

**Conditions.** and it was impossible to say what interests might be affected by doing what was desired.

Amendment by inserting drawings.

So far there has been no reported case of an application for leave to amend a specification by the insertion of a drawing not described in the specification. It is submitted that, if the insertion of a drawing be desirable in order to make clear what the patentee intended when he filed his specification, it would be allowed, on the ground that a drawing is part of the specification, and its insertion merely amounts to a legitimate explanation. (c)

Amendment of title.

Contrary to what has sometimes been said it is permissible to amend the title even after the patent is sealed. (d)

Amendment by adding or removing name of a co-applicant.

The Comptroller also permits the amendment of an application by adding the name of some other party, not an inventor, as a co-applicant, or by removing the name of any party who had joined with the inventor and wishes to retire from the application.

Explanation of ambiguous claim.

When a claim is ambiguous it may be amended by way of explanation, so as to make perfectly clear what was the real meaning of the patentee, taking into account the fact that the claim must be construed with reference to the context and drawings of the specification. (e)

Amendments are frequently only allowed on conditions framed for the protection of the public or individuals.

**Conditions.**—The Comptroller and law officer have the power to impose conditions when granting leave to amend; (f) and the Court or a Judge, in cases where a patentee desires to amend during an action for infringement or a petition for revocation, has jurisdiction to impose terms as to costs and otherwise as a condition of the leave of the Court or a Judge to apply at the Patent Office for leave to amend by way of disclaimer. (g)

It is not an uncommon condition that no action shall be brought on the amended specification in respect of infringements committed before amendment, (h) or in respect of certain continued infringements after amendment, (i) though such conditions are not now by any means the usual practice. The matter is one of discretion to be exercised in view of the

(c) Lang's Patent, (1890) 7 R. P. C. 469, 471; but see *Re Pullan's Patent*, Johns. Pat. Man. 5th ed. p. 118.

(d) See Arnold's Patent, (1882) Griff. L. O. C. 5.

(e) Ashworth, (1878) No. 3513, Griff. L. O. C. 6.

(f) Hearson's Patent, (1884) 1 R. P. C. 214; Pietschman's Patent, (1884)

Griff. P. C. 314; but see p. 100 post.

(g) See pp. 94, 95 post; 46 & 47 Vict. c. 57, s. 19.

(h) p. 79 post.

(i) p. 79 post; *Holmes v. L. & N. W. Ry. Co.*, (1852) Macr. P. C. 31; *Smith's Patent*, (1855) Macr. P. C. 232; *Re Medlock's Patent*, (1865) Newton, L.J., vol. xxii. p. 69.

peculiar circumstances of each case. The Comptroller and Conditions. law officers, as also the Court, usually consider that persons who have infringed the patent before amendment are sufficiently protected by the terms of sec. 20 of the Patents Act, 1883, which provides that in an action founded on an amended specification, no damages shall be given in respect of the use of the invention before amendment unless the patentee establishes to the satisfaction of the Court that his original specification was framed in good faith and with reasonable skill and knowledge.

Any party is, however, at liberty to bring forward any special circumstances which require a special condition for their benefit. (k)

During the argument in *Ashworth's Application* (l) the Solicitor-General said that if he saw, or if there was any evidence before him, that the patent had been used for the purpose of endeavouring to obtain a monopoly larger than that which the specification as amended claimed, he should consider that a special circumstance, and impose the condition that no action should be brought for anything done at any time before the amendment; for instance, if the patentees had been threatening persons, and endeavouring to prevent persons from making or selling wire hardened and tempered in a mode different to that described and claimed by the amended specification.

Under the old practice, in order to protect the interests of manufacturers who had embarked large capital in a trade on the strength of a patent having been allowed to remain in its imperfect state for a long time, the law officers frequently imposed conditions for their protection. (m) Such conditions were that the patentee should not sue in respect of infringements committed before amendment, (n) or in respect of certain continued infringements by the use of certain specified machines actually in use before the amendment, (o) or in respect of fresh infringements by certain persons in virtue of the continued use

(k) In the following cases special conditions were asked for, but were refused: Allen's Patent, (1887) Griff. L. O. C. 3; Ainsworth's Patent, (1895) 13 R. P. C. 76; Allison's Patent, (1898) 15 R. P. C. 408; Pitt's Patent, (1901) 18 R. P. C. 478.

(l) *Ashworth*, (1886) Griff. L. O. C. 6.

(m) *Tranter's Patent*, *Jones' Patent*,

(1873) *Johns. Pat. Man.* 5th ed. pp. 191, 192.

(n) *Lucas' Patent*, (1854) *Macr. P. C.* 234, 239; *Smith's Patent*, (1855) *Macr. P. C.* 232.

(o) *Harrison's Patent*, (1853) *Macr. P. C.* 31; *Westinghouse's Patent*, (1885) *Griff. P. C.* 315; *Crabtree's Patent*, *Eng. Rep.* Jan. to Mar. 1881; *Fox's Patent*, (1878) No. 3988.

**Conditions.** of a process employed by them prior to the amendment, (p) or in respect of infringements by machines made under specified contracts. (q) Like conditions with the same object in view may be imposed by the Comptroller and law officer, as also by the Courts pending litigation (r) under the present practice. Where the Court has imposed the condition that no action shall be brought in respect of acts done prior to the date of the order giving leave to apply at the Patent Office for leave to amend, it is not the custom of the Comptroller or law officer to impose conditions, the protection of sec. 20 of the Act of 1883 being deemed sufficient in respect of acts done since the date of the order of the Court up to the date of actual amendment. (s)

A condition that no action be brought in respect of infringements prior to a certain date protects the continued user of infringing articles made before that date, and also the sale of such articles unsold at the fixed date. (t)

But a condition that no action be brought in respect of the infringement of a patent, of which the amendment of the specification is sought, does not prevent the patentee from bringing an action on another patent belonging to him, if those articles infringe such other patent. (u)

When the condition is imposed that no action be brought in respect of certain specified machines, it is usual to order that such machines be marked with distinguishing marks. (x)

It is not usual for the Comptroller or law officer to impose the condition that no action shall be brought in respect of any infringements committed after that date, as such cases are provided for by sec. 20 of the Act of 1883. (y)

Actions commenced after the amendment of the specifications in respect of infringements committed before amendment are, in certain cases, justifiable, on the ground that it is not right that a person should gain his information from a patentee, and,

(p) *Re Medlock's Patent*, (1865) Newton, Lond. Journ. N. S. vol. xxii. p. 69.

(q) *Fox's Patent*, (1878) No. 3988.

(r) See pp. 95-99 *post*.

(s) *Allen's Patent*, (1887) Griff. L. O. C. 3; *Pitt's Patent*, (1901) 18 R. P. C. 478; *Ainsworth's Patent*, (1895) 13 R. P. C. 76; *Allison's Patent*, (1898) 15 R. P. C. 408.

(t) *Cheeseborough's Patent*, (1884) Griff. P. C. 303.

(u) *United Telephone Co. v. London and Globe Telephone Co.*, (1884) L. R.

26 Ch. D. 766.

(x) *Edison's Patent*, (1877) No. 2909; *Westinghouse's Patent*, (1885) Griff. P. C. 315; *Haddan's Patent*, (1885) Griff. L. O. C. 12, 13; *Crabtree's Patent*, Eng. Rep. Jan. to Mar. 1881.

(y) See *Ludington Cigarette Machine Co. v. Baron Cigarette Machine Co.*, (1900) 17 R. P. C. 214, 217, 745; *Allen's Patent*, (1887) Griff. L. O. C. 3; *Pitt's Patent*, (1901) 18 R. P. C. 478; *Allison's Patent*, (1898) 15 R. P. C. 408; *Ainsworth's Patent*, (1895) 13 R. P. C. 76.

acting on that information, copy and use his invention. He must not presume upon some defect in the specification, and infringe upon the valuable part of the patent. (z)

Retrospective Effect of Amendments.

**Retrospective Effect of Amendments.**—Under the law prior to the Act of 1883, amendments by disclaimer were retrospective, except when entered pending an action for infringement, in which case it was specially provided that the amended specification should not be given in evidence at the trial. (a)

Retrospective effect of amendments.

No action, however, could be brought at all in respect of infringements committed before amendment without the leave of the law officer, certified by his fiat. (b) Cases in which amendments were made retrospective, and power was given to the patentee to proceed against those who had infringed before the disclaimer was filed, were the exception, and not the rule, and it lay on the party applying for a certificate giving a disclaimer a retrospective power to make out a case entitling him to that certificate. (c)

The terms of sub-s. 9 of sec. 18 of the Act of 1883, as also the conditions usually imposed by the Court, in granting leave to apply to amend under sec. 19 of the Act of 1883, together with the concluding words of the section, "and may direct that, in the mean time, the trial or hearing of the action shall be postponed," are a clear indication that the amendment speaks from the date of the patent, and that there are cases where the Court, in its discretion, ought to, and would, under the present law, allow an amended specification to be given in evidence in a pending action. (d)

If a patentee obtains an injunction against an infringer, before he amends the specification, he cannot enforce his injunction after the amendment, but must proceed *de novo*. (e)

When leave to amend has been given, even though on condition and the patentee's assent to the condition has not been notified, an action on the amended specification can be sustained though the amendment of the specification itself was not actually made by the Patent Office officials till after the commencement of the action. (f)

(s) See Lucas' Patent, (1854) Macr. P. C. 234.

C. 234, 239.

(a) 5 & 6 Will. IV. c. 83, s. 1; Perry v. Skinner, 2 M. & W. 471; R. v. Mill, (1850) 10 C. B. 379.

(d) Bray v. Gardner, (1887) 4 R. P. C. 41, 42.

(b) 15 & 16 Vict. c. 83, s. 39.

(e) Dudgeon v. Thompson, (1877) L. R. 3 App. Cas. 34.

(c) Lucas' Patent, (1854) Macr. P.

(f) Androw v. Crossley, (1892) 9 R. P. C. 165.

Amendment after Action on, or Petition against, the Patent.

Amendments may be made after adverse decision in an action :

also after a conditional order for revocation.

**Amendment after Action for Infringement.**—From a consideration of the principles discussed in the foregoing pages of this chapter, and also from the fact that a judgment adverse to the validity of the patent on the ground of defective specification amounts at most to a declaration of the Court to the effect that the specification as it stands is wholly, or in part, as the case may be, bad, and is not an order for revocation, it will appear that a patentee may be allowed to amend after judgment. If after amendment any portion of the specification which the Court held to be bad is not removed either by excision or alteration in meaning consequent on some amendment made, the judgment would of course act as an estoppel against the patentee as being *res judicata* in any subsequent proceedings against the same defendant. (g)

**Amendment after Order for Revocation.**—As already demonstrated, so long as certain defects remain in the specification the patent is invalid. (h) In the event of a petition for revocation being presented to the Court, the Court is bound on proof of the existence of any one fatal defect in the specification, however meritorious the real invention may be, to hold that the patent is bad, and to make some order as to its revocation. It is only just that, if the removal by amendment of the defect in the specification on the strength of which the Court comes to a conclusion against the patent, would leave proper subject-matter, the patentee should have an opportunity of amending. Should the Court make an order for revocation without any condition it may be doubtful whether the Comptroller-General has, under any circumstances thereafter, jurisdiction to allow any amendment to be made, seeing that it may well be that the order for revocation operates as an immediate revocation, and so there is no patent in existence for the Comptroller to deal with. (i)

In a case where the Court of first instance had made an order for the unconditional revocation of a patent, and the House of Lords held that the patent was bad on certain grounds, but not on all the grounds alleged by the petitioner, and directed a postponement for the purpose of giving the patentee an opportunity of applying at the Patent Office for leave to amend and so remove the invalid claims, the Comptroller-General, acting on the advice of the law officer, refused leave on the ground that the patent having been revoked by

(g) See Vol. I. p. 408.

(h) Vol. I. chap. v.

(i) See *Deeley v. Perks*, (1896) 13 R. P. C. 589, 590.

the order of the Judge of first instance, there was no patent existing for him to deal with. The matter being again mentioned to the House of Lords, their Lordships did not decide the point as to the jurisdiction of the Comptroller under the above circumstances, but did justice by, instead of simply affirming the order of the Judge of first instance, making an order (which was of course *nunc pro tunc*) "that the patent be revoked, unless within three months or such further time as the Court may allow the patentee obtain leave to amend his specification," &c. (k)

Practice when no Action or Petition is pending.

When the Court finds all the claims bad, it is submitted, an unconditional order for revocation should be made, which, it is further submitted, should be stayed, in the event of an appeal being entered within a certain time, until the appeal is disposed of as in *Owen's Patent*, (l) but when the Court finds that one or more of the claims are good and others bad, the proper order to make is that above referred to and adopted by the House of Lords in *Deeley v. Perks*, (m) with the addition, if the respondent asks for it, that there be a stay of execution of proceedings until after appeal heard. (n) Sometimes the Court, if asked so to do, imposes conditions with regard to the bringing of future actions upon the specification, if amended, in respect of infringements committed before the amendment. (o)

PART II.—PRACTICE.

**No Action for Infringement or Petition for Revocation pending.**—When there is no pending action for infringement or petition for revocation the procedure for amendment and the kind of amendments allowable are regulated by sec. 18 of the Act of 1883, (p) as amended by the Act of 1888, (q) and by the Patent Rules, 1903, rr. 42-50. (r)

S. 18 of Act of 1883, as amended by Act of 1888, applies when there is no pending action for infringement or petition for revocation.

Sec. 18 of the Act of 1883, as amended by the Act of 1888, is as follows :—

"1. An applicant or a patentee may from time to time, by request in writing left at the Patent Office, seek leave to amend

S. 18 of Act of 1883 as amended by Act of 1888.

(k) See *Deeley v. Perks*, (1896) 13 R. P. C. 581.

(l) (1899) 17 R. P. C. 79; *Klaber's Patent*, (1904) 22 R. P. C. 1, 405; *Bowden's Patent*, (1904) 22 R. P. C. 49.

(m) (1869) 13 R. P. C. 590; see *Justico's Patent*, (1900) 18 R. P. C. 248; *Scott's Patent*, (1902) 20 R. P. C. 263.

(n) *Armstrong's Patent*, (1897) 14 R. P. C. 755; *Miller's Patent*, (1894) 15 R. P. C. 205.

(o) See pp. 95-99 *post*.

(p) 46 & 47 Vict. c. 57, s. 18.

(q) 51 & 52 Vict. c. 50, s. 5.

(r) p. 310 *post*.

Practice  
when no  
Action or  
Petition is  
pending.

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his specification, including drawings forming part thereof, by way of disclaimer, correction, or explanation, stating the nature of such amendment and his reasons for the same.

“2. The request and the nature of such proposed amendment shall be advertised in the prescribed manner, and at any time within one month from its first advertisement any person may give notice at the Patent Office of opposition to the amendment.

“3. When such notice is given, the Comptroller shall give notice of the opposition to the person making the request, and shall hear and decide the case, subject to an appeal to the law officer.

“4. The law officer shall, if required, hear the person making the request, and the person so giving notice, and being in the opinion of the law officer entitled to be heard in opposition to the request, and shall determine whether, and subject to what conditions, if any, the amendment ought to be allowed.

“5. When no notice of opposition is given, or the person so giving notice does not appear, the Comptroller shall determine whether, and subject to what conditions, if any, the amendment ought to be allowed.

“6. When leave to amend is refused by the Comptroller, the person making the request may appeal from his decision to the law officer.

“7. The law officer shall, if required, hear the person making the request, and the Comptroller, and may make an order determining whether, and subject to what conditions, if any, the amendment ought to be allowed.

“8. No amendment shall be allowed that would make the specification, as amended, claim an invention substantially larger than, or substantially different from, the invention claimed by the specification as it stood before amendment.

“9. Leave to amend shall be conclusive as to the right of the party to make the amendment allowed, except in case of fraud; and the amendment shall, in all Courts and for all purposes, be deemed to form part of the specification.

“10. The foregoing provisions of this section do not apply when, and so long as, any action for the infringement or proceeding for the revocation of a patent is pending.”

Applicant's  
right to be  
heard.

The Comptroller cannot exercise any discretionary power adversely to an applicant for leave to amend a specification without (if so required within the prescribed time) giving the applicant an opportunity of being heard personally or by his agent. (s)

(\*) 46 & 47 Vict. c. 57, s. 94; P. R. (1890) rr. 11-14.

Under the old law it was competent for the grantee of a patent to enter a disclaimer, even though he had partially (t) or wholly (u) parted with his interest; but this is not so now, as, according to the provisions of the Act of 1883, (x) only an applicant or a patentee is entitled to apply for leave to amend, and the term "patentee" is expressly defined as meaning the person for the time being entitled to the benefit of the patent. (y) An assignee of a patent is consequently entitled to apply for leave to amend the specification, as he was before the Act of 1883. It would appear that in the case of co-owners, whether as original grantees or as assignees, they should all join as petitioners on an application to amend; though the petition would not be refused in the absence of co-owners not on the register.

Practice when no Action or Petition is pending.

Who may be an applicant.

It is submitted that a mortgagee need not be made a party to an application by the beneficial owner of a patent for leave to apply to amend the specification, and that he could not make the application himself without the beneficial owner being a party. (z)

Mortgagee need not be a party.

The request for leave to amend must be signed by the applicant or patentee and must be accompanied by a duly certified printed copy of the original specification and drawings, showing in red ink the proposed amendment, and when not made in pursuance of an order of the Court or a Judge, if the patent has been sealed the request must state that no action for infringement or proceeding for revocation of the patent is pending. (a) The request, which states the nature of the desired amendment and the applicant's reasons for making the same, (b) is then advertised in the official journal of the Patent Office, and in such other manner (if any) as the Comptroller may in each case direct. (c) When the complete specification has not been accepted the advertisement is not required but the applicant is obliged to file a stamped form of request, which is regarded as a fine inflicted on the applicant in view of the extra trouble imposed on the Patent Office. So where an applicant has left a complete specification after a provisional specification and subsequently desires to file an entirely different complete specification he is allowed

Signature and advertisement of request.

(t) *Spilsbury v. Clough*, (1842) 1 W. P. C. 255. (1889) 7 R. P. C. 208.  
 (u) *Wallington v. Dale*, (1852) 7 Exch. 898. (a) Patent Rules, (1903) r. 42; p. 310 *post*.  
 (x) s. 18, sub-s. 1. (b) 46 & 47 Vict. c. 57, s. 18, sub-s. 1.  
 (y) s. 46. (c) Patent Rules, (1903) r. 42; p. 310 *post*.  
 (z) *Van Gelder Co. v. Sowerby Co.*,



Practice when no Action or Petition is pending.

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to do so (provided the six months, or, if he pays the fine, seven months from the date of filing the provisional specification have not expired), and has to file a stamped form of request as in an ordinary application for leave to amend. In this case the complete specification is treated as if filed on the later date, but the amendment is not subject to the limitations imposed by sub-s. 5 of sec. 18 of the Act of 1883. If at the time that the new complete specification is lodged the examiner has not commenced the investigation the requirement to file a stamped form of request is usually waived though the complete specification is post-dated.

Any one may oppose.

It is open to any person interested at any time within one month from the first advertisement of the request for and the nature of the proposed amendment to give notice at the Patent Office of opposition to the amendment. (*d*)

Notice of opposition.

The notice of opposition must state the ground or grounds on which the opponent intends to oppose the amendment and must be signed by him. Such notice must state the opponent's address for service in the United Kingdom and be accompanied by an unstamped copy. (*e*) The notice must be upon Form G. (*f*) The unstamped copy is forthwith forwarded by the Comptroller to the applicant. (*g*)

Evidence.

Within fourteen days after the expiration of one month from the first advertisement of the application for leave to amend, the opponent may leave at the Patent Office statutory declarations in support of his opposition; and on so leaving them he must deliver to the applicant a copy thereof. (*h*) The provisions of Rules 37, 40, and 41 of the Patent Rules, 1903, (*i*) then apply to the applicant's evidence, the evidence in reply, the closing of the evidence, and the hearing, with or without reference to any publication other than a specification mentioned in the notice of opposition.

Hearing by the Comptroller.

The Comptroller, upon the date fixed in the notice of hearing, hears and decides the case, subject to an appeal to the law officer, whether the parties appear or not. (*k*)

Appeal to the law officer.

The practice upon appeal to the law officer as regards notices, evidence, cross-examination of witnesses, hearing, &c., is regulated by the Law Officers' Rules. (*l*) Though the respondent is entitled to service of the notice of appeal, yet if

(*d*) 46 & 47 Vict. c. 57, s. 18, sub-s. 2.

(*e*) Patent Rules, (1903) r. 44; p. 310 *post*.

(*f*) p. 356 *post*.

(*g*) Patent Rules, (1903) r. 44.

(*h*) *Ibid.* r. 45.

(*i*) p. 309 *post*.

(*k*) 46 & 47 Vict. c. 57, s. 18, sub-s. 3; Patent Rules, (1903) r. 41.

(*l*) p. 323 *post*.

he appears without having received the notice the law officer will not refuse to hear the case. (m)

Practice when no Action or Petition is pending.

If the Comptroller decides against an applicant or patentee applying for leave to amend his specification, the applicant or patentee must not delay exercising his right of appeal and must file the fourteen days' notice required by the Law Officers' Rules, (n) or the appeal may not be heard, on the ground that it is too late.

Thus in *Arnold's Application* (o) the Comptroller decided against the applicant, who two years afterwards applied again, and then appealed to the law officer. The Attorney-General said that he thought he should have allowed the proposed amendment, which included an alteration in the title, but the affidavit of the applicant, to the effect that he was ignorant of the patent law and that he could have appealed against the former decision of the Comptroller, did not satisfy him that any sufficient reason existed why proceedings were not taken to question the previous decision of the Comptroller, and he refused to allow the appeal.

Sub-s. 3 of sec. 18 of the Act of 1883, which regulates the practice before the Comptroller on an application for leave to apply to amend, does not appear at first sight to give the applicant any right to object to the opposer as being a person not entitled to be heard in opposition, whereas sub-s. 4, which relates to an appeal to the law officer, provides that he (the law officer) shall hear the applicant and the opposer, who is, "in the opinion of the law officer, entitled to be heard in opposition," thus giving the applicant the right to object to the opposer as a person not entitled to be heard. It has been decided, however, that the words "in the opinion of the law officer entitled to be heard," which occur in sub-s. 3 of sec. 11 of the Act of 1883 [and *sic* the same words in the above sub-s. of sec. 18], have a retrospective effect and enable the objection to be taken before the Comptroller as well as before the law officer. (p) The law officer is appointed as the final authority to decide various questions under the Acts—*inter alia* the question of the *locus standi* of an opponent to a proposed amendment of a specification. (q) In accordance

Right to question *locus standi* of opponent.

(m) See Rylands' Patent, (1883) 5 R. P. C. 668.

(n) L. O. Rules, r. 1; p. 323 *post*.

(o) (1882) Griff. L. O. C. 5.

(p) See *R. v. Comptroller-General of Patents*, (1899) 16 R. P. C. 233; *Stewart's Patent*, (1896) 13 R. P. C.

627; *Bell's Patent*, (1887) Griff. P. C. 285; *Heath and Frost's Patent*, (1886) Griff. P. C. 288; *Hookham's Patent*, (1886) Griff. L. O. C. 32; *Maceyoy's Patent*, (1888) 5 R. P. C. 285.

(q) See *R. v. Comptroller-General of Patents*, (1899) 16 R. P. C. 233.

Practice when no Action or Petition is pending.

with the practice, and upon the law officer's decisions, only persons with an interest in the matter are recognised as possessing a *locus standi* before the Comptroller or law officer upon an opposition under sec. 18 of the Act of 1883. (r)

A prior patentee is a person entitled to oppose an application for leave to apply to amend the specification of a subsequent patent on the ground that the amendment, if allowed, would prejudice the patentee's rights under the prior patent. (s)

Decision of Comptroller when there is no opposition.

When there is no notice of opposition, or the opponent does not appear, the Comptroller determines whether, and subject to what conditions, (t) if any, the amendment ought to be allowed. If leave to amend is refused by the Comptroller the applicant may appeal to the law officer, who must, if required, hear the applicant and the Comptroller, and may make an order determining whether, and subject to what conditions, if any, the amendment ought to be allowed; (u) and the decision of the law officer is final. (x)

When leave to amend is given, the applicant must, if the Comptroller so require, and within a time to be limited by him, leave at the Patent Office a new specification and drawings as amended, and prepared in accordance with the prescribed rules. (y) Every amendment of a specification is forthwith advertised by the Comptroller in the official journal of the Patent Office. (z)

Leave to amend is conclusive of right to amend.

Leave to amend is conclusive of the applicant's or patentee's right to make the amendment, except in the case of fraud, (a) *e.g.*, where a disclaimer was filed without the consent of the patentee. (b)

Costs.

The Comptroller has no power over the costs of an application, either directly or indirectly, by making the payment of costs a condition of the amendment; (c) but, on appeal, the law officer may order costs to be paid by either party, and any such order may be made a rule of Court. (d) Where the law officer orders that costs shall be paid by any party, he has

(r) See *R. v. Comptroller-General of Patents*, (1899) 16 R. P. C. 233; *Bell's Patent*, (1887) Griff. L. O. C. 10; see also *Meyer's Patent*, (1899) 16 R. P. C. 526.

(s) *Hampton and Facer*, (1885) Griff. L. O. C. 15.

(t) pp. 78-80 *ante*.

(u) 46 & 47 Vict. c. 57, s. 18, sub-s. 5, 6, and 7.

(x) See p. 65 *ante*.

(y) P. R., (1903) r. 49; p. 311 *post*.

(z) *Ibid.* r. 50.

(a) 46 & 47 Vict. c. 57, s. 18, sub-s. 9.

(b) *Re Berdan's Patent*, (1875) L. R. 20 Eq. 346.

(c) *Pietschmann's Patent*, (1884) Griff. P. C. 314; *Codd's Patent*, (1884) Griff. P. C. 305.

(d) 46 & 47 Vict. c. 57, s. 38.

power to fix the amount of such costs, and, if he does not fix the amount thereof, he must direct by whom and in what manner the amount of such costs shall be ascertained. (e)

Practice when no Action or Petition is pending.

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As a general rule, costs of an appeal to the law officer are given against the unsuccessful party, but, in the case of a second amendment, costs will most probably not be given against the opponents, on the ground that second amendments are not to be encouraged if they can possibly be avoided. (f)

Where an applicant appeals from the decision of the Comptroller, on an unopposed application, and the Comptroller is represented at the hearing, the Comptroller does not, except in very special circumstances, either give or receive costs. (g)

In cases where leave is given to apply to amend a specification pending an action for infringement, or proceeding for the revocation of a patent, the Court or a Judge does not as a rule order the applicant to pay to the defendant, or petitioner, his costs of appearing to oppose the application on the hearing before the Comptroller. (h)

When, however, a plaintiff's application was refused by the Comptroller on the ground that an action was pending and the leave of the Court or Judge had not been obtained, on an application to the Court for leave to apply again to the Comptroller, the Judge made it a condition that the plaintiffs should pay the costs of the first application. (i)

Where, in an action for infringement, the plaintiff obtained the leave of the Judge to apply at the Patent Office for leave to amend, and did so, but subsequently abandoned the action, and then applied, under sec. 18 of the Act of 1883, to make a different amendment, the Comptroller and the law officer both refused to make it a condition of allowing the amendment that the applicant should pay the costs of the opponents (who were the defendants in the action) incurred in respect of the opposition to the abandoned application. (k)

In *Morgan's Application* (l) the Comptroller refused to allow an amendment, on the ground that he thought it would enlarge the scope of the invention; but the law officer, on appeal, allowed the amendment, being of opinion that the provisional specification was comprehensive enough to cover the claim to

(e) L. O. Rules, r. xi.; Ashworth's, (1878) Griff. L. O. C. 9; Bell's, (1885) Griff. L. O. C. 11.

(f) See Haddan, (1885) Griff. L. O. C. 12.

(g) Lake, (1887) Griff. L. O. C. 16.

(h) See *Fusee Vesta Co. v. Rylands*, (1889) 4 R. P. C. 71.

(i) *Codd v. Bratby*, (1884) 1 R. P. C. 209, 211.

(k) Bell, (1887) Griff. L. O. C. 10.

(l) (1886) Griff. L. O. C. 17.

Practice  
pending  
Action or  
Petition.

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the thing shown in a certain drawing and indicated by the corrected description.

In this case an application was made for a return of the stamp on the notice of appeal, but the law officer refused the application, on the ground that there was sufficient difficulty to justify the Comptroller in declining to allow the amendment, and leaving it to the law officer.

When leave to amend had been obtained, but the amended specification was found defective and the patent revoked on petition on subsequent notice, costs of the motion for leave to amend were not given to either side, though on the one hand the application to amend had succeeded in procuring the amendment, and on the other hand the amendment had failed to render the patent valid. (*m*)

S. 19 of Act of  
1883 applies  
when there  
is a pending  
action for in-  
fringement or  
petition for  
revocation.

**Amendment pending Action for Infringement, or Petition for Revocation.**—If a patentee is desirous of amending his specification during an action for infringement or proceeding for revocation of a patent, he cannot apply at the Patent Office for the necessary leave without first obtaining, under sec. 19 of the Act of 1883, the permission of the Court or a Judge to do so, and the authority of the Court or Judge in such cases is limited to granting permission to apply at the Patent Office for leave to amend by disclaimer. (*n*) Further, the Court, as a matter of practice, looks at the proposed amendment for the purpose of seeing whether it is really a disclaimer or otherwise, and the Court in deciding whether or not to allow an application for leave to apply at the Patent Office for leave to amend gives to the word "disclaimer," as used in sec. 19 of the Act of 1883, (*o*) a narrow meaning and refuses the application when the proposed amendment obviously in fact goes beyond a mere disclaimer and amounts to a correction or explanation, other than an explanation necessary to define the disclaimer. (*p*) That is to say, if the proposed amendment is obviously, and on the face of it one other than pure disclaimer, the Court, in the exercise of its discretion, refuses the leave to apply at the Patent Office; but it must not be inferred that it is the duty of the Court to decide doubtful cases. When there is a *bonâ fide* doubt the Court grants the leave and the Comptroller and law officer, in

(*m*) *Perks v. Deeley*, (1896) 14 R. P. C. 3.

(*n*) 51 & 52 Vict. c. 50, s. 5; 46 & 47 Vict. c. 57, s. 19.

(*o*) See *infra*.

(*p*) See *Owen's Patent*, (1898) 43 S. J. 43; 15 R. P. C. 755.

accordance with the duty cast upon them by the Act of 1883, thereupon decide the point and allow or refuse the proposed amendment, as the case may be; (q) and the amendment, if allowed, is subject to such conditions (if any) as the Comptroller or law officer think fit to impose. (r)

Practice  
pending  
Action or  
Petition.

The terms "action for infringement" and "proceeding for revocation" here mean an action for infringement and proceeding for revocation before judgment. (s)

Meaning of  
"pending  
action for in-  
fringement or  
petition for  
revocation.

In *Cropper v. Smith* (t) the plaintiffs obtained, at the trial, judgment against the defendants, which, however, the Court of Appeal reversed as against one of the defendants, *Hancock*. The plaintiffs thereupon applied to the Comptroller, under sec. 18 of the Act of 1883, for leave to apply at the Patent Office to amend the specification by disclaimer, and the defendants opposed the application. The defendant, *Hancock*, subsequently appealed to the House of Lords, and the Comptroller, being doubtful whether the appeal was a pending action within sec. 18, sub-s. 10, of the Act of 1883, refused to proceed with the application until the consent of the Court had been obtained. Accordingly the plaintiffs took out a summons under sec. 19 of the Act of 1883 that they might be at liberty to apply at the Patent Office to disclaim. *Chitty, J.*, held that "an action for infringement pending" means an action before judgment, and, further, that, final judgment having been given, there was in the present case no action for infringement pending; and the summons was consequently dismissed, but, under the circumstances, without costs.

In *J. B. Brooks & Co., Ltd. v. Lycett's Saddle and Motor Accessories Co., Ltd.*, (u) the facts set forth in the head-note to the report of the case were these: In an action for infringement of a patent, the specification of which had been amended, the defendants pleaded that the amendment was invalid because at the time when it was applied for a previous action for infringement was pending and the leave of the Court for leave to apply at the Patent Office for leave to amend had not been obtained. It appeared stated, that owing to an agreement for settlement, which shortly after fell through, the first action had more than two years before the amendment been marked to stand out of the list generally with liberty to either party

(q) See *Chatwood's Patent*, (1899) 16 B. P. C. 370; *Alsop's Patent*, (1905) 23 B. P. C. 65.

(r) See p. 78 *ante*, and p. 100 *post*.

(s) *Cropper v. Smith*, (1884) 1 R. P.

C. 254; L. R. 28 Ch. D. 148; *Lawrence v. Perry*, (1885) 2 R. P. C. 179, 188; *Haslam v. Hall*, (1888) 5 R. P. C. 1, 24.

(t) (1884) 1 R. P. C. 254.

(u) (1904) 21 R. P. C. 651.

Practice  
pending  
Action or  
Petition.  
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to apply to restore it. After the amendment had been made the defendants to the action obtained leave to restore it, and an order was subsequently made giving leave to the plaintiffs to discontinue it without costs to either party, it being held that there had been a tacit agreement to abandon it. The Court decided that the action in question was "pending" at the date of the application at the Patent Office for leave to amend, and that by reason of sub-s. 10 of sec. 18 of the Patents Act, 1883, the amendment was invalid. On the plaintiffs applying to the Court for liberty to apply at the Patent Office for leave to amend such liberty was given them, the action to stand over in the mean time and the costs and question of terms were reserved.

S. 19 of Act of  
1883.

Sec. 19 of the Act of 1883 (*x*) deals with the amendment of the specification during an action for infringement or proceeding for the revocation of a patent, and enacts as follows:—

"In an action for the infringement of a patent, and in a proceeding for the revocation of a patent, the Court or a Judge may at any time order that the patentee shall, subject to such terms as to costs and otherwise as the Court or a Judge may impose, be at liberty to apply at the Patent Office for leave to amend his specification by way of disclaimer, and may direct that in the mean time the trial or hearing of the action shall be postponed."

The above section confers power on the Vice-Chancellor of the County Palatine of Lancaster to grant leave to apply to amend a specification by way of disclaimer pending an action in his Honour's Court. (*y*)

But it would appear that, since "the Court" means "the High Court of Justice," (*z*) the House of Lords has therefore no original jurisdiction under the section. (*a*) Further, an appeal is not a "pending" action within the meaning of the Act. (*b*)

Proceedings  
for amend-  
ment begun  
under s. 18, but  
not completed  
before com-  
mencement of

When an amendment is actually made under the procedure referred to in sec. 18 of the Act of 1883, (*c*) it cannot be objected to on the ground that before it was completed an action for infringement had been commenced. (*d*) Further,

(*x*) 46 & 47 Vict. c. 57, s. 19.

(*y*) *Winter v. Baybut*, (1884) 1 R. P. C. 76.

(*z*) s. 117.

(*a*) *Cropper v. Smith*, (1884) L. R.

28 Ch. D. 148, 152; 1 R. P. C. 90.

(*b*) See p. 91 *ante*.

(*c*) p. 83 *ante*.

(*d*) *Farbenfabriken, vorms. F. Bayer v. Bowker*, (1891) 8 R. P. C. 389.

when an application has been made by a patentee for leave to amend his specification, there being at the time of the request in writing at the Patent Office no action for infringement or petition for revocation of the patent pending, the application may effectually proceed without the leave of the Court or a Judge under sec. 19, notwithstanding that an action for infringement or proceeding for revocation is subsequently commenced. (e)

Practice pending Action or Petition.

action for infringement or petition for revocation.

The leave of the Court or a Judge necessary under sec. 19 may be obtained by summons in chambers, (f) or on motion in Court.

Leave may be obtained by summons or motion.

As a rule, patentees who obtain the consent of the Court or a Judge, pending an action for infringement or proceeding for the revocation of a patent, are not allowed to use the amended specification in evidence in the action or petition as the case may be. (g) Nevertheless, the patentee may in such a case derive a great benefit from being allowed to make an amendment, for there may be other persons, not parties to the action or proceeding for revocation, who, relying on some defect in the specification, are continuing an infringement on the advice that the patent is bad; and it may be of great importance to the patentee to remedy the defect, and place himself in a position to sue other parties besides the defendants in the action or the petitioners in the proceeding for revocation.

Advantages of amendments under s. 19.

To allow a plaintiff in an action for infringement or a respondent in a proceeding for the revocation of a patent to use in evidence a specification amended pending such action or proceeding would be to give him, when he had originally come to the Court with a patent which could not be relied on, power to put himself in a different position as against the defendant or petitioner; and though the consequences of amendment may be that the plaintiff or respondent is entitled to maintain an action in respect of previous acts, which are infringements of the patent as amended, yet an absolute discretion is vested in the Court to impose, as a condition of leave being granted, that the amended specification shall not be given in evidence so as to enable a patentee to sue on a patent which, at the time when he commenced his action, he could not sue on at all. (h)

(e) *Woolfe v. Automatic Picture Gallery, Ltd.*, (1902) 19 R. P. C. 425; 20 R. P. C. 117; overruling *Deeley's Patent*, (1904) 11 R. P. C. 72.

T. N. S. 326; 1 R. P. C. 121.

(g) But see *ante*.

(h) See remarks of Cotton, L.J., *Bray v. Gardner*, (1887) 4 R. P. C. 43.

(f) *Singer v. Stassen*, (1884) 50 L.



**Practice pending Action or Petition.**

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Court has an absolute discretion under s. 19.

The Court has a discretion, unfettered by authority, to grant or refuse leave to apply to amend by disclaimer pending an action for infringement or petition for the revocation of a patent, and to impose such terms and conditions as it may think the justice of each particular case requires, (i) and an appellate Court will not lightly interfere with the discretion of a Judge of first instance, unless it is clear that the Judge invested with the discretion has either exceeded it, or exercised it upon some principle inconsistent with general law or there is a miscarriage of justice. (k)

The result of the decisions appears to be that leave will only be given, under sec. 19 of the Act of 1883, where the Court sees its way to make full compensation to those against whom the leave is asked, and that where such compensation can be given then the leave will be given. (l)

The patentee is not precluded from making any number of applications for leave to apply to amend by disclaimer in the same action or petition for revocation as may be necessary to defend his patent. (m)

When several actions or petitions are pending leave is only necessary in one.

It is submitted that if there be more than one action for infringement or more than one petition for revocation of a patent, or an action for infringement and a petition for revocation pending, leave may be given, under sec. 19 of the Act of 1883, in one such proceeding without application being made in any other proceedings; (n) though no doubt the parties to the other proceedings would be protected by the terms imposed by the Court, or by the Comptroller, when granting the leave to amend. Leave given in one of several proceedings does not apply to all, and if the advantage of amendment is desired in the other pending proceedings, a special application must be made to the Court or a Judge in each. (o)

The former practice of the Patent Office in cases where

(i) *Allen v. Doulton*, (1887) 4 R. P. C. 377; *Lang v. Whitecross Co.*, (1889) 6 R. P. C. 570; *Ludington Cigarette Machine Co. v. Baron Cigarette Machine Co.*, (1900) 17 R. P. C. 214, 745; *Allison's Patent*, (1900) 17 R. P. C. 284.

(k) *Ludington Cigarette Machine Co. v. Baron Cigarette Machine Co.*, (1900) 17 R. P. C. 748; *Geipel's Patent*, (1903) 20 R. P. C. 556; 21 R. P. C. 379; *Armstrong's Patent*, (1897) 14 R. P. C. 747; *Allison's Patent*, (1899) 17 R. P. C. 513.

(l) Per Kekewich, J., in the Matter

of *Gaulard and Gibbs' Patent*, (1886) 4 R. P. C. 191; *Bray v. Gardner*, (1888) 5 R. P. C. 40; *Gaulard v. Lindsay*, (1888) 5 R. P. C. 192.

(m) See *Chatwood's Patent Safe and Lock Co. v. Mercantile Bank of Lancashire*, (1899) 17 R. P. C. 23.

(n) See *In the Matter of Hall and others*, (1888) 5 R. P. C. 306, 310; L. R. 21 Q. B. D. 137; but see *Gaulard v. Lindsay*, (1888) 5 R. P. C. 192, 196.

(o) See *Chatwood's Patent Safe and Lock Co. v. Ratner Safe Co.*, (1899) 17 R. P. C. 449.

there was more than one action for infringement or petition for revocation, or an action for infringement and petition for revocation, pending, was to refuse to allow an application for leave to amend, unless the leave of the Court or a Judge was obtained in all the different pending proceedings; (*p*) but, it is submitted, the Comptroller would not now refuse to entertain an application made in respect of the leave of the Court, or a Judge, obtained in one only of such proceedings. (*q*)

Practice pending Action or Petition.

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The Court or a Judge, as stated above, (*r*) has an absolute discretion with regard to the exercise of the power of imposing terms (*s*) when granting leave to apply at the Patent Office for leave to amend, pending an action for infringement or petition for the revocation of a patent, and no rule can be given applicable to every case.

Terms usually imposed by the Court.

The following are reported cases of actions for infringement pending which leave to apply at the Patent Office for leave to amend by way of disclaimer was given by the Court upon the terms and conditions stated:—

In *Winter v. Baybut*, (1884) 1 R. P. C. 76, a case tried in the Court of the County Palatine of Lancaster, the Vice-Chancellor only imposed the terms that the plaintiffs should pay the defendant's taxed costs of the motion and of the action up to, and inclusive of, the hearing of the motion; and that proceedings in the action should be stayed pending the application to the Patent Office.

In *Singer v. Stassen*, (1884) 1 R. P. C. 121, the Court of Appeal held that sec. 19 of the Act of 1883 applied in the case of an action commenced before the Act came into operation, and gave liberty to apply to amend the plaintiff's specification upon the terms that the costs of, and occasioned by, the amendment should be the defendants in any event; and that the specification, as amended, should not be receivable in evidence in the action; and that the costs of the appeal should be costs in the action, as there had been a substantial failure and a substantial success by both parties.

In *Codd v. Bratby*, (1884) 1 R. P. C. 209, *Chitty, J.*, granted leave to apply under sec. 19 of the Act of 1883, on the terms that the specification, when amended, should not be given in evidence at the trial of the action, and that no evidence should be given of any infringement prior to the date of the filing of the amended

(*p*) *Codd's Patent*, (1884) Griff. P. C. 385; *Gaulard and Gibbs*, (1888) 5 R. P. C. 192, 196.

(1888) 5 R. P. C. 307; L. R. 21 Q. B. D. 137.

(*r*) p. 94 *ante*.

(*q*) In the Matter of Hall and others,

(*s*) 46 & 47 Vict. c. 57, s. 19.

Practice  
pending  
Action or  
Petition.

Terms usually  
imposed by the  
Court.

specification; and that the costs of the motion, and of the previous application to the Comptroller, thrown away by reason of the amendment, be paid by the plaintiff.

In *Fusee Vesta Co. v Bryant and May*, (1887) 4 R. P. C. 71, Kay, J., granted the plaintiffs leave to apply to amend before they had delivered their statement of claim, upon the terms that they paid all costs, in any event, of the defendants of the action up to and including the application consequent on the amendment of the specification; that no further proceedings should be taken till the disclaimer had been properly made; that the plaintiffs should undertake, forthwith, to take proceedings for disclaimer, and then to amend the action by stating the disclaimer pending the action on the specification as amended; failing this, the action to be dismissed.

In *Allen v. Douulton*, (1887) 4 R. P. C. 377, Huddleston, B., held, on the authority of *Bray v. Gardner*, that leave to apply to amend should be given to the plaintiffs only on condition that the specification, as amended, should not be receivable in evidence in the action. Upon appeal to the Divisional Court the learned Judges were divided in opinion, and upon appeal to the Court of Appeal it was held that secs. 18 and 19 of the Patents Act of 1883 give a discretion to the Court or a Judge, to be exercised on the circumstances of each particular case, and which is not fettered by authority; and that, although there had been no exercise of discretion by the Judges below, yet, having regard to the nature of the proposed amendment, the Court, in the exercise of their discretion, would not interfere with the order.

In *Haslam Foundry and Engineering Co. v. Goodfellow*, (1888) 5 R. P. C. 28; L. R. 37 Ch. D. 118, Kay, J., granted leave under sec. 19 of the Patents, &c., Act of 1883, on the following terms: The plaintiffs to pay the costs of the application and the costs of, and occasioned by, the disclaimer; the plaintiffs and defendants to be allowed to make all necessary amendments in their pleadings after disclaimer; the plaintiffs to undertake, forthwith, to amend the pleadings, confining their action to the specification as amended by the disclaimer, or to consent to the action being dismissed with costs.

In *Gaulard v. Lindsay*, (1888) 5 R. P. C. 192, which was an action for infringement of five patents, a petition for the revocation of one of such patents having been previously presented, and leave to apply for liberty to disclaim having been granted in the petition, Kekewich, J., refused to grant similar leave in the action, but subsequently it was granted by consent by the Court of Appeal. The patentees were allowed to give the amended specification in evidence, but the terms imposed were that the plaintiffs should consent to pay all costs of the action

up to the application, and waive all claim to relief in respect of any infringement before the date of disclaimer; and that they should pay the costs of the application, but not on the higher scale.

Practice  
pending  
Action or  
Petition.

In *Lang v. Whitecross Co.*, (1889) 6 R. P. C. 570, *Wills, J.*, gave the plaintiffs leave to apply at the Patent Office for liberty to amend their specification by way of disclaimer. The Judge also gave the plaintiffs leave to use the amended specification as evidence, on condition that no damages should be recovered, or claim for an injunction founded, on anything done before disclaimer, and that the costs of the action up to the time (if disclaimer used) be the defendants' costs in the cause. The Judge further ordered that the costs of the application and the costs caused in the action by the disclaimer should be the defendants' in any event, and that proceedings should be stayed pending the disclaimer. The plaintiffs appealed from this order, and contended that the conditions imposed would prevent them from deriving any advantage from continuing the present action, and that the condition as to damages was not within the jurisdiction of the Judge at Chambers; but the Divisional Court and the Court of Appeal held that the Judge had absolute discretion, under sec. 19 of the Act of 1883, to impose terms, and that the order ought not to be interfered with.

Terms usually  
imposed by the  
Court.

In *Deeley v. Perks*, L. R. [1896] A. C. 496; 13 R. P. C. 581, the House of Lords ordered that if the specification be amended no action should be brought for infringement of the patent in respect of any guns or parts of guns made prior to the date of the application to the House of Lords.

In *Corrigall v. Armstrong, Whitworth & Co.*, (1903) 20 R. P. C. 523, the Court did not consider sec. 20 of the Act of 1883 sufficient protection to the defendants and only granted leave to apply upon the plaintiff waving all claim to damages or relief in respect of infringements prior to amendment.

In *Jandus Arc Lamp and Electric Co., Ltd. v. Arc Lamp Co.*, (1903) 21 R. P. C. 115, the Court thought the order made in *Ludington Cigarette Machine, Co., Ltd. v. Baron Cigarette Machine Co., Ltd.*, (t) was suitable and made a similar order, but expressly stated that the order must not be considered a settled form though it is one which works well and has stood the test of the House of Lords.

The following are reported cases of petitions for revocation pending which leave to apply at the Patent Office for leave to amend by way of disclaimer was given by the Court upon the terms and conditions stated:—

In *the Matter of Gaulard and Gibbs' Patent*, (1888) 5 R. P. C. 189, was a petition for the revocation of *Gaulard and Gibbs'*

(t) See p. 98 post.

**Practice  
pending  
Action or  
Petition.**

Terms usually  
imposed by the  
Court.

patent for a system of distribution of electricity. *Kekewich, J.*, granted the respondents leave to apply at the Patent Office to amend, on condition that they paid the petitioner's costs up to date; and that they applied at the Patent Office forthwith, and prosecuted their application with due diligence. His Lordship also gave the petitioner leave, within fourteen days after the amendment, or after it should be ascertained that no amendment would be made, to discontinue by notice, or, if he did not do that, to have fourteen days to amend the petition and the particulars of objection.

*In the Matter of Chatwood's Patent*, (1899) 16 R. P. C. 370, *Byrne, J.*, gave leave upon the following terms: the respondents, in any event, to pay the costs of the application, and the costs of the petition up to and occasioned by the disclaimer, except only so far as the proceedings in the matter might thereafter be utilised for the purpose of the hearing of the petition, should the same be heard. The petitioners within fourteen days after the amendment (if allowed) to elect whether to go on or not. In the event of the petitioners electing not to proceed with the petition, the respondents to pay all the costs of the proceedings.

*In the Matter of Allison's Patent*, (1900) 17 R. P. C. 298, 513, *Cozens-Hardy, J.*, held that under the circumstances leave should be given on the terms that no action should be brought against the respondents or their customers in respect of certain articles used or sold up to the date of the notice of motion, whether prepared according to the patentees process or not, and on the usual terms as to costs.

*In Ludington Cigarette Machine Co., Ltd. v. Baron Cigarette Machine Co., Ltd.*, (1899) 17 R. P. C. 25, 214, 745, a petition and also an action both being pending, *Kekewich, J.*, made one order to be headed in the action and in the petition that provided: Leave to the plaintiff in the action (respondents in the petition) to apply at the Patent Office for leave to amend the specification by way of disclaimer; leave to the petitioners after disclaimer to amend their petition; leave to the plaintiffs and defendants to amend their pleadings after disclaimer; plaintiffs not to issue any threats until after disclaimer; no action to be brought or maintained for infringement of the patent in respect of any machines or parts of machines made prior to date of order; costs of both applications and costs of the petition to date of disclaimer, and also costs of action so far not utilised for the purpose of the trial under the leave to amend, to be the defendants' costs in any event. The Court of Appeal held that under the special circumstances of the case this order was right; and that there is no settled form of order applicable to all cases. The House of Lords held that no case was made out for interfering with the

discretion of the Court below; and *semble* the order in *Deeley v. Perks* (u) would not have been made had it been a mere case of infringement.

Practice pending Action or Petition.

In the *Matter of Geipel's Patent*, (1903) 20 R. P. C. 558; 21 R. P. C. 379, the Court having heard the petition to judgment made the order in the form that "if the specification be amended, no injunction shall be asked for in any action brought for the infringement of the patent in respect of any steam traps made prior to this date (the date of order) unless the patentee establishes to the satisfaction of the Court that his original claim was framed in good faith and with reasonable skill and knowledge."

Terms usually imposed by the Court.

In the *Matter of Alsop's Patent*, (1905) 23 R. P. C. 78, the Court of Appeal followed, substantially, the order made in *Ludington Cigarette Machine Co., Ltd. v. Baron Cigarette Machine Co., Ltd.*, (x) and made it a term that the appellants should not threaten any persons with legal proceedings under the letters patent until after the amendment of the specification should be made.

It would appear that neither of the House of Lords decisions in the cases of *Moser v. Marsden*, (y) and *Deeley v. Perks*, (z) have in any way limited the discretion of the Court in giving or refusing leave to apply for amendment. (a) Seeing that the Court has no jurisdiction as to the making of the amendment, when it has no means of saying whether the amendment should be allowed it would not, it is submitted, as a rule be a proper exercise of the discretion to refuse the leave and so force the plaintiff or respondent to go to trial on an unamended specification, if he is willing to accept the leave on such terms as may be necessary to protect his opponent's interests. (b) When the plaintiff admits that he asks for leave because he is satisfied that upon the specification unamended he cannot possibly succeed, the Court may well, as the Lord Ordinary in a Scotch case (c) did, refuse to grant leave and dismiss the action, leaving it to the plaintiff, if he should succeed under sec. 18 of the Act of 1883 in obtaining an amendment, to bring a fresh action on the amended specification.

Decisions have not limited the discretion of the Court.

It is submitted, however, that where there has been an adverse decision against the patent, including (*inter alia*) a

Leave may be refused on the

(u) p. 97 ante.

13 R. P. C. 591.

(x) See p. 98 ante.

(b) *Ibid.*

(y) (1895) 13 R. P. C. 24.

(c) *New Conveyor Co. v. Edinburgh and Leith Gas Commissioners*, (1903)

(z) (1896) 13 R. P. C. 581.

(a) See *Dellwick's Patent*, (1896)

21 R. P. C. 147.

**Practice pending Action or Petition.**

ground that the amendment if made would not validate the patent.

Procedure after leave of the Court has been obtained under s. 19 is regulated by s. 18 of the Act of 1883.

When the Court does not impose terms relative to the action or petition the Comptroller or law officer does not do so.

claim which the patentee is desirous of leaving untouched, or only slightly modified, the Court will not, upon a subsequent action for infringement or petition for revocation, exercise its discretion in favour of the applicant, unless it is satisfied that the applicant has substantial grounds of objection to the adverse decision worthy of being submitted to a Court with power to review it. (d) In one case where there was a pending petition for revocation leave to apply at the Patent Office for leave to amend was refused, on the ground that the patent if amended as desired would be still anticipated by a prior specification pleaded in the particulars. (e)

When, in an action for infringement or petition for revocation of a patent, permission to apply at the Patent Office for leave to amend a specification has been given by the Court or a Judge, the procedure to be observed in order to obtain the leave desired is that under sec. 18 of the Act of 1883, (f) which is not affected by the subsequent commencement of an action for infringement or petition for revocation of the patent, (g) and it does not follow, as a matter of course, that, because the Court or a Judge has given permission to apply, therefore, the Comptroller will grant the application.

Where, however, the Court or a Judge, in an action for infringement or petition for revocation of a patent, has granted leave to apply to the Comptroller for leave to apply at the Patent Office without imposing any terms, no terms will be imposed by the Comptroller or law officer relative to the action or petition, as the case may be. (h)

(d) See *Deeley's Patent*, (1894) 11 R. P. C. 72; 12 R. P. C. 65, in which leave to apply was given, and after amendment the patent was declared void.

(e) *Armstrong's Patent*, (1896) 13 R. P. C. 501; 14 R. P. C. 747.

(f) In the *Matter of Hall*, (1888) 5

R. P. C. 306; *Lang's Patent*, (1890) 7 R. P. C. 471; *Owen's Patent*, (1898) 15 R. P. C. 759.

(g) *Woolfer. Automatic Gallery Ltd.*, (1902) 19 R. P. C. 425; 20 R. P. C. 177.

(h) *Hearson's Patent*, (1884) 1 R. P. C. 213.

## CHAPTER III.

### ASSIGNMENT OF LETTERS PATENT.

#### ORIGIN OF POWER TO ASSIGN.

THE author of a literary, or musical, composition actually Rights of an author. creates the work which is the produce of his mental labour. The law recognises that he has as much natural and moral right to the results created by his mental exertions as he has to the proceeds of his manual industry, and, *independently of any grant from the Crown*, gives him an exclusive copyright in his book or musical composition. (a) The right is the creation of statute and is not deducible from common law. (b)

It cannot, however, be contended that an inventor has any Rights of an inventor. natural, or even moral, right in his invention, for he does not create in the same sense as an author does.

In the case of a book, the result of the author's skill and industry has no existence before the author commits his thoughts to paper; but in the case of an invention, in the patent law sense, all that the inventor does is to make use of natural laws, which must necessarily have been pre-existent, though perhaps undiscovered, and, by a new application of them, produce a manufacture or article of commerce, which has either not been produced before or not been produced in the same way.

The distinction between the production of a great literary Distinction between a literary composition and an invention. composition and the discovery of a great invention is made apparent by a contrast of a play of Shakespeare—"Hamlet," for instance—with a world-revolutionising invention, such as the steam-engine of Watt. Had Shakespeare never written "Hamlet," it is practically certain that the play would never have existed, and the literature of the world would, undoubtedly, have been the loser; but had Watt never lived it can scarcely be doubted that the vast superiority of the plan

(a) See *Millar v. Taylor*, 4 Burr. 2303.

(b) See *Scrutton's Law of Copyright*, 2nd ed. p. 3.



**Origin of  
Power to  
Assign.**

The law only gives a right in an invention on condition.

of condensing the steam in a steam-engine in a separate vessel, instead of in the cylinder, would have been perceived and communicated to the world by some other inventor.

It is thus evident that an inventor merely produces a new art, consisting of a novel application of previously existing, though it may be undiscovered, physical laws to the production of a new article of commerce, or of an old article of commerce in a new manner. The law does not recognise any natural, or moral, right in the inventor to the exclusive use of the invention, and will not, except on certain conditions, attempt to guarantee him a monopoly in the profitable exercise of it.

The conditions upon which the law will secure to an inventor an exclusive property in his invention for a limited period are, as we have seen, (c) that he shall disclose the secret of it, so that the public may enjoy it after the expiration of the patent; and also that he shall describe the best means known to him of performing the invention, in order that the public may enjoy it to the same extent as the patentee himself, when the term for which the patent is granted expires.

The inventor may perhaps be able to keep the invention a profound secret, and make considerable profit by its use; but there are very few inventions, producing valuable results, which could be worked long without the method by which the results are arrived at becoming matter of public knowledge; in which event the law will not prevent any member of the public from exercising the invention for his own gains, provided he has not been guilty of a breach of trust. (d) Undoubtedly the man who makes a useful discovery, or invention, and communicates it to the public is a benefactor; and it is because the law recognises this fact, as well as the desirability of encouraging the production of useful inventions for the public good, that it guarantees to the inventor, his executors, administrators, and assigns the sole privilege of making, using, exercising, and vending the invention within this realm for a definite period, by means of a grant of letters patent from the Crown, upon condition, however, that the inventor discloses the best means known to him of performing the invention.

Effect of keeping an invention secret.

If an inventor endeavours to work the invention in secret the law will not compel him to disclose it, but, if it does leak out, it can never afterwards form the subject of a grant of

(c) Vol. I. chap. v.

(d) *Yovatt v. Winyard*, (1820) 1 J. & W. 394.

letters patent, and the inventor cannot claim any monopoly or acquire any right or property in it of any nature whatever, which the law will protect or recognise.

Origin of  
Power to  
Assign.

This follows from the fact that one inventor has no natural right to prevent another from making the same invention, and deriving profit therefrom; the law only allows, as we have seen, (e) the grant of a monopoly in the invention for a limited period to the first and true inventor, *i.e.*, the inventor who actually *first* communicates a knowledge of it to the public.

Thus in *Canham v. Jones*, 2 Ves. & B. 218, the plaintiff, as the proprietor of a receipt for the preparation of a certain vegetable syrup, which had been bequeathed to him by a person named *Swainson*, who purchased it from the inventor, sought to restrain the defendant from selling an article under the same name as the plaintiff's. Sir *Thomas Plumer*, V.C., gave judgment in favour of the defendant, and used the following words: "This Bill proceeds upon an erroneous notion of exclusive property, now subsisting in this medicine, which *Swainson*, having purchased, had a right to dispose of by his will, and, as it is contended, to give the plaintiff the exclusive right of sale of. If this claim of monopoly can be maintained without any limitation of time, it is a much better right than that of a patentee; but the violation of right, with which the defendant is charged, does not fall within the cases in which the Court has restrained a fraudulent attempt by one man to invade another's property—to appropriate the benefit of a valuable interest in the nature of a goodwill, consisting in the character of his trade or production, established by individual merit; the other representing himself to be the same person, and his trade or production the same as in *Hogg v. Kirby*, 8 Ves. 215, combining imposition on the public with injury to the individual. This is not that sort of case. The observation is correct, that the Bill stating the defendant's medicine to be spurious asserts it not to be the same as the plaintiff's. The defendant does not hold himself out as the representative of *Swainson*, setting up a right in that character to the medicine purchased by him; but merely represents that he sells, not the plaintiff's medicine, but one of as good a quality. He is perfectly at liberty to do so. If any exclusive right in this medicine ever existed, it has long expired. The foundation of this Bill therefore, the exclusive right asserted by the plaintiff, failing, all the consequential relief fall with it; and the demurrer must be allowed."

(e) Vol. I chap. i.

Origin of  
Power to  
Assign.

The Courts  
will neither  
decree specific  
performance of  
a contract for  
sale of, nor  
restrain the  
publication of,  
a secret in-  
vention.

If a discoverer keeps his invention secret, not only does he run the risk of losing the monopoly of it by an inadvertent disclosure, but he puts himself in a position of evident disadvantage, if he should wish to dispose of it to another person, for the Court could not decree the specific performance of an agreement for the sale of a secret invention, or prevent the disclosure of it. Either it is or it is not a secret. If it is, what means has the Court of interfering, so as to enforce its own orders? If it is not, there can be no ground for interfering (*f*)

Moreover, it would be useless for the Court to grant an injunction to restrain the publication of a secret, for there would be no means of determining whether the injunction had been violated or not. (*g*)

In a case (*h*) where the plaintiff sought to restrain the defendant from communicating the secret of preparing a certain medicine, Lord *Eldon*, L.C., dissolved an injunction which had been obtained, and stated the principle on which the Court acts in such cases, thus:—

“So far as the injunction goes to restrain the defendant from communicating the secret, on general principles, I do not think the Court ought to struggle to protect this sort of secret in medicine. The Court is bound, indeed, to protect them in cases of patents to the full extent of what was intended by the grant of the patent, because the patentee is a purchaser from the public, and bound to communicate his secret to the public at the expiration of the patent. Then, whether this principle can be extended to such a case as this—whether a contracting party is entitled to the protection of the Court, in the exercise of its jurisdiction, to decree the specific performance of agreements by restraining a party to the contract from divulging the secret he has promised to keep—that is a question which would require very great consideration. But the present case is not one which calls for the determination of it. If the defendant has already disclosed the secret the injunction can be of no use. If he only threatens to disclose, it thus becomes necessary to look at his affidavit; and by that he insists that what he has to disclose is no secret at all—then how is the Court to try this question? Or what can the Court do with the case altogether?”

The mono-  
poly in an in-  
vention exists

The monopoly created by the grant of letters patent for a limited period is the only right or property which the law

(*f*) *Newbury v. James*, 2 Mer. 446,  
judgment of Lord Eldon, L.C.

(*g*) *Ibid.*

(*h*) *Williams v. Williams*, 3 Mer. 157.

recognises an inventor as possessing in his invention; and the sole or exclusive privilege of using the invention which is vested in the patentee by the patent has existence only by virtue of the grant.

Origin of Power to Assign.

only by virtue of the grant of letters patent.

The privilege is a mere naked right vested in the patentee, and it would not be assignable unless the letters patent expressly made it so, for it contains no property within itself making it of an assignable nature. (i)

Notwithstanding the fact that an inventor has no property in his invention unless and until it is made the subject of a grant of letters patent, he has such an interest in an invention for which he intends to take out a patent as to be able to make and enforce an agreement concerning it. Thus, in the case of *Smith v. Dickinson*, (j) it appeared that the defendant had, in fraud of the plaintiff, obtained a patent for an invention which had been communicated to him by the plaintiff under an agreement, whereby the defendant undertook, subject to a penalty, not to avail himself or take any advantage of such communication, and the Court held that the plaintiff was entitled to maintain an action for the breach of this agreement. (k)

Interest in an invention before the grant of letters patent.

Every patent for an invention granted by the Crown is made in the form prescribed in the Patent Rules, 1903, which may be varied to meet special circumstances. (l) The form W in the rules grants to the patentee the Royal licence, "full power, sole privilege, and authority, that the said patentee, by himself, his agents, or licensees, and no others, may at all times hereafter, during the continuance of the term of years herein mentioned, make, use, exercise, and vend the said invention within our United Kingdom of Great Britain and Ireland and Isle of Man." By a previous recital, the term "patentee," as used in the letters patent, is expressly defined to mean the grantee, his executors, administrators, and assigns.

Form of letters patent.

Thus, the authority by which a patent right is created invests it with the quality of assignability; and there is now no limit to the number of persons to whom it may be assigned, though formerly it was made a condition that the grant should become void if the patent became vested in more than a specified number of assignees.

Patent is assignable only in virtue of the terms of the grant.

(i) *Duvergier v. Fellows*, (1828) 10 B. & C. 829.

(j) (1804) 3 Bos. & Pul. 630.

(k) See also *McDougall v. Partington*,

(1890) 7 R. P. C. 216; *Punchard v. Dale*, (1894) 11 R. P. C. 257.

(l) See p. 373 *post*.

**Assign-  
ment by  
Deed.**

An assignment may be made to a body corporate, and the body corporate is entitled to be entered on the Register of Patents as the proprietor in its corporate name. (m)

Body cor-  
porate.

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. (n)

Assignment  
for a district.

A deed of assignment for a district should contain a covenant on the part of the assignor to pay the renewal fees within the prescribed times, and to give due notice to his co-owner of every such payment when made or permit him to pay the same, and to repay the sums so paid on demand, and until repayment to charge them, together with interest, on his share in the patent. (o)

Assignment  
may be by  
deed or by act  
and operation  
of law.

A patent right may be assigned by deed by the patentee, or by act and operation of law.

**ASSIGNMENT BY DEED.**

Legal assign-  
ments must be  
by deed failing  
act and opera-  
tion of law.

Failing an act and operation of law, which will be discussed later, (p) a legal assignment of letters patent can only be made by deed, (q) and such an assignment purporting to be made by an agent on behalf of the patentee is only valid if the agent is authorised by deed to make it. (r) Though the letters patent provide that a licence to use the invention must be under the hand and seal of the patentee, they do not specify any particular form or manner in which assignments are to be made. It is, however, necessary that the grant of letters patent shall be under seal, (s) and it is a rule of law that things which can only be granted or created by deed are assignable only by deed. (t)

In the words of Lord *Ellenborough*, C.J. (u) : " If the licence, which is the lesser thing, must be in writing, *à fortiori*, the assignment, which is the greater thing, must also be."

No particular  
form of words  
is necessary.

No particular form of words is necessary to effect an assignment of a patent right, and it has been held that where a

(m) P. R., (1903) r. 59.

(n) 46 & 47 Vict. c. 57, s. 36; see *Action Gesellschaft für Cartonagen Industrie v. Tessler*, (1900) 18 R. P. C. 14.

(o) See *Morris' Patents Conveyancing*, p. 116.

(p) p. 125 *post*.

(q) *Cook's Case*, *Power v. Walker*,

3 M. & S. 9; *Stewart v. Casey*, (1892) 9 R. P. C. 9; L. R. (1892) 1 Ch. 104.

(r) *Hazlehurst v. Rylands*, (1891) 9 R. P. C. 7.

(s) Co. Litt. 9b, 172a; *Shep. Touch.* 228-231.

(t) 3 Co. R. 63a, *Lincoln Coll. Cas.*

(u) *Power v. Walker*, (1814) 3 M. & W. 9.

patentee has covenanted, under his hand and seal, to assign a patent on the happening of a certain event, the covenant, on the happening of the event, amounts to an actual assignment. (x)

Assign-  
ment by  
Deed.

Since a patent must be considered "property" within the meaning of sec. 59 sub-s. 1 of the Stamp Act of 1891, (y) a deed or agreement of assignment is chargeable with *ad valorem* duty under that section. This is so whether the patent is a British or a foreign one, for the property in a patent has no *locus*. (z)

An equitable assignment of a patent may, without a deed, arise from the conduct of the parties when there is consideration, and though the consideration be a past service, the equitable agreement may be enforced. Thus, a letter containing an agreement to give a share of a patent in consideration of a past service is an equitable assignment of the share. The principle on which this is so is that a past service raises an implication that it was to be paid for, and a subsequent promise to pay, if not supportable by the consideration of the past service, can be supported as a statement of the remuneration to be accepted in lieu of, or as fixing, the remuneration which the law implies in the first instance on the performance of the service. (a)

Equitable assignments may arise from conduct when there is consideration.

As the assignment of a grant of letters patent is by deed, no consideration need be stated. Consideration.

Sometimes patents are assigned in consideration of a royalty reserved to the assignor, and where such is the case it is not, in the absence of covenants to that effect, obligatory on the part of the assignee to pay the duties necessary to keep the patent on foot.

No obligation on an assignee to maintain the patent.

Thus, in *Re Railway and Electric Appliances Co.* (b) it appeared that on the sale of a patent by the patentees to the company a deed of assignment was executed by the parties, by which, after a recital that the patentees had agreed to sell the patent to the company for £250, "and for the other considerations herein appearing," the patentees assigned the patent to the company absolutely, and after covenants for title by the patentees, including a covenant for quiet enjoyment of the

(x) *Cartwright v. Amatt*, (1799) 2 Bos. & Pul. 43.

(y) *The Smelting Co. of Australia v. Commissioners of Inland Revenue*, [1896] 2 Q. B. 179; [1897] 1 Q. B. 175.

(z) *Ibid.*

(a) *Stewart v. Casey*, (1892) 9 R. P. C. 9, 14; L. R. (1892) 1 Ch. 184, judgment of Bowen, L.J.

(b) (1888) L. R. 38 Ch. D. 597.

Assign-  
ment by  
Deed.

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patent "during the time subsisting therein," the company covenanted to pay to the patentees a royalty for every article which should be manufactured or sold by the company under the patent "while subsisting," and also a proportion of the profits arising from the manufacture or sale and from licences granted for the manufacture or sale of articles to be manufactured under the patent "while subsisting." The deed contained no express covenant by the company to keep the patent on foot or to manufacture or sell articles under the patent. On the expiration of the first four years of the patent, the company duly paid the first renewal fee, but on the expiration of the fifth year, by inadvertence, omitted to pay the second renewal fee, and consequently the patent lapsed. After an ineffectual attempt to obtain a private Act of Parliament to revive the patent, the company passed resolutions for a voluntary winding-up, and the patentees thereupon sent in a claim for damages for the loss, through the lapse of the patent, of the royalties reserved by the assignment, contending that a covenant to keep the patent on foot should be implied in the assignment. The Court, however, held that no such covenant could be implied; and that, even if it could, the patentees could not obtain more than nominal damages, the company being under no obligation, express or implied, to manufacture the patented articles.

Power of  
Secretary of  
State for War  
to acquire in-  
ventions by  
assignment.

The Secretary of State for War is empowered, either for or without valuable consideration, to acquire by assignment to himself, on behalf of His Majesty, all the benefit of the invention and of any patent obtained or to be obtained for any improvement in instruments or munitions of war; and where any such assignment has been made to the Secretary of State for War he may at any time before the application for a patent for the invention, or before the publication of the specification or specifications, certify to the Comptroller his opinion that, in the interests of the public service, the particulars of the invention and of the manner in which it is to be performed should be kept secret; and if the Secretary of State for War so certifies, the specifications of the invention will not be published or open to public inspection at any time without the sanction of the Secretary of State for War. (c)

In a contract to which the Secretary of State for War is, as such, a party, it is sufficient to describe him by the style or title of His Majesty's Principal Secretary of State for the War

(c) See 46 & 47 Vict. c. 57, s. 44.

Department, and a contract signed by him, or a deed signed, sealed, and delivered by him binds his successors in office. (d)

Assign-  
ment by  
Deed.

The equitable interests of a licensee in relation to the district comprised in the licence are co-extensive with those of the grantee or assignee of the letters patent, yet his legal title is very different. Though an exclusive licensee may perhaps sue in his own name for infringements (e) he cannot apply to amend the specification or obtain an extension of the patent, and a mere licensee is not able to sue for infringements in his own name.

Equitable and  
legal interests  
of a licensee.

Before the passing of the Act of 1833 it was not uncommon to include more than one invention in a grant of letters patent, but the practice is not so frequent now, for it is provided by that Act (f) that every patent shall be granted for one invention only, but may contain more than claim.

Different in-  
ventions in-  
cluded in one  
patent.

It is, however, declared (f) that it shall not be competent for any person in an action or other proceeding to take any objection to a patent on the ground that it comprises more than one invention. It is consequently possible that a patent granted under the present practice may comprise more than one invention.

If the patent comprise two or more inventions separate and distinct in their nature, valid assignments may be made of the different parts of the patent to different persons, and 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 recovered in the action accruing to the former alone. (g)

Sometimes the assignor covenants with the assignee that he will not trade in competition with him. Such a covenant should be carefully drawn so as not to be contrary to the doctrine of covenants in general restraint of trade. If the restraint is not wider than is necessary for the protection of the covenantee, and is not an injury to the public, the covenant can be enforced. (h) Thus, a patentee and manufacturer of guns and ammunition for purposes of war covenanted with a company to which his patents and business had been transferred that he would not for twenty-five years engage, except on behalf of the company, either directly or indirectly in

Covenants by  
an assignor in  
restraint of  
trade.

(d) 18 & 19 Vict. c. 117, s. 5.

(e) p. 156 *post*.

(f) 46 & 47 Vict. c. 57, s. 33.

(g) *Dannicliiff v. Mallett*, (1859) 7 C. B. N. S. 209; *Walton v. Lavatu*,

(1860) 8 C. B. N. S. 162, 181.

(h) *Nordenfelt v. Maxim-Nordenfelt Guns and Ammunition Co.*, (1894) L. R. (1894) A. C. 535; *Dubowski v. Goldstein*, L. R. (1896) 1 Q. B. 478.



**Co-owners.** the business of a manufacturer of guns or ammunition. The House of Lords held, affirming the Court of Appeal, that this covenant, though unrestricted to space, was not, having regard to the nature of the business and the limited number of customers (namely, the Governments of this and other countries), wider than was necessary for the protection of the company, nor injurious to the public interests of this country; and that it was, therefore, valid, and might be enforced by injunction. (i)

Reservation  
by an assignor  
of right to use  
the invention.

A patentee may assign the patent but reserve to himself the right to use the invention. When this is done questions may sometimes arise as to the power of the assignee to restrain persons claiming to act as the agents of the assignor from manufacturing or selling articles manufactured according to the invention. Thus, in one case, (k) the patentee assigned two patents, reserving to himself the right to work the patents personally, which right was not to be transferable. After the death of the assignee the patents became vested in a company. The assignor entered into partnership with two other persons and by an agreement between him and his firm he agreed to employ the firm, on certain terms, to manufacture articles under the patents on his behalf, and to sell them for him, which they did. In an action by the company against the firm for an infringement of the two patents by working under the agreement, it was held that according to the true construction of the agreement, although the firm were the agents of the assignor as far as selling was concerned, they were manufacturing, not as his agents, but as contractors for him, and had thereby infringed the rights of the plaintiff company, and an injunction was granted in special terms.

#### CO-OWNERS.

Interest of  
Co-grantees.

The forms which are now in use at the Patent Office for the grant of patents to joint applicants (l) create and give a joint interest which survives to the remaining grantees or grantee on the death of one or more of the original grantees, unless there has been a severance of the joint interest. (m).

(i) *Nordenfelt v. Maxim-Nordenfelt Guns and Ammunition Co.*, L. R. (1894) A. C. 535.

(k) *Howard v. Tweeddales*, (1895) 12 R. P. C. 519.

(l) See p. 105 *post*.

(m) See *National Co. for the Distribution of Electricity by Secondary Generators v. Gibbs*, (1899) 16 R. P. C. 339; 17 R. P. C. 302.

It is open to joint owners at any time to sever their joint Co-owners. interest and to create a tenancy in common. (n)

A patent may be assigned to different persons in different portions as joint tenants, or as tenants in common. (o)

Assignment to several persons.

When a share in a patent is assigned, it is advisable that the deed of assignment should contain covenants binding not only the parties, but all future owners, to account to each other for the profits made by them respectively, and to grant, or concur in granting, licences in a manner prescribed. (p) A deed of assignment of a share of a patent should also contain a covenant by the assignee to perform and observe the stipulations (if any) which bind the assignor and to indemnify him from future breaches thereof; (q) and each owner should covenant to pay his proper proportion of the renewal fees, and should charge his share in the patent with the payment of any moneys which may be paid by any other owner on his behalf in this respect. (r) There should also be a provision to the effect that licences should be granted by the co-owners jointly, and that all benefits arising therefrom should be shared by such co-owners in proportion to their shares. (s) If a deed of assignment of a share of a patent provides for the sole working of the patent by one of the co-owners alone, it is well to reserve to the other co-owners the right to use the share or shares assigned on agreed conditions; and to enter a notification of such the right can be entered on the Register of Patents. (t)

It is submitted that when a patent for a single invention is held by different persons, either as joint tenants or as tenants in common, it is competent for one of such co-owners to sue alone in respect of an infringement. (u)

Rights of co-owners.

In *Smith v. London and North-Western Railway Co.* (x) it was held that where a patent is assigned to two persons as tenants in common they may maintain a joint action in respect of infringements, and the right of action survives, so that after the death of one tenant in common the survivor may sue for and recover the whole of the damages in respect of

(n) See *National Co. for the Distribution of Electricity by Secondary Generators v. Gibbs*, (1899) 16 R. P. C. 339; 17 R. P. C. 302.

(o) *Walton v. Lavater*, (1860) 8 C. B. N. S. 162; *Smith v. London and North-Western Ry. Co.*, (1853) Macr. P. C. 203.

(p) See *Morris' Patents Conveyancing*, p. 120; the form of assignment,

Appendix.

(q) See *Morris' Patents Conveyancing*, p. 121.

(r) *Ibid.* 123.

(s) *Ibid.*

(t) *Ibid.* 126.

(u) *Sheehan v. Great Eastern Ry. Co.*, (1880) L. R. 16 Ch. D. 59.

(x) (1853) 2 E. & B. 69; Macr. P. C. 188.

Co-owners. infringements committed during the lifetime of the deceased tenant in common. It must be noticed that one ground for the decision in favour of the plaintiff *Smith*, who was a surviving tenant in common, being entitled to sue in respect of the infringements in question, was that, had the action been brought during the lifetime of both tenants in common, it must have been brought by them both jointly, and the case is consequently to that extent an authority for saying that one of two co-assignees cannot sue for infringement without the other being a party to the action. (y)

There is, however, the authority of *Malins*, V.C., for saying that one person interested in a patent is entitled to sue without making his co-owners parties to the action, either for an injunction or for an account. (z) It must be concluded, from a consideration of the case (a) on which the learned Vice-Chancellor's opinion was mainly formed, that the damages to which the plaintiff would in such circumstances be held entitled would be, not the whole profits, but only such proportion as should appear to be his, having regard to the proportion of the patent vested in the other co-owners. And on the analogy of *Bergmann v. Macmillan* (b) the account must be taken in the presence of all the parties interested.

Moreover, it has been held that where an assignment is made of a share in profits (arising, e.g., from the working of a patent by licences) the assignee is entitled to an account from the licensee, but that the account must be taken once for all in the presence of all the parties interested. Thus, if there be more than one assignee, all the assignees are necessary parties. And the assignee who asks for an account of the profits must place himself in the position of the assignor, by offering to pay to the accounting party anything which may be due to him from the assignee. Also an account of profits will not be directed if it is clear that no profits have been made. (c)

All parties interested in the patent, if they do not join as co-plaintiffs, may be, and for safety's sake should be, joined as defendants, in order that the infringing defendant may not be called on to account more than once, first to the plaintiff, and then separately to the other persons claiming an interest in the patent. (d)

(y) But see above.

(z) *Sheehan v. Great Eastern Ry. Co.*, (1880) L. R. 16 Ch. D. 62.

(a) *Dent v. Turpin*, (1861) 2 J. & H. 139.

(b) (1881) L. R. 17 Ch. D. 427.

(c) *Bergmann v. Macmillan*, (1881) L. R. 17 Ch. D. 423.

(d) *Wesliced v. Keene*, (1838) 1 Beav. 287; *Bergmann v. Macmillan*,

Each one of a number of joint grantees, or co-owners by assignment, of a patent is entitled to use the invention himself, without being under any obligation to obtain the consent of the others, or to account to them for any profits made by such use. (e) It is, however, doubtful whether one of such co-owners could grant a valid licence without the consent of the rest, and without a liability to account to them for royalties received. (f)

Assign-  
ment of  
Improve-  
ments.

Thus a person who is co-owner in fee of one moiety of a patent and mortgagee of the other moiety is entitled to work the patent himself without liability to account to the mortgagor; though if he grant licences he would, probably, in an action for redemption be bound to account to the mortgagor for royalties received as being profits received by him when mortgagee in possession. (g)

It is clear that one of two co-patentees cannot dispose of the rights of the other. Thus, if A. and B. are patentees, and B. wants to get rid of A., the only way in which he can do so is by getting A. to assign his rights to him: he cannot assign the whole patent to C., and then say that A. has no right to use it at all. (h)

A patent may be vested in one as trustee for another person or persons, and it is competent for trustees to sue alone in respect of infringements, but the Court or a Judge may at any stage of the proceedings order the *cestuis que trustent* to be made parties; (i) also a person is entitled to bring an action in his own name when the patent is registered in the name of another, if that other is a trustee for the plaintiff. (k)

Trustee and  
*cestuis que*  
*trustent.*

#### ASSIGNMENT OF FUTURE IMPROVEMENTS.

When inventors have once turned their attention to a particular class of inventions, or to some problem, the successful solution of which is felt to be a desideratum, which must bring benefit to the public and remuneration to the discoverer, it is well known that they are very likely to go on inventing fresh methods and improvements in the same

Covenants to  
assign future  
improvements.

(1881) L. R. 17 Ch. D. 423; Van Gelder Co. v. Sowerby, Ltd., (1890) 7 R. P. C. 41.

(e) Mathers v. Green, (1865) L. R. 1 Ch. 29; Steers v. Rogers, (1893) 15 R. P. C. 245.

(f) p. 131 *post.*

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(g) See Steers v. Rogers, (1892) 9 R. P. C. 177; 10 R. P. C. 245.

(h) *In re* Horsley and Knighton's Patent, (1869) L. R. 8 Eq. 475.

(i) R. S. C. Order xvi. r. 8.

(k) Speckhart v. Campbell, "Times," Mar. 13, 1884.

Assign-  
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Improve-  
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direction. It frequently happens, therefore, that a purchaser of an invention is desirous of acquiring the right to an assignment of all future inventions and improvements of a like nature to the invention sold, which may be the produce of the assignor's inventive talent, for, as far as the purchaser is concerned, the utter destruction of the value, from a commercial point of view, of the original invention may be the result, if the monopoly in a better method, or an improvement in the means of achieving the desired object, is allowed to pass into the possession of anybody but himself. To prevent this, a covenant by the vendor of a patent to assign to the purchaser all future patent-rights which the vendor may thereafter acquire, in whatever way, of a like nature to the patent sold, is frequently inserted in deeds of assignment; and such an agreement is not contrary to public policy. (*l*)

are not con-  
trary to public  
policy.

On the contrary, public policy is directly in favour of such an agreement, by means of which a needy and struggling inventor may obtain a present payment to put his intellectual gifts at the service of a purchaser, and thus become enabled, in comparative ease and affluence, to devote his attention to scientific research, whereas if such a contract were prohibited he would be compelled to apply himself to some menial, or mechanical, or lower calling, in order to gain a livelihood. (*m*)

The purchaser of a patent can maintain an action for breach of an agreement to assign further improvements and inventions, but specific performance will not be ordered on an interlocutory application. (*n*)

Covenants for the assignment to the purchaser of patents for improvements upon the invention which the assignor shall in future become possessed of should be carefully drafted. Great difficulty and difference of opinion between Judges may easily arise as to the meaning of the word "improvements" in such a covenant. (*o*) It does not follow that because the directions given in a subsequent specification would, if carried out, amount to an improvement of a prior patent, therefore

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

(*m*) *Ibid.*; see judgment of Jessel, M.R., p. 465.

(*n*) *London and Leicester Hosiery Co., Ltd. v. Griswold*, (1886) 3 B.

P. C. 251.

(*o*) See *Valveless Gas Engine Syndicate v. Day*, (1899) 16 R. P. C. 97; *Davies v. Curtis and Harvey, Ltd.* (1902) 19 R. P. C. 580; 20 R. P. C. 561; *Neil v. Macdonald*, (1902) 20 R. P. C. 213.

the subsequent patent is for an improvement on the prior patent. (*p*) Estoppel.

Where an assignor covenanted that "any improvements on the said invention that he shall during the continuance of the aforesaid patents become possessed of shall be considered and be held to be part of the property hereby assigned, &c.," the covenant was held to contemplate only improvements discovered or made by the assignor himself, which he would be in a position to patent and assign to the assignee, and not to apply to patents in which he had only a beneficial interest with other persons. (*q*)

### ESTOPPEL.

If a deed of assignment recite that the assignor is the inventor, he is estopped from denying the validity of the patent in any subsequent action brought by the assignee, or any person deriving title through him, in respect of any infringement; for the principle of the law of estoppel is, that where a man has entered into a solemn engagement by deed under his hand and seal as to certain facts he shall not be permitted to deny any matter which he has so asserted. (*r*)

Recitals and covenants by the assignor which operate as an estoppel.

When there is fraud, or common mistake between the parties as to what was intended, then there is no estoppel. (*s*)

It is the usual practice for the assignor to enter into covenants that he is the true and first inventor, and that the patent is valid, so far as his acts and omissions are concerned. A covenant for title is implied if the assignor is expressed to assign as beneficial owner or trustee. (*t*)

There may be an estoppel by matter of recital, (*u*) but an estoppel must be certain, and is not to be taken from argument or inference. (*x*)

If the recital only amount to an assertion that the assignor is himself an assignee of the actual inventor, it appears that

(*p*) See Valveless Gas Engine Syndicate v. Day, (1899) 16 R. P. C. 100, 102.

(*q*) Pneumatic Tyre Co. v. Dunlop, (1896) 13 R. P. C. 553.

(*r*) Bowman v. Taylor, (1834) 2 A. & E. 278, 291; per Taunton, J., Walton v. Lavater, (1860) 8 C. B. N. S. 162; Dunncliff v. Mallett, (1859) 7 C. B. N. S. 209; Franklin Hocking & Co. v. Franklin Hocking, (1899) 6 R. P. C. 69, 72; see also rule in Pickard v.

Sears, (1837) 6 A. & E. 469.

(*s*) Ashworth v. Law, (1889) 7 R. P. C. 234; Hayne v. Maltby, (1789) 3 T. R. 439; Lovell v. Hicks, (1836) 2 Y. & C. 46.

(*t*) Conveyancing Act, 1881, s. 7.

(*u*) Lainson v. Tremers, (1834) 1 A. & E. 792; Bowman v. Taylor, (1834) 2 A. & E. 278, 293.

(*x*) Co. Litt. 352 b; Bowman v. Taylor, (1834) 2 A. & E. 278, 294.

**Estoppel.** the assignor is not estopped from denying the validity of the patent in an action brought by the assignee on a covenant contained in articles of agreement. (y)

The grantee and assignor of letters patent is estopped in an action brought by the assignee against him for infringement, from denying that he had any title to convey. (z)

Assignor not estopped from denying a particular construction of the specification.

It is competent, however, for the grantee and assignor to dissent, at the hearing of an action for infringement brought against him by his assignee, from a particular construction of the specification which would have the effect of sustaining the patent as against another construction which would invalidate it. (a)

Also in such an action the defendant assignor, though not entitled to dispute the validity of the patent, may contend that the specification bears such a construction as to exclude what he is in fact doing from the ambit of the claim. Thus in *Hocking & Co. v. Hocking* (b) the patent was for "an improved apparatus for heating water and other liquids, applicable also as a condenser, cooler, or refrigerator." The specifications had been amended by disclaimer and memorandum of alteration filed by other assignees and predecessors in title of the plaintiff company. The complete specification, as amended, described and claimed the construction of a condenser, cooler, or refrigerator, consisting of an arrangement of annular spaces (*i.e.*, steam-spaces), substantially as described and shown, the principle of annularity and concentricity being disclaimed. Reversibility of the steam- and water- spaces was also pointed out in the specification as a special feature. The plaintiffs alleged against the defendant infringement of the condensing apparatus. It appeared in evidence that the apparatus of the defendant, in its simple form, was composed of a helical steam-space between two water-spaces, all the spaces being concentric and annular, and his multiform arrangement consisted of a cluster of the simple forms inside a large cylindrical vessel, and neither of his forms admitted of reversibility. At the trial, the defendant denied infringement, and alleged that, if the patent was so construed as to cover the alleged infringement, it would be void for want of novelty. *Kekewich, J.*, who was the Judge of first instance,

(y) *Hayne v. Maltby*, (1789) 3 T. R. 438; 1 W. P. C. 291; *Bowman v. Taylor*, (1834) 2 A. & E. 278.

(z) *Oldham v. Langmead*, (1789) 1 W. P. C. 291.

(a) *Hocking & Co. v. Hocking*, (1887) 4 R. P. C. 255, 434; 6 R. P. C. 69.

(b) (1887) 4 R. P. C. 255, 434; 6 R. P. C. 69.

held (1) that the Court would regard with extreme jealousy the defendant's claims, as being in derogation of his own grant, and would assume that the patent must have a reasonable meaning; (2) that the essence of the amended patent was the alternation of steam- and water-spaces of the particular character described and shown in the figures, combined, if convenient, but not of necessity, with concentricity; and (3) that the defendant's apparatus infringed, although it contained certain minor differences and additions, and in one form only a single steam-space, while in the rest the spaces were not concentric. The Court of Appeal (*dissentiente Fry, L.J.*), dismissed the appeal with costs, and the defendant thereupon appealed to the House of Lords. The House of Lords held that, although it approved of the principle that a grantee shall not defeat his own grant, the language of the specification must not be strained against the patentee, and that the effect of the disclaimer was to limit the patent to machines constructed substantially as described, and, therefore, the only question was whether the defendant's apparatus was so constructed. The House found as a matter of fact that the defendant's apparatus was not so constructed, and the decisions of the Court of Appeal and *Kekewich, J.*, were accordingly reversed with costs, in favour of the appellant and defendant in the action.

Estoppel.

Though an assignor, who assigns under terms which amount to an express or implied warranty of the validity of the patent, is estopped from denying the patent in an action brought against him by the assignee, he cannot be restrained from assisting as a scientific witness or otherwise a defendant, other than himself, in an action instituted by the assignee, or from communicating to such defendant evidence tending to show the invalidity of the patent.

Assignor not estopped from assisting a defendant with evidence.

Thus, on an interlocutory application in *London and Leicester Hosiery Co., Ltd. v. Griswold (c)* the plaintiff sought to obtain an injunction of the Court to restrain the defendant in the action, who was the original patentee and assignor of the company's patents, from assisting, as a scientific witness or otherwise, the defendants in two other actions then pending for the infringement of the company's patents. *North, J.*, in refusing the injunction asked for, pointed out that he could not, under any circumstances, grant an injunction to restrain the defendant from obeying the subpoena to attend as a



**Warranty.** witness in Court and answering questions which might be properly put to him in the course of examination as a witness, the refusal to answer which might lead to his committal to prison for contempt.

On the same application it was also sought by the plaintiffs to restrain the defendant in the action from communicating to the defendants in other actions information in his possession which might enable the defendants in the other actions to show that the patents assigned were not valid patents. The Court refused to grant an injunction, and the learned Judge stated that, though it is well settled that a licensee of a patent is, during the continuance of the licence, estopped from disputing the existing patent, yet it is going a great deal further to say that a man, who has assigned a patent, is to be restrained from mentioning to any person, at any time, or under any circumstances, matters which might show that the patent, which was granted by the Crown in the belief that the invention claimed was a new invention, was not, as a matter of fact, a new invention.

Assignment by trustee in bankruptcy does not raise an estoppel against the bankrupt patentee.

A bankrupt patentee, whose patent has been sold by his trustee in bankruptcy, is not estopped, in an action subsequently brought against him (the patentee) for infringement, from denying the validity of the patent, either by matter of record, on the ground that the letters patent were matters of record; or by deed, by reason of the specification being under his seal; or by matters *in pais*, on the ground of the statements in the declaration accompanying his application, there being nothing to show that the purchaser bought on the faith of those statements. (d)

#### WARRANTY.

Warranty may be express or implied.

In the absence of warranty the doctrine of *caveat emptor* applies.

In cases arising on the breach of contracts by purchasers of letters patent, it is always most important to consider whether the contract contains any express or implied warranty on the part of the assignor as to the validity of the patent, for, if there is no such warranty, the purchaser, in the absence of fraud, cannot repudiate the contract on the ground that he has subsequently discovered the patent to be void. A purchaser, without a warranty from the assignor, in the absence

(d) *Cropper v. Smith*, (1884) L. R. 26 Ch. D. 700; L. R. 10 App. Cas. 249; 1 R. P. C. 81; 2 R. P. C. 17.

of fraud, is bound to take the patent with all its faults, if it Warranty.  
~~have any.~~ (e)

In *Hall v. Conder*, (f) the leading case on this point, the facts were as follow:—By an agreement reciting that the plaintiff had invented a method for the prevention of boiler explosions, and had obtained a patent for the use of the same within the United Kingdom, and was desirous of taking out patents in France, Belgium, and such other places as might be found expedient, and that he had disposed of a moiety of the English patent, and had applied to the defendant to purchase the other moiety, and, to assist him in taking out the foreign patents, it was agreed that the defendants should pay to the plaintiff a certain sum in such manner as should be mutually agreed on, and also a proportion of the net profits, and in consideration of such agreement on the part of the defendant, the plaintiff “agreed to make over and transfer, and did thereby accordingly make over and transfer to the defendant one half of the said foreign patents, when the same should be obtained, and the above-mentioned one half of the English patent thereinbefore referred to.” The action was brought for the specific performance of this agreement, and the defendant objected that the invention was wholly worthless, and of no public utility, and was not new in England, and that the plaintiff was not the true and first inventor. The Court of Common Pleas, however, held that, in the absence of any allegation of fraud, it must be assumed that the plaintiff was an inventor, and there was no warranty, express or implied, either that he was the true and first inventor, within the meaning of the statute of James I., or that the invention was useful or new; but that the contract was for the sale of the patent such as it was, each party having equal means of ascertaining its value, and each acting on his own judgment.

In *Smith v. Buckingham* (g) it appeared that the defendant had agreed to purchase the patent rights of the plaintiff in an invention for which provisional protection had been obtained. The agreement contained a recital to the effect that the plaintiff had lately invented an improved composition or material to be used in waterproofing, or rendering woven fabrics impervious to moisture. The action was on the breach of the agreement,

(e) *Hall v. Conder*, (1857) 2 C. B. 22 B. P. C. 110.  
 N. S. 22; *Smith v. Neale*, (1857) 2 C. B. N. S. 22.  
 B. N. S. 67; *Heine v. Spong*, (1804) (g) (1870) 21 L. T. N. S. 819.

**Warranty.** and the defendant pleaded that the plaintiff had not invented an improved, or any, composition or material which could be employed in rendering woven fabrics impervious to moisture; but the Court of Queen's Bench gave judgment for the plaintiff, holding that the plea did not show a total failure of consideration, and that there was no express or implied warranty, and that the defendant had got what he bargained for.

When, upon an agreement for purchase, the validity of the patent is a subject specially contemplated by the parties, the agreement should make it clear whether the question of validity is to be decided by the opinion of the purchaser, or whether the patentee warrants the validity in fact. Thus, when an agreement for purchase was entered into for a sum down and the remainder "within twenty-eight days, which latter payment the purchaser agrees to make immediately he has satisfied himself that the said patents are valid and of full force and effectual in law," and the vendor warranted the validity, it was held that in an action for specific performance the plaintiff was entitled to particulars of the purchaser's objections to validity; and, as it turned out that one of the patents in question was void for non-payment of fees, the action was dismissed, the real question being as to the validity of the patents in fact and not whether the purchaser was satisfied as to validity. (*h*)

Covenants for validity, unless carefully drawn, may, in actions for specific performance between vendor and purchaser, give rise to different questions as to whether the guarantee is in the nature of a condition entitling the purchaser to repudiate the contract, or whether it is a mere warranty for the breach of which the remedy is only damages. That is to say, whether the covenant operates between the parties prior to the discharge of the purchase consideration, or whether it is inoperative unless and until some third party impugns the validity of the patent. (*i*)

No injunction restraining the patentee from dealing with patents which are the subject of an alleged agreement for sale and distribution of the proceeds of sale between him and the purchaser will be granted unless the purchaser is in a position to obtain specific performance of the agreement. (*k*)

(*h*) *Hazlehurst v. Rylands*, (1892) 9 R. P. C. 1.

(*i*) See *Nadol v. Martin*, (1902) 20 R. P. C. 129, 728; 23 R. P. C. 41;

*Birchem v. Wren*, (1904) 21 R. P. C. 683.

(*k*) *Harlett v. Hutchinson*, (1891) 8 R. P. C. 457.

When a company is promoted for the purpose of acquiring a patent, which has not been declared void by a Court of law and is described in the prospectus as a "valuable and valid patent" on the strength of a favourable report of an expert, it is not competent to a shareholder in an action for the removal of his name from the register of members, on the ground of misrepresentation in the prospectus, to adduce evidence of the invalidity of the patent. In such a case the question is whether the patent was valuable at the date of the prospectus. (l)

Warranty.

Statement that a patent is "valuable and valid."

It is submitted that upon the sale of a patent there is no implied warranty that the purchaser will be entitled to put the invention into practice without liability to obtain the licence of a prior patentee. (m)

No implied warranty that assignee will be able to use the invention without licence.

When an assignee takes from a prior assignee, with notice, he takes subject to the prior assignee's covenants, when the inference is that the intention of the contracting parties was that the obligations were to attach to the patent itself. (n) Thus (o) a patentee assigned letters patent to two persons, A. and B., who covenanted with him that they, their executors, administrators, and assigns, would use their best endeavours to introduce the invention by granting licences, or working the patent, or selling it, and that the patentee should be entitled to receive a percentage of all net profits, whether arising from royalties, sale, or otherwise, which should be received by A. and B., or the survivor of them, the executors or administrators of such survivor, or their or his assigns, and that an account of profits should be rendered yearly to the patentee and his share of profits paid to him by A. and B., and the survivor of them, and the executors or administrators of such survivor, or their or his assigns, with a proviso that, after a sale had been made of the patent, the interests of the patentee in the profits should cease and a final account be come to. A. and B. had taken the assignment with a view to forming a company to work the patent. The company was formed, and the patent made over to it. The patentee sued the company for an account of profits. The company demurred, on the ground that there was no privity between

Assignee with notice takes subject to prior assignee's covenants.

(l) *Stavert v. Passberg Grain Syndicate*, (1891) 8 R. P. C. 400.

(m) *Mouferts v. Marsden*, (1895) 12 R. P. C. 266.

(n) *Werdermann v. Société Générale d'Electricité*, (1881) L. R. 19 Ch. D. 246; *Bagot Pneumatic Tyre Co. v.*

*Clipper Pneumatic Tyre Co.*, (1901) 19 R. P. C. 74, 75; see also *New Ixion and Cycle Co. v. Spilsbury*, (1898) 15 R. P. C. 380, 567; [1898] 2 Ch. 137, 484.

(o) *Werdermann v. Société Générale d'Electricité*, (1881) L. R. 19 Ch. D. 246.

Rights of  
Assignees.

them and the plaintiff, and that the plaintiff's right, if any, was against A. and B. only. It was held, however, both by *Bacon, V.C.*, and the Court of Appeal, that the plaintiff could sue the company for an account of profits, since the stipulations of the assignment to A. and B. amounted to a contract that the owners for the time being of the patent should account for and pay to the plaintiff a share of the profits, unless a sale within the meaning of the deed was effected, and no person taking the patent with notice of this contract could refuse to give effect to it.

#### RIGHTS OF ASSIGNEES.

Action for  
infringement  
by assignee.

The assignee of a patent may maintain an action for infringement, though he has acquired the right by two assignments of separate portions and the party sued is the original grantee. Moreover, the action is maintainable, although there has been no infringement since the defendant has received notice that the entire interest in the patent has become vested in the plaintiff. (*p*)

In order that an assignee may sue alone in respect of infringements, it is necessary for him to show that the assignment of the patent was completed before the issue of the writ, since a mere equitable assignee cannot maintain the action, without bringing the legal owner before the Court. (*q*) Thus, where the assignment was of the benefit of an application for a patent with a provisional specification, and subsequent to the writ an assignment of the completed patent was effected, it was held that the executors of the deceased patentee were necessary parties, and the trial was adjourned till the executors were added as plaintiffs in pursuance of leave granted. (*r*)

Action for  
infringement  
against  
assignor.

The assignment of a patent restrains the assignor and subsequent licensees from him from working or using the invention without the leave or licence of the assignee; (*s*) and with respect to prior licensees from the assignor the rule seems (in the absence of any express reservation in the assignment of their rights) to be that, if the assignee took the assignment with notice thereof, he takes it subject to

(*p*) *Walton v. Lavater*, (1860) 8 C. P. C. 433.  
B. N. S. 162.

(*q*) See *Bowden's Patent Syndicate, Ltd. v. Smith*, (1904) 21 R.

(*r*) *Ibid.*

(*s*) *Hassall v. Wright*, (1870) L. R. 10 Eq. 509.

their licences, and, therefore, cannot restrain them, but that, if he had no such notice, he is entitled to restrain them. **Rights of Assignees.**

An assignee is, at any time so long as he remains the person for the time being entitled to the benefit of the patent, entitled to ask for leave to apply at the Patent Office for liberty to amend the specification; he is in fact included in the meaning of the term "patentee" as used in the Act of 1883. (t) **Amendment of specification by assignee:**

It may be questioned whether a person to whom a patent has been assigned by way of mortgage is entitled to apply at the Patent Office for leave to amend the specification, or to present a petition to the Privy Council for the prolongation of the patent, without his mortgagor being a party to the application. (u) **e.g., mortgagee.**

It is advisable for the mortgagor of a patent to insist on the mortgagee entering into a covenant not to seek leave to amend the specifications or drawings without the written consent of the mortgagor.

An assignee, as the person for the time being entitled to the benefit of the patent, is included in the meaning of the term "patentee," as defined by the Act of 1883, and competent to petition for the prolongation of the patent; (v) and an extension may be granted to the assignee, if the patentee has ceased to have any connection with the working of the patent, (x) or if the assignee has paid a large sum for the assignment and the development of the invention. (y) **Petition for prolongation of patent by assignee.**

But assignees petitioning for the extension of letters patent, are not received with so much favour as the original grantee, (z) and the prayer of the petition is not usually granted unless it is evident that the original grantee will derive some benefit by the extension. (a)

Not unfrequently conditions are imposed for the benefit of the patentee when prolongations are granted on the petition of assignees, (b) and in *Bovill's Patent*, (c) where the

(t) 46 & 47 Vict. c. 57, s. 46.

(u) See *Van Gelder Co. v. Sowerby*, Ld., (1890) 7 R. P. C. 41, 208.

(v) 5 & 6 Vict. c. 83; 7 & 8 Vict. c. 69; *Russell v. Ledsam*, (1847) 14 M. & W. 574, 588; 1 H. L. Cas. 687.

(z) *Napier's Patent*, (1861) 13 Moo. P. C. 513.

(y) *Bodner's Patent*, (1849) 6 Moo. P. C. 468.

(x) *Norton's Patent*, (1863) 1 Moo. P. C. N. S. 3, 9; *Claridge's Patent*, (1851) 7 Moo. P. C. 394; *Normand's*

*Patent*, (1870) L. R. 3. P. C. 193; p. 163 *post*.

(a) *Norton's Patent*, (1863) 1 Moo. P. C. N. S. 339; *Pitman's Patent*, L. R. 4 P. C. 87; pp. 163, 164 *post*.

(b) *Pitman's Patent*, (1871) L. R. 4 P. C. 84, 87; *Herbert's Patent*, (1867) L. R. 1 P. C. 399; *Whitehouse's Patent*, (1830) 1 W. P. C. 473; *Markwick's Patent*, (1830) 13 Moo. P. C. 310; *Russell v. Ledsam*, (1847) 14 M. & W. 574; p. 191 *post*.

(c) (1863) 1 Moo. P. C. N. S. 348.

Assign-  
ment and  
Partner-  
ship.

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petition was presented by the patentee and his mortgagee, the extension was granted to the patentee alone.

#### ASSIGNMENT AND PARTNERSHIP.

Assignment  
of a share may  
constitute a  
partnership.

The assignment of a share in the profits of letters patent may constitute a partnership between the assignor and assignee, and create consequences not perhaps contemplated between them which might have been avoided by the grant of a licence at a royalty instead of an assignment. (d)

Rights of  
partners work-  
ing an inven-  
tion.

Where a partnership at will is formed for the purpose of working an invention for which a patent has been taken out by, and registered in the name of, one of the partners alone, the legal right to use the invention becomes an asset of the partnership and each partner acquires a right to practise it, which right is not taken away by the registered owner assigning the patent to third parties who have notice of the existence of the partnership; and even after the determination of the partnership each of the partners has an equal right and licence to use the invention, the dealings between them having been such as to create in the one partner an irrevocable licence, as far as the other partner, the patentee, is concerned, to use the invention. (e)

Thus a person named *Kenny*, who had invented an improved kind of button-hole for boots and shoes, and a machine for making it, obtained a loan from a person, *Lutwyche*, to enable him to meet the expense of taking out a patent for the invention; and the patent having been obtained by *Kenny*, in his name alone, he and *Lutwyche* for more than four years worked the invention in partnership, together. After the partnership had existed for some years, *Kenny* agreed with the trustee of a projected company to assign the patent to it, and the company having been formed, the assignment was duly made and registered. At the time of the agreement and assignment respectively, the trustee and directors of the company knew that *Lutwyche* and *Kenny* had been working the invention together. Notice of the assignment was given to *Lutwyche*, and he was warned not to infringe the patent, but he continued to work the invention, and the company then sought to restrain him from so doing, but the Court held that by the

(d) 1 W. P. C. 417 n.

(e) *Kenny's Patent Button-holing Co. v. Somervell*, (1878) 26 W. R. 787.

partnership *Lutwyche* had obtained a licence to work the invention; that at the time of the assignment of the patent the company had notice of the existence of his right; and that they could not revoke the licence. (*f*)

Assign-  
ment  
by Act and  
Operation  
of Law.

ASSIGNMENT BY ACT AND OPERATION OF LAW.

An assignment by act and operation of law takes place when a person becomes entitled to a patent right without any deed of assignment from the person to whom he succeeds or through whom he claims. The patent is granted to the grantee, his executors, administrators, and assigns, and these words of limitation constitute it an assignable chattel interest, assignable by act and operation of law, just as any other chattel is.

Act and opera-  
tion of law.

On the death of a grantee or assignee of a patent, the patent vests in his executor if he has made a duly executed will, and in his administrator if he dies intestate; (*g*) and such executor or administrator may sue for and recover in respect of infringements committed during the lifetime of the testator or intestate, as the case may be, if the probate of the will or grant of letters of administration has been entered on the register of patents.

Death of  
grantee or  
assignee.

If a person die possessed of an invention without having made an application for a patent, the right to apply vests in his legal representative, who of course would hold the patent, if granted, subject to any trusts contained in the will of the deceased, or for the benefit of the next of kin in cases of intestacy. And the application must be made within six months of the decease of such person, and must contain a declaration by the legal representative that he believes such person to be the true and first inventor. (*h*)

Death of per-  
son possessed  
of an inven-  
tion.

If a grantee or assignee is declared bankrupt, the patent vests in his trustee in bankruptcy, (*i*) who thereupon becomes entitled, for the benefit of the creditors, to sue in respect of infringements, whether committed before the bankruptcy or not, but it is submitted that the trustee, before commencing action, must obtain an entry of his title on the register of patents.

Trustee in  
bankruptcy

(*f*) *Kenny's Patent Button-holing Co. v. Somervell*, (1878) 26 W. R. 787.

(*g*) *Williams on Executors*, 8th ed. vol. i. p. 824.

(*h*) 46 & 47 Vict. c. 57, s. 34; Vol. I. p. 5.

(*i*) *Bankruptcy Act*, 1833, ss. 44, 50, 54, 168; see *Hesse v. Stevenson*, (1808) 3 Bos. & P. 565; *Bloxam v. Elsee*, (1827) 6 B. & C. 169; 9 Dowl. & R. 215; *McAlpine v. Mangall*, (1846) 15 L. J. C. P. 298.



Assign-  
ment  
by Act and  
Operation  
of Law.

Rights of un-  
discharged  
bankrupt to  
fruits of un-  
patented in-  
vention.

The Crown.

If a bankrupt before he obtains his certificate of discharge obtain a patent it will vest in his trustee for the benefit of the creditors. (k) The fruits which result from schemes which a bankrupt has in his head before he obtains his discharge do not pass to the trustee; but if the bankrupt avail himself of his knowledge and skill, and thereby acquires a beneficial interest, which may be the subject of assignment, that interest will pass to the trustee. (l) An undischarged bankrupt, however, if he is on the register as legal owner, can, subject to the right of his trustee in bankruptcy to intervene, maintain an action for infringement of a patent acquired subsequently to his bankruptcy, as being an action with relation to after-acquired property. (m)

Upon the dissolution of a limited company the patent rights of the company vest in the Crown. It is submitted that a patent being a chose in action, (n) which has to all intents the like effect as against the Sovereign, his heirs and successors, as it has against a subject, (o) there is no merger when it vests in the Crown, but the chose in action continues to exist and inures for the benefit of the Crown, and is as much assignable by the Crown as it would have been assignable by a subject who had become possessed of it. The fact is that the right of the true and first inventor, and those who derive title through him, to interfere with acts of all other subjects, as well as the Crown itself, which would otherwise be free and lawful, is created by an exercise of the royal prerogative as distinct from a statutory power. The right cannot be created at all unless and until the invention comes into being. The Crown becoming possessed of the right is not an instance of something originally in the Crown returning to the Crown. On the contrary, it is a case of a chose in action lawfully created by the exercise of the royal prerogative coming into the possession of the Crown. (p)

A purchaser from the liquidator of a limited company should take care to obtain an actual legal assignment of the patent before the dissolution of the company. In one case, where

(k) Bankruptcy Act, 1883, ss. 44, 50, 54, 168; *Hesse v. Stevenson*, (1808) 3 Bos. & P. 565.

(l) *Ibid.* See judgment of the Court of Common Pleas, delivered by Lord Alvanley, C.J.

(m) *Webb v. Fox*, (1797) 7 T. R. 391; *Fowler v. Down*, (1797) 1 B. & P. 44; *Herbert v. Sayer*, (1844) 5 Q. B. 965;

*Buchan v. Hill*, W. N. (1888) 233; *Williams on Bankruptcy*, 8th ed. p. 208.

(n) See *infra*.

(o) 46 & 47 Vict. c. 57, s. 21 (1); p. 145 *post*.

(p) Cf. *In re Higginson and Dean*, [1899] 1 Q. B. 325, 332; but see *In re Taylor's Agreement Trusts*, [1904] 2 Ch. 737; 21 R. P. C. 713.

a purchaser failed to obtain a legal assignment before dissolution, it was held that the provisions of the Trustee Act, 1893, as to vesting orders did not apply, since the legal estate had vested in the Crown and the Crown is not bound by a trust or the Trustee Act, and, even though the Crown consent, the Court has no jurisdiction to make a vesting order. The petition, in this case, was ordered to stand over to allow the petitioner to apply at the Patent Office to have his name entered on the register as proprietor of the patent; this was done under the direction of the Board of Trade, and the petition was dismissed. (q).

Registration of Assignments.  
—

Articles made under letters patent are liable to seizure by the sheriff under a writ of *fi. fa.*, or under a restraint, and may be sold. The rights to the free use, or at all, of such articles as against the patentee would not pass upon the sale to the purchaser when the debtor himself was only in the enjoyment of a limited personal licence to use the article, (r) though it is clear that the purchaser has the property in the chattel. (s) The patentee's right is a chose in action, and entirely distinct from the right of property in the chattel, and the patentee's right under the patent being a chose in action cannot be taken under a *fi. fa.* or *levari facias* since it has no locality, and, therefore, cannot be found upon the premises. (t) To quote the words of Lord *Herschell*, L.C., (u) "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 confer upon him a right to manufacture according to his invention. That is a right which he would have equally effectively if there were no letters patent at all—only in that case all the world would equally have the right. What the letters patent confer is the right to exclude others from manufacturing in a particular way and using a particular invention."

Seizure by sheriff.

REGISTRATION OF ASSIGNMENTS.

By sec. 87 of the Act of 1883 (v) it is enacted that when a person becomes entitled by assignment, transmission, or

Statutory provisions.

(q) *Taylor's Agreement Trusts*, (1904) 21 R. P. C. 713.

(r) See *British Mutoscope and Biograph Co. v. Horner*, (1901) 18 R. P. C. 177.

(s) *Ibid.*; *Vavassem v. Krupp*, (1878)

L. R. 9 Ch. D. 360; Vol. I. pp. 508, 509.

(t) *British Mutoscope and Biograph Co. v. Horner*, (1901) 18 R. P. C. 180.

(u) *Steers v. Rogers*, (1893) 15 R. P. C. 251.

(v) See also s. 23.

Registration of Assignments.

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other operation of law, to a patent, the Comptroller shall, on request, and on proof of title to his satisfaction, cause the name of such person to be entered in the register of patents as proprietor of the patent; and it is by the same section further provided that the person for the time being entered on the register of patents as proprietor of a patent shall, subject to any rights appearing from such register to be vested in any other person, have power absolutely to assign, grant licences as to, or otherwise deal with the same, and to give effectual receipts for any consideration for such assignment, licence, or dealing, provided that any equities in respect of such patents may be enforced in like manner as in respect of any other personal property.

It is submitted that a person can only claim registration under this section if he possesses the legal estate, and consequently a mere equitable assignee is not entitled to registration under this section. (x) Equitable assignments, however, may be entered on the register as documents affecting the proprietorship of the patent. (y)

Assignments should be registered immediately.

It is to the interest of assignees to register their assignments as soon as possible. (z)

Mortgagees are registered as such and not as assignees.

Mortgagees of patents are always entered on the register as "mortgagees," and not as "assignees." It is submitted that a mortgagee, together with his mortgagor, form the proprietor. (a)

Documents of earlier date than the letters patent.

As a rule, documents relative to the proprietorship of letters patent of earlier date than the letters patent will not be entered on the register. It cannot, however, be laid down as a hard-and-fast rule that such documents ought not to be entered on the register, for there may be some which, as amounting to assignments, ought to be entered, whilst, on the other hand, to the entry of others very forcible objections might be raised which would prove absolutely insuperable. (b)

Practice on registration.

The practice to be observed where an application is made for an entry of an assignment on the register of patents is regulated by Patent Rules, 1903. (c)

Is registration a condition precedent to right to sue?

Since the Act of 1883 came into operation, there has been no decided case in which the question has been determined

(x) *Stewart v. Carey*, (1892) 9 R. P. C. 9, judgment of Bowen, L.J.

(y) See p. 58 *ante*.

(z) See *infra*.

(a) See *Van Gelder Co. v. Sowerby*,

Ld., (1890) 7 R. P. C. 41, 208.

(b) In the Matter of Parnell's Patent, (1888) 5 R. P. C. 126, 130.

(c) rr. 51-65.

whether an assignee of a patent is entitled to maintain an action for infringement before the assignment has been entered on the register, but on the authority of the old cases it is submitted that he could not do so, unless the defendant had notice of the assignment.

Registra-  
tion of  
Assign-  
ments.  
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In *Chollet v. Hoffman*, (d) a case decided under the Act of 1852, which provided for the registration of assignments, (e) it was held that an assignee could not sue until his assignment had been registered, otherwise as the statute provided that before such registry the original patentee should be deemed the sole owner, a defendant would be liable to be sued at one and the same time by the grantee and assignee of the letters patent. It would appear that the reasoning upon which this case was decided applies equally to the law as it now stands.

In *Hassall v. Wright*, (f) which differed from *Chollet v. Hoffman* in that it was an action between assignee and assignor, whereas the latter case was between assignee and third parties, it was decided that the assignee could maintain an action against the assignor and his licensees, who had notice of the assignment, notwithstanding the fact that the assignment had not been registered.

Has registra-  
tion a retro-  
spective effect?

The question as to whether the registration of an assignment has a retrospective effect, so as to place the assignee in a position to sue for and recover damages in respect of infringement committed after the assignment, but before the registration, has not been judicially determined, but it is submitted that the registration being merely an evidence of title, relates back to the date of the assignment, and that the assignee, on having his title perfected, is entitled to maintain the action. (g)

Where the plaintiff in an infringement action derived his title to the patent under an assignment from the executors of the patentee, and it appeared that the assignment was made after probate was granted, but before it was registered, and that the deed of assignment was not registered until after the registration of the probate, it was held that the plaintiff was entitled to maintain his action. (h)

(d) (1857) 7 E. & B. 686.

(e) 15 & 16 Vict. c. 83, s. 35.

(f) (1870) L. R. 10 Eq. 509; 40 L. J. N. S. Ch. 145.

(g) *Hassall v. Wright*, (1870) L. R.

10 Eq. 509.

(h) *Ellwood v. Christy*, (1864) 17 C. B. N. S. 754; 18 C. B. N. S. 494; 34 L. J. C. P. 130.

Registra-  
tion of  
Assign-  
ments.

Letters patent  
may be sur-  
rendered to,  
the Crown.

SURRENDER.

A patentee or an assignee may dispose of the patent by surrender to the Crown, the effect being to extinguish the privilege so far as the grantee is concerned; but, it is submitted that, in the absence of conditions to the contrary, it would inure for the benefit of the Crown. (i) If there is more than one patentee or assignee, all should join in a surrender of the patent, though probably a joint patentee or assignee might surrender his part of the patent.

The surrender of a patent must be made by deed, which requires enrolment, for nothing can be conveyed to the Crown except by matter of record. (k)

(i) See p. 126 *ante*.

(k) Hindmarch on Patents, 247.

## CHAPTER IV.

### LICENCES.

#### ORIGIN OF POWER TO GRANT LICENCES.

It is open to question whether a patentee could give a valid licence authorising another person to exercise the privilege granted by the Crown, which is of a personal nature, unless the power to grant such licence was expressly given by the letters patent themselves, which, as we have seen, not only grant, but actually create the monopoly. (a)

Query whether patentee could grant licences without express authority.

The old form in which letters patent were granted gave express power to the grantee to authorise his licensees to perform the invention.

Old form of letters patent.

Express power of granting licences is likewise conferred on the patentee by the form prescribed by the Act of 1883, which, or which slightly modified to meet special circumstances, is now used for the grant of letters patent for inventions. (b) The grant is made to the "patentee," which by a previous recital means the grantee, his executors, administrators, and assigns; and then follows a prohibition to all the King's subjects whomsoever, 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 term for which the patent is granted, either directly or indirectly, make use of or put in practice the invention, or any part of the same, nor in anywise imitate the same, nor 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 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 the royal command, and of being answerable to the patentee, according to law, for his damages thereby occasioned. And the letters patent further contain a proviso that nothing therein

Present form of letters patent.

(a) p. 104 ante.

(b) See p. 373 post.

**How  
Licences  
may be  
Granted.****Powers of co-  
owners to  
grant licences**

contained shall prevent the granting of licences in such manner and for such considerations as they may by law be granted.

Each of two or more co-owners of a patent is entitled to work the invention for himself, and to assign his share, but there is some doubt whether he is entitled to grant licences without the consent of his co-owner. (c)

The question whether one of several co-owners is entitled to grant a licence alone depends on the words of the letters patent. (d) If, as in *Mathers v. Green*, (e) the grant is made to the grantees, their executors, administrators, and assigns, that they and every of them, by themselves, their servants and agents, *and such others as they shall agree with*, and no others, may use the invention, then it is submitted that no licence could be granted without the concurrence of all the patentees. (f)

**Royalties  
received by  
co-owners.**

Each co-owner is entitled to retain whatever profit he makes by his own working of the invention, though it is open to question whether, if he is entitled to and does grant licences, he is not liable to account to his co-owners for the royalties he receives. (g)

**Mortgagee in  
possession  
may grant  
licences.**

A mortgagee in possession may grant licences; but he is liable to account to the mortgagor in an action for redemption for royalties received, as being profits made by him whilst mortgagee in possession. (h)

**Assignment  
subject to an  
agreement  
for a licence.**

The assignment of a patent subject to an agreement entered into by the assignor with a third party for a licence does not render the assignee a necessary party to the deed of licence. (i)

**HOW LICENCES MAY BE GRANTED.****Form in which  
licences must  
be granted.**

The effect of the prohibiting clause in the letters patent seems to make it compulsory that the licence must be under the hand and seal of the patentee; that is to say, it must be made by deed, or rather, speaking strictly, not necessarily,

(c) *Mathers v. Green*, (1865) L. R. 1 Ch. 29; see p. 113 *ante*.

(d) See p. 383 *post* as to form of letters patent at present in use.

(e) L. R. 1 Ch. 29.

(f) See Jessel, M.R., *Powell v. Head*, (1879) L. R. 12 Ch. D. 690.

(g) *Dunnicliff v. Mallett*, (1859) 7

C. B. N. S. 209; *Walter v. Lavater*, (1860) 8 C. B. N. S. 162; *Mathers v. Green*, (1865) L. R. 1 Ch. 29; *Hancock v. Bewley*, (1860) Johns R. 601.

(h) *Steers v. Rogers*, (1892) 9 R. P. C. 177; 10 R. P. C. 245.

(i) *Frentzell v. Dongill*, (1904) 21 R. P. C. 641.

by deed but by an instrument which is only of the nature of a deed, because it does not require delivery, and will not be refused in evidence, though unstamped as a deed. (j)

The prohibiting clause, however, must be read in conjunction with the provision contained in the latter part of the patent, which is in the words "but nothing herein contained shall prevent the granting of licences in such manner and for such considerations as they may by law be granted." If there is a writing purporting to be an agreement of licence between the parties which has been acted upon, it is not competent to either party to repudiate responsibility under it on the ground that it is not under seal. (k)

Also an effective licence may arise from parol agreement, (l) if acted upon.

In the case of an executory agreement for a licence under seal, it is a question of construction as to whether the grant of a formal deed is a condition precedent; and, if this is not so, the agreement is, in equity, equivalent to a formal deed of licence in questions affecting the rights of the parties. (m) For example, in *Tweeddale v. Howard and Bullough, Ltd.*, (n) it appeared that negotiations had taken place between the plaintiff and defendants, which in the plaintiff's view resulted in an arrangement for a licence. There never was a complete agreement between the parties as to the terms of the licence by deed which was intended to be entered into; but they had, whilst negotiating as to the terms of the deed, entered into a binding agreement which covered part of the ground contemplated, and which rendered the defendants licensees up to a specific date. The plaintiff accordingly obtained a declaration that the defendants were licensees up to that date, and also an account of royalties due.

An agreement for a licence made before the patent is granted and in contemplation of the grant may be sued upon after the grant. Thus, where an applicant before filing his complete specification granted a licence to use the invention, and the licensees on being sued, after the grant of the patent, for the payment of royalties refused to pay, on the ground that the letters patent were obtained for an invention less

How  
Licences  
may be  
Granted.

A writing if  
acted upon is  
effective  
though not  
under seal.

Licence may  
arise from a  
parol agree-  
ment acted  
upon.

Necessity for  
a formal deed  
is a question  
of construc-  
tion in cases  
of executory  
agreements.

Agreement  
for licence  
prior to the  
grant of the  
patent.

(j) *Chanter v. Johnson*, (1845) 14 M. & W. 408.

(k) *Chanter v. Dowhurst*, (1844) 12 M. & W. 823; 13 L. J. Ex. 198; *Chanter v. Johnson*, (1845) 14 M. & W. 408; *Post Card Automatic Supply Co. v. Samuel*, (1889) 6 R. P. C. 560.

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

(m) *Post Card Automatic Supply Co. v. Samuel*, (1889) 6 R. P. C. 560; *Tweeddale v. Howard and Bullough, Ltd.*, (1896) 13 R. P. C. 522.

(n) (1896) 13 R. P. C. 522.



Classification of Licences.

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than the whole invention described in the provisional specification, *Chitty, J.*, held that, on the construction of the licence, without deciding the point so raised by way of defence, the bargain was that in the circumstances the royalties should be paid. (o)

Stamps.

Since a licence is property within the meaning of sec. 59 (1) of the Stamp Act, 1891, (p) a licence to use a patented invention, if made by deed, requires an *ad valorem* stamp in cases where a fixed sum is paid as consideration. In cases where the licensee covenants to pay a minimum royalty the Stamp Office requires an *ad valorem* duty to be paid on the gross minimum royalty, and this whether or not the licence is determinable.

A mere licence in writing does not require any stamp, but if the writing amounts to an agreement it must be stamped accordingly. (q)

#### CLASSIFICATION OF LICENCES.

Licences to use patented inventions may be—

(1) *Expressed.*

(2) *Implied.*

Sale of patented article without restrictions gives purchaser right to use where and how he pleases.

The sale of an article without any restriction, whether manufactured under a British or foreign patent, as against the vendor, gives the purchaser an implied licence to deal with the article during its natural life in any way he thinks fit. This includes selling in any country where there is a patent in the possession of, and owned by, the vendor, (r) and making simple repairs; but it does not include making such radical repairs as amount practically to the construction of a new article. (s) The purchaser from the patentee abroad of an article made under a foreign patent obtains *quâ* the purchase no implied licence to use the article in England as

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

(p) *The Smelting Co. of Australia, Ltd. v. The Commissioners of Inland Revenue*, [1896] 2 Q. B. 179; [1897] 1 Q. B. 175.

(q) *Wilson v. Union Oil Mills*, (1892) 9 R. P. C. 62.

(r) *Société Anonyme des Manufactures des Glaces v. Tilghman's Patent Sand Blast Co.*, per Cotton, L.J., (1883) L. R. 25 Ch. D. 9; *Betts v. Willmott*, (1871) L. R. 6 Ch. 239; *Heap v.*

*Hartley*, (1888) 5 R. P. C. 603; 6 R. P. C. 495; but see p. 148 *post* and Vol. I p. 377.

(s) See *Dunlop Pneumatic Tyre Co. v. Neal*, (1899) 16 R. P. C. 24; *United Telephone Co. v. Neilson*, W. N. (1887) 193; *Dunlop Pneumatic Tyre Co. v. Wilson*, (1890) 17 R. P. C. 332; *Dunlop Pneumatic Tyre Co. v. Excelsior Tyre Cement and Rubber Co.*, (1901) 18 R. P. C. 209; *Dunlop Pneumatic Tyre Co. v. Holborn Tyre Co.*, (1901) 18 R. P. C. 222.

against a previous assignee of the English patent in respect of the article, (t) neither, it is submitted, would the purchase abroad of the foreign-made article carry an implied licence as against a subsequent assignee of the British patent without notice.

The unconditional sale by the patentee of a patented article is a sale coupled with an estoppel by conduct against the patentee preventing him from raising any question on the patent in respect of any user of the article by the purchaser or any one into whose hands it may come. In this sense the purchaser is licensed to use. The position between the parties, however, is merely that of vendor and purchaser with the above estoppel against the vendor. The position is not that of licensor and licensee with the consequence of estoppel of the licensee from denying validity of the patent when sued, *e.g.*, for damages on an account of profits in respect of articles not supplied by the patentee. (u) When a person takes a patented article from the patentee, and acknowledging the patentee's title agrees, by deed or by verbal agreement acted upon, to pay royalties for the use of the patented article, there is no unconditional sale coupled with an estoppel against the patentee. The property in the article may or may not be in the patentee according to circumstances, (x) but the essence of the transaction is a limited right of user dependent on the licence of the patentee granted in consideration of royalties reserved. The position of licensor and licensee is, therefore, established with the consequence that the person authorised to use the article is estopped from denying the validity of the patent against the patentee, in any proceedings to which both are parties during the continuance of the licence. (y)

The vendee of a licensee has all the privileges of an ordinary vendee, including that of resale, unless the vendee takes with notice of some limitation to the contrary. Thus, where the defendant in an action for the infringement of a patent for improvements in the manufacture of soap pleaded that the alleged infringement was the resale by him of soap purchased by himself from licensees of the plaintiff, the Court of Common Pleas held this to be a good defence, and gave judgment for the defendant accordingly. (z)

(t) *Betts v. Willmott*, (1871) L. R. 6 Ch. 245.

(u) See p. 148 *post*.

(x) See Vol. I. pp. 25, 508.

(y) See p. 148 *post*.

(z) *Thomas v. Hunt*, (1864) 17 C. B. N. S. 183.

Classifica-  
tion of  
Licences.

What the letters patent prohibit the public from doing without the consent, licence, or agreement of the patentee, is the making use of, or putting in practice, the invention comprised in the patent—that is, the art by the exercise of which the patentee produces the finished product.

When use of  
a patented  
article is an  
infringement.

The public are generally entitled to use the invention in the sense of the finished product without the further licence of the patentee, if that finished product was not produced in infringement of the patent—*i.e.*, it was produced by the patentee, or under licence from him.

Use of a manufactured article only constitutes an infringement when the article used was produced without authority, (a) or is used in breach of a restriction of which the user had notice, (b) or where it was produced under a licence strictly limited to its manufacture and not applicable to its use, (c) for a licence to manufacture an article does not necessarily imply a licence to use the article when manufactured. (d)

Licences to use patented inventions may also be—

- (1) *Compulsory.*
- (2) *Voluntary.*

Amendment  
of law relating  
to compulsory  
licences.

Before the Patents Act, 1883, it was optional with the grantee of a patent whether he would grant licences or not. The repealed sec. 22 of the Act of 1883 gave power to the Board of Trade, upon the petition of any person interested to order, under certain circumstances, the patentee to grant licences upon such terms as the Board having regard to the nature of the invention and the circumstances of the case might deem just.

Sec. 3 of the  
Patents Act,  
1902.

Sec. 3 of the Patents Act, 1902, repealed sec. 22 of the Act of 1883, and extended the rights of the public in the matter of compulsory licences, and substituted the judicial committee of the Privy Council for the Board of Trade as the ultimate authority to decide whether or not to grant the petition for a compulsory licence of any person interested, and alleging that the reasonable requirements of the public with respect to the patented invention have not been satisfied. Also sec. 3 of the Patents Act, 1902, authorises the revocation of the patent by Order in Council, if the judicial committee are of opinion that the reasonable requirements of the public will not be satisfied by the grant of licences: and if it is

(a) Vol. I. p. 375.

(b) Vol. I. p. 377.

(c) *Basset v. Graydon*, (1897) 14 R.

P. C. 701.

(d) *Basset v. Graydon*, (1897) 14 R.

P. C. 701.

proved to the satisfaction of the judicial committee that the patent is worked, or that the patented article is manufactured exclusively or mainly outside the United Kingdom, then, unless the patentee can show that the reasonable requirements of the public have been satisfied, the petitioner is entitled either to an order for a compulsory licence or to an order for revocation of the patent. But it is provided that no order for revocation shall be made before the expiration of three years from the date of the patent, or if the patentee gives satisfactory reasons for his default.

The reasonable requirements of the public are not deemed to have been satisfied if, by reason of the default of the patentee to work his patent or to manufacture the patented article in the United Kingdom to an adequate extent, or to grant licences on reasonable terms, (a) any existing industry or the establishment of any new industry is unfairly prejudiced; or, (b) the demand for the patented article is not reasonably met. (c)

For convenience sec. 3 of the Patents Act, 1902, is set out here *in extenso*.

3. Section twenty-two of the principal Act (relating to the grant of compulsory licences by the Board of Trade) is hereby repealed, and the following provisions shall be substituted therefor:—

- (1) Any person interested may present a petition to the Board of Trade alleging that the reasonable requirements of the public with respect to a patented invention have not been satisfied, and praying for the grant of a compulsory licence, or, in the alternative, for the revocation of the patent;
- (2) The Board of Trade shall consider the petition, and if the parties do not come to an arrangement between themselves, the Board of Trade, if satisfied that a *prima facie* case has been made out, shall refer the petition to the judicial committee of the Privy Council, and, if the Board are not so satisfied, they may dismiss the petition;
- (3) Where any such petition is referred by the Board of Trade to the judicial committee, and it is proved to the satisfaction of the judicial committee that the reasonable requirements of the public with reference to the patented invention have not been satisfied, the patentee may be ordered by an Order in Council to

(c) s. 3 (6) of the Patents Act, 1902.

Classifica-  
tion of  
Licences.

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grant licences on such terms as the said committee may think just, or, if the judicial committee are of opinion that the reasonable requirements of the public will not be satisfied by the grant of licences, the patent may be revoked by Order in Council ;

Provided that no order of revocation shall be made before the expiration of three years from the date of the patent, or if the patentee gives satisfactory reasons for his default ;

- (4) On the hearing of any petition under this section the patentee and any person claiming an interest in the patent as exclusive licensee or otherwise, shall be made parties to the proceeding, and the law officer or such other counsel as he may appoint shall be entitled to appear and be heard ;
- (5) If it is proved to the satisfaction of the judicial committee that the patent is worked or that the patented article is manufactured exclusively or mainly outside the United Kingdom, then, unless the patentee can show that the reasonable requirements of the public have been satisfied, the petitioner shall be entitled either to an order for a compulsory licence or, subject to the above proviso, to an order for the revocation of the patent ;
- (6) For the purpose of this section the reasonable requirements of the public shall not be deemed to have been satisfied if, by reason of the default of the patentee to work his patent or to manufacture the patented article in the United Kingdom to an adequate extent, or to grant licences on reasonable terms, (a) any existing industry or the establishment of any new industry is unfairly prejudiced, or (b) the demand for the patented article is not reasonably met ;
- (7) An Order in Council directing the grant of any licence under this section shall, without prejudice to any other method of enforcement, operate as if it were embodied in a deed granting a licence and made between the parties to the proceeding ;
- (8) His Majesty in Council may make rules of procedure and practice for regulating proceedings before the judicial committee under this section, and, subject thereto, such proceedings shall be regulated according to the existing procedure and practice in patent matters. Any Order in Council or any order made by the judicial committee under this Act may be enforced by the High Court as if it were an order of the High Court ;

- (9) The costs of and incidental to all proceedings under this section shall be in the discretion of the judicial committee, but in awarding costs on any application for the grant of a licence the judicial committee may have regard to any previous request for, or offer of, a licence made either before or after the application to the committee;
- (10) For the purposes of this section three members of the judicial committee shall constitute a quorum;
- (11) This section shall apply to patents granted before as well as after the commencement of this Act.

Classifica-  
tion of  
Licences.

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The practice upon applications under sec. 3 of the Patents Act, 1902, is regulated by that section, Rules 69-75 of the Patent Rules, 1903, and the Privy Council Rules, 1903. (*f*)

The cases referred to in the note (*g*) below are all the reported cases of applications made for the grant of compulsory licences under the repealed sec. 22 of the Patents Act, 1883.

Licences may also be—

- (1) *Revocable*.
- (2) *Irrevocable*.

Frequently the licence contains a provision under which it may be revoked and terminated by one or both of the parties on the happening of certain events, such as the non-payment of royalties or a decision of a Court of law to the effect that the patent is void. In the latter case, where the patent is in fact declared invalid in an action against third parties, but the decision of the Court is afterwards reversed, even though by consent, the licensee cannot rely upon the decision of invalidity since it was reversed, and under such circumstances he is liable to the licensor in an action to recover unpaid royalties. (*h*)

Licences con-  
taining pro-  
visions for  
revocation.

When from an examination of the whole instrument it appears clear that the intention of the parties was that the licence was to be irrevocable, neither party can, without the consent of the other, put an end to it. (*i*)

If the licence is silent as to the power of the parties to

Licence  
coupled with

(*f*) See Appendix.

(*g*) Continental Gas Glühlicht Actien Gesellschaft (Meteor) Petition, (1897) 15 R. P. C. 727; Levinstein's Petition, (1898) 15 R. P. C. 732; Hulton and Bleakley's Petition, (1898) 15 R. P. C. 749; The Gormully and

Jeffery Manufacturing Co.'s Petition, (1899) 16 R. P. C. 641.

(*h*) Cheetham v. Nuttall, (1893) 10 R. P. C. 321.

(*i*) Kenny's Patent Button-holing Co. v. Somervell, (1878) 26 W. R. 787; 38 L. T. N. S. 870.

Classifica-  
tion of  
Licences.

an interest is  
not revocable,  
though a mere  
licence is  
revocable.

revoke it, it then becomes of the utmost importance to decide whether the licence is one coupled with an interest or not. A mere licence is, in the absence of provisions to the contrary, revocable at the will of either party; (*j*) but a licence coupled with an interest cannot be so revoked. (*k*)

“Coupled with an interest” is a somewhat ambiguous term, and it is probably more correct, with reference to licences to use patented inventions, to say “coupled with obligations.” (*l*)

Though a licence is one coupled with an interest, or involving obligations on each of the parties, and so not revocable, yet it may, upon the terms of the instrument, be liable to forfeiture in the event of breach of the terms and conditions on which it was made. (*m*)

When from the terms of the licence it appears not to be coupled with obligations on either the licensor or licensee it is, as stated above, generally speaking, revocable at the will of either party. (*n*)

When, however, the licence is coupled with obligations on both the parties it is not so revocable—*e.g.*, where the licence is exclusive and the licensor is under the obligation not to use the patented invention himself, and the licensee is under the obligation to use his best endeavours to advertise and push the invention. (*o*)

Licence pro-  
viding for  
revocation by  
one party only.

And where the agreement expressly provides that one party may determine the licence, but is silent as to the power of the other party to put an end to it, the Courts will infer an intention to the effect that the licence is not determinable by such other party. (*p*)

Revocation  
need not neces-  
sarily be by  
deed.

In the absence of express provision, if the licence is revocable, whether it be made by deed or otherwise, a deed is not necessary to revoke it. (*q*) It may be revoked by an expression of intention to revoke; but a mere plea in a defence

(*j*) *Wood v. Ledbitter*, 9 Jur. 187; *Ridges v. Mulliner*, (1893) 10 R. P. O. 21; *Crossley v. Dixon*, (1863) 10 H. L. C. 291; *Coppin v. Lloyd*, (1898) 15 R. P. C. 373.

(*k*) *Wood v. Ledbitter*, 9 Jur. 187; *Ward v. Livesey*, (1888) 5 R. P. C. 102; *Guyot v. Thomson*, (1894) 11 R. P. C. 541; *Cutlan v. Dawson*, (1897) 14 R. P. C. 249; 13 R. P. C. 716, 717.

(*l*) *Guyot v. Thomson*, (1894) 11 R. P. C. 553.

(*m*) *Ward v. Livesey*, (1888) 5 R.

P. C. 102.

(*n*) *Wood v. Ledbitter*, 9 Jur. 187; *Ridges v. Mulliner*, (1893) 10 R. P. C. 21; *Crossley v. Dixon*, (1863) 10 H. L. C. 293.

(*o*) *Guyot v. Thomson*, (1894) 11 R. P. C. 541.

(*p*) *Cutlan v. Dawson*, (1897) 14 R. P. C. 249; 13 R. P. C. 716, 717; *Guyot v. Thomson*, (1894) 11 R. P. C. 541.

(*q*) *Ward v. Livesey*, (1888) 5 R. P. C. 102.

to an action to recover royalties, to the effect that a licence has been abandoned, is not a notice of determination, and consequently in an action to recover royalties, when an account is obtained, the account, notwithstanding such a plea, goes in respect of user after action brought till the proper determination of the licence. (r)

Classifica-  
tion of  
Licences.  
—

Though a licence be one which is revocable at the will of one or of either of the parties, yet, upon the true construction of the agreement, the party or parties having the power of revoking the licence may have contracted not to exercise it, in which case, in the event of a revocation, an action for damages in respect of the breach of contract would be maintainable. (s)

Party to a  
licence may  
contract not to  
exercise his  
power of  
revocation.

Licences may also be—

- (1) *General.*
- (2) *Limited.*
- (3) *Exclusive.*

General licences are those which include the right to use every part of the invention, in any manner and to any extent, and apply to the whole of the geographical area for which the patent was granted. General  
licences.

It must be remembered that the words of grant in the letters patent themselves are "make, use, exercise, and vend." It is submitted that a distinctive effective meaning is to be attached to each of these words of grant, and that a licensee does not obtain a full general licence unless the deed of licence uses each of these words, or it is clear from the document, taken as a whole, that each is intended. In *Dunlop Pneumatic Tyre Co. v. North British Rubber Co.*, (t) it was contended that a certain deed of licence did not authorise the defendants to import and sell in this country articles made abroad according to the patent. By clause 2 of the deed, in consideration of royalties reserved, the plaintiffs granted to the defendants "full licence under the letters patent to use and exercise the invention." From a subsequent clause in the deed, as pointed out by *Stirling, J.*, it appeared to be quite clear that *manufacture* and *sale* were intended to be amongst the matters which were authorised by the licence. It was held by the Court of Appeal that the licence was a complete general one and judgment was entered for the

(r) *Cheetham v. Nuttall*, (1893) 10 B. 445.  
R. P. C. 321.

(t) (1904) 21 R. P. C. 161.

(s) *Kerrison v. Smith*, (1897) 2 Q.



Classifica-  
tion of  
Licences.

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defendants. *Vaughan Williams, L.J.*, and *Cozens-Hardy, J.J.*, were of opinion that the words "full licence under the letters patent to use and exercise the invention," in the absence of any subsequent words of limitation, in themselves created a full licence. *Stirling, L.J.*, based his judgment on the use of those words coupled with the fact that a subsequent clause made it clear that the words *manufacture* and *sale* were also intended and the deed was to be read as though the granting words "make, use, exercise, and vend" had been employed.

A licence to *manufacture and sell* authorises the licensee to sell articles manufactured for him by his agent—*e.g.*, a foreign manufacturer abroad. (*u*)

Limited  
licences.

Limited licences may be limited in the sense that they apply only to a part of the invention; or to the construction or use of a patented article, but not to both; (*x*) or to the use of the invention in a particular manner, (*y*) or in a particular district, (*z*) or for a specified portion of the term for which the patent was granted. In construing limited licences it is, frequently, very important to remember that the surrounding circumstance at the time the contract was made are a proper and important guide to the true construction. (*a*)

Exclusive  
licences.

Exclusive licences are those under the terms of which the patentee is prevented from making a like grant to any one other than the licensee during the continuance of the licence.

Not unfrequently patentees grant exclusive licences for the whole or some particular part of the invention, applying to the whole or some particular part of the geographical area over which the patent right extends. It is usual to insert in an exclusive licence a covenant on the part of the patentee to the effect that he will not grant any other licence authorising any other person to use the invention within the district to which the licence applies. It may be questioned whether such a covenant divests the patentee of all power of granting

(*u*) *Dunlop Pneumatic Tyre Co. v. North British Rubber Co.*, (1904) 21 R. P. C. 161.

(*x*) *Basset v. Graydon*, (1897) 14 R. P. C. 701.

(*y*) *Société Anonyme pour la Fabrication d'Appareils d'Eclairage v. Midland Lighting Co.*, (1897) 14 R. P. C. 419; *Incandescent Light Co. v. Cantelo*, (1895) 12 R. P. C. 262; *Incandescent Gas Light Co. v. Brogden*, (1899) 16 R. P. C. 179; *Dunlop Pneumatic Tyre*

*Co. v. Buckingham and Adams Cycle and Motor Co.*, (1901) 18 R. P. C. 423.

(*z*) *Société Anonyme des Manufactures des Glaces v. Tilghmann's Patent Sand Blast Co.*, (1883) L. R. 25 Ch. D. 11.

(*a*) *Dunlop Pneumatic Tyre Co. v. Buckingham and Adams Cycle and Motor Co.*, (1901) 18 R. P. C. 429, 431, 432; *Dunlop Pneumatic Tyre Co. v. Creswell*, (1901) 18 R. P. C. 473, 477.

any other licence in breach of his covenant, so far as the validity of such other licence is concerned; but he would be clearly liable in damages if he were to do so. The acceptance of royalties in respect of articles made abroad and wrongly brought into the United Kingdom is not a breach of a covenant made with an exclusive licensee not to grant further licences, but is merely a compromise in respect of infringements of the patent. (b)

Classifica-  
tion of  
Licences.

If an exclusive licence be made irrevocable and applicable to the whole geographical area of the patent right, and reserves no interest in the patent to the licensor, it is a grant, or an agreement for a grant, and amounts to an assignment, or an agreement for an assignment, of the patent; (c) and it would appear that if the licence is made by deed, since no particular form of words is required to effect an assignment, such an exclusive licensee would be entitled to apply to have his name entered on the register of patents as the owner for the time being. (d)

An irrevocable  
exclusive  
licence for  
the whole  
term of the  
patent which  
reserves no  
interest to the  
licensor  
operates as an  
assignment.

An exclusive licence operates as an assignment of the patent in the same way as a demise by a lessee of the premises comprised in his lease for the whole of the term granted amounts to an assignment to the under-lessee. (e) For an assignment is a transfer or making over to another of the whole right of the assignor in the thing transferred, (f) and any words which show an intention to do this in a deed are sufficient with respect to a patent-right. (g)

If, however, the exclusive licence reserves to the patentee any direct interest in the patent—*e.g.*, the right to sue for infringements of the patent—it does not amount to an assignment. (h) A deed conferring an exclusive licence not amounting to an assignment is not a conveyance within the meaning of the Conveyancing Act, 1881; but the introduction of the words “as beneficial owner” into the deed may tend to show an intention that the licence is not to be revocable. (i)

Exclusive  
licence which  
reserves an  
interest to  
licensor is not  
an assignment.

A patentee who grants an exclusive licence may be

Grantor of ex-  
clusive licence

(b) *Dunlop Pneumatic Tyre Co. v. North British Rubber Co.*, (1904) 21 R. P. C. 161.

(c) *Guyot v. Thomson*, (1894) 11 R. P. C. 554; *Heap v. Hartley*, (1889) 6 R. P. C. 500.

(d) See p. 58 *ante*; *Heap v. Hartley*, (1889) 6 R. P. C. 495, 500.

(e) *Palmer v. Edwards*, (1779) 1

*Doug.* 187 n.; *Parmenter v. Webber*, (1818) 8 Taunt. 593; 2 B. Mo. 656; *Shep. Touch.* 266.

(f) 2 Bl. Com.

(g) p. 106 *ante*.

(h) *Guyot v. Thomson*, (1894) 11 R. P. C. 554.

(i) *Ibid.*

Classifica-  
tion of  
Licences.

may be re-  
strained from  
infringing.

Exclusive  
licensee's  
rights to make  
departures in  
details from  
the invention.

Whether a  
licence is  
assignable or  
not depends on  
its terms.

restrained by the licensee from working or selling under the patent during the continuance of the licence when there is no reservation to the patentee to so work and sell. (*h*)

The exclusive licensee is entitled to make unimportant departures in details from the specification, and may restrain the patentee, by injunction of the Court, from representing that articles so made and sold by him, the licensee, are not made in accordance with the patent. (*l*)

Licences may also be—

(1) *Assignable.*

(2) *Not assignable.*

A licence may be made to an individual only, or to him, his executors, administrators, and assigns, and the question whether or not a licence is assignable depends in each case upon the words by which it was granted.

In *Bown v. Humber* (*m*) it appeared that the plaintiff, the owner of a patent for improvements in the bearings of bicycles in the year 1885, granted to a firm of bicycle manufacturers a licence to use the invention within the United Kingdom, the Channel Islands, and the Isle of Man, for the purpose of applying the invention to the wheels of bicycles, &c., manufactured for sale or use or otherwise by the licensees, or by persons employed by them, but not in any other manner; with a proviso that the licence should not be construed to permit the licensees to make or sell the patent bearings to be applied to the wheels of bicycles, &c., manufactured by any other person or company other than the licensees, or by persons employed by them, and that the licence should not authorise the use of the said invention by the licensees individually or separately, but only by the licensees jointly, or such two or one of them as should continue to carry on the business hitherto carried on by the three licensees at Beeston, or the person or persons or company from time to time carrying on such business. In 1887 the defendants were registered as a limited company to acquire and carry on the business of the licensees and various other businesses at other places. The defendants claimed under the licence the right to manufacture the patent bearings at all places where they carried on business, and also to apply the patent bearings to all bicycles, &c., manufactured by them, whether manufactured by them at

(*h*) *Guyot v. Thomson*, (1894) 11 R. P. C. 541.

(*m*) (1889) 6 R. P. C. 9.

(*l*) *Ibid.*

Beeston or elsewhere. The plaintiff contended that the licence only authorised the defendants to manufacture the patent bearings at Beeston, in connection with the business of the original licensees; and, secondly, only to apply the patent bearings to all bicycles, &c., manufactured by them at Beeston in connection with the said business; and the plaintiff brought the action and moved for an injunction to restrain the defendants from using the patent otherwise than according to the plaintiff's construction of the licence, but the Court held that the defendants, as carrying on the original business of the licensees at Beeston, were entitled to start other businesses elsewhere, and to apply the patent bearings to any bicycles, &c., manufactured by them in such other businesses, and dismissed the action with costs.

Right of Crown to Use Inventions.  
—

When a patentee has accepted royalties from an assignee of the licensee he is estopped from contending that the licence was not assignable. (n)

Patentee is estopped from disputing assignability if he accepts royalties from an assignee.

RIGHT OF THE CROWN TO USE INVENTIONS.

The Crown had the right to use the inventions comprised in all letters patent granted before the commencement of the Act of 1883, *i.e.*, January 1, 1884, or on any application then pending. And the Crown had the power to use any such invention without the assent of, or compensation to, the patentee. (o) The Crown enjoyed this right, not because it was exempted from the effect of the letters patent, but because the privilege thereby granted was granted against the subjects only, and not against the Crown. (p)

Right of Crown to free use of inventions patented prior to 1884.

With regard to all patents granted on applications dated after January 1, 1884, it is provided by the Act of 1883 (q) that they shall have to all intents the like effect as against His Majesty the King, his heirs and successors, as they have 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

Crown only entitled to use inventions patented after January 1, 1884, on terms.

(n) *Lawson v. Donald Macpherson & Co.* (1897) 14 R. P. C. 696.

(o) *Feather v. The Queen*, (1865) 6 B. & S. 257; *Dixon v. The London Small Arms Co., Ltd.*, (1875) L. R. 1 App. Cas. 632.

(p) *Dixon v. The London Small Arms Co., Ltd.*, (1875) L. R. 1 App. Cas. 659; *Feather v. The Queen*, (1865) 6 B. & S. 257.

(q) 46 & 47 Vict. c. 57, ss. 27 and 45 (2).

Right of  
Crown to  
Use Inven-  
tions.

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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.

Government  
contractors.

Contractors who manufacture and supply the Government with manufactured articles are not servants of the Crown, and if such articles are manufactured according to a patented invention, without the licence of the patentee, the manufacturers are liable to be sued by the patentee for infringement; (r) but if and to the extent that the invention is used for the service of the Crown and under a contract with any officer or authority administering any department of the service of the Crown, sub-s. 2 of sec. 27 of the Patents Act, 1883, would be a good defence.

Procedure to  
question  
Crown's autho-  
rity to use a  
patented  
invention.

It would appear that sec. 27 sub-s. 1 of the Patents Act, 1883, has, in the case of letters patent for an invention, created an exception to the application of the common law principle that the Crown, since the Sovereign can do no wrong, cannot commit or authorise a tort. If this be so, it follows that a patentee has a remedy by petition of right in cases where the Crown infringes his patent, and he is, consequently, able to allege a ground of complaint, which, but for the inability of the subject to sue the Sovereign, might be made the subject of a judicial proceeding. (s)

Since sub-s. 2 of sec. 27 of the Patents Act, 1883, is merely permissive the patentee can sue an officer or authority administering any department of the service of the Crown who by himself, his agents, contractors or others infringes the patent under circumstances which are outside the provisions of that sub-section.

In several cases since the Act of 1883 the Crown has, upon request of the patentee made to the Treasury, nominated an officer administering a department of the service of the Crown to defend on behalf of the Crown any action which the patentee might see fit to bring against such officer. (t)

(r) *Dixon v. The London Small Arms Co., Ltd.*, (1875) L. R. 1 App. Cas. 632.

(s) *See Feather v. The Queen*, (1865) 6 B. & S. 295.

(t) *E.g. Nobel's Explosives Co. v. Anderson*, (1894) 11 R. P. C. 115; *Maxim-Nordenfelt Guns and Ammunition Co. v. Anderson*, (1897) 14 R. P. C. 371.

## CONSIDERATION.

There is no restriction as to the consideration in respect of which a licence may be granted. When a licence is granted by deed, it is, of course, not necessary that there should be any consideration at all.

The patentee generally grants licences in return for some consideration, which is usually a money payment, either of a fixed amount, or a sum varying according to the extent to which the licensee uses the invention, or a fixed amount in respect of every single article manufactured by the licensee according to the invention, or a percentage on profits.

Consideration.  
Covenants.

No restriction as to consideration for a licence to use a patented invention.

## COVENANTS.

It is usual to insert in a licence which is granted in consideration of a periodical or other payment, a covenant on the part of the licensor that the patent is valid so far as his acts or omissions are concerned, and that he has power to grant the licence; and on the part of the licensee a covenant for payment of the various sums as they become due. If the sums reserved vary with the extent of the licensee's user of the invention, it is usual for him to covenant to render accounts to the patentee, and to permit periodical inspections of premises and machinery. (*u*)

Usual covenants.

It is usual also to insert conditions avoiding the licence altogether if the licensee fail to pay any of the sums and royalties reserved by the licence, or to perform any of his covenants. (*x*)

In the interests of a patentee it is absolutely necessary that a licence which is made in consideration of periodical payments should contain covenants on the part of the licensee for payment of the sums reserved, and a proviso terminating the licence if default is made; otherwise a defaulting licensee might assign the licence (if assignable), (*y*) and so escape all liability in respect of it.

It is not unusual for the patentee to covenant that if he grants licences to others upon more favourable terms the licensee shall have the benefit of such terms. (*z*)

(*u*) p. 380 *post*.

(*x*) p. 380 *post*.

(*y*) p. 144 *ante*.

(*z*) In *Cheetham v. Nuttall*, (1893)

10 R. P. C. 321, the licensee was unsuccessful on the facts in establishing his claim to a revision of terms.

**Estoppel.**

To meet the requirements of particular cases many other covenants may be requisite, and the circumstances peculiar to individual cases usually need careful consideration.

Difference between licence to work under a foreign patent and the unconditional sale of an article made under a foreign or British patent.

A licensor is not entitled to interfere with the trade of his licensee pending disputes as to collateral matters; (a) but the owner of both English and foreign patents, who has granted a licence to work under one or all of the foreign patents, but not under the English patent, will not be restrained from issuing circulars, warning the public that the sale in England of articles made abroad according to the patented invention is an infringement of the English patent. (b) A licence to use a patented invention under a foreign patent stands in a very different position to the sale of an article manufactured under either a foreign or an English patent.

**ESTOPPEL.**

Estoppel in virtue of recitals or covenants implying validity.

A licensee, who has covenanted with the patentee to pay a royalty for the right to use a patented invention, is, by recitals or covenants implying the validity of the patent, estopped, during the continuance of the licence, from denying that validity as against the licensor in any legal proceedings to which they are both parties; (c) and he is so estopped independent of estoppel by deed; (d) and even when he has used the invention under a mere verbal agreement. (e) The assignor of a licensee is likewise estopped from disputing the validity of the patent as against his assignee. (f)

No estoppel against denial of the existence or ambit of a licence.

The licensee is entitled to dispute the existence of the licence. Thus where it is made coterminous with the existence of the patent the licensee is not estopped in an action

(a) *Clark v. Adie*, (1873) 21 W. R. 456, 764.

(b) *Société Anonyme des Manufactures de Glaces v. Tilghman's Patent Sand Blast Co.*, (1883) L. R. 25 Ch. D. 1; *Betts v. Willmott*, (1870) L. R. 6 Ch. 239.

(c) *Baird v. Neilson*, (1842) 8 Cl. & Fin. 726; *Cutler v. Bower*, (1848) 11 Q. B. 973; 17 L. J. Q. B. 217; *Hills v. Laming*, (1853) 9 Exch. 256; 23 L. J. Ex. 60; *Bowman v. Taylor*, (1834) 2 A. & E. 278; 1 W. P. C. 292; *Lawes v. Purser*, (1856) 6 E. & B. 930; 26 L. J. Q. B. 25; *Norton v. Brooks*, (1861) 7 H. & N. 499; *Smith v. Scott*, (1859) 28 L. J. C. P. 325; 6 C. B. N. S. 771; *Bessmans v. Wright*, (1858) 6 W. R. 719; *Crossley v. Dixon*, (1863) 10 H.

L. 293; 32 L. J. Ch. 617; *Hall v. Conder*, (1857) 2 C. B. N. S. 22, 53; 26 L. J. C. P. 138, 288; *Trotman v. Wood*, (1864) 16 C. B. N. S. 479; *Clark v. Adie*, (1877) L. R. 2 App. Cas. 423; *Liardet v. Electric Lighting Co.*, (1883) W. N. 96; *Ashworth v. Law*, (1890) 7 R. P. C. 231; *Wilson v. Union Oil Mills*, (1892) 9 R. P. C. 63; but see p. 150 *post*.

(d) *Lawes v. Purser*, (1856) 6 E. & B. 930; *Norton v. Brooks*, (1861) 7 H. & N. 499.

(e) *Crossley v. Dixon*, (1863) 10 H. L. C. 293, 308, 310; *Clark v. Adie*, (1873) L. R. 2 App. Cas. 423.

(f) *Gouville v. Hay*, (1903) 21 R. P. C. 49.

for royalties from contending that the patent has in fact expired—*c.g.*, on the ground that its life depended on that of a foreign patent which has lapsed. (*g*) Estoppel.

After the termination of the licence, the licensee may dispute the validity of the patent, (*h*) but he cannot sell articles as manufactured under licence from the patentee. (*i*)

When the licence is limited to the construction as opposed to the use of a patented article when constructed, a question may arise as to the right of a third party, for whom the article was constructed under the licence, to deny the validity of the patent as against the patentee. It may well be that, if the third party knew the nature of the licence when he gave the order for the construction, an estoppel by conduct arises, and such third party is at the mercy of the patentee as to the terms upon which he may be permitted to use the article. There does not appear to be any authority against the existence of such a state of things. (*j*)

Licence to construct only may operate as an estoppel against a third party, with notice, using a patented article.

Though the licensee during the continuance of the licence is estopped from denying the validity of the patent as against the licensor in an action for the recovery of royalties, he is entitled to dispute the ambit of the patentee's claim. (*k*) Thus he may dispute the construction put upon the specification by the licensor, and contend that the acts done by him in respect of which it is sought to make him liable in royalties are not covered by the patent upon the true construction of the specification, *i.e.*, they would not be held to be infringements in an action brought for infringement. (*l*) And, for the purpose of showing the true ambit of the claim, he may refer to anything which shows the state of public knowledge at the date of the patent. (*m*)

Licensee though estopped from denying validity may dispute ambit of patentee's claim.

A licensee under a patent is in a situation analogous to a tenant who, during the tenancy, cannot dispute the title of the lessee to any of the land held under the lease; but who is nevertheless at liberty to show that part of the land he actually

(*g*) *Muirhead v. Commercial Cable Co.*, (1894) 11 R. P. C. 317; 12 R. P. C. 39, 370.

(*h*) p. 150 *post*.

(*i*) *Post Card Automatic Supply Co. v. Samuel*, (1889) 6 R. P. C. 560.

(*j*) *Bassett v. Graydon*, (1897) 14 R. P. C. 711.

(*k*) *Crossley v. Dixon*, (1863) 10 H. L. C. 293; *Adie v. Clark*, (1876) L. R.

2 App. Cas. 423; *Cropper v. Smith*,

(1884) L. R. 26 Ch. D. 700; *Couchman v. Greener*, (1884) 1 R. P. C. 197; *The Useful Patents Co. v. Rylands*, (1895) 2 R. P. C. 253; *Siemens v. Taylor*, (1892) 393.

(*l*) *Young v. Hennand Oil Co.*, (1891) 8 R. P. C. 285; 9 R. P. C. 373; *Ashworth v. Roberts*, (1892) 9 R. P. C. 89, 309.

(*m*) *Young v. Hennand Oil Co.*, (1892) 9 R. P. C. 373.



**Estoppel.** occupies is really not comprised within the lease, but belongs to himself under some other right. (*n*)

Determination of licence may be pleaded in action to recover royalties.

If the licensee, as is commonly done, is sued for infringements as well as royalties, it is open to him to plead the determination of the licence, if, in fact, he has determined it; and then he can also dispute the validity of the patent. (*o*) It is thus open to a licensee, by a revocation of the licence where such is possible, to turn himself from a licensee into a trespasser and wrongdoer if the patent is valid, but a lawful user if the patent is void.

Inspection against licensee not a party to an action against his licensor.

A licensee (not a party to the action) cannot be compelled to give inspection in an action against the licensor, but if the licensor can arrange for an inspection it is proper he should do so; and if it appear that the licensor is himself or by his licensee working the process in dispute the usual order for inspection will be made. (*p*)

Licensee is a competent witness in an action brought by the patentee.

A licensee is a competent witness for the plaintiff in an action for the infringement of a patent under which he has a licence. He has no direct pecuniary interest in supporting the patent, and it may be for his advantage that it should not be supported. (*q*)

No estoppel against a person who has made an agreement, not under seal, for a licence, but has not used the invention.

Where a person has agreed, not under seal, with the patentee to pay a certain sum of money, annually or otherwise, for the use of a patented invention, but has not actually used the invention, he is not estopped from denying the validity of the patent in an action brought against him by the patentee for recovery of royalties. (*r*)

No estoppel against an equitable assignee of an exclusive licence.

An equitable assignee of an exclusive licensee also is not estopped, in an action brought against him by the patentee for infringement, from disputing the validity of the patent. (*s*)

Right to dispute validity may be specially provided for.

If it is the intention of the parties that it is to be open to the licensee to dispute the validity of the patent, then the licence ought to be specially framed to allow of this by the insertion of covenants on the part of the licensor for title to grant the licence, and that the patent is valid.

If there are no express covenants on the part of the licensor as to his power to grant the licence, and as to the validity of the

(*n*) Per Lord Blackburn, (1873) *Clark v. Adie*, L. R. 2 App. Cas. 435.

(*o*) *Redges v. Mullinar*, (1892) 10 R. P. C. 21; *Crossley v. Dixon*, (1863) 10 H. L. C. 293.

(*p*) *Germ Milling Co. v. Robinson*, (1886) 3 R. P. C. 11, 14.

(*q*) Per Lord Abinger, C.B., *Derosne*

*v. Fairie*, (1835) 2 Cr. M. & R. 476; 1 W. P. C. 154.

(*r*) *Chanter v. Leese*, (1838) 1 W. P. C. 295; 8 L. J. Ex. 58; 9 L. J. Ex. 327; 4 M. & W. 295; 5 M. & W. 698.

(*s*) *Pidding v. Franks*, (1849) 1 Mac. & G. 56; 18 L. J. Ch. 295.

patent, the law will not import any, since the privilege created by letters patent is impressed with the nature of personality, and the law will not create a covenant respecting a personal thing. (t) Estoppel.

In *Hayne v. Maltby* (u) the action was brought for the breach of an agreement which recited that the plaintiffs were assignees of a patent granted to *T. Taylor*, and that the defendant had applied to the plaintiffs for permission to use the patented invention, to which they assented, on condition of his working it in the manner described in the specification. The agreement contained a covenant by the plaintiffs with the defendant that he should have the free use and quiet enjoyment of the patented machine, in case the same should be worked only in the manner described in the specification, and also a covenant by the defendant that he would not, during the residue of the term, use any of the patented machines except the one by the articles allowed to be used by him. Under these circumstances, the Court of King's Bench held that the defendant was not estopped from denying the validity of the patent, and gave judgment for him on the ground that the patent was void. It is to be noticed that the agreement merely recited that the plaintiffs were assignees of the patent, not that the patent was valid. (x)

After the termination of the licence, the licensee is in just the same position as the rest of the King's subjects, with regard to being able to deny the validity of the patent, if the patentee brings any action against him for infringement. (y) Estoppel terminates with licence.

In *Goucher v. Clayton* (z) it appeared that the plaintiff took proceedings in 1854 against a certain firm of *Clayton & Co.* for infringement of his patent. The firm submitted to a judgment in the action, and took a licence for five years (afterwards extended to seven) to work under the patent. The present suit was instituted in 1864 against the same firm, but two new partners had entered the firm after the judgment at law. The defendants raised the issues of want of novelty and sufficiency of the specification. *Wood*, V.C., overruled the objection that the defendants were estopped

(t) Com. Dig. tit. Covenant A. 4.

(u) (1789) 3 T. R. 438; 1 W. P. C. 291.

(x) See *Bowman v. Taylor*, (1834) 2 A. & E. 278; 1 W. P. C. 293; and remarks of Lord Cottenham, L.C., in *Neilson v. Fothergill*, (1841) 1 W. P. C. 290.

(y) *Axmann v. Lund*, (1874) L. R. 18 Eq. 330; 43 L. J. Ch. 655; *Goucher v. Clayton*, (1865) 11 Jur. N. S. 107; 34 L. J. Ch. 239; *Dangerfield v. Jones*, (1865) 13 L. T. N. S. 142; *Neilson v. Fothergill*, (1841) 1 W. P. C. 290.

(z) (1865) 11 Jur. N. S. 107; 34 L. J. Ch. 239.

Registra-  
tion.

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from denying the validity of the patent, both as having been licensees and by reason of the judgment at law, and stated that in any case he could not prevent those defendants who were not parties to the action at law from setting up that defence.

In action of  
infringement  
alternative  
pleas of no  
infringement  
in fact or acts  
done under  
licence are not  
allowable.

It is not competent to the defendant to an action for infringement to set up alternative pleas to the effect that the acts complained of as infringements were either done under licence of the patentee, or the patent is itself invalid. He must adopt one line of defence or the other. Thus, where, in an action for infringement, the defendant, who was the mortgagee of certain articles manufactured under a licence which the plaintiff alleged was revoked, disputed the fact of revocation, and contended that the patent was invalid, the Court held that he must elect which line of defence he would adopt. (a)

#### REGISTRATION.

All licences  
should be  
registered.

A notification of every licence to work under a patent must be entered in the Register of Patents, and an attested copy of every licence granted under a patent must be left at the Patent Office by the licensee, with a request that a notification thereof may be entered in the register. The licensee must cause the accuracy of such copy to be certified as the Comptroller may direct, and the original licence must at the same time be produced and left at the Patent Office, if required, for further verification. (b)

The registration of a licence does not enable the licensee to enforce his legal title so as to defeat the prior, though subsequently registered, equitable right of an assignee of the patent, where the licensee takes with notice of the equitable assignment. Thus where the facts were these: (1) by assignment in writing A., the registered proprietor of a patent, agreed to assign it to B.; (2) before the agreement to assign had been registered A. granted a licence to C., who forthwith registered his licence; (3) B., subsequent to the registration of the licence, registered his agreement and took and registered an assignment of the patent; (4) C. took his licence with express notice of B.'s agreement; it was held—both on principle and under

(a) *Post Card Automatic Supply Co. v. Samuel*, (1889) 6 R. P. C. 560.

(b) 46 & 47 Vict. c. 57, s. 23; P. R., (1903) r. 63.

the proviso of sec. 87 of the Patents Act, 1883—that C., notwithstanding his legal title by prior registration, could not assert that title to defeat B.'s equitable right by notice, and that, therefore, the licence was void as against B. (c)

Recovery  
of  
Royalties.

The subject of the registration of licences in general has already been fully discussed in the chapter dealing with the proceedings at the Patent Office for obtaining a grant of letters patent. (d)

#### RECOVERY OF ROYALTIES.

The licensor has a right of action on the contract to sue for the recovery of royalties in arrear, and if successful he may obtain an account of profits against the licensee. Royalties may be recovered by action,

An account of profits, however, will not be granted against a licensee at the instance of the licensor or his assignee if there is proof that no profits have arisen, and not in any case unless all parties interested are before the Court. (e)

Though before the commencement of an action for the recovery of royalties due under a licence the patent has been declared void in other proceedings, the defendant, if he be the licensee of the plaintiff under a licence containing no covenant on the part of the licensor as to his title to grant the licence and as to the validity of the patent, cannot plead that the patent is bad. (f) even though the patent has been declared void.

A licensee also who has covenanted to pay royalties for a term certain is bound to pay such royalties, though the patent is in the mean time declared void and cancelled, (g) and he cannot, in the absence of fraud, recover royalties which he has paid under a licence, though, after the termination of the licence, it should turn out that the patent is bad. (h)

So where a licensee under several patents covenanted to pay royalties in respect of anything manufactured under any of the patents until the effluxion of all the terms of years respectively granted by the said letters patent, he was held liable to pay royalties for the use of any of the inventions so

(c) *New Ixion Tyre and Cycle Co. v. Spilsbury*, [1898] 2 Ch. 137, 484; 15 R. P. C. 380, 567.

N. S. 713.

(d) pp. 56-61 *ante*.

(g) *African Gold Recovery Co. v. Sheba Gold Mining Co.*, (1897) 14 R. P. C. 660.

(e) *Bergmann v. Macmillan*, (1881) L. B. 17 Ch. D. 423.

(h) *Taylor v. Hase*, (1805) 1 B. & P. N. R. 260; 1 W. P. C. 292; *Collinge v. Bowman*, (1834) 1 W. P. C. 295.

(f) *Grover and Baker Sewing Machine Co. v. Millard*, (1862) 8 Jur.

Recovery  
of  
Royalties.

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long as any of the patents were subsisting. (i) Thus, in consequence of his covenant, a licensee may be compelled to pay for the use of an invention the subject of a lapsed or cancelled patent, whilst the rest of the public are entitled to use it free.

Fraud is a  
defence to an  
action to re-  
cover royalties.

Fraud and misrepresentation are defences to an action for the recovery of royalties, and also grounds on which a licensee, who has paid royalties under a licence tainted therewith, can recover the moneys he has disbursed. (k) A licensee who sets up a case of misrepresentation as an obvious side issue to enable him to dispute the validity of the patent is not likely to find much favour with the Court. (l)

Royalties paid  
after breach  
of covenant  
by licensor.

Royalties paid by the licensee after, and without knowledge of, a breach of covenant by the licensor may be recovered. Thus, when the licensee agreed to pay royalties for a term certain, and the patentee covenanted to protect and defend the patent from infringement, and the patent lapsed through non-payment of renewal fees by the patentee, the licensee was held entitled to recover back the royalties he had paid after, and without knowledge of, the lapse. The reason for the decision was that the neglect of the patentee to pay the renewal fees was a breach of his covenant to protect and defend the patent against infringers, which implied a covenant to keep the patent in such a position that he should be able to do so. (m)

Important questions as to the liabilities of licensees to pay royalties after breach of covenant by the patentee, *e.g.*, involving lapse of the patent, depend sometimes in particular cases upon whether or not the patentee's covenant for quiet enjoyment and the licensee's covenant to pay royalties are conditional and co-extensive or not. In the one case royalties may be claimed by the patentee notwithstanding his breach and the lapse of the patent; in the other case they cannot be so claimed. Moreover it must be remembered that an express condition for cesser of the payments will negative any implied condition for cesser. (n)

(i) *Siemens v. Taylor*, (1892) 9 R. P. C. 393.

(k) *Cutler v. Bower*, (1848) 11 Q. B. 973; 17 L. J. Q. B. 217; *Hall v. Conder*, (1857) 2 C. B. N. S. 22; 26 L. J. C. P. 138; *Lawes v. Purser*, (1850) 6 E. & B. 930; 26 L. J. Q. B. 25; *Smith v. Scott*, (1859) 28 L. J. C. P. 325; 6 C. B. N. S. 771; *Jandus*

*Arc Lamp and Electric Co., Ltd. v. Johnson*, (1900) 17 R. P. C. 361.

(l) See *Jandus Arc Lamp and Electric Co., Ltd. v. Johnson*, (1900) 17 R. P. C. 373.

(m) *Lines v. Usher*, (1896) 13 R. P. C. 685; 14 R. P. C. 206.

(n) *Mills v. Carson*, (1892) 10 R. P. C. 9.

The action for recovery of royalties is frequently brought for the recovery of the royalties or, in the alternative, for an injunction and the usual relief to restrain infringement. (o) In such an action where it appeared that the plaintiff was the owner of three patents, under two of which the defendant was a licensee in arrear, and the defendant did not appear on the hearing of a motion for an interlocutory injunction, the Court granted an injunction restraining infringement, but specially worded the order so as not to restrain the defendant from working under the licence. (p)

### Recovery of Royalties.

—  
Action may be brought for recovery of royalties or in the alternative for relief in respect of infringement.

On the taking of an account of royalties due for the use of an invention the Court may, under the circumstances of the case, only be able to estimate the real sum due; and, under such circumstances, the Court of Appeal will not lightly put aside the finding of the officer of the Court, who comes to a conclusion upon an estimate. (q)

Court may only be able to estimate royalties due.

Whether or not a patentee can in a particular case recover interest on unpaid royalties depends on the question of fact, whether, upon the true construction of the licence, the overdue royalty is a sum certain payable at a fixed time by virtue of the instrument itself. (r)

Recovery of interest on unpaid royalties.

The taxing master has a discretion as to proceeding with the taxation when an appeal is pending and shortly coming on for hearing. In a case where the taxing master on being informed at the taxation that an appeal was pending and might possibly be decided in three days' time, in the exercise of his discretion, refused to proceed with the taxation pending the result of the appeal, the defendant took out a summons asking that the taxing master might be ordered to proceed with the taxation. The Court of Appeal decided that an order in the action refusing stay of execution was not so peremptory but that the taxing master had a discretion, which he had wisely exercised, and refused to grant the order asked for. (s)

Taxation pending an appeal.

When an action for the recovery of royalties is one of especial difficulty and importance, costs may be given on the higher scale. (t)

(o) *Wilson v. Union Oil Mills Co.*, (1892) 9 R. P. C. 57.

(p) *Pneumatic Tyre Co. v. Ferguson*, (1894) 11 R. P. C. 459.

(q) *Alma Vencer Felt Co. v. Fisher*, (1897) 14 R. P. C. 159.

(r) *Muirhead v. Commercial Cable Co.*, (1894) 11 R. P. C. 346; *Redges v. Mullinar*, (1893) 10 R. P. C. 25;

*London, Chatham and Dover Ry. Co. v. South Eastern Ry. Co.*, (1893) L. R. App. Cas. 429; *Merchant Shipping Co. v. Armitage*, (1873) L. R. 9 Q. B. 99.

(s) *Muirhead v. Commercial Cable Co.*, (1895) 12 R. P. C. 258.

(t) *Ibid.*, (1894) 12 R. P. C. 39.

Licensors  
and  
Licensee  
Plaintiff  
in Action  
for  
Infringe-  
ment.

Action for in-  
fringements  
at the instance  
of licensors  
and licensees  
respectively.

LICENSOR'S AND LICENSEE'S POWERS TO SUE IN RESPECT  
OF INFRINGEMENT.

It is clear that a mere licensee having a simple licence to work under a patent cannot sue alone in respect of infringements of the patent, and he must join the patentee; since the patentee may grant a licence to any other person, the defendant in the action might possibly be a licensee also, and the infringement is an injury to the patentee and not to the mere licensee. (u) Consequently though the licence be an exclusive licence, if it be simply an authority to do lawfully that which would otherwise have been unlawful, and not a licence coupled with or equivalent to a grant, the licensee is not entitled to sue in his own name without joining the patentee. (x)

It follows, therefore, that a patentee, who has merely granted simple licences, is entitled to sue alone in respect of any infringements without joining his licensees; for, since he may grant licences to whom he pleases, the injury affects him alone, and it would appear that a patentee, who has granted an exclusive licence, which does not amount to an actual assignment of the patent (*e.g.*, one which contains a power of revocation in the event of breach of covenant), may sue to restrain infringements without bringing the exclusive licensee before the Court; for the injury done to the patentee is distinct from that suffered by the exclusive licensee. The infringement affects the exclusive licensee by injuring his trade; it affects the patentee both by loss of reputation of the patent through infringements being permitted, and by loss of royalties, if royalties are paid for the licence.

The decision of Lord *Hatherley*, then Vice-Chancellor *Wood*, in *Renard v. Levinstein*, (y) appears to be an authority for the statement that an exclusive licensee is entitled to sue alone to restrain infringements within the area of the exclusive licence. It must, however, be noticed that in that case the owners of the patent were joined as defendants, and there does not appear to be any decided case in which the licensee has been allowed to sue without the patentee being a party. (z)

(u) *Newby v. Harrison*, cited in *Renard v. Levinstein*, 2 H. & M. 628; *Derosne v. Fairie*, (1835) 1 W. P. C. 155; *Heap v. Hartley*, (1888) 5 R. P. C. 603; 6 R. P. C. 495; L. R. 42 Ch. D. 461.

(x) *Heap v. Hartley*, (1898) L. R.

42 Ch. D. 461; 6 R. P. C. 495.

(y) 2 H. & M. 628.

(z) *Plimpton v. Malcolmson*, (1875) L. R. 3 Ch. D. 531; *Barnett v. Barrett's Screw Stopper Bottling Co.*, (1884) 1 R. P. C. 9; *Heap v. Hartley*, (1888) 5 R. P. C. 603.

## CHAPTER V.

### PROLONGATION OR EXTENSION OF LETTERS PATENT.

#### PROLONGATION PRIOR TO 1884.

THE Common Law sanctions the grant of letters patent for inventions, because the pecuniary reward which a monopoly usually brings to the patentee acts as an inducement to others possessing inventive ability to disclose their inventions for the public good.

Object of grant  
of letters  
patent.

Letters patent are never granted in the first instance for a longer period than fourteen years; (a) and it sometimes happens that this term is not sufficient to enable the patentee, by means of the profits arising from his monopoly, to recoup himself the outlay to which he has been put, and to reap the remuneration which the law considers he is entitled to in return for communicating a valuable and perfected invention to the public.

Though an invention be beneficial, it may happen that the patentee does not reap any adequate reward during the original term, on account of his outlay in experiments, or on account of the public hesitating to perceive the merits of and adopt the invention. The patentee may also fail to reap a proper reward, because he has been compelled to carry on expensive litigation against persons who have infringed his patent, or to oppose petitions for its revocation. Again, inventors who are not affluent may nearly reach the expiry of their monopoly before they succeed in obtaining the monetary assistance necessary to enable them to develop their discoveries so as to make any adequate profit within the residue of the term.

If from any cause whatever an inventor has not been able to reap the pecuniary benefits to which he was entitled in respect of the disclosure of his secret, there is nothing in the spirit of the patent law which prohibits the Sovereign, acting

Power of the  
Crown to pro-  
long the mono-  
poly.

(a) p. 53 *ante*.



Prolongation prior to 1884.      for and on behalf of (b) the public, from prolonging the duration of the monopoly, if there is any likelihood of the patentee making profit during the extended period.

Historical.

Previous to the year 1835 the only way in which a patentee could obtain a prolongation of the period for which the patent was originally granted was by obtaining a special Act of Parliament, and instances of such special Acts are not wanting. (c)

Stat. 5 & 6  
Will. IV. c. 83,  
s. 4.

Sec. 4 of Lord *Brougham's* Act, (d) passed in the year 1835, provided that—

“ If any person who now hath or shall hereafter obtain any letters patent as aforesaid—*i.e.*, as grantee, assignee, or otherwise (e)—shall advertise in the *London Gazette* three times, and in three London papers, and three times in some country paper published in the town where or near to which he carried on any manufacture of anything made according to his specification, or near to or in which he resides, in case he carries on no such manufacture, or published in the county where he carries on such manufacture, or where he lives, in case there shall not be any paper published in such town, that he intends to apply to His Majesty in Council for a prolongation of his term of sole using and vending his invention, and shall petition His Majesty in Council to that effect, it shall be lawful for any person to enter a caveat at the Council Office; and if His Majesty shall refer the consideration of such petition to the Judicial Committee of the Privy Council, and notice shall first be by him given to any person or persons who shall have entered such caveats, the petitioner shall be heard by his counsel and witnesses to prove his case, and the persons entering the caveats shall likewise be heard by their counsel and witnesses, whereupon, and upon hearing and inquiring of the whole matter, the Judicial Committee may report to His Majesty that a further extension of the term in the said letters patent should be granted, not exceeding seven years; and His Majesty is hereby authorised and empowered, if he shall think fit, to grant new letters patent for the said invention for a term not exceeding seven years after the expiration of the first term, any law, custom, or usage to the contrary in anywise notwithstanding: provided that no such extension shall be granted if the application by petition shall not be made and prosecuted

(b) *Harmar v. Playne*, (1809) 14 Ves. 132; Bac. Abr. tit. Prerog.; Year Book, 40 Edw. III. fol. 18.

(c) See 16 Geo. II. c. 25; 23 Geo. II. c. 38; 15 Geo. III. c. 52; 16 Geo.

III. c. 29; 17 Geo. III. c. 6; 25 Geo. III. c. 38; 32 Geo. III. c. 72; 10 Geo. IV. c. 135.

(d) 5 & 6 Will. IV. c. 83, s. 4.

(e) *Ibid.* s. 1.

with effect before the expiration of the term originally granted in such letters patent." Prolongation prior to 1884.

In consequence of the hardships which patentees suffered who were unable to prosecute their petitions with effect before the expiration of the term of their patents, (*f*) so much of the above recited Act as provided that no extension of the term of letters patent should be granted, if the application by petition were not prosecuted with effect before the expiration of the term originally granted in such letters patent, was repealed by 2 & 3 Vict. c. 67. Stat. 2 & 3  
Vict. c. 67.

It was provided by this latter statute (*g*) that the Judicial Committee of the Privy Council should have power wherever it appeared to them that any application for an extension of the term granted by any letters patent, the petition for which extension should have been referred to them for their consideration, had not been prosecuted with effect before the expiration of the said term from any other causes than neglect, or default of the petitioner, to entertain such application, and to report thereon as by Lord *Brougham's* Act (*h*) provided, notwithstanding the term might have expired before the hearing of such application: and Her Majesty was empowered, if she should think fit, on the report of the Judicial Committee recommending an extension of the term of such letters patent, to grant such extension, or to grant new letters patent for the invention or inventions specified in such original letters patent for a term not exceeding seven years after the expiration of the term mentioned in the said original letters patent; Provided that no such extension or new letters patent should be granted if a petition for the same should not have been presented as by Lord *Brougham's* Act directed, before the expiration of the term sought to be extended, nor in case of petitions presented after November 30, 1839, unless such petition should be presented six calendar months at least before the expiration of such term, nor in any case unless sufficient reason should be shown to the satisfaction of the Judicial Committee for the omission to prosecute with effect the said application by petition before the expiration of the said term.

The fact being recognised that, for the encouragement of Stat. 7 & 8  
Vict. c. 69.

(*f*) See *Bodmer's* Patent (No. 1), (1838) 2 Moo. P. C. 471; 13 Newton, L. J. O. S. 175.

(*g*) s. 2.  
(*h*) p. 158 ante.

Prolonga-  
tion prior  
to 1884.

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inventions in the useful arts, it was desirable to give the Crown power to extend the period of a patentee's monopoly beyond seven years from the expiration of the original term in cases where it could be satisfactorily shown that the expense of the invention had been too great for the patentee to recoup himself during the term then limited by law, the Legislature in 1844 by the Act 7 & 8 Vict. c. 69, secs. 2 and 3 enacted as follows:—

“ If any person having obtained a patent for any invention shall, before the expiration thereof, present a petition to Her Majesty in Council, setting forth that he has been unable to obtain a due remuneration for his expense and labour in perfecting such invention, and that an exclusive right of using and vending the same for the further period of seven years in addition to the term in such patent mentioned will not suffice for his reimbursement and remuneration, then, if the matter of such petition shall be by Her Majesty referred to the Judicial Committee of the Privy Council, the said committee shall proceed to consider the same after the manner and in the usual course of its proceedings touching patents, and if the said committee shall be of opinion and shall so report to Her Majesty that a further period greater than seven years' extension of the said patent term ought to be granted to the petitioner, it shall be lawful for Her Majesty, if she shall so think fit, to grant an extension thereof for any term not exceeding fourteen years, in like manner, and subject to the same rules as to the extension for a term not exceeding seven years as now granted: Provided always, and be it enacted, that nothing herein contained shall prevent the said Judicial Committee from reporting that an extension for any period not exceeding seven years should be granted, or prevent Her Majesty from granting an extension for such lesser term than the petitioner shall have prayed.” (i)

Stat. 15 & 16  
Vict. c. 83.

By an Act of 1852 (j) it was provided that any letters patent obtained in the United Kingdom in respect of any invention first invented in any foreign country, or by the subject of any foreign power or State, and in respect of which any foreign letters patent or like privilege should have been obtained, should not continue in force after the expiration of the term which should first expire or be determined of such foreign letters patent or like privileges: Provided that no letters patent granted in the United Kingdom in respect of

(i) 7 & 8 Vict. c. 69, ss. 2 and 3.

(j) 15 & 16 Vict. c. 83, s. 25.

any invention which formed the subject of any foreign expired letters patent should be valid.

Extension  
under Act  
of 1883.

It was, however, provided by the Act of 1852 (*k*) that the provisions of Lord *Brougham's* Act, (*l*) the Act of 1839, (*m*) and the Act of 1844 (*n*) as to prolongation of letters patent should still continue in force.

#### EXTENSION BY PETITION UNDER ACT OF 1883.

The Act of 1883 (*o*) substitutes the term "extension" in place of "prolongation" used in the earlier statutes, and repeals the whole of the statutes hereinbefore referred to.

Effect of the  
Patents, &c.,  
Act of 1883.

The practice which regulates the presentation and hearing of petitions for the extension of patents presented under sec. 25 of the Act of 1883 is now governed by the Privy Council Rules, 1898, made under the powers created by that section. (*p*) The former practice was governed by the Privy Council Rules (*q*) made under Lord *Brougham's* Act, (*r*) which are not expressly repealed by the new rules of 1898, and which it is presumed will still be enforced where not inconsistent with the new rules of 1898.

Practice on  
petitions under  
s. 25 of the Act  
of 1883.

Sec. 25 of the Act of 1883 enacts as follows :—

S. 25 of the  
Act of 1883.

(1) A patentee may, after advertising in manner directed by any rules made under this section his intention to do so, present a petition to Her Majesty in Council, praying that his patent may be extended for a further term; but such petition must be presented at least six months before the time limited for the expiration of the patent.

(2) Any person may enter a caveat, addressed to the Registrar of the Council at the Council Office, against the extension.

(3) If Her Majesty shall be pleased to refer any such petition to the Judicial Committee of the Privy Council, the said committee shall proceed to consider the same, and the petitioner and any person who has entered a caveat shall be entitled to be heard by himself or by counsel on the petition.

(4) The Judicial Committee shall, in considering their decision, have regard to the nature and merits of the invention in relation to the public, to the profits made by the patentee as such, and to all the circumstances of the case.

(*k*) 15 & 16 Vict. c. 83, s. 25.

(*l*) 5 & 6 Will. IV. c. 83.

(*m*) 2 & 3 Vict. c. 67.

(*n*) 7 & 8 Vict. c. 69.

(*o*) 46 & 47 Vict. c. 57, s. 113.

(*p*) See Appendix.

(*q*) *Ibid.*

(*r*) See 5 & 6 Will. IV. c. 83; *Newton's Patent*, (1884) L. R. 9 App. Cas. 592; 1 R. P. C. 177.

The  
Petitioner.

(5) If the Judicial Committee report that the patentee has been inadequately remunerated by his patent, it shall be lawful for Her Majesty in Council to extend the term of the patent for a further term not exceeding seven, or in exceptional cases fourteen, years; or to order the grant of a new patent for the term therein mentioned, and containing any restrictions, conditions, and provisions that the Judicial Committee may think fit.

(6) It shall be lawful for Her Majesty in Council to make, from time to time, rules of procedure and practice for regulating proceedings on such petitions, and subject thereto such proceedings shall be regulated according to the existing procedure and practice in patent matters of the Judicial Committee. (a)

(7) The costs of all parties of and incident to such proceedings shall be in the discretion of the Judicial Committee; and the orders of the committee respecting costs shall be enforceable as if they were orders of a division of the High Court of Justice.

#### THE PETITIONER.

Who may  
petition.

The term "patentee," as defined by the Act of 1883, means the person for the time being entitled to the benefit of the patent; (t) and it is, therefore, clear that prolongation or extension of the patent could be granted on the petition of the original patentee, his legal personal representative, or assignee, or, in the case of a partial assignment, the assignee or assignees conjointly with the original patentee or patentees.

The term "patentee" includes the executor of a deceased assignee, (u) the trustees of a company, (x) the patentee agent of a foreign inventor, (y) or a mortgagee. (z)

Under Lord *Brougham's* Act (a) it was doubtful whether the Crown had power to grant a prolongation in cases where there had been a complete or partial assignment of the patent right; but it was subsequently enacted that it should be lawful for Her Majesty, on the report of the Judicial Committee of the Privy Council, to grant such extension as was

(a) By Order in Council, Her Majesty, by and with the advice of her Privy Council, approved of the several rules and regulations contained in the schedule thereunto annexed, and ordered that on and after January, 1898, the same be respectfully observed. The Order in Council and rules referred to will be found at p. 328 *post*.

(t) s. 46.

(u) *Bodmer's Patent*, (1849) 6 Moo. P. C. 469.

(x) *Petitt Smith's Patent*, (1850) 7 Moo. P. C. 156.

(y) *Newton's Patent* (No. 1), (1861) 14 Moo. P. C. 156.

(z) *Southworth's Patent*, (1837) 1 W. P. C. 486; but see *Church's Patent*, (1886) 3 R. P. C. 95.

(a) 5 & 6 Will. IV. c. 83.

authorised by Lord *Brougham's* Act either to an assignee or assignees, or to the original patentee or patentees conjointly; (b) and assignees may obtain an extension under the present Acts. (c)

The  
Petitioner.

The Judicial Committee in forming their decision whether or not to recommend an extension of a patent always consider separately whether the extension will benefit the inventor, and also whether it will injure the public.

Committee  
consider probable benefit to the petitioner as well as injury to the public.

Assignees do not stand the same chance of success, on an application for extension of the patent, as original patentees, (d) for the object of the Crown, in granting an extension, being to reward the person who communicated the invention to the public, unless such person—*i.e.*, the original patentee—derives some benefit the extension will not be granted. (e) The definition of the term "patentee" by the Act of 1883 has not altered the principle which guided the Judicial Committee in the older cases with reference to allowing prolongation to assignees. (f)

Assignees are not received so favourably as original patentees.

The ground that the merits of the inventor ought to be properly rewarded, in dealing with an invention which has proved useful and beneficial to the public, does not exist in the case of an assignee, unless the assignee be a person who has assisted the patentee with funds to enable him to perfect and bring his invention into use. (g)

On an application by assignees, the Judicial Committee always consider that by favourably listening to the application of an assignee they are, though not directly, yet mediately and consequentially, as it were, giving a benefit to the inventor, because, if the assignee is not remunerated at all, it might be said that the patentee's chance of making an advantageous conveyance to an assignee would be materially diminished, and consequently his interest damnified. For this reason, consideration is given to the claims of the assignee who has an interest in a patent (h) and has assisted in the development of the invention.

(b) 7 & 8 Vict. c. 69, s. 4.

(c) *Davies' Patent*, (1894) 11 R. P. C. 28.

(d) *Norton's Patent*, (1863) 1 Moo. P. C. N. S. 339; *Normand's Patent*, (1870) L. R. 3 P. C. 193; *Claridge's Patent*, (1851) 7 Moo. P. C. 394.

(e) See *Norton's Patent*, (1863) 1 Moo. P. C. N. S. 339; *Normand's Patent*, (1870) L. R. 3 P. C. 193;

*Bovill's Patent*, (1863) 1 Moo. P. C. N. S. 348; *Hopkinson's Patent*, (1896) 14 R. P. C. 10.

(f) *Hopkinson's Patent*, (1896) 14 R. P. C. 10.

(g) Per Lord Romilly, *Norton's Patent*, (1863) 1 Moo. P. C. N. S. 339.

(h) See judgment of Lord Brougham, *Morgan's Patent*, (1843) 1 W. P. C. 738.

The  
Petitioner.

It thus appears that an assignee who has assisted with capital in developing the invention will be viewed by the Judicial Committee more favourably (*i*) than one who has rendered no such assistance, but has merely purchased the invention on speculation. (*k*)

Companies.

Companies formed for the purpose of taking over patents and working them stand in the same position as other assignees with regard to petitions for extension; *i.e.*, if it can be shown that the company has expended money in developing the invention for the public benefit, and has not obtained an adequate return, the Judicial Committee will report favourably to the company, (*l*) but, if the company has been formed for purposes of speculation merely, no extension will be recommended when the original inventor has no practical interest in the question, notwithstanding that the company has suffered loss. (*m*)

Extension is not recommended unless original patentee would be directly or indirectly benefited.

There is no reported case in which the committee have recommended an extension, on the petition of an assignee, when it would not directly or indirectly tend towards the benefit of the original inventor, who would, had there been no assignment, have been in a position to claim an extension himself. (*n*)

Thus an assignee who has acquired a patent as a commercial venture cannot hope to obtain an extension when the original inventor could have no legitimate interest in making the application himself, *e.g.*, when the original patentee has been sufficiently rewarded at the expense of the patent, though the assignee has made a loss, or only a small profit, by the adventure, an extension will not be granted. (*o*)

(*i*) Bodmer's Patent, (1849) 6 Moo. P. C. 468; Berry's Patent, (1850) 7 Moo. P. C. 187; Whitehouse's Patent, (1830) 1 W. P. C. 473; 2 Moo P. C. 496; Carp. P. C. 565; Woodcroft's Patent, (1846) 2 W. P. C. 18; 10 Jur. 363; Normand's Patent, (1870) L. R. 3 P. C. 193; 6 Moo. P. C. N. S. 477; Houghton's Patent, (1871) L. R. 3 P. C. 461.

(*k*) *Ibid.*; Sillar's Patent, (1882) G. P. C. 581; Norton's Patent, (1863) 1 Moo. P. C. N. S. 339; 9 Jur. N. S. 419; G. P. C. 553; Hopkinson's Patent, (1896) 14 R. P. C. 5; Henderson's Patent, (1901) 18 R. P. C. 453.

(*l*) Petitt Smith's Patent, (1850) 7 Moo. P. C. 133; Houghton's Patent, (1871) L. R. 3 P. C. 461; 7 Moo. P. C. N. S. 309; Napier's Patent (No. 1),

(1861) 13 Moo. P. C. 543; Church's Patent, (1886) 3 R. P. C. 95.

(*m*) Sillar's Patent, (1882) 1 G. P. C. 581; Claridge's Patent, (1851) 7 Moo. P. C. 394; Recce's Patent, (1881) 17 Iron. 155; 51 Eng. 207; Duncan and Wilson's Patent, (1884) 1 R. P. C. 257; see also Norton's Patent, (1863) G. P. C. 554, per Romilly, M.R.; Hopkinson's Patent, (1896) 14 R. P. C. 5; Clark's Patent, (1899) 16 R. P. C. 431.

(*n*) Bower and Barff's Patent, (1895) 12 R. P. C. 386; Hopkinson's Patent, (1896) 14 R. P. C. 5; Finch's Patent, (1898) 15 R. P. C. 674; Henderson's Patent, (1901) 18 R. P. C. 449.

(*o*) Claridge's Patent, (1851) 7 Moo. P. C. 394; Norton's Patent, (1863) 1 Moo. P. C. N. S. 339; Bower Barff's Patent, (1895) 12 R. P. C. 5; Carmont's

The merit of an importer, (p) *i.e.*, an inventor in the patent law sense, and not a mere assignee, is less than that of an original inventor. (q) To use the language of Lord *Brougham*, "the patent law is framed in a way to include two species of public benefactors; the one, those who benefit the public by their ingenuity, industry, science, invention, and personal capability; the other, those who benefit the public without any ingenuity or invention of their own, by the importation of the results of foreign inventions. Now, the latter is a benefit to the public incontestably, and, therefore, they render themselves entitled to be put upon somewhat, if not entirely, the same footing as inventors." (r) When the petitioner is an importer upon a communication from abroad, or the assignee of such an importer, it is absolutely essential that the committee are put in a position by the accounts to judge of the remuneration actually received, or which could have been received from the invention by the original inventor abroad, otherwise the petition will be dismissed. (s)

**The  
Petition.**

Merit of an importer is less than that of an original inventor.

When the patentee has granted an exclusive licence, the exclusive licensee should be a co-petitioner in order that he may show his accounts, and that the exclusive licence was not in fact prejudicial to the public, and further that he may release any rights he may have in the extension if granted. (t) If an exclusive licence has proved detrimental to the public interest, this fact may influence the committee not to recommend an extension. (u)

Exclusive licensees should be co-petitioners.

**THE PETITION.**

Two or more patents relating to cognate inventions may be included in one petition. (x)

Petition may include several patents.

A petitioner seeking the grace and favour of the Crown is bound to strict truth in his statements; (y) and the petitioner

Requisites of petition.

Patent, (1897) 14 R. P. C. 239; Hopkinson's Patent, (1896) 14 R. P. C. 5; Finch's Patent, (1898) 15 R. P. C. 674.

C. 438.

(x) See Johnson and Atkinson's Patents, (1873) L. R. 5 P. C. 87; Clarke's Patent, (1870) L. R. 3 P. C. 421; 7 Moo. P. C. N. S. 255; Church's Patent, (1886) 3 R. P. C. 95; Erard's Patent, (1835) 1 W. P. C. 557.

(p) See Vol. I. p. 17 *ante*.  
(q) Soames' Patent, (1843) 1 W. P. C. 729.

(r) Berry's Patent, (1850) 7 Moo. P. C. 187; see also Bower Barff's Patent, (1895) 12 R. P. C. 385.

(s) Peach's Patent, (1901) 19 R. P. C. 65.

(t) Shone's Patent, (1892) 9 R. P. C. 438, 440.

(u) Darby's Patent, (1891) 8 R. P. C. 380; Shone's Patent, (1892) 9 R. P.

(y) Clarke's Patent (No. 2), (1870) L. R. 3 P. C. 421, 426; 7 Moo. P. C. N. S. 255; Johnson's Patent, (1871) L. R. 4 P. C. 75, 83; 8 Moo. P. C. N. S. 282; Fill's Patent, (1863) 1 Moo. P. C. N. S. 258; 9 Jur. N. S. 1209; 9 L. T. N. S. 101; Horsey's Patent, (1884) 1 R. P. C. 225.



The  
Petition.

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should remember that a prolongation or extension is a matter of favour and not of right, (z) and that a petition will be dismissed if it fails to state everything connected with the patent fairly and fully. (a) Thus, the petitioner in his petition and accounts (b) must refer to all patents, whether British (c) or foreign, (d) granted to him or any one through whom he claims (including, in the case of a patent for an invention communicated from abroad, the original inventor), (e) in respect of the invention forming the subject-matter of the English patent, and to the remuneration or loss he has derived or sustained through such foreign patents. The reason for requiring a reference to such British or foreign patents granted to the petitioner or his predecessors in title, is to be found in the fact that the questions of merit and insufficiency of remuneration may be affected by the existence of such other patents. Prolongation has been refused, on the ground of non-disclosure of material facts, where no mention was made of the circumstance that the patentee has assigned all present and future patent rights to a company, receiving no consideration in money or shares but reserving certain rights. (f) Prolongation has been refused on the ground that the petition was nominally presented by one, but actually in the interest and for the benefit of another company, to whom the shares in the first company had been transferred and no statement of this fact appeared in the petition, and the Judicial Committee would not have been cognisant of it, had it not been brought forward by the Attorney-General. (g)

Where it appeared from the petition that the petitioners were a company who had purchased the patent, but in fact no company, in a commercial sense, had been formed under the Companies Acts, and the persons really interested were the petitioner and a creditor, the Judicial Committee did not recommend an extension. (h)

And where the petition concealed the fact that the manufacture of the patented article had been, by contract, carried

(z) Adair's Patent, (1881) L. R. 6 App. Cas. 176.

(a) Pitman's Patent, (1871) L. R. 4 P. C. 84; 8 Moo. P. C. N. S. 293.

(b) p. 182 *post*.

(c) Standfield's Patent, (1897) 15 R. P. C. 17.

(d) Johnson's Patent, (1871) L. R. 4 P. C. 75; 7 Moo. P. C. N. S. 255; Pitman's Patent, (1871) L. R. 4 P. C. 84; 8 Moo. P. C. N. S. 293; Adair's

Patent, (1881) L. R. 6 App. Cas. 178; 50 L. J. P. C. 68; Clarke's Patent, (1870) L. R. 3 P. C. 421.

(e) Peach's Patent, (1901) 19 R. P. C. 65; p. 186 *post*.

(f) Ferranti's Patent, (1901) 18 R. P. C. 518.

(g) Reece's Patent, (1881) 17 Iron. 155; 51 Eng. 207.

(h) Horsey's Patent, (1884) 1 R. P. C. 225.

on by one of several joint patentees, who had carried on such manufacture in conjunction with the manufacture of other articles, and the accounts did not disclose any other manufacture than that of the patented article, the petition was dismissed. (i)

The  
Petition.

The petitioner cannot be too careful in framing his petition properly, as the indulgence of the Judicial Committee in granting amendments and adjournments cannot be relied upon; but in some cases, where there are special circumstances, an amendment, and, if necessary, an adjournment, may be allowed. (j) The procedure for such relief is by way of a separate petition to the committee. (k)

Amendment of  
petition.

A departure from the statutory provisions on presenting a petition affects the jurisdiction of the Judicial Committee, and is consequently fatal; but an omission to observe properly the rules laid down by the Judicial Committee itself may be remedied. (l)

Departure  
from statutory  
requirements  
affects the  
jurisdiction of  
the committee,  
but not so a  
failure to com-  
ply with the  
rules.

Thus the committee are powerless to excuse the petitioner from the consequences of want of strict compliance with the statutory provisions for presentation of the petition at least six months before the expiration of the term of the patent. (m)

In the case of patents granted prior to January 1, 1884, the petition might be presented at any time before the expiration of the patent, provided that it was prosecuted with effect (*i.e.*, the report of the Judicial Committee is obtained), (n) before the expiration of the term. (o)

When petition  
may be pre-  
sented.

The Act of 1883 does not require the petition to be prosecuted with effect before the expiration of the original term of the monopoly; and it is submitted that, if it be presented at least six months before the expiration of the term of the patent, (p) any patent to which the Act applies in this matter may be extended, notwithstanding that the report of the Judicial Committee is obtained, after the expiry of the original term.

There is nothing in the patent law which renders invalid a new grant of letters patent, dated after the expiry of the

(i) Yates and Kellett's Patent, (1887) L. R. 12 App. Cas. 147.

(j) See Reece's Patent, (1881) 17 Iron. 155; 51 Eng. 207; Adair's Patent, (1881) L. R. 6 App. Cas. 176, 180; Hutchinson's Patent, (1861) 14 Moo. P. C. 364.

(k) Brandon's Patent, (1884) 1 R. P. C. 154.

(l) Hutchinson's Patent, (1861) 14

Moo. P. C. 364; Lindon's Patent, (1897) 14 R. P. C. 643; Judicial Committee Rules, (1898) r. 7, p. 331 *post*.

(m) Adam's Patent, (1898) 16 R. P. C. 1.

(n) Ledsam v. Russell, (1847) 1 H. L. Cas. 687.

(o) Brandon's Patent, (1884) 1 R. P. C. 154.

(p) 46 & 47 Vict. c. 57, s. 25 (1).

The  
Petition.

original term, if such new grant is made on the representations of a report of the Judicial Committee of the Privy Council properly obtained. If, however, the petition is not presented in time, *i.e.*, six months before the natural expiration of the patent, the Judicial Committee has no jurisdiction in the matter, and so cannot entertain the petition. (q)

Advertisements.

It is provided by the Judicial Committee Rules, 1898, (r) that a party intending to apply by petition under sec. 25 of the Act of 1883 shall give public notice by advertisement three times in the *London Gazette*, and once, at least, in each of three London newspapers. If the applicant's principal place of business is situated in the United Kingdom at a distance of fifteen miles or more from Charing Cross, he shall also advertise once, at least, in some local newspaper published or circulating in the town or district where such place of business is situated. If the applicant has no place of business, then, if he carries on the manufacture of anything made under his specification at a distance of fifteen miles or more from Charing Cross, he shall advertise once, at least, in some local newspaper published or circulating in the town or district where he carries on such manufacture. If he has no place of business, and carries on no such manufacture, then, if he resides at a distance of fifty miles or more from Charing Cross, he shall advertise once, at least, in some newspaper published or circulating in the town or district where he resides.

It is further provided by the same rules (s) that the applicant shall in his advertisements state the object of his petition and shall give notice of the day on which he intends to apply for a time to be fixed for hearing the matter thereof, which day shall not be less than four weeks from the date of the publication of the last of the advertisements to be inserted in the *London Gazette*. He shall also give notice that *caveats* must be entered at the council office on or before such day so named in the said advertisements.

Petition must be presented within one week of last advertisement in the *London Gazette*.

A petition for revocation under sec. 25 of the Act of 1883 must be presented within one week from the publication of the last of the advertisements required to be published in the *London Gazette*. (t)

(q) *Jablochkoff's Patent*, (1891) 8 R. P. C. 281; see above.  
(r) Rule 1, p. 328 *post*.

(s) Rule 1, p. 328 *post*.  
(t) Judicial Committee Rules, (1898) r. 2, p. 329 *post*.

The petition must be accompanied with an affidavit or affidavits of advertisements having been published according to the requirements of the Judicial Committee Rules, 1898. The statements contained in such affidavit or affidavits may be disputed upon the hearing. (*u*)

The  
Petition.

Affidavit of  
advertisements.

It is further the duty of the petitioner to apply to the Lords of the committee to fix a time for hearing the petition, and when such time is fixed the petitioner is required forthwith to give public notice of the same by advertisement once at least in the *London Gazette* and in two London newspapers. (*v*)

Application  
for time for  
hearing.

The petitioner must, not less than fourteen days before the day fixed for the hearing, lodge at the council office eight printed copies of the specification; but if the specification has not been printed, and if the expense of making eight copies of any drawing therein contained or referred to would be considerable, the lodging of two copies only is to be deemed sufficient. (*w*)

Documents  
to be lodged  
by petitioner  
at the council  
office.

The petitioner is also required, not less than fourteen days before the day fixed for the hearing, to lodge at the council office eight copies of the balance-sheet of expenditure and receipts relating to the patent in question, which amounts are to be proved on oath before the Lords of the committee at the hearing. He must also furnish three copies of the said balance-sheet for the use of the Solicitor to the Treasury, and must, upon receiving two days' notice, give the Solicitor to the Treasury, or any person deputed by him for the purpose, reasonable facilities for inspecting and taking extracts from the books of account, by reference to which he proposes to verify the said balance-sheet at the hearing, or from which the materials for making up the said balance-sheet have been derived. (*x*)

If an equitable assignee is desirous of petitioning with the legal owner, his name must appear in the advertisements. (*y*)

Equitable  
assignee peti-  
tioning with  
the legal  
owner.

In cases where the patentee resides abroad, and the invention is carried on under licences, the advertisements should be inserted in papers circulating in places where the manufacture is actually carried on. (*z*)

Petitioner  
resident  
abroad.

The advertisements must be proved before the petition is

Proof of  
advertisements.

(*u*) Judicial Committee Rules, (1898)

(*y*) *In re* Noble's Patent, (1850) 7 Moo. P. C. 191.

r. 2, p. 329 *post*.

(*v*) *Ibid.*

(*w*) *Ibid.* r. 3, p. 329 *post*.

(*z*) *Derosne's* Patent, (1844) 2 W. P. C. 2.

(*x*) *Ibid.*

Opposi-  
tion.

heard, (a) for if anything required by the statute to be done is not done the Crown has no power to grant a prolongation. (b) The Judicial Committee has, however, power to dispense with exact compliance with the mode of advertisement as required by its own rules, and in a proper case will do so (c)—*e.g.*, where there has by an oversight been an omission to issue the preliminary advertisements, and, if the rules were insisted on, it would be impossible to comply with the statutory requirement that the petition must be presented at least six months before the expiration of the patent, the committee will allow the petition to be received before the insertion of the advertisements, the parties undertaking to insert before a day named all the advertisements required, and the order being served on the Attorney-General, and to be subject to any objection he may make. (d)

Order fixing  
the day for  
hearing.

The usual order fixing the day for hearing requires the petitioner to advertise the date fixed in the *London Gazette*, and two other papers named in the order. (e)

If on the application to fix a day for hearing it appear that the petition has been presented some considerable time (*e.g.*, eighteen months) before the expiry of the patent, the hearing will be postponed, on the ground that the profits made during the unexpired period may be sufficient adequately to reward the patentee, or affect the term of extension (if any) granted, (f) but it will not be necessary to serve fresh notices. (g)

#### OPPOSITION.

Any person  
may enter a  
*caveat*.

It is to be observed that any person may, on or before the day fixed by the petitioner for his application for a time to be fixed for the hearing of his petition, enter a *caveat* or warning to the Sovereign not to accede to the prayer of the petition. (h) An extension of the time for entering a *caveat* will not be granted, as a rule, on the ground that the applicant did not see the advertisements of the intended application for a day for hearing till too late. (i) Interest in the patent is not essential,

(a) Perkin's Patent, (1845) 2 W. P. C. 8; p. 169 *ante*.

(b) *In re Nobel's Patent*, (1850) 7 Moo. P. C. 124; p. 167 *ante*.

(c) Jablochhoff's Patent, (1891) 8 R. P. C. 281; see p. 167 *ante*; Lindon's Patent, (1897) 14 R. P. C. 643.

(d) Lindon's Patent, (1897) 14 R.

P. C. 643.

(e) See p. 415 *post*.

(f) See Macintosh's Patent, (1837) 1 W. P. C. 739 *n*.

(g) *Ibid*.

(h) p. 161 *ante*.

(i) Hopkinson's Patent, (1897) 13

R. P. C. 114.

as in the case of opposition to the grant, (*j*) the amendment of a specification, (*k*) or the revocation of a patent. (*l*) A person who has entered a *caveat* is entitled to receive four weeks' notice from the petitioner of the day fixed for the hearing, (*m*) and to be served with a copy of the petition; (*n*) but this rule was relaxed and an earlier date fixed for the hearing in a case where the patent would have expired before the notice. (*o*) He is also entitled to notice of any special application by the petitioner, (*p*) and, at his own expense, to copies of all papers lodged in reference to the petition. (*q*)

Opposi-  
tion.Notice to  
opponents of  
day fixed for  
hearing.

The Judicial Committee Rules (1898) require an opponent, within three weeks of being served with the petition, to lodge at the council office eight printed copies of the grounds of his objections to the granting of the prayer of the petitioner. (*r*) It will be sufficient if the grounds of the objections are stated, though particulars are not given. (*s*) The rules (*t*) made under Lord *Brougham's* Act contained a similar provision.

Notice of  
opponent's  
objections to  
be lodged at  
the council  
office.

Opposers are not entitled to production and inspection of the petitioner's accounts until the hearing, (*u*) but they are allowed copies of them, at their own expense, when they are filed. (*x*)

Copies of peti-  
tioner's  
accounts.

A party intending to oppose a petition under sec. 25 of the Act must enter a *caveat* at the council office before the day on which the petitioner applies for a time for hearing the matter thereof, and having entered such *caveat* shall be entitled to have from the petitioner four weeks' notice of the time appointed for the hearing. (*y*) The petitioner is required to serve copies of his petition on all parties entering *caveats* in accordance with the rules, and no application to fix a time for hearing may be made without affidavit of such service. (*z*)

Time within  
which *caveats*  
may be  
entered.Petition must  
be served on  
all opponents.

All parties intending to oppose are required, within three weeks after such copies are served on them, respectively to lodge at the council office eight printed copies of the

Copies of oppo-  
nent's grounds  
of opposition  
to be lodged at  
council office.(*j*) p. 31 ante.(*k*) p. 86 ante.(*l*) Vol. I. p. 293.(*m*) Judicial Committee Rules, (1898) r. 4, see p. 330 post.(*n*) *Ibid.*(*o*) Thomas's Patent, (1892) 9 R. P. C. 378.(*p*) Hutchinson's Patent, (1861) 14 Moo. P. C. 364.(*q*) Judicial Committee Rules, (1898)

r. 5, p. 330 post.

(*r*) Rule 4, p. 330 post.(*s*) Ball's Patent, (1879) L. R. 4 App. Cas. 171; 48 L. J. P. C. 24.(*t*) Rule 6, p. 330 post.(*u*) Bridson's Patent, (1852) 7 Moo. P. C. 499.(*x*) Judicial Committee Rules, (1898)

r. 5, p. 330 post.

(*y*) *Ibid.* r. 4, p. 330 post.(*z*) *Ibid.*

**Hearing  
of the  
Petition.**

grounds of their objections to the granting of the prayer of the petition. (a)

Copies of all papers lodged may be obtained.

Parties are entitled, at their own expense, to have copies of all papers lodged in respect of the petition. (b)

How petitions and notices of opposition, &c., are to be printed.

And all petitions as well as all statements of grounds of objection are to be printed in the form prescribed by the rules which apply to proceedings before the Judicial Committee of the Privy Council. Balance-sheets of expenditure and receipts are to be printed in a form convenient for binding along with such petitions. (c)

Attorney-General may be heard without notice.

The Lords of the committee will hear the Attorney-General or other counsel on behalf of the Crown on the question of granting the prayer of the petition. The Attorney-General is not required to give notice of the grounds of any objection he may think fit to take, or of any evidence which he may think fit to place before the Lords of the committee. (d)

Costs of hearing may be taxed.

Costs incurred in the matter of the petition are taxed by the registrar of the Privy Council, or other officer deputed by the Lords of the Judicial Committee of the Privy Council to tax costs in the matter of any petition, and the registrar or such officer has authority to allow or disallow in his discretion all payments made to persons of science or skill examined as witnesses. (e)

Compliance with rules may be dispensed with.

The Lords of the committee have power expressly given them by the rules of 1898 to excuse petitioners and opponents from compliance with any of the requirements of such rules relating to the practice as to petitions under sec. 25 of the Act of 1883, and to give such directions in matters of procedure and practice under the section as they shall consider to be just and expedient. (f)

**HEARING OF THE PETITION.**

Parties may appear personally or by counsel.

At the hearing of the petition, the petitioner and opposing parties, if there are any, may appear either in person or by counsel; but where there are several opponents not more than two counsel will be heard on either side, unless the opposing parties have distinct and separate interests. (g)

(a) Judicial Committee Rules, (1898) r. 4, p. 330 *post*.

(b) *Ibid.* r. 5, p. 330 *post*.

(c) *Ibid.*

(d) *Ibid.* r. 8, p. 331 *post*.

(e) *Ibid.* r. 6, p. 330 *post*.

(f) *Ibid.* r. 7, p. 331 *post*.

(g) Woodcroft's Patent, (1841) 3 Moo. P. C. 172 n.

If there is no opposition, or if any of the grounds on which the patent might be opposed are admitted in the patentee's favour by the opponent, the committee will require formal evidence in support of the petition as a whole, or in support of the admitted grounds, as the case may be. (*h*)

Hearing  
of the  
Petition.

Hearing when  
there is no  
opposition.

The Judicial Committee will hear and adjudicate on a petition notwithstanding that there are proceedings pending affecting the question of validity of the patent, or judgment has been given or the patent has been declared void by a Court from which an appeal lies and the decision of which is not binding on the committee. (*i*)

Petition heard  
though there  
are pending  
proceedings  
affecting ques-  
tion of validity.

It is the usual practice, on the hearing of a petition, for the Judicial Committee to deal first with the question of the utility of the invention to the public, (*k*) and afterwards with that of adequacy of remuneration; (*l*) but sometimes this order is reversed—*e.g.*, where the accounts (*m*) show that the remuneration has been such that it would be preposterous to grant the petition, (*n*) or the accounts are unsatisfactory. (*o*)

Practice of the  
committee.

In accordance with the rule laid down in *Erard's Patent*, (*p*) the Attorney-General always appears at the hearing of petitions for the extension of letters patent, whether there is opposition or not, to watch the interests of the Crown and the public, and he is entitled to be heard without having previously entered a *caveat*. (*q*) Also he is not bound to give any notice of objections at all, and may at the hearing raise objections of which no notice has been given. (*r*) The patentee comes to ask a favour, and it is his duty to show the exact state of knowledge at the time of his patent, and the exact pale of his invention, by himself referring to previous publications. (*s*)

Attorney-  
General always  
appears.

The Judicial Committee may, if they think fit, appoint one of the clerks of the Privy Council to take any formal proofs

Formal proofs  
may be taken  
by clerk of the  
Committee.

(*h*) Toy's Patent, (1893) 10 R. P. C. 89.

7 Moo. P. C. 309.

(*i*) Kay's Patent, (1839) 1 W. P. C. 568; 572 note (*f*); Heath's Patent, (1853) 2 W. P. C. 247; Lane Fox's Patent, (1892) 9 R. P. C. 411.

(*o*) Wield's Patent, (1871) L. R. 4 P. C. 89; 8 Moo. P. C. N. S. 300; Thomas's Patent, (1892) 9 R. P. C. 367.

(*p*) (1835) 1 W. P. C. 557 *n.*; Whitehouse's Patent, (1830) 1 W. P. C. 474; Clark's Patent, (1899) 16 R. P. C. 431.

(*q*) Petitt Smith's Patent, (1850) 7 Moo. P. C. 133; rule 8, p. 331 *post*.

(*k*) p. 178 *post*.

(*l*) p. 180 *post*.

(*m*) p. 182 *post*.

(*n*) Crighton's Patent, 39 Eng. 135; Sarby's Patent, (1870) L. R. 3 P. C. 292; 7 Moo. P. C. N. S. 82; 19 W. R. 513; Clark's Patent (No. 2), (1870) L. R. 3 P. C. 421; 7 Moo. P. C. N. S. 255; Trotman's Patent, (1866) L. R. 1 P. C. 118; Houghton's Patent, (1871)

(*r*) Rule 8, p. 331 *post*; Ball's Patent, (1879) L. R. 4 App. Cas. 171; Stewart's Patent, (1885) 3 R. P. C. 7; Church's Patent, (1886) 3 R. P. C. 101; Fountain Livet's Patent, (1892) 9 R. P. C. 327.

(*s*) Fountain Livet's Patent, (1892) 9 R. P. C. 331, 332.



Grounds  
for  
Extension.

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required to be taken, in dealing with the matter before them, and may proceed on the clerk's report as if the proofs had been taken by the committee itself; (t) and under the Act of 1883 they may call in the aid of an assessor specially qualified and hear the petition, wholly or partially, with his assistance, and determine the remuneration he is to receive. (u)

Where a petitioner applied to have the hearing of his petition advanced, or his evidence taken on commission on account of his impending absence from England, an order was made to the effect that, if his absence proved to be imperative, his evidence might be taken before the registrar, subject to any objection which the Attorney-General might raise. In the result the evidence was so taken, and the registrar directed that it should not be published before the hearing of the petition. (x)

Committee's  
discretion is  
absolute.

A patentee is never entitled to demand, *ex debito justitiæ*, a prolongation or extension of the term of his monopoly. In all cases the Judicial Committee have an absolute discretion in recommending the Crown to promote the progress of the petition; (y) and the only limit to this recommendation is that the period of extension shall not be more than fourteen years. (z)

#### GROUND'S FOR EXTENSION.

Grounds for  
extension have  
reference to the  
patentee and to  
the public.

It is expressly provided by the Act of 1883 (a) that "the Judicial Committee shall, in considering their decision, have regard to the nature and merits of the invention in relation to the public, to the profits made by the patentee as such, and to all the circumstances of the case."

All the grounds upon which the Judicial Committee of the Privy Council grant extensions of patents may be said to have reference to the inventor himself. They are, in the first place, to reward the inventor for the peculiar ability and industry he has exercised in making the discovery; in the second place, to

(t) 7 & 8 Vict. c. 69, s. 8.

(u) 46 & 47 Vict. c. 57 s. 28, sub-s. 2 and 3.

(x) Whitworth's Patent, 48 Eng. 15.

(y) Jones's Patent, (1840) 1 W. P. C. 577; Smith and Robertson's Patent, (1847) 30 Newton, L. J. O. S. 451; Porter's Patent, 1 Newton, L. J. N. S. 179; Morgan's Patent, (1843) 1 W. P.

C. 739; Soames' Patent, (1843) 1 W. P. C. 733; Perkins' Patent, (1845) 2 W. P. C. 16; Derosne's Patent, (1844) 2 W. P. C. 4; Honiball's Patent, (1835) 9 Moo. P. C. 393; Cardwill's Patent, (1856) 10 Moo. P. C. 490.

(s) 46 & 47 Vict. c. 57, s. 25; *Ledsam v. Russell*, (1847) 1 H. L. Cas. 687.

(a) s. 25, sub-s. 4.

reward him because some great benefit of an unusual description has by him been conferred upon the public, through the invention itself; and, lastly, because the inventor has not been sufficiently remunerated by the profits derived from his strenuous exertions to make the invention profitable. All these grounds proceed upon the supposition that the invention is new and useful. (b) But, nevertheless, the grant of an extended term must not be detrimental to the public interest. (c) The fact that foreign patents will lapse as a consequence of the refusal of the committee to prolong the British patent is a circumstance of some weight in favour of the petitioner. (d) The fact that the patentee has granted an exclusive licence is a point against the extension of a patent, for it is against public policy that there should be only one licensee. (e) This objection may be got over by making it a condition of extension that the exclusive licensee shall renounce all right and benefit in the licence. (f)

The fact that an extension would prevent the public from using the invention, which is one of public importance—*e.g.*, a process for deodorising manure may weigh against the grant of the prayer of the petition. (g)

But the fact that the invention deals with a subject, *e.g.*, smoke prevention, which the public are by statute obliged to use, does not, though the public may practically be obliged to use the patentee's invention, raise an insuperable objection against the extension of the patent. (h)

It is thus clear that a petitioner, in order to induce the Judicial Committee to recommend the Crown to grant the prayer of the petition, must satisfactorily prove two things, *viz.* :—

Two things  
necessary to  
obtain an  
extension.

(i) The invention is meritorious.

(ii) He has been insufficiently remunerated, owing to no fault of his own.

(b) Per Lord Romilly, Norton's Patent, (1863) 1 Moo. P. C. N. S. 339; 9 Jur. N. S. 419; see also Whitehouse's Patent, (1830) 2 Moo. P. C. 496; 1 W. P. C. 473; Erard's Patent, (1835) 1 W. P. C. 557; Downton's Patent, (1839) 1 W. P. C. 565; Derome's Patent, (1844) 2 W. P. C. 1; 4 Moo. P. C. 417; Carp. P. C. 699; Woodcroft's Patent, (1841) 2 W. P. C. 18; 10 Jur. 363.

(c) McClunes' Patent, (1868) L. R. 2 P. C. 54; 37 L. J. P. C. 23; 5 Moo. P. C. N. S. 72.

(d) Thompson's Patent, (1902) 19

R. P. C. 568.

(e) Cardwill's Patent, (1856) 10 Moo. P. C. 488; Darby's Patent, (1891) 8 R. P. C. 380; Shone's Patent, (1892) 9 R. P. C. 438.

(f) Shone's Patent, (1892) 9 R. P. C. 441.

(g) McDougal's Patent, (1867) L. R. 2 R. P. C. 1; 5 Moo. P. C. 1; Sillar's Patent, (1882) G. P. C. 581; Morgan's Patent, (1843) 1 W. P. C. 739; Soames' Patent, (1843) 1 W. P. C. 734.

(h) Foardes' Patent, (1855) 9 Moo. P. C. 376.

Grounds  
for  
Extension.

Invention must  
be proved to be  
independently  
meritorious.

Only part of  
invention  
meritorious.

Committee  
does not decide  
question of  
validity.

(i) Merit.—The applicant must make out a *prima facie* case of validity. (i) For this purpose, a decision of the High Court of Justice, or the Court of the County Palatine of Lancaster, in favour of the validity of the patent will be sufficient. (j)

The invention must be shown to be independently meritorious—*e.g.*, it will not do to show that it could only be usefully employed in conjunction with some later discovery. (k) It is, however, not an objection to the grant of an extension that the invention is an improvement on, and is intended to be used with, some previously patented invention, (l) or that the original invention would not be used without it, (m) provided that there is utility in the improvement. (n)

In the absence of evidence as to merit the petition will not succeed. (o)

If an invention consist of several parts, and it appear that some part, or parts, is, or are, not meritorious, but that there is merit in the remaining part or parts, an extension will probably be recommended in respect of the meritorious part or parts alone. (p)

The Judicial Committee will not recommend the extension of a patent which, on the face of it, appears to be invalid; (q) but they will not discuss or decide the question of validity, if it appear decidedly doubtful on the ground of lack of novelty, or utility, or from any other cause, (r) and evidence of these points may be given at the hearing. (s) In cases of doubt as to the validity of the patent, the Judicial Committee exercises its discretion, (t) and it will not refuse to act though there are

(i) Erard's Patent, (1835) 1 W. P. C. 557; Kay's Patent, (1839) 1 W. P. C. 568; 3 Moo. P. C. 24.

(j) See Bett's Patent, (1862) 7 L. T. N. S. 577; 9 Jur. N. S. 137; 1 Moo. P. C. N. S. 49.

(k) Bett's Patent, (1862) 1 Eng. 335; 1 Moo. P. C. 49; 7 L. T. N. S. 577.

(l) Bovill's Patent, (1863) 1 Moo. P. C. N. S. 318; Seames' Patent, (1843) 1 W. P. C. 729.

(m) Woodcroft's Patent, (1841) 1 W. P. C. 740; 3 Moo. P. C. 171; Galloway's Patent, (1843) 1 W. P. C. 727.

(n) Bell's Patent, (1846) 2 W. P. C. 160; 10 Jur. 363.

(o) Kelley's Patent, (1900) 17 R. P. C. 476.

(p) Bodmer's Patent, (1831) 8 Moo. P. C. 282; Lee's Patent, (1881) 10 Moo. P. C. 226; Napier's Patent,

(1881) L. R. 6 App. Cas. 174; 50 L. J. P. C. 40; Church's Patent, (1886) 3 R. P. C. 95. As to effect of an admission that one claim is bad, see Burlingham's Patent, (1898) 15 R. P. C. 195.

(q) Kay's Patent, (1839) 1 W. P. C. 568; 3 Moo. P. C. 24; Erard's Patent, (1835) 1 W. P. C. 557; McDougal's Patent, (1867) L. R. 2 P. C. 1; 37 L. J. P. C. 17; 5 Moo. P. C. N. S. 1.

(r) Hill's Patent, (1863) 9 Jur. N. S. 1209; 9 L. T. N. S. 101; 1 Moo. P. C. N. S. 258; 18 Newton, L. J. N. S. 109; Cocking's Patent, (1885) 2 R. P. C. 151; Stewart's Patent, (1886) 3 R. P. C. 7; Saxby's Patent, (1870) L. R. 3 P. C. 292; 7 Moo. P. C. N. S. 82; Lyon's Patent, (1894) 11 R. P. C. 537.

(s) *Ibid.*

(t) Per Sir William Erle, McInnes' Patent, (1868) L. R. 2 P. C. 54; 37 L.

proceedings pending in which the validity is in question, or there is a decision against the patent of a Court whose judgments are not binding on the committee. (u) Though the committee does not try the issue of validity, questions which go to validity may be material upon the question of merit. Thus, prolongation was refused where it appeared that the main merit of the invention lay not in the disclosure of a principle, but in the details of construction, and the petitioner had not given sufficient disclosure in his specification as to those details, and the evidence showed that all the articles constructed under the patent were made under the personal supervision of the patentee, who alone knew the details, and so the specification was insufficient. (v)

Grounds  
for  
Extension.  
—

If a new grant is allowed, it is of course open to the same objections, and may be annulled in the same manner as the old one; (x) and the Judicial Committee are not called on to discuss the question as to whether an extension, if granted, would avail the petitioner anything: that is left to the Courts of law. (y)

A new grant is  
open to same  
objections as  
the old one.

There is an obvious distinction between the "merit of ingenuity and the merit of utility" of an invention; (z) and unless the Judicial Committee are satisfied that the invention possesses the latter, they will not recommend an extension; (a) though mere simplicity of invention is not necessarily an objection to an extension, (b) yet the fact of great labour and ingenuity being required to produce the invention will go far to establish a case of utility strong enough to satisfy the committee that the public is likely to derive a benefit from the invention sufficient to warrant an extension. (c)

Merit in the  
sense of utility  
must be  
proved.

J. (N. S.) P. C. 23; 5 Moo. P. C. N. S. 72; Woodcroft's Patent, (1846) 2 W. P. C. 18; 10 Jur. 363; 28 Newton, L. J. C. S. 196; Pinker's Patent, (1848) 12 Jur. N. S. 433; Soames' Patent, (1843) 1 W. P. C. 729; 23 Newton, L. J. C. S. 462.

(u) Kay's Patent, (1839) 1 W. P. C. 568, 572 n.; Heath's Patent, (1853) 2 B. P. C. 247; Lane Fox's Patent, (1892) 9 R. P. C. 411.

(v) Fountain Livet's Patent, (1892) 9 R. P. C. 327.

(z) Galloway's Patent, (1843) 1 W. P. C. 724; 7 Jur. 453.

(y) Per Lord Brougham, Woodcroft's Patent, (1841) 2 W. P. C. 18; 10 Jur. 363; 28 Newton, L. J. O. S. 196.

(z) Bett's Patent, (1862) 7 L. T. N. S. 577; 9 Jur. N. S. 137; 1 Moo. P. C. N. S. 49; Pinker's Patent, (1848) 12 Jur. N. S. 433.

(a) Simister's Patent, (1842) 1 W. P. C. 721; 7 Jur. 451; 4 Moo. P. C. 164; 21 Newton, L. J. C. S. 465; Longmaid's Patent, 1 Eng. 347; Derosne's Patent, (1835) 2 W. P. C. 1; Carp. P. C. 699; 4 Moo. P. C. 417; 24 Newton, L. J. C. S. 459.

(b) Per Lord Watson, Hazeland's Patent, (1894) 11 R. P. C. 470.

(c) Hill's Patent, (1863) 9 L. T. N. S. 101; 9 Jur. N. S. 1209; 1 Moo. P. C. N. S. 258; 18 Newton; L. J. N. S. 109.

**Grounds  
for  
Extension.**

Test of utility  
necessary for  
an extension.

The test of utility is not the same for the purposes of extension as in an action of infringement or petition for revocation. In the former case commercial utility is of the utmost importance, but not so in the latter. (d) And generally in order to succeed, the petitioner must show that there is in the invention merit beyond that ordinary merit which would be sufficient to sustain a patent in the first instance—that is to say, there must be something beyond that merit which would, in an action for infringement, support a patent in the face of a plea of want of utility. (e) Consequently, because an invention is new, in the sense that a patent for it could be supported on the ground of novelty, it does not necessarily follow that it is sufficiently novel, having regard to prior inventions of a like character, to satisfy the Judicial Committee that the benefit conferred by it on the public is sufficient to warrant an extension. (f)

Thus, where there have been previous patents for somewhat analogous methods of attaining the same result as that achieved by the petitioner's patented invention, and the petitioner's invention has not been taken up by the public, though it has been advertised to a considerable extent, the Judicial Committee will not deem the invention to possess such a sufficient degree of novelty or merit as will justify them in recommending a prolongation. (g)

Extent of user  
is an important  
question.

The extent to which the invention has been used by the public is, in more ways than one, an important consideration. If there has been an extensive use by the public, of course this fact is unfavourable to the contention of an applicant for prolongation or extension, for though it shows that the invention is useful, it also shows that the patentee has had an opportunity of making profit out of it. (h) On the other hand, if the invention has not been extensively used by the public, the presumption is against its utility, and therefore

(d) Lawrence's Patent, (1892) 9 R. P. C. 88; McDougal's Patent, (1884) 2 R. P. C. 11; Pitman's Patent, (1871) L. R. 4 P. C. 84; 8 Moo. P. C. N. S. 293.

(e) See remarks of Grove, J., Stoney's Patent, (1888) 5 R. P. C. 520; see also Saxby's Patent, (1886) 3 R. P. C. 294; Bell's Patent, (1862) 1 Moo. P. C. N. S. 49; 9 Jur. N. S. 137; 7 L. T. N. S. 577.

(f) Stewart's Patent, (1886) 3 R. P. C. 7; Thornycroft's Patent, (1899) 16 R. P. C. 202; Sillar's Patent, (1882)

G. P. C. 581; McDougal's Patent, (1867) L. R. 2 P. C. 1; 37 L. J. (N. S.) P. C. 17; 5 Moo. P. C. N. S. 1; McInnes' Patent, (1868) L. R. 2 P. C. 54; 37 L. J. (N. S.) P. C. 23; 5 Moo. P. C. N. S. 72; Ricci's Patent, (1906) 23 R. P. C. 269.

(g) Allan's Patent, (1867) L. R. 1 P. C. 507; 4 Moo. P. C. N. S. 443; Stewart's Patent, (1885) 3 R. P. C. 7; Hall's Patent, (1895) 12 R. P. C. 400.

(h) Downton's Patent, (1839) 1 W. P. C. 565.

unfavourable to the applicant. (i) In the words of Lord Romilly, the Judicial Committee "find much more difficulty in dealing with the case of a patent where it has not been used for fourteen years than in dealing with one where a user has taken place, because, assuming that there is no utility in the invention, there is nobody whose interest it is to oppose it; but where it has been used for a considerable number of years there are persons who always desire to get rid of the invention [patent], and from them their lordships hear all the arguments which can properly be brought against the validity of the patent." (k)

Grounds  
for  
Extension.

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The presumption of non-utility arising from a limited use of the invention by the public is not in every case fatal, for it is often capable of being rebutted, (l) e.g., where the invention was a system of railway signalling covering ground already occupied by the machinery of other systems, and railway companies could not be induced to adopt the patentee's meritorious system on account of the great expense involved in a change of system and the fear that the new system might not be so good as the old, (m) or where the invention is one which from its nature is capable only of occasional use, (n) even though there has been no user at all; (o) but strong evidence is required to do this. (p)

Presumption of non-utility arising from limited use may be rebutted.

For example, in the case of *Southby's Patent*, (q) the original invention which was patented in 1877 was of great merit, but had never been brought into practical use, because the patentee was not satisfied that he had brought the invention into such practical efficiency as could justify him in incurring the expense

(i) Allan's Patent, (1867) L. R. 1 P. C. 507; 4 Moo. P. C. N. S. 443; Herbert's Patent, (1867) L. R. 1 P. C. 509; 4 Moo. P. C. 300; Simister's Patent, (1842) 1 W. P. C. 721; 7 Jur. 451; 4 Moo. P. C. 164.

(k) Allan's Patent, (1867) L. R. 1 P. C. 507; 4 Moo. P. C. N. S. 433.

(l) Norton's Patent, (1863) 1 Moo. P. C. N. S. 339; 9 Jur. N. S. 419; Bakewell's Patent, (1862) 15 Moo. P. C. 385; Wright's Patent, (1839) 1 W. P. C. 575; Jones' Patent, (1840) 1 W. P. C. 577; Allan's Patent, (1867) L. R. 1 P. C. 507; 4 Moo. P. C. N. S. 433; Cocking's Patent, (1885) 2 R. P. C. 151; Berrington's Patent, cited L. R. 1 P. C. 509; 4 Moo. P. C. N. S. 445; Coryton, 225; Simister's Patent, (1842) 1 W. P. C. 721; 7 Jur. 451; Southworth's Patent, (1837) 1 W. P. C.

486; Herbert's Patent, (1867) L. R. 1 P. C. 399; 4 Moo. P. C. N. S. 300; Hughes' Patent, (1879) L. R. 4 App. Cas. 174; 48 L. J. P. C. 20; Semet and Solway's Patent, (1894) 12 R. P. C. 10; Roper's Patent, (1887) 4 R. P. C. 201; Southby's Patent, (1891) 8 R. P. C. 433; Thompson's Patent, (1902) 19 R. P. C. 565.

(m) Currie's Patent, (1897) 15 R. P. C. 63.

(n) Thompson's Patent, (1902) 19 R. P. C. 568.

(o) Roper's Patent, (1887) 4 R. P. C. 4; Southby's Patent, (1891) 8 R. P. C. 433; Thompson's Patent, (1902) 19 R. P. C. 568.

(p) Allan's Patent, (1867) L. R. 1 P. C. 507; 4 Moo. P. C. N. S. 433.

(q) (1891) 8 R. P. C. 433.

Grounds  
for  
Extension.

of putting it on the market. In 1885 the patentee took out a subsequent patent for an invention apparently essential to the working of his original machine, and which enabled such machine to be worked successfully. The Judicial Committee advised a prolongation of five years on the ground that the presumption of non-utility arising from non-user was rebutted, and that there might be some other way than that protected by the 1885 patent by which the machine might be successfully worked.

The following facts also have been held to be sufficient evidence to rebut the presumption of non-utility arising from a limited user by the public: there was a special trade opposition; (r) the invention was of a special nature and could not easily be brought into public use; (s) the market and demand was necessarily limited; (t) experimental difficulties; (u) legal proceedings; (x) and the scarcity of labour. (y)

Probability of  
use in the  
future must be  
established.

The applicant must show that, if an extension be allowed, there is every likelihood of the invention being used by the public—*i.e.*, that the conditions owing to which the public use has hitherto been limited (if such be the case) have ceased to exist; otherwise the intention of the Crown that the patentee should be rewarded by the profits arising from the invention, during the further period of the monopoly, could not take effect, and the Judicial Committee would not recommend the Crown to accede to the petitioner's request. (z)

Benefit accrued  
to the public  
compared with  
that derived by  
the patentee.

(ii) Insufficient remuneration owing to no fault of the patentee.—In deciding whether the patentee has been sufficiently rewarded, the Judicial Committee take into consideration the benefit which has resulted and is likely to result to the public, as compared with that which has accrued to the patentee. (a)

(r) Simister's Patent, (1842) 1 W. P. C. 721; 7 Jur. 451; 4 Moo. P. C. 161.

(s) Southworth's Patent, (1837) 1 W. P. C. 486; Jones' Patent, (1840) 1 W. P. C. 577; Hughes' Patent, (1879) L. R. 4 App. Cas. 174; 48 L. J. P. C. 20; Semet and Solway's Patent, (1894) 12 R. P. C. 10.

(t) Herbert's Patent, (1867) L. R. 1 P. C. 399; 4 Moo. P. C. N. S. 300.

(u) *Ibid.*

(x) Wright's Patent, (1839) 1 W. P.

C. 575.

(y) Napier's Patent, (1861) 13 Moo. P. C. 543.

(z) Woodcroft's Patent, (1846) 2 W. P. C. 18; 10 Jur. 363; Bates' Patent, (1836) 1 W. P. C. 739; Foard's Patent, (1855) 9 Moo. P. C. 376; see p. 193 *post.*

(a) Newton's Patent, (1861) 14 Moo. P. C. 156; Derosne's Patent, (1844) 2 W. P. C. 4; Mallet's Patent, (1866) L. R. 1 P. C. 308; Nussey and Leachman's Patent, (1890) 7 R. P. C. 22.

The petitioner must satisfy the Judicial Committee that he has, having regard to the particular circumstances of each case, used his best endeavours to make the invention a pecuniary success, and that no circumstances under his control have led to his insufficient remuneration, (b) *e.g.*, that he has not been wanting in business skill, (c) and that he has at all times been willing to give the public the benefit of the invention. (d)

Grounds  
for  
Extension.

Petitioner  
must prove  
that he has  
used his best  
endeavours to  
make profit,

Thus, in the case of *Roper's Patent*, (e) the patentee of a captain's bridge constructed as a life-raft petitioned for prolongation on the ground that, owing to illness and other circumstances beyond his control, he had not been adequately remunerated. It was proved that for nearly eight years he had been practically incapacitated from business in consequence of a railway accident. The invention had been awarded prizes at exhibitions, but had never been brought into actual use. Under the circumstances, the Judicial Committee considered that, having regard to the meritorious nature of the invention, the difficulty of bringing it into actual use, the patentee's illness, and the fact that no opposition was offered on behalf of the Crown, the case was an exceptional one, and an extension for seven years should be granted. But in the case of *Dolbear's Patent* (f) prolongation was refused when it appeared that for twelve years before the patent was assigned to a certain petitioner no effort to work it or push it commercially had been made, and no sufficient excuse was forthcoming for the delay.

If infringements of the patent have been openly committed, it will be necessary for the petitioner to show that proceedings have been taken to protect the patent, as evidence of negligence on his part to do so will induce the Judicial Committee to refuse to recommend an extension; (g) whereas if the expense of litigation necessary to maintain the patent has prevented the petitioner from deriving adequate profits

and has not  
permitted open  
infringements.

(b) Southworth's Patent, (1837) 1 W. P. C. 486; Kollman's Patent, (1839) 1 W. P. C. 564; Lowe's Patent, (1846) 2 W. P. C. 158; 10 Jur. 363; Norton's Patent, (1863) 1 Moo. P. C. N. S. 339; 9 Jur. N. S. 419; Patterson's Patent, (1849) 6 Moo. P. C. 469; 13 Jur. 593; Wield's Patent, (1871) L. R. 4 P. C. 89; 8 Moo. P. C. N. S. 390; Cardwell's Patent, (1856) 10 Moo. P. C. 488; Bakewell's Patent, (1862) 15 Moo. P. C. 385; Stewart's Patent,

(1886) 3 R. P. C. 7; Thornycroft's Patent, (1899) 16 R. P. C. 202; [1899] A. C. 415.

(c) Thornycroft's Patent, [1899] A. C. 415.

(d) Stewart's Patent, (1886) 3 R. P. C. 10.

(e) (1887) 4 R. P. C. 261.

(f) (1896) 13 R. P. C. 203.

(g) Simister's Patent, (1842) 1 W. P. C. 724; 4 Moo. P. C. 164; 7 Jur. 451.



**Grounds for Extension.** from the invention this circumstance will tell very much in his favour. (*h*)

**Disputes by co-owners.**

The circumstance that the invention has not been brought into public use owing to disputes between the co-owners of a patent will not induce the Judicial Committee to recommend an extension. (*i*)

**Quantum of adequate remuneration.**

There does not appear to be any case reported in which an extension has been granted where the patentee has received more than £20,000 from the patent; but this is not a hard and fast rule, and possibly in a case of very special merit such a sum might be treated as inadequate remuneration. (*k*) In a case where the patentee and his assignees had received £25,000 from the invention prolongation was refused. (*l*)

**Accounts to be lodged by the petitioner and their requisites.**

**Accounts.**—The petitioner must lodge at the council office, not less than one week before the day for the hearing, (*m*) a statement of accounts as evidence of his contention that the original inventor and all claiming through him has been insufficiently rewarded, having regard to the value of the invention to the public. Where the accounts are not lodged within the time specified by the Judicial Committee Rules, an adjournment of the hearing may be ordered on the request of the Attorney-General or other opponents. (*n*) The Judicial Committee insist that the statement of accounts shall be a full, clear, and accurate (*o*) balance-sheet, showing the whole profit and loss which has been derived or sustained in respect of the invention. (*p*) It is the petitioner's duty to satisfy the committee, in a manner which admits of no controversy, as to the amount of remuneration which in every point of view the invention has brought to those who have introduced, or helped to introduce, it to the public, in order that their lordships may be able to come to a conclusion whether that remuneration may fairly be considered a sufficient reward or not. (*q*)

(*h*) *Petitt Smith's Patent*, (1850) 7 Moo. P. C. 133; *Heath's Patent*, (1853) 2 W. P. C. 247; 8 Moo. P. C. 217.

(*i*) *Patterson's Patent*, (1849) 6 Moo. P. C. 469; 13 Jur. 593.

(*k*) *Thomas' Patent*, (1892) 9 R. P. C. 372.

(*l*) *Carment's Patent*, (1897) 14 R. P. C. 239; *Parson's Patent*, (1898) 15 R. P. C. 349.

(*m*) *Judicial Committee Rules*, (1898) r. 3, p. 329 *post*.

(*n*) *Johnson's and Atkinson's Patents*, (1873) L. R. 4 P. C. App. Cas. 87; *Chatwood's Patent*, (1874) L. R.

4 P. C. App. Cas. 88 *n*.

(*o*) *Clark's Patent*, (1870) L. R. 3 P. C. 421; 7 Moo. P. C. N. S. 255; *Hill's Patent*, (1863) 1 Moo. P. C. N. S. 258; 9 Jur. N. S. 1209; 9 L. T. N. S. 101.

(*p*) *Judicial Committee Rules*, (1898) r. 3, p. 329 *post*.

(*q*) *Saxby's Patent*, (1870) L. R. 3 P. C. 292; 7 Moo. P. C. N. S. 82; *Clark's Patent*, (1870) L. R. 3 P. C. 421; 7 Moo. P. C. N. S. 255; *Wield's Patent*, (1871) L. R. 4 P. C. 89; 8 Moo. P. C. N. S. 300; *Clark's Patent*, (1899) 16 R. P. C. 431.

In the case of an invention communicated from abroad it is absolutely essential that the petition and the accounts clearly show what remuneration has been received in fact by the original inventor from the invention abroad, and the circumstances under which it may be contended that such remuneration, through no fault of his own, is inadequate. (r) To use the language of Lord Cairns, "It is not for the committee to send back the accounts for further particulars, nor to dissect the accounts for the purpose of surmising what may be their real outcome if they were differently cast; it is for the applicant to bring his accounts before the committee in a shape which will leave no doubt as to what the remuneration has been that he (s) has received." (t)

Grounds  
for  
Extension.

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If this requirement is not attended to carefully, the committee will most probably refuse to grant the petitioner leave to amend the accounts, (u) and will dismiss the petition altogether; (x) and the petitioner will not as a rule be excused on the ground that he has kept no such accounts, or has destroyed his books. (y)

In some cases—*e.g.*, in the case of fire—the absence of books of account may be satisfactorily explained, and an affidavit of want of profits will then be accepted; (z) but in the absence of such books of account, whether owing to destruction by fire or otherwise, and of a reasonable explanation of such absence, everything must be taken most strongly against the petitioner. (a) Thus, where a statement made in the prospectus of an assignee company would, if true, necessitate the conclusion that the patentee had received from the working of the patent more than he admitted, in the absence of his books, which had been destroyed, prolongation was refused. (b)

Absence of  
books of  
account may  
sometimes be  
explained.

(r) Peach's Patent, (1891) 19 R. P. C. 65; see also p. 187 *post*.

(s) *I.e.*, the original inventor and all claiming title through him.

(t) Saxby's Patent, (1870) L. R. 3 P. C. 295; 7 Moo. P. C. 82; Henderson's Patent, (1901) 18 R. P. C. 453; Wüterich's Patent, (1903) 20 R. P. C. 285.

(u) Newton's Patent (No. 4), (1884) 4 L. R. 9 App. Cas. 592; 1 R. P. C. 117; 52 L. T. 329; Yates and Kellett's Patents, (1887) 4 R. P. C. 150.

(x) Adair's Patent, (1891) L. R. 6 App. Cas. 176; 50 L. J. P. C. 68; Saxby's Patent, (1870) L. R. 3 P. C. 292; 7 Moo. P. C. N. S. 82; Bett's

Patent, (1862) 1 Moo. P. C. N. S. 49; 9 Jur. N. S. 137; 7 L. T. N. S. 577; Clark's Patent, (1899) 16 R. P. C. 431.

(y) Yates and Kellett's Patent, (1887) L. R. 12 App. Cas. 149; 4 R. P. C. 150.

(z) Hutchinson's Patent, (1861) 14 Moo. P. C. 222; Markwick's Patent, (1860) 13 Moo. P. C. 310; Lowe's Patent, (1852) 10 Jur. 363.

(a) Yates and Kellett's Patent, (1887) L. R. 12 App. Cas. 147; 4 R. P. C. 150; Lawrence's Patent, (1892) 9 R. P. C. 85.

(b) Lawrence's Patent, (1892) 9 R. P. C. 85.

Grounds  
for  
Extension.

Sometimes  
losses need not  
be proved with  
strict accuracy.

Manner in  
which a  
patentee  
should keep  
his accounts  
from the first.

Under special circumstances, where the invention is of indisputable great merit, it may not be necessary to prove the petitioner's losses with the strict accuracy usually required. (c)

The following passage from the decision of the Judicial Committee, delivered by Lord *Hobhouse* in *Lake's Patent*, (d), indicates the way in which the patentee should keep his accounts from the beginning and present them to the committee:—

“In this case their Lordships have come to the conclusion that the petition must be dismissed because it is not shown, and on the materials before the committee it cannot be shown with propriety on this occasion, that the patentee has not been adequately remunerated. In order to show that, the patentee should keep his accounts in a way which would enable the Crown Officers, to whom they are produced, and this committee, and, indeed, members of the public, to form some judgment on the question whether he has or has not received adequate remuneration; and not only should the accounts be kept in such a form, but they should be produced before this committee in such a shape that it does not require long and minute investigation of supplemental accounts in order to understand the result of them.

“The principle on both points has been stated very clearly on several occasions by this committee. In *Bell's Patent*, so far back as the year 1862, it was stated that ‘there can be no difficulty in a patentee beginning from the first to keep a patent account distinct and separate from any other business in which he may happen to be engaged. He knows perfectly well that if his invention is of public utility, and he has not been adequately remunerated, he will have a claim for an extension of the original term of his patent. It is not, therefore, too much to expect that he should be prepared, when the necessity arises, to give the clearest evidence of everything which has been paid and received on account of the patent.’ That refers to the mode in which the accounts should be kept. In *Saxby's Patent* this committee made some observations on the mode in which the accounts should be produced. Lord *Cairns*, in delivering the judgment, said: ‘It is the duty of every patentee, who comes for the prolongation of his patent, to take upon himself the onus of satisfying this committee, in

(c) *Darby's Patent*, (1891) 8 R. P. C. 380.

(d) (1891) 8 R. P. C. 228; see also *Hughes' Patent*, (1898) 15 R. P. C.

371; *Henderson's Patent*, (1901) 18 R. P. C. 453; *Wüterich's Patent*, (1903) 20 R. P. C. 285.

a manner which admits of no controversy, on what has been the amount of remuneration which in every point of view the invention has brought to him, in order that their Lordships may be able to come to a conclusion whether that remuneration may fairly be considered a sufficient reward for his invention or not. It is not for this committee to send back the accounts for further particulars, nor to dissect the accounts for the purpose of surmising what might be their real outcome if they were differently cast. It is for the applicant to bring his accounts before the committee in a shape which will leave no doubt as to what the remuneration has been that he has received.' ”

Thus, where a company being assignees of a patent kept books on a wrong system for the first eight years of the patent, and the accounts furnished to the committee included certain entries, amounting to a considerable sum, as corrections of the books, which could not be checked from the accounts themselves without an examination of the books, the Judicial Committee held that the accounts were insufficient, and refused to allow the petitioners to call evidence to explain them. (e)

The Judicial Committee are by statute (f) required, when deciding the question of adequacy of remuneration, to “*have regard to the profits made by the patentee as such* ;” accounts which do not show this are consequently defective. Thus where it appeared that the patentee had assigned to a company for a considerable sum, both his business and also the patent in question, together with another one, and the petitioning assignee company presented general accounts of their business which showed a considerable profit, but failed to show what the patentee had received in respect of the patent alone, or what profit had been made by the petitioning company from the patent alone apart from its general business, the committee refused to recommend a prolongation on the ground that, upon the materials before them, they could not come to the conclusion that the patentee had been inadequately remunerated by the patent. (g)

(e) Lake's Patent, (1891) 8 R. P. C. 227; see also Hughes' Patent, (1898) 15 R. P. C. 370.

(f) 46 & 47 Vict. c. 57, s. 25, sub-s. 4.

(g) Williams and Robinson's Patent, (1896) 13 R. P. C. 550; see also

Thornycroft's Patent, (1899) 16 R. P. C. 204; Clark's Patent, (1899) 16 R. P. C. 431. But see Parson's Patent, (1898) 15 R. P. C. 357, where the patentee was not responsible for the difficulty.

**Grounds  
for  
Extension.**

Advisability of striking a balance at the end of each year's accounts.

Total remuneration actually derived from, or which could have been derived from the patent, is an important question; consequently assignee's or licensee's profits must be disclosed.

Rule in Pitman's patent

It is most material for the Judicial Committee to know in what ratio the profits have increased or diminished from year to year; therefore it is advisable for the petitioner to strike a balance at the end of each year's accounts. (*h*)

As already stated, the committee are required to have regard to all the circumstances of the case: (*i*)

One question always is, What has been the total remuneration derived from the patented invention, or which could have been derived from it? Consequently, when the patent has become vested in an assignee—*e.g.*, a company—the committee require a disclosure, not only of the assignee's profits, but also of all the profits derived by his predecessors in title, (*k*) and also, when licences have been granted, a disclosure of not only the royalties received by the patentee, but also, where possible, some evidence as to the profits made by the licensees. (*l*) A petition has been dismissed on the ground that the manufacturing profits due to the use of the invention by an assignee of a share in the patent and free licensee under it were not shown. (*m*)

Though it be clear that the patentee himself has received no profits, it is still a fatal defect if the accounts do not disclose the profits made by his assignees or licensees. (*n*)

In *Pitman's Patent* (*o*) the committee laid down the rule for their future guidance to the effect that they would consider a failure to make a full disclosure of everything relating to the patent—*e.g.*, particulars as to profits on foreign patents—as absolutely fatal to the petitioner. Further, it is to be noticed that the direction in the Act of 1883 to the effect that the Judicial Committee, in coming to a conclusion, "shall have regard to the profits made by the patentee as such," (*p*) in effect, specifies one particular class of profits as absolutely necessary; but there is nothing in the section of the Act to suggest that the committee shall not consider the profits in relation to the patent arising from other sources, and consequently the accounts must disclose all profits arising

(*h*) *Perkin's Patent*, (1845) 2 W. P. C. 16, 17.

(*i*) 46 & 47 Vict. c. 57, s. 25, sub-s. 4.

(*k*) *Deacon's Patent*, (1887) 4 R. P. C. 119.

(*l*) *Trotman's Patent*, (1866) L. R. 1 P. C. 123; 3 Moo. P. C. N. S. 488; *Saxby's Patent*, (1870) L. R. 3 P. C. 298; 7 Moo. P. C. N. S. 82; *Hill's*

*Patent*, (1863) 1 Moo. P. C. N. S. 258, 268; 9 L. T. N. S. 101.

(*m*) *Thomas' Patents*, (1892) 9 R. P. C. 367; *Barff and Bowers' Patent*, (1895) 12 R. P. C. 383; (1895) L. R. App. Cas. 675.

(*n*) *Lane Fox's Patent*, (1892) 9 R. P. C. 411.

(*o*) (1871) L. R. 4 P. C. 84.

(*p*) s. 25 (4).

from the working of foreign patents, as was the practice before the Act of 1883. (*q*) The profits, if any, arising from the sale of articles made under the patent expressly for exportation abroad must also be disclosed. (*r*)

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for  
Extension.

It was formerly the practice of the Judicial Committee, previous to the Act of 1883, not to recommend the prolongation of a patent for an invention, the subject of a prior foreign patent, which had expired before the hearing of the petition, on the ground that they had no authority to recommend such prolongation. (*s*) Where, however, a foreign inventor held an English patent and also foreign patents in respect of the invention, one of which, though of later date than his English patent, had expired, (*t*) or was about to expire, (*u*) the committee, in the exercise of their discretion, refused to recommend a prolongation. When the inventor was an English-born subject, the practice was that his application should not be unduly prejudiced by the fact that a foreign patent of later date than his English patent had expired. (*x*)

Former prac-  
tice with  
regard to in-  
ventions  
patented  
abroad.

The expiration of foreign patents does not affect the validity of English patents granted after January 1, 1884, (*y*) but it is submitted that, notwithstanding the repeal of former Acts by the Act of 1883, in the case of patents dated before January 1, 1884, the Judicial Committee should and did take cognisance of the existence of foreign patents, in forming their decision whether to recommend an extension or otherwise, (*z*) as indeed it should and will when a patent of later date than January 1, 1884, is the subject of the petition.

Present prac-  
tice with  
regard to in-  
ventions  
patented  
abroad.

The committee considers all the circumstances of the case: (*a*) and if foreigners are at liberty to use the invention free, this fact may induce the committee not to accede to the petition, on the ground that to do so would be to unduly handicap the British public, and so the fact that there are foreign patents which the petitioner has allowed to expire is

(*q*) Newton's Patent, (1884) L. R. 9 App. Cas. 592; Johnson's Patent, (1871) L. R. 4 P. C. 82; Adair's Patent, (1881) L. R. 6 App. Cas. 178; Pieper's Patent, (1895) 12 R. P. C. 293; Peach's Patent, (1901) 19 R. P. C. 65.

(*r*) Hardy's Patent, (1849) 6 Moo. P. C. 441.

(*s*) Bodmer's Patent, (1853) 8 Moo. P. C. 282; Aube's Patent, (1854) 9 Moo. P. C. 43; Blake's Patent, L. R. 4 P. C. 535; 9 Moo. P. C. N. S. 373.

(*t*) Newton's Patent, (1862) 15 Moo. P. C. 176; 9 Jur. N. S. 109; Normand's

Patent, (1870) L. R. 3 P. C. 193; 6 Moo. P. C. N. S. 477.

(*u*) Normand's Patent, (1870) L. R. 3 P. C. 193; 6 Moo. P. C. N. S. 477.

(*x*) Bett's Patent, (1862) 1 Moo. P. C. N. S. 49; 9 Jur. N. S. 137; 7 L. T. N. S. 577.

(*y*) No such patents are now in existence.

(*z*) 46 & 47 Vict. c. 57, s. 113; Newton's Patent, (1884) L. R. 9 App. Cas. 592; 1 R. P. C. 177; Brandon's Patent, (1884) 1 R. P. C. 154.

(*a*) 46 & 47 Vict. c. 57, s. 25, sub-s. 4.

**Grounds  
for  
Extension.**

still a great obstacle in the way of a patentee desirous of obtaining an extension of a British patent. (b) In such circumstances it requires a very strong case to be made out by the petitioner for extension, but if the invention is of rare or exceptional merit, and the inventor has been very insufficiently remunerated, notwithstanding that there are lapsed foreign patents, the committee will recommend a prolongation, when there is no reason to suppose that the inhabitants of Great Britain and Ireland would be thereby placed at a disadvantage in competing with foreigners. (c)

**Items which  
may be  
credited to the  
petitioner.**

The petitioner is entitled to place on the credit side of the account various items and expenses, but if he desires to contend that such sums are not to be considered as profits such claim must appear on the petition or in the accounts, otherwise he will not be allowed to offer any evidence in respect of it. (d) It is better to render a separate account of items in respect of which a deduction is claimed.

**Expenses in  
connection  
with experi-  
ments, legal  
proceedings,  
salaries and  
commissions.**

The petitioner is entitled to credit himself with the expenses incurred in making preliminary experiments, in obtaining the grant of the patent, and in legal proceedings necessary to defend it; (e) also necessary costs of exhibiting and advertising the invention; (f) reasonable salaries and travelling expenses for clerks; (g) and commissions on sales or royalties. (h)

A deduction has been allowed in the case of a foreign patentee resident abroad, who has obtained an English patent and has employed an agent in England to introduce the invention here. (i)

When the petitioner has compromised actions at law in relation to the patent, and foregone any claim to costs, it is improper for him to deduct the expenses of such proceedings in an unexplained lump sum. (k)

(b) Fountain Livet's Patent, (1892) 9 R. P. C. 327; Shono's Patent, (1892) 9 R. P. C. 438, 440; Semet and Solway's Patent, (1894) 12 R. P. C. 10; Pieper's Patent, (1895) 12 R. P. C. 295; Henderson's Patent, (1901) 18 R. P. C. 449.

(c) Semet and Solway's Patent, (1894) 12 R. P. C. 10; Pieper's Patent, (1895) 12 R. P. C. 295; Henderson's Patent, (1901) 18 R. P. C. 449.

(d) Bailey's Patent, (1884) 1 R. P. C. 1.

(e) Kay's Patent, (1839) 1 W. P. C. 572; 3 Moo. P. C. 24; Heath's Patent, (1853) 2 W. P. C. 247; 8 Moo. P. C.

217; Hill's Patent, (1863) 1 Moo. P. C. N. S. 258; 9 Jur. N. S. 1209; 9 L. T. N. S. 101; Adair's Patent, (1881) L. R. 6 App. Cas. 176; 50 L. J. P. C. 68.

(f) Duncan and Wilson's Patent, (1884) 1 R. P. C. 257.

(g) *Ibid.*

(h) *Ibid.*; Poole's Patent, (1867) L. R. 1 P. C. 514; 4 Moo. P. C. N. S. 452; 36 L. J. P. C. 76.

(i) Poole's Patent, (1867) L. R. 1 P. C. 514; 4 Moo. P. C. N. S. 452; 36 L. J. P. C. 76.

(k) Hill's Patent, (1863) 1 Moo. P. C. N. S. 258, 268; 9 Jur. N. S. 1209; 9 L. T. N. S. 101.

Deductions have been refused in respect of an item for the purchase of land for the purpose of working *in situ* a manufacture according to a patented process, (l) and also in respect of payments for the surrender of licences. (m) When a patentee, under the impression that the invention was one of small value, sold it for a trifling sum, and, after it had proved of considerable value, repurchased it at an increased price, he was not allowed to charge the item in the accounts as one of loss. (n)

Grounds  
for  
Extension.

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When the patentee is also the manufacturer of the patented article, the profits which he makes as manufacturer, although they may not be in strict point of view profits of the patent, must undoubtedly be taken into consideration. (o) It is obvious that in different manufactures there will be different degrees of connection between the business of the applicant as manufacturer, and his business, or his position, as the owner of a patent. There are patents which have little or no connection with the business of the manufacturer, and there are others of a different kind, where there is such an intimate connection with the business of the manufacturer that the possession of the patent virtually secures to the patentee his power of commanding orders as a manufacturer. (p)

Profits made as  
a manufacturer  
in contra-  
distinction to  
profits made as  
a patentee.

When it is not possible to sever the heads of a patentee's profits, as a manufacturer and as a patentee, but it is apparent that a substantial sum has been realised, the committee will not recommend an extension. (q)

There is no specific rule as to the proper ratio to fix as the proportion of the total profits to be allowed as manufacturer's profits when the patentee is also the manufacturer, (r) but the proportion must be divided according to the circumstances of each case. (s)

(l) Fryer's Patent, 47 Eng. 49.

(m) Hill's Patent, (1863) 1 Moo. P. C. N. S. 258; 9 Jur. N. S. 1209; 9 L. T. N. S. 101.

(n) Wield's Patent, (1871) L. R. 4 P. C. 89; 8 Moo. P. C. N. S. 300.

(o) Bett's Patent, (1862) 1 Moo. P. C. N. S. 49; 9 Jur. N. S. 137; 7 L. T. N. S. 577; McInnes' Patent, (1868) L. R. 2 P. C. 54, 57; 5 Moo. P. C. N. S. 72; 37 L. J. P. C. 23; Hill's Patent, (1863) 1 Moo. P. C. N. S. 258; 9 Jur. N. S. 1209; 9 L. T. N. S. 101; Johnson's Patent, (1871) L. R. 4 P. C. 75; 8 Moo. P. C. 282; Saxby's Patent, (1870) L. R. 3 P. C. 292, 295; 7 Moo.

P. C. N. S. 82.

(p) See Saxby's Patent, (1870) L. R. 3 P. C. 295.

(q) Muntz's Patent, (1846) 2 W. P. C. 113; Newton's Patent, 51 Eng. 208; 17 Iron, 155, 171.

(r) Duncan and Wilson's Patent, (1884) 1 R. P. C. 257, 260.

(s) See Trotman's Patent, (1866) L. R. 1 P. C. 118; 3 Moo. P. C. N. S. 488. Two-thirds has been held to be too large a proportion in Hill's Patent, (1863) 1 Moo. P. C. N. S. 258; 9 Jur. N. S. 1209; 9 L. T. N. S. 101; and also in Duncan and Wilson's Patent, (1884) 1 R. P. C. 257.



**The New Grant.**

Where it appeared that a considerable sum had been received from sales of the patented article, the committee refused to look on the difference between the actual cost of the articles and the price at which they were sold as mere profits made by the patentee as salesman, but concluded that a considerable proportion of this was profit which the patentee had received, because, having the patent, he was able to sell the articles, and refused to recommend an extension accordingly. (*t*)

Where the patentee is himself a manufacturer it is better for him to keep the accounts of his manufacturing business separate from those relating exclusively to the patent, so as to present them in this form to the Judicial Committee.

Personal remuneration when patentee is himself a manufacturer.

Where a patentee is a manufacturer and himself superintends the conduct of the business of making the patented article, he is often entitled to a reduction in respect of his personal services, but the amount varies with the special circumstances of each case. (*u*)

Correction of incomplete accounts.

The effect of rendering incomplete accounts, or accounts in an improper form, is not always fatal, but the petitioner must not rely on the indulgence of the committee, and he cannot be too particular in the matter of accounts. Under special circumstances, when it appears that the accounts are wrong through a *bonâ fide* mistake on the part of the patentee, the Judicial Committee may grant an adjournment in order that the accounts may be put right, (*x*) but in most cases of insufficient or improper accounts the petition will be dismissed at once. (*y*)

**THE NEW GRANT.**

Crown gives effect to the recommendation of the

It is the practice for the Crown in cases where the Judicial Committee recommend an extension of the term of a patent

(*t*) Bailey's Patent, (1884) 1 R. P. C. 1.

(*u*) As much as £600 per annum has been allowed in the case of the chairman of a company formed to work the patent: Child's Patent, 56 Eng. 435; but as a rule £400 per annum, or less, is considered sufficient; Bailey's Patent, (1884) 1 R. P. C. 1; Carr's Patent, (1873) L. R. 4 P. C. 530; 9 Moo. P. C. N. S. 379; Perkin's Patent, (No. 2) 47 Eng. 105; Cocking's Patent, (1885) 2 R. P. C. 151; Furness' Patent, (1885) 2 R. P. C. 175; Toy's Patent, (1893) 10 R. P. C. 89; Haze-

land's Patent, (1894) 11 R. P. C. 467.

(*x*) Perkin's Patent, (1845) 2 W. P. C. 17; Heath's Patent, (1853) 2 W. P. C. 256; 8 Moo. P. C. 217; Henry's Patent, 38 Eng. 343, 352; Chatwood's Patent, 37 Eng. 285; Johnson and Atkinson's Patent, (1873) L. R. 5 P. C. 87.

(*y*) Clark's Patent (No. 2), (1870) L. R. 3 P. C. 421; 7 Moo. P. C. N. S. 255; Newton's Patent, (No. 4), (1884) L. R. 9 App. Cas. 592; 1 R. P. C. 177; Adair's Patent, (1881) L. R. 6 App. Cas. 178; 50 L. J. P. C. 68; Yates and Kellet's Patent, (1887) 4 R. P. C. 150.

to give effect to the report of the committee by a new grant of letters patent. (z)

The New Grant.

It is not necessary for the patentee to file a fresh specification on the grant of a new patent; (a) and the validity of the new patent may be questioned in the same way and on the same grounds as that of the old one. (b) The new grant is in the nature of a graft on the old one, and has no existence apart from it. (c) A new grant of letters patent is subject in all cases to the conditions imposed by the Act of 1883 and subsequent statutes, (d) and it may be granted to one only of two original patentees, (e) or to more than one person jointly; (f) but, it is submitted, a new grant cannot be made to a person or persons who has, or have not, or one of whom has not a legal interest in the old letters patent. (g)

committee by means of a new grant,

which is subject to same conditions as the expired grant.

The Crown in granting new letters patent has the power to, and frequently does, impose conditions in the interest of the original patentee (h) or his representatives. (i) The following are instances of cases in which such conditions have been imposed. In *Whitehouse's Patent* (k) extension was granted to an assignee on condition that he secured to the patentee and inventor, during the term, an annuity of £500, in addition to £300 already secured to him. In *Markwick's Patent*, (l) where the original patentee had been bankrupt, the condition was imposed that he should receive an annuity during the extended period. In *Morton's Patent* (m) the assignee was required to secure to the original patentee one half the future profits after recouping his own losses. In *Herbert's Patent* (n) an extension was granted to assignees on condition that they secured upon trust to the widow and representatives of the inventor one half of the profits.

Conditions in the interest of the original patentee are frequently, on the recommendation of the committee, imposed by the Crown on a new grant.

Sometimes conditions are imposed on the patentee for the benefit of other persons who have an interest in the patent, (o)

Conditions are sometimes imposed for the

(z) *Stoney's Patent*, (1888) 5 R. P. C. 524; *Cocking's Patent*, (1885) 2 R. P. C. 151; *Smith's Patent*, (1885) 2 R. P. C. 14.

(a) *Wastenev Smith's Patent*, (1885) 12 R. P. C. 14.

(b) *Russell v. Ledsam*, (1843) 14 M. & W. 583; H. L. C. 687; *Bovill v. Finch*, (1870) L. R. 5 C. P. 523.

(c) *Bovill v. Finch*, (1870) L. R. 5 P. C. 523; 39 L. J. C. P. 277.

(d) *Wastenev and Smith's Patent*, (1885) 2 R. P. C. 14.

(e) *Currie's Patent*, (1897) 15 R. P. C. 63.

(f) 46 & 47 Vict. c. 57, s. 4, sub-s. 2.

(g) *Southworth's Patent*, (1837) 1 W. P. C. 488.

(h) *Whitehouse's Patent*, (1830) 1 W. P. C. 473; reported as *Russell's Patent*, 2 Moo. P. C. 496.

(i) *Herbert's Patent*, (1867) L. R. 1 P. C. 399.

(k) (1838) 1 W. P. C. 473; reported as *Russell's Patent*, 2 Moo. P. C. 496.

(l) (1860) 13 Moo. P. C. 310.

(m) 51 Eng. 274; 17 Iron. 250.

(n) (1867) L. R. 1 P. C. 399; 4 Moo. P. C. N. S. 300.

(o) *Normandy's Patent*, (1855) 9 Moo. P. C. 452; *Baxter's Patent*, 13 Jur. 593.

**The New Grant.**  
 ———  
 benefit of persons other than the original patentee, or for the benefit of the public generally.

or who might be liable in respect of infringements committed between the date of the order and the sealing of the new patent, (p) or to the effect that a patentee mortgagor should give to his mortgagee a like security over the new patent as he had over the old. (q)

When the justice of the case requires it, conditions will be imposed in favour of the Crown or the public generally. Thus in *Petitt Smith's Patent* (r) the condition was imposed that the Crown should be allowed to use the invention without licence. See also *Lancaster's Patent*, (s) *Carpenter's Patent*, (t) and *Dixon v. London Small Arms Co.* (u) These cases were all prior to the Act of 1883. Such conditions are not now insisted upon in favour of the Crown, as they are provided for by sec. 27 of the Act of 1883, which applies to all new grants of letters patent.

In *Mallet's Patent* (x) the condition was imposed that the patentee should grant licences upon terms similar to one already granted by him. In *Hardy's Patent* (y) it was made a condition of the new grant that the patentee should sell the patented article (iron axletrees) at a moderate fixed sum. Such conditions would, it is submitted, not be imposed now in view of sec. 3 of the Act of 1902.

In *Bodmer's Patent* (z) the condition was imposed that certain portions of the specifications which related to parts of the invention not worked out should be disclaimed. In *Lyon's Patent*, (a) where the patentee had granted an exclusive licence, the condition was imposed that the petitioner should grant licences on the same terms to all persons who should apply for them, the royalties to be limited to 10 per cent. upon the selling price of each machine.

Date of commencement and expiry of new grant.

It is the practice when extension is granted in respect of two cognate patents to fix the expiry of each on the same day. (b)

The Crown can only grant an extension of letters patent on the report of the Judicial Committee of the Privy Council. It is the invariable practice for the Crown to act on such report, but it must be remembered that the Crown

(p) Schlumberger's Patent, (1853) 9 Moo. P. C. 1.

(q) Church's Patent, (1886) 3 R. P. C. 95.

(r) (1850) 7 Moo. P. C. 133.

(s) 2 Moo. P. C. N. S. 189.

(t) *Ibid.* 191 n.

(u) L. R. 1 App. Cas. 632.

(x) (1866) L. R. 1 P. C. 308.

(y) 6 Moo. P. C. 441.

(s) (1853) 8 Moo. P. C. 282.

(a) (1894) 11 R. P. C. 537.

(b) Johnson's and Atkinson's Patent, (1873) L. R. 5 P. C. 87; Church's Patents, (1886) 3 R. P. C. 95.

is not bound so to act. (c) The Judicial Committee before recommending an extension may require security to be given that the conditions (if any) on which the new grant is recommended will be performed. (d)

The new grant may be made after the expiration of the original term, if all the statutory conditions have been complied with, but it is always dated as on the day on which the original term expires.

The Crown has no authority to grant more than one period of prolongation or extension of letters patent. (e)

It is not usual for the Judicial Committee to recommend a longer prolongation or extension than seven years; (f) but in cases where it can be shown that the invention possesses such rare and exceptional merit that the patentee would not be likely to obtain an adequate reward in seven years, a longer period will be recommended, (g) which may in extreme cases be fourteen years, the longest period for which the Crown has power to grant a prolongation or extension. (h) The Judicial Committee, in recommending a prolongation or extension, always consider the merit of the invention from the point of view of the public as well as the remuneration which the patentee has received, and adjusts the period accordingly. (i)

If the petitioner succeed, he must forthwith leave at the Patent Office a copy of the order for prolongation or extension when obtained, that it may be entered on the register of patents. (k)

Costs.

Only one period of extension can be obtained.

Duration of new grant cannot exceed fourteen years.

Registration of order.

### Costs.

The costs of all parties of, and incident to, proceedings before the Judicial Committee are in its discretion. (l)

It is the practice of the committee to award costs, on the

Costs are in the discretion of the committee.

(c) *Ledsam v. Russell*, (1847) 1 H. L. Cas. 687.

(d) *Whitehouse's Patent*, (1830) 1 W. P. C. 473; *Carp. P. C.* 565; 2 Moo. P. C. 496.

(e) *Goucher's Patent*, (1865) 2 Moo. P. C. N. S. 532.

(f) *Furness' Patent*, (1885) 2 R. P. C. 175. Seven years was allowed in the following somewhat recent cases: *Joy's Patent*, (1893) 10 R. P. C. 89; *Davies' Patent*, (1893) 11 R. P. C. 27; *Hazeland's Patent*, (1894) 11 R. P. C. 467.

(g) *Moncrieff's Patent*, 22 Iron. 35; *Mitchell's Patent*, (1847) 30 Newton,

L. J. C. S. 356; *Darby's Patent*, (1891) 8 R. P. C. 380; *Currie and Timmiss' Patent*, L. R. (1898) A. C. 347.

(h) *Mitchell's Patent*, (1847) 30 Newton, L. J. O. S. 356; 46 & 47 Vict. c. 57, s. 25, sub-s. 5.

(i) *Newton's Patent*, (1861) 14 Moo. P. C. 156; *Bailey's Patent*, (1884) 1 R. P. C. 1; *Derosne's Patent*, (1844) 2 W. P. C. 1; *Carp. P. C.* 699; 4 Moo. P. C. 417; *Currie and Timmiss' Patent*, L. R. (1898) A. C. 347.

(k) R. B. 1903, r. 60.

(l) 46 & 47 Vict. c. 57, s. 25, sub-s. 7; as to taxation, see p. 172 *ante*.

## Costs.

principle that *bonâ fide* oppositions are rather to be encouraged than discouraged, that the Crown may be put in possession of all that can be alleged against the continuance of the patent. (*m*)

Costs of opponents will be refused, however, if the committee are satisfied that there was no sufficient ground of opposition, and opponents may be ordered to pay costs occasioned by improper opposition; (*n*) and the opponent's costs will be refused if the committee are of opinion that the opposition has been improperly conducted. (*o*)

In cases where the petition is abandoned, and there is opposition, the petitioner pays the opponent's costs. (*p*) It is not necessary for the opponent to serve the petitioner with notice of an intended application for costs. (*q*)

Sometimes one set of costs is given to each opponent, (*r*) and sometimes one set is given between all the opponents. (*s*)

In cases where there are more than one opponent it is not uncommon for the committee to award a lump sum to be divided among the opponents, either with, (*t*) or without, (*u*) the option of taxation in the usual way by the registrar of the committee. (*x*)

The Attorney-General, who represents the Crown on the hearing of petitions, does not ask for, nor is he ordered to pay, any costs.

(*m*) *Wield's Patent*, (1871) L. R. 4 P. C. 89; 8 Moo. P. C. N. S. 300; *Westrupp and Gibbin's Patent*, (1836) 1 W. P. C. 556; *Honiball's Patent*, (1855) 9 Moo. P. C. 378; 2 W. P. C. 201; 25 L. T. 1.

(*n*) *Downton's Patent*, (1839) 1 W. P. C. 567.

(*o*) *Honiball's Patent*, (1855) 9 Moo. P. C. 394; 2 W. P. C. 201; 25 L. T. 1.

(*p*) *Bridson's Patent*, (1852) 7 Moo. P. C. 499; *Hornby's Patent*, (1853) 7 Moo. P. C. 503; *Milner's Patent*, (1854) 9 Moo. P. C. 39; *Macintosh's Patent*, (1837) 1 W. P. C. 739; *Morgan Brown's Patent*, (1886) 3 R. P. C. 212.

(*q*) *Bridson's Patent*, (1852) 7 Moo. P. C. 449.

(*r*) *Newton's Patent* (No. 2), Eng.

Rep. Jan. to Mar. 1881.

(*s*) *Newton's Patent* (No. 4), (1884) L. R. 9 App. Cas. 592; 52 L. T. 329; 1 R. P. C. 177; *Henderson's Patent*, (1901) 18 R. P. C. 449; *Ferranti's Patent*, (1901) 18 R. P. C. 518.

(*t*) *Milner's Patent*, (1854) 9 Moo. P. C. 39; *Hill's Patent*, (1853) 1 Moo. P. C. N. S. 259; *Wield's Patent*, (1871) L. R. 4 P. C. 89.

(*u*) *Schlumberger's Patent*, (1853) 9 Moo. P. C. 1; *Johnson's Patent*, (1871) L. R. 4 P. C. 75; 8 Moo. P. C. N. S. 282; *Jones' Patent*, (1854) 9 Moo. P. C. 41; *Hopkinson's Patent*, (1896) 14 R. P. C. 10.

(*x*) *Judicial Committee Rules* (1898), r. 6, p. 830 *post*.

## APPENDIX.

# APPENDIX.

## STATUTE OF MONOPOLIES (1623).

[21 JAC. I. c. 3.]

*An Act concerning Monopolies and Dispensations with Penal Laws  
and the forfeiture thereof.*

[The following portions of this Act which are printed  
in italics and between brackets were repealed either by  
26 & 27 Vict. c. 125 or 51 Vict. c. 3.]

FORASMUCH as your most excellent Majesty, in your royal judgment, and of your blessed disposition to the weal and quiet of your subjects, did, in the year of our Lord God one thousand six hundred and ten, publish in print to the whole realm, and to all posterity, that all grants of monopolies, and of the benefit of any penal laws, or of power to dispense with the law, or to compound for the forfeiture, are contrary to your Majesty's laws, which your Majesty's declaration is truly consonant and agreeable to the ancient and fundamental laws of this your realm : and whereas your Majesty was further graciously pleased expressly to command that no suitor should presume to move your Majesty for matters of that nature ; yet nevertheless upon misinformations and untrue pretences of public good, many such grants have been unduly obtained, and unlawfully put in execution, to the great grievance and inconvenience of your Majesty's subjects, contrary to the laws of this your realm, and contrary to your Majesty's most royal and blessed intention, so published as aforesaid : For avoiding whereof, and preventing of the like in time to come, may it please your excellent Majesty, at the humble suit of the Lords Spiritual and Temporal, and the Commons, in this present Parliament assembled, that it may be declared and enacted : and be it declared and enacted by authority of this present Parliament, that all monopolies, and all commissions, grants, licences, charters, and letters patents heretofore made or granted, or hereafter to be made or granted, to any person or persons, bodies politic or corporate whatsoever, of or for the sole buying, selling, making, working, or using of any thing within this realm, or the dominion of

All mono-  
polies, &c.,  
shall be void.

Wales, or of any other monopolies, or of power, liberty, or faculty, to dispense with any others, or to give licence or toleration to do, use, or exercise anything against the tenor or purport of any law or statute; or to give or make any warrant for any such dispensation, licence, or toleration to be had or made; or to agree or compound with any others for any penalty or forfeitures limited by any statute; or of any grant or promise of the benefit, profit, or commodity of any forfeiture, penalty, or sum of money, that is or shall be due by any statute, before judgment thereupon had: and all proclamations, inhibitions, restraints, warrants of assistance, and all other matters and things whatsoever, any way tending to the instituting, erecting, strengthening, furthering, or countenancing of the same or any of them, are altogether contrary to the laws of this realm, and so are and shall be utterly void and of none effect, and in no wise to be put in use or execution.

Monopolies, &c., shall be tried by the common laws of this realm.

2. And [*be it further declared and enacted by the authority aforesaid, that*] all monopolies, and all such commissions, grants, licences, charters, letters patents, proclamations, inhibitions, restraints, warrants of assistance, and all other matters and things tending as aforesaid, and the force and validity of them, and of every of them, ought to be and shall be for ever hereafter examined, heard, tried, and determined, by and according to the common laws of this realm, and not otherwise.

All persons disabled to use monopolies, &c.

3. And [*be it further enacted by the authority aforesaid, that*] all person or persons, bodies politic and corporate whatsoever, which now are or hereafter shall be, shall stand and be disabled and incapable to have, use, exercise, or put in use any monopoly, or any such commission, grant, licence, charter, letters patents, proclamation, inhibition, restraint, warrant of assistance, or other matter or thing tending as aforesaid, or any liberty, power, or faculty, grounded or pretended to be grounded upon them, or any of them.

The party grieved by pretext of a monopoly, &c., shall recover treble damages and double costs.

4. And [*be it further enacted by the authority aforesaid, that*] if any person or persons at any time after the end of forty days next after end of this present session of Parliament shall be hindered, grieved, disturbed, or disquieted, or his or their goods or chattels any way seized, attached, distrained, taken, carried away, or detained, by occasion or pretext of any monopoly, or of any such commission, grant, licence, power, liberty, faculty, letters patents, proclamation, inhibition, restraint, warrant of assistance, or other matter or thing tending as aforesaid, and will sue to be relieved in or for any of the premises, that then and in every such case, the same person and persons shall and may have his and their remedy for the same at the common law, by any action or actions to be grounded upon this statute; the same action and actions to be heard and determined in



the Courts of King's Bench, Common Pleas, and Exchequer, or in any of them, against him or them by whom he or they shall be so hindered, grieved, disturbed or disquieted, or against him or them by whom his or their goods or chattels shall be so seized, attached, distrained, taken, carried away, or detained; wherein all and every such person and persons which shall be so hindered, grieved, disturbed, or disquieted, or whose goods or chattels shall be so seized, attached, distrained, taken, carried away, or detained, shall recover three times so much as the damages which he or they sustained by means or occasion of being so hindered, grieved, disturbed, or disquieted, or by means of having his or their goods or chattels seized, attached, distrained, taken, carried away, or detained, and double costs; and in such suits, or for the staying or delaying thereof, no essoin, protection, wager of law, aidprayer, privilege, injunction, or order of restraint, shall be in any wise prayed, granted, admitted, or allowed, nor any more than one imparlance: And if any person or persons shall, after notice given that the action depending is grounded upon this statute, cause or procure any action at the common law, grounded upon this statute, to be stayed or delayed before judgment, by colour or means of any order, warrant, power, or authority, save only of the Court wherein such action as aforesaid shall be brought and depending, or after judgment had upon such action, shall cause or procure the execution of or upon any such judgment to be stayed or delayed by colour or means of any order, warrant, power, or authority, save only by writ of error or attain; that then the said person and persons so offending shall incur and sustain the pains, penalties, and forfeitures ordained and provided by the Statute of Provision and Præmunire made in the sixteenth year of the reign of King Richard the Second.

He that delayeth an action grounded upon this statute incurs a præmunire.

16 Rich. II. c. 5.

5. *Provided nevertheless, and be it declared and enacted, that any declaration before mentioned shall not extend to any letters patents and grants of privilege for the term of one and twenty years or under heretofore made, of the sole working or making of any manner of new manufacture within this realm, to the first and true inventor or inventors of such manufactures, which others at the time of the making of such letters patents and grants did not use, so they be not contrary to the law, nor mischievous to the State, by raising of the prices of commodities at home, or hurt of trade, or generally inconvenient, but that the same shall be of such force as they were or should be, if this Act had not been made, and of none other: and if the same were made for more than one and twenty years, that then the same for the term of one and twenty years only, to be accounted from the date of the first letters patents and grants thereof made, shall be of such force as they were or should have been if the same had been made, but for term of one and*

Letters patent to use new manufactures saved.

*twenty years only, and as if this Act had never been had or made, and of none other.]*

Exception of  
future letters  
patent.

6. Provided also, [*and be it declared and enacted,*] That any declaration before mentioned shall not extend to any letters patents and grants of privilege for the term of fourteen years or under hereafter to be made of the sole working or making of any manner of new manufactures within this realm, to the true and first inventor and inventors of such manufactures, which others at the time of making such letters patents and grants shall not use, so as also they be not contrary to the law, nor mischievous to the State, by raising prices of commodities at home, or hurt of trade, or generally inconvenient: the said fourteen years to be accounted from the date of the first letters patent, or grant of such privilege hereafter to be made, but that the same shall be of such force as they should be if this Act had never been made, and of none other.

Grants con-  
firmed by Act  
of Parliament  
saved.

7. Provided also, [*and it is hereby further intended, declared, and enacted by authority aforesaid,*] That this Act or any thing therein contained shall not in any wise extend, or be prejudicial to any grant or privilege, power, or authority whatsoever heretofore made, granted, allowed, or confirmed by any Act of Parliament now in force, so long as the same shall so continue in force.

Warrants  
granted to  
justices saved.

8. Provided also, That this Act shall not extend to any warrant or privy seal, made or directed, or to be made or directed, by his Majesty, his heirs, or successors, to the justices of the Courts of the King's Bench or Common Pleas, and Barons of the exchequer, justices of assize, justices of oyer and terminer and gaol delivery, justices of the peace, and other justices for the time being, having power to hear and determine offences done against any penal statute, to compound for the forfeitures of any penal statute, depending in suit and question before them or any of them respectively, after plea pleaded by the party defendant.

Charters  
granted to  
corporations  
saved.

9. Provided also, [*and it is hereby further intended, declared, and enacted,*] That this Act or any thing therein contained shall not in any wise extend or be prejudicial unto the city of London, or to any city borough or town corporate within this realm, for or concerning any grants, charters, or letters patents, to them or any of them made or granted, or for or concerning any custom or customs used by or within them or any of them: or unto any corporations, companies, or fellowships of any art, trade, occupation, or mystery, or to any companies or societies of merchants within this realm, erected for the maintenance, enlargement, or ordering of any trade of merchandise; but that the same charters, customs, corporations, companies, fellowships, and societies, and their liberties, privileges,

powers and immunities shall be and continue of such force and effects as they were before the making of this Act, and of none other; any thing before in this Act contained to the contrary in any wise notwithstanding. (a)

(a) The remaining sections of this Act have become inoperative or have been repealed by the Patents, Designs, and Trade Marks Act, 1883, and are, therefore, not printed here.

PATENTS, DESIGNS, AND TRADE MARKS  
ACT, 1883.

[46 & 47 VICT. c. 57.]

*An Act to amend and consolidate the Law relating to Patents for  
Inventions, Registration of Designs, and of Trade Marks.*

[25th August, 1883.]

[N.B.—The portions of this Act which have been amended or repealed by subsequent Acts are printed in italics, the amendments are printed in black type, and a reference is given to the amending or repealing Act in each case.]

BE it enacted by the Queen's Most Excellent Majesty, by and with the advice and consent of the Lords Spiritual and Temporal, and Commons, in this present Parliament assembled, and by the authority of the same, as follows :

PART I.

PRELIMINARY.

- Short title.      1. This Act may be cited as the Patents, Designs, and Trade Marks Act, 1883.
- Division of Act into parts.      2. This Act is divided into parts, as follows :
- Part I.—PRELIMINARY.  
Part II.—PATENTS.  
Part III.—DESIGNS.  
Part IV.—TRADE MARKS.  
Part V.—GENERAL.
- Commence-  
ment of Act.      3. This Act, except where it is otherwise expressed, shall commence from and immediately after the thirty-first day of December one thousand eight hundred and eighty-three.

## PART II.

## PATENTS.

*Application for and Grant of Patent.*

4. (1) Any person, whether a British subject or not, may make an application for a patent. Persons entitled to apply for patent.

(2) Two or more persons may make a joint application for a patent, and a patent may be granted to them jointly. (a)

5. (1) An application for a patent must be made in the form set forth in the First Schedule to this Act, or in such other form as may be from time to time prescribed; and must be left at, or sent by post to, the Patent Office in the prescribed manner. Application and specification.

(2) An application must contain a declaration to the effect that the applicant is in possession of an invention, whereof he, or in the case of a joint application, one or more of the applicants, claims or claim to be the true and first inventor or inventors, and for which he or they desires or desire to obtain a patent; and must be accompanied by either a provisional or complete specification. (b)

(3) A provisional specification must describe the nature of the invention, and be accompanied by drawings, if required.

(4) A complete specification, whether left on application or subsequently, must particularly describe and ascertain the nature of the invention, and in what manner it is to be performed, and must be accompanied by drawings, if required. (c)

(5) A specification, whether provisional or complete, must commence with the title, and in the case of a complete specification must end with a distinct statement of the invention claimed.

6. The Comptroller shall refer every application to an examiner, who shall ascertain and report to the Comptroller whether the nature of the invention has been fairly described, and the application, specification, and drawings (if any), have been prepared in the prescribed manner, and the title sufficiently indicates the subject-matter of the invention. Reference of application to examiner.

7. (1) *If the examiner reports that the nature of the invention is not fairly described, or that the application, specification, or drawings has not or have not been prepared in the prescribed manner, or that the title does not sufficiently indicate the subject-matter of the invention, the Comptroller may require that the application, specification, or drawings be amended before he proceeds with the application.* Power for Comptroller to refuse application or require amendment.

(a) As to construction of this sub-s. see 48 & 49 Vict. c. 63, s. 5, p. 246 post.

(b) See 48 & 49 Vict. c. 63, s. 2, p. 245 post.

(c) As to compliance with the requirements of this sub-s. see 49 & 50 Vict. c. 37, s. 2, p. 247 post.

(2) *Where the Comptroller requires an amendment, the applicant may appeal from his decision to the law officer.*

(3) *The law officer shall, if required, hear the applicant and the Comptroller, and may make an order determining whether and subject to what conditions, if any, the application shall be accepted.*

(4) *The Comptroller shall, when an application has been accepted, give notice thereof to the applicant.*

(5) *If, after an application has been made, but before a patent has been sealed, an application is made, accompanied by a specification bearing the same or a similar title, it shall be the duty of the examiner to report to the Comptroller whether the specification appears to him to comprise the same invention; and, if he reports in the affirmative, the Comptroller shall give notice to the applicants that he has so reported.*

(6) *Where the examiner reports in the affirmative, the Comptroller may determine, subject to an appeal to the law officer, whether the invention comprised in both applications is the same, and if so he may refuse to seal a patent on the application of the second applicant (d)*

Power of  
Comptroller to  
refuse applica-  
tion or require  
amendment.

7. (1) **If the examiner reports that the nature of the invention is not fairly described, or that the application, specification, or drawings has not, or have not, been prepared in the prescribed manner, or that the title does not sufficiently indicate the subject-matter of the invention, the Comptroller may refuse to accept the application, or require that the application, specification, or drawings be amended before he proceeds with the application; and in the latter case the application shall, if the Comptroller so directs, bear date as from the time when the requirement is complied with.**

(2) **Where the Comptroller refuses to accept an application or requires an amendment, the applicant may appeal from his decision to the law officer.**

(3) **The law officer shall, if required, hear the applicant and the Comptroller, and may make an order determining whether, and subject to what conditions (if any) the application shall be accepted.**

(4) **The Comptroller shall, when an application has been accepted, give notice thereof to the applicant.**

(5) **If, after an application for a patent has been made, but before the patent thereon has been sealed, another application for a patent is made, accompanied by a specification bearing the same or a similar title, the**

(d) Repealed by 51 & 52 Vict. c. 50, s. 2, p. 249 *post*.

Comptroller, if he thinks fit, on the request of the second applicant, or of his legal representative, may, within two months of the grant of a patent on the first application, either decline to proceed with the second application or allow the surrender of the patent, if any, granted thereon. (e)

8. (1) If the applicant does not leave a complete specification with his application, he may leave it at any subsequent time within nine, six (f) months from the date of application. (g) Time for leaving complete specification.

(2) Unless a complete specification is left within that time the application shall be deemed to be abandoned.

9. (1) Where a complete specification is left after a provisional specification, the Comptroller shall refer both specifications to an examiner for the purpose of ascertaining whether the complete specification has been prepared in the prescribed manner, and whether the invention particularly described in the complete specification is substantially the same as that which is described in the provisional specification. Comparison of provisional and complete specification.

(2) If the examiner reports that the conditions hereinbefore contained have not been complied with, the Comptroller may refuse to accept the complete specification unless and until the same shall have been amended to his satisfaction; but any such refusal shall be subject to appeal to the law officer.

(3) The law officer shall, if required, hear the applicant and the Comptroller, and may make an order determining whether and subject to what conditions, if any, the complete specification shall be accepted.

(4) Unless a complete specification is accepted within twelve months from the date of application, then (save in the case of an appeal having been lodged against the refusal to accept) the application shall, at the expiration of those twelve months, become void. (h)

(5) Reports of examiners shall not in any case be published or be open to public inspection, and shall not be liable to production or inspection in any legal proceeding, *other than an appeal to the law officer under this Act*, (i) unless the Court or officer having power to order discovery in such legal proceeding shall certify that such production or inspection is desirable in the interests of justice, and ought to be allowed.

(e) 51 & 52 Vict. c. 50, s. 2, p. 249 *post*.

(f) See Act of 1902, sec. 1, sub-s. 8, p. 258 *post*.

(g) The period of six months may be extended under 48 & 49 Vict. c. 62, s. 3, p. 245 *post*.

(h) The period of twelve months may be extended under 48 & 49 Vict. c. 63, s. 3, p. 255 *post*.

(i) 51 & 52 Vict. c. 50, s. 3, p. 249 *post*.

Advertisement on acceptance of complete specification. 10. On acceptance of the complete specification the Comptroller shall advertise the acceptance ; and the application and specification or specifications, with the drawings (if any), shall be open to public inspection.

Opposition to grant of patent. 11. (1) Any person may at any time within two months from the date of the advertisement of the acceptance of a complete specification give notice at the Patent Office of opposition to the grant of the patent on the ground of the applicant having obtained the invention from him, or from a person of whom he is the legal representative, or on the ground that the invention has been patented in this country on an application of prior date, *or on the ground of an examiner having reported to the Comptroller that the specification appears to him to comprise the same invention as is comprised in a specification bearing the same or a similar title, and accompanying a previous application, but on no other ground;* (k) or on the ground that the complete specification describes or claims an invention other than that described in the provisional specification, and that such other invention forms the subject of an application made by the opponent in the interval between the leaving of the provisional specification and the leaving of the complete specification.(l)

(2) Where such notice is given the Comptroller shall give notice of the opposition to the applicant, and shall, on the expiration of those two months, after hearing the applicant and the person so giving notice, if desirous of being heard, decide on the case, but subject to appeal to the law officer.

(3) The law officer shall, if required, hear the applicant and any person so giving notice, and being, in the opinion of the law officer, entitled to be heard in opposition to the grant, and shall determine whether the grant ought or ought not to be made.

(4) The law officer may, if he thinks fit, obtain the assistance of an expert, who shall be paid such remuneration as the law officer, with the consent of the Treasury, shall appoint.

Sealing of patent. 12. (1) If there is no opposition, or, in case of opposition, if the determination is in favour of the grant of a patent, the Comptroller shall cause a patent to be sealed with the seal of the Patent Office.

(2) A patent so sealed shall have the same effect as if it were sealed with the Great Seal of the United Kingdom.

(3) A patent shall be sealed as soon as may be, and not after the expiration of fifteen months from the date of application, except in the cases hereinafter mentioned, that is to say—

(k) 51 & 52 Vict. c. 50, s. 3, p. 249 *post*.

(l) *Ibid*.



(a) Where the sealing is delayed by an appeal to the law officer, or by opposition to the grant of the patent, the patent may be sealed at such time as the law officer may direct.

(b) If the person making the application dies before the expiration of the fifteen months aforesaid, the patent may be granted to his legal representative, and sealed at any time within twelve months after the death of the applicant. (m)

13. Every patent shall be dated and sealed as of the day of the application : Provided that no proceedings shall be taken in respect of an infringement committed before the publication of the complete specification : Provided also, that in case of more than one application for a patent for the same invention the sealing of a patent on one of those applications shall not prevent the sealing of a patent on an earlier application. (n) Date of patent.

*Provisional Protection.*

14. Where an application for a patent in respect of an invention has been accepted, the invention may during the period between the date of the application and the date of sealing such patent be used and published without prejudice to the patent to be granted for the same ; and such protection from the consequences of use and publication is in this Act referred to as provisional protection. Provisional protection.

*Protection by Complete Specification.*

15. After the acceptance of a complete specification, and until the date of sealing a patent in respect thereof, or the expiration of the time for sealing, the applicant shall have the like privileges and rights as if a patent for the invention had been sealed on the date of the acceptance of the complete specification : Provided that an applicant shall not be entitled to institute any proceeding for infringement unless and until a patent for the invention has been granted to him. Effect of acceptance of complete specification.

*Patent.*

16. Every patent when sealed shall have effect throughout the United Kingdom and the Isle of Man. Extent of patent.

17. (1) The term limited in every patent for the duration thereof shall be fourteen years from its date. Term of patent.

(2) But every patent shall, notwithstanding anything therein or

(m) The period of fifteen months may be extended under 48 & 49 Vict. c. 63, s. 3, p. 245 *post*.

(n) See 48 & 49 Vict. c. 63, s. 4, p. 246 *post*.

in this Act, cease if the patentee fails to make the prescribed payments within the prescribed times.

(3) If, nevertheless, in any case, by accident, mistake, or inadvertence, a patentee fails to make any prescribed payment within the prescribed time, he may apply to the Comptroller for an enlargement of the time for making that payment.

(4) Thereupon the Comptroller shall, if satisfied that the failure has arisen from any of the above-mentioned causes, on receipt of the prescribed fee for enlargement, not exceeding ten pounds, enlarge the time accordingly, subject to the following conditions :

(a) The time for making any payment shall not in any case be enlarged for more than three months.

(b) 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, 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.

#### *Amendment of Specification.*

Amendment of  
specification.

18. (1) An applicant or a patentee may, from time to time, by request in writing left at the Patent Office, seek leave to amend his specification, including drawings forming part thereof, by way of disclaimer, correction, or explanation, stating the nature of such amendment and his reasons for the same.

(2) The request and the nature of such proposed amendment shall be advertised in the prescribed manner, and at any time within one month from its first advertisement any person may give notice at the Patent Office of opposition to the amendment.

(3) Where such notice is given the Comptroller shall give notice of the opposition to the person making the request, and shall hear and decide the case subject to an appeal to the law officer.

(4) The law officer shall, if required, hear the person making the request and the person so giving notice, and being in the opinion of the law officer entitled to be heard in opposition to the request, and shall determine whether and subject to what conditions, if any, the amendment ought to be allowed.

(5) Where no notice of opposition is given, or the person so giving notice does not appear, the Comptroller shall determine whether and subject to what conditions, if any, the amendment ought to be allowed.

(6) When leave to amend is refused by the Comptroller, the

person making the request may appeal from his decision to the law officer.

(7) The law officer shall, if required, hear the person making the request and the Comptroller, and may make an order determining whether, and subject to what conditions, if any, the amendment ought to be allowed.

(8) No amendment shall be allowed that would make the specification, as amended, claim an invention substantially larger than, or substantially different from, the invention claimed by the specification as it stood before amendment.

(9) Leave to amend shall be conclusive as to the right of the party to make the amendment allowed, except in case of fraud; and the amendment shall in all Courts and for all purposes be deemed to form part of the specification.

(10) *The foregoing provisions of this section do not apply when and so long as any action for infringement or other legal proceeding in relation to a patent is pending.* (o) **The foregoing provisions of this section do not apply when and so long as any action for infringement or proceeding for revocation of a patent is pending.** (p)

19. (1) In an action for infringement of a patent, and in a proceeding for revocation of a patent, the Court or a Judge may at any time order that the patentee shall, subject to such terms as to costs and otherwise as the Court or a Judge may impose, be at liberty to apply at the Patent Office for leave to amend his specification by way of disclaimer, and may direct that in the mean time the trial or hearing of the action shall be postponed. Power to dis-claim part of invention during action, &c.

20. Where an amendment by way of disclaimer, correction, or explanation has been allowed under this Act, no damages shall be given in any action in respect of the use of the invention before the disclaimer, correction, or explanation, unless the patentee establishes to the satisfaction of the Court that his original claim was framed in good faith and with reasonable skill and knowledge. Restriction on recovery of damages.

21. Every amendment of a specification shall be advertised in the prescribed manner. Advertisement of amendment.

### *Compulsory Licences.*

22. *If on the petition of any person interested it is proved to the Board of Trade that by reason of the default of a patentee to grant licences on reasonable terms—* Power for Board to order grant of licences.

(a) *The patent is not being worked in the United Kingdom; or*

(b) *The reasonable requirements of the public with respect to the invention cannot be supplied; or*

(c) 51 & 52 Vict. c. 59, s. 5, p. 250 post.

(p) *Ibid.*

(c) *Any person is prevented from working or using to the best advantage an invention of which he is possessed, the Board may order the patentee to grant licences on such terms as to the amount of royalties, security for payment, or otherwise, as the Board, having regard to the nature of the invention and the circumstances of the case, may deem just, and any such order may be enforced by mandamus. (q)*

Law relating  
to compulsory  
licences.

- (1) Any person interested may present a petition to the Board of Trade alleging that the reasonable requirements of the public with respect to a patented invention have not been satisfied, and praying for the grant of a compulsory licence, or, in the alternative, for the revocation of the patent;
- (2) The Board of Trade shall consider the petition, and if the parties do not come to an arrangement between themselves, the Board of Trade, if satisfied that a *prima facie* case has been made out, shall refer the petition to the Judicial Committee of the Privy Council, and, if the Board are not so satisfied, they may dismiss the petition;
- (3) Where any such petition is referred by the Board of Trade to the Judicial Committee, and it is proved to the satisfaction of the Judicial Committee that the reasonable requirements of the public with reference to the patented invention have not been satisfied, the patentee may be ordered by an Order in Council to grant licences on such terms as the said Committee may think just, or, if the Judicial Committee are of opinion that the reasonable requirements of the public will not be satisfied by the grant of licences, the patent may be revoked by Order in Council;

Provided that no order of revocation shall be made before the expiration of three years from the date of the patent, or if the patentee gives satisfactory reasons for his default;

- (4) On the hearing of any petition under this section the patentee and any person claiming an interest in the patent as exclusive licensee or otherwise, shall be made parties to the proceeding, and the law officer or such other counsel as he may appoint shall be entitled to appear and be heard;

(q) Repealed, and the provisions following substituted therefor by 2 Edw. VII. c. 34, s. 3, p. 259 *post*.

- (5) If it is proved to the satisfaction of the Judicial Committee that the patent is worked or that the patented article is manufactured exclusively or mainly outside the United Kingdom, then, unless the patentee can show that the reasonable requirements of the public have been satisfied, the petitioner shall be entitled either to an order for a compulsory licence or, subject to the above proviso, to an order for the revocation of the patent;
- (6) For the purposes of this section the reasonable requirements of the public shall not be deemed to have been satisfied if, by reason of the default of the patentee to work his patent or to manufacture the patented article in the United Kingdom to an adequate extent, or to grant licences on reasonable terms, (a) any existing industry or the establishment of any new industry is unfairly prejudiced, or (b) the demand for the patented article is not reasonably met;
- (7) An Order in Council directing the grant of any licence under this section shall, without prejudice to any other method of enforcement, operate as if it were embodied in a deed granting a licence and made between the parties to the proceeding;
- (8) His Majesty in Council may make rules of procedure and practice for regulating proceedings before the Judicial Committee under this section, and, subject thereto, such proceedings shall be regulated according to the existing procedure and practice in patent matters. Any Order in Council or any order made by the Judicial Committee under this Act may be enforced by the High Court as if it were an order of the High Court;
- (9) The costs of and incidental to all proceedings under this section shall be in the discretion of the Judicial Committee, but in awarding costs on any application for the grant of a licence the Judicial Committee may have regard to any previous request for, or offer of, a licence made either before or after the application to the Committee;
- (10) For the purposes of this section three members of the Judicial Committee shall constitute a quorum;

(11) This section shall apply to patents granted before as well as after the commencement of this Act. (r)

*Register of Patents.*

Register of patents.

23. (1) There shall be kept at the Patent Office a book called the Register of Patents, wherein shall be entered the names and addresses of grantees of patents, notifications of assignments 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 from time to time be prescribed.

(2) The register of patents shall be *prima facie* evidence of any matters by this Act directed or authorised to be inserted therein.

(3) Copies of deeds, licences, and any other documents affecting the proprietorship in any letters patent or in any licence thereunder, must be supplied to the Comptroller in the prescribed manner for filing in the Patent Office.

*Fees.*

Fees in schedule.

24. (1) There shall be paid in respect of the several instruments described in the second schedule to this Act the fees in that schedule mentioned, and there shall likewise be paid, in respect of other matters under this part of the Act, such fees as may be from time to time, with the sanction of the Treasury, prescribed by the Board of Trade; and such fees shall be levied and paid to the account of her Majesty's Exchequer in such manner as the Treasury may from time to time direct.

(2) The Board of Trade may from time to time, if they think fit, with the consent of the Treasury, reduce any of those fees.

*Extension of Term of Patent.*

Extension of term of patent on petition to Queen in Council.

25. (1) A patentee may, after advertising in manner directed by any rules made under this section his intention to do so, present a petition to her Majesty in Council, praying that his patent may be extended for a further term; but such petition must be presented at least six months before the time limited for the expiration of the patent.

(2) Any person may enter a caveat, addressed to the Registrar of the Council at the Council Office, against the extension.

(3) If her Majesty shall be pleased to refer any such petition to the Judicial Committee of the Privy Council, the said Committee

(r) 2 Edw. VII. c. 34, s. 3, p. 259 *post*.

shall proceed to consider the same, and the petitioner and any person who has entered a caveat shall be entitled to be heard by himself or by the counsel on the petition.

(4) The Judicial Committee shall, in considering their decision, have regard to the nature and merits of the invention in relation to the public, to the profits made by the patentee as such, and to all the circumstances of the case.

(5) If the Judicial Committee report that the patentee has been inadequately remunerated by his patent, it shall be lawful for her Majesty in Council to extend the term of the patent for a further term not exceeding seven, or in exceptional cases fourteen, years; or to order the grant of a new patent for the term therein mentioned, and containing any restrictions, conditions, and provisions that the Judicial Committee may think fit.

(6) It shall be lawful for her Majesty in Council to make, from time to time, rules of procedure and practice for regulating proceedings on such petitions, and subject thereto such proceedings shall be regulated according to the existing procedure and practice in patent matters of the Judicial Committee.

(7) The costs of all parties of and incident to such proceedings shall be in the discretion of the Judicial Committee; and the orders of the Committee respecting costs shall be enforceable as if they were orders of a division of the High Court of Justice.

### *Revocation.*

26. (1) The proceeding by *scire facias* to repeal a patent is hereby abolished. Revocation of patent.

(2) Revocation of a patent may be obtained on petition to the Court.

(3) Every ground on which a patent might, at the commencement of this Act, be repealed by *scire facias* shall be available by way of defence to an action of infringement and shall also be a ground of revocation.

(4) A petition for revocation of a patent may be presented by—

(a) The Attorney-General in England or Ireland, or the Lord Advocate in Scotland :

(b) Any person authorised by the Attorney-General in England or Ireland, or the Lord Advocate in Scotland :

(c) Any person alleging that the patent was obtained in fraud of his rights, or of the rights of any person under or through whom he claims :

(d) Any person alleging that he, or any person under or through whom he claims, was the true inventor of any invention included in the claim of the patentee :

(e) Any person alleging that he, or any person under or through whom he claims an interest in any trade, business, or manufacture, had publicly manufactured, used, or sold, within this realm, before the date of the patent, anything claimed by the patentee as his invention.

(5) The plaintiff must deliver with his petition particulars of the objections on which he means to rely, and no evidence shall, except by leave of the Court or a Judge, be admitted in proof of any objection of which particulars are not so delivered.

(6) Particulars delivered may be from time to time amended by leave of the Court or a Judge.

(7) The defendant shall be entitled to begin, and give evidence in support of the patent, and if the plaintiff gives evidence impeaching the validity of the patent the defendant shall be entitled to reply.

(8) Where a patent has been revoked on the ground of fraud, the Comptroller may, on the application of the true inventor made in accordance with the provisions of this Act, grant to him a patent in lieu of and bearing the same date as the date of revocation of the patent so revoked, but the patent so granted shall cease on the expiration of the term for which the revoked patent was granted.

#### *Crown.*

Patent to bind  
Crown.

27. (1) 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.

(2) 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.

#### *Legal Proceedings.*

Hearing with  
assessor.

28. (1) In an action or proceeding for infringement or revocation of a patent, 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 try and hear the case wholly or partially with his assistance; the action shall be tried without a jury unless the Court shall otherwise direct.



(2) 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 as aforesaid.

(3) The remuneration, if any, to be paid to an assessor under this section 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 this Act.

29. (1) 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. Delivery of particulars.

(2) 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.

(3) 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.

(4) At the hearing no evidence shall, except by leave of the Court or a Judge, be admitted in proof of any alleged infringement or objection of which particulars are not so delivered.

(5) Particulars delivered may be from time to time amended, by leave of the Court or a Judge.

(6) 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.

30. In an action for infringement of a patent, the Court or a Judge may on the application of either party make such order for an injunction, inspection, or account, and impose such terms and give such directions respecting the same and the proceedings thereon as the Court or a Judge may see fit. Order for inspection, &c., in action.

31. In an action for infringement of a patent, the Court or a Judge may certify that the validity of the patent came in question; and if the Court or a Judge so certifies, then in any subsequent action for infringement the plaintiff in that action on obtaining a final order or judgment in his favour shall have his full costs, charges, and expenses as between solicitor and client, unless the Court or Judge trying the action certifies that he ought not to have the same. Certificate of validity questioned and costs thereon.

32. Where any person claiming to be the patentee of an invention, by circulars, advertisements, or otherwise, threatens any other Remedy in case of groundless threats of legal proceedings.

person with any legal proceedings or liability in respect of any alleged manufacture, use, sale, or purchase of the invention, any person or persons aggrieved thereby may bring an action against him, and may obtain an injunction against the continuance of such threats, and may recover such damage (if any) as may have been sustained thereby, if the alleged manufacture, use, sale, or purchase to which the threats related was not in fact an infringement of any legal rights of the person making such threats: Provided that this section shall not apply if the person making such threats with due diligence commences and prosecutes an action for infringement of his patent.

*Miscellaneous.*

Patent for one invention only.

33. Every patent may be in the form in the first schedule to this Act, and shall be granted for one invention only, but may contain more than one claim; but it shall not be competent for any person in an action or other proceeding to take any objection to a patent on the ground that it comprises more than one invention.

Patent on application of representative of deceased inventor.

34. (1) If a person possessed of an invention dies without making application for a patent for the invention, application may be made by, and a patent for the invention granted to, his legal representative.

(2) Every such application must be made within six months of the decease of such person, and must contain a declaration by the legal representative that he believes such person to be the true and first inventor of the invention.

Patent to first inventor not invalidated by application in fraud of him.

35. A patent granted to the true and first inventor shall not be invalidated by an application in fraud of him, or by provisional protection obtained thereon, or by any use or publication of the invention subsequent to that fraudulent application during the period of provisional protection.

Assignment for particular places.

36. 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.

Loss or destruction of patent.

37. If a patent is lost or destroyed, or its non-production is accounted for to the satisfaction of the Comptroller, the Comptroller may at any time cause a duplicate thereof to be sealed.

Proceedings and costs before law officer.

38. The law officers may examine witnesses on oath and administer oaths for that purpose under this part of this Act, and may from time to time make, alter, and rescind rules regulating references and appeals to the law officers and the practice and procedure before them under this part of this Act; and in any proceeding before

either of the law officers under this part of this Act the law officer may order costs to be paid by either party, and any such order may be made a rule of the Court.

39. The exhibition of an invention at an industrial or international exhibition, certified as such by the Board of Trade, or the publication of any description of the invention during the period of the holding of the exhibition, or the use of the invention for the purpose of the exhibition in the place where the exhibition is held, or the use of the invention during the period of the holding of the exhibition by any person elsewhere, without the privity or consent of the inventor, shall not prejudice the right of the inventor or his legal personal representative to apply for and obtain provisional protection and a patent in respect of the invention, or the validity of any patent granted on the application, provided that both the following conditions are complied with, namely—

Exhibition at industrial or international exhibition not to prejudice patent rights.

(a) The exhibitor must, before exhibiting the invention, give the Comptroller the prescribed notice of his intention to do so ; and

(b) The application for a patent must be made before or within six months from the date of the opening of the exhibition. (s)

40. (1) The Comptroller shall cause to be issued periodically an illustrated journal of patented inventions, as well as reports of patent cases decided by courts of law, and any other information that the Comptroller may deem generally useful or important.

Publication of illustrated journal, indexes, &c.

(2) Provision shall be made by the Comptroller for keeping on sale copies of such journal, and also of all complete specifications of patents for the time being in force, with their accompanying drawings, if any.

(3) The Comptroller shall continue, in such form as he may deem expedient, the indexes and abridgments of specifications hitherto published, and shall from time to time prepare and publish such other indexes, abridgments of specifications, catalogues, and other works relating to inventions, as he may see fit.

41. The control and management of the existing Patent Museum and its contents shall, from and after the commencement of this Act, be transferred to and vested in the Department of Science and Art, subject to such directions as her Majesty in Council may see fit to give.

Patent Museum.

42. The Department of Science and Art may at any time require a patentee to furnish them with a model of his invention on payment to the patentee of the cost of the manufacture of the model ; the amount to be settled, in case of dispute, by the Board of Trade.

Power to require models on payment.

(s) As to the extension of this section to exhibitions held out of the United Kingdom, see 49 & 50 Vict. c. 37, s. 3, p. 247 *post*.

Foreign  
vessels in  
British waters.

43. (1) A patent shall not prevent the use of an invention for the purposes of the navigation of a foreign vessel within the jurisdiction of any of her Majesty's Courts in the United Kingdom, or Isle of Man, or the use of an invention in a foreign vessel within that jurisdiction, provided it is not used therein for or in connection with the manufacture or preparation of anything intended to be sold in or exported from the United Kingdom or Isle of Man.

(2) But this section shall not extend to vessels of any foreign State of which the laws authorise subjects of such foreign State, having patents or like privileges for the exclusive use or exercise of inventions within its territories, to prevent or interfere with the use of such inventions in British vessels while in the ports of such foreign State, or in the waters within the jurisdiction of its Courts, where such inventions are not so used for the manufacture or preparation of anything intended to be sold in or exported from the territories of such foreign State.

Assignment to  
Secretary for  
War of certain  
inventions.

44. (1) The inventor of any improvement in instruments or munitions of war, his executors, administrators, or assigns (who are in this section comprised in the expression "the inventor") may (either for or without valuable consideration) assign to her Majesty's Principal Secretary of State for the War Department (hereinafter referred to as the Secretary of State), on behalf of her Majesty, all the benefit of the invention and of any patent obtained or to be obtained for the same; and the Secretary of State may be a party to the assignment.

(2) The assignment shall effectually vest the benefit of the invention and patent in the Secretary of State for the time being, on behalf of her Majesty, and all covenants and agreements therein contained for keeping the invention secret and otherwise shall be valid and effectual (notwithstanding any want of valuable consideration), and may be enforced accordingly by the Secretary of State for the time being.

(3) Where any such assignment has been made to the Secretary of State, he may at any time before the application for a patent for the invention, or before publication of the specification or specifications, certify to the Comptroller his opinion that, in the interest of the public service, the particulars of the invention and of the manner in which it is to be performed should be kept secret.

(4) If the Secretary of State so certifies, the application and specification or specifications, with the drawings (if any), and any amendment of the specification or specifications, and any copies of such documents and drawings, shall, instead of being left in the ordinary manner at the Patent Office, be delivered to the Comptroller in a packet sealed by authority of the Secretary of State.

(5) Such packet shall until the expiration of the term or extended term during which a patent for the invention may be in force, be kept sealed by the Comptroller, and shall not be opened save under the authority of an order of the Secretary of State, or of the law officers.

(6) Such sealed packet shall be delivered at any time during the continuance of the patent to any person authorised by writing under the hand of the Secretary of State to receive the same, and shall if returned to the Comptroller be again kept sealed by him.

(7) On the expiration of the term or extended term of the patent, such sealed packet shall be delivered to any person authorised by writing under the hand of the Secretary of State to receive it.

(8) Where the Secretary of State certifies as aforesaid, after an application for a patent has been left at the Patent Office, but before the publication of the specification or specifications, the application, specification or specifications, with the drawings (if any), shall be forthwith placed in a packet sealed by authority of the Comptroller, and such packet shall be subject to the foregoing provisions respecting a packet sealed by authority of the Secretary of State.

(9) No proceeding by petition or otherwise shall lie for revocation of a patent granted for an invention in relation to which the Secretary of State has certified as aforesaid.

(10) No copy of any specification or other document or drawing by this section required to be placed in a sealed packet, shall in any manner whatever be published or open to the inspection of the public, but, save as in this section otherwise directed, the provisions of this part of this Act shall apply in respect of any such invention and patent as aforesaid.

(11) The Secretary of State may, at any time by writing under his hand, waive the benefit of this section with respect to any particular invention, and the specifications, documents, and drawings shall be thenceforth kept and dealt with in the ordinary way.

(12) The communication of any invention for any improvement in instruments or munitions of war to the Secretary of State, or to any person or persons authorised by him to investigate the same or the merits thereof, shall not, nor shall anything done for the purposes of the investigation, be deemed use or publication of such invention so as to prejudice the grant or validity of any patent for same.

*Existing Patents.*

45. (1) The provisions of this Act relating to applications for patents and proceedings thereon shall have effect in respect only of applications made after the commencement of this Act.

Provisions  
respecting  
existing  
patents.

(2) Every patent granted before the commencement of this Act, or on an application then pending, shall remain unaffected by the provisions of this Act relating to patents binding the Crown, and to compulsory licences.

(3) In all other respects (including the amount and time of payment of fees) this Act shall extend to all patents granted before the commencement of this Act, or on applications then pending, in substitution for such enactments as would have applied thereto if this Act had not been passed.

(4) All instruments relating to patents granted before the commencement of this Act required to be left or filed in the Great Seal Patent Office shall be deemed to be so left or filed if left or filed before or after the commencement of this Act in the Patent Office.

### *Definitions.*

Definitions  
of patent,  
patentee,  
invention, and  
"injunction"  
in Scotland.

46. In and for the purposes of this Act—

"Patent" means letters patent for an invention :

"Patentee" means the person for the time being entitled to the benefit of a patent :

"Invention" means any manner of new manufacture the subject of letters patent and grant of privilege within section six of the Statute of Monopolies (that is, the Act of the twenty-first year of the reign of King James the First, chapter three, intituled "An Act concerning monopolies and dispensations with penal laws and the forfeiture thereof"), and includes an alleged invention.

In Scotland "injunction" means "interdict."

## PART III.

### DESIGNS.

#### *Registration of Designs.*

Application for  
registration of  
designs

47. (1) The Comptroller may, on application by or on behalf of any person claiming to be the proprietor of any new or original design not previously published in the United Kingdom, register the design under this part of the Act.

(2) The application must be made in the form set forth in the First Schedule to this Act, or in such other form as may be from time to time prescribed, and must be left at, or sent by post to, the Patent Office in the prescribed manner.

(3) The application must contain a statement of the nature of the

design, and the class or classes of goods in which the applicant desires that the design be registered.

(4) The same design may be registered in more than one class.

(5) In case of doubt as to the class in which a design ought to be registered, the Comptroller may decide the question.

(6) The Comptroller may, if he thinks fit, refuse to register any design presented to him for registration, but any person aggrieved by any such refusal may appeal therefrom to the Board of Trade.

(7) The Board of Trade shall, if required, hear the applicant and the Comptroller, and may make an order determining whether, and subject to what conditions, if any, registration is to be permitted.

48. (1) On application for registration of a design the applicant shall furnish to the Comptroller the prescribed number of copies of drawings, photographs, or tracings of the design, sufficient, in the opinion of the Comptroller, for enabling him to identify the design; or the applicant may, instead of such copies, furnish exact representations or specimens of the design. Drawings, &c.,  
to be furnished  
on application.

(2) The Comptroller may, if he thinks fit, refuse any drawing, photograph, tracing, representation, or specimen which is not, in his opinion, suitable for the official records.

49. (1) The Comptroller shall grant a certificate of registration to the proprietor of the design when registered. Certificate of  
registration.

(2) The Comptroller may, in case of loss of the original certificate, or in any other case in which he deems it expedient, grant a copy or copies of the certificate.

#### *Copyright in Registered Designs.*

50. (1) When a design is registered, the registered proprietor of the design shall, subject to the provisions of this Act, have copyright in the design during five years from the date of registration. Copyright on  
registration.

(2) Before delivery on sale of any articles to which a registered design has been applied, the proprietor must (if exact representations or specimens were not furnished on the application for registration) furnish to the Comptroller the prescribed number of exact representations or specimens of the design; and if he fails to do so the Comptroller may erase his name from the register, and thereupon his copyright in the design shall cease.

51. Before delivery on sale of any articles to which a registered design has been applied, the proprietor of the design shall cause each such article to be marked with the prescribed mark, or with the prescribed word or words, or figures, denoting that the design is registered; and if he fails to do so the copyright in the design shall Marking  
registered  
designs.

cease, unless the proprietor shows that he took all proper steps to ensure the marking of the article.

Inspection of registered designs.

52. (1) During the existence of a copyright in a design, the design shall not be open to inspection except by the proprietor, or a person authorised in writing by the proprietor, or a person authorised by the Comptroller or by the Court, and furnishing such information as may enable the Comptroller to identify the design, nor except in the presence of the Comptroller, or of an officer acting under him, nor except on payment of the prescribed fee; and the person making the inspection shall not be entitled to take any copy of the design, or of any part thereof. (t) Provided that where registration of a design is refused on the ground of identity with a design already registered, the applicant for registration shall be entitled to inspect the design so registered. (u)

(2) When the copyright in a design has ceased, the design shall be open to inspection, and copies thereof may be taken by any person on payment of the prescribed fee.

Information as to existence of copyright.

53. On the request of any person producing a particular design, together with its mark of registration, or producing only its mark of registration, or furnishing such information as may enable the Comptroller to identify the design, and on payment of the prescribed fee, it shall be the duty of the Comptroller to inform such person whether the registration still exists in respect of such design, and if so, in respect of what class or classes of goods, and stating also the date of registration, and the name and address of the registered proprietor.

Cesser of copyright in certain events.

54. If a registered design is used in manufacture in any foreign country and is not used in this country within six months of its registration in this country, the copyright in the design shall cease.

#### *Register of Designs.*

Register of designs.

55. (1) There shall be kept at the Patent Office a book called the Register of Designs, wherein shall be entered the names and addresses of proprietors of registered designs, notifications of assignments and of transmissions of registered designs, and such other matters as may from time to time be prescribed.

(2) The register of designs shall be *prima facie* evidence of any matters by this Act directed or authorised to be entered therein.

#### *Fees.*

Fees on registration, &c.

56. There shall be paid in respect of applications and registration and other matters under this part of this Act such fees as may be

(t) See 51 & 52 Vict. c. 50, s. 6, p. 250 *post*.

(u) *Ibid*.



from time to time, with the sanction of the Treasury, prescribed by the Board of Trade; and such fees shall be levied and paid to the account of Her Majesty's Exchequer in such manner as the Treasury shall from time to time direct.

*Industrial and International Exhibitions.*

57. The exhibition at an industrial or international exhibition, certified as such by the Board of Trade, or the exhibition elsewhere during the period of the holding of the exhibition, without the privity or consent of the proprietor, of a design, or of any article to which a design is applied, or the publication, during the holding of any such exhibition, of a description of a design, shall not prevent the design from being registered, or invalidate the registration thereof, provided that both the following conditions are complied with, namely:—

Exhibition at industrial or international exhibition not to prevent or invalidate registration.

- (a) The exhibitor must, before exhibiting the design or article, or publishing a description of the design, give the Comptroller the prescribed notice of his intention to do so; and
- (b) The application for registration must be made before or within six months from the date of the opening of the exhibition. (x)

*Legal Proceedings.*

58. During the existence of copyright in any design

Penalty on piracy of registered design.

- (a) It shall not be lawful for any person without the licence or written consent of the registered proprietor to apply, or cause to be applied, (y) such design or any fraudulent or obvious imitation thereof, in the class or classes of goods in which such design is registered, for purposes of sale, to any article of manufacture or to any substance artificial or natural, or partly artificial and partly natural; and
- (b) It shall not be lawful for any person to publish or expose for sale any article of manufacture of any substance to which such design or any fraudulent or obvious imitation thereof shall have been so applied, knowing that the same has been so applied without the consent of the registered proprietor.

Any person who acts in contravention of this section shall be liable for every offence to forfeit a sum not exceeding fifty pounds to the registered proprietor of the design, who may recover such sum

(x) As to the extension of this section to industrial and international exhibitions held out of the United Kingdom, see 49 & 50 Vict. c. 37, s. 3, p. 247 post.

(y) 51 & 52 Vict. c. 50, s. 7 (1).

as a simple contract debt by action in any Court of competent jurisdiction. **Provided that the total sum forfeited in respect of any one design shall not exceed one hundred pounds. (2)**

Action for damages.

59. Notwithstanding the remedy given by this Act for the recovery of such penalty as aforesaid, the registered proprietor of any design may (if he elects to do so) bring an action for the recovery of any damages arising from the application of any such design, or of any fraudulent or obvious imitation thereof for the purpose of sale, to any article of manufacture or substance, or from the publication, sale, or exposure for sale by any person of any article or substance to which such design or any fraudulent or obvious imitation thereof shall have been so applied, such person knowing that the proprietor had not given his consent to such application.

#### *Definitions.*

Definition of "design," "copyright."

60. In and for the purposes of this Act—

"Design" means any design applicable to any article of manufacture, or to any substance artificial or natural, or partly artificial and partly natural, whether the design is applicable for the pattern, or for the shape or configuration, or for the ornament thereof, or for any two or more of such purposes, and by whatever means it is applicable, whether by printing, painting, embroidering, weaving, sewing, modelling, casting, embossing, engraving, staining, or any other means whatever, manual, mechanical, or chemical, separate or combined, not being a design for a sculpture, or other thing within the protection of the Sculpture Copyright Act of the year 1814 (fifty-fourth George the Third, chapter fifty-six).

"Copyright means the exclusive right to apply a design to any article of manufacture or to any such substance as aforesaid in the class or classes in which the design is registered.

Definition of proprietor.

61. The author of any new and original design shall be considered the proprietor thereof, unless he executed the work on behalf of another person for a good or valuable consideration, in which case such person shall be considered the proprietor, and every person acquiring for a good or valuable consideration a new and original design, or the right to apply the same to any such article or substance as aforesaid, either exclusively of any other person or otherwise, and also every person on whom the property in such design or such right to the application thereof shall devolve, shall be considered the proprietor of the design in the respect in which the same may have been so acquired, and to that extent, but not otherwise.

(2) 51 & 52 Vict. c. 50, s. 7 (2).

PART IV.

TRADE MARKS.

*Registration of Trade Marks.*

62. (1) *The Comptroller may, on application by or on behalf of any person claiming to be the proprietor of a trade mark, register the trade mark.* *Application for registration.*

(2) *The application must be made in the form set forth in the First Schedule of this Act, or in such other form as may be from time to time prescribed, and must be left at, or sent by post to, the Patent Office in the prescribed manner.*

(3) *The application must be accompanied by the prescribed number of representations of the trade mark, and must state the particular goods or classes of goods in connection with which the applicant desires the trade mark to be registered.*

(4) *The Comptroller may, if he thinks fit, refuse to register a trade mark, but any such refusal shall be subject to appeal to the Board of Trade, who shall, if required, hear the applicant and the Comptroller, and may make an order determining whether, and subject to what conditions, if any, registration is to be permitted.*

(5) *The Board of Trade may, however, if it appears expedient, refer the appeal to the Court; and in that event the Court shall have jurisdiction to hear and determine the appeal, and may make such order as aforesaid. (a)*

63. *Where registration of a trade mark has not been or shall not be completed within twelve months from the date of the application, by reason of default on the part of the applicant, the application shall be deemed to be abandoned. (a)* *Limit of time for proceeding with application.*

64. (1) *For the purposes of this Act, a trade mark must consist of or contain at least one of the following essential particulars:* *Conditions of registration of trade mark.*

(a) *A name of an individual or firm printed, impressed, or woven in some particular or distinctive manner; and*

(b) *A written signature or copy of a written signature of the individual or firm applying for registration thereof as a trade mark; or,*

(c) *A distinctive device, mark, brand, heading, label, ticket, or fancy word or words not in common use.*

(2) *There may be added to any one or more of these particulars any letters, words, or figures, or combination of letters, words, or figures, or of any of them.*

(3) *Provided that any special and distinctive word or words, letter,*

(a) Repealed by 5 Edw. VII. c. 15, s. 73, p. 282 post.

*figure, or combination of letters or figures or of letters and figures used as a trade mark before the thirteenth day of August one thousand eight hundred and seventy-five may be registered as a trade mark under this part of this Act. (b)*

*Connection of trade mark with goods.*

65. *A trade mark must be registered for particular goods or classes of goods. (b)*

*Registration of a series of marks.*

66. *When a person claiming to be the proprietor of several trade marks which, while resembling each other in the material particulars thereof, yet differ in respect of (a) the statement of the goods for which they are respectively used or proposed to be used, or (b) statements of numbers, or (c) statements of price, or (d) statements of quality, or (e) statements of names of places, seeks to register such trade marks, they may be registered as a series in one registration. A series of trade marks shall be assignable and transmissible only as a whole, but for all other purposes each of the trade marks composing a series shall be deemed and treated as registered separately. (b)*

*Trade marks may be registered in any colour.*

67. *A trade mark may be registered in any colour, and such registration shall (subject to the provisions of this Act) confer on the registered owner the exclusive right to use the same in that or any other colour. (b)*

*Advertisement of application.*

68. *Every application for registration of a trade mark under this part of this Act shall as soon as may be after its receipt be advertised by the Comptroller. (b)*

*Opposition to registration.*

69. (1) *Any person may within two months of the first advertisement of the application, give notice in duplicate at the Patent Office of opposition to registration of the trade mark, and the Comptroller shall send one copy of such notice to the applicant.*

(2) *Within two months after receipt of such notice or such further time as the Comptroller may allow, the applicant may send to the Comptroller a counter statement in duplicate of the grounds on which he relies for his application, and if he does not do so shall be deemed to have abandoned his application.*

(3) *If the applicant sends such counter statement, the Comptroller shall furnish a copy thereof to the person who gave notice of opposition, and shall require him to give security in such manner and to such amount as the Comptroller may require for such costs as may be awarded in respect of such opposition; and if such security is not given within fourteen days after such requirement was made or such further time as the Comptroller may allow, the opposition shall be deemed to be withdrawn.*

(4) *If the person who gave notice of opposition duly gives such security as aforesaid, the Comptroller shall inform the applicant thereof*

(b) Repealed by 5 Edw. VII. c. 15, s. 73, p. 282 post.

in writing, and thereupon the case shall be deemed to stand for the determination of the Court. (c)

70. A trade mark, when registered, shall be assigned and transmitted only in connection with the goodwill of the business concerned in the particular goods or classes of goods for which it has been registered, and shall be determinable with that goodwill. (c) Assignment and transmission of trade mark.

71. Where each of several persons claims to be registered as proprietor of the same trade mark, the Comptroller may refuse to register any of them until their rights have been determined according to law, and the Comptroller may himself submit or require the claimants to submit their rights to the Court. (c). Conflicting claims to registration.

72. (1) Except where the Court has decided that two or more persons are entitled to be registered as proprietors of the same trade mark, the Comptroller shall not register in respect of the same goods or description of goods a trade mark identical with the one already on the register with respect to such goods or description of goods. Restrictions on registration.

(2) (a) The Comptroller shall not register with respect to the same goods or description of goods a trade mark so nearly resembling a trade mark already on the register with respect to such goods or description of goods as to be calculated to deceive. (c)

73. It shall not be lawful to register as part of or in combination with a trade mark any words the exclusive use of which would by reason of their being calculated to deceive or otherwise, be deemed disentitled to protection in a Court of justice, or any scandalous design. (c) Further restriction on registration.

74. (1) Nothing in this Act shall be construed to prevent the Comptroller entering on the register, in the prescribed manner, and subject to the prescribed conditions, as an addition to any trade mark— Saving for power to provide for entry on register of common marks as additions to trade marks.

(a) In the case of an application for registration of a trade mark used before the thirteenth day of August one thousand eight hundred and seventy-five—

Any distinctive advice, mark, brand, heading, label, ticket, letter, word, or figure, or combination of letters, words, or figures, though the same is common to the trade in the goods with respect to which the application is made ;

(b) In the case of an application for registration of a trade mark not used before the thirteenth day of August one thousand eight hundred and seventy-five—

Any distinctive word or combination of words, though the same is common to the trade in the goods with respect to which the application is made ;

(2) The applicant for entry of any such common particular or particulars must, however, disclaim in his application any right to

(c) Repealed by 5 Edw. VII. c. 15, s. 73, p. 282 post.

the exclusive use of the same, and a copy of the disclaimer shall be entered on the register.

(3) Any device, mark, brand, heading, label, ticket, letter, word, figure, or combination of letters, words, or figures, which was or were, before the thirteenth day of August one thousand eight hundred and seventy-five, publicly used by more than three persons on the same or a similar description of goods shall, for the purposes of this section, be deemed common to the trade in such goods. (d)

#### Effect of Registration.

Registration equivalent to public use.

75. Registration of a trade mark shall be deemed to be equivalent to public use of the trade mark. (d)

Right of first proprietor to exclusive use of trade mark.

76. The registration of a person as proprietor of a trade mark shall be *prima facie* evidence of his right to the exclusive use of the trade mark, and shall, after the expiration of five years from the date of the registration, be conclusive evidence of his right to the exclusive use of the trade mark, subject to the provisions of this Act. (d)

Restrictions on actions for infringement, and on defence to action in certain cases

77. A person shall not be entitled to institute any proceeding to prevent or to recover damages for the infringement of a trade mark unless, in the case of a trade mark capable of being registered under this Act, it has been registered in pursuance of this Act, or of an enactment repealed by this Act, or, in the case of any other trade mark in use before the thirteenth day of August one thousand eight hundred and seventy-five, registration thereof under this part of this Act, or of an enactment repealed by this Act, has been refused. The Comptroller may, on request, and on payment of the prescribed fee, grant a certificate that such registration has been refused. (d)

#### Register of Trade Marks.

Register of trade marks.

78. There shall be kept at the Patent Office a book called the Register of Trade Marks, wherein shall be entered the names and addresses of proprietors of registered trade marks, notifications of assignments and of transmissions of trade marks, and such other matters as may be from time to time prescribed. (d)

Removal of trade mark after fourteen years unless fee paid.

79. (1) At a time not being less than two months nor more than three months before the expiration of fourteen years from the date of the registration of a trade mark, the Comptroller shall send notice to the registered proprietor that the trade mark will be removed from the register unless the proprietor pays to the Comptroller before the expiration of such fourteen years (naming the date at which the same will expire) the prescribed fee; and if such fee be not previously paid he

(d) Repealed by 5 Edw. VII. c. 15, s. 73, p. 282 post.

shall at the expiration of one month from the date of the giving of the first notice send a second notice to the same effect.

(2) If such fee be not paid before the expiration of such fourteen years the Comptroller may after the end of three months from the expiration of such fourteen years remove the mark from the register, and so from time to time at the expiration of every period of fourteen years.

(3) If before the expiration of the said three months the registered proprietor pays the said fee together with the additional prescribed fee, the Comptroller may, without removing such trade mark from the register, accept the said fee as if it had been paid before the expiration of the said fourteen years.

(4) Where after the said three months a trade mark has been removed from the register for nonpayment of the prescribed fee, the Comptroller may, if satisfied that it is just so to do, restore such trade mark to the register on payment of the prescribed additional fee.

(5) Where a trade mark has been removed from the register for nonpayment of the fee or otherwise, such trade mark shall nevertheless for the purpose of any application for registration during the five years next after the date of such removal, be deemed to be a trade mark which is already registered. (e)

#### Fees.

80. There shall be paid in respect of applications and registration and other matters under this part of this Act, such fees as may be from time to time, with the sanction of the Treasury, prescribed by the Board of Trade; and such fees shall be levied and paid to the account of her Majesty's Exchequer in such manner as the Treasury may from time to time direct. (e)

#### Sheffield Marks.

81. With respect to the master, wardens, searchers, assistants, and commonalty of the Company of Cutlers in Hallamshire, in the county of York (in this Act called the Cutlers' Company) and the marks or devices (in this Act called Sheffield marks) assigned or registered by the master, wardens, searchers, and assistants of the company, the following provisions shall have effect:

- (1) The Cutlers' Company shall establish and keep at Sheffield a new register of trade marks (in this Act called the Sheffield register):
- (2) The Cutlers' Company shall enter in the Sheffield register, in respect of cutlery, edge tools, or raw steel and the goods mentioned in the next sub-section, all the trade marks entered

(e) Repealed by 5 Edw. VII. c. 15, s. 73, p. 282 post.

before the commencement of this Act in respect of cutlery, edge tools, or raw steel, and such goods in the register established under the Trade Marks Registration Act, 1887, belonging to persons carrying on business in Hallamshire, or within six miles thereof, and shall also enter in such register, in respect of the same goods, all the trade marks which shall have been assigned by the Cutlers' Company and actually used before the commencement of this Act, but which have not been entered in the register established under the Trade Marks Registration Act, 1875.

- (3) An application for registration of a trade mark used on cutlery, edge tools, or on raw steel, or on goods made of steel, or of steel and iron combined, whether with or without a cutting edge, shall, if made after the commencement of this Act by a person carrying on business in Hallamshire, or within six miles thereof, be made to the Cutlers' Company:
- (4) Every application so made to the Cutlers' Company shall be notified to the Comptroller in the prescribed manner, and unless the Comptroller within the prescribed time gives notice to the Cutlers' Company that he objects to the acceptance of the application, it shall be proceeded with by the Cutlers' Company in the prescribed manner:
- (5) If the Comptroller gives notice of objection as aforesaid the application shall not be proceeded with by the Cutlers' Company, but any person aggrieved may appeal to the Court:
- (6) Upon the registration of a trade mark in the Sheffield register the Cutlers' Company shall give notice thereof to the Comptroller, who shall thereupon enter the mark in the register of trade marks; and such registration shall bear date as of the day of application to the Cutlers' Company, and have the same effect as if the application had been made to the Comptroller on that day.
- (7) The provisions of this Act, and of any general rules made under this Act, with respect to application for registration in the register of trade marks, the effect of such registration, and the assignment and transmission of rights in a registered trade mark shall apply in the case of applications and registration in the Sheffield register; and notice of every entry made in the Sheffield register must be given to the Comptroller by the Cutlers' Company, save and except that the provisions of this sub-section shall not prejudice or affect any life estate, and interest of a widow of the holder of any Sheffield mark which may be in force in respect of such mark at the time when it shall be placed upon the Sheffield register.



- (8) *Where the Comptroller receives from any person not carrying on business in Hallamshire or within six miles thereof an application for registration of a trade mark used on cutlery, edge tools, or on raw steel, or on goods made of steel, or of steel and iron combined, whether with or without a cutting edge, he shall in the prescribed manner notify the application and proceedings thereon to the Cutlers' Company :*
- (9) *At the expiration of five years from the commencement of this Act the Cutlers' Company shall close the Cutlers' register of corporate trade marks, and thereupon all marks entered therein shall, unless entered in the Sheffield register, be deemed to have been abandoned :*
- (10) *A person may (notwithstanding anything in any Act relating to the Cutlers' Company) be registered in the Sheffield register as proprietor of two or more trade marks :*
- (11) *A body of persons, corporate or not corporate, may (notwithstanding anything in any Act relating to the Cutlers' Company) be registered in the Sheffield register as proprietor of a trade mark or trade marks :*
- (12) *Any person aggrieved by a decision of the Cutlers' Company in respect of anything done or omitted under this Act may, in the prescribed manner, appeal to the Comptroller, who shall have power to confirm, reverse, or modify the decision, but the decision of the Comptroller shall be subject to a further appeal to the Court :*
- (13) *So much of the Cutlers' Company's Acts as applies to the summary punishment of persons counterfeiting Sheffield corporate marks, that is to say, the fifth section of the Cutlers' Company Act of 1814, and the provisions in relation to the recovery and application of the penalty imposed by such last-mentioned section contained in the Cutlers' Company's Act of 1791, shall apply to any mark entered in the Sheffield register. (f)*

## PART V.

### GENERAL.

#### *Patent Office and Proceedings thereat.*

82. (1) The Treasury may provide for the purposes of this Act Patent Office. an office with all requisite building and conveniences, which shall be called, and is in this Act referred to as, the Patent Office.

(2) Until a new Patent Office is provided, the office of the

(f) Repealed by 5 Edw. VII. c. 15, s. 73, p. 282 post.

Commissioners of Patents for inventions and for the registration of designs and trade marks existing at the commencement of this Act shall be the Patent Office within the meaning of this Act.

(3) The Patent Office shall be under the immediate control of an officer called the Comptroller-General of patents, designs, and trade marks, who shall act under the superintendence and direction of the Board of Trade.

(4) Any act or thing directed to be done by or to the Comptroller may, *in his absence*, (g) be done by or to any officer for the time being in that behalf authorised by the Board of Trade.

Officers and clerks.

83. (1) The Board of Trade may at any time after the passing of this Act, and from time to time, subject to the approval of the Treasury, appoint the Comptroller-General of patents, designs, and trade marks, and so many examiners and other officers and clerks, with such designations and duties as the Board of Trade think fit, and may from time to time remove any of those officers and clerks.

(2) The salaries of those officers and clerks shall be appointed by the Board of Trade, with the concurrence of the Treasury, and the same and the other expenses of the execution of this Act shall be paid out of the money provided by Parliament.

Seal of Patent Office.

84. There shall be a seal for the Patent Office, and impressions thereof shall be judicially noticed and admitted in evidence.

Trust not to be entered in registers.

85. There shall not be entered in any register kept under this Act, or be receivable by the Comptroller, any notice of any trust expressed, implied, or constructive. (h)

Refusal to grant patent, &c., in certain cases.

86. The Comptroller may refuse to grant a patent for an invention, or to register a design *or trade mark*, of which the use would, in his opinion, be contrary to law or morality. (h)

Entry of assignments and transmissions in registers.

87. Where a person becomes entitled by assignment, transmission, or other operation of law to a patent, or to the copyright in a registered design, *or to a registered trade mark*, the Comptroller shall on request, and on proof of title to his satisfaction, cause the name of such person to be entered as proprietor of the patent, copyright in the design, *or trade mark*, in the register of patents, designs, *or trade marks*, as the case may be. The person for the time being entered in the register of patents, designs, *or trade marks*, as proprietor of a patent, copyright in a design *or trade mark*, as the case may be, shall, subject to the provisions of this Act and to (i) any rights appearing from such register to be vested in any other person, have power absolutely to assign, grant licences as to, or

(g) 2 Edw. VII. c. 34, s. 4.

(h) This section is repealed, so far as it relates to trade marks, by 5 Edw. VII. c. 15, s. 73, p. 282 *post*.

(i) 51 & 52 Vict. c. 50, s. 21, p. 255 *post*.