

of equity, and that therefore such an interrogatory was objectionable.

§ 591. The twenty-eight defences which may be made to actions at law for infringements of patents,¹²⁵ may all be made to actions in equity based on such causes; and the latter actions are also liable to two other defences, to which actions at law are not subject. These are non-jurisdiction of equity, and laches. It is convenient first to explain the facts which may support each of these two defences, and then state the various methods in which each may be interposed, and afterward to review the twenty-eight defences in their order, and to explain wherein any of them differ in their operation in equity, from their operation at law, and to state what forms of pleading are suitable to each, under the varying circumstances of patent litigation.

§ 591*a*. It is no defense to a bill for infringement that the plaintiffs have entered into a combination or conspiracy among themselves or with third parties to violate the so-called Sherman Anti-Trust Act (Act July 2, 1890, c. 647, 26 Stat. 209).¹²⁶

§ 591*b*. Under Rule 30 of the Equity Rules promulgated November 4, 1912, the defendant may set forth any counterclaim arising out of the transaction which is the subject-matter of the suit, and may without cross-bill, set out any set-off or counterclaim against the plaintiff which might be the subject of an independent suit in equity against him.¹²⁷ This rule has been construed to cover

¹²⁵ Section 440 of this book.

¹²⁶ Independent Baking Powder Co. *v.* Boorman, 130 F. R. 726, 1904; Motion Picture Patents Co. *v.* Laemmle, 178 F. R. 104, 1909; Motion Picture Patents Co. *v.* Ullman, 186 F. R. 174, 1911;

U. S. Fire Escape, etc., Co. *v.* Joseph Halstead Co., 195 F. R. 295, 1912; Fraser *v.* Duffey (citing authorities), 196 F. R. 900, 1912.

¹²⁷ Carnegie Steel Co. *v.* Colorado Fuel & Iron Co., 165 F. R. 195, 1908; American Sulphite

only a counterclaim proper arising out of the transaction which is the subject-matter of the suit in spite of the words "which might be the subject of an independent suit."¹²⁸ A cause of action by the defendant for infringement by the plaintiff of patents relating to the same subject-matter as that of the patent in suit has been held proper matter for a counterclaim under the rule;¹²⁹ but not when the patents alleged by the defendant to have been infringed do not relate to the same subject-matter.¹³⁰ (For other cases construing the rule see note.¹³¹) A counterclaim for unfair competition involving the respective rights of the parties under the patents involved in an infringement suit has also been held to be proper.¹³²

If the counterclaim sets forth matter which is cognizable by a Federal court by reason of the subject-matter, as, for example, infringement of a patent, it is proper even though the court might not have been able to acquire original jurisdiction had the defendant brought an independent suit. The plaintiff is deemed to have waived

Pulp Co. v. Crown-Columbia Pulp & Paper Co., 169 F. R. 140, 1909; *W. W. Sly Mfg. Co. v. Central Iron Works*, 201 F. R. 683, 1912.

¹²⁸ *Terry Steam Turbine Co. v. B. F. Sturtevant Co.*, 204 F. R. 103, 1913; *Williams Patent Crusher, etc., Co. v. Kinsey Mfg. Co.*, 205 F. R. 375, 1913.

Contra, *Electric Boat Co. v. Lake Torpedo Boat Co.* (reviewing authorities), 215 F. R. 377, 1914.

¹²⁹ *Marconi Wireless Telegraph Co. v. National Electric Signal Co.*, 206 F. R. 295, 1913; but see

Christensen v. Westinghouse Traction Brake Co., 235 F. R. 898, 1916.

¹³⁰ *Adamson v. Shaler*, 208 F. R. 566, 1913; *Klander-Weldon Dyeing Machine Co. v. Giles*, 212 F. R. 452, 1914.

¹³¹ *Salt's Textile Mfg. Co. v. Tingne Mfg. Co.*, 208 F. R. 156, 1913; *Vacuum Cleaner Co. v. American Rotary Valve Co.*, 208 F. R. 419, 1913; *Christensen v. Westinghouse Traction Brake Co.*, 235 F. R. 898, 1916.

¹³² *United States Expansion Bolt Co. v. H. G. Kroucke Hardware Co.*, 216 F. R. 186, 1914.

the question of jurisdiction of the person in such a case. But if the Federal court would have jurisdiction of the counterclaim only by reason of diversity of citizenship, as, for example, in the case of unfair competition, there is no jurisdiction unless the requisite diversity exists.^{132a}

§ 592. Non-jurisdiction in equity is a defence which will succeed in any infringement case, unless an injunction is granted, or at least rightfully prayed for in that case, or unless some impediment prevents a resort to remedies purely legal, or unless the circumstances of the case render the remedy obtainable by an action at law, difficult, inadequate, or incomplete.¹³³ Equity jurisdiction is therefore absent where the patent expired before the bill is filed.¹³⁴ But a bill for infringement of both an expired and unexpired patent states grounds for equitable relief which alleges that the defendant has combined the devices of both patents in a single machine, so conjoined that it is practically impossible to apportion the damages and profits between the two patents.¹³⁵ And it has even been held that, where a number of patents are sued on in separate suits between the same parties, the patents pertaining to the same subject-matter, equity has jurisdiction of all if they could be tried on the same record even though some of them have nearly expired.¹³⁶ Where the complainant has no ownership in the patent at the

^{132a} U. S. *Expansion Bolt Co. v. Kroucke Hardware Co.*, 234 F. R. 868, 1916; *Colman v. Am. Warp Drawing Machine Co.*, 235 F. R. 531, 1915.

¹³³ *Root v. Railway Co.*, 105 U. S. 189, 1881.

¹³⁴ *Root v. Railway Co.*, 105 U. S. 189, 1881; *Farrel v. United Verde Copper Co.*, 121 F. R. 551,

1903, *T. W. & C. B. Sheridan Co. v. Robert O. Law Co.*, 172 F. R. 223, 1909.

¹³⁵ *Huntington Dry Pulverizer Co. v. Virginia-Carolina Chemical Co.*, 130 F. R. 558, 1904.

¹³⁶ *Thomson-Houston Electric Co. v. Electrosc Mfg. Co.*, 155 F. R. 543, 1907.

time when the bill was filed, equitable jurisdiction is also absent.¹³⁷ Equitable title to a patent arising out of an executory contract to assign the patent to the plaintiff is not sufficient to confer jurisdiction.¹³⁸ But where a bill is filed before the expiration of the patent upon which it is based, and where it truly states a proper case for an injunction, and contains a proper prayer for that relief, equity has jurisdiction, and should retain it to the end of the suit; even if, on account of the expiration of the patent before a hearing is had,¹³⁹ or on account of the sale of the patent by the complainant before a hearing is obtained,¹⁴⁰ or on account of public policy,¹⁴¹ or on account of the complainant's delay to move,^{141^a} no injunction is ever granted in the case.

¹³⁷ *Waterman v. Mackenzie*, 138 U. S. 257, 1891.

¹³⁸ *Milwaukee Carving Co. v. Brunswicke-Balke Co.*, 126 F. R. 171, 1903.

¹³⁹ *Clark v. Wooster*, 119 U. S. 325, 1886; *Beedle v. Bennett*, 122 U. S. 75, 1886; *Gottfried v. Brewing Co.*, 13 F. R. 479, 1882; *Gottfried v. Moerlein*, 14 F. R. 170, 1882; *Forehand v. Porter*, 15 F. R. 256, 1883; *Reay v. Raynor*, 19 F. R. 309, 1884; *Adams v. Howard*, 19 F. R. 317, 1884; *Dick v. Struthers*, 25 F. R. 103, 1885; *Adams v. Iron Co.*, 26 F. R. 324, 1886; *Kirk v. DuBois*, 28 F. R. 460, 1886; *Brooks v. Miller*, 28 F. R. 615, 1886; *Kittle v. De Graff*, 30 F. R. 689, 1887; *Kittle v. Rogers*, 33 F. R. 49, 1887; *Hohorst v. Howard*, 37 F. R. 97, 1888; *Singer Mfg. Co. v.*

Wilson Mach. Co., 38 F. R. 587, 1889; *Ross v. City of Ft. Wayne*, 63 F. R. 466, 1894; *Bradner Hanger Co. v. Waterbury Button Co.*, 106 F. R. 735, 1901; *United States Mitis Co. v. Detroit Steel & Spring Co.*, 122 F. R. 865, 1903; *Huntington Dry Pulverizer Co. v. Virginia-Carolina Chemical Co.*, 130 F. R. 558, 1904; *Schmeiser Mfg. Co. v. Lilly*, 189 F. R. 631, 1911.

Contra, *Miller v. Schwarner*, 130 F. R. 561, 1904.

¹⁴⁰ *New York Belting Co. v. New Jersey Car-Spring Co.*, 47 F. R. 505, 1891; 48 F. R. 559, 1891.

¹⁴¹ *Bragg Mfg. Co. v. Hartford*, 56 F. R. 293, 1893.

^{141^a} *Waite v. Chair Co.*, 45 F. R. 259, 1891.

But where a bill untruly states a proper case for an injunction, and contains a prayer for that relief, the jurisdiction of equity will lapse and the bill be dismissed, whenever it is shown to have been untrue in respect of those of its statements upon which the prayer for an injunction is based.¹⁴² And where a bill states no proper case for an injunction, but contains a prayer for such a writ, the jurisdiction of equity will not attach at all, and the bill be dismissed whenever its character is brought to the attention of the court.¹⁴³ And where a bill is filed so shortly before the expiration of the patent upon which it is based, that no motion for an injunction can be regularly notified to the defendant and heard by the court till after that expiration, the bill will be dismissed whenever the court learns that no injunction can be lawfully granted.¹⁴⁴ And where a bill states no ground for a preliminary injunction, and is filed so shortly before the expiration of the patent that no permanent injunction can possibly be obtained in the case, the bill will also be dismissed.¹⁴⁵ And if no injunction is granted, and if the court does dismiss the bill for want of equity, in the absence of a right to an injunction at the time of the hearing, such dismissal will not be reversed on an appeal.¹⁴⁶

¹⁴² *Dowell v. Mitchell*, 105 U. S. 430, 1881.

¹⁴³ *Campbell v. Ward*, 12 F. R. 150, 1882; *Creamer v. Bowers*, 30 F. R. 185, 1887.

¹⁴⁴ *Clark v. Wooster*, 119 U. S. 324, 1886; *Burdell v. Comstock*, 15 F. R. 395, 1883; *Davis v. Smith*, 19 F. R. 823, 1884; *Mershon v. Furnace Co.*, 24 F. R. 741, 1885; *American Cable Ry. Co. v. Chicago City Ry. Co.*, 41 F. R. 522, 1890; *Bragg Mfg. Co. v.*

Hartford, 56 F. R. 293, 1893; *Overweight Elevator Co. v. Standard Elevator Co.*, 96 F. R. 231, 1899; *Diamond Stone-Sawing Machine Co. v. Sens*, 159 F. R. 497, 1908.

See *Tompkins v. International Paper Co.*, 183 F. R. 773, 1910.

¹⁴⁵ *McDonald v. Miller*, 84 F. R. 344, 1898; *Heap v. Borchers*, 108 F. R. 237, 1901.

¹⁴⁶ *Keyes v. Mining Co.*, 158

But the Court of Appeals for the second circuit holds that a bill filed the day before the expiration of the patent, which states that the plaintiff has never used his patent, and has never derived any financial benefit from it, states a cause of action in equity for the reason that on the facts the plaintiff would be unable to prove any damages at law.¹⁴⁶

§ 593. The case of *Root v. Railway Co.* does not precisely state what exceptional facts will give equity jurisdiction, independent of any injunction or prayer for injunction. What the court said on that subject, was said in the following language: "Grounds of equitable relief may arise, other than by way of injunction, as where the title of the complainant is equitable merely, or equitable interposition is necessary on account of the impediments which prevent a resort to remedies purely legal; and such an equity may arise out of, and inhere in, the nature of the account itself, springing from special and peculiar circumstances which disable the patentee from a recovery at law altogether, or render his remedy in a legal tribunal difficult, inadequate, and incomplete; and as such cases cannot be defined more exactly, each must rest upon its own peculiar circumstances, as furnishing a clear and satisfactory ground of exception from the general rule." But in a later case, that court explained that grounds of equitable relief do not arise "where the title of the complainant is equitable merely," unless that fact constitutes an impediment to a resort to remedies purely legal, or constitutes a circumstance which renders the remedy obtainable by an action at law difficult, inadequate, or incomplete.¹⁴⁷ And Judge COLT has decided that such an

U. S. 152, 1895; *Russell v. Kern*,
69 F. R. 94, 1895.

¹⁴⁶ *Tompkins v. International-*

al Paper Co., 183 F. R. 773,
1910.

¹⁴⁷ *Hayward v. Andrews*, 106
U. S. 672, 1882.

equity does not "arise out of, and inhere in, the nature of the account itself" merely because the account is intricate.¹⁴⁸

§ 594. Want of jurisdiction in equity may be set up by a defendant by motion to dismiss or in an answer. But it cannot be interposed without any pleading to sustain it;¹⁴⁹ except where the bill shows that it was filed after the patent expired. In that case, non-jurisdiction may be invoked by a motion at any stage of the case in the Circuit Court.¹⁵⁰ There was, under the practice prior to the Equity Rules of 1913, an advantage in making this defence by demurrer instead of by answer, or by motion after an answer; for in the first case the bill could be dismissed with costs,¹⁵¹ while in either of the others no costs could be recovered, even if the defence was successful.¹⁵² This advantage does not now exist.

§ 595. Prior adjudication in an action at law is not necessary to give jurisdiction to equity in cases of infringements of patents, nor is such an adjudication necessary to call equity into activity in that behalf.¹⁵³ A district court may, in its discretion, order a trial at law in such a case,¹⁵⁴ or order a trial by jury at its own bar,¹⁵⁵ in order to inform the conscience of the chancellor; but no such

¹⁴⁸ *Lord v. Machine Co.*, 24 F. R. 803, 1885; *Adams v. Iron Co.*, 26 F. R. 325, 1886.

¹⁴⁹ *Reynes v. Dumont*, 130 U. S. 395, 1889; *Tyler v. Savage*, 143 U. S. 96, 1892; *Dederick v. Fox*, 56 F. R. 717, 1893.

¹⁵⁰ *Spring v. Sewing Machine Co.*, 13 F. R. 446, 1882.

¹⁵¹ *International Wireless Tel.*

Co. v. Fessenden, 131 F. R. 493, 1904.

¹⁵² *Dawes v. Taylor*, 14 Reporter, 180, 1882.

¹⁵³ *McCoy v. Nelson*, 121 U. S. 487, 1887; *Wyckoff v. Wagner Typewriter Co.*, 88 F. R. 516, 1898.

¹⁵⁴ *Wise v. Railway Co.*, 33 F. R. 277, 1888.

¹⁵⁵ 18 Statutes at Large, Part 3, Ch. 77, Section 2, p. 316.

trial can be demanded by either or both of the parties as an absolute right, for courts of equity are not only really, but also technically, competent to decide questions of facts.¹⁵⁶

§ 596. Laches is a defence which is peculiar to courts of equity. "The cases are many in which this defence has been invoked and considered. It is true, that by reason of their differences of fact, no one case becomes an exact precedent for another, yet a uniform principle pervades them all. They proceed on the assumption that the party to whom laches is imputed, has knowledge of his rights, and an ample opportunity to establish them in the proper forum; that by reason of his delay, the adverse party has good reason to believe that the alleged rights are worthless, or have been abandoned; and that because of the change in condition or relations during this period of delay, it would be an injustice to the latter to permit the former to now assert them."¹⁵⁷ "The length of time during which the party neglects the assertion of his rights, which must pass in order to show laches, varies with the peculiar circumstances of each case, and is not, like the matter of limitations, subject to an arbitrary rule. It is an equitable defence, controlled by equitable considerations, and the lapse of time must be so great, and the relations of the defendant to the rights such, that it would be inequitable to permit the plaintiff to assert them now."¹⁵⁸ In pursuance of these principles, courts of equity sometimes dismiss bills for infringements of patents, because they were not filed with diligence,¹⁵⁹ or not prosecuted with dili-

¹⁵⁶ *Cochrane v. Deener*, 94 U. S. 780, 1876.

¹⁵⁷ *Gallihier v. Cadwell*, 145 U. S. 372, 1892.

¹⁵⁸ *Halstead v. Grinnan*, 152 U. S. 416, 1894.

See Section 186a.

¹⁵⁹ *Lane & Bodley Co. v. Locke*, 150 U. S. 200, 1893; *New York Grape Sugar Co. v. Buffalo Grape Sugar Co.*, 24 F. R. 604, 1885; *Edison Electric Light Co. v.*

gence after they were filed; ¹⁶⁰ and whether the complainant or his assignor is the party who is chargeable with laches. ¹⁶¹ But delay to sue is not always laches, because it may have been harmless to the defendant; ¹⁶² or it may have resulted from the fact that the complainant did not know of the infringement till long after it began; ¹⁶³ or from the fact that he was litigating a test case under his patent against another infringer during the time of the delay; ¹⁶⁴ or it may have occurred after the infringer was warned to infringe no more, and while the patentee was preparing for action. ¹⁶⁵ The second of these circumstances excuses delay, because vigilance does not imply omniscience; and the third excuses delay, because abstinence

Equitable Life Co., 55 F. R. 479, 1893; Fosdick *v.* Lowell Machine Shop, 58 F. R. 817, 1893; Starrett *v.* Arms & Tool Co., 96 F. R. 244, 1899; Covert *v.* Travers Bros. Co., 96 F. R. 568, 1899; Meyrowitz Mfg. Co. *v.* Eccleston, 98 F. R. 438, 1899; Westinghouse Air-Brake Co. *v.* New York Air-Brake Co., 111 F. R. 741, 1901; Safety Car H. & L. Co. *v.* Consolidated Car Heating Co., 160 F. R. 476, 1908; L. H. Gilmer Co. *v.* Geisel, 168 F. R. 313, 1909; Brown & Scharpe Mfg. Co. *v.* Coates Clipper Mfg. Co., 195 F. R. 84, 1912.

¹⁶⁰ Johnston *v.* Mining Co., 148 U. S. 370, 1892.

¹⁶¹ Kittle *v.* Hall, 29 F. R. 511, 1887; Woodmanse & Hewitt Co. *v.* Williams, 68 F. R. 492, 1895; Richardson *v.* Osborne & Co., 82 F. R. 96, 1897; and 93 F. R. 828, 1899.

¹⁶² American Street-Car Advertising Co. *v.* Jones, 122 F. R. 810, 1903.

¹⁶³ Imperial Chemical Mfg. Co. *v.* Stein, 77 F. R. 612, 1896.

¹⁶⁴ Van Hook *v.* Pendleton, 1 Blatch. 193, 1846; Green *v.* French, 4 Bann. & Ard. 171, 1879; Green *v.* Barney, 19 F. R. 421, 1884; American Bell Telephone Co. *v.* Southern Telephone Co., 34 F. R. 802, 1888; Edison Electric Light Co. *v.* Mt. Morris Electric Light Co., 57 F. R. 644, 1893; Norton *v.* Automatic Can Co., 57 F. R. 932, 1893; Taylor *v.* Sawyer Spindle Co., 75 F. R. 304, 1896; Timolat *v.* Franklin Boiler Works Co., 122 F. R. 69, 1903; United States Mitis Co. *v.* Detroit Steel & Spring Co., 122 F. R. 866, 1903.

¹⁶⁵ Seibert Oil Cup Co. *v.* Lubricator Co., 34 F. R. 34, 1888.

from vexatious litigation is worthy to be praised rather than punished by a court of equity; and the fourth excuse delay because it is neglect, and not patience, that constitutes laches. In fact it may be stated that time alone is not a test of laches. There must be something that practically amounts to an equitable estoppel against the plaintiff, for instance, the investment by the defendant of capital in the infringing business with the knowledge of the plaintiff accompanied by inaction on the part of the latter.¹⁶⁶

§ 597. The defence of laches could formerly be made in a demurrer,¹⁶⁷ or in a plea,¹⁶⁸ or in an answer, or in an argument on the hearing without any pleading to support it.¹⁶⁹ Of course now this defence can be made only by answer or motion to dismiss accordingly as the situation permits.

To guard against a motion to dismiss based on laches, in a case where long delay intervened between the infringement and the filing of the bill, the bill ought to state the existing excuses for that delay;¹⁷⁰ and to guard against such a defence being started on the hearing, the evidence ought to show whatever excuse the complainant can interpose. This is absolutely essential in a bill for infringement

¹⁶⁶ *Valvona-Marchiony Co. v. Marchiony*, 207 F. R. 380, 1913; *General Electric Co. v. Yost Electric & Mfg. Co.*, 208 F. R. 719, 1913; *Hausen v. Slicks*, 216 F. R. 164, 1914; *Drum v. Tuiner*, 219 F. R. 188, 1914.

¹⁶⁷ *Maxwell v. Kennedy*, 8 Howard, 222, 1850.

Contra, *Marconi Wireless Telegraph Co. v. New England Navigation Co.*, 191 F. R. 194, 1911.

¹⁶⁸ *Edison Electric Light Co. v. Equitable Life Co.*, 55 F. R. 479, 1893.

¹⁶⁹ *Sullivan v. Railroad Co.*, 94 U. S. 811, 1876; *Woodmanse & Hewitt Mfg. Co. v. Williams*, 68 F. R. 494, 1895; *Westinghouse Air-Brake Co. v. New York Air-Brake Co.*, 111 F. R. 741, 1901.

¹⁷⁰ *Edison Electric Light Co. v. Equitable Life Co.*, 55 F. R. 481, 1893.

of a broadened reissue where it appears that a delay of more than two years intervened between the issuance of the original patent and the application for the reissue.¹⁷¹

§ 598. The first of the twenty-seven defences which are known both to actions at law and actions in equity for infringements of patents, can be made in a motion to dismiss, where the letters patent appear on their face to have been granted for something other than a process, machine, manufacture, composition of matter, or design.¹⁷² And indeed any defence, which can be based upon the face of the patent, can be made by motion to dismiss.¹⁷³

§ 599. The second defence may be made on the hearing, without any pleading or evidence, in all cases where the court will take judicial notice of the fact which shows want of invention;¹⁷⁴ and a motion to dismiss will also be sustained in the same circumstances.¹⁷⁵ But a court will not take judicial notice of a fact, merely because it is

¹⁷¹ *American Thermos Bottle Co. v. Semple*, 222 F. R. 942, 1915.

¹⁷² *Risdon Locomotive Works v. Medart*, 158 U. S. 84, 1895.

¹⁷³ *Richards v. Chase Elevator Co.*, 158 U. S. 301, 1895; *Equity Rule 29*.

¹⁷⁴ *Brown v. Piper*, 91 U. S. 41, 1875; *Terhune v. Phillips*, 99 U. S. 592, 1878; *Slawson v. Railroad Co.*, 107 U. S. 649, 1882; *Ligowski Clay-Pigeon Co. v. Clay-Bird Co.*, 34 F. R. 332, 1888; *Hunt Bros. Fruit Packing Co. v. Cassidy*, 53 F. R. 260, 1892; *Schreiber v. Grim*, 65 F. R. 221, 1895; *Cary Mfg. Co. v. De Haven*, 88 F. R. 700, 1898.

¹⁷⁵ *Risdon Locomotive Works v. Medart*, 158 U. S. 84, 1895; *Dick v. Supply Co.*, 25 F. R. 105, 1885; *New York Belting Co. v. Rubber Co.*, 30 F. R. 785, 1887; *West v. Rae*, 33 F. R. 45, 1887; *Root v. Sontag*, 47 F. R. 309, 1891; *United States Credit System Co. v. Indemnity Co.*, 51 F. R. 751, 1892; *United States Credit System Co. v. Credit Co.*, 53 F. R. 818, 1893; *Wall v. Leck*, 61 F. R. 291, 1894; *Covert v. Travers Bros. Co.*, 70 F. R. 788, 1895; *Lamson Consolidated Service Co. v. Siegel-Cooper Co.*, 106 F. R. 734, 1901; *Baker v. F. A. Duncombe Mfg. Co.*, 146 F. R. 744, 1906, citing numerous cases.

stated in a prior patent:¹⁷⁶ nor of any fact which is not generally known,¹⁷⁷ even though known to the judge;¹⁷⁸ nor of any fact, the reality or the significance of which is subject to doubt.¹⁷⁹ And a motion to dismiss for want of invention will be denied except in a clear case.¹⁸⁰ Where the state of the prior art must be proved by evidence, in order to show that the advance covered by the patent did not amount to invention; it is necessary to set up the defence of want of invention in an answer.¹⁸¹ But the answer need not state the particular part of the prior art, upon which the defence of want of invention is based.^{181^a}

¹⁷⁶ *Bottle Seal Co. v. De La Vergne Co.*, 47 F. R. 61, 1891; *Parsons v. Seelye*, 100 F. R. 454, 1900.

¹⁷⁷ *Eclipse Mfg. Co. v. Adkins*, 36 F. R. 554, 1888; *Lyons v. Drucker*, 106 F. R. 416, 1901.

¹⁷⁸ *New York Belting Co. v. New Jersey Rubber Co.*, 137 U. S. 449, 1890; *Am. Sulphite Pulp Co. v. DeGrasse Paper Co.*, 157 F. R. 660, 1907.

¹⁷⁹ *Blessing v. Copper Works*, 34 F. R. 753, 1888; *Lalance & Grosjean Mfg. Co. v. Mosheim*, 48 F. R. 452, 1891; *Hanlon v. Primrose*, 56 F. R. 600, 1893; *Davock v. Chicago & Northwestern R. R. Co.*, 69 F. R. 468, 1895; *American Fibre-Chamois Co. v. Buckskin-Fibre Co.*, 72 F. R. 512, 1896.

¹⁸⁰ *Standard Oil Co. v. Southern Pacific Co.*, 42 F. R. 295, 1890; *Krick v. Jansen*, 52 F. R. 823, 1892; *Drainage Construction Co. v. Englewood Sewer Co.*, 67 F. R.

141, 1894; *Beer v. Walbridge*, 100 F. R. 465, 1900; *Electric Vehicle Co. v. Winton Motor-Carriage Co.*, 104 F. R. 814, 1900; *Neidich v. Fosbenner*, 108 F. R. 266, 1901; *Chinnock v. Paterson P. & S. Tel. Co.*, 112 F. R. 531, 1902; *Drake Castle Pressed Steel Lug Co. v. Brownell*, 123 F. R. 90, 1903; *Merrimack Mattress Mfg. Co. v. Schlesinger*, 124 F. R. 237, 1903; *Southern Plow Co. v. Atlantic Agricultural Works* (in which the authorities are reviewed), 165 F. R. 214, 1908.

¹⁸¹ *Bottle Seal Co. v. De La Vergne Co.*, 47 F. R. 61, 1891; *Brickill v. Hartford*, 57 F. R. 217, 1893; *Drainage Construction Co. v. Englewood Sewer Co.*, 67 F. R. 141, 1894.

^{181^a} *Dunbar v. Myers*, 94 U. S. 198, 1876; *Western Electric Co. v. North Electric Co.*, 135 F. R. 79, 1905 (but see *Conderman v. Clements*, 147 F. R. 915, 1906).

A motion to dismiss will not be sustained, in such a case, on the basis of what the patent may set forth as the state of the prior art; unless the patentee is some way estopped from showing the patent to be otherwise than accurate in its statements on that subject.¹⁸² A plea was never applicable to such a case, because defendants could seldom swear to the state of the art, and even where they could they could not plead resulting want of invention, because that depends upon the construction of the patent, which is to be made by the court in the light of the state of the art. When interposing this defence, it is not necessary to state what facts are intended to be proved in its support; because those facts refer only to the state of the art, and not to novelty.¹⁸³ The function of an answer, in respect of this defence, is to notify the complainant that the evidence of the state of the art, which is to be taken by the defendant, will be invoked at the hearing to show want of invention, and not merely to narrow the patent and thus show non-infringement. It has been held that where absence of invention clearly appears on the face of the patent itself, the court may even though the question is not raised by the pleadings, *sua sponte*, declare the patent invalid and dismiss the bill.¹⁸⁴

§ 600. The third defence could never be set up in a plea, because the statute expressly provides that it shall be set up in an answer.¹⁸⁵ Nor can it be based on such a notice

¹⁸² *Indurated Fibre Co. v. Grace*, 52 F. R. 128, 1892.

¹⁸³ *Vance v. Campbell*, 1 Black, 430, 1861; *Hunt Bros. Fruit Packing Co. v. Cassidy*, 53 F. R. 260, 1892; *Dayton Crupper Co. v. Ruhl*, 55 F. R. 651, 1893.

¹⁸⁴ *Wills v. Scranton Cold Stor-*

age & Warehouse Co., 153 F. R. 181, 1907.

¹⁸⁵ *Carnrick v. McKesson*, 8 F. R. 807, 1881; *Arrott v. Standard Sanitary Mfg. Co.*, 113 F. R. 389, 1902; *Western Electric Co. v. North Electric Co.*, 135 F. R. 79, 1905; *Duntley Mfg. Co. v. Keller Mfg. Co.*, 173 F. R. 318, 1909.

as will effect the purpose in an action at law.¹⁸⁶ It has always required an answer for its embodiment;¹⁸⁷ and that answer must state the same things which a statutory notice of want of novelty in an action at law is required to contain.¹⁸⁸

It has been held on the circuit, that evidence of want of novelty, taken without being properly pleaded in the answer, is not made admissible by being set up in a subsequent amendment of that pleading.¹⁸⁹ In another case it was held to rest in the discretion of the court to admit the evidence so taken, and subsequently pleaded, or to reject that evidence, but permit the defendant to take it anew under the amended answer.¹⁹⁰ These holdings are hardly consistent with each other, and neither of them seems consistent with an earlier Supreme Court decision on a similar point.¹⁹¹ In that case it was held that evidence of want of novelty is admissible in an action at law, where it was taken without being properly set up in any notice, but where a proper notice was subsequently given, and given thirty days before the trial.

Where the answer states that the patent sued on is void for want of novelty, evidence to support that statement will be admitted at the hearing, though not specified in the answer, unless the complainant objects to that evidence for want of the statutory notice.¹⁹²

¹⁸⁶ *Doughty v. West*, 2 Fisher, 555, 1865.

¹⁸⁷ *Seymour v. Osborne*, 11 Wallace, 516, 1870; *Roemer v. Simon*, 95 U. S. 214, 1877; *Vacuum Cleaner Co. v. Dunn*, 189 F. R. 634, 1911.

¹⁸⁸ *Agawam Co. v. Jordan*, 7 Wallace, 583, 1868; *Bates v. Coe*, 98 U. S. 31, 1878; *Planing-Ma-*

chine Co. v. Keith, 101 U. S. 493, 1879.

¹⁸⁹ *Roberts v. Buck*, 1 Holmes, 224, 1873.

¹⁹⁰ *Allis v. Buckstaff*, 13 F. R. 879, 1882.

¹⁹¹ *Teese v. Huntingdon*, 23 Howard, 2, 1859.

¹⁹² *Roemer v. Simon*, 95 U. S. 220, 1877; *Brown v. Hall*, 9

§ 601. The fourth defence is not rightly the subject-matter of a plea, for though a defendant may make an oath that he believes the patented thing to be without utility, he can hardly swear that it is certainly so.¹⁹³

Blatch. 405, 1869; *Barker v. Stowe*, 15 Blatch. 49, 1878; *U. S. Consolidated Seeded Raisin Co. v. Selma Fruit Co.*, 195 F. R. 264, 1912.

¹⁹³ *Rubber Co. v. Goodyear*, 9 Wallace, 793, 1869; *Ames & Frost Co. v. Woven Wire Mach. Co.*, 59 F. R. 705, 1893.

EDITOR'S NOTE: The statement that only matter of which the defendant had personal knowledge could be presented by plea in bar or abatement is made in substance by the learned author at several places in this book (Sections 605, 607, 610, 614, 616, 618, 621); and as the question is not free from doubt the original text has been substantially preserved in this edition wherever the statement occurs.

It is true that by Equity Rule 31 of the Equity Rules in force prior to February 1, 1913, it was required that every plea to a bill in equity should be verified by affidavit of the defendant to the effect that the plea was true in fact. This requirement, however, broadly speaking, was a peculiarity of the practice prevailing in the United States, being required in the English Chancery practice only in those cases in

which, where issue was joined on the plea, evidence upon oath would be required to sustain it at the hearing. The conclusion, however, apparently reached by the author that only such matter as was within the personal knowledge of the defendant could be presented by plea does not appear to be sustained by authority. That proposition was of course correct as a practical proposition if the facts stated in the plea were averred of the defendant's own knowledge, but there was nothing to prevent a defendant from interposing by plea a defence based on facts not within his personal knowledge but which he could swear to on information and belief. Indeed the propriety of a plea in a particular case appears to be determinable on other and different grounds than as stated in the text. Generally it may be said that its office is to "present some distinct fact, which of itself creates a bar to the suit or to the part to which the plea applies, and thus to avoid the necessity of making the discovery asked for and the expense of going into the evidence at large." (*Folly v. Kittson*, 120 U. S. 303, 314, and other cases cited

§ 602. The fifth and sixth defences, even before the present Equity Rules were proper only for an answer, because they both rest on evidence of abandonment outside of the bill, and therefore cannot be interposed by a demurrer,¹⁹⁴ or motion to dismiss. Being two of the five defences provided for by Section 4920 of the Revised Statutes, neither of them are proper subject-matter of a plea.¹⁹⁵ And an answer must show what fact or facts constitute the abandonment which is invoked therein.¹⁹⁶

in Street's Federal Equity Practice, Sections 827 and 828.) Accordingly it is held that it is not the province of a plea to interpose defences that go to the merits and relate in nowise to matters in abatement or in bar, as such defences should be raised by answer. For this reason a plea of non-infringement in a suit for infringement of a patent has been considered a bad plea to be entertained only under special circumstances. (1 Street's Federal Equity Practice, Section 836.)

If, however, the statement of the author was correct when made, it apparently has had no application since the present Equity Rules went into effect on February 1, 1913; for by these Equity Rules pleas as such were abolished and it was provided that every defence heretofore presentable by plea in bar or abatement should be made in the answer and might be separately heard and disposed of before the trial of the principal

case in the discretion of the Court (Equity Rule 29); and as there is no provision in the Equity Rules requiring an oath to the answer, the reasoning advanced by the author in the statement under discussion would no longer have any force. Whether or not the abolishment of the requirement of an oath to matter presentable by plea has increased the number of defences which may be so treated after the manner of pleas must in view of the absence of authorities be left for the courts to decide. For further consideration of the subject the reader is referred to the treatment of it contained in Street's Federal Equity Practice.

¹⁹⁴ *United States Electric Lighting Co. v. Consolidated Electric Light Co.*, 33 F. R. 869, 1888.

¹⁹⁵ *Carrick v. McKesson*, 8 F. R. 807, 1881.

¹⁹⁶ *Western Electric Co. v. Sperry Electric Co.*, 58 F. R. 192, 1893; *Warren Featherbone Co. v.*

§ 603. The seventh defence is not proper matter for a plea because it involves the construction of the claims of the letters patent in suit. Letters patent are not void merely because they describe something not shown in the original application therefor. It is only when they claim something not indicated or described in the specification or drawings of the original application, that they are obnoxious to the seventh defence. The question what letters patent claim, is a question of law for the court, and is therefore in its nature not one which can properly be raised by a plea in an action in equity. Nor can this defence be raised by a demurrer, or motion to dismiss, because, in order to decide upon its validity, the court must not only construe the claims of the patent, but must also compare the claims so construed with the original application, and that application must be introduced for the purpose, as a matter of evidence. This defence therefore now and at all times was properly set up only in the answer, except where the complainant took the initiative upon the subject. In that case the complainant must maintain the validity of his patent against this defence, even where it is not specifically interposed.¹⁹⁷

§ 604. The eighth defence is not proper matter for a plea, because it is one of the five which the statute requires to be set up in an answer.¹⁹⁸

§ 605. Either the ninth or the tenth defence may be treated as pleas where the defendant knows the fact of joint or of sole invention upon which they respectively stand. Each of these defences rests upon a single matter

Warner Bros. Co., 92 F. R. 991, 1899.

¹⁹⁷ Michigan Central Railroad Co. v. Car Heating Co., 67 F. R. 121, 1895.

¹⁹⁸ Revised Statutes, Section 4920; *Carrick v. McKesson*, 8 F. R. 807, 1881; *Ecaubert v. Appleton*, 47 F. R. 893, 1891.

of fact, which, if decided against the complainant, is fatal to his patent. It was formerly unwise to make either of these defences in a plea, because the complainant had no alternative but to file a replication, and because, by doing so, he might foreclose other defences, and because there was always a possibility that the court would, on the evidence, decide that the invention was joint, or was several, according as it may be necessary to do in order to sustain the patent.¹⁹⁹ It is assumed that these difficulties do not now exist.

§ 606. The eleventh defence stands in the same category, in respect of equity pleading, with the third, fifth, sixth, and eighth, and the answer must state the details of the facts upon which the eleventh defence is based.²⁰⁰

§ 607. The twelfth defence cannot be made by a motion to dismiss;²⁰¹ and it cannot be treated as a plea because, though the defendant might be able to make oath that he is a person skilled in the art to which the invention covered by the patent appertains, and that the description contained in that patent is not full, clear, concise, and exact enough to enable him to make and use the same, he could not make oath that the same thing is true of other persons skilled in that art.^{201a}

§ 608. Nor can the thirteenth defence be treated as a plea, because it depends on the construction of the claims of the letters patent, and not upon any matter of fact to be sworn to in a plea or proved in a deposition. But this defence can be made by a motion to dismiss, where profert

¹⁹⁹ *Pitts v. Hall*, 2 Blatch. 229, 1851; *Blandy v. Griffith*, 3 Fisher, 616, 1869.

See Note 193 of this Chapter.

²⁰⁰ *American Sulphite Pulp Co.*

v. Howland Falls Pulp Co., 70 F. R. 992, 1895.

²⁰¹ *Dade v. Boorum & Pease Co.*, 121 F. R. 135, 1903.

^{201a} See Note 193 of this Chapter.

has been made of the letters patent, or they have otherwise been made a part of the bill.²⁰² An answer was formerly a proper pleading in which to interpose this defence, and of course it is so now.

§ 609. The fourteenth defence also, was generally required to be set up in an answer.²⁰³ A plea was not ordinarily suitable for the purpose, because this defence depends primarily upon the necessity for a disclaimer, and because that necessity depends upon the claim being obnoxious to one or more of the first three defences, and because the third defence always, and the first and second generally, are not appropriate for pleas.

§ 610. The fifteenth defence is not proper subject-matter of a plea because it primarily depends, either upon the original patent not being inoperative or invalid by reason of a defective or insufficient specification, or upon its not being invalid in part, for want of novelty.²⁰⁴ Where it primarily depends upon the first of these matters, it depends either upon the construction of the original letters patent, or upon proof that any person skilled in the art to which the invention belongs, could from the original specification make and use the same; and where it depends upon the second of these matters, it depends upon proof that everything claimed in the original letters patent was novel. None of these matters can properly be put into a plea. Statements of the true construction of a patent cannot be, because they are statements of law. Statements that any person skilled in the art can make and use a particular invention, from a particular specification, are hardly proper in pleas, because a defendant ought

²⁰² *Brickill v. Hartford*, 49 F. R. 373, 1892.

²⁰³ *Burden v. Corning*, 2 Fisher, 498, 1864.

²⁰⁴ Revised Statutes, Section 4916.

seldom to attempt to swear what other persons can or cannot do. And statements that everything claimed in the patent of another was novel with him, are not proper for a plea, because a defendant can never know that none of those things were previously known or used.^{204a} Nor can this defence be raised by a motion to dismiss, unless the original letters patent are incorporated in the bill for infringement of its reissue; and not even then can it be so raised, unless the question is solely one of construction of the original letters patent.

§ 611. The sixteenth defence depends partly on the comparative construction of the original and the reissue letters patent, and partly upon evidence that the delay in applying for the reissue was unreasonable. Where both the original and the reissue are proffered or incorporated in the bill; this defence may be made by motion to dismiss, because the court then has every necessary means of making the comparative construction,²⁰⁵ and because long delay will be held to be unreasonable, unless it is excused in the bill. Where the bill omits to set out the original patent, this defence must be treated as ordinary matter for an answer, for such mixed questions of law and fact are wholly unsuitable to a plea.²⁰⁶

§ 612. The seventeenth defence depends upon the comparative construction of the original and the reissue letters patent. It may be made on motion to dismiss, where both those documents are proffered or otherwise incorporated in the bill. If the original letters patent are not so incorporated, this defence may be made regularly in

^{204a} See Note 193 of this Chapter.

²⁰⁵ *Powder Co. v. Powder Works*, 98 U. S. 126, 1878; *Wollensak v. Reiher*, 115 U. S. 96, 1884;

International Terra Cotta Lumber Co. v. Maurer, 44 F. R. 619, 1890.

²⁰⁶ *Maxwell v. Kennedy*, 8 Howard, 222, 1850.

the answer; but is never proper matter for a plea, because the question involved is one of construction of documents, and not a question of fact to be sworn to by a defendant, or to be decided upon the replication of the complainant and the evidence of experts.

§ 613. The eighteenth defence may be made by a motion to dismiss where the bill is based on the prior patent, as well as on its alleged double.²⁰⁷ But a plea would not be suitable to this defence, unless the disputed claim or claims in the subsequent patent can be plainly seen to be identical with a claim or claims in the prior patent; for if construction must be resorted to in order to determine identity, or want of identity, between the claims of the two patents, the question is one of law, and therefore improper to be raised by a plea in equity.

§ 614. The nineteenth defence is suitable for a plea, if the defendant has personal knowledge of the record which he pleads, and therefore is able to make the required oath that there is in fact such a record.^{207a}

§ 615. The twentieth defence can be made by a motion to dismiss, where the bill shows the patent had expired when the doings which constitute the alleged infringement were committed. But that will seldom be the fact, for the expiration relied upon in such cases is nearly always due to the expiration of some foreign patent for the same invention, and not to anything which appears on the face of the United States patent in suit. Where the defence depends upon the expiration of a foreign patent which is not mentioned in the bill, it cannot be taken advantage of by motion to dismiss. Nor is it proper matter for a plea; because it depends not only upon the existence of a foreign patent, but also upon that patent being for the

²⁰⁷ *Russell v. Kern*, 64 F. R. 581, 1894.

^{207a} See Note 193 of this Chapter.

same invention as the patent in suit; and because this last question, except where the two patents are plainly identical, is one of construction for the court;²⁰⁸ and because defences which depend upon the comparative construction of different documents are not proper matter for a plea.²⁰⁹

§ 616. The twenty-first defence is proper subject-matter for a plea, if the defendant knows that the complainant made or sold specimens of the patented thing during the life of the patent without marking them "patented," and if the defendant was not duly notified of his infringement, or, if notified, immediately discontinued to infringe.²¹⁰ This defence can also be made without any special statement relevant thereto in the answer, because the complainant must negative it in his bill and in his evidence in chief, or suffer the operation of the defence, whether the defendant has set it up in any pleading or not.²¹¹ But this defence is not a defence to a prayer for an injunction,²¹² though it is to a prayer for damages,²¹³ and to a prayer for profits.²¹⁴ Though this defence need not be pleaded, it is waived, unless it is presented to the court on the hearing of the case; and it cannot be successfully presented for the first time, in the appellate court to which the case may be taken.²¹⁵

²⁰⁸ *De Florez v. Reynolds*, 17 Blatch. 436, 1880.

²⁰⁹ *Lowry v. Aluminum Co.*, 56 F. R. 495, 1893.

²¹⁰ Revised Statutes, Section 4900.

See Note 193 of this Chapter.

²¹¹ *Dunlap v. Schofield*, 152 U. S. 244, 1894.

See Sections 433*a* and 496.

²¹² See Section 636.

²¹³ *Goodyear v. Allyn*, 6 Blatch. 33, 1868; *Morton Trust Co. v.*

Am. Car & Foundry Co., 161 F. R. 546, 1908.

See Section 636.

²¹⁴ *Lowell Mfg. Co. v. Hogg*, 70 F. R. 787, 1895; *Michigan Stove Co. v. Fuller-Warren Co.*, 81 F. R. 379, 1896; *General Electric Co. v. Star Brass Works*, 109 F. R. 950, 1901; *Westinghouse Air-Brake Co. v. New York Air-Brake Co.*, 111 F. R. 741, 1901.

²¹⁵ *Tuttle v. Clafin*, 76 F. R. 227, 1896.

§ 617. The twenty-second defence may be made by motion to dismiss, where the bill sets forth copies of the complainant's title papers, either in the stating part or as exhibits attached to the bill and thus made parts thereof, or where the bill pleads those papers according to their legal effect, and in such a way that the title appears on the face of the bill to be defective. Where the bill shows a good *prima facie* title, but where the defendant knows that one of the papers which compose its chain was executed after the assignor had assigned his right to another, and that the prior assignment was recorded in the Patent Office within three months after its date; or knows that such assignor assigned his right to another for a valuable consideration more than three months after the making of the assignment set up in the bill, and before the latter was recorded in the Patent Office, and without the junior assignee having notice of the senior unrecorded assignment, the defendant may successfully take advantage of those facts by answer as though they were set up in a plea under the former Equity Rules.²¹⁵ The action of a complainant will be defeated by evidence of either of these two sorts of faults in his title.²¹⁶ No defect of title due to an outstanding unrecorded document can be made available as a defence without being pleaded.²¹⁷

§ 618. The twenty-third defence is properly the subject-matter for a plea if the defendant is sure of the fact of the license. This defence when stated as a plea must state the character of the license specifically.²¹⁸

§ 619. The twenty-fourth defence should be treated in

²¹⁵ See Note 193 of this Chapter.

²¹⁶ Revised Statutes, Section 4898.

²¹⁷ *California Electric Works v. Fink*, 47 F. R. 583, 1891.

²¹⁸ *Jones v. Berger*, 58 F. R. 1007, 1893.

See Note 193 of this Chapter.

respect of pleading, in the same way as the twenty-third, and that whether the release pleaded was executed before or after the filing of the bill.

§ 620. The twenty-fifth defence may be interposed by a motion to dismiss, where the bill sets forth the claims alleged to be infringed, and sets forth also the particular character of the defendant's doings.²¹⁹ But such a motion will be dismissed, except where non-infringement is obvious from the bill of complaint, without any reference to the prior art. Where such a motion to dismiss is denied, and the defendant wishes to make the defence of non-infringement in an answer, and to support that defence by evidence, he may do so within five days after the motion is denied.²²⁰

The rules of equity pleading which were developed in England would justify the interposition of the defence of non-infringement as in a plea; but the precedents in the United States courts do not accord with those rules on that subject.²²¹ Those precedents indicate that pleas will not be permitted in such cases. It would be an economical practice to so prepare bills that this defence could be made by motion to dismiss, but this is usually very difficult of accomplishment.

§ 621. The twenty-sixth defence may be made as in a plea, and it ought to be made so in every case where the defendant is certain that he can prove the facts which he is advised amount to a basis for an estoppel. Where that defence consists of *res judicata*, the former record can be introduced in evidence without being specially pleaded in

²¹⁹ Collins Chemical Co. v. Capitol City Mfg. Co., 42 F. R. 64, 1890; Gerard v. Safe & Lock Co., 48 F. R. 380, 1891.

²²⁰ Equity Rule 29.

²²¹ Western Electric Co. v. North Electric Co., 135 F. R. 79, 1905; Am. Sulphite Pulp Co. v. Bayless Pulp & Paper Co., 163 F. R. 843, 1908.

the answer.²²² If the former record is of an action at law, it may be examined for the purpose of determining just what facts were found by the verdict of the jury.²²³ If the bill asks for damages and profits the defendant may set up a former action at law between the same parties and a judgment for the plaintiff which will be a bar to any recovery in the equity suit of profits or damages accruing subsequent to the commencement of the action at law.²²⁴

§ 622. The twenty-seventh defence may be interposed by a motion to dismiss where the bill clearly states the time when the infringement was committed or the space of time during which it was carried on.²²⁵ Statutes of limitations have the same effect upon actions in equity in the Federal courts, that they have upon corresponding actions at law.²²⁶ Where the bill simply states that the infringement occurred during the life of the patent, and where any part of that life is remote enough in point of time, to be barred by either the national or any applicable State statute of limitations, then the applicable statute must be set up in order to avail the defendant.

§ 622*a*. The twenty-eighth defence may be interposed by motion to dismiss or by answer accordingly as the defect appears in the bill or extrinsically.

§ 623. Prior to the Equity Rules in effect February 1, 1913, a general replication was required to be filed by the plaintiff in order to put in issue those points wherein the answer disagreed with the bill but no special replication

²²² *Bradley Mfg. Co. v. Eagle Mfg. Co.*, 58 F. R. 721, 1893.

²²³ *Cheatham Electric Switching Co. v. Transit Development Co.*, 209 F. R. 229, 1913.

²²⁴ *Panoulias v. National Equipment Co.*, 198 F. R. 493, 1912.

²²⁵ *Brickill v. H. +ford*, 49 F. R. 374, 1892.

²²⁶ *Elmendorf v. Taylor*, 10 Wheaton, 168, 1825; *Miller v. McIntyre*, 6 Peters, 66, 1832; *Bank of United States v. Daniel*, 12 Peters, 56, 1838.

was permitted.²²⁷ They also provided that whenever the answer of the defendant should not be excepted to or should be adjudged or deemed sufficient, the plaintiff should file a general replication and no further pleading was required by either side.²²⁸ Both general and special replications have, however, been abolished²²⁹ and it is provided that unless the answer assert a set-off or counter-claim no reply shall be required without special order of the court or judge, but the cause shall be deemed at issue upon the filing of the answer and any new or affirmative matter shall be deemed to be denied by the plaintiff.²³⁰

§ 624. Before tracing further the common course of an action in equity for infringement of a patent, it is expedient to make a short excursion into the field of those subordinate bills which are sometimes required to be filed before decrees for infringements can properly be entered. Four kinds of such bills are known: 1. Supplemental bills. 2. Bills in the nature of supplemental bills. 3. Bills of revivor. 4. Bills in the nature of bills of revivor.

§ 625. A supplemental bill is required where the original bill was filed by a person as executor or administrator, or as assignee in bankruptcy or insolvency, whenever any other person succeeds to the title of the complainant to act in that representative capacity.²³¹ Such a bill is also necessary, in order to subject the estate of the defendant to a decree, where he is adjudged bankrupt or insolvent after the bill against him is filed.²³² His assignee in bankruptcy or insolvency is the proper person to be made the defendant to such a bill.²³³ He will come before the court

²²⁷ Former Equity Rule 45.

²²⁸ Equity Rule 66.

²²⁹ Equity Rules of 1913.

²³⁰ Equity Rule 31.

²³¹ Story's Equity Pleading, Section 340.

²³² Mitford & Tyler's Equity Pleading, 166.

²³³ Sedgwick v. Cleveland, 7 Paige (N. Y.), 290, 1838.

in the same plight as that of the bankrupt, and will be bound by all the prior proceedings in the case.²³⁴ A supplemental bill is also a proper one to be filed against a stranger to the original bill, where he has conspired with the original defendant to infringe the patent in suit, after the original defendant was enjoined from doing so himself,²³⁵ or where without the element of conspiracy he has purchased the defendant's infringing business pending the suit. In such case the purchaser is brought within the equitable doctrine that one taking the *res pendente lite* is bound by the judgment of the court as to that *res*.²³⁶ And such a bill is proper, where a patent is extended after the filing of the original bill, if the defendant continues to infringe the patent after the extension is granted.²³⁷

The same reasons which support the latter rule will also support a supplemental bill based on a new patent covering some feature of those doings of the defendant which also infringe the patent originally sued upon; and will also support such a bill where the defendant so changes the character of his doings *pendente lite*, as to make them infringe some other patent of the complainant, as a part of the same acts that constitute infringements upon the patent upon which the original bill was based. But a good title, acquired after the filing of an original bill, cannot be brought into a case by a supplemental bill, to take the place of the bad title stated in the original bill.²³⁸

A supplemental bill which merely alleges that since the original bill was filed the defendant has modified his

²³⁴ Mitford & Tyler's Equity Pleading, 166.

²³⁵ Parkhurst v. Kinsman, 2 Blatch. 72, 1848; Western Tel. Mfg. Co. v. Am. Electric Tel. Co., 137 F. R. 603, 1905.

²³⁶ Western Tel. Mfg. Co. v.

Am. Electric Co., 141 F. R. 998, 1905.

See Section 407, *supra*.

²³⁷ Reedy v. Scott, 23 Wallace, 352, 1874.

²³⁸ Emerson v. Hubbard, 34 F. R. 327, 1888.

structure but in such manner that it still infringes, is demurrable. If the new acts infringe, the new acts may be proved upon the accounting and full relief obtained under the averments of the original bill.²³⁹ Another court holds that it is permissible to bring such a bill, but the plaintiff need not do so, leaving the new infringement to be dealt with in an independent suit for the reason that each infringement raises a separate cause of action.²⁴⁰ A supplemental bill is not allowed for the purpose of permitting the plaintiff to bring in officers of a defendant corporation to charge them with individual liability after an accounting has been had.²⁴¹

§ 626. A bill in the nature of a supplemental bill is called for where the original bill was filed by a person in his own right, whenever that right passes to another person by voluntary assignment, or passes from the complainant to his assignee in bankruptcy or insolvency.²⁴² This rule applies not only to cases where the entire right of a sole complainant is thus transferred *pendente lite*, but also to cases where the right of one of several complainants is so transferred, and to cases where a part only of the right of a sole complainant is made the subject of a voluntary assignment after the filing of the original bill.²⁴³ And a bill

²³⁹ *Westinghouse Air-Brake Co. v. Christensen Eng. Co.*, 126 F. R. 764, 1904.

Contra, *Chicago Grain Door Co. v. Chicago, B. & Q. R. Co.*, 137 F. R. 101, 1905; *T. B. Woods Sons v. Valley Iron Works*, 198 F. R. 869, 1912.

²⁴⁰ *T. B. Woods' Sons Co. v. Valley Iron Works*, 198 F. R. 869, 1912.

²⁴¹ *H. C. Cook Co. v. Little*

River Mfg. Co., 156 F. R. 676, 1907.

²⁴² *Story's Equity Pleading*, Section 349; *Ross v. Ft. Wayne*, 63 F. R. 470, 1894; *Ecaubert v. Appleton*, 67 F. R. 924, 1895; *Goss Printing Co. v. Scott*, 134 F. R. 880, 1905; *Leadam v. Ringgold*, 140 F. R. 611, 1905.

²⁴³ *Story's Equity Pleading*, Section 346.

in the nature of a supplemental bill, even if filed after the expiration of the patent, may be maintained in equity, if the original bill was filed before the expiration of the patent, and could have been thus maintained.²⁴⁴

§ 627. A bill of revivor is the proper means of reviving and continuing an action in equity for infringement of a patent, which has abated by reason of the death of one or more of the parties thereto.²⁴⁵ It is to be brought by or against the executor or administrator of the deceased party, and not by or against his heirs.²⁴⁶ When such a bill is filed, if the facts warrant him in so doing, the defendant may file an answer if required by the court under the Equity Rules denying that the person who filed the bill was entitled to do so,²⁴⁷ or interposing some statute of limitation applicable to bills of revivor.²⁴⁸ There is no Federal statute of that kind, but the relevant statutes of the several States are applicable to bills of revivor in Federal courts.²⁴⁹ Those State statutes are of many species. In some, the limitation begins to run from the death of the deceased complainant; and in others, from the time his death is suggested in the case; and in others, from the time when a *scire facias* to revive is served on the person entitled to revive. The length of the limitation also varies in the different States. Perhaps the shortest time is six months, and the longest eighteen.

Where a bill of revivor is filed by the proper person within the proper time, the action will stand revived with-

²⁴⁴ *Ross v. Ft. Wayne*, 63 F. R. 466, 1894; *George W. Jackson, Inc., v. Friestedt, etc., Bar Co.*, 159 F. R. 496, 1908.

²⁴⁵ *Kirk v. Du Bois*, 28 F. R. 460, 1886; *Head v. Porter*, 70 F. R. 498, 1895.

²⁴⁶ *Story's Equity Pleading*, Section 354*a*.

²⁴⁷ Equity Rules 29 and 45.

²⁴⁸ *Story's Equity Pleading*, Section 331.

²⁴⁹ Revised Statutes, Section 721; *Campbell v. Haverhill*, 155 U. S. 610, 1895.

out any pleading being filed by the defendant.²⁵⁰ But where a defendant dies without filing a sufficient answer to the original bill and the amendments thereto, the bill of revivor which is occasioned by his death ought to pray that the person against whom it seeks to revive the suit be compelled to answer the original bill and its amendments, or so much thereof as remains unanswered.²⁵¹ After an action in equity has been duly revived, it proceeds in the new form, unaffected by the change of name; and all the testimony theretofore taken may be thereafter used, precisely as if no abatement and revivor had occurred.²⁵²

§ 628. A bill in the nature of a bill of revivor is required where the complainant in the original bill assigned the right of action and the patent upon which it was based, and then died before the assignee took his place in the action, by means of a bill in the nature of a supplemental bill. A bill of the latter sort will not answer the purpose, unless it is filed before the death of the original complainant; because that death will cause an abatement of the suit, and because only bills of revivor, or bills in the nature of bills of revivor, can revive abated actions in equity.²⁵³ Bills of revivor can be filed only by privies in law, such as executors and administrators; and not by privies in estate, such as devisees and assignees.²⁵⁴ For the latter class of persons, bills in the nature of bills of revivor are available; and by means of such a bill, an assignee who did not file a bill in the nature of a supplemental bill before the death of the original complainant,

²⁵⁰ Equity Rule 56.

²⁵¹ Story's Equity Pleading, Section 375; Mitford & Tyler's Equity Pleading, 174.

²⁵² *Vattier v. Hinde*, 7 Peters, 265, 1833.

²⁵³ Equity Rule 45.

²⁵⁴ Story's Equity Pleading, Section 379.

may draw to himself the benefit of the original action, in whatever stage it may have been at the date of the abatement.²⁵⁵ Such a bill is also the proper means of reviving an action which has abated at the death of the administrator or executor who was prosecuting it in his representative capacity, if the person entitled to revive represents the original testator or intestate, and not the deceased executor or administrator.²⁵⁶

§ 629. A bill of revivor and supplement is merely a compound of a supplemental bill, and of a bill of revivor.²⁵⁷ It is therefore proper to be filed when either of the facts which justify a supplemental bill and either of the facts which require a bill of revivor, occur in one action. So also, any two or more of the four sorts of bills mentioned in the four last sections, may be united in one bill, whenever either of the facts which require either of those bills, occurs in the same action with any of the facts which require any of the others.

§ 630. Leave of court is a prerequisite to the filing of supplemental bills, or bills in the nature of supplemental bills; and it is to be obtained upon proper cause shown, and due notice to the opposite party.²⁵⁸ And likewise is the case with bills of revivor.²⁵⁹

§ 631. Pleadings may or may not be required to be filed to a bill of revivor, or to a bill in the nature of a bill of revivor.²⁶⁰ But defendants are always required to plead to supplemental bills, and to bills in the nature of supplemental bills.²⁶¹ Where a bill of either of those

²⁵⁵ *Slack v. Walcott*, 3 Mason, 511, 1825.

²⁵⁶ Story's Equity Pleading, Section 382.

²⁵⁷ Mitford & Tyler's Equity Pleading, 177.

²⁵⁸ Equity Rule 34.

²⁵⁹ Equity Rule 45.

²⁶⁰ Equity Rule 45.

²⁶¹ Equity Rule 32.

kinds shows on its face that the person who filed it was not a proper person to do so, the objection may be made by a motion to dismiss,²⁶² and formerly when that fault existed, but did not appear on the face of the bill, the defence grounded upon it was, under the rules in force prior to February 1, 1913, appropriate for a plea.²⁶³ Presumably under Equity Rule 29 the defence could now be set down for special hearing. Other defences can be made to supplemental bills, or to bills in the nature of supplemental bills, in the same forms and in the same circumstances in which corresponding defences can be made to original bills for infringement.²⁶⁴

§ 632. The hearing of an action in equity for infringement of a patent, may take place before one of the judges of the court sitting alone, or before several judges sitting together, or before a judge and a jury,²⁶⁵ or before a master in chancery.²⁶⁶ Judges constitute the best tribunals for the purpose; but as either of the other methods of trial may be resorted to at the will of the court, it is expedient to outline the law relevant to all three.

§ 633. An interlocutory hearing by a judge, in a patent action in equity, is one which occurs after the evidence relevant to the validity of the patent and its infringement by the defendant, has been taken, and before the case is referred to a master to take and state an account of profits and damages. The final hearing, which occurs after the master has taken that account and filed his report, generally involves nothing but the correctness of that report,

²⁶² Story's Equity Pleading, Section 612.

²⁶³ Story's Equity Pleading, Section 827.

²⁶⁴ Story's Equity Pleading, Sections 611 and 826.

²⁶⁵ 18 Statutes at Large, Part 3, Ch. 77, Section 2, p. 316.

²⁶⁶ *Parker v. Hatfield*, 4 McLean, 61, 1845.

and it therefore may appropriately be treated in the chapter on profits. So also, the preliminary hearing, which occurs when a preliminary injunction is applied for, may properly be discussed in the chapter on injunctions. The interlocutory hearing is generally the pivotal point of a litigation. Where it results in the success of the defendant and consequent dismissal of the bill, it becomes a final hearing.

A complainant cannot discontinue his action in equity for infringement of a patent, when it is called for a hearing; without showing some better reason for wishing so to do, than an intention to begin a new suit for the same cause of action, and a hope of proving a stronger case in the new suit, than he did prove in the one before the court.²⁶⁷

Questions of the patentability of inventions and the construction of patents concern the public, and therefore courts will examine all the questions involved in the patent cases brought on for hearing before them, and will not refrain from so doing at the suggestion of either party or of both.²⁶⁸

§ 634. Questions of law, in equity patent cases, are to be decided according to the relevant rules of law and equity in force in the United States courts. The sources of those rules are the statutes of the United States, and the decisions of the United States Supreme Court and Court of Appeals, and Circuit Courts, the District Courts, and those decisions of the chancellors of England which were made before the adoption of the Constitution of the United States. Later decisions of English courts sometimes indicate what the law is, but no such decision is of any binding authority in any United States court. Where such

²⁶⁷ *American Steel & Wire Co. v. Mayer & England Co.*, 121 F. R. 127, 1902. ²⁶⁸ *Millard v. Chase*, 108 F. R. 401, 1901.

a decision is strictly relevant to a question at bar, and is supported by good reasoning, it may be followed by a United States judge; but if it refers to a substantially different state of statute law from that to which United States patent cases are subject, or if it was fallaciously reasoned out by the judge who delivered it, such a decision may properly be disregarded in the Federal courts. The decisions of State courts fall in the same category in this respect with the modern English decisions, except in cases where the United States statutes direct the Federal courts to follow the laws of the several States. In those cases, the State laws are binding on the Federal judges, not because the States have any authority to prescribe rules to Federal courts, but because the national legislature has adopted those particular State laws, instead of framing and enacting corresponding regulations of its own.

Where a question arises to which no direct answer can be found in the recognized sources of the law, it becomes the duty of the judge to deduce a proper answer, by means of just reasoning, from the general principles of law, of equity, and of justice. He may find assistance in that work by consulting the *obiter dicta* of courts and the commentaries of text-writers; but no *obiter dictum* and no textbook is of any binding authority. The points of law actually decided by the United States Supreme Court are generally binding on all other United States courts, regardless of the reasons which support them.²⁶⁹ There is an exception to this rule, where the Supreme Court has decided the same question both ways. In such a case, the

²⁶⁹ American Middlings Purifier Co. v. Christian, 3 Bann. & Ard. 44, 1877; Goodyear Dental Vulcanite Co. v. Davis, 3 Bann. & Ard. 116, 1877; Green v. City of

Lynn, 55 F. R. 518, 1893; Westinghouse Air-Brake Co. v. Christensen Engineering Co., 103 F. R. 493, 1900.

last decision governs, if it expressly overruled the first.²⁷⁰ If it simply ignored the first, it may have resulted from the first decision not being called to the attention of the justices who rendered the second. In such a case it is probably the duty of a District Court to follow the more reasonable of the two decisions, regardless of seniority. The points of law actually decided by the Circuit Court of Appeals of any circuit are binding upon all the District Courts in that circuit;²⁷¹ but not on any court in any other circuit.²⁷² And the points of law actually decided by any judge, holding any United States District Court, are followed by every other judge holding any United States District Court, unless they have been reversed by a Circuit Court of Appeals, or by the Supreme Court, or are contrary to other decisions of equal or superior dignity, or appear to be erroneous.²⁷³ The points of law spoken of in this section include the construction given to letters patent, where the evidence of the prior art and other facts relevant to that construction remain unchanged, as well as the rules of law in general.²⁷⁴ But where a Circuit

²⁷⁰ *Tilghman v. Proctor*, 125 U. S. 149, 1887.

²⁷¹ *Edison Electric Light Co. v. Bloomington*, 65 F. R. 214, 1894; *Thomson-Houston Electric Co. v. Mahar*, 112 F. R. 534, 1898.

²⁷² *American Street Car Advertising Co. v. Jones*, 122 F. R. 807, 1903.

²⁷³ *Cary v. Lovell Mfg. Co.*, 31 F. R. 345, 1887; *Rubber Trimming Co. v. Rubber Comb Co.*, 35 F. R. 500, 1888; *Kidd v. Ransom*, 35 F. R. 588, 1888; *Eastern Paper Bag Co. v. Nixon*, 35 F. R. 752, 1888; *Consolidated Roller Mill*

Co. v. Barnard & Leas Mfg. Co., 43 F. R. 532, 1890; *Zinsser v. Krueger*, 45 F. R. 574, 1891; *Enterprise Mfg. Co. v. Deisler*, 46 F. R. 854, 1891; *Campbell Mfg. Co. v. Manhattan Ry. Co.*, 49 F. R. 935, 1892; *Macbeth v. Gillinder*, 54 F. R. 170, 1889; *Office Specialty Co. v. Winter-night Mfg. Co.*, 67 F. R. 928, 1895; *Maitland v. Graham*, 96 F. R. 247, 1899.

²⁷⁴ *National Box & Paper Co. v. American Paper Box Co.*, 48 F. R. 913, 1892; *Sessions v. Gould*, 60 F. R. 755, 1894.

Court of Appeals, or circuit justice, or circuit judge, or any judge holding a District or Circuit Court has decided the point both ways, the last of those decisions is the one which is to be regarded, if it expressly reversed the first.²⁷⁵ If it simply ignored the first, the two decisions will respectively weigh according to the weight of the reasons which respectively support them.

Adjudicated cases are binding precedents in the law only where the questions of law involved in those cases were actually submitted for decision therein; and such a submission is not involved in raising those questions in the pleadings, nor in controverting them in the evidence, if one party or the other abandons those questions at the hearing.²⁷⁶

§ 635. Questions of fact depend upon the evidence in the particular cases in which they arise, except so far as they depend upon matters of which courts take judicial notice. Questions of fact in patent cases often require for their solution a severely logical process of reasoning from the testimony in the record. It sometimes occurs that the evidence in a number of cases, pending in a number of District Courts, is substantially the same. Where one such case has been carefully argued and deliberately decided in a District Court, all the other District Courts are apt to follow that decision;²⁷⁷ except where a different decision is required by a different state of evidence.²⁷⁸ In fact in the second circuit the rule has been laid down

²⁷⁵ *Brown Mfg. Co. v. Mast*, 53 F. R. 582, 1892.

²⁷⁶ *Celluloid Mfg. Co. v. Tower*, 26 F. R. 452, 1885.

²⁷⁷ *Hammerschlag Mfg. Co. v. Bancroft*, 32 F. R. 585, 1887; *Hammerschlag Mfg. Co. v. Spalding*, 35 F. R. 67, 1888; *Pratt v.*

Wright, 65 F. R. 99, 1890; *Cutler-Hammer Co. v. Hammer*, 121 F. R. 222, 1903.

²⁷⁸ *Barnes Sprinkler Co. v. Walworth Mfg. Co.*, 51 F. R. 89, 1892; *Gates Iron Works v. Kimbell & Cobb Stone Co.*, 79 F. R. 78, 1897.

in a *per curiam* opinion that the importance of securing uniformity of decision is so great "that a decision of a court of co-ordinate jurisdiction should be followed in every case where the questions presented can fairly be regarded as doubtful."²⁷⁹ The rule in the sixth circuit is expressed in equally vigorous terms.²⁸⁰

Still it is the duty of every court to decide cases right; and to that end every judge is bound to decide his cases according to his own convictions, rather than according to the convictions of any other judge of any co-ordinate tribunal; and it is only in cases of doubt in the mind of the judge, that comity comes into operation and suggests a uniformity of ruling,²⁸¹ a proposition which is all the more true when the doubt is in the minds of the appellate court.²⁸²

A serious practical question often arises when a Court of Appeals of one circuit has held a patent invalid and afterwards a Court of Appeals in another circuit holds the patent valid. In such cases it has been held in the second circuit that the decree in the suit holding the patent valid should except from its operation articles acquired from defendants to suits in circuits where the patent was held invalid.²⁸³ It has been held, however, that such a decree

²⁷⁹ *Gormley & Jeffrey Tire Co. v. United States Agency*, 177 F. R. 691, 1910; *Calculagraph Co. v. Automatic Time Stamp Co.*, 187 F. R. 276, 1911; *Warren Bros. v. City of New York*, 187 F. R. 831, 1911; *Doelger v. German-American Filter Co.*, 204 F. R. 274, 1913; *National Electric Signaling Co. v. Telefunken Wireless Telegraph Co.*, 221 F. R. 629, 1915.

²⁸⁰ *Cincinnati Butchers' Supply Co. v. Walker Bin Co.*, 230 F. R. 453, 1916.

²⁸¹ *Mast, Foos & Co. v. Stover Mfg. Co.*, 177 U. S. 488, 1900.

²⁸² *Eldred v. Kirkland*, 130 F. R. 342, 1904.

²⁸³ *Consolidated Rubber Tire Co. v. Diamond Rubber Co.*, 162 F. R. 892, 1908.

should not be so construed as to permit such articles to be used or sold in the second circuit.²⁸⁴

The relations between the different Circuit Courts of Appeals, in respect of following the decisions of each other, on questions of fact in patent cases, are the same as the corresponding relations between the different District Courts of the United States.²⁸⁵

Where a question of fact in a patent case, has been decided by a Circuit Court of Appeals, that decision is binding in all cases in the District Courts of the same circuit, wherein the evidence is substantially the same,²⁸⁶ and will be followed by the Circuit Court of Appeals in a later suit on the same patent in which substantially the same evidence is presented even though the claim of invalidity was not urged on the prior appeal.²⁸⁷ And where a question of fact in a patent case, has been decided by the Supreme Court, that decision is conclusive in all other patent cases, so far as the evidence is substantially identical with that before the Supreme Court.²⁸⁸ But the evidence must be taken in the subsequent cases, and cannot be imported from the record of the Supreme Court or of the Court of Appeals; though it is not necessary or proper to introduce evidence to prove what evidence was before the

²⁸⁴ *Hurd v. Seim*, 189 F. R. 591, 1911.

²⁸⁵ *Hanifen v. Price*, 102 F. R. 509, 1900; *Dowagiac Mfg. Co. v. Brennan & Co.*, 127 F. R. 143, 1903; *Westinghouse Elec. & Mfg. Co. v. Stanley Inst. Co.*, 133 F. R. 167, 1904.

²⁸⁶ *Bowers Dredging Co. v. New York Dredging Co.*, 80 F. R. 119, 1897.

²⁸⁷ *Crier v. Inners*, 170 F. R. 324, 1909.

²⁸⁸ *American Middlings Purifier Co. v. Christian*, 3 Bann. & Ard. 44, 1877; *American Bell Telephone Co. v. Southern Telephone Co.*, 34 F. R. 796, 1888; *Birmingham Cement Mfg. Co. v. Gates Iron Works*, 78 F. R. 351, 1896; *Westinghouse Air-Brake Co. v. Christensen Engineering Co.*, 113 F. R. 595, 1901.

higher court, or to prove what decision was rendered on that evidence; those two points being left to the examination of the reports and records of the higher tribunal.²⁸⁹

The points stated in the last three paragraphs relate to prior cases which were litigated in earnest between opposing parties; and those points do not apply to any case which was collusively conducted, or which ceased to be an adversary action before the hearing which resulted in the decision of the case.²⁹⁰

§ 636. The evidence which a complainant is required to produce to support his bill in an action in equity, is the same as that which a plaintiff in an action at law is required to introduce in support of his declaration; except that in an action in equity the complainant must introduce evidence to excuse his delay in filing his bill, where a long delay to file it occurred after the infringement took place; and except that evidence of danger of infringement, may take the place of evidence of actual infringement;²⁹¹ and except that a court of equity may take notice of its own records in other cases, when ascertaining the state of the prior art;²⁹² and except that till after the interlocutory hearing, the complainant need introduce no evidence relevant to profits or to damages, or even showing notice of infringement by "marking patented" or otherwise.²⁹³

²⁸⁹ *Green v. City of Lynn*, 55 F. R. 519, 1893.

²⁹⁰ *Western Electric Co. v. Anthracite Telephone Co.*, 100 F. R. 301, 1900, and 113 F. R. 834, 1902.

²⁹¹ *National Meter Co. v. Thomson Meter Co.*, 106 F. R. 531, 1900. The evidence to establish infringement must be convincing; *Marcus v. Sutton*, 124 F. R. 74, 1903.

In the absence of further showing evidence of a single act of infringement is sufficient to show danger of further infringement. *Luten v. Dover Construction Co.*, 189 F. R. 405, 1911.

²⁹² *Cushman Paper Box Mach. Co. v. Goddard*, 95 F. R. 666, 1899.

²⁹³ *Underwood Typewriter Co. v. Elliott-Fisher Co.*, 171 F. R.

When the complainant has some evidence tending to show the character of the defendant's doings, and that those doings infringe the complainant's patent, a court of equity has power to order the defendant to allow the complainant, or some expert or other person representing him, to inspect the defendant's doings for fuller accuracy of knowledge.²⁹¹ But this power will not be exercised, where a bill is filed upon a conjecture of infringement with the hope of obtaining evidence to that effect afterward.²⁹⁵ Mere suspicion of infringement is not sufficient to justify the issuance of an order for inspection.²⁹⁶ All averments of a bill not specifically denied except allegations of amount of damage are deemed admitted.²⁹⁷

§ 637. The evidence which is required to support either of the twenty-eight defences which are common to actions at law and actions in equity, is the same in both those forms of proceeding. Of the two defences which are peculiar to equity, that of non-jurisdiction is one which seldom or never requires any evidence to support it; and laches is, *prima facie*, supported by the fact of the long lapse of time which is deducible from the complainant's proofs, where such a defence has any foundation at all. Where the complainant introduces evidence to excuse the delay, it may be necessary for the defendant to negative that evidence by other proof, or to prove facts which show the complainant's excuse to be invalid or insufficient.

§ 638. The testimony in patent causes as in other ac-

116, 1909; but see *Byerley v. Philip Carey Co.*, 225 F. R. 77, 1915.

²⁹⁴ *Diamond Match Co. v. Oshkosh Match Works*, 63 F. R. 984, 1894; *Wilson v. Keeley*, 43 O. G. 511, 1888; *Rowell v. Wm. Kochl Co.*, 194 F. R. 446, 1912.

²⁹⁵ *Dobson v. Graham*, 49 F. R. 17, 1889; *Stokes Bros. Mfg. Co. v. Heller*, 56 F. R. 298, 1893.

²⁹⁶ *Eibel Process Co. v. Remington-Martin Co.*, 197 F. R. 760, 1912.

²⁹⁷ *Lovell v. Johnson*, 82 F. R. 206, 1897; Equity Rule 30.

tions in equity is taken orally in open court, with certain exceptions.²⁹⁸ The court passes upon the admissibility of all evidence as in an action at law. When evidence is offered and excluded and the party against whom the ruling is made excepts thereto at the time, it is provided that the court shall take and report so much thereof or make such a statement respecting it as will clearly show the character of the evidence, the form in which it was offered, the objection made, the ruling and the exception. If the appellate court shall be of opinion that the evidence should have been admitted it may not reverse the decree unless it be clearly of opinion that material prejudice will result from an affirmance, in which event it must direct that further steps be taken as justice may require.²⁹⁹

In special instances, however, the court may upon application of either party when allowed by statute or for good and exceptional cause for departing from the rule stated in the foregoing paragraph, permit the deposition of named witnesses to be used before the court or upon a reference to a master to be taken before an examiner or other named officer upon terms specified in the order.³⁰⁰

“In a case involving the validity or scope of a patent or trade-mark, the district court may, upon petition, order that the testimony in chief of expert witnesses, whose testimony is directed to matters of opinion, be set forth in affidavits, and filed as follows: Those of the plaintiff within forty days after the cause is at issue; those of the defendant within twenty days after plaintiff’s time has expired; and rebutting affidavits within fifteen days after the expiration of the time for filing original affidavits. Should the opposite party desire the production of any affiant for cross-examination, the court or judge shall, on motion, direct that said cross-examination and any

²⁹⁸ Equity Rule 46.

²⁹⁹ Equity Rule 46.

³⁰⁰ Equity Rule 47.

re-examination take place before the court upon the trial, and unless the affiant is produced and submits to cross-examination in compliance with such direction, his affidavit shall not be used as evidence in the cause."³⁰¹

§ 640. Depositions taken in any other case may be used in any action in equity, if each party therein was a party to the action in which they were taken, or is in privity with a party to that action, and if the court grants a motion to use them.³⁰² But where either party in the new action was not a party to the former one, and is not in privity with any party thereto, no deposition taken in the former suit can be used in the new one; for no deposition can be read against a party, who could not read it in his favor if it were favorable to him.³⁰³

§ 641. Documentary evidence is generally introduced before the examiner, within the same time that the oral testimony is required to be taken; and that is the necessary course where documents require to be proved by oral testimony. Each party ought to introduce his documentary evidence, when taking his own testimony; and if he introduces such evidence when the testimony of the other party is being taken, it will be treated as if it was introduced afterward, when the introducer was taking his own testimony, if such subsequent taking of testimony was proper.³⁰⁴

Stipulations are extensively made in patent cases on undebatable points of fact, and when made they are binding upon the parties, unless they are canceled or

³⁰¹ Equity Rule 48.

³⁰² *Clow v. Baker*, 36 F. R. 692, 1888.

³⁰³ *Dale v. Rosevelt*, 1 Paige (N. Y.), 35, 1828; *Paynes v. Coles*, 1 Munford (Va.), 394,

1810; *Barker v. Shoots*, 18 F. R. 652, 1884.

³⁰⁴ *Cimiotti Unhairing Co. v. American Fur Refining Co.*, 120 F. R. 673, 1903.

amended by agreement of the parties or an order of the court.³⁰⁵ But courts will allow a party to withdraw from an inadvertently made stipulation, when it is found to be out of conformity to the truth, and when such a withdrawal is not unjust to the opposite party to the action.³⁰⁶

Documents which prove themselves, may be introduced on the hearing without having been put in evidence before the examiner.³⁰⁷ And documents which require to be proved, may be introduced on or even after the hearing, with the consent of the court.³⁰⁸ Where a document thought by a party to be material to his case, is known to be in the possession of the opposite party, its production in court may be compelled by a subpoena *duces tecum*.³⁰⁹

§ 642. A jury of not less than five and not more than twelve persons may be empanelled by any United States District Court, when sitting in equity for the trial of a patent cause, for the purpose of submitting to them such questions of fact in the case as the court shall deem it expedient to submit; and the verdict of such a jury is treated in the same manner and with the same effect as in the case of issues sent from chancery to a court of law and returned with such findings.³¹⁰ Therefore such a verdict is only advisory, and never conclusive upon the court. If the judge disagrees in opinion with the jury relevant to the questions of fact covered by the verdict,

³⁰⁵ General Electric Co. v. Wagner Electric Mfg. Co., 123 F. R. 103, 1903.

³⁰⁶ Carnegie Steel Co. v. Cambria Iron Works, 185 U. S. 444, 1902.

³⁰⁷ Knapp v. Shaw, 15 F. R. 115, 1883.

³⁰⁸ Mast, Foos & Co. v. Windmill & Pump Co., 68 F. R. 224, 1895.

³⁰⁹ Edison Electric Light Co. v. United States Electric Lighting Co., 45 F. R. 55, 1891.

³¹⁰ 18 Statutes at Large, Part 3, Ch. 77, Section 2, p. 316; Gray v. Halkyard, 28 F. R. 854, 1886.

he may enter a decree contrary thereto.³¹¹ But the regular course of proceeding in such a case is to enter a decree in accordance with the verdict, unless the party against whom it was found moves the court for a new trial. A new trial in such a case is granted or refused according as the judge thinks the verdict was right or was wrong; and without special regard to any errors, or freedom from errors, which characterized the admission or rejection of evidence on the trial, or the instructions which were given or those which were refused by the judge.

Where a new trial is refused, and a decree is entered in accordance with the verdict, if the defeated party would take the case to the Circuit Court of Appeals for review, he must do so on appeal from the decree, and not upon a writ of error as from a judgment entered upon a verdict in an action at law. In a properly prepared case, the Circuit Court of Appeals will decide whether, on the whole, the decree was right or was wrong; but it will not pass upon the correctness or incorrectness of the rulings of the judge at the jury trial. Therefore, the evidence taken at the jury trial should be preserved, if there is any intention to take the case to the Circuit Court of Appeals, but no bill of exceptions in the case is necessary or is proper.³¹²

§ 643. A master in chancery may be directed by a District Court, with the consent of the parties, to hear and decide any or all the questions in a patent case, and to report his decision to the court.³¹³ But such a report is advisory only, and no decree will be entered upon it, if either party can convince the judge that it was wrong. Ex-

³¹¹ *Silsby v. Foote*, 1 Blatch. 545, and 20 Howard, 290, 1857.

³¹² *Watt v. Starke*, 101 U. S. 247, 1879.

³¹³ *Parker v. Hatfield*, 4 McLean, 61, 1845; *National Cash-*

Register Co. v. Navy Cash-Register Co., 99 F. R. 565, 1900;

Western Union Telegraph Co. v. American Bell Telephone Co., 105 F. R. 686, 1900.

But see Equity Rule 59.

ceptions to the master's report are the proper means of appeal from his conclusion. If, on such exceptions, the judge concludes that the master was wrong in any respect, he may send the case back to him, with directions to make a new report, and with prescriptions of new criteria by which to make it;³¹⁴ or he may proceed to try the questions himself, if that course appears to be more convenient. The rules of practice which regulate the taking of evidence by masters in chancery, and regulate the hearings before them, and the filing of exceptions to their reports, are the same, when they are directed to ascertain the truth relevant to such questions as novelty or infringement, that they are in the more common cases wherein they are directed to take and state accounts of profits and damages.

§ 644. An interlocutory decree, in an equity patent case, is a decree which adjudges that the patent sued upon is valid; and that the defendant has infringed it; and usually that a master in chancery be directed to take and report an account of the profits which the defendant realized from that infringement, and of the damages which the complainant sustained by reason thereof; and sometimes that the defendant be permanently enjoined from further infringement.³¹⁵ The decree for an accounting is not, however, a matter of course and may be refused when it appears that the defendant has made only a small number of infringing articles and has discontinued infringement before suit brought, and no substantial recovery could be had.³¹⁶ The accounting may also be

³¹⁴ Cawood Patent, 94 U. S. F. R. 21, 1892; Brush Electric Co. v. Western Electric Co., 76 F. R. 761, 1896.

³¹⁵ Dudley E. Jones Co. v. Munger Mfg. Co., 50 F. R. 785, 1892; Richmond v. Atwood, 52

³¹⁶ Perkins Electric Switch Mfg. Co. v. Yost Electric Co., 189 F. R. 625, 1910.

denied by reason of laches on the part of the plaintiff in bringing suit although the laches shown be not sufficient for a defence to the application for injunctive relief.³¹⁷ If the bill prays for an account of damages and profits and actual notice to the defendant is relied upon instead of constructive notice by "marking patented," the decree will grant an accounting only as to infringements committed subsequently to the receipt of the notice, if it is not shown that infringements committed after receipt of notice were substantial in amount.³¹⁸ It may be questioned as to whether or not it is proper to decree an accounting in any event if it is not made to appear that there are at least some infringements of which an account could be rendered.³¹⁹

Where only part of the claims in suit are found valid and infringed, such a decree is confined to that part;³²⁰ and such a decree is not entered in a case where the infringement is below the dignity of the court, but bills in such cases are dismissed without costs.³²¹ Judicial destruction of infringing articles, is a feature of the patent laws of England, but is not justified by any existing law of the United States; though that severe measure has been approved in two *obiter dicta*,³²² and unsuccessfully invoked in two adjudicated cases.³²³

³¹⁷ *A. R. Mosler & Co. v. Lurie*, 209 F. R. 364, 1913; *Marconi Wireless Telegraph Co. v. National Electric Signalling Co.*, 213 F. R. 815, 1914; *Vacuum Cleaner Co. v. Innovation Electric Co.*, 234 F. R. 942, 1916.

³¹⁸ *American Caramel Co. v. White*, 234 F. R. 328, 1915.

³¹⁹ But see Section 636 of this book.

³²⁰ *Shute v. Morley Co.*, 64 F. R. 368, 1894.

³²¹ *Wickwire v. Wire Fabric Co.*, 41 F. R. 36, 1889.

³²² *Birdsell v. Shaliol*, 112 U. S. 487, 1884; *Underwood Typewriter Co. v. Elliot-Fisher Co.*, 156 F. R. 588, 1907.

See Section 573*a*.

³²³ *American Bell Telephone Co. v. Kitsell*, 35 F. R. 521, 1888;

When the District Court finds certain of the claims infringed, the defendant is entitled to a finding on the remaining claims, in order that he may be relieved from the payment of costs.³²⁴ An interlocutory decree which as to damages and profits in form follows the language of Section 4921 of the Revised Statutes is not improper.³²⁵

§ 644a. An appeal from an interlocutory decree may in certain cases be taken to the Circuit Court of Appeals, for the circuit in which that decree was rendered, at any time within thirty days from the entry of the decree.³²⁶

The grounds upon which an appeal from an interlocutory decree could be taken have been changed from time to time by Federal legislation.³²⁷ Prior to January 1, 1912, such an appeal could be taken only from an interlocutory decree which granted or continued an injunction.³²⁸ By the act of March 3, 1911, c. 231,³²⁹ however, the jurisdiction of the Circuit Court of Appeals to review interlocutory decrees has been extended to those refusing or dissolving or refusing to dissolve an injunction, thereby giving a plaintiff who has been refused an injunction on

American Caramel Co. *v.* Thomas Mills & Bro., 162 F. R. 147, 1907.

³²⁴ National Malleable Co. *v.* Symington Co., 234 F. R. 343, 1916.

³²⁵ Pedersen *v.* Dundon, 220 F. R. 309, 1915.

³²⁶ Judicial Code, Section 128; National Automatic Mach. Co. *v.* Automatic Weighing Mach. Co., 105 F. R. 670, 1901; Western Electric Co. *v.* Williams-Abbott Electric Co., 108 F. R. 953, 1901; Thomson-Houston Electric Co.

v. Nassau Electric Railroad Co., 112 F. R. 676, 1901.

³²⁷ For a review of the various statutes and authorities see Ward Baking Co. *v.* Weber Bros., 230 F. R. 142, 1916.

³²⁸ See cases cited under note 326 and *Ex Parte* National Enamelling Co., 201 U. S. 156, 1906.

³²⁹ Judicial Code, Section 129 (Act March 3, 1911, c. 231, 36 Stat. 1134), in effect January 1, 1912.

any or all of his claims sued upon, a right of review.³³⁰ It is held that this statute permits an appeal by a defendant from an order refusing to dissolve an injunction although the application for the order of dissolution is merely a rehearing of the application for the injunction.³³¹ Such an appeal will secure a review of that part of the decree which refers to an injunction;³³² and to that end, the Circuit Court of Appeals will decide the questions of validity and infringement, and whatever other questions underlie the question of the justice of an injunction.³³³ If the decision on either of these two fundamental questions is adverse to the complainant, it will result in a direction to the court below, to dismiss the bill of complaint from that tribunal.³³⁴ On such an appeal, however, the findings of the court below on questions of fact have great weight and unless obviously erroneous they will be permitted to stand.³³⁵

No appeal can be taken by a defendant from an interlocutory decree which directs an accounting of profits and damages, but does not order an injunction. And where an interlocutory decree directs an accounting of profits and damages, and orders an injunction on only part of the claims in suit, and where the defendant there-

³³⁰ *Ward Baking Co. v. Weber Bros.* (reviewing statutes and authorities), 230 F. R. 142, 1916.

³³¹ *American Grain Separator Co. v. Twin City Separator Co.*, 202 F. R. 202, 1912.

³³² *Metallic Extraction Co. v. Brown*, 104 F. R. 354, 1900.

³³³ *Richmond v. Atwood*, 52 F. R. 28, 1892; *Consolidated Cable Co. v. Pacific Ry. Co.*, 58 F. R. 226, 1893; *Columbus Watch*

Co. v. Robbins, 64 F. R. 397, 1894; *Kilmer Mfg. Co. v. Griswold*, 67 F. R. 1017, 1895.

³³⁴ *Smith v. Vulcan Iron Works*, 165 U. S. 525, 1897; *Millard v. Chase*, 108 F. R. 404, 1901; *Sheffield Car Co. v. D'Arcy*, 194 F. R. 686, 1912; *Ex Parte National Enamelling Co.*, 201 U. S. 156, 1906.

³³⁵ *DeLavel Separator Co. v. Iowa Dairy Separator Co.*, 194 F. R. 423, 1912.

upon appeals, the court will not consider that part of the decree which was favorable to him.³³⁶ Nor will any part of the decree relating to an accounting be considered.³³⁷

§ 645. Equity Rule 69 reads as follows:

“Every petition for rehearing shall contain the special matter or cause on which such rehearing is applied for, shall be signed by counsel, and the facts therein stated, if not apparent on the record, shall be verified by the oath of the party or by some other person. No rehearing shall be granted after the term at which the final decree of the court shall have been entered and recorded, if an appeal lies to the Circuit Court of Appeals or the Supreme Court. But if no appeal lies, the petition may be admitted at any time before the end of the next term of the court, in the discretion of the court.³³⁸

§ 646. A rehearing for matter apparent on the face of the record may be applied for by a petition signed by counsel, and stating the ground upon which the rehearing is prayed.³³⁹ That ground must be sufficient to convince the judge that the decree was perhaps erroneous.³⁴⁰ In order to do that, it is necessary to point out some particular misapprehension of the law, or some particular mistake in respect of the evidence, into which the judge was unfortunate enough to fall.³⁴¹ Such a misapprehension may be established by showing that since the case sought to be reheard was decided, the appellate court has settled or

³³⁶ *Eagle Lock Co. v. Corbin Lock Co.*, 64 F. R. 789, 1894.

³³⁷ *Lederer v. Garage Equipment Co.*, 235 F. R. 527, 1916.

³³⁸ Equity Rule 69.

³³⁹ Equity Rule 69.

³⁴⁰ *American Diamond Rock*

Boring Co. v. Sheldon, 18 Blatch. 50, 1880.

³⁴¹ *Everest v. Oil Co.*, 22 F. R. 252, 1884; *Railway Mfg. Co. v. Railroad Co.*, 26 F. R. 411, 1886; *Coupe v. Weatherhead*, 37 F. R. 16, 1888; *Detwiller v. Bosler*, 58 F. R. 250, 1893; *Beach v. Hobbs*, 82 F. R. 928, 1897.

clarified the law so as to give it a different character from that which it was then understood to have;³⁴² but such a mistake cannot be established by showing that the judge omitted, in his opinion, to review all the evidence in the case.³⁴³ It is useless to ask for a rehearing of this kind on the general ground that the decision is thought by counsel to be wrong.³⁴⁴ But a rehearing may be spontaneously ordered by the court, when the judge begins to doubt his decision.³⁴⁵

§ 647. A rehearing on account of newly discovered evidence must be applied for as soon as possible after its discovery,³⁴⁶ by a petition verified by the oath of the applicant or of some other person,³⁴⁷ and stating the nature of the alleged newly discovered evidence, and that it was not known to the petitioner till after the decree was rendered;³⁴⁸ and also what diligence was exercised in searching therefor prior to that time,³⁴⁹ and praying for leave to file a supplemental bill in the nature of a bill of review, and for a rehearing of the cause at the time when the issues raised by that bill shall be ready for hearing.³⁵⁰ The function of such a bill is to furnish a foundation in the pleadings for evidence on both sides of the new issues of fact to determine which the rehearing is granted.

³⁴² *Wooster v. Handy*, 21 F. R. 51, 1884; *Spill v. Celluloid Mfg. Co.*, 21 F. R. 640, 1884; *Campbell v. New York*, 35 F. R. 504, 1888.

³⁴³ *Timken v. Olin*, 37 F. R. 207, 1888.

³⁴⁴ *Tufts v. Tufts*, 3 Woodbury & Minot, 429, 1847; *Gage v. Kellogg*, 26 F. R. 243, 1886.

³⁴⁵ *Brown Mfg. Co. v. Deere*, 51 F. R. 229, 1892.

³⁴⁶ *Blandy v. Griffith*, 6 Fisher, 435, 1873; *Pittsburgh Reduction*

Co. v. Cowles Aluminum Co., 121 F. R. 557, 1903.

³⁴⁷ Equity Rule 69.

³⁴⁸ *Foote v. Stein*, 35 F. R. 205, 1888.

³⁴⁹ *Allis v. Stowell*, 5 Bann. & Ard. 459, 1880; *New York Filter Co. v. Filter Co.*, 62 F. R. 582, 1894.

³⁵⁰ *Dexter v. Arnold*, 5 Mason, 310, 1829; *Daniell's Chancery Practice*, 1537.

When such a petition is filed, it must be supported by affidavits of the witnesses who are expected to testify to the newly discovered facts which are sought to be brought into the case,³⁵¹ and also by affidavits showing that those facts were not discovered by the petitioner till after the former hearing,³⁵² and could not, with reasonable diligence, have been discovered sooner than they were.³⁵³ Such a petition may be answered by counter affidavits tending to show that part or all of the statements in the petitioner's affidavits are untrue.³⁵⁴ To grant the prayer of the petition, the court must be satisfied that the applicant's affidavits are probably true,³⁵⁵ and clearly material,³⁵⁶ and that the facts they set forth were not known to the petitioner at the time of the former hearing, and could not with reasonable diligence have been discovered prior to that event;³⁵⁷ except that the last of these four points is not required to be shown, where it is shown that the other party knew, at the time of the decree, of the facts which are sought to be brought into the case on a rehearing.³⁵⁸

Where a rehearing is granted to permit the defendant

³⁵¹ *Reeves v. Keystone Bridge Co.*, 2 Bann. & Ard. 259, 1876.

³⁵² *Reeves v. Keystone Bridge Co.*, 2 Bann. & Ard. 256, 1876.

³⁵³ *India Rubber Comb Co. v. Phelps*, 4 Fisher, 317, 1870; *Hitchcock v. Tremaine*, 9 Blatch. 551, 1872; *Barker v. Stowe*, 4 Bann. & Ard. 405, 1878; *Willimantic Linen Co. v. Clark Thread Co.*, 24 F. R. 799, 1885; *Bennett v. Schooley*, 77 F. R. 352, 1896.

³⁵⁴ *Blandy v. Griffith*, 6 Fisher, 435, 1873.

³⁵⁵ *Munson v. New York*, 11

F. R. 72, 1882; *New York Sugar Co. v. Sugar Co.*, 35 F. R. 217, 1888.

³⁵⁶ *Reeves v. Keystone Bridge Co.*, 2 Bann. & Ard. 259, 1876.

³⁵⁷ *Prevost v. Gratz*, 1 Peters' Circuit Court Reports, 364, 1816; *Baker v. Whiting*, 1 Story, 234, 1810; *Reeves v. Keystone Bridge Co.*, 2 Bann. & Ard. 258, 1876; *Page v. Telegraph Co.*, 18 Blatch. 122, 1880.

³⁵⁸ *Jonathan Mills Mfg. Co. v. Whitehurst*, 60 F. R. 81, 1894.

to introduce newly discovered evidence, after an accounting has been carried forward in pursuance of an interlocutory decree; the order will properly provide that the defendant shall pay to the complainant all the costs which shall have been incurred by the latter, in connection with that accounting.³⁵⁹

Rehearings will not be granted to enable parties to search for further evidence;³⁶⁰ nor to strengthen their expert testimony;³⁶¹ nor to amend their pleadings so as to make certain evidence admissible, which was taken before the former hearing, and was disregarded thereon, because not supported by any pleading;³⁶² nor to produce cumulative evidence on questions of fact which were in issue at the former hearing;³⁶³ nor to correct errors of management committed by the petitioner's counsel.³⁶⁴ And no appeal lies from a decision of a District Court granting or refusing any rehearing.³⁶⁵

Where a rehearing on account of newly discovered evidence, is wanted by either party, after an interlocutory decree against him has been affirmed by the Circuit Court of Appeals, the petition for that rehearing must be addressed to the appellate tribunal. If that court denies the petition, that denial is final. If it thinks the petition

³⁵⁹ *Pittsburgh Reduction Co. v. Cowles Aluminum Co.*, 121 F. R. 557, 1903.

³⁶⁰ *Munson v. New York*, 11 F. R. 72, 1882.

³⁶¹ *Hitchcock v. Tremaine*, 5 Fisher, 538, 1872.

³⁶² *American Saddle Co. v. Hogg*, 6 Fisher, 67, 1872.

³⁶³ *Blandy v. Griffith*, 6 Fisher, 435, 1873; *Pfanschmidt v. Mercantile Co.*, 32 F. R. 667, 1887.

³⁶⁴ *Ruggles v. Eddy*, 11 Blatch. 524, 1874; *Colgate v. Telegraph Co.*, 19 F. R. 828, 1884; *Pittsburg Reduction Co. v. Aluminum Co.*, 64 F. R. 128, 1894; *Lowell Mfg. Co. v. Hogg*, 70 F. R. 787, 1895; *Hanifen v. E. H. Godshalk Co.*, 78 F. R. 816, 1896.

See Judicial Code.

³⁶⁵ *Roemer v. Bernheim*, 132 U. S. 106, 1889.

should be granted, the Circuit Court of Appeals grants permission to the petitioner to apply to the court below for the desired rehearing; and that court will then pass upon such an application on its merits.³⁶⁶ Where a rehearing on account of newly discovered evidence, is wanted by either party, after an interlocutory decree against him has been appealed to the Circuit Court of Appeals, but has not been heard in that tribunal, the petition for that rehearing must be addressed to the court below, and must ask that court to request the Circuit Court of Appeals to return the record to the lower tribunal for further proceedings therein.³⁶⁷

§ 648. A supplemental bill in the nature of a bill of review should state the newly discovered facts upon which it is based, and should pray that the cause may be heard with respect to the new matter, at the same time that it is reheard upon the original bill, and that the party who files the subordinate bill may have such relief as the nature of his case requires. The proceedings upon a bill of this description are the same as those upon original bills in general.³⁶⁸ No order for a rehearing, made after an interlocutory decree, and while an account of profits and damages is being taken by a master in chancery, will stop the taking of that account; unless the court enters a special order directing the master to suspend proceedings therein.³⁶⁹ And where a rehearing results in a reversal of an interlocutory decree, which has been entered in favor

³⁶⁶ *In re Gamewell Fire-Alarm Tel. Co.*, 73 F. R. 908, 1896; *Municipal Signal Co. v. Gamewell Fire-Alarm Tel. Co.*, 77 F. R. 452, 1896; *Bliss v. Read*, 106 F. R. 318, 1901.

³⁶⁷ *Roemer v. Simon*, 91 U. S. 149, 1875; *Cimiotti Unhairing Co.*

v. American Unhairing Mach. Co., 99 F. R. 1003, 1900; *Nutter v. Mossberg*, 118 F. R. 168, 1902.

³⁶⁸ *Daniell's Chancery Practice*, 1537.

³⁶⁹ *Daniell's Chancery Practice*, 1467.

of a complainant, and results also in a dismissal of the complainant's bill; that dismissal will be without prejudice to the use, in any subsequent accounting, of the evidence which may have been taken by the master.³⁷⁰ And the decree ordering that dismissal will give costs to the complainant for the litigation prior to the granting of the rehearing; and will give costs to the defendant for the litigation which occurred after that event.³⁷¹

§ 649. A final decree will be entered in favor of the defendant, where a demurrer to the whole bill is sustained or, since the Equity Rules in effect Feb. 1, 1913, a motion to dismiss is granted, on a point which is not cured by amendment; or where a plea to the whole bill or its present equivalent, special matter in the answer, is found to be true; or where either of the numerous defences which were formerly appropriate only for an answer, and which apply to the whole bill, are established at an interlocutory hearing.³⁷²

Where more than one of those defences is strongly supported in the record, it is proper for the court to confine the decision to any one of them that is judicially found to be sound. Where the defence of non-infringement is thus found, it is proper³⁷³ and generally preferable³⁷⁴ to select that defence as the one upon which to base the decision for the defendant. The reason for this preference, is the consideration that the question of the validity of a patent ought not to be adjudicated in the affirmative, in a case where the defendant, by reason of non-infringement thereof,

³⁷⁰ *Campbell v. New York*, 35 F. R. 501, 1888.

³⁷¹ *Hake v. Brown*, 44 F. R. 283, 1890.

³⁷² *Richmond v. Atwood*, 52 F. R. 21, 1892.

³⁷³ *McMichael & Wildman Mfg. Co. v. Ruth*, 123 F. R. 890, 1903.

³⁷⁴ *Wilcox & Gibbs Sewing Mach. Co. v. Sherborne*, 123 F. R. 877, 1903.

has no adequate motive to hunt up and lay before the court, all the facts which relate to that question. But where a record does contain evidence enough to establish the invalidity of a patent, it is both proper and expedient to base a decision for the defendant on that ground, even where the defence of non-infringement is also established by the record; because the public has a right to be judicially told that a void patent is void, whenever that conclusion is established by evidence presented in a litigated case, in one of the courts which have received jurisdiction to adjudicate all questions of validity of patents.

Final decrees will be entered in favor of complainants, when their bills have successfully run the gauntlet of motions to dismiss, answers, interlocutory hearings, petitions for rehearings, supplemental bills in the nature of bills of review, accountings before a master, exceptions to the master's report, and final hearings, through which original bills in patent cases may regularly be caused to pass. The last three parts of this series of proceedings are explained in the chapter on profits, and the others have already been outlined in this.

Where an action in equity for alleged infringement of a patent, is settled after evidence is taken therein, and before a hearing thereof; that settlement cannot include an effective stipulation that the evidence shall be withdrawn from the files of the court.³⁷⁵ Parties who litigate such controversies in United States courts, must litigate them in public, and are not permitted to use those tribunals for secret proceedings, or to conceal or suppress any of the records of their litigations.

Where several cases on one patent are litigated on one set of depositions and other evidence, only one bill of costs is taxed; and where that bill is taxed against the complain-

³⁷⁵ Sloan Filter Co. v. El Paso Reduction Co., 117 F. R. 504, 1902.

ant, a decree is made in favor of each defendant for an equal share of the amount.³⁷⁶

Assuming that a final decree has already been entered for the complainant or the defendant, and that the costs have been adjusted and taxed according to law,³⁷⁷ it is now convenient to delineate the further proceedings to which the defeated party may resort. These are of two kinds: bills of review, and appeals.

§ 650. A bill of review is the proper means of securing a reconsideration of a final decree, after the expiration of the term at which it was entered.³⁷⁸ Such bills are of two sorts: those filed to correct errors apparent on the face of the pleadings or decree;³⁷⁹ and those filed to introduce evidence of facts which occurred or were discovered after the decree was entered.³⁸⁰

§ 651. A bill of review to correct errors apparent on the pleadings or decree, may be filed without leave of court,³⁸¹ but no such bill will be considered or acted upon by the court, unless it is filed within the same time after the entry of the decree, as that provided for by statute relevant to appeals;³⁸² which latter time is at present six months.³⁸³ Nor will such a bill be entertained, if the decree which it was filed to correct, was entered by the lower court, after

³⁷⁶ *Taber v. Meriden Britannia Co.*, 106 F. R. 85, 1901.

³⁷⁷ Sections 543 to 549 of this book; *Wooster v. Handy*, 23 F. R. 49, 1885; *Spill v. Mfg. Co.*, 28 F. R. 870, 1886; *Hill v. Smith*, 32 F. R. 753, 1887; *Ryan v. Gould*, 32 F. R. 754, 1887; *New York Belting Co. v. Rubber Co.*, 32 F. R. 755, 1887.

³⁷⁸ *Story's Equity Pleading*, Section 403.

³⁷⁹ *Whiting v. The Bank of the United States*, 13 Peters, 14, 1839.

³⁸⁰ *Story's Equity Pleading*, Section 404.

³⁸¹ *Ross v. Prentiss*, 4 McLean, 106, 1846; *Story's Equity Pleading*, Section 405.

³⁸² *Thomas v. Harvie's Heirs*, 10 Wheaton, 149, 1825; *McDonald v. Whitney*, 39 F. R. 467, 1889.

³⁸³ 26 Statutes at Large, p. 826, Ch. 517, Section 11.

an appeal to a higher court, and in pursuance of directions contained in the mandate of the latter tribunal.³⁸⁴ In considering a bill of review of this sort, the court will confine its examination to the pleadings and decree in the original action; for no bill lies to correct any errors of fact which were made in examining or weighing the evidence upon which the decree was based.³⁸⁵

§ 652. A bill of review, filed to introduce evidence of new facts or of newly discovered facts, cannot be filed without leave of court.³⁸⁶ Where the case sought to be reviewed has been appealed to the Circuit Court of Appeals, and decided there, the application must be presented to that tribunal.³⁸⁷ If that court decides that the leave ought to be granted, it will authorize the court below to receive and adjudicate the bill of review; and thereafter the case will proceed in the lower tribunal, much as it would have done if no appeal had been taken. After the bill of review has been litigated and a new decree entered, an appeal will lie to the Circuit Court of Appeals on the whole case. The mode of application for leave to file such a bill, is by a petition stating the original proceedings and the new facts or newly discovered facts, on the strength of which reversal of the decree is prayed.³⁸⁸ The petition must be supported by affidavits stating the exact nature of those facts, in order that the court may judge of their materiality and sufficiency, and showing that they occurred after the final decree was entered, or if

³⁸⁴ *Southard v. Russell*, 16 Howard, 570, 1853.

³⁸⁵ *Whiting v. Bank of the United States*, 13 Peters, 14, 1839; Story's Equity Pleading, Section 407.

³⁸⁶ *Ross v. Prentiss*, 4 McLean, 106, 1846.

³⁸⁷ *In re Potts*, 160 U. S. 263, 1897; *Kissinger-Ison Co. v. Bradford Belting Co.*, 123 F. R. 92, 1903.

³⁸⁸ *Massie's Heirs v. Graham's Adm'rs*, 3 McLean, 43, 1842.

they occurred before that time, that they were not discovered, and could not with reasonable diligence have been discovered till afterward.³⁸⁹ Petitions of this sort may be filed even more than six months after the entry of the decree, provided they are filed within a reasonable time after the discovery is made, upon which they are based.³⁹⁰

Leave to file such a bill will be granted, in a proper case, whether those facts relate to issues in the original action, or relate to defences which were not in issue therein; ³⁹¹ but it will not be granted where the facts stated in the petition are not adapted, or are not sufficient, to have altered the decree if they had been before the court on the hearing; ³⁹² nor where those facts could, with reasonable diligence, have been discovered before the decree was entered; ³⁹³ nor to enable the petitioner to introduce evidence to impeach the character of the witnesses upon whose testimony the decree was based; nor to introduce cumulative testimony on a point litigated and decided at the hearing; but newly discovered corroborating evidence in writing, may furnish a foundation for such leave.³⁹⁴

After a bill of review to introduce new facts, or newly discovered facts, has been duly filed, the opposite party may answer thereto, and thus put the party who filed

³⁸⁹ Story's Equity Pleading, Sections 412, 413, and 414.

³⁹⁰ United States v. Samperyac, Hemstead's Circuit Court Reports, 131, 1831.

³⁹¹ Dexter v. Arnold, 5 Mason, 313, 1829; United States v. Samperyac, Hemstead's Circuit Court Reports, 131, 1831; Story's Equity Pleading, Sections 415 and 416.

³⁹² Dexter v. Arnold, 5 Mason, 313, 1829.

³⁹³ Rubber Co. v. Goodyear, 9 Wallace, 806, 1869; Boston & Revere Electric Street-Railway Co. v. Bemis Car-Box Co., 98 F. R. 121, 1899; Kissinger-Ison Co. v. Bradford Belting Co., 123 F. R. 92, 1903.

³⁹⁴ Southard v. Russell, 16 Howard, 569, 1853.

it, to the proof of its allegations.³⁹⁵ A motion to dismiss a bill of this sort is not appropriate, because its sufficiency in point of law must be passed upon before it can be filed.

§ 653. A bill in the nature of a bill of review, differs from a bill of review only in respect of the legal character of the complainant. The latter bill can be filed by either of the parties to the decree which is sought to be reviewed, or by their respective privies in representation, such as heirs, executors, or administrators; but the former is required to be filed, where privies in estate, such as devisees or assignees of an original party, seek to secure the reversal or modification of a final decree after the expiration of the term at which it was entered.³⁹⁶ Neither of these sorts of bills is to be confounded with a supplemental bill in the nature of a bill of review. That is still another variety, and its character and operation have already been outlined.³⁹⁷

§ 654. An appeal to the Supreme Court of the United States, can be taken by a complainant whose action for an infringement of a patent, has been dismissed by a District Court, on the ground of want of jurisdiction.³⁹⁸ Where a motion to dismiss an action on that ground has been denied by a District Court, and where a decree has afterward been made against the defendant for infringement, the defendant has a right to have the question of jurisdiction reviewed on an appeal, and also has a right to have reviewed, all the questions which were decided against him in the decree for infringement. It has been held that in such a case the proper practice is to appeal

³⁹⁵ *Dexter v. Arnold*, 5 Mason, 309, 1829.

³⁹⁶ *Story's Equity Pleading*, Section 409.

³⁹⁷ Sections 647 and 648 of this book.

³⁹⁸ *Judicial Code*, Section 238; *L. E. Waterman Co. v. Parker Pen Co.*, 107 F. R. 141 1901.

the whole case to the Circuit Court of Appeals, and then that tribunal will certify the question of jurisdiction to the Supreme Court, and will wait for the answer to that question, before hearing the appeal from the decree of infringement.³⁹⁹

More recent authorities, however, hold that when the lower court has in addition to the question of jurisdiction decided issues of general law, the Circuit Court of Appeals has power to decide all questions including that of jurisdiction, if the assignments of error are addressed both to the questions of general law and that of jurisdiction.⁴⁰⁰

An appeal may be taken to the Supreme Court from a decree of the Court of Appeals of the District of Columbia wherein is drawn in question the validity of any act of the Commissioner done under the authority of any statute or rule of the Patent Office—*e. g.*—where the Court of Appeals has passed upon the act of the officials of the Patent Office in compelling a division of an application under Patent Office Rule 41. The rule having the force of a statute, whatever action is taken under it is taken or purports to be taken under the “authority of the United States.”⁴⁰¹ The case of *Frasch v. Moore*,⁴⁰² however, seems to hold generally that no appeal lies to the Supreme Court from a decree of the Court of Appeals of the District of Columbia which passes on a decision of the Commissioner requiring division of an application, since such a decree is not final within the meaning of Section 8 of the Act of Feb. 9, 1893, c. 74, 27 Stat. 436.

³⁹⁹ *Sun Printing & Publishing Ass'n v. Edwards*, 121 F. R. 826, 1903.

⁴⁰⁰ *Smith v. Farbenfabriken of Elberfeld Co.*, 203 F. R. 476, 1913.

⁴⁰¹ Act of February 3, 1893, Section 8; *Steinmetz v. Allen*, 192 U. S. 543, 1904.

⁴⁰² *Frasch v. Moore*, 211 U. S. 1, 1908. See *Judic. Code*, Sec. 250.

An appeal to a Circuit Court of Appeals is demandable from the final decree of any United States District Court, in any case arising under the patent laws, provided it is taken within six months after the entry of the decree;⁴⁰³ unless the decree involves only a question of jurisdiction; or is only for costs.⁴⁰⁴ But in order to operate as a supersedeas, and thus stay execution, an appeal must be taken within sixty days after the rendition of the decree; and indeed an execution may be issued, if an appeal is not taken within ten days after such rendition.⁴⁰⁵ But in the latter case, a supersedeas afterward obtained will prevent further proceedings under the execution, though it will not interfere with what has already been done.⁴⁰⁶ The time within which appeals may be taken, may properly be held to begin, either when the case is finally decided, or when the formal decree is signed by the judge, and filed with the clerk of the court.⁴⁰⁷ When an appeal operates as a supersedeas, it so operates only as against the money recovery provided for in the decree, and not as against that part of the decree which directs the payment of the master's fees,⁴⁰⁸ nor as against that part which directs an injunction to issue;⁴⁰⁹ but the judge who enters a decree granting an injunction, has discretionary power to suspend, modify or restore the same pending an appeal.⁴¹⁰

A decision of a United States District Court, not to dismiss a bill for infringement of a patent, upon the motion

⁴⁰³ 26 Statutes at Large, p. 826, Ch. 517, Sections 6 and 11; Judicial Code, Section 128.

⁴⁰⁴ *DuBois v. Kirk*, 158 U. S. 67, 1895.

⁴⁰⁵ Revised Statutes, Sections 1012 and 1007.

⁴⁰⁶ Board of Commissioners

v. Gorman, 19 Wallace, 663, 1873.

⁴⁰⁷ *Silsby v. Foote*, 20 Howard, 290, 1857.

⁴⁰⁸ *Myers v. Dunbar*, 1 Bann. & Ard. 565, 1874.

⁴⁰⁹ *Whitney v. Mowry*, 3 Fisher, 175, 1867.

⁴¹⁰ Equity Rule 74.

of a nominal complainant, against the opposition of those equitably entitled to sue in the name of the nominal complainant, is immediately appealable to the Circuit Court of Appeals.⁴¹¹ But a decree which sustains part of the claims upon which a bill is based, while dismissing another part of those claims from court, is not appealable by the complainant as from a final decree; for though it is final in respect of the latter, it is only interlocutory in respect of the former, and the right of the complainant to appeal from its final part, is suspended until after an accounting is had on the sustained claim, and a completely final decree is made to dispose of the entire case.⁴¹²

An interlocutory decree awarding merely an accounting and granting no injunction for the reason that the patent has expired is not appealable to the Circuit Court of Appeals. The court announcing this holding states that "it is idle to say that this is an appeal from an order denying an injunction, in view of the fact that it is conceded on all hands that the patent has expired."⁴¹³

The prosecution of an appeal includes the procurement, from the clerk of the District Court, of a transcript of the record of the case in that court, or of such parts of that record as the parties agree to be sufficient to enable the Circuit Court of Appeals to decide the questions involved in the appeal. Such an agreement must be made as a formal stipulation, and be filed in the office of the clerk of the District Court; and when it is thus made and

⁴¹¹ *Brush Electric Co. v. Electric Co. of San Jose*, 51 F. R. 557, 1892.

⁴¹² *Western Electric Co. v. Williams-Abbott Electric Co.*, 108 F. R. 953, 1901; *Library Bureau v. Yawman & Erbe Mfg. Co.*, 147 F. R. 245, 1906; *Ex Parte Na-*

tional Enamelling Co., 201 U. S. 156, 1906.

Contra, *Chicago Wooden Ware Co. v. Miller Ladder Co.*, 133 F. R. 541, 1904.

⁴¹³ *American Sulphite Pulp Co. v. Carthage Sulphite Pulp Co.*, 224 F. R. 501, 1915.

filed, the clerk will prepare a transcript of the specified parts of the record and will certify it accordingly.⁴¹⁴

An appeal to the Court of Appeals of the District of Columbia, is demandable from the final decree of the Supreme Court of the District of Columbia, in any case arising under the patent laws.⁴¹⁵ And the law stated in this section, in respect of appeals from a United States District Court to a United States Circuit Court of Appeals, is also applicable to appeals from the Supreme Court of the District of Columbia to the Court of Appeals of the District of Columbia; except in a few particulars of difference, due to differences between the statutes which gave to those appellate courts, their respective beings and jurisdictions.⁴¹⁶

§ 655. On the hearing of an appeal in any Circuit Court of Appeals, the decree may generally be attacked by the appellant, upon any ground upon which it was resisted in the court below; and may be supported by the appellee upon any ground in the record, whether the court below based its decree upon that ground or some other.⁴¹⁷ But the decree cannot be assailed on the ground that the court below refused to set aside a decree *pro confesso*,⁴¹⁸ or refused to allow the appellant to retract an admission which he had made in his pleadings;⁴¹⁹ or granted or refused a rehearing;⁴²⁰ or rendered any other decision

⁴¹⁴ *Lamb Knit Goods Co. v. Lamb Glove & Mitten Co.*, 120 F. R. 273, 1902. See Equity Rules 75, 76, and 77.

⁴¹⁵ 31 Statutes, Ch. 854, sec. 226, p. 1225.

⁴¹⁶ 26 Statutes at Large, p. 826, Ch. 517; 27 Statutes at Large, p. 434, Ch. 74; 31 Statutes at Large, p. 660, Ch. 803.

⁴¹⁷ *Electric Gas Lighting Co. v. Fuller*, 59 F. R. 1003, 1894.

⁴¹⁸ *Dean v. Mason*, 20 Howard, 198, 1857.

⁴¹⁹ *Jones v. Morehead*, 1 Wallace, 155, 1863.

⁴²⁰ *Roemer v. Bernheim*, 132 U. S. 106, 1889; *Boesch v. Graff*, 133 U. S. 699, 1890.

which belonged to the judicial discretion of the court to make. Nor can a decree be attacked in the Circuit Court of Appeals, on account of any error made by a master in chancery in taking an account of profits or damages, unless that error was brought before the court below for correction, by means of a proper exception to the master's report; ⁴²¹ not even then, where the alleged error is one of quantity or computation, and is not obvious.⁴²² In fact when the court below has concurred with the master on his findings of fact the findings will not be disturbed by the appellate court except for strong reasons.⁴²³ Where a decree is reversed and remanded for further proceedings, and a second decree is entered by the court below after those proceedings are taken, and an appeal is taken from the second decree, that decree cannot be assailed on account of any errors that occurred prior to the former decree.⁴²⁴ And the decision of the Circuit Court of Appeals on the first appeal is not reviewable on the second appeal to that tribunal.⁴²⁵ No decree can be attacked by the appellee, on the appellant's appeal. Where either party to a decree intends to ask the Circuit Court of Appeals to direct it to be altered, he must appeal to that tribunal, whether the other party appeals or not.⁴²⁶ Where both parties appeal, both appeals are heard together in the Circuit Court of Appeals, and the complainant in the court below is entitled to open and to close the argu-

⁴²¹ *Kinsman v. Parkhurst*, 18 Howard, 289, 1855.

⁴²² *Warren v. Keep*, 155 U. S. 267, 1894.

⁴²³ *Emerson & Morris Co. v. Simpson Bros. Corporation*, 214 F. R. 572, 1914.

⁴²⁴ *Himely v. Rose*, 5 Cranch, 313, 1809; *The Santa Maria*, 10

Wheaton, 431, 1825; *American Insurance Co. v. Canter*, 1 Peters, 511, 1828; *Corning v. Troy Iron & Nail Factory*, 15 Howard, 451, 1853.

⁴²⁵ *Standard Sewing Mach. Co. v. Leslie*, 118 F. R. 559, 1902.

⁴²⁶ *Corning v. Troy Iron & Nail Factory*, 15 Howard, 451, 1853.

ment. A decree may also be attacked by an appellant on several grounds upon which it may not have been resisted in the court below. Non-jurisdiction of equity falls in this category,⁴²⁷ where the patent expired before the bill was filed; and so does want of invention, when that want results from facts of which the court will take judicial notice.⁴²⁸

Where a defendant interposed several defences in the court below, and where that court held one of them to be good, and therefore dismissed the bill; and where the Circuit Court of Appeals on an appeal, finds the latter defence to be bad, it will thereupon decide whether either of the others are good,⁴²⁹ and if it finds either of them to be so, it will affirm the decree.⁴³⁰ Or the Circuit Court of Appeals may find a defence to be good, which the court below did not so find, and may thereupon omit to decide upon the defence which the court below found to be good.⁴³¹ And a decree for a complainant may also be sustained on a different ground from that upon which it was based in the court below.⁴³² For these reasons, assignments of error must be aimed at the decree of the court, and not at the reasons which were stated by the judge for making that decree.⁴³³

§ 656. After the Circuit Court of Appeals has heard an appeal, it may affirm the decree, or may reverse it, or may modify it, or may remand the case to the court below for

⁴²⁷ *Hipp v. Babin*, 19 Howard, 271, 1856.

⁴²⁸ *Brown v. Piper*, 91 U. S. 41, 1875.

⁴²⁹ *Crown Cork & Seal Co. v. Aluminum Stopper Co.*, 108 F. R. 848, 1901.

⁴³⁰ *Corning v. Troy Iron & Nail Factory*, 15 Howard, 451, 1853.

⁴³¹ *Patent Clothing Co. v. Glover*, 141 U. S. 560, 1891.

⁴³² *Woodward v. Boston Lasting Mach. Co.*, 63 F. R. 609, 1894.

⁴³³ *Clark v. Deere & Mansur Co.*, 80 F. R. 534, 1897; *Evans v. Suess Glass Co.*, 83 F. R. 706, 1897.

further proceedings.⁴³⁴ Such further proceedings may involve the taking of further testimony before the master on the question of damages and profits, and in such a case the defendant may introduce evidence to show that the witnesses on the former hearing made mistakes as to the number of infringements.⁴³⁵ Where the Court of Appeals affirms the decree, with respect of the merits, it will affirm it also in respect of the costs;⁴³⁶ except where the absence of a needed disclaimer necessitates that costs shall not be recovered though the decree is otherwise affirmed.⁴³⁷ Where it reverses the decree, it generally does so at the appellee's costs, so that the court below will have nothing to do but to tax those costs, and enter a decree therefor; and from such a decree there is no appeal.⁴³⁸ If, however, the appellate court does not pass on the question of costs in the court below, the court below in entering a decree on the mandate will not ordinarily change its prior decree as to costs, at least in a case where the plaintiff has obtained a decree for damages which was reversed by the appellate court on the ground that plaintiff has failed to make a proper separation of damages and where nevertheless the plaintiff did suffer damage.⁴³⁹ When the appellate court modifies the decree, it may do so in either of several respects. For example, it may change

⁴³⁴ Revised Statutes, Section 701.

⁴³⁵ *Westinghouse Electric Mfg. Co. v. Wagner Electric Mfg. Co.*, 218 F. R. 646, 1914.

⁴³⁶ *Du Bois v. Kirk*, 158 U. S. 58, 1895; *Sprull v. Pratt & Whitney Co.*, 108 F. R. 965, 1901.

⁴³⁷ Revised Statutes, Section 4922; *O'Reilly v. Morse*, 15 How-

ard, 121, 1853; *Novelty Glass Mfg. Co. v. Brookfield*, 172 F. R. 221, 1909.

Contra, *Kahn v. Starrels*, 136 F. R. 597, 1905; *Johnson v. Foos Mfg. Co.*, 141 F. R. 73, 1905.

⁴³⁸ *Elastic Fabrics Co. v. Smith*, 100 U. S. 111, 1879.

⁴³⁹ *Westinghouse Air-Brake Co. v. New York Air-Brake Co.*, 140 F. R. 144, 1905.

the amount of the decree, instead of remanding the case to the court below for a recomputation.⁴⁴⁰ Where it remands a case for further proceedings, those proceedings are guided by the court below, as if it had originally rendered the decision, which was made by the appellate tribunal.⁴⁴¹ Where both parties appeal from the decree, and the decree is affirmed, no costs incurred in the Circuit Courts of Appeals, are allowed to either party.⁴⁴²

§ 657. A certificate of division of opinion is a means of taking a question of law to the Circuit Court of Appeals, where that question arises in a case heard by two judges in the court below, and where those judges disagree about its proper solution.⁴⁴³ No question of infringement or other question of fact can be taken to the Circuit Court of Appeals in this method; ⁴⁴⁴ and such a certificate must state the precise points of law which are involved, or the case will be remanded without an answer.⁴⁴⁵

§ 657*a*. No appeal may be taken, to the Supreme Court from a final decree of the Court of Appeals of the District of Columbia, which merely adjudges the validity or invalidity of a patent although the decree may in a proper case be reviewed by certiorari or certified questions.⁴⁴⁶ And no appeal lies from any Circuit Court of Appeals to the Supreme Court in any patent case,⁴⁴⁷ ex-

⁴⁴⁰ *Parks v. Booth*, 102 U. S. 106, 1880; *Tuttle v. Clafin*, 76 F. R. 237, 1896; *Wales v. Waterbury Mfg. Co.*, 101 F. R. 130, 1900.

⁴⁴¹ *In re Chicago Sugar-Refining Co.*, 87 F. R. 750, 1898.

⁴⁴² *Edison Electric Light Co. v. Electric Supply Co.*, 66 F. R. 312, 1895.

⁴⁴³ 26 Statutes at Large, p. 826, Ch. 517, Section 11.

⁴⁴⁴ *California Paving Co. v. Molitor*, 113 U. S. 616, 1884.

⁴⁴⁵ *Wilson v. Barnum*, 8 Howard, 258, 1850.

⁴⁴⁶ Judicial Code, Sections 250, 251.

⁴⁴⁷ Judicial Code, Section 128, as amended by Act of January 28, 1915.

cept actions brought by the United States to repeal patents.⁴⁴⁸

Any Circuit Court of Appeals may certify to the Supreme Court any pure question of law upon which it desires the instruction of that court for its proper decision.⁴⁴⁹

Where a Circuit Court of Appeals sends such a certificate to the Supreme Court, that certificate must clearly and distinctly state whatever question of law is involved therein, and must show that the Circuit Court of Appeals desires to receive instruction from the Supreme Court how to decide that question.⁴⁵⁰

The Supreme Court may send a writ of certiorari, to any Circuit Court of Appeals, requiring any action in equity for infringement of a patent to be sent from the latter tribunal to the Supreme Court, for its review and determination, with the same power and authority as if the case had been carried by an appeal to the Supreme Court.⁴⁵¹ This power may be exercised before or after any decision of the Circuit Court of Appeals, and irrespective of any such decision, and at any time during the pendency of the case in that tribunal.⁴⁵² But this power is exercised by the Supreme Court, only in cases of great importance; or in cases of conflict between two or more Circuit Courts of Appeals, or between such a court and a State court; or in cases which affect some interest of this nation.⁴⁵³ And it is only when the lower courts are distinctly wrong that they will be reversed on questions of fact.⁴⁵⁴

⁴⁴⁸ *United States v. Bell Telephone Co.*, 159 U. S. 548, 1895.

⁴⁴⁹ *Graver v. Faurot*, 162 U. S. 435, 1896; *Cross v. Evans*, 167 U. S. 60, 1897; *Judicial Code*, Section 239.

⁴⁵⁰ *Columbus Watch Co. v.*

Robbins, 148 U. S. 267, 1893; *Supreme Court Rule 37.*

⁴⁵¹ *Judicial Code*, Section 240.

⁴⁵² *The Three Friends*, 166 U. S. 1, 1897.

⁴⁵³ *Forsyth v. Hammond*, 166 U. S. 514, 1897.

⁴⁵⁴ *Draper v. Am. Loom Co.*, 169

§ 657*b*. When, in a suit on several patents the complainant succeeds on some and is defeated as to others, costs are in the discretion of the court and are awarded according to the circumstances of the particular case. Likewise when the bill charges infringement by a number of devices and only one is proven to infringe.⁴⁵⁵ When an injunction is denied only because the patent has expired *pendente lite* the plaintiff is also entitled to costs.⁴⁵⁶

F. R. 298, 1909; Continental Paper Bag Co. v. Eastern Paper Bag Co., 210 U. S. 405, 1908.

⁴⁵⁵ Perkins Electric Switch Mfg.

Co. v. Yost Electric Mfg. Co., 189 F. R. 625, 1911.

⁴⁵⁶ American Caramel Co. v. White, 234 F. R. 328, 1916.

CHAPTER XXI

INJUNCTIONS

658. Jurisdiction to grant injunctions.
- 658a. Form of injunctions.
659. Preliminary injunctions.
660. Bills for preliminary injunctions.
661. Notices of motions for preliminary injunctions.
662. Motions for preliminary injunctions.
663. Suspensions of motions for preliminary injunctions.
664. Temporary restraining orders.
665. Elements of *prima facie* rights to preliminary injunctions.
666. Prior adjudication.
667. Public acquiescence.
668. Duration of public acquiescence in a strict monopoly.
669. Duration of public acquiescence in a licensed monopoly.
670. Public acquiescence need not be universal to be efficacious.
671. Decrees *pro confesso*.
672. Consent decrees.
673. Defendant's admission of validity.
674. Interference decision.
675. The complainant's title.
676. Infringements.
677. Defences to motions for preliminary injunctions; and first by way of traverse.
678. Defences by way of confession and avoidance.
679. Averting effect of prior adjudication.
680. Averting effect of public acquiescence.
681. Averting preliminary injunction by proving repeal or expiration of patent, or fault in title thereto.
682. Averting preliminary injunction by proving license.
683. By proving estoppel.
684. By showing laches.
685. Preliminary injunction must generally follow a cause and an application therefor.
686. Bonds instead of injunctions, where complainant grants licenses.
687. Where infringing machinery embodies non-infringing features, also in some other cases.
688. Bonds required from complainants in certain cases.
689. Injunctions not averted by the existence of a remedy at law.

690. Injunctions *pro confesso* on withdrawal of opposition to a motion for an injunction.
691. Discretion of the court in granting or refusing injunctions.
692. Motions to dissolve preliminary injunctions.
693. Motions to dissolve for errors in point of law.
694. Motions to dissolve on account of newly discovered evidence.
695. Reinstatement of dissolved injunctions.
696. Consequences of obedience or disobedience to injunctions which are subsequently dissolved.
- 696*a*. Appeals from preliminary injunctions.
697. Permanent injunctions.
698. Refusal of permanent injunction, because the patent has expired.
699. Because the complainant has assigned the patent.
700. Because the defendant is dead, or, if a corporation, is dissolved.
701. Cessation of infringement no ground for refusal to enjoin.
- 701*a*. Not refused because of non-use of the patent.
702. Postponement of permanent injunctions.
703. Suspension of permanent injunctions pending appeals therefrom.
704. Dissolution of permanent injunctions.
705. Injunctions granted independent of other relief, and against complainants in certain cases.
706. The duration of injunctions generally limited by the term of the patent.
707. Territorial scope of injunctions.
708. Attachments for contempt.
709. Improper defences to motions for attachments.
710. Penalties for violations of injunctions.

§ 658. JURISDICTION to grant injunctions to prevent the violation of patent rights, is conferred by statute upon the same courts that are vested with common-law jurisdiction in patent cases.¹ The statute provides that the jurisdiction shall be exercised according to the course and principles of courts of equity, and upon such terms as the court may deem reasonable. This twofold provision indicates the sources from which the existing rules ap-

¹ Revised Statutes, Section 4921.

plicable to such cases were drawn. They were drawn from the ordinary course and principles of courts of equity, and from a reasonable contemplation of the peculiar circumstances which attend patent rights and patent litigation. Some of those rules relate only to preliminary injunctions, and others relate to permanent injunctions alone; and the residue are equally applicable to both. It is the plan of this chapter to explain those three classes of rules, and to show how all of them combined make up a system which may guide the judicial discretion in nearly every variety of circumstances.

§ 658a. Whether or not an injunction that merely enjoins the defendant, for instance, from "making, using or selling devices embodying the constructions set forth, and claimed in the patent in suit" was ever sufficient in form, it probably ceased to be so on October 15, 1914, when the so-called Clayton law went into effect.² By Section 19 of that Act it is provided that:

"That every order of injunction or restraining order shall set forth the reasons for the issuance of the same, shall be specific in terms, and shall describe in reasonable detail, and not by reference to the bill of complaint or other document, the act or acts sought to be restrained, and shall be binding only upon the parties to the suit, their officers, agents, servants, employees and attorneys, or those in active concert or participating with them, and who shall, by personal service, or otherwise, have received actual notice of the same."

§ 659. A preliminary injunction is one which is granted after the filing of the bill, and before the case is ready to be decided in respect of its prayer for a permanent injunction,

² Federal Anti-Trust Act in effect October 15, 1914, Chap. 323, Section 19, 38 Statutes, page 730.

See *Lion Tractor Co. v. Bull Tractor Co.*, 231 F. R. 156, 1916.

or in respect of its prayer for profits or for damages. Where a preliminary injunction is granted, it is usually applied for before the filing of the answer; but it is often issued after that stage of the case; and sometimes even after the complainant has introduced all his *prima facie* evidence,³ and even after all the evidence has been taken, and an interlocutory hearing has been had upon the record of that evidence.⁴

Such an injunction may be dissolved at any time; and a motion to dissolve it may be made whenever an apparent cause for its dissolution becomes known to the party enjoined. If not sooner terminated by dissolution, or by a certain statutory limitation hereafter explained, such an injunction continues till the interlocutory decree; and then it is dissolved or is made permanent, according to the equities of the case as they appear at that time.

§ 660. As the practice was prior to the promulgation of the Equity Rules now in force, it was required that a bill of complaint, in order to lay the foundation for a preliminary injunction, should state the prior adjudication or acquiescence upon which the presumption of validity of the patent is based.⁵ It is surmised, however, that since the promulgation of the present Equity Rules whereby a bill of complaint becomes merely a statement of ultimate facts to be proved and charges of evidence are eliminated therefrom, that it would not only not be required that a bill of complaint set forth such adjudication or acquiescence but that such allegations in a bill of complaint would be improper and should appear only in the

³ Union Paper-Bag Machine Co. v. Newell, 11 Blatch. 550, 1874.

⁴ Cimiotti Unhairing Co. v.

American Fur Refining Co., 117 F. R. 623, 1902.

⁵ Parker v. Brant, 1 Fisher, 59, 1850; Wirt v. Hicks, 46 F. R. 71, 1891.

affidavits accompanying the motion. Such allegations are merely statements of evidence and pertinent only on a motion for preliminary injunction and even then only in so far as they indicate probable eventual success on the part of the plaintiff. They are not ultimate facts which form the basis of the plaintiff's case. While it is true that Equity Rule 25 requires that the bill shall include "a statement of" any special relief pending the suit, it is surmised that this would require a statement only of the ultimate facts which would entitle the plaintiff to relief *pendente lite*, as, for example, a statement of facts which would show that the plaintiff would be liable to irremediable injury if relief were not granted pending the suit. The bill must contain a specific prayer for an injunction pending the suit,⁶ and must conform to those requisites of bills in equity which are set forth in the 20th chapter of this book.

§ 661. Due notice of a motion for a preliminary injunction must be served on the party sought to be enjoined from infringing a patent, before that motion will be heard by the court. This rule formerly had a sufficient foundation in a statute of 1793, which provided that no writ of injunction should be granted in any case without reasonable previous notice to the adverse party, or his attorney, of the time and place of moving for the same.⁷ Portions of the section which contained that provision are embraced in the Revised Statutes,⁸ but that provision was omitted from those statutes, and was thereby repealed.⁹ But, by the Federal "Anti-Trust" Act of 1914, known as the Clayton Act,^{9a} the requirement was re-

⁶ Equity Rule 25.

⁷ 1 Statutes at Large, Ch. 22, Section 5, p. 334.

⁸ Revised Statutes, Sections 716 and 720.

⁹ Revised Statutes, Section 5596.

^{9a} Act of Oct. 15, 1914, Chap. 323, Section 17, 38 Stat. 730.

stored not only as to preliminary injunctions but as to restraining orders, unless it appear that immediate and irreparable damage will ensue if the restraining order is not granted immediately.

The Revised Statutes provide that the Supreme Court shall have power to prescribe from time to time, and in any manner not inconsistent with any law of the United States, the modes of proceeding to obtain relief in suits in equity in the Circuit and District Courts.¹⁰ In pursuance of this authority, the Supreme Court has prescribed an elaborate code of rules of practice for the courts of equity of the United States. Rule 73 of that series provides that preliminary injunctions shall be grantable only upon due notice to the other party. And there is a similar provision as to restraining orders unless immediate and irreparable loss or damage would ensue before the matter could be heard on notice.¹¹ Formerly notice was required only in the case of "special" injunctions.¹² The requirements of the statute are therefore substantially the same as those of the Equity Rules.

§ 662. A motion for a preliminary injunction is heard on *ex parte* affidavits.¹³ The complainant's affidavits in chief must show all the facts which are necessary to *prima facie* entitle him to such an injunction.¹⁴ The defendant's affidavits must state all the facts upon which he bases his defence to the motion, and if those statements are by way of traverse, no further affidavits are admitted on the hearing; but if they are by way of confession and avoidance, the complainant is permitted to read affidavits in

¹⁰ Revised Statutes, Section 917; *Orr v. Littlefield*, 1 Woodbury & Minot, 19, 1845.

¹¹ Equity Rule 73.

¹² Former Equity Rule 55.

¹³ *Grover & Baker Sewing Machine Co. v. Williams*, 2 Fisher, 133, 1860.

¹⁴ *Union Paper-Bag Machine Co. v. Binney*, 5 Fisher, 167, 1871.

reply, but to that reply no rejoinder from the defendant is ever allowed.¹⁵

The complainant's bill, if sworn to, may be used as an affidavit;¹⁶ and so also may the defendant's answer, if it is on file when the motion for a preliminary injunction is heard.¹⁷ But answers are commonly and properly drawn in such general terms, that they are of minor importance as defences to such motions, even where they are well concerted as pleadings. For example, where the answer says, on the question of infringement, that the defendant never made, used or sold any specimen of the patented thing and where the affidavits of the complainant contain a description of what the defendant has done, and contain proper expert testimony showing that those doings constitute infringement of the patent, the general denial of the answer will go for naught, on the hearing of a preliminary injunction.¹⁸ The statements of the complainant's affidavits in chief are taken on the hearing to be true, so far as they are uncontradicted by the affidavits of the defendant;¹⁹ and the affidavits of the defendant are taken to be true, so far as they are consistent with the complainant's affidavits in chief, and are not contradicted by his affidavits in reply.²⁰

All affidavits to be used to support, or to oppose, a motion for a preliminary injunction ought to be served on the opposite counsel a reasonable time before the motion is argued. Where that is not done, the court may reject the affidavits, or, at its discretion, may allow them

¹⁵ *Day v. Car-Spring Co.*, 3 Blatch. 154, 1854; *Rogers v. Abbot*, 4 Washington, 514, 1825.

¹⁶ *Young v. Lippman*, 9 Blatch. 277, 1872.

¹⁷ *Parker v. Brant*, 1 Fisher, 58, 1850.

¹⁸ *Ely v. Mfg. Co.*, 4 Fisher, 64, 1860.

¹⁹ *Wells v. Gill*, 6 Fisher, 89, 1872.

²⁰ *Cooper v. Mattheys*, 3 Penn. Law Journal Reports, 40, 1842.

to be read, giving the opposite party the option to proceed with the hearing, or to take time to examine the affidavits, and where they admit of reply, to take other affidavits for that purpose.²¹

§ 663. Where, on the hearing of a motion for a preliminary injunction, the complainant's moving papers are found to lack a necessary point which is presumably capable of being supplied, the court may suspend the motion to enable the complainant to supply it.²² And the complainant may withdraw his motion at any time before it would otherwise be decided; even where the defendant objects to that withdrawal, and the complainant does not permanently relinquish his contention.²³

If, when the recently repealed equity rules were in force, a demurrer was on file in the case when a motion for a preliminary injunction came on to be heard, the demurrer was first heard and disposed of, even though that proceeding necessitated a postponement of the hearing of the motion. But if the demurrer was overruled, the defendant in order to secure leave to contest the motion further was required to file an affidavit that the demurrer was not filed for the purpose of delay, and was required to give security to pay the complainant the amount of any money decree to which the delay consequent upon the demurrer might afterward be found to entitle him.²⁴ The equity rules enforced February 1, 1913, do not appear to have wrought any changes which will call for any different practice in the case of a motion to dismiss than as formerly existed in the case of a demurrer.

²¹ *Sterrick v. Pugsley*, 1 Central Law Journal, 106, 1874.

²² *Hodge v. Railroad Co.*, 6 Blatch. 85, 1868.

²³ *Sprague Electric Motor Co.*

v. Steel Motor Co., 105 F. R. 959, 1898.

²⁴ *Woodworth v. Edwards*, 3 Woodbury & Minot, 131, 1847.

§ 664. A temporary restraining order may be made by the court, where there appears to be danger of irreparable injury from delay, whenever notice is given of a motion for a preliminary injunction; and formerly such an order could be granted with or without security, in the discretion of the court, or judge.²⁵ Since the Clayton Act²⁶ went into effect, however, security must be required as a condition of granting either a restraining order or a temporary injunction. Where defendant denies infringement since the beginning of the suit, and states that he has abandoned infringement and will not further infringe, danger of irreparable injury is not shown.²⁷

§ 665. In deciding whether a complainant at bar has made out a *prima facie* case for a preliminary injunction to restrain infringement of a patent, the judge is guided by the presence or absence of two presumptions and one certainty. Those presumptions relate to the validity of the patent and to the defendant's infringement thereof, and that certainty relates to the complainant's title thereto. If that certainty or either of those presumptions is absent in a given case, no preliminary injunction will be granted except in unusual circumstances;²⁸ but such a writ will be granted where they are all present, unless the defendant interposes some good defence to the motion, or unless the court takes a bond from the defendant, instead of subjecting him to an injunction. A preliminary injunction will not be granted when defendant is responsible, and a substantial doubt of infringement exists, or where the complainant's right is doubtful.²⁹

²⁵ Revised Statutes, Section 718.

²⁶ Act October 15, 1914, Chap. 323, Sec. 18, 38 Statutes 730.

²⁷ *Silver & Co. v. Eustis Mfg. Co.*, 130 F. R. 348.

²⁸ *McMaster v. Daugherty Mfg. Co.*, 219 F. R. 219, 1914; *Standard Typewriter Co. v. Standard F. T. S. Co.*, 181 F. R. 500.

²⁹ *Hallock v. Babcock*, 124 F. R. 226, 1903.

A special presumption that the patent is valid, lies at the foundation of a patentee's right to a preliminary injunction.³⁰ That presumption does not arise out of the unattended letters patent,³¹ but will always exist where the patent has been suitably adjudicated in a Federal court, and there held to be valid;³² or where the validity of the patent has been suitably acquiesced in by the public;³³ or where the defendant at bar has allowed a decree *pro confesso* to be taken against him;³⁴ or where the defendant does not deny the validity of the patent;³⁵

³⁰ *Edward Barr Co. v. Sprinkler Co.*, 32 F. R. 80, 1887.

³¹ *Foster v. Crossin*, 23 F. R. 401, 1885; *Dickerson v. Machine Co.*, 35 F. R. 145, 1888; *Standard Elevator Co. v. Crane Elevator Co.*, 56 F. R. 719, 1893; *Smith v. Meriden Britannia Co.*, 92 F. R. 1003, 1899; *Planters' Compress Co. v. Moore & Sons' Co.*, 106 F. R. 500, 1901; *Brunswick-Balke-Collender Co. v. Koehler & Hinrichs*, 115 F. R. 649, 1902; but see *Palmer v. Wilcox Mfg. Co.*, 141 F. R. 378, 1905, where, however, the prior art appears not to have been shown.

³² *Orr v. Littlefield*, 1 Woodbury & Minot, 13, 1845; *Edison Electric Light Co. v. Beacon Electrical Co.*, 54 F. R. 679, 1893; *Thomson-Houston Electric Co. v. Ohio Brass Co.*, 78 F. R. 141, 1896; *Societe Anonyme v. Allen*, 84 F. R. 823, 1897; *Adam v. Folger*, 120 F. R. 261, 1903; *Leeds & Catlin v. Victor Talking Machine Co.*, 213 U. S. 301, 1909.

Contra, where a weak defense was made in the prior suit, the defendant having little interest in the outcome, and the issue of validity was not seriously contested. *Silver & Co. v. Eustis Mfg. Co.*, 130 F. R. 348, 1904; *Diamond Match Co. v. Union Match Co.*, 129 F. R. 602, 1904.

³³ *Goodyear v. Railroad Co.*, 1 Fisher, 626, 1853; *American Middlings Purifier Co. v. Christian*, 3 Bann. & Ard. 48, 1877; *White v. Surdam*, 41 F. R. 791, 1890; *White v. Hunter*, 47 F. R. 819, 1891; *Sessions v. Gould*, 49 F. R. 856, 1892; *Palmer v. Mills*, 57 F. R. 222, 1893; *Corser v. Overall Co.*, 59 F. R. 781, 1893; *Silver & Co. v. Eustis Mfg. Co.*, 130 F. R. 348, 1904; *Crescent Specialty Co. v. National Fireworks Distributing Co.* (stating the rule in the sixth circuit), 219 F. R. 130, 1915.

³⁴ *Schneider v. Bassett*, 13 F. R. 351, 1882.

³⁵ *Sickles v. Mitchell*, 3 Blatch. 548, 1857; *New York Grape*

or where he is estopped from doing so; ³⁶ and that presumption will sometimes exist where the patent has successfully undergone an interference or other contested proceeding in the Patent Office.³⁷

§ 666. An adjudication in another case, in order to furnish a suitable foundation for a right to a preliminary injunction, must have resulted in favor of the patent in a regular hearing in equity, or on the trial of an action at law.³⁸ Of these, the former raises the stronger presumption,³⁹ but most of the considerations which apply to it, apply also to the latter. An interlocutory decree in another case is as good a foundation for a right to an injunction as a final decree would be; ⁴⁰ because an interlocutory decree settles all pending questions of validity, and a final decree merely reiterates its conclusions on that point. An adjudication of a prior suit based on the first term of a patent, may be made the foundation of a right to a preliminary injunction to restrain infringement of an extended term of the same patent.⁴¹ But no adjudication of a suit based on an original patent, can be invoked as a basis for a preliminary injunction to restrain infringement of any new claim contained in a reissue thereof.⁴² Though an injunction in favor of one claim of a patent is a basis for

Sugar Co. v. American Grape Sugar Co., 10 F. R. 835, 1882.

³⁶ *Time Telegraph Co. v. Himmer*, 19 F. R. 322, 1884.

³⁷ *Pentlarge v. Beeston*, 14 Blatch. 354, 1877; *Smith v. Halkyard*, 16 F. R. 414, 1883; *Consolidated Apparatus Co. v. Brewing Co.*, 28 F. R. 428, 1886; *Minneapolis Harvester Works v. Machine Co.*, 28 F. R. 565, 1886; *Dickerson v. Machine Co.*, 35 F. R. 147, 1888.

³⁸ *Doughty v. West*, 2 Fisher, 559, 1865.

³⁹ *Goodyear v. Mullee*, 3 Fisher, 420, 1868; *Panoulias v. Hawley*, 178 F. R. 101, 1910.

⁴⁰ *Potter v. Fuller*, 2 Fisher, 251, 1862.

⁴¹ *Clum v. Brewer*, 2 Curtis, 507, 1855; *Tilghman v. Mitchell*, 4 Fisher, 615, 1871.

⁴² *Poppenhusen v. Falke*, 2 Fisher, 181, 1861.

a preliminary injunction on another claim, specifying the same invention in narrower terms.⁴³

Where the prior adjudication was that of the Supreme Court or of a Circuit Court of Appeals, it is conclusive of the questions it covered;⁴⁴ and where the prior adjudication was that of a Circuit or District Court, it will be followed, unless it is inconsistent with some other decision of equal or higher rank;⁴⁵ and a verdict of a jury, which is supplemented by a refusal to grant a new trial, and by the entry of a judgment thereon, has the same weight as an adjudication in equity.⁴⁶ But a prior adjudication of a court of some foreign nation or dominion, is not controlling, though it is entitled to fair consideration as embodying the opinion of a judicial tribunal.⁴⁷ And where the prior adjudication was based upon an estoppel,⁴⁸ or upon some other ground than recognized validity of the patent,⁴⁹ or upon consent,⁵⁰ it does not constitute any ground for a preliminary injunction against another defendant.

It is the established practice in the second circuit to refuse a preliminary injunction in the absence of proof of prior adjudication or public acquiescence when there

⁴³ *Sawyer Spindle Co. v. Taylor*, 56 F. R. 110, 1893.

⁴⁴ *American Bell Telephone Co. v. McKeesport Tel. Co.*, 57 F. R. 661, 1893; *Edison Electric Light Co. v. Philadelphia Trust Co.*, 60 F. R. 397, 1894; *Interurban Ry. & Terminal Co. v. Westinghouse Electric & Mfg. Co.*, 186 F. R. 166, 1911.

⁴⁵ *Pullman Palace Car Co. v. Wagner Palace Car Co.*, 44 F. R. 765, 1891; *Wilgus v. Van Sickle*, 99 F. R. 443, 1900.

⁴⁶ *Woodard v. Gas-Stove Co.*, 68 F. R. 717, 1895.

⁴⁷ *Carter v. Wollschlaeger*, 53 F. R. 575, 1892.

⁴⁸ *Ney Mfg. Co. v. Drill Co.*, 56 F. R. 153, 1893.

⁴⁹ *Empire State Nail Co. v. Button Co.*, 61 F. R. 650, 1894.

⁵⁰ *New York Button Works v. Crescent Button Co.*, 185 F. R. 820, 1910.

See Section 672.

is any fair question as to invention, anticipation, construction, infringement,⁵¹ or title.⁵² But the fact that no prior adjudication or public acquiescence is shown is not ground for refusing the injunction where there is no substantial question as to validity.⁵³ The rules governing the granting of preliminary injunctions in the sixth circuit are set forth in the case of *City of Grand Rapids v. Warren Bros. Co.*⁵⁴

§ 667. Public acquiescence sufficient to create a presumption of validity, and therefore sufficient to furnish a foundation for a right to a preliminary injunction, may arise out of either of two classes of facts. It may arise where the patentees made and sold specimens of the patented article for many years, during which no other person assumed to make any such specimens;⁵⁵ or it may arise where the patentee long licensed others to make, use, or sell such specimens, while nobody assumed to do either without such a license from him; and the acquiescence is quite as positive in this case as in the other.⁵⁶ But acquiescence in exclusive use of a thing which contains several patented inventions, does not raise a special presumption

⁵¹ *Newhall v. McCabe Hanger Mfg. Co.*, 125 F. R. 919, 1903; *Standard Plunger Elevator Co. v. Stokes*, 196 F. R. 47, 1912.

⁵² *Armat Moving Picture Co. v. Edison Mfg. Co.*, 125 F. R. 939, 1903; *Alphons Custodie, etc., Co. v. Heinicke*, 135 F. R. 552, 1904.

⁵³ *Hall Signal Co. v. General Ry. Signal Co.*, 153 F. R. 907, 1907; *Lambert Snyder Vibrator Co. v. Marvel Vibrator Co.*, 138 F. R. 82, 1905; *Boyce v. Stewart-Warner Speedometer Corporation*, 220 F. R. 118, 1914.

⁵⁴ *City of Grand Rapids v. Warren Bros. Co.*, 196 F. R. 892, 1912.

⁵⁵ *Sargent v. Seagrave*, 2 Curtis, 557, 1855; *Covert v. Curtis*, 25 F. R. 43, 1885; *National Typographic Co. v. New York Typograph Co.*, 46 F. R. 116, 1891; *Blount v. Societe*, 53 F. R. 102, 1892; *Crescent Specialty Co. v. National Fireworks Distributing Co.*, 219 F. R. 130, 1915.

⁵⁶ *Thomson Electric Welding Co. v. Two Rivers Mfg. Co.*, 63 F. R. 121, 1894.

of validity in favor of any particular one of the patents involved; ⁵⁷ and when acquiescence stops for good reasons, the special presumption of validity which rested upon it comes also to an end; ⁵⁸ and mere manufacture and sale of a patented article does not constitute acquiescence in the patent which claims it. ⁵⁹

§ 668. The length of time necessary to make exclusive possession, of the first sort, available on a motion for a preliminary injunction, depends upon the nature of the invention, and on the extent to which a good invention of the sort would naturally be used if it were free to the public; and upon the popularity of that particular invention with that part of the public likely to want an article of that kind. ⁶⁰ Where nobody but the patentee had any use for the article during the time of the alleged acquiescence, or where its merits were prized so low that nobody else cared to adopt it; no lapse of time has any tendency to raise a presumption that the patent is valid. ⁶¹ Acquiescence in claims which nobody cared to dispute when the acquiescence occurred, has no tendency to show that those claims are valid. ⁶²

But where all persons, other than the owner of the patent, refrain from making, using, or selling specimens of the patented article merely because it is patented, and notwithstanding it would otherwise be for their interest to adopt it, their acquiescence shows their conviction that

⁵⁷ *Upton v. Wayland*, 36 F. R. 691, 1888; *Geo. Ertel Co. v. Stahl*, 65 F. R. 521, 1895; *Welsbach Light Co. v. Benedict & Burnham Mfg. Co.*, 82 F. R. 748, 1897.

⁵⁸ *Wollensak v. Sargent*, 33 F. R. 843, 1888.

⁵⁹ *Geo. Ertel Co. v. Stahl*, 65 F. R. 521, 1895.

⁶⁰ *Doughty v. West*, 2 Fisher, 559, 1865.

⁶¹ *Raymond v. Woven Hose Co.*, 39 F. R. 366, 1889; *Consolidated Fastener Co. v. American Fastener Co.*, 94 F. R. 523, 1899.

⁶² *Geo. Ertel Co. v. Stahl*, 65 F. R. 521, 1895.

the patent is valid;⁶³ a conviction presumably based on inquiry, because persons are not likely to acquiesce in adverse rights without any investigation of their soundness.⁶⁴ In a case of the latter sort, any acquiescence which is shown by lapse of time to be general and to be genuine, will be sufficient to sustain a preliminary injunction.⁶⁵ Two years have been found to be ample in a case where the patentee made and sold 105,000 specimens of his patented apple-paring machine during that time,⁶⁶ and in another case, eight years, in which the patentee made and sold 150 specimens of his patented machine for cutting leather for shoe soles, were held to be sufficient.⁶⁷

§ 669. The length of time necessary to make exclusive possession, of the second sort, available on a motion for a preliminary injunction will depend largely upon whether the licenses granted, were granted in consideration of the payment of substantial royalties, or for such an insignificant price as indicates that they were issued for the sole purpose of raising a presumption of public acquiescence. In the former case, it is safe to assume that sales of licenses will be quite as rapidly efficacious in the desired direction as sales of specimens of the patented invention;⁶⁸ while in the latter case, a long and genuine payment of royalties will be necessary to give the licenses any importance in respect of preliminary injunctions against third parties.

⁶³ *National Typographic Co. v. New York Typograph Co.*, 46 F. R. 116, 1891; *Kearsbey & Matison Co. v. Philip Carey Mfg. Co.*, 110 F. R. 747, 1901.

⁶⁴ *Grover & Baker Sewing Mach. Co. v. Williams*, 2 Fisher, 134, 1860.

⁶⁵ *Orr v. Littlefield*, 1 Woodbury & Minot, 17, 1845.

⁶⁶ *Sargent v. Seagrave*, 2 Curtis, 557, 1855.

⁶⁷ *Foster v. Moore*, 1 Curtis, 279, 1852.

⁶⁸ *Grover & Baker Sewing Mach. Co. v. Williams*, 2 Fisher, 138, 1860.

§ 670. Public acquiescence is strengthened rather than weakened, as a foundation to a right to a preliminary injunction, by the fact that some persons for a while refused to join in it, but on receiving further information, submitted to the exclusive right claimed by the patentee. Such a submission is generally the most persuasive degree of acquiescence,⁶⁹ and is certainly so where the submission was costly to him who submitted.⁷⁰ Nor is universal acquiescence necessary to be shown as existing at the time of the motion; for if it were necessary and were shown, it would prove that the defendant himself is not infringing the patent, and thus negative that part of the foundation of the case.⁷¹

But a preliminary injunction will not be granted on any basis of acquiescence, where the defendant has been long in possession and use of the invention, adverse to the claim of the complainant, and under a claim and color of right.⁷² In fact it may be stated as a general proposition that, although validity and infringement be proven, the court will consider the relative benefits to the parties, and when the injury likely to be inflicted on the defendant is pronouncedly greater than the benefits to be derived by the plaintiff by the issuance of the injunction, the injunction will be denied.⁷³ No acquiescence in an original patent can be made the basis of a right to a preliminary injunction to restrain infringement of any claim in a reissue of that patent, unless that claim was also contained

⁶⁹ *Sargent v. Seagrave*, 2 Curtis, 556, 1855; *Carter v. Wollschlaeger*, 53 F. R. 576, 1892.

⁷⁰ *Corbin Lock Co. v. Yale & Towne Mfg. Co.*, 58 F. R. 565, 1893.

⁷¹ *McComb v. Ernest*, 1 Woods,

206, 1871; *McDowell v. Kurtz*, 77 F. R. 208, 1896.

⁷² *Isaacs v. Cooper*, 4 Washington, 259, 1821.

⁷³ *Kryptok Co. v. Stead Lens Co.*, 190 F. R. 767, 1911; *City of Grand Rapids v. Warren Bros. Co.*, 196 F. R. 892, 1912.

in the original.⁷⁴ But where some applicable acquiescence is proved, it would be strengthened, as a foundation for a preliminary injunction, by the fact that it has been tried as such a foundation in another case, by basing a preliminary injunction upon it.⁷⁵

§ 671. A decree *pro confesso* entered in a case, raises a sufficient presumption of the validity of the patent to support a right to a preliminary injunction in that case;⁷⁶ but there is no ground for giving such a decree such an operation in any case against another defendant.⁷⁷

§ 672. A consent decree is one which is entered by the consent of both parties, when the defendant is not in default, and before the judge has decided the case on its merits. A consent decree in a patent case can never be a proper foundation for a right to a preliminary injunction against third persons; unless it appears from the nature of the patented thing, or from convincing evidence, that the defendant consented to the decree because his defence had become hopeless, and not because it had become inexpedient regardless of its strength. This can seldom or never be shown, because the motive of the consenting defendant can seldom or never be known. Consent decrees are therefore useless on motions for preliminary injunctions, against anyone other than the consenting defendant, or someone in privity with him.⁷⁸

⁷⁴ Grover & Baker Sewing Mach. Co. v. Williams, 2 Fisher, 144, 1860.

⁷⁵ Blount v. Societe, 53 F. R. 102, 1893; Carter v. Wollschlaeger, 53 F. R. 575, 1892; Carter-Crume Co. v. Ashley, 68 F. R. 379, 1895.

⁷⁶ Schneider v. Bassett, 13 F. R. 351, 1882.

⁷⁷ Everett v. Thatcher, 3 Bann.

& Ard. 437, 1878; American Electrical Novelty Co. v. Newgold, 99 F. R. 567, 1900.

⁷⁸ Spring v. Domestic Sewing Machine Co., 4 Bann. & Ard. 427, 1879; Hayes v. Leton, 5 F. R. 521, 1881; De Ver Warner v. Bassett, 7 F. R. 468, 1881; Keyes v. Refining Co., 31 F. R. 561, 1887; Wollensak v. Sargent, 33 F. R.

§ 673. Where a defendant admits or does not deny in his pleadings, the validity of the patent upon which a preliminary injunction is sought against him, there seems to be no reason why such an admission or lack of denial should not raise a sufficient presumption of that validity to furnish a foundation to a right to a preliminary injunction in that case.⁷⁹ As between the parties to a motion, the court may properly assume every statement of fact to be true which is made by the complainant, and expressly or tacitly admitted by the defendant. And where the validity of a patent is disputed on no ground, except one which is susceptible of an immediate and correct decision, such a decision may be made on a motion for a preliminary injunction, and may result in the granting of the injunction, if the decision is favorable to the patent.⁸⁰

§ 674. An interference decision of the Patent Office raises a sufficient presumption of validity to furnish a foundation for a preliminary injunction, where the defendant is the person, or the legal representative or assignee of the person who was defeated in the interference, and where he denies the validity of the patent on no other ground than that the decision of the Patent Office on the question of priority in the interference was wrong.⁸¹ But such an interference decision cannot be invoked against

843, 1888; *Tibbe Mfg. Co. v. Heineken*, 37 F. R. 686, 1889; *Bowers Dredging Co. v. New York Dredging Co.*, 77 F. R. 984, 1896; *Western Electric Co. v. Williams-Abbott Electric Co.*, 83 F. R. 842, 1897; *Earll v. Rochester S. & E. R. Co.*, 157 F. R. 241, 1907.

See Section 666.

⁷⁹ *New York Grape Sugar Co.*

v. American Grape Sugar Co., 10 F. R. 835, 1882; *Lane v. Levi*, 104 O. G. 1899, 1903.

⁸⁰ *Foster v. Crossin*, 23 F. R. 400, 1885.

⁸¹ *Pentlarge v. Beeston*, 14 Blatch. 354, 1877; *Holliday v. Pickhardt*, 12 F. R. 147, 1882; *Perfection Cooler Co. v. Rose Mfg. Co.*, 175 F. R. 120, 1909.

third parties, because it does not rise to the dignity and force of an adjudication of a court,⁸² unless the question of priority as between the two patents at issue in the interference is the only question at issue in the suit.⁸³ However, a decision of the Court of Appeals of the District of Columbia on an appeal from a decision of the Commissioner of Patents in an interference establishes a primary case of validity on a motion for a preliminary injunction even as against third parties.⁸⁴ But an interference decision cannot be invoked as against any defence not involved in it, because it has no relevancy to any such defence.⁸⁵ And where the defeated party in the interference, contended in the Patent Office that the patent should not issue to the other party, because the invention was in public use or on sale in this country, more than two years before that party filed his application, the decision of the Patent Office to the contrary, does not raise a sufficient presumption of validity to furnish a foundation for a preliminary injunction against anyone.⁸⁶

§ 675. The complainant's title to the patent upon which a preliminary injunction is asked must be clear, or the injunction will be refused.⁸⁷ The best evidence of that title is found in the patent, if the complainant is the pat-

⁸² *Edward Barr Co. v. Sprinkler Co.*, 32 F. R. 80, 1887; *Western Electric Co. v. Williams-Abbott Electric Co.*, 83 F. R. 842, 1897; *Wilson v. Consolidated Store Service Co.*, 88 F. R. 288, 1898; *Westinghouse Elec., etc., Co. v. Roberts*, 125 F. R. 6, 1903; *Hildreth v. Curtis & Son Co.*, 157 F. R. 394, 1907.

⁸³ *Laas v. Scott*, 145 F. R. 195, 1906; *Automatic Racking Mach.*

Co. v. White Racker Co., 145 F. R. 643, 1906.

⁸⁴ *Scott v. Laas*, 150 F. R. 764, 1907.

⁸⁵ *Greenwood v. Bracher*, 1 F. R. 856, 1880.

⁸⁶ *Empire State Nail Co. v. American Button Co.*, 61 F. R. 650, 1894.

⁸⁷ *Mowry v. Railroad Co.*, 5 Fisher, 587, 1872.

entee; but if he is an assignee or grantee of the patentee, he must produce and prove the original assignments or grants which constitute his title, or otherwise prove his ownership.⁸⁸ Where the complainant's title papers require judicial construction, in order to determine their legal effect, it is the duty of the court to give them that construction upon a motion for a preliminary injunction, rather than to postpone the question to a final hearing, unless it is made to appear that evidence *aliunde* is necessary to their proper interpretation.⁸⁹

§ 676. Infringement or danger of infringement by the defendant must be clearly proved by a complainant, in order to entitle him to a preliminary injunction.⁹⁰ Danger of infringement can be proved by evidence that the defendant has advertised infringing articles for sale;⁹¹ and also by evidence that he has in his possession, articles the use of which would infringe the patent on which the suit is based. The first of these items of evidence is conclusive; but the second can be counteracted by proof that there is no intention and no prospect of using or selling the articles in this country, at any time during the life of the patent.

⁸⁸ Section 495 of this book.

⁸⁹ *Clum v. Brewer*, 2 Curtis, 507, 1855; *Dodge v. Card*, 2 Fisher, 116, 1860.

⁹⁰ *Pullman v. Railroad Co.*, 5 F. R. 72, 1880; *California Electrical Works v. Henzel*, 48 F. R. 377, 1891; *Standard Elevator Co. v. Crane Elevator Co.*, 56 F. R. 719, 1893; *Brush Electric Co. v. Storage Battery Co.*, 64 F. R. 776, 1894; *Gec. Ertel Co. v. Stahl*, 65 F. R. 518, 1895; *Western Telephone Construction Co. v. Stromberg*, 66 F. R. 551, 1895;

Bowers Dredging Co. v. New York Dredging Co., 80 F. R. 120, 1897; *Hatch Storage Battery Co. v. Electric Storage Battery Co.*, 100 F. R. 976, 1900; *Chester Forging Co. v. Tindal-Morris Co.*, 165 F. R. 899, 1908.

⁹¹ *California Electrical Works v. Henzel*, 48 F. R. 377, 1891; *New York Belting Co. v. Gutta Percha Mfg. Co.*, 56 F. R. 264, 1892; *Sessions v. Gould*, 49 F. R. 856, 1892; *Thomson-Houston Electric Co. v. Ohio Brass Co.*, 78 F. R. 139, 1896.

And danger of infringement is not proved by evidence that the defendant made, used or sold specimens of the subject of the patent, before the patent was granted.⁹² A single sale made under circumstances which indicate a readiness to make other similar sales upon application is sufficient to make out a *prima facie* case of intent which will justify the issuance of an injunction.⁹³

It must also appear that irreparable injury to the complainant will result from infringement if it be continued during the pendency of the suit, and the fact that the defendant is a mere user tends strongly to negative such a possibility.⁹⁴

Proof of infringement cannot be made by affidavits which merely state that conclusion of fact. The complainant must prove the specific character of the defendant's doings.⁹⁵ Upon that evidence the court will examine and decide the question of infringement in the light of whatever expert testimony the case may contain,⁹⁶ and in the light of whatever construction of the patent it finds on examination to be just;⁹⁷ and that construction will generally be guided and governed by the construction which was given to the patent in the adjudicated case upon which the special presumption of validity is based,⁹⁸ and where the facts are substantially the same in the two cases, the former decision will be followed.⁹⁹ But where

⁹² Brill *v.* St. Louis Car Co., 80 F. R. 910, 1897.

⁹³ Hutter *v.* DeQ. Bottle Stopper Co., 128 F. R. 283, 1904.

⁹⁴ Jefferson Electric Light, etc., Co. *v.* Westinghouse Electric, etc., Co., 134 F. R. 392, 1905.

⁹⁵ Kirby Bung Mfg. Co. *v.* White, 1 McCrary, 160, 1880.

⁹⁶ Blanchard *v.* Reeves, 1 Fisher, 105, 1850.

⁹⁷ Many *v.* Sizer, 1 Fisher, 33, 1849; Clum *v.* Brewer, 2 Curtis, 507, 1855; Coburn *v.* Clark, 15 F. R. 807, 1883.

⁹⁸ Mallory Mfg. Co. *v.* Hickok, 20 F. R. 116, 1884; Carter-Crume Co. *v.* Ashley, 68 F. R. 379, 1895.

⁹⁹ S. S. White Dental Mfg.

the question of infringement depends on a new and enlarged construction of the patent, a preliminary injunction will be denied.¹⁰⁰ And if the court is unable to arrive at a conclusion without the aid of further evidence, it will decline to grant the injunction till that evidence is supplied; ¹⁰¹ though it may require the defendant to give bonds and to keep an account of his doings which are alleged to infringe; ¹⁰² and the court will not grant a preliminary injunction where the question whether the defendant's doings constitute an infringement of the complainant's patent is a doubtful question.¹⁰³

In order to entitle the complainant to a preliminary injunction, it is not necessary for him to prove that the defendant's infringement has not ceased before the motion is heard.¹⁰⁴ Indeed, no injunction can usually be averted

Co. v. Johnson, 56 F. R. 263, 1893.

¹⁰⁰ Thomson-Houston Electric Co. v. Exeter Ry. Co., 110 F. R. 987, 1901.

¹⁰¹ United States Annunciator Co. v. Sanderson, 3 Blatch. 186, 1854; Howe v. Morton, 1 Fisher, 600, 1860; Boyd v. McAlpin, 3 McLean, 430, 1844; Carey v. Miller, 34 F. R. 392, 1888; Menasha Wood Split Pulley Co. v. Dodge, 85 F. R. 976, 1897.

¹⁰² Macbeth v. Lippencott Glass Co., 54 F. R. 167, 1893.

¹⁰³ Jenkins v. Ruberg, 39 F. R. 611, 1889; Russell v. Hyde, 39 F. R. 614, 1889; Boston Electric Co. v. Holtzer, 41 F. R. 390, 1890; Judson L. Thomson Mfg. Co. v. Hatheway, 41 F. R. 520, 1890; Celluloid Mfg. Co. v. Eastman

Dry Plate Co., 42 F. R. 159, 1890; Hammond Buckle Co. v. Goodyear Rubber Co., 49 F. R. 274, 1892; Williams v. McNeely, 56 F. R. 265, 1893; Brush Electric Co. v. Storage Battery Co., 64 F. R. 775, 1894; New York Air-Brake Co. v. Westinghouse Air-Brake Co., 69 F. R. 715, 1895; Bowers Dredging Co. v. New York Dredging Co., 77 F. R. 984, 1896; American Pneumatic Tool Co. v. Bigelow Co., 77 F. R. 991, 1897; National Folding-Box & Paper Co. v. Brown & Bailey Co., 98 F. R. 437, 1899; American Sulphite Pulp Co. v. Burgess Sulphite Fibre Co., 103 F. R. 981, 1900; Westinghouse Electric & Mfg. Co. v. American Transformer Co., 121 F. R. 560, 1903.

¹⁰⁴ Jenkins v. Greenwald, 2

by affirmative evidence that the defendant has ceased to infringe, even though coupled with a promise that he will infringe no more.¹⁰⁵ Where the doings of the defendant consisted in selling an article alleged to infringe the complainant's patent, it is immaterial to the motion for a preliminary injunction, whether the sale was made to some stranger, or was made to some agent of the complainant, who bought for the particular purpose of getting evidence of infringement.¹⁰⁶

Where an infringing act was done before the bill was filed, and a preliminary injunction was granted on account thereof; successive preliminary injunctions may be obtained on successive motions therefor, to suppress successive subsequent acts which also infringe, though those subsequent acts differed from what was done before the bill was filed. But where no act was done or was threatened before the bill was filed, which appears to the court to be an infringement of the patent on which the bill was based, no injunction will be granted on that bill, to suppress any doings begun after the beginning of the suit.¹⁰⁷

§ 677. The defences which a defendant may make to a motion for a preliminary injunction may be by way of traverse, or by way of confession and avoidance. A defence of the former sort consists in denying, and attempting to disprove, one or more of the facts which constitute

Fisher, 37, 1857; *Potter v. Crowell*, 3 Fisher, 112, 1866; *Goodyear v. Berry*, 3 Fisher, 439, 1868.

¹⁰⁵ *Rumford Chemical Works v. Vice*, 14 Blatch. 179, 1877; *Celuloid Mfg. Co. v. Mfg. Co.*, 34 F. R. 324, 1888; *Gilmore v. Anderson*, 38 F. R. 847, 1889; *White v. Walbridge*, 46 F. R. 526, 1891; *New York Filter Mfg. Co. v.*

Chemical Bldg. Co., 93 F. R. 827, 1899.

But see Section 701.

¹⁰⁶ *Chicago Pneumatic Tool Co. v. Philadelphia Pneumatic Tool Co.*, 118 F. R. 852, 1902.

¹⁰⁷ *Westinghouse Air-Brake Co. v. Christensen Engineering Co.*, 121 F. R. 558, 1903.

the complainant's *prima facie* case. A denial alone is useless, even where it is embodied in an answer.¹⁰⁸ Where the denial is supported by affidavits which contradict those of the complainant, the judge will refuse the injunction if he believes the defendant's affidavits to be the true ones, or if he is unable to decide which set of deponents tell the truth.¹⁰⁹ No remedy invoked in patent cases is so summary in operation, or so dangerous to justice as a preliminary injunction, and the courts will not apply that remedy to cases where the complainant's *prima facie* evidence of a right thereto, is overthrown or seriously damaged by the evidence of the defendant.¹¹⁰

§ 678. Defences by way of confession and avoidance to motions for preliminary injunctions, may confess and avoid the adjudication or acquiescence upon which the plaintiff bases the presumption of the validity of his patent; or may interpose any one of several facts entirely outside of the complainant's *prima facie* case.

§ 679. The effect of an adjudication may be averted by evidence of some good defence to the patent, together with evidence showing that defence not to have been interposed in the prior adjudicated case.¹¹¹ Several of

¹⁰⁸ *Clum v. Brewer*, 2 Curtis, 507, 1855.

¹⁰⁹ *Cooper v. Mattheys*, 3 Penn. Law Journal Reports, 40, 1842.

¹¹⁰ *Welsbach Light Co. v. Cosmopolitan Gaslight Co.*, 100 F. R. 650, 1900.

¹¹¹ *Parker v. Brant*, 1 Fisher, 58, 1850; *Union Paper-Bag Machine Co. v. Binney*, 5 Fisher, 168, 1871; *American Nicolson Pavement Co. v. Elizabeth*, 4 Fisher, 189, 1870; *Bailey Wringing Machine Co. v. Adams*, 3 Bann. & Ard. 97, 1877;

Goodyear v. Allyn, 6 Blatch. 35, 1868; *Robinson v. Randolph*, 4 Bann. & Ard. 163, 1879; *Page v. Telegraph Co.*, 18 Blatch. 125, 1880; *Ladd v. Cameron*, 25 F. R. 37, 1885; *Fraim v. Iron Co.*, 27 F. R. 457, 1886; *National Machine Co. v. Hedden*, 29 F. R. 149, 1886; *Glaenzer v. Wiederer*, 33 F. R. 583, 1887; *Holmes Protective Co. v. Alarm Co.*, 31 F. R. 562, 1887; *Travers v. Spreader Co.*, 35 F. R. 133, 1888; *Stuart v. Thorman*, 37 F. R. 90, 1888;

the lower courts and Circuit Courts of Appeals have held that such a new defence must be established beyond a reasonable doubt;¹¹² and a new defence, which cannot endure the application of what was decided in the adjudicated case, must fail to avert a preliminary injunction.¹¹³ But the effect of a prior adjudication may sometimes be averted by showing that it is inconsistent with a former decision of the court wherein the adjudged case is invoked,¹¹⁴ or by showing that the adjudged case has been again taken under advisement in pursuance of a motion for a rehearing,¹¹⁵ or has gone no further than a verdict of a jury which is still pending on a motion for a new trial,¹¹⁶ or has been taken to a higher court for review,¹¹⁷ or that a prior use not pleaded on the prior adjudication would have caused a contrary decision.¹¹⁸

Jacobson v. Alpi, 46 F. R. 767, 1891; *Carter v. Fry*, 54 F. R. 883, 1892; *Bowers v. San Francisco Bridge Co.*, 69 F. R. 644, 1895; *Societe Anonyme v. Allen*, 84 F. R. 823, 1897; *American Sulphite Co. v. Burgess Sulphite Fibre Co.*, 103 F. R. 981, 1900; *Brunswick-Balke-Collender Co. v. Koehler & Hinrichs*, 115 F. R. 648, 1902.

¹¹² *Accumulator Co. v. Storage Co.*, 53 F. R. 800, 1893; *Edison Electric Light Co. v. Beacon Electric Co.*, 54 F. R. 679, 1893; *Edison Electric Light Co. v. Electric Mfg. Co.*, 57 F. R. 616, 1893; *Electric Mfg. Co. v. Edison Electric Light Co.*, 61 F. R. 834, 1894; *Philadelphia Trust Co. v. Edison Electric Light Co.*, 65 F. R. 553, 1895; *Allington & Curtis Mfg.*

Co. v. Lynch, 71 F. R. 409, 1896; *Tannage Patent Co. v. Adams*, 77 F. R. 192, 1896; *Campbell Printing-Press Co. v. Prieth*, 77 F. R. 977, 1897; *Bowers v. Pacific Coast Co.*, 81 F. R. 569, 1897.

¹¹³ *Sawyer Spindle Co. v. Taylor*, 56 F. R. 110, 1892; *Westinghouse Electric & Mfg. Co. v. Royal Weaving Co.*, 115 F. R. 735, 1902.

¹¹⁴ *Pullman Palace Car Co. v. Wagner Palace Car Co.*, 44 F. R. 765, 1891.

¹¹⁵ *American Graphophone Co. v. Leeds*, 77 F. R. 193, 1896.

¹¹⁶ *Day v. Hartshorn*, 3 Fisher, 34, 1855.

¹¹⁷ *Bowers Dredging Co. v. New York Dredging Co.*, 77 F. R. 984, 1896.

¹¹⁸ *Gamewell Fire Alarm Tele-*

But courts will not always disregard adjudications which are thus suspended. They are a good foundation for preliminary injunctions, unless the defendant can convince the judge that they were wrong.¹¹⁹ The effect of a prior adjudication can sometimes be averted by showing that there has been an adjudication against the validity of the patent,¹²⁰ but not where it appears that the lost cause was decided on a part only of the material evidence;¹²¹ nor can such an effect be averted by showing that the validity of the patent is in question in some other case, which still awaits adjudication.¹²² Where the patent sued upon is a reissue of the one adjudicated, a substantial doubt of the validity of the reissue as a reissue, must be solved against a motion for a preliminary injunction.¹²³

§ 680. The effect of acquiescence, as a foundation for a preliminary injunction, may be averted by evidence that it was not general, or was not genuine: by proof that while some acquiesced in the patent, many others did not; or by proof that those who did acquiesce, did so collusively and not because they believed the patent to be invulnerable. And the effect of acquiescence may also be averted by evidence or arguments which clearly show that the patent is really invalid.¹²⁴

graph Co. *v.* Hackensack Improvement Commission, 199 F. R. 182, 1912.

¹¹⁹ *Forbush v. Bradford*, 1 Fisher, 317, 1858; *Day v. Hartshorn*, 3 Fisher, 32, 1855; *Morris v. Mfg. Co.*, 3 Fisher, 70, 1866; *Wells v. Gill*, 6 Fisher, 89, 1872.

¹²⁰ *Keyes v. Refining Co.*, 31 F. R. 560, 1887.

¹²¹ *United States Stamping Co. v. King*, 4 Bann. & Ard. 469, 1879.

¹²² *Atlantic Giant Powder Co. v. Goodyear*, 3 Bann. & Ard. 161, 1877; *Allington & Curtis Mfg. Co. v. Lynch*, 71 F. R. 411, 1896.

¹²³ *Poppenhusen v. Falke*, 2 Fisher, 181, 1861.

¹²⁴ *Bradley & Hubbard Mfg. Co. v. The Charles Parker Co.*, 17 F. R. 240, 1883; *Hat-Sweat Mfg. Co. v. Sewing Machine Co.*, 32 F. R. 403, 1887.

§ 681. The fact that the patent in suit will soon expire, is sometimes a reason for granting an injunction rather than a reason for refusing that remedy; ¹²⁵ and sometimes a reason for refusing, rather than granting such a writ.¹²⁶ The fact that the patent sued upon has been repealed, or that it has expired by its own limitation, or because of the expiration of some foreign patent for the same invention, is of course a good defence to a motion for a preliminary injunction; as also is any fact which overthrows the title of the complainant; or any fact which shows the conduct of the complainant or his privies to be unjustifiable in the eye of equity.¹²⁷ And an injunction will be denied when the patent in suit expired before the decision of the motion, though it had not expired when the motion for the injunction was made.¹²⁸

§ 682. A license is a good defence to a motion for a preliminary injunction; but where a license is disputed, it must be established by a preponderance of proof.¹²⁹ Where the question of license depends upon the construction of documents, the court will construe them on a motion for a preliminary injunction, unless it is made to appear that evidence exists, which is proper and necessary to be produced in order to enable the judge to arrive at the intention of the parties to an ambiguous instrument.¹³⁰ Where the license set up has been forfeited for non-payment of

¹²⁵ *American Bell Telephone Co. v. Brown Tel. Co.*, 58 F. R. 409, 1893; *Carter-Crume Co. v. Ashley*, 68 F. R. 379, 1895; *Woodward v. Gas Stove Co.*, 68 F. R. 717, 1895.

¹²⁶ *Vermilya v. Erie Railroad Co.*, 89 F. R. 96, 1898.

¹²⁷ *Western Union Telegraph*

Co. v. Telegraph Co., 25 F. R. 30, 1885.

¹²⁸ *Huntington Dry Pulverizer Co. v. Virginia-Carolina Chemical Co.*, 121 F. R. 136, 1902.

¹²⁹ *Armat Moving Picture Co. v. Edison Mfg. Co.*, 121 F. R. 559, 1902.

¹³⁰ *Hodge v. Railroad Co.*, 6 Blatch. 165, 1868.

the royalty, a preliminary injunction will be granted, in an otherwise proper case, unless the defendant pays that royalty within some reasonable time to be fixed by the court;¹³¹ and where it has been forfeited by a forbidden use of the patented thing, a preliminary injunction may be granted as to that use, but not as to the kind of use authorized by the license.¹³² The principle of these precedents appears to be that a preliminary injunction will not be used to enforce a forfeiture, when the doings which caused the forfeiture can be otherwise compensated. So, also, a preliminary injunction will be refused where the defendant had a license which he forfeited by omission to pay the royalty, if that omission was necessitated by bad faith on the part of the complainant.¹³³

§ 683. Estoppel is also a good defence to a motion for a preliminary injunction, and will prevail against a motion for that relief, upon the same facts that would make it prevail in an action at law.¹³⁴

§ 684. Laches is a good defence to a motion for a preliminary injunction;¹³⁵ and delay works laches, unless it is excused by some fact which renders it reasonable.¹³⁶ The delay which, if unexcused, works laches in respect of an application for a preliminary injunction, is that

¹³¹ *Woodworth v. Weed*, 1 Blatch. 165, 1846; *Goodyear v. Rubber Co.*, 3 Blatch. 455, 1856.

¹³² *Wilson v. Sherman*, 1 Blatch. 536, 1850.

¹³³ *Crowell v. Parmeter*, 3 Bann. & Ard. 480, 1878; *Washburn & Moen Mfg. Co. v. Barbed Wire Fence Co.*, 22 F. R. 712, 1884; *Washburn & Moen Mfg. Co. v. Scutt Co.*, 22 F. R. 710, 1884.

¹³⁴ Sections 467 to 469 of this book.

¹³⁵ *Hockholzer v. Eager*, 2 Sawyer, 363, 1873; *Keyes v. Refining Co.*, 31 F. R. 560, 1887; *Brush Electric Co. v. Storage Battery Co.*, 64 F. R. 777, 1894; *Empire Cream Separator Co. v. Sears, Roebuck & Co.*, 157 F. R. 238, 1907.

¹³⁶ *Wortendyke v. White*, 2 Bann. & Ard. 26, 1875; *Green v. French*, 4 Bann. & Ard. 169, 1879; *Collignon v. Hayes*, 8 F. R. 912, 1881.

which occurs after the infringement sued upon was committed,¹³⁷ and not any delay which occurred before that time. Delay after the infringement may occur before the suit is brought, or it may occur after that event, and before any motion is made for a preliminary injunction.

Three months' delay of the first kind, for which there was no particular excuse, and which caused no injury to the defendant, has been held not to constitute laches;¹³⁸ and in another case the delay of one year was likewise condoned.¹³⁹ In another case, eighteen months',¹⁴⁰ and in another two years',¹⁴¹ and in another three years',¹⁴² and in another five years',¹⁴³ and in another six years',¹⁴⁴ delay after the known beginning of infringement, and before the beginning of a suit, was held to constitute such laches as must defeat a motion for a preliminary injunction; and in still another case a delay of two years by the then owners of the patent, was held to preclude their assignees from obtaining a preliminary injunction.¹⁴⁵ Two years' delay to sue was excused in one case on the ground that the complainant was much occupied with other business during the time, and that he repeatedly notified the defendant to cease his infringing;¹⁴⁶ and in another case a delay of twenty-eight months was excused on the ground that during most of that time the infringe-

¹³⁷ *American Middlings Purifier Co. v. Christian*, 3 Bann. & Ard. 50, 1877.

¹³⁸ *Union Paper-Bag Machine Co. v. Binney*, 5 Fisher, 167, 1871.

¹³⁹ *Loring v. Booth*, 52 F. R. 151, 1892.

¹⁴⁰ *Hockholzer v. Eager*, 2 Sawyer, 363, 1873.

¹⁴¹ *Sperry v. Ribbans*, 3 Bann. & Ard. 261, 1878.

¹⁴² *Pope Mfg. Co. v. Johnson*, 40 F. R. 584, 1889.

¹⁴³ *Blakey v. Kurtz*, 78 F. R. 368, 1897.

¹⁴⁴ *Thomson-Houston Elec. Co. v. Wagner Elec. Co.*, 130 F. R. 902, 1904.

¹⁴⁵ *Spring v. Machine Co.*, 4 Bann. & Ard. 428, 1879.

¹⁴⁶ *Collignon v. Hayes*, 8 F. R. 912, 1881.

ment was so small as to be harmless, and was likely to continue so; ¹⁴⁷ but in another case four years' delay was held to be too long to be excused on that ground. ¹⁴⁸ The pendency of a test case under a patent is also a good excuse for delay in bringing actions against other infringers, when those other infringers interpose the defence of laches to a motion for a preliminary injunction. ¹⁴⁹

Two months' unexcused delay after a suit is begun, before a motion for a preliminary injunction is made, is fatal to such a motion, where the delay seriously misleads the defendant; ¹⁵⁰ and delay after a suit is begun will constitute such laches as will defeat an application for a preliminary injunction, if that delay continues till the defendant has closed his evidence for the interlocutory hearing of the case; ¹⁵¹ and still more strongly, when it continues till the case is about to be argued on the interlocutory hearing. ¹⁵²

§ 685. Where the complainant has made out a *prima facie* case for a preliminary injunction, and where the defendant has not overthrown that case, the court is generally bound to grant such an injunction, ¹⁵³ upon all or upon

¹⁴⁷ Accumulator Co. v. Edison Illuminating Co., 63 F. R. 979, 1894.

¹⁴⁸ Brush Electric Co. v. Storage Battery Co., 64 F. R. 777, 1894.

¹⁴⁹ Van Hook v. Pendleton, 1 Blatch. 187, 1846; Rumford Chemical Works v. Vice, 14 Blatch. 181, 1877; Green v. French, 4 Bann. & Ard. 169, 1879; Colgate v. Gold & Stock Telegraph Co., 4 Bann. & Ard. 425, 1879; Edison Electric Light Co. v. Sawyer-Man Electric Co., 53 F. R. 597, 1892; Edison Electric Light

Co. v. Mt. Morris Electric Light Co., 58 F. R. 572, 1893; New York Filter Mfg. Co. v. Loomis-Manning Filter Co., 91 F. R. 421, 1898.

¹⁵⁰ Ney Mfg. Co. v. Drill Co., 56 F. R. 154, 1893.

¹⁵¹ Wooster v. Machine Co., 4 Bann. & Ard. 319, 1879.

¹⁵² Andrews v. Spear, 3 Bann. & Ard. 80, 1877.

¹⁵³ Gibson v. Van Dresar, 1 Blatch. 535, 1850; Sickles v. Mitchell, 3 Blatch. 548, 1857; Sickles v. Tileston, 4 Blatch. 109,

part of the claims of the patent, according to the merits of the case.¹⁵⁴ The effect of the injunction upon others than the parties to the suit, cannot commonly be considered on such a motion; and while the judges fully appreciate the harsh and arbitrary character of a preliminary injunction in a patent case, they also know the innumerable obstacles which beset a recovery of damages or profits, and that there is generally no adequate remedy for infringement *pendente lite*, other than a preliminary injunction.¹⁵⁵

But preliminary injunctions are not always made immediately operative. Where an equitable reason for so doing is presented to the court, such an injunction may sometimes be made to take effect a few days,¹⁵⁶ or even a few months¹⁵⁷ in the future; and sometimes at graduated future intervals upon distinct parts of the defendant's doings.¹⁵⁸

So also, under some circumstances, the court can give the defendant the option to submit to such an injunction, or to give a bond to secure any decree for profits or damages which may ultimately be awarded against him; but

1857; *Potter v. Fuller*, 2 Fisher, 251, 1862; *Conover v. Mers*, 3 Fisher, 386, 1868; *Ely v. Mfg. Co.*, 4 Fisher, 64, 1860; *Rumford Chemical Works v. Vice*, 14 Blatch. 181, 1877; *American Midlings Purifier Co. v. Christian*, 3 Banr. & Ard. 54, 1857; *Green v. French*, 4 Bann. & Ard. 169, 1879; *New York Filter Mfg. Co. v. Niagara Falls Water Works Co.*, 77 F. R. 900, 1896; *Allington & Curtis Mfg. Co. v. Booth*, 78 F. R. 878, 1897; *Pacific Steam*

Whaling Co. v. Alaska Packers' Ass'n, 100 F. R. 462, 1900.

¹⁵⁴ *Colt v. Young*, 2 Blatch. 471, 1852; *Potter v. Holland*, 1 Fisher, 382, 1858.

¹⁵⁵ *Carter v. Wollschlaeger*, 53 F. R. 576, 1892.

¹⁵⁶ *Fuller v. Gilmore*, 121 F. R. 129, 1902.

¹⁵⁷ *American Sulphite Pulp Co. v. Burgess Sulphite Fibre Co.*, 103 F. R. 982, 1900.

¹⁵⁸ *Westinghouse Air-Brake Co. v. Great Northern Ry. Co.*, 86 F. R. 132, 1898.

a bond can be required only in a case where an injunction must issue if the bond is not given.¹⁵⁹ The circumstances under which it is proper to give the defendant that option include the following:

§ 686. Bonds may be taken, instead of preliminary injunctions being imposed, if the complainant habitually avails himself of his exclusive right by receiving royalties for licenses, rather than by making and selling, or making and using the patented article himself, while permitting no other to do so;¹⁶⁰ but this course of business of the complainant is not otherwise a defence to a motion for a preliminary injunction.¹⁶¹ And where the complainant is able and willing to supply the market for that article, the fact that the defendant is willing to take a license, and able to pay for one, does not entitle him to the option of giving bonds, if the complainant declines to give him a license.¹⁶² The measure of the amount of the bond is the approximate amount of profits which the defendant will make from the time when the order is made to the termination of the cause.¹⁶³

§ 687. So, also, a defendant may sometimes be entitled to the option of giving bonds instead of being enjoined,

¹⁵⁹ *Forbush v. Bradford*, 1 Fisher, 317, 1858; *American Middlings Purifier Co. v. Atlantic Milling Co.*, 3 Bann. & Ard. 173, 1877.

¹⁶⁰ *Howe v. Morton*, 1 Fisher, 601, 1860; *Hodge v. Railroad Co.*, 6 Blatch. 166, 1868; *Dorsey Harvester Rake Co. v. Marsh*, 6 Fisher, 387, 1873; *Colgate v. Gold & Stock Telegraph Co.*, 16 Blatch. 503, 1879; *Kirby Bung Mfg. Co. v. White*, 1 McCrary, 155, 1880; *New York Grape Sugar Co. v.*

American Grape Sugar Co., 10 F. R. 837, 1882; *McMillan v. Conrad*, 16 F. R. 128, 1883; *Eastern Paper Bag Co. v. Nixon*, 35 F. R. 752, 1888; *Palmer v. Mills*, 57 F. R. 222, 1893.

¹⁶¹ *Kennedy v. Penn. Iron & Coal Co.*, 67 F. R. 340, 1895.

¹⁶² *Baldwin v. Bernard*, 5 Fisher, 447, 1872; *Westinghouse Air-Brake Co. v. Carpenter*, 32 F. R. 545, 1887.

¹⁶³ *Karfiol v. Rothnei*, 151 F. R. 779, 1907.

where his infringing machinery contains costly parts which are not covered by the complainant's patent;¹⁶⁴ but he is not thus entitled in all such cases.¹⁶⁵ And a defendant may be entitled to that option where the infringing article was purchased in good faith, having been constructed in conformity to a junior patent;¹⁶⁶ or where it was so constructed by the defendant himself; or where the defendant is only a seller,¹⁶⁷ or only a user,¹⁶⁸ of specimens of the patented article, a suit being pending against the manufacturer from whom he received those specimens; or where the prior adjudication, upon which the right to a preliminary injunction is based, has been appealed to a higher court, and is still pending there;¹⁶⁹ or where new evidence is to be taken for the interlocutory hearing;¹⁷⁰ or where the patent in suit will soon expire;¹⁷¹ or where the injunction, if granted, would be very damaging to the interests of the defendant, and not particularly beneficial to the legitimate rights of the complainant;¹⁷² or where public

¹⁶⁴ *Howe v. Morton*, 1 Fisher, 587, 1860; *Stainthorp v. Humiston*, 2 Fisher, 311, 1862; *Eagle Mfg. Co. v. Plow Co.*, 36 F. R. 907, 1888.

¹⁶⁵ *Edison Electric Light Co. v. Sawyer-Man Electric Co.*, 53 F. R. 597, 1892.

¹⁶⁶ *United States Annunciator Co. v. Sanderson*, 3 Blatch. 184, 1854.

¹⁶⁷ *Irwin v. McRoberts*, 4 Bann. & Ard. 414, 1879.

¹⁶⁸ *Westinghouse Air-Brake Co. v. Burton Stock-Car Co.*, 77 F. R. 301, 1896.

¹⁶⁹ *Wells v. Gill*, 6 Fisher, 93, 1872.

¹⁷⁰ *Norton v. Automatic Can Co.*, 61 F. R. 296, 1894

¹⁷¹ *National Cash-Register Co. v. Navy Cash-Register Co.*, 99 F. R. 565, 1900.

¹⁷² *Morris v. Mfg. Co.*, 3 Fisher, 68, 1866; *Morris v. Shelbourne*, 4 Fisher, 377, 1871; *Dorsey Harvester Rake Co. v. Marsh*, 6 Fisher, 387, 1873; *Kirby Bung Mfg. Co. v. White*, 1 McCrary, 155, 1880; *Hoe v. Boston Daily Advertiser*, 14 F. R. 914, 1883; *Consolidated Roller Mill Co. v. Richmond Mill Works*, 40 F. R. 474, 1889; *Edison Electric Light Co. v. Mt. Morris Electric Light Co.*, 58 F. R. 575, 1893; *Duplex*

policy forbids a discontinuance of the defendant's use of the patented invention; ¹⁷³ or where the complainant does not himself employ the invention; ¹⁷⁴ or where, for any reason, a preliminary injunction would operate unjustly. ¹⁷⁵ It is no part of the legitimate office of a preliminary injunction to force the defendant to compromise a disputed claim, ¹⁷⁶ not to compel him to give the complainant a contract to purchase specimens of the patented thing. ¹⁷⁷

But in the absence of every special reason for giving the defendant the option of giving bonds, instead of submitting to an injunction, that option cannot be demanded by him, ¹⁷⁸ nor ought it to be granted by the court. ¹⁷⁹ Where the defendant is entitled to the option of giving bonds or being enjoined, and chooses the former alternative, but is unable to furnish the bonds promptly, an injunction may issue against him, coupled with an order for its dissolution whenever the proper bonds are approved and filed. ¹⁸⁰

Printing-Press Co. v. Campbell Printing-Press Co., 69 F. R. 256, 1895; *Huntington Dry-Pulverizer Co. v. Alpha Portland Cement Co.*, 91 F. R. 534, 1899; *Aquarama Co. v. Old Mill Co.*, 124 F. R. 233, 1903.

¹⁷³ *Guidet v. Palmer*, 10 Blatch. 220, 1872.

¹⁷⁴ *Hoe v. Knap*, 27 F. R. 212, 1886.

¹⁷⁵ *Union Paper Bag Machine Co. v. Binney*, 5 Fisher, 169, 1871; *National Cable Ry. Co. v. Sioux City Cable Ry. Co.*, 42 F. R. 685, 1890.

¹⁷⁶ *Morris v. Mfg. Co.*, 3 Fisher, 70, 1866.

¹⁷⁷ *American Nicolson Pavement Co. v. Elizabeth*, 4 Fisher, 197, 1870.

¹⁷⁸ *Consolidated Fruit-Jar Co. v. Whitney*, 1 Bann. & Ard. 361, 1874.

¹⁷⁹ *Gibson v. Van Dresar*, 1 Blatch. 532, 1850; *Tracy v. Torrey*, 2 Blatch. 275, 1851; *Tilghman v. Mitchell*, 4 Fisher, 615, 1871; *McWilliams Mfg. Co. v. Blundell*, 11 F. R. 419, 1882.

¹⁸⁰ *Brooks v. Bicknell*, 3 McLean, 250, 1843; *Foster v. Moore*, 1 Curtis, 279, 1852; *Howe v. Morton*, 1 Fisher, 586, 1860; *Stainthorp v. Humiston*, 2 Fisher, 311, 1862; *Goodyear v. Hills*,

§ 688. Formerly it was entirely in the discretion of the court as to whether or not a bond should be required of the plaintiff as a condition to the issuance of a preliminary injunction.¹⁸¹ Such bonds were conditioned on the ultimate success of the plaintiff in sustaining his claim, and might be required in cases where the injunction if granted would cause serious injury to the defendant.¹⁸² By Section 18 of the Clayton Act^{182^a} it was provided that "no restraining order or interlocutory order of injunction shall issue except upon the giving of security by the applicant in such sum as the court or judge may deem proper conditioned upon the payment of such costs or damages as may be incurred or suffered by any party who may be found to have been wrongfully enjoined or restrained thereby."

§ 689. A preliminary injunction cannot be averted on the sole ground that an action at law for the damages to be caused by the infringement would be a plain, adequate and complete remedy therefor.¹⁸³ In many cases that would not be true, and the court cannot determine on affidavits whether it would be true in a particular case or not. A motion for a preliminary injunction is not to be defeated on a possibility that the complainant might be able to obtain damages for the wrong which he seeks to prevent.¹⁸⁴

3 Fisher, 134, 1866; Sykes v. Manhattan Co., 6 Blatch. 496, 1869; Gilbert & Barker Mfg. Co. v. Bussing, 12 Blatch. 426, 1875.

¹⁸¹ Tobey Furniture Co. v. Colby, 35 F. R. 594, 1888; Brush Electric Co. v. Accumulator Co., 50 F. R. 833, 1892; Accumulator Co. v. Storage Co., 53 F. R. 800, 1893; Columbia Wire Co. v. Freeman Wire Co., 71 F. R. 302, 1895.

¹⁸² Orr v. Littlefield, 1 Wood-

bury & Minot, 20, 1845; Brammer v. Jones, 3 Fisher, 340, 1867; Shelly v. Brannan, 4 Fisher, 198, 1870; Consolidated Fruit-Jar Co. v. Whitney, 1 Bann. & Ard. 361, 1874.

^{182^a} Act of October 15, 1914, Chap. 323, 38 Stat. 730.

¹⁸³ General Electric Co. v. Wise, 119 F. R. 924, 1903.

¹⁸⁴ Allington & Curtis Mfg. Co. v. Booth, 78 F. R. 879, 1897.

But even where it is plain that the damages recoverable in an action at law would be as beneficial to the complainant as an injunction would be, that fact does not oust the right of the complainant to the latter relief. The case is analogous to actions in equity for the specific performance of contracts to sell real property. The bills in such cases seldom show, and never are required to show, that an action at law for damages would not be a plain, adequate, and complete remedy for the failure to perform. "Ordinarily a vendor, in the recovery of pecuniary damages, has an adequate remedy at law, but he has a choice of remedies. He may resort either to a court of law or a court of equity."¹⁸⁵ Bills for preliminary injunctions in patent cases are never obnoxious to Section 267 of the Judicial Code, because the word "case" in that section is to be interpreted specifically and not generically. "Suits in equity shall not be sustained in either of the courts of the United States in any case where a plain, adequate and complete remedy may be had at law."¹⁸⁶ This statute regards an action in equity to restrain infringement of a patent, as a case for an injunction, and not merely as a patent case. It therefore opposes no obstacle to the jurisdiction of equity in such a case.

§ 690. Where the defendant withdraws his opposition to a motion for a preliminary injunction before the motion is decided, the injunction may be granted by consent; but the court will decline to render a decision.¹⁸⁷ That is to say: a consent decree will be entered as a consent decree, and not as one based on a conclusion of the judicial mind. If this rule were otherwise, parties between whom

¹⁸⁵ *Crary v. Smith*, 2 Comstock (N. Y.), 62, 1848.

¹⁸⁶ Revised Statutes, Section

723, re-enacted in Judicial Code, Section 267.

¹⁸⁷ *American Middlings Purifier Co. v. Vail*, 15 Blatch. 315, 1878.

there continued to be no real contest, might manage to secure decisions from courts which would operate to their mutual advantage, and to the serious disadvantage of strangers to the litigation.

§ 691. The discretion of the court was said in some of the earlier cases to be the criterion of judgment when deciding motions for preliminary injunctions in patent cases. The doctrine was a necessity in the beginning of the evolution of the patent laws, because the judges could then find but few precedents to guide or to warn. At present the fact is otherwise. Approved precedents can now be found on nearly every point that can arise.^{187^a}

§ 692. A motion to dissolve a preliminary injunction may be made at any time,¹⁸⁸ upon reasonable notice to the complainant's solicitor;¹⁸⁹ and it will be promptly granted where the judge becomes convinced that the granting of the injunction was erroneous in point of law,¹⁹⁰ or where the defendant positively proves any fact which would have been fatal to the motion for the preliminary injunction, if presented at the time that motion was heard, and shows that the evidence could not with reasonable diligence have been presented at that hearing.¹⁹¹ So, also, a dis-

^{187^a} See Section 696a; *Irving-Pitt Mfg. Co. v. Twinlock Co.*, 220 F. R. 325, 1914.

¹⁸⁸ *Minturn v. Seymour*, 4 Johnson's Chancery (N. Y.), 173, 1819; *Cammack v. Johnson*, 2 New Jersey Equity, 163, 1839; *Jones v. Bank*, 5 How. (Miss.) 43, 1840; *Timolat v. Philadelphia Pneumatic Tool Co.*, 123 F. R. 899, 1903.

¹⁸⁹ *Wilkins v. Jordan*, 3 Washington, 226, 1813; *Caldwell v.*

Waters, 4 Cranch's Circuit Court Reports, 577, 1835.

¹⁹⁰ *Steam Gauge & Lantern Co. v. Miller*, 11 F. R. 719, 1882.

¹⁹¹ *Woodworth v. Rogers*, 3 Woodbury & Minot, 135, 1847; *Hussey v. Whiteley*, 2 Fisher, 125, 1860; *Young v. Lippman*, 5 Fisher, 230, 1872; *Carey v. Spring Bed Co.*, 26 F. R. 38, 1886; *Huntington v. Heel Plate Co.*, 33 F. R. 838, 1888; *Electrical Accumulator Co. v. Julien Electric Co.*, 47 F. R. 892, 1891.

solution of a preliminary injunction may be based on a fact which arose after the injunction was granted: for example, on the fact that the complainant, after that event, assigned all his interest in the future duration of the patent to another; ¹⁹² or on the fact that he omitted to prosecute his case toward an interlocutory hearing with the speed which the rules of court require; ¹⁹³ or on the fact that the complainant advertised the injunction falsely for effect upon strangers to the suit; ¹⁹⁴ or on the fact that the prior adjudication, upon which the injunction was based, has been reversed on an appeal. ¹⁹⁵

§ 693. A motion to dissolve an injunction for error in point of law, must be based on a point which was established after the injunction was granted, or which was obviously overlooked or misweighed by the judge at that time. It would be unprofessional as well as unavailing for counsel to move a dissolution, on the ground that the judge wrongly reasoned out his conclusion from the premises from which he proceeded. Courts ought not to be asked to change their judgments on points of law, unless the law has changed or been newly formulated in the meantime, or unless some special error can be pointed out. Few things are more trying to the patience of judges, or more useless to the interests of clients, than the repetition of old and well-understood arguments.

§ 694. A motion to dissolve an injunction on account of newly discovered facts, requires the mover to assume the burden of establishing those facts; because when an in-

¹⁹² *Parkhurst v. Kinsman*, 1 Blatch. 489, 1849; *Edison Electric Light Co. v. Buckeye Electric Co.*, 59 F. R. 699, 1894.

¹⁹³ *Robinson v. Randolph*, 4 Bann. & Ard. 318, 1879; *Antisdel*

v. Chicago Hotel Cabinet Co., 89 F. R. 311, 1898.

¹⁹⁴ *Consolidated Fastener Co. v. Toppen*, 113 F. R. 697, 1901.

See Section 705.

¹⁹⁵ *Prieth v. Campbell Printing-Press Co.*, 80 F. R. 539, 1897.

junction is once granted, it is presumed to have been granted rightfully, until the contrary is made to appear.¹⁹⁶

Affidavits and other evidence to disprove the statements of fact, contained in the moving papers of the defendant, may be introduced by the complainant; and counter evidence from the defendant is then admissible to disprove the complainant's answering allegations. After this, it becomes the duty of the judge to balance the documents and ascertain where the weight of them is; ¹⁹⁷ and he will decide the motion against the mover, unless his papers preponderate.¹⁹⁸ Service on the opposite party, before the motion is heard, of the affidavits upon which a motion to dissolve an injunction is made or is resisted, seems to be called for by the same reasons which call for similar service of the affidavits upon which motions for preliminary injunctions are based or are withstood.¹⁹⁹

§ 695. A motion to reinstate a dissolved injunction may be made at any time; but it will not be granted on the same state of the case as that which existed when the injunction was dissolved. So, also, a reinstated preliminary injunction may be again dissolved on any new state of facts which show that its continuation would be unjust.²⁰⁰ In patent cases, however, it will seldom occur that the alternate process of issuing and dissolving preliminary injunctions can be carried further than the first dissolution. After that, the court will let the matter rest till the interlocutory hearing, unless a case of great clearness and pressing necessity is presented for further preliminary action.

¹⁹⁶ *Woodworth v. Rogers*, 3
Woodbury & Minot, 143, 1847.

¹⁹⁷ *Woodworth v. Rogers*, 3
Woodbury & Minot, 144,
1847.

¹⁹⁸ *Sparkman v. Higgins*, 1
Blatch. 207, 1849.

¹⁹⁹ Section 662 of this book.

²⁰⁰ *Tucker v. Carpenter*, 1
Hempstead, 441, 1841.

§ 696. While an injunction is in force, it must be obeyed, even though it ought never to have been granted.²⁰¹ But an injunction is not in force if it was issued against a defendant over whom the court had no jurisdiction. No court has any authority to issue an injunction against such a person. And where courts act without authority, their orders are nullities. They are not voidable, but simply void.²⁰² It does not follow, however, that, if a Federal court were to issue an injunction against a defendant before he is served with a *subpœna ad respondendum* in the case, that injunction would be void and could safely be disregarded since the court acquires jurisdiction if the subpœna is served within a reasonable time thereafter;²⁰³ and so where an injunction is granted after such service, and upon due notice of the motion therefor, it must be obeyed, no matter how obviously unjust and unwarrantable its granting may have been.

An injunction is binding upon all persons who were connected with the defendant in defending against the suit, before the injunction was issued, and who were also connected with the defendant in disobeying that injunction, after being informed of its issue; though they were not themselves defendants to the suit nor served with the injunction writ.²⁰⁴ But a mere order for an injunction,

²⁰¹ *Moat v. Holbein*, 2 Edwards' Chancery (N. Y.), 188, 1834; *Sullivan v. Judah*, 4 Paige (N. Y.), 444, 1834; *Richards v. West*, 2 Green's Chancery (N. Y.), 456, 1836; *People v. Sturtevant*, 5 Selden (N. Y.), 263, 1853; *Erie Railway Co. v. Ramsay*, 45 New York, 637, 1871.

²⁰² *Elliot v. Peirsol*, 1 Peters,

340, 1828; *Wilcox v. Jackson*, 13 Peters, 511, 1839.

²⁰³ *Universal Savings, etc., Co. v. Stoneburger*, 113 F. R. 251, 1902; *Horn v. Pere Marquette R. Co.*, 151 F. R. 626, 1907.

²⁰⁴ *In re Lennon*, 166 U. S. 548, 1897; *Phillips v. Detroit*, 3 Bann. & Ard. 150, 1877; *Stahl v. Ertel*, 62 F. R. 922, 1893; *United States*

upon which no writ of injunction is ever issued, is not binding upon anybody.²⁰⁵ Though a writ of injunction when it is served, may retroact to cover disobedient doings, which occurred after the doer learned that an order for that writ had been made, and before the writ could be drawn up, and be executed, and be issued, and be served upon the defendant.

Section 19 of the Clayton Law in effect October 15, 1914, has not apparently changed the rules of law determining the persons who are bound by an injunction, but it is advisable to consult the section whenever the question arises in a specific case.²⁰⁶

When an injunction is dissolved which ought not to have been granted, the enjoined party is without redress for the injury or inconvenience he may have suffered, unless the court, when granting the injunction, made an order that the complainant should pay the defendant such resulting damages as he might sustain, in case it be finally decided that the injunction ought not to have been granted; or required the complainant to file a bond to secure those damages, as a condition precedent to the issuing of the injunction.²⁰⁷

§ 696a. An appeal is demandable to the Circuit Court of Appeals, from any order of a District Court which grants, continues, refuses or dissolves an interlocutory order or decree or refuses to dissolve an injunction at any time within thirty days from the entry of such order. In the sense of the statute allowing such appeals, a "hearing in

Playing-Card Co. v. Spalding, 92 F. R. 368, 1899.

²⁰⁵ *McCormick v. Jerome*, 3 Blatch. 486, 1856; *Whipple v. Hutchinson*, 4 Blatch. 191, 1858.

²⁰⁶ Act of October 15, 1914, chap. 323, 38 Stat. 730.

See Section 407.

²⁰⁷ *Lexington & Ohio Railroad Co. v. Applegate*, 8 Dana (Ken.), 289, 1839; *Sturgis v. Knapp*, 33 Vermont, 486, 1860; *McKay v. Jackman*, 16 Reporter, 164, 1883.

See Section 688.

equity" does not have its usual meaning of a final hearing on the merits but means merely the presentation and submission of the motion for the order,²⁰⁸ and such appeals take precedence in the appellate court; but they do not stay the other proceedings in the case in the court below during the pendency of the appeal unless the court or the appellate court or one of the judges of the latter so orders.²⁰⁹ Nor does such an appeal give the appellant a right to a supersedeas of the injunction pending the appeal; and the suspension of the injunction during that time, may be granted or refused at his discretion, by any judge of the court which granted the injunction.²¹⁰

The decision of an appeal from an order granting a preliminary injunction, primarily depends upon the question of the providence of the injunction;²¹¹ and that question may or may not depend, according to circumstances, upon the ultimate merits of the case.²¹² In deciding the question of the providence of the injunction, the adjudication or acquiescence upon which the injunction was based in the court below will generally have the same strength in the Circuit Court of Appeals that it ought to have had in the court below;²¹³ and in general

²⁰⁸ *American Grain Separator Co. v. Twin City Separator Co.*, 202 F. R. 202, 1912.

²⁰⁹ Judicial Code, Section 129.

²¹⁰ *In re Haberman Mfg. Co.*, 147 U. S. 529, 1893.

²¹¹ *Southern Pacific Co. v. Earl*, 82 F. R. 690, 1897; *Pacific Steam Whaling Co. v. Alaska Packers' Ass'n*, 100 F. R. 462, 1900; *Welsbach Light Co. v. Cosmopolitan Light Co.*, 104 F. R. 85, 1900; *Stearns-Roger Mfg. Co. v. Brown*, 114 F. R. 939, 1902; *F. C. Austin*

Mfg. Co. v. American Wellworks, 121 F. R. 77, 1902.

²¹² *Blount v. Societe*, 53 F. R. 98, 1892; *Consolidated Electric Storage Co. v. Accumulator Co.*, 55 F. R. 45, 1893; *Thomson-Houston Electric Co. v. Ohio Brass Co.*, 80 F. R. 730, 1897; *American Fur Refining Co. v. Cimiotti Unhairing Co.*, 118 F. R. 838, 1902.

²¹³ *American Paper Pail Co. v. National Folding Box Co.*, 51 F. R. 232, 1892; *Duplex Printing-Press Co. v. Campbell Printing-*

it may be stated that the appellate court will not reverse an order granting a preliminary injunction unless it clearly appears that the court below has exercised its discretion upon a wholly wrong comprehension of the facts or law of the case;²¹⁴ but where it was plainly wrong or insufficient, it will not be followed.²¹⁵

Such is the case where the court below has failed to apply well-settled principles of law which if applied would have compelled a contrary decision.²¹⁶ It has been announced as a principle of law in the ninth circuit that, when the validity of the patent has been sustained in an action at law and infringement is clear, a court of equity has no discretion to refuse a preliminary injunction in the absence of further showing by the defendant.²¹⁷

And an appeal from a preliminary injunction will be dismissed without adjudication, in the Circuit Court of

Press Co., 60 F. R. 255, 1895; Thomson-Houston Electric Co. v. Ohio Brass Co., 80 F. R. 730, 1897; Consolidated Fastener Co. v. Littauer, 84 F. R. 164, 1897; Societe Anonyme v. Allen, 90 F. R. 815, 1898; Consolidated Fastener Co. v. Hays, 100 F. R. 984, 1900.

²¹⁴ Interurban Ry. & Terminal Co. v. Westinghouse Electric & Mfg. Co., 186 F. R. 166, 1911; Kryptok Co. v. Stead Lens Co., 190 F. R. 767, 1911; City of Grand Rapids v. Warren Bros. Co., 196 F. R. 892, 1912; American Grain Separator Co. v. Twin City Separator Co. (discussing the subject), 202 F. R. 202, 1912; Fireball Gas Tank, etc., Co. v. Commercial Acetylene Co., 198

F. R. 650, 1912; (affirmed with opinion 239 U. S. 156); Crescent Specialty Co. v. National Fireworks Distributing Co. (announcing the rule in the sixth circuit), 219 F. R. 130, 1915; Lion Tractor Co. v. Bull Tractor Co. (eighth circuit), 231 F. R. 156, 1916.

²¹⁵ Curtis v. Overman Wheel Co., 58 F. R. 784, 1893; Thomson-Houston Electric Co. v. Hoosick Ry. Co., 82 F. R. 461, 1897; Rubens v. Wheatfield, 93 F. R. 681, 1899.

²¹⁶ Winchester Repeating Arms Co. v. Olmstead, 203 F. R. 493, 1913.

²¹⁷ Sherman-Clay & Co. v. Searchlight Horn Co., 214 F. R. 99, 1914.

Appeals, when the patent has expired since the injunction was granted, because the injunction will have terminated at the same time.²¹⁸ In case the order in the court below has required the defendant in the alternative to give a bond or be enjoined, and the defendant has given the bond, the order will not usually be reviewed on the merits.²¹⁹

The Circuit Court of Appeals, on an appeal from an order granting a preliminary injunction, may not only reverse that order, but may also direct the court below to dismiss the bill of complaint.²²⁰ But that direction will be given only where the facts before the Circuit Court of Appeals, conclusively show that further litigation cannot ultimately result otherwise than in such a dismissal.²²¹

§ 697. A permanent injunction follows a decision in favor of the complainant, on the interlocutory hearing of a patent case, unless some special reason exists for its being refused, or being postponed till after the master's report, or being suspended pending an appeal.²²²

§ 698. A refusal of a permanent injunction will generally follow from the fact that the patent has expired at the time of the interlocutory decree.²²³ If there is an exception to this rule, it is only where the defendant may be enjoined from using or selling, after the expiration of the

²¹⁸ *Gamewell Fire-Alarm Telegraph Co. v. Municipal Signal Co.*, 61 F. R. 208, 1894; *National Folding-Box & Paper Co. v. Robertson*, 104 F. R. 552, 1900.

²¹⁹ *United Blue-Flame Co. v. Silver & Co.*, 128 F. R. 925, 1904.

²²⁰ *Mast, Foos & Co. v. Stover Mfg. Co.*, 177 U. S. 495, 1900.

²²¹ *Brill v. Peckham Motor Truck Co.*, 189 U. S. 63, 1903; *Co-Operating Merchants' Co. v.*

Hallock, 128 F. R. 596, 1904; *National Electric Signaling Co. v. Telefunken Wireless Telegraph Co.*, 200 F. R. 591, 1912.

²²² *Potter v. Mack*, 3 Fisher, 430, 1868; *Rumford Chemical Works v. Hecker*, 2 Bann. & Ard. 388, 1876; *Bissell Carpet-Sweeper Co. v. Goshen Sweeper Co.*, 72 F. R. 551, 1896.

²²³ *Jordan v. Dobson*, 2 Abbott's U. S. Reports, 415, 1870; *Bignall v. Harvey*, 18 Blatch. 356, 1880.

patent, those specimens of the patented thing which he unlawfully made before that expiration.²²⁴ But Justice MILLER once decided that there is no such exception; because such an exception would practically prolong many patents beyond the statutory term thereof; and because damages are a sufficient remedy for such unlawful making.²²⁵ And certainly no injunction will issue to prevent preparation, during the life of a patent, for making, selling, or using the patented matter after the patent expires.²²⁶

§ 699. A refusal of a permanent injunction will also occur where the complainant is shown to have assigned, prior to the interlocutory decree, all his interest in the future duration of the patent right infringed by the defendant.²²⁷ But no such refusal will be based on the fact that the complainant is not employing his invention in competition with the defendant,²²⁸ or upon the fact that the defendant can accomplish his result by non-infringing means.²²⁹

²²⁴ *Parker v. Sears*, 1 Fisher, 102, 1850; *American Diamond Rock Boring Co. v. Sheldon*, 1 F. R. 870, 1880; *American Diamond Rock Boring Co. v. Marble Co.*, 2 F. R. 353, 355, 356, 1880; *Reay v. Raynor*, 19 F. R. 308, 1884; *Toledo Reaper Co. v. Harvester Co.*, 24 F. R. 739, 1885; *New York Packing Co. v. Magowan*, 27 F. R. 111, 1886; *Underwood Typewriter Co. v. Elliott-Fisher Co.*, 156 F. R. 588, 1907; *American Sulphite Pulp Co. v. Crown-Columbia Pulp & Paper Co.*, 169 F. R. 140, 1909; *Motion Picture Patents Co. v. Centaur Film Co.*, 217 F. R. 247, 1914.

²²⁵ *Westinghouse v. Carpenter*, 43 F. R. 894, 1888; also, *Am. Sulphite Pulp Co. v. Hinckley Fibre Co.*, 217 F. R. 57, 1914.

²²⁶ *White v. Walbridge*, 46 F. R. 526, 1891.

²²⁷ *Wheeler v. McCormick*, 11 Blatch. 345, 1873; *Boomer v. Powder Press Co.*, 13 Blatch. 107, 1875.

²²⁸ *American Bell Telephone Co. v. Cushman Telephone Co.*, 36 F. R. 488, 1888; *Wirt v. Hicks*, 46 F. R. 71, 1891.

²²⁹ *Du Bois v. Kirk*, 158 U. S. 66, 1895.

§ 700. So, also, a refusal of an injunction will be necessary, where the infringing defendant is dead at the time of the interlocutory decree, even though the suit may have been revived against his legal representative.²³⁰ In such a case no injunction will lie against the dead defendant, because he is no longer within the jurisdiction of the court; and none will lie against the legal representative, because he never infringed the patent. For reasons of similar legal import, an injunction will be refused where the defendant is a corporation and undergoes legal dissolution before the interlocutory decree. This point of law is based on the doctrine that a court will not direct a writ against a dead corporation;²³¹ and also upon the rule that it will not enjoin an act which, from the nature of the case, cannot be committed.²³²

§ 701. But the fact that the defendant has ceased to infringe the patent, and says that he will not infringe it in the future, is no reason for refusing an injunction against him,²³³ unless the evidence is very persuasive that further

²³⁰ *Draper v. Hudson*, 1 Holmes, 208, 1873.

²³¹ *Mumma v. Potomac Co.*, 8 Peters, 286, 1834.

²³² *Potter v. Crowell*, 3 Fisher, 115, 1866.

²³³ *Jenkins v. Greenwald*, 2 Fisher, 42, 1857; *Potter v. Crowell*, 3 Fisher, 115, 1866; *Rumford Chemical Works v. Vice*, 14 Blatch. 180, 1877; *Bullock Printing-Press Co. v. Jones*, 3 Bann. & Ard. 195, 1878; *Facer v. Midvale Steel-Work Co.*, 38 F. R. 231, 1888; *Norton v. Automatic Can Co.*, 45 F. R. 638, 1891; *California Electrical Works v. Henzel*, 48 F. R. 377, 1891; *Henzel v. Cal-*

ifornia Electrical Works, 51 F. R. 754, 1892; *Winchester Arms Co. v. American Buckle Co.*, 54 F. R. 711, 1893; *New York Filter Mfg. Co. v. Chemical Bldg. Co.*, 93 F. R. 827, 1899; *Stromberg-Carlson, etc., Co. v. American Electric, etc., Co.*, 127 F. R. 704, 1904; *General Electric Co. v. New England Electric Mfg. Co.*, 128 F. R. 738, 1904; *Brookfield v. Elmer Glass Works*, 132 F. R. 312, 1904; *Luten v. Rhoads & Knisely*, 194 F. R. 169, 1912.

But see *Kennicott Water Softener Co. v. Bain*, 185 F. R. 520, 1911.

infringement will not take place; ²³⁴ and further as has been held, unless it appears that the defendant did not have notice prior to the commencement of the suit, and unless the answer fails to contest validity or infringement. ²³⁵ If the answer asserts the right to make the alleged infringing devices, a very strong express denial of an intention to do so is necessary to operate as a disclaimer of the intention, and the evidence to sustain the denial must be very clear, ²³⁶ for whatever tort a man has once committed, he is likely to commit again, unless restrained from so doing.

§ 701*a*. Until the decision of *Continental Paper Bag Co. v. Eastern Paper Box Co.*, ²³⁷ there had been much doubt expressed as to whether or not an injunction should under any circumstances be granted where the patent had never been used or "worked." By the decision noted it was settled that the jurisdiction of equity to grant an injunction was not affected either by length of non-use or by the motive of the owner in withholding it from use.

§ 702. A permanent injunction will be postponed till a final decree, when such a postponement is necessary to save the defendant from special hardship, and is not injurious to the just rights of the complainant; ²³⁸ or where

²³⁴ *Crier v. Innes*, 170 F. R. 324, 1909; *Chadeloid Chemical Co. v. Johnson*, 203 F. R. 993, 1913; *Goshen Mfg. Co. v. Hubert A. Myers Mfg. Co.*, 215 F. R. 594, 1914.

²³⁵ *Morton Trust Co. v. Standard Steel Car Co.*, 177 F. R. 931, 1910; *Seeger Refrigerator Co. v. White Enamel Co.*, 178 F. R. 567, 1910.

²³⁶ *Johnson v. Foos Mfg. Co.*, 141 F. R. 73, 1905.

²³⁷ *Continental Paper Bag Co. v. Eastern Paper Bag Co.*, 210 U. S. 405, 1908.

²³⁸ *Barnard v. Gibson*, 7 Howard, 657, 1849; *Yale & Greenleaf Mfg. Co. v. North*, 5 Blatch. 462, 1867; *Potter v. Mack*, 3 Fisher, 428, 1868; *Dorsey Harvester Rake Co. v. Marsh*, 6 Fisher, 401, 1873; *West Publishing Co. v. Co-operative Publishing Co.*, 53 F. R. 269, 1893.

an immediate discontinuance of the defendant's use of the patented article is contrary to public policy.²³⁹ But where such a postponement would be injurious to the just rights of the complainant, it will not be granted to avert from the defendant the consequences of his infringement, even where those consequences may be hard to bear,²⁴⁰ except when the patent has but a short time to run, in which event security for recovery of damages and profits may be permitted in lieu of the injunction.²⁴¹ And where such a postponement is allowed, the defendant should be required to give a bond for the security of the complainant.²⁴²

§ 703. A permanent injunction may be suspended, pending an appeal from the interlocutory decree which granted it, at the discretion of the judge who decided the case, upon such terms as to bond or otherwise, as he may consider proper for the security of the rights of the opposite party.²⁴³ Such a bond should be conditioned upon the result of the appeal, and should secure the profits and damages to accrue after the interlocutory decree, and before the decision of the Circuit Court of Appeals thereon, and also those which may possibly accrue after that decision, and before its reviewal in the Supreme Court, in the event that the case should go to that tribunal.

²³⁹ *Ballard v. Pittsburg*, 12 F. R. 783, 1882.

²⁴⁰ *Brown v. Deere*, 6 F. R. 487, 1880.

²⁴¹ *Draper Co. v. Am. Loom Co.*, 161 F. R. 728, 1908; *Interurban Ry. & Terminal Co. v. Westinghouse Electric & Mfg. Co.*, 186 F. R. 166, 1911.

See Section 592, *supra*.

²⁴² *American Middlings Purifier*

Co. v. Christian, 3 Bann. & Ard. 53, 1877. For rule in third circuit see *Electric Smelting & Aluminum Co. v. Carborundum Co.*, 189 F. R. 710, 1911.

²⁴³ *In re Haberman Mfg. Co.*, 147 U. S. 525, 1893; *Edison v. American Mutoscope Co.*, 110 F. R. 660, 1901; Section 644a of this book.

And a permanent injunction may be suspended, for an extraordinary cause, pending an appeal from a final decree to the Circuit of Appeals, at the discretion of the judge who decided the case and allowed the appeal, upon such terms as will secure the rights of the complainant.²⁴⁴ Those rights include the right to recover the profits and damages which may accrue after the final decree, and before the end of the suspension of the injunction; and therefore the security of those rights will require a bond to cover those profits and damages, in addition to the supersedeas bond which must be filed to cover the profits and damages which accrued prior to the final decree.

§ 704. A permanent injunction may be dissolved at any time within six months after the expiration of the term of court at which the final decree in the case was entered; and such a dissolution will be had where the defendant, by means of a supplemental bill in the nature of a bill of review, or by a bill of review, secures a cancellation of that decree.²⁴⁵ And such a dissolution must, of course, occur whenever the decree which granted the injunction, is reversed by a higher court.

§ 705. Injunctions to restrain infringements of patents may be granted independent of all other relief;²⁴⁶ and an injunction may also be granted to restrain a complainant from bringing an action at law against the defendant, for the same infringements as any of those covered by the action in equity.²⁴⁷ But no injunction will be issued on account of an infringement which is so trivial as to be below the dignity of the court;²⁴⁸ nor to restrain a junior

²⁴⁴ *Munson v. New York*, 19 F. R. 313, 1884; Equity Rule 74.

²⁴⁵ Sections 647 to 653 of this book.

²⁴⁶ *American Cotton Tie Supply*

Co. v. McCready, 17 Blatch. 291, 1879.

²⁴⁷ *Morss v. Knapp*, 35 F. R. 218, 1888.

²⁴⁸ *Lowell Mfg. Co. v. Hartford*

patentee from bringing actions on his patent, while that patent is still free from an adjudication of invalidity.²⁴⁹

Whether it is proper to issue an injunction, to restrain a complainant from bringing actions against persons who are using or are selling those articles, for the making of which the action at bar was brought against the defendant, is a question upon which the decisions which have now accumulated, are conflicting.²⁵⁰ It seems that when the action at bar is against a manufacturer and is brought by a maker and seller of the patented article a suit against a user or dealer will be enjoined if the bill in the action at bar asks for an accounting of all damages and profits, on the ground that a recovery for full damages and profits would operate to release the articles from the monopoly of the patent.^{250a}

In *Kessler v. Eldred*²⁵¹ it was decided that at any rate a manufacturer defendant who *has prevailed* in a Circuit Court of Appeals on the issue of infringement is entitled to such an injunction. In that case it appeared that Kes-

Carpet Co., 2 Fisher, 472, 1864; *Wickwire v. Wire Fabric Co.*, 41 F. R. 36, 1889.

²⁴⁹ *Asbestos Felting Co. v. Salamander Felting Co.*, 13 Blatch. 453, 1876.

²⁵⁰ *Birdsall v. Mfg. Co.*, 1 Hughes, 64, 1877; *Allis v. Stowell*, 16 F. R. 788, 1883; *Idv. Engine Co.*, 31 F. R. 901, 1887; *National Cash Register Co. v. Boston Cash Recorder Co.*, 41 F. R. 51, 1889; *Kelley v. Ypsilanti Dress-Stay Co.*, 44 F. R. 19, 1890; *American School-Furniture Co. v. J. M. Sauder Co.*, 106 F. R. 732, 1901; *Commercial Acetylene Co. v.*

Avery Portable Light Co., 152 F. R. 642, 1906; same case on appeal 159 F. R. 935, 1908.

See also *Kryptok Co. v. Stead Lens Co.*, 190 F. R. 767, 1911; *Stebler v. Riverside Heights Orange Growers' Assn.*, 214 F. R. 550, 1914; *Sherman, Clay & Co. v. Searchlight Horn Co.*, 225 F. R. 497, 1915.

^{250a} *Stebler v. Riverside Heights Assn.*, 214 F. R. 550, 1914; but see *Sherman, Clay & Co. v. Searchlight Horn Co.*, 225 F. R. 497, 1915.

²⁵¹ *Kessler v. Eldred*, 206 U. S. 285, 1907.

slers the defendant, a manufacturer of cigar lighters, had been sued by Eldred for infringement, and the Court of Appeals of the seventh circuit had found that Kessler did not infringe. Eldred had thereupon sued Kirkland who was selling another make of cigar lighter, in the second circuit, and it was held that Kirkland did not infringe. Eldred had then sued Breitweiser, one of Kessler's dealers, in the Northern District of New York, to enjoin him from selling Kessler's lighters and Kessler had assumed the defence of that suit. The case came before the Supreme Court on four certified questions as follows:

“First: Did the decree in Kessler's favor, rendered by the Circuit Court for the District of Indiana in the suit of Eldred against Kessler, have the effect of entitling Kessler to continue the business of manufacturing and selling throughout the United States the same lighter he had theretofore been manufacturing and selling, without molestation by Eldred through the Chamber patent?”

“Second. Did the decree mentioned in the first question have the effect of making a suit by Eldred against any customer of Kessler's for alleged infringement of the Chambers patent by use or sale of Kessler's lighters a wrongful interference by Eldred with Kessler's business?”

“Third. Did Kessler's assumption of the defence of Eldred's suit against Breitweiser deprive Kessler of the right, if that right would otherwise exist, of proceeding against Eldred in the State and district of his citizenship and residence for wrongfully interfering with Kessler's business?”

“Fourth. If Eldred's act were wrongful, had Kessler an adequate remedy at law?”

The first question was answered in the affirmative, the court holding that the judgment on the appeal settled finally and everywhere, and so far as Eldred by virtue

of his ownership of the Chambers patent was concerned, that Kessler had the right to manufacture, use and sell the electric cigar lighter before the court free from all interference by Eldred at all places. The court, however, expressly declined to pass on the question as to whether the Court of Appeals decision was a bar to the Breitweiser suit or whether Breitweiser could take advantage of it at all merely confining itself to deciding that Kessler's right had been violated.

The second question was accordingly answered in the affirmative.

The third question was answered in the negative. Kessler and Eldred happened to be citizens of different States. Whether such a suit could be brought in a State court in the event that diversity of citizenship did not exist, or whether there was another ground for Federal jurisdiction than diversity of citizenship, was not considered.

The fourth question was answered in the negative.

The doctrine of *Kessler v. Eldred*, does not, however, go to the extent of allowing the successful defendant to enjoin the plaintiff from suing for infringement one who purchases the material of one of the elements of the patented structure from the successful defendant and constructs the complete article.²⁵² In *Woodard Co. v. Hurd*,²⁵³ it was held that one who merely buys parts from the manufacturer and assembles them is not immune from suit.

When the final decree allows the defendant to continue to make the articles in question free from interference from the plaintiff, it is proper that the decree also enjoin

²⁵² *Rubber Tire Wheel Co. v. Goodyear Tire & Rubber Co.*, 232 U. S. 413, 1914.

See also *Seim v. Hurd*, 232 U. S. 420, 1914.

²⁵³ *Woodward Co. v. Hurd*, 232 U. S. 428, 1914.

the plaintiff from bringing further suits against the defendant's customers,²⁵⁴ except when a decree in another circuit holding the patent valid and infringed has been affirmed by the Supreme Court.²⁵⁵

No injunction will issue on behalf of a defendant against a plaintiff in an infringement suit to restrain the latter from sending circulars to defendant's customers giving notice of the suit, and warning them against contributory infringement where the statements in the circulars are true and sent out in good faith.²⁵⁶ The sending out of misleading notices or exaggerated statements of the scope and effect of the injunction which are calculated to injure the defendant's legitimate business will not be tolerated, however, and may afford ground for dissolving the injunction.²⁵⁷

An injunction will also issue on application of a plaintiff in a suit to compel the issuance of a patent under Section 4915 of the Revised Statutes, to stay a suit brought by the defendant to enjoin infringement of the patent, until the suit under Section 4915 has been decided.²⁵⁸

§ 706. The duration of injunctions in patent cases depends upon a variety of circumstances. Unless such a writ is expressly made to apply to the use or sale, after the expiration of the patent, of specimens of the patented thing which were made before that time, such injunction cannot continue after that expiration;²⁵⁹ and surely no such

²⁵⁴ *Goodyear Tire & Rubber Co. v. Rubber Tire Wheel Co.*, 164 F. R. 869, 1908.

²⁵⁵ *Hurd v. Woodward Co.*, 190 F. R. 28, 1911; *Hurd v. James Gould Co.*, 197 F. R. 756, 1912.

²⁵⁶ *Mitchell v. International Tailoring Co.*, 169 F. R. 145, 1909; *United Electric Co. v.*

Creamery Package Co., 203 F. R. 53, 1913.

²⁵⁷ *Meyers v. Skinner*, 186 F. R. 347, 1911; *Rollman Mfg. Co. v. Universal Hardware Works*, 229 F. R. 579, 1916.

²⁵⁸ *Steinberger v. General Electric Co.*, 207 F. R. 114, 1913.

²⁵⁹ *Gamewell Fire-Alarm Tel.*

writ will be made to apply to such use or sale of unpatented parts of an infringing combination.²⁶⁰ Indeed, no injunction ought in any case to continue after the expiration of the patent.²⁶¹ Permanent injunctions are sometimes called perpetual injunctions; but in patent cases that would be a misnomer, for no injunction can stand longer than the right upon which it is based, and patent rights are never perpetual.

§ 707. It is well settled that in a patent suit, as in any other suit, the court having acquired jurisdiction over the persons of the defendants, may control them by decree *in personam*, from doing any act within or without the jurisdiction at home or abroad, by bringing suit or otherwise which shall be an interference with the plaintiff's rights. Since, however, the monopoly of a patent extends only to the territorial limits of the United States this power would not permit the court to enjoin the bringing of a suit on a foreign patent for the same invention.²⁶²

§ 708. An attachment will issue to bring an enjoined defendant before the court for punishment,²⁶³ whenever the complainant institutes proper proceedings therefor, and proves that the defendant was promptly²⁶⁴ served with a writ of injunction, and that the writ contained a concise description of the particular thing, all specimens of which it forbade the defendant to make, use, or sell,²⁶⁵

Co. *v.* Municipal Signal Co., 61 F. R. 208, 1894; National Folding Box & Paper Co. *v.* Robertson, 104 F. R. 552, 1900.

²⁶⁰ Johnson *v.* Brooklyn Co., 37 F. R. 147, 1888; Hall Signal Co. *v.* General Ry. Signal Co., 171 F. R. 436, 1909.

²⁶¹ Westinghouse *v.* Carpenter, 43 F. R. 894, 1888.

²⁶² Goodyear Tire & Rubber Co. *v.* Rubber Tire Wheel Co., 164 F. R. 869, 1908 (see Rushmore *v.* Manhattan Screw & Stamping Works, 170 F. R. 188, 1909).

²⁶³ Bate Refrigerating Co. *v.* Gillett, 30 F. R. 684, 1887.

²⁶⁴ McCormick *v.* Jerome, 3 Blatch. 486, 1856.

²⁶⁵ Whipple *v.* Hutchinson, 4

and that the defendant did make, or use, or sell, or did cause to be made, used, or sold a specimen of that thing, or of a thing clearly the same, after having been served with that writ.²⁶⁶ And an attachment will likewise issue against any person who was connected with the defendant in defending against the suit, before the injunction was issued, and who was also connected with the defendant in disobeying that injunction, after he was informed of its issue; though the writ of injunction which was served upon the defendant, was not served upon the person thus connected with the original infringement and also connected with the disobedience of the injunction writ.²⁶⁷

Where the defendant is a corporation, and where the officer of that corporation upon whom the writ was served, was privy to its violation, an attachment will issue against him in person;²⁶⁸ and indeed an injunction duly served on a corporation is binding on all persons acting for that corporation, and who have notice of the writ and of its contents, whether they were actually served or not.²⁶⁹ So also an attachment will issue against persons who disobey an injunction by doing as officers of a corporation, what they were enjoined from doing as individuals.²⁷⁰ But an attachment will not issue against a stranger to the suit, merely because he has succeeded to the business, in the conduct of which the defendant infringed the com-

Blatch. 191, 1858; Bate Refrigerating Co. v. Gillett, 24 F. R. 696, 1885.

²⁶⁶ Birdsall v. Mfg. Co., 2 Bann. & Ard. 519, 1877; Allis v. Stowell, 19 O. G. 727, 1881; Atlantic Giant Powder Co. v. Dittmar Powder Mfg. Co., 9 F. R. 316, 1881; Mundy v. Mfg. Co., 34 F. R. 541, 1888.

²⁶⁷ Stahl v. Ertel, 62 F. R. 922, 1893; United States Playing-Card Co. v. Spalding, 92 F. R. 369, 1899.

²⁶⁸ Wetherill v. Zinc Co., 1 Bann. & Ard. 105, 1874.

²⁶⁹ Phillips v. Detroit, 3 Bann. & Ard. 150, 1877.

²⁷⁰ American Graphophone Co. v. Walcutt, 86 F. R. 469, 1898.

plainant's patent, even where that successor has likewise infringed,²⁷¹ except in cases where the stranger is acting in collusion with the defendant to help him avoid the injunction,²⁷² and this is so whether or not the stranger was served with the writ, provided he knew that it had been issued.²⁷³ And likewise an attachment will not issue against one who was an employee of the defendant at the time of the issuance of the injunction but who has since engaged in an independent business in which he makes the articles adjudged to be an infringement. In such cases the owner of the patent will be relegated to an independent suit against him.²⁷⁴

Where the thing proved to have been done by the enjoined defendant, consists in sending to some foreign country, and selling there, articles which were made in the United States, in infringement of the patent, before the injunction was granted, an attachment will not issue, because such a transaction is not a violation of an injunction against the infringement of a patent.²⁷⁵ And an attachment will not issue where the character of the defendant's doings, after the injunction, is doubtful.²⁷⁶

Where the thing proved to have been done by the enjoined defendant, differs from the doings described in the writ of injunction, a question of infringement may arise, which may require to be brought before the court on a

²⁷¹ *Bate Refrigerating Co. v. Gillett*, 30 F. R. 684, 1887.

²⁷² *Hamilton v. Diamond Drill & Mach. Co.*, 137 F. R. 417, 1905.

²⁷³ *Hamilton v. Diamond Drill & Mach. Co.*, *supra*.

²⁷⁴ *Donaldson v. Roksament Stone Co.*, 178 F. R. 103, 1910.

²⁷⁵ *Gould v. Sessions*, 67 F. R.

163, 1895; *Rushmore v. Manhattan Screw & Stamping Works*, 170 F. R. 188, 1909; *Victor Talking Machine Co. v. Strauss*, 171 F. R. 673, 1909.

²⁷⁶ *Accumulator Co. v. Storage Co.*, 53 F. R. 793, 1892; *Cimiotti Unhairing Co. v. Froloehr*, 121 F. R. 561, 1903.

motion for another or extended writ of injunction,²⁷⁷ or as it is sometimes called a supplementary decree,²⁷⁸ or if a final decree has been entered, by another bill of complaint,²⁷⁹ rather than on a motion for an attachment. If that question is a doubtful one, an attachment will not issue;²⁸⁰ because doubtful questions will not be decided on summary proceedings to punish persons for contempt of court.²⁸¹ But not every question is doubtful which is difficult, or which is complex, or about which the evidence is conflicting. It is therefore the duty of the court, on a hearing of a motion for an attachment, to examine what the defendant is proved to have done, and to issue an at-

²⁷⁷ *Gold & Stock Telegraph Co. v. Pearce*, 19 F. R. 419, 1884; *Truax v. Detweiler*, 46 F. R. 118, 1891; *Bonsack Machine Co. v. Cigarette Co.*, 64 F. R. 858, 1894; *Westinghouse Air-Brake Co. v. Christensen Eng. Co.*, 126 F. R. 764, 1904.

²⁷⁸ *Sundh Electric Co. v. General Electric Co.*, 217 F. R. 583, 1914; *Gordon v. Tusco-Halvah Co., Inc.*, 233 F. R. 430, 1915; *Individual Drinking Cup Co. v. Public Service Cup Co.*, 234 F. R. 654, 1916.

²⁷⁹ *United States Playing-Card Co. v. Spalding*, 93 F. R. 822, 1899.

²⁸⁰ *California Paving Co. v. Molitor*, 113 U. S. 617, 1884; *Liddle v. Cory*, 7 Blatch. 1, 1866; *Welling v. Trimming Co.*, 2 Bann. & Ard. 1, 1875; *Buerk v. Imhaeuser*, 2 Bann. & Ard. 465, 1876; *Onderdonk v. Fanning*, 5

Bann. & Ard. 431, 1880; *Bate Refrigerating Co. v. Eastman*, 11 F. R. 902, 1881; *Higby v. Rubber Co.*, 18 F. R. 601, 1883; *Smith v. Halkyard*, 19 F. R. 602, 1884; *Wirt v. Brown*, 30 F. R. 187, 1887; *Temple Pump Co. v. Mfg. Co.*, 31 F. R. 292, 1887; *Howard v. Mast*, 33 F. R. 867, 1888; *Mundy v. Mfg. Co.*, 34 F. R. 541, 1888; *Pennsylvania Drill Co. v. Simpson*, 39 F. R. 284, 1889; *Enterprise Mfg. Co. v. Sargent*, 48 F. R. 453, 1891; *Mack v. Levy*, 49 F. R. 857, 1892; *Westinghouse Air-Brake Co. v. Christensen Eng. Co.*, 126 F. R. 764, 1904; *Brookfield v. Novelty Glass Mfg. Co.*, 132 F. R. 316, 1904; *Crown Cork & Seal Co. v. American Cork Specialty Co.*, 211 F. R. 650, 1914.

²⁸¹ *Re Henris*, 125 F. R. 655, 1903; *Westinghouse Elec. & Mfg. Co. v. Sangamo Electric Co.*, 128 F. R. 747, 1904.

tachment if his doings satisfactorily appear, in the eye of the law, to constitute disobedience of the writ of injunction.²⁸² A motion for an attachment cannot be anticipated and outflanked by a motion to expressly limit the injunction, so as to exclude the doings of the defendant.²⁸³ And where a motion for an attachment is denied, on the ground of infringement being too doubtful to be decided on such a motion, that denial does not prevent a decision finding infringement, on a new motion, or in a new suit, on the same facts.²⁸⁴

A motion for an attachment for contempt of court for violating an injunction is an independent criminal case, which can be taken to the Circuit Court of Appeals for review on a writ of error, while the action in equity out of which it arose, is still pending and progressing in the lower court.²⁸⁵

§ 709. It is no defence to a motion for an attachment to show that the decision in pursuance of which the injunction was granted was wrong;²⁸⁶ or that new evidence has since been discovered which, if it had been known at the hearing would have caused a contrary decision;²⁸⁷ or that the defendant was advised by counsel that his doings did not violate the injunction;²⁸⁸ although the fact that

²⁸² *Wetherill v. Zinc Co.*, 1 Bann. & Ard. 105, 1874; *Schilling v. Gunther*, 2 Bann. & Ard. 545, 1877; *Morss v. Knapp*, 37 F. R. 353, 1889.

²⁸³ *Edison Electric Light Co. v. Westinghouse Electric Co.*, 54 F. R. 504, 1893; *Thomas & Sons Co. v. Electric Porcelain Co.*, 114 F. R. 407, 1902.

²⁸⁴ *Mack v. Levy*, 59 F. R. 468, 1894.

²⁸⁵ *Sessions v. Gould*, 63 F. R.

1002, 1894; *Gould v. Sessions*, 67 F. R. 163, 1895; *Cary Mfg. Co. v. Acme Flexible Clasp Co.*, 108 F. R. 873, 1901; and 187 U. S. 427, 1903.

²⁸⁶ *Woodworth v. Rogers*, 3 Woodbury & Minot, 135, 1847; *Liddle v. Cory*, 7 Blatch. 1, 1865.

²⁸⁷ *Whipple v. Hutchinson*, 4 Blatch. 190, 1858; *Phillips v. Detroit*, 3 Bann. & Ard. 150, 1877.

²⁸⁸ *Hamilton v. Simons*, 5 Bissell, 77, 1869; *Paxton v. Brinton*, 126

the defendant was acting under such advice will be considered in determining whether or not there has been intentional disregard of the injunction; ²⁸⁹ or that what the defendant did was done as the employee of another; ²⁹⁰ or that the defendant had merely ordered his employees not to sell the infringing articles without more energetic step to see that his orders were carried out; ²⁹¹ or that the writ of injunction was for a while suspended in its operation, by the consent of the complainant without any order of court; ²⁹² or that the writ of injunction was inadvertently made broader than the decision of the court would warrant. ²⁹³ In such a case as the last of these, the defendant may apply to the court to correct the writ, but he must not disobey it while it remains unchanged. But where an injunction was based on a consent decree, which decree was entered in pursuance of a compromise of the parties, an attachment will not issue for a disregard of that injunction, if that compromise has been set aside by a court of competent jurisdiction, or if such a court has enjoined the complainant from enforcing the contract of compromise. ²⁹⁴

§ 710. The penalty for a violation of an injunction depends upon the circumstances of the particular case at bar.

F. R. 542, 1903; *Goss Printing Co. v. Scott*, 134 F. R. 880, 1905; *Calculagraph Co. v. Wilson*, 136 F. R. 196, 1905.

²⁸⁹ *Westinghouse Electric & Mfg. Co. v. Sangamo Electric Co.*, 128 F. R. 747, 1904; *Proudfit Loose Leaf Co. v. Kalamazoo Loose Leaf Binder Co.*, 230 F. R. 120, 1915.

²⁹⁰ *Sickles v. Borden*, 1 Blatch. 15, 1857; *Goodyear v. Mullee*, 5

Blatch. 437, 1867; *Potter v. Muller*, 1 Bond. 601, 1865; *Iowa Barb Steel Wire Co. v. Barbed Wire Co.*, 30 F. R. 123, 1887.

²⁹¹ *Gillette Safety Razor Co. v. Wolf*, 180 F. R. 776, 1910.

²⁹² *Pentlarge v. Beeston*, 1 F. R. 862, 1880.

²⁹³ *Sickles v. Borden*, 4 Blatch. 15, 1857.

²⁹⁴ *Pentlarge v. Beeston*, 1 F. R. 862, 1880.

Where it appears that the defendant had no intention to disobey the writ, the penalty may be confined to an enforced payment of the costs of the motion for an attachment.²⁹⁵ Where the defendant had no intention to disobey the writ, but imprudently did so, the penalty may include the costs and a small fine.²⁹⁶ Where the disobedience is less excusable, the defendant may be compelled to pay all the expenses and counsel fees incurred by the complainant in relation to the motion.²⁹⁷ And where disobedience of an injunction is excuseless and defiant, the penalty may be a reasonable fine and a reasonable imprisonment.

The nature of the punishment that may be inflicted in a civil proceeding, depends on its character and purpose. If the punishment imposed in a civil proceeding for contempt is by way of punitive fine or imprisonment it must appear that the defendant has failed to do something affirmatively required of him by the court's order. This situation seldom occurs in the case of injunctions relating to the enforcement of patent rights and of course does not exist in the case of a bare injunction against further infringement, as in such a case the defendant is ordered

²⁹⁵ *Carsteadt v. Corset Co.*, 13 Blatch. 371, 1876; *Strowbridge v. Lindsay*, 6 F. R. 510, 1881; *Macbeth v. Gillinder*, 54 F. R. 172, 1891; *Macbeth v. Braddock Glass Co.*, 54 F. R. 173, 1890; *Braddock Glass Co. v. Macbeth*, 64 F. R. 120, 1894.

²⁹⁶ *Norton v. Automatic Can Co.*, 59 F. R. 137, 1893; *Cary Mfg. Co. v. Acme Flexible Clasp Co.*, 108 F. R. 873, 1901; *Westinghouse Air-Brake Co. v. Christen-*

sen Engineering Co., 121 F. R. 562, 1903.

²⁹⁷ *Doubleday v. Sherman*, 4 Fisher, 253, 1870; *Schillinger v. Gunther*, 2 Bann. & Ard. 545, 1877; *Stahl v. Ertel*, 62 F. R. 922, 1893.

See *Christensen Engineering Co. v. Westinghouse Air-Brake Co.*, 135 F. R. 774, 1905, where the practice is discussed; *Robinson v. S. & B. Lederer Co.*, 146 F. R. 993, 1906.

merely to desist from doing something. The reason stated in *Gompers v. Buck's Stove & Range Co.*,²⁹⁸ which settled the law on the question, is that when an affirmative act is required and is not done, any means taken to force compliance with the order are remedial in their nature and their benefits accrue directly to the benefit of the party in whose favor the order is made. On the other hand, when a party has done an act which was forbidden, no punishment by fine or imprisonment can remedy the evil, and consequently its only object is punitive. Therefore the disobedient party in such a case is liable only in a proceeding instituted and tried as for a criminal contempt—i. e., before a jury.

On the other hand by the violation of an injunction by doing forbidden acts, as in case of the violation of an injunction forbidding infringement of a patent, the contempt may also be productive of injury to the other party and to the extent that that injury may be remedied by the payment of money, the offending party may be compelled in a civil proceeding to reimburse the opposite party for the latter's expenses of the contempt proceeding and for the damage caused by the violation of the injunction.²⁹⁹

²⁹⁸ *Gompers v. Buck's Stove & Range Co.*, 221 U. S. 418, 1911; *In re Stern*, 215 F. R. 979, 1914.

²⁹⁹ *United States Envelope Co. v. Trauso Paper Co.*, 221 F. R.

79, 1915; *Board of Trade of Chicago v. Tucker*, 221 F. R. 305, 1915; *Proudfit Loose Leaf Co. v. Kalamazoo Loose Leaf Binder Co.*, 230 F. R. 120, 1915.

CHAPTER XXII

PROFITS

711. The infringer's profits recoverable in equity.
712. In cases of joint infringement.
713. In cases of infringement partly unprofitable.
714. What spaces of time an account of profits may cover.
715. The generic rule for ascertaining infringer's profits.
716. Complainant's damages no criterion of defendant's profits.
717. Defendant's profits in cases of unlawfully making and selling articles covered by the complainant's patent.
718. Method of ascertaining cost of making and selling infringing articles.
719. Burden of proof when it is necessary to separate profits due to patented features, from profits due to other features of an infringing article.
- 719*a*. The same subject continued.
720. Method of making the separation where defendant made and sold the patented invention separately, as well as in connection with other things.
721. Method where defendant pays royalty for right to make and sell the features not covered by the patent in suit.
722. Cases where no separation is required or allowed.
723. Method of making the separation by the criterion of comparative cost.
- 723*a*. Defendant's profits in design cases.
724. Defendant's profits in cases of unlawfully selling articles partly or wholly covered by complainant's patent.
725. Defendant's profits in cases of unlawful using of patented processes or things.
729. Affirmative gain.
730. Saving from loss.
731. Affirmative gain and saving from loss.
732. Standard of comparison need not have been used by the infringer.
734. Method of selecting the proper standard of comparison.
- 734*a*. Credits due to defendant's improvements.

735. The rule as to using has only a limited application to cases of infringement by making or by selling.
736. Interest on infringer's profits.
739. Proceedings before masters.
740. Evidence before masters.
741. Objections to evidence before masters.
742. Questions of the extent of the defendant's infringement.
743. Questions relevant to different sorts of defendant's alleged infringement.
744. Master's reports.
745. Exceptions to master's report.
746. Defendants' exceptions to master's reports.
747. Defendants' affirmative exceptions to master's reports.
748. Defendants' negative exceptions to master's reports.
749. Complainants' exceptions to master's reports.
750. Outline of practice relevant to master's findings.

§ 711. THE profits which are recoverable in equity for the infringement of a patent, are those which the defendant made from that infringement.¹ They are the profits which he actually made; not those which with worse,² or better,³ management he would or might have made.

Where a particular infringer realized no profit from his infringement, none can be recovered from him; but where he did make such a profit, it can be recovered, whether the general business, of which the infringement formed a part, was profitable to him or not,⁴ and whether or not the complainant was employing, at the time, the invention which was covered by the patent infringed.⁵

¹ *Rubber Co. v. Goodyear*, 9 Wallace, 801, 1869; *Elizabeth v. Pavement Co.*, 97 U. S. 138, 1878; *Tilghman v. Proctor*, 125 U. S. 144, 1888; *Belknap v. Schild*, 161 U. S. 25, 1896.

² *Lawther v. Hamilton*, 64 F. R. 224, 1892.

³ *Livingston v. Woodworth*, 15

Howard, 546, 1853; *Dean v. Mason*, 20 Howard, 203, 1857; *Keystone Mfg. Co. v. Adams*, 151 U. S. 139, 1894; *Coupe v. Royer*, 155 U. S. 565, 1895.

⁴ *Elizabeth v. Pavement Co.*, 97 U. S. 138, 1877; *Tilghman v. Proctor*, 125 U. S. 146, 1888.

⁵ *Crosby Steam Gauge & Valve*

The recoverable profits are those which resulted directly, and do not include any which resulted indirectly, from the infringement.⁶ The case of *Piper v. Brown* is cited as an example of this distinction. The difference between the amount of money for which the defendants sold their preserved fish, and the aggregate cost of that fish and of preserving it by the patented apparatus, was there held to be direct profit. But it appeared that the defendants were also dealers in fresh fish, and that they sold a large amount of such fish at higher prices than they could have done, had they not reduced the supply in the market by means of preserving fish by the patented apparatus. The increase in the price of fresh fish, which was thus caused by the defendants' infringement, was one and one-half cents per pound; and the consequent profits made by the defendants, amounted to more than six thousand dollars. But the court held that those profits could not be recovered by the patentee, because they did not directly result from the infringement of his patent.

§ 712. Where several defendants were joint infringers of a patent, but where all the resulting profits were received by part of the wrongdoers, the decree for profits will be rendered only against those defendants who realized them.⁷ Where all of the defendants realized profits during a portion of the time covered by the infringement in suit, and where a part of them realized profits during the residue of that time, the respective profits may be recovered accordingly, and a decree be entered against all of the defendants for the profits in which all participated, and

Co. v. Safety Valve Co., 141 U. S. 452, 1891.

⁶ *Piper v. Brown*, 1 Holmes, 198, 1873; *Heaton Button-Fastener*

Co. v. MacDonald, 57 F. R. 649, 1893.

⁷ *Elizabeth v. Pavement Co.*, 97 U. S. 140, 1877; *Belknap v. Schild*, 161 U. S. 25, 1896.

against a part of the defendants for the profits which that part alone realized.⁸ Successive owners of an infringing business transferred *pendente lite* are each liable only for the profits made by himself.⁹ And where one part of the profits of joint infringement was realized by one of the joint infringers, and the residue by another, the decree will go against each, for his own share only.¹⁰

§ 713. Where a part of the infringement of a defendant resulted in profits, and the residue resulted in losses, the complainant is entitled to recover those profits without any deduction on account of those losses.¹¹ Each infringement is treated by itself. If it resulted in profit, that profit belongs to the patentee. If it resulted in loss, that loss must be borne by the infringer. It cannot be set off against the patentee's right of action for the profitable infringement, any more than it could be made the basis of a right of action against the patentee if no infringement had been profitable.

§ 714. An account of profits cannot be had where none arose before the action was begun,¹² but such an account is not confined to those profits, nor indeed to those which accrued before the interlocutory decree was entered, but may be made to include all profits realized by the defend-

⁸ Tatham *v.* Lowber, 4 Blatch. 87, 1857; Herring *v.* Gage, 3 Bann. & Ard. 402, 1878; New York Grape Sugar Co. *v.* American Grape Sugar Co., 42 F. R. 456, 1890.

⁹ Young *v.* Hermann, 232 F. R. 361, 1916.

¹⁰ Covert *v.* Sargent, 38 F. R. 238, 1889.

¹¹ Callaghan *v.* Myers, 128 U. S. 664, 1888; Crosby Valve Co. *v.*

Safety Valve Co., 141 U. S. 453, 1891; Graham *v.* Mason, 1 Holmes, 90, 1872; Steam Stone Cutter Co. *v.* Mfg. Co., 17 Blatch. 27, 1879; Canda Bros. *v.* Michigan Malleable Iron Co., 152 F. R. 178, 1907; Underwood Typewriter Co. *v.* Fox Typewriter Co., 220 F. R. 880, 1915.

¹² Marsh *v.* Nichols, 128 U. S. 616, 1888.

ant from infringing the complainant's right, at any time prior to the closing of the account.¹³ And such an account will be taken in conformity with the statutes relevant thereto, as they existed at the respective dates when the infringement occurred.¹⁴

§ 715. The generic rule for ascertaining the amount of the profits recoverable in equity for the infringement of a patent, is that of treating the infringer as though he were a trustee for the patentee, in respect of the profits which he realized from his infringement.¹⁵ The specific rules by means of which this generic rule is administered, are somewhat numerous and somewhat elastic. They are adapted to the varying natures of patented inventions, and to the varying circumstances under which the patents for those inventions are respectively infringed.¹⁶ They all require the best evidence, of which the nature of each particular case to which they may be respectively applied, will reasonably admit,¹⁷ and that evidence must be reasonably definite¹⁸ and convincing.¹⁹

§ 716. The patentee's royalty is no measure of the defendant's profits,²⁰ even in a case where the patentee habitually exercised his exclusive right by granting licenses to others.²¹ Nor are any other facts which relate

¹³ *Rubber Co. v. Goodyear*, 9 Wallace, 800, 1869; *Knox v. Quicksilver Mining Co.*, 6 Sawyer, 435, 1878; *Creamre v. Bowers*, 35 F. R. 209, 1888.

¹⁴ *Untermeyer v. Freund*, 58 F. R. 212, 1893.

¹⁵ *Root v. Railway Co.*, 105 U. S. 214, 1881; *Tilghman v. Proctor*, 125 U. S. 148, 1888; *Belknap v. Schild*, 161 U. S. 25, 1896.

¹⁶ *Wetherill v. Zinc Co.*, 1 Bann. & Ard. 486, 1874.

¹⁷ *Herring v. Gage*, 3 Bann. & Ard. 399, 1878; *Emigh v. Railroad Co.*, 6 F. R. 283, 1881.

¹⁸ *Fischer v. Hayes*, 39 F. R. 613, 1889.

¹⁹ *Locomotive Safety Truck Co. v. Railroad Co.*, 2 F. R. 681, 1880.

²⁰ *Knox v. Quicksilver Mining Co.*, 6 Sawyer, 430, 1878.

²¹ *Tilghman v. Proctor*, 125

to the measure of the complainant's damages, material to inquiries touching the amount of the defendant's profits.²² It is immaterial that the profits made by the defendant would not have been made by the plaintiff.²³

§ 717. The difference between the amount it cost the defendant to make and sell his specimens of the patented thing, and the amount which he received for those specimens, is in many cases the amount of his profits.²⁴ That is the fact where the only infringement consisted of such making and selling, and where no part of ascertainable cost or value, other than those covered by the patent in suit, entered into the composition of the specimens which were made and sold.²⁵

In the first case just cited, it appears that the patent did not cover all the elements of the articles of merchandise which were made and sold by the defendant. But those unpatented elements were disregarded in that case, because the conduct of the defendant had rendered impossible a separate account of the profits due to the patented, and those due to the unpatented, features of those articles.²⁶

U. S. 143, 1888; *Wooster v. Taylor*, 14 Blatch. 403, 1878.

²² *Elizabeth v. Pavement Co.*, 97 U. S. 143, 1877; *Beach v. Hatch*, 153 F. R. 763, 1907.

²³ *Brennan & Co. v. Dowagiac Mfg. Co.*, 162 F. R. 472, 1908; *Carborundum Co. v. Electric Smelting, etc., Co.*, 203 F. R. 976, 1913.

²⁴ *Simpson v. Davis*, 22 F. R. 444, 1884; *Shannon v. Bruner*, 33 F. R. 872, 1888; *Am Ende v. Seabury*, 43 F. R. 672, 1890.

²⁵ *Rubber Co. v. Goodyear*, 9

Wallace, 803, 1869; *Elizabeth v. Pavement Co.*, 97 U. S. 141, 1877; *Warren v. Keep*, 155 U. S. 268, 1894; *Jenkins v. Greenwald*, 1 Bond, 141, 1857; *Sayre v. Scott*, 55 F. R. 975, 1893; *Orr & Lockett Hardware Co. v. Murray*, 163 F. R. 54, 1908; *Yesbera v. Hardesty Mfg. Co.*, 166 F. R. 120, 1909; *Conroy v. Penn. Electrical & Mfg. Co.*, 199 F. R. 427, 1912; *Seegar Refrigerator Co. v. American Car & Foundry Co.*, 219 F. R. 565, 1915.

²⁶ And so in *Brennan & Co. v.*

In the second of the cited cases, it appeared that the pavement which was made by the New Jersey Wood Paving Co. for the city of Elizabeth, contained the entire invention of the complainant, and contained an addition thereto, which addition might or might not have contributed to the profit which resulted to the Paving Co. from its contract. Under those circumstances, the Supreme Court held that the entire profit should go to the patentee, because it was not ascertainable how much was due to the additional element. The principle of both these precedents on this point appears to be, that where a defendant mingled profits which he made as an infringer, with those he made otherwise, and where there is no criterion by means of which they can be separated, he must submit to the recovery of the whole.

In the third case, the infringement consisted in making and selling a particular kind of stove grates, which was admitted to infringe all the claims of the complainant's patent thereon. The Supreme Court affirmed a decree for the difference between the complainant's evidence of the cost of making the grates, and the amount for which the defendant sold them.

Although the device of the patent may be a mere improvement on an existing device, the improvement may nevertheless be the thing which brings about the sale and if that is the case, the plaintiff is entitled to recover the entire profits.²⁷

The general principle announced in the foregoing para-

Dowagiac Mfg. Co., 162 F. R. 472, 1908; Dowagiac Mfg. Co. v. Superior Drill Co., 162 F. R. 479, 1908.

²⁷ Force v. Sawyer-Boss Mfg. Co., 143 F. R. 894, 1906; Maimin v. Union Special Machine Co.,

187 F. R. 123, 1911; Roth v. Harris, 197 F. R. 929, 1912; Van Brunt v. La Crosse Plow Co., 208 F. R. 281, 1913; La Crosse Plow Co. v. Van Brunt, 220 F. R. 626, 1915.

graph creates an important modification of the rule which has been announced in a number of cases to the effect that when the claim of a patent infringed covers a unitary structure which is made and sold by the defendant without addition or change, the plaintiff is entitled to recover the entire profits.²⁸ Even though the claim cover a unitary structure, which is made and sold by the defendant, the plaintiff may not recover all the profits made by the defendant if it appears that the real invention lies in a single element and is in fact merely an improvement over prior structures, as this may be the case in spite of the rule of the Patent Office which requires a claim to include a completely operative combination.²⁹

§ 718. When taking an account of profits in the method indicated in the last section, it is generally easy to ascertain the amount which the defendant realized for the articles which he made and sold; but it is generally difficult to determine how much it cost him to make and sell them. Such an inquiry must consist of collecting direct evidence upon the subject; and cannot consist in ascertaining the cost to other parties, of making and selling similar articles.³⁰ One such inquiry occupied ex-Chancellor WALWORTH, as master, more than ten years, and occupied the judge who passed upon the exceptions to his report at least as many weeks.³¹ When such accounts are taken, the elements which are allowed to enter into that cost are the following:

1. The market value of materials on hand at the time

²⁸ *Seegar Refrigerator Co. v. American Car & Foundry Co.*, 212 F. R. 742, 1914; *Yesbera v. Hardesty*, 166 F. R. 120, 1908; *Orr & Lockett Hardware Co. v. Murray*, 163 F. R. 54, 1908.

²⁹ *Hermann v. Youngstown Car Mfg. Co.*, 216 F. R. 604, 1914.

³⁰ *Robins v. Illinois Watch Co.*, 78 F. R. 124, 1897; and 81 F. R. 957, 1897.

³¹ *Troy Iron & Nail Factory v. Corning*, 6 Blatch. 328, 1869.

the infringement began, and the actual cost of materials subsequently purchased, but not the market value of the latter at the time they were used in infringing.³²

2. Money paid in reasonable amounts to persons employed in making and selling the infringing articles, even where those persons were officers or stockholders of the infringing corporation.³³

3. Proper remuneration for the labor of the infringer in conducting the infringement. This element has been disallowed in one case;³⁴ but the same reasoning which justified the Supreme Court in allowing the members of a defendant corporation for their personal services, calls for the same allowance where the men who infringe, do so as partners or as individuals. Where a number of men form a corporation and, as such, infringe a patent by making and selling specimens of a patented thing, the Supreme Court approves a proper allowance for their labor, being made an element in the cost of those specimens, when those men are forced to pay over those profits to the patentee. There is the same reason for making the same allowance, where two such men make and sell such specimens as partners, or where one man does so alone. But it is the labor of the infringer in making or selling infringing articles, or in performing an infringing process, that is contemplated in this paragraph. Salaries which are received by partners in the place of partnership profits, or

³² *Rubber Co. v. Goodyear*, 9 Wallace, 803, 1869; *Hemolin Co. v. Harway Dyewood & Extract Co.*, 166 F. R. 434, 1908.

³³ *Rubber Co. v. Goodyear*, 9 Wallace, 803, 1869; *American Nicholson Pavement Co. v. Elizabeth*, 1 Bann. & Ard. 442, 1874;

Steam Stone Cutter Co. v. Mfg. Co., 17 Blatch. 29, 1879; *National Folding-Box & Paper Co. v. Dayton Paper Novelty Co.*, 95 F. R. 994, 1899.

³⁴ *Williams v. Leonard*, 9 Blatch. 476, 1872.

which are paid for a general oversight of partnership business, do not come in this category.³⁵

4. Interest on borrowed money;³⁶ but not interest on capital stock; except where the property represented by the capital stock was used only in conducting the infringing business, or where the defendant clearly proves what portion of the value of that property was thus used, so as to enable an apportionment of interest to be made between the infringing business, and the other business contemporaneously conducted by the defendant.³⁷

5. Expenses of selling, including advertising,³⁸ and commissions.³⁹

6. Miscellaneous expenses equitably chargeable to the infringing business,⁴⁰ but not taxes and insurance unless paid on a plant devoted entirely to the infringing business.⁴¹

7. Royalties paid on other patents used in the infringing structure.⁴²

A method of ascertaining the profits of a corporation infringer, which is approved, is to add to the total amount of the dividends such amounts as the corporation paid out other than in the conduct of its business.⁴³

³⁵ *Callaghan v. Myers*, 128 U. S. 663, 1888.

³⁶ *Rubber Co. v. Goodyear*, 9 Wallace, 804, 1869.

³⁷ *Seabury v. Am Ende*, 152 U. S. 564, 1894; *Western Glass Co. v. Schmertz Wire Glass Co.*, 226 F. R. 730, 1915.

³⁸ *Rubber Co. v. Goodyear*, 9 Wallace, 804, 1869; *Manufacturing Co. v. Cowing*, 105 U. S. 257, 1884; *La Baw v. Hawkins*, 2 Bann. & Ard. 566, 1877.

³⁹ *Kissinger-Ison Co. v. Brad-*

ford Belting Co., 123 F. R. 94, 1903.

⁴⁰ *Winchester Arms Co. v. American Cartridge Co.*, 62 F. R. 278, 1894; *Piazet Novelty Co. v. Headley*, 123 F. R. 897, 1903.

⁴¹ *Carborundum Co. v. Electric Smelting, etc., Co.*, 203 F. R. 976, 1913.

⁴² *Hermann v. Youngstown Car Mfg. Co.*, 216 F. R. 604, 1914.

⁴³ *National Metal Weather Strip Co. v. Bredin*, 186 F. R. 490, 1911.

§ 719. Where the thing made and sold by the defendant contained not only the invention of the complainant, but also some other invention or feature of ascertainable cost and provable value, the complainant except in design cases, can recover only that part of the defendant's profit which was due to the infringing parts or features of the thing made and sold by the defendant; and the burden was on the complainant to prove the amount of that part. At least such was the law⁴⁴ with some exceptions prior to the Supreme Court decision of *Westinghouse Electric & Mfg. Co. v. Wagner Electric & Mfg. Co.*⁴⁵ The exceptions mentioned held that this burden was imposed on the complainant only after the defendant had proven the existence of such features and that they affected the price of the infringing article.⁴⁶ Some cases made a distinction between an added device covered by a patent owned by a third party and an added unpatented feature, holding that in the former case the burden was on the defendant to show that part of his infringing device was manufactured under the patent to the third person, and that only in that event was the burden shifted to the complainant to prove the value of the added invention, but that if the added feature were unpatented the burden was on the com-

⁴⁴ *Blake v. Robertson*, 94 U. S. 733, 1876; *Garretson v. Clark*, 111 U. S. 120, 1884; *Dobson v. Carpet Co.*, 114 U. S. 445, 1884; *Dobson v. Dornan*, 118 U. S. 17, 1885; *Keystone Mfg. Co. v. Adams*, 151 U. S. 147, 1894; *Robbins v. Illinois Watch Co.*, 81 F. R. 957, 1897; *Elgin Wind Power & Pump Co. v. Nichols*, 105 F. R. 780, 1901; *Westinghouse v. New York Air Brake Co.*, 115 F. R. 645, 1902; *Baker v. Crane Co.*,

138 F. R. 60, 1905; *Brown v. Lanyon*, 179 F. R. 309, 1910; *American Street F. M. Co. v. St. Louis Street F. M. Co.*, 192 F. R. 121, 1911.

⁴⁵ *Westinghouse Electric & Mfg. Co. v. Wagner Electric & Mfg. Co.*, 225 U. S. 604, 1912.

⁴⁶ *Canda Bros. v. Michigan Malleable Iron Co.*, 152 F. R. 178, 1907; *McSherry Mfg. Co. v. Dowagiac Mfg. Co.*, 160 F. R. 948, 1908.

plainant not only to prove the value of the added feature but also to prove its existence in the first instance.⁴⁷ Other cases held that when the defendant refused to produce his books of account which would show the amount of the profits, or took improper methods to avoid responsibility or otherwise acted in bad faith, the burden was thrown on him to show any circumstances or features concerning the infringing article that contributed to the profits.⁴⁸

Whatever the correct rule was prior to the Westinghouse Electric & Mfg. Co. case, that case finally settled the law determining on which party the burden of proof lay to separate profits obtained by a defendant on an article which contained features additional to those which infringed. The patent in that case covered an electrical apparatus known as a transformer or converter, the inventive feature of which consisted of a core composed of groups of thin metal plates so plugged apart as to leave open spaces in the core. The infringing device contained elements which were not included in the plaintiff's invention. Mr. Justice LAMAR, speaking for the court, in stating the rule of the case said:

"But when a case of confusion does appear—when it is impossible to make a mathematical or approximate apportionment—then from the very necessity of the case one party or the other must secure the entire fund. It must be kept by the infringer, or it must be awarded, by law, to the patentee. On established principles of equity, and on the plainest principles of justice, the guilty trustee cannot take advantage of his own wrong. The fact that

⁴⁷ *Mast v. Superior Drill Co.*, 154 F. R. 45, 1907, and cases therein cited.

Co., 166 F. R. 120, 1908; *Novelty Glass Mfg. Co. v. Brookfield*, 170 F. R. 946, 1909.

⁴⁸ *Yesbera v. Hardesty Mfg.*

he may lose something of his own is a misfortune which he has brought upon himself; and if, as argued, the fund may have been made by the use of other patents also, for which he may be liable in another case, it is again a misfortune which he has brought upon himself and an instance of a double wrong causing double liability. He cannot appeal to a court of conscience to cast the loss upon an innocent patentee and by judicial decree repeal the provision of Rev. Stat., Section 4921, which declares that in case of infringement the complainant shall be entitled to recover the 'profits to *be accounted for* by the defendant.'

"This conclusion is said to be in conflict with the Garretson and other decisions which, it is claimed, justify the conclusion that the defendant is entitled to retain all of the profits even where the patentee is unable to make an apportionment. *Warren v. Keep*, 155 U. S. 265. An analysis of the facts of those cases will show that they do not sustain so extreme a doctrine. For they deal with instances where the plaintiff apparently relied on the theory that the burden was on the defendant, and for that, or other reasons, made no attempt whatever to separate the profits. None of the cases cited discuss the rights of the patentee who has exhausted all available means of apportionment, who has resorted to the books and employees of the defendant, and by them, or expert testimony proved, that it was impossible to make a separation of the profits. This distinction, between difficulty and impossibility, is involved in the ruling by the Circuit Court of Appeals for the sixth circuit in *Brennan & Co. v. Dowagiac Mfg. Co.*, 162 Fed. Rep. 472, 476, where the Garretson Case was distinguished, and the court said:

"In the present case the infringer's conduct has been such as to preclude the belief that it has derived no advantage from the use of plaintiff's invention. . . . In

these circumstances, upon whom is the burden of loss to fall? We think the law answers this question by declaring that it shall rest upon the wrongdoer, who has so confused his own with that of another that neither can be distinguished. It is a bitter response for the court to say to the innocent party, 'You have failed to make the necessary proof to enable us to decide how much of these profits are your own'; for the party knows, and the court must see, that such a requirement is impossible to be complied with. The proper remedy to be applied in such cases is that stated by Chancellor Kent in *Hart v. Ten Eyck*, 2 Johns. Ch. (N. Y.) 62, 108, where he said: 'The rule of law and equity is strict and severe on such occasion. . . . All the inconvenience of the confusion is thrown upon the party who produces it, and it is for him to distinguish his own property or lose it.'

"It may be argued that, in its last analysis, this is but another way of saying that the burden of proof is on the defendant. And no doubt such, in the end, will be the practical result in many cases. But such burden is not imposed by law; nor is it so shifted until after the plaintiff has proved the existence of profits attributable to his invention and demonstrated that they are impossible of accurate or approximate apportionment. If then the burden of separation is cast on the defendant it is one which justly should be borne by him, as he wrought the confusion."

It appears, therefore, from the opinion in the *Westinghouse Electric & Mfg. Co.* case that before the burden of separation of profits is shifted to the defendant, the plaintiff on his part must first show the impossibility of proving them. The evidence offered by the plaintiff in the *Westinghouse* case which was held sufficient to shift the burden from the plaintiff to the defendant, was supplied by wit-

nesses in the employ of the defendant, who kept the books, purchased the material, superintended the construction and affixed the price of the defendant's transformers, but who were not able to show what profits had been made and consequently were not able to show what part of the profits were contributable to the patent and what to the additions. The plaintiff, however, proved the existence of profits, and therefore as the court said: "It carried the burden imposed by law and established every element necessary to entitle it to a decree except one. As to that the act of the defendant had made it not merely difficult but impossible to carry the burden of apportionment." Other cases following the Westinghouse Electric & Mfg. Co. case are cited in the note.⁴⁹

In any event the evidence of the complainant as to separation of profits need not be severely accurate and may be sufficient where it furnishes foundation for just inferences rather than certain knowledge.⁵⁰

In *Dowagiac Mfg. Co. v. Minnesota Plow Co.*,⁵¹ the court reiterated the rule laid down in the Westinghouse case, regarding the rule governing the burden of apportionment, saying: "But the plaintiff did not conform to this rule. It neither submitted evidence calculated to effect the apportionment nor attempted to show that it was impossible; and this, although the evidence upon the accounting went far toward showing that there was no real

⁴⁹ *Carborundum Co. v. Electric Smelting & Aluminum Co.*, 203 F. R. 976, 1913; *Van Brunt v. La Crosse Plow Co.*, 208 F. R. 281, 1913; *Seegar Refrigerator Co. v. American Car & Foundry Co.*, 219 F. R. 565, 1915; *Decker v. Smith*, 225 F. R. 776, 1915.

⁵⁰ *Adams v. Keystone Mfg. Co.*,

41 F. R. 597, 1890; *Westinghouse Electric & Mfg. Co. v. Wagner Electric & Mfg. Co.*, 225 U. S. 604, 1912; *Dowagiac Mfg. Co. v. Minnesota Moline Plow Co.*, 235 U. S. 641, 1915.

⁵¹ *Dowagiac Mfg. Co. v. Minnesota Plow Co.*, 235 U. S. 635, 1915.

obstacle to a fair apportionment. Certainly no obstacle was interposed by the defendant.”

§ 720. Where the defendant made and sold the complainant's invention separately, as well as in connection with other inventions, the profit which he made on the separate sales, is the measure of that part which is to be credited to the complainant's invention, of the profit which the defendant made on the joint sales.⁵² This is a fairer method of division in such a case, than would be a division of the gross profits in proportion to the comparative cost of the elements covered by the patent in suit, and those not so covered; because the comparative cost is not always the best evidence of the comparative utility of two devices, nor of the comparative profit at which they can be made and sold.⁵³

§ 721. Where the defendant has paid or contracted to pay other patentees a royalty for that part of the thing made and sold by him, which is not covered by the complainant's patent, that royalty may be taken as the measure of that part of the gross profits due to that part of the article in suit.⁵⁴ But it seems that this rule is not to be applied in any case where the division of the profits can be made under the rule of the last section; because it may sometimes be that the profits due to that part of the infringing thing which is not covered by the complainant's patent, are larger than the royalty which the defendant had to pay for the right to make and sell that part.

§ 722. Where the thing made and sold by the defendant would be useless for its special purpose without the part

⁵² *Mason v. Graham*, 23 Wallace, 276, 1874.

⁵³ *Graham v. Mason*, 1 Holmes, 89, 1872.

⁵⁴ *Elizabeth v. Pavement Co.*,

97 U. S. 141, 1877; *La Baw v. Hawkins*, 2 Bann. & Ard. 565, 1877; *Herman v. Youngstown Car Mfg. Co.*, 216 F. R. 604, 1914.

covered by the complainant's patent, or where no other known article would answer that purpose well enough to find purchasers; all the profits which the infringer derived from making and selling the entire thing are clearly due to the patented part, and are therefore recoverable by the complainant.⁵⁵

§ 723. Where the profits due to the infringing, and those due to the non-infringing, elements of a defendant's article of manufacture and sale cannot be separated by any other rule, then the apportionment may be made by dividing the aggregate profits in proportion to the respective cost of the different parts. This method of making the division is based on the presumption that similar articles of merchandise are sold at a like percentage of profit on the cost of producing them. But this is not likely to be the fact where one of those articles is covered by a patent while the others are not so covered, because monopolies tend to enhance prices. This method of making the required division will therefore always be more favorable to the defendant than to the complainant; where no part of the article made and sold by the former is covered by a patent, except the part which is covered by the patent of the latter. The principle of this method was approved in *Rubber Co. v. Goodyear*,⁵⁶ though in that case it was applied to the work of dividing profits between things covered, and other things not covered, by the complainant's patent, instead of between parts of the same thing so covered, and other parts not so covered.

⁵⁵ *Manufacturing Co. v. Cowing*, 105 U. S. 256, 1881; *Hurlbut v. Schillinger*, 130 U. S. 456, 1889; *Crosby Valve Co. v. Safety Valve Co.*, 141 U. S. 453, 1891; *Wales v. Waterbury Mfg. Co.*, 101 F. R. 127, 1900; *Coddington v. Propfe*,

112 F. R. 1016, 1902; *Piaget Novelty Co. v. Headley*, 123 F. R. 897, 1903; *Penfield v. Potts*, 126 F. R. 475, 1903.

⁵⁶ *Rubber Co. v. Goodyear*, 9 Wallace, 802, 1869.

§ 723*a*. In cases for infringement of design patents, a special statute provides that the total profits made from the manufacture or sale of the article or articles, to which the design, or a colorable imitation thereof, has been applied, shall be recoverable.⁵⁷ But in order to recover under this statute, the complainant must show that the defendant knew of the complainant's design, and knew of the complainant's patent, or at least knew of facts which put him upon his inquiry for that patent,⁵⁸ and knew that the design was applied to the infringing article, without the license of the owner of the patent.⁵⁹

In suits on design patents as in others the plaintiff must if possible apportion the profits on the infringing articles if the entire profits are not due to the use of the patented invention.⁶⁰

§ 724. Where the infringement consisted only in selling specimens of the article covered by the complainant's patent, the profits may be readily ascertained by deducting the cost of purchasing and selling the articles, from the amount received for them when sold. Where the subject-matter of the patent is a part of a larger article, and where a separate price is paid, and a separate price is obtained for it, the gross profit on the thing covered by the patent may be ascertained by deducting the former from the latter. But in such a case, the complainant is not entitled to recover the whole of that gross profit. It must be charged with such a proportion of the expenses incurred in selling the entire article, as the aggregate money re-

⁵⁷ 24 Statutes at Large, Ch. 105, p. 387; *Untermeyer v. Freund*, 58 F. R. 211, 1893; *Ripley v. Elson Glass Co.*, 49 F. R. 927, 1892.

⁵⁸ *Smith v. Stewart*, 55 F. R. 484, 1893.

⁵⁹ *Anderson v. Pittsburgh Lumber Co.*, 47 F. R. 68, 1891; *Fuller v. Field*, 82 F. R. 814, 1897.

⁶⁰ *Bush & Lane Piano Co. v. Becker Bros.*, 234 F. R. 79, 1916.

ceived from the infringing device bears to the aggregate received for the entire apparatus or machine.⁶¹ The principle of this rule is also applicable where the infringer made the articles he sold instead of buying them; and the rules applicable to the latter class of cases, and heretofore set forth, are applicable, with some reasonable modifications, to cases where the infringer bought the infringing articles which he sold, instead of making them himself.

§ 725. Where unlawful using of a patented article or process constitutes the infringement involved in an action in equity, the infringer's profits are ascertained by a rule quite different from either of the foregoing. That rule, in its generic character, may be formulated as follows: The advantage which the defendant derived from using the complainant's invention, over what he could have derived from using any other process or thing, which was known prior to that invention, constitutes the profits which the complainant is entitled to recover.⁶² The other process or thing mentioned in the rule, is called the standard of comparison in the case. While that standard of comparison must have been known prior to the complainant's invention,⁶³ it needs not to have been open to the public at any time, except in the sense that it must be open to the public so far as the complainant's patent

⁶¹ *The Tremolo Patent*, 23 Wallace, 528, 1874.

⁶² *Doten v. City of Boston*, 138 F. R. 406, 1905; *Fullerton W. G. Assn. v. Anderson-Barngrover Mfg. Co.*, 166 F. R. 443, 1908; *Novelty Glass Mfg. Co. v. Brookfield*, 170 F. R. 946, 1909; *Brown Bag Filling Machine Co. v. Drohen*, 175 F. R. 576, 1910; *Columbia Wire Co. v. Kokomo*

Steel & Wire Co., 194 F. R. 108, 1911.

⁶³ *Turrill v. Illinois Central R. R. Co.*, 20 F. R. 912; following *Cawood Patent*, 94 U. S. 710; and affirmed by *Illinois Central R. R. Co. v. Turrill*, 110 U. S. 302, 1884; *Sessions v. Romadka*, 145 U. S. 45, 1892; *Lawther v. Hamilton*, 64 F. R. 224, 1892.

in suit is concerned.⁶⁴ The advantage which is contemplated by the general rule, is the result of some superiority of the complainant's invention over the standard of comparison; and that superiority may consist in the fact that the complainant's invention performs the function common to both, with equal cheapness and greater excellence, or with greater cheapness and equal excellence, or with greater cheapness and greater excellence; and therefore the advantage may consist either in affirmative gain or in saving from loss, or in both of those elements.

§ 729. The advantage consists in an affirmative gain, in cases wherein the patented process or thing produces a valuable article from materials which otherwise would be useless, or, if useful at all, useful only for purposes of inferior value. The Goodyear process patent,⁶⁵ if it had been valid, would have been a patent of this sort, and would have been entitled to an account of profits ascertained according to the rule of Section 725. But as the only patent sustained in the Goodyear case was the patent for the product, and inasmuch as that patent was infringed by the defendant only in making and selling specimens of the invention it covered, the profits were ascertained on an entirely different plan.

§ 730. But the advantage consisted in saving from loss, in most of the cases which have been adjudicated under the general rule.

In *Mowry v. Whitney*,⁶⁶ the advantage was a saving of materials and labor, realized from the use of the complainant's process in manufacturing car-wheels, as compared with what it would have been necessary to expend

⁶⁴ *McCreary v. Pennsylvania Canal Co.*, 141 U. S. 464, 1891.

⁶⁵ *Rubber Co. v. Goodyear*, 9 Wallace, 794, 1869.

⁶⁶ *Mowry v. Whitney*, 14 Wallace, 651, 1871.

in producing similar car-wheels, salable at the same price, without the use of that process. In the case of the Cawood Patent⁶⁷ the advantage was a saving of labor and of fuel, realized from the use of the complainant's swage-block in mending the exfoliated ends of iron railroad rails, as compared with the labor and fuel it would have been necessary to expend in mending those rails upon a common anvil.

In *Mevs v. Conover*,⁶⁸ the advantage was a saving of labor in splitting kindling-wood by means of the patented machine of the complainant, as compared with the labor which would have been required to split the same quantity of wood by hand, or by any other machine. The justice of the decision last cited has sometimes been questioned, on the ground that there was no actual profit made by the infringer in splitting the wood, and on the contention that he would not have split the wood at all, if he had been obliged to do so otherwise than by the patented machine, and that to save a man from a loss which he would not have incurred in any event, is not to confer a profit upon him, and therefore that savings ought not to be accounted as profits except where they result in actual gains. But the case as reported from the Circuit Court,⁶⁹ shows that the defendant did continue to split kindling-wood after the bringing of the suit caused him to discontinue the use of the complainant's invention for that purpose. It was probably necessary for him to do so, in order to hold his customers for other kinds of fuel. Therefore the case is not a precedent for the proposition that savings are profits, where there was no actual profit in the particular business

⁶⁷ Cawood Patent, 94 U. S. 709, 1876.

⁶⁹ *Conover v. Mevs*, 11 Blatch. 198, 1873.

⁶⁸ *Mevs v. Conover*, 125 U. S. 144, 1876.

in which the complainant's invention was used, and where there was no reason why the defendant should have pursued that business, if obliged to do so at a positive loss. It is entirely consistent with the principle of the general rule to hold that savings are profits, only so far as they result in affirmative gains from the particular business in which the infringer used the patented invention; unless that particular business was so necessary to the general business of the infringer, that he could have afforded to conduct it at an additional loss, at least equal to the saving he made from the use of the complainant's invention, and therefore presumably would have conducted it at that loss, if he had not used that invention.⁷⁰

In *Webster Loom Co. v. Higgins*,⁷¹ the advantage was a saving of machinery for weaving carpets; it appearing, in the aspect of the proofs most favorable to the complainant, that the defendants could have made all the carpeting they did make, if instead of using their sixty-one infringing looms, they had used twice that number of non-infringing looms. On this basis, the complainant contended that it was entitled to recover all the profits which were made by the defendants, on those yards of carpeting which they made on the sixty-one infringing looms, over and above the much smaller number of yards which they could have made on sixty-one non-infringing looms. But that contention was overruled by the court, on the ground that nothing hindered the defendants from using one hundred and twenty-two non-infringing looms, instead of sixty-one infringing looms, and that the cost of the use of whatever number of non-infringing looms would have been necessary to make the carpeting which was made on the sixty-one

⁷⁰ *Celluloid Mfg. Co. v. Cellonite Mfg. Co.*, 40 F. R. 477, 1889; *Tuttle v. Claffin*, 62 F. R. 455, 1894.

⁷¹ *Webster Loom Co. v. Higgins*, 43 F. R. 675, 1890.

infringing looms, was the proper standard of comparison in the case.

In *Sessions v. Romadka*,⁷² the saving consisted in the difference between the cost of the patented trunk fasteners, which the defendant used in manufacturing trunks, and the greater cost of the straps, buckles, and dowels previously in use, in the place of those trunk fasteners.

§ 731. The advantage referred to, consisted both in affirmative gains and in savings from loss, in a number of important cases. In *Tilghman v. Proctor*,⁷³ it consisted in savings of lime and sulphuric acid; and in gain on account of the increased value of the glycerine obtainable by means of the complainant's invention, as compared with that obtainable by other processes. In *Wetherill v. Zinc Co.*⁷⁴ the advantage consisted in savings of coal and labor, in producing zinc oxide from zinc ore, as compared with the cheapest prior process of producing the same quantity of zinc oxide from the same kind of zinc ore.

§ 732. The standard of comparison set up by a defendant needs not to have been used by him at any time,⁷⁵ and where it never was so used, the evidence of its utility, as compared with the invention in suit, may be drawn from persons who have used the two under the same conditions;⁷⁶ or from any other source which is capable of furnishing convincing evidence upon the point. And even where the defendants have used the standard of comparison, they may show that it was used with better results by others, and may have the benefit of that superiority on the accounting.⁷⁷

⁷² *Sessions v. Romadka*, 145 U. S. 45, 1892.

⁷³ *Tilghman v. Proctor*, 125 U. S. 142, 1888.

⁷⁴ *Wetherill v. Zinc Co.*, 1 Bann. & Ard. 486, 1874.

⁷⁵ *Locomotive Safety Truck Co. v. Railroad Co.*, 2 F. R. 679, 1880.

⁷⁶ *Emigh v. Railroad Co.*, 6 F. R. 283, 1881.

⁷⁷ *Tilghman v. Proctor*, 125 U. S. 150, 1888; but see *Morgan Con-*

§ 734. To determine what is the proper standard of comparison in a particular case, it is not necessary for the complainant to affirmatively prove that a particular process or thing was absolutely the next best to his invention, at the time of the infringement. Such a requirement would not be reasonable, because it could never be performed. It would involve evidence enough to negative the existence of a better process or thing than the one fixed upon; and to prove that nothing better existed anywhere, would be impossible. The regular course of practice on the point is for the complainant to select what appears to him to be the proper standard of comparison, and to produce evidence to prove what advantage the defendant derived from using the complainant's invention, over what he could have derived from using the standard so selected.

Where the defendant knows of no standard of comparison more favorable to himself than the one selected by the complainant, the only remaining issue relates to the utility and cheapness of that standard, as compared with the complainant's invention.⁷⁸ Where the defendant is not satisfied that the complainant has made the proper selection of a standard of comparison, he may select another, and may produce evidence to show its utility and cheapness as compared with that of the invention covered by the patent in suit; and when the case comes to a hearing before the master, the first question to be decided by him will be as to which of the parties has made the proper selection, and that standard will be used in the accounting, whether it was selected by the complainant or by the defendant; and all evidence about the merits of

struction Co. v. Forter-Miller
Engineering Co., 234 F. R. 324,
1916.

⁷⁸ Emigh v. Railroad Co., 6 F. R.
285, 1881.

the other proposed standard will become and remain immaterial to the case.⁷⁹

The true standard of comparison in a particular case is that prior process or thing which, next to the complainant's invention, could have been most advantageously used by the defendant in place of that invention, at the time he used the latter.⁸⁰ To determine this point, comparative utility is one guide, but regard must also be had to comparative cost, for the advantage contemplated by the general rule of Section 725 is the equalized result of both these elements.⁸¹

§ 734a. Where the machine used by the defendant, differed from the patented invention, only in the substitution of equivalents, the defendant's machine is treated, in respect of profits, as if it were the unchanged invention of the complainant; but where the defendant's machine contained an improvement upon the complainant's invention, the defendant is entitled to be credited with whatever contribution that improvement made to the profit realized from the defendant's use of the entire machine.⁸² This rule applies to accountings for profits derived from infringing patents on processes or other subjects of patents, as well as to profits derived from infringing patents on machines.

§ 735. The rule of Section 725 has no application to those cases of infringement which consist in making and selling a patented article, or in the latter of those acts alone;

⁷⁹ Webster Loom Co. v. Higgins, 39 F. R. 465, 1889.

⁸⁰ Brown v. Lanyon, 179 F. R. 309, 1910; Columbia Wire Co. v. Kokomo Steel & Wire Co., 194 F. R. 108, 1911; Schmerz Wire Glass Co. v. Western Glass Co., 203 F. R. 1006, 1913; Cambria

Iron Co. v. Carnegie Steel Co., 224 F. R. 947, 1915.

⁸¹ Brickill v. New York, 112 F. R. 71, 1901.

⁸² Tuttle v. Claffin, 76 F. R. 233, 1896.

See Section 719.

except where a patented article is used as a component part of a much larger article which is made and sold by the infringer.⁸³ In *Elizabeth v. Pavement Co.* the infringement consisted only in making the patented pavement to order; that is to say, it consisted in making and selling the patented article. The defendants sought to have the profits determined, under the rule of Section 725, by setting up other pavements as standards of comparison, but the Supreme Court held their position on the point to be without foundation.⁸⁴ The same rule was also unsuccessfully invoked in the case of *Burdett v. Estey*, though the argument in favor of its application was supported by evidence that the defendant might have made and sold a different device, at nearly or quite the same profit that he derived from making and selling the device covered by the complainant's patent.⁸⁵

§ 736. Interest on infringer's profits is allowed from the date of the master's report, which ascertains the amount of those profits;⁸⁶ or from the date of their first judicial ascertainment, in cases where they are first ascertained by the court.⁸⁷ Interest is in the discretion of the court.⁸⁸

§ 739. After an interlocutory decree is entered, directing a master commissioner of the court to take and report an account of the defendant's profits, or appointing a master *pro hac vice* for that purpose, it becomes the business of the complainant to introduce evidence before such mas-

⁸³ *Sessions v. Romadka*, 145 U. S. 48, 1892.

⁸⁴ *Elizabeth v. Pavement Co.*, 97 U. S. 141, 1877.

⁸⁵ *Burdett v. Estey*, 3 F. R. 569, 1880.

⁸⁶ *Tilghman v. Proctor*, 125 U. S. 160, 1887; *Crosby Valve Co. v. Safety Valve Co.*, 141 U. S. 457,

1891; *National Folding Box Co. v. Dayton Paper Novelty Co.*, 97 F. R. 331, 1899.

⁸⁷ *Campbell v. New York*, 105 F. R. 631, 1900; *Western Glass Co. v. Schmertz Wire Glass Co.*, 226 F. R. 730, 1915.

⁸⁸ *Cambria Iron Co. v. Carnegie Steel Co.*, 224 F. R. 947, 1915.

ter to prove the amount of those profits. The complainant must take the initiative. It is not the province of the master to suggest any line of proof or theory of accounting. His function is to pass upon whatever evidence the complainant produces, in the light of whatever is produced by the defendant.⁸⁹ Each party must in the first instance pay the costs and expenses made by himself, including fees of the master and stenographer,⁹⁰ and must be borne by the defendant in the final taxation of costs, if he is finally defeated,⁹¹ but must be borne by the complainant if the bill is finally dismissed.⁹²

Equity Rule 63 (former Equity Rule 79) provides that "all parties accounting before a master shall bring in their respective accounts in the form of debtor and creditor; and any of the other parties who shall not be satisfied with the accounts so brought in shall be at liberty to examine the accounting party *viva voce*, or upon interrogatories as the master shall direct." It is customary, at the commencement of accounts, for the master to issue a summons directing the defendant to bring in a sworn statement of the infringing devices which have been manufactured and sold by him, together with other data which will enable the plaintiff to establish his case. The validity of this practice has, however, been doubted, but was considered favorably in the Matter of Beckwith, by the Circuit Court of Appeals of the seventh circuit.⁹³ Objection was taken on the ground that a statement of profits by an infringing defendant was incapable of being put in the form

⁸⁹ Garretson *v.* Clark, 4 Bann. & Ard. 537, 1879.

⁹⁰ Panoulas *v.* National Equipment Co., 227 F. R. 1008, 1915.

⁹¹ Urner *v.* Kayton, 17 F. R. 539, 845, 1883.

⁹² American Diamond Drill Co. *v.* Machine Co., 32 F. R. 552, 1885.

⁹³ *In re* Beckwith, 203 F. R. 45, 1913.

of debtor and creditor, but the Court of Appeals said: "Nevertheless they are plainly capable of specification in the form of debits and credits for the purpose of accounting, and the complications mentioned, together with the fact that the items are within the exclusive knowledge and possession of the defendant furnish ample ground for such specification in conformity with the equity rule. It cannot reasonably be assumed that these items entering into the cost appear in detail in the ordinary books of account; but in whatever form the information is preserved or may be obtained by the manufacturer, we believe it to be both the purpose of the rule and in accord with equity, to require the defendant, at the outset of the accounting, to make the needful investigation and state the items in detail—having effect, as well, of his admissions of fact and of statements under oath—and thus perform his just part in narrowing the issue upon the accounting to items and matters which are in actual controversy between the parties."

In *Beckwith v. Malleable Iron Range Co.*,⁹⁴ the practice governing the proceedings on accounting before the master is reviewed and the scope of the master's investigation defined, the court holding that it is improper in advance of the submission of the account to compel the defendant to furnish detailed calculations the effect of which would be evidential only and restricting the scope of the requirements of the summons to an account in debtor and creditor form, exhibiting the matters which were the subject of the accounting, namely, on the one hand the sums chargeable, the manufacture and sales, the amounts received, and on the other hand the items of credit or offset such as cost of material, manufacture of the goods and the like. The object was said to be to give the plaintiff an

⁹⁴ *Beckwith v. Malleable Iron Range Co.*, 207 F. R. 848, 1913.

opportunity of taking exception to items appearing in the account and to thus limit the scope of the investigation to contested matters, the reason being given that it could not be presumed in advance that the account when filed would be disputed or would give rise to dissatisfaction.

§ 740. The evidence upon which the master may base his report, may consist of any evidence taken in the case prior to the interlocutory decree,⁹⁵ and of documents introduced, and depositions taken, by the parties for the express purpose of the accounting, and of testimony taken *viva voce* in the presence of the master,⁹⁶ anywhere in the world,⁹⁷ and of personal examination by him of the structure or processes which are involved in the questions before him.⁹⁸ If the required documents are not produced voluntarily, the master may require their production; and any necessary depositions may be taken upon commissions to be issued upon his certificate, from the clerk's office, or they may be taken according to the acts of Congress.⁹⁹

When testimony is taken *viva voce* before a master, either party may require that it be taken down in writing, in order that, if necessary, it may be used by the court.¹⁰⁰ In the use of books and papers of the defendant the master of course as in all other cases will give due consideration to the rights which the defendant has that his books and papers be subjected to scrutiny only so far as they are material to the issues.¹⁰¹ In the course of an accounting before a master, that officer has full authority to do all acts and to direct all proceedings which he may deem neces-

⁹⁵ Equity Rule 80; *Bell v. Stamping Co.*, 32 F. R. 549, 1887.

⁹⁶ Equity Rule 77.

⁹⁷ *Bate Refrigerating Co. v. Gillette*, 28 F. R. 673, 1886.

⁹⁸ *Piper v. Brown*, 1 Holmes, 198, 1873.

⁹⁹ Equity Rule 77; Revised Statutes, Sections 863, 864, and 865; Section 535 of this book.

¹⁰⁰ *Rollman Mfg. Co. v. Universal Hardware Works*, 218 F. R. 651, 1914.

¹⁰¹ Equity Rule 81.

sary and proper to the justice and merits of the case.¹⁰² If, for example, an account to be transcribed or deduced from the defendant's books, is necessary to a just decision of the cause, the master may make an order that the defendant furnish such an account by a certain day; and such an order, when served on the defendant by any disinterested person, must be obeyed, or the defendant will be guilty of contempt of court for not obeying it.¹⁰³

§ 741. Objections to evidence, in order to be availing, must be made when the objectionable piece of evidence is offered, or the objectionable question is put, or the objectionable answer is given. If the master is present at the time, he ought to rule upon the objection at once, and if either party would appeal from that ruling, he must enter an immediate objection thereto.

If the ruling is against the evidence objected to, it is necessary for the party who offers the evidence, if he would appeal from the ruling, to do so by an immediate motion to the court to direct the master to reverse his decision upon the point.¹⁰⁴ The reason for this practice is that if such an appeal could be taken in an exception to the master's report, it would, when taken successfully, necessitate a recommittal of the case to the master, in order to enable him to admit the evidence which he erroneously rejected.

If the master's ruling is in favor of the evidence objected to, that evidence will of course be admitted subject to the objection, and that ruling may be reviewed by the court on exceptions to the report of the master, as well as by means of an immediate motion. It may be reviewed on exceptions, because, if it is reversed, that reversal will not necessitate any addition to the evidence before the court, but

¹⁰² Equity Rule 77.

¹⁰³ *Kerosene Lamp Heater Co. v. Fisher*, 5 Bann. & Ard. 79, 1880.

¹⁰⁴ *Celluloid Mfg. Co. v. Cellonite Mfg. Co.*, 40 F. R. 477, 1889.

will merely cause the court to eliminate the objectionable evidence from among the factors of the problems before it.

If the master is not present when the cause of an objection arises, the practice is for the notary or other magistrate who is taking the deposition, to note the objections thereon, and to take down the evidence objected to; for he has no authority to make any ruling. In such cases the objections which are noted upon the depositions, may be brought to the attention of the master on the argument before him, and his specific rulings thereon may be required, and those rulings may be reviewed by the court, on exceptions to the report of the master, as far as they have affected that report. Most of the points stated in this section are contained in an excellent decision of Judge W. D. SHIPMAN,¹⁰⁵ and the residue are deducible from that decision, or from plain principles of practice.

§ 742. The extent of the defendant's infringement must be determined by the master in order to enable him to ascertain the amount of the profits which the defendant derived from that infringement. Where the infringement was all alike, or where the interlocutory decree specifies the particular doings of the defendant which are to be accounted for as infringements, the only question for the master to decide on this point is a question of quantity. But where the interlocutory decree merely directs the master to take and report an account of the profits which the defendant derived from infringing the complainant's patent, and where the complainant claims that certain doings of the defendant which were not proved prior to the interlocutory decree, constitute such an infringement, it becomes the duty of the master to decide the question of infringement involved.¹⁰⁶

¹⁰⁵ *Troy Iron & Nail Factory v. Corning*, 6 Blatch. 333, 1869.

¹⁰⁶ *Knox v. Quicksilver Mining Co.*, 6 Sawyer, 436, 1878; *Ball*

Nor would it be unprecedented for a court, when directing a master to take and report an account of infringer's profits, to direct him also to decide and report which of various machines used by the defendant, were infringements of the complainant's patent, and to make up his account accordingly,¹⁰⁷ or for the master to spontaneously report upon a form of infringement which was not previously before the court.¹⁰⁸ In fact such is the rule at any rate in the second circuit¹⁰⁹ and in the first circuit.¹¹⁰ But the most convenient and least expensive practice is for the court to decide all questions of infringement, before entering an interlocutory decree. In some jurisdictions it is held to be the only proper practice to bring in all additional infringements by supplemental bill.¹¹¹

§ 743. Where the alleged infringements involved in a suit, are of several sorts, the master generally ought to report in a separate item the profits due to each kind; so that the District Court on exceptions, or a higher court on an appeal, may render a decree for part or for all of those items, according to its decision upon the questions of infringement involved. This is but a rule of convenience, and may be departed from when convenience would thus be better served. Where the defendant used two different sorts of machines, both of which the complainant

Glove Fastening Co. v. Socket Fastener Co., 53 F. R. 245, 1892; *Fenton Metallic Mfg. Co. v. Office Specialty Co.*; 12 App. D. C. 221, 1898; *Hoe v. Scott*, 87 F. R. 220, 1898.

¹⁰⁷ *Cawood Patent*, 94 U. S. 708, 1876.

¹⁰⁸ *Adams v. Keystone Mfg. Co.*, 41 F. R. 596, 1890; *Walker Patented Pivoted Bin Co. v. Miller*, 146 F. R. 249, 1906; *Brown Bag-*

Filling Mach. Co. v. Drohen, 171 F. R. 438, 1909.

See Sections 625 and 708.

¹⁰⁹ *Louis Metzger & Co. v. Berlin*, 194 F. R. 426, 1912.

See Sections 625 and 708.

¹¹⁰ *L. S. Starrett Co. v. Brown & Sharpe Mfg. Co.*, 208 F. R. 887, 1913.

See Sections 625 and 708.

¹¹¹ *Murray v. Orr & Lockett Hardware Co.*, 153 F. R. 369, 1907.

claims infringe his patent, if the points upon which those questions of infringement depend, are apparently the same in both cases, and if the two sorts of machines were so used by the defendant, that it would be difficult to separate the profits derived from the use of one from those flowing from the use of the other, it will be most convenient not to attempt to do so. In such a case there is but little probability that the courts will hold one of the two sorts of machines to infringe, while holding that the other does not, and there is correspondingly little probability that a necessity will arise for a division of the profits due to the use of the two kinds.

§ 744. A draft report of a mastery in chancery, is one which the master draws up after the testimony has all been taken, and the parties have been heard in argument on that testimony, and the master has formed an opinion on the questions involved in the reference before him. Such a report is requisite to enable the parties to correct any misapprehension into which the master may have fallen, without the alternative necessity of presenting the point to the court. When completed, such a report is either filed in the case, or served on the parties or their solicitors; and it thereupon devolves upon any party who is dissatisfied with the master's finding, to file such exceptions to his draft report, as will call his attention to each alleged error of which the dissatisfied party proposes to complain.¹¹² It then becomes the duty of the master to consider or reconsider the questions involved in those exceptions, and thereupon to prepare and file his final report in the case.

The final report will be identical with the draft report, if the consideration of the exceptions to the earlier document fails to convince the master that it was wrong; but if he is so convinced, he will concert his final report in such

¹¹² *Fischer v. Hayes*, 16 F. R. 469, 1883.

a manner as to make it embody his changed opinion.¹¹³ No new evidence can be introduced before a master after he has made his draft report; ¹¹⁴ the proceedings upon exceptions thereto, being in the nature of a rehearing for errors apparent on the face of the record. According to strict equity practice, it is necessary to give a master this opportunity to correct his findings, in order to save time and labor of the judge.¹¹⁵ This point of practice has sometimes been omitted by counsel in patent cases, and its omission been condoned by opposing counsel or by the court.¹¹⁶ But it is not safe to omit the filing of such exceptions with the master, for the rule which requires them, is always liable to be enforced, and the enforcement consists in the court disregarding every exception to a master's final report, which was not taken before the master himself, by way of exceptions to his draft report.¹¹⁷

A final report of a master is advisory to the court; ¹¹⁸ but its advice is confined to the points which the interlocutory decree directed him to ascertain, and may not properly include any criticism of that decree, or any suggestion of any judicial action to be taken relevant to the report.¹¹⁹ Though the conclusions of fact stated in the final report of a master will not be reviewed otherwise than on exceptions thereto,¹²⁰ its conclusions of law will

¹¹³ *Sugar Refinery Co. v. Mathiesson*, 3 Cliff. 149, 1868; *Troy Iron & Nail Factory v. Corning*, 6 Blatch. 332, 1869.

¹¹⁴ *Piper v. Brown*, 1 Holmes, 196, 1873.

¹¹⁵ *Story v. Livingston*, 13 Peters, 366, 1839; *Topliff v. Topliff*, 145 U. S. 172, 1892.

¹¹⁶ *Fischer v. Hayes*, 16 F. R. 469, 1883; *Jennings v. Dolan*, 29 F. R. 861, 1887.

¹¹⁷ *McMickin v. Perin*, 18 Howard, 510, 1855; *Troy Iron & Nail Factory v. Corning*, 6 Blatch. 333, 1869; *Celluloid Mfg. Co. v. Cello-nite Mfg. Co.*, 40 F. R. 476, 1889.

¹¹⁸ *Boesch v. Graff*, 133 U. S. 705, 1890.

¹¹⁹ *Jennings v. Rogers Silver Plate Co.*, 118 F. R. 340, 1902.

¹²⁰ *Topliff v. Topliff*, 145 U. S. 172, 1892.

be verified or corrected by the court, before any final decree is based thereon.¹²¹

§ 745. Exceptions to masters' reports ought to be aimed with precision at the errors which such reports are alleged to contain.¹²² Such exceptions may be filed by the complainant, if he thinks that the master has erred in not finding any profits, or in not finding any damages, or in finding either of those foundations of recovery to have been smaller than the evidence would warrant; and such exceptions may be filed by the defendant, if he thinks that the master erred in finding profits or in finding damages to an amount in excess of what the evidence can sustain.

§ 746. Defendants' exceptions to masters' reports are divisible into four classes. 1. Exceptions which state that there is evidence in the case, proving that the defendant derived no profit, and that the complainant sustained no damage, on account of the infringement. 2. Exceptions which state that there is evidence in the case proving that the master's finding of profits or of damages, is too large in amount. 3. Exceptions which deny that there is any admissible evidence in the case proving that the defendant derived profit, or that the complainant sustained damage, on account of the infringement. 4. Exceptions which deny that there is any admissible evidence in the case proving that the defendant derived profit, or that the complainant sustained damage, on account of the infringement, to so great an amount as the master reported.

The first two of these classes of exceptions rely upon affirmations, and the last two rely upon negations, of definite points of fact. For the purposes of the present explanation, the four classes may be treated in two groups:

¹²¹ Celluloid Mfg. Co. v. Cel-
lonite Mfg. Co., 40 F. R. 477,
1889.

¹²² Sheffield Ry. Co. v. Gordon,
151 U. S. 290, 1894.

those which are affirmative requiring one sort of management in practice, and those which are negative requiring another.

§ 747. Defendant's affirmative exceptions to a draft report, must specify the particular evidence upon which they are respectively based. If this rule were otherwise, such an exception would not point out error, and would therefore fail to perform its only function. Defendant's affirmative exceptions to a final report, must be supported by reference to the particular evidence upon which the exceptor relies; or by such special statements of the master, as justify the exceptor in affirming the existence of the particular facts upon which he relies to support such exceptions. Were the court required to wander at large into the evidence which was before the master, the reference to him would be of little value. Indeed that evidence need not be reported, further than it is relied upon to support, explain, or oppose a particular exception;¹²³ and there is no presumption in any case, in the absence of a certificate, that the master reported to the court all the evidence which was before him.¹²⁴

§ 748. Defendant's negative exceptions are those which call in question the admissibility of the evidence upon which the master based his finding, and those which deny the presence in the record of any evidence sufficient to support that conclusion. An exception of the first of these sorts, so far partakes of the nature of an affirmative exception, that it ought to specify the particular evidence objected to, so that the master, on exceptions to his draft report, or the court, on exceptions to the final report of the master, may have a precise issue in the law of evidence presented for decision. But an exception of the second

¹²³ *Harding v. Handy*, 11 Wheaton, 126, 1826.

¹²⁴ *Sheffield Ry. Co. v. Gordon*, 151 U. S. 293, 1894.

of these kinds cannot be expected to specify any particular evidence, because it assumes that there is none in the record. In such a case, the proper practice is for the exceptor to require the master to make a special statement, in his final report, of the particular evidence which convinced his judgment, and to transmit that evidence with his report into court.¹²⁵

§ 749. Complainants' exceptions to a master's report may be of two classes. 1. Exceptions which state that there is evidence in the case proving that the defendant derived larger profits, or that the complainant sustained larger damages than the master reported. 2. Exceptions which state that the master erred in admitting inadmissible evidence. Both of these sorts are affirmative in their nature, and when made to a draft report, must therefore be supported by references to the particular evidence upon which the exceptor relies, or by reference to the particular evidence which he claims was improperly admitted against his objection, as the case may happen to require. When made to a final report, a complainant's exceptions, like the affirmative exceptions of a defendant, must be supported either by references to the particular evidence involved, or be based upon such special statements of the master as will obviate that necessity.

§ 750. The system of practice relevant to a master's finding, appears to present the following outlines, when reviewed as a whole. It is a master's function to investigate the questions which are referred to him by the court, and to investigate no others. To that end, he takes testimony and receives other evidence, and decides what conclusions are justified thereby; and those conclusions will

¹²⁵ *In re Hemiup*, 3 Paige Commander-in-Chief, 1 Wallace, (N. Y.), 307, 1832; *Greene v. Bishop*, 1 Cliff. 195, 1858; *The* 50, 1863.

stand unless they are clearly erroneous.¹²⁶ Unless the court otherwise directs, the master's draft report should contain those conclusions alone; and his final report should contain only his final conclusions, together with such statements of fact and statements and pieces of evidence as the parties lawfully require him to attach thereto. Where the exceptions to the draft report involve no issue save such as pertain to the admissibility of particular evidence, nothing need accompany the final report except the evidence objected to, and a statement of the ground upon which it was admitted. Where those exceptions merely affirm the presence of evidence requiring a different conclusion from that of the master, nothing need accompany the final report save the particular evidence which those exceptions specify in that behalf. Where those exceptions merely deny the presence of evidence to justify the draft report, nothing need accompany the final report save the evidence which carried the master to the conclusion at which he arrived. Where a master receives no direction from the court, and no request from either of the parties, to report any evidence, his report contains nothing but his finding, and his finding is conclusive.¹²⁷

¹²⁶ *Tilghman v. Proctor*, 125 U. S. 149, 1887; *Callaghan v. Myers*, 128 U. S. 666, 1888; *Kimberly v. Arms*, 129 U. S. 512, 1889.

¹²⁷ *Harding v. Handy*, 11 Wheaton, 126, 1826; *The Commander-in-Chief*, 1 Wallace, 50, 1863; *In re Hemiup*, 3 Paige (N. Y.), 307, 1832; *Dexter v. Arnold*, 2 Sumner, 131, 1834; *Donnell v. Insurance Co.*, 2 Sumner, 371, 1836; *Boston Iron Co. v. King*, 2 Cushing (Mass.), 405,

1848; *Adams v. Brown*, 7 Cushing (Mass.), 222, 1851; *Howe v. Russell*, 36 Maine, 127, 1853; *Sparhawk v. Wills*, 5 Gray (Mass.), 431, 1855; *Greene v. Bishop*, 1 Cliff. 195, 1858; *Mason v. Railroad Co.*, 52 Maine, 115, 1861; *Piper v. Brown*, 1 Holmes, 198, 1873; *Hammacher v. Wilson*, 32 F. R. 797, 1887; *Keep v. Fuller*, 42 F. R. 896, 1890; *Rollman Mfg. Co. v. Universal Hardware Works*, 229 F. R. 579, 1916.

APPENDIX

THE PATENT STATUTES

PATENT ACT OF 1790

1 STATUTES AT LARGE, 109

An Act to promote the progress of useful Arts

SECTION 1. *Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That upon the petition of any person or persons to the Secretary of State, the Secretary for the Department of War, and the Attorney-General of the United States, setting forth that he, she, or they hath or have invented or discovered any useful art, manufacture, engine, machine, or device, or any improvement therein not before known or used, and praying that a patent may be granted therefor, it shall and may be lawful to and for the said Secretary of State, the Secretary for the Department of War, and the Attorney-General, or any two of them, if they shall deem the invention or discovery sufficiently useful and important, to cause letters-patent to be made out in the name of the United States, to bear teste by the President of the United States, reciting the allegations and suggestions of the said petition, and describing the said invention or discovery, clearly, truly, and fully, and thereupon granting to such petitioner or petitioners, his, her, or their heirs, administrators, or assigns, for any term not exceeding fourteen years, the sole and exclusive right and liberty of making, constructing, using, and vending

to others to be used, the said invention or discovery; which letters patent shall be delivered to the Attorney-General of the United States to be examined, who shall, within fifteen days next after the delivery to him, if he shall find the same conformable to this act, certify it to be so at the foot thereof, and present the letters-patent so certified to the President, who shall cause the seal of the United States to be thereto affixed, and the same shall be good and available to the grantee or grantees by force of this act, to all and every intent and purpose herein contained, and shall be recorded in a book to be kept for that purpose in the office of the Secretary of State, and delivered to the patentee or his agent, and the delivery thereof shall be entered on the record and indorsed on the patent by the said Secretary at the time of granting the same.

SECTION 2. *And be it further enacted,* That the grantee or grantees of each patent shall, at the time of granting the same, deliver to the Secretary of State a specification in writing, containing a description, accompanied with drafts or models, and explanations and models (if the nature of the invention or discovery will admit of a model), of the thing or things by him or them invented or discovered, and described as aforesaid, in the said patents; which specification shall be so particular, and said models so exact, as not only to distinguish the invention or discovery from other things before known and used, but also to enable a workman or other person skilled in the art of manufacture, whereof it is a branch, or wherewith it may be nearest connected, to make, construct, or use the same, to the end that the public may have the full benefit thereof, after the expiration of the patent term; which specifications shall be filed in the office of the said Secretary, and certified copies thereof shall be competent evidence in all courts and before all jurisdictions, where any matter

or thing, touching or concerning such patent, right, or privilege shall come in question.

SECTION 3. *And be it further enacted,* That upon the application of any person to the Secretary of State, for a copy of any such specification, and for permission to have similar model or models made, it shall be the duty of the Secretary to give such a copy, and to permit the person so applying for a similar model or models, to take, or make, or cause the same to be taken or made, at the expense of such applicant.

SECTION 4. *And be it further enacted,* That if any person or persons shall devise, make, construct, use, employ, or vend, within these United States, any art, manufacture, engine, machine or device, or any invention or improvement upon, or in any art, manufacture, engine, machine, or device, the sole and exclusive right of which shall be so as aforesaid granted by patent to any person or persons, by virtue and in pursuance of this act, without the consent of the patentee or patentees, their executors, administrators, or assigns, first had and obtained in writing, every person so offending shall forfeit and pay to the said patentee or patentees, his, her, or their executors, administrators, or assigns, such damages as shall be assessed by a jury, and moreover shall forfeit to the person aggrieved, the thing or things so devised, made, constructed, used, employed, or vended, contrary to the true intent of this act, which may be recovered in an action on the case founded on this act.

SECTION 5. *And be it further enacted,* That upon oath or affirmation made before the judge of the district court where the defendant resides, that any patent which shall be issued in pursuance of this act, was obtained surreptitiously by, or upon false suggestion, and motion made to the said court, within one year after issuing the said

patent, but not afterwards, it shall and may be lawful to and for the judge of the said district court, if the matter alleged shall appear to him to be sufficient, to grant a rule that the patentee or patentees, his, her, or their executors, administrators, or assigns, show cause why process should not issue against him, her, or them, to repeal such patents; and if sufficient cause shall not be shown to the contrary, the rule shall be made absolute, and thereupon the said judge shall order process to be issued as aforesaid, against such patentee or patentees, his, her, or their executors, administrators, or assigns. And in case no sufficient cause shall be shown to the contrary, or if it shall appear that the patentee was not the first and true inventor or discoverer, judgment shall be rendered by such court for the repeal of such patent or patents; and if the party at whose complaint the process issued shall have judgment given against him, he shall pay all such costs as the defendant shall be put to in defending the suit, to be taxed by the court, and recovered in such manner as costs expended by defendants shall be recovered in due course of law.

SECTION 6. *And be it further enacted,* That in all actions to be brought by such patentee or patentees, his, her, or their executors, administrators, or assigns, for any penalty incurred by virtue of this act, the said patents or specifications shall be *prima facie* evidence that the said patentee or patentees was or were the first and true inventor or inventors, discoverer or discoverers, of the thing so specified, and that the same is truly specified; but that nevertheless the defendant or defendants may plead the general issue, and give this act, and any special matter whereof notice in writing shall have been given to the plaintiff, or his attorney, thirty days before the trial, in evidence tending to prove that the specification filed by the plaintiff does not contain the whole of the truth concerning

his invention or discovery; or that it contains more than is necessary to produce the effect described; and if the concealment of part, or the addition of more than is necessary, shall appear to have been intended to mislead, or shall actually mislead the public, so as the effect described cannot be produced by the means specified, then, and in such cases, the verdict and judgment shall be for the defendant.

SECTION 7. *And be it further enacted*, That such patentee as aforesaid shall, before he receives his patent, pay the following fees to the several officers employed in making out and perfecting the same, to wit: For receiving and filing the petition, fifty cents; for filing specifications, per copy-sheet containing one hundred words, ten cents; for making out patent, two dollars; for affixing great seal, one dollar; for indorsing the day of delivering the same to the patentee, including all intermediate services, twenty cents.

APPROVED April 10, 1790.

Repealed February 21, 1793. 1 Statutes at Large, Chap. 11, Section 12, p. 323.

PATENT ACT OF 1793

1 STATUTES AT LARGE, 318

An Act to promote the progress of useful Arts; and to repeal the act heretofore made for that purpose.

SECTION 1. *Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That when any person or persons, being a citizen or citizens of the United States, shall allege that he or they have invented any new and useful art, machine,

manufacture, or composition of matter, or any new and useful improvement on any art, machine, manufacture, or composition of matter, not known or used before the application, and shall present a petition to the Secretary of State, signifying a desire of obtaining an exclusive property in the same, and praying that a patent may be granted therefor, it shall and may be lawful for the said Secretary of State to cause letters-patent to be made out in the name of the United States, bearing teste by the President of the United States, reciting the allegations and suggestions of the said petition, and giving a short description of the said invention or discovery, and thereupon granting to such petitioner or petitioners, his, her, or their heirs, administrators, or assigns, for a term not exceeding fourteen years, the full and exclusive right and liberty of making, constructing, using, and vending to others to be used, the said invention or discovery, which letters-patent shall be delivered to the Attorney-General of the United States, to be examined; who, within fifteen days after such delivery, if he finds the same conformable to this act, shall certify accordingly, at the foot thereof, and return the same to the Secretary of State, who shall present the letters-patent, thus certified, to be signed, and shall cause the seal of the United States to be thereto affixed; and the same shall be good and available to the grantee or grantees, by force of this act, and shall be recorded in a book, to be kept for that purpose, in the office of the Secretary of State, and delivered to the patentee or his order.

SECTION 2. *Provided always, and be it further enacted,* That any person who shall have discovered an improvement in the principle of any machine, or in the process of any composition of matter, which shall have been patented, and shall have obtained a patent for such improvement, he shall not be at liberty to make, use, or vend the

original discovery, nor shall the first inventor be at liberty to use the improvement: And it is hereby enacted and declared, that simply changing the form or the proportions of any machine, or composition of matter, in any degree, shall not be deemed a discovery.

SECTION 3. *And be it further enacted,* That every inventor, before he can receive a patent, shall swear or affirm, that he does verily believe that he is the true inventor or discoverer of the art, machine, or improvement for which he solicits a patent, which oath or affirmation may be made before any person authorized to administer oaths, and shall deliver a written description of his invention, and of the manner of using, or process of compounding the same, in such full, clear, and exact terms, as to distinguish the same from all other things before known, and to enable any person skilled in the art or science of which it is a branch, or with which it is most nearly connected, to make, compound, and use the same. And in the case of any machine, he shall fully explain the principle, and the several modes in which he has contemplated the application of that principle or character, by which it may be distinguished from other inventions; and he shall accompany the whole with drawings and written references, where the nature of the case admits of drawings, or with specimens of the ingredients, and of the composition of matter, sufficient in quantity for the purpose of experiment, where the invention is of a composition of matter; which description, signed by himself, and attested by two witnesses, shall be filed in the office of the Secretary of State, and certified copies thereof shall be competent evidence in all courts, where any matter or thing, touching such patent right shall come in question. And such inventor shall, moreover, deliver a model of his machine, provided the Secretary shall deem such model to be necessary.

SECTION 4. *And be it further enacted,* That it shall be lawful for any inventor, his executor or administrator, to assign the title and interest in the said invention, at any time, and the assignee, having recorded the said assignment in the office of the Secretary of State, shall thereafter stand in the place of the original inventor, both as to right and responsibility, and so the assignees of assigns, to any degree.

SECTION 5. *And be it further enacted,* That if any person shall make, devise, and use, or sell the thing so invented, the exclusive right of which shall, as aforesaid, have been secured to any person by patent, without the consent of the patentee, his executors, administrators, or assigns, first obtained in writing, every person so offending shall forfeit and pay to the patentee a sum that shall be at least equal to three times the price for which the patentee has usually sold or licensed, to other persons, the use of the said invention, which may be recovered in an action on the case founded on this act, in the circuit court of the United States, or any other court having competent jurisdiction.

SECTION 6. *Provided always, and be it further enacted,* That the defendant in such action shall be permitted to plead the general issue, and give this act, and any special matter, of which notice in writing may have been given to the plaintiff or his attorney, thirty days before trial, in evidence, tending to prove that the specification filed by the plaintiff does not contain the whole truth relative to his discovery, or that it contains more than is necessary to produce the described effect, which concealment or addition shall fully appear to have been made for the purpose of deceiving the public, or that the thing thus secured by patent was not originally discovered by the patentee, but had been in use, or had been described in some public

work anterior to the supposed discovery of the patentee, or that he had surreptitiously obtained a patent for the discovery of another person; in either of which cases judgment shall be rendered for the defendant, with costs, and the patent shall be declared void.

SECTION 7. *And be it further enacted,* That where any State, before its adoption of the present form of government, shall have granted an exclusive right to any invention, the party claiming that right shall not be capable of obtaining an exclusive right under this act, but on relinquishing his right under such particular State, and of such relinquishment, his obtaining an exclusive right under this act shall be sufficient evidence.

SECTION 8. *And be it further enacted,* That the persons whose applications for patents were, at the time of passing this act, depending before the Secretary of State, Secretary of War, and Attorney-General, according to the act passed the second session of the first Congress, intituled "An act to promote the progress of useful arts," on complying with the conditions of this act, and paying the fees herein required, may pursue their respective claims to a patent under the same.

SECTION 9. *And be it further enacted,* That in case of interfering applications, the same shall be submitted to the arbitration of three persons, one of whom shall be chosen by each of the applicants, and the third person shall be appointed by the Secretary of State; and the decision or award of such arbitrators, delivered to the Secretary of State in writing, and subscribed by them, or any two of them, shall be final, as far as respects the granting of the patent. And if either of the applicants shall refuse or fail to choose an arbitrator, the patent shall issue to the opposite party. And where there shall be more than two interfering applications, and the parties applying shall

not all unite in appointing three arbitrators, it shall be in the power of the Secretary of State to appoint three arbitrators for the purpose.

SECTION 10. *And be it further enacted,* That upon oath or affirmation being made before the judge of the district court where the patentee, his executors, administrators, or assigns, reside, that any patent, which shall be issued in pursuance of this act, was obtained surreptitiously, or upon false suggestion, and motion made to the said court, within three years after issuing the said patent, but not afterward, it shall and may be lawful for the judge of the said district court, if the matter alleged shall appear to him to be sufficient, to grant a rule, that the patentee, or his executor, administrator, or assign show cause why process should not issue against him to repeal such patent. And if sufficient cause shall not be shown to the contrary, the rule shall be made absolute, and thereupon the said judge shall order process to be issued against such patentee, or his executors, administrators, or assigns, with costs of suit. And in case no sufficient cause shall be shown to the contrary, or if it shall appear that the patentee was not the true inventor or discoverer, judgment shall be rendered by such court for the repeal of such patent; and if the party, at whose complaint the process issued, shall have judgment given against him, he shall pay all such costs as the defendant shall be put to in defending the suit, to be taxed by the court, and recovered in due course of law.

SECTION 11. *And be it further enacted,* That every inventor, before he presents his petition to the Secretary of State, signifying his desire of obtaining a patent, shall pay into the treasury thirty dollars, for which he shall take duplicate receipts; one of which receipts he shall deliver to the Secretary of State, when he presents his petition;

and the money thus paid shall be in full for the sundry services to be performed in the office of the Secretary of State, consequent on such petition, and shall pass to the account of clerk-hire in that office: *Provided nevertheless*, That for every copy, which may be required at the said office, of any paper respecting any patent that has been granted, the person obtaining such copy shall pay, at the rate of twenty cents, for every copy-sheet of one hundred words, and for every copy of a drawing, the party obtaining the same, shall pay two dollars, of which payments an account shall be rendered, annually, to the treasury of the United States, and they shall also pass to the account of clerk-hire in the office of the Secretary of State.

SECTION 12. *And be it further enacted*, That the act passed the tenth day of April, in the year one thousand seven hundred and ninety, intituled "An act to promote the progress of useful arts," be, and the same is hereby, repealed: *Provided always*, That nothing contained in this act shall be construed to invalidate any patent that may have been granted under the authority of the said act; and all patentees under the said act, their executors, administrators, and assigns, shall be considered within the purview of this act, in respect to the violation of their rights: provided such violations shall be committed after the passing of this act.

APPROVED February 21, 1793.

Repealed July 4, 1836. 5 Statutes at Large, Chap. 357, Section 21, p. 125.

PATENT ACT OF 1794

1 STATUTES AT LARGE, 393

An Act supplementary to the act intituled "An act to promote the progress of Useful Arts."

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That all suits, actions, process and proceedings, heretofore had in any District Court of the United States, under an act passed the tenth day of April, in the year one thousand seven hundred and ninety, intituled "An act to promote the progress of useful arts," which may have been set aside, suspended or abated, by reason of the repeal of the said act, may be restored, at the instance of the plaintiff or defendant, within one year from and after the passing of this act, in the said court, to the same situation in which they may have been when they were so set aside, suspended, or abated; and that the parties to the said suits, actions, process or proceedings be, and are hereby, entitled to proceed in such cases, as if no such repeal of the act aforesaid had taken place: *Provided always,* That before any order or proceeding, other than that for continuing the same suits, after the reinstating thereof, shall be entered or had, the defendant or plaintiff, as the case may be, against whom the same may have been reinstated, shall be brought into court by summons, attachment, or such other proceeding as is used in other cases for compelling the appearance of a party.

APPROVED June 7, 1794.

Repealed July 4, 1836. 5 Statutes at Large, Chap. 357, Section 21, p. 125.

PATENT ACT OF 1800

2 STATUTES AT LARGE, 37

An Act to extend the privilege of obtaining patents for useful discoveries and inventions, to certain persons therein mentioned, and to enlarge and define the penalties for violating the rights of patentees.

SECTION 1. *Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That all and singular the rights and privileges given, intended or provided to citizens of the United States, respecting patents for new inventions, discoveries, and improvements, by the act intituled "An act to promote the progress of useful arts, and to repeal the act heretofore made for that purpose," shall be, and hereby are, extended and given to all aliens who at the time of petitioning in the manner prescribed by the said act, shall have resided for two years within the United States, which privileges shall be obtained, used, and enjoyed by such persons, in as full and ample manner, and under the same conditions, limitations, and restrictions, as by the said act is provided and directed in the case of citizens of the United States: *Provided always,* That every person petitioning for a patent for any invention, art, or discovery, pursuant to this act, shall make oath or affirmation before some person duly authorized to administer oaths before such patent shall be granted, that such invention, art, or discovery hath not, to the best of his or her knowledge or belief, been known or used either in this or any foreign country, and that every patent which shall be obtained pursuant to this act, for any invention, art, or discovery, which

it shall afterwards appear had been known or used previous to such application for a patent, shall be utterly void.

SECTION 2. *And be it further enacted,* That where any person hath made, or shall have made, any new invention, discovery, or improvement, on account of which a patent might, by virtue of this or the above-mentioned act, be granted to such person, and shall die before any patent shall be granted therefor, the right of applying for and obtaining such patent, shall devolve on the legal representatives of such person in trust for the heirs at law of the deceased, in case he shall have died intestate; but if otherwise, then in trust for his devisees, in as full and ample manner, and under the same conditions, limitations, and restrictions as the same was held, or might have been claimed or enjoyed by such person, in his or her lifetime; and when application for a patent shall be made by such legal representatives, the oath or affirmation, provided in the third section of the before-mentioned act, shall be so varied as to be applicable to them.

SECTION 3. *And be it further enacted,* That where any patent shall be or shall have been granted pursuant to this or the above-mentioned act, and any person without the consent of the patentee, his or her executors, administrators, or assigns, first obtained in writing, shall make, devise, use, or sell the thing whereof the exclusive right is secured to the said patentee by such patent, such person so offending shall forfeit and pay to the said patentee, his executors, administrators, or assigns, a sum equal to three times the actual damage sustained by such patentee, his executors, administrators, or assigns, from or by reason of such offence, which sum shall and may be recovered by action on the case founded on this and the above-mentioned act, in the circuit court of the United States, having jurisdiction thereon.

SECTION 4. *And be it further enacted*, That the fifth section of the above-mentioned act, intituled "An act to promote the progress of useful arts, and to repeal the act heretofore made for that purpose," shall be, and hereby is, repealed.

APPROVED April 17, 1800.

Repealed July 4, 1836. 5 Statutes at Large, Chap. 357, Section 21, p. 125.

PATENT ACT OF 1819

3 STATUTES AT LARGE, 481

An Act to extend the jurisdiction of the circuit courts of the United States to cases arising under the law relating to patents.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the circuit courts of the United States shall have original cognizance, as well in equity as at law, of all actions, suits, controversies, and cases arising under any law of the United States, granting or confirming to authors or inventors the exclusive right to their respective writings, inventions, and discoveries; and upon any bill in equity, filed by any party aggrieved in any such cases, shall have authority to grant injunctions, according to the course and principles of courts of equity, to prevent the violation of the rights of any authors or inventors, secured to them by any laws of the United States, on such terms and conditions as the said courts may deem fit and reasonable: *Provided however*, That from all judgments and decrees of any circuit courts rendered in the premises, a writ of error or appeal, as the case may require, shall

lie to the Supreme Court of the United States, in the same manner, and under the same circumstances, as is now provided by law in other judgments and decrees of such circuit courts.

APPROVED February 15, 1819.

Repealed July 4, 1836. 5 Statutes at Large, Chap. 357, Section 21, p. 125.

PATENT ACT OF JULY 3, 1832

4 STATUTES AT LARGE, 559

An Act concerning patents for useful inventions

SECTION 1. *Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That it shall be the duty of the Secretary of State, annually, in the month of January, to report to Congress, and to publish in two of the newspapers printed in the city of Washington, a list of all the patents for discoveries, inventions, and improvements, which shall have expired within the year immediately preceding, with the names of the patentees, alphabetically arranged.

SECTION 2. *And be it further enacted,* That application to Congress to prolong or renew the term of a patent shall be made before its expiration, and shall be notified at least once a month, for three months before its presentation, in two newspapers printed in the city of Washington, and in one of the newspapers in which the laws of the United States shall be published in the State or Territory in which the patentee shall reside. The petition shall set forth particularly the grounds of the application. It shall be verified by oath; the evidence in its support may be taken before any judge or justice of the peace; it shall be ac-

accompanied by a statement of the ascertained value of the discovery, invention, or improvement, and of the receipts and expenditures of the patentee, so as to exhibit the profit or loss arising therefrom.

SECTION 3. *And be it further enacted,* That wherever any patent which has been heretofore, or shall be hereafter, granted to any inventor in pursuance of the act of Congress entitled "An act to promote the progress of useful arts, and to repeal the act heretofore made for that purpose," passed on the twenty-first day of February, in the year of our Lord, one thousand seven hundred and ninety-three, or of any of the acts supplementary thereto, shall be invalid or inoperative, by reason that any of the terms or conditions prescribed in the third section of the said first-mentioned act, have not, by inadvertence, accident, or mistake, and without any fraudulent or deceptive intention, been complied with on the part of the said inventor, it shall be lawful for the Secretary of State, upon the surrender to him of such patent, to cause a new patent to be granted to the said inventor for the same invention for the residue of the period then unexpired, for which the original patent was granted, upon his compliance with the terms and conditions prescribed in the said third section of the said act. And, in case of his death, or any assignment by him made of the same patent, the like right shall vest in his executors and administrators, or assignee or assignees: *Provided however,* That such new patent so granted shall, in all respects, be liable to the same matters of objection and defence as any original patent granted under the said first-mentioned act. But no public use or privilege of the invention so patented, derived from or after the grant of the original patent, either under any special license of the inventor, or without the consent of the patentee that there shall be a free public

use thereof, shall, in any manner, prejudice his right of recovery for any use or violation of his invention after the grant of such new patent as aforesaid.

APPROVED July 3, 1832.

Repealed July 4, 1836. 5 Statutes at Large, Chap. 357, Section 21, p. 125.

PATENT ACT OF JULY 13, 1832

4 STATUTES AT LARGE, 577

An Act concerning the issuing of patents to aliens, for useful discoveries and inventions

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the privileges granted to the aliens described in the first section of the act, to extend the privilege of obtaining patents for useful discoveries and inventions to certain persons therein mentioned, and to enlarge and define the penalties for violating the rights of patentees, approved April seventeenth, eighteen hundred, be extended in like manner to every alien who, at the time of petitioning for a patent, shall be resident in the United States, and shall have declared his intention, according to law, to become a citizen thereof: *Provided*, That every patent granted by virtue of this act and the privileges thereto appertaining, shall cease and determine and become absolutely void without resort to any legal process to annul or cancel the same in case of a failure on the part of any patentee, for the space of one year from the issuing thereof, to introduce into public use in the United States the invention or improvement for which the patent shall be issued; or in case the same for any period of six months after such introduc-*

tion shall not continue to be publicly used and applied in the United States, or in case of failure to become a citizen of the United States, agreeably to notice given to the earliest period within which he shall be entitled to become a citizen of the United States.

APPROVED July 13, 1832.

Repealed July 4, 1836. 5 Statutes at Large, Chap. 357, Section 21, p. 125.

PATENT ACT OF 1836

5 STATUTES AT LARGE, 117

An Act to promote the progress of the useful arts, and to repeal all acts and parts of acts heretofore made for that purpose

SECTION 1. *Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That there shall be established and attached to the Department of State an office to be denominated the Patent Office; the chief officer of which shall be called the Commissioner of Patents, to be appointed by the President, by and with the advice and consent of the Senate, whose duty it shall be, under the direction of the Secretary of State, to superintend, execute, and perform all such acts and things touching and respecting the granting and issuing of patents for new and useful discoveries, inventions, and improvements, as are herein provided for, or shall hereafter be, by law, directed to be done and performed, and shall have the charge and custody of all the books, records, papers, models, machines, and all other things belonging to said office. And said Commissioner shall receive the same compensation as is allowed by law

to the Commissioner of the Indian Department, and shall be entitled to send and receive letters and packages by mail, relating to the business of the office, free of postage.

SECTION 2. *And be it further enacted,* That there shall be in said office an inferior officer, to be appointed by the said principal officer, with the approval of the Secretary of State, to receive an annual salary of seventeen hundred dollars, and to be called the Chief Clerk of the Patent Office; who in all cases during the necessary absence of the Commissioner, or when then said principal office shall become vacant, shall have the charge and custody of the seal, and of the records, books, papers, machines, models, and all other things belonging to the said office, and shall perform the duties of Commissioner during such vacancy. And the said Commissioner may also, with like approval, appoint an examining clerk, at an annual salary of fifteen hundred dollars; two other clerks at twelve hundred dollars each, one of whom shall be a competent draughtsman; one other clerk at one thousand dollars; a machinist at twelve hundred and fifty dollars; and a messenger at seven hundred dollars. And said Commissioner, clerks, and every other person appointed and employed in said office, shall be disqualified and interdicted from acquiring or taking, except by inheritance, during the period for which they shall hold their appointments, respectively, any right or interest, directly or indirectly, in any patent for an invention or discovery which has been, or may hereafter be granted.

SECTION 3. *And be it further enacted,* That the said principal officer, and every other person to be appointed in the said office, shall, before he enters upon the duties of his office or appointment, make oath or affirmation truly and faithfully to execute the trust committed to him. And the said Commissioner and the chief clerk shall also, before

entering upon their duties, severally give bonds, with sureties, to the Treasurer of the United States, the former in the sum of ten thousand dollars, and the latter in the sum of five thousand dollars, with condition to render a true and faithful account to him or his successor in office, quarterly, of all moneys which shall be by them respectively received for duties on patents, and for copies of records and drawings, and all other moneys received by virtue of said office.

SECTION 4. *And be it further enacted,* That the said Commissioner shall cause a seal to be made and provided for the said office, with such device as the President of the United States shall approve; and copies of any records, books, papers, or drawings belonging to the said office, under the signature of the said Commissioner, or, when the office shall be vacant under the signature of the chief clerk, with the said seal affixed, shall be competent evidence in all cases in which the original records, books, papers, or drawings could be evidence. And any person making application therefor may have certified copies of the records, drawings, and other papers deposited in said office, on paying for the written copies the sum of ten cents for every page of one hundred words; and for copies of drawings the reasonable expense of making the same.

SECTION 5. *And be it further enacted,* That all patents issued from said office shall be issued in the name of the United States, and under the seal of said office, and be signed by the Secretary of State, and countersigned by the Commissioner of the said office, and shall be recorded, together with the descriptions, specifications, and drawings, in the said office, in books to be kept for that purpose. Every such patent shall contain a short description or title of the invention or discovery, correctly indicating its nature and design, and in its terms grant to the applicant

or applicants, his or their heirs, administrators, executors, or assigns, for a term not exceeding fourteen years, the full and exclusive right and liberty of making, using, and vending to others to be used, the said invention or discovery, referring to the specifications for the particulars thereof, a copy of which shall be annexed to the patent, specifying what the patentee claims as his invention or discovery.

SECTION 6. *And be it further enacted,* That any person or persons, having discovered or invented any new and useful art, machine, manufacture, or composition of matter, or any new and useful improvement on any art, machine, manufacture, or composition of matter, not known or used by others before his or their discovery or invention thereof, and not, at the time of his application for a patent, in public use or on sale, with his consent or allowance, as the inventor or discoverer; and shall desire to obtain an exclusive property therein, may make application, in writing, to the Commissioner of Patents, expressing such desire, and the Commissioner, on due proceedings had, may grant a patent therefor. But before any inventor shall receive a patent for any such new invention or discovery, he shall deliver a written description of his invention or discovery, and of the manner and process of making, constructing, using, and compounding the same, in such full, clear, and exact terms, avoiding unnecessary prolixity, as to enable any person skilled in the art or science to which it appertains, or with which it is most nearly connected, to make, construct, compound, and use the same; and in case of any machine, he shall fully explain the principle, and the several modes in which he has contemplated the application of that principle or character by which it may be distinguished from other inventions; and shall particularly specify and point out the part, im-

provement, or combination, which he claims as his own invention or discovery. He shall, furthermore, accompany the whole with a drawing or drawings, and written references, where the nature of the case admits of drawings, or with specimens of ingredients, and of the composition of matter, sufficient in quantity for the purpose of experiment, where the invention or discovery is of a composition of matter; which descriptions and drawings, signed by the inventor and attested by two witnesses, shall be filed in the Patent Office; and he shall moreover furnish a model of his invention, in all cases which admit of a representation by model, of a convenient size to exhibit advantageously its several parts. The applicant shall also make oath or affirmation that he does verily believe that he is the original and first inventor or discoverer of the art, machine, composition, or improvement, for which he solicits a patent, and that he does not know or believe that the same was ever before known or used; and also of what country he is a citizen; which oath or affirmation may be made before any person authorized by law to administer oaths.

SECTION 7. *And be it further enacted,* That on the filing of any such application, description, and specification, and the payment of the duty hereinafter provided, the Commissioner shall make, or cause to be made, an examination of the alleged new invention or discovery; and if, on any such examination, it shall not appear to the Commissioner that the same had been invented or discovered by any other person in this country prior to the alleged invention or discovery thereof by the applicant, or that it had been patented or described in any printed publication in this or any foreign country, or had been in public use or on sale with the applicant's consent or allowance prior to the application, if the Commissioner shall deem it to be suffi-

ciently useful and important, it shall be his duty to issue a patent therefor. But whenever, on such examination, it shall appear to the Commissioner that the applicant was not the original and first inventor, or discoverer thereof, or that any part of that which is claimed as new had before been invented or discovered, or patented, or described in any printed publication in this or any foreign country, as aforesaid, or that the description is defective and insufficient, he shall notify the applicant thereof, giving him, briefly, such information and references as may be useful in judging of the propriety of renewing his application, or of altering his specification, to embrace only that part of the invention or discovery which is new. In every such case, if the applicant shall elect to withdraw his application, relinquishing his claim to the model, he shall be entitled to receive back twenty dollars, part of the duty required by this act, on filing a notice in writing of such election in the Patent Office, a copy of which, certified by the Commissioner, shall be a sufficient warrant to the treasurer for paying back to the said applicant the said sum of twenty dollars. But if the applicant in such case shall persist in his claims for a patent, with or without any alteration in his specification, he shall be required to make oath or affirmation anew, in manner as aforesaid. And if the specification and claim shall not have been so modified as, in the opinion of the Commissioner, shall entitle the applicant to a patent, he may, on appeal, and upon request in writing, have the decision of a board of examiners, to be composed of three disinterested persons, who shall be appointed for that purpose by the Secretary of State, one of whom at least, to be selected, if practicable and convenient, for his knowledge and skill in the particular art, manufacture, or branch of science to which the alleged invention appertains; who shall be under oath or

affirmation for the faithful and impartial performance of the duty imposed upon them by said appointment. Said board shall be furnished with a certificate in writing of the opinion and decision of the Commissioner, stating the particular grounds of his objection, and the part or parts of the invention which he considers as not entitled to be patented. And the said board shall give reasonable notice to the applicant, as well as to the Commissioner, of the time and place of their meeting, that they may have an opportunity of furnishing them with such facts and evidence as they may deem necessary to a just decision; and it shall be the duty of the Commissioner to furnish to the board of examiners such information as he may possess relative to the matter under their consideration. And on an examination and consideration of the matter by such board, it shall be in their power, or of a majority of them, to reverse the decision of the Commissioner, either in whole or in part, and their opinion being certified to the Commissioner, he shall be governed thereby in the further proceedings to be had on such application: *Provided however*, That before a board shall be instituted in any such case, the applicant shall pay to the credit of the treasury, as provided in the ninth section of this act, the sum of twenty-five dollars, and each of said persons so appointed shall be entitled to receive for his services in each case a sum not exceeding ten dollars, to be determined and paid by the Commissioner out of any moneys in his hands, which shall be in full compensation to the persons who may be so appointed, for their examination and certificate as aforesaid.

SECTION 8. *And be it further enacted*, That whenever an application shall be made for a patent which, in the opinion of the Commissioner, would interfere with any other patent for which an application may be pending, or with any

unexpired patent which shall have been granted, it shall be the duty of the Commissioner to give notice thereof to such applicants, or patentees, as the case may be; and if either shall be dissatisfied with the decision of the Commissioner on the question of priority of right or invention, on a hearing thereof, he may appeal from such decision, on the like terms and conditions as are provided in the preceding section of this act; and the like proceedings shall be had, to determine which or whether either of the applicants is entitled to receive a patent as prayed for. But nothing in this act contained shall be construed to deprive an original and true inventor of the right to a patent for his invention, by reason of his having previously taken out letters-patent therefor in a foreign country, and the same having been published, at any time within six months next preceding the filing of his specification and drawings. And whenever the applicant shall request it, the patent shall take date from the time of the filing of the specification and drawings, not however exceeding six months prior to the actual issuing of the patent; and on like request, and the payment of the duty herein required, by any applicant, his specification and drawings shall be filed in the secret archives of the office until he shall furnish the model and the patent to be issued, not exceeding the term of one year, the applicant being entitled to notice of interfering applications.

SECTION 9. *And be it further enacted,* That before any application for a patent shall be considered by the Commissioner as aforesaid, the applicant shall pay into the treasury of the United States, or into the Patent Office, or into any of the deposit banks, to the credit of the treasury, if he be a citizen of the United States, or an alien, and shall have been resident in the United States for one year next preceding, and shall have made oath of his intention

to become a citizen thereof, the sum of thirty dollars; if a subject of the king of Great Britain, the sum of five hundred dollars; and all other persons the sum of three hundred dollars; for which payment duplicate receipts shall be taken, one of which to be filed in the office of the Treasurer. And the moneys received into the treasury under this act shall constitute a fund for the payment of the salaries of the officers and clerks herein provided for, and all other expenses of the Patent Office, and to be called the patent fund.

SECTION 10. *And be it further enacted,* That where any person hath made, or shall have made, any new invention, discovery, or improvement, on account of which a patent might by virtue of this act be granted, and such person shall die before any patent shall be granted therefor, the right of applying for and obtaining such patent shall devolve on the executor or administrator of such person, in trust for the heirs at law of the deceased, in case he shall have died intestate: but if otherwise, then in trust for his devisees, in as full and ample manner, and under the same conditions, limitations, and restrictions as the same was held, or might have been claimed or enjoyed by such person in his or her lifetime; and when application for a patent shall be made by such legal representatives, the oath or affirmation provided in the sixth section of this act shall be so varied as to be applicable to them.

SECTION 11. *And be it further enacted,* That every patent shall be assignable in law, either as to the whole interest, or any undivided part thereof, by any instrument in writing; which assignment, and also every grant and conveyance of the exclusive right, under any patent, to make and use, and to grant to others to make and use the thing patented within and throughout any specified part or portion of the United States, shall be recorded in the Pat-

ent Office within three months from the execution thereof, for which the assignee or grantee shall pay to the Commissioner the sum of three dollars.

SECTION 12. *And be it further enacted,* That any citizen of the United States, or alien, who shall have been a resident of the United States one year next preceding, and shall have made oath of his intention to become a citizen thereof, who shall have invented any new art, machine, or improvement thereof, and shall desire further time to make the same, may, on paying to the credit of the treasury, in manner as provided in the ninth section of this act, the sum of twenty dollars, file in the Patent Office a caveat, setting forth the design and purpose thereof, and its principal and distinguishing characteristics, and praying protection of his right till he shall have matured his invention; which sum of twenty dollars, in case the person filing such caveat shall afterwards take out a patent for the invention therein mentioned, shall be considered a part of the sum herein required for the same. And such caveat shall be filed in the confidential archives of the office, and preserved in secrecy. And if application shall be made by any other person within one year from the time of filing such caveat, for a patent of any invention with which it may in any respect interfere, it shall be the duty of the Commissioner to deposit the description, specifications, drawings, and model, in the confidential archives of the office, and to give notice, by mail, to the person filing the caveat, of such application, who shall, within three months after receiving the notice, if he would avail himself of the benefit of his caveat, file his description, specifications, drawings, and model; and if, in the opinion of the Commissioner, the specifications of claim interfere with each other, like proceedings may be had in all respects as are in this act provided in the case of interfering applications: *Provided*

however, That no opinion or decision of any board of examiners, under the provisions of this act, shall preclude any person, interested in favor of or against the validity of any patent which has been or may hereafter be granted, from the right to contest the same in any judicial court in any action in which its validity may come in question.

SECTION 13. *And be it further enacted*, That whenever any patent which has heretofore been granted, or which shall hereafter be granted, shall be inoperative, or invalid, by reason of a defective or insufficient description or specification, or by reason of the patentee claiming in his specification as his own invention more than he had or shall have a right to claim as new; if the error has or shall have arisen by inadvertency, accident, or mistake, and without any fraudulent or deceptive intention, it shall be lawful for the Commissioner, upon the surrender to him of such patent, and the payment of the further duty of fifteen dollars, to cause a new patent to be issued to the said inventor, for the same invention, for the residue of the period then unexpired for which the original patent was granted, in accordance with the patentee's corrected description and specification. And in case of his death, or any assignment by him made of the original patent, a similar right shall vest in his executors, administrators, or assignees. And the patent, so reissued, together with the corrected description and specification, shall have the same effect and operation in law, on the trial of all actions hereafter commenced for causes subsequently accruing as though the same had been originally filed in such corrected form, before the issuing out of the original patent. And whenever the original patentee shall be desirous of adding the description and specification of any new improvement of the original invention or discovery which shall have been invented or discovered by him subsequent to the date of

his patent, he may, like proceedings being had in all respects as in the case of original applications, and on the payment of fifteen dollars as hereinbefore provided, have the same annexed to the original description and specification; and the Commissioner shall certify, on the margin of such annexed description and specification, the time of its being annexed and recorded; and the same shall thereafter have the same effect in law, to all intents and purposes, as though it had been embraced in the original description and specification.

SECTION 14. *And be it further enacted,* That whenever, in any action for damages for making, using, or selling the thing whereof the exclusive right is secured by any patent heretofore granted, or by any patent which may hereafter be granted, a verdict shall be rendered for the plaintiff in such action, it shall be in the power of the court to render judgment for any sum above the amount found by such verdict as the actual damages sustained by the plaintiff, not exceeding three times the amount thereof, according to the circumstances of the case, with costs; and such damages may be recovered by action on the case, in any court of competent jurisdiction, to be brought in the name or names of the person or persons interested, whether as patentees, assignees, or as grantees of the exclusive right within and throughout a specified part of the United States.

SECTION 15. *And be it further enacted,* That the defendant in any such action shall be permitted to plead the general issue, and to give this act and any special matter in evidence, of which notice in writing may have been given to the plaintiff or his attorney, thirty days before trial, tending to prove that the description and specification filed by the plaintiff does not contain the whole truth relative to his invention or discovery, or that it contains

more than is necessary to produce the described effect; which concealment or addition shall fully appear to have been made for the purpose of deceiving the public, or that the patentee was not the original and first inventor or discoverer of the thing patented, or of a substantial and material part thereof claimed as new, or that it had been described in some public work anterior to the supposed discovery thereof by the patentee, or had been in public use or on sale with the consent and allowance of the patentee before his application for a patent, or that he had surreptitiously or unjustly obtained the patent for that which was in fact invented or discovered by another, who was using reasonable diligence in adapting and perfecting the same; or that the patentee, if an alien at the time the patent was granted, had failed and neglected, for the space of eighteen months from the date of the patent, to put and continue on sale to the public, on reasonable terms, the invention or discovery for which the patent issued; in either of which cases judgment shall be rendered for the defendant with costs. And whenever the defendant relies in his defence on the fact of a previous invention, knowledge, or use of the thing patented, he shall state, in his notice of special matter, the names and places of residence of those whom he intends to prove to have possessed a prior knowledge of the thing, and where the same had been used: *Provided however*, That whenever it shall satisfactorily appear that the patentee, at the time of making his application for the patent, believed himself to be the first inventor or discoverer of the thing patented, the same shall not be held to be void on account of the invention or discovery or any part thereof having been before known or used in any foreign country, it not appearing that the same or any substantial part thereof had before been patented or described in any printed publication. *And*

provided also, That whenever the plaintiff shall fail to sustain his action on the ground that in his specification of claim is embraced more than that of which he was the first inventor, if it shall appear that the defendant had used or violated any part of the invention justly and truly specified and claimed as new, it shall be in the power of the court to adjudge and award as to costs, as may appear to be just and equitable.

SECTION 16. *And be it further enacted*, That whenever there shall be two interfering patents, or whenever a patent on application shall have been refused on an adverse decision of a board of examiners, on the ground that the patent applied for would interfere with an unexpired patent previously granted, any person interested in any such patent, either by assignment or otherwise, in the one case, and any such applicant in the other case, may have remedy by bill in equity; and the court having cognizance thereof, on notice to adverse parties, and other due proceedings had, may adjudge and declare either the patents void in the whole or in part, or inoperative or invalid in any particular part or portion of the United States, according to the interest which the parties to such suit may possess in the patent or the inventions patented, and may also adjudge that such applicant is entitled, according to the principles and provisions of this act, to have and receive a patent for his invention, as specified in his claim, or for any part thereof, as the fact of priority of right or invention shall in any such case be made to appear. And such adjudication, if it be in favor of the right of such applicant, shall authorize the Commissioner to issue such patent, on his filing a copy of the adjudication, and otherwise complying with the requisitions of this act. *Provided however*, That no such judgment or adjudication shall affect the rights of any person except the parties to the ac-

tion and those deriving title from or under them subsequent to the rendition of such judgment.

SECTION 17. *And be it further enacted*, That all actions, suits, controversies, and cases arising under any law of the United States, granting or confirming to inventors the exclusive right to their inventions or discoveries, shall be originally cognizable, as well in equity as at law, by the circuit courts of the United States, or any district court having the power and jurisdiction of a circuit court; which courts shall have power, upon a bill in equity filed by any party aggrieved, in any such case, to grant injunctions, according to the course and principles of courts of equity, to prevent the violation of the rights of any inventor as secured to him by any law of the United States, on such terms and conditions as said courts may deem reasonable: *Provided however*, That from all judgments and decrees from any such court rendered in the premises, a writ of error or appeal, as the case may require, shall lie to the Supreme Court of the United States, in the same manner and under the same circumstances as is now provided by law in other judgments and decrees of circuit courts, and in all other cases in which the court shall deem it reasonable to allow the same.

SECTION 18. *And be it further enacted*, That whenever any patentee of an invention or discovery shall desire an extension of his patent beyond the term of its limitation, he may make application therefor, in writing, to the Commissioner of the Patent Office, setting forth the grounds thereof; and the Commissioner shall, on the applicant's paying the sum of forty dollars to the credit of the treasury, as in the case of an original application for a patent, cause to be published in one or more of the principal newspapers in the city of Washington, and in such other paper or papers as he may deem proper, published in the section

of country most interested adversely to the extension of the patent, a notice of such application and of the time and place when and where the same will be considered, that any person may appear and show cause why the extension should not be granted. And the Secretary of State, the Commissioner of the Patent Office, and the Solicitor of the Treasury shall constitute a board to hear and decide upon the evidence produced before them both for and against the extension, and shall sit for that purpose at the time and place designated in the published notice thereof. The patentee shall furnish to said board a statement, in writing, under oath, of the ascertained value of the invention, and of his receipts and expenditures, sufficiently in detail to exhibit a true and faithful account of loss and profit in any manner accruing to him from and by reason of said invention. And if, upon a hearing of the matter, it shall appear to the full and entire satisfaction of said board, having due regard to the public interest therein, that it is just and proper that the term of the patent should be extended, by reason of the patentee, without neglect or fault on his part, having failed to obtain, from the use and sale of his invention, a reasonable remuneration for the time, ingenuity, and expense bestowed upon the same, and the introduction thereof into use, it shall be the duty of the Commissioner to renew and extend the patent, by making a certificate thereon of such extension, for the term of seven years from and after the expiration of the first term; which certificate, with a certificate of said board of their judgment and opinion as aforesaid, shall be entered on record in the Patent Office; and thereupon the said patent shall have the same effect in law as though it had been originally granted for the term of twenty-one years. And the benefit of such renewal shall extend to assignees and grantees of the right to use

the thing patented, to the extent of their respective interests therein: *Provided however*, That no extension of a patent shall be granted after the expiration of the term for which it was originally issued.

SECTION 19. *And be it further enacted*, That there shall be provided for the use of said office, a library of scientific works and periodical publications, both foreign and American, calculated to facilitate the discharge of the duties hereby required of the chief officers therein, to be purchased under the direction of the Committee of the Library of Congress. And the sum of fifteen hundred dollars is hereby appropriated for that purpose, to be paid out of the patent fund.

SECTION 20. *And be it further enacted*, That it shall be the duty of the Commissioner to cause to be classified and arranged, in such rooms or galleries as may be provided for that purpose, in suitable cases, when necessary for their preservation, and in such manner as shall be conducive to a beneficial and favorable display thereof, the models and specimens of compositions and of fabrics and other manufactures and works of art, patented or unpatented, which have been, or shall hereafter be, deposited in said office. And said rooms or galleries shall be kept open during suitable hours for public inspection.

SECTION 21. *And be it further enacted*, That all acts and parts of acts heretofore passed on this subject be, and the same are hereby repealed: *Provided however*, That all actions and processes in law or equity sued out prior to the passage of this act may be prosecuted to final judgment and execution, in the same manner as though this act had not been passed, excepting and saving the application to any such action of the provisions of the fourteenth and fifteenth sections of this act, so far as they may be applicable thereto; *And provided also*, That all applications or

petitions for patents, pending at the time of the passage of this act, in cases where the duty has been paid, shall be proceeded with and acted on in the same manner as though filed after the passage hereof.

APPROVED July 4, 1836.

Repealed July 8, 1870. 16 Statutes at Large, Chap. 230, Section 111, p. 216.

PATENT ACT OF 1837

5 STATUTES AT LARGE, 191

An Act in addition to the act to promote the progress of science and useful arts

SECTION 1. *Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That any person who may be in possession of, or in any way interested in, any patent for an invention, discovery, or improvement, issued prior to the fifteenth day of December, in the year of our Lord one thousand eight hundred and thirty-six, or in an assignment of any patent, or interest therein, executed and recorded prior to the said fifteenth day of December, may, without charge, on presentation or transmission thereof to the Commissioner of Patents, have the same recorded anew in the Patent Office, together with the descriptions, specifications of claim and drawings annexed or belonging to the same; and it shall be the duty of the Commissioner to cause the same, or any authenticated copy of the original record, specification, or drawing which he may obtain, to be transcribed and copied into books of record to be kept for that purpose; and wherever a drawing was not originally annexed to the patent and referred to in the

specification, any drawing produced as a delineation of the invention, being verified by oath in such manner as the Commissioner shall require, may be transmitted and placed on file, or copied as aforesaid, together with certificate of the oath; or such drawings may be made in the office, under the direction of the Commissioner, in conformity with the specification. And it shall be the duty of the Commissioner to take such measures as may be advised and determined by the Board of Commissioners provided for in the fourth section of this act, to obtain the patents, specifications, and copies aforesaid, for the purpose of being so transcribed and recorded. And it shall be the duty of each of the several clerks of the judicial courts of the United States, to transmit as soon as may be, to the Commissioner of the Patent Office, a statement of all the authenticated copies of patents, descriptions, specifications, and drawings of inventions and discoveries made and executed prior to the aforesaid fifteenth day of December, which may be found on the files of his office; and also to make out and transmit to said Commissioner, for record as aforesaid, a certified copy of every such patent, description, specification, or drawing, which shall be specially required by said Commissioner.

SECTION 2. *And be it further enacted,* That copies of such record and drawings, certified by the Commissioner, or, in his absence, by the chief clerk, shall be *prima facie* evidence of the particulars of the invention and of the patent granted therefor in any judicial court of the United States, in all cases where copies of the original record or specification and drawings would be evidence, without proof of the loss of such originals; and no patent issued prior to the aforesaid fifteenth day of December shall, after the first day of June next, be received in evidence in any of the said courts in behalf of the patentee or other

person who shall be in possession of the same, unless it shall have been so recorded anew, and a drawing of the invention, if separate from the patent, verified as aforesaid, deposited in the Patent Office; nor shall any written assignment of any such patent, executed and recorded prior to the said fifteenth day of December, be received in evidence in any of the said courts in behalf of the assignee or other person in possession thereof, until it shall have been so recorded anew.

SECTION 3. *And be it further enacted,* That whenever it shall appear to the Commissioner that any patent was destroyed by the burning of the Patent Office building on the aforesaid fifteenth day of December, or was otherwise lost prior thereto, it shall be his duty, on application therefor by the patentee or other person interested therein, to issue a new patent for the same invention or discovery, bearing the date of the original patent, with his certificate thereon that it was made and issued pursuant to the provisions of the third section of this act, and shall enter the same of record: *Provided however,* That before such patent shall be issued the applicant therefor shall deposit in the Patent Office a duplicate, as near as may be, of the original model, drawings, and description, with specification of the invention or discovery, verified by oath, as shall be required by the Commissioner; and such patent, and copies of such drawings and descriptions, duly certified, shall be admissible as evidence in any judicial court of the United States, and shall protect the rights of the patentee, his administrators, heirs, and assigns, to the extent only in which they would have been protected by the original patent and specification.

SECTION 4. *And be it further enacted,* That it shall be the duty of the Commissioner to procure a duplicate of such of the models, destroyed by fire on the aforesaid fifteenth

day of December, as were most valuable and interesting, and whose preservation would be important to the public; and such as would be necessary to facilitate the just discharge of the duties imposed by law on the Commissioner in issuing patents, and to protect the rights of the public and of patentees in patented inventions and improvements: *Provided*, That a duplicate of such models may be obtained at a reasonable expense: *And provided also*, That the whole amount of expenditure for this purpose shall not exceed the sum of one hundred thousand dollars. And there shall be a temporary board of Commissioners, to be composed of the Commissioner of the Patent Office and two other persons to be appointed by the President, whose duty it shall be to consider and determine upon the best and most judicious mode of obtaining models of suitable construction; and also to consider and determine what models may be procured in pursuance of, and in accordance with, the provisions and limitations in this section contained. And said commissioners may make and establish all such regulations, terms, and conditions, not inconsistent with law, as in their opinion may be proper and necessary to carry the provisions of this section into effect, according to its true intent.

SECTION 5. *And be it further enacted*, That, whenever a patent shall be returned for correction and reissue under the thirteenth section of the act to which this is additional, and the patentee shall desire several patents to be issued for distinct and separate parts of the thing patented, he shall first pay, in manner and in addition to the sum provided by that act, the sum of thirty dollars for each additional patent so to be issued: *Provided however*, That no patent made prior to the aforesaid fifteenth day of December shall be corrected and reissued until a duplicate of the model and drawing of the thing as originally invented,

verified by oath as shall be required by the Commissioner, shall be deposited in the Patent Office:

Nor shall any addition of an improvement be made to any patent heretofore granted, nor any new patent be issued for an improvement made in any machine, manufacture, or process, to the original inventor, assignee, or possessor of a patent therefor, nor any disclaimer be admitted to record, until a duplicate model and drawing of the thing originally intended, verified as aforesaid, shall have been deposited in the Patent Office, if the Commissioner shall require the same; nor shall any patent be granted for an invention, improvement, or discovery, the model or drawing of which shall have been lost, until another model and drawing, if required by the Commissioner, shall, in like manner, be deposited in the Patent Office.

And in all such cases, as well as in those which may arise under the third section of this act, the question of compensation for such models and drawings shall be subject to the judgment and decision of the Commissioners, provided for in the fourth section, under the same limitations and restrictions as are therein prescribed.

SECTION 6. *And be it further enacted,* That any patent hereafter to be issued may be made and issued to the assignee or assignees of the inventor or discoverer, the assignment thereof being first entered of record, and the application therefor being duly made, and the specification duly sworn to by the inventor. And in all cases hereafter, the applicant for a patent shall be held to furnish duplicate drawings, whenever the case admits of drawings, one of which to be deposited in the office, and the other to be annexed to the patent, and considered a part of the specification.

SECTION 7. *And be it further enacted,* That, whenever any

patentee shall have, through inadvertence, accident, or mistake, made his specification of claim too broad, claiming more than that of which he was the original or first inventor, some material or substantial part of the thing patented being truly and justly his own, any such patentee, his administrators, executors, and assigns, whether of the whole or of a sectional interest therein, may make disclaimer of such parts of the thing patented as the disclaimant shall not claim to hold by virtue of the patent or assignment, stating therein the extent of his interest in such patent; which disclaimer shall be in writing, attested by one or more witnesses, and recorded in the Patent Office, on payment by the person disclaiming in manner as other patent duties are required by law to be paid, of the sum of ten dollars. And such disclaimer shall thereafter be taken and considered as part of the original specification, to the extent of the interest which shall be possessed in the patent or right secured thereby, by the disclaimant, and by those claiming by or under him subsequent to the record thereof. But no such disclaimer shall affect any action pending at the time of its being filed, except so far as may relate to the question of unreasonable neglect or delay in filing the same.

SECTION 8. *And be it further enacted,* That, whenever application shall be made to the Commissioner for any addition of a newly discovered improvement to be made to an existing patent, or whenever a patent shall be returned for correction and reissue, the specification of claim annexed to every such patent shall be subject to revision and restriction, in the same manner as are original applications for patents; the Commissioner shall not add any such improvement to the patent in the one case, nor grant the reissue in the other case, until the applicant shall have entered a disclaimer, or altered his specification of claim

in accordance with the decision of the Commissioner; and in all such cases, the applicant, if dissatisfied with such decision, shall have the same remedy, and be entitled to the benefit of the same privileges and proceedings as are provided by law in the case of original applications for patents.

SECTION 9. *And be it further enacted*, any thing in the fifteenth section of the act to which this is additional to the contrary notwithstanding, That, whenever by mistake, accident, or inadvertence, and without any wilful default or intent to defraud or mislead the public, any patentee shall have in his specification claimed to be the original and first inventor or discoverer of any material or substantial part of the thing patented, of which he was not the first and original inventor, and shall have no legal or just right to claim the same, in every such case the patent shall be deemed good and valid for so much of the invention or discovery as shall be truly and *bona fide* his own; *Provided*, It shall be a material and substantial part of the thing patented, and be definitely distinguishable from the other parts so claimed without right as aforesaid. And every such patentee, his executors, administrators, and assigns, whether of the whole, or of a sectional interest therein, shall be entitled to maintain a suit at law or in equity on such patent for any infringement of such part of the invention or discovery as shall be *bona fide* his own as aforesaid, notwithstanding the specification may embrace more than he shall have any legal right to claim. But, in every such case in which a judgment or verdict shall be rendered for the plaintiff, he shall not be entitled to recover costs against the defendant, unless he shall have entered at the Patent Office, prior to the commencement of the suit, a disclaimer of all that part of the thing patented which was so claimed without right. *Provided*

however, That no person bringing any such suit shall be entitled to the benefits of the provisions contained in this section, who shall have unreasonably neglected or delayed to enter at the Patent Office a disclaimer as aforesaid.

SECTION 10. *And be it further enacted*, That the Commissioner is hereby authorized and empowered to appoint agents, in not exceeding twenty of the principal cities or towns in the United States as may best accommodate the different sections of the country, for the purpose of receiving and forwarding to the Patent Office all such models, specimens of ingredients and manufactures, as shall be intended to be patented or deposited therein, the transportation of the same to be chargeable to the patent fund.

SECTION 11. *And be it further enacted*, That, instead of one examining clerk, as provided by the second section of the act to which this is additional, there shall be appointed, in manner therein provided, two examining clerks, each to receive an annual salary of fifteen hundred dollars; and also, an additional copying clerk, at an annual salary of eight hundred dollars. And the Commissioner is also authorized to employ, from time to time, as many temporary clerks as may be necessary to execute the copying and draughting required by the first section of this act, and to examine and compare the records with the originals, who shall receive not exceeding seven cents for every page of one hundred words, and for drawings and comparison of records with originals, such reasonable compensation as shall be agreed upon or prescribed by the Commissioner.

SECTION 12. *And be it further enacted*, That, wherever the application of any foreigner for a patent shall be rejected and withdrawn for want of novelty in the invention, pursuant to the seventh section of the act to which this is additional, the certificate thereof of the Commissioner

shall be a sufficient warrant to the treasurer to pay back to such applicant two-thirds of the duty he shall have paid into the treasury on account of such application.

SECTION 13. *And be it further enacted*, That in all cases in which an oath is required by this act, or by the act to which this is additional, if the person of whom it is required shall be conscientiously scrupulous of taking an oath, affirmation may be substituted therefor.

SECTION 14. *And be it further enacted*, That all moneys paid into the treasury of the United States for patents and for fees for copies furnished by the Superintendent of the Patent Office prior to the passage of the act to which this is additional, shall be carried to the credit of the patent fund created by said act; and the moneys constituting said fund shall be, and the same are hereby, appropriated for the payment of the salaries of the officers and clerks provided for by said act, and all other expenses of the Patent Office, including all the expenditures provided for by this act; and also for such other purposes as are or may be hereafter specially provided for by law. And the Commissioner is hereby authorized to draw upon said fund, from time to time, for such sums as shall be necessary to carry into effect the provisions of this act, governed, however, by the several limitations herein contained. And it shall be his duty to lay before Congress, in the month of January, annually, a detailed statement of the expenditures and payments by him made from said fund; And it shall also be his duty to lay before Congress, in the month of January, annually, a list of all patents which shall have been granted during the preceding year, designating, under proper heads, the subjects of such patents, and furnishing an alphabetical list of the patentees, with their places of residence; and he shall also furnish a list of all patents which shall have become public property

during the same period; together with such other information of the state and condition of the Patent Office as may be useful to Congress or the public.

APPROVED March 3, 1837.

Repealed July 8, 1870. 16 Statutes at Large, Chap. 230, Section 111, p. 216.

PATENT ACT OF 1839

5 STATUTES AT LARGE, 353

An Act in addition to "An act to promote the progress of the useful arts"

SECTION 1. *Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That there shall be appointed, in manner provided in the second section of the act to which this is additional, two assistant examiners, each to receive an annual salary of twelve hundred and fifty dollars.

SECTION 2. *And be it further enacted,* That the Commissioner be authorized to employ temporary clerks to do any necessary transcribing, whenever the current business of the office requires it; *Provided however,* That instead of salary, a compensation shall be allowed, at a rate not greater than is charged for copies now furnished by the office.

SECTION 3. *And be it further enacted,* That the Commissioner is hereby authorized to publish a classified and alphabetical list of all patents granted by the Patent Office previous to said publication, and retain one hundred copies for the Patent Office and nine hundred copies to be deposited in the library of Congress, for such distribution as may be hereafter directed; and that one