costs as soon as his legal right is invaded, although unintentionally; and he is under no obligation to give the defendant any notice before commencing an action (b), or to discontinue

(x) Sect. 17, sub-sect. 4 (b).

(y) *Borill v. Goodier* (1865-67), per Romilly, M. R., 2 Eq. p. 199; 35 L. J. Ch. 432.

(z) *Bridson v. Benecke* (1849), 12 Beav. 1; *Borill v. Crate* (1865), 1 Eq. 388.

(a) (1865) L. R. 1 Eq. at p. 391. The

course here suggested is referred to with approval in *North British Rubber Co. v. Gormully and Jeffery Manufacturing Co.* (1895), 12 R. P. C. at p. 21.

(b) *Cooper v. Whittingham* (1880), L. R. 15 Ch. D. 501; 49 L. J. Ch. 752; *Upmann v. Forester* (1883), 24 Ch. D.

proceedings upon the defendant admitting and promising not to repeat the infringement (c).

In the case of *Nunn v. D'Albuquerque* (d), the defendant had, in ignorance, infringed the plaintiff's patent, but submitted and offered before suit to pay the amount of profits made, which were very trifling. At the hearing, although a perpetual injunction was granted, no costs were given, and an account was granted only upon the plaintiff's request, and at his peril. See also *Lyon v. Mayor of Newcastle* (e), where an injunction was refused.

Costs of unnecessary action disallowed.

(2.) Parties.

(a) Plaintiffs.

There was formerly a difference between the rules of law and equity with respect to the parties to proceedings for the infringement of patent rights. In an action at law no one could be plaintiff unless he was either a patentee, or could show a legal title of assignment to the whole or a part of the patent privilege; while, in the Court of Chancery, a person might be made a plaintiff, or co-plaintiff, when he had any equitable interest in the patent privilege, although such interest did not amount to a legal title (f).

Legal and equitable titles.

The rules of equity, however, now prevail, and all parties claiming any interest, legal or equitable, in the patent, if they do not join as co-plaintiffs, may, and ought to, be made defendants to the action, so that the infringing defendants may not be called upon to account twice, first to the plaintiff, and then to the persons who claim an interest in the patent (g).

Equity rules now prevail.

One of several co-owners of a patent has a right to sue alone (h) for an injunction and for his proportionate share of damages (i).

Action by one of several co-owners.

231; 52 L. J. Ch. 946; *Goodhart v. Hyett* (1883), 25 Ch. D. 182; *United Telephone Co. v. London, &c., Telephone Co.*, 32 W. R. 870; 26 Ch. Div. 766; *Nicols v. Pitman* (1884), 26 Ch. D. 374; *Wittman v. Oppenheim* (1884), 54 L. J. Ch. 56; 27 Ch. D. 260; 28 S. J. 499; *Uppmann v. Elkan* (1871), L. R. 12 Eq. 146; 41 L. J. Ch. 246; *Burgess v. Hills* (1859), 26 Beav. 244, 247; 28 L. J. Ch. 356; *Burgess v. Hately* (1859), 26 Beav. 249; *Edelsten v. Edelsten* (1863), 1 D. J. S. 203; *Davenport v. Rylands* (1865), L. R. 1 Eq. 305; 35 L. J. Ch. 204. As to costs, see *post*, p. 462.
(c) *Losh v. Hague* (1837), 1 Web. P. C. 200; *Geary v. Norton* (1846), 1 De G. &

S. 9; but see *Proctor v. Bayley* (1889), 42 Ch. D. 390; 59 L. J. Ch. 12; 6 R. P. C. 106.
(d) (1865) 34 Beav. 395.
(e) (1894) 11 R. P. C. 218. And see *American Tobacco Co. v. Guest* (1892), 1 Ch. 360; 61 L. J. Ch. 242; 9 R. P. C. 218.
(f) *Hindmarch*, 308.
(g) *Bergmann v. Macmillan* (1881), 17 Ch. Div. 423.
(h) *Sheehan v. G. E. R. Co.* (1880), 16 Ch. Div. 59, 63; 50 L. J. Ch. 68. Cp. *Steers v. Rogers* (1893), App. Ca. 232; 62 L. J. Ch. 671; 10 R. P. C. 245.
(i) *Dent v. Turpin* (1861), 2 J. & H. 139; 30 L. J. Ch. 495.

But if the partial owner desires more than an injunction, if he desires damages or an account of profits, the alleged infringer is entitled to have joined all parties interested, so as not to make him liable to several actions and several accounts. "I do not for one moment say that a person who has obtained an assignment of a share of profits is not entitled to an account of profits from the person by whom they are payable. But in my judgment, in order to avoid multiplicity of actions, the account must be taken once for all in the presence of all the parties interested" (*h*).

Assignees.

An action for infringement may be brought by the assignees of the patent infringed (*l*).

Assignee of bankrupt.

The assignees or trustee of a bankrupt patentee may bring it (*m*).

Assignee of part of a patent.

It is competent to the assignee of a separate and distinct portion of a patent to sue for an infringement of that part without joining one who has an interest in another part—the damages to be recovered in the action accruing to the former alone. In delivering judgment in the case in which this principle was laid down (*n*), Erle, C. J., said: "It is every day practice, for the sake of economy, to include in one patent several things which are in their nature perfectly severable and distinct. It is also every day practice to get rid of, by disclaimer, part of a patent which turns out to be old. Being therefore inclined to think that a patent severable in its nature may be severed by the assignment of a part, I see no reason for holding that the assignee of a separate part, which is the subject of infringement, may not maintain an action. Then, are the assignees bringing an action for an injury done solely to them by an infringement of that part of the patent which is thus vested in them alone, liable to be defeated because they have not joined the assignees of other parts of the patent, who have no manner of interest in the damages sought to be recovered in such action? I see no reason why the action should be defeated on any such ground. I see

(*h*) *Bergmann v. Macmillan* (1881), 17 Ch. Div. 423, per Fry; *Dent v. Turpin* (1861), 2 J. & H. 139; 30 L. J. Ch. 495; see also *Davenport v. Richards* (1860), 3 L. T. N. S. 503; *Westhead v. Keene* (1838), 1 Beav. 287; 8 L. J. Ch. 89.

Electric Telegraph Co. v. Brett (1891), 10 C. B. 838; 20 L. J. C. P. 123; and see *Boulton v. Bull* (1795), 2 H. Bl.

464. See also Act of 1883, sect. 46.

(*m*) *Bloxam v. Elsee* (1827), 6 B. & C. 169.

(*n*) *Dunnicliff v. Mallett* (1839), 7 C. B. N. S. 209, 227; 29 L. J. C. P. 70; see also per Cotton, L. J., in *Van Gelder, &c., Co. v. Sowerby Bridge Flour Society* (1890), 44 Ch. Div. 374; 59 L. J. Ch. 583; 7 R. P. C. 208.

no reason why the plaintiffs should be put to the trouble and expense of applying for leave to use the names of the other parties, or of compelling them, by means of a Judge's order, to permit their names to be used upon an indemnity, where no practical advantage whatever is to be gained by it, the injury being to the assignees of part only, and the damages to be recovered being theirs only."

Where one of two persons, who are tenants in common of a patent assigned to them, dies, actions for infringements committed during his lifetime survive to the other, who is entitled at law to recover the whole damages (o).

Survival of action to survivor of tenants in common.

The assignee of a patent may maintain an action for an infringement, even though he has acquired the right by assignment of two separate moieties, and the party sued is the original grantee; and the action is maintainable although there has been infringement since the defendant has received notice that the entire interest in the patent has become vested in the assignee (p). If the assignment has not yet been registered, the action is nevertheless maintainable (q). If the plaintiff assigns pending action, the Court may give leave to add the assignees as partners, but will not necessarily do so (r). Probably leave would be refused save on stringent terms.

Assignee may sue original grantee.

In *Walton v. Lavater* (p), the facts were these: The defendant assigned one moiety of his patent to the plaintiff, and the remaining moiety to other parties, D. and G., who subsequently assigned their share to the plaintiff. It was contended that the assignee of two separate moieties of a patent was not entitled to sue for an infringement in the same manner as he would have been if he had taken the whole interest in the patent under one assignment; but the Court of Common Pleas overruled this contention. "We are of opinion," said Erle, C. J., "that the assignment to the plaintiff of that partial interest . . . made the plaintiff in effect tenant in common with the defendant of the interest of the patent, and that the defendant, having afterwards

(o) *Smith v. L. & N. W. Rail. Co.* (1853), 2 E. & B. 69.

(p) *Walton v. Lavater* (1860), 8 C. B. N. S. 162; 29 L. J. C. P. 275; see *Anderson v. Patent Oxonite Co.* (1886), 3 R. P. C. 279. As to the position of the general agent of foreign owners of an English patent, see *Adams v. N. B. Rail. Co.* (1873), 29 L. T. N. S. 367. *Spilsbury v. Clough* (1842), 2 Gale &

Dav. 17; a partial assignee was allowed to sue after disclaimer by the patentee.

(q) *Chollett v. Hoffman* (1857), 7 E. & B. 686; 26 L. J. Q. B. 249, to the contrary was decided on a different statute; and see *Hassall v. Wright* (1870), 10 Eq. 509; 40 L. J. Ch. 145.

(r) Cp. *Ruston v. Tobin* (1878), 49 L. J. Ch. 262, with *Nobel's Explosive Co. v. Jones* (1879), 42 L. T. N. S. 754.

assigned the remaining moiety to D. and G., when D. and G. assigned to the plaintiff . . . the plaintiff became assignee of the whole patent, as if the original assignment to him from the defendant had comprised the whole.”

It must be noted that the decision in *Walton v. Lavater* applies only to the case of letters patent which are separable into parts, and the balance of authority is against the right of an assignee of a share in the profits of a patent for an invention which is one and indivisible to sue alone for the infringement of the privilege (s).

Actions by mortgagors.

A mortgagor of a patent may sue for infringement. In the case of *Van Gelder v. Sowerby Bridge Flour Society* (t), the owners by assignment of a patent mortgaged it to various persons by way of assignment, and subsequently brought an action against S. for infringement without joining as parties their mortgagees, whose mortgages were all entered on the Register of Patents. At the trial S. took the preliminary objection (duly raised by his defence) that the plaintiffs were not the proprietors of the patent, and were not entitled to sue alone. Kekewich, J., held that the objection was good, but his decision was reversed on appeal.

How far licensee entitled to sue for infringement.

There is still considerable difficulty in determining the question how far the mere licensee of a patent privilege is entitled to sue for infringement. In the case of *George v. Beaumont* (u), Lord Eldon said: “If the patents should be determined good, damages might be recovered not only by the patentees, but by the persons who have obtained licences from them.” This dictum is cited by Webster (v) as an authority for the proposition that “a licensee would be able to recover for any special damages which he may have sustained”; and if this be the correct interpretation, it is not inconsistent with the law laid down in *Derosne v. Fairie* (y) and *Newby v. Harrison* (z), that a mere licensee can maintain no action alone for an infringement of the patent of which he has a licence. The principle of these decisions is this: The only right which a mere licensee can acquire under letters patent is a right of user. The patentee may grant licences

(s) *Smith v. L. & N. W. Rail. Co.* (1853), 2 E. & B. 69; *Bergmann v. McMillan* (1881), 17 Ch. D. 423; *contra*, *Sheehan v. G. E. Rail. Co.* (1880), per Malins, V.-C., 16 Ch. D. at p. 62; 50 L. J. Ch. 68.

(t) (1890) 44 Ch. Div. 374; 59 L. J. Ch. 583; 7 R. P. C. 41; on appeal,

p. 208. And see *Fairclough v. Marshall* (1878), 4 Ex. D. 37.

(u) (1815) 27 Rep. Art. 2nd Ser. 252; Carp. P. C. 295.

(v) Letts. Pat. p. 24, and n. (oj).

(y) (1835) 1 Web. P. C. 155.

(z) Before Lord Campbell, cited 2 H. & M. 628.

to other persons, and consequently an infringement is an injury to himself, and not to the licensee.

In *Renard v. Levinstein* (a) there is some authority for the statement that an exclusive licensee can sue for infringement of the patent of which he alone has an exclusive licence. In *Heap v. Hartley* (b), the patentee of a machine granted an exclusive licence to the plaintiff to use and exercise his invention within a certain district for four years. Before the expiration of the four years certain machines bought by the defendants outside this district from persons who had purchased them from the patentee, also outside the district, subsequently to the date of the licence, were taken by them into the district and used there. The licensee brought an action to restrain such user. It was held at the trial that the defendants, as purchasers without notice, were not affected by the prior grant of the licence, and that the action must be dismissed with costs. Whether an action by an exclusive licensee in his own name and without joinder of the patentee, to restrain an infringement of his rights under the licence, can be maintained was held doubtful. The plaintiff appealed. The Court of Appeal held that the licence in this case being a simple licence, and not a grant, the licensee was not entitled to sue in his own name without joinder of the patentee. "An exclusive licence," said Fry, L. J. (c), "is only a licence in one sense. . . . It is a leave to do a thing, and a contract not to give leave to anybody else to do the same thing; but it confers, like any other licence, no interest or property in the thing. A licence may be and often is coupled with a grant, and that grant then may convey an interest in property; but the licence pure and simple, and by itself, never conveys an interest in property; it only enables a person to do lawfully what he could not otherwise do, except unlawfully. I think, therefore, that an exclusive licensee has no title whatever to sue."

Exclusive
licensee.

Upon the other hand, there appears to be no doubt that a patentee who has granted merely an exclusive licence of his patent, and not an absolute assignment, can bring an action of infringement in his own name without joining his licensee as co-plaintiff.

Licensor.

A person in whom letters patent are vested as trustee may

Trustee.

(a) (1864-65) 2 H. & M. 628, 461; 58 L. J. Ch. 790; 5 R. P. C. 603; 631. (1889) 6 R. P. C. 495.

(b) *Heap v. Hartley* (1888), 42 Ch. D. (c) 42 Ch. D. at p. 470.

bring an action for infringement without joining any of the beneficiaries; but the Court or a Judge may at any stage of the proceedings order any of such persons to be made parties, either in addition to or in lieu of the previously existing parties (*d*).

A mere agent for sale cannot bring the action; whether a person is a mere agent or not depends on the facts (*e*).

The defendants.

The actual infringer of a patent is, of course, a necessary defendant to an action for infringement.

In *Denley v. Blore* (*f*) it was held that the person physically using a patented invention, and not the person giving instructions and plans, which include its use, is the proper party to be sued for infringement; the contractor, for instance, and not the architect, in the case of a contrivance employed in house-building. This decision, however, in no way affects the common law liability of a master for the acts of his servants.

Master liable for infringements of his servants.

The directors of a company are personally responsible for the infringement of a patent by their workmen, notwithstanding that such infringement may be in contravention of their general orders (*g*).

In an action to restrain the infringement of a patent for "improvements in fancy rollers of machines for carding wool," it appeared that a contract to clothe the rollers of a carding machine, in the execution of which the infringement complained of was committed, was carried out by a workman, selected by a manufacturer, but paid by the defendants. It was held that the workman, although carrying on a distinct and separate trade, was *ad hoc* the agent of the defendant, and that the latter was properly sued for the infringement (*h*).

A person who prepares materials which are intended to be used in making an article which proves an infringement of the patent is not a proper defendant, if the materials as they leave his hands are not an infringement (*i*).

Although the ordinary form of injunction against a master or principal restrains his servants or agents also, each one of such servants or agents infringing a patent may be made a defendant to the action, and personally and individually may be made to

(*d*) R. S. C. 1883, Ord. XVI. r. 8. According to a case reported in *The Times* of 13th March, 1894, a *cestui que* trust may sue, though the patent be registered in the name of the trustee.

(*e*) *Adams v. North British Railway Co.* (1873), 29 L. T. N. S. 367.

(*f*) (1851) 38 Lond. Jour. 224.

(*g*) *Betts v. De Vitre* (1868), L. R. 3 Ch. 429; 37 L. J. Ch. 325.

(*h*) *Sykes v. Howarth* (1876), 12 Ch. D. 826.

(*i*) *Savage v. Brindle* (1896), 13 R.P.C. 266.

pay the costs of it, and it is no justification for him to say that he was carrying out his master's orders (*k*). *A fortiori*, the master of a ship, who is not a mere agent, but has a possession and control of a particular nature, may be sued as principal if he uses a patented invention on board the ship to the prejudice of the patentee (*l*).

In one case the defendant, after action brought, sold the business to a company, and sought to join the company as co-defendant, but Pearson, J., refused leave (*m*).

In the case of *Nobel's Explosives Co. v. Jones* (*n*), the plaintiff charged that the defendants had imported and delivered, or had consigned to them, or had received or dealt with as owners, or as agents for the owners, large quantities of lithofacteur, and had transhipped the same, or caused the same to be transhipped and stored in the port of London. Defendants pleaded that their only intervention in relation to lithofacteur since the assignment of the patent to the plaintiffs had been in acting as custom-house agents to Messrs. Krebs & Co., the real owners of such lithofacteur. The defendants had merely obtained papers necessary for its transshipment, and never exercised over it any ownership or control. It was held by the Court of Appeal and the House of Lords—reversing the decision of Vice-Chancellor Bacon—that the agency of the defendants did not infringe the patent. “This agency,” said Lord Selborne, L. C. (*o*), “was simply to remove certain legal difficulties in the way of the passage of the goods for the ship in which they were, for the account and at the risk of the true importers, Krebs & Co., into a lighter of theirs supplied by them, and nothing whatever was done by the defendants except to comply with certain provisions of the law for that purpose.” “Jones & Co.,” added Lord Blackburn (*p*), . . . “never used the article itself; they did nothing whatever except take steps to remove two obstacles which were imposed by the Legislature, not for the benefit of the patentee, but in one case against a breach or infringement of the revenue laws, and in the other case against the danger that the article would explode and do mischief. How, in any sense, taking those

Custom-house agents.

(*k*) *Belts v. De Vitre* (1868), per Wood, V.C., 11 Jur. 11; 34 L. J. Ch. 289; *Belts v. Neilson* (1868-71), 6 N. R. 221; *Barker v. Shaw* (1823), Holr. Pat. 60.

(*l*) *Adair v. Young* (1879), per Cotton, L. J., 12 Ch. D. at p. 18.

(*m*) *Briggs v. Lardeur* (1884), 2 R. P. C. 13.

(*n*) (1880-82) L. R. 17 Ch. D. 721; 50 L. J. Ch. 582; 8 App. Cas. 5; 52 L. J. Ch. 339.

(*o*) 8 App. Cas. at p. 8.

(*p*) 8 App. Cas. at p. 13.

steps to remove these two obstacles can be said to be a user of the patent has never been made clear to my mind. I am quite clear that it is not."

Purchasers of
infringing
articles.

An account directed against the manufacturer of a patented article does not license the use of that article in the hands of all the purchasers. The patent is a continuing patent, and the article may be followed into every man's hand, until the infringement is got rid of. So long as the article is used there is continuing damage (*q*). A manufacturer, and purchasers from him, may be made defendants in one action (*r*), and the patentee may have an account of profits against the manufacturer and damages against the purchaser (*s*).

Third party.
Notice.

In the case of *Edison and Swan Co. v. Holland* (*t*) an interesting point was raised as to the construction of the third party rule (*u*). The E. Company brought an action against H. and the J. Company for infringing their patent by using certain incandescent lamps. The lamps were manufactured by the B. Company. After the commencement of the action, the defendants obtained an indemnity from the B. Company, and then took out a summons asking for leave to issue a notice to the B. Company to bring them into the action under the third party rule. It was contended that the third party rule did not enable the defendant in an action to go and make a contract of indemnity with reference to that particular action, and then bring the indemnifying parties in, but that the rule only contemplated an indemnity existing at the time of the commencement of the action. Vice-Chancellor Bacon, however, repelled this objection. "The policy of the law expressed in the rule," said his Lordship, "is plainly this: that if A. is suing B., and B. denies his right to sue, B. says 'Even if he is entitled to sue, C. has indemnified me. Let him come here and fight his own battle, or help me to fight mine!' The object of the procedure is that there may be a discussion and a decision once for all of the real substance of the dispute. It is clearly right to issue the summons; there is no doubt about it. To go into the nature of the indemnity would be a most idle and absurd thing for me to do. The rule is enough; the rule is plain. . . . To say that it cannot be

(*q*) *Penn v. Bibby* (1866), L. R. 3 Eq. 308, per Wood, V.-C.; 36 L. J. Ch. 277.

(*r*) *Proctor v. Bennis* (1887), 36 Ch. D. 740; 57 L. J. Ch. 11; 4 R. P. C. 333.

(*s*) *Penn v. Bibby*, *ubi supra*.

(*t*) (1886) 33 Ch. Div. 497; 3 R. P. C. 396—397; *United Telephone Co. v. Fleming* (1886), 3 R. P. C. 263.

(*u*) R. S. C. 1283, Ord. XVI. r. 45.

resorted to because the indemnity is in truth subsequent to the date of the issuing of the writ, can be no sort of objection to it. Whatever change takes place in the rights of the parties may be set right either by amendment or by adding parties. That is the constant and uninterrupted course of the Court" (x).

At the trial, the Court gave judgment partly in favour of plaintiffs and partly in favour of the defendants, but made no special order as to B., the third parties. The plaintiffs appealed, and their appeal was allowed with costs against the defendants. The plaintiffs then asked for an injunction and costs against the third parties, the B. Company (who had appeared on the appeal), and, if necessary, for an order to amend, so as to make them defendants. The Court disagreed as to the question of amendment, but held that under Order XVI. rule 54, the Court had jurisdiction to order the third parties to pay the costs both of the appeal and below, and that, as the third parties had in reality fought the plaintiffs and failed, an order for the payment of such costs must be made against them as well as against the defendants (y).

A third party cannot insist upon being joined, though his interests may be in his opinion affected by the litigation (z).

Foreigners coming into this country are subject to actions for injuries done by their infringing the sole and exclusive right granted by the Crown to patentees of inventions (a); but no Court in this country can deprive a foreign sovereign of his property because it has become tainted by the infringement of somebody's patent (b).

Infringement by foreigners.

Foreign sovereigns.

P. and others, who were subjects of the King of Holland, were using on board their ships, within the dominions of England, a

Caldwell v. Van Vlissingen.

(x) Kay, J., ultimately made the following order, directing the costs of the proceedings to be costs in the action:—"The B. Company, by their counsel, admitting their liability to indemnify the defendants against all claims of the plaintiffs in this action, the Court doth direct that the B. Company be at liberty to appear at the trial of this action, and take such part therein as the Judge shall direct. And the B. Company shall be bound by the decision of the Court in this action in any question as to the above indemnity which may arise between them and the defendants, but not further or otherwise."

(y) *Edison and Swan Co. v. Holland* (1889), L. R. 41 Ch. D. 28; 6 R. P. C.

243. Rule 54 of Ord. XVI. is as follows:—The Court or a Judge may decide all questions of costs as between a third party and the other parties to the action, and may order any one or more to pay the costs of any other or others, or give any direction as to costs as the justice of the case may require.

(z) *Moser v. Marsden* (1892), 1 Ch. 487; 9 R. P. C. 214.

(a) *Caldwell v. Van Vlissingen* (1851), 21 L. J. Ch. 97; 9 Hare, 415. For a case in which an injunction was granted against infringement by post from abroad, see *Badische Anilin und Soda Fabrik v. Johnson* (1897), Times, Jan. 28th.

(b) *Tarvasseur v. Krupp* (1878), L. R. 9 Ch. D. 351.

screw propeller made according to an English patent assigned to C. It was held by Turner, V.-C., that the infringement might be restrained by injunction, and that the defendants were liable to an action for damages. "I take the law to be universal," said his Lordship, "that foreigners are in all cases subject to the laws of the country in which they may happen to be. . . . It was said that the prohibitory words of the patent were addressed only to the subjects of the Crown; but these prohibitory words are in aid of the grant, and not in derogation from it, and they were probably introduced at a time when the prohibition of the Crown could be enforced personally against parties who ventured to disobey it. The language of this part of the patent does not, therefore, appear to me to alter the case" (a).

But for the existing provisions as to *foreign vessels*, see *post*, p. 634.

Varasseur v. Krupp.

In *Varasseur v. Krupp* (b), it appeared that certain shells, alleged to have been made in accordance with the plaintiff's patented invention, had been purchased at *Essen*, in Germany, and had been brought to England, in order to complete the armament of three ships of war, which were being constructed for the Government of Japan. An injunction, restraining the defendants and the owners of the wharf where the shells were deposited from delivering them up to the Japanese Government, was dissolved, upon a motion on the part of the Mikado; and an order was made by Jessel, M. R., whose decision was affirmed by the Court of Appeal, that his Imperial Majesty should be allowed to remove the shells, which were his property, out of the jurisdiction of the Court.

A patent is effective against the Crown; but the officers or authorities administering any governmental department, may by themselves, their agents, or contractors (c), use the invention on certain terms (d).

(3.) *The Writ.*

Indorsement of writ.

It is usual to indorse the writ for an injunction to restrain the infringement, for damages or an account of profits, and for delivery up or destruction of infringing articles.

Service out of the jurisdiction.

In *Washburn and Moen Co. v. Cunard Co.* (e), the owners of a patent commenced an action to restrain infringement of their

(a) *Caldwell v. Van Vlissingen* (1851), 21 L. J. Ch. 97; 9 Hare, 415.

(b) *Supra.*

(c) *Dixon v. London Small Arms Co.*

(1876), 1 App. Ca. 632; 46 L. J. Q. B. 617. 632, as to their extent inapplicable now.

(d) See Act of 1883, sect. 27.

(e) (1889) 6 R. P. C. 398.

patent against a steamship company, who had brought certain goods, alleged to be an infringement, from America to Liverpool. Under the bill of lading the goods were to be delivered at Liverpool to the agent of the consignees, who themselves resided at Dublin. The validity of the patent had been established in a previous action. The plaintiffs having moved for and obtained an injunction against the company and another company to whom part of the goods had already been delivered for transshipment to Dublin, then obtained leave to add the consignees as parties to the action, and to serve the writ on them out of the jurisdiction. The plaintiffs moved for an injunction against the consignees, and the consignees moved to discharge the order for service and to set aside the service. It was held that the action was properly brought against the steamship company, that the consignees would, if within the jurisdiction, have been proper parties to the action, and that, following *Massey v. Heynes (f)*, they were rightly made parties though out of the jurisdiction; and that in exercise of the discretion given by R. S. C. Order XI. rule 2, in the case of a defendant living in Ireland, and of the general discretion possessed by the Court, in reference to service out of the jurisdiction, this was a proper case for ordering such service without any special terms (g). A form of indorsement is given *post*, p. 828.

(4.) *The Court.*

Since the Judicature Act, 1873, came into force, the action for infringement may be commenced and carried on in the Chancery Division or in the Queen's Bench Division; and inasmuch as patent cases are not usually tried by jury, the choice of division will depend almost entirely upon the wish of the litigants, and especially of the plaintiff. The only special advantage of starting in the Chancery Division is the possibility of trying the case on a motion for injunction. In the Queen's Bench Division the application would be by summons, and would be disposed of in Chambers, where any result leading to a settlement of the whole action would be practically impossible. But an appeal could be

Action must be brought in one of the divisions of the High Court of Justice.

(f) (1888) L. R. 21 Q. B. D. 330.

(g) A more recent case is *Badische Anilin, &c. v. Johnson* (1896), 1 Ch. 25; 65 L. J. Ch. 174; 12 R. P. C. 535. See also *Marshall v. Marshall* (1888), 38 Ch. Div. 330; *Re Burland's Trade-mark* (1889), 41 Ch. Div. 542; *Kinahan v. Kinahan* (1890), 45 Ch. Div. 78; 59

L. J. Ch. 705; 58 L. J. Ch. 591; *Speckhardt v. Campbell Achnach* (1884), W. N. 24. But a petition cannot be served out of the jurisdiction; *Re Cliff* (1895), 2 Ch. at p. 25; 64 L. J. Ch. at p. 425; *Re King & Co.'s Trade-mark* (1892), 2 Ch. 462; 62 L. J. Ch. 153; 9 R. P. C. 350.

had (without leave) to the Court of Appeal; and, moreover, it is seldom that a motion in a patent action can be treated on the trial of the action. In effect, therefore, no rule even of moderately wide application can be laid down as to the choice of the division of the Court in which the writ should be issued.

Palatine
Court of
Lancaster.

The Palatine Court of Lancaster has jurisdiction (*h*).

County Court
has no juris-
diction.

The County Courts have no jurisdiction to try an action for infringement of a patent when the validity of the patent is disputed (*i*).

SECT. 3. INTERLOCUTORY INJUNCTION.

What is
interlocutory
injunction.

An interlocutory injunction in a patent action, by which the defendant is commanded to refrain from infringing the plaintiff's patent until the hearing or the further order of the Court (*h*), may be obtained if the Court thinks it just or convenient to make the order (*l*). The application may be made to the Court or a Judge (*m*). A Master cannot make the order (*n*). The Court may restrain a threatened infringement (*o*).

Principles on
which
granted.

The principle on which the Court acts in granting or refusing interlocutory injunctions in cases of this description was stated by Sir George Jessel, M. R., in *Dudgeon v. Thomson* (*p*):—

“The Court can grant an injunction before the hearing where the patent is an old one, and the patentee has been in long and undisturbed enjoyment of it; or where its validity has been established elsewhere, and the Court sees no reason to doubt the propriety of the result; or where the conduct of the defendant is such as to enable the Court to say that, as against the defendant himself, there is no reason to doubt the validity of the patent.”

The whole case law of the subject may be considered under the heads above set forth.

First ground.

I. “Where the patent is an old one, and the patentee has been in long and undisturbed enjoyment of it” (*q*).

(*h*) See 53 & 54 Vict. c. 23.

(*i*) *R. v. County Court Judge of Halifax* (1891), 2 Q. B. 263; 60 L. J. Q. B. 550; 8 R. P. C. 338.

(*k*) Cp. *Hindmarch*, p. 312. See forms, *Seton's Decrees*, pp. 547 *et seq.*

(*l*) Jud. Act, 1873, sect. 25 (8).

(*m*) R. S. C. Ord. L. r. 6. The practice relating to applications for injunctions may be found in the *Annual Practice*, notes to Ord. L. r. 6.

(*n*) R. S. C. Ord. LIV. r. 12 (8).

(*o*) *Frearson v. Loe* (1878), 9 Ch. Div. 48; *Proctor v. Bailey* (1888), 42 Ch. Div. 390; 6 R. P. C. 106, 538; 59 L. J. Ch. 12.

(*p*) (1877) 30 L. T. N. S. at p. 244.

(*q*) Cp. also *Universities of Oxford and Cambridge v. Richardson* (1802), 6 Ves. 689; *Harmer v. Playne* (1807), 14 Ves. 130; *Hill v. Thompson* (1817), 3 Mer. 622; *Bickford v. Skewes* (1838), 1 Web. P. C. 213; *Curtis v. Catts* (1839), 8 L. J. Ch. 184; 2 Coop. C. C.

The grounds on which an interlocutory injunction is granted in such cases may be shortly stated thus:—

Primâ facie evidence of a patentee's title is necessary before the Court can act upon the presumed validity of a patent without the right having been ascertained by a previous trial. Long and uninterrupted possession is *primâ facie* evidence of title which ought to be respected (*r*).

Primâ facie evidence of title necessary.

An interdict by the Court of Session in Scotland offers *primâ facie* evidence of validity on which an English Court may grant an interlocutory injunction (*s*).

Effect of Scotch interdict.

In a case where there has been long enjoyment under the patent (the enjoyment, of course, including use), the public have had the opportunity of contesting the patent, and the fact of their not having done so successfully affords at least *primâ facie* evidence that the title of the patentee is good (*t*). Policy also is in favour of the Court's intervention in such cases. "If the case turned," said Turner, L. J., in *Davenport v. Jepson* (*u*), "on the question of comparative injury, see what the position of the plaintiff would be if an injunction were refused. Supposing his patent is valid, a number of persons are infringing it. If the Court refused an injunction in this case, it must refuse it in the case of each of the other infringers. Supposing the plaintiff to succeed at the hearing, the market will in the meantime have been flooded with articles wrongfully manufactured according to his patent." Upon the other hand, "it becomes the Court to be extremely cautious in administering its equitable jurisdiction by way of injunction, and such caution is requisite for two reasons: first, because if the legal right ultimately fail, or if the acts complained of turn out to be no violation of the legal right, the Court then has interfered without any authority whatever, the authority being merely derivative from the legal right, and in aid and protection of it; secondly, and principally, because . . . there is no comparison between the evil of an error in refusing

Effect of long enjoyment.

60. n.; *Electric Telegraph Co. v. Nott* (1847), 2 Coop. 41; *Sterens v. Keating* (1847), 19 L. J. Ex. 57; 2 Web. P. C. 176, 177; *Hancock v. Moulton* (1852), Johns P. Manual, 254; *Betts v. Menzies* (1857), 3 Jur. N. S. 358; *Davenport v. Jepson* (1862), 1 N. R. 173, 307; *Renard v. Levinstein* (1864), 10 L. T. N. S. 94; *Plimpton v. Malcolmson* (1875), L. R. 20 Eq. 37; 44 L. J. Ch. 257.

(*r*) *Sterens v. Keating*, *ubi supra*, per Lord Cottenham, C.

(*s*) Cp. Hindmarch, p. 312. See forms, Seton's Decrees, pp. 343, 344.

(*t*) *Caldwell v. Van Vlissingen* (1851), per Turner, V.-C., 9 Hare, at p. 424; 21 L. J. Ch. 97. Cp. *Electric Telegraph Co. v. Nott* (1847), 2 Coop. 41; *Davenport v. Jepson* (1862), per Turner, L. J., 4 De G. F. & J. 446.

(*u*) *Davenport v. Jepson* (1862), 1 N. R. 307.

an injunction, and the evil of an error in granting an injunction" (x).

Characteristic of long enjoyment.

Duration of enjoyment.

The enjoyment referred to by Sir George Jessel, in *Dudgeon v. Thomson* (y), must, before the Court can recognise it, be shown to have been long, uninterrupted, and active. The periods of enjoyment which have been held sufficient range from thirteen (z) to three (a) years.

Undertaking to keep account.

In *The British Tanning Co. v. Groth* (b) the owners of a patent for an "improved process and apparatus for tanning by aid of electricity" commenced an action of infringement against the owner of a subsequent patent with a similar title, and moved for an interim injunction. The plaintiffs alleged that the defendant's process was equivalent to theirs. It appeared that the patentees of the plaintiffs' process had entered into an agreement with the defendant not to oppose any company formed for the purpose of purchasing his invention. Stirling, J., held that as the patent was of recent date, and the evidence was not strong enough to show that the two processes were identical, and considering the agreement aforesaid, although the defendant would give no undertaking to keep an account, no order should be made except that the motion stand to the trial.

The Court abstains from interfering by injunction in the case of a recently-dated patent, where there is really a substantial question to be tried. The defendant in such a case is usually required to give an undertaking to keep an account until the hearing of the action (c); but if defendant does not appear, and so an undertaking to keep an account cannot be obtained, an injunction may be granted (d).

Where, however, the only substantial defence to an action of infringement was that the patent was void on the ground that the complete specification did not disclose all that the plaintiff knew at the date thereof to be necessary for the purpose of

(x) Per Lord Cottenham, C., *Electric Telegraph Co. v. No-t, ubi supra*, at p. 47.

(y) (1877) 30 L. T. N. S. 244.

(z) *Harmer v. Playne* (1807), 14 Ves. 130. See the cases enumerated in Lawson, p. 194.

(a) *Wheatstone v. Wilde* (1861), Griffin, P. C. 247. Here Wood, V.-C., held that the exclusive enjoyment for three years of a patent for improvements in electro-magnetic telegraphs—a subject-matter as to which it was shown by the patentee that inventors

had been and were very much on the alert—would justify an interlocutory injunction. See, however, *Hill v. Thompson* (1817), 3 Mer. 622; *Plimpton v. Malcolmson*, 20 Eq. 37; 44 L. J. Ch. 257; *Renard v. Levinstein* (1864), 10 L. T. N. S. 94.

(b) (1890) 7 R. P. C. 1.

(c) *Jackson v. Needle* (a case under the Patent Law Amendment Act, 1852) (1884), 1 R. P. C. 174.

(d) *Clarke v. Nichols* (1895), 12 R. P. C. 310.

working the invention, but it was proved that a competent workman could carry out the invention with no other assistance than that derived from the specification, it was held that the plaintiffs were entitled to the injunction they moved for (*e*).

There must be not merely possession and enjoyment, but uninterrupted and exclusive possession and enjoyment, under letters patent, in order to warrant the Court in granting an interlocutory injunction. When, therefore, it was shown that since the patent in dispute was granted, persons not claiming under the patent had manufactured machines upon the principle sought to be protected by it, adversely to and without the licence of the plaintiffs, it was held by Lord Cottenham, C., that there was an end to the case of exclusive possession and enjoyment, though the patent had been in force for nearly fourteen years, and that an injunction must be refused (*f*).

Enjoyment must be exclusive.

In *Heugh v. Magill* (*g*), on a motion to restrain the infringement of a patent for certain improvements in a machine which was the subject of a prior substratum patent, the Master of the Rolls held that the undisturbed possession of the new patent did not commence till the substratum patent had expired.

Prior substratum patent.

An injunction to restrain an alleged infringement will not be granted on an interlocutory application, unless it has been shown that there has been actual user of the invention, even where the patent has been in force for a number of years (*h*).

Actual user necessary.

The Court will ordinarily not enter into the question of the validity of a patent on an interlocutory motion for an injunction, unless it appears to be on the face of it so irretrievably and hopelessly bad that it could not possibly be supported (*i*). The law is that where a patentee has had long enjoyment then he shall have an injunction to protect his rights until trial, even although his rights under his patent be doubtful (*k*). Upon the other hand, it is not a mere matter of course, because a patent is recent, to

Question of validity, how far entered into.

(*e*) *Coles v. Baylis* (1886), 3 R. P. C. 178.

(*f*) *Curtis v. Cutts* (1839), 8 L. J. Ch. 184; 2 Coop. C. C. 60. It is not necessary for the plaintiff to allege that his patent has never been disputed: *Read v. Andrew* (1865), per Bacon, V.-C., 2 R. P. C. 119, 122.

(*g*) (1877) W. N. 62.

(*h*) *Plimpton v. Malcolmson* (1875), 20 Eq. 37; 44 L. J. Ch. 257.

(*i*) *Briggs v. Lardneur* (1884), per

Pearson, J., 1 R. P. C. 129; *Shillito v. Larmuth* (1885), 2 R. P. C. 2.

(*k*) *Betts v. Menzies* (1857-62), 3 Jur. N. S. 357; cp. also, *Universities of Oxford and Cambridge v. Richardson* (1802), 6 Ves. 706; *Losh v. Hague* (1837), 1 Web. P. C. 201; *Beeston v. Ford* (1830), per Lord Lyndhurst, C., 2 Coop. Ch. Ca. 58; *Bickford v. Skewes* (1837), 1 W. P. C. 211; *Muntz v. Foster* (1843), 2 Web. P. C. 93, 95.

call on the patentee to establish his rights at law before he can obtain relief by injunction (*l*).

Second ground

II. *Where the validity of the patent has been established elsewhere, and the Court sees no reason to doubt the propriety of the result.*

Earlier rule.

It was at one time (*m*) held that though a patentee had enjoyed his patent for a considerable period, and had succeeded in several actions for an infringement thereof in upholding his patent, and had obtained injunctions restraining the parties so infringing, yet if there were a new infringement by a different party, an injunction to restrain him would not be granted till after a trial at law, however palpable the infringement might be. In the later cases, however, a different doctrine has been asserted, the most terse statement of which will be found in the language of Lord Romilly, M. R., in *Bovill v. Goodier* (*n*).

Later rule.

The Court will protect a patentee who has established the validity of his patent in one action, against a different defendant in another action, until that defendant proves its invalidity. The defendant in the first action may, notwithstanding, dispute the patent in the second. If, however, the validity was established in an action terminated by consent, the Court will be less likely to grant an interlocutory injunction (*o*).

Effect of fresh facts impeaching novelty.

An interlocutory injunction may be granted to a patentee in the cases to which the rule above stated applies, although a fresh fact is brought forward tending to impeach the novelty of the invention (*p*). And the fact that the defendant in the old and the new action though nominally different are really the same, will probably induce the Court to grant an interlocutory injunction (*q*).

Award of arbitrator.

Where a patentee had brought an action for damages, and at the trial an arbitration had been agreed to, upon which the arbitrator by his award had established the validity of the patent, and the patent had been again invaded, the Court, upon a bill filed for an injunction to restrain the infringement, held that the

(*l*) *Clark v. Ferguson* (1859), per Stuart, V.-C., 1 Giff. 184; cp. *Gardner v. Broadbent* (1856), 4 W. R. 767; 2 Jur. N. S. 1041.

(*m*) *Crosskill v. Erory* (1848), 10 L. T. 459.

(*n*) (1866) 35 L. J. Ch. 174; 35 Beav. 427; cp. *Davenport v. Jepson* (1862), 4 De G. F. & J. 446; *Davenport v. Goldberg* (1865), 2 H. & M. 282; *Bovill v. Smith* (1867), W. N. (1867), 240; 2 Eq. 459; *Dudgeon v. Thomson* (1874),

30 L. T. N. S. 244; *Thorn v. Worthing Skating Rink Co.* (1876), 6 Ch. D. 415, n.; *Hayward v. Pavement Light Co.* (1884), 1 R. P. C. 207.

(*o*) *Farbenfabriken, &c. v. Dawson* (1891), 8 R. P. C. 397.

(*p*) *Newall v. Wilson* (1852), 19 L. T. 161; 2 De G. M. & G. 472.

(*q*) *Farbenfabriken, &c. v. Dawson*, *supra*; *Moser v. Sewell* (1893), 10 R. P. C. 365.

award of the arbitrator must be considered as equivalent to a verdict establishing the validity of the patent, against which there had been no motion for a new trial (v).

Where a patentee had been directed to proceed at law in order to try the validity of his patent, and had obtained judgment, then the Court of Chancery, both before and under Sir John Rolt's and Lord Cairns's Acts, granted him an injunction as a matter of course (s).

Effect of
action at law
to test
validity.

In *Boulton v. Bull* (t), where the patentee had been in possession for twenty-seven years, an injunction had been granted in order that the question as to the validity of the patent might be tried. There was a verdict for the plaintiff, subject to the opinion of the Court upon a case stated. The Court was equally divided in opinion as to the validity of the patent. Lord Rosslyn, C., refused to dissolve the injunction previously granted, but directed the plaintiff to bring another action to test the validity of his patent.

Where, however, after a verdict in favour of the plaintiff in an action for infringement, the defendant took steps to question its propriety—where, for example, he stated his intention of moving (u) or obtained a rule *nisi* for (x) a new trial, or tendered a bill of exceptions (y), the Court usually, but not necessarily (z), ordered the matter to stand over till the result of such application or proceeding was known. If the *bonâ fides* of the defendant in the second action be doubtful the interlocutory injunction may be granted, notwithstanding an appeal in the former action (a).

III. *Where the conduct of the defendant is such as to enable the Court to say that as against the defendant himself there is no reason to doubt the validity of the patent.* *Third ground.*

It will be found that the cases under this head turn upon a more or less direct application of the doctrine of estoppel.

We will first consider the position of a licensee (b).

A licensee may be estopped from disputing the validity of a patent where (1) the licence, being by deed, contains a recital necessarily involving an assertion of the validity of the patent (c);

Position of
licensee.

(v) *Lister v. Eastwood* (1855), 26 L. T. 4.

(s) *Russell v. Cowley* (1834), 2 Coop. C. C. 59, n.; 1 W. P. C. 471; *Neilson v. Harford* (1841), 1 Web. P. C. 373.

(t) (1796) 3 Ves. 140.

(u) *Hill v. Thompson* (1817), 3 Mer. 331; 1 Web. P. C. 235, 238.

(x) *Collard v. Allison* (1839), 4 My. & Cr. 487.

(y) *Bridson v. McAlpine* (1845), 8 Beav. 229.

(z) *Bridson v. Benecke* (1849), 12 Beav. 1.

(a) *Moser v. Sewell* (1893), 10 R. P. C. 365.

(b) The law relating to licences and licensees will be found *ante*, p. 300.

(c) *Bowman v. Taylor* (1834), 2 Ad. & E. 278; 1 Web. P. C. 292; *Smith v.*

(2) the licence, not being by deed (*d*) or being merely verbal (*e*), is still in force, and the licensee is using the invention under it (*f*).

Estoppel by conduct.

The conduct of a defendant may have been such as to estop him from disputing, upon an application for an interlocutory injunction, the validity of the plaintiff's patent (*ff*).

Co-partners.

Thus in *Muntz v. Grenfell* (*g*), where the patent had been worked by the plaintiff and defendant as partners, under circumstances affording a presumption that the defendant did not, during the existence of the partnership, dispute that the patent was valid, Knight-Bruce, V.-C., held, upon an interlocutory application for an injunction after the determination of the partnership, that the Court must assume the patent to be valid as against the defendant. *Axmann v. Lund* (*h*), although apparently contradictory of, is in reality distinguishable from, this case. In the former the plaintiff and the defendant had, during the subsistence of the partnership, taken and prosecuted legal proceedings against infringers. In the latter such proceedings had been taken, but were abandoned by the co-partners on advice that the specification was bad.

The above applies only to co-partners whose conduct or acts amount to an estoppel. There is nothing to prevent a co-partner who has not been privy to such acts from disputing the validity of a patent (*i*).

Effect of defendant having submitted to judgment in previous action.

The fact that in a previous action at law for the infringement of letters patent a defendant had submitted to judgment, and had taken a licence for five years to work under the patent, would debar him from questioning its validity on an application for an interlocutory injunction till the hearing of a subsequent action (*k*).

Patentee may not derogate from his own grant.

A patentee may not derogate from his own grant (*l*). This proposition requires some explanation and qualification. It

Scott (1859), 28 L. J. C. P. 325; *Cutler v. Bower* (1848), 17 L. J. Q. B. 217; 11 Q. B. 973.

(*d*) *Lawes v. Purser* (1856), 26 L. J. Q. B. 25; 6 E. & B. 930.

(*e*) *Crossley v. Dixon* (1863), 10 H. L. C. 293, 308, 310; 32 L. J. Ch. 617.

(*f*) *Norton v. Brooks* (1861), 7 H. & N. 499.

(*ff*) See the somewhat conflicting cases of *Hayne v. Maltby* (1789), 3 T. R. 438; *Neilson v. Pothergill* (1841), 1 W. P. C. 287; *Taylor v. Hare* (1805), 1 N. R. 260.

(*g*) (1842) 2 Coop. 61, n.

(*h*) (1874) L. R. 18 Eq. 330; 43 L. J.

Ch. 655.

(*i*) *Goucher v. Clayton* (1864-66), 34 L. J. Ch. 239; *Heugh v. Chamberlain* (1877), 25 W. R. 742.

(*k*) *Goucher v. Clayton*, ubi supra, per Wood, V.-C. Here, however, the application was for a perpetual injunction. Cp. *Newall v. Elliot* (1863-64), 1 H. & C. 797; *Dudgeon v. Thomson* (1877), 30 L. T. N. S. 244. So an injunction may be granted if the defendant has already admitted the validity of the patent; see (e.g.) *Dircks v. Mellor* (1845), 26 Lond. Jour. 268.

(*l*) *Chambers v. Crichley* (1864), 33 Beav. 374.

holds good in such cases as *Oldham v. Langmead* (m). Here the patentee had conveyed his interest in the patent to the plaintiff, and yet, in violation of his contract, he afterwards infringed the plaintiff's right, and then attempted to deny his having any title to convey. It was held by Lord Kenyon that he was estopped by his own deed from making that defence.

A defendant is not, however, estopped from disputing the validity of his patent as against purchasers of the said patent from his trustee in liquidation (n).

In the case of *Cropper v. Smith* (n), where this point arose incidentally, Bowen, L. J., said: "There is no estoppel of record, and there is no estoppel by deed, because the people who claim against the defendant H. are not parties or privies to the deed or to the record; nor is there estoppel *in pais* or by matter of conduct. It is perfectly true that in his petition to the Crown the defendant did say that his invention was new, and on that the patent was granted to him; but what sensible being in this world, who buys a patent, buys it on the strength of the assertion made by the patentee in the petition that the patent is new? We know that everybody who buys it, as a rule, takes it for what it is worth; and there is absolutely no evidence in this case that the plaintiff, who bought from the assignee in bankruptcy, and gave a very small sum for the patent, was in the least relying in his purchase on the allegations made in the petition to the Crown by the patentee that the patent was a valid one."

When a patent has been upheld in one action for infringement the defendant in a second action, who was not a party to the first, is not bound by the decision (o).

An interlocutory injunction will be refused—

Refusal of
interlocutory
injunction.

1. If there be any substantial doubt whether the acts complained of constitute an infringement of the plaintiff's patent (p);

2. If the application for it be made only after unnecessary and unexplained delay (q);

3. If there has been, on the part of the plaintiff, acquiescence in the wrong of which he complains (r);

(m) (1789) 3 T. R. 439, 441.

(n) *Cropper v. Smith* (1884), 10 A. C. 249; 26 Ch. Div. 700; 1 R. P. C. 81, 254.

(o) *Otto v. Steel* (1886), 3 R. P. C. at p. 114. But he runs a chance of having to pay costs as between solicitor and client if his defence is not successful: *Ibid.*; and see Act of 1883, sect.

31, *post*, p. 620.

(p) *Electric Telegraph Co. v. Nott* (1846-47), 16 L. J. C. P. 174; 2 Coop. 41.

(q) *Bridson v. Benecke* (1849), 12 Beav. 1.

(r) *Neilson v. Thompson* (1840), 1 Web. P. C. 275, 283.

Infringement
doubtful.

4. If the balance of convenience be against granting it (s).
These points may be illustrated very briefly.

1. An interlocutory injunction may be refused if there is a conflict of scientific opinion, leaving doubt in the mind of the Judge, as to the fact of infringement (t); or if the alteration made by the defendant on the plaintiff's patent is "not merely colourable, but *primâ facie* a decided improvement" (u); or when it appears that there is a material difference between the process of the defendant and that of the plaintiff (x).

On an application for an interlocutory injunction, the plaintiff's affidavit should state particularly in what the alleged infringement of the patent consisted (y).

A patentee may, however, succeed in obtaining an injunction without proving actual infringement where the defendant alleges an intention to infringe and claims the right to infringe, and it is plain that what is threatened to be done would constitute an infringement (z).

Where there is one question whether a patent is valid and another question whether it has been infringed (a), it depends on the degree of doubt which exists on those questions whether the Court will grant the interim injunction. In such cases it will cautiously consider the degree of convenience and inconvenience to the parties by granting or not granting the injunction (b). If there is a serious question to be tried, and the patent is a recent one, though defendant refuses to keep an account, the interlocutory injunction has been refused (c).

Application
to be made
without
delay.

2. An application for an interlocutory injunction, if *ex parte*, must be made at the earliest possible period, and if on notice, must be without any unnecessary or unexplained delay (d).

Such delay is a ground for refusing an injunction notwithstanding the plaintiff's long enjoyment under the patent and the establishment of its validity in an action against another

(s) *Electric Telegraph Co. v. Nott*, supra; *Mitchell v. Henry* (1880), 15 Ch. Div. 181; 43 L. T. N. S. 186.

(t) *Electric Telegraph Co. v. Nott*, ubi supra, per Lord Cottenham, C.

(u) *Morgan v. Seaward* (1835), per Shadwell, V.-C., 1 Web. P. C. at p. 168.

(x) *Muntz v. Virian* (1840), 2 Web. P. C. at p. 88.

(y) *Hill v. Thompson* (1817), per Lord Eldon, L. C., 1 Web. P. C. 230.

(z) *Frearson v. Loc* (1878), per Jessel,

M. R., 9 Ch. D. 48.

(a) *Wood v. Cockerell* (1819), per Lord Eldon, C., 2 Coop. 58, n.

(b) *Bridson v. McAlpine* (1845), 8 Beav. 229.

(c) *British Tanning Co. v. Groth* (1890), 7 R. P. C. 1.

(d) *Bridson v. Benecke* (1849), per Lord Langdale, M. R., 12 Beav. 3; *Greer v. Bristol Tanning Co.* (1885), 2 R. P. C. 268.

party (e). But laches in dealing with a person not a party to the action has been held not to disentitle the plaintiff to an injunction against the defendant (f).

A patentee is not bound to bring actions in respect of every infringement; but, in order to support an injunction against an infringer who has been permitted to go on for some time, and against whom no action has been brought, distinct notice ought to be given to him that the patentees would seek to enforce their right (g), and failure to give such notice may be fatal (h).

Meaning of
"laches."

A patentee is entitled to spend some time in making inquiries as to whether a defendant is a man of substance (i), or is really infringing (k).

In the case of *Osmond v. Hirst* (l), it was contended that the plaintiff had been guilty of laches, because, the defendant's patent having been in existence since 1882, he had not brought an action till 1885. and it was said that that must be proof of the fact that the plaintiff knew of the infringement. Bacon, V.C., however, repelled that contention.

A patentee does not acquiesce in the infringement of his patent by omitting to take proceedings for the repeal of a subsequent patent extending to part of his invention, unless such subsequent patent is put in practice (m).

Although a motion for an injunction is refused on the ground of delay, an account may be ordered (n).

"Where there is an independent case against a motion, it is better to order the motion to stand till the trial if the defendant asks for it, because, although, where the case on the motion is the same as the case at the trial, it is better merely to make the costs in the motion costs in the action, yet where there is an independent case against a motion, so that the defendant may say: 'If you succeed at the trial, yet you must have failed on the motion by reason of this delay, and therefore you have exposed me in any view to unnecessary expense,' it is better,

(e) S. C., cp. *Bacon v. Jones* (1839), 4 My. & Cr. 438; *Barter v. Combe* (1850), 1 Ir. Ch. R. 284; *Bovill v. Crate* (1865), L. R. 1 Eq. 388; *North British Rubber Co. v. Gormully, &c., Co.* (1895), 12 R. P. C. 17.

(f) *Pneumatic Tyre Co. v. Warrilow* (1896), 13 R. P. C. 284.

(g) *Hancock v. Moulton* (1852), John. Pat. Man. 254; cp. *Bovill v. Smith* (1867), W. N. (1867), 240.

(h) *Smith v. L. and S.-W. Railway Co.* (1854), 23 L. J. Ch. 562; Kay, 408.

(i) *United Telephone Co. v. Equitable Telephone Association* (1888), 5 R. P. C. 233.

(k) S. C., and *Losh v. Hague* (1837), 1 Web. P. C. 201.

(l) (1885) 2 R. P. C. 267.

(m) *Newall v. Wilson* (1852), 2 De G. M. & G. 282.

(n) *Bovill v. Crate* (1865), 1 Eq. 388.

then, to order the motion to stand to the trial without prejudice to any question" (o).

Acquiescence
in infringe-
ment.

3. The leading case on the doctrine of acquiescence in the infringement of a patent is *Neilson v. Thompson* (p).

There the subject-matter of the invention was an improvement in the application of air to produce heat in fires, forges, and furnaces. The patentee made his profit, not by selling the article, but by granting licences to ironmasters to use his patent on paying one shilling per ton on all the iron made. The plaintiff was aware that the defendants were at considerable expense erecting apparatus for the purpose of using his invention, and he permitted them to go on under the expectation that they would pay him a shilling a ton after a certain time. It was held by Lord Cottenham, L. C., that an interlocutory injunction must be refused on the defendant undertaking to keep an account and to deal with it as the Court might direct.

Delay or acquiescence, which would be fatal to an application for an interlocutory injunction, may not debar a plaintiff from obtaining a perpetual injunction at the trial (q).

"Mere delay to enforce a legal right is no bar to an action, unless the delay is such as to cause a statutory bar" (r).

"But acquiescence may be a ground for refusing an account of profits (s), or for limiting it to the date of commencing the action (t), or for granting damages instead of an injunction" (u).

In *Proctor v. Bennis* (x), an action by P., the patentee of a stoking machine, for infringement against persons who had purchased stoking machines made by B., it was proved that before the purchase P., knowing that they were going to set up stoking machines, went to them and asked them to try his machine, saying that they would find it a better machine than B.'s, without giving any intimation that he considered B.'s machine to be an infringement of his patent, though he admitted that he did at

(o) *Lister v. Norton* (1884), per Chitty, J., 1 R. P. C. at p. 116.

(p) (1841) 1 Web. P. C. 278; *Thomson v. Hughes* (1890), 7 R. P. C. 71.

(q) *Johnson v. Wyatt* (1863), 2 De G. & S. 18, 25; *Fullwood v. Fullwood* (1878), 9 Ch. D. 176; *Proctor v. Bennis* (1887), 36 Ch. D. per Cotton, L. J., at p. 758; 57 L. J. Ch. 11.

(r) *Three Towns Banking Co. v. Mudderver* (1884), 27 Ch. D. 523.

(s) *Crossley v. Beverley* (1829), 1 Web. P. C. 112, 120; *Harrison v. Taylor* (1865), 11 Jur. N. S. 408.

(t) *Sayers v. Collyer* (1884), 23 Ch. D. 103, per Fry, L. J.

(u) *Beard v. Turner* (1866), 13 L. T. N. S. 746; *Ford v. Foster* (1872), L. R. 7 Ch. 627.

(x) (1887) 36 Ch. D. 740; 57 L. J. Ch. 11; 4 R. P. C. 333.

that time consider it to be so, and intended to take legal proceedings when he was in funds.

The Court of Appeal, reversing the decision of the Vice-Chancellor of the county palatine, held that as the purchasers did not depose that when they bought B.'s machines they were ignorant of P.'s patent, nor was there any reason to believe that they were ignorant of it, or that P. supposed them to be so, P. had not, on the ground of acquiescence or estoppel, lost his right to sue them for an infringement in using B.'s machines, it not being the duty of a patentee to warn persons that what they are doing is an infringement, and P.'s conduct not amounting to a representation that it was not an infringement.

4. The object of the Court in granting an injunction is to preserve to each party the benefit he is entitled to, until the question of right is tried (*y*).

Object of Court in granting injunction.

In *Neilson v. Thompson* (*y*), the facts of which are set forth above at p. 380, an injunction was refused, because, to stop the defendants' works by injunction would have done an injury to them out of all proportion to the indirect benefit which it might have conferred upon the plaintiff by putting pressure upon the defendants, and inducing them thereby to take a licence of the plaintiff's patent.

Where the patent was twelve years old, and the defendants' a new company with a small capital, the Court made an order for an interlocutory injunction (*z*).

If the defendant undertakes to keep an account, and the Court thinks that this will be a sufficient protection for the plaintiff, the interlocutory injunction will probably be refused (*a*). Sometimes the Court has required the defendant to deposit a sum of money in Court roughly equivalent to the royalties which would be required from a licensee, and has refused an interlocutory injunction if the money is then deposited (*b*).

Where the trade of the defendant is a new trade, and he is a seller of goods to a vast number of people, it is less inconvenient and less likely to produce irreparable damage to stop him from selling, than it would be to allow him to sell and merely keep

(*y*) *Neilson v. Thompson* (1840), per Lord Cotterham, L. C., 1 Web. P. C. 286.

(*z*) *Bracher v. Bracher & Co.* (1890), 7 R. P. C. 420.

(*a*) *Thompson v. Hughes* (1890), 7

R. P. C. 71.

(*b*) *Edison-Bell Phonograph Co. v. Hough* (1894), 11 R. P. C. 594; *North British Rubber Co. v. Gormully, & Co.* (1895), 12 R. P. C. 17.

an account; thus forcing the plaintiff to commence a multitude of actions against the purchasers (c).

In two cases (d) the Court left rival patentees to try their legal rights by proceedings for revocation, and declined to interfere between them by interlocutory injunction.

Where infringement long discontinued.

An injunction will not be granted when the only infringement has been long discontinued, and no probability is shown of its being continued. In *Proctor v. Bailey* (e), the plaintiff, the owner of a patent, the validity of which had been established in a previous action, brought an action against the defendants claiming an injunction and damages in respect of a previous user by the defendants of certain infringing machines in their works. The machines had been put up on trial, and proving unsuccessful, had been taken down five years, and removed from the defendants' premises three years before the commencement of the action. The defendants denied purchase or user of infringing machines, and, in the alternative, pleaded that their user of them was experimental, that it had long been discontinued, and that no threat or intention on their part to use infringing machines had been alleged or proved. It was held, at the trial, that the defendants had used machines which were an infringement of the plaintiff's invention, and to an extent amounting to more than an experimental user; and that though the act was discontinued and there was no threat to continue it, the plaintiff was entitled to an injunction in aid of his legal right. The defendants appealed. The Court of Appeal held, that in order to invoke the extraordinary jurisdiction to grant an injunction there must be some probability of the act being continued; and that assuming the defendants had infringed, as they were only users and not manufacturers, and the only infringement was put an end to in 1883, there was no evidence of any intention on their part to continue

(c) *Plimpton v. Spiller* (1876-77), per Brett, L. J., 4 Ch. D. 291.

(d) *Copeland v. Webb* (1862), 11 W. R. 134; cp. *Boskett v. Cunningham* (1762), 2 Eden, 137.

(e) (1889) 6 R. P. C. 538; 42 Ch. Div. 392. In this case it was also held that as the Palatine Court had, under Lord Cairns' Act, and at the date of the action only jurisdiction to grant damages in a case where it was proper to grant an injunction, there was no jurisdiction in

the present case, and the action must be dismissed, but, owing to the defendants' conduct of their case, without costs, although the defendants must have the costs of their successful appeal. The Court refused to give any opinion as to whether the dismissal of this action would be prejudicial to a subsequent action at law for damages: cp. *Millington v. Fox* (1846), 3 My. & Cr. 338; and *Geary v. Norton* (1846), 1 De Gex & Sm. 9.

the wrongful act, and, therefore, an injunction ought not to be granted (*f*).

A plaintiff making application, whether *ex parte* (*g*) or after notice (*h*), for an interlocutory injunction must swear at the time of making it that he is the original inventor; for although when he obtained his patent he might very honestly have sworn as to his belief of such being the fact, yet circumstances may have subsequently intervened, or information been communicated, sufficient to convince him that it was not his own original invention, and that he was under a mistake when he made his previous declaration to that effect (*g*). The validity of the patent must be set out (*h*).

Application
ex parte.

Injunctions are not now generally granted *ex parte*. An interim order, restraining the defendant till after a day named, is made, liberty being given to the plaintiff to serve notice for an injunction for the day before such day. An undertaking to abide by the decision of the Court as to damages and other terms may be imposed upon the plaintiff (*i*). Leave to serve notice of motion for an injunction with the writ and before appearance may be obtained.

A summons for an interlocutory injunction is a matter of practice and procedure within the meaning of the Judicature Act, 1894, and an appeal from an order or such a summons must be made direct to the Court of Appeal (*k*).

SECT. 4.—THE CONSOLIDATION OF ACTIONS.

Order XLIX. rule 8, of the R. S. C. 1883, provides that causes or matters pending in any division may be consolidated by order of the Court or a Judge in the manner in use before the commencement of the Judicature Act in the superior Courts of common law.

Consolidation
of actions.

According to the practice at common law, actions could only be consolidated at the instance of the defendant; and the consolida-

Practice at
common law.

(*f*) In *Lyon v. Mayor, &c., of Newcastle* (1894), 11 R. P. C. 218, the Court thought that an undertaking already given should have satisfied the plaintiff, and refused an injunction pending the trial of the action. Cp. *Jenkins v. Hope* (1896), 13 R. P. C. 57; *Upmann v. Ferrester* (1883), 24 Ch. Div. 231; 52 L. J. Ch. 946. And see *Costs*, post, p. 462.

Lord Lyndhurst, L. C., 5 Russ. at p. 329; *Whitton v. Jennings* (1860), 1 Dr. & S. 110; *Mayer v. Spence* (1860), 1 J. & H. 87.

(*i*) Daniell's Chanc. Prac. 1611. If the plaintiff is domiciled abroad, security for the damages may be required: *Moser v. Jones* (1893), 10 R. P. C. 368.

(*k*) *McHarg v. Universal Stock Exchange* (1895), 2 Q. B. 81; 64 L. J. Q. B. 498.

(*g*) *Hill v. Thompson* (1817-18), per Lord Eldon, L. C., 3 Mer. 622, 626.

(*h*) *Sturtz v. De la Rue* (1828), per

Existing
practice.

tion order could be made as soon as the defendants had appeared, and before declaration (*l*). How far have these rules been modified?

1. Where a number of plaintiffs have commenced several actions against the same defendants, the Court may under its general jurisdiction, on the application of the plaintiffs, enlarge the time for taking the next step in the rest of the actions until one of them has been tried as a test action; but where the action so selected fails to be a real trial of the issue, another of the actions may be substituted as the test action (*m*). The plaintiff was not, without his consent, bound by the result of the one action tried, but might, after a verdict against him in one action, proceed with any of the others.

2. In *Foxwell v. Webster* (*n*)—where the plaintiff, who was the assignee of the patent alleged to be infringed, had filed 134 bills against separate defendants—four motions were made by four groups of defendants, amounting in the whole to seventy-seven, that the suits should be consolidated, and that either one suit selected by the plaintiff should be prosecuted, and proceedings in the remainder stayed, or else that the validity of the patent should be tried once for all, and the time for answering be enlarged, each defendant reserving his own defence on the ground of non-infringement.

Kindersley, V.-C., dismissed the motions without prejudice to any application after answer, with a view to regulating the future course of the proceedings. “Now this,” said his Lordship, “is the position of the patentee: if he were to bring together in any one suit any number, even more than one defendant, and any one defendant were to object that he ought not to be mixed up with the others, the objection would be successful, for a patentee has no right to join as defendants any number of persons infringing, not even two (*o*). Now, here the plaintiff has filed 134 bills against 134 different persons, who he

(*l*) Lush's Practice, 3rd edit. 965. Since the above was in type, the Court of Appeal has decided that a consolidation order may be made at the instance of the plaintiff: *Martin v. Martin & Co.* (1897), L. J. N. C. 72.

(*m*) *Amos v. Chadwick* (1877), 4 Ch. D. 869; 9 Ch. D. 459; *Bennett v. Lord Bury* (1880), 5 C. P. D. 339.

(*n*) (1863) 9 L. T. N. S. 362, 528. This was a suit to restrain the infringement of a patent for improvements in machinery or apparatus for sewing or

stitching.

(*o*) Cp. *Dilly v. Doig* (1794), 2 Ves. Jun. 487, per Lord Loughborough, L. C.: “I do not remember any case upon patent rights in which a number of people have been brought before the Court as parties, acting all separately upon distinct grounds; it has always been against a particular defendant. In a case here not long ago, upon *Boulton and Watts' Patent*, there were several bills.”

alleges are infringing; and it is said, 'How can it be necessary to file so many bills? . . . It is a settled rule of this Court, that if a person wishes to obtain an injunction, he must not sleep upon his right; he must come to the Court speedily; and if in this case the plaintiff had proceeded against one or more of the persons alleged to be infringing, and had abstained from filing bills against the others, his remedy by injunction against them would have been prejudiced. It would be in vain for him to say that he was waiting the result of a trial against some others.

"The fact that there are 134 suits does not affect the duty of each defendant to answer the interrogatories addressed to him, and which will or may give the plaintiff the benefit of a decree. . . . The defendants have come too soon."

On appeal, Lord Westbury suggested, that the defendants should file affidavits stating their objections to the validity of the patent, and giving full information of every machine made, used, or sold by them, and whence obtained, and when used, and full discovery of the profits derived therefrom, undertaking also to pay a royalty in respect of each machine, if the validity of the patent and its infringement should be established. This course was agreed to on condition that the defendants would furnish verified models of every machine so made, used, or sold by them respectively. Lord Westbury then made the order for consolidation cited above.

3. In the same case (*p*) Lord Westbury, L. C., made an order directing an issue as to the validity of the patent, certain defendants being selected as representatives, the result to be binding on the plaintiff and all the defendants. It appears, however, that this order was made with the plaintiff's consent, and therefore it constitutes no exception to the rule of common law which is still in force (*q*).

SECT. 5.—PLEADINGS.

(1.) *Statement of Claim.*

The form of statement of claim in an action of infringement, given in the Appendix to the Rules of the Supreme Court, 1883 (*r*), contains the following material allegations, viz., the

Statement of claim.

(*p*) (1863) 4 De G. J. & S. at p. 81.

(*q*) Where by order of the Court all the defendants in several actions are bound by the result of one test action, and the defendant in the test action refuses to appeal, the Court may sub-

E.

stitute another one to prosecute the appeal; *Briton, &c., Life Insurance v. Jones* (1889), 60 L. T. N. S. 637.

(*r*) Appendix C. Sect. VI. No. 6; and see p. 782. And see R. S. C. Order XIX. for rules relating to pleading generally.

number, term, date, and subject-matter of the plaintiff's patent, the plaintiff's interest therein, the fact of infringement by the defendant, and a claim for injunction and damages. Forms of statement of claim will be found in the Appendix (s).

Unnecessary
allegations.

It is not necessary to allege the novelty of the invention (t), nor that the patentee has duly paid the instalments of stamp duties necessary to keep the patent alive (u), nor is any reference to the specification required as formerly (v). The statement of claim must state such a case, however, as will justify the Court in granting the injunction asked for (y).

In *Edison and Swan Electric Light Co. v. Holland* (z), an inquiry as to damages and delivery up of infringing articles were asked for by the statement of claim, but by an oversight were omitted to be claimed at the trial. Kay, J., on a motion by special leave on behalf of the plaintiffs, who were successful in the action, ordered the minutes of the decree to be varied so as to include the relief asked for in the statement of claim.

A separate cause of action from that indorsed on the writ should not be set out in the statement of claim. An action (a) for infringement of a patent was commenced by a writ claiming the usual relief. In their statement of claim the plaintiffs introduced a statement that they had discontinued, and paid the costs of a previous action brought by them against the same defendants for infringement, in consequence of evidence given by the defendants, which evidence the plaintiffs had since ascertained to be false, and they claimed that the present action might be treated as supplemental to the previous action, and that the defendants might be ordered to repay the costs paid to them and to pay the plaintiffs' costs, charges, and expenses of that action as between solicitor and client. The defendants moved, under Order XIX. rule 27, to strike out such statement and claim as embarrassing. It was held, that it was irregular under such a writ to introduce a separate cause of action in the

(s) *Post*, pp. 828, 829.

(t) *Amory v. Brown* (1869), L. R. 8 Eq. 663—664; 38 L. J. Ch. 593; per Sir W. M. James, V.-C.: "The allegation of the grant, and the production of the letters patent, throw upon the defendant the *onus* of disputing the novelty." The form prescribed by the R. S. C. does not contain any allegation as to the validity of the patent.

(u) *Sarazin v. Hamel* (1863), 32 Beav. 145.

(x) *Kay v. Marshall* (1836), 2 Web. P. C. 39; *Westhead v. Keene* (1838), 1 Beav. 289; 8 L. J. Ch. 89; 2 Web. P. C. 36, n., per Lord Langdale, M. R.

(y) *Curtis v. Cutts* (1839), 8 L. J. Ch. 184.

(z) (1888) 5 R. P. C. at p. 483.

(a) *United Telephone Co. v. Tasker* (No. 2) (1889), 6 R. P. C. 38.

statement of claim; that it would be inconvenient to try such separate causes in this action; that the Court had power to strike out such pleadings, either under Order XVIII. rule 1, or Order XIX. rule 27; and that the proper order to make was to strike out those claims and leave the plaintiffs at liberty, if they pleased, to bring a separate action, the Judge expressing an opinion that such action ought to be brought in the Queen's Bench Division. The motion was therefore allowed with costs.

In an action for the infringement of a patent, the plaintiff must deliver with his statement of claim, or by order of the Court or a Judge at any subsequent time, particulars of the breaches complained of (*b*); and at the hearing no evidence shall, except by leave of the Court or a Judge, be admitted in proof of any alleged infringement of which particulars are not so delivered (*c*). The law relating to particulars of breaches is considered, *post*, p. 392. If the plaintiff is claiming costs as between solicitor and client on the ground that the patent has already been tested by the Court and a certificate of validity granted, this should be pleaded (*d*).

Particulars of breaches with the claim.

(2.) Defence.

The rules regulating the mode of pleading are to be found in the Rules of the Supreme Court, Orders XIX. and XXI. In addition to what is required in ordinary actions, particulars of objection must be delivered pursuant to sect. 29 of the Patents Act, 1883. The law as to particulars will be dealt with hereafter, meanwhile the general outline of a defence may be treated of.

A defendant in a patent action is at liberty to avail himself of two different kinds of defence to the action; *firstly*, he may deny that he has committed any infringement of the plaintiff's patent right; and, *secondly*, he may deny that the plaintiff has any title to the privilege stated in the claim, a defence based either on the ground that there is no such patent in existence as the plaintiff alleges, or that the patent is defective and void, and therefore the same as if there were no patent at all (*e*). And every defendant may avail himself of both or either of these different lines of defence to a patent action.

Two main lines of defence to action of infringement.

In the form of defence to an action for infringement, given in

Particular pleas.

(*b*) 1883, sect. 29 (1).

(1896), 13 R. P. C. 488.

(*c*) 1883, sect. 29 (4).

(*e*) See Hindmarch, p. 262.

(*d*) *Pneumatic Tyre Co. v. Chisholm*

the Appendix to the Rules of the Supreme Court, 1883 (*f*), the following pleas are inserted: 1. The defendant did not infringe the patent. 2. The invention was not new. 3. The plaintiff was not the first or true inventor. 4. The invention was not useful. 5. [*Denial of any other matter of fact affecting the validity of the patent.*] 6. The patent was not assigned to the plaintiff.

A very common form of defence is still shorter, and yet is sufficient: 1. The defendant denies infringement. 2. The plaintiff's letters patents are invalid for the reason appearing in the particulars of objection.

The various defences may be considered under the following heads:—

Denial of
infringement.

(1) *Denial of Infringement.*—As to what is an infringement, see Chapter XII.

Before the pleading rules, made in pursuance of the statute 3 & 4 Will. IV. c. 42, s. 1, the only plea used in patent actions was the comprehensive plea of “not guilty,” under which the defendant might have taken any objection to the validity of the patent he pleaded. The Rules of 1834 (*g*), however, restricted the operation of this defence to a mere denial of the wrongful acts imputed to the defendant by the plaintiff, and it neither put in issue nor denied the novelty or utility of the invention, the sufficiency of the specification, nor anything alleged in the declaration, except the breaches. In the case of *Stead v. Anderson* (*h*), it was held, that upon an issue of “not guilty” the question of whether there had been a fraudulent evasion of the patent did arise.

Under the Rules of the Supreme Court, 1883 (*i*), the general issue cannot now be pleaded in an action for infringement; but the specific denial of infringement has the same scope as “not guilty” under the pleading rules of 1834.

An objection to the subject-matter of a patent cannot be properly raised under a plea denying infringement (*k*).

In an action by the assignee against the assignor of a patent the defences were a denial of infringement, and an allegation that if what the defendant had done was covered by the patent,

(*f*) App. D. Sect. VI., and see Appendix, p. 786.

(*g*) Reg. Gen. H. T. 4 Will. 4, 1834.

(*h*) (1847) 16 L. J. C. P. 250; 2 W. P. C. 147.

(*i*) Order XIX. rules 13–17; and Order XXI. rule 19.

(*k*) *Russell v. Crichton* (1837), 1 Web. P. C. 677, n. (*e*); *Househill Co. v. Neilson* (1843), *ibid.*

the patent was void for want of novelty, as having been anticipated by certain other specifications mentioned. The plaintiff took out a summons under Order XIX. rule 27, to strike out the second plea, as tending to prejudice, embarrass, or delay the fair trial of the action. North, J., in Chambers, refused to do so; and it was held, on appeal, that the second plea, so far as admissible by way of defence, was included in the first, and therefore was unnecessary; but that, as it did not tend to prejudice, embarrass, or delay the fair trial, it need not necessarily be struck out; and that as the Judge, in the exercise of his discretion, had thought fit not to strike it out, his discretion ought not to be interfered with (*l*).

(2) *Leave and Licence*.—See *ante*, Chapter X., and *Henser v. Hardie (m)*, *Guyot v. Thompson (n)*.

(3) *Want of Novelty*.—There was formerly some doubt as to the exact scope of this plea in one direction. In the case of *Walton v. Potter (o)*, the Court of Common Pleas held, that an issue raising the question whether an invention was a new manufacture known in England at the time the patent was granted, admitted the invention to be a manufacture within the meaning of the Statute of Monopolies, and merely put in issue the novelty. In *Bush v. Fox (p)*, however, substantially the same plea was held to put in issue both the novelty of the invention and the question of its being a manufacture. The case of *Spencer v. Jack (q)* may be said to have settled the difficulty. In this suit—instituted to restrain an infringement—“an issue was directed as to the novelty of the plaintiff’s invention. On the defendant’s motion for that issue was substituted one as to the novelty of the plaintiff’s ‘invention or manufacture.’ On appeal, it was directed that the question of novelty should be tried on two separate and distinct issues—one as to whether the plaintiff’s improvement constituted a new invention; the other, whether it constituted a new manufacture.”

Under a plea of want of novelty, the following issues cannot be raised: Want of utility (*r*), no subject-matter (*s*), insufficiency of

(*l*) *Hocking & Co. v. Hocking* (1886), 3 R. P. C. 291.

(*m*) (1894) 11 R. P. C. 421.

(*n*) (1894) 3 Ch. 388; 11 R. P. C. 541.

(*o*) (1841) 1 Web. P. C., per Tindal, C. J., at p. 601; per Maule, J., at p. 611. See also *ibid.* n. (*q*), p. 598.

(*p*) (1852–56) Macr. P. C. 166, 179.

(*q*) (1862) 3 De G. J. & S. 346.

(*r*) *Walton v. Bateman* (1842), 1 Web. P. C., per Cresswell, J., at p. 623.

(*s*) *Walton v. Potter* (1841), 1 Web. P. C. 598, n. (*q*).

specification (*t*), or a denial that the patentee is the true and first inventor (*u*).

Not true and first inventor.

Objection "not true and first inventor" wider than objection "not new."

Importer.

Not useful.

(4) *A Denial that the Plaintiff was the true and first Inventor.*—This plea is, as has already been pointed out (*x*), distinct from the issue as to the novelty of the invention. The two objections are perfectly distinct and different from each other. The objection that the patentee was not the true and first inventor is something more than the objection that the invention is not new, for it raises the point that the patentee did not make the invention, and this should be remembered in drawing the pleadings (*y*).

In the case of an invention communicated from abroad, this plea would enable a defendant to deny that the plaintiff was the first importer. The words "true and first inventor" mean within the scope and construction of the Statute of Monopolies (*y*).

(5) *Want of Utility.*—The objection to a patent because the invention is not useful seems originally to have rested not on the failure of the consideration bargained for by the Crown, as the representative of the public, but on the ground that the patent was, in the words of the Statute of Monopolies, "contrary to law," as "mischievous to the State," or "to the hurt of trade," and "generally inconvenient" (*z*). In the case of *Morgan v. Seaward* (*a*), it was doubted by the Court of Exchequer whether the proper form of plea ought not to follow the language of the statute; and in *Jupe v. Pratt* (*b*) Mr. Baron Alderson expressed an opinion that it was not sufficient for such a plea to say that the invention was not useful, but that it ought to allege the invention to be prejudicial. In spite, however, of these authorities, it seems to have been the almost invariable practice, both at common law and in equity, merely to deny the utility of the invention in general terms; and the form of stating this defence prescribed in the Appendix to the Rules of the Supreme Court, 1883, has left no room for further difficulty upon the subject.

In *Morgan v. Seaward* (*c*), and *Bedells v. Massey* (*d*), it was held that a plea denying the utility of an invention was quite

(*t*) *Bateman v. Gray* (1853), 22 L. J. Ex. 290.

(*u*) *Househill Co. v. Neilson* (1843), 1 Web. P. C. at p. 689.

(*x*) *Supra*, p. 263.

(*y*) *Ibid.* See *post* under "Particulars of Objection," p. 403.

(*z*) See also Chap. III., p. 100.

(*a*) (1836) 1 Web. P. C. 187—197; 2 M. & W. 544.

(*b*) (1837) 1 Web. P. C. 146.

(*c*) (1836) 2 M. & W. 544.

(*d*) (1844) 2 Dowl. & Low. 322.

different from a plea alleging that the plaintiff had falsely alleged his invention to be improvements.

(6) *No Subject-matter*.—“The assertion that the invention is not the subject-matter of letters patent means that if ever so new and useful, it is for some other reason, as being too simple, or too abstract, or from its peculiar character and nature, not the class or kind of thing intended to be protected by the Statute of James” (e).

No subject-matter

As to this, however, see Chapter III. on the subject-matter of patents.

(7) *Insufficiency of the Specification*.—In the old form of letters patent there was a proviso or condition requiring the patentee particularly to describe and ascertain the nature of his invention, and the manner in which it was to be performed by an instrument, called a specification, and to cause it to be enrolled in Chancery within a certain time after the date of the patent. Under this condition two objections might formerly be taken to a patent—one on the ground that a specification had not been enrolled at all, or in due time; the other, upon the ground that the specification did not particularly describe and ascertain the nature of the patented invention. The form of letters patent prescribed in the first schedule to the present Act contains no condition for avoiding the grant on the ground that the specification is insufficient (f); but this objection, having been at the commencement of the new Act a ground for *scire facias* (g), is, in the case of patents granted thereunder, available by way of defence to an action for the infringement.

Specification insufficient.

Under the plea of insufficiency the following issues may be raised—that there is a fatal variance between the complete and the provisional specifications (h); or that the whole of the complete specification and the statement of claim taken together are so indefinite that it cannot be discovered either what the invention claimed is, or how it is to be carried into effect (i).

Variance; insufficiency.

It is not, however, competent for a defendant to set up under this plea the defences of “no subject-matter” (k), nor that the patent is for an abstract principle only, and therefore invalid (l).

(e) 1 W. P. C. 598, n. (g).

(f) See *infra*, p. 667.

(g) Webst. Lett. Pat. 42, n.; *infra* sect. 26, sub-sect. 3, p. 607.

(h) *Penn v. Bibby* (1866), L. R. 2 Ch. 137.

(i) *Siddell v. Vickers* (1888), 39 Ch. Div. at p. 106.

(k) *Walton v. Potter* (1841), 1 W. P. C. 598.

(l) *Jupe v. Pratt* (1837), 1 W. P. C. 145.

(3.) *Reply and subsequent Pleadings.*

See R. S. C. 1883, Order XXIII. There is nothing peculiar to the action of infringement. It is usual merely to join issue.

(4.) *Default of Pleadings.*

The result of these are the same as in other classes of action. As to this see R. S. C. 1883, Order XXVII. But where some of the defendants have put in a defence attacking the validity of the patent, and others have not put in any defence, the Court refused to allow judgment to be signed against the latter before the trial of the action (*m*).

SECT. 6.—PARTICULARS.

(a) *Particulars of Breaches.*

The history of these provisions is as follows:—

History of
particulars
in patent
actions.

At common law the Courts had, under their general jurisdiction, and irrespective of any statute to that effect, power to order particulars of an alleged infringement, and so prevent a defendant from being taken by surprise (*n*). 5 & 6 Will. IV. c. 83, s. 5, provided, that in actions for infringement notice of objections should be given by the defendant, but this statute left the position of the plaintiff as to giving particulars in such actions unaltered.

Under Act of
1852.

The Patent Law Amendment Act, 1852, sect. 41, required the plaintiff "in any action in any of her Majesty's Superior Courts of Record at Westminster, or in Dublin, for the infringement of letters patent," to deliver with his declaration particulars of the breaches complained of; and provided that at the trial of such action no evidence should be allowed to be given in support of any alleged infringement which was not contained in the particulars so delivered. This section applied only to actions in the Courts of law; but the practice which it made compulsory was so obviously convenient that it was soon adopted by the Court of Chancery. When Lord Cairns' Act (*o*) and Sir John Rolt's Act (*p*) enabled that Court to try by itself, or with

(*m*) *Action Gesellschaft, &c. v. Remus and Burgon* (1895), 12 R. P. C. 94.

(*n*) *Perry v. Mitchell* (1840), 1 W. P. C. 269; *Electric Telegraph Co. v. Nott*

(1847), 4 C. B. at p. 471; 16 L. J. C. P. 174.

(*o*) 21 & 22 Vict. c. 27.

(*p*) 25 & 26 Vict. c. 42.

a jury, questions of fact, and required it to try all questions of law arising in a cause, particulars of breaches as well as notices of objections were ordered when issues were directed (q). And in *Finnegan v. James* (r), Jessel, M. R., said that he saw no reason why the practice as to furnishing particulars should be confined to such cases, and that in all suits in equity the practice at law ought to be followed as closely as circumstances would admit.

And now the Patents, &c., Act, 1883 (s), provides that in an action for infringement of a patent the plaintiff must deliver with his statement of claim, or by order of the Court or the Judge, at any subsequent time, particulars of the breaches complained of. Patents Act, 1883.

At no time have the Acts of Parliament in force prescribed the exact nature of the particulars of breaches which a plaintiff must furnish. It is submitted that the practice is as follows:— Nature of the particulars.

(1) Particulars of breaches need not necessarily be so full as to enable an action of infringement to be tried by a reference to them alone. Their object is not so much to put the Judge in possession of the facts, as to give the defendant fair and full notice of the case to be made against him, and they are sufficient if they do this, either independently of, or taken together with, the pleadings, models, and exhibits (t). In considering the sufficiency of the particulars of breaches delivered in an action of infringement, the Court will apply such tests as these: Is the matter, as to which further particulars are required, one peculiarly within the knowledge of the defendant? Is he likely to be surprised at the trial if the information asked for is withheld? Will the embarrassment to the plaintiff of furnishing better particulars be greater than the convenience to the defendant? Summary of the law.

(2) In considering the sufficiency of particulars of breaches the Court will not be so strict as when dealing with particulars of objection. When the plaintiff is told that the invention is not novel, the facts are possibly not within his knowledge, and he requires full information to enable him to deal with the case. But when a defendant is told that he has infringed, the alleged

(q) *Curtis v. Platt* (1863), 35 L. J. Ch. 853.

(r) (1874) 19 Eq. 72; 44 L. J. Ch. 185.

(s) Sect. 29, sub-sect. 1.

(t) See remarks of Grove, J., in *Church Engineering Co. v. Wilson* (1886), 3 R. P. C. 123.

infringement is generally within his own knowledge. *Ledgard v. Bull* (u). A plaintiff is often not compelled to specify the persons with respect to whom, and the occasions on which, the alleged infringement occurred, such facts being peculiarly within the knowledge of the defendant (x). When the infringement complained of is vending, the defendant is entitled to better particulars than when the complaint is of manufacturing according to the protected invention (y).

Particulars
"by way of
example."

(3) Particulars of breaches which specify particular instances of infringement "by way of example," or "illustration," and not "by way of limitation," will not be allowed. But when the infringing article can be made in one way only, and a simple instance is representative, and there is little probability of the defendant being taken by surprise, the Court may relax the severity of this rule, but is not inclined to do so. *Patent Type Founding Co. v. Richards* (z); *Church Engineering Co. v. Wilson* (a); *Haslam v. Hall* (b).

(4) A plaintiff may say that he mentions certain cases of infringement, and may mention any article as a type of the one complained of, but he may add that he does not confine himself to these; or may add that until he has obtained discovery he is not in a position to give better particulars. The Court, however, will prevent the plaintiff from taking the defendant by surprise, and will require the plaintiff to give particulars of such infringement as he is acquainted with. *Talbot v. La Roche* (c); *Batley v. Kynoch* (d); *Tilghman's Patent Sand Blast v. Wright* (e).

References to
lines and
pages.

(5) A plaintiff should specify, by a reference to page and line, the parts of his specification in respect of which the alleged breaches have been committed. This rule is not always binding if the case is a simple one; and if the plaintiff's process is clearly identified with the defendant's, or if there is a general allegation of infringement with a reference to the claiming clauses alleged to have been infringed, or if the thing alleged to

(u) (1887) 11 App. Ca. 648; reported as *Petman v. Bull*, 3 R. P. C. 390. See also *Cheetham v. Oldham* (1888), 5 R. P. C. 617.

(v) *Talbot v. La Roche* (1854), 15 C. B. 310. But the modern practice is stricter than this Act, a matter to be borne in mind in dealing with old authorities.

(y) *Mandelberg v. Morley* (1893), 10

R. P. C. 256.

(z) (1860) 2 L. T. N. S. 359; 1 Johns. 381.

(a) (1886) 3 R. P. C. 123.

(b) (1887) 4 R. P. C. 203.

(c) (1884) 15 C. B. 310.

(d) (1874-75) 19 Eq. 229; 44 L. J. Ch. 219.

(e) (1884) 1 R. P. C. 103.

be an infringement has been made an exhibit in the cause. *Lamb v. Nottingham Manufacturers' Co.* (f); *Batley v. Kynoch* (g); *Church Engineering Co. v. Wilson* (h); *Cheetham v. Oldham* (i).

(6) If the plaintiff's specification describes two processes wholly distinct from one another, the particulars of breaches should point out clearly which the defendant's article infringes. *Cheetham v. Oldham* (k). But plaintiff is not bound to put an interpretation upon his specification (l).

(7) It may be necessary, when the defendant's article consists of many parts, to state in which part of the infringing article the infringement is to be found (m); though, if the plaintiff has not had inspection, this may not be required.

The following cases illustrate the above:—

Perry v. Mitchell (n) was an action for the infringement of two letters patent for improvements in pens, and the specification set forth and described thirteen different pens, containing a large number of slits and adjustments. The declaration assigned as breaches the making, &c., pens and nibs, in imitation of parts of the said invention, with divers additions thereto and subtractions therefrom. It was pointed out, on behalf of the defendant, that inasmuch as neither the parts, nor the additions or subtractions, were mentioned, it would be impossible to prepare the notice of objections to be delivered with the pleas, or to know what evidence to adduce. The Court of Exchequer ordered the plaintiff to give particulars of the number of the pens of which infringements were alleged, and the following notice was given accordingly: "The pens to which the declaration in this cause refers, and the number of such pens in the specifications, referred to in the declaration, are as follows" (setting forth the number and figures of the diagrams).

Illustrative cases.

Talbot v. La Roche (o) was an action for the infringement of a patent for "improvements in obtaining pictures or representations of objects." The particulars of breaches charged infringement generally by selling pictures, and further stated, "that one of such pictures was made and sold by defendant to one A. H. C. on 27th April, 1854; but plaintiff states this by way of example

(f) Seton, 557.

(g) (1874-75) 19 Eq. 229; 44 L. J. Ch. 219.

(h) (1886) 3 R. P. C. 123.

(i) (1888) 3 R. P. C. 624.

(k) (1889) 5 R. P. C. 624.

(l) *Wenham Gas Co. v. Champion*

Gas Co. (1891), 8 R. P. C. 22.

(m) *Jones v. Lees* (1856), 25 L. J. Ex. 241.

(n) (1840) 1 W. P. C. 269.

(o) (1854) 15 C. B. 310, 320; cf. *Russell v. Hatfield*, 2 R. P. C. 144.

only, and not so as to preclude him at the trial from insisting on other infringements." A rule for the delivery of further and better particulars was refused by the Court of Common Pleas.

Sufficiency of
general alle-
gation of
infringement

In this case two points were raised (a) as to the sufficiency of the general allegation of infringement, and (b) as to whether the plaintiff should be allowed to give instances by way of example. Under (a) the Court refused to compel the plaintiff to specify persons and occasions, or the particular parts of the specification alleged to have been infringed. "Under a plea of want of novelty," said Jervis, C. J., "the Court requires the particulars of objections to condescend upon particular instances. But that is very different from this case; the matter there is not in the knowledge of the patentee. But the defendant must know whether, and in what respects, he has been guilty of an infringement. If the two processes described in the specification are wholly distinct from each other, and the defendant's process might be an infringement of the one and not of the other, he ought to have better particulars. But if the whole is substantially one process he is not entitled to them. We must not make the particulars more complicated than the specification." Under (b) the plaintiff was allowed to give one exhibit, and to add the general words above referred to, stating that they did not mean to confine themselves to that. The ground of the decision on this point seems to have been that, as the plaintiff's specification disclosed substantially one process, one instance of infringement would be representative, and there was no probability of surprise (p).

Whether
instances
should be
specified.

In *Jones v. Lees* (q), an action by a patentee against his licensee on a covenant to pay for roving machines made with the plaintiff's invention, and to make none without, the breaches alleged were, first, not paying for roving machines made with the invention, and secondly, making machines without it. The defendant, in answer to interrogatories, admitted the making of many hundreds of roving machines, but not with the plaintiff's invention, and declared that he could not state to whom they were sold, nor give any further information about them, without disclosing his own evidence. The plaintiff claimed in respect of all the machines the defendant had made under one or other of the covenants, and asserted that he had seen some of them

(p) Cp. *Tilghman's Patent Sand Blast Co. v. Wright* (1884), 1 R. P. C. 103; and *Patent Type Founding Co. v.*

Richards (1860), 2 L. T. N. S. 359.
(q) (1856) 25 L. J. Exch. 241.

to which his invention had been applied. It was held, that the defendant was entitled to such particulars as would describe those portions of the machines to which the plaintiff contended that his invention had been applied, so as to enable the defendant to understand, as far as possible, the nature of the machines as to which he was to be charged under either of the covenants; and that it was no answer to the application for such particulars that the defendant's answer to the interrogatories was insufficient to enable the plaintiff to furnish the particulars, for if the answers were insufficient they should have been objected to (r).

The Patent Type Founding Co. v. Richards (s) was an action for the infringement of a patent for "improvements in the manufacture of type." Upon an order for the delivery of further particulars of breaches, the plaintiffs enumerated certain instances, and added—"and the plaintiffs state these particular instances by way of example only, and not so as to preclude them from proving any of the infringements mentioned in the former particulars of breaches." Keating, J., ordered this clause to be struck out.

Instances by way of example.

This case is distinguishable from *Talbot v. La Roche* (ss), and *Tilghman's Patent Sand Blast v. Wright* (t), where a reference to a specific instance, "by way of example," was allowed. In that case, the infringing articles—sun pictures—could only be made by one process. But type might be manufactured in various ways, so that the general words left room for surprise on the defendant at the trial of the action.

Needham v. Oxley (u) was a suit to restrain from infringement a patent for machinery for expressing liquids or moisture from substance. The plaintiffs stated in their bill that a machine supplied by the defendant to Messrs. T. was substantially identical with their invention, and pointed out the only difference between them. The particulars of breaches specified three machines belonging to the defendant which they alleged in general terms

(r) Cp. *Elsay v. Butler* (1884), 1 R. P. C. at p. 189.

(s) (1860) 2 L. T. N. S. 359. See this case distinguished from *Tilghman's Patent* (1884), 1 R. P. C. 104, per Pearson, J.

(ss) 15 C. B. 310.

(t) *Supra*.

(u) (1863) 1 H. & M. 248, 251. Cp. the language of Mr. Justice Grove in the *Walter C. Church Engineering Co.*

v. Wilson (1886), 3 R. P. C. at p. 127 :

"No one can ever try patent cases by looking at particulars. Sometimes you may by looking at the specifications and the drawings, but it is, in practice, very seldom limited to that. I cannot call to mind a case, except some very simple cases, where there have not been illustrative models of the parts in dispute, which are as well known to both parties as can be."

to be infringements of their patent. Vice-Chancellor Wood refused to make an order upon a summons for better particulars. "The object," said his Lordship, "in having these particulars delivered is to give the defendant fair notice of what is the complaint against him, not to tie the plaintiff down to the precise terms of any verbal definitions, or to make the trial of the issue turn upon a point of form. Full and fair notice the defendant is entitled to; but I should be very sorry to introduce anything like special pleading into the practice of this Court, or to allow verbal criticism to interfere with a determination of the merits of the contest."

Infringing
article made
exhibit.

In *Batley v. Kynock* (x) the plaintiff delivered particulars of breaches, charging infringement by the making and selling of cartridges (whereof one was made an exhibit), having cases and metal heads, together with cups or chambers, formed or described in the specification. The defendant moved for further and better particulars. Vice-Chancellor Bacon, in refusing the motion, said: "Here the very thing in dispute, which is no bigger than one's thumb, and is not a complicated machine, is made an exhibit. What ground, therefore, is there for the objection as to insufficiency of the particulars when a plaintiff produces the exhibit, and says, 'I hold in my hand the very article by which you infringe?' It would be only hampering the plaintiff to compel him to specify minutely the particular portions of his specification alleged to have been infringed."

In *Ledgard v. Bull* (y), a patentee brought an action in India for the infringement of three patents, all of which related to one article—a kiln for burning bricks—and the second and third in date were for improvements upon the invention specified in the first. The Indian Patent Act XV. of 1859 provided that "in an action for the infringement of (an) exclusive privilege, the plaintiff shall deliver with his plaint particulars of the breaches complained of in the said action, and . . . no evidence shall be allowed to be given in support of any alleged infringements . . . which shall not be contained in the particulars delivered as aforesaid." (Sect. 34.) The plaintiff did not deliver any particulars of breaches, but his plaint pointed out a particular kiln constructed and used by the defendant, and not only referred to his patents, but indicated in the case of each of them the

(x) (1874-75) L. R. 19 Eq. 229; 44 L. J. Ch. 89.

(y) (1886) A. C. 649, reported as *Petman v. Bull* in 3 R. P. C. 390.

distinctive features of his invention alleged to have been appropriated by the defendant. It was held by the Privy Council that the plaint in itself was a sufficient compliance with the requirement of sect. 34 of the Indian Patent Act. Putting upon that section the same construction which, as we have seen, was put upon the corresponding section of the Patent Law Amendment Act, 1852, sect. 41, Lord Watson said: "The sole object of these enactments is to give the defendant fair notice of the case which he has to meet; and it is quite immaterial whether the requisite information be given in the plaint itself or in a separate paper."

In *Walter C. Church Engineering Co. v. Wilson* (z), the C. Co. brought an action for infringement of a patent against the W. Co., and delivered particulars of breaches, alleging infringement of the second, third, and fourth claims of the patent, but not referring to any pages or lines of the specification, and complaining "in particular, by way of illustration," of certain specified machines. The defendants took out a summons for further and better particulars, which was dismissed by A. L. Smith, J. Grove, J., and Stephen, J., on appeal, held that the words "in particular, by way of illustration," were too wide, and ought to be omitted (a). "Complaining of a thing in particular," said Mr. Justice Grove, "and by way of illustration, might leave the plaintiffs open to complain of other things, and saying these are illustrations of others will lead to controversy." Subject to that limitation, their Lordships held that the particulars were sufficient, inasmuch as the plaintiffs gave the machines that he complained of, and the heads of the invention in respect of which infringement was alleged.

Instances by way of illustration.

Haslam & Co. v. Hall (b).—In this case, which was an action for the alleged infringement of a patent for refrigerative processes and apparatus for preserving meat, the plaintiffs, by their particulars of breaches, complained of the manufacture, &c., by the defendants of certain refrigerating machines containing an arrangement of machinery described and claimed in the plaintiffs' patent; and also . . . "by way of example, and not of limitation," of the machines fitted by the defendants on board the *Selembrina*. The defendants applied for further and better

(z) (1886) 3 R. P. C. 123.

(a) Cp. *Ehrlich v. Ihlee* (1888), 5 R. P. C. at p. 40, where the words "by way of illustration" were struck out by consent.

(b) (1887) 4 R. P. C. 203. Cp. *Elsay v. Butler* (1884), 1 R. P. C. 189; *Cheetnam v. Oldham* (No. 3) (1888), 5 R. P. C. 624; *Lamb v. Nottingham Manufacturers' Co.*, Seton, 557.

particulars, and obtained an order from a Master in Chambers that the plaintiffs, so far as concerned machines fitted to ships might be confined to the *Selembria* unless further names were given. Part of the defendants' application asked for a direction that the plaintiffs should state whether they claimed in respect of all, or only of some, and which, of the claims in the specification. And it was held by Wills and Day, JJ., reversing the decisions of the Master and Huddleston, B., that the defendants were entitled to the direction asked for.

Sometimes the plaintiff will be permitted to postpone the delivery of full particulars, until he has had discovery (c).

(b) *Particulars of Objections.*

Former effect of plea "not guilty."

Rules, 1834.

Lord Brougham's Act requiring particulars.

Decisions on precision in objections.

The defendant in an action of infringement was originally permitted to raise, under a plea of "not guilty," every possible objection to the patent which he was alleged to have infringed, and in such actions, therefore, the plaintiff was frequently surprised at the trial by some new and entirely unexpected ground of defence being stated. The pleading rules, which came into operation in Hilary Term, 1834, limited the scope of the plea of "not guilty." The statute 5 & 6 Will. IV. c. 83, s. 5, enacted that the defendant should give to the plaintiff at the time of pleading notice of any objections on which he meant to rely, and that no objection should, without the leave of a Judge at Chambers, be allowed to be made on behalf of such defendant, unless he proved the objection stated in his notice (d).

The degree of precision required in a notice of objections under the Act was the subject of considerable judicial discussion. Perhaps, the only general proposition that could have been laid down upon this subject is that stated by Hindmarch (e), in terms based upon the language of Tindal, C. J., in *Fisher v. Dewick* (f):—
"Although plaintiffs always profess to apply for further and

(c) *Russell v. Hatfield* (1885), 2 R. P. C. 144.

(d) It was held under this Act that, while the notice of objections should not disclose the evidence on which the defendant relied (*Russell v. Ledsam* (1843), per Alderson, B., 11 M. & W. 649; *Leaf v. Topham* (1845), per Parke, B., 14 M. & W. 146; 14 L. J. Ex. 231), it was not a sufficient compliance with the statute merely to specify every objection in general terms, as in a plea: *Neilson v. Harford* (1841), 8 M. & W.

806; *Heath v. Unwin* (1842), 10 M. & W. 684; *Russell v. Ledsam*, *ubi supra*; *Jones v. Berger* (1843), 5 M. & G. 28; 1 W. P. C. 544; *Reg. v. Mill*, *sci. fac.* (1850), 1 L. M. & P. 695; 20 L. J. C. P. 16; *Betts v. Walker* (1850), 14 Q. B. 363. On the other hand, the defendant was not entitled to go beyond his plea: *Macnamara v. Hulse* (1842), 2 Web. P. C. 128, n., per Lord Abinger, C. B.

(e) Page 291.

(f) (1838) 1 Web. P. C. at p. 267.

better particulars of objections, on the ground that the notice does not furnish them with sufficient information, the real motive generally is to get rid of some of the objections, or to restrict the defence as much as possible. The object of the statute, however, was not to limit the defence, but to diminish the expense at the trial, and prevent the patentee from being taken by surprise" (g).

Object of Act of 1835.

The Patent Law Amendment Act, 1852, s. 41, repeated in substance the provisions of 5 & 6 Will. IV. c. 83, s. 5, and added that the particulars of objections delivered in pursuance of the statute should state "the place or places at or in which, and in what manner, the invention is alleged to have been used or published prior to the date of the letters patent." The requirements of this statute, it should be observed, were confined to notices of objections affecting the validity of the patent, and it was therefore held that a defendant might object to the want of registration of an assignment of the patent to the plaintiff, although it was not specially mentioned in his notice of objections (h).

Act of 1852.

Additional particulars.

Construction of Act of 1852, s. 41.

And now, by sect. 29 of the Patents Act, 1883, sub-sects. (2) Act of 1883.

(g) The following points were decided as to the degree of particularity required in a notice of objections under the Act of 1835:—1. The notice of objections should (*semble*) specify the pleas to which the several objections were intended to apply: *Walton v. Bateman* (1842), per Cresswell, J., 1 Web. P. C. 263, n. (d). 2. In an objection for want of novelty, the defendant would not be compelled to state who was the first inventor, or under what circumstances the invention was used before the date of the patent: *Russell v. Ledsam* (1843), 11 M. & W. 647, following *Heath v. Unwin* (1842), 10 M. & W. 684; *Bulnois v. Mackenzie* (1837), 1 Web. P. C. 260; 4 Bing. N. C. 132; *Reg. v. Walton, sci. fac.* (1842), 2 Q. B. 969; *Bentley v. Keighley* (1844), 1 Dowl. & Low. 946, and dissenting from *Jones v. Berger* (1843), 1 Web. P. C. 549. Cp., also, *Fisher v. Dewick* (1838), 1 Web. P. C. 551, n.; *Galloway v. Bleadon* (1839), *ibid.* 268, n.; *Carpenter v. Walker, ibid.* The following objections were held insufficient:—That the invention was more extensive than, and did not correspond with, that described in the specification; that there was a discrepancy between the drawings and the specification; that an extension of the patent term had been

obtained by fraud, covin, and misrepresentation; that the plaintiff had not caused *any specification* sufficiently describing the nature of the supposed invention to be duly enrolled in Chancery: *Fisher v. Dewick* (1838), 1 Web. P. C. 551, n.; *Russell v. Ledsam* (1843), 11 M. & W. 647; *Lecf v. Topham* (1845), 14 M. & W. 146. In (a) and (b) it would be necessary that the attention of the plaintiff should have been called to the particular part or parts. In (c) it was held that the notice of objections ought to state the species of misrepresentation by which the defendant meant to allege that an extension of the patent term had been obtained from the Privy Council. In (d) the Court ordered an amendment, which was made by inserting the word "other" before "specification."

(h) *Chollet v. Hoffman* (1857), 7 E. & B. 686; 26 L. J. Q. B. 249. An order for further and better particulars of objection, made under the Patent Law Amendment Act, s. 41, was required to be, in form, confined to the words of the section; but this did not relieve the defendant from the obligation to furnish full and sufficient particulars: *Flower v. Lloyd* (1876), 45 L. J. Ch. 746.

and (3), it is provided that *the defendant must deliver with his statement of defence, or, by order of the Court or a Judge, at any subsequent time, particulars of any objections on which he relies in support thereof. Also, that if the defendant disputes the validity of the patent, the particulars delivered by him must state on what grounds he disputes it; and if one of those grounds is want of novelty, must state the time and place of the previous publication or user alleged by him.*

Changes in law.

It will be found that sect. 29 of the Act of 1883 differs from sect. 41 of the Act of 1852 in two points only. The words "time and place" are substituted for "place" and "manner," which appear in the earlier Act; and the provision in sub-sect. (4) (*post*, p. 613) against the admission of evidence in support of any objection of which particulars have not been delivered is no longer absolutely peremptory, but may be relaxed by leave of the Court or a Judge.

Except in these particulars, and, perhaps, it should be added, in the recognition of the practice by which the validity of a patent is now simply denied in the defence, "on the grounds stated in the particulars of objection delivered" therewith, the present Act and the Act of 1852 do not materially differ, so far as notice of objections are concerned.

Particulars should not go beyond the pleadings.

Particulars of objection should not go beyond the pleadings (i), but must usually give more information than is contained in the defence (k). They should be drawn with care, so as to disclose precisely what the points are which are intended to be raised; stating a series of objections as a matter of common form will not be encouraged (l).

General rule as to sufficiency of objections.

Subject to the special requirements of the Act, in the case of notices affecting the validity of letters patent (m), particulars of objection, like particulars of breaches, were generally sufficient if precise enough to prevent surprise at the trial of an action of infringement. "It is incumbent," said Coltman, J., in *Fisher v. Dewick* (n), "on the Court to see that the objections are stated in a definite and intelligible form before the parties go down to trial, that the patentee may not be taken by surprise. The

(i) *Macnamara v. Hulse* (1842), 2 W. P. C. 128, n.; *Gillett v. Wilby* (1839), 1 W. P. C. 270; 9 C. & P. 334.

(k) *Jones v. Berger* (1843), 1 W. P. C. 544; 5 M. & G. 208; 12 L. J. C. P. 179.

(l) Kekewich, J., in *Morgan v. Windover* (1890), 7 R. P. C. 446; and see *post*, p. 452, as to costs of objections.

(m) Sect. 29, sub-sect. (3).

(n) (1838) 1 W. P. C. at p. 268.

defendant is not precluded from bringing forward any number of objections, but he must state with precision what they are" (o).

But in framing particulars of objections, care should be taken not to put forward a long list of anticipations of which only two or three are relied on at the trial (p); though if the particulars be framed honestly, the Court will hesitate to tie the hands of the defendant (q).

The particulars required will vary with the objections set out. The most usual are the following:—

1. *That the patentee was not the true and first inventor (r).*— Not true and first inventor.
This raises the issue whether the patentee was in truth the person who invented the subject-matter of the patent, and does not raise the question of novelty. This objection is commonly put in the particulars, but Kekewich, J., has on more occasions than one stated that it should not be included unless it is really intended to raise the objection at the trial (s). If it be pleaded, the plaintiff should properly be entitled to particulars of the person alleged to be the true and first inventor; whether he is so or not is somewhat doubtful (t). It is submitted that if the defendant intends at the trial to allege that a certain person other than the alleged inventor is the true inventor, and is in a position to give the name, he ought to do so.

2. *That the alleged invention is not new.*—This objection may resolve itself into three heads: (a) that the invention has been anticipated by a prior user; (b) that the state of public knowledge at the date of the invention was such as to prevent novelty; (c) that the invention has been anticipated by prior publication in specification, books, &c., or by communication to individuals. Want of novelty.

Taking these in order:—

(a) That the invention has been anticipated by prior user. Prior user.
Cases on these points are:—

Flower v. Lloyd (u).—This was an action of infringement, in which the defendant relied, *inter alia*, upon prior user and Order in *Flower v. Lloyd*.

(o) See *Holliday v. Heppenstall* (1889), Ch. Div. 109; 6 R. P. C. 320; *Nettlefolds v. Reynolds*, *infra*.

(p) *Thomson v. Batty* (1889), 6 R. P. C. 84.

(q) *Nettlefolds v. Reynolds* (1891), 5 R. P. C. 410.

(r) See *ante*, Chap. IX.

(s) *Thomson v. Macdonald* (1891), 8 R. P. C. at p. 9; *Morgan v. Windover* (1890), 7 R. P. C. 416; *Pneumatic Tyre*

Co. v. Caswell (1896), 13 R. P. C. at p. 187.

(t) See *Russell v. Ledsam* (1843), 12 L. J. Ex. 439; 11 M. & W. 647; a case decided under Lord Brougham's Act; particulars were not ordered. But see also remarks of Kekewich, J., in *Morgan v. Windover* (1890), 7 R. P. C. at p. 449.

(u) (1876) 45 L. J. Ch. 746.

publication of the plaintiff's invention. Bacon, V.-C., required the defendants to state "the names and addresses of the persons by whom, and the places where, and the dates at and the manner in which," the alleged prior user and publication had taken place. The Court of Appeal held that this order must be varied so as not to go beyond the words of the statute; but when the defendants, in pursuance of the amended order, delivered particulars alleging prior user by three persons, and whose names and addresses were given, and "by other persons in Birmingham and London respectively," these words were held by Field, J., to be too indefinite, and the defendants were ordered either to give better particulars or to submit to the particulars being struck out.

Birch v. Mather (x).—In this case the particulars of objections alleged prior user of the invention at certain works, which they specified, but gave no further information. It was held by Chitty, J., that to satisfy an order in the form settled in *Flower v. Lloyd* the defendant must give the names and addresses of prior users, and that the defendants must answer interrogatories, not only as to the particulars which they were required to furnish, but also as to whether the machines in question were in existence.

Present residence of prior users.

When it was necessary to give the names and addresses of parties alleged to have been prior users of an invention, the present residence was required to be stated, "as otherwise the plaintiff would not know where to go for his evidence" (y).

General user at a place.

Where in an action for infringement the defendant relied not upon a specified user by certain persons named, but on a general user at a particular place, it was a sufficient compliance with sect. 41 of the Act of 1852 to state that the invention was used by manufacturers generally at a particular place, without naming any person or specifying any manufactory. The justification of this rule was thus expressed by Mr. Baron Alderson in *Palmer v. Wagstaffe* (z): "If a defendant rests his case on a general user, proof of user by one person will not do. . . . The plaintiff has no reason to complain of the generality of the statement, for the more general it is the more the defendant

(x) (1883) 22 Ch. Div. 629; 32 L. J. Ch. 292; *Finnegan v. James* (1874), 19 Eq. 72; 44 L. J. Ch. 185; *Crossley v. Tomes* (1876), 2 Ch. Div. 533. "At N. or elsewhere" is too indefinite: *Jones v. Berger* (1843), 1 W. P. C. 544.

(y) *Palmer v. Cooper* (1853), per Alderson, B., 9 Exch. at p. 236; 23 L. J. Ex. 82.

(z) (1853) 22 L. J. Ex. 295; 8 Exch. 840, 842.

must prove under it." It was accordingly held that the following allegations of general user were sufficient: "By candle makers generally in London, and the vicinity thereof" (a), "by persons engaged in finishing lace at Nottingham" (b). On the other hand, it was necessary that the defendant's particulars of general user should give the plaintiff such information as would enable him to make inquiries at the places named (c).

Thus, in a suit to restrain the infringement of a patent for improvements in the construction of carriages (d), particulars of objections alleging prior user "by carriage builders generally throughout Great Britain," and "by various carriage builders in or near London, Liverpool, Manchester, and Southampton, and various other of the principal towns of Great Britain," were held insufficient (d). The Court, however, expressed its opinion in this case—that when an objection pointed to the public use of a particular preparation, such words as "by various makers in or near London" might be sufficient; and that if the defendant could not give the names of the carriage builders "in or near London," he would be required to specify the class or classes of carriages with respect to which the alleged prior user had taken place. It is questionable, however, whether the objections of "general user" should not come under the next sub-head, viz., common knowledge. If under user, names and address should properly be given (e).

In *Smith v. Lang* (f) the particulars alleged publication by the "manufacture, &c., by J. B. W. from 1832 to 1862"; but the Court considered this too indefinite; the time of the user not being sufficiently stated.

In *Siemens v. Karo* (g) defendants stated in the particulars of objection that the invention had been anticipated by the general use of the "Wenham lamp," but submitted to give further particulars of the lamp referred to.

In *Boyd v. Horrocks* (h) it was held that "wholly or in part used previously, &c.," was not enough; it should have been stated whether the invention had been anticipated wholly or in part, and if in part which part.

(a) *Palmer v. Wagstaffe* (1853), 8 Ex. 842; 22 L. J. Ex. 295.

(b) *Jones v. Berger* (1843), 5 M. & G. 298; 12 L. J. C. P. 179; 1 W. P. C. 544.

(c) *Palmer v. Cooper* (1853), 9 Ex. 236; 23 L. J. Ex. 82.

(d) *Morgan v. Fuller* (1866), 2 Eq. 297.

(e) See *Alliance Pure White Lead Syn. v. MacIvor* (1893), 39 W. R. 487; 8 R. P. C. 321.

(f) (1890) 7 R. P. C. 148.

(g) (1891) 8 R. P. C. 376.

(h) (1886) 3 R. P. C. 285.

In *Boyd v. Farrar* (i) the plaintiff's specification was complicated, and contained seventeen claims; the nineteenth of defendant's particulars of objection alleged prior publication by exhibition of articles made according to the invention. Kay, J., decided that the defendant must state what particular machines were alleged to have been anticipations, but need not say which part of the invention was anticipated.

In *Sidebottom v. Fielden* (k) Bristowe, V.-C., refused further particulars of certain anticipations where the particulars stated the name of the maker and place and date when the alleged prior user took place, and there being nothing to show that the persons who used the articles would refuse to allow plaintiff to see them.

Such expressions as "amongst others" have been allowed; but the Court will do its best to guard the plaintiff against surprise (l).

State of knowledge contradicting invention.

(b) State of public knowledge at the time of the alleged invention such as to prevent novelty.

The objection should be stated separately to the objection raising anticipation (m). And whereas under a defence of anticipation, particulars of books, specifications, &c., must be given, it is improper to give any such details in the particulars setting up that the state of knowledge prevented novelty or invention (n). But if a specification standing by itself is the evidence of common knowledge, it should be mentioned in the particulars of objection (o); though, as a general rule, a specification will not be allowed to be used as evidence of common knowledge (p).

Particulars of prior publication.

(c) Anticipation by specifications, books, and other publications. It was formerly the law that where the evidence relied on by a defendant was prior publication, he must state the particular work, specification, or document, and the volume of the work. In the case of a specification, it was at one time the rule that the particular pages and lines where the alleged prior publication was to be found should be set out (q). The modern practice is

(i) (1889) 5 R. P. C. 33.

(k) (1891) 8 R. P. C. 266.

(l) *Curtis v. Platt* (1863), 8 L. T. N. S. 657; 3 Ch. Div. 135, n.; *Penn v. Bibby* (1866), 1 Eq. 548.

(m) *Phillips v. Real Cycle Co.* (1890), 7 R. P. C. 77.

(n) *Holliday v. Heppenstall* (1889), 41 Ch. Div. 109; 6 R. P. C. 320; *Cassel Gold Co. v. Cyanide Gold Co.* (1895),

12 R. P. C. 303; *Morgan v. Windsor* (1890), 7 R. P. C. 446.

(o) *English & American Shoe, etc. Co. v. Union Boot, etc., Co.* (1894), 11 R. P. C. 367.

(p) See, e.g., *Soho Laundry Co. v. Mackie* (1893), 10 R. P. C. 68; *Pickover v. Rowland*, 10 R. P. C. 118.

(q) *Fowler v. Gaul* (1887), 3 R. P. C. 247.

not to require in every case a statement of the pages and lines of the specifications. The defendant must give such particulars as he is able, and such as will prevent surprise, and each case must depend upon its own special circumstances (*r*). Where the defendant mentioned fifteen specifications as anticipations, some with many claims, North, J., ordered particulars as to lines and pages.

If the defendant really does rely on the whole specification, and he states so with *bona fides*, the Court will allow him to do so, and will not order particulars of the pages and lines (*s*). Also when the specification is short, and such that a person conversant with the subject would be able to discover the part relied on, the Court has allowed the specification as a whole to be placed in the particulars (*t*).

In *Boyd v. Farrar* (*u*), Kay, J., ordered particulars stating which of the parts of the plaintiff's specification was anticipated by the various specifications mentioned in the particulars of objection; in that case the specifications were complicated. Examples.

In *Holliday v. Heppenstall* (*x*), the Court of Appeal, whilst not ordering defendant to specify pages and lines, required him to state what the anticipation was, where it could be found, and to connect it with the plaintiff's specification.

In *Harris v. Rothwell* (*y*) the Court required defendant to say which of the claims had been anticipated by each specification mentioned in the particulars. The particulars contained specifications, the whole and more particularly certain parts of which were relied on; the reference to "the whole" was struck out. The invention in question related to matters of considerable intricacy and complication; Chitty, J., said: "I think that though these objections would be good in ordinary course, yet inasmuch as there are six claims, and having regard to the nature of the particulars in each claim, and the nature and intricacy of the invention, it will be right for the defendant to show, in his particulars of objections, to which of the said six claims he intends to address the objection."

In the case of anticipation in books or similar documents, the Anticipation in books, &c.

(*r*) *Siemens v. Karo* (1891), 8 R. P. C. 376; *Heathfield v. Greenway* (1894), 11 R. P. C. at p. 19; Weekly Notes (1893), 170.

(*s*) *Siemens v. Karo, supra*; *Nettlefolds v. Reynolds* (1891), 8 R. P. C. 410.

(*t*) *Sidebottom v. Fielden* (1891), 8 R. P. C. 266, 270.

(*u*) (1888) 5 R. P. C. 33.

(*x*) (1889) 41 Ch. Div. 109; 6 R. P. C. 320. The particulars in this case were, in the opinion of the Court, shocking.

(*y*) (1886) 3 R. P. C. 243; Griff. 109.

particulars should suffice to enable the plaintiff to find where the alleged anticipation is to be found. In *Harris v. Rothwell* (y) the defendant referred to a whole book, and in particular to certain pages; the Court required the reference to the whole book to be struck out. So also in *Plimpton v. Spiller* (z), where the defence was, "that a prior American patent had been surrendered, and that the invention had been published in certain journals of specified dates, and in sketches and drawings deposited at a specified time in the Patent Office Library," it was held that "the defendant must state the date of the American patent, the name of the patentee, and the date of the alleged surrender, and specify also the pages, but not the lines, of the journals referred to, and that the drawings must be referred to in writing, whether contained in books or not."

No subject-matter.

3. *That the alleged invention is not subject-matter for letters patent, as it does not involve the exercise of invention or ingenuity.*—Particulars of this need not be given (a).

Want of utility.

4. *Want of Utility.*—No further particulars seem necessary.

Insufficiency of the specification.

5. *Insufficiency of the Specification.*—On this the following may be raised:—

(a) That the complete specification contains an invention which the provisional did not disclose; this is, in other words, the objection of disconformity. Particulars must be given of the disconformity alleged (b).

(b) That the specification does not sufficiently describe how the invention is to be carried out. Particulars will be ordered which will enable the plaintiff to know in what respect the specification fails (c).

Pleading insufficiency of specification.

In the case of *Crompton v. Anglo-American Brush Electric Corporation* (d)—an action for the infringement of a patent for improvements in dynamo-electric machines—the defendants denied the validity of the patent, and alleged as one of their particulars of objection insufficiency of the specification. The notice of objection upon this point originally ran: "The specification does not sufficiently describe the nature of the said invention, and in what manner the same is to be performed."

(y) (1886) 3 R. P. C. 243; Griff. 109.

(z) (1877) 20 S. J. 860.

(a) See *Morris v. Young* (1895), 12 R. P. C. at p. 460.

(b) *Boyd v. Horrocks* (1886), 3 R. P. C. 285; *Anglo-American Brush Co. v.*

Crompton (1887), 34 Ch. Div. 152; 56 L. J. Ch. 167; 4 R. P. C. 27.

(c) *Heathfield v. Greenway* (1894), 11 R. P. C. 17; (1893) W. N. 170.

(d) (1887) 35 Ch. Div. 283; 56 L. J. Ch. 802; 4 R. P. C. 197.

The plaintiffs having obtained an order for further and better particulars of this objection, the defendants so amended it as, in effect, to allege that the specification was insufficient to enable a competent workman to construct a machine which would answer the purpose of the alleged invention. It was held by the Court of Appeal, affirming the decision of Kay, J., in chambers, that the objection even in its amended form, was insufficient, and that if the defendants knew exactly where the defect was they were bound to point it out.

Their lordships, however, expressly guarded themselves from affirming that a defendant must show a plaintiff how to amend his specification; and the decision seems to have turned upon an admission by the defendants that they knew something more than they had disclosed in the objections.

This case differs from that of the *Anglo-American Brush Electric Corporation v. Crompton (c)*, because there the question was whether the complete specification agreed with the provisional specification; and it was obvious that if the particular point in which that difference was said to exist was not stated, the plaintiffs would not be able to bring the evidence which might have entirely displaced what appeared an objection from merely looking at the two documents.

(c) It may be desired to raise the objection that the specification does not distinguish what is new from what is old; particulars must, if possible, be given.

(d) Ambiguity of the specification; particulars of the points where the specification offends in this respect are necessary (f).

Amongst other points which may be raised in the particulars of objection, and which must be so raised if the defendant intends to rely on them, may be mentioned: (1) That the letters patent had lapsed prior to the alleged infringements in consequence of the termination of the period of protection, or in consequence of the non-payment of fees; (2) that the patent is a re-issue from a former grant (g); (3) that the patent was obtained by fraud—here the particulars of the fraud are essential (h); (4) that the defendant has not infringed; though this could be set up in the statement of defence.

Other objections.

(c) 11 C. n. Div. 152, and see *supra*.

(1893), 10 R. P. C. 102, an extraordinary case.

(f) *Heathfield v. Greenway* (1894), 11 R. P. C. 17; (1893) W. N. 170.

(h) *Russell v. Ledlam* (1843), 11 M. & W. 647; 12 L. J. Ex. 439.

(g) See *Rothwell v. Macintosh* (1894), 11 R. P. C. 274; also *Hill v. Adams*

Particulars of objection filed by one defendant when available to co-defendants.

If there are several defendants, and the acts complained of by the plaintiff are the common acts of the defendants, the particulars of objection delivered by one of the defendants are available to the other defendants (*i*). But if the defendants are persons whose cases are wholly distinct, and who were solely responsible for their own acts, acts in which the other defendants had no interest, it is not clear whether such co-defendants can avail themselves of each other's particulars (*k*).

(c) *Amendment of Particulars.*

The Patents Act, 1883, provides by sub-sect. 5 that particulars delivered may be from time to time amended, by leave of the Court or a Judge.

Power of Court of Appeal to amend.

It has been doubted whether the Court of Appeal could give leave to amend, the argument being that the words "the Court or a Judge" must after trial be limited in meaning to the Court or Judge before whom the action was tried. There is good reason to suppose that this is the correct construction of the same words as used in sub-sect. 6; see per Cotton, L. J., in *Cole v. Saqui* (*l*). But in *Cropper v. Smith* (*m*) Bowen, L. J., was prepared to grant leave to amend in the Court of Appeal. And the question has now been set at rest, for in *Shoe Machinery Co. v. Cutlan* (*n*) the Court of Appeal decided that it has power to allow the particulars to be amended even after judgment, with a view to the hearing of new evidence on the appeal, but that the power will be used with great caution. In the last-mentioned case it was decided that the powers of amendment given by R. S. C. Order LVIII. Rule 4, are exercisable in patent actions.

Powers of amendment are wide, but discretionary.

The powers of amendment are very wide. In *Cropper v. Smith* (*m*), Bowen, L. J., stated: "It does not seem to me material to consider whether the mistake of judgment was accidental or not. There is no such law as that it is only slips or accidental errors which are to be corrected." The power is discretionary. Therefore when the defendant applied for leave to amend by adding new objections at the trial of the action, but did not produce an affidavit showing that he could

(*i*) *Smith v. Cropper* (1885), 10 A. C. 249; 2 R. P. C. 17; 55 L. J. Ch. 12.

(*k*) *Ibid.* pp. 253, 254.

(*l*) (1888) 40 Ch. Div. 132; 58 L. J. Ch. 237; 6 R. P. C. 41.

(*m*) (1884) 26 Ch. Div. 700; 53 L. J. Ch.

891; 1 R. P. C. 81.

(*n*) (1895) 12 R. P. C. 530; (1896) 1 Ch. 108; 65 L. J. Ch. 44. This accords with the Irish case of *Pirrie v. Fort Street Flax Spinning Co.* (1894), 11 R. P. C. 429.

not have discovered the new matter earlier, North, J., refused leave (o). But in other cases the Court has allowed amendments to be made very late in the day or even at the trial when satisfied that the evidence the particulars are intended to foreshadow had come to the defendant's knowledge recently (p).

The application to amend may be made at any time (p), even at the trial (q) or after judgment and pending appeal (r). It should be made by summons, or in the Chancery Division by motion; but when the application is made after the hearing and pending appeal it must be made by motion in the Court of Appeal.

The amendment is usually allowed only on certain terms. The party amending will generally have to pay the consequent costs. And, as regards particulars of objections, there is a well-settled practice that a defendant, on being allowed to amend his particulars of objections, will be put upon terms to allow the plaintiff to elect to discontinue the action, and on so doing to get the costs incurred between the time of the delivery of the original particulars and the date of the discontinuance. This order was made in *Edison Telephone Co. v. India-rubber Co.* (s), following an unreported case: *Baird v. Moule's Patent Earth Closet Co.* (t). Chitty, J., said that he would, as a rule, make such an order as a condition of giving leave to amend (u).

The practice, however, is not invariable, and each case must depend upon its merits. In *Pascall v. Toupe* (x) the trial was ordered to be adjourned to enable the defendant to amend his particulars, but Kay, J., refused to make the order according to *Edison v. India-rubber Co.*; and the Court of Appeal, in *Wooley v. Broad* (y), stated that there was no general rule on the subject.

(o) (1886) *Moss v. Mallings*, 33 Ch. Div. 603; 56 L. J. Ch. 126; 3 R. P. C. 373. See also *Shrewsbury and Talbot Cab Co. v. Morgan* (1896), 13 R. P. C. 75.

(p) *Barnard v. Levinstein* (1864), 11 L. T. N. S. 505; *Daw v. Eley* (1865), 1 Eq. 38; *Holste v. Robertson* (1876), 4 Ch. Div. 9; 46 L. J. Ch. 1; *Parker v. Maignen's Filtre Rapide Co.* (1888), 5 R. P. C. 207; *Otto v. Steel* (1885), 2 R. P. C. 139; *United Telephone Co. v. Bassano* (1885), *ibid.* 70; 3 R. P. C. 295.

(q) Cf. *Otto v. Steel* (1888), 3 R. P. C. 139; *Pakey v. Latham* (1889), 6 R. P. C. 29; *Allen v. Horton* (1893), 10 R. P. C. 412.

(r) *Shoe Machinery Co. v. Cutlan*

(1895), 12 R. P. C. 530; (1896) 1 Ch. 108; 65 L. J. Ch. 44. On a new trial, see *Bovill v. Goodier* (1867), 36 L. J. Ch. 360.

(s) (1881) 17 Ch. Div. 137.

(t) (1880) 17 Ch. Div. 139, n. See also *Aveling v. Maclaren* (*ibid.*).

(u) *Ehrlich v. Ihlee* (1887), 4 R. P. C. 115. North, J., usually follows the same practice in designs cases: *Morris v. Coventry Machinery Co.* (1891), 3 Ch. 418; 60 L. J. Ch. 524; 8 R. P. C. 353. See also *Darrak v. Purser* (1889), 6 R. P. C. 365; *Soho Laundry Co. v. Mackie* (1893), 10 R. P. C. 68.

(x) (1890) 7 R. P. C. 125.

(y) (1892) 2 Q. B. 317; 61 L. J. Q. B. 808; 9 R. P. C. 429—a designs case. See also *Lang v. Whitecross Wire, &c., Co.* (1890), 7 R. P. C. 389.

Time and procedure.

Terms on which amendment is allowed.

Amongst other cases in which the Edison order was not made are *Otto v. Sterne* (z) and *Allen v. Horton* (a).

(d) *Particulars and Evidence.*

Evidence to be confined to matter raised in the particulars.

By sect. 29, sub-sect. 4, it is provided that no evidence shall, except by leave of the Court or a Judge (b), be admitted in proof of any alleged infringement or objection of which particulars are not delivered pursuant to the statute. The Court of Appeal may hear fresh evidence (c), and *semble* may give leave for its admission, though it be not within the particulars (d), if special application be made (c).

It does not follow because the particulars are vague that therefore evidence or matters which are covered by the particulars will be excluded. Therefore, where the particulars of breaches or objections originally delivered are too general, it is the business of the parties who mean to object to them to bring the case before a Judge in chambers and procure an order, otherwise evidence which is within the literal meaning of the particulars, however general the statement, may be received at the trial (c).

Full particulars should be obtained before trial.

“In my opinion,” said Mellish, L. J., dealing with this point in *Sugg v. Silber* (f), “there is a very large difference between a case where a Judge has been applied to and has ordered further particulars in order to state an objection more specifically, and a case where at the trial the plaintiff asserts that the defendant ought to be prevented from availing himself of an objection. If, wherever the Court would order further particulars because the objection had not been particularly specified, it would also hold that the party was precluded from raising it at the trial, nobody would be foolish enough to apply to a Judge for further particulars.”

In *Hull v. Bollard* (g)—an action for the infringement of a patent for a millstone—the particulars of objections delivered under the Act of 1852, sect. 41, stated that the alleged invention had been “publicly used in corn-mills for many years previously.” At the trial the defendant tendered evidence of prior user at

(z) (1885) 2 R. P. C. 139.

(a) (1893) 10 R. P. C. 412. See also *Penn v. Bibby* (1866), 1 Eq. 548.

(b) This was done, e.g., in *Britain v. Hirsch* (1889), 5 R. P. C. 226; *Hill v. Adams* (1893), 10 R. P. C. 102.

(c) R. S. C. Order LVIII. rule 4.

(d) *Shoe Machinery Co. v. Cutlan* (1895), 12 R. P. C. 530; (1896), 1 Ch.

108; 65 L. J. Ch. 44; and R. S. C. Order LVIII. rule 4.

(e) *Hull v. Bollard* (1856), 25 L. J. Ex. 304; 1 H. & N. 134.

(f) (1874-77) 2 Q. B. D. 493, 495; 45 L. J. Q. B. 460.

(g) (1856) 25 L. J. Ex. 304; 1 H. & N. 134.

certain mills in Cheshire. It was held that the evidence was admissible. "It is true," said Pollock, C. B., "that the statute contains a proviso that the *place* or *places* at which the invention is alleged to have been used shall be stated, but that proviso does not prevent particulars not containing such statement from being available if not objected to on that ground before the trial."

If a defendant fail to comply with an order for better particulars, it would seem that the proper course is to apply to have the insufficiently stated objection struck out (*h*); and if the particulars delivered are insufficient, the party delivering them may be ordered to pay the costs of the application for better particulars (*i*).

Failure to comply with order for better particulars.

(*c*) *General.*

By the Rules of the Supreme Court, 1883 (*k*), the party at whose instance particulars have been delivered under a Judge's order shall, unless the order otherwise provides, have the same length of time for pleading after the delivery of the particulars that he had at the return of the summons. Save as in this rule provided, an order for particulars shall not, unless the order otherwise provides, operate as a stay of proceedings or give any extension of time.

Time for pleading after delivery of particulars.

(*f*) *Costs of Particulars.*

Sect. 29, sub-sect. 6, provides that on taxation of costs regard shall be had to the particulars delivered by the plaintiff and by the defendant; and they respectively shall not be allowed any costs in respect of any particular delivered by them unless the same is certified by the Court or a Judge to have been proven or to have been reasonable and proper without regard to the general costs of the case. This sub-section is dealt with *post*, under the heading "Costs."

SECT. 7.—INSPECTION.

"There is no use in this Court," said Lord Eldon in 1815 (*l*), "directing an action to be brought, if it does not possess the power to have the action properly tried." Therefore, if the plaintiff was otherwise unable to obtain clear and satisfactory

Former practice as to.

(*h*) *Flower v. Lloyd*, 20 S. J. 860.

(*k*) Order XIX. rule 8.

(*i*) *Penn v. Bibby* (1866), 1 Eq. 548;

(*l*) *Bovill v. Moore* (1815, 1816), 2 Coop. C. C. 56, n., reported as *Brown v. Moore*, 3 Bligh, 178.

Grover, &c., v. Wilson (1870), W. N. 78.

evidence of infringement, the Court would, other circumstances being favourable, permit an inspection on behalf of the plaintiff.

Such orders were, in fact, chiefly made by the Court of Chancery till 1852.

In that year the Patent Law Amendment Act (sect. 42) extended this equitable jurisdiction to the Courts of Common Law. The power to order inspection conferred by that Act was, however, limited as regards its subject-matter to machinery, and did not extend to books (*m*). These, however, were dealt with by the Common Law Procedure Act, 1852.

Sect. 30 of the Patents, &c., Act, 1883, permits the Court or a Judge in an action of infringement on the application of either party to make such order for inspection, and to impose such terms and give such direction respecting the same and the proceedings thereon, as the Court or a Judge may see fit.

Practice
under R. S. C.
1883.

Detention,
preservation,
or inspection.

Under the Rules of the Supreme Court, 1883, Order L. rule 3, the widest powers of ordering an inspection are conferred on the various divisions of the High Court. The Court may make any order for the detention, preservation, or inspection of any property or thing being the subject of such cause or matter, or as to which any question may arise therein, and for all or any of the purposes aforesaid may authorize any persons to enter upon or into any land or building in the possession of any party to such cause or matter, and for all or any of the purposes aforesaid to authorize any samples to be taken, or any observation to be made or experiment to be tried, which may be necessary or expedient for the purpose of obtaining full information or evidence. The only practical limit to the discretion of the Court is the necessity of the information claimed for the purposes of the trial. The Court itself has power to inspect any property or thing concerning which any question may arise (*n*).

Samples, &c.

Samples may now be taken, observations made, and experiments conducted (*o*). But the Court has refused to order that one party shall work his machines in the presence of the other party (*p*).

(*m*) *Vidi v. Smith* (1854), 23 L. T. 231; *Saxby v. Easterbrook* (1872), L. R. 7 Ex. 207, 41 L. J. Ex. 113; *Amies v. Kelsey* (1852), 22 L. J. Q. B. 84.

(*n*) R. S. C. 1883, rule 4.

(*o*) Order L. rule 3; cp. *Badische Anilin, &c. v. Levinstein*, 24 Ch. D. 156; 52 L. J. Ch. 704; 2 R. P. C. 73; *Germ Milling Co. v. Robinson* (1886), 3 R. P. C. 11. Where the right to in-

spection appears to depend on the determination of any issue or question in the cause, the Court may if it thinks fit order that such issue shall be determined first, and reserve the question as to the inspection: Order XXXI. rule 20.

(*p*) *Drake v. Muntz Metal Co.* (1886), 3 R. P. C. 43; Griff. 78. But see *Rylands v. Ashby's Bottle Co.* (1890), 7 R. P. C. at p. 181.

An application for inspection in a very exceptional case has been granted *ex parte* (q). It may be made at any time during the progress of an action, even before the delivery of statement of claim (r). The terms of Order L. rule 6 leave no doubt that an adverse order for inspection may be made upon the plaintiff in an action for infringement (s). The Court may, of its own accord, order inspection by an expert, pending action. Pearson, J., did so in *Badische, &c., Co. v. Levinstein* (t); see also *North British Rubber Co. v. Macintosh & Co.* (u).

Application for, how made.

Inspection may be granted to both parties (x).

The application in the Chancery Division should be made by motion to the Court, or by summons, and notice should be given.

In the Queen's Bench Division the application is to a master in chambers, or to a district registrar.

The application for inspection should, if possible, be included in the general summons for directions (y).

Where a plaintiff alleged that defendant was dealing in machines which were an infringement of his patent, defendant was ordered to verify on affidavit the various kinds of machine he had sold or exposed for sale, and to produce for inspection one machine of each class (z). There should be no order to inspect the stock as a whole (z).

Laches sufficient to defeat the plaintiff's right to an interlocutory injunction is not necessarily a bar to an order on the same motion for inspection and samples (a).

Laches.

Inspection is not a matter of right, but is in the discretion of the Court (b), and the Court may refuse inspection, or may order a preliminary question to be tried, or may allow inspection (c).

In order to succeed on an application for inspection, the applicant must show by affidavit:—

(q) *Hennesy v. Bohmann*, W. N. 1877, 14.

(r) Dan. Prec. Ch. (1454); R. S. C. 1883, Order L. rule 6.

(s) *Germ Milling Co. v. Robinson* (1886), 55 L. J. Ch. 287; 3 R. P. C. 11; 55 L. J. Ch. 287; *Cheetham v. Oldham* (1888), 5 R. P. C. at p. 623; and see earlier cases, *Russell v. Cowley* (1832), 1 Web. P. C. 459, by consent; *Russell v. Crichton* (1837), 1 Web. P. C. 677, n., 15 Dec. Court of Sess. 1270; *Patent Type Founding Co. v. Walter* (1860), 29 L. J. Ex. 207; Johns. 727. *Davenport v. Jepson* (1862), 1 N. R. 307; 4 De G. F. & J. 446.

(t) (1883) 24 Ch. Div. 156; 52 L. J. Ch. 704.

(u) (1894) 11 R. P. C. 477.

(x) *Germ Milling Co. v. Robinson*, *supra*; *Rylands v. Ashby's Bottle Co.* (1890), 7 R. P. C. 175.

(y) Order XXX. rule 2.

(z) *Singer Sewing Machine Co. v. Wilson* (1865), 5 N. R. 505; 13 W. R. 560.

(a) *Patent Type Founding Co. v. Walter* (1860), Johns. 727; 29 L. J. Ex. 207.

(b) *Macdougall v. Partington* (1890), 7 R. P. C. 357.

(c) *Raves v. Chance* (1890), 7 R. P. C. 275, in which it was decided that Order XXXI. rule 20 is merely enabling.

Evidence to support motion for inspection.

1. That he is the patentee of an invention, and must state its nature (*d*).

2. That the defendant has infringed.

The Court will not grant an order for the inspection of a machine upon an affidavit "that the machine used by the defendants is the same for which the plaintiff has obtained a patent." The affidavit ought at least to state that there is such a machine, and that the plaintiff has reason to believe it is an infringement (*e*), and should set forth the grounds of such belief (*f*). If defendant has several processes, the inspection will be limited to those only as to which a case of infringement is made out (*g*). *Primâ facie* evidence of infringement will be sufficient (*h*).

3. That the inspection sought for is material to his case (*i*). Inspection is not "material" in this sense, when the plaintiff has already had, in a discontinued action against the defendant, inspection of the machinery complained of (*k*).

If the *primâ facie* evidence above referred to be satisfactory, an order for inspection will be made, almost of course (*l*).

Refusal to order inspection.

Inspection will, however, be refused where, in the opinion of the Court—

(1) There is no case to try at the hearing (*m*);

(2) The effect of an order would be to oppress the defendant, or make him disclose more than was necessary for the purposes of the cause (*n*). But an objection that an order for inspection would lead to the disclosure of trade secrets will not generally prevail if the case for inspection is otherwise satisfactory. The Court will, at the proper time, protect the defendant from an

Objection that inspection will lead to disclosure of trade secrets.

(*d*) *Meadows v. Kirkman* (1860), 29 L. J. Exch. 205.

(*e*) *Shaw v. Bank of England* (1852), 22 L. J. Ex. 26.

(*f*) *Germ Milling Co. v. Robinson* (1884), 1 R. P. C. 217.

(*g*) *Cheetham v. Oldham* (1888), 5 R. P. C. 617.

(*h*) *Shaw v. The Bank of England*, *ubi supra*; *Singer Co. v. Wilson* (1865), 13 W. R. 560; *Batley v. Kynock* (1874-75), L. R. 19 Eq. 90, 92; 44 L. J. Ch. 89.

(*i*) *Piggott v. Anglo-American Telegraph Co.* (1868), 19 L. T. N. S. 46. And see *Meadows v. Kirkman* (1860), 29 L. J. Ex. 205.

(*k*) *Shaw v. Bank of England*, *ubi supra*.

(*l*) *Singer Manufacturing Co. v. Wilson* (1865), 13 W. R. 560.

(*m*) *Piggott v. Anglo-American Telegraph Co.*, *ubi supra*. The question of disconformity between the complete and the provisional specification will not be considered on an application for inspection. *Cheetham v. Oldham* (1888), 5 R. P. C. at p. 618.

(*n*) *Singer Manufacturing Co. v. Wilson*, *supra*; *Cheetham v. Oldham* (1888), 5 R. P. C. 617. The Court is reluctant to order inspection if it would be injurious to one of the parties, particularly if the infringement or the validity of the patent be in doubt: *Macdougall v. Partington* (1890), 7 R. P. C. 351, 472.

improper disclosure of his secret (*o*). In *Badische, &c. v. Levinstein* (*p*), Pearson, J., caused a secret process to be disclosed pending action, but *in camera*, and he impounded the notes of the evidence so far as it related to the secret process.

(3) If the articles which it is desired to inspect are not under the control of the party against whom inspection is asked, the Court will not make the order (*q*); but where, although the party is not owner, he is in a position to allow inspection (*r*).

The order for inspection (*s*) usually specifies the number of inspections allowed (*t*), the names of the inspectors (the plaintiff being not always an inspector (*u*)), and the notice to which the person against whom the order is made shall be entitled (*x*). See Form of Order, *post*, p. 838. Form of order.

SECT. 8.—DISCOVERY AND INTERROGATORIES.

Discovery.—There is nothing peculiar to patent action in the rules governing the right to discovery and production of documents. The Rules of the Supreme Court, 1883, are applicable. Order XXXI. rule 12, relates to affidavits of documents; rules 14 and 15 deal with production of documents; rule 25 prescribes the deposit required; and rule 19A modifies practice relative to inspection of business books, and the conclusiveness of a claim of privilege, and empowers the Court to require a party to state whether or not any party has a specific document or specific documents in his possession, or whether he has parted with them, and what has become of them (*y*). The cases on these matters are dealt with in the Annual Practice, notes to Order XXXI. Generally.

The following cases occurred in the course of patent litigation: *Haslam v. Hall* (*z*) (document not to be disclosed which had come into existence merely to be communicated to the solicitor for the Privileged documents.

(*o*) *Renard v. Levinstein* (1864-65), per Wood, V.-C., 10 L. T. N. S. 95; *Cheetham v. Oldham* (1888), 5 R. P. C. 617. See also *Russell v. Crichton* (1837), 15 Dec. Court of Sess. 1st Ser. 1270. For an instance where special precautions were taken to prevent disclosure of a secret process, see *Plating Co. v. Farquharson* (1879), Griff. 187.

(*p*) (1883) 24 Ch. Div. 156; 52 L. J. Ch. 704; 2 R. P. C. 73.

(*q*) *Garrard v. Edge* (1889), 58 L. J. Ch. 397; 6 R. P. C. 372; *Sidebottom v. Fielden* (1891), 8 R. P. C. 266, 270.

(*r*) *Rylands v. Ashby's Bottle Co.* (1890), 7 R. P. C. 175.

(*s*) See Seton, 350.

(*t*) *Heathfield v. Braby*, Seton, 1661. But see *Germ Milling Co. v. Robinson* (1886), 3 R. P. C. 11.

(*u*) *Flower v. Lloyd* (1876), W. N. 169, 230.

(*x*) Pemberton, p. 236.

(*y*) See the former rule applied in *Edison v. Holland* (1888), 5 R. P. C. 213; W. N. 31.

(*z*) (1887) 5 R. P. C. 1.

purpose of litigation, actual or intended, and either as materials for briefs or for his advice or consideration); but see *Westinghouse v. Midland Railway Co.* (a) (reports and letters obtained from their officers by a company which had been warned but not threatened with litigation in respect of an alleged infringement of a patent, were held not to be privileged); *Moseley v. Victoria Rubber Co.* (b) (communications between a litigant and his patent agent are not always privileged, though the patent agent is also the solicitor; the communications are privileged only if they were made to the solicitor as a solicitor); *De la Rue v. Dickinson* (c) (defendant cannot be compelled before trial to give discovery not material to the issue at the hearing (d)).

In *Bown v. Sansom* (e), the defendant pleaded that plaintiff's patent was invalid by reason of a certain anticipation; the same anticipation had been set up by a defendant in another action brought by the plaintiff, and in that previous action the plaintiff's solicitor had put upon the file affidavits alleging the anticipation to be fraudulent. The affidavits were eventually taken off the file under an arrangement which resulted in a consent order. In the present action the plaintiff scheduled in his affidavit of documents the consent order, and he referred elsewhere to the affidavits which alleged the fraudulent nature of the anticipation. The Court of Appeal decided that the affidavits alleging fraud in connection with the anticipation set up by the prior defendant were relevant in the later action, the same point being raised in it, and as the plaintiff had omitted these, ordered him to make a further and better affidavit of documents.

Documents
used in
previous
litigation.

In *Thompson v. Hughes* (f), the affidavits and notes of evidence in a prior infringement action in which the plaintiff had been engaged, were, with the approval of the Court of Appeal, produced.

After judg-
ment.

After judgment ordering an inquiry as to damages, discovery is more freely ordered in certain particulars. Thus in *American Braided Wire Co. v. Thomson* (g), Kekewich, J., ordered the defendants to produce documents disclosing the names of the defendant's customers to whom were sold articles made in

(a) (1883) 48 L. T. N. S. 98, 462.

(b) 55 L. T. N. S. 482; 3 R. P. C. 351.

(c) (1857) 3 K. & J. 388.

(d) See also *Raves v. Chance* (1890), 7 R. P. C. 275.

(e) (1888) 5 R. P. C. 510.

(f) (1889) 7 R. P. C. 187; W. N. 212.

(g) (1888) 5 R. P. C. 375. And see *Murray v. Clayton* (1872), 15 Eq. 115; 42 L. J. Ch. 191. Before order, see *Smith v. G. W. Railway* (1854), 3 W. R. 69.

infringement of the plaintiffs'; also the documents disclosing the price of such sales.

The rules which govern the administration of interrogatories in actions generally, apply to the action for infringement of a patent; and the right to interrogate exists notwithstanding that the information required could be obtained as particulars under sect. 29 of the Patents Act, 1883 (*h*). The existing law as to discovery is contained in Order XXXI. of the Rules of the Supreme Court, 1883, as altered by the Rules of November, 1893. Its chief provisions, so far as relate to actions of infringement, are as follows:—

Inter-
rogatories.

The plaintiff or defendant in an action may, by leave of the Court or a Judge, deliver interrogatories in writing for the examination of the opposite parties, or any one or more of such parties (*i*). Interrogatories which do not relate to any matters in question shall be deemed irrelevant, notwithstanding that they might have been admitted on cross-examination (*k*). On an application for leave to deliver interrogatories, the particular interrogatory proposed to be delivered shall be submitted to the Court or Judge. In deciding upon such application, the Court or Judge shall take into account any offer which may be made by the party sought to be interrogated, to deliver particulars, or to make admissions, or to produce documents relating to the matters in question, or any of them, and leave shall be given as to such only of the interrogatories submitted as the Court or Judge shall consider necessary either for disposing fairly of the cause or matter or for saving costs (*l*). The Court or a Judge has power to prevent premature discovery, as also to prevent premature inspection (*m*). Interrogatories will not usually be allowed till after defence, but the rule is by no means invariable (*n*).

The costs of discovery, by interrogatories or otherwise, must be secured in the first instance by the applicant (*o*).

A defendant against whom an order for discovery is made must answer categorically every question which can assist the plaintiff in making out his title to relief (*p*).

(*h*) *Birch v. Mather* (1883), 22 Ch. Div. 629; 52 L. J. Ch. 292; but see now Order XXXI. rule 2, quoted above.

(*i*) Rule 1.

(*k*) Rule 1.

(*l*) Order XXXI. rule 2, allowing the interrogatory, does not take away the right to object to answer it; see Order XXXI. rule 6; and *Peck v. Ray*, 63 L. J. Ch. 647; 70 L. T. N. S. 769; 42 W. R. 498.

(*m*) Rule 20.

(*n*) See, e.g., *Mercier v. Cotton*, 1 Q. B. D. 424; 46 L. J. Q. B. 184; *Harbord v. Monk*, 9 Ch. Div. 616; *Beal v. Pilling*, 38 L. T. N. S. 486.

(*o*) Rule 25.

(*p*) *Swinborne v. Nelson* (1852-5), 22 L. J. Ch. 331; 16 Beav. 416, 417; *Elmer v. Creasy* (1873), 9 Ch. 69; 43 L. J. Ch. 166. As to the grounds on which

A defendant denying infringement must answer everything tending to show the fact of infringement, but not questions which assume that infringement has taken place, and answers to which may be obtained at the hearing, provided that infringement be then established (*q*).

Questions as to infringement.

The plaintiff may take the defendant step by step through the specification and ask whether he has carried out any of the steps. *E.g.*, he may (1) ask whether defendant used each particular process; (2) require him to state whether, if he had ever used any of the said processes, he had, in using or employing the same, adopted the same means with the same object, and by use of an apparatus made as described in the plaintiff's specification; (3) ask defendant to say what step or thing other or additional to that declared in the plaintiff's specification he took or used in carrying out his process (*r*); (4) ask whether the defendant used the materials mentioned in the plaintiff's specification, whether he added anything else, and whether the additions made any difference in the process (*s*), whether the defendant's process was the same as that used by A. B., against whom the plaintiff had already instituted and prosecuted a successful suit (*t*); (5) ask the names and addresses of those alleged by the particulars of objection to have used the invention claimed by him at the places named (*u*). He may also interrogate as to the dates and places of the user (*x*). But where the allegation is not of a specific anticipation, but of general user and knowledge, the interrogatory will not usually be allowed (*y*).

Names and addresses of infringers.

Interrogation with a view to an account usually not allowed before judgment.

Before judgment plaintiff cannot ask (1) whether machines of which the defendant was required to set out an account were purchased or hired, and, if purchased, what was the consideration for the purchase; nor (2) for an account of articles alleged to be infringements manufactured by any machine used by

discovery may be resisted, see Annual Practice, note to Order XXXI.

(*q*) *De la Rue v. Dickinson* (1857), 3 K. & J. 388; *Lister v. Norton* (1885), 2 R. P. C. 68; *Lea v. Saxby* (1875), 32 L. T. N. S. 731.

(*r*) *Ashworth v. Roberts* (1890), 45 Ch. Div. 623; 60 L. J. Ch. 27; 7 R. P. C. 451; *Benno Jaffe, &c., Co. v. Richardson* (1893), 10 R. P. C. 136; 62 L. J. Ch. 610.

(*s*) *Renard v. Levinstein* (1864), 10

L. T. N. S. 94; but see *Rolls v. Isaacs* (1878), W. N. 37.

(*t*) *Bovill v. Smith* (1866), 2 Eq. st p. 461.

(*u*) *Birch v. Mather* (1883), 22 Ch. Div. 629; 52 L. J. Ch. 292.

(*x*) *Alliance Pure White Lead, &c., Co. v. MacIvor's Patent Co.* (1891), 8 R. P. C. 321; cf. *Crossley v. Toney* (1876), 2 Ch. Div. 533.

(*y*) *Palmer v. Wagstaffe* (1853), 8 Ex. 840; 22 L. J. Ex. 295.

the defendants and discovery of the persons to whom such articles had been sold; nor (3) for accounts of the sales of articles, the profits made by defendants, the stock in hand of such articles, and an account of moneys received by and due to the defendants in respect thereof (z).

Nor, where anticipation is alleged by the defendant, can he ask what the alleged anticipation actually did (a). But a defendant, in order to prove want of novelty, may interrogate as to the inventions described in previous patents, and may ask in what respect they differ from plaintiff's patent (b).

Interrogatories as to want of novelty.

When the defendant admits sales which will give to the plaintiff at once, in the event of his establishing the validity of his patent, a right to damages or to an account, he will not be compelled to answer interrogatories as to sales to particular customers (c) until after judgment.

In short, although when discovery is a matter of indifference to the defendant the Court does not weigh in golden scales the question of materiality or immateriality, still, when the nature of the discovery required is such that the giving of it may be prejudicial to the defendant, the Court takes into consideration the special circumstances of the case, and whilst, on the one hand, it takes care that the plaintiff obtains all the discovery which can be of use to him, on the other, it is bound to protect the defendant against undue inquisition into his affairs (d).

Principles on which Court acts in allowing inspection.

A plaintiff has no right to inquire by interrogatories into the defendant's case, nor to ask for the names of the witnesses whom defendant intends to produce, nor the names of persons to whom he has sold articles similar to the machine alleged to be infringed, nor to require a description of all machines similar to the plaintiff's made or used by him prior to the patent (e).

There is this difference: A plaintiff is not entitled to discovery of defendant's case; a defendant may ask any question tending to destroy the plaintiff's case (f). But if an answer has to be given, it must be fairly and fully given (f). And the fact that the

The difference as to right to interrogate between plaintiff and defendant.

(z) *De la Rue v. Dickinson* (1857), 3 K. & J. 388.

(a) *Delta Metal Co. v. Maxim Nordenfeldt Gun, &c., Co.* (1891), 8 R. P. C. 169.

(b) *Hoffmann v. Postill* (1869), 4 Ch. 673.

(c) *Lister v. Norton* (1885), 2 R. P. C.

68; and cf. *Crossley v. Tomey* (1875), 2 Ch. Div. 533.

(d) *Moore v. Craven* (1872), L. R. 7 Ch. 94, 96, n.; *Daw v. Eley* (1865), 2 H. & M. 725.

(e) *Daw v. Eley*, *supra*.

(f) *Hoffmann v. Postill* (1869), 4 Ch. 673; 17 W. R. 901.

interrogatory may expose others to an action for infringement, is not *per se* any reason for not answering it (*g*).

Secret process cases.

It is sometimes objected that the answer ought not to be given, as it would disclose a secret process to the plaintiff. The Court will in such cases do what it thinks just to protect the secrecy of the process (*h*). But the plaintiff may even then put his specification to defendant step by step, and ask him whether the steps in his process are the same, and he may be asked what additions he makes, though interrogatories as to the proportions have been disallowed (*i*).

After judgment.

After judgment, when the question of an account arises, or when an inquiry as to damages is being to be taken, defendant may be interrogated as to the persons he has supplied with the infringing article, and may be asked for their names and addresses (*k*).

Power to refuse discovery pending trial of particular issues.

Under R. S. C. Order XXX. rule 20, the Court can refuse discovery or interrogatories pending the trial of any issue on the determination of which the right to discovery, &c., may depend. But the Court will not refuse leave to interrogate as to infringement until the validity of the patent has been tried (*l*). The rule is merely enabling, and the discretion of the Court in this respect is unfettered (*m*).

SECT. 9.—THE TRIAL.

Judge and jury.

Actions for infringement were originally tried before a Judge and a special jury, taken from the same class of persons as those who were engaged in the trial of ordinary causes (*n*). The unfitness of this tribunal for the trial of patent actions came, however, to be recognised, and was strongly insisted upon by the most eminent legal and scientific witnesses before the Parliamentary Committees of 1851, 1865, 1871, and 1872 (*o*).

(*g*) *Tetley v. Easton* (1856), 18 C. B. 643; 25 L. J. C. P. 293; *Jourdain v. Palmer* (1866), L. R. 1 Ex. 102.

(*h*) See the course followed in *Badische, &c. v. Levinstein* (1883), 24 Ch. Div. 156. The case was heard *in camera*: 52 L. J. Ch. 704; 2 R. P. C. 73.

(*i*) *Renard v. Levinstein* (1864), 3 N. R. 665; 10 L. T. N. S. 94; *Ashworth v. Roberts* (1890), 45 Ch. Div. 623; 7 R. P. C. 451; 60 L. J. Ch. 27. See also *Rylands v. Ashby's Bottle Co.* (1890), 7 R. P. C. 175, where an interrogatory which might have caused a disclosure

of a secret modification was considered.

(*k*) *Murray v. Clayton* (1872), 15 Eq. 115; 42 L. J. Ch. 191; *Crossley v. Stewart* (1863), 1 N. R. 426; *How v. M'Kernan*, 30 Beav. 847.

(*l*) *Benno Jaffe, &c. v. Richardson* (1893), 10 R. P. C. 136; 62 L. J. Ch. 610.

(*m*) *Rawes v. Chance* (1890), 7 R. P. C. 275.

(*n*) Report, &c. (1865), Ans. 1274.

(*o*) Cp. evidence of Mr. Grove, Report, 1865, Ans. 1077: "I have always had a very strong feeling in favour of

The objections to a jury as the tribunal for the trial of patent cases were forcibly stated by Lord Selborne in *The Patent Marine Inventions Co. v. Chadburn* (p) :—

“It is to be observed that such cases almost always involve questions of law and fact, not only mixed, but mixed in such a way as to render the extrication of them extremely difficult; secondly, that very often much must depend upon the construction of documents as to which a jury must take their direction entirely from the Judge; thirdly, that much of the evidence, or that which is to be permitted to be given as evidence, in such cases is argumentative and relative to matters of opinion, so as to make it extremely hard, even for the Judge himself, to keep it under proper control; and, lastly, that even the questions of fact are often, to a very great extent, questions of science, which, to say the least, are as likely to be as well decided by a Judge as by any jury. It very rarely happens, if it ever does, when the thing is not reduced to a narrow question of fact, that the jury do not simply follow, after a very elaborate discussion of the case by the Judge, the direction of the Judge” (q).

Lord Selborne on objections to trial of patent cases by jury.

The Patents Act, 1883, sect. 28, provides that in any action or proceeding for infringement of a patent the action shall be tried without a jury unless the Court shall otherwise direct; but that the Court may if it thinks fit, and shall on the request of either of the parties to the proceeding, call in the aid of an assessor specially qualified, and shall try and hear the case wholly or partially with his assistance.

Trial without a jury the usual procedure.

Assessors.

Though the ordinary way of trying an infringement action is before a Judge alone, this is not the only possible method of trial. A jury may still be had on application in a fit case, or, as above stated, assessors may be brought in to assist. But, in

trial by jury, but I think that it hardly suits patent cases upon the whole. The advantages of a jury are very great. It prevents the fixity of character of mind which exists in a single Judge, or in a judicial tribunal; however anxious to do right, they probably will have certain views of their own. The dual advantage of a jury, to my mind, is that it is a constantly fluctuating tribunal, consisting of a number of men each of whom is devoting his individual mind to the particular question.”

(p) (1873) L. R. 16 Eq. 447.

(q) The following issues were granted by the Court of Chancery under the old practice :—

1. Is the invention a new manufacture?
2. Was the patentee the true and first inventor?
3. Is the specification sufficient?
4. Has the defendant infringed?
5. Is the invention one of public utility?
6. Is the invention described in the specification the same as that for which the patent is granted?

addition to these modifications, it is possible to try the case under the provisions of the Arbitration Act, 1889.

Arbitration.

That Act provides for references or arbitrations both by private arrangement and by order of the Court.

That the parties may assent to have their differences settled by a private arbitration is clear. If the submission to arbitration be in writing, it will be irrevocable without leave of the Court (r), and any action brought in connection with the matter agreed to be referred may be stayed by the Court (s). Such a tribunal as this is not bound by any special rules of procedure, but it cannot give certificates of validity nor exercise any of the powers specially given by the Patents Acts to the Court or a Judge. The powers of a private arbitrator and the regulations applying to an arbitration are to be found in the Arbitration Act, 1889, sects. 1—12 and 18—23, and in Schedule I. to that Act.

Compulsory references.

Independently of private arrangement, the same Act gives certain powers to the Court to refer either issues or the whole case and either to a special or to an official referee. This can always be done if the parties consent (t). Any special question arising in the cause may be sent for inquiry or report to any such referee (u), and the report may be adopted wholly or partially by the Court (x) or a Judge, and if so adopted may be enforced as an order or judgment to the same effect (y). The power given by this section will be found useful when an inquiry as to damages or an account of profits has to be taken (z).

A still more important power is that given by sect. 14. It is provided that “in any cause or matter (t), . . . if all the parties interested who are not under disability consent, or if the cause or matter requires any prolonged examination of documents or any scientific or local investigation which cannot, in the opinion of the Court or a Judge, conveniently be made before a jury or conducted by the Court through its other ordinary officers, or if the question in dispute consists wholly or in part of matters of account, the Court or a Judge may at any time order the whole cause or matter, or any question of fact or issue arising therein, to be tried before a special referee or

(r) Arbitration Act, 1889, sect. 1.

(s) *Ibid.* sect. 4.

(t) Sect. 14 (a).

(u) Sect. 13 (1).

(x) See *Badische, &c. v. Levinstein*

(1889), 24 Ch. D. 156; 52 L. J. Ch. 704; 2 R. P. C. 73.

(y) Sect. 13 (2).

(z) See R. S. C. 1889, Order XXXVI.

rules 54, 55.

arbitrator, respectively agreed upon by the parties, or before an official referee or officer of the Court.”

Sect. 15 of the same Act provides that in all cases of reference to an official or special referee or arbitrator under an order of the Court or a Judge in any cause or matter the official or special referee or arbitrator shall be deemed to be an officer of the Court, and shall have such authority and shall conduct the reference in such manner as may be prescribed by rules of Court, and subject thereto, as the Court or a Judge may direct. The report or award, unless set aside by the Court or a Judge, is equivalent to the verdict of a jury (a).

Under the 57th section of the Judicature Act, 1873—which is in substance the same as the section of the Arbitration Act just quoted—Hawkins, J., compulsorily referred a patent action to an official referee as a case requiring scientific investigation, and the Court of Appeal refused to disturb his decision (b). Such a course has, however, many inconveniences. Notably it might prevent the plaintiff from getting his certificate of validity, and complications might arise over the incidence of the costs of particulars. Moreover, the Patents Act, 1883, sect. 27, clearly points to trial by a Judge without a jury, and the other provisions of the Patents Acts bear this out.

Difficulties in referring the main dispute in a patent action.

The rules relating to trial before referees are to be found in R. S. C., Order XXXVI. rule 43, *et seq.*; for discovery and production of documents see Order XXXVI. rule 50; entry of judgment, Order XXXVI. rule 50. As to questioning or setting aside the award, see rule 52, also Order XL. rule 6.

The Court or a Judge may, in any cause or matter, at any time or from time to time, order that different questions of fact arising therein be tried by different modes of trial, or that one or more questions of fact be tried before the others, and may appoint the places for such trials, and in all cases may order that one or more issues of fact be tried before any other or others (c). There have been several decisions under this rule.

Questions of fact may be tried differently or one before the other.

In *United Telephone Co. v. Mottishead* (d), where the defendants denied both the validity of the patent, and the alleged infringement, it was held by Mr. Justice Kay that an order for the trial of the latter question by itself could not be made unless

Cases.

(a) Power to refer is given also by R. S. C., Order XXXVI. rule 7 a.

(b) *Sarby v. Gloucester Waggon Co.* (1880), W. N. 28.

(c) R. S. C. 1883, Order XXXIV. rule 2.

(d) (1886) 3 R. P. C. 213.

the defendants admitted the validity of the patent for the purposes of the action, and his lordship declined to take a qualified admission.

Prior user.

In *Richardson v. Castrey (e)*, where the defendants denied infringement, put in issue the validity of the patent, and alleged prior user of the invention by several persons, North, J., at the trial, decided to dispose of the alleged evidence of one user before going into the others.

In *Badham v. Bird (f)*, at the close of the examination of the plaintiff, who was called as first witness, the defendant's counsel undertook to prove prior user of articles admitted to be similar in all essential points to the patented article. A witness was accordingly examined on behalf of the defendant who had superintended the manufacture of such articles for some years prior to the date of the patent, and the action was thereupon dismissed.

Setting down motion for judgment where issues have been directed and tried.

Where issues have been tried, the plaintiff may at once set down a motion for judgment as soon as the issues have been determined; and where some only of the issues have been tried or determined, any party who considers that the result renders the trial or determination of the others unnecessary, or renders it desirable that such trial or determination should be postponed, may apply to the Court for leave to set down the action or motion for judgment without waiting for such trial or determination; and the Court may give leave on such terms, if any, as shall appear just (*g*).

Reference of provisional specification to expert.

Before the Act of 1852 the law officers had for some time been occasionally in the habit of summoning scientific experts to their assistance, in dealing with applications for letters patent. The Act of 1852, sect. 8, gave legislative sanction to this practice, providing that "the provisional specification shall be referred to the law officer, who shall be at liberty to call to his aid such scientific or other person as he may think fit, and to cause to be paid to such person by the applicant such remuneration as the law officer shall appoint." This power was, however, rarely made use of, as numerous practical difficulties arose.

Power to call in assessor.

The Patents Act, 1883, invested the Courts with the power conferred on the law officer by the Act of 1852. It is provided that in an action or proceeding for infringement or revocation of a patent, the Court may, if it thinks fit, and shall, on the request

(e) (1887) 4 R. P. C. 265.

(f) (1888) 5 R. P. C. 238. It has been suggested that the sufficiency of the specification might be tried in advance

as a question of law; *Bolivian Republic v. Bolivian Navigation Co.*, 34 W. R. 361.
(g) R. S. C., Order XL. rules 7, 8.

of either of the parties to the proceeding, call in the aid of an assessor specially qualified, and try and hear the case wholly or partially with his assistance (*h*). Also, that the Court of Appeal or the Judicial Committee of the Privy Council may, if they see fit, in any proceeding before them respectively, call in the aid of an assessor (*h*), and that the remuneration, if any, to be paid to an assessor shall be determined by the Court, or the Court of Appeal or Judicial Committee, as the case may be, and be paid in the same manner as the other expenses of the execution of the Act (*h*).

This power of trying with an assessor has been practically in abeyance, and there seems little likelihood of its coming into common practice (*hh*).

The rule laid down by Lord Esher in the case of *The Beryl* (*i*), that the judgment was that of the Judge alone, who was not bound to follow the opinion of the nautical assessors to the Admiralty Division, would, no doubt, be applied in actions of infringement should a necessity for deciding this point arise.

Position of assessors.

The procedure in an action of infringement of a patent follows that of any other action. The burden of proof is generally, though not always, on the patentee (*k*), and he has the right of reply if defendant calls evidence. It may be that though he has closed his case he will get leave to call evidence in reply before the defendant sums up. Thus in *Penn v. Jack* (*l*) Page Wood, V.-C., said: "I think the plaintiff is entitled to adduce evidence in reply for the purpose of rebutting the case set up by the defendant; and for this reason, that it is quite impossible for him to know what is the nature of the evidence which will be produced. The defendants, who contest the validity of the invention, have in effect put in a plea denying the novelty of the plaintiff's patent, and the affirmative issue thus in reality rests with the defendants, who are not obliged to give the names of their witnesses. How can the plaintiff possibly meet such a case until he hears the evidence for the defence, and knows what the witnesses will prove?"

Procedure in an action of infringement.

(*h*) Sect. 28; see also R. S. C., Order XXXVI. rule 7 a.

(*hh*) The Judge may direct an expert to make a special report to the Court: e.g., as in *Badische, &c. v. Levinstein* (1884), 24 Ch. Div. 156; *British Rubber Co. v. Macintosh* (1894), 11 R. P. C. 447; see form of order, *post*, 839.

(*i*) (1884) 9 P. D. 137, 141.

(*k*) E.g., *Westley v. Perkes* (1893), 10 R. P. C. 181, the defendant was made to prove his case early in the day. It may be noted that in revocation proceedings the defendant begins; see Patent Act, 1883, sect. 26.

(*l*) (1866) 2 Eq. at p. 317.

When defendant does not appear.

If the defendant does not appear it will ordinarily suffice to put in the patent, prove the specification, and the infringement (n).

The patent is proved by production of the patent, with the seal of the Patent Office attached (o). If the letters patent be held by an assignee a sealed certified copy of the entry in the register will prove the plaintiff's title (p), and will throw the burden of disproving it upon the defendant.

Evidence.

If subject-matter be attacked, it is allowable to give evidence of experiments, showing the difficulty of arriving at the invention (q).

Evidence of validity need, in the first instance, be but slight (r), the burden of proof of identity being on the defendant (s).

Evidence as to the meaning of the specification is allowed only to explain terms of art, or to explain the processes referred to (t). It is not allowable even for the patentee to say what the specifications mean, or what he meant by the words he used, when the Court is satisfied that it understands the document (u).

Evidence that a given article *must* have been made according to the plaintiff's invention has been allowed as proof of infringement, but something stronger than this is usually wanted (x).

Scientific evidence.

Scientific evidence is valuable for the purpose of explaining and pointing out things which would possibly be passed over but for the assistance given by experts (y); but the Court is not bound by their opinions (z); and indeed it is not right to give in evidence the opinion of expert witnesses as to whether one thing is or is not an infringement of another (a). They may give evidence as to the state of knowledge, and they may be asked what are and what are not mechanical equivalents (b). The opinion of the law officer dealing with a patent should not be read at the trial of an action for infringement of that patent (c).

(n) *Peroni v. Hudson* (1884), 1 R. P. C. 261.

(o) Act of 1883, sects. 12 (2) and 84.

(p) Sects. 23 (2), 40, and 89.

(q) *Thierry v. Rickmann* (1895), 12 R. P. C. 417.

(r) *Turner v. Winter* (1787), 1 W. P. C. 77; 1 T. R. 602.

(s) *Muirhead v. Commercial Cable Co.* (1895), 12 R. P. C. at p. 56.

(t) See *ante*, p. 209.

(u) This is dealt with *ante*, pp. 209, 210; and see *Badische, &c. v. Levinstein* (1888), 12 App. Ca. at p. 717; *Kaye v. Chubb* (1887), 4 R. P. C. 297, 298.

(x) Cf. *Huddart v. Grimshaw* (1803), 1 W. P. C. 85; *Cartsburn v. Sharpe*

(1884), 1 R. P. C. 181.

(y) See per Lord Herschell in *Boyd v. Horrocks* (1892), 9 R. P. C. at p. 81; Smith, L. J., in *Gadd v. Mayor of Manchester* (1892), 9 R. P. C. 530.

(z) Lord Esher in *Leadbeater v. Kitchin* (1890), 7 R. P. C. at p. 247.

(a) *Seed v. Higgins* (1860), 8 H. L. C. 565; 30 L. J. Q. B. 314; *Westinghouse v. Lancashire, &c., Railway* (1894), 1 R. P. C. 229; per Esher, M. R., in *Parkinson v. Simon* (1894), 11 R. P. C. at p. 506.

(b) *Ticket Punching Co. v. Colley's Patents* (1895), 12 R. P. C. 186.

(c) Per Cotton, L. J., in *Siddell v. Vickers* (1888), 5 R. P. C. at p. 436.

The Court looks with suspicion upon evidence brought into existence with a special view to the trial, and on drawings or experiments designed to prove that the alleged invention is or is not practicable (*d*). But it will sometimes order special evidence to be prepared by an independent expert (*e*).

Evidence specially prepared for the trial.

In connection with evidence the following provisions of the Patents Acts and Rules are of importance:—

(1) The impression of the seal of the Patent Office shall be judicially noticed and received in evidence (1883, sect. 84). A patent sealed with such seal shall have the same effect as if it were the great seal of the United Kingdom (1883, sect. 12 (2)).

Seal of the Patent Office.

(2) The register of patents shall be *primâ facie* evidence of any matters decided and authorized by the Patents Acts to be inserted therein (1883, sect. 23 (2)). This has been interpreted to mean that if a document is passed by the proper officer and entered in the register, there is *primâ facie* evidence that the document is a proper one to register, and that the registration has been properly effected; but there is no inference that notice of the contents of the document has been given to the world at large (*f*).

Register of patents.

(3) Specifications, disclaimers, and other documents or extracts from them in the Patent Office may be proved by printed or written copies purporting to be certified by the Comptroller and sealed with the seal of the Patent Office (1883, sect. 89).

Patent Office copies and certificates.

(4) Copies or extracts of or from registers and other books may be proved in the same manner (1883, sect. 89) (*g*).

(5) A certificate purporting to be under the hand of the Comptroller, as to any entry, matter, or thing which he is authorized to make or do under the Act and rules, is *primâ facie* evidence of the entry having been made, and of the contents thereof, and of the thing having been done or left undone (1883, sect. 96).

(6) Orders made by the Board of Trade may be proved *primâ facie* by the production of documents, if purporting to be sealed with the seal of the Board of Trade, or to be signed by a

(*d*) *Betts v. Neilson* (1868), 3 Ch. 429; 37 L. J. Ch. 321; *Plimpton v. Malcolmson* (1876), 3 Ch. Div. 576.

(*e*) This was done in *Badische, &c. v. Levinstein* (1883), 24 Ch. Div. at p. 156; and in *North British Rubber Co. v. Macintosh & Co.* (1894), 11 R. P. C. at p. 484.

(*f*) *Heap v. Hartley* (1888), 5 R. P. C. at p. 608; see also 42 Ch. Div. 461; 6 R. P. C. 495.

(*g*) As to Scotland and Ireland, see 1883, sect. 100. For method of obtaining these, see Patent Rule 79, *post*, p. 707.

secretary or assistant secretary of the Board, or by any person authorized in that behalf by the President of the Board (Act of 1883, sect. 102 (2); 1888, sect. 25).

Board of
Trade
certificates.

(6) A certificate signed by the President of the Board of Trade to the effect that any order made or act done is the order or act of the Board is conclusive evidence of the fact so certified (Act of 1883, sect. 102 (3); 1888, sect. 25).

(7) General rules made under the Act of 1888, sect. 101 (3), are to be judicially noticed.

Miscellaneous Points connected with the Trial.

Expedition of the Trial.—The fact that the trade with which the patent is connected was temporary, and that an application for an interlocutory injunction was standing over to the trial, was held to be no ground for giving preference to the action over actions which had been set down before it (*h*).

Postponement of the Trial.—Sometimes a trial has been postponed pending revocation proceedings. There is no binding rule (*i*).

Venue.

Venue.—Relating to trial at assizes: See *Edmunds's Patent* (*k*), in which an action commenced in the Chancery Division was sent to trial at Birmingham, and *Fairburn v. Household* (*l*), in which it was decided that pressure of business at the assize town was no reason for remitting a patent action to a Chancery Division Judge sitting in London.

Seeing in Camera.—Where the defendant alleged that he used a secret process entirely different from plaintiff's, the Court allowed the defendant to describe the process *in camera*, and the notes of the evidence were impounded (*m*).

Exhibits.

Exhibits and Models.—An example of a class of machine may be handed up to enable the Court properly to appreciate counsel's argument, though it be not put in evidence (*n*). Admitted models are evidence of a nature similar to documents (*o*). In *The Shoe Machinery Co. v. Cutlan* (*p*), Romer, J., refused to admit exhibits referring to alleged infringements, but on the ground

(*h*) *Farbenfabriken, &c., Co. v. Bowker* (1891), 8 R. P. C. 136.

(*i*) See, e.g., *Smith v. Upton* (1843), 6 M. & G. 251; *Muntz v. Foster* (1844), 2 W. P. C. 93, n.; *Patteson v. Holland* (1845), Hig. Digest, p. 354.

(*k*) (1889) 6 R. P. C. 355.

(*l*) (1885) 2 R. P. C. 195.

(*m*) *Badische Anilin, &c., Co. v.*

Lerinstein (1889), 24 Ch. Div. 156; 52 L. J. Ch. 704; 2 R. P. C. 73.

(*n*) *Boyd v. Horrocks* (1889), 6 R. P. C. 152.

(*o*) *Westinghouse v. Lancashire and Yorkshire Railway* (1884), 1 R. P. C. at p. 245.

(*p*) (1895) 12 R. P. C. 358.

that they referred to machinery used by the defendant after action brought and because the action was in respect of past infringements, and not of threats of future infringements.

In *Slazenger v. Feltham* (q), an action for infringement of a patent, it was held that where a Judge of co-ordinate jurisdiction had decided two years before the present action that the patent was useful, novel, and good subject-matter, and had not been anticipated, the only question that could then be raised was the question of anticipation^o by fresh instances. Effect of previous judgment.

In *Edison Co. v. Holland* (r) it was held that a previous decision of the Court of Appeal on the same patent must be followed so far as it construed the patent, but that whether the claim was too wide or was proper subject-matter and whether the invention was novel and useful were questions depending partly on fact, and must be decided *de novo*.

Where a patent was held valid in a previous action, the same Judge in a subsequent action would not allow the same objections of anticipation and want of subject-matter to be again raised, and refused to admit evidence on those points (s).

In *The Shoe Machinery Co. v. Cutlan* (t), the Court upheld the validity of a patent attacked on the ground of anticipation, but infringement was not proved. In a second action, the defendant again sought to impeach the patent, on the ground of anticipations other than those set up in the former action. Held, he was estopped, the validity of the patent being *res judicata*.

In *Moore v. Thomson* (u), it was stated that a defendant who has submitted to an injunction cannot, on being sued for a second infringement, attack the validity of the patent either directly or indirectly.

SECT. 10.—REMEDIES.

(a) *Perpetual Injunction.*

After a patentee has conclusively (x) established the validity of his patent, he may obtain a perpetual injunction against the defendant, extending to the whole duration of the patent privilege, and applying not merely to the particular mode of infringement proved against the defendant, but to all other When granted.

(q) (1889) 6 R. P. C. 130.

(r) (1889) 6 R. P. C. 243; cp. *Automatic Weighing Machine Co. v. Combined Weighing Machine Co.*, *Ibid.* 367.

(s) S. C. p. 120, *ubi supra*. But see *Shaw v. Day* (1894), 11 R. P. C. 189.

(t) (1896) 1 Ch. 667; 65 L. J. Ch. 314; 13 R. P. C. 345.

(u) (1890) 7 R. P. C. 325.

(x) *Hills v. Evans* (1862), 31 L. J. Ch. 457; 4 De G. F. & J. 289.

modes in which the patent privilege may be violated (*y*). But if the patentee amends his specification, an injunction obtained prior to the amendment will no longer hold good (*z*). There seems to be no reason why the plaintiff who amends pending action should not proceed against others than the defendant for an injunction. As regards the defendant in the pending action, see *Mayer v. Sherwood* (*a*). In the absence of special conditions under sect. 19, there seems no reason why the injunction should not be granted, unless after the amendment defendant declares that he has no intention of infringing. An injunction will not be granted against a third party (*b*).

Grounds for refusing injunction.

An injunction will be granted when the plaintiff's legal right has been infringed, unless: (1) the injury to the plaintiff's legal right is small and (2) capable of being estimated in money, and (3) can be adequately compensated by a small payment, and (4) it would be oppressive to the defendant to grant an injunction (*c*).

Grounds on which an injunction will be granted.

Effect of undertaking not to repeat infringement.

Where there is no future threatened danger to the plaintiff's rights, an injunction may be refused (*d*). Though the infringement usually implies an intention to infringe in future (*e*), yet if the person who infringes undertakes not to repeat his infringement, or if there is reason to suppose on any other ground that the defendant will not infringe in future, the Court will usually not make an order for injunction. In *Geary v. Norton* (*f*) an injunction was granted against tradesmen selling articles which infringed the plaintiff's design, though the defendants promised to commit no infringement in future. In *Millington v. Fox* (*g*) the defendant innocently used the plaintiff's trade-mark, and did not intend to use it again, but the Court granted an injunction. These two last-named cases were explained by Cotton, L. J., in *Proctor v. Bayley* (*h*), where he says that the injunctions in *Geary v. Norton* (*f*) and *Millington v. Fox* (*g*) were granted because there was some reason to fear at the date of the filing of the bills that the plaintiffs were not safe. In *Proctor v. Bayley* (*h*) the Court decided that where a valid patent is

(*y*) Hindmarch, p. 361.

(*z*) *Dudgeon v. Thompson* (1879), 3 App. Ca. 34.

(*a*) (1890) 7 R. P. C. 283.

(*b*) *Edison v. Holland* (1889), 41 Ch. Div. 28; 58 L. J. Ch. 524; 6 R. P. C. 243.

(*c*) See *Shelfer v. City of London Electric Light Co.* (1895), 1 Ch. 287; 64 L. J. Ch. 216.

(*d*) See *Proctor v. Bayley* (1889), 42 Ch. Div. 390; 39 L. J. Ch. 12; 6 R. P. C. 538.

(*e*) *Losh v. Hayne* (1837), 1 W. P. C. 200.

(*f*) (1846) 1 De G. & S. 9.

(*g*) (1838) 3 My. & Cr. 338.

(*h*) (1889) 42 Ch. Div. 390; 6 R. P. C. 538.

infringed there is a *prima facie* right to an injunction, but in this case came to the conclusion that, though the defendant had infringed the patent, it could not be inferred that he had any intention to infringe again, and that with proper inquiry the plaintiff might have known this; therefore an injunction was refused. Fry, L. J., added that a "foolish attempt to justify a past act does not raise any presumption that they intend to repeat it."

See also *Lyon v. Mayor of Newcastle* (i), *Jenkins v. Hope* (k), and cases under *Costs*, post, pp. 462 et seq.

An injunction has been granted though the patent was about to expire in a few days, the intention being to prevent the manufacture of pirated goods with a view to throwing them on the market the moment the patent should expire (l). But as a rule an injunction will not be granted when the patent has expired or is about to expire (m).

Injunction may be granted though patent is expiring.

An injunction may be granted though there has been no infringement, if infringement be threatened. In *Frearson v. Loc* (n) Jessel, M. R., said: "Now I am not aware of any suit or action in the Court of Chancery which has been successful on the part of a patentee without infringement having been proved; but in my opinion, on principle, there is no reason why a patentee should not succeed in obtaining an injunction without proving actual infringement. I think so for this reason. Where the defendant alleges an intention to infringe, and claims the right to infringe, the mischief done by the threatened infringement of the patent is very great, and I see no reason why a patentee should not be entitled to the same protection as every other person is entitled to claim from the Court from threatened injury where that threatened injury will be very serious. . . . It seems to me when you consider the nature of a patent right, and where there is a deliberate intention expressed and about to be carried into execution to infringe certain letters patent under the claim of a right to use the invention patented, the plaintiff is entitled to come to this Court to restrain that threatened injury."

Injunction to restrain a threatened infringement.

(i) (1894) 11 R. P. C. 218.

(k) (1896) 13 R. P. C. 57.

(l) *Crossley v. Beverley* (1829), 3 C. & P. 513; 1 W. P. C. 119; *Sheriff v. Coates* (1830), 1 Russ. & My. 159.

(m) *Betts v. Gallais* (1870), 10 Eq. 392, and cases cited there throw light upon this.

(n) (1878) 9 Ch. Div. 48.

The above applies if it be clear that what is threatened to be done will, if done, be an infringement.

In a more recent case, *Dowling v. Billington* (o), the Irish Court, following Sir George Jessel's opinion, granted an injunction restraining a threatened infringement. But in *The Shoe Machinery Co. v. Cutlan* (p) Romer, J., refused an injunction for threatened infringement when the plaintiff had shaped his action on past infringements and had failed to prove them.

The validity of a patent may have been established at the trial, or the patentee may move for judgment on admissions in the pleadings (q), or the defendant may, as to the whole or any part (r) of the plaintiff's case, submit to a perpetual injunction on terms of paying the costs of the action (s).

Withdrawal
of consent to
perpetual in-
junction.

Where a defendant has consented to a perpetual injunction against him, the Court will allow such consent to be withdrawn if it has been given in consequence of surprise, error, or mistake; but the subsequent discovery by the defendant of certain facts on which he conceives he can found a defence is not a sufficient ground for such withdrawal (t).

As to stay of proceedings or execution, see *infra*, p. 466. The Court has allowed the operation of the injunction to be suspended for a definite period in order to convenience the public, whom defendant was serving, the defendant undertaking to keep an account of profits meanwhile (u). For forms of orders for perpetual injunctions, see Appendix, pp. 841, 844.

Breach of
injunction.

If a defendant continues the infringement after an order granting an injunction has been (a) served upon him (x) or (b) brought to his knowledge with notice that the plaintiff intended to enforce it (y), a motion for his committal may be made.

The continuance of an infringement after injunction is a

(o) (1890) 7 R. P. C. 191. See also *Adair v. Young* (1879), 12 Ch. Div. 13.

(p) (1895) 12 R. P. C. at p. 357.

(q) R. S. C. 1883, Order XXXII. Rule 6.

(r) *Curtis v. Pape* (1888), 5 R. P. C. 150; *United Telephone v. Donohoe* (1886), 31 Ch. Div. 399; 55 L. J. Ch. 480; 3 R. P. C. 45.

(s) *Hume v. Beale*, Seton, p. 630.

(t) *Elsas v. Williams* (1884), 1 Times R. 145.

(u) *Hopkinson v. St. James's and Pall Mall Electric Light Co.* (1893), 10 R. P.

C. 46. Sometimes a stay of the operation of an injunction is granted pending appeal, as in the case of *The North British Rubber Co. v. Macintosh* (1894), 11 R. P. C. at p. 489. *National Opalite Glazed Brick and Tile Syndicate v. Ceralite Syndicate* (1896), 13 R. P. C. at p. 658. But there is no right to any such suspension: *Lyon v. Goddard* (1893), 10 R. P. C. 334.

(x) *Clayton v. Percy* (1854), Higgins's Dig. 1044.

(y) *United Telephone Co. v. Dalz* (1883-84), 25 Ch. Div. 778; 53 L. J. Ch. 295.

contempt of Court, even although the defendant thought he was not infringing (z).

Motions to commit when only an apology and costs are asked for, and no serious case for committal is made out, are discouraged by the Courts (a).

Motion to commit for.

It is not a breach of an injunction for the person against whom it has been ordered to publish advertisements asking for subscriptions towards the expense of an appeal, or for documentary evidence of anticipation (b).

The mere making, using, or vending of the elements which afterwards enter into a patent consisting of a combination, is not necessarily prohibited by and is not an infringement of the letters patent (c).

If, however, there were a patent for a knife of a particular construction, and an injunction were granted restraining a defendant from selling knives made according to the patent, and he were to sell the component parts so that any schoolboy could put them together and construct the knife, that sale would be a breach of the injunction (d).

Upon a motion to commit a defendant for breach of an injunction, it is open to the defendant to show that the patent having been determined, there was no longer any order of the Court in existence which he could be said to have infringed (e).

Determination of patent a defence to motion to commit.

A technical breach of injunction may in some cases be lawful.

Technical breach of injunction, when lawful.

For example: a master who comes on board a vessel ought not to be answerable on the ground that when he takes the command there is on board a pump which infringes a patent. He does not, owing to his qualified possession, become at once an infringer. He has no power to take a pump out of a ship, he had nothing to do with putting it there, and he is not wrong in allowing it to remain there, for he cannot lawfully remove it. Whatever

(z) *Plimpton v. Spiller* (1876-77), 4 Ch. Div. 286.

(a) *Plating Co. v. Farquharson* (1881), 17 Ch. Div. 49. The defendant in an action for infringement of a patent had consented to an injunction. The plaintiff in the action, in consequence of a subsequent infringement by the defendants, the infringement not being identical with the first, moved in the action to attach the defendant for breach of the injunction. It was held by the Court of Appeal in Ireland, that this was the right form of proceeding:

Thomson v. Moore (1889), 6 R. P. C. at p. 445.

(b) *Plating Co. v. Farquharson*, *supra*.

(c) *Townsend v. Haworth* (1875), per Jessel, M. R., 12 Ch. Div. 831, n.; *cp. McCormick v. Gray* (1861), 7 H. & N. 25; 31 L. J. Ch. 42; *Sykes v. Howarth* (1878), 12 Ch. Div. 826; 48 L. J. Ch. 769.

(d) *United Telephone Co. v. Dale* (1883-84), per Pearson, J., 25 Ch. Div. 782.

(e) *Daw v. Eley* (1867), L. R. 3 Eq. 496.

appliances there may happen to be on board, however they came there—pumps, anchors, fire extinguishers, stolen or not stolen, pirated or not pirated—it is the master's bounden duty to use them according to the exigencies of navigation for the safety of ship, cargo, and life. To the master when out at sea (injunction or no injunction) *salus navis est suprema lex*. A master would be practically as safe in disobeying an injunction under a pressing emergency as he would be in shooting a mutineer (*f*).

Solicitor and client costs.

On a motion to commit, costs as between solicitor and client may be given to a successful plaintiff (*g*), but not to a successful respondent (*h*).

In *Spencer v. The Ancoats Vale Rubber Co.* (*i*), where it appeared that the acts complained of had not been done vexatiously, but in the probable belief—an erroneous one—that the company were entitled to do what they did, solicitor and client costs were refused, but costs on the higher scale were given.

The injunction usually restrains the defendant, his servant, and agents from infringing; such being the case, the injunction may be useful, though the defendant be a foreigner (*k*).

(*l*) Damages.

Election between damages and profits.

A patentee whose patent has been infringed may get damages, but he may not have both damages and an account of profits against the same defendant (*l*). He may get an account of profits against one and damages against another; for instance, he may have an account of profits against the manufacturer, and damages against the user (*m*).

Measure of damages.

The damages awarded must be such as naturally and directly flow from the defendant's infringement, or, as it is sometimes put, the measure of damages is the loss sustained by reason of defendant's wrongful acts (*n*). The question is, how would the

(*f*) *Adair v. Young* (1879), per James, L. J., 12 Ch. Div. 20.

(*g*) *Plating Co. v. Farquharson* (1879-83), 17 Ch. Div. 49, 57; *Steele v. Hutchings* (1879), W. N. 18.

(*h*) *Plating Co. v. Farquharson*, *ubi supra*.

(*i*) (1889), 6 R. P. C. 46, 68.

(*k*) On this point see *Elmslie v. Boursier* (1869), 9 Eq. 217; 39 L. J. Ch. 328; *Von Heyden v. Neustadt* (1880), 14 Ch. Div. 230; 50 L. J. Ch. 126; *Marshall v. Marshall* (1888), 38 Ch. Div. 330; *Re Burland's Trade Mark* (1889),

41 Ch. Div. 542; *Badische und Sais Fabrik v. Henry Johnson* (1896), 1 Ch. 25.

(*l*) *De Vitre v. Betts* (1873), L. R. 6 H. L. 319; *Neilson v. Betts* (1871), L. R. 5 H. L. 1; 40 L. J. Ch. 317; *American Braided Wire Co. v. Thompson* (1890), 7 R. P. C. 152; 4 Ch. Div. 274.

(*m*) *United Telephone Co. v. Walker* (1887), 4 R. P. C. 63, 67; *Boyd v. Toolal & Co.* (1894), 11 R. P. C. 175.

(*n*) *United Horseshoe and Nail Co. v. Stewart* (1889), 13 App. Ca. 401; 5

position of the patentee have differed if there had been no infringement (o) ?

The following propositions, it is submitted, are deducible from the decided cases :—

(1) The measure of damage is not the profit made by the infringer (p), though this may be some guide to the amount of the patentee's loss (q). General rules as to damages.

(2) If the patentee reduces his prices, the loss caused by the reduction is recoverable as damages only if it was caused entirely by the competition of the infringer (r). If the reduction in price was caused by general competition, the damages cannot include compensation for this, at any rate, in full ; but if the reduction in price was the immediate result of the competition caused by the defendant's infringement, the loss caused thereby is recoverable as damages (s). Reduction of price.

(3) Where judgment for damages has been recovered for the infringement of a patent, and the plaintiffs were not in the habit of selling, but more usually of letting out, the patented article at a rent or royalty, the measure of damages is the profit rent of the article during the entire period from the time when it came into the possession of the infringer, until the assessment of damage or the date of delivering up, whether it has been in use or not the whole time (t). If, however, the patentee was in the habit of manufacturing himself, the ordinary measure of damage would not be the money which the patentee would have obtained from the defendant had a licence been taken out (u). In any case, the patentee may refuse to grant a licence to an infringer with whom he is litigating on terms equal to those given to persons who apply for a licence in regular course ; and in estimating damages he will be entitled to take this right into account, and calculate his damages on the basis of a higher royalty (v). Where patentees grant licences.

(4) The damages may be considerable, though the infringer

R. P. C. 260 ; *Ledgard v. Bull* (1886), 11 App. Ca. 648, 654 ; 3 R. P. C. 390 ; *American Braided Co. v. Thompson* (1890), 44 Ch. Div. 274 ; 7 R. P. C. 47, 153.

(o) *Boyd v. Tootal, & Co.* (1894), 11 R. P. C. 175 ; *Penn v. Jack* (1867), 5 Eq. 81 ; 57 L. J. Ch. 136.

(p) *United Horseshoe and Nail Co. v. Stewart, supra.*

(q) *American Co. v. Thompson, supra.*

(r) *American Co. v. Thompson, supra ;*

United Horseshoe and Nail Co. v. Stewart, supra.

(s) This seems to be the result of the cases quoted in the last note.

(t) *United Telephone Co. v. Walker* (1887), 4 R. P. C. 63.

(u) *Penn v. Jack* (1867), 5 Eq. 81 ; 37 L. J. Ch. 136.

(v) *Penn v. Bibby* (1866), 3 Eq. 310 ; *Penn v. Jack, supra ; Boyd v. Tootal, Broadhurst, Lee, & Co.* (1894), 11 R. P. C. 175.

has used but a small, and that perhaps the least useful, part of the invention (*y*).

(5) If a patentee who is accustomed to issue licences and not to make and sell himself, obtains royalties from the users, he cannot obtain damages from the manufacturers in respect of the infringements on which royalty has been paid by the users (*z*); he has suffered no loss. But he may proceed against users and manufacturers, or both, if he can prove damage against either or both (*a*). And the damages recoverable against users will not necessarily be merely nominal (*b*).

Remarks of
Kekewich, J.,
in *Alexander*
v. Henry.

In *Alexander v. Henry* (*c*), a recent case on this point, Kekewich, J., thus laid down the law. Referring to *The Leather Cloth Co. v. Hirschfeld* (*d*), he said: "What I understand to be the meaning of that is this, as construed by other cases, and as understood by the light of other cases: you may have an article of fashion for which there is a great demand, and a patent for it, such as the bustles in the *American Braided Wire Co. v. Thompson*. They can only be sold by the patentee. If an infringer comes into the market and sells, say, a hundred, and there be a great demand, an unsatisfied demand, the conclusion, and the necessary conclusion, is that the patentee has thereby lost the sale of those hundred articles which were sold by the infringer. But where you have not that or some equivalent fact, you must not jump to the conclusion that because an infringer—whether of a patent, or any other infringer—has sold a certain number of articles, if he had not intervened, therefore the manufacturer would have sold the same number of articles. A very little common sense shows that that is a rule of experience which would commend itself to all persons who are at all conversant with the way in which things are bought and sold, which is the question of supply and demand, which governs commerce in this as in other things. That seems to me to be perfectly settled by that case, and confirmed by the other cases which follow. But if you can find a good reason, such as I have suggested in the case of the patentee—a great demand, particularly if it is an unsatisfied demand—and if you can find any other good reason

(*y*) *United Horseshoe and Nail Co.*,
13 App. Ca. at p. 413; 5 R. P. C. 260.

(*z*) *Penn v. Jack*, *supra*.

(*a*) *Penn v. Bibby*, *supra*; *United Telephone Co. v. Walker* (1887), 4 R. P. C. 63, 67; *Boyd v. Tootal, & Co.*,

Ltd., *supra*.

(*b*) *Boyd v. Tootal, & Co., Ltd.*,
supra.

(*c*) (1895) 12 R. P. C. 360.

(*d*) (1866) 1 Eq. 299, a trade-mark case.

for your conclusion, a reason which would satisfy ordinary persons of experience, then you do not presume, but you conclude, that the sale of the infringer has kept out of the market the same number, or a similar number, of articles which would otherwise have been sold by the original manufacturer. It is a mere question in each case whether the evidence justifies the conclusion or not. Again, in Lord Macnaghten's judgment in the case of the House of Lords, as also in the case of the *American Braided Wire Co. v. Thompson*, we find the rule laid down that, because a trader has reduced the prices of the article which he is offering to the public, you must not therefore assume, notwithstanding that there is an infringer in the market, that he is really injured by the reduction of prices. He may have done it merely as a matter of policy; he may have been influenced by many reasons; and to jump to the conclusion that because a manufacturer has thought fit to reduce his prices, therefore the reduction—that is to say, the difference between the original price and the reduced price—is an injury caused to him by the infringer, to be measured by that difference in money, is really coming to a conclusion without premises, ignoring possible and even probable facts which might influence the result. Again, if you find facts, from which a reasonable man might conclude that the reduction in price was the result of the infringement, then you at once get on entirely different lines, and you then come to the conclusion that, as in the other case which I suggested of the unsatisfied demand for the patented article, the loss is the natural consequence of the infringement, and is caused to the manufacturer directly by what the infringer does. Then you have no difficulty in measuring the damage by the loss in money, and visiting that on the head of the infringer. That seems to me to dispose of all the cases, and to apply them sufficiently to the present case."

In *Arkwright v. Nightingale (e)*, Lord Loughborough said—though he was not called upon to decide the point—that he would allow an unsuccessful defendant in an action for infringement to show, by way of mitigating damages, that the verdict in a previous action had been adverse to the patent, and that parties had acted on the faith of it. In *Smith v. London and North-Western Railway Co. (f)* the patentee stood by whilst the

Bona fides
and damages.

(e) (1785) 1 W. P. C. 60.

(f) (1853) Mac. P. C. 188; 2 E. & B. 69.

defendants openly used the invention; the Court refused to assess the damages at the sum which it would have cost the defendants to purchase every article at the patentee's price.

Set-off of damages against the articles delivered up is not allowed.

A defendant is not entitled to set-off against such damages the value of any infringing article delivered up under the judgment of the Court; nor any portion of any agreed sum for damages for infringement recovered by the plaintiff in a previous action against the manufacturer from whom the defendant had bought the article, although the period in respect of the rent payable as damages commenced at a date antecedent to the commencement of the action against the manufacturer (*g*). If, however, the damages recovered by the plaintiff from the manufacturer had not been an agreed sum, but a sum representing the full rent or royalty, the defendant would have been entitled to a set-off (*h*).

The amount of damages cannot be accurately assessed; it must be roughly got at, but on the other hand must not be merely guessed (*i*).

Differences. Inquiry as to damages, patent and trade-mark cases.

The inquiry is in the form "what damage," and not "what damage, if any." In *Davenport v. Rylands* (*k*), Vice-Chancellor Page-Wood said: "The inquiry will be in the form, 'what damage the plaintiff has sustained,' and not 'what damage, if any,' he has sustained, as it would be in the case of a trade-mark. There is this difference between the case of a trade-mark and that of a patent: in the former case the article sold is open to the whole world to manufacture, and the only right the plaintiff seeks is that of being able to say, 'Don't sell any goods under my mark.' He may find his customers fall off in consequence of the defendant's manufacture; but it does not necessarily follow that the plaintiff can claim damages for every article manufactured by the defendant, even though it be under that mark. On the other hand, every sale without licence of a patented article must be a damage to the patentee."

An inquiry as to damages will not be granted where no damage or only nominal damage has been proved (*l*).

(*g*) *United Telephone Co. v. Walker* (1887), 4 R. P. C. 63; 56 L. T. N. S. 508.

(*h*) *Ibid.* And see *Penn v. Jack*, 5 Eq. 81; 37 L. J. Ch. 136; *Penn v. Bibby*, 3 Eq. 310; 36 L. J. Ch. 277.

(*i*) Cp., for instance, *Ungar v. Sugg* (1892), 9 R. P. C. 113; *United Horse-shoe, &c., Co. v. Stewart, supra*.

(*k*) (1865) 1 Eq. 302, 338; 35 L. J. Ch. 204; *United, &c., Co. v. Stewart* (1888), 13 App. Ca. 401; 5 R. P. C. 260.

(*l*) *Dicks v. Brooks* (1880), 15 Ch. Div. 22, 39; 49 L. J. Ch. 812; *United Telephone Co. v. Sharples* (1885), 2 R. P. C. 28; *Cole v. Saqui* (1885), 5 R. P. C. 489, 496.

Damages may be awarded although not specifically claimed in the pleadings (*m*). In one case (*n*), where it appeared that damages, although claimed in the pleadings, were by an oversight not asked for at the trial, Kay, J., gave special leave, on subsequent motion by the plaintiff, to vary the minutes of the decree by adding an inquiry as to the damages. Damages and pleadings.

In *Davenport v. Rylands* (*o*), although the defendant had purchased in open market the article complained of, in ignorance of the process of its manufacture, and of the fact of infringement, the inquiry was ordered to extend to the sale within six years of the filing of the bill.

Where damages are granted in lieu of an injunction, the Court may assess the damages accrued after, as well as before, the issue of the writ (*p*). Future damages.

When damages are to be assessed in respect of any continuing cause of action, they shall be assessed down to the time of the assessment (*q*).

The ascertainment of damages, where it is substantially a matter of calculation, may be referred to an official referee (*r*) or to another officer of the Court (*s*). In the Chancery Division, the question of damages cannot after judgment be tried by a jury, but must be referred to a chief clerk or referee (*t*), unless application is made at the time of judgment. Even then there is a doubt whether the inquiry can be taken by a jury. Before judgment the matter may be sent to a jury (*u*). Whether the inquiry be made by a chief clerk or by an official referee under Ord. XXXVI. rule 57a, or under the Arbitration Act, sect. 13, the inquiry is made on behalf of the Judge; the Judge is not bound to accept the decision of the referee, but if that decision has Damages by whom ascertained.

(*m*) *Betts v. Neilson* (1868), 18 L. T. N. S. 159; L. R. 3 Ch. 429. And see *Needham v. Oxley* (1863), 8 L. T. N. S. 604.

(*n*) *Edison v. Holland* (1888), 5 R. P. C. at p. 483.

(*o*) *Davenport v. Rylands* (1865), per Wood, V.-C., L. R. 1 Eq. 308; 35 L. J. Ch. 204; *United Horseshoe and Nail Co. v. Stewart*, *ubi supra*.

(*p*) *Fritz v. Hobson* (1880), 14 Ch. D. 543, a case under Lord Cairns's Act, now repealed.

(*q*) Order XXXVI. rule 58.

(*r*) *Ibid.* rule 57a. And see Arbitration Act (1889), sects. 13 & 14.

(*s*) *Ibid.* rule 57. In *Ungar v. Sugg*

(1892), 9 R. P. C. 114, a threats action, Lord Esher said that the Judge ought to have assessed the damages.

(*t*) *American Braided Wire Co. v. Thomson* (1888), 5 R. P. C. 538, 696; *cp. Westinghouse v. Lancashire and Yorkshire Railway Co.* (1884), 1 R. P. C. 229. Under the Chancery Acts, 1852 and 1858, the question of damages was left to be decided by a jury, or where there was extreme difficulty in their assessment by the Court itself; *Betts v. De Vitre* (1864), 11 Jur. N. S. 9.

(*u*) *Fennessy v. Rabbits* (1887), 56 L. T. N. S. 138.

been arrived at on oral testimony, he will hesitate to disagree with it (*x*).

In the order for an account or for damages, there is usually, but not always, inserted a clause requiring the defendant to pay to the plaintiff the sum found due by way of profit or damages within a limited time after the filing of the certificate of the finding (*y*).

Though the patent expires during the litigation, the patentee is entitled to damages for infringement (*z*).

In one case the defendant admitted certain infringements in his defence, and the plaintiffs signed judgment. It was decided that the plaintiffs were entitled to an inquiry as to damages, limited however to the admitted infringements (*a*).

Discovery of documents.

The defendant must, for the purpose of the inquiry, make an affidavit disclosing the documents relating to the inquiry, and must produce them. The names of the customers who bought the infringing articles, and the prices, must be given, but not the names of the agents through whom the articles were sold (*b*).

Cases in which no damages can be recovered.

It should be observed that in the following cases no damages can be recovered: (1) for infringement prior to amendment of the specification, unless the Court is satisfied that the original claim was framed in good faith and with reasonable skill and knowledge (*c*); (2) for infringement prior to publication of the complete specification (*d*); or (3) when the infringement took place after failure by the patentee to pay a fee within the prescribed time, and before the enlargement of the time, if the Court thinks fit not to give damages (*e*).

The costs of taking the account will generally be reserved for further consideration (*f*).

(c) Account of Profits.

There are two points in which modern practice differs from the old practice.

(*x*) *Alexander v. Henry & Co.* (1895), 12 R. P. C. at p. 365.

(*y*) *Plimpton v. Malcolmson* (1876), Seton, 565; *Cunningham v. Colling* (1864), *ibid.* 567; *Betts v. Noel*, *ibid.* 507; *Hocking v. Fraser* (1886), 3 R. P. C. at p. 7.

(*z*) *Davenport v. Rylands* (1866), 1 Eq. 302; 35 L. J. Ch. 204; *Fox v. Dellestable* (1866), 15 W. R. 194; but see *Betts v. Gallais* (1870), 10 Eq. 392.

(*a*) *United Telephone Co. v. Donohoe* (1886), 31 Ch. Div. 399; 3 R. P. C. 45.

(*b*) *Murray v. Clayton* (1872), 15 Eq. 115; 42 L. J. Ch. 191; *American Braided Wire Co. v. Thompson* (1880), 5 R. P. C. 375. And see *Powell v. Birmingham Vinegar Co.* (1897), 14 R. P. C. 1.

(*c*) Act of 1883, sect. 20; and see *ante*, p. 288.

(*d*) Act of 1883, sect. 13.

(*e*) *Ibid.* sect. 17, sub-sect. 4 (*b*).

(*f*) *United Telephone Co. v. Fleming* (1886), 3 R. P. C. 268; *ditto v. Patterson* (1889), 6 R. P. C. 140.

1. The account was formerly an adjective remedy to an injunction.

"Whenever the plaintiff," says Mr. Hindmarch (*g*), "has made out a title to the interposition of the Court by injunction in his favour, . . . the Court gives him an account, in order that his remedy may be complete. But if the plaintiff fails to make out his claim to an injunction, he cannot have a decree for an account."

Thus where the patent alleged to be infringed expired before (*h*) or during (*i*) an action, so that an injunction could not be granted, an account of profits was generally refused.

A party would not, however, be allowed to prepare for the expiration of a patent by illegally manufacturing articles, and immediately after its expiration to deluge the market with the produce of his piracy, thus reaping the reward of his improper labour in making it (*k*).

This rule was modified after Lord Cairns's Act had empowered the Court of Chancery to award damages.

Where the plaintiff's bill was filed shortly before the expiration of his patent, and made (but *aliter* if it did not make (*l*)) application for an interim injunction, the Court, although refusing an account of profits, would direct an inquiry as to what damages the plaintiff had sustained (*m*).

Any division of the High Court may now order an account, or grant damages for infringement, whether an action is commenced before or after the expiration of the patent alleged to be infringed (*n*).

2. A plaintiff might formerly obtain both an account and an inquiry as to damages against the same defendant (*o*).

The case of *Neilson v. Betts* (*p*), however, most undoubtedly decided the general principle that upon a decree against a party

(*g*) P. 361; and *cp.* *Bailey v. Taylor* (1825), 1 R. & M. 73; *Smith v. L. and S.-W. Railway Co.* (1854), Kay, 408; *Price's Patent Candle Co. v. Bauwen's Patent Candle Co.* (1858), 4 K. & J. 727; *Hocking v. Fraser* (1886), 3 R. P. C. 3.

(*h*) *Smith v. L. and S.-W. Railway Co.*, *ubi supra*.

(*i*) *Price's Patent Candle Co. v. Bauwen's Patent Candle Co.*, *ubi supra*; *contra*, however, in *Fox v. Dellestable* (1866), 15 W. R. 194.

(*k*) *Crossley v. Derby Gas Co.* (1834, 1838), per Lord Brougham, L. C., 4 L. J. Ch. at p. 26.

(*l*) *Betts v. Gallais* (1870), L. R. 10 Eq. 392, per James, V.-C.

(*m*) *Davenport v. Rylands* (1865), L. R. 1 Eq. 302, per Wood, V.-C.; 35 L. J. Ch. 204.

(*n*) R. S. C. 1883, Order XV. rule 1; *York v. Stowers* (1883), W. N. 1883, 174.

(*o*) *Elmslie v. Boursier* (1869), L. R. 9 Eq. 217; 39 L. J. Ch. 328; *cp.* *Hills v. Evans* (1862), 4 De G. F. & J. 288, 309; L. R. 6 H. L. 321, n. (2); 31 L. J. Ch. 457.

(*p*) (1871) L. R. 5 H. L. 1; 40 L. J. Ch. 317.